

April 2, 2025

Representative Marvin L. Abney
Chair
House Committee on Finance
RI State House
Providence, RI 02903

Re: High Rock Development letter of Support for H5741

Dear Chairman Abney:

I write today on behalf of my client, High Rock Development to enthusiastically support H5741. As you are aware High Rock has a plan to redevelop 111 Westminster Street into much needed housing.

The bill as drafted would allow qualified projects involving the development of housing and mixed-use projects, where twenty percent of the housing units are dedicated to affordable housing or workforce housing to receive a full Rebuild tax project credit of \$15M without being impacted by sales and use tax exemptions. This bill will spur the development of the 'Superman Building' without the state dedicating new money to the project and would assist other projects as well that meet the qualifications of this proposed legislation.

Since 2022, construction inflation has only increased the costs of financing this worthy project. The developer is doing their part to deal with increased costs and has increased their initial cash equity from \$21M to \$52M. The developer has expended funds throughout this debate to ensure the building did not fall into a state of disrepair where it could not be redeveloped. This has included demolition, beginning initial phases of construction, making sure the building is secured and expending funds on fees, permits and architects in addition to maintaining property taxes. As much work as can be done without closing the financing for the project is underway. This legislation, together with existing programs at the local, state, and federal level, is the last piece of the puzzle towards getting this project back on the track to completion as was contemplated in 2022.

There are many complicated layers to financing this project, but this piece would go a long way towards developing this meaningful project for the City of Providence and the State of Rhode Island. We hope to see you all at the ribbon cutting when the project is done and life returns to the City's center piece forever.

Sincerely,

Nicholas J. Hemond, Esq.
Capitol Communications Group