



DONALD R. GREBIEN
MAYOR

CITY OF PAWTUCKET

RHODE ISLAND

DEPARTMENT OF PLANNING AND REDEVELOPMENT

SANDRA C. CANO
COMMERCE DIRECTOR

BIANCA M. POLICASTRO
PLANNING DIRECTOR

August 1, 2022

The Honorable Members of
The Pawtucket City Council
City of Pawtucket
137 Roosevelt Avenue
Pawtucket, RI 02860

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Dear Honorable City Council Members:

As the Director of Commerce for the City of Pawtucket I am pleased to update you on the Tidewater Landing Development. On Monday, July 25th the Commerce Rhode Island Board voted in favor of amending the previously approved funding application presented by Fortuitous and the City of Pawtucket. The gap in funding, which initially came as a result of inflationary construction cost was addressed through a private-public partnership that combines significant additional private investment from Fortuitous Partners and expanded use of Pawtucket's TIF authority.

Through the process of addressing the funding gap, the CommerceRI Board has shifted state funding for the project totaling \$27 million. I want to thank Fortuitous Partners, the Governor and his team, and Commerce RI led by Secretary Tanner for working tirelessly to make this project a reality through ensuring the creation of this new site of excitement, entertainment, waterfront access, retail, and housing.

I am pleased to follow up on our previous conversations from July 7th regarding this gateway project that, through our partnerships and willing parties, Fortuitous has agreed to add more workforce housing to future phases of Tidewater Landing. We know that our community needs more affordable housing, workforce housing, and housing in general, and are excited to see this prioritized in the project as a whole. The Tidewater Landing Development remains a great project for Pawtucket and the betterment of our community, however, it is also a project for the entire State providing a gateway to our amazing community for all visitors. This project remains an important development that serves as a gateway to Rhode Island as a whole by providing various opportunities for residents and visitors alike.

I would like to, on behalf of the Administration, address the matters of additional local funding for this development. In reference to the additional funding, it is important to note that no existing Pawtucket taxpayers will be contributing to this project. We are exploring a number of options including altering the stadium's tax stabilization agreement and including additional incremental and property tax revenue from within the TIF district along with federal grants (as supported by the attached). We will make the best decision to protect the taxpayers, in collaboration with you. It is the goal of the Administration, as we know it is with this Council, to always protect the taxpayers. To that end, we request that the Council schedule a Finance Committee session at your next meeting to amend the tax treaty on the stadium to increase the revenue to the City of Pawtucket.

We are looking forward to the construction of this stadium to kick into full swing and begin to provide the much-needed jobs for Pawtucket and Rhode Island. We know that the best way to stave off the impacts of an economic recession is to make sure that we can provide job opportunities for residents. Based on projections by the State and Fortuitous, the development will provide over 2000 direct and indirect construction jobs and 940 direct and indirect permanent jobs. The next phase of this project will be huge for our city and the surrounding development that will come as a result of the stadium, recreation, entertainment, and retail located at the site.

On behalf of the Administration, I want to thank you for your partnership on this and the willingness to work with Fortuitous to provide a new site of excitement and sports-based entertainment for our community. Friday, August 12th with the groundbreaking ceremony scheduled for the development, will be an important milestone for Pawtucket and I look forward to everyone being there as we celebrate such an important achievement.

As we move forward with this process, I look forward to continuing to work with the Council and will be in communication on any future needs in relation to the development as a whole. Please feel free to reach out to my department with any questions.

Sincerely,



Sandra Cano

Director of Commerce

CC: Donald R. Grebien, Mayor

Dylan M. Zelazo, Director of Administration

Brett Johnson, Founder and CEO of Fortuitous Partners

Daniel Kroeber, Director of Development, Managing Partner at Fortuitous Partners

Liz Tanner, Commerce Secretary

Jeremy Savage, Managing Partner at Savage Law Partners, LLP

Karen Grande, Partner at Locke Lord



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July 14, 2022

Dear Secretary Tanner,

I understand that the Commerce RI board of directors has asked for information regarding the proposed source of funding for the City of Pawtucket's (the "City's") additional \$10 million commitment to the Fortuitous/Tidewater project.

The City has multiple avenues from which it could choose to fund its \$10 million contribution to the Tidewater stadium. These avenues include various bond financing structures.

It is my understanding that the City is most likely to avail itself of a municipal tax increment financing structure pursuant to Rhode Island General Laws 45-33.2 (the "Municipal TIF Statute"), primarily pledging incremental real and personal property taxes levied on the stadium and surrounding properties within the Growth Center District and the Arts District described in the City of Pawtucket Downtown Redevelopment Statute, Rhode Island General Laws Chapter 45-33.4 (the "SuperTIF Statute"). To the extent needed in order to secure the financing, the City may pledge other City Economic Activity Taxes, as provided in the SuperTIF Statute, and may appropriate other City revenues in order to offer sufficient debt service coverage to market the bonds.

The City reserves the right to use any other alternative funding sources at its disposal in order to fund its \$10 million commitment in its sole discretion and based on the best interests of its taxpayers.

I hope this letter is helpful to you and to Commerce RI in its consideration of this important project.

Very truly yours,

A handwritten signature in blue ink that reads "Karen S.D. Grande".

Karen S.D. Grande