For immediate release

STYCOS ASKS WHY CRANSTON WAITED THREE YEARS TO NEGOTIATE JOHNSON & WALES PAYMENT IN LIEU OF TAXES AGREEMENT

CRANSTON, RI —Johnson & Wales University owes the City of Cranston at least $600,000, says Democratic City Council candidate Steven Stycos, and Mayor Kenneth Hopkins owes Cranston residents an explanation for his failure to collect it.

In mid-September, after noticing that the current Cranston budget had no payment listed from the university, Stycos criticized Hopkins for failing to secure a payment in lieu of taxes agreement to compensate the city for police, fire, and other services. The university owns about $40 million of property in Cranston including part of its Harborside campus and buildings on Narragansett Boulevard. But as a tax exempt institution, the university pays no property taxes. Hopkins responded to Stycos' criticism by saying his administration is currently in negotiations with the university for just such an agreement.

"What has he been doing for the last three years?" Stycos asks, noting that the university paid the city about $200,000 a year as part of a 10-year agreement negotiated by then Mayor Allan Fung that expired in June 2023.

That agreement included a written promise that the university would negotiate a successor 10-year agreement to begin in July 2023. The Fung era agreement also states, "it being the intent of the parties, that this Memorandum is to be extended for successive ten year terms upon similar and mutually agreeable terms."

"Hopkins should have been negotiating in early 2023, not waiting until now," Stycos says, adding that due to inflation, a "similar" agreement should be for more than $200,000 a year. In addition, Stycos says, Johnson & Wales should make a retroactive payment of at least $600,000 to compensate Cranston for the three years the university made no payment, yet received police, fire, ambulance and other city services. "Anything less would be a violation of the first agreement," he argues.

Johnson & Wales University currently pays the City of Providence $636,000 a year as part of a 20-year agreement that also includes payments in lieu of taxes from Brown University, Providence College, and the Rhode Island School of Design.

Steven Stycos is one of six candidates in the November election running for three citywide seats on the Cranston City Council.

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