



My Ward Report for December 19, 2019

Dear Fellow East Siders:

Happy Holidays. I hope you and your families are enjoying a wonderful holiday season. As much has happened on City Council over the last several months, I want to give you a brief update on issues that impact Ward 2 and the City, including the Hotel Hive TSA; the Smart Hotel on the corner of Angell and Brook Street and the Fiscal Year 2020-2024 Capital Improvement Plan, specifically with regard to street and sidewalk repairs.

Hotel Hive Tax Stabilization Agreement

Mr. James Abdo, the Washington-based developer who built the Hotel Hive in Washington DC, is proposing to do an adaptive reuse of the historic building located at 203 Westminster Street. The current building, occupying the city block between City Hall and Westminster Street, was the home of the Kresge Department Store and the Providence Journal. It's been vacant for decades. The developer is proposing to build a microloft hotel with two bars (including a rooftop bar), a pizza joint and co-working space.

The developer bought the property in 2018 for approximately \$4.3 million. (As an aside, the developer of the Fane Tower has only paid a \$1,000 deposit on his proposed project to date.) The cost of the historic Hotel Hive renovation is \$39 million. The developer received \$6 million in Tax Increment Financing (TIF) from the Rhode Island Commerce Department and \$4.5 million in federal Historic Tax Credits. He requested a Tax Stabilization Agreement from the City which will stabilize the property taxes over a 20-year period, resulting in a \$2.6 million savings to the developer. The developer will still make tax payments over the 20-year period totaling approximately \$6 million. If the property remains undeveloped, the City will receive approximately \$3 million in taxes for the same period.

Pursuant to TSA agreement which was passed by City Council on December 10th, the developer is required to: 1) Make a good faith effort to award Minority and Women Business Enterprises no less than 10% of the dollar value of the construction costs; 2) Offer jobs first to residents of Providence in accordance with the City of Providence First Source Ordinance; 3) Purchase construction materials from economically competitive and qualified vendors located within the City of Providence; and 4) Ensure that 100% of hours worked on the project shall be performed by trade construction subcontractors who are affiliated with an apprenticeship program.

There was huge opposition from the Local 133, the hotel union. Their complaints stem from the fact that the requirements in the TSA's issued to date by the City have not been enforced, and that the jobs offered by the Hotels who have received TSA's are not quality jobs. To be clear, the City cannot legally require developers to use union labor.

I do not support handing out TSA's like candy, but I do know that in order for this City to prosper we need to provide appropriate economic incentives to build our tax base. After careful review of the financials, I believe that this project is not economically feasible without a TSA from the City, so I voted in favor of the TSA. With that said, I am alarmed that the City has not been enforcing the requirements of the existing TSA's and will work diligently with my council colleagues to make sure that we do a thorough review of what is working and what is not. I also will support other appropriate legislation that addresses the concerns of the residents in our city who work hard and still cannot make a decent wage.

Smart Hotel on Corner of Angell and Brook Streets

Mr. Edward Smart of Smart College Hotels applied for a Major Land Development for a 120 room, six story (70 foot) hotel and restaurant with 40 onsite parking spaces to be located on the congested corner of Brook and Angell Street. The developer was requesting (a) the demolition of three historic residential scale buildings in the College Hill National Register of Historic Landmark District; (b) a zoning change from Residential Professional (RP) to Commercial (C-2); (c) zoning relief for the height and parking; and (d) the issuance of a liquor license that is prohibited within 200 feet of the Wheeler School.

While many residents of College Hill liked the idea of having a boutique hotel near Brown University, the College Hill Neighborhood Association and the Providence Preservation Society opposed the project. I testified against the project at the Providence City Plan Commission hearing, specifically focusing on the zone change. In 2014, the City engaged in a robust stakeholder process to create our current Comprehensive Plan and Zoning Regulations. During that process, the stakeholders in the College Hill area felt strongly that a hard boundary of the C-2 district had to be drawn. That line has already moved once to Brook Street, it shouldn't be moved again. There is a steady erosion of the residential neighborhood surrounding the C-2 district. We as a City need to respect the planning process and honor its findings and we need to protect the residential and historic character of College Hill.

The City Plan Commission voted against the project and I have requested that the pending rezoning ordinance be denied by the City Council.

2020-2024 Capital Improvement Plan

Tonight, the City Council Finance Committee voted to approve the Fiscal Year 2020-2024 Capital Improvement Plan and to approve the proposal from the Mayor requesting

the Providence Building Authority to issue bonds to finance \$115 million for the first two years of the Plan.

The CIP plan provides for \$20M to be spent in 2020 for the repair of streets (\$62,700,000 total for 2020-2024) and another \$3M to be spent in 2020 for the repair of sidewalks (\$12,500,000 total for 2020-2024) Needless to say, these amounts are woefully short of the money needed to keep our streets and sidewalks in good repair.

Many of you have asked me whether your sidewalk is on “the list”. The City has done a complete city-wide evaluation of individual sidewalks. Unfortunately, the City has decided not to repair the sidewalks that are in the worst condition first, instead they are repairing long lengths of sidewalks that are in disrepair. Of course, this is not acceptable. We have to provide some cost-sharing opportunities for individuals who would like to repair their sidewalks. I will continue to advocate for alternatives.

I continue to advocate for repairs of the streets in Ward 2. Some of our major thoroughfares have been repaved such as Blackstone Boulevard, Rochambeau Avenue, and parts of Benefit and Hope Streets. Please keep reporting potholes by calling 311 or by reporting through the PVD311 App on your mobile phone. The City has been very responsive in getting the potholes filled. Finally, the City has been doing a better job of enforcing its contracts with National Grid and Providence Water, in particular the requirement to repave streets and sidewalks to the city’s standards after repair. I’d like to give a big shout out to Craig Hochman, Deputy Chief Engineer for the City of Providence for making this a priority.

I hope you and your families have a wonderful holiday. Please feel free to call me at (401) 489-2470, visit www.helenanthony.com, and/or or email me at helen@helenanthony.com with questions or comments.

Sincerely,

A handwritten signature in black ink that reads "Helen Anthony". The signature is written in a cursive, flowing style.