

RHODE ISLAND COMMERCE CORPORATION

AGENDA

June 26, 2023

Call to order and opening remarks.

Tab 1: To consider for approval meeting minutes.

Tab 2: To consider the selection of consultants for tourism advertising, public relations, and media buying services.

Tab 3: To authorize the expenditure of funding from the National Telecommunications and Information Administration and Federal Communications Commission for broadband planning and community outreach.

Tab 4: To consider the selection of consultants for general support for broadband infrastructure and digital equity investment.

Tab 5: To consider approval of Innovation Vouchers.*

Tab 6: To receive an update on the Comprehensive Economic Development Strategy.

Tab 7: To receive an update on the Corporation's budget.

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

JUNE 26, 2023

APPROVED

VOTED: To approve the public session meeting minutes for the May 22, 2023 meeting as presented to the Board.

RHODE ISLAND COMMERCE CORPORATION
MEETING OF DIRECTORS
PUBLIC SESSION
May 22, 2023

The Board of Directors of the Rhode Island Commerce Corporation (the "Corporation") met on May 22, 2023, in Public Session, beginning at 5:00 p.m., pursuant to the public notice of meeting, a copy of which is attached hereto as **Exhibit A**, as required by applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Elizabeth Catucci, Dr. Brenda Dann-Messier, An Le, Donna Sams, Bill Stone, and Karl Wadensten.

Directors absent were: Governor Daniel J. McKee, David Chenevert, Mary Jo Kaplan, George Nee, and Michael Solomon.

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

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

Ms. Catucci called the meeting to order at 5:03 p.m., indicating that a quorum was present.

Ms. Catucci introduced Mr. Le as the newest member of the Board. She explained that Mr. Le is a senior vice president at Bristol County Savings Bank. All Board members introduced themselves to Mr. Le. Mr. Ash introduced Renee Scalzi, the Corporation's new Human Resources Manager.

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

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

VOTED: To approve the public session meeting minutes for the April 24, 2023, meeting as presented to the Board.

Voting in favor of the foregoing were: Elizabeth Catucci, Dr. Brenda Dann-Messier, Donna Sams, Bill Stone, and Karl Wadensten.

Voting against the foregoing were: none.

Mr. Le abstained.

3. **TO CONSIDER AN AWARD TO WESTMINSTER PARTNERS, LLC UNDER THE RHODE ISLAND TAX INCREMENT FINANCING ACT IN THE PRINCIPAL AMOUNT OF \$3,200,000.**

Jeff Miller, the Corporation's Executive Vice President of Investments, explained that before the Board for consideration was Westminster Partners, LLC's application for \$3.2 million under the Rhode Island Tax Increment Financing Act for the redevelopment of a building located on Westminster Street, which he noted was the old Providence Journal building. He also noted that the building had been in disrepair for many years and was purchased by the developer approximately four years ago. Initially, he explained, the Board approved \$6 million for the building's redevelopment into a hotel. However, he stated, since that time and due to the pandemic, the developer has changed its plans and now intends to develop the building into one hundred twenty-four residential units with retail space, including a lounge, restaurant, and rooftop bar.

Mr. Stone recounted that the Corporation's Investment Committee reviewed the project and unanimously voted to recommend that the Board approve the incentives to the developer. He also noted the importance of the project, and that the Board's current approval is lower than what it previously approved for the project. In response to a question by Mr. Wadensten, a representative of the developer responded that all pre-development work has been completed, and construction on the project will commence as soon as financing is closed. The representative also indicated that the project would not proceed but for the incentives. In response to a question by Mr. Stone, the developer's representative indicated that a term sheet is signed with the project's senior lender.

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

VOTED: To approve Westminster Partners, LLC under the Rhode Island Tax Increment Financing Act in the principal amount of \$3.2 million pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Elizabeth Catucci, Dr. Brenda Dann-Messier, An Le, Donna Sams, Bill Stone, and Karl Wadensten.

Voting against the foregoing were: none.

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

4. **TO CONSIDER THE SELECTION OF INTERMEDIARIES FOR THE TAKE IT OUTSIDE PROGRAM.**

Kara Kunst, the Corporation's Senior Policy and Budget Analyst, stated that a second round of the Take it Outside Program was completed by issuing a request for proposals that solicited intermediaries to assist companies expand their outdoor operations. She noted that the Corporation received seven responses, and that the Corporation's staff was recommending that the

Board approve approximately \$600,000 in awards, which, she anticipated, would assist approximately five hundred companies. In response to a question by Mr. Wadensten, Ms. Kunst highlighted how the first round of the Take it Outside Program assisted businesses in making permanent outdoor investments, such as permanent decking in place of temporary gravel.

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

VOTED: To approve the selection of intermediaries for the Take it Outside Program pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Elizabeth Catucci, Dr. Brenda Dann-Messier, An Le, Donna Sams, Bill Stone, and Karl Wadensten.

Voting against the foregoing were: none.

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

5. **TO CONSIDER THE SELECTION OF BUSINESS SUPPORT ORGANIZATIONS FOR THE MINORITY BUSINESS ACCELERATOR INTERMEDIARY-BASED INITIATIVE.**

Olinda Urizar-Mendez, the Corporation's Minority Business Support Manager, stated that the Corporation was appropriated \$5.2 million for a minority business accelerator. Of that amount, she stated, \$3.3 million was allocated to a business accelerator intermediary initiative, which is a program for intermediaries to administer programs to support the growth of minority- or women-owned businesses ("MBEs"). She indicated that, in April, the Corporation published a request for proposals ("RFP"), seeking proposals from intermediaries to provide technical assistance for, among other things, accounting, bookkeeping, IT services, and website development. She explained that the Corporation received twenty-eight responses, eighteen of which were eligible. She stated that the Corporation's staff recommends that the Board approve \$3 million in funding to twelve intermediaries.

Mr. Stone questioned how the decision was made to fund the twelve proposals. Ms. Urizar-Mendez stated that the decision considered, among other things, the ability for MBEs to utilize their current vendors and relationships in seeking the technical assistance, and the intermediary's proposed budget. In response to a question by Ms. Sams, Ms. Urizar-Mendez stated that the intermediaries must report on the number of programs created or reinforced, the number of MBEs that each intermediary assists, and how many non-MBE companies become MBE certified with the intermediary's assistance. In response to a question by Mr. Le, Ms. Urizar-Mendez stated that those metrics will be reported monthly. Ms. Urizar-Mendez and Mr. Stone discussed changes in the intermediaries' proposed budgets. Mr. Stone also expressed a concern that some vendors may not have the capability to provide MBE technical support. Ms. Sams responded that it is important to ensure that the intermediaries have the resources to complete their proposals, but also that intermediaries that may not be a "natural fit" can still provide technical assistance. Melody Weeks,

the Corporation's Executive Vice President, commented upon the Corporation's process in reviewing and changing proposed budgets to remove unallowable expenses.

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

VOTED: To approve the selection of business support organizations for the minority business accelerator intermediary-based initiative pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Elizabeth Catucci, Dr. Brenda Dann-Messier, An Le, Donna Sams, Bill Stone, and Karl Wadensten.

Voting against the foregoing were: none.

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

6. **TO CONSIDER THE SELECTION OF A VENDOR FOR BROADBAND MAPPING AND PLANNING.**

Brian Thorn, the Corporation's Director of Broadband Strategy, stated that the Corporation has several streams of funding for broadband initiatives, and that the current request before the Board was to approve the expenditure of \$820,000 to retain a vendor to perform broadband mapping services. He noted that such services are essential to make informed decisions on deploying broadband funding. In response to a question by Mr. Wadensten, Mr. Thorn stated that the vendor will create public-facing broadband maps, and maps for internal use. The maps, he explained, will hopefully illustrate where fiber, cable, and fixed wireless broadband is available. He also stated that the mapping will assist the State in obtaining \$100 million in broadband funding, which will be used to advance several priorities, including assisting the underserved, unserved, and community institutions to connect to adequate broadband.

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

VOTED: To approve the selection of a vendor for broadband mapping and planning pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Elizabeth Catucci, Dr. Brenda Dann-Messier, An Le, Donna Sams, Bill Stone, and Karl Wadensten.

Voting against the foregoing were: none.

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

7. **TO CONSIDER THE SELECTION OF A VENDOR FOR ON-CALL OFFSHORE WIND CONSULTING SERVICES.**

Will Cox, the Corporation's Vice President of Business Development and Investments, explained that before the Board for approval was the retention of a vendor to perform on-call advisory consulting services to support the offshore wind industry, including the development of a State-wide plan. He stated that the consultant will support the Corporation on business attraction efforts and implementation plans. Dr. Dann-Messier and Mr. Cox discussed workforce training for the offshore wind industry. Mr. Wadensten expressed concerns about engaging a consultant that had completed work for other states. Mr. Ash noted that many states are actually working cooperatively and as partners.

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

VOTED: To approve the selection of a vendor for on-call offshore wind consulting services pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Elizabeth Catucci, Dr. Brenda Dann-Messier, An Le, Donna Sams, Bill Stone, and Karl Wadensten.

Voting against the foregoing were: none.

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

8. **TO RECEIVE AN UPDATE ON WORKFORCE DIVERSITY AND INCLUSION.**

Renee Scalzi, the Corporation's Human Resource Manager, gave a PowerPoint presentation to the Board, which is attached hereto as **Exhibit G**.

Ms. Scalzi and Ms. Sams discussed the difference between an affirmative action plan and workforce diversity, equity, and inclusion. Ms. Sams requested an update on how the Corporation is hiring or soliciting a diverse candidate pool for employment and an update on the Corporation's work environment.

9. **TO RECEIVE AN UPDATE ON THE LONG-TERM ECONOMIC DEVELOPMENT STRATEGY AND COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY.**

This agenda item was deferred.

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 5:58 p.m. upon motion made by Dr. Dann-Messier and seconded by Mr. Nee.

Christopher J. Fragomeni, Secretary

MAY 22, 2023 PUBLIC SESSION MEETING MINUTES

EXHIBIT A

RHODE ISLAND COMMERCE CORPORATION
PUBLIC NOTICE OF MEETING

A meeting of the Board of Directors of the Rhode Island Commerce Corporation (“Corporation”) will be held on May 22, 2023 beginning at 5:00 p.m. at the offices of the Corporation, 315 Iron Horse Way, #101, Providence, RI 02908. The meeting will be held for the following purposes:

1. To consider for approval meeting minutes.
2. To consider an award to Westminster Partners, LLC under the Rhode Island Tax Increment Financing Act in the principal amount of \$3,200,000 (see Exhibit 1, which follows, for additional detail).*
3. To consider the selection of intermediaries for the Take it Outside Program.*
4. To consider the selection of business support organizations for the Minority Business Accelerator Intermediary-Based Initiative.*
5. To consider the selection of a vendor for broadband mapping and planning.
6. To consider the selection of a vendor for on-call offshore wind consulting services.
7. To receive an update on workforce diversity and inclusion.
8. To receive an update on the long-term economic development strategy and Comprehensive Economic Development Strategy.
9. To consider the utilization of the Corporation’s incentive programs for the investment of public funds.*

*Board members may convene in Executive Session pursuant to R.I. Gen. Laws § 42-46-5(a)(7) to consider 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: May 18, 2023.

EXHIBIT 1

Agenda item 2:

Westminster Partners, LLC will undertake the development of a mixed-use project located on Westminster Street in Providence that is expected to include 124 apartments, 11,000 square feet of retail space, a lounge and rooftop bar. The cost of the project is estimated to be \$53 million.

MAY 22, 2023 PUBLIC SESSION MEETING MINUTES

EXHIBIT B

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF TAX CREDITS
UNDER THE TAX INCREMENT FINANCING ACT

May 22, 2023

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

WHEREAS: Chapter 64.21 of Title 42 of the General Laws of Rhode Island (the "TIF Act"), as amended, authorizes the Corporation to approve the issuance of incentives in relation to certain development projects in the State; and

WHEREAS: The Corporation promulgated rules and regulations (the "Rules") governing the program established by the TIF 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 a "TIF Incentive" from Westminster Partners, LLC (the "Recipient") under the TIF Act in relation to a mixed-use project (the "Project") located at 187 / 203 / 213 Westminster Street, Providence, RI;

WHEREAS: The Corporation's Investment Committee has reviewed and considered the proposed issuance of the TIF Incentive to the Recipient and has voted to recommend to the Board of Directors (the "Board") of the Corporation the approval of the TIF Incentive; and

WHEREAS: The Board of the Corporation received a presentation inclusive of a term sheet detailing the Project and proposed TIF Incentive together with a recommendation from the staff of the Corporation for approval in accordance with the TIF 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 TIF Act, the Corporation approves the issuance of a TIF Incentive to the Recipient in an amount not to exceed the principal sum of \$3,200,000 at a rate of interest not more than ten percent for a maximum term of twenty years.
2. The authorization provided herein is further subject to the following conditions:
 - a. The execution of a TIF Agreement between the Corporation and the Recipient meeting the requirements of the TIF 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 any award of a TIF Incentive 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) 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 TIF Act and the Rules; (iv) the total amount of TIF Incentives awarded for the Project is the lesser of thirty (30%) of the total Project Cost or the amount needed to close the Project Financing Gap; (v) that the Chief Executive Officer of the Corporation has provided written confirmation required by the TIF Act (a copy of which is annexed hereto as Exhibit 1); (vi) the Secretary of Commerce has provided written confirmation required by the TIF Act (a copy of which is annexed hereto as Exhibit 1); (vii) the Recipient has demonstrated that it will otherwise satisfy the Eligibility Requirements of the Rules; and (viii) an exception to the provisions of 870-RICR-30-00-6.6(A)(4) is appropriate and hereby granted as the General Assembly has extended the statutory sunset of the TIF Act to December 31, 2023.
4. The Department of Revenue has issued an updated Revenue Increment Base certificate, a copy of which is annexed hereto as Exhibit 2.
5. Prior to the execution of TIF 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 3).
6. 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 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 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.
7. 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.

8. 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.
9. 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.
10. This Resolution shall take effect immediately upon passage and shall expire on October 1, 2023 if the Corporation and the Recipient have not entered into an incentive agreement by that date.

EXHIBIT 1

From: Elizabeth Tanner, Secretary of Commerce and Chief Executive Officer of the Rhode Island Commerce Corporation
William Ash, President and Chief Operating Officer of the Rhode Island Commerce Corporation

To: Board of Directors, Rhode Island Commerce Corporation

Re: Amended Tax Increment Financing Credit Application

Date: April 24, 2023

The staff of the Rhode Island Commerce Corporation (the "Corporation") is recommending to the Board of Directors that it approve the amended application of Westminster Partners, LLC (the "Application") for an incentive pursuant to the Tax Increment Financing ("TIF") program. This memo serves as the written confirmation, pursuant to Rhode Island General Laws § 46-64.21-6 and the Rules and Regulations for the Rhode Island Tax Increment Financing Act of 2015 (the "Rules"), of the following:

1. The Corporation's 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 proposed boundaries of the Qualifying TIF Area (as that term is defined in the Rules) shall be limited to that portion of the real property known as 187 / 203 / 213 Westminster Street, Providence, RI upon which the proposed mixed-used project will be constructed.
3. The length of the TIF incentive agreement shall be 20 years or fewer.
4. The Corporation has determined, in its discretion, that the eligible revenues for purposes of this Application would not exceed the sales taxes assessed and collected under Chapters 18 and 19 of Title 44 of the General Laws. The percentage of the incremental revenues from those source to be allocated under the TIF Agreement shall not exceed 75% of the sales tax assessed and collected in the Qualifying TIF Area.
5. The project is consistent with the purpose of the Tax Increment Financing Act, R.I. Gen. Laws § 42-64.21-1 *et seq.*

EXHIBIT 2

Rhode Island Department of Revenue Division of Taxation

From: Neena S. Savage, Tax Administrator
Rhode Island Division of Taxation

To: Board of Directors, Rhode Island Commerce Corporation

Re: Revenue Increment Base Certification for Westminster Partners, LLC TIF Application

Date: February 27, 2023

The staff of the Rhode Island Commerce Corporation (the “Corporation”) has informed the Division of Taxation (the “Division”) that it intends to recommend to the Corporation’s Board of Directors the application of Westminster Partners, LLC (the “Application”) for incentives under the Rhode Island Tax Increment Financing Act of 2015, R.I. Gen. Laws § 42-64.21-1 *et seq.* (the “Act”). The Corporation proposes to enter into a TIF agreement with Westminster Partners, LLC in which the relevant tax streams will be sales tax assessed and collected under Chapters 18 and 19 of Title 44 of the General Laws. The Act requires the Division to certify the “revenue increment base” for this proposed TIF agreement. *See* R.I. Gen. Laws § 42-64.21-3(11). This memo constitutes the Division’s certification under the Act.

The Act defines the “revenue increment base” as “the amounts of all eligible revenues from sources within the qualifying TIF area in the calendar year preceding the year in which the TIF agreement is executed, as certified by the division of taxation.” *Id.* The Corporation has informed the Division of the following:

- The Application is for an adaptive reuse of the properties located at 187, 203, and 213 Westminster Street, Providence, RI.
- The proposed qualifying TIF area for the Application is located on Assessor’s Plat 020/Lots 0021, 0022, and 0025, as depicted in the map attached in Exhibit A.
- The Corporation has determined, in its discretion, the eligible revenues for purposes of this Application would not exceed the sales tax assessed and collected under Chapters 18 and 19 of Title 44 of the General Laws.
- The TIF Agreement is anticipated to be entered into in the 2023 calendar year.

The Division of Taxation has determined that no Rhode Island sales tax was collected or assessed in the proposed qualifying TIF area for the calendar year 2022. Accordingly, on the basis of the foregoing information provided by the Corporation, the Division hereby certifies that the revenue increment base for the proposed TIF agreement is zero (\$0.00).