

**RHODE ISLAND COMMERCE CORPORATION**

**AGENDA**

**April 10, 2018**

Call to order and opening remarks.

- Tab 1: To consider the application of Immunex Rhode Island Corporation for incentives under the Qualified Jobs Incentive Tax Credit program and the Rebuild Rhode Island Tax Credit program.\*
- Tab 2: To consider the award of a Tax Stabilization Incentive to the Town of West Greenwich in the approximate amount of \$180,000.\*
- Tab 3: 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 discuss this Agenda item.

TAB 1

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

**April 10, 2018**

**APPROVED**

**VOTED:** To approve Immunex Rhode Island Corporation for incentives under the Qualified Jobs Incentive Tax Credit program and the Rebuild Rhode Island Tax Credit program pursuant to the resolution submitted to the Board.

RHODE ISLAND COMMERCE CORPORATION

RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES  
UNDER THE REBUILD RHODE ISLAND TAX CREDIT ACT AND  
THE QUALIFIED JOBS TAX CREDIT ACT

April 10, 2018

- 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”); and
- WHEREAS:** Chapter 64.20 of Title 42 of the General Laws of Rhode Island (the “Rebuild Act”), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to certain development projects in the State; and
- WHEREAS:** Chapter 48.3 of Title 44 of the General Laws of Rhode Island (the “Jobs Tax Credit Act” together with the Rebuild Act, may be referred to collectively herein as the “Acts”), 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 incentive under the Acts in relation to a project (the “Project”) by Immunex Rhode Island Corporation (the “Recipient”), which is anticipated to result in the creation of new full-time jobs in the State meeting the eligibility requirements of the Jobs Tax Credit Act and the investment of approximately one hundred sixty-five million in project costs; 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 of the Corporation received a presentation inclusive of a term sheet and memorandum 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 Acts, the Corporation approves the issuance of the following incentives:
  - a. Under the Rebuild Act, tax credits to the Recipient in an amount not to exceed Three Million Four Hundred Fifty Thousand Dollars (\$3,450,000) and a sales and use tax exemption.
  - b. Under the Jobs Act, tax credits to the Recipient up to the amount of three hundred (300) jobs not to exceed Seven Thousand Five Hundred Dollars (\$7,500) per new full-time job annually.
2. The authorization provided herein is subject to the following conditions:
  - a. The execution of one or more incentive agreements between the Corporation and the Recipient meeting the requirements of the Acts 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 i) the eligibility requirements of Rule 6 of the rules and regulations adopted in relation to the Rebuild Act (the "Rebuild Rules");
  - c. The creation of not less than the minimum required new full-time jobs under the Jobs 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
  - d. 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 has demonstrated an intention to create the requisite number of new full-time jobs as required under the Jobs Act; (iv) the creation of the new full-time jobs would not occur in the State but for the provision of the tax credits under the Jobs Act; (v) 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 Act; (vi) 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 Act and the Rebuild Rules; (vii) the total amount of tax credits awarded for the Project under the Rebuild Act are not more than thirty (30%) 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 Act (a copy of which is annexed hereto as Exhibit 2); (viii) the Secretary of Commerce has provided written confirmation required by the Rebuild Act (a copy of which is annexed hereto as Exhibit 1); (ix) the Office of Management and Budget has provided written confirmation required under the Rebuild Act (a copy of which is annexed hereto as Exhibit 2); (x) the Recipient has demonstrated that it will otherwise satisfy the eligibility requirements of Rule 6 of the Rebuild Rules for a commercial project; and (xi) based upon the information provided relative to the Project and upon the recommendation of staff, good cause exists for the granting of two, six month extensions of the deadline for submitting the initial certification as permitted under Rule 16 of the rules and regulations adopted in relation to the Jobs Tax Credit Act and the Authorized Officers are hereby provided authority to grant such extensions in their discretion.

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 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, 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 adoption by the Board.

EXHIBIT 1



**From:** Stefan Pryor, Secretary of Commerce and Chief Executive Officer of the Rhode Island Commerce Corporation  
Jesse Saglio, 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:** April 10, 2018

---

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

- To consider the application of Immunex Rhode Island Corporation for Tax Credits in an amount not to exceed \$3,450,000.

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.*
3. The loan to be awarded to the applicant shall not be in excess of the amount listed above.

EXHIBIT 2



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF ADMINISTRATION

OFFICE of MANAGEMENT & BUDGET  
One Capitol Hill  
Providence, RI 02908-5890

Office: (401) 574-8430

**From:** Jonathan Womer, Director of the Office of Management and Budget  
**To:** Board of Directors, Rhode Island Commerce Corporation  
**Re:** Rebuild Rhode Island Tax Credit Applications  
**Date:** April 10, 2018

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 new project for the receipt of tax credits under the Rebuild Rhode Island Tax Credit in an amount not to exceed \$3,450,000.00. That recommendation is as follows:

1. That the application submitted by Immunex Rhode Island Corporation be approved for tax credits in a maximum amount of \$3,450,000.00.

As of January 22, 2018, the Corporation had approved tax credits and/or loans under the program in the amount of \$91,939,827.92. The approval of an additional \$3,450,000.00 in tax credits would bring the cumulative total of approved credits and/or loans to \$95,389,827.92. Currently thirty-eight and half million dollars 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) of the Rhode Island General Laws authorized aggregate tax credits and/or loans under the Rebuild Rhode Island Tax Credit program in an amount not to exceed \$150 million. Accordingly, the existing and anticipated revenue capacity for the Rebuild Rhode Island Tax Credit program exceeds the total amount of credits and/or loans that are proposed for approval. As a result, OMB confirms that the additional amount of credits and/or loans proposed above, i.e. \$3,450,000.00, does not exceed the existing and anticipated revenue capacity of the state for the Rebuild Rhode Island Tax Credit program. In addition, OMB confirms that, with the approval of the proposed credits and/or loans, the aggregate credits and/or loans approved by the Corporation under the Rebuild Rhode Island program will not exceed the maximum aggregate credits and/or loans allowed under the program.

Furthermore, based on information provided by the Corporation staff concerning the anticipated completion schedule of the projects that are the subject of this applications and the likely distribution of credits and/or loan proceeds over the five-year payment period, OMB anticipates the budget impact to the state of the credits and/or loans, if approved, in the year of application and in subsequent years will be as set forth in the attached Exhibit A.

The memorandum constitutes OMB's written confirmation pursuant to RIGL § 42-64.20-6(a)(4) and pursuant to Rule 12(a)(3) of the Rules and Regulations for the Rebuild Rhode Island Tax Credit Program. Pursuant to RIGL § 42-64.20-5(m), any disbursements to support the redemption of tax credits for 90% of their value are subject to appropriations, and applicants should be notified accordingly.

**Exhibit A**

**Fiscal Year Impact of Proposed Rebuild Rhode Island Tax Credit Projects**

<i>Projects Confirmed as of</i>	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
<i>Projects Confirmed as of 1/25/16</i>											
Bourne Capital Partners	\$0	\$0	\$637,688.00	\$641,518.00	\$484,598.00	\$484,598.00	\$484,598.00	\$0	\$0	\$0	\$2,733,000.00
John M. Corcoran & Co.	\$0	\$0	\$1,675,000.00	\$977,083.33	\$977,083.33	\$977,083.33	\$977,083.33	\$0	\$0	\$0	\$5,583,333.32
Subtotal:	\$0	\$0	\$2,312,688.00	\$1,618,601.33	\$1,461,681.33	\$1,461,681.33	\$1,461,681.33	\$0	\$0	\$0	\$8,316,333.32
<i>Projects Confirmed as of 2/22/16</i>											
Waldorf Capital Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Mead Association, LLC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Projects Confirmed as of 3/28/16</i>											
Providence Capital III	\$0	\$0	\$546,486	\$910,810	\$667,928	\$455,404	\$455,404	\$0	\$0	\$0	\$3,036,032.20
78 Fountain JV Owner, LLC	\$0	\$0	\$1,223,024.00	\$1,223,024.00	\$1,223,024.00	\$1,223,024.00	\$1,223,023.00	\$0	\$0	\$0	\$6,115,119.00
WinnDevelopment and Omni Development	\$0	\$0	\$1,097,280.00	\$914,400.00	\$548,640.00	\$548,640.00	\$548,640.00	\$0	\$0	\$0	\$3,657,600.00
Subtotal:	\$0	\$0	\$2,866,789.60	\$3,048,234.00	\$2,439,591.80	\$2,227,068.40	\$2,227,067.40	\$0	\$0	\$0	\$12,808,751.20
<i>Projects Confirmed as of 5/09/16</i>											
AT Cross Company	\$0	\$80,000.00	\$80,000.00	\$80,000.00	\$80,000.00	\$80,000.00	\$0	\$0	\$0	\$0	\$400,000.00
Subtotal:	\$0	\$80,000.00	\$80,000.00	\$80,000.00	\$80,000.00	\$80,000.00	\$0	\$0	\$0	\$0	\$400,000.00
<i>Projects Confirmed as of 5/23/16</i>											
Union Mill LLC	\$0	\$0.00	\$725,280.60	\$725,280.60	\$725,280.60	\$725,280.60	\$725,280.60	\$0	\$0	\$0	\$3,626,403.00
Subtotal:	\$0	\$0.00	\$725,280.60	\$725,280.60	\$725,280.60	\$725,280.60	\$725,280.60	\$0	\$0	\$0	\$3,626,403.00
<i>Projects Confirmed as 6/27/16</i>											
D'Ambra Warwick Hotel LLC	\$0	\$0	\$273,399.00	\$273,398.00	\$273,398.00	\$273,398.00	\$273,398.00	\$0	\$0	\$0	\$1,366,991.00
Ocean State Jobbers, Inc.	\$0	\$0	\$620,000.00	\$620,000.00	\$620,000.00	\$620,000.00	\$620,000.00	\$0	\$0	\$0	\$3,100,000.00
Subtotal:	\$0	\$0	\$893,399.00	\$893,398.00	\$893,398.00	\$893,398.00	\$893,398.00	\$0	\$0	\$0	\$4,466,991.00

<i>Projects Confirmed as 8/10/16</i>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>Total</b>
Finlay Extracts & Ingredients USA, Inc.	\$0	\$0	\$35,394.00	\$35,394.00	\$35,394.00	\$55,394.00	\$55,394.00	\$20,000.00	\$20,000.00	\$20,000.00	\$276,970.00
Subtotal:	\$0	\$0	\$35,394.00	\$35,394.00	\$35,394.00	\$55,394.00	\$55,394.00	\$20,000.00	\$20,000.00	\$20,000.00	\$276,970.00
<i>Projects Confirmed as 8/22/16</i>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>Total</b>
Lippitt Mill LLC	\$0	\$0	\$420,701.00	\$420,700.00	\$420,700.00	\$420,700.00	\$420,700.00	\$0	\$0	\$0	\$2,103,501.00
Subtotal:	\$0	\$0	\$420,701.00	\$420,700.00	\$420,700.00	\$420,700.00	\$420,700.00	\$0	\$0	\$0	\$2,103,501.00
<i>Projects Confirmed as 9/26/16</i>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>Total</b>
Urban Smart Growth, LLC	\$0	\$0	\$713,932.00	\$713,932.00	\$713,931.00	\$713,931.00	\$713,931.00	\$0	\$0	\$0	\$3,569,657.00
Royal Oaks Realty, LLC	\$0	\$0	\$503,435.00	\$503,435.00	\$503,435.00	\$503,435.00	\$503,434.00	\$0	\$0	\$0	\$2,517,174.00
Subtotal:	\$0	\$0	\$1,217,367.00	\$1,217,367.00	\$1,217,366.00	\$1,217,365.00	\$1,217,365.00	\$0	\$0	\$0	\$6,086,831.00
<i>Projects Confirmed as 11/21/16</i>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>Total</b>
City of Newport	\$0	\$0	\$638,437.00	\$425,625.00	\$425,625.00	\$319,218.00	\$319,218.00	\$0	\$0	\$0	\$2,128,123.00
Subtotal:	\$0	\$0	\$638,437.00	\$425,625.00	\$425,625.00	\$319,218.00	\$319,218.00	\$0	\$0	\$0	\$2,128,123.00
<i>Projects Confirmed as 12/19/16</i>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>Total</b>
Chestnut Commons	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Virgin Pulse	\$0	\$301,924.80	\$251,604.00	\$150,962.40	\$150,962.40	\$821,216.40	\$558,545.50	\$335,127.30	\$335,127.30	\$335,127.30	\$3,240,597.40
Subtotal:	\$0	\$301,924.80	\$251,604.00	\$150,962.40	\$150,962.40	\$821,216.40	\$558,545.50	\$335,127.30	\$335,127.30	\$335,127.30	\$3,240,597.40
<i>Projects Confirmed as 1/23/17</i>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>Total</b>
Downcity	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00
Subtotal:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00
<i>Projects Confirmed as 2/27/17</i>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>Total</b>
SAT Development LLC	\$0	\$0	\$0	\$298,500.00	\$248,750.00	\$149,250.00	\$149,250.00	\$149,250.00	\$0	\$0	\$995,000.00
Agoda Travel Operations USA Inc.	\$0	\$0	\$203,675.00	\$203,675.00	\$203,675.00	\$203,675.00	\$203,674.00	\$0	\$0	\$0	\$1,018,374.00
Subtotal:	\$0	\$0	\$203,675.00	\$502,175.00	\$452,425.00	\$352,925.00	\$352,924.00	\$149,250.00	\$0	\$0	\$2,013,374.00

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
<b>Projects Confirmed as 5/1/17</b>											
SSL Partner, LLC	\$0	\$0	\$0	\$0	\$3,000,000.00	\$3,000,000.00	\$3,000,000.00	\$3,000,000.00	\$3,000,000	\$0	\$15,000,000.00
Wexford Science & Technology, LLC (1)	\$0	\$0	\$0	\$1,670,982.00	\$1,670,982.00	\$1,670,982.00	\$1,670,982.00	\$1,670,982.00	\$0	\$0	\$8,354,910.00
Case Mend Association, LLC (2)	\$0	\$0	\$317,760.00	\$317,760.00	\$317,760.00	\$317,759.00	\$317,759.00	\$0	\$0	\$0	\$1,588,798.00
Subtotal:	\$0	\$0	\$317,760.00	\$1,988,742.00	\$4,988,742.00	\$4,988,741.00	\$4,988,741.00	\$4,670,982.00	\$3,000,000.00	\$0	\$24,943,708.00
<b>Projects Confirmed as 5/22/17</b>											
TPG 100 Sabin Hotel, LLC	\$0	\$0	\$0	\$20,000	\$20,000.00	\$20,000	\$20,000.00	\$20,000	\$0	\$0	\$100,000.00
110 North Main, LLC and 110 North Main Management, LLC	\$0	\$0	\$0	\$600,000.00	\$600,000.00	\$600,000.00	\$600,000.00	\$600,000.00	\$0	\$0	\$3,000,000.00
Subtotal:	\$0	\$0	\$0	\$620,000.00	\$620,000.00	\$620,000.00	\$620,000.00	\$620,000.00	\$0	\$0	\$3,100,000.00
<b>Projects Confirmed as 10/30/17</b>											
Waldorf Capital Partners LLC (3)(4)	\$0	\$0	\$0	\$695,072.00	\$695,071.00	\$695,071.00	\$695,071.00	\$695,071.00	\$0	\$0	\$3,475,356.00
Subtotal:	\$0	\$0	\$0	\$695,072.00	\$695,071.00	\$695,071.00	\$695,071.00	\$695,071.00	\$0	\$0	\$3,475,356.00
<b>Projects Confirmed as 11/20/17</b>											
Gotham Greens Holdings LLC	\$0	\$0	\$0	\$390,000.00	\$325,000.00	\$195,000.00	\$195,000.00	\$195,000.00	\$0	\$0	\$1,300,000.00
Subtotal:	\$0	\$0	\$0	\$390,000.00	\$325,000.00	\$195,000.00	\$195,000.00	\$195,000.00	\$0	\$0	\$1,300,000.00
<b>Projects Confirmed as 12/18/17</b>											
Cornish Associates LP (2) (4)	\$0	\$0	\$0	\$0	\$3,570,868.00	\$2,975,722.00	\$1,785,433.00	\$1,785,433.00	\$1,785,433.00	\$0	\$11,902,889.00
Infosys Limited	\$0	\$0	\$225,000.00	\$187,500.00	\$112,500.00	\$112,500.00	\$112,500.00	\$0	\$0	\$0	\$750,000.00
Subtotal:	\$0	\$0	\$225,000.00	\$187,500.00	\$3,683,368.00	\$3,088,222.00	\$1,897,933.00	\$1,785,433.00	\$1,785,433.00	\$0	\$12,652,889.00
<b>Projects Confirmed as 1/22/18</b>											
Sprague Street Owner, LLC	\$0	\$0	\$0	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$0	\$0	\$1,000,000.00
Subtotal:	\$0	\$0	\$0	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$0	\$0	\$1,000,000.00

<i>Projects Confirmed as 4/10/18</i>	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Immunex Rhode Island Corporation	\$0	\$0	\$0	\$0	\$690,000.00	\$690,000.00	\$690,000.00	\$690,000.00	\$690,000.00	\$0	\$3,450,000.00
Subtotal:	\$0	\$0	\$0	\$0	\$690,000.00	\$690,000.00	\$690,000.00	\$690,000.00	\$690,000.00	\$0	\$3,450,000.00
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
<b>ALL PROJECTS TOTAL:</b>	\$0.00	\$381,924.80	\$10,188,095.20	\$13,199,051.33	\$19,504,605.13	\$19,051,281.73	\$17,518,318.83	\$9,360,863.30	\$5,830,560.30	\$355,127.30	\$95,389,827.92

Notes

- (1) River House
- (2) Amended
- (3) Chestnut Commons
- (4) Downcity II

EXHIBIT 3



**Rhode Island Commerce Corporation**  
**Rebuild Rhode Island and Qualified Jobs Incentive Tax Credits –**  
**Economic Impact Analysis**

***Immunex Rhode Island Corporation Application***

**Introduction**

The Rhode Island Commerce Corporation (the "Corporation") may issue Rebuild Rhode Island and Qualified Jobs Incentive tax credits and a Tax Stabilization Incentive to Immunex Rhode Island Corporation ("the Company"), based in West Greenwich. The Company is a wholly-owned subsidiary of Amgen, Inc., based in Thousand Oaks, California. The credits would be issued in connection with the Company's decision to establish a new facility in Rhode Island to manufacture a variety of biologic therapeutic products. The Company would build the new facility at its existing manufacturing complex in West Greenwich, at an estimated total project cost of \$165.1 million. When fully operational (expected to occur in 2022), the new facility would employ approximately 126 people, rising to 146 in 2025, with a median annual salary of \$77,000.

The Company is requesting request incentives with a total value of nearly \$12.9 million, including:

- \$3,450,000 in Rebuild Rhode Island tax credits;
- An exemption from sales and use taxes due on construction materials and furnishings, with an estimated value of \$3,255,000;
- \$6,000,000 in Qualified Jobs Incentive tax credits; and
- A Tax Stabilization Incentive valued at \$179,829.

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

**Jobs Analysis**

***Construction***

As shown in Table 1, the Company estimates the total cost of building and equipping its new, 85,000 square-foot facility at \$165.1 million.

**Table 1: Immunex Rhode Island estimated total project cost (\$ millions)**

Component	Estimated cost
Design	\$12.3
Construction	112.7
Equipment	36.2
Other	3.9
<b>Total</b>	<b>\$165.1</b>

After excluding costs that do not have a direct impact on Rhode Island's economy (such as manufacturing process equipment, which we assume will be procured out-of-state, technology transfer fees and interest paid during construction), Appleseed estimates that the Company will spend \$122.8 million in Rhode Island on construction of the plant. Appleseed estimates that direct expenditures of approximately \$122.8 million will directly and indirectly generate:

- 944 person-years<sup>1</sup> of work in Rhode Island, with \$62.3 million in earnings (in 2019 dollars);
- Approximately \$150.1 million in statewide economic output<sup>2</sup>; and
- A one-time increase of \$87.0 million in Rhode Island's GDP.

These impacts are summarized below in Table 2. The project's *direct impact* is the impact of the Company's direct spending on design and construction. Its *indirect impact* is the effect of spending by contractors for goods and services (insurance, construction materials, etc.) purchased from other Rhode Island businesses.

**Table 2: Direct, indirect and induced impact of construction and related spending (employment in person-years; income, value-added and output in millions of 2019 dollars)**

	Employment	Earnings	Value added	Output
Direct Effect	775	\$51.6	\$70.5	\$122.8
Indirect Effect	169	\$10.7	\$16.5	\$27.3
<b>Total Effect</b>	<b>944</b>	<b>\$62.3</b>	<b>\$87.0</b>	<b>\$150.1</b>

In addition to the impacts on employment, earnings, output and state GDP cited in Table 2, direct spending of \$122.8 million would generate a projected one-time increase of approximately \$3.648 million in taxes paid to the State during construction, including:

- \$2.334 million in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project;

<sup>1</sup> A person-year is equivalent to the time worked by one person who is employed full-time for a year. It could for example 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.

<sup>2</sup> 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.

- \$1.019 million in state sales taxes paid on those workers' taxable household spending;
- \$295,000 in state business taxes

Most of the activity reflected in Table 2 is assumed occur during 2018 and 2019. 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.

**Table 3: Anticipated wages during construction**

Occupation	RI median hourly wage <sup>3</sup>
Architect	\$42.50
Construction manager	\$50.86
Carpenter	\$22.42
Electrician	\$25.26
Plumber	\$24.84
Painter	\$18.69
Laborer	\$18.68

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**

As noted above, the Company intends employ 126 full-time workers at its new Rhode Island facility when it is fully operational (which for purposes of this analysis is assumed to occur in 2022), rising to 146. Table 3 summarizes the categories in which these jobs will be created, and average salary for each category.

**Table 3: Projected employment, fourth year of operation**

Job category	New positions (Year 4)	Median salary
Quality & manufacturing managers	10	\$131,000
Quality specialists	20	86,000
Engineers	13	73,000
Technicians	83	62,000
Administrative/other managers	20	108,000
<b>Total</b>	<b>146</b>	<b>\$77,000</b>

<sup>3</sup> Rhode Island Department of Labor and Training, Occupational Employment Statistics, 2016

Based on data provided by the Company, and using the IMPLAN input-output modeling system, Appleseed estimates that in year 4, ongoing operations associated with the 146 full-time jobs the Company would be committed to creating and maintaining will directly and indirectly support:

- 218 jobs in Rhode Island;
- \$18.8 million in annual earnings (in 2022 dollars);
- \$65.5 million in statewide economic output; and
- An increase of \$33.6 million in Rhode Island's annual GDP.

These impacts are summarized below in Table 4.

**Table 4: Direct, indirect and total annual impact of ongoing operations (employment in FTE; income, value-added and output in millions of 2022 dollars)**

	Jobs	Earnings	Value added	Output
<b>Direct Effect</b>	146	\$12.2	\$23.5	\$49.2
<b>Indirect Effect</b>	72	6.5	10.0	16.3
<b>Total Effect</b>	<b>218</b>	<b>\$18.7</b>	<b>\$33.5</b>	<b>\$65.5</b>

In addition to the impacts on employment, earnings, output and state GDP cited above, the Company's operations in Rhode Island would generate a projected increase of approximately \$1.096 million in annual state tax revenues, including:

- \$701,000 in state personal income taxes paid by workers newly employed by the Company in its new Rhode Island facility, or by Rhode Island workers whose jobs are indirectly attributable to the Company's new facility;
- \$306,000 in state sales taxes paid on those workers' taxable household spending; and
- \$89,000 in state business corporation taxes.

## Benefits

Immunex Rhode Island provides a comprehensive package of employee benefits. They include medical, dental and vision coverage, incentives for healthy living, retirement and savings plans, sick leave, long- and short-term disability insurance, life insurance, paid time off (including paid time off for volunteer work), an employee assistance program, and career development and coaching services.

## Hiring

The Company's workforce at its new facility will consist primarily of locally-hired technicians, engineers and management personnel. All available positions are posted on the parent

company's internal website. Jobs for which candidates are being recruited externally are posted at Amgen.com, on other sites and on social media. Following a review of resumes, telephone interviews are conducted with selected applicants, with some candidates then being scheduled for a round of interviews with the hiring team. When interviews are completed the team makes a final selection, subject to background checks.

## **Impact**

The state fiscal impact of the requested tax credits, sales tax exemption and tax stabilization incentive is estimated to be nearly \$12.9 in foregone state revenue and direct outlays. Direct and indirect economic and fiscal benefits of the proposed project include the estimated increase in annual state GDP of \$33.5 million in the fourth year of operation, the estimated associated job creation, and a gross increase of nearly \$16.6 million in personal income, sales and business tax revenues during the initial construction period and the twelve-year commitment period. These benefits are detailed in the foregoing analysis.

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

- Highlighting Rhode Island's attractiveness as a U.S. location for life sciences companies and for advanced manufacturing facilities
- Providing new opportunities in manufacturing for Rhode Island residents
- Developing the state's life sciences and biomanufacturing workforce
- Increasing local real property and tangible personal property tax revenues

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the Rebuild Rhode Island program mitigate risks to the state. In particular, the completion risk (i.e. the risk that the project is not completed) is mitigated by the fact that Rebuild Rhode Island tax credits will be issued only upon completion of construction work. The risk of project cost overruns is mitigated by the fact that the credits would be capped at the amount set forth above. In addition, if project costs come in lower than anticipated, the value of the credits would be reduced accordingly.

Various features of the Qualified Jobs Incentive program similarly mitigate risk to the state. 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; and the Company would be obligated to maintain the projected level of employment in Rhode Island through the twelve-year commitment period. Moreover, the Company has stated that it is committed to maintaining this level of employment for twenty years, rather than the twelve years required under the Qualified Jobs Incentive program.

TAB 2

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

**April 10, 2018**

**APPROVED**

**VOTED:** To approve the Town of West Greenwich for a Tax Stabilization Incentive pursuant to the resolution submitted to the Board.

RHODE ISLAND COMMERCE CORPORATION

RESOLUTION AUTHORIZING THE AWARD OF INCENTIVES  
UNDER THE TAX STABILIZATION INCENTIVE ACT

April 10, 2018

**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 64.22 of Title 44 of the General Laws of Rhode Island (the "TSA Act"), as amended, authorizes the Corporation to approve the reimbursement of foregone revenue in connection with a tax stabilization agreement entered into by a Rhode Island municipality; and

**WHEREAS:** The Corporation promulgated rules and regulations (the "Rules") governing the program established by the TSA 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 from the Town of West Greenwich (the "Recipient") for an award under the TSA Act for a reimbursement in relation to a project (the "Project") located in West Greenwich, RI, which is proposed to consist of a new manufacturing facility; and

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

**WHEREAS:** The Board of the Corporation received a presentation and term sheet detailing the Project and proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of a TSA incentive to the Recipient in accordance with the TSA 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 TSA Act, the Corporation approves the reimbursement of foregone revenue over twelve years in an amount that shall not exceed the lesser of 10% of Recipient's actual total foregone revenue associated with the tax stabilization agreement, or \$179,829.
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 TSA 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 reimbursement of any funds to the Recipient; and
  - c. Such additional conditions as any of the Authorized Officers (defined below), 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 total amount of the award to the Recipient is not more than ten percent (10%) of the Forgone Tax Revenue in relation to the Project; (iv) the award made hereunder is subject to the availability of funding from annual appropriations.
4. 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 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.
5. 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.

6. 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.
7. 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.
8. This Resolution shall take effect immediately upon adoption.