

RHODE ISLAND COMMERCE CORPORATION

AGENDA

October 23, 2023

- Call to order and opening remarks.
- Tab 1: To consider for approval meeting minutes.
- Tab 2: To consider an award to Norpak, LLC under the Rhode Island Qualified Jobs Incentive Act.*
- Tab 3: To consider an amendment to the award to Infinity Meat Solutions, LLC under the Rhode Island Qualified Jobs Incentive Act.*
- Tab 4: To consider the extension of a contract with The Cadmus Group, LLC.
- Tab 5: To consider Innovation Vouchers for approval.*
- Tab 6: To consider a subgrant to the City of Woonsocket to engage in outreach efforts relative to the Affordable Connectivity Program.
- Tab 7: To consider an amendment to the Corporation's pension plan.
- Tab 8: To receive an update on the Initial Plan to be submitted for the Broadband Equity, Access, and Deployment Program.
- Tab 9: To consider the utilization of the Corporation's incentive programs for the investment of public funds.*

*Board members may convene in Executive Session pursuant to R.I. Gen. Laws § 42-46-5(a)(7) to consider this Agenda item.

TAB 1

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

OCTOBER 23, 2023

APPROVED

VOTED: To approve the public session meeting minutes for the September 18, 2023 meeting as presented to the Board.

RHODE ISLAND COMMERCE CORPORATION
MEETING OF DIRECTORS
PUBLIC SESSION
September 18, 2023

The Board of Directors of the Rhode Island Commerce Corporation (the "Corporation") met on September 18, 2023, in Public Session, beginning at 5:00 p.m., pursuant to the public notice of meeting, a copy of which is attached hereto as **Exhibit A**, as required by applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Daniel J. McKee, Elizabeth Catucci, David Chenevert, Dr. Brenda Dann-Messier, Mary Jo Kaplan, An Le, George Nee, Carol O'Donnell, Donna Sams, Bill Stone, and Karl Wadensten.

Directors absent were: Michael Solomon.

Also present were: Secretary of Commerce Elizabeth Tanner; William Ash, Interim President & COO; and Christopher J. Fragomeni, Esq.

1. **CALL TO ORDER AND OPENING REMARKS.**

The Governor called the meeting to order at 5:04 p.m., indicating that a quorum was present.

2. **TO CONSIDER FOR APPROVAL MEETING MINUTES.**

Upon motion duly made by Dr. Dann-Messier and seconded by Mr. Stone, the following vote was adopted:

VOTED: To approve the public session meeting minutes for the August 8, 2023 meeting as presented to the Board.

Voting in favor of the foregoing were: Elizabeth Catucci, David Chenevert, Dr. Brenda Dann-Messier, Mary Jo Kaplan, An Le, George Nee, Carol O'Donnell, Donna Sams, Bill Stone, and Karl Wadensten.

Voting against the foregoing were: none.

3. **TO CONSIDER THE CORPORATION'S ANNUAL FINANCIAL STATEMENTS.**

Justin Medeiros, the Corporation's Chief Financial Officer, explained that Marcum, LLP ("Marcum") is the Corporation's auditor. He introduced Jim Wilkinson, a partner at Marcum and the lead auditor for the Corporation. Mr. Medeiros gave an overview of the budget and highlighted the main drivers of financial activity at the Corporation. He noted that over the past few years, both the CARES Act and APRA increased the Corporation's funding and expanded its balance sheet from approximately \$72.8 million to \$185.4 million. He recounted that the Corporation

received and expended \$84 million in CARES Act funding. Further, he stated, the Corporation received \$42.9 million and recognized \$32 million in ARPA funding. He discussed how that funding is recognized as income pursuant to audit principles. He also noted other programs that will increase funding to the Corporation, including SSBCI 2.0, which totals \$61 million in funding.

Mr. Medeiros reviewed the Corporation's statement of net positions, noting that current assets have increased due to an increase in restricted cash, which is funding for programs and grants that has not yet been deployed, such as the RebuildRI program. He also stated that while current liabilities have increased, total noncurrent liabilities has decreased \$3.7 million. Mr. Medeiros indicated that operating revenues are offsetting operating expenses, which are higher this year due to increased personnel and increased contracting. He stated that nonoperating revenues have decreased, due to a reduction in appropriations.

Mr. Wilkinson thanked the Corporation's management's cooperation and promptness. He noted that the financial audit work is complete, and that the audit must also be approved by the State's Auditor General and the Department of Administration. He expected that Marcum will provide an unmodified, clean opinion as to the financial statements. He did not identify any material weaknesses or violation of laws or regulations. In response to a question by Mr. Stone, Mr. Wilkinson stated that there are anticipated to be minor changes in accounting standards which will not likely be issues for the Corporation.

Upon motion duly made by Ms. Sams and seconded by Dr. Dann-Messier, the following vote was adopted:

VOTED: To approve the Corporation's annual financial statements in a form substantially similar to that submitted to the Board.

Voting in favor of the foregoing were: Elizabeth Catucci, David Chenevert, Dr. Brenda Dann-Messier, Mary Jo Kaplan, An Le, George Nee, Carol O'Donnell, Donna Sams, Bill Stone, and Karl Wadensten.

Voting against the foregoing were: none.

4. **TO AMEND A LEASE AGREEMENT BETWEEN THE RHODE ISLAND COMMERCE CORPORATION AND FMR RHODE ISLAND, LLC TO ALLOW FOR THE TRANSFER OF CERTAIN REAL PROPERTY LOCATED IN SMITHFIELD, RI TO FMR RHODE ISLAND, LLC.**

Mr. Ash recounted that, in 1996, bonds were issued in the amount of \$25 million for FMR Rhode Island, LLC ("FMR")—also known as Fidelity—to acquire 319 acres in Smithfield, Rhode Island and to construct Fidelity's campus. Later, he stated, another sixty acres were purchased with the proceeds of a \$10 million bond. Mr. Ash indicated that the \$25 million bond has now been paid in full, and the \$10 million bond has only approximately \$3.6 million outstanding.

Mr. Ash explained that FMR, due to remote work and changing work environments, no longer needs a part of its campus—100 Salem Street—and desires to donate that parcel to Bryant

University to be used by its finance department for undergraduate classes and training. FMR also wishes to sell 3.6 acres of its campus to Navigant Credit Union (“Navigant”), its neighbor, so that Navigant can expand its operations. In response to a question by Mr. Le, Mr. Ash stated that the remainder of the campus will continue to serve as collateral for any outstanding bonds.

Upon motion duly made by Mr. Wadensten and seconded by Dr. Dann-Messier, the following vote was adopted:

VOTED: To approve the amendment of a lease agreement between the Rhode Island Commerce Corporation and FMR Rhode Island, LLC to allow for the transfer of certain real property located in Smithfield, RI to FMR Rhode Island, LLC pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Elizabeth Catucci, David Chenevert, Dr. Brenda Dann-Messier, Mary Jo Kaplan, An Le, George Nee, Carol O’Donnell, Donna Sams, Bill Stone, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the resolution is attached hereto as **Exhibit B**.

5. **TO RECEIVE AN UPDATE ON RECENT SUPPORT PROVIDED TO BUSINESSES.**

Mr. Ash stated that several incidents occurred over the past month, the first being a fire on Block Island. He explained that on the Monday following the fire—which occurred on a Friday and Saturday—the Lieutenant Governor; Mark Hayward, from the U.S. Small Business Administration (“SBA”); Mr. Ash; and representatives from the State’s Emergency Management Agency, Department of Business Regulation, and Department of Labor and Training met with New Shoreham’s Town Manager to fact-find, understand what occurred, tour the site where the fire occurred, and meet with businesses that had been directly impacted by the fire. He noted that the State has allocated up to \$500,000 to assist companies until they can obtain a disaster loan with the SBA. He noted that he met with six companies, three of which submitted applications, and that to date, funding has been disbursed to two of the companies.

Mr. Ash also addressed the flooding that occurred on Branch Avenue. He indicated that a meeting has been set for the Thursday following this meeting to meet with companies that were directly impacted by the floods. He also noted that staff is working on a program to assist companies that were involved in PVD Fest and experienced a destruction of their assets from the torrential rains.

The Governor thanked Mr. Ash and Secretary Tanner for their responsiveness to these companies.

There being no further business in public session, the meeting was adjourned by unanimous consent at 5:31 p.m. upon motion made by Dr. Dann-Messier and seconded by Mr. Wadensten.

Christopher J. Fragomeni, Secretary

SEPTEMBER 18, 2023 PUBLIC SESSION MEETING MINUTES

EXHIBIT A

RHODE ISLAND COMMERCE CORPORATION
PUBLIC NOTICE OF MEETING

A meeting of the Board of Directors of the Rhode Island Commerce Corporation (“Corporation”) will be held on **September 18, 2023** beginning at **5:00 p.m.** at the offices of the Corporation, 315 Iron Horse Way, #101, Providence, RI 02908. The meeting will be held for the following purposes:

1. To consider for approval meeting minutes.
2. To consider the Corporation’s annual financial statements.*
3. To amend a lease agreement between the Rhode Island Commerce Corporation and FMR Rhode Island, LLC to allow for the transfer of certain real property located in Smithfield, RI to FMR Rhode Island, LLC.*
4. To receive an update on recent support provided to businesses.
5. To consider the utilization of the Corporation’s incentive programs for the investment of public funds.*

*Board members may convene in Executive Session pursuant to R.I. Gen. Laws § 42-46-5(a)(5) and/or (a)(7) to consider the investment of public funds or the disposition of publicly held property in regards to this Agenda item.

This notice shall be posted at the office of the Corporation, at the State House, and by electronic filing with the Secretary of State’s Office.

Savage Law Partners, LLP,
Counsel to the Corporation

The location is accessible to the handicapped. Those requiring interpreter services for the hearing impaired must notify the Rhode Island Commerce Corporation at 278-9100 forty-eight (48) hours in advance of the meeting. Also, for the hearing impaired, assisted listening devices are available onsite, without notice, at this location.

Dated: September 14, 2023.

SEPTEMBER 18, 2023 PUBLIC SESSION MEETING MINUTES

EXHIBIT B

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING LEASE AMENDMENT AND
SALE OF REAL PROPERTY

September 18, 2023

WHEREAS: The Rhode Island Commerce Corporation (the "Corporation") was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island (the "State") under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the "Enabling Act"); and

WHEREAS: The Corporation entered into a lease agreement (as amended, the "Lease") with FMR Rhode Island, Inc., now known as FMR Rhode Island, LLC ("FMR"), dated as of May 28, 1996, with respect to certain properties located in Smithfield Rhode Island as more particularly described in the Lease, which properties are owned by the Corporation (the "Properties"); and

WHEREAS: The Corporation is empowered to sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of all or any part of its property and assets for any consideration and upon any terms and conditions as the Corporation shall determine pursuant to R.I. Gen. Laws § 42-64-6; and

WHEREAS: FMR has requested that the Corporation amend the Lease to allow for the transfer of a portion of the Properties to FMR including, but not limited to, (a) property commonly known as 100 Salem Street, the adjacent parking garage and remaining land parcel, consisting of approximately 29.6 acres, and (b) approximately 3.62 acres known as Lot 106B on Assessor's Map 49 (see Exhibit A attached hereto); and

WHEREAS: The Board of Directors of the Corporation received a presentation from staff recommending the amended of the Lease and transfer of a portion of the Properties as recommended by staff.

NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

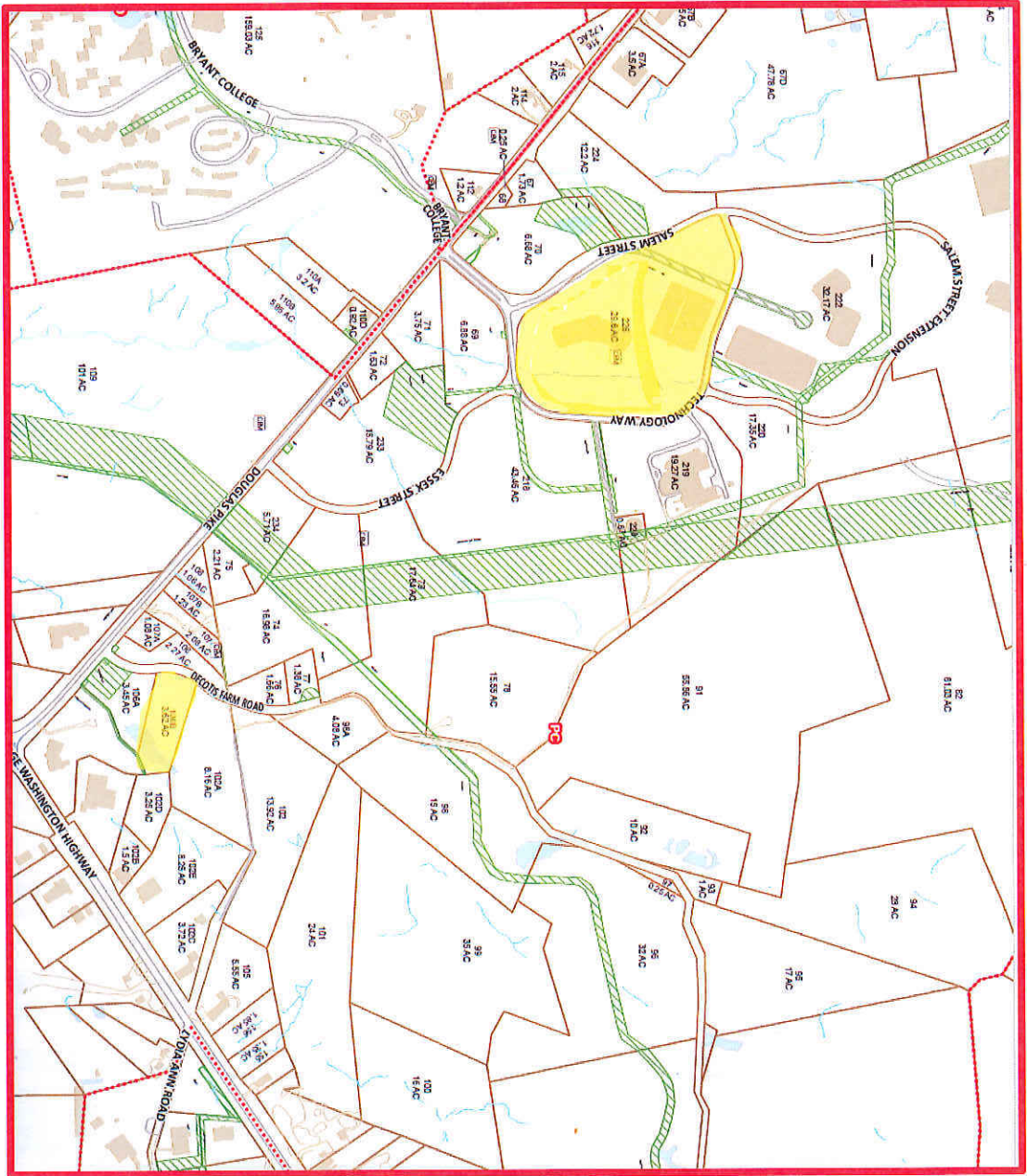
RESOLVED:

1. The Corporation is authorized to amend the Lease as appropriate to permit the transfer a portion of the Properties to FMR and to convey such portions of the Properties as deemed appropriate by an Authorized Officer in his or her discretion, subject to the payment by FMR of all of the Corporation's fees, costs and expenses incurred in connection with the transactions contemplated hereby.
2. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Executive Vice President Investment (the "Authorized Officers"). Any one

of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same. Stacy Farrell is appointed as the Assistant Secretary for all purposes under or in connection with this Resolution.

3. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.
4. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.
5. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.

EXHIBIT A



TAB 2

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

OCTOBER 23, 2023

APPROVED

VOTED: To approve an award to Norpak, LLC under the Rhode Island Qualified Jobs Incentive Act pursuant to the resolution submitted to the Board.

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE QUALIFIED JOBS TAX CREDIT ACT
October 23, 2023

WHEREAS: The Rhode Island Commerce Corporation (the “Corporation”) was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island (the “State”) under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the “Enabling Act”); and

WHEREAS: Chapter 48.3 of Title 44 of the General Laws of Rhode Island (the “Act”), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to the creation of new jobs in the State; and

WHEREAS: The Corporation received an application for incentives under the Act from Norpak, LLC, (together with affiliates, successors and assigns, the “Recipient”), which is anticipated to result in the creation of new full-time jobs in the State; and

WHEREAS: The Corporation’s Investment Committee has reviewed and considered the proposed incentives to the Recipient and has voted to recommend to the Board of Directors (the “Board”) of the Corporation the approval of the incentives; and

WHEREAS: The Board has received a presentation detailing the proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of incentives to the Recipient in accordance with the Act.

NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

RESOLVED:

1. To accomplish the purposes of the Enabling Act and the Act, the Corporation approves the issuance of tax credits to the Recipient up to the amount of seventy-five (75) jobs; and
2. The authorization provided herein is subject to the following conditions:
 - a. The execution of an incentive agreement between the Corporation and the Recipient meeting the requirements of the Act in such form and with such provisions as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;
 - b. The creation of not less than the minimum required new full-time jobs under the Act, which earn no less than the median hourly wage as most recently reported by the United States Bureau of Labor Statistics for the State of Rhode Island; and

- c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.
3. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient has demonstrated an intention to create the requisite number of new full-time jobs as required under the Act; (d) the creation of the new full-time jobs would not occur in the State but for the provision of the tax credits under the Act and (e) good cause exists to extend the time that the company will have for the filing its initial request for certification as permitted under 870-RICR-30-00-4.16 for a period of up to one year.
 4. Prior to the execution of an incentive agreement with the Recipient, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of the incentives will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 1).
 5. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Executive Vice President Investment (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.
 6. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.

7. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.
8. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.
9. This Resolution shall take effect immediately upon passage.

EXHIBIT 1

Rhode Island Commerce Corporation
Qualified Jobs Incentive Tax Credits – Economic Impact Analysis
Norpak LLC Application

Introduction

The Rhode Island Commerce Corporation (“Corporation”) may issue Qualified Jobs Incentive tax credits to Norpak LLC (“Norpak”) a manufacturer of food packaging products (including food wrapping paper and paper bags) founded in 1952. Norpak is proposing to relocate its manufacturing operations from Newark, New Jersey to an existing industrial building in West Kingston, Rhode Island that it plans to acquire and renovate in 2024.

Norpak is requesting that the Corporation issue Qualified Jobs Incentive tax credits in conjunction with its plans to employ 40 workers in Rhode Island in 2026, rising to 65 in 2026 and 75 in 2027. The Company is requesting Qualified Jobs Incentive tax credits with an estimated value of \$768,000 over ten years.

This analysis was prepared by Appleseed, a consulting firm with more than twenty-five years of experience in economic impact analysis.

Jobs Analysis

Initial capital costs

As shown below in Table 1, Norpak estimates that it would invest approximately \$14.5 million in renovating, fitting out and equipping its new facility in West Kingston.

Table 1: Initial capital investment (in \$ millions of 2024 dollars)

	Cost
Acquisition	\$7.5
Redevelopment and fit-out	\$2.0
Relocation of existing equipment	\$2.0
Purchase of new equipment	\$3.0
Total	\$14.5

Using the IMPLAN input-output modeling system, a modeling tool commonly used in economic impact analyses, Appleseed estimates (as shown in Table 2) that in 2024, \$1.5 million in spending on construction and fit-out will directly and indirectly support: