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Federal tax incentives bring new development to Pawtucket's downtown - by Donald Grebien

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Mayor of Pawtucket

Pawtucket's four opportunity zones are strategically located in areas of the city where increased investment would have the maximum impact and reinforce existing local and state incentives. These four zones are divided into three separate and distinct districts, identified as the Waterfront Gateway District, Historic Downtown Redevelopment District and the Conant Thread Expansion District. Their locations were determined by land use and existing boundaries of regions within the city. Each district has unique characteristics that can enable different types of development and redevelopment projects.

Private investors can take full advantage of the federal opportunity zone tax credit program, allowing them to direct capital gains into equity investments in qualified projects within designated opportunity zones.

This economic development program has the potential to attract private investment for business expansion, startup creation, and real estate development; promote synergy with state and local efforts; and support the needs of local communities.

The city focused its opportunity zone priorities on areas of the city which offered the greatest investment potential, particularly given the new commuter rail scheduled for 2022, the riverfront properties and the wealth of historically rich assets in the city's downtown. The city is seeing investment interest in all of the opportunity zones and new interest in its downtown. Developers are betting that Pawtucket's historic downtown properties, just minutes from the city's future commuter rail station, located just off I-95, affordable, and now eligible for new federal tax incentives, are a good investment to purchase.

Pawtucket like many urban communities, has properties scattered throughout its downtown that are vacant and underutilized. A number of these properties have recently been purchased for redevelopment or are under agreement.

Here's just a sampling...

For years, the five-story, Colonial Romanesque Revival style, Pawtucket Times Building, completed in 1895 and which served as the headquarters of the Pawtucket Times, was virtually vacant. Just last month, New Hampshire developer Brian Thibault purchased the 41,000 s/f historic commercial property, just a five-minute walk to Pawtucket's proposed commuter rail. He plans to bring the building, at 23 Exchange St., back to life as a mixed-use development with retail on the first floor and residential apartments on the upper floors.

Almost a year ago, Providence developers Cynthia Langlykke and Manny Cabral purchased the three floor, 9,000 s/f historic Beswick Building, built in 1891 for mixed commercial and residential use. The third and fourth floors of the property have been vacant for over 40 years.

After purchasing two commercial properties on Summer St. in 2016, Central Falls Developer Leslie Moore purchased two more historic buildings. In 2017, she purchased a former Pacific National Bank, built in 1840. The 22,000 s/f, five-story gothic/late Victorian style office building provides space for up to 12 small businesses. One year later, Moore purchased the historic Grant Building, built for the W.T. Grant Company in 1934 which she is redeveloping into a mixture of food and beverage, retail and co-working spaces.

Michael Leshinsky and John Rich have signed a purchase and sale agreement to buy 25 Maple St. and 217 Main St., that formerly housed the Narragansett Bay Insurance Co. They plan to bring commercial tenants to the 37,800 s/f of space available at these properties.

For details about Pawtucket's opportunity zones and downtown development opportunities in Pawtucket, contact commerce director Jeanne Boyle at jboyle@pawtucketri.com.

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