



**DONALD R. GREBIEN
MAYOR**



December 10, 2018

Mr. Stefan Pryor
Commerce Secretary
R.I. Commerce Corp.
Iron Horse Way
Providence, RI

Dear Secretary Pryor,

Stefan

Thank you for your ongoing commitment to the City of Pawtucket. As I have expressed on numerous occasions and shared with everyone copied on this letter, Hasbro, Pawtucket's largest employer, is an important anchor for Pawtucket and the Blackstone Valley. Our communities have embraced them and are proud to be their home. Our communities understand the enormous positive impact that they have on our community. Keeping Hasbro in Pawtucket is of utmost importance for the stability of Pawtucket, East Providence, Central Falls, and the Blackstone Valley, which is why there is no higher priority than finding an exemplary plan that ensures that they grow and succeed here.

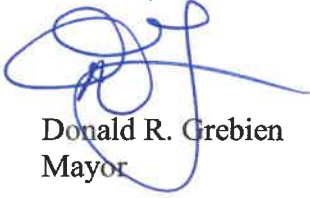
Hasbro's relocation will have a substantial negative impact on our communities. Per the Camoin Associates initial impact study attached, Pawtucket, East Providence, and Central Falls stand to lose 1513 total jobs and \$60,246,041 in earnings. This will drastically impact the economies of three communities whose median incomes fall well below the State average. We are in the process of compiling more information than the preliminary data attached to this letter. It does not include the impacts of losing the largest property taxpayer in the city, or the indirect impacts associated with the closure of the Hasbro facilities in the three communities. These are challenging times and without your support and commitment we will lose Hasbro. The likelihood is slim for another company with the global brand recognition and magnitude of Hasbro to backfill this loss.

The City of Pawtucket and the Blackstone Valley cannot afford another loss, especially Hasbro and the value this Intellectual giant has brought to our communities for decades as it goes beyond the financials. The company has exhibited honorable corporate citizenship and connected with our City's schools and non-profits. Their loss would truly inhibit our entire community which is why we are willing to work to relocate them to our Downtown where we can create a district destination coupled with our ongoing transit oriented development. We need your leadership and support from the State in providing a definitive plan for the company to remain and grow in Pawtucket.

The City understands that Hasbro is focused on delivering a fully updated, connected and flexible workspace for all of their employees, and want to find the right solution that will

ultimately create the best corporate headquarters for Hasbro in the future. We want to be a part of that future. If we get the State's support and commitment, we will be a part of that future.

Sincerely,



Donald R. Grebien
Mayor

Cc: Her Excellency, Gina M. Raimondo, Governor of Rhode Island
The Honorable Nicholas Mattiello, Speaker of the House of Representatives
The Honorable Dominick J. Ruggerio, Senate President
Tom Courtney, Executive Vice President Global Operations-Hasbro
The Honorable James A. Diossa, Mayor of the City of Central Falls
The Honorable Roberto DaSilva, Mayor of the City of East Providence
Members of the Pawtucket City Council
Members of the Pawtucket State Delegation

MEMORANDUM

TO: Mayor Donald R. Grebien
FROM: Jeanne M. Boyle, Commerce Director
DATE: December 6, 2018
RE: Economic Impact of Hasbro Relocation

As we have discussed for the past several weeks, there have been a number of unconfirmed rumors regarding the potential relocation of Hasbro from its locations in Pawtucket, East Providence and Central Falls. It is our understanding that Hasbro may be contemplating the development of a consolidated facility that incorporates all of its RI operations in one location.

Per your request, I contacted the firm of Camoin Associates and asked them to perform an economic impact analysis of how such a relocation would affect the Blackstone Valley in particular the communities of Pawtucket, East Providence and Central Falls. Camoin is a highly respected economic development consulting firm which specializes in economic and fiscal impact studies and their work has been featured in notable publications such as Forbes, the Wall Street Journal and the New York Times.

I asked Camoin to divide their work in two phases with the first phase to address the economic impact of the job loss in each community and the second phase to address the community and Blackstone Valley regional secondary impact upon businesses and property values. At this time only the first phase of the study is complete and a summary memo is attached.

Phase One of the Camoin study revealed the following economic impacts:

-Pawtucket	1074 total jobs lost	\$41,049,759 loss of earnings
-East Providence	435 total jobs lost	\$19,045,379 loss of earnings
-Central Falls	4 total jobs lost	\$150,903 loss of earnings
-Total community	1513 jobs lost	\$60,246,041 loss of earnings

As mentioned above, this phase of the study does not address the indirect impacts associated with the closure of the Hasbro facilities in the three communities and the region. It will be challenging to find another use for the Pawtucket and East Providence facilities, in particular for a company with wage and salary levels comparable to Hasbro. A prolonged vacancy for

these properties will have negative impacts upon the property values for abutting properties and will certainly negatively affect the nearby businesses. These secondary impacts will be analyzed and defined in the next phase of the Camoin study which should be complete by month's end.

Without doubt, this will be another devastating economic blow for the City of Pawtucket to lose its largest employer, whose employees are among the highest paid in the City. Additionally, Hasbro has been a corporate presence in the City for many decades contributing to a number of local non-profits and City schools and certainly forming a large part of the City's identity.

Please let me know if you have any questions regarding the results of the Camoin report or the scope of the next phase of their analysis.

cc. Dylan Zelazo, Director of Administration



Main Office:
120 West Avenue, Suite #303
Saratoga Springs, NY 12866
Phone: 518.899.2608
Fax: 512.777.5045

Regional Offices:
Portland, ME
Boston, MA
Brattleboro, VT
Richmond, VA

MEMORANDUM

To: Jeanne M. Boyle, Commerce Director
From: Camoin Associates - Christa Ouderkirk Franzl
Date: 12/4/2018
Re: **Hasbro Relocation – Economic Impact Modeling**

The City of Pawtucket retained Camoin Associates to model the economic impact of a scenario in which Hasbro consolidates its operations in the City of Providence, RI. The assumed job loss/gain for the four affected communities is shown in Table 1.

Table 1

Community	Job Loss/Gain
Pawtucket	-1,000
East Providence	-400
Central Falls	-4
Providence	1,404

Source: City of Pawtucket, Confirmed by Hasbro

Table 2: Economic Impact Results

Pawtucket	Earnings	Jobs
Direct	(\$38,364,261)	-1,000
Indirect	(\$2,685,498)	-74
Total	(\$41,049,759)	-1074

Central Falls	Earnings	Jobs
Direct	(\$147,944)	-4
Indirect	(\$2,959)	0
Total	(\$150,903)	-4

East Providence	Earnings	Jobs
Direct	(\$17,472,825)	-400
Indirect	(\$1,572,554)	-35
Total	(\$19,045,379)	-435

The emsi economic impact model was employed to determine the expected change in jobs and earnings if Hasbro consolidates its operations in Providence. The results of the modeling are provided in Table 2.