

RHODE ISLAND COMMERCE CORPORATION

AGENDA

May 11, 2022

Call to order and opening remarks.

- Tab 1: To consider for approval meeting minutes.
- Tab 2: To consider High Rock Westminster Street, LLC, for an award under the Rebuild Rhode Island Tax Credit Program and the First Wave Closing Fund.*
- Tab 3: To consider the selection of an audit firm for the Corporation.
- Tab 4: To consider an extension of a contract with Convention Sports & Leisure International, LLC.
- Tab 5: To consider approval of applicants under the Site Readiness Program.*
- Tab 6: To consider for approval Innovation Vouchers.*
- Tab 7: To consider an increase in funding to the contract with HR&A Advisors, Inc. for State broadband planning.
- Tab 8: 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

MAY 11, 2022

APPROVED

VOTED:

To approve the public session meeting minutes for the March 28, 2022 meeting as presented to the Board.

RHODE ISLAND COMMERCE CORPORATION
MEETING OF DIRECTORS
PUBLIC SESSION
March 28, 2022

The Board of Directors of the Rhode Island Commerce Corporation (the "Corporation") met on March 28, 2022, in Public Session, beginning at 4:30 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, Bernard Buonanno, III, David Chenevert, Michael McNally, George Nee, Donna Sams, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Directors absent were: Dr. Brenda Dann-Messier and Mary Jo Kaplan.

Also present were: Secretary of Commerce Stefan Pryor; Hilary Fagan, President & COO; and Christopher J. Fragomeni, Esq.

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

The Governor called the meeting to order at 4:36 p.m., indicating that a quorum was present.

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

Upon motion duly made by Mr. McNally and seconded by Ms. Toledo-Vickers, the following vote was adopted:

VOTED: To approve the public session meeting minutes for the March 4, 2022 meeting as presented to the Board.

Voting in favor of the foregoing were: David Chenevert, Michael McNally, George Nee, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

3. **TO CONSIDER AN INCREASE IN FUNDING TO THE TECHNICAL ASSISTANCE COMPONENT OF THE RI REBOUNDS INITIATIVE.**

Daniela Fairchild, the Corporation's Director of Operations and Special Projects, recalled that the Board, at the January 14, 2022 meeting, established the RI Rebounds Initiative, which included the first phase—totaling \$1.5 million in grants—of a technical assistance program. Now, she explained, the staff is requesting that the Board fund the second phase of that program with an additional \$9 million, which funding is still subject to the approval of the State's Pandemic Recovery Office. She explained that the funding will assist small businesses with "back office"

operations, such as accounting, legal, IT, technology solutions, forecasting and planning, and e-commerce. The maximum award, she stated, will be \$10,000, and no awardee will be eligible to receive any more than \$20,000 in the aggregate from all the Corporation's programs.

In response to questions from Mr. Chenevert, Ms. Fairchild stated that the Corporation is utilizing an intermediary to assist with the capacity of the Corporation's staff, and to support sustainability of the program. She further stated that the intermediary will utilize gating criteria developed by the Corporation to review applicants. Mr. Chenevert noted the importance of assisting companies in applying for grants from the Corporation. In response to a question from Mr. Wadensten, Ms. Fairchild noted that information on the technical assistance program can be found on the Corporation's website at www.commercetri.com/rirebounds. She reiterated that the Corporation is asking the Board to approve the full funding of the program, totaling \$10.5 million, and to select intermediary to assist with the program.

Upon motion duly made by Mr. Chenevert and seconded by Mr. Stone, the following vote was adopted:

VOTED: To approve an increase in funding to the technical assistance component of the RI Rebounds Initiative pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: David Chenevert, Michael McNally, George Nee, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

4. **TO CONSIDER STUDLEY BUILDING ENTERPRISE, LLC & DMP STUDLEY, LLC, FOR AN AWARD UNDER THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM.**

Randy Nigrelli, Director of Real Estate Solutions Group, stated that Studley Building Enterprise, LLC and DMP Studley, LLC (collectively, "Studley") have proposed a \$18.3 million redevelopment of the vacant and historic, six-story Studley building in the downtown area into sixty-five residential apartments and approximately 4,000 square feet of retail space. The apartments, he stated, are small, ranging from 200-400 square feet, and twenty-two percent of the units will be for workforce housing, renting at one hundred percent of the area median income. Mr. Nigrelli indicated that Studley is seeking \$390,000 in incentives under the Rebuild Rhode Island Tax Credit program, which is only two percent of the estimated total project costs. He also gave an overview of other incentives that the project was receiving, including \$4 million in federal historic tax credits, and \$1.1 million from the State's workforce housing program. Mr. Stone and Mr. Nigrelli discussed the anticipated return to the developer. Mr. McNally noted the built-in protections for the taxpayers and the proposed, modest returns of the project.

Upon motion duly made by Mr. Stone and seconded by Ms. Toledo-Vickers, the following vote was adopted:

VOTED: To approve Studley Building Enterprise, LLC & DMP Studley, LLC, for an award under the Rebuild Rhode Island Tax Credit Program pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: David Chenevert, Michael McNally, George Nee, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

5. **TO CONSIDER FLUX MARINE LTD, FOR AN AWARD UNDER THE QUALIFIED JOBS INCENTIVE TAX CREDIT PROGRAM.**

Mr. Buonanno and Ms. Sams enter the meeting.

Jeff Miller, the Corporation's Vice President of Investments, stated that Flux Marine, Ltd. ("Flux Marine") is an electric, marine motor company—currently employing eight people in East Greenwich—that hopes to expand. The company, he stated, has reviewed incentives to expand in Connecticut and Bristol, Rhode Island and hire eighty new employees. He stated that the Corporation is proposing to award Flux Marine an award under the Qualified Jobs incentive tax program to ensure that the company stays in Rhode Island, pursuant to which the company could receive tax credits for up to one hundred forty newly created jobs. Ben Sorkin, Flux Marine's CEO and founder, noted that the State is a great place to grow and scale the company. In response to a question from Mr. Stone, Mr. Sorkin stated that the company has raised \$15 million in capital from, among others, Ocean Zero and Chris Anderson.

Upon motion duly made by Mr. Nee and seconded by Mr. Chenevert, the following vote was adopted:

VOTED: To approve Flux Marine Ltd, for an award under the Qualified Jobs Incentive Tax Credit Program pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard Buonanno, III, David Chenevert, Michael McNally, George Nee, Donna Sams, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

6. **TO CONSIDER APPROVAL OF APPLICANTS UNDER THE SITE READINESS PROGRAM.**

This agenda item was deferred.

7. **TO CONSIDER THE RETENTION OF INKHOUSE, LLC FOR BUSINESS ATTRACTION ADVERTISING AND PUBLIC RELATIONS SERVICES AND DUFFY & SHANLEY FOR PUBLIC RELATIONS SERVICES FOR MARKETING AND BUSINESS DEVELOPMENT.**

Anika Kimble-Huntley stated that the Corporation's staff was seeking authority from the Board to enter into one-year contracts with two marketing agencies, Inkhouse, LLC ("Inkhouse") and Duffy & Shanley ("D&S"). She recounted that the Corporation issued a request for proposals ("RFP") for those services, and the responses to the RFP were evaluated and unanimously approved. She explained that the Corporation is splitting marketing responsibilities by sector: Inkhouse will perform marketing and business development for biomedical, innovation, design, food, and custom manufacturing for a cost not to exceed \$402,000 annually; and D&S will provide marketing and business development for the blue economy sector for a cost not to exceed \$304,000 annually. Mr. Chenevert and Ms. Kimble-Huntley discussed how Inkhouse and D&S were selected, and Ms. Kimble-Huntley explained that the majority of D&S's fees are commissions on advertisement placements. Matt Sheaff noted D&S's prior, award-winning work in the blue economy sector.

Upon motion duly made by Mr. McNally and seconded by Ms. Sams, the following vote was adopted:

VOTED: To approve the retention of Inkhouse, LLC for business attraction advertising and public relations services and Duffy & Shanley for public relations services for marketing and business development pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard Buonanno, III, David Chenevert, Michael McNally, George Nee, Donna Sams, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 5:17 p.m. upon motion made by Mr. Nee and seconded by Mr. Chenevert.

MARCH 28, 2022 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 **March 28, 2022** beginning at **4:30 p.m.** via Zoom. Public access to the meeting is available as provided below:

Public access link: <https://us06web.zoom.us/j/84280362702>

Or One tap mobile :

US: +13017158592,,84280362702# or +13126266799,,84280362702#

Or Telephone:

Dial (for higher quality, dial a number based on your current location):

US: +1 301 715 8592 or +1 312 626 6799 or +1 646 876 9923 or +1 408 638 0968 or +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799

Webinar ID: 842 8036 2702

If technical assistance is needed, contact the Corporation at 401-278-9100.

The meeting will be held for the following purposes:

1. To consider for approval meeting minutes.
2. To consider an increase in funding to the technical assistance component of the RI Rebounds Initiative.
3. To consider Studley Building Enterprise, LLC & DMP Studley, LLC, for an award under the Rebuild Rhode Island Tax Credit Program. (See Exhibit 1, which follows, for additional details).*
4. To consider Flux Marine Ltd, for an award under the Qualified Jobs Incentive Tax Credit Program. (See Exhibit 1, which follows, for additional details).*
5. To consider approval of applicants under the Site Readiness Program.*
6. To consider the retention of Inkhouse, LLC for business attraction advertising and public relations services and Duffy & Shanley for public relations services for marketing and business development.
7. 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 the investment of public funds 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: March 24, 2022.

EXHIBIT 1

Agenda item 3:

The applicant seeks incentives under the Rebuild Rhode Island Tax Credit Program in relation to a historic project located on Weybosset Street in Providence. The estimated project cost is \$18.3 million.

Agenda item 4:

The applicant seeks incentives under the Qualified Jobs Incentive Tax Credit Program in relation to a proposed expansion of its workforce in Rhode Island. The company develops zero-emissions, electric outboard boat motors and is presently located in East Greenwich.

MARCH 28, 2022 PUBLIC SESSION MEETING MINUTES

EXHIBIT B

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RHODE ISLAND COMMERCE CORPORATION**

March 28, 2022

**(With Respect to an Increase in Funding for the Technical Assistance Component of the RI
Rebounds Initiative)**

WHEREAS, the Board of the Rhode Island Commerce Corporation (the "Corporation") previously approved the implementation of the RI Rebounds Initiative ("Initiative"), including funding for the technical assistance component ("Program") of the Initiative in the amount of \$1.5 million; and

WHEREAS, the Board has received a presentation from staff, requesting that the Board approve increased funding for the Program in the amount of \$9 million.

NOW, THEREFORE, be it resolved by the Corporation as follows:

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, President and COO, Chief Financial Officer and/or Chief Marketing Officer, acting singly, shall have the authority to increase funding of the Program by an amount up to \$9 million, consistent with the Board's prior approval of the establishment and implementation of the RI Rebounds Initiative.

Section 2: This Resolution shall take effect immediately upon passage.

MARCH 28, 2022 PUBLIC SESSION MEETING MINUTES

EXHIBIT C

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF TAX CREDITS
UNDER THE REBUILD RHODE ISLAND TAX CREDIT ACT
March 28, 2022

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 "Act"); and

WHEREAS: Chapter 64.20 of Title 42 of the General Laws of Rhode Island (the "Rebuild RI Tax Credit Act"), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to certain development projects in the State; and

WHEREAS: The Corporation promulgated rules and regulations (the "Rules") governing the tax credit program established by the Rebuild RI Tax Credit Act. Capitalized terms used herein but not defined shall have the meaning as set forth in the Rules; and

WHEREAS: The Corporation received an application for tax credits from Studley Building Enterprise, LLC & DMP Studley, LLC (the "Recipient") under the Rebuild RI Tax Credit Act in relation to a project (the "Project") located at 86 Weybosset Street, Providence, RI;

WHEREAS: The Corporation's Investment Committee has reviewed and considered the proposed issuance of tax credits and a sales and use tax exemption to the Recipient and has voted to recommend to the Board of Directors (the "Board") of the Corporation the approval of the tax credits and tax exemption; and

WHEREAS: The Board of the Corporation received a presentation inclusive of a term sheet detailing the Project and proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of tax credits and a sales and use tax exemption to the Recipient in accordance with the Rebuild RI Tax Credit Act and the Rules.

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

RESOLVED:

1. To accomplish the purposes of the Act and the Rebuild RI Tax Credit Act, the Corporation approves the issuance of tax credits to the Recipient in an amount not to exceed \$100,000 and authorizes a sales and use tax exemption, provided, however, if such exemption exceeds \$300,000 the tax credits shall be reduced dollar for dollar. The total of tax credits and sale and use tax exemption shall be capped at \$400,000.

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 Rebuild RI Tax Credit Act and the Rules in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;
 - b. Verification by the Corporation of compliance with the Eligibility Requirements of the Rules prior to Certification of any award of tax credits to the Recipient; 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: (i) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (ii) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (iii) that the Recipient's Equity in the Project is not less than twenty percent (20%) of the total Project Cost and otherwise meets the Project Cost criteria of the Rebuild RI Tax Credit Act; (iv) there is a Project Financing Gap for the Project such that after taking into account all available private and public funding sources, the Project is not likely to be accomplished by private enterprise without the incentives described in the Act and the Rules; (v) the total amount of Tax Credits awarded for the Project is the lesser of twenty (20%) of the total Project Cost or the amount needed to close the Project Financing Gap; (vi) that the Chief Executive Officer of the Corporation has provided written confirmation required by the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 1); (vii) the Secretary of Commerce has provided written confirmation required by the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 1); (viii) the Office of Management and Budget has provided written confirmation required under the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 2); and (ix) the Recipient has demonstrated that it will otherwise satisfy the Eligibility Requirements of the Rules for a Mixed-Use Project.
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 tax credits 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 3).
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 Managing Director, Head of Investments (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 shall have no obligation to take any action 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. Any of the Authorized Officers, acting singly, may rescind this conditional award by written notice to the Recipient at any time prior to the execution of an Incentive Agreement by the Corporation. 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 Assistant Secretary for all purposes hereunder

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 upon adoption by the Board.

EXHIBIT 1

From: Stefan Pryor, Secretary of Commerce and Chief Executive Officer of the Rhode Island Commerce Corporation
Hilary Fagan, President and Chief Operating Officer of the Rhode Island Commerce Corporation
To: Board of Directors, Rhode Island Commerce Corporation
Re: Rebuild Rhode Island Tax Credit Application
Date: March 28, 2022

The staff of the Rhode Island Commerce Corporation (the "Corporation") is recommending to the Board of Directors that it approve tax credits pursuant to the Rebuild Rhode Island Tax Credit program. The recommendation is as follows:

- To consider the application of Studley Building Enterprise, LLC & DMP Studley, LLC for tax credits of \$100,000.

This memo serves as the written confirmation, pursuant to Rhode Island General Laws § 46-64.20-6, of the following:

1. The Corporation staff has reviewed the application submitted and the impact analysis for this project (the impact analysis is provided to the Board as an exhibit to the approving resolution for the project).
2. The project is consistent with the purpose of the Rebuild Rhode Island Tax Credit Act, R.I. Gen. Laws § 42-64.20-1 *et seq.*

The total credits to be awarded to the applicant shall not be in excess of the amount listed above.

EXHIBIT 2



OFFICE OF MANAGEMENT & BUDGET

Brian M. Daniels, Director

One Capitol Hill
Providence, RI 02908-5890

Office: (401) 574-8430
Fax: (401) 222-6436

MEMORANDUM

To: Board of Directors, Rhode Island Commerce Corporation
From: Brian Daniels
Director, Office of Management & Budget *B. M. Daniels*
Date: December 17, 2021
Subject: Rebuild Rhode Island Tax Credit Applications

The staff of the Rhode Island Commerce Corporation (the "Corporation") has informed the Office of Management and Budget ("OMB") that it intends to recommend to the Corporation's Board of Directors (the "Board") one project for the receipt of tax credits and sales and use tax exemptions under the Rebuild Rhode Island Tax Credit in an amount not to exceed \$600,000.00. That recommendation is as follows:

1. That the application submitted by the Studley Building be approved for tax credits in a maximum amount of \$600,000.00, which includes \$500,000.00 of sales and use tax exemptions.

As of OMB's September 27, 2021 memo, the Corporation had approved tax credits and sales and use tax exemptions under the program in the amount of \$206,910,291.69. This total includes one duplicate project that has been corrected in this memo. East Greenwich Partners, LLC was conditionally approved on June 22, 2020 and received final approval on June 28, 2021. The June 22, 2020 conditionally approved amount of \$724,714.00 was included in the prior OMB memo and has been removed from this memo. The approval of an additional \$600,000.00 in tax credits and sales and use tax exemptions, and the removal of a duplicate project of \$724,714.00, would bring the cumulative total of approved tax credits, sales and use tax exemptions, and/or loans to \$206,785,577.69. Currently \$134.7 million have been appropriated into the Rebuild Rhode Island Tax Credit Fund. Additional funding is expected in future legislative sessions and section 42-64.20-5(f) authorized aggregate tax credits, sales and use tax exemptions, and/or loans under the Rebuild Rhode Island Tax Credit program in an amount not to exceed \$210 million. Pursuant to section 42-64.20-6(a)(4), OMB confirms that the aggregate credits recommended by the Commerce Corporation do not exceed the maximum aggregate credits allowed under this chapter in accordance with § 42-64.20-5(f).

Based on information provided by the Corporation, OMB anticipates the budget impact to the state of the tax credits, sales and use tax exemptions, and/or loans, if approved, in the year of application and in subsequent years will be as set forth in the attached Exhibit A

Project Confirmed as 2/2/21 Tilman's Landing	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	Total
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project Confirmed as 5/24/21 Northrup Airport Road Wards, LLC (3) Milestone Casting (4)	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	Total
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project Confirmed as 6/22/21 Arcis Mill Realty Partners, LLC East Greenwich Partners, LLC Branch Holdings LLC/Brachi Acquisitions, LLC	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	Total
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000,000.00
Project Confirmed as 6/22/21 309 Pine Street, LLC	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	Total
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project Confirmed as 6/27/21 Milestone Casting	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	Total
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project Confirmed as 12/29/21 The Stanley Building	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	Total
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALL PROJECTS TOTAL:	\$0.00	\$381,224.30	\$3,097,114.60	\$11,455,519.33	\$19,101,421.33	\$28,763,594.33	\$38,472,891.43	\$22,552,796.30	\$19,097,771.30	\$11,444,251.30	\$3,098,960.00	\$2,757,400.00	\$15,000.00	\$12,500.00	\$7,500.00	\$7,500.00	\$22,500.00	\$12,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$161,064,244.72

Notes

* Submittal amount was reduced and as reflected per the Agreement.

1.) Award not anticipated based on replicate project amount.

2.) Award not anticipated.

3.) River Park.

4.) Awarded.

5.) Chestnut Commons.

6.) Diversity II.

7.) Lipsett Mill.

Estimated Sales Tax Rebates by Fiscal Year

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total
Fiscal Year - Sales Tax Rebates	494,600																			494,600
1 48 Pike ¹⁾					500,000															500,000
2 78 Fountain Street																				0
3 A.T. Cross ¹⁾	67,000																			67,000
4 Agoda ²⁾				1,500,000																1,500,000
5 Alcott Hotel					166,270															166,270
6 Bristol Belvedere																				235,000
7 Casa Nead ³⁾	225,000																			225,000
8 Chestnut Commons				574,000																574,000
9 Downcity II					578,000															578,000
10 Dexter Street				1,000,000																1,000,000
11 Electric Boat					5,700,000		3,800,000													9,500,000
12 Elm Fresh																				0
13 Finley				471,500																471,500
14 Gotham Greens				450,597																450,597
15 Hope Artistic					3,255,000															3,255,000
16 Immense R Corporation				1,800,000																1,800,000
17 Infinity Meat				100,000																100,000
18 Intays																				0
19 Innovate Newport				230,631																230,631
20 Lipitt Mill				127,442																127,442
21 Leavitt Laundry			1,232,060																	1,232,060
22 Ocean State Job Lot ⁴⁾						500,000														500,000
23 ONE MetroCenter				500,000																500,000
24 Pontiac Mills				600,000																600,000
25 Prospect Heights ⁵⁾				600,000																600,000
26 Providence Commons				504,665																504,665
27 R&W Phase II				720,237																720,237
28 Residence Inn				700,000																700,000
29 River House					2,700,000															2,700,000
30 Rubus Therapeutics				537,176																537,176
31 The Edge II						1,295,000														1,295,000
32 The Edge I				194,951																194,951
33 Union Trust			42,728																	42,728
34 Virgin Pulse ⁶⁾			531,519																	531,519
35 Warwick High Hotel ⁴⁾				794,189																794,189
36 Waford					128,900															128,900
37 Boutin Fine Foods					163,000															163,000
38 Mediana Products					13,950															13,950
39 Riverside Street					130,000															130,000
40 Silva Lofts					610,099															610,099
41 Fenice 6																				0
42 Hotel Beatrix ⁷⁾				750,000																750,000
43 Fuller Mill																				0
44 Villages I																				0
45 Nexus Lofts																				0
46 South Quay Marine Terminal ⁸⁾																				0
47 Merchant Overseas					173,063															173,063
48 404 Broad Street																				0
49 Milneau District II																				0
50 402 Techbridge																				0
51 J.K. Equities					390,000															390,000
52 16 Broad Street																				0
53 Tidewater Landing																				0
54 Northpoint Airport Road Warwick, LLC ⁹⁾																				0
55 Minature Casting ¹⁰⁾																				0
56 Atrix Mills																				0
57 East Greenwich Partners																				0
58 Wanskuck Mill																				0
59 The Studio Building																				0
Total Rebuild Sales Tax	\$556,800	\$574,344	\$1,959,827	\$7,927,332	\$15,795,063	\$5,462,270	\$5,990,000	\$0	\$0	\$0	\$0	\$5,710,000	\$0	\$0	\$0	\$1,700,000	\$0	\$0	\$0	\$45,719,353

Notes:
 1.) Award not anticipated based on updated project status.
 2.) Company withdrew.
 3.) Certification approved figures.
 4.) Warwick Hotel and Virgin Pulse (Phase 1) were certified before change in Sales & Use Tax Rebate regulations.
 5.) Project was amended in June 2020
 6.) Project estimates potential \$2.1 million in rebates in FY22, but these would reduce Rebuild Rhode Island credits if claimed.
 7.) Agoda has terminated their agreement with RCC.
 8.) Amounts in brackets are sales tax rebates estimates that are folded into the overall Rebuild credit amounts.

EXHIBIT 3

Rhode Island Commerce Corporation

Streamlined Rebuild Rhode Island Tax Credits

Economic and tax revenue impacts of redeveloping the Studley Building, Providence

Introduction

The Rhode Island Commerce Corporation (the "Corporation") may provide \$100,000 in Rebuild Rhode Island tax credits to Studley Building Enterprises LLC and DMP Studley LLC (the "Sponsor"), in connection with redevelopment of the Studley Building – a landmark 45,000 square-foot commercial office building located at 86 Weybosset Street in Providence – and its conversion to primarily residential use. The redeveloped building would include 65 one-bedroom, studio and mini-loft units (including 14 units with rents set at workforce housing levels), and 4,646 square feet of ground-floor retail space.

The Sponsor has also requested an exemption from approximately \$451,150 in State sales and use taxes on purchases of materials, equipment and furnishings used in the redevelopment

This analysis was prepared by Appleseed, a consulting firm with more than 25 years' experience in economic impact analysis.

Jobs Analysis

Construction jobs

The Sponsor estimates that redevelopment of the Studley Building will cost a total of \$18.81 million¹. After excluding certain costs that would not have a direct impact on Rhode Island's economy during this period (such as the cost of property acquisition and interest paid during construction), Appleseed estimates that direct expenditures of \$14.28 million will directly and indirectly support:

- 136 job-years² of work in Rhode Island, with \$9.06 million in earnings (in 2022 dollars);
- Approximately \$17.13 million in statewide economic output; and
- A one-time increase of \$12.08 million in Rhode Island's GDP.

These impacts are summarized below in Table 1.

¹ \$18.313 million if the property basis is adjusted to \$2.75 million per the most recent appraisal.

² A job-year is equivalent to a job lasting one year. It could represent the work of two people who are each employed for six months; or the work of one person who is employed half-time for two years.

Table 1: Direct and indirect impact of construction and related spending (employment in person-years; income, value-added and output in thousands of 2022 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	119	\$80,80.1	\$10,474.6	\$14,275.8
Indirect Effect	17	980.5	1,603.2	2,852.5
Total Effect	136	\$9,060.6	\$12,077.8	\$17,128.3

The activity reflected in Table 1 will occur primarily during 2022 and 2023.

In addition to the impacts on employment, earnings, output and state GDP cited in Table 1, direct spending of \$14.28 million would generate a projected one-time increase of approximately \$313,00 in taxes paid to the State during construction, including:

- \$175,000 in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project
- \$116,000 in state sales taxes paid by these workers on taxable household spending
- \$22,000 in state business taxes

Annual operations

Based on information provided by the Sponsor, Appleseed estimates that after construction is completed, ongoing operations at the Studley Building – including building operations and maintenance, and the operations of commercial tenants – will directly and indirectly support:

- 24 jobs in Rhode Island, with \$792,500 in earnings (in 2023 dollars)
- Nearly \$2.13 million in statewide economic output; and
- An increase of \$1.22 million in Rhode Island's annual GDP.

These impacts are summarized below in Table 2.

Table 2: Direct, indirect and total annual impact of ongoing operations in 2023 (income, value-added and output in thousands of 2023 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	21 ³	\$605.8	\$901.1	\$1,541.5
Indirect Effect	3	186.7	315.4	585.4
Total Effect	24	\$792.5	\$1,216.5	\$2,126.9

³ Includes 20 workers employed by ground-floor restaurant and retail workers, and 1 employed in building operation and maintenance.

In addition to the impacts on employment, earnings, output and state GDP cited above, building operations and maintenance and the operations of tenant businesses would in 2023 generate a projected increase of approximately \$67,200 in annual state tax revenues (in 2023 dollars), including:

- \$44,000 in state sales taxes on restaurant and retail sales⁴
- \$11,400 in state personal income taxes paid by workers newly employed at the Studley Building, or by Rhode Island workers whose jobs are indirectly attributable to the Company's new Rhode Island facility
- \$10,400 in state sales taxes paid on those workers' taxable household spending; and
- \$1,400 in state business taxes.

During construction and the twelve years following completion of the project, redevelopment and ongoing operations at the Studley Building are thus expected to generate approximately \$1.119 million in state tax revenues.

In addition to the impacts summarized above, redevelopment of the Studley Building will benefit Rhode Island by:

- Providing additional housing opportunities (including workforce housing) for both current and prospective Rhode Island residents
- Preserving and productively reusing an historic, nearly 120-year-old building
- Increasing local government tax revenues

⁴ Assumes that 50 percent of restaurant and retail sales at the Studley Building represent "net new" sale in Rhode Island.

MARCH 28, 2022 PUBLIC SESSION MEETING MINUTES

EXHIBIT D

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

March 28, 2022

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 Flux Marine Ltd., (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 [] 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 Authorized 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.
 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. Any of the Authorized Officers, acting singly, may rescind this conditional award by written notice to the Recipient at any time prior to the execution of an Incentive Agreement by the Corporation. 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

Flux Marine, Ltd. Application

Introduction

The Rhode Island Commerce Corporation (the "Corporation") may issue Qualified Jobs Incentive tax credits to Flux Marine Ltd. ("the Company"), a manufacturer of electric outboard engines. The Company was founded in Massachusetts in 2018 and in 2020 moved East Greenwich, Rhode Island, where it currently employs 8 workers. The Company is requesting that the Corporation issue the tax credits in conjunction with a proposed expansion of its Rhode Island operations that would increase the number of workers it employs in Rhode Island from 8 to 48 in 2022, 68 in 2023 and a minimum of 88 by the end of 2024. The new jobs would be split between the Company's current location in East Greenwich and newly-leased space in Bristol.

The Company is expected to request Qualified Jobs Incentive tax credits with an estimated value of \$1,857,750 over ten years, along with a \$50,000 Rhode Island Innovation Grant. As explained below, the Company could in 2024 qualify for additional credits by increasing the number of direct new jobs it adds in Rhode Island, beyond the minimum of 80 cited above.

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

Jobs Analysis

Initial capital costs

As Table 1 shows, the costs incurred by the Company in support of its expansion from 2022 through 2024 would include improvements to its leased space totaling \$860,000, and approximately \$3.8 million. For purposes of this analysis, we assume that all of the Company's new equipment will be procured from sources outside the state.

Table 1: Initial capital costs (in \$ thousands of 2022 dollars)

	Cost
Build-out of leased space	\$860

Equipment	\$3,800
Total	\$4,660

Using the IMPLAN input-output modeling system, a modeling tool commonly used in economic impact analyses, Appleseed estimates (as shown in Table 2) that \$860,000 in construction spending will directly and indirectly support:

- 7 jobs in Rhode Island in construction and related industries, with \$467,000 in earnings (in 2022 dollars);
- \$1.047 million in statewide economic output; and
- A one-time increase of \$570,000 in Rhode Island's GDP.

Table 2: Direct, indirect and total annual impact of initial capital spending (income, value-added and output in thousands of 2022 dollars)

	Jobs	Earnings	Value added	Output
Direct	6	\$401	\$459	\$843
Indirect	1	66	41	204
Total	7	\$467	\$570	\$1,047

We further estimate that the projected expenditure of \$860,000 on construction would directly and indirectly generate approximately \$34,500 in State personal income, sales and business taxes (including sales and use taxes paid on materials used in construction).

Annual operations

As noted above, the Company plans to add minimum of 80 qualifying jobs in Rhode Island from 2022 through the end of 2024. Table 3 summarizes the categories in which the Company expects to create these jobs, and the anticipated median salary for each category.

Table 3: Projected minimum employment, year-end 2024

New positions

Job category	(as of 2024)	Median salary
Marketing and admin staff	12	\$81,660
Technicians	16	\$45,490
Engineers	43	\$99,590
Managers	9	\$154,470
Total	80	\$99,680

Based on data provided by the Company, Appleseed estimates that by the end of 2024, ongoing operations associated with the 80 new jobs the Company would be committed to maintaining in Rhode Island for twelve years will directly and indirectly support:

- 148 jobs in Rhode Island;
- \$17.25 million in annual earnings (in 2024 dollars);
- \$53.52 million in statewide economic output; and
- An increase of \$23.39 million in Rhode Island's annual GDP.

These impacts are summarized below in Table 4. The *direct impact* of the Company's operations reflects the Company's direct employment, its direct spending on wages and salaries, the value its operations add to Rhode Island's GDP, and the total value of the goods and services it produces. Its *indirect impact* is the effect of the Company's spending on purchases of goods and services from other in-state businesses on employment, earnings, value-added and output in Rhode Island.

Table 4: Direct, indirect and total annual impact of ongoing operations (income, value-added and output in millions of 2024 dollars)

	Jobs	Earnings	Value added	Output
Direct	80	\$9.64	\$12.38	\$29.80
Indirect	22	1.72	3.03	5.46
Total	102	\$11.36	\$15.41	\$35.26

In addition to the impacts on employment, earnings, output and state GDP cited above, the Company's new operations in Rhode Island would by the end of 2024 make a projected increase of approximately \$433,500 in annual state tax revenues, including:

- \$268,400 in state personal income taxes paid by workers newly employed by the Company in its expanded Rhode Island operations; or by Rhode Island workers whose jobs are indirectly attributable to the Company's expanded Rhode Island operations;
- \$131,200 in state sales taxes paid on those workers' taxable household spending; and
- \$33,900 in state business taxes.

As noted above, the 80 new direct jobs cited in Table 4 represent the minimum number of jobs the Company would be committed to adding by the end of 2024 and maintaining for a minimum of twelve years. The Company could become eligible for additional Qualified Jobs tax credits by increasing from 80 to at least 95 the number of new jobs added in Rhode Island; and for still more credits by further increasing the number of new workers employed in its Rhode Island operations from 95 to 110.

Hiring

Candidates for engineering jobs at Flux Marine are asked to prepare and deliver a fifteen-minute presentation to a panel of engineers on a project that demonstrates their technical skills and the strengths they would bring to the Company. The presentation is followed by a question-and-answer session, and several one-on-one interviews.

Benefits

Employee benefits offered by the Company include a medical plan with vision and dental options and paid time off, including 15 holidays and (for new employees) 14 days of PTO.

Impact

The state fiscal impact of the requested tax credits is estimated to be approximately \$1,857,750 in forgone state revenue. Direct and indirect economic and fiscal benefits of the proposed project include the estimated increase in annual state GDP of \$15.41 million in 2024, the estimated associated job creation, and a gross increase of approximately \$4.877 million in personal income, sales and business tax revenues during construction and during the twelve-year commitment period beginning in 2023. These benefits are detailed in the foregoing analysis.

In addition to the economic and tax revenue impacts cited above, the proposed expansion of the Company's operations would benefit Rhode Island in other ways, including:

- Highlighting Rhode Island's attractiveness as a location for companies that are actively engaged in the transition from carbon-based fuels to electricity
- Highlighting the state's role as a center of "the blue economy"
- Adding to local governments' personal property tax base

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the Qualified Jobs Incentive program mitigate risk to the state; and the value of Qualified Jobs Incentive tax credits would be determined on the basis of the number of people actually employed and the wages actually paid by the Company.

MARCH 28, 2022 PUBLIC SESSION MEETING MINUTES

EXHIBIT E

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RHODE ISLAND COMMERCE CORPORATION**

March 28, 2022

(With Respect to Business Attraction Advertising and Public Relations Services)

WHEREAS, the Board of the Rhode Island Commerce Corporation (the "Corporation") received a presentation and recommendation from staff for the selection of vendors to perform business attraction advertising and public relations services.

NOW, THEREFORE, be it resolved by the Corporation as follows:

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, President and COO, Chief Financial Officer and/or Chief Marketing Officer, acting singly, shall have the authority to negotiate and execute any and all documents in connection with the retention of the each of the following vendors for the services as presented to the Board of the Corporation for a term of one year. Below are the maximum annual expenditures approved for the identified vendors:

Firm	Annual Maximum
Inkhouse, LLC	\$402,000
Duffy & Shanley	\$304,000

Section 2: This Resolution shall take effect immediately upon passage.

Tab 2

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

MAY 11, 2022

APPROVED

VOTED:

To approve High Rock Westminster Street, LLC for an award under the Rebuild Rhode Island Tax Credit Program and the First Wave Closing Fund pursuant to the resolutions submitted to the Board.

**RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE REBUILD RHODE ISLAND TAX CREDIT ACT**

May 11, 2022

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 and Providence Plantations (the “State”) under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the “Act”);

WHEREAS: Chapter 64.20 of Title 42 of the General Laws of Rhode Island (the “Rebuild RI Tax Credit Act”), as amended, authorizes the Corporation to approve the issuance of incentives, including loans, in relation to certain development projects in the State;

WHEREAS: The Corporation promulgated rules and regulations (the “Rules”) governing the issuance of incentives under the Rebuild RI Tax Credit Act. Capitalized terms used herein but not defined shall have the meaning as set forth in the Rules;

WHEREAS: The Corporation received an application from High Rock Westminster Street, LLC (the “Recipient”) under the Rebuild RI Tax Credit Act in relation to a Mixed-Use Project (the “Project”) located at 111 Westminster Street, Providence, RI, which is proposed to consist of approximately 285 residential units and an estimated 8000 square feet of office space;

WHEREAS: The Corporation’s Investment Committee and Access to Capital Subcommittee have reviewed and considered a proposed loan to the Recipient and each has voted to recommend to the Board of Directors (the “Board”) of the Corporation the approval of the incentive;

WHEREAS: The Board has received a presentation inclusive of a term sheet detailing the Project and proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of the loan and a sales and use tax exemption to the Recipient in accordance with the Rebuild RI Tax Credit Act and the Rules.

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

RESOLVED:

1. To accomplish the purposes of the Act and the Rebuild RI Tax Credit Act, the Corporation approves a loan (the “Loan”) and incentives under the Rebuild RI Tax Credit Act to the Recipient in an amount not to exceed Fifteen Million Dollars (\$15,000,000).

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 Rebuild RI Tax Credit Act, which agreement shall expressly provide that the Loan will not be a general obligation of the Corporation and shall otherwise be in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Authorized Officer;
 - b. Verification by the Corporation of compliance with the Eligibility Requirements of Rule 6 of the Rules prior to issuance of Certification to the Recipient;
 - c. Such additional terms and 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 R.I. Gen. Laws § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient's Equity in the Project is not less than twenty percent (20%) of the total Project Cost and otherwise meets the Project Cost criteria of the Rebuild RI Tax Credit Act; (d) there is a Project Financing Gap for the Project such that after taking into account all available private and public funding sources, the Project is not likely to be accomplished by private enterprise without the incentives described in the Rebuild RI Tax Credit Act and the Rules; (e) the total amount of the Loan is the lesser of thirty (30%) of the total Project Cost or the amount needed to close the Project Financing Gap; (f) that the Chief Executive Officer of the Corporation has provided written confirmation required by the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 1); (g) the Secretary of Commerce has provided written confirmation required by the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 1); (h) the Office of Management and Budget has provided written confirmation required under the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 2); (i) the Recipient has demonstrated that it will otherwise satisfy the Eligibility Requirements of Rule 6 of the Rules for a Mixed-Use Project; and (j) the award of the Loan meets the principles adopted by the Board in compliance with R.I. Gen. Laws § 42-64-37.

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 loan will or may have on the State considering the factors set forth in R.I. Gen. Laws § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 3).

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 Managing Director, Head of Investments (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 action 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 and empowered 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 all as such any one of the Authorized Officers deems appropriate in his or her discretion.
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

From: Stefan Pryor, Secretary of Commerce and Chief Executive Officer of the Rhode
Island Commerce Corporation
Hilary Fagan, President and Chief Operating Officer of the Rhode Island
Commerce Corporation
To: Board of Directors, Rhode Island Commerce Corporation
Re: Rebuild Rhode Island Tax Credit Application
Date: May 11, 2022

The staff of the Rhode Island Commerce Corporation (the "Corporation") is recommending to the Board of Directors that it approve a loan pursuant to the Rebuild Rhode Island Tax Credit program. The recommendation is as follows:

- To consider the application of High Rock Westminster Street, LLC for a loan of \$15,000,000 for a mixed-use project.

This memo serves as the written confirmation, pursuant to Rhode Island General Laws § 46-64.20-6, of the following:

1. The Corporation staff has reviewed the application submitted and the impact analysis for this project (the impact analysis is provided to the Board as an exhibit to the approving resolution for the project).
2. The project is consistent with the purpose of the Rebuild Rhode Island Tax Credit Act, R.I. Gen. Laws § 42-64.20-1 et seq.
3. The loan to be awarded to the applicant shall not be in excess of the amount listed above.

EXHIBIT 2




OFFICE OF MANAGEMENT & BUDGET

One Capitol Hill
Providence, RI 02908-5890

Office: (401) 574-8430
Fax: (401) 222-6436

MEMORANDUM

To: Board of Directors, Rhode Island Commerce Corporation
From: Brian M. Daniels 
Director, Office of Management and Budget
Date: May 10, 2022
Subject: Rebuild Rhode Island Tax Credit Applications

The staff of the Rhode Island Commerce Corporation (the "Corporation") has informed the Office of Management and Budget ("OMB") that it intends to recommend to the Corporation's Board of Directors (the "Board") one project for the receipt of tax credits and sales and use tax rebates under the Rebuild Rhode Island Tax Credit in an amount not to exceed \$15,000,000.00. That recommendation is as follows:

1. That the application submitted by High Rock Westminster Street, LLC be approved for total tax credits in a maximum amount of \$15,000,000.00.

As of OMB's December 17, 2021 memo, the Corporation had approved tax credits and sales and use tax rebates under the program in the amount of \$206,785,577.69. Since that memo, OMB has received information and documentation from the Corporation about the status of prior projects. These updates have reduced total utilized Rebuild credits and sales tax rebates by \$17,088,121.97, meaning total tax credits and sales tax rebates are \$189,697,455.72. These updates are as follows, with more information in the "Project Updates" section below:

- The certification of 17 projects, reducing total credits and sales tax rebates by \$5,851,217.81.
- The termination of six projects, reducing total credits and sales tax rebates by \$10,863,842.00.
- A revision to one project (Studley Building) which occurred after OMB's December 20, 2021 memo but before the project went before the Board, reducing sales tax rebates by \$200,000.00.
- Technical corrections to several projects, reducing sales tax rebates by \$173,062.16.

The approval of an additional \$15,000,000.00 in tax credits and sales and use tax rebates, coupled with the aforementioned project updates, would bring the cumulative total of approved tax credits, sales and use tax rebates, and/or loans to \$204,697,455.72. Currently \$134.7 million has been appropriated into the Rebuild Rhode Island Tax Credit Fund. Additional funding is expected in future legislative sessions. R.I. General Laws Section 42-64.20-5(h) authorized aggregate tax credits, sales and use tax rebates, and/or loans under the Rebuild Rhode Island Tax Credit program in an amount not to exceed \$210 million. Pursuant to section 42-64.20-6(a)(4), OMB confirms that the aggregate credits recommended by the Commerce Corporation do not exceed the maximum aggregate credits allowed under this chapter in accordance with § 42-64.20-5(h).

Based on information provided by the Corporation, OMB anticipates the budget impact to the state of the tax credits, sales and use tax rebates, and/or loans, if approved, in the year of application and in subsequent years will be as set forth in the attached Exhibit A.

Project Updates

There are four categories of updates that are included in this memo: changes to awarded credits based on final project certification, termination of projects, changes in anticipated redemption schedules, and conditionally approved projects. There is also one project where the sales tax rebate amount was revised since the previous OMB memo. There are also several technical corrections of sales tax rebate data presented in previous OMB memos.

Adjustments to Final Certified Projects

Final project certification means the project has completed and the Corporation has certified the final tax credits awarded for that project. These awarded tax credits cannot change now that the project is certified.

For five of these 17 total certified projects, the final certification lowered the tax credit amounts. In total, these certifications reduced the total awarded Rebuild tax credits by \$1,680,541.00 and the sales tax rebates by \$681,478.70 for a total reduction of \$2,362,019.70. These projects also have revised award schedules. Those applicants are:

- Bourne Capital Partners: credits reduced by \$600,286.00; first credit award shifted from FY 2018 to FY 2021.
- Providence Capital III: credits reduced by \$194,591.00; first credit award shifted from FY 2020 to FY 2021.
- SSL Partner, LLC: credits reduced by \$786,164.00; first credit award shifted from FY 2020 to FY 2021.
- Union Mill LLC: sales tax rebates reduced by \$87,557.70, first credit award shifted from FY 2018 to FY 2020.
- TPG 100 Sabin Hotel, LLC: credits reduced by \$99,500.00 and sales tax rebates reduced by \$593,921.00; first credit award shifted from FY 2019 to FY 2021.

The applicants of six of the 17 certified projects have elected to redeem their tax credits as payments at 90% of their full value, as allowed under R.I. Gen. Laws § 42-64.20-5(p). These awarded tax credits, and the decision to elect for redemption, cannot change now that the project is certified. The timing of credit awards also changed for these six projects. The final certification of these projects reduced the total awarded Rebuild tax credits by \$2,644,183.19 and sales tax rebates by \$168,245.78 for a total reduction of \$2,812,428.97. This reduction is a function of both the certification of final project costs and the election of the 90% redemption option. Those applicants are:

- John M. Corcoran & Co.: credits reduced by \$1,098,333.62; first credit award shifted from FY 2018 to FY 2020.
- 78 Fountain JV Owner, LLC: credits reduced by \$611,511.90 and sales tax rebates reduced by \$48,295.95, first credit award shifted from FY 2018 to FY 2021.
- D'Ambra Warwick Hotel LLC: credits reduced by \$304,560.89; first credit award shifted from FY 2018 to FY 2019.
- Waldorf Capital Partners LLC: credits reduced by \$381,941.78 and sales tax rebates reduced by \$119,949.83; first credit award shifted from FY 2019 to FY 2022.
- City of Newport: credits reduced by \$237,835.00; first credit award shifted from FY 2020 to FY 2022.
- 30 Kennedy Partners, LLC: credits reduced by \$10,000.00; first credit award shifted from FY 2021 to FY 2022.

Among the 17 certified projects are five that elected to certify on an annual basis. Because these projects have completed, the total utilized credits cannot change. What can change annually is whether the applicant elects the 90% redemption option. For any years where the applicant has elected to take the 90% redemption option, that 90% value is counted against the program cap. For any years where election has not occurred, the credit value is assumed to be 100%. The certification of these five projects reduced the total awarded Rebuild tax credits by \$264,942.14 and sales tax rebates by \$411,828.00 for a total of \$676,770.14. This reduction is a function of both the certification of final project costs and the election of the 90% redemption option. Those applicants are:

- Ocean State Jobbers, Inc.: first credit award shifted from FY 2018 to FY 2020; applicant has certified for FY 2020 through FY 2022 and not elected the 90% redemption option.
- Virgin Pulse: credits reduced by \$193,442.14; first credit award shifted from FY 2017 to FY 2019; applicant has certified for FY 2019 through FY 2022 and has elected the 90% redemption option for those years.
- Gotham Greens Holdings LLC: credits reduced by \$71,500.00; first credit award shifted from FY 2019 to FY 2021; applicant has certified for FY 2021 and has elected the 90% redemption option for those years.
- Infinity Meat Solutions, LLC: sales tax rebates reduced by \$411,828.00, first credit award shifted from FY 2020 to FY 2022; applicant has certified for FY 2022 and not elected the 90% redemption option.
- Blount Fine Foods Corporation: first credit award shifted from FY 2021 to FY 2022; applicant has certified for FY 2022 and not elected the 90% redemption option.

In the final category of certified projects, there is no change from the initial tax credit award to the final certification. The anticipated award schedule of some of those projects has changed, but these changes do not affect the aggregate credit cap under R.I. Gen. Laws 42-64.20-5(h). Those applicants are:

- WinnDevelopment and Omni Development: first credit award shifted from FY 2018 to FY 2020.
- Urban Smart Growth, LLC: first credit award shifted from FY 2018 to FY 2021.
- Wexford Science & Technology, LLC: first credit award shifted from FY 2019 to FY 2020.
- 110 North Main, LLC and 110 North Main Management, LLC: first credit award shifted from FY 2019 to FY 2020.
- Sprague Street Owner, LLC: first credit award shifted from FY 2019 to FY 2022.
- Farm Fresh: no change to award schedule.

Terminated Projects

The next category of updates is projects that have been terminated. All these terminations were undertaken through a documented process by the Commerce Corporation, typically through the issuance of a termination letter to the applicant. These projects cannot be restarted except through Board action, which would require confirmation by OMB pursuant to R.I. Gen. Laws § 42-64.20-6(a)(4). Seven projects have been terminated, with one termination (Agoda Travel Operations USA Inc.) having been addressed in a previous OMB memo. The remaining six terminated applicants, representing \$9,500,972.00 in Rebuild credits and \$1,362,870.00 in sales tax rebates for a total of \$10,863,842.00, are:

- AT Cross Company: previously awarded \$400,000.00 in credits and \$67,000.00 in sales tax rebates.
- Royal Oaks Realty, LLC: previously awarded \$2,517,174.00 in credits and \$404,600.00 in sales tax rebates.

- SAT Development LLC: previously awarded \$995,000.00 in credits and \$166,270.00 in sales tax rebates.
- Case Mead Association, LLC: previously awarded \$1,588,798.00 in credits and \$225,000.00 in sales tax rebates.
- OneMetro, LLC: previously awarded \$3,000,000.00 in credits and \$500,000.00 in sales tax rebates.
- Thread Factory Stables Proprietor, LLC: previously awarded \$1,000,000.00 in credits (building was destroyed in a fire).

Changes to Anticipated Redemption Schedules

The final category of updates is for projects where the total tax credit amount has not changed, but the anticipated schedule of credit awards has shifted. These changes do not affect the aggregate credit cap under R.I. Gen. Laws 42-64.20-5(h). Typically, these projects have been shifted back several fiscal years. Those applicants are as follows:

- Finlay Extracts & Ingredients USA, Inc.: first credit award shifted from FY 2018 to FY 2023.
- Cornish Associates LP: first credit award shifted from FY 2020 to FY 2022.
- Infosys Limited: first credit award shifted from FY 2018 to FY 2023.
- Immunex Rhode Island Corporation: first credit award shifted from FY 2020 to FY 2023.
- Electric Boat Corporation: first credit award shifted from FY 2021 to FY 2023.
- Rubius Therapeutics, Inc.: first credit award shifted from FY 2021 to FY 2023.
- Steeple Street RI, LLC: first credit award shifted from FY 2021 to FY 2026.
- BAC CVP Aloft LLC: first credit award shifted from FY 2021 to FY 2023.
- Pawtucket Development Group, LLC: first credit award shifted from FY 2021 to FY 2024.
- Mearthane Products Corporation: first credit award shifted from FY 2022 to FY 2023.
- RCG Armory Park View, LLC: first credit award shifted from FY 2021 to FY 2022.
- 556 Atwells, LLC: first credit award shifted from FY 2022 to FY 2023.
- Peyser Real Estate Group, LLC: first credit award shifted from FY 2022 to FY 2025.
- ARTech HUB, LLC: first credit award shifted from FY 2021 to FY 2023.
- Fuller Mill Realty LLC: first credit award shifted from FY 2021 to FY 2024.
- Nexus Holdings LLC: first credit award shifted from FY 2021 to FY 2023.
- Pebb 33 Bassett Providence LLC: first credit award shifted from FY 2021 to FY 2024.
- The Woonsocket Neighborhood Development Corporation: first credit award shifted from FY 2021 to FY 2023.
- Southside Community Land Trust: first credit award shifted from FY 2021 to FY 2023.
- Link Street, LLC: first credit award shifted from FY 2021 to FY 2023.
- Rhode Island Waterfront Enterprise, LLC: first credit award shifted from FY 2021 to FY 2025.
- 401 Tech Bridge: first credit award shifted from FY 2022 to FY 2024.
- 16 Broad St.: first credit award shifted from FY 2022 to FY 2023
- Tidewater Landing: first credit award shifted from FY 2023 to FY 2024.
- Arctic Mill Realty Partners, LLC: first credit award shifted from FY 2023 to FY 2024.
- Branch Holdings LLC/Branch Acquisitions LLC: first credit award shifted from FY 2022 to FY 2023.
- 390 Pine Street, LLC: first credit award shifted from FY 2022 to FY 2023.
- Miniature Casting: first credit award shifted from FY 2022 to FY 2023.

Conditional Approvals

The last category of projects are two projects that were conditionally approved by the Board on June 22, 2020. These projects have not moved forward despite being scheduled for completion in FY 2021. However, because these conditional approvals have not been rescinded, they are still counted against the total program cap in OMB's assessment. Those projects, representing \$1,750,000.00 of tax credits, are as follows:

- 25 Bough Street, LLC, representing \$750,000.00 in credits.
- Caribbean Integration Community Development, representing \$1,000,000.00 in credits.

Revised Project

The most recent project approved by the Board was revised between the time OMB issued its memo on December 20, 2021 and the final Board vote on March 28, 2022. This revision reduced sales tax rebates for the Studley Building from \$500,000 to \$300,000 (a reduction of \$200,000) and shifted the first credit award from FY 2023 to FY 2024.

Technical Corrections

One project in the last OMB memo was double counting sales tax rebates and Rebuild tax credits. The project applicant, Pebb 33 Bassett Providence LLC (noted as the Merchant Oversees project in the sales tax rebate table), was awarded \$1,000,000 in total credits, with a subset of that amount (\$173,062.71) expected to be delivered as sales tax rebates. The previous OMB memo added the sales tax rebate amount and the total credit amount together. As a correction, the sales tax rebate amount has been bracketed in Exhibit A so as not to add to the sum of total credits. Finally, current sales tax rebates for were understated by \$0.55 due to rounding for following projects: Urban Smart Growth, LLC (noted as Hope Artiste in the sales tax rebate table), Bourne Ave. Capital Partners (Louttit Laundry), Sprague Street Owner, LLC (R&W Phase II), and SSL Partner, LLC (Wexford). These projects have been corrected in Exhibit A.

EXHIBIT 3

Rhode Island Commerce Corporation
Rebuild Rhode Island Tax Credits – Economic Impact Analysis
High Rock Westminster LLC Application

Introduction

The Rhode Island Commerce Corporation (the “Corporation”) may provide Rebuild Rhode Island tax credits and an allocation from the First Wave Closing Fund to High Rock Westminster LLC (the “Sponsor”). The financing would be provided in connection with the Sponsor’s proposed investment in redevelopment of a 26-story office building at 111 Westminster Street in Providence (the “Superman Building,” which has been vacant since 2013) and its conversion to residential use. When completed, the project would include 285 rental apartments (57 of which would be deed restricted as affordable to Rhode Islanders earning up to 80 percent to 120 percent of area median income and 228 of which would be market-rate), approximately 8,000 square feet of mezzanine-level office space, and approximately 26,000 square feet of ground- floor commercial, event, and community space.

The Sponsor estimates the total cost of the project to be \$223.1 million. High Rock Capital has committed to providing up to \$32 million in cash equity, in addition to contributing the land and building. Expected sources of financing include:

- \$26.2 million in contributions from the state’s existing housing and economic development programs
 - Rebuild RI Tax Credit Program: \$15 million
 - First Wave Closing Fund: \$5.7 million
 - Acquisition and Revitalization Program: \$1.0 million
 - Workforce Housing Innovation Challenge: \$4.5 million
- \$22 million in Federal Historic Tax Credits
- \$10 million low-interest loan from the City of Providence’s Housing Trust Fund.
- \$5 million in a direct contribution from the City of Providence.
- \$2.1 million in proceeds from federal New Markets Tax Credits.
- The Rhode Island Foundation is also providing bridge financing for the Rebuild Rhode Island Tax Credits which reduces the project’s financing costs.

The Developer also intends to seek a Tax Stabilization Agreement from the City of Providence.

This analysis was prepared by Appleseed, a consulting firm with more than 25 years’ experience in economic impact analysis.

Jobs Analysis

Construction

As shown in Table 1, the Sponsor's estimate of total project cost is approximately \$223.1 million.

Table 1: Estimated total project cost (\$ millions)

Component	Estimated cost
Land and building contribution	\$10.0
Construction (hard costs)	167.5
Soft costs	25.8
Financing and carrying costs, project contingency	19.8
Total	\$223.1

After excluding certain costs that do not have a direct, current impact on Rhode Island's economy (including interest costs during construction) Appleseed estimates that spending on development of the proposed project would total approximately \$201.4 million.

Using the IMPLAN input-output modeling system (a modeling tool commonly used in economic impact studies), Appleseed estimates that direct expenditures of \$201.4 million would directly and indirectly generate:

- 1,833 jobs in Rhode Island, with \$122.87 million in earnings (in 2023 dollars);
- Approximately \$238.04 million in statewide economic output¹; and
- A one-time increase of \$166.48 million in Rhode Island's GDP.

These impacts are summarized below in Table 2. The project's *direct impact* is the impact of the Sponsor's direct spending on construction, including both hard and soft costs. Its *indirect impact* is the effect of spending by contractors for goods and services (insurance, construction materials, etc.) purchased from other Rhode Island businesses. (Induced impacts are not included in these estimates.)

Table 2: Direct and indirect impact of construction and related spending (employment in job-years²; income, value-added and output in thousands of 2023 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	1,594	\$109,199.3	\$144,154.7	\$198,400.2
Indirect Effect	239	13,669.3	22,326.0	39,644.7
Total Effect	1,833	\$122,868.6	\$166,480.7	\$238,044.9

¹ Output is a measure of the total sales by Rhode Island companies (including the "sale" of labor by Rhode Island households) generated by the project.

² A job-year is equivalent to the time worked by one person who is employed full-time for a year. It could represent the work of two people who are each employed full-time for six months; or the work of one person who is employed half-time for two years.

In addition to the impacts on employment, earnings, output and state GDP cited in Table 2, direct spending of \$201.4 million would generate a projected one-time increase of approximately \$7.94 million in taxes paid to the State during construction, including:

- \$3.518 million in state sales and use taxes paid on materials used in construction
- \$2.496 million in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project;
- \$1.609 million in state sales taxes paid on those workers' taxable household spending; and
- \$315,000 in state business taxes.

The activity reflected in Table 2 will occur primarily from 2022 through 2025.

The anticipated wage rates for construction jobs are shown below in Table 3. Anticipated wage rates are the median hourly wage for these occupations in Rhode Island, as of 2020.

Table 3: Anticipated wages during construction

Occupation	RI median hourly wage³
Architect	\$41.20
Construction manager	\$52.49
Carpenter	\$23.59
Electrician	\$27.54
Operating engineer	\$29.83
Plumber	\$27.39
Painter	\$19.03
Laborer	\$26.49

Fringe benefits associated with these jobs are expected to be in accordance with industry norms, with the cost of such benefits generally ranging between 22 and 28 percent of wages. Workers who fill these jobs are expected to be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

Annual operations

111 Westminster Street is assumed to begin operating in 2025, and to stabilize in 2027. Using information provided by the Sponsor and the IMPLAN input-output modeling system, Appleseed estimates that upon stabilization in 2027, ongoing operations would directly employ:

- 12 workers in building operations, maintenance and management
- 33 employees of office-based businesses
- 30 retail and restaurant workers

³ Median wages cited in Table 3 are from Rhode Island Department of Labor and Training, Occupational Employment Statistics, May 2020

As plans for use of the banking hall continue to advance, the number of jobs associated with ongoing operations of 111 Westminster could grow.

For purposes of this analysis, we assume that building operations, maintenance and management, retail and office-based jobs – but only half of all restaurant jobs – are “net new” to Rhode Island.

Based on these assumptions, we estimate (as shown in Table 4) that in 2027, ongoing operations in the building would directly and indirectly support:

- 88 net new jobs in Rhode Island, with nearly \$4.57 million in annual earnings (in 2026 dollars);
- \$12.36 million in annual statewide economic output; and
- An increase of nearly \$6.75 million in Rhode Island’s annual GDP.

Table 4: Direct, indirect and total impact of building and tenant business operations, 2026 (earnings, value-added and output in millions of 2026 dollars)

	Jobs	Earnings	Value added	Output
Direct Effect	64	\$3,181.9	\$4,560.9	\$8,347.0
Indirect Effect	24	1,386.2	2,188.5	4,015.6
Total Effect	88	\$4,568.1	\$6,749.4	\$12,362.6

In addition to the impacts on employment, earnings, output and state GDP cited in Table 4, ongoing operations at 111 Westminster would generate a projected gross increase of approximately \$673,000 in net new taxes paid to the state in 2027, including:

- \$275,000 in state personal income taxes paid by tenants residing at 111 Westminster Street⁴
- \$151,000 in state sales taxes paid on household spending by the building’s residential tenants⁵
- \$92,000 in state personal income taxes paid by Rhode Island workers employed at 111 Westminster, or whose jobs are indirectly attributable to building and tenant business operations
- \$60,000 in state sales taxes paid on those workers’ taxable household spending
- \$12,000 in state business taxes
- \$83,000 in state sales taxes paid on net new retail and restaurant sales

⁴ Based on the projected incomes of tenants in at 111 Westminster Street; assumes that 25 percent of all tenants are “net new” residents of Rhode Island. The latter assumption may be conservative; if 50 percent of all tenants are net new to the state, we estimate that the building’s tenants would generate \$550,000 in net new state personal income taxes.

⁵ Based on projected tenant incomes of tenants at 111 Westminster Street, and data on the composition of household spending from the Census Bureau’s Consumer Expenditure Survey; assumes; that 25 percent of their household spending is “net new” to the state; and that 60 percent of such spending is taxable.

Workers employed at 111 Westminster would be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

Impact

The Sponsor has requested financing sources that include Rebuild Rhode Island tax credits and other state incentives totaling \$26.2 million. Direct and indirect economic and fiscal benefits of the proposed project include an estimated increase in annual state GDP (in 2026) of approximately \$6.75 million; the associated job creation; and an increase of approximately \$16.69 million in personal income, sales, and business tax revenues directly and indirectly generated by the project during the construction phase, and by ongoing operations during the twelve years from 2024 through 2035. The estimated personal income, sales, and business tax revenues directly and indirectly generated by the project over the construction period and 30 years of operation would be approximately \$28.13 million.

In addition to the economic and tax revenue impacts cited above, the proposed project would benefit Rhode Island in several other ways:

- By preserving and returning to productive use a long-vacant historic building
- By increasing the supply of housing available to support the continued growth in the City's and the State's resident population, workforce and tax base
- By increasing the City's supply of housing for workers and households earning between 80 and 120 percent of Area Median Income
- By increasing spendable household income in Downtown Providence by approximately \$15.0 to \$20.0 million per year,⁶ leading to an increase in annual household spending within the local area of approximately \$10 to \$11 million, and thus supporting the growth of local retail, restaurant and consumer service businesses
- By strengthening the City's ongoing efforts to reinvigorate the area around Kennedy Plaza – increasing local foot traffic, supporting local businesses, and attracting additional private investment
- By providing a new venue for a wide variety of events (both public and private) that could draw thousands of out-of-state visitors to (and increase visitor spending in) Providence
- Over time, by increasing local real property tax revenues

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the State's investment tools mitigate other risks to the state. In particular, completion risk (i.e., the risk that the project is not completed) is mitigated by the fact that the requested tax credits would be made available only upon completion of construction.

⁶ After excluding taxes and housing costs

**RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE FIRST WAVE CLOSING FUND ACT**

May 11, 2022

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 and Providence Plantations (the “State”) under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the “Enabling Act”);

WHEREAS: Chapter 64.23 of Title 42 Chapter 48.3 of Title 44 of the General Laws of Rhode Island (the “First Wave Act”), as amended, authorizes the Corporation to approve the issuance of incentives in relation to catalytic economic development projects in the State;

WHEREAS: The Corporation received an application for incentives under the First Wave Act in relation to a project by High Rock Westminster Street, LLC (the “Recipient”) for a project located at 111 Westminster Street, Providence, RI (“the Project”); and

WHEREAS: The Corporation’s Investment Committee and Access to Capital Committee have 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 of the Corporation received a presentation inclusive of a memorandum and a term sheet detailing the Project and 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 Acts.

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 First Wave Act, the Corporation approves the issuance of financing to the Recipient under the First Wave Act in the amount of Five Million Seven Hundred Thousand Dollars (\$5,700,000).
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 First Wave Act in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;

- b. Prior to certification of any award of incentives to the Recipient, verification by the Corporation of compliance with the funding guidelines of the rules and regulations adopted in relation to the First Wave Act (the "First Wave Rules"); 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: (i) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (ii) that, to the extent applicable, the provisions of R.I. Gen. Laws § 42-64-10(a)(1)(ii) through (v) have been satisfied; and (iii) the Recipient has demonstrated that it will otherwise satisfy the funding guidelines of the First Wave Rules.
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 R.I. Gen. Laws § 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 EVP Investments (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 action 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.

EXHIBIT 1

Rhode Island Commerce Corporation
Rebuild Rhode Island Tax Credits – Economic Impact Analysis
High Rock Westminster LLC Application

Introduction

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 - Rebuild RI Tax Credit Program: \$15 million
 - First Wave Closing Fund: \$5.7 million
 - Acquisition and Revitalization Program: \$1.0 million
 - Workforce Housing Innovation Challenge: \$4.5 million
- \$22 million in Federal Historic Tax Credits
- \$10 million low-interest loan from the City of Providence’s Housing Trust Fund.
- \$5 million in a direct contribution from the City of Providence.
- \$2.1 million in proceeds from federal New Markets Tax Credits.
- The Rhode Island Foundation is also providing bridge financing for the Rebuild Rhode Island Tax Credits which reduces the project’s financing costs.

The Developer also intends to seek a Tax Stabilization Agreement from the City of Providence.

This analysis was prepared by Appleseed, a consulting firm with more than 25 years’ experience in economic impact analysis.

Jobs Analysis

Construction

As shown in Table 1, the Sponsor's estimate of total project cost is approximately \$223.1 million.

Table 1: Estimated total project cost (\$ millions)

Component	Estimated cost
Land and building contribution	\$10.0
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Soft costs	25.8
Financing and carrying costs, project contingency	19.8
Total	\$223.1

After excluding certain costs that do not have a direct, current impact on Rhode Island's economy (including interest costs during construction) Appleseed estimates that spending on development of the proposed project would total approximately \$201.4 million.

Using the IMPLAN input-output modeling system (a modeling tool commonly used in economic impact studies), Appleseed estimates that direct expenditures of \$201.4 million would directly and indirectly generate:

- 1,833 jobs in Rhode Island, with \$122.87 million in earnings (in 2023 dollars);
- Approximately \$238.04 million in statewide economic output¹; and
- A one-time increase of \$166.48 million in Rhode Island's GDP.

These impacts are summarized below in Table 2. The project's *direct impact* is the impact of the Sponsor's direct spending on construction, including both hard and soft costs. Its *indirect impact* is the effect of spending by contractors for goods and services (insurance, construction materials, etc.) purchased from other Rhode Island businesses. (Induced impacts are not included in these estimates.)

Table 2: Direct and indirect impact of construction and related spending (employment in job-years²; income, value-added and output in thousands of 2023 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	1,594	\$109,199.3	\$144,154.7	\$198,400.2
Indirect Effect	239	13,669.3	22,326.0	39,644.7
Total Effect	1,833	\$122,868.6	\$166,480.7	\$238,044.9

¹ Output is a measure of the total sales by Rhode Island companies (including the "sale" of labor by Rhode Island households) generated by the project.

² A job-year is equivalent to the time worked by one person who is employed full-time for a year. It could represent the work of two people who are each employed full-time for six months; or the work of one person who is employed half-time for two years.

In addition to the impacts on employment, earnings, output and state GDP cited in Table 2, direct spending of \$201.4 million would generate a projected one-time increase of approximately \$7.94 million in taxes paid to the State during construction, including:

- \$3.518 million in state sales and use taxes paid on materials used in construction
- \$2.496 million in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project;
- \$1.609 million in state sales taxes paid on those workers' taxable household spending; and
- \$315,000 in state business taxes.

The activity reflected in Table 2 will occur primarily from 2022 through 2025.

The anticipated wage rates for construction jobs are shown below in Table 3. Anticipated wage rates are the median hourly wage for these occupations in Rhode Island, as of 2020.

Table 3: Anticipated wages during construction

Occupation	RI median hourly wage³
Architect	\$41.20
Construction manager	\$52.49
Carpenter	\$23.59
Electrician	\$27.54
Operating engineer	\$29.83
Plumber	\$27.39
Painter	\$19.03
Laborer	\$26.49

Fringe benefits associated with these jobs are expected to be in accordance with industry norms, with the cost of such benefits generally ranging between 22 and 28 percent of wages. Workers who fill these jobs are expected to be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

Annual operations

111 Westminster Street is assumed to begin operating in 2025, and to stabilize in 2027. Using information provided by the Sponsor and the IMPLAN input-output modeling system, Appleseed estimates that upon stabilization in 2027, ongoing operations would directly employ:

- 12 workers in building operations, maintenance and management
- 33 employees of office-based businesses
- 30 retail and restaurant workers

³ Median wages cited in Table 3 are from Rhode Island Department of Labor and Training, Occupational Employment Statistics, May 2020

As plans for use of the banking hall continue to advance, the number of jobs associated with ongoing operations of 111 Westminster could grow.

For purposes of this analysis, we assume that building operations, maintenance and management, retail and office-based jobs – but only half of all restaurant jobs – are “net new” to Rhode Island.

Based on these assumptions, we estimate (as shown in Table 4) that in 2027, ongoing operations in the building would directly and indirectly support:

- 88 net new jobs in Rhode Island, with nearly \$4.57 million in annual earnings (in 2026 dollars);
- \$12.36 million in annual statewide economic output; and
- An increase of nearly \$6.75 million in Rhode Island’s annual GDP.

Table 4: Direct, indirect and total impact of building and tenant business operations, 2026 (earnings, value-added and output in millions of 2026 dollars)

	Jobs	Earnings	Value added	Output
Direct Effect	64	\$3,181.9	\$4,560.9	\$8,347.0
Indirect Effect	24	1,386.2	2,188.5	4,015.6
Total Effect	88	\$4,568.1	\$6,749.4	\$12,362.6

In addition to the impacts on employment, earnings, output and state GDP cited in Table 4, ongoing operations at 111 Westminster would generate a projected gross increase of approximately \$673,000 in net new taxes paid to the state in 2027, including:

- \$275,000 in state personal income taxes paid by tenants residing at 111 Westminster Street⁴
- \$151,000 in state sales taxes paid on household spending by the building’s residential tenants⁵
- \$92,000 in state personal income taxes paid by Rhode Island workers employed at 111 Westminster, or whose jobs are indirectly attributable to building and tenant business operations
- \$60,000 in state sales taxes paid on those workers’ taxable household spending
- \$12,000 in state business taxes
- \$83,000 in state sales taxes paid on net new retail and restaurant sales

⁴ Based on the projected incomes of tenants in at 111 Westminster Street; assumes that 25 percent of all tenants are “net new” residents of Rhode Island. The latter assumption may be conservative; if 50 percent of all tenants are net new to the state, we estimate that the building’s tenants would generate \$550,000 in net new state personal income taxes.

⁵ Based on projected tenant incomes of tenants at 111 Westminster Street, and data on the composition of household spending from the Census Bureau’s Consumer Expenditure Survey; assumes; that 25 percent of their household spending is “net new” to the state; and that 60 percent of such spending is taxable.

Workers employed at 111 Westminster would be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

Impact

The Sponsor has requested financing sources that include Rebuild Rhode Island tax credits and other state incentives totaling \$26.2 million. Direct and indirect economic and fiscal benefits of the proposed project include an estimated increase in annual state GDP (in 2026) of approximately \$6.75 million; the associated job creation; and an increase of approximately \$16.69 million in personal income, sales, and business tax revenues directly and indirectly generated by the project during the construction phase, and by ongoing operations during the twelve years from 2024 through 2035. The estimated personal income, sales, and business tax revenues directly and indirectly generated by the project over the construction period and 30 years of operation would be approximately \$28.13 million.

In addition to the economic and tax revenue impacts cited above, the proposed project would benefit Rhode Island in several other ways:

- By preserving and returning to productive use a long-vacant historic building
- By increasing the supply of housing available to support the continued growth in the City's and the State's resident population, workforce and tax base
- By increasing the City's supply of housing for workers and households earning between 80 and 120 percent of Area Median Income
- By increasing spendable household income in Downtown Providence by approximately \$15.0 to \$20.0 million per year,⁶ leading to an increase in annual household spending within the local area of approximately \$10 to \$11 million, and thus supporting the growth of local retail, restaurant and consumer service businesses
- By strengthening the City's ongoing efforts to reinvigorate the area around Kennedy Plaza – increasing local foot traffic, supporting local businesses, and attracting additional private investment
- By providing a new venue for a wide variety of events (both public and private) that could draw thousands of out-of-state visitors to (and increase visitor spending in) Providence
- Over time, by increasing local real property tax revenues

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the State's investment tools mitigate other risks to the state. In particular, completion risk (i.e., the risk that the project is not completed) is mitigated by the fact that the requested tax credits would be made available only upon completion of construction.

⁶ After excluding taxes and housing costs