

RHODE ISLAND COMMERCE CORPORATION

AGENDA

April 22, 2024

Call to order and opening remarks.

- Tab 1: To consider for approval meeting minutes.
- Tab 2: To consider an award to 136 Westminster Street LLC under the First Wave Closing Fund Act (R.I. Gen. Laws Chapter 42-64.23).*
- Tab 3: To consider an award to Walker Lofts LP and Walker Lofts 2 LP under the Rebuild Rhode Island Tax Credit Act (R.I. Gen. Laws Chapter 42-64.20).*
- Tab 4: To consider the selection of a consultant for second-stage food business research and analysis.
- Tab 5: To consider the selection of a consultant for local food brands economic impact and market research and to authorize a subaward for equitable engagement efforts.*
- Tab 6: To receive an update on the Corporation's annual report.
- Tab 7: To receive an update on Jaia Robotics, Inc.

*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

April 22, 2024

APPROVED

VOTED: To approve the public session meeting minutes for the March 25, 2024 meeting as presented to the Board.

RHODE ISLAND COMMERCE CORPORATION
MEETING OF DIRECTORS
PUBLIC SESSION
March 25, 2024

The Board of Directors of the Rhode Island Commerce Corporation (the "Corporation") met on March 25, 2024, in Public Session, beginning at 5:00 p.m., pursuant to the public notice of meeting, a copy of which is attached hereto as **Exhibit A**, as required by applicable Rhode Island law.

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

Directors absent were: Michael Solomon.

Also present were: Secretary of Commerce Elizabeth Tanner; and Christopher J. Fragomeni, Esq.

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

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

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

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

VOTED: To approve the public session meeting minutes for the February 26, 2024 meeting as presented to the Board.

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

Voting against the foregoing were: none.

3. **TO CONSIDER APPROVAL OF THE CPF BROADBAND INFRASTRUCTURE PROJECTS PROGRAM.**

Brian Thorn, the Corporation's Director of Broadband Strategy, provided an update regarding the Broadband Equity, Access, and Development program ("BEAD"), under which the Corporation submitted an initial proposal, and the Digital Equity Act program ("DEA"), under which the Corporation submitted a digital equity plan. As to BEAD, he stated that he received

feedback from the National Telecommunications and Information Administration (“NTIA”) that the Corporation’s initial proposal is close to being finalized. As to DEA, Mr. Thorn explained that the amount of funding under this program for digital equity efforts has not yet been determined. He stated that he received feedback from the NTIA that the Corporation’s digital equity plan is also likely to be imminently approved, requiring little to no edits or changes.

As to the Capital Projects Fund (“CPF”) Broadband Infrastructure Projects Program plan (“CPF Program Plan”), Mr. Thorn requested that the Board provide approval for staff to submit the CPF Program Plan to the United States Department of Treasury (“Treasury”) for its feedback and potential approval. He emphasized that the CPF Program Plan is a draft, that the CPF Program Plan is subject to Treasury’s review and feedback, and that certain aspects of the CPF Program Plan may change due to pending input from NTIA. Mr. Thorn stated that the Corporation has designed the CPF Program Plan to align with Treasury’s established requirements, guidelines, and preferences, as well as Rhode Island appropriations law. He noted that the CPF Program will disburse approximately \$24 million of the State’s CPF broadband allocation through subawards awarded in a competitive request for proposals process, and that approximately \$1 million of those funds are being used to support mapping and administration.

Mr. Thorn further explained that the CPF Program funds will support broadband infrastructure projects that will improve network speeds, improve resiliency, and provide affordable broadband access to homes and businesses in Rhode Island. He noted the CPF Program’s similarities to BEAD, which include the same threshold for underserved and preference for end-to-end fiber networks. He also noted the differences between the two programs, explaining that BEAD requires 100 mbps download/20 mbps upload and CPF requires 100 mbps download/100 mbps upload. Further, he indicated that BEAD requires a twenty-five percent match, but the CPF Program does not require a match.

He stated that the Corporation will return to the Board at the April meeting to request either final approval or ratification of the CPF Program Plan.

Mr. Wadensten questioned how the program perpetuates itself. Mr. Thorn responded that the incentive is to have non-profit and private internet service providers (“ISP”) build infrastructure, so once that is completed, the ISP will collect the revenue from the infrastructure and be responsible for maintaining the connectivity to its customers.

Mr. Chenevert asked about the location of the key areas that will benefit from the improvements, and Mr. Thorn explained that the Corporation identified three locations based upon the best mapping available. He advised that the locations are Newport, Jamestown, and Westerly. Mr. Wadensten asked why these areas were chosen versus a city, and Mr. Thorn explained that it was because these locations have been identified based on quality of broadband infrastructure and population.

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

VOTED: To approve the submission of CPF Program Plan to Treasury.

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

Voting against the foregoing were: none.

4. TO CONSIDER THE SELECTION OF A CONSULTANT FOR A STATE-WIDE COMMUNITY DEVELOPMENT FINANCE INSTITUTION.

Daniela Fairchild, the Corporation's Chief Strategy Officer, explained that—in December 2021—the Council of Development Finance Agencies (“CFA”) prepared a report that analyzed the capital landscape for small businesses and startups in Rhode Island. She stated that, at the time, the report found that capital availability in Rhode Island was heavily skewed in favor of traditional debt-financing for established businesses, and that, while the report assisted the Corporation identify the need in the State, it did not present a solution. She stated that since the need persists today, the Corporation issued a request for proposals (“RFP”) in February, seeking to further understand the need and create a blueprint for a path forward. Ms. Fairchild explained that the RFP sought a consultant who could (1) identify potential gaps and barriers in the current development financing landscaping, particularly as it pertains to very small businesses and businesses owned by socially and/or economically disadvantaged individuals; and (2) propose ways to bridge those gaps, including the establishment of a new community development finance institution (“CDFI”). She stated that that the goal is to create a blueprint for the community-based financing landscape.

Ms. Fairchild advised that the RFP closed on March 12, 2024 and that there were two respondents: CDFFA and Precision Consulting. She stated that CDFFA received the highest score and noted that it has a deep understanding of must occur to create a strong and sustainable CDFI. She stated that the staff recommends that the Corporation engage CDFFA through September 2024 in an amount not to exceed \$40,000. Ms. Fairchild indicated that the final deliverable from CDFFA would include an access to capital development plan, providing a roadmap on how to address capital availability.

Mr. Chenevert commented that the most critical component of the engagement should be ensuring that support exists for small businesses.

Ms. Sams referenced the Rhode Island BIPOC Small Business Ecosystem Assessment (“Small Business Assessment”), which was completed approximately three (3) years ago; was a yearlong effort; and involved focus groups, interviews with community stakeholders, and input from community agencies. She agreed that the Corporation needs to determine how to potentially establish a CDFI, but indicated that the Corporation should not duplicate the efforts of the Small Business Assessment. Ms. Fairchild explained that the RFP outlined four tasks, including reviewing work that was previously performed. This engagement, she stated, would—based upon prior work and new work—creating a proactive path forward.

Ms. Sams noted that the Board review the Small Business Assessment and that it would provide a perspective on BIPOC and other businesses.

Governor McKee stated that the Corporation should be deciding what to do next and how to service the need. He also stated that the Corporation is not trying to reinvent the wheel and that it needs an answer as how to proceed on the issue of whether it should establish an independent CDFI or work with an existing CDFI. Ms. Fairchild said that the goal of hiring the consultant is to obtain a decision on what to do. Governor McKee asked for a timeframe for an answer, and Ms. Fairchild said it would happen in September.

Dr. Dann-Messier stated that she thinks it is important to make sure that the company that is being hired understands what is being asked of it and Ms. Fairchild stated that the task order needs to be developed and that she is happy to obtain feedback as to its contents.

Mr. Stone suggested that the Board might want to get a set of deliverables before it approves the expenditure. Secretary Tanner stated that waiting could affect the budgetary request. Governor McKee noted that the Corporation needs an answer on how to proceed because it already appears it is needed. Dr. Dann-Messier confirmed that her concerns are making sure the Corporation is not continuing to revisit the same things instead of moving forward and also making sure that the vendor clearly understands what needs to be done. Secretary Tanner stated that the goal is for the vendor to tell the Corporation how to move forward with who should be chosen as the CDFI, and whether it is a CDFI in the state, a new CDFI, or an out-of-state CDFI.

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

VOTED: To approve the selection of CDFA pursuant to the resolution submitted to the Board, which retention will result in a contract with deliverables on to address the potential implementation of a CDFI with milestones that will be presented to the Board as the contract progresses.

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

Voting against the foregoing were: none.

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

5. **TO CONSIDER THE SELECTION OF A VENDOR TO PROVIDE INSPECTION SERVICES IN RELATION TO RENEWABLE ENERGY FUND PROJECTS.**

Karen Stewart, Manager of the Renewable Energy Fund, reminded the Board it previously extended the contract with The Cadmus Group ("Cadmus"), the Corporation's current solar inspections vendor, so the Corporation could complete an RFP process. Ms. Stewart stated that the RFP was issued, and presented the RFP results, indicating that the Corporation received two

proposals: one from Camus and another from Ridgeline. She stated that Ridgeline scored the highest of the two proposals and noted strengths of its proposal, such as attention to timeline, use of a self-regulating penalty feature, and use of on-the-ground, local inspectors. Ms. Stewart stated that the staff is requesting the Board to authorize a two-year contract in an amount not to exceed \$1.4 million, with an option to extend the contract by one year.

Mr. Chenevert asked for clarification of the contract price, and Ms. Stewart confirmed that the contract would not exceed \$700,000 per year, or \$1.4 million dollars for the two-year term. Mr. Crowley asked who would exercise the option to extend, and attorney Fragomeni responded that the option would be exercised by the Corporation, and that, typically, contract extension options that were approved previously by the Board were typically an administrative function. Mr. Wadensten asked about the funding source for the contract, and Ms. Stewart responded that funding will come from two sources: the renewable energy fund and the regional greenhouse gas initiative.

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

VOTED: To approve the selection of a vendor for inspection services in relation to Renewable Energy Fund projects pursuant to the resolution submitted to the Board.

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

Voting against the foregoing were: none.

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

6. **TO CONSIDER FOR APPROVAL INNOVATION VOUCHERS.**

Ms. Fairchild stated that before the Board were requests to approve two Innovation Vouchers, totaling \$150,000.

Ms. Fairchild stated that the staff requests approval of an Innovation Voucher for Audiance, Inc. ("Audiance"), which will be used to develop new cell fabrication strategies. She explained that Audiance has developed a unique polymer system to maintain low voltage battery capacity for lithium-ion batteries, particularly to be used in anatomical settings such as cochlear implants and pacemakers. Ms. Fairchild stated that Audiance has recently worked with Cochlear Ltd., which is the largest manufacturer of cochlear implants, and that Cochlear Ltd. has requested a supply of batteries with a smaller footprint. She advised that the voucher would be used to develop new, scalable cell fabrication strategies to develop smaller lithium-ion batteries.

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

VOTED: To approve an Innovation Voucher for Audiance, Inc. pursuant to the resolution submitted to the Board.

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

Voting against the foregoing were: none.

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

Ms. Fairchild stated that the staff also requests the approval of an Innovation Voucher for US Extruders, Inc. ("US Extruders"). She indicated that this voucher would be US Extruders' second voucher, and that the first voucher was used to assist the company in extruding polymers from fishing nets and recycling them for new products. Ms. Fairchild stated that US Extruders identified that the ram stuffer used for this process has not been improved upon in three decades, and that it seeks to use the voucher to design, engineer, and build a prototype for a new ram stuffer that is smaller, safer, and more efficient. A representative from US Extruders indicated that they want to work on a design that is more efficient and takes up less space.

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

VOTED: To approve an Innovation Voucher for US Extruders, Inc. pursuant to the resolution submitted to the Board.

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

Voting against the foregoing were: none.

Mr. Chenevert recused.

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

7. **TO RECEIVE AN UPDATE ON THE OCEAN TECH HUB.**

Ms. Fairchild presented to the Board the PowerPoint presentation attached hereto as **Exhibit E.**

There being no further business in public session, the meeting was adjourned by unanimous consent at 6:29 p.m. upon motion made by Mr. Wadensten and seconded by Mr. Chenevert.

Christopher J. Fragomeni, Secretary

MARCH 25, 2024 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 25, 2024** 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 approval of the CPF Broadband Infrastructure Projects Program.
3. To consider the selection of a consultant for a State-wide community development finance institution.
4. To consider the selection of a vendor to provide inspection services in relation to Renewable Energy Fund projects.
5. To consider for approval Innovation Vouchers (see Exhibit 1, which follows, for additional detail).*
6. To receive an update on the Ocean Tech Hub.

*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 21, 2024.

Exhibit 1

Agenda item 5:

<u>Applicant</u>	<u>Amount</u>
Audience, Inc.	\$75,000
US Extruders, Inc.	\$75,000

MARCH 25, 2024 PUBLIC SESSION MEETING MINUTES

EXHIBIT B

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

March 25, 2024

**(With Respect to the Selection of a Consultant for a State-wide Community Development
Finance Institution)**

WHEREAS, the Rhode Island Commerce Corporation (“Corporation”) issued a request for proposals (“RFP”) in relation to (1) identifying potential gaps and barriers in the current development financing landscape, particularly as pertains to very small businesses and businesses owned by socially and/or economically disadvantaged individuals; and (2) proposing ways to bridge those gaps, including, but not limited to, the establishment of a new Community Development Finance Institution (“Services”); and

WHEREAS, the respondents were properly reviewed and qualifications considered, and a recommendation was made to the Board of Directors of the Corporation to retain the Council of Development Finance Agencies (“Vendor”) to provide the Services;

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

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, CEO, President and COO, Chief Financial Officer, Secretary, 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 Vendor for the Services in an amount not to exceed \$39,996 plus out of pocket expenses as approved in the sole discretion of the CEO.

Section 2: This resolution shall take effect upon passage.

MARCH 25, 2024 PUBLIC SESSION MEETING MINUTES

EXHIBIT C

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

March 25, 2024

(With respect to a Renewable Energy Fund Project Inspector)

WHEREAS, the Rhode Island Commerce Corporation (the “Corporation”) issued a request for proposals in relation to providing inspection services for solar projects that have received funds from the Renewable Energy Development Fund (the “Services”); and

WHEREAS, the applicants were properly reviewed and qualifications considered, and a recommendation was made to the Board of the Corporation to retain Ridgeline Energy Analytics, Inc. (the “Vendor”) to provide the Services.

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

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, CEO, President and COO, and/or Chief Financial Officer, Secretary, and Chief Marketing Officer acting singly, shall have the authority to negotiate and execute any and all documents in connection with the retention of the Vendor for the Services on an hourly basis, plus out of pocket expenses, at the discretion of such officer.

Section 2: This Resolution shall take effect immediately upon passage

MARCH 25, 2024 PUBLIC SESSION MEETING MINUTES

EXHIBIT D

**RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INNOVATION VOUCHERS
UNDER THE INNOVATION INITIATIVE ACT**

March 25, 2024

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 64.28 of Title 42 of the General Laws of Rhode Island (the “Innovation Act”), as amended, authorizes the Corporation to award Innovation Vouchers for Small Businesses to receive technical or other assistance as set forth in Rule 6 of the Rules (defined below); and

WHEREAS: The Corporation promulgated rules and regulations (the “Rules”) governing the program established by the Innovation Act. Capitalized terms used herein but not defined shall have the meaning as set forth in the Rules; and

WHEREAS: The Corporation received applications from each company identified on Exhibit 1 annexed hereto (the “Recipients”) for awards of an Innovation Voucher (the “Voucher”); and

WHEREAS: The Board of Directors of the Corporation (the “Board”) received a presentation detailing the Voucher proposed to be granted to the applicant together with a recommendation from the staff of the Corporation to approve the award of Voucher to the Recipients in accordance with the Innovation 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 Innovation Act, the Corporation approves the award of a Voucher to each Recipient in the amounts set forth in Exhibit 1.
2. The authorization provided herein is subject to the following conditions:
 - a. The execution of a Voucher Agreement between the Corporation and the Recipients meeting the requirements of the Innovation 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 Rule 7 of the Rules prior to issuance of a Voucher; 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 Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, CEO, the President & COO, the Chief Financial Officer, the Secretary, or the Innovation Director (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 Recipients 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.
4. 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.
5. 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.
6. 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.
7. This resolution shall take effect immediately upon adoption by the Board.

EXHIBIT 1

<u>Applicant</u>	<u>Amount</u>
Audience, Inc.	\$75,000
US Extruders, Inc.	\$75,000

MARCH 25, 2024 PUBLIC SESSION MEETING MINUTES

EXHIBIT E



Ocean TechHUB



About Tech Hubs

Tech Hubs are part of the CHIPS Act - \$500M in appropriations as part of a \$10B authorization

- PHASE 1: Awarded October 2023
 - 1 of 31 Designated Tech Hubs
 - Five-year designation
 - ONLY Tech Hub focused on undersea ocean technologies
- PHASE 2: Submitted February 29, 2024
 - \$66.1M request leveraging \$9.5M in match
 - 7 component projects included; 100 letters of commitment
 - Awards made August 2024



Key Technology Focus Areas (KTFAs)

Ocean Tech Hub identifies these KTFAs in their EDA Designation:

- Undersea robotics and sensors with autonomous capabilities
- Artificial Intelligence / machine learning (AI/ML) for use with undersea technology
- Advanced materials manufacturing that can withstand the ocean environment



Ocean Technology Market Size & Expected Growth

\$296B in next 5-10 Years; 7-15% CAGR globally

- Core Ocean Technologies | 4,841 workers over 10 years; including related industries | 17,484 (regionally)
- \$5.9B Sales
- If GDP per worker remains constant, \$597 million | for core ocean technologies and \$2.2 billion including related fields by 2032 (regionally).

Expected Growth in Ocean Technology		
Sub-Sector	\$ in Billions	By Year
<i>Maritime Safety</i>	33.4	2026
<i>Ocean Composites</i>	4.8	2028
<i>Estuary Management</i>	76	2028
<i>Marine Sensors</i>	46	2029
<i>Aquaculture and Seafood</i>	60	2030
<i>Carbon Capture</i>	30	2030
<i>Boating Decarbonization</i>	16.6	2031
<i>Undersea Defense Products</i>	24.8	2031
<i>Ocean Robotics</i>	4.3	2033
Total	295.9	

CHART 1



Ocean Technology Economic Drivers

Defense, climate resilience, and telecommunications as major industry drivers

- **Ocean Research:** increasingly crucial to understand climate change and potential resilience
- **Maritime Trade:** 80% of global goods moved by ship
- **Military, defense, and homeland security:** \$2.24T military spending globally
- **Aquaculture:** 50% of human consumption seafood and rising is farm-raised
- **Undersea infrastructure:** OSW, telecommunications cabling, etc.
- **Marine renewable energy:** Wind, tidal, thermal conversions, deep-water currents



Who Benefits?

The Future is the Ocean; Ocean Tech is the Vehicle

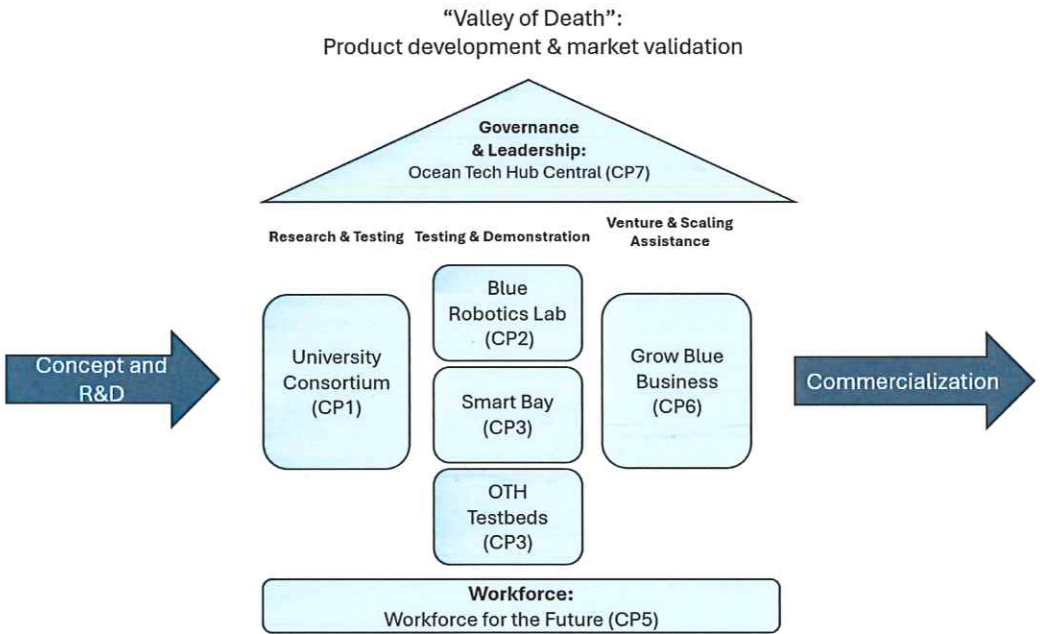
- Climate Change = National Security
 - Understanding the ocean is the future to understanding climate change and developing risk mitigation strategies
 - Mitigating climate change is a national defense strategy
 - Accelerates U.S. position: U.N.'s Ocean Decade / NOAA
- Manufacturing + Supply Chain = National Security
 - Legacy companies' opportunity to shift to service this rapidly growing sector
 - Dual-use for defense – critical to advancing innovation

Commercialization Needs

- *Access to Water / Testing Facilities / Equipment / Rapid Iteration Capability*
- *Access to Markets / Buyers*
- *Access to Funding / Capital*
- *Entrepreneurs / Company / "Bench"*
- *Collaboration and Connection to Others / Supply Chain*
- *Workforce / Pipeline of Talent*



Commercialization through Ocean Tech Hub



TAB 2

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

April 22, 2024

APPROVED

VOTED: To approve an award to 136 Westminster Street LLC under the First Wave Closing Fund Act pursuant to the resolution submitted to the Board.

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

April 22, 2024

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 64.23 of Title 42 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; and

WHEREAS: The Corporation received an application for incentives under the First Wave Act in relation to a project by 136 Westminster Street, LLC (the “Recipient”) for the revitalization of a historic building at 136 Westminster Street, Providence, RI (“the Project”); and

WHEREAS: The Investment Committee of the Corporation has reviewed and considered the proposed incentives to the Recipient, as required under 870-RICR-20-00-2.11(A), 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 a conditional grant to the Recipient under the First Wave Act in the amount of Seven Hundred Thirty Thousand Dollars (\$730,000).
2. The authorization provided herein is subject to the following conditions:
 - a. The execution of Financing Agreement (as defined in 870-RICR-20-00-2.5(A)(7)) between the Corporation and the Recipient meeting the requirements of the First Wave Act and 870-RICR-20-00-2.13 in 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 87—RICR-20-00-2.6;
 - c. The grant funding may not be disbursed prior to the issuance of a certificate of occupancy for the Project; 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; and (iii) the Recipient has demonstrated that it will otherwise satisfy the funding guidelines of 870-RICR-20-00-2.6.
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 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.
9. This Resolution shall take effect immediately upon passage and shall expire in one hundred and eighty days from its adoption if the Corporation and Recipient have not entered into a Financing Agreement by such date.

EXHIBIT 1

Streamlined Rebuild Rhode Island Tax Credits

Economic and tax revenue impacts of redevelopment of 136 Westminster Street, Providence

Impact of construction

136 Westminster LLC (“the Sponsor”) is proposing to redevelop 136 Westminster Street, a 130-year-old, five-story, 33,000 square-foot office and retail building in Providence. The Sponsor is proposing to convert the four upper floors of the building into 25 rental apartments, with the ground floor continuing to be used as retail and restaurant space. The Sponsor estimates that the project would cost a total of approximately \$12.2 million.

After excluding certain expenditures (such as property acquisition costs and interest paid during construction) that do not directly affect Rhode Island’s economy, Appleseed estimates that (as shown in Table 1) spending approximately \$8.1 million on adaptive reuse of the office building will directly and indirectly support:

- 73 jobs in Rhode Island in construction and related industries;
- \$5.389 million in earnings (in 2024 dollars);
- \$9.640 million in statewide economic output; and
- A one-time increase of \$6.522 million in Rhode Island’s GDP.

Table 1: Direct, indirect and total impact of construction (income, value-added and output in millions of 2023 dollars)

	Jobs	Earnings	Value added	Output
Direct	62	\$4.726	\$5,430.6	\$7,664.3
Indirect	11	\$0.663	\$1,091.5	\$1,975.7
Total	73	\$5.389	\$6,522.1	\$9,640.0

Construction spending would directly and indirectly generate approximately \$309,000 in state tax revenue, including:

- \$126,000 in sales and use taxes paid on purchases of materials and other goods used in construction
- \$111,000 in state personal income taxes paid by workers directly employed on the project, or by Rhode Island workers whose jobs are indirectly attributable to the project;
- \$58,000 in state sales taxes paid on those workers’ taxable household spending; and
- \$14,000 in state business taxes.

Impact of operations

The Sponsor estimates that in its first full year of operation, the newly-converted residential building's operating expenses (excluding real property taxes) will total approximately \$218,000. Using IMPLAN, Appleseed estimates that this expenditure will directly and indirectly account for Not all of this revenue will represent "net new" spending in Rhode Island. Assuming for purposes of this analysis that 50 percent of food hall sales represent net new sales in Rhode Island, Appleseed estimates that ongoing food hall operations will (as shown in Table 2) will directly and indirectly support:

- 1.5 jobs in Rhode Island, with approximately \$81,000 in earnings;
- \$301,000 in statewide economic output; and
- An increase of \$163,000 in Rhode Island's annual GDP.¹

Table 2: Net new annual impact (direct, indirect and induced) of building management and operations (income, value-added and output in thousands of 2025 dollars)

	Jobs	Earnings	Value added	Output
Direct	1	\$53,000	\$111,000	\$202,000
Indirect	0.5	\$28,000	\$52,000	\$99,000
Total	1.5	\$81,000	\$163,000	\$301,000

Ongoing building operations would directly and indirectly generate approximately \$2,600 annually in state tax revenue, including:

- \$1,300 in state personal income taxes paid by workers directly employed in management and maintenance of the property, or by Rhode Island workers whose jobs are indirectly attributable to those operations;
- \$1,200 in state sales taxes paid on those workers' taxable household spending; and
- \$200 in state business taxes.

During the construction period and the twelve-year period following construction, the proposed project would generate approximately \$341,000 in state tax revenues.

¹ Assuming that half the renovated building's ground-floor commercial space is occupied equally by restaurant and retail tenants, Appleseed estimates that these businesses could directly employ approximately 24 workers. However, because the building's ground floor space is currently occupied, we do not attribute any "net new" jobs, economic impact or tax revenues to the renovated building's ground floor tenants.

TAB 3

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

April 22, 2024

APPROVED

VOTED: To approve award to Walker Lofts LP and Walker Lofts 2 LP under the Rebuild Rhode Island Tax Credit Act pursuant to the resolution submitted to the Board.

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

April 22, 2024

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 64.20 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 Walker Lofts LP and Walker Lofts 2 LP (the “Recipient”) under the Rebuild RI Tax Credit Act in relation to a project (the “Project”) located at 40 Walker Street, Lincoln, 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 Six Million Dollars (\$6,000,000) and authorizes an additional sales and use tax exemption of up to One Million Dollars (\$1,000,000).
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 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.
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 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 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.

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 upon adoption by the Board.
10. This Resolution shall automatically expire on October 4, 2024, 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
To: Board of Directors, Rhode Island Commerce Corporation
Re: Rebuild Rhode Island Tax Credit Application
Date: April 22, 2024

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 Walker Lofts LP and Walker Lofts 2 LP for tax credits of \$6,000,000.

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


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: April 22, 2024

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 under the Rebuild Rhode Island Tax Credit in an amount not to exceed \$6,000,000.00 and sales and use tax (SUT) exemptions not to exceed \$1,000,000.00, for a maximum aggregate benefit of \$7,000,000.00. That recommendation is as follows:

- That the application submitted by Walker Lofts LP and Walker Lofts 2 LP be approved for tax credits in a maximum amount of \$6,000,000.00 and SUT exemptions in a maximum amount of \$1,000,000.00.

As of OMB's December 18, 2023, memo, the Corporation had approved tax credits and SUT exemptions under the program in the amount of \$196,176,006.17. Since that memo, OMB has received information from the Corporation regarding changes to previous amounts obligated:

- The developer of the project proposed by 136 Westminster, LLC, which was the subject of the December 2023 memo, withdrew its application for \$700,000.00 in Rebuild credits prior to the Board voting on its approval. Therefore, the project has not been approved by the Board, and OMB considers the project to be terminated. In the event the developer chooses to be considered again for Rebuild participation a new OMB certification would be required.
- Electric Boat certified for \$450,491.23 of the \$555,000.00 for which it had been approved in FY 2023, reducing its maximum Rebuild credit award from \$2,000,000.00 to \$1,895,491.23.
- Gotham Greens pushed its Rebuild credit schedule out one year, certifying for \$0.00 of its previously approved \$195,000.00 for FY 2023, and redeeming its FY 2024 credits for \$0.90 on the dollar, which reduces the amount from \$195,000.00 to \$175,500.00. Gotham Greens may also claim \$195,000.00 in FY 2025 due to this

shift. Due to the redemption for a reduced amount, Gotham's maximum approved award is reduced from \$1,209,000.00 to \$1,189,500.00.

- Infinity Meat Solutions, LLC withdrew from the Rebuild program early, forgoing its approved tax credits in FYs 2023 – 2025, totaling \$1,149,000.00.

Additionally, OMB has received information from the Corporation on several projects whose timelines have shifted without affecting their authorized maximum benefits, making them net neutral to the total aggregate authorizations, but shifting some budget impacts across fiscal years:

- Projects shifted from timelines of FYs 2023 – 2027 to FYs 2024 – 2028
 - Miniature Casting
 - 390 Pine Street, LLC
 - Branch Holdings, LLC
 - East Greenwich Partners, LLC
 - 16 Broad St
 - Southside Community Land Trust
 - Immunex Rhode Island Corporation
- Projects shifted from timelines of FYs 2023 – 2027 to FYs 2025 – 2029
 - JK Equities
 - The Woonsocket Neighborhood Development Corporation
 - Nexus Holdings, LLC
 - ARTech HUB, LLC
- Projects shifted from timelines of FYs 2024 – 2028 to FYs 2025 – 2029
 - Tidewater Landing
 - Fuller Mill Realty, LLC
 - Pawtucket Development Group, LLC
- Projects shifted from timelines of FYs 2024 – 2028 to FYs 2026 – 2030
 - High Rock Westminster Street, LLC
- Other time shifts
 - Ocean State Jobbers certified twice in FY 2022 due to a missed deadline, for \$620,000.00 each time, for a total of \$1,240,000.00 in FY 2022 and \$0.00 in FY 2021. The project completed in FY 2023, having claimed all its maximum obligated credits.

The net reductions listed above total to \$1,973,008.77, which is subtracted from the previously certified total. This produces a new total of \$194,202,997.40, prior to the addition of the Walker Lofts project. All of the reductions and net-neutral time shifts listed above are reflected in the attached Exhibit A.

The approval of an additional \$6,000,000.00 in Rebuild tax credits and \$1,000,000.00 in SUT exemptions for Walker Lofts would bring the cumulative total of approved tax credits, SUT exemptions, and/or loans to \$201,202,997.40. Currently net appropriations of \$174.6 million have been made into the Rebuild Rhode Island Tax Credit Fund. Additional funding is expected in future legislative sessions, and section 42-64.20-5(f) authorizes aggregate tax credits, SUT exemptions, and/or loans under the Rebuild Rhode Island Tax Credit program in an amount not to exceed \$225 million.¹ 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, SUT 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.

¹ These amounts reflect the \$26.36 million appropriation into the Rebuild fund and the aggregate cap increase from \$210 million to \$225 million enacted in the State's FY 2024 budget.

42 Hotel Beatrix (Final)	-	-	-	750,000.00																750,000.00	
43 Fuller Mill	-	-	-	[169,946]																0.00	
44 Mirrace I	-	-	-	-																0.00	
45 Nexus Lofts	-	-	-	[161,700]																0.00	
46 South Quay Marine Terminal	-	-	-	-																0.00	
47 Merchant Overseas (Terminated)	-	-	-	-																0.00	
48 404 Broad Street	-	-	-	-																0.00	
49 Mirrace District II	-	-	-	-																0.00	
50 401 Techbridge (Terminated)	-	-	-	-																0.00	
51 JC Equities (Initial)	-	-	-	210,079.01																190,000.00	
51 JC Equities (2nd Revision)	-	-	-	-					190,000.00											190,000.00	
52 16 Broad Street	-	-	-	-																0.00	
53 Tidewater Landing (Initial)	-	-	-	-	4,833,803.50															4,000,000.00	
53 Tidewater Landing (Revised)	-	-	-	-	-				4,000,000.00											4,000,000.00	
54 Northpoint Airport Road Warwick, LLC	-	-	-	-	-															0.00	
55 Mirrace Casting	-	-	-	-	-															0.00	
56 Arctic Mills	-	-	-	-	-															0.00	
57 East Greenwich Partners	-	-	-	-	-															0.00	
58 Wampanoag Mill	-	-	-	-	-															0.00	
59 The Studio Building (Initial)	-	-	-	-	125,620.00															500,000.00	
59 The Studio Building (Revised)	-	-	-	-	-				295,365.80											295,365.80	
60 Superman Building	-	-	-	-	-															0.00	
61 Ann B Hope Mill	-	-	-	-	-															0.00	
62 Track 15 Food Hall	-	-	-	-	-															0.00	
63 Walker Lofts	-	-	-	-	-															0.00	
Total Rebuild Sales Tax	0.00	574,241.38	2,369,235.88	3,222,458.27	3,135,722.80	10,389,487.65	8,195,365.80	1,520,691.00	1,295,000.00	1,000,000.00	0.00	6,700,000.00	0.00	0.00	0.00	1,700,000.00	0.00	0.00	0.00	0.00	40,102,202.78

Notes:

EXHIBIT 3

Rhode Island Commerce Corporation

Rebuild Rhode Island Tax Credits – Economic Impact Analysis

Walker Lofts LP Application

Introduction

The Rhode Island Commerce Corporation (the “Corporation”) may provide Rebuild Rhode Island tax credits to Walker Lofts LP (the “Sponsor”), an affiliate of Odin Properties. The financing would be provided in connection with the Sponsor’s proposed investment in adaptive reuse of the historic Sayles Company Dye House, located at 40 Walker Street in Lincoln, Rhode Island. When completed, the project would include 126 rental apartments (32 of which would be affordable), on-site tenant storage space, a landscaped courtyard and 240 parking spaces.

The total cost of the project is estimated to be \$44.33 million. The sponsor is requesting \$5.945 million in Rebuild of Rhode Island Tax Credits, along with an exemption from sales and use taxes on construction materials valued at approximately \$969,843. The Sponsor also executed a Tax Stabilization Agreement with the City of Lincoln on March 4, 2023.

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 \$44.3 million.

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

Component	Estimated cost
Property acquisition	\$3.3
Construction (hard costs)	29.9
Soft costs	3.7
Development fee	4.4
Financing costs	3.0
Total	\$44.3

After excluding certain costs that do not have a direct, current impact on Rhode Island’s economy (including property acquisition and interest costs during construction) Appleseed estimates that spending on development of the proposed project would total approximately \$38.0 million.

Using the IMPLAN input-output modeling system (a modeling tool commonly used in economic impact studies), Appleseed estimates that direct expenditures of \$38.0 million would directly and indirectly generate:

- 253 jobs in Rhode Island, with \$20.84 million in earnings (in 2024 dollars);
- Approximately \$44.90 million in statewide economic output¹; and
- A one-time increase of \$27.98 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.

Table 2: Direct and indirect impact of construction and related spending (employment in job-years²; income, value-added and output in thousands of 2024 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	199	\$17,296.4	\$21,985.0	\$33,775.8
Indirect Effect	54	\$3,543.6	\$5,991.6	\$11,127.7
Total Effect	253	\$20,840.0	\$27,976.6	\$44,903.5

In addition to the impacts on employment, earnings, output and state GDP cited in Table 2, direct spending of \$38.0 million would generate a projected one-time increase of approximately \$734,000 paid to the State during construction, including:

- \$434,000 in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project;
- \$245,000 in state sales taxes paid on those workers’ taxable household spending; and
- \$55,000 in state business taxes.

The activity reflected in Table 2 will occur primarily 2024 and 2025.

According to information provided by the sponsor, wages paid to building trades workers employed on the project will be consistent with Rhode Island’s prevailing wage and benefit rates, as determined by the State’s Department of Labor and Training.

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.

Annual operations

Walker Lofts is assumed to begin operating in 2025, and to stabilize in 2026. Using information provided by the Sponsor and the IMPLAN input-output modeling system, Appleseed estimates that upon stabilization in 2026, ongoing operations would directly employ 3 workers in building operations, maintenance and management.

Based on these assumptions, we estimate (as shown in Table 4) that in 2026, ongoing operations in the building would directly and indirectly support:

- 4 new jobs in Rhode Island, with \$268,900 in annual earnings (in 2026 dollars);
- \$829,300 in annual statewide economic output; and
- An increase of \$411,300 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 thousands of 2026 dollars)

	Jobs	Earnings	Value added	Output
Direct Effect	3	\$180.0	\$261.6	\$537.7
Indirect Effect	1	\$88.9	\$149.7	\$291.6
Total Effect	4	\$268.9	\$411.3	\$829.3

In addition to the impacts on employment, earnings, output and state GDP cited in Table 4, ongoing operations at Walker Lofts would generate a projected gross increase of approximately \$9,600 in net new taxes paid to the state in 2026, including:

- \$5,000 in state personal income taxes paid by Rhode Island workers employed at Walker Lofts, or whose jobs are indirectly attributable to building operations and maintenance
- \$4,000 in state sales taxes paid on those workers' taxable household spending
- \$600 in state business taxes

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

Impact

The Sponsor has requested financing assistance from several State sources, including Rebuild Rhode Island tax credits totaling \$5.945 million. Direct and indirect economic and fiscal benefits of the proposed project include an estimated increase in annual state GDP (in 2026) of approximately \$411,000; the associated job creation; and an increase of approximately \$749,200 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 2025 through 2036.

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 Rhode Island's resident population, workforce and tax base
- By adding 32 units to the State's supply of housing that is affordable for workers and households earning between 80 and 120 percent of Area Median Income
- By providing Lincoln with a stable, predictable and steadily increasing stream of real property tax revenues, pursuant to the terms of an agreement reached by the Sponsor and the Town in 2023

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the Rebuild Rhode Island program 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.

TAB 4

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

April 22, 2024

APPROVED

VOTED: To approve the selection of a consultant for second-stage food business research and analysis pursuant to the resolution submitted to the Board.

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

April 22, 2024

**(With respect to the Selection of a Consultant for Second-stage Food Business Research
and Analysis)**

WHEREAS, the Rhode Island Commerce Corporation (the “Corporation”) issued a request for proposals in relation to consulting services to perform second-stage food business research and analysis (the “Services”); and

WHEREAS, the applicants were properly reviewed and qualifications considered, and a recommendation was made to the Board of the Corporation to engage Place Dynamics, LLC (the “Vendor”) to provide the Services.

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

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, CEO, President and COO, and/or Chief Financial Officer, Secretary, and Chief Marketing Officer acting singly, shall have the authority to negotiate and execute any and all documents in connection with the retention of the Vendor for the Services in an amount not to exceed Sixty Thousand Dollars (\$60,000), plus out of pocket expenses, at the discretion of such officer.

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

TAB 5

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

March 25, 2024

APPROVED

VOTED: To approve the selection of a consultant for local food brands economic impact and market research and to authorize a subaward for equitable engagement efforts pursuant to the resolution submitted to the Board.

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

April 22, 2024

**(With Respect to the Selection of a Consultant for Local Food Brands Economic Impact
and Market Research and the Authorization of a Subaward for Equitable Engagement
Efforts)**

WHEREAS, the Rhode Island Commerce Corporation (the “Corporation”) issued a request for proposals in relation to consulting services to perform local food brands economic impact and market research (the “Services”);

WHEREAS, the applicants were properly reviewed and qualifications considered, and a recommendation was made to the Board of the Corporation to engage Blaze Partners, LLC and its subcontractor, Camoin Associates, Inc. (collectively, the “Vendor”), to provide the Services;

WHEREAS, funding for the Services comes from a grant (“Grant”) from the United States Department of Agriculture (“USDA”);

WHEREAS, the Rhode Island Food Policy Council (“RIFPC”) was a co-applicant for the grant to provide equitable engagement efforts in connection with the Services.

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

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, CEO, President and COO, and/or Chief Financial Officer, Secretary, and Chief Marketing Officer (collectively, Authorized Officers”) acting singly, shall have the authority to negotiate and execute any and all documents in connection with the retention of the Vendor for the Services in an amount not to exceed One Hundred Forty Thousand Dollars (\$140,000), plus out of pocket expenses, at the discretion of such officer.

Section 2: Any of Authorized Officers acting singly, shall have the authority to negotiate and execute a subaward agreement with RIFPC to provide equitable engagement efforts in connection with the Services in an amount not to exceed Fifteen Thousand Six Hundred Dollars (\$15,600), plus out of pocket expenses, at the discretion of such officer.

Section 3: This Resolution shall take effect immediately upon passage.