

RHODE  
ISLAND  
COMMERCE

# OCEAN STATE ACCELERATES

Five-Year Economic Development Strategy







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# Letter from Governor McKee

Greetings:

Thanks to the strength and resilience of our state's small businesses and our dedicated workforce, Rhode Island has economic momentum coming out of the COVID-19 pandemic. In addition to this momentum, we also have a clear vision for our state's future—set forth through over a dozen public feedback sessions and outlined in the RI2030 ([www.ri2030.com](http://www.ri2030.com)) process.

To keep that momentum, bring specificity to our work, and continue to evolve efforts, we've embarked on a specific economic development planning process. This work builds off Rhode Island 2030 (RI2030) and concurrently fulfills two requirements—one from the federal Economic Development Administration (EDA) to create a Comprehensive Economic Development Strategy (CEDS) and the other from the State to create a Long-Term Economic Development Vision and Policy (RIGL).

Themes from this process were clear: We need to increase the number of and access to good jobs, building the prosperity and raising the personal incomes of our residents; we need to strengthen our communities, with strong childcare and a continued focus on healthy living and quality of life, so people can enjoy the beautiful state we call home; and we need to ensure sustainability of all these efforts, connecting all this work to our climate change goals and the resilience needs of our small businesses.

This plan provides a path forward for each of these priorities as we continue to propel Rhode Island forward.

Sincerely,

Governor Daniel J. McKee





# Letter from Secretary Tanner

As the Rhode Island Commerce Corporation (Commerce) set out to develop the State's Long-Term Economic Development Vision and Policy and Comprehensive Economic Development Strategy (CEDS), we looked to develop a plan that was data-backed, incorporated feedback from community partners and stakeholders, and would continue to build on Rhode Island's positive economic momentum. Using Governor McKee's RI2030 plan as our foundation, this CEDS stands as one of the only statewide CEDS in the nation and showcases Rhode Island's unique value proposition that deserves to be widely known. With an amazing quality of life, easy access to both Boston and New York, nearly 400 miles of shoreline, and a diverse, educated, and dedicated population, Rhode Island presents an exceptional opportunity for realizing economic growth.

It is our aim that *Ocean State Accelerates* will serve as a guide as the state develops policies, implements new programs and regulations, and pursues federal funding opportunities. By following the themes laid out within this document—increasing prosperity for Rhode Islanders by raising incomes and creating jobs, building strong and healthy communities, and growing sustainably—we can make progress on the goals laid out in the RI2030 plan and make Rhode Island a better place for all our residents. The role of the State in this process is to create the fertile conditions for continued growth—which is why this plan focuses on streamlining government processes and responsive business supports, on workforce development, on an excellent K-12 education system, and on keeping our state's core asset: our talented people.

Throughout the process of developing *Ocean State Accelerates*, the project team engaged more than 150 stakeholders and was expertly guided by the State's Economic Development Planning Council. I especially want to thank the Council, which served as the steering committee for the development of this plan, for their participation and input throughout the process.

I want to extend additional thanks to the US Economic Development Administration, Governor McKee, the Commerce team, our partners at Camoin Associates and &Access, and all the stakeholders who made their voices heard throughout the process of developing this plan. With *Ocean State Accelerates*, we are laying the framework for long-term comprehensive economic development in our state.

Sincerely,

Elizabeth M. Tanner, Esq.  
Secretary of Commerce



# OCEAN STATE ACCELERATES

## Executive Summary

*Ocean State Accelerates* is Rhode Island's blueprint for the future. It serves as the State's 2023-2028 Comprehensive Economic Development Strategy (CEDS) and Long-Term Economic Development Vision and Policy and continues the RI2030 vision with robust data analytics and invaluable insights from a diverse array of public, private, and institutional stakeholders.

### ***Ocean State Accelerates Vision Statement***

**Rhode Island will have a more prosperous, equitable, and resilient economy with more economic opportunity and family-sustaining jobs where businesses—both big and small—can thrive and meet the many challenges of the 21st century, from climate change to technological innovation.**

From this comprehensive, collaborative effort, three thematic areas emerged which are essential to actualizing Rhode Island's economic potential: **Strong Communities, Increased Prosperity, and Sustainable Growth**. These themes are deeply rooted in economic resilience, climate adaptability, workforce development, and a commitment to equity.

Developed through rigorous quantitative data analysis and deep stakeholder engagement, these goals and priority objectives emerged from the collective wisdom of our community. Focus groups, public sessions, and one-on-one interviews all generated important contributions to this plan. The feedback received from the public and key stakeholders is captured in the strengths, weaknesses, opportunities, and threats (SWOT) analysis,<sup>1</sup> providing an understanding of our current position and future prospects.

To ensure accountability and clear action steps, the report also includes an Action Matrix detailing implementation partners, timelines, and performance metric for the 12 priority objectives. This Action Matrix can be found after the Sustainable Growth section of the report.

<sup>1</sup> SWOT analyses are standard frameworks for evaluating an entity's competitive position and are often used to develop strategic plans.



# Thematic Area 1 >> Strong Communities



Strong Communities function as hubs of commerce, innovation, and collaboration; they foster networking, skill-sharing and local entrepreneurship, creating a cycle of economic growth and reinvestment.

Local economies thrive when residents are invested in their communal spaces, support local businesses, and participate in community initiatives. The economic vitality of a region is intertwined with the strength and unity of its communities.

Achieving strong communities requires collaboration and deliberate actions.

## GOAL 1 >> Expand linkages between K-12, postsecondary education, and industry, and strengthen on-ramps into selected industry sectors.

### PRIORITY OBJECTIVE

Increase work-based learning opportunities across Rhode Island middle and secondary public schools to strengthen the state's talent pool for public, private, and nonprofit employers.

## GOAL 2 >> Address family care issues that present barriers to education and employment for many.

### PRIORITY OBJECTIVE

Improve the infrastructure and programming for childcare, out-of-school learning, eldercare, and care for individuals with disabilities. Ensure that it is safe, reliable, inclusive, and engaging.

## GOAL 3 >> Invest in young professionals, change-makers, and rising leaders.

### PRIORITY OBJECTIVE

Support students to remain in, return to, and choose Rhode Island after secondary and post-secondary education. Review existing programs and evaluate financial incentives to retain graduates in the state.

## GOAL 4 >> Invest resources into affordable housing preservation and development, integrating housing, transportation, and employment centers.

### PRIORITY OBJECTIVE

Reduce barriers to developing housing at all price points, making housing affordable for all Rhode Islanders, including necessary support for seniors and others who require assistance.

## GOAL 5 >> Take a holistic approach to placemaking, amenity-rich mixed-use development, and tourism.

### PRIORITY OBJECTIVE

Support individual artists and the invigoration of public spaces, mixed-use development, and tourism in historically marginalized communities and population centers.



## Thematic Area 2 >> Increased Prosperity



Increased prosperity has a multiplier impact, shaping both individual lives and the broader community.

At the individual level, a rise in prosperity often translates to enhanced quality of life, greater access to education, and more opportunities for personal and professional growth.

At the community level, prosperity can foster infrastructure development and enhance public services.

The aim is increased prosperity for all Rhode Islanders, so it is essential to ensure that the benefits of prosperity are felt by all.

### GOAL 6 >> Improve the reach, vibrancy, and resilience of Rhode Island's entrepreneurial and small business ecosystem.

#### PRIORITY OBJECTIVE

Expand access to small business resources, including those for nonprofits, and ensure that the suite of resources available is integrated, multi-language accessible, holistic, and can be navigated seamlessly without duplication of efforts.

### GOAL 8 >> Improve government functions to optimize economic growth opportunities.

#### PRIORITY OBJECTIVE

Improve government responsiveness to the public and to business needs by continuing to support the digital transformation of government initiatives that produce more accessible, efficient, and smoother interactions across State departments and agencies.

### GOAL 7 >> Increase productivity, competitiveness, and growth of existing businesses and leverage the opportunities and advantages of the state's selected industries.

#### PRIORITY OBJECTIVE

Better promote state, municipal, and institutional business expansion and retention resources to meet the needs of new and existing, small and mid-sized businesses.

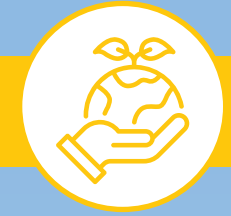
### GOAL 9 >> Expand industry collaboration in the workforce and education system.

#### PRIORITY OBJECTIVE

Encourage employers, including public entities, to expand formal work-based learning opportunities for all as well as expand other work-based learning—especially for residents who have historically faced challenges to entering the workforce.



# Thematic Area 3 >> Sustainable Growth



Sustainable growth encompasses both economic and environmental sustainability. It is a commitment to balancing today's needs and the well-being of future generations.

In an era where rapid development often leads to resource depletion and environmental degradation, sustainable growth promotes practices that are ecologically sound, economically viable, and socially equitable. This approach ensures that resources are utilized efficiently and responsibly, preserving them for succeeding generations.

It also fosters resilience against economic downturns and environmental challenges, ensuring that communities remain vibrant and adaptable in the face of changing global landscapes. Prioritizing sustainable growth is not just about conservation; it's about envisioning and crafting a future that is both prosperous and enduring.



**GOAL 10 >> Embed climate resilience, natural resource protection, and a sustainability mindset and practice into all statewide economic, land use, and transportation initiatives.**

**PRIORITY OBJECTIVE**

Develop principles, review, and implement statewide guidelines, and establish or improve performance measures that advance resilience and sustainability as central to economic development efforts.

**GOAL 11 >> Develop infrastructure and facilities to support businesses, emerging, and selected industries.**

**PRIORITY OBJECTIVE**

Invest in infrastructure that strengthens and cleans working waterfronts; develops industrial sites, labs, and shared incubator spaces; and is located at or near transportation hubs and school campuses to make facilities more accessible to workers and more visible in the community.

**GOAL 12 >> Support the State's goal for 100% renewable energy by 2033 and support initiatives that address sustainability goals and impacts of climate change.**

**PRIORITY OBJECTIVE**

Continue to invest in and lead on climate resilience planning and innovation.



# Introduction »

The process of developing *Ocean State Accelerates* was reflective of past efforts, collaborative, and grounded in capitalizing on Rhode Island's strengths.

This introduction lays out:

- The guiding principles of this work
- The stakeholder engagement and public participation that drove this plan
- The flow of this document



*Ocean State Accelerates* is comprehensive; prosperity- and resilience-focused; data-driven; and equity- and inclusivity-centered. It is driven by the needs and skills of our people—and keeps stakeholder voices at the fore throughout the plan.

## COMPREHENSIVE »

*Ocean State Accelerates* aligns to local, State, and federal economic development goals and priorities in order to drive economic development for the State of Rhode Island.

The strategic plan included local and state-level voices throughout the process—leaning on both past research as well as deep representation from community and business-serving groups, relevant State agencies, and municipalities.

*Ocean State Accelerates* builds off Governor McKee’s RI2030 plan and fulfills the State legislative mandate to develop a Long-term Economic Development Vision and Policy by the end of the first full year of each new gubernatorial term.

*Ocean State Accelerates* further acknowledges the critical partnership of the federal government in helping increase prosperity for all Rhode Island residents and catalyze the state’s economic growth. It serves as a Comprehensive Economic Development Strategy (CEDS), a requirement of the Economic Development Administration of the US Department of Commerce.

## PROSPERITY- AND RESILIENCE-FOCUSED »

Past economic strategies focused primarily on selected industries. *Ocean State Accelerates* recognizes the importance of such industries—including advanced manufacturing; defense; food; life sciences; renewable energy, especially offshore wind; technology, especially in the ocean-based economy; and tourism—while also highlighting cross-cutting goals and actionable objectives to drive a healthy economy

and entrepreneurial ecosystem writ large. This plan also recognizes the importance of the small business ecosystem in the state since 98% of businesses in Rhode Island are small businesses.

All strategies and implementation efforts under *Ocean State Accelerates* work to position Rhode Island’s population, economy, and environment to thrive long-term, with a particular focus on supporting the populations most vulnerable to economic, public health, and climate disruptions.

Given the risk the state faces from climate change and sea-level rise, a proactive focus on climate resilience and continued investment in physical infrastructure are crucial to mitigating and adapting to these threats. The drive toward a more resilient state will stretch us in new ways and require significant innovation.

Rhode Island’s natural amenities and small size can be major assets as we collectively work to incorporate resilience into everything we do. Further, shoring up human capital, technology systems, and key infrastructure investments will enable the state to focus on growth in addition to threat mitigation.



## DATA-DRIVEN »

From the start, *Ocean State Accelerates* built on past strategies. The aim was to complement, augment, and supplement existing efforts, not duplicate.

As one of the most recent and comprehensive statewide reports, we sought to connect this strategy's framework directly to RI2030's goals and objectives. A full list of the reports and strategies we reviewed is available in Appendix B.

*Ocean State Accelerates* integrated and built on these reports using fresh data analysis by Camoin Associates through the Foundation for Economic Prosperity data tool. These analyses provided a national and regional comparative for Rhode Island across over 60 indicators of economic development (the Foundation for Economic Prosperity) and evaluated national and regional trends, workforce needs, demographic changes, and selected industry trends.

It finally built off extensive stakeholder engagement for this plan as well as RI2030, which was the result of a series of community listening sessions that laid out a bold and holistic vision for the state as it emerged from the COVID-19 pandemic. This analysis provides new insight into Rhode Island's economic opportunity in context with other states, how it can accelerate growth, and how best to target next efforts.

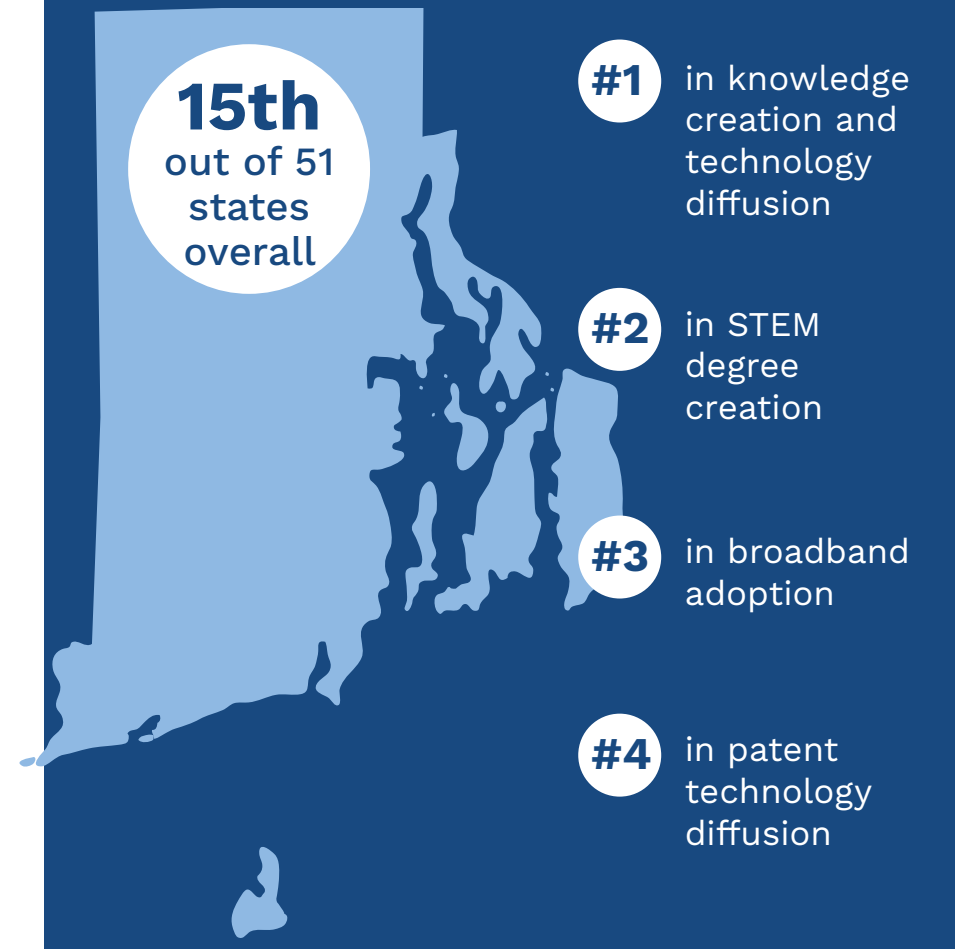
## EQUITY- AND INCLUSIVITY-CENTERED »

Demographic diversity is driving Rhode Island's growth. As such, Diversity, Equity, and Inclusion (DEI) must be integral to all goals, actionable objectives, and metrics within *Ocean State Accelerates*, as well as the planning process that creates them.

The Economic Development Steering Committee was unified in their commitment to advancing DEI and creating an environment where everyone, regardless of their background,

## FOUNDATION FOR ECONOMIC PROSPERITY

# Rhode Island Ranking



identity, or experiences, has an equal opportunity to succeed and thrive. Public participation has been critical through the *Ocean State Accelerates* process.



# People First » Community and Stakeholder Participation

Economic development for Rhode Island over the next five years will be driven by people; it must focus on the linkages between economic development and education, workforce training, housing, childcare, food, and placemaking (a participatory approach to revitalizing and invigorating public spaces).

It must prioritize retaining and growing talent, building and diversifying the skills of those without a college degree, and removing barriers that make it difficult for people to join or stay in the workforce. It also must ensure all Rhode Islanders can access and thrive in careers in the state's largest and most promising industries.

To that end, *Ocean State Accelerates* puts the ideas of real Rhode Islanders front and center. This strategic plan would not be what it is without regular input from State and community leaders, workers, and residents, including the groundwork laid by the McKee administration's RI2030 process.

The goal of the ongoing stakeholder engagement has been to ground data findings in local and statewide knowledge and experiences, with input from people across the state representing industries traditionally overlooked by economic development activities and reflective of the racial and ethnic diversity of Rhode Island.

Stakeholder engagement included:

- Five meetings of the Economic Development Steering Committee and Planning Council (27 participants, listed on the next page)
- Twelve Focus Groups (63 participants total, listed in Appendix G)



- Meetings with local stakeholder groups (Grow Smart's Main Street Steering Committee, the RI Business Empowerment Network, RI Quarterly Business Support Organization Meeting, American Association of Retired Persons, Connect Greater Newport, and the State's Food Strategy Steering Committee)
- Retail Interviews (statewide, two days in-store visitation)
- Two Public Workshops (in person and virtual)
- Over 40 1:1 Interviews (over four months)
- Ongoing public feedback form on the [Long-Term Economic Development Planning website](#)
- Advertised engagement opportunities through RI Commerce's social media channels and partner network.
- One-month public comment period, including in-person "office hours" with Commerce staff and Economic Development Steering Committee members

## ECONOMIC DEVELOPMENT STEERING COMMITTEE »

To conform with US EDA requirements as well as the State Legislature's requirements through the Long-Term Economic Development Vision and Policy, RI Commerce established an Economic Development Steering Committee and Planning Council (first bullet above) to provide ongoing feedback and consensus at each project milestone.

The Committee included 27 members from public, private, and nonprofit entities, and RI Commerce prioritized diverse representation with committee members from organizations such as the Center for Southeast Asians, Rhode Island Black Business Association, Rhode Island Hispanic Chamber of Commerce, and the Tomaquag Museum.

Four in-person committee meetings took place during the spring and summer of 2023. Members provided continuous feedback and strategy editing throughout the process.

## FOCUS GROUPS AND PUBLIC PARTICIPATION »

As referenced above, 12 focus groups were conducted across a range of topics that impact economic prosperity.

The focus groups included Advanced Manufacturing, Bioscience, Climate Resilience, Community Development/Funding, Community Development/Placemaking, Education, Food, Housing, Infrastructure, Small Business Ecosystem, Tourism, and Workforce Development. A full list of focus group participants and their affiliated organizations is available in Appendix G.

## Economic Development Steering Committee

**Liz Tanner (Chair)** | Executive Office of Commerce  
**Jude Amoako** | Millennial RI  
**Meredith Brady** | Department of Administration  
**Liz Catucci** | Northern Rhode Island Chamber of Commerce  
**Dave Chenevert** | RI Manufacturers Association  
**Channavy Chhay** | Center for Southeast Asians  
**Jane Cole** | State Department of Revenue  
**Andrew Cortes** | Building Futures  
**Pamela Cotter** | State Department of Transportation  
**Roshni Darnal** | United Way of Rhode Island  
**Rilwan Feyisitan, Jr.** | East Bay Community Action Program  
**Lori Giuttari** | Visual Thrive Marketing Group (*small business designee*)  
**Shannon Gilkey** | RI Office of the Postsecondary Commissioner  
**Philip Gould** | Town of Lincoln (*League of Cities and Towns designee*)  
**Russ Griffiths** | State Department of Business Regulation  
**Roberta Groch** | Division of Statewide Planning  
**Elizabeth Lynn** | van Beuren Charitable Foundation  
**Jason Martiesian** | State Department of Labor and Training  
**Carol Malysz** | RI Bio  
**Bernadette MacArthur** | Glocester Economic Development Committee  
**Oscar Mejias** | Rhode Island Hispanic Chamber of Commerce  
**Lisa Ranglin** | RI Black Business Association  
**Krystafer Redden** | State Department of Education  
**Michael Sabatoni** | RI Building Trades Council  
**Chelsea Siefert** | Quonset Development Corporation  
**Loren Spears** | Tomaquag Museum  
**Kira Wills** | YMCA of Greater Providence

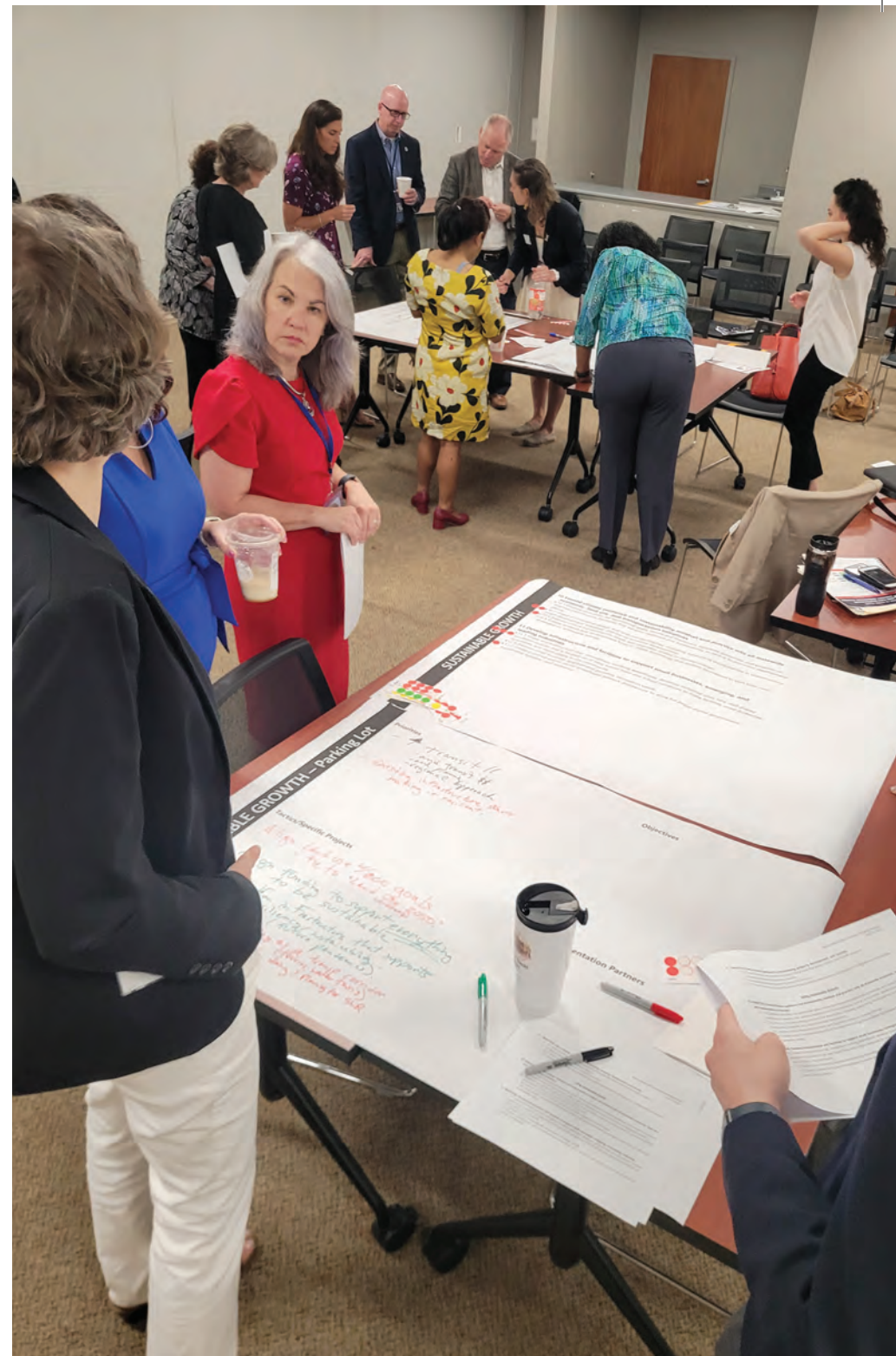


Additionally, two public workshops were held to encourage participation from Rhode Island residents to shape economic development strategy. One of these workshops was in-person and the other virtual, to ensure that a broad range of Rhode Islanders could participate.

Finally, RI Commerce engaged statewide and local groups that have recently been funded by the Economic Development Administration of the US Department of Commerce in order to ensure continued alignment with these ongoing efforts. These include, but are not limited to:

- The Blue Economy Technology Cluster (BETC)/Grow Blue Partnership, funded through the Build Back Better Regional Challenge (BBBRC) Phase One
- University of Rhode Island (URI) University Center, related to its Building Pathways to Success in Computer Science (P2S in CS) program
- Providence-based Slater Technology Fund, related to its award to partner with Brown University on a new initiative to boost healthcare-related technology start-ups
- Skills for Rhode Island's Future, related to its Small Business Hub
- The City of Pawtucket and State of Rhode Island, related to their tourism and marketing grants
- Local partners who have received grants for food sector investments

Participants in the development of *Ocean State Accelerates* understand the important role—past, present, and future—of the EDA in helping to advance economic prosperity throughout the state.



# Strategy and Document Organization >>

The development of *Ocean State Accelerates* began with rigorous quantitative analyses in order to understand economic, labor, and demographic trends, opportunities, and areas of growth for Rhode Island. This work drew from state and national databases as well as a score of previous reports. Quantitative data and analysis of Rhode Island’s economy can be found in the Current and Emerging Trends section as well as Appendices D (Selected Industry Analyses) and E (Statewide Diagnostic).

Feedback from the Economic Development Steering Committee, as well as hundreds of Rhode Islanders provided additional qualitative data. *Ocean State Accelerates* draws all these data together into a SWOT analysis and uses it all to develop the goals, objectives and actionable sub-tasks that comprise this strategy. The document ends with an Action Plan Matrix that includes performance metrics and guides implementation.

The strategic plan is organized thematically, using the thematic areas drawn out in the creation of the strategies—Strong Communities, Increased Prosperity, and Sustainable Growth. Each section contains a SWOT analysis as well as the goals, objectives, and actionable sub-tasks relevant to that core theme:



## I. Strong Communities

- Education
- Work skills
- Family and childcare
- Transportation/public transit
- Housing
- Food
- Placemaking and social bonds



## II. Increased Prosperity

- High-wage jobs
- Private sector engagement
- Competitive businesses
- Equitable opportunities for all
- Open/fair environment for small business development
- Responsive government
- Global engagement



## III. Sustainable Growth

- Infrastructure
- Diverse sectors and selected industry
- Environmental stewardship
- Resilience

RI Commerce and stakeholders see these three themes as complementary: Strong communities support increased prosperity and both allow for sustainable growth.

After the sections detailing the core themes, this document includes an Action Plan Matrix, which provides key metrics to measure progress and implementation partners for the priority objectives drawn out in each of the three themes.

The report ends with a number of lengthy appendices, which provide further reflection on past economic development plans and implementation efforts, detailed data analyses and methodologies, and a glossary of terms used in this report.



# Current and Emerging Trends »»

The following section identifies current and emerging trends within the State of Rhode Island.

This analysis includes:

- Overarching statewide diagnostic
- National comparison using Camoin Associates' Foundation for Economic Prosperity analysis tool
- Economic base and workforce analysis
- Small business analysis
- Resilience analysis
- Equitable planning and community development analysis





## Statewide Diagnostic »

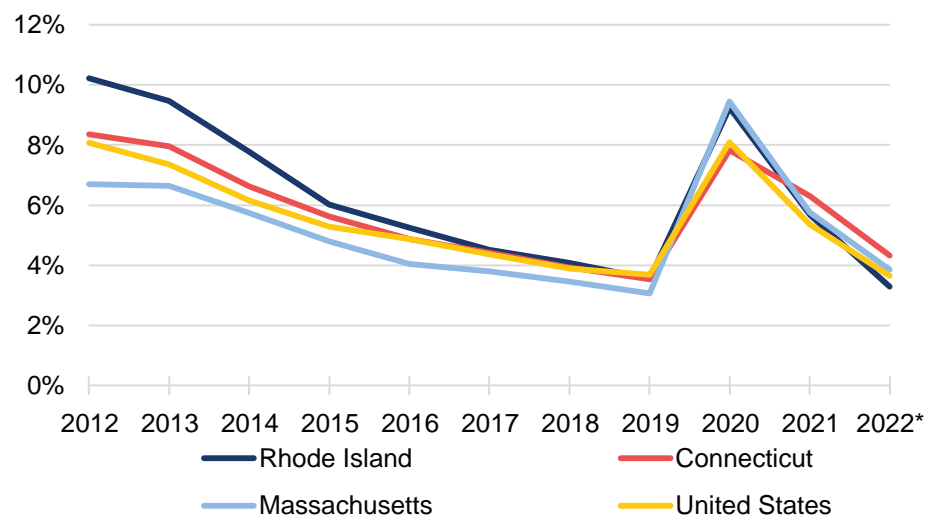
The statewide diagnostic analysis aggregated state and national data to establish a base understanding of the opportunities, priorities, and challenges facing residents, businesses, and communities across the state.

This analysis built on previous research (including the reports listed in Appendix B) and focuses on important economic development metrics for the state. While not every data source

provides the ability to disaggregate data by demographic groups, the statewide diagnostic includes granular data where available.

The full diagnostic report can be found in Appendix D. A summary of the economic base and workforce analysis is presented below.

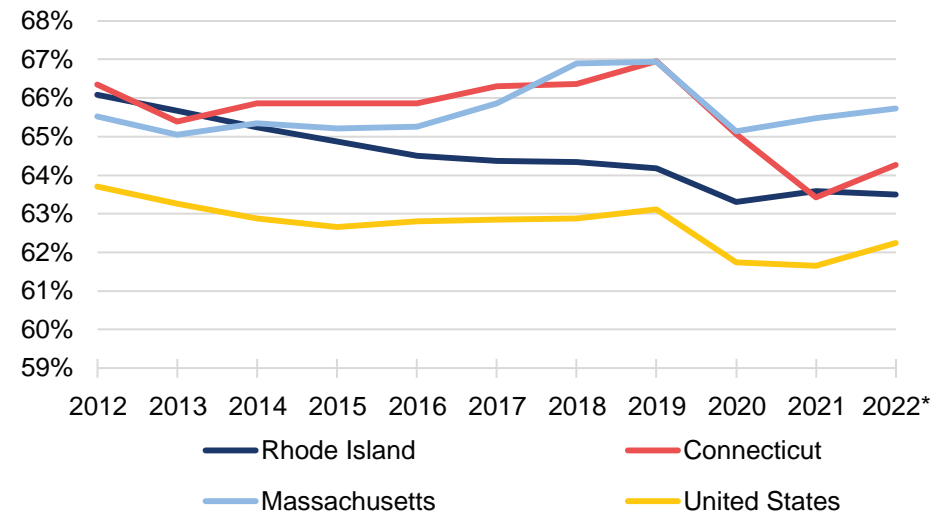
### Unemployment Rate



\* 2022 was calculated using preliminary monthly average for December

Source: Bureau of Labor Statistics

### Labor Force Participation Rate



\* 2022 was calculated using preliminary monthly average for December

Source: Bureau of Labor Statistics

# Economic Base and Workforce Analysis<sup>2</sup> >>

The Economic Base and Workforce Analysis is a comprehensive examination of demographic, economic, and occupational data trends in Rhode Island compared to neighboring states and the US. The goal of this data is to offer a baseline understanding of current and expected trends impacting Rhode Island's economy, with several highlighted in this section.

First, as shown in the chart to the right, Rhode Island has a lower median household income compared to Massachusetts and Connecticut as well as New England as a whole, though still higher than the national median. The state's 11.4% poverty rate is below the national average of 12.8% but above the rates in Massachusetts, Connecticut, and New England.

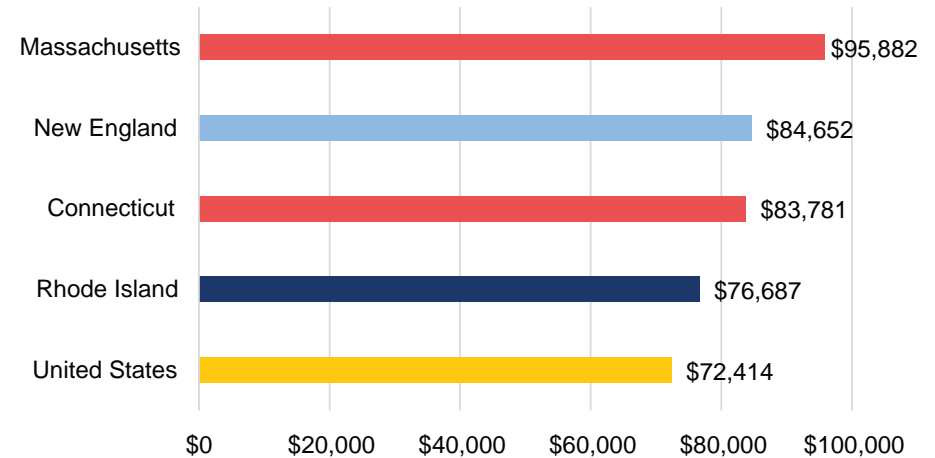
Second, the State of Rhode Island is experiencing slowing population growth due to declining international migration into the state, increasing domestic migration out of the state, and a negative natural change (births minus deaths). COVID-19 played a significant factor in the population change over the last few years, with things starting to become more "normal" in 2022.



There are projected to be **over 700,000 job openings** over the next 10 years (an average of 70,000 per year), while **the workforce is only projected to grow by 50,000**.

However domestic migration still plays a role in the declining population. An aging population and labor force is an additional consideration and reality in state, with over one quarter of the workers in top gap, high-barrier occupations over the age of 55. Interestingly, while Rhode Island does not have a markedly

## Median Household Income, 2022



Source: Esri

higher percent of the population aged 55-64 (17% compared to 16% nationally), this demographic boasts a 72.2% labor force participation rate, compared to 66.1% nationally (RI Department of Labor and Training).

Third, and relating to the slowing population growth, Rhode Island's job market has not yet recovered to 2017 levels. While the state is recovering faster than Connecticut, total 2022 employment was still 2% below 2017 levels, whereas the US was nearly 2% above and Massachusetts had almost broken even.

The available workforce is mismatched with the demand. The number of workers available over the next 10 years is projected to be far lower than job openings. There are projected to be over 700,000 job openings over the next decade (an average of 70,000 per year), while the workforce

<sup>2</sup> This section is an overview of information found in the full economic analyses found in Appendix D. Citations for this section can be found in that appendix.



## Summary Rhode Island Top Gap Occupation Metrics, 2022

Barriers to Entry	2022-2032		Median Hourly Earnings Range	Average Share Age 55+	Average Share Female	Average Share NonWhite
	2022 Jobs	Gap				
High Barriers	57,991	(49,302)	\$30.45-\$57.20	28.8%	59.3%	18.8%
Medium Barriers	38,782	(47,518)	\$14.04-\$29.07	27.1%	53.2%	26.8%
Low Barriers	91,381	(157,026)	\$12.56-\$21.03	22.3%	63.4%	29.6%
<b>All Occupations</b>	<b>535,941</b>	<b>(654,077)</b>	<b>\$57.20</b>	<b>26.7%</b>	<b>51.2%</b>	<b>20.0%</b>

Source: Lightcast, Bureau of Labor Statistics

is only projected to grow by 50,000 per year. Additional data regarding Rhode Island's workforce are highlighted here, as it was one of the most commonly heard concerns during the stakeholder engagement process.

The largest projected workforce shortfalls are in low-barrier occupations (those requiring fewer credentials to be qualified), with the 10 largest gap occupations representing 157,000 jobs. The top 10 gaps for medium- and high-barrier occupations are less than one-third as large, at 47,500 and 49,300 respectively.

Not surprisingly, both median earnings and age increase with rising barrier levels. The top gap low-barrier occupations (meaning the low-barrier occupations with the largest gaps between projected jobs and projected workforce) earn \$12.56 to \$21.03 per hour while the top gap high-barrier occupations earn \$30.45 to \$57.20. Median hourly earnings for all occupations in the state are \$22.97.

In the top gap low-barrier occupations, 22% of workers are age 55 or older versus 29% of those in the top gap high-barrier occupations. Across all occupations, 26.7% of workers are age 55 or older. The top gap medium-barrier occupations fall between the high-barrier and low-barrier groups on these two measures.

Statewide, women make up 51.2% of the employed workforce. However, they represent a larger share of the projected top gap occupations. The average female share ranges from 53%

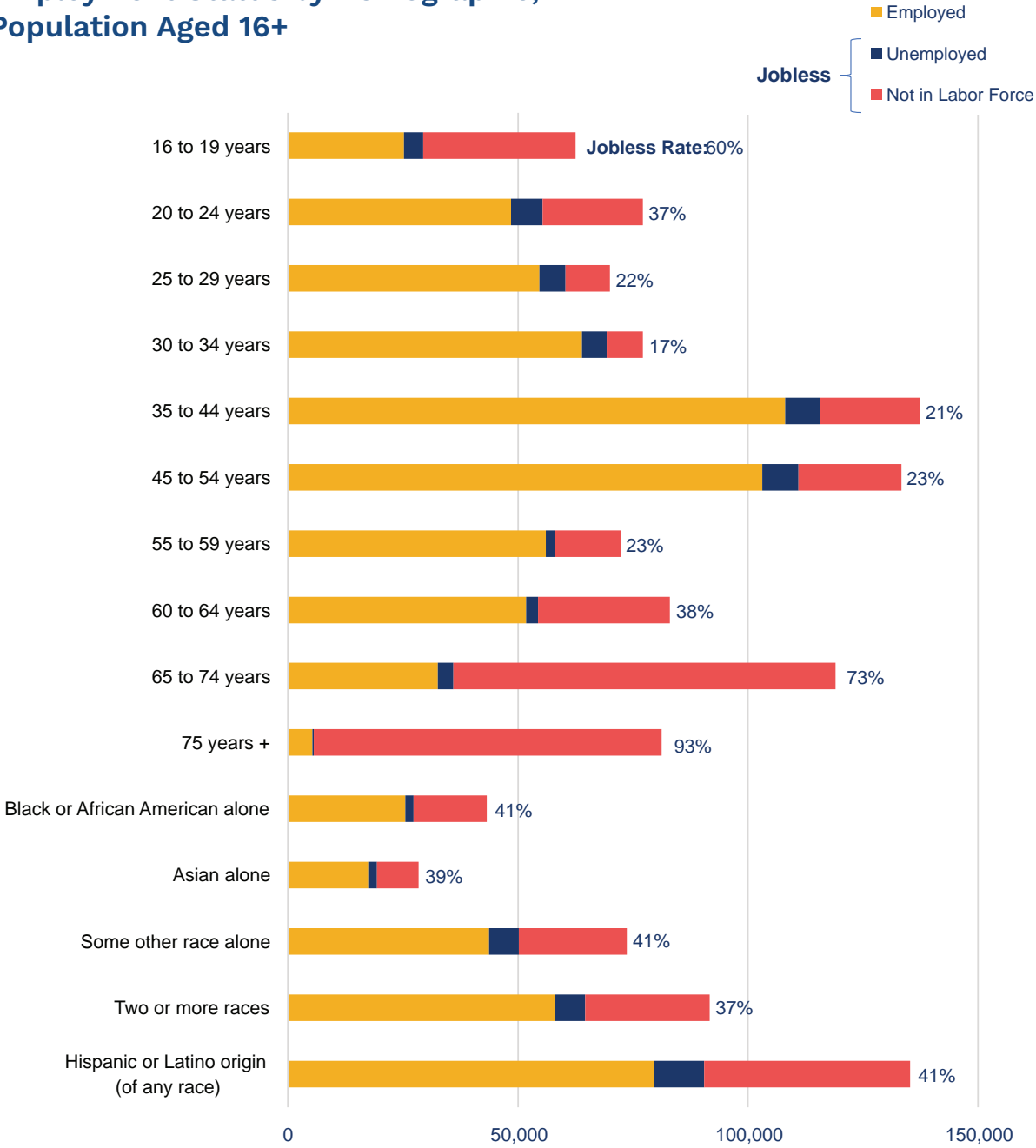
of the top gap medium-barrier occupations to 59% of high-barrier occupations to 63% of low-barrier occupations. Women are underrepresented in occupations with some of the largest workforce gaps, particularly in STEM, trades, and management related occupations.

Racial and ethnic diversity are also important to highlight: one-fifth of employed Rhode Island workers are not white, with Hispanics representing 10%, Black or African Americans 5%, and Asians 3%. The non-white worker composition is larger among the top gap medium-barrier and low-barrier occupations, at 27% and 30% respectively. Slightly less than one-fifth of workers in the top gap high-barrier occupations are non-white.

Low levels of unemployment and workforce participation are putting additional strain on the workforce supply as there are not enough people to fill positions that are open. As of 2022, there were 95,401 job openings across the state (due to job growth, retirements, or otherwise exiting an occupation), while there were 18,235 unemployed. There are 5.2 job openings for every unemployed person.



# Employment Status by Demographic, Population Aged 16+



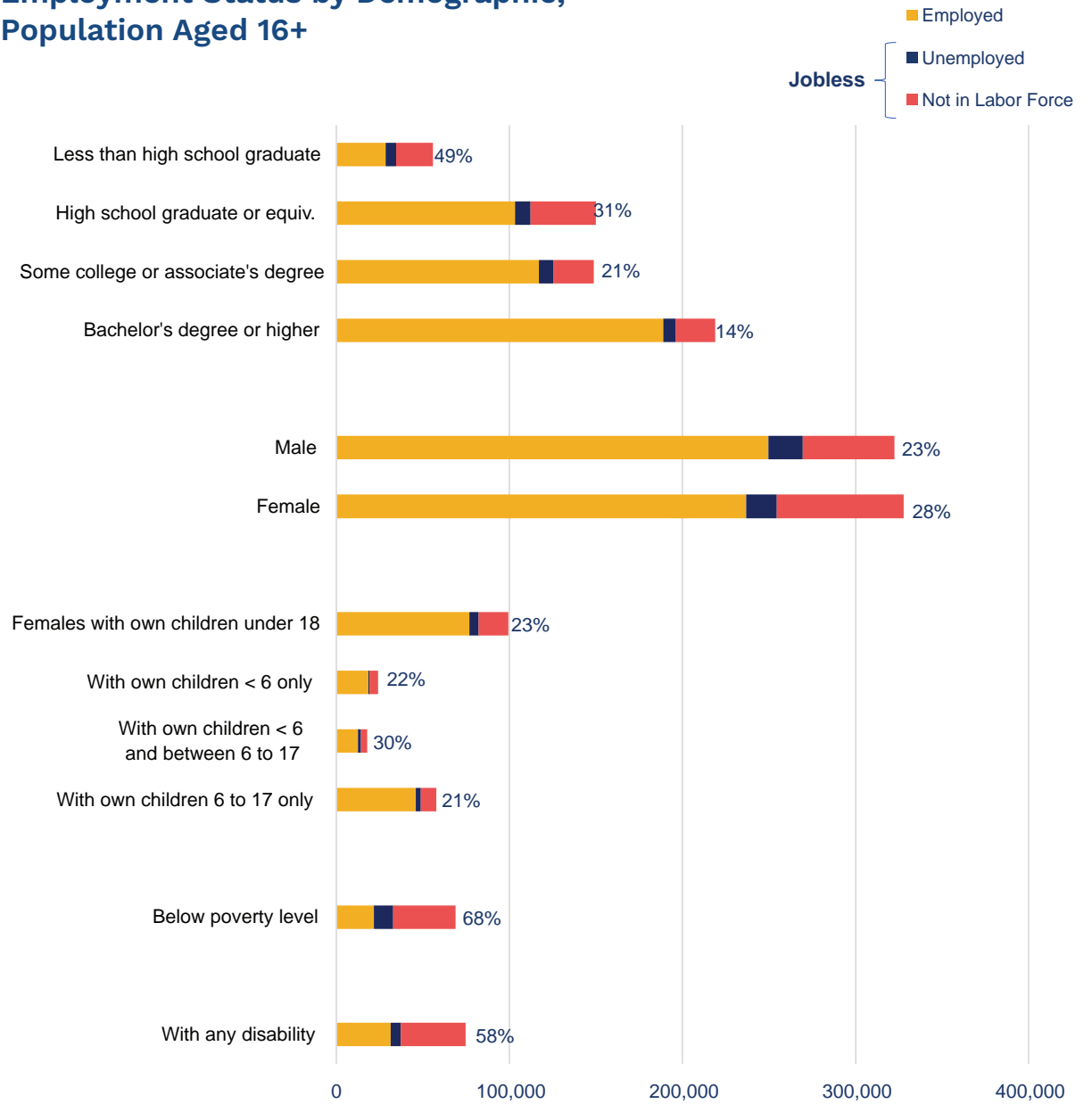
Source: American Community Survey







## Employment Status by Demographic, Population Aged 16+

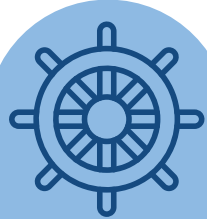


Source: American Community Survey



The overall jobless rate for the state is 40%, though certain demographics are experiencing higher levels of joblessness including teenagers (ages 16-19); those with less than a high school degree; those below the poverty level; those with a disability; and those identifying as Black or African American,

some other race, or Hispanic or Latino Origin. This poses an equity and accessibility concern for the state, when people from disadvantaged or historically marginalized groups are struggling to participate in the workforce.



## STRATEGY DRIVERS

- Leverage the existing and increasing diversity of the population and create equitable economic development opportunities.
- Increase wages to align with housing and cost of living increases.
- Target workforce development and labor force re-engagement programs to populations that are currently underrepresented in the workforce.
- Meet the range of resident needs to out-position other states in attracting new Rhode Islanders and retaining Rhode Island's current population. Increase the quality and quantity of available workforce through training and reducing barriers to employment.
- Address critical issues facing families in Rhode Island such as childcare, education, elder care, access to housing, and public transportation.
- Provide necessary support to older individuals as needed, including housing, transportation, and succession planning and leverage experience and expertise through mentorship and network development in order to soften the generational transition and lessen the effect of the workforce gap.

### What are Strategy Drivers?


A bulleted list of Strategy Drivers appear at the end of each section within the Current and Emerging Trends analysis and in Appendix D: Selected Industry Analysis. These Strategy Drivers highlight specific actions that the research found would support Rhode Island's economic growth. They inform the development of the full strategy, including the specific actionable objectives contained within the three major themes.



# National Indicators >>

Camoin Associates developed a series of indicators for the state to represent a framework around six I's: Infrastructure, Innovation, Intellectual Capital, Interest, International, and Investment.<sup>3</sup>

These have been selected to help generate discussion about economic strengths and weaknesses, highlight Rhode Island's competitive advantages, and guide the State in the development of *Ocean State Accelerates* and the priorities set forth in the plan.



Based on the indicators presented here, Camoin Associates determined that **Rhode Island ranks 15th in the nation** in this analysis of the fundamentals of economic prosperity. (See appendix for full analysis.)

<sup>3</sup> The Six I's Framework was developed in 2008 by Dan Gundersen, previously Commissioner of the New York State Department of Economic Development, Executive Deputy Secretary for the Pennsylvania Department of Community and Economic Development, Assistant Secretary for Business and Economic Development for the State of Maryland, and former President, CEO, and COO at the Virginia Economic Development Partnership. The framework was designed to help economic development groups focus and realign policies and programs around the fundamentals for economic growth, development, and prosperity.

## THE "SIX I's" >>



**Infrastructure** | Includes roads, water and sewer, bridges, telecommunications, airport access, business parks, railroads, digital/broadband, office buildings, retail/community facilities, public transportation, energy, and housing (availability, affordability, desirability)



**Innovation** | Includes birth of new industries, new value-added products and services, research labs, commercialization of products, garage inventors, adapting to disruptive technologies, and idea generation



**Intellectual Capital** | Includes pre-school to twelfth grade, higher education institutions, skills of the workforce, job training programs, and life-long learning opportunities



**Interest** | Includes appeal of area to residents, visitors, outside interests, tourism, intrigue and inspiration, vibrant downtowns, place making, creative capital, arts, culture and entertainment, history/heritage, and outdoor splendor



**International** | Includes global trade and export of products and services, direct foreign investment, cultural amenities, ethnic influences, languages spoken, access to world markets, learning opportunities, awareness of region worldwide, and ease of travel



**Investment** | Includes public investment in infrastructure, angel and venture capital investment, commercial lending, educational resources, economic development financing, small business support, human capital, social support system, philanthropy, and volunteerism



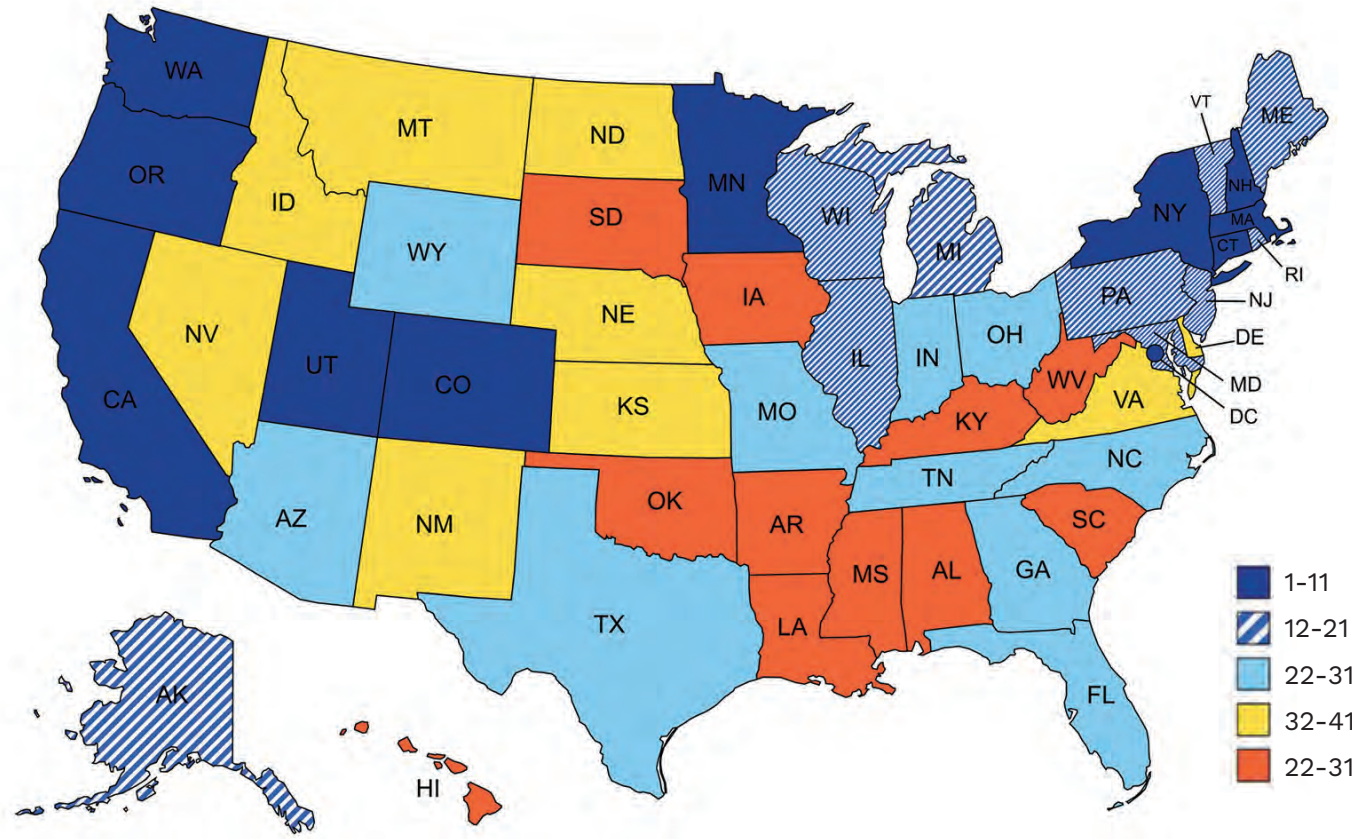
# SIX I's RANKINGS

## RI High Performing Components

- 1st | Knowledge Creation and Technology Diffusion (Innovation)
- 2nd | Average STEM Degree Creation per 1,000 population (Intellectual Capital)
- 3rd | Broadband Infrastructure and Adoption (Infrastructure)
- 4th | Patent Technology Diffusion (Innovation)

## RI Low Performing Components

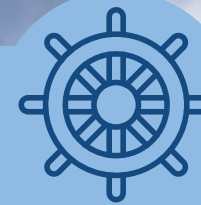
- 50th | Roads, Percent Acceptable (Infrastructure)
- 50th | Generation Aviation and Commercial Flights (Infrastructure)
- 50th | Average New Foreign Direct Investment Share of Gross Domestic Product (International)
- 46th | Establishing Births to Deaths (Innovation)



- 1 Massachusetts
- 2 Colorado
- 3 Utah
- 4 Washington
- 5 Minnesota
- 6 District of Columbia
- 7 Oregon
- 8 New York
- 9 New Hampshire
- 10 California
- 11 Connecticut
- 12 Illinois
- 13 Maryland
- 14 Vermont
- 15 Rhode Island**
- 16 Alaska
- 17 New Jersey
- 18 Pennsylvania
- 19 Wisconsin
- 20 Michigan
- 21 Maine
- 22 Georgia
- 23 Indiana
- 24 Ohio
- 25 Florida
- 26 Wyoming
- 27 Texas
- 28 North Carolina
- 29 Arizona
- 30 Missouri
- 31 Tennessee
- 32 Virginia
- 33 Hawaii
- 34 Kansas
- 35 North Dakota
- 36 Delaware
- 37 Montana
- 38 Idaho
- 39 Nevada
- 40 Nebraska
- 41 New Mexico
- 42 South Carolina
- 43 South Dakota
- 44 Alabama
- 45 Kentucky
- 46 Iowa
- 47 Louisiana
- 48 Oklahoma
- 49 Mississippi
- 50 Arkansas
- 51 West Virginia

Source: Camoin Associates





## STRATEGY DRIVERS

- Continue to invest in innovation, research and development, and STEM-related opportunities.
- Continue work to improve roads throughout the state.
- Build resources to support start-up businesses and help owners keep their establishments viable (including through succession planning).
- Prioritize workforce efficiencies rebuilding of in-state supply chains and related FDI prospective investments.



# SPOTLIGHT » Infrastructure

Infrastructure was Rhode Island's weakest area of performance in the National Indicators Six I's analysis, ranking 51st. Four particular areas of weakness in the state's infrastructure were identified: housing affordability, road quality, air travel, and water stress.

The US Census American Community Survey data shows that 34.3% of Rhode Island households are cost-burdened. This ranks 43rd in the country. Cost-burdened households are those that are spending more than 30% of their annual income on housing. An additional metric for assessing housing infrastructure in the state is measuring the percentage change in housing units minus the percentage change in population. Using 2011 ACS data as a baseline, Rhode Island ranks 35th in the country on this metric, further demonstrating the need for expanded housing development.

The US Department of Transportation, Bureau of Transportation Statistics provides the percentage of total road miles deemed acceptable by the International Roughness Index. At time of analysis, the latest available data (2020) showed that only 51.9% of Rhode Island's roads meet or exceed the acceptable standard, ranking 50th in the country.<sup>4</sup> The State has recently focused on upgrading bridge infrastructure and currently there are multiple road improvement projects underway across the state utilizing funding from the Infrastructure Investment and Jobs Act.

The Six I's analysis also examined the number of general aviation and commercial flights from airports within each state. Rhode Island had 56,436 flights in 2021, ranking 50th in the country. When weighted by state population, Rhode Island still ranked 50th in this metric. At first glance this would suggest additional resources should be invested into the state's airports, however this metric is skewed for Rhode Island due to the state's proximity to multiple large out-of-state airports (Logan Airport in Boston, JFK and LaGuardia Airports in New York City). Air travelers to and from Rhode Island have a wide range of out-of-state options not available in many other parts of the country which are not captured by this metric.

<sup>4</sup> Data in this report are from 2020; the most recent [Annual Highway Report by Reason Foundation \[reason.org\]](https://reason.org/annual-highway-report) ranks Rhode Island's highway infrastructure 42nd. Additionally, investment has been made at the State level through the RhodeWorks effort to improve Rhode Island bridges (from 27% to 10% deficient by 2026) and through the Investment in Infrastructure and Jobs Act (IIJA) to improve roads (leveraging \$492M starting in 2022 to improve Rhode Island road quality). As roads are owned by both states and municipalities, it is important that all infrastructure strategy include both levels of government.

The baseline water stress metric is based off county level water use data collected from 1960 to 2014. This data is aggregated by the World Resources Institute, spatially weighted, and a risk score is calculated. Rhode Island's risk score ranks 36th in the country.

Infrastructure serves as the backbone of economic growth. A well-maintained and modern infrastructure network will help attract businesses and enhance the quality of life for residents.

The metrics assessed in this analysis are not comprehensive but rather targeted to key areas for improvement. As we navigate an increasingly interconnected and competitive global landscape, strategic investments in infrastructure will help Rhode Island stand apart and improve both rankings and quality of life for its residents.

## PORTS AND FREIGHT MOVEMENT >>

As a coastal state located along the Northeast I-95 corridor, Rhode Island's ports and movement of freight play a vital role in the state's economy by facilitating trade, commerce, and its businesses and industries.

Ports, such as the Port of Providence and the Port of Davisville (Quonset) are important for the movement of raw materials, finished products, and consumer goods. These facilities provide direct employment opportunities in port operations, cargo handling, warehousing, and transportation while contributing to indirect jobs in related sectors such as logistics, transportation, manufacturing, and retail.

According to the Rhode Island Department of Administration, the state's ports serviced more than 6.6 million tons of freight in 2021 representing over \$5.7 billion moving in and out of the region.

Efficient and well-maintained ports can attract foreign direct investments and lead to revenue-generating international trade partnerships. They also are critical for enhancing supply chain efficiencies and for reducing transportation costs for businesses. Further, ports serve as hubs for innovation and research in areas such as marine biology, maritime technology, sustainable shipping practices, and environmental conservation, to name a few. They can also serve an important

role in the state's overall resilience and disaster response by providing transportation routes for emergency supplies and resources during times of crisis.

“ Ensuring that Rhode Island's ports, railroads, roadways, and pipelines can move freight effectively and efficiently is critical to maintaining and expanding the state's place in the larger regional, national, and global freight transportation network. Strategic investments in transportation will position the state to take advantage of changes in the economy that play well to Rhode Island's strengths. The quality of the freight system is also an important factor in businesses' decisions to locate or expand operations in a state as nearly all businesses rely on dependable freight shipments. ”

*FREIGHT FORWARD: FREIGHT AND GOODS MOVEMENT PLAN (2022)*



# Small Business Analysis >>

Small businesses are a critical component of Rhode Island’s economy, contributing significantly to employment and playing a vital role in the supply chain of larger corporations and industries. In this report, small businesses are defined as those with fewer than 100 employees, including sole proprietors.<sup>5</sup>



Small businesses in Rhode Island have shown **resilience in adapting to market changes**, an important asset as the state seeks to recover from the COVID-19 pandemic.

In Rhode Island, small businesses comprise approximately 98% of all businesses in the state. They create employment opportunities and provide training, particularly for individuals who face barriers to traditional employment. Additionally, these businesses foster innovation, driving the development of new products and markets that contribute to industrial growth.

In terms of employment size, firms with one to four employees represent 51.4% of all businesses in Rhode Island. However, they only employ 15.5% of the small business workforce.

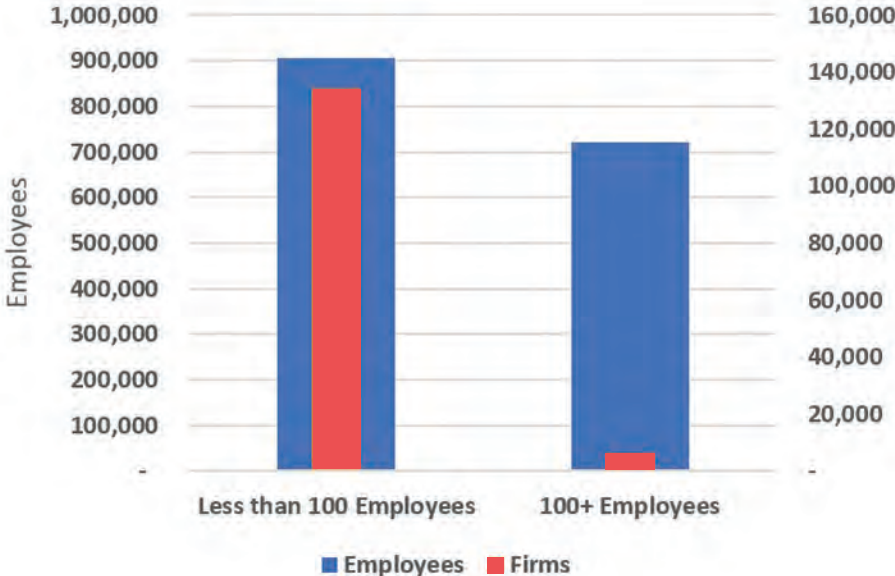
Disparities across racial identity of the business owners are present, as most Black, Indigenous, and People of Color (BIPOC)-owned businesses have lower average employment rates with most of these businesses employing fewer than five workers. Conversely, white-owned businesses represent 100% of all companies with over 100 employees.

<sup>5</sup> This definition differs from that of the Small Business Administration, which defines small businesses as independently owned and operated entities with 500 or fewer employees, not dominant in their field.

When considering select industries, Retail Trade and Accommodation and Food Services combined account for the largest share of both small business firms and employees. The Construction and Professional, Scientific, and Technical Services sectors experienced significant growth between 2017 and 2022 and have become substantial industries in terms of both firm and employee counts.

Key small business challenges in Rhode Island and across the country include offering competitive wages and benefits;

## Rhode Island Small Business Employees and Firms



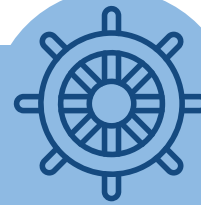
Source: US Census Bureau Annual Business Survey (2017); and US Bureau of Labor Statistics Quarterly Census of Employment and Wages (2021)

attracting and retaining skilled workers; and competing for procurement opportunities, resources, and real estate. To support these, Rhode Island boasts a robust small business support ecosystem, with more than 70 organizations dedicated to addressing the challenges faced by these businesses.

Further, given that 56% of Rhode Island businesses are operated by owners aged 55 or older, it is critical for these organizations to provide resources for succession planning and exit strategies. Digital transformation of small businesses to enable global competition is another area in which Rhode Island is already working to support small businesses by expanding broadband access through its Broadband and Digital Equity Strategic Plan.

An additional problem area for many start-up companies, organizations, and businesses in lower-growth industries (such as Retail Trade and Accommodation and Food Services and other food-related businesses) is difficulty obtaining loans due to perceived risks. Larger businesses, especially those with greater than one million dollars in annual sales, are more likely to receive lending capital, making it necessary to continue supporting Rhode Island's smaller businesses in accessing capital.

To ensure the continued success of small businesses in Rhode Island, it is essential to address the challenges they face, including access to capital, workforce development and availability, and competitive positioning. By supporting small businesses and facilitating their growth and modernization, Rhode Island can foster economic prosperity and resilience in the post-pandemic era.



## STRATEGY DRIVERS

- Bolster the coordination and capacity of business support organizations to provide policy advocacy, design services, real estate access, educational resources, and technical assistance.
- Support the digital transformation of small businesses.
- Reevaluate lending, incentive, tax, and grantmaking practices to better cater to the diverse needs of small businesses.
- Focus on transitioning business ownership to younger populations in creative and equitable ways to help combat brain drain challenges.



# Resilience Assessment >>

The resilience assessment provides an analysis of different factors linked to sustainability and economic resilience to highlight how Rhode Island and its regions have performed across these measures from 2010-2020.

The analysis seeks to understand where there is room for improvement and where there is strength. It includes the following topic areas:

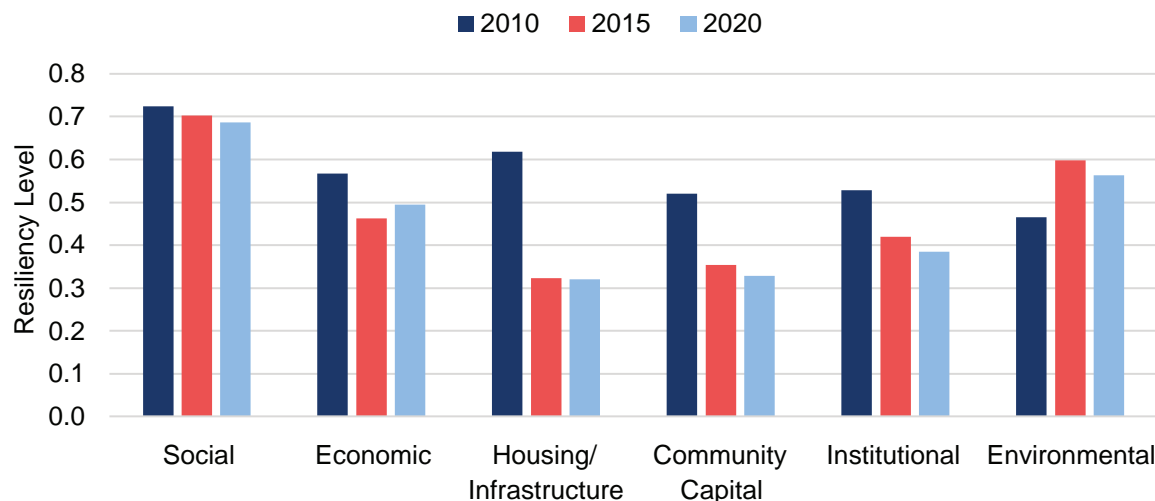
- **Human Well-Being/Cultural/Social >>** Demographic characteristics populations, values, and belief systems (e.g., educational equality, food security)
- **Economic/Financial >>** Economic assets and livelihoods (e.g., employment rate, income inequality, non-dependence on primary/tourism sector)
- **Infrastructure/Built Environment/Housing >>** Buildings and infrastructure (e.g., housing stock construction quality, temporary shelter, medical care capacity)

- **Institutional/Governance >>** Access to resources and the power to influence their distribution (e.g., jurisdictional fragmentation, disaster aid experience, population stability)
- **Community Capacity >>** Social networks and connectivity among individuals and groups (e.g., volunteerism, religious affiliation, attachment to place, political engagement)
- **Environmental/Natural >>** Natural resource base and environmental conditions (e.g., local food supplies, energy use, perviousness, water stress)

The overall results of the resilience assessment can be seen in the chart. As a small state, Rhode Island benefits from the ability to have greater accessibility, connections, and physical proximity to be able to share resources and coordinate a response.

The greatest environmental threats for Rhode Island come in the form of water, from coastal flooding to major rainstorm events. There has been a lot of work done to update infrastructure including programs like the Stormwater Project Accelerator that funds green infrastructure projects through the Rhode Island Infrastructure Bank, sewer upgrade projects like the Providence Combined Sewer Overflow facility, and many other local and regional stormwater management and erosion control initiatives.

## Rhode Island Resiliency



Source: Baseline Resilience Indicators for Communities (BRIC) Index

However, there is still a lot of work to be done to make sure that the increasing number and intensity of these events can be managed in a way that protects human life and property. There are over 30 dams in Rhode Island that are marked in the National Inventory of Dams as Poor or

Unsatisfactory by the US Army Corps of Engineers<sup>6</sup>, many with high levels of hazard potential.

The resilience of the power grid is also a concern as the infrastructure tends to be older and not able to accommodate the quickly changing state of energy consumption and production in Rhode Island. Growing electricity demand is due in part to renewable energy development and expanded electric vehicle usage. This increased demand means there is a need to modernize the grid system through microgrids, expanded storage capacity, and bidirectional energy flow capability.

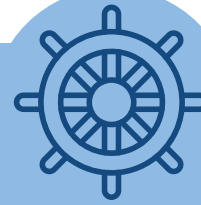
All of this is critical to the wellbeing of residents but also important to businesses as they expect and need a reliable energy source.

As detailed in the RI2030 plan and highlighted in the resiliency data, housing is a major concern for Rhode Islanders driven by a current lack of supply, high demand, rising costs, and limited workforce.

From the RI2030 report, the housing crisis is impacting individuals of color more acutely, “approximately half of Rhode Island renters are cost burdened (spending over 30% of income on housing) and between 20-25% are severely cost burdened (spending over 50% of income on housing). Black and Latino owners are more likely to face a cost burden than White homeowners. In addition, Rhode Island’s homeless shelter system is currently overburdened and, coupled with the broader housing system, does not meet demand.”

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<sup>6</sup> Daigo Fujiwara and Sabrina Shankman, “Map: Do you live near a dam that’s at risk of failing”, *Boston Globe*, July 15, 2023, <https://www.bostonglobe.com/2023/07/15/science/map-do-you-live-near-dam-thats-risk-failing/?event=event12>



## STRATEGY DRIVERS

- Diversify and expand housing stock to meet the needs of the residents.
- Build resilient and adaptable infrastructure to prepare for increased intensity of storms and climate change impacts, including upgrading and strengthening the power grid.
- Utilize the state’s interconnectedness and cooperation to better serve individual communities and regions.
- Support businesses in their ability to remain resilient through major natural and man-made disasters, including developing disaster response plans.



# Equitable Planning and Community Development Analysis >>

## ASSET-BASED COMMUNITY DEVELOPMENT >>

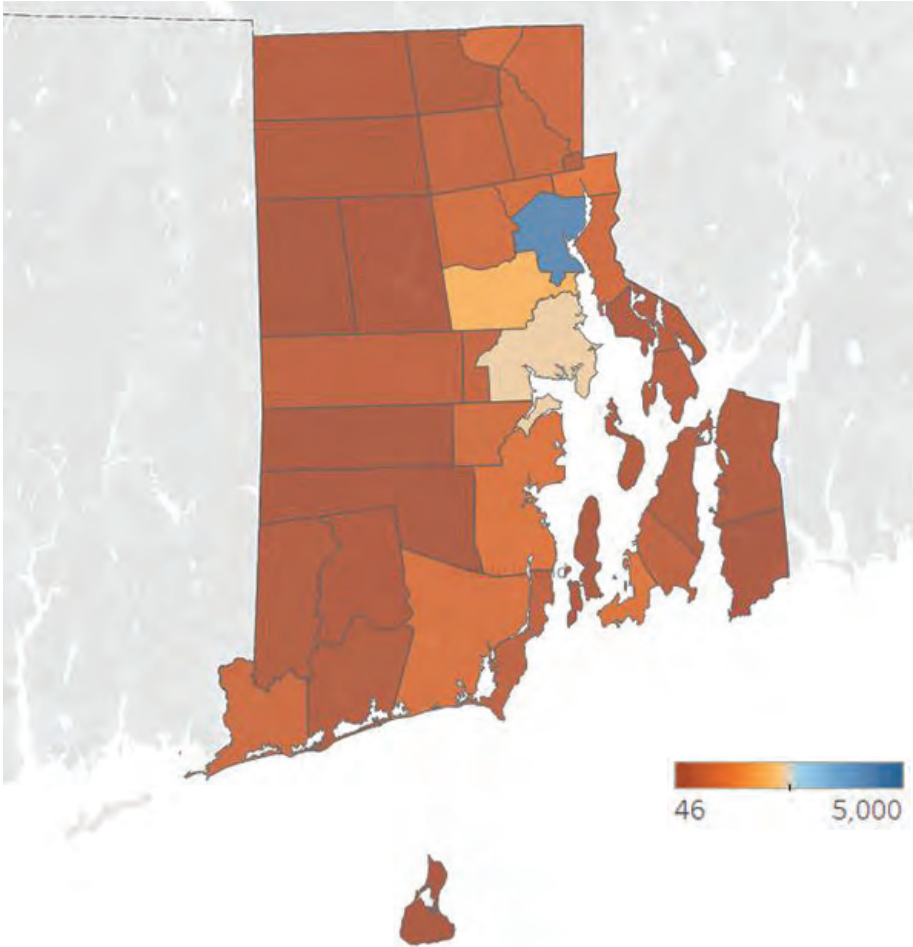
Community development plays a crucial role in Rhode Island's economic growth. An analysis of the state's community development assets reveals opportunities for equitable placemaking and community development. These assets include those impacting quality of life and placemaking opportunities throughout the state: educational institutions, healthcare facilities, arts and entertainment venues, hotels and lodging establishments, museums and historic sites, natural resources, and outdoor recreation.

Rhode Island's compact size provides a diverse range of cultural, historical, and environmental assets, easily accessible to both residents and visitors. Population centers and tourist destinations, such as Providence and Newport, are well served, yet there are noticeable gaps in asset density and diversity between rural cities and towns.

During the peak of COVID-19, equitable coordination of resources grew as a focus for Rhode Island, including investment in placemaking events and coordination across stakeholders to support the stability of assets. During this time, Rhode Island's thousands of acres of environmental assets and outdoor recreation areas allowed for a safe place to gather.

Enhancing recreational opportunities, particularly in urban cores with pedestrian and bicycle infrastructure, is vital to improve the quality of life for residents and attract visitors. Areas like Charlestown, Glocester, North Kingstown, Smithfield, and South Kingstown, which have over 1,000 acres of parkland, demonstrate the positive impact of investment in green spaces. Focusing on improving parkland acreage in areas with lesser availability, such as North Kingstown,

## Rhode Island Community Development Assets Per Municipality

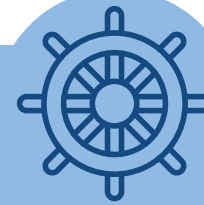


Source: Google Places (March 2023)

and improving parkland access in Central Falls, presents an opportunity to create more equitable access to recreational amenities.

## Opportunities

- Rhode Island's small size and regional proximity provides easy access for residents and visitors to easily experience the diversity of assets.
- The state is home to a range of cultural and educational assets, including cities like Providence and Newport known for their architectural character and landmarks.
- A wealth of environmental, historical, and natural assets offer a range of recreational opportunities and unique potential for ecotourism.



## STRATEGY DRIVERS

- Develop comprehensive strategies encompassing investments in infrastructure, facilities, and marketing to maximize access to and economic benefits from natural and environmental resources.
- Align economic development with the aspirations of diverse communities, ensuring that community development practices and placemaking are responsive to their needs and values, such as uplifting diverse and rural areas, promoting safety, attracting investment, and fostering a sense of community pride.
- Invest in a range of community development assets to sustain and improve quality of life for all Rhode Island residents, including investments in infrastructure, preservation of historic sites and green spaces, and the creation of cultural and recreational amenities.
- Strengthen collaborations between public, private, and nonprofit sectors, allocate resources post-COVID-19, and ensure sustainable management of cultural, tourism, and environmental assets.



## ACCESSIBILITY AND CONNECTIVITY »

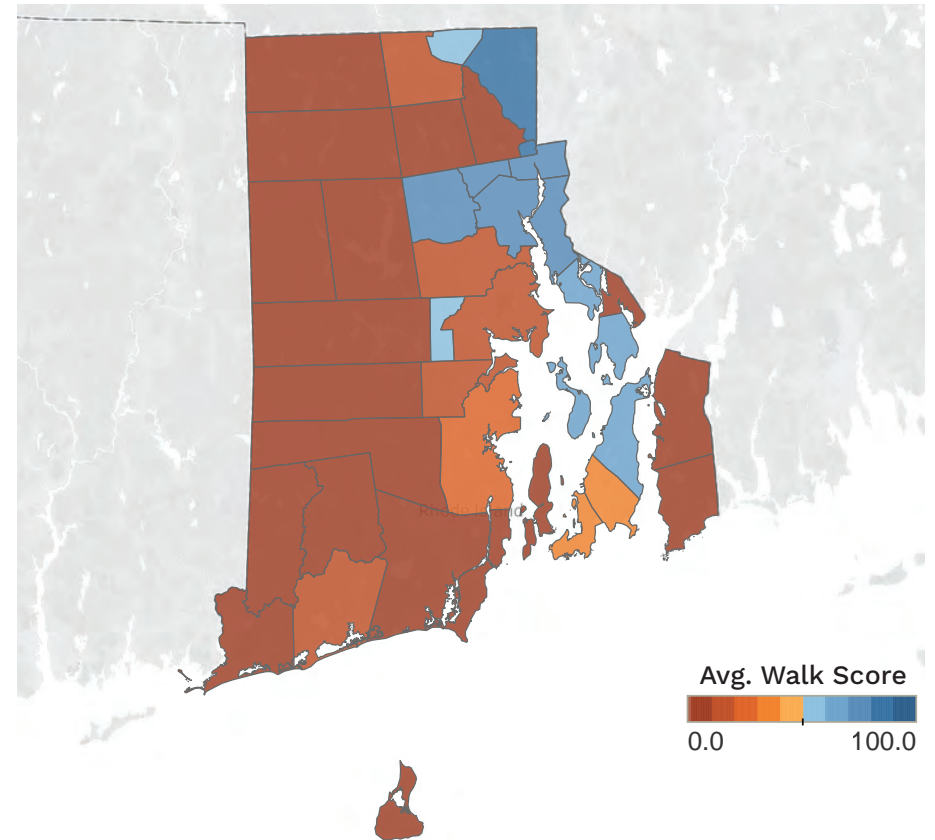
Transportation and walkability are key considerations in creating thriving communities. Efficient transportation networks and pedestrian-friendly infrastructure are essential for enhancing accessibility, fostering connectivity, and driving economic development.

With its barriers to accessibility outside of its urban core, Rhode Island faces significant challenges in terms of transportation infrastructure. Many areas in the state lack accessible public transportation options, limiting residents access to essential services and assets. Block Island, as an extreme example, can only be accessed via ferry, and limited service causes pent-up demand during the summer months, disrupting commerce on the island.

The southern and western regions of Rhode Island also have limited transportation accessibility, as indicated by low Transit Scores and Walk Scores in many towns such as Burrillville, Foster, Glocester, Narragansett, Richmond, Smithfield, South Kingstown, and West Greenwich which all have a zero for walk and transit scores. Pawtucket has a Walk Score of 75 and Transit Score of 37 given that it has some bus routes connecting it to Providence, while Newport has more limited bus service denoted by a Transit Score of 32. Conversely, the eastern municipalities, particularly those bordering Massachusetts, exhibit higher walkability scores, with Cumberland boasting the highest Walk Score in the state at a score of 81.

When it comes to bike infrastructure, Rhode Island overall has a relatively low Bike Score. Barrington stands out with its designated bike path and bike lanes, while areas like Coventry, Johnston, Lincoln, Bristol, and Portsmouth have moderate bike infrastructure development. However, there is still a need for improvement in many areas across the state, as they lack adequate bike infrastructure.

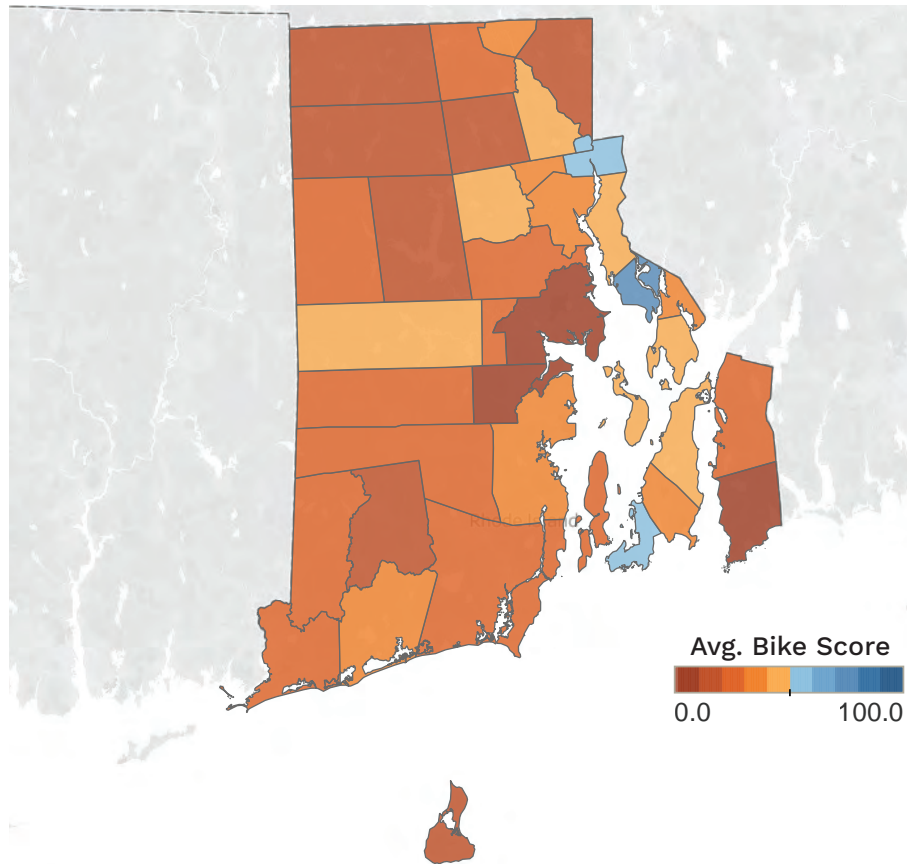
## Rhode Island Walk Score Heat Map



Score Ranges	Description
90-100	Walker's Paradise: Daily errands do not require a car
70-89	Very Walkable: Most errands can be accomplished on foot
50-69	Somewhat Walkable: Some errands can be accomplished on foot
25-49	Car-Dependent: Most errands require a car
0-24	Car-Dependent: Almost all errands require a car

Source: Walk Score (April 2023)

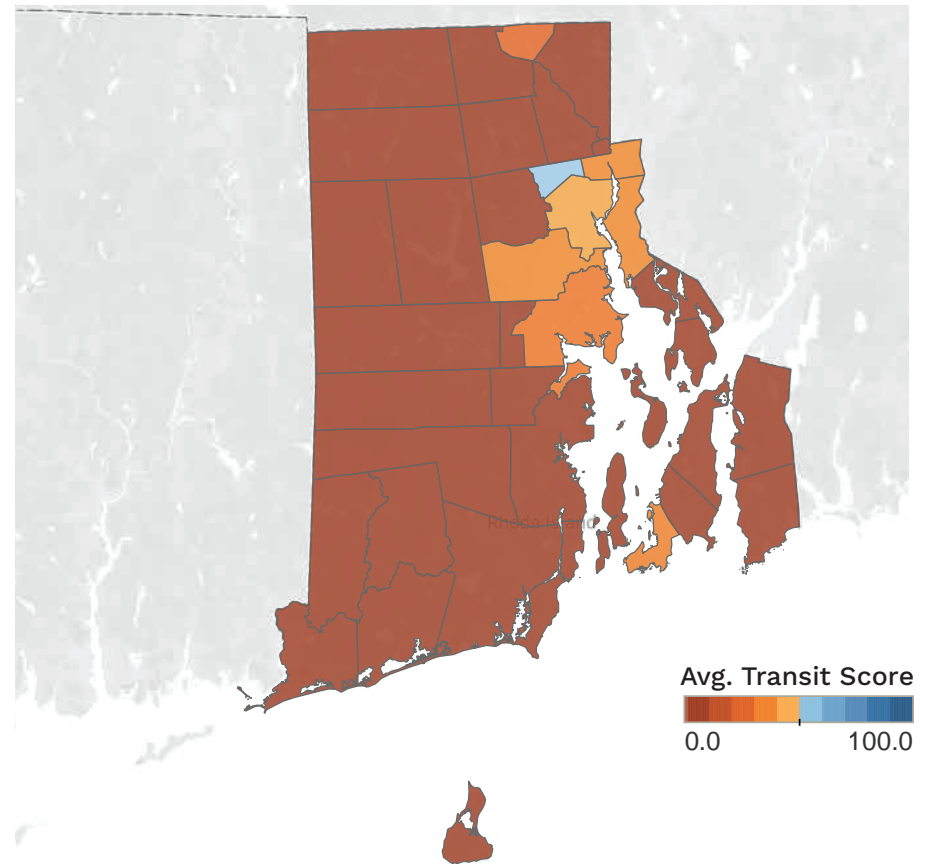
## Rhode Island Bike Score Heat Map



Score Ranges	Description
90-100	Biker's Paradise: Daily errands can be accomplished on a bike
70-89	Very Bikeable: Biking is convenient for most trips
50-69	Bikeable: Some bike infrastructure
0-49	Somewhat Bikeable: Minimal bike infrastructure

Source: Walk Score (April 2023)

## Rhode Island Transit Score Heat Map



Score Ranges	Description
90-100	Rider's Paradise: World-class public transportation
70-89	Excellent Transit: Transit is convenient for most trips
50-69	Good Transit: There are many nearby public transportation options
25-49	Some Transit: There are a few nearby public transportation options
0-24	Minimal Transit: It is possible to get on a bus

Source: Walk Score (April 2023)



Public transportation remains limited in rural areas, leaving many residents across the state reliant on personal vehicles for transportation and an increased perception of the lack of parking availability in commercial corridors. For example, the more rural communities of Scituate, West Greenwich, and Glocester have the most vehicles available per household and the lowest scores across other accessibility metrics.

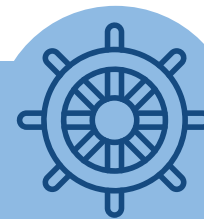
Conversely, Central Falls has the greatest share of its household count with only one vehicle (47%) or no access to a personal vehicle (25%), raising an equity issue due to the facts that Central Falls' average household incomes are the lowest in the state and the community has over 60% Hispanic residents, the greatest percentage of any city or town in the state.

However, key recent investments continue to improve Rhode Island's mode of transport conditions:

- Massachusetts Bay Transportation Authority Commuter Rail service recently started a fourth stop in Rhode Island with a \$63 million transit complex in Pawtucket. This supports broader connectivity with the New England region.
- The Rhode Island Manufacturers Association has joined forces with cities and towns to establish public transit solutions that connect residents to employment opportunities.
- Rhode Island Public Transit Authority (RIPTA) is currently piloting commuter routes to Quonset; however, long-term funding for this program remains uncertain; this program is aligned to the RI 2040 Transit Master Plan.
- Rhode Island's public transportation system has improved in recent years, particularly in Providence (with things like expanded weekend service) and the West Bay (with the introduction of new routes and the creation of the CCRI-Warwick hub).

## Opportunities

- Rhode Island benefits from strategic transportation investments for improved regional connectivity and employment access and sustainable and accessible transportation options that promote economic inclusivity.
- Urban connectivity through walkability and bike-ability can foster vibrant commercial corridors and interactions between businesses and residents to potentially stimulate local economies.



## STRATEGY DRIVERS

- Expand and improve public transit networks, continuing to focus on access to employment opportunities.
- Invest in pedestrian pathways and bike lanes to encourage walking and cycling, reducing reliance on personal vehicles for short trips.
- Develop equitable transportation solutions that support underserved communities and engage residents in decision-making.
- Collaborate with neighboring states to create seamless cross-border transportation options for improved regional connectivity.
- Advocate for consistent funding to support transportation projects and transit operations, emphasizing the positive impact on economic development and accessibility.





# Strong Communities»

This section compiles information on strong communities, containing:

- Data analyses
- Strengths, Weaknesses, Opportunities, and Threats (SWOT) findings
- Goals and actionable objectives

Goals in this section include:

- Expanding childcare access
- Improving linkages between K-12 and industry
- Investing in young leaders
- Developing affordable housing
- Conducting placemaking projects



## Overview »

The first of the three thematic focus areas is strong communities, including education, work skills, family and childcare, transportation, and placemaking and social bonds. The following section lays out key points that were brought up by stakeholders in this thematic area while thinking about the state's strengths, weaknesses, opportunities, and threats.

Overall, stakeholders felt that the state's heritage, its beaches, mansions, performance spaces, the diversity of tourism options (nature, city, film, historic places), and its culinary scene stand out as examples of strong community assets enjoyed by residents and out-of-state visitors. Although there is a proven capacity to work effectively together to develop such assets, in too many communities, it is reported that there is a low tolerance for new social experiences that bring people together and a growing sense of fear and insecurity in public settings.

Stakeholders believe that new cultural, housing, and economic sector partnerships must be forged to establish trust amongst institutions, employers, public officials, and residents. Placemaking has an important role to play in helping to create open, welcoming environments that bring people together. There is recognition that a new generation of community influencers has a critical role to assume in making this happen.

## EDUCATION AND WORKFORCE DEVELOPMENT »

Stakeholders have seen marked improvements in industry-aligned training funded by the Department of Labor and Training such as the career and technical education (CTE) partnership with General Dynamics—Electric Boat, the P-TECH program, Boat for Veterans, Boat for Women, Win Wind RI, adult workforce education programs, and other models to



## CONNECTION TO RHODE ISLAND 2030 Related RI2030 Objectives

- Make the labor market more equitable. Increasing wages in various underpaid fields is long overdue.
- Lead the region in median wage and household income growth.
- Bolster Rhode Island's Office of Apprenticeship
- Implement universal, high-quality Pre-K for children ages 3 and 4 through a mixed delivery system. Prepare Rhode Island's workers for careers in emerging growth sectors.
- Promote professional development opportunities for educators.
- Significantly increase proficiency in reading, math, and science.
- Increase the accessibility of Rhode Island's housing stock to seniors and those with disability challenges and reduce housing conditions contributing to health issues.
- Continue to invest in and develop the Higher Ed Academy.
- Establish a target level of housing production and meet the level of demand demonstrated across the array of income levels and communities.
- Reduce the percent of families in Rhode Island that are housing cost-burdened.
- Reduce the disparity of homeownership rates for Rhode Island households of color.

build career awareness with target populations. These CTE pathways and some high-success programs such as Real Jobs, which places trainees into high-wage jobs, are now more positively received. CTE enrollment is now up to 17,000 across 139 programs.

Other success areas include: RI Reconnect, PrepareRI, the State's Education Centers and Learn 365 Initiative, the introduction of a career pathways technology platform to assess students' competencies across various industries, and ApprenticeshipRI (a joint initiative of DLT and Building Futures to expand the use of pre-apprenticeships and registered apprenticeships).

The State continues to prioritize expanding capacity of work-based learning and workforce development efforts, including Registered Apprenticeships (RA) and programs in high-growth occupations that meet talent development needs and are linked to secondary and post-secondary education institutions.

## EMPLOYMENT-BASED ISSUES »

Still, stakeholders participating in the process to develop *Ocean State Accelerates* often called out major obstacles to employment. Crucial concerns include limited access to childcare, non-transparent hiring practices, lack of employable skill sets among job seekers, and lack of knowledge regarding career options. Specifically, these stakeholders note that families at all levels of the income spectrum compete for the same, limited number of available childcare seats, which contributes to high costs and inequitable opportunities for lower-income families.

There remain problems with job descriptions requiring post-secondary education for some positions where on-the-job training can be provided in lieu of an earned degree as well as background checks and screenings for previous incarceration where that information is not needed or relevant to a particular job.

At the same time, too many students are unaware of job opportunities that might be available to them upon graduation from high school, and a proportion of these same students are graduating without the basic soft and hard skills required by employers.

## PLACE-BASED INITIATIVES »

Stakeholders expressed interest in leveraging existing relationships and developing new placemaking partnerships. One person highlighted Woonsocket's efforts as a model to help business owners with streamlined loans and the City's support for placemaking. It was noted that more could be done to promote food business as a pathway to economic mobility, and elevated Hope & Main's effort to help food producers connect, scale, and thrive.

Stakeholders noted organizations that are dedicated to supporting minority communities as critical entities that support job skills and business startup training geared to underserved populations.





# SWOT Findings » Strong Communities

## STRENGTHS

- Planning processes
- Culinary scene
- Leveraging relationships
- Rhode Island Health Equity Zones
- Creativity when leveraging money to get projects done
- Heritage assets – beaches, mansions, performance spaces
- RI Pre-K
- Diversity of tourism – nature, city, film, historic mansions
- Pulling off large events – X-games, Newport Folk Festival
- Wraparound support organizations
- Improvements in industry-aligned training
- Positive perception changes around CTE pathways
- Governors Workforce Board grant and training programs
- Apprenticeship and Pre-apprenticeship programs
- Job training for emerging skills
- Real Jobs program
- State funding of internships
- Governor's Workforce Board has small grant programs for businesses
- RI Reconnect
- State's Education Centers
- Career pathways technology

**Providence has more restaurants per capita** than any other city in the United States.

*Source: Rhode Island Monthly*

RI Pre-K is one of only five programs nationally that **meets all 10 quality criteria**—and has since its inception.

*Source: Rhode Island Department of Education*

During FY 2022, **nearly 11,000 job seekers participated in the Real Jobs RI program**, including over 4,000 who self-identified as female, 1,250 English Language Learners, 430 veterans, and 150 people experiencing homelessness.

The **average annual wage** for those placed in jobs after completing the program **was nearly \$39,400.**

*Source: Department of Labor and Training, Real Jobs RI 2022 Performance Overview*

## WEAKNESSES

- Food insecurity
- Siloed ideas of community and economic development
- Piecemeal funding for community development efforts
- COVID impact
- Disinvestment in diverse communities
- Bringing jobs to underserved communities
- Limited population growth
- Cybersecurity risk recognition
- Transportation to get people to jobs and training
- Eligibility to work – citizenship
- Opportunities for juniors and seniors not in traditional CTE pathway
- Accountability structures of the state don't align with new paradigm for skills training
- School administrators don't feel empowered to innovate
- Competition for childcare access
- Graduation rates
- Hiring practices
- Baseline professional skills training
- Incomplete information about career options
- State funding formula for education

In 2022, **41%** of households with children reported being food insecure.

*Source: 2023 Rhode Island Kids Count Factbook*

Rhode Island's **natural population change (births - deaths) and domestic migration** were both net negative in 2022.

The state's population is projected to increase slightly through 2027, but at a slower rate than in previous years.

*Source: US Census*

The **four-year graduation rate** for the Class of 2022 was 83%, up from 77% for the Class of 2012.

The lowest graduation rates were among Multilingual Learners, students receiving special education services, students in foster care, students experiencing homelessness, low-income students, and Hispanic and Native American students.

*Source: 2023 Rhode Island Kids Count Factbook*



## OPPORTUNITIES

- Partnerships
- Cultural Planning
- Marketing initiative to guests and implementors
- Accessible spaces
- Bring people together
- Place-specific strategies
- Affiliation with Main Streets USA to access technical assistance
- Live/work spaces
- Food businesses as pathways to economic mobility
- Jobs that support baseline employability and technical skills training
- Funding for Hispanic Chamber and RIBBA
- Identify new generation of community influencers
- Workforce mobility
- Revisit high school accountability goals
- State incentives to reduce workforce barriers

**Accommodation and Food Service Firms (NAICS code 72) make up a greater share of small businesses** than in other New England states, highlighting Rhode Island's major tourism and restaurant clusters.

*Source: Lightcast*



## THREATS

- Staff retention
- Fair wages and benefits for staff in hospitality and creative industries
- Lack of childcare
- Low tolerance for new social experiences that bring people together
- Safety perception
- Barriers to internships

**Early childhood teachers and program directors** in Rhode Island earn significantly lower wages than kindergarten teachers and K-12 school administrators.

*Source: 2023 Rhode Island Kids Count Factbook*

Between 2017 and 2021, **74% of Rhode Island children under age six had all parents in the workforce**, which is higher than the US rate of 67%.

*Source: 2023 Rhode Island Kids Count Factbook*





# Goals and Actionable Objectives »

Based on focus group findings, quantitative analyses, and additional stakeholder feedback, the following goals and actionable objectives were developed under the theme of Strong Communities:

- **GOALS** are the desired state. They should be simple, broad, high reaching, yet specific enough to be meaningful.
- **OBJECTIVES** are what will be done to achieve the desired state. They set out the parameters and the tone for action; they are the procedures that must be followed for the goals to be achieved. Each objective includes specific actionable items to help the State advance the objective to reach the listed goal.

■ The first objective under each goal is the **PRIORITY OBJECTIVE**, which has been identified as core to advancing Rhode Island's economic development. Each priority objective also includes further information about existing assets in the state to help implement the objective.

Implementation details are provided for the priority objectives and are further detailed in the Action Plan Matrix.

# Strong Communities

## GOAL 1» Expand linkages between K-12, postsecondary education, and industry, and strengthen on-ramps into selected industry sectors.

A vital element of equitable economic development is the removal of barriers to workforce participation as well as the creation of seamless connections between primary education, high schools, post-secondary education, and the workforce. This is especially necessary in Rhode Island due to the aging population and growing workforce gap: over a quarter (26.7%) of workers in the state across all occupations are aged 55 or older, creating opportunities for young people leaving the educational system to enter the workforce in high-demand industries. Further, as the demographics of our students shift—students with Individualized Education Plans (IEPs) now represent 15% of our K-12 students nationally and 16% in Rhode Island—more thoughtful collaborations and transitions between the K-12 and industry environments must be considered in order to best align our workforce and industry needs (Pew Charitable Trusts; RI Kids Count).

### PRIORITY OBJECTIVE 1.1

#### Increase work-based learning opportunities across Rhode Island middle and secondary public schools to strengthen the state's talent pool for public, private, and nonprofit employers.

Rhode Island has a lower labor-force participation rate than its neighboring states, with a higher percentage of younger adults not in the workforce. Learning opportunities that provide students with direct exposure to what jobs are like in specific fields may help fill this gap. Making career paths clearer through work-based learning opportunities can help hone job placements for graduates and develop a pool of well-trained applicants for selected industries.

#### Existing Assets

- The Work Based Learning Navigator is a tool developed by the cross-agency initiative PrepareRI to help schools and employers develop work-based learning opportunities. Employers looking for interns or mentees post opportunities on the website while secondary schools simultaneously post requests for internships and mentors. The Work Based Learning Navigator helps facilitate that process, connecting schools with employers.
  - The PrepareRI Internship Program provides paid internships for high school juniors. Since 2018, this program has supported more than 1,282 high school students across the state.
- a. Adapt workforce training programs that exist in state for specific industries to other selected industries to increase pathways into in-demand occupations, particularly those affiliated with the state's targeted industries.



- b. Develop a work-based learning guide and training program for employers to help them grow a wider talent pipeline, particularly with workers and learners from marginalized communities. Incorporate work-based learning spaces into communities to create easy access.
- c. Continue to invest in the work-based learning navigator to capture pre-apprenticeships, apprenticeships, and other opportunities and encourage collaboration among workforce training providers.
- d. Connect work-based learning opportunities to CTE including expanding technical high school models and other high school programs.
- e. Increase career awareness programming throughout K-12.
- f. Complete/refine a provider list of CTE programs and trainings with assigned metrics.

**OBJECTIVE 1.2: Provide educators, CTE educators, and career counselors with real-time information on industry-recognized credentials and career pathways related to selected industry sectors, at both the high school and middle school levels.**

- a. Identify a host organization to biannually convene employers to refresh and validate the competencies, credentials, and career pathways linked to selected industry sectors. Facilitate conversations around what has worked for certain sectors and opportunities for replicating for other sectors.
- b. Identify an organization or workforce system partner to host a shared tool providing real-time labor market information on in-demand competencies, credentials, and career pathways.
- c. Offer professional development for public school teachers and CTE educators to engage directly with the industry about in-demand competencies and credentials across selected industry sectors.
- d. Monitor, track, and adapt Rhode Island Promise program to show pathways into postsecondary education for more Rhode Island high school students.

**OBJECTIVE 1.3: Expand programs like Real Jobs Rhode Island; ensure those in workforce development programs, as well as the program trainers, can maintain a livable wage through the duration of the program.**

- a. Provide frequent workforce program information to school boards, parents, guidance counselors, coaches, and others to increase access to and participation in paid training and job opportunities.
- b. Offer training for employers to help them remove hiring barriers and implement best practices in inclusive and equitable talent development, attraction, and retention.

## **GOAL 2 » Address family care issues that present barriers to education and employment for many.**

Rhode Island has a low unemployment rate presently (3% as of May 2023) but has the lowest labor force participation rate among neighboring states (63.5% compared to 64.3% in Connecticut and 65.7% in Massachusetts). Working parents and caretakers can better engage in their workplaces and communities when they have access to good healthcare, childcare, and eldercare. One barrier to employment is lack of affordable childcare options in Rhode Island, with the cost of center-based childcare for a toddler averaging nearly \$13,500 per year, which is 12% of the median income for a married couple and nearly 40% for a single parent/caregiver. Additionally, many workers in targeted Rhode Island industries—from advanced manufacturing to food—hold irregular business hours, making childcare even more complicated.

### **PRIORITY OBJECTIVE 2.1**

**Improve the infrastructure and programming for childcare, out-of-school learning, eldercare, and care for individuals with disabilities. Ensure that it is safe, reliable, inclusive, and engaging.**

Since 2004, there has been a 63 percent decline in family childcare slots in Rhode Island (from 8,448 to 3,106), offset only by a 908 seat increase in childcare centers (RI Kids Count). Looking specifically at preschool, only 13% of all three- and four-year-olds (and 25% of all low-income three- and four-year olds) are enrolled in either State Pre-K or Head Start in Rhode Island (RI Kids Count). The Office of Healthy Aging and Family Caregiver Alliance of Rhode Island additionally estimate that there are 136,000 Rhode Islanders who care for a family member or friend on a regular basis, with over 16,000 people leveraging the State's Temporary Caregiver Insurance (TCI) benefit—a one-time per beneficiary State support—annually.

#### **Existing Assets**

- RI Kids Count is a local non-profit that provides independent research on childcare in the state.
  - RI Pre-K and Head Start provide high quality, tuition-free early education to young children across the state. Rhode Island also has one of the only State Pre-K programs to have expanded during the pandemic.
  - The Child Care Assistance Program provides vouchers to thousands of low-income, working families to pay for child care.
  - The Children's Cabinet convenes agencies across State government to address issues and needs in the early childhood field.
- a. Evaluate the feasibility, viability, and sustainability of expanded childcare options from infancy through kindergarten.



- b. Enhance non-emergency transportation and paratransit services by collaborating across public transportation departments, rideshare companies, and advocacy organizations to help seniors and residents with disabilities accomplish daily activities.
- c. Support the development of multipurpose community centers in each municipality that can offer after-school care and programming for older adults.

**OBJECTIVE 2.2: Provide early childhood education that offers experiential learning opportunities for all children.**

- a. Embed Rhode Island’s cultural diversity, landscape, and community assets into learning activities with input from families, children, and organizations to ensure that experiential learning adapts to the state’s evolving population.
- b. Facilitate professional development, continuing education, and career pathways for early childhood educators to support them in accessing greater economic opportunities in the state. Expand registered apprenticeships for early childhood educators.
- c. Ensure that state quality standards for early childhood—as defined in the Quality Rating and Improvement System (QRIS)—are regularly updated to align with national best practices. In addition, grow the number of providers that engage with the QRIS system, guaranteeing that all children receive exceptional care and educational experiences in their earliest years.

**OBJECTIVE 2.3: Support health equity that includes preventive health training, screening, and access to available services.**

- a. Increase awareness and availability of public services available to families for healthcare, social services and supports, behavioral health, and other social and environmental factors that impact health equity such as food insecurity, financial literacy, healthy housing, and more.
- b. Co-locate community health services at community hubs, transportation hubs, and workplaces to make it easier for families to access care and resources.
- c. Support the development and sustainability of community capacity to improve health equity, through hard and soft infrastructure investments, to support individual, firm, and community success.

**OBJECTIVE 2.4: Incentivize and invest in early childhood and adult education that fosters dual-language learning at every level and economic mobility opportunities for the immigrant and refugee community.**

- a. Develop a list of federal funding sources and help school districts secure funds that support dual language learning programs.
- b. Offer benefits and professional development resources to teachers with dual language skills to attract and retain qualified professionals across the education system.



## GOAL 3 » Invest in young professionals, change-makers, and rising leaders.

In 2020, residents under the age of 26 made up 79% of Rhode Island’s net outmigration—more than any other age group. Moreover, Rhode Island’s aging workforce creates a need for the State to actively invest in attracting and retaining young people in the state. This includes fostering an environment desirable to young people, with elements such as affordable and high-quality housing, as well as educational, and cultural opportunities. By reinforcing and expanding professional networks and opportunities that engage the next generation of leaders with each other and with their communities, Rhode Island can best leverage one of its key strengths: its small size drives relationship building and innovation.

### PRIORITY OBJECTIVE 3.1

#### **Support students to remain in, return to, and choose Rhode Island after secondary and post-secondary education. Review existing programs and evaluate financial incentives to retain graduates in the state.**

Retaining talented young people in the state will help to bolster the state’s workforce and economy. The upcoming workforce gap—there are projected to be over 700,000 job openings over the next 10 years, while the workforce is only projected to grow by 50,000—must be addressed by the State. Retaining and developing young people is an important element of the solution. Across sectors, there is demand for educated employees, whether coming out of high school, career and technical programs, college, or graduate school. By studying, enacting, and implementing incentive programs, Rhode Island can be a leader in attracting and retaining young people to the state.

#### **Existing Assets**

- The Wavemaker Fellowship program provides refundable tax credits to professionals in certain fields—Science, Technology, Engineering, Math, Design, Healthcare, and Teachers—with student-loan debt.
  - Colleges, universities, and technical schools providing Rhode Islanders and those from out of state with a top-tier education, experience, and a network in Rhode Island.
- a. Evaluate the efficacy of programs to keep graduates of Rhode Island’s postsecondary institutions in the state such as the Wavemaker Fellowship loan repayment program.
  - b. Evaluate the feasibility of other programs such as down payment assistance, education savings deductions, and targeted tax incentive programs. Implement improvements to and/or expansions of targeted programs based on the evaluation.
  - c. Offer startup grants and entrepreneur mentorship to support graduates interested in launching and keeping their own businesses within the state.
  - d. Connect young professional programming with alumni engagement activities to facilitate connections and networking opportunities for Rhode Island college and university graduates.

- e. Increase the number of registered apprenticeships that provide college credit, associate and bachelor's degree pathways, and direct connection from high school to career options for trades across all targeted industry clusters.
- f. Engage in a targeted ad campaign highlighting quality of life in Rhode Island geared toward twenty-somethings.

**OBJECTIVE 3.2: Ensure young people in Rhode Island, particularly those from underserved communities, have the resources and networks to support short- and long-term economic mobility in the state.**

- a. Invest in programs that cultivate strong leadership skills to create a pipeline of capable leaders who can drive future economic growth, lead organizations, and champion positive change.
- b. Promote and incentivize fair chance hiring to provide more economic mobility for people impacted by Rhode Island's criminal legal system.
- c. Explore expansion of youth leadership opportunities in State government.
- d. Promote “earn-and-learn” programs, especially for economically vulnerable populations like those who are formerly incarcerated, single parents/caregivers, and low-income residents.

**OBJECTIVE 3.3: Engage young professionals and rising leaders to help address future challenges and solve current problems in selected industry sectors.**

- a. Invest in social entrepreneurship programs and student competitions aligned with selected industry sectors and public initiatives around sustainability, resilience, and community development.
- b. Generate research and capstone projects based on priorities in State, municipal, and nonprofit strategic plans to engage rising leaders in public and community service while building professional connections.
- c. Connect young professionals with leadership and direct mentorship opportunities, with a focus on young professionals of color as well as women in the science, technology, engineering, and math fields. Focus on connecting Baby Boomers with younger generations as well as supporting mentorship connections between those with similar experiences (e.g., small business owners, women, and/or people of color as mentors with similar mentees).
- d. Provide tuition assistance grants to allow small business owners or their sponsored employees to attend classes at public IHEs for skill building and training.

## **GOAL 4 » Invest resources into affordable housing preservation and development, integrating housing, transportation, and employment centers.**

Rhode Island has experienced large increases in housing prices over the last decade, with the median single-family home price increasing by over 111% from 2012–2022 (RI Association of Realtors) and the average two-bedroom rent increasing by 54% over the same period (HousingWorksRI). These home cost increases have outpaced median incomes: In Newport County, housing prices increased 44% between 2017 and 2021, while wage growth increased 37% in accommodation and food services, 35% in manufacturing, and 15% in the health care, social services, and professional services industries (Connect Greater Newport). Housing that is affordable for individuals and families near the places where they can work is critical for economic growth and prosperity. Additionally, as Rhode Island’s population ages, a focus on senior housing can help open previously occupied general housing inventory for working-age adults. High housing costs reduce the ability of workers to move to Rhode Island for job opportunities, which leads to mismatches between job availability and skilled workers, longer commutes, higher stress, income inequality, reductions in disposable income, and wealth disparities.

### **PRIORITY OBJECTIVE 4.1**

#### **Reduce barriers to developing housing at all price points, making housing affordable for all Rhode Islanders, including necessary support for seniors and others who require assistance.**

RI2030 identified affordability driven by low supply as a main issue facing Rhode Islanders searching for housing. Barriers to the development of new housing stock include financing challenges, workforce shortages in the construction sector, and local and State zoning and planning requirements. Significant efforts are underway to address the housing shortage including strategically investing \$250 million in the development of new housing stock using State and federal funds, including American Rescue Plan Act (ARPA) funding (authorized in the FY2023 budget) and a package of housing and development reform bills passed in the 2023 legislative session. Additional efforts are needed to reduce barriers further and allow for the development of housing stock in ways consistent with local and State plans.<sup>7</sup>

#### **Existing Assets**

- RI Commerce’s Site Readiness Program offers flexible grants for site specific planning and improvements or as municipal assistance to assist in planning and development efforts, including the development of plans and projects that include a housing component.
- RI Housing launched a Municipal Technical Assistance Program to assist cities and towns increase housing production and remove barriers to housing development.

<sup>7</sup> Ian Donnis, “New legislation aims to stimulate affordable housing in RI,” The Public’s Radio, March 2, 2023, <https://thepublicsradio.org/article/new-legislation-aims-to-stimulate-affordable-housing-in-ri>



- RI Department of Housing implementing the State’s investment in developing new housing, including new State-level low-income housing tax credit program.
- a. Dedicate State resources to increase housing production and implement the State housing plan to provide greater technical assistance and sustainable funding to affordable housing agendas at the municipal level (to include senior housing).
- b. Establish new and expand existing tools to finance affordable and workforce housing projects. Explore financing mechanisms such as capturing/rebating sales tax on construction materials and other tax streams.
- c. Commit additional funds to support pre-development, infrastructure, site readiness, and environmental investigation/cleanup that will make it easier to develop affordable housing and senior housing.
- d. Enhance funding, incentives, and public-private collaboration to increase the development of affordable housing units, including for seniors.
- e. Simplify regulatory procedures to expedite the construction and renovation of housing, including senior housing facilities.

**OBJECTIVE 4.2: Improve access to and ease of use of public transportation, bike lanes, and walkable employment opportunities.**

- a. Prioritize access to transit hubs, rapid bus corridors, and/or frequent transit routes in any new housing development and adaptive reuse plans.
- b. Implement first mile/last mile connections cited in Transit Forward RI 2040 to improve residents’ access to employment centers, commercial corridors, and other services throughout the state.
- c. Support community investments in bike lanes, bike corridors, and increased walkability, with a focus on commercial corridors and downtown connections.

## **GOAL 5 » Take a holistic approach to placemaking, amenity-rich mixed-use development, and tourism.**

Tourism is one of Rhode Island's largest industries. Rhode Island's traveler economy generates over \$7.9 billion annually and each year brings more than 27.7 million visitors to the Ocean State. In 2022, the tax income alone from tourists was \$903M (or the equivalent of over \$2,100 per Rhode Islander, if the State needed to regain that tax income from elsewhere). Investing in creating places people want to be results in both stronger communities and a more vibrant economy.

### **PRIORITY OBJECTIVE 5.1**

#### **Support individual artists and the invigoration of public spaces, mixed-use development, and tourism in historically marginalized communities and population centers.**

Cultural development is a core part of economic development. Ensuring the empowerment of historically marginalized communities and population centers is especially important for Rhode Island's economic development. Community development practices and placemaking must be responsive to the needs and values of those impacted. Strategic investments can support improved outcomes for members of communities that have historically seen underinvestment and disinvestment. This includes high-quality, safe, and affordable housing for all Rhode Islanders.

#### **Existing Assets**

- Available financial incentives through RI Commerce and RI Housing/Department of Housing can help develop housing and mixed-use projects.
  - The Main Street Rhode Island Streetscape Improvement Fund and RI Commerce Site Readiness programs provide funding to municipalities and economic development organizations to stimulate development and local planning.
- a. Conduct an impact analysis of placemaking efforts statewide. Assess the need and viability of an effort to support placemaking at the state level.
  - b. Seek alternative funding sources such as community development block grants (CDBG), private partnerships, grants, or sponsorships to replace ARPA placemaking funding and provide capacity specifically for event planning and execution.
  - c. Invest in placemaking initiatives that enhance the overall experience of communities, such as creating pedestrian-friendly retail districts/shopping centers, connecting housing to employment centers, improving public spaces, and supporting public art installations. Support programs that create solutions responsive to the level of urbanization and asset typology.
  - d. Support implementation of the State Guide Plan elements that promote placemaking.

- e. Support the expansion of farmers' markets, food halls, community gardens, community farming, and/or other efforts to expand access to local food and create a sense of place around food.
- f. Continue to build out congregating spaces in state (e.g., artists collaboratives, multiuse community centers).
- g. Implement the State Conservation and Outdoor Recreation Plan (SCORP, 2019-2024) to encourage multigenerational outdoor recreational opportunities that offer educational, health and wellness, arts, and other social programming at low to no cost.
- h. Ensure community members who are most impacted by decisions are central to the decision-making process for which placemaking activities will take place and how funding will be allocated.

**OBJECTIVE 5.2: Invest in cultural, historic, and recreational assets of the state that attract visitors and benefit residents.**

- a. Pursue a local destination campaign that encourages residents to visit state attractions in the off-season.
- b. Assess transportation access and infrastructure inventory of major tourism destinations and facilities and produce updated capital investment plans for needed upgrades.
- c. Coordinate with major public and private landowners to invest in outdoor recreation as a benefit for both tourists and residents. Expand access to funds to increase regional trail system connectivity, including connections to recreational assets and city/town centers across the state.
- d. Fund upgrades and placemaking events for destinations to expand offerings in the shoulder seasons (e.g., development of a visitor center in key tourist cities/towns, festivals centered around coastline assets).
- e. Consider separate marketing campaigns for natural (fishing, hunting, and recreational assets), culinary (farms, fisheries, and culinary), and urban (history, arts, and culture activities) amenities.

**OBJECTIVE 5.3: Provide resources to support artists and placemaking, commercial district management, mixed-use development, and tourism statewide, with particular attention to underserved communities, population centers, and off-season destination events.**

- a. Continue to coordinate between public and private organizations that are involved with tourism efforts.
- b. Fund an effort to consolidate information about upcoming events in one place to minimize overlap.



**OBJECTIVE 5.4: Develop and implement strategies for underutilized properties to meet economic needs/ goals, including a focus on the revitalization of underused and unused buildings like malls, strip malls, mill buildings, vacant commercial buildings, and blighted properties.**

- a. Expand the existing Site Readiness program with a focus on non-industrial sites to help communities across Rhode Island identify, prepare, and market their land for development aligned with their goals.
- b. Analyze the ongoing subsidy needs for property owners in downtowns and employment centers challenged by work-from-home and increased vacancies. Consider programs that support legacy business rent stabilization to account for revenues that have not returned to pre-pandemic levels.
- c. Incentivize landlords and property owners to divide large vacant spaces into smaller more flexible units to accommodate a wider range of retailers, promote commercial property affordability, and meet modern space size trends.
- d. Activate space in targeted population centers through the installation of an “anchor” tenant (e.g., co-working space, art market, food hall, etc.).



# Increased Prosperity »

This section compiles information on increasing prosperity, containing:

- Data analyses
- Strengths, Weaknesses, Opportunities, and Threats (SWOT) findings
- Goals and actionable objectives

Goals in this section include:

- Improving the small business/entrepreneurial ecosystem
- Improving industry productivity, targeted industry support, and development
- Optimizing government services
- Improving industry-education partnerships for workforce development





## Overview »

The second of the three thematic focus areas is increased prosperity, including high-wage jobs, private sector engagement, competitive businesses, equitable opportunities for all, open/fair environment for small business development, responsive government, and global engagement.

The following section lays out key points that were brought up by stakeholders in this thematic area while thinking about the state's strengths, weaknesses, opportunities, and threats.

Issues concerning private sector engagement, the competitiveness of businesses, equitable opportunities for all, and an open and fair environment for small business development were themes that emerged through interviews and focus groups.

### SMALL BUSINESS »

A recurring theme among stakeholders was that too many small businesses are not aware of resources that are available to assist them—even when the resources they need exist. More must be done to communicate with these businesses. Programs that can support these business owners are too often siloed or hard to find; collaborative referral models are needed amongst providers. This was true for programs delivered by the State, business-serving organizations, and IHEs.

While stakeholders noted that the State is making progress in building out the Ocean-based Economy and has some good educational programming for life sciences, they focused most of their attention on the needs of small businesses. This is an example of how *Ocean State Accelerates* focuses on a cross-cutting view of Rhode Island's economy (of which small businesses are the backbone) rather than focusing on the advancement of individual industries.



## CONNECTION TO RHODE ISLAND 2030 Related RI2030 Objectives

- Strengthen our position as the national leader in the Blue Economy and grow key industry clusters such as bioscience and advanced manufacturing.
- Increase the resiliency of Rhode Island's industry sectors, such as tourism, that are especially susceptible to seasonality and economic downturns.
- Make Rhode Island the premier state in the region for the speed, predictability, and ease of starting or running a business while also increasing Rhode Island's competitiveness with peer states in terms of the cost of doing business.
- Increase the number, percent, and long-term success of minority-owned businesses in the state.
- Increase the dollar amount of federal and Community Development Financial Institutions Fund (CDFI) funding for small businesses as well as the number of CDFIs operating in Rhode Island.
- Expand the number of small businesses with access to the knowledge, technology, service providers, local vendors, procurement opportunities, and capital they need to operate and grow their businesses.



Given feedback from stakeholders, there is a need to strengthen in-depth assessment for small businesses and provide help with services such as payroll, small capital investments, point-of-sale systems, VPN, and procurement and potentially build a visual asset map to help make these resources more clear.

Pairing business expansion support with childcare, affordable housing, and transportation would help women, minorities, and those who experience barriers to employment remain and advance in the workforce.

Finally, lack of access to capital emerged as a trend, with gaps for small businesses seeking loans under \$50,000, either due to businesses resisting support from governmental agencies, onerous application processes, scheduling conflicts for counseling assistance, or predatory lending practices.

## COMMERCIALIZATION OF INNOVATION »

Additionally, stakeholders noted that IHE must be proactive in developing partnerships with companies as well as secondary, vocational, and trade educational programs. Translating research into commercial ventures needs increased structure.

Stakeholders also cited the need for clear pathways for businesses to access R&D resources at universities and interact with recent graduates of technical programs.



# SWOT Findings » Increased Prosperity

## STRENGTHS

- Lots of great business programs
- Entrepreneurship support
- Film tax incentives
- Quality of life
- **Blue Economy**
- Universities
- Offshore Wind industry
- MedTech educational resources
- Sustainable grant funding at NE Medical Innovation Center
- Innovation Vouchers Program

The total impact of the **Rhode Island Blue Economy** is estimated to be **\$5.2 billion** and more than **36,500 jobs**.

*Source: Grow Blue Economic Action Plan*

## WEAKNESSES

- Investing in creative/arts entrepreneurs
- Transparency and participation with incentives
- Transparency of State tax dollar investments
- No coordinated governing entity for tourism
- Loan repayment challenges for some businesses
- Lack of awareness about business support services
- Barriers to applications for funding
- Siloed efforts
- **No CDFIs focused explicitly on small business lending**
- Access to capital
- Support for succession planning
- Predatory business services
- Lacking bridges between startup and equity financing/seed round
- Clients can't always afford a CPA; a bookkeeper is cheaper
- Barriers to accessing business services
- Talent attraction and retention
- No sub-state entity to guarantee loans
- Lack of sufficient incubation and life sciences facilities
- Translational research is weak

The **two CDFIs** that conduct work in Rhode Island have provided **\$43.5 million in loans** as of February 2023, which is \$20.4 million in total investments.

*Source: CDFI Coalition*

Rhode Island's BIPOC founders have achieved **above-average success securing venture capital deals**, but the total amount raised falls short of national benchmarks, with BIPOC founders raising **just over 4%** of the total venture capital nationally.

*Source: Crunchbase*

## OPPORTUNITIES

- Enhance small business services
- Develop small business information hub
- Expand procurement contracts
- Targeted incentive program for new food businesses
- Increase visibility and accessibility of programs
- Tourism marketing and promotion investments for residents
- Incentives and tax reform
- Actively recruit large events
- More corporate engagement from large companies
- Program transparency and single point of information
- Formal, visual asset mapping
- Financing for community connectors
- Entity to guarantee loans
- Marketing of programs to support businesses
- Emergency planning for businesses
- Leverage AI so small businesses reap the benefits
- Pair business expansion support with childcare services
- Business retention
- Mentorship
- Invest in startup community
- Onshoring
- Capital for production (for new machines, custom fabrication, etc.)
- Better leverage state's knowledge base
- Proactive outreach from the State
- Matchmaking different types of manufacturers
- School-manufacturing partnerships
- Connecting non-CTE kids to employer opportunities
- Reciprocity for credential recognition
- Education-industry connectivity

**Rhode Island has a notable percentage of foreign-born business owners** at 12%, although it is not the highest in the region.

Massachusetts leads with 19%, followed by Connecticut at 18%, while New Hampshire (9%), Vermont (7%), and Maine (6%) have lower percentages.

*Source: US Census*

There has been a **large increase in onshoring activity over the last year.**

**48%** of CEOs surveyed onshored some or all of their operations during the last quarter (Q2 2023), jumping from **35%** in the previous quarter.

*Source: Xometry quarterly CEO poll*



## THREATS

- Funding expiration for small, successful programs
- Messaging for business support
- Business retention
- **Businesses maturing without succession planning**
- Future potential regulations
- Cost of energy
- Labor-related laws and regulations

**Most business owners are over 45 years old**, with 34% aged 55-64 and 27% aged 45-54.

Only 4% are aged 25-34 and less than 1% are under 25 years old.

*Source: US Census*



# Goals and Actionable Objectives »

Based on focus group findings, quantitative analyses, and additional stakeholder feedback, the following goals and actionable objectives were developed under the theme of increased prosperity:

- **GOALS** are the desired state. They should be simple, broad, high reaching, yet specific enough to be meaningful.
  - **OBJECTIVES** are what will be done to achieve the desired state. They set out the parameters and the tone for action; they are the procedures that must be followed for the goals to be achieved. Each objective includes specific actionable items to help the State advance the objective to reach the listed goal.
- The first objective under each goal is the **PRIORITY OBJECTIVE**, which has been identified as core to advancing Rhode Island’s economic development. Each priority objective also includes further information about existing assets in the state to help implement the objective.
- Objectives 7.6 and 7.7 are identified as **STRETCH OBJECTIVES**, meaning they are innovative and aspirational initiatives that have large economic development potential for Rhode Island but will be more difficult to fully achieve.

Implementation details are provided for the priority objectives and are further detailed in the Action Plan Matrix.





# INCREASED PROSPERITY

## GOAL 6 » Improve the reach, vibrancy, and resilience of Rhode Island’s entrepreneurial and small business ecosystem.

Rhode Island’s economy is driven by small businesses, with 51% of all firms having between one and four employees and 96% of all Rhode Island businesses employing less than 100 employees. Entrepreneurs and small businesses are major contributors to job creation and are at the forefront of innovations that lead to the development of new products, services, and business models that help diversify the economy and provide revenues that circulate within communities, help foster a sense of belonging and social cohesion, and tax revenue to fund public services and infrastructure development that benefit all residents. Additionally, about 7.4% of the state’s 21,000 businesses have Black, Indigenous, People of Color (BIPOC) owners. Nationally, 18.3% of all businesses with employees are BIPOC-owned, more than twice the rate for Rhode Island. This is a truth of the state even as the white population in the state has decreased by 4% between 2010 and 2020, while the combined increase in other ethnic groups is 27%. Across all Increased Prosperity objectives, community-based organizations already play a critical role and will be key collaborators in ensuring that BIPOC, women, and immigrant entrepreneurs and small business owners have ample opportunities to guide the programs and resources intended to support them.

### PRIORITY OBJECTIVE 6.1

**Expand access to small business resources, including those for nonprofits, and ensure that the suite of resources available is integrated, multilingual-accessible, holistic, and can be navigated seamlessly without duplication of efforts.**

Ensuring small business owners can seamlessly access the resources they need to launch and sustain operations is crucial to economic development. This is particularly true for those in retail/consumer-based businesses, which are a natural entry point for small business owners, have a large presence in the state, and see more longevity in Rhode Island than in other New England states. (RI retail businesses have the highest share [72%] of retail legacy businesses in New England.) Business succession planning remains a key priority and challenge for small business owners and operators (including nonprofits) across industries. This makes the need for accessible small business resources even more relevant.

#### Existing Assets

- Rhode Island has a vibrant network of business support organizations and chambers of commerce.
- In state there is a wealth of fisheries, restaurants, breweries, vineyards, and other establishments rooted in the small business ecosystem and food and beverage industry, which



often overlap with the retail industry. Together, these assets can further position Rhode Island as a destination for those seeking “foodie” experiences—professionally and socially.

- a. Enhance and market an online small business portal (e.g., Secretary of State’s Biz Builder) with a corresponding marketing plan to increase awareness of programs and resources among business owners and partner organizations (e.g., banks, accountants). Build out resources for businesses at all levels and sizes to encourage expansion. Include an automated chat feature to help direct people to the proper resources. Coordinate and collaborate resource awareness through business support organizations and community-based organizations.
- b. Create or engage full spectrum business services in multiple languages, including in-depth small business assessments, assistance with digital transformation, education about the importance of using credentialed accountants and bookkeepers, legal assistance, and how to use technology and digital marketing for business.
- c. Provide support to business owners with succession planning. Engage business service providers to assist with succession planning by outlining critical steps, timelines, questions, and other frequently asked questions. Grow funding sources available to support business transition between founder and employees, including from local banks and financial institutions who can provide access to capital. Provide education on the different approaches, including Employee Stock Ownership Plan (ESOP) and worker cooperatives.
- d. Increase funding for business support organization (BSO) and community-based organization (CBO) staff and programs that build long-term relationships with business owners and help small businesses thrive and/or scale. Conduct regular assessments of efficacy and impact of funding.
- e. Develop and fund a structured municipal business liaison program that connects resources to owners, including sole proprietors and micro businesses that are looking to get to the next level.
- f. Support a Minority Business Support Coalition (Consistent with “Rhode Island BIPOC Small Business Ecosystem Assessment”, January 2022) to facilitate regular communication and opportunities for input from representative business organizations as well as the Narragansett Indian Tribe.
- g. Work with local banks to make access to capital easier for small business, including running workshops on lending programs and simplifying applications for lines of credit.
- h. Consider compliance relief to assist small businesses with regulatory requirements (wage and hour, environmental, workplace safety) and waive penalties for first-time offenders who exhibit good-faith efforts to prospectively comply.

**OBJECTIVE 6.2: Develop and promote solutions that help small- and minority-owned businesses be more bankable, with an emphasis on targeting young adult entrepreneurs and recent immigrants.**

- a. Leverage federal funds including the State Small Business Credit Initiative (SSBCI) to expand access to capital by creating capital/funding programs for small businesses, particularly those with strong growth potential and those pivoting in response to the global pandemic.
- b. Strengthen and grow capital access programs—supported through public and private funding—for historically underserved and marginalized business owners. Make these efforts and funding as transparent as possible.
- c. Launch and/or support an existing Community Development Financial Institution (CDFI) that targets support for small business owners from historically underserved communities that are often excluded from traditional funding sources.
- d. Coordinate with and support current business serving organizations in state, especially those representing marginalized communities, to expand their reach and impact; focus supports on financial literacy resources as well as productive access to capital.

**OBJECTIVE 6.3: Improve the entrepreneurial ecosystem to remove barriers to small businesses and entrepreneurs, engage young people, and expand capital to grow enterprises.**

- a. Offer entrepreneurship programming for interested K-12 students, with a targeted focus on students of color, (consistent with the Rhode Island BIPOC Small Business Ecosystem Assessment report from January 2022) by engaging local employers in school competitions and club activities.
- b. Work with teachers and counselors to identify students who may be interested in business and connect them with local mentors and career exploration opportunities.
- c. Use existing entrepreneurship hubs and programs like The Met School, Davies Career and Technical Education Center, Social Enterprise Greenhouse, and others to reach under-engaged youth populations and create opportunities to highlight the stories of local entrepreneurs.
- d. Consider options to increase venture capital growth to support entrepreneurs to increase number of good-paying jobs, revenue, and innovation through tax credits or seed programs.

**OBJECTIVE 6.4: Establish conditions to make it possible for small business owners and operators to support their employees by enabling co-op business insurance, cybersecurity, and health care; childcare subsidies; and transportation credits.**

- a. Conduct a survey of employers and employees to assess baseline conditions and adapt programs to respond.
- b. Review existing best practices of other states on how to handle providing these services, and assess legality and effectiveness for Rhode Island.

## **GOAL 7 » Increase productivity, competitiveness, and growth of existing businesses and leverage the opportunities and advantages of the state’s selected industries.**

Four of Rhode Island’s industry clusters (Advanced Manufacturing, Bioscience, Retail, and Tourism) account for approximately 25% of all jobs in the state, with Retail making up the largest share of those. These industry clusters—along with other priorities like the Ocean-based Economy, renewable energy, technology, design, defense, and food—have large potential for business and job creation. When current and potential business owners see an environment that sets them up for long-term success, they can be more confident navigating ever-changing economic trends and major disruptions, whether natural disasters, public health crises, or increased automation.

### **PRIORITY OBJECTIVE 7.1**

#### **Better promote State, municipal, and institutional business expansion and retention resources to meet the needs of new and existing, small and mid-sized businesses.**

RI Commerce has over 40 programs that support business growth in state—with RI Department of Labor and Training, the Secretary of State, and other agencies and entities having even more. Yet a consistent theme from stakeholder engagement was a need to increase the number of programs available. Indeed, many of the programs or ideas presented are ongoing in the State, highlighting a need to better communicate the resources that are available.

#### **Existing Asset**

- The COVID-19 pandemic prompted significant outreach to businesses and new grant programs to be stood up quickly by several State agencies, including RI Commerce. This experience and data on businesses across the state can be leveraged for future statewide projects to support business development.
- a. Develop a statewide Economic Development District to be able to access funding sources, coordinate statewide on different initiatives, and track implementation of the CEDS.
  - b. Continue efforts to implement a data-focused business retention and expansion program that tracks issues, opportunities, and follow-up needed to better respond to business needs and increase business longevity. Regularly survey businesses and follow up. Integrate organizations from around the state to encourage information sharing and collaboration.
  - c. Provide competitive grants and low-interest financing for capital-related, hard asset, needs of businesses, with greater benefit to those businesses that locate in higher employment and population centers.
  - d. Develop and deploy an emergency preparedness strategy for small businesses to ensure uninterrupted access to State and federal programs and support, potentially building off the



dormant Small Business Resilience Network efforts. Include preparation of a business resiliency template that organizations can customize to support their advanced planning for future natural and manmade disasters.

- e. Explore new and strengthen existing commerce-related partnerships at the large metropolitan, bi- or tri-state (MA/CT/RI) level to:
  - i. Form super-regional technology consortia to pursue federal Tech Hub Program Phase 2 funding as part of the CHIPS and Science Act of 2022.
  - ii. Research opportunities to establish and/or improve upon joint multi-state initiatives designed to leverage super regional competitiveness, quality of life, land use, workforce development, and infrastructure interests.
- f. Consider, as part of a potential GlobalRI initiative, shared overseas FDI and export representatives with other states, and structure as performance-based contracts.
- g. Develop a public awareness campaign of business support services that are available in the state.

**OBJECTIVE 7.2: Foster collaboration and growth within targeted industry clusters that lead to knowledge sharing, innovation, specialized workforces, efficiencies, and targeting of resources, including connections between large and small employers supporting these industries.**

- a. Engage industry associations to offer industry-specific resources, professional development, event programming, and networking.
- b. Implement the Rhode Island Life Science Hub that is intended to provide the infrastructure, governance, and funds to support access to capital, training, and other business incentives to grow Rhode Island's life science sector.
- c. Revitalize the Science and Technology Advisory Council (STAC) to better connect research and tech transfer between IHEs, with a focus on strengthening selected industries as determined through the State's Science and Technology Plan.
- d. Strengthen and support Rhode Island's burgeoning food system businesses, which span agriculture, aquaculture, and fishing, food processing/manufacturing, and sales.

**OBJECTIVE 7.3: Expand programs that assist existing businesses in exporting goods and services into expanding global markets, including the Chafee Center for International Business at Bryant University and expanding SupplyRI into a GlobalRI initiative.**

- a. Capitalize on Rhode Island's designation as a statewide Foreign Trade Zone (FTZ) to encourage foreign direct investment and export-import activity in the state.
- b. Increase focus on foreign-direct investment (FDI) efforts in support of Rhode Island businesses.

**OBJECTIVE 7.4: Expand networking between IHEs, corporations, and small businesses to bolster the local supply chain and foster new R&D relationships.**

- a. Expand opportunities for Minority and Women-Owned Enterprises to meet the major State vendors and offer their services. Continue to host events, meet and greets, and supplier events that are both general and industry-specific.
- b. Coordinate industry and region-specific networking events to connect anchor institutions with potential supply chain providers to establish greater in-state connections of buyers/sellers. Use SupplyRI to help with matchmaking services.
- c. Work with institutions of higher education to capitalize on investments in R&D and further engage large and small businesses, especially in biotechnologies and ocean-based economy efforts.

**OBJECTIVE 7.5: Encourage adaptation of defense technology for consumer products (aka “dual use”), like drones, boats, and other recreational and commercial products.**

The New England private defense industry received \$178.3 billion from 2020 to 2022 in funding from contracts from the Departments of Defense and Homeland Security, representing a 54% increase in the region compared to 38% increase nationwide. Specifically in RI, the defense industry represents 6.9% of the state’s employment, 8.9% of the state’s labor income, and 10.7% of the state’s GDP. In Rhode Island, every 100 direct jobs created in the private defense industry support an additional 91 jobs in other sectors (Economic Impact of the Defense Cluster in New England, SENEDIA, May 2023). Dual use efforts support both the continued growth of this industry but also allow related businesses in Rhode Island to capitalize on this outsized and growth industry in state.

- a. Facilitate a meeting with representatives from the US Navy, Coast Guard, and other branches of the military to discuss possible innovations or technology transfer opportunities.
- b. Establish open communication between developers in the Navy with tech transfer and commercialization experts and those with space for testing and product development.

**STRETCH OBJECTIVE 7.6: Establish a Security of Supply (SOS) Initiative to help manufacturers undertake smart factory technologies, plan for AI, and optimize supply chains to attract increased domestic and foreign direct investments, and be more resilient and productive.**

US-based supply chain activity has dramatically accelerated in the years following the global pandemic. Rhode Island’s manufacturers must undertake smart factory technologies, incorporate AI, and optimize supply chains and workforce productivity to be more resilient and to increase production

output and capacity utilization. Meeting this need would advance smart manufacturing and digital processes both in Rhode Island's factories and industrial facilities and across supply chains to optimize operations and help close the cost gap with low-cost countries by implementing delivery-improving tools, such as lean manufacturing and quick response manufacturing (QRM). This is especially needed in the Offshore Wind sector—a growing sector with presently only seven turbines in the water in the US but many more, requiring both large and small component parts, coming online imminently.

Rhode Island must improve and increase international activities in order to attract FDI and build a strong supply chain. Neighboring states of Massachusetts and Connecticut both rank highly in terms of states receiving foreign direct investments, while Rhode Island ranks second-to-last out of all of the states in this category. In terms of trade activity, according to Global TradeEdge, Rhode Island's export rank was 44/50 and its import rank was 36/50, due primarily to its small size.

### **Existing Assets**

- Polaris MEP helps Rhode Island's manufacturing businesses become stronger and more resilient by helping them rebuild or re-invent supply chains.
  - Rhode Island is located along the Northeast rail corridor and I-95, while also having efficient and well-maintained ports to attract FDI and lead to revenue-generating international trade partnerships. Ports are critical for enhancing supply chain efficiencies and reducing transportation costs, while also serving as hubs for innovation and research.
  - The Rhode Island School of Design (RISD) attracts national and international companies, like the Infosys-RISD Design Partnership, to engage with their Industrial Design and Product Development + Manufacturing programs to enhance supply chain component effectiveness.
  - The John H. Chafee Center for International Business at Bryant University fosters world trade through trainings, business assistance, and collaboration with the University's academic programs and partnerships with RI Commerce, the Small Business Administration and other state and federal agencies.
- a. Outreach to local manufacturers to understand current capacities and needs to undertake LEAN processes and digitization efforts.
  - b. Expand programs to vet and certify prospective in-state suppliers and original equipment manufacturers to encourage onshoring activity, including requiring LEAN training for all manufacturers marketed by the SOS Initiative.
  - c. Market Rhode Island's capacity for worker productivity nationally and internationally with international companies and more local anchors.
  - d. Continue effort and support for intrastate supply chain strengthening and collaboration among all companies.
  - e. Incentivize technology adoption by businesses through things like equipment grants and/or communities of practice.



**STRETCH OBJECTIVE 7.7: Emphasize research and commercialization of solution-based technologies related to marine biotechnology to increase food production and advance life sciences.**

There is significant research being done at the intersection of marine biology and medicine development that could play to the strengths of Rhode Island. This includes research on marine organisms with medicinal properties for applications in drug development, the therapeutic potential of different marine-derived proteins, marine bioinformatics to decipher large-scale biological data related to marine organisms, applications in food innovation, and more.

Marine biotechnology is directly connected to Rhode Island's Life Sciences and Blue Economy clusters. This sector will give the chance for Rhode Island to continue to study and protect the natural resource of the coast, while at the same time advancing efforts to address community problems and create jobs.

Proximity to the life sciences cluster in Massachusetts while still affording easy access to a wide variety of water body types and more affordable real estate may make Rhode Island attractive to testing and piloting different advancements. There are currently 1,350 jobs in the Medical and Diagnostic Laboratories industry (LQ of 1.27, NAICS 6215) and that is projected to continue to grow over the next five years, similarly, there are over 1,000 jobs in the Scientific Research and Development Services sector (NAICS 5417). Proximity to research institutions in the Boston area that specialize in marine biology and related fields, such as Woods Hole Oceanographic Institution, MIT, and Harvard University, plus the significant venture capital for companies in the life sciences sector in the region can create opportunities for Rhode Island to capture growing companies.

**Existing Assets**

- The Institute at Brown for Environment and Society (IBES) fosters interdisciplinary research on environmental and societal issues, including marine-related topics. Researchers affiliated with IBES may investigate marine pollution, climate change impacts on coastal ecosystems, and socio-environmental aspects of marine resource management.
  - The University of Rhode Island–Department of Marine Affairs researches various aspects of marine policy, management, and environmental issues. Their work often intersects with marine biology and medicine, focusing on topics such as sustainable fisheries, marine spatial planning, and the human dimensions of marine resource management.
- a. Facilitate meetings of key research organizations, philanthropic organizations, and industry leaders in the state to discuss needed infrastructure, investments, and support. Build on existing strengths, research efforts, and findings.

- b. Incentivize research to increase the commercialization pipeline for discoveries that have the potential for impact and scale.
- c. Consider how to structure a partnership that would connect Rhode Island institutions with Boston-area institutions in an effort to identify opportunities in Rhode Island to test, refine, and manufacture their products.

## **GOAL 8 » Improve government functions to optimize economic growth opportunities.**

Rhode Island's State websites contain more than one million web pages—more web pages than people in the state. When a business or resident needs to transact business with the State, they often must visit multiple websites and enter their basic information repeatedly. Alternatively, they may have to enter the same information on multiple different paper forms. In today's rapidly evolving digital world, State and local governments need to streamline systems to enhance public trust and maximize economic growth by making the functions and operations of government as clear, reliable, predictable, responsive, and user-friendly as possible. Support of digital literacy and digital equity to access these updated functions is also important.

### **PRIORITY OBJECTIVE 8.1**

**Improve government responsiveness to the public and to business needs by continuing to support the digital transformation of government initiatives that produce more efficient and smoother interactions across State departments and agencies.**

The State is continuing to push towards increased digitalization of government services that will allow for easier participation in programs, a more streamlined review process, and greater transparency across departments. With increased capacities of AI, Rhode Island's efforts to improve and implement a digital transformation will be even more critical.

Improvement of the “digital front door” of State government will make it easier for businesses to apply for funding or assistance and will simplify some of the more difficult and time-consuming registration processes, such as the process to be a certified Minority- and/or Woman-Owned Enterprise. This also applies to expanding access to resources for individuals who may not be able to attend meetings in person and those who may be looking to relocate or expand in Rhode Island and need access to important information.

#### **Existing Assets**

- SupplyRI connects Rhode Island Suppliers with opportunities to help them expand. Anchor institutions (larger companies and organizations) utilize the SupplyRI suppliers to transition contracts from out-of-state vendors to local businesses.
- Ocean State Procures is the State's online procurement system used for vendor registration, solicitations, and awards. This system provides a digital system for registration, reducing barriers to accessing State contracts.
- The Gateway to Government initiative through RI Commerce, the RI Division of IT, and the RI Department of Business Regulation is a cross-agency initiative to streamline the business licensing process.



- a. Designate a State champion to inform the Governor, legislators, and cabinet about AI advances and how they will influence the implementation of *Ocean State Accelerates*.
- b. Assess the current process for certifying as a Minority and/or Women-Owned Enterprise in the state. Simplify the process and communicate widely the improvements and process changes. Assess disaggregating Minority-Owned Enterprises from Women-Owned Enterprises. Assess how nonprofit organizations seeking State contracts or grants may qualify as a minority-led enterprise. Explore the value of national certifications.
- c. Review the current participation rate, identify barriers to participation—inclusive of community input—and create a plan to increase participation by Minority and/or Women-Owned Enterprises.
- d. Continue to invest in strengthening the security of digital government assets that expand transparency and ease of participation. Consider novel technologies to make it simple for businesses to participate and apply.
- e. Create a digital marketing campaign to educate business owners about Rhode Island tax structure and allocation.
- f. Leverage existing partnerships between the Rhode Island Commerce Corporation, the Rhode Island Division of Equity, Diversity, and Inclusion, and the Rhode Island Division of Purchases to promote vendor outreach and increase volume of training sessions that focus on use of the State eProcurement platform, Ocean State Procures, to attract new business prospects and ensure participation by qualified local vendors on State bidding opportunities, including Master Price Agreements.
- g. Continue to work to reduce red tape, including assessing the feasibility of a multi-state agency task force to engage in projects that “unstuck” entrenched bureaucratic norms that create issues for our state’s businesses.
- h. Support digital literacy and digital equity efforts through the ConnectRI initiative.
- i. Review State licensing requirements and barriers to licensing for formerly incarcerated individuals, as well as those with international and/or out-of-state licenses.

**OBJECTIVE 8.2: Create a statewide effort to increase municipal capacity and potential economies of scale through regionalization of state-level efforts.**

- a. Expand grant writing and other administrative support across Rhode Island municipalities, in collaboration with the State’s IRA/IIJA/CHIPS Coordinator. Consider reinstating funding for a State staffer to support and partner with others for grant writing activities for different communities.
- b. Create a training guide on “entrepreneur-friendly” practices and programs that can be implemented locally (“Rhode Island BIPOC Small Business Ecosystem Assessment,” January 2022).

- c. Include the Office of Postsecondary Commissioner (OPC) in the revived Statewide Action Team (now called Agency Informational Roundtable or AIR team) and deepen coordination of business outreach efforts and federal grant applications between RI Commerce and Department of Labor and Training (DLT) and other agencies and entities to ensure businesses know about all resources available throughout the state.

**OBJECTIVE 8.3: Continuously improve upon municipal and statewide plans to anticipate and respond to cybersecurity threats.**

- a. Leverage the state's cybersecurity unit to further collaborate regionally to understand what other states and regions are doing to prepare for and prevent threats.

## **GOAL 9 » Expand industry collaboration in the workforce and education system.**

According to a recent Business Roundtable survey, 95% of members said the skills shortage was problematic to finding talent for companies. Engaging employers in the design and implementation of workforce development programming ensures these programs address current and future labor market needs, specific employer challenges in hiring, and necessary skills to enter the workforce. Expanded industry collaboration in the education and workforce system allows students to access valuable networks and can bring in additional private to new and existing workforce development programs.

### **PRIORITY OBJECTIVE 9.1**

#### **Encourage employers, including public entities, to expand formal work-based learning opportunities for all as well as expand other work-based learning—especially for residents who have historically faced challenges to entering the workforce.**

Apprenticeships offer valuable training, experience, and wages. They serve as a crucial tool in workforce development, leading to full occupational competency and nationally recognized (and portable) credentials. According to the RI Department of Labor and Training, Rhode Island has 2,362 active apprentices across 530 active programs in the state, with 370 apprentices active in non-construction occupations. This is enormous growth, especially in new registered apprenticeships (RA) programs beyond construction trade occupations. At the launch of the ApprenticeshipRI initiative in 2015, there were no non-construction apprentices and programs. Since then, over 40 occupations have developed RA pathways that have trained and employed over 2,000 registered apprentices in multiple sectors (e.g., healthcare, manufacturing, green/plant-based occupations, construction management, etc.). Unfortunately, apprenticeships, especially RA, are not being accessed or utilized by all Rhode Islanders and employers that could sponsor programs. 85% of apprentices identify as male and 72% are white. 82% of apprentices work in construction. The growth of apprenticeships in the state is encouraging; a next step is expanding access and utilization across the state.

Rhode Island has one of the highest recidivism rates in the nation as well as one of the highest proportions of residents on parole or probation; targeted industry collaborations and workforce trainings for this population are uniquely needed—especially as these residents are required to live and work in Rhode Island.

#### **Existing Assets**

- The Rhode Island Department of Labor and Training (RIDLT) works to provide workforce development opportunities, workforce security, and workforce protection to the state's workers, employers, and residents. This is done through a range of services and the enforcement of labor laws.
- Apprenticeship Rhode Island, a joint initiative of the RIDLT and Building Futures, works with employer partners to develop and sponsor registered apprenticeships in new occupations



across the state. Registered Apprenticeship is an employer-driven model.

- Building Futures operates a nationally recognized, high-quality pre-apprenticeship program that successfully closes skill gaps in applicants to joint programs, placing hundreds of BIPOC from underserved communities experiencing poverty into successful careers.
- a. Engage more employers in registered apprenticeship (RA) and pre-apprenticeship programs across selected industry sectors. Create and prioritize RA strategies specific to each industry sector. Expand Apprenticeship RI and continue to educate on why registered apprenticeship programs are important for both the employee and employer.
  - b. Develop more high-quality certified pre-apprenticeship programs to prepare underrepresented populations, including those that are previously incarcerated, for successful employment in multiple occupations.
  - c. Expand access to workforce training programs for women and minorities and invest in advancing women and minorities to leadership/mentor positions to create greater representation.
  - d. Expand paid internships and micro-internships with Rhode Island employers.
  - e. Facilitate private industry involvement to expose students to industry opportunities, mentoring and network development, and real-world experiences. The State's recently re-launched Work-Based Learning Navigator will be deployed as a tool to match school needs (mentors, internships, and apprenticeships) with the employers offering those opportunities.
  - f. Increase the number of State-funded workforce development programs taught by bilingual trainers.

**OBJECTIVE 9.2: Support reskilling initiatives and skills-based education to strengthen career pathways around in-demand occupations in selected industries.**

- a. Create a position within State government focused on programming that trains and places people who are or were incarcerated and are seeking to re-enter the workforce, ensuring that they have the skills they need to find a job and contribute to the economy and their community.
- b. Coordinate with industry associations, major employers, and educational organizations to identify emerging technology and associated training needs and create programming to address reskilling pathways.





# Sustainable Growth »

This section compiles information on sustainable growth, the third thematic area of the report, containing:

- Data analyses
- Strengths, Weaknesses, Opportunities, and Threats (SWOT) findings
- Goals and actionable objectives

Goals in this section include:

- Building climate resilience
- Developing infrastructure for industry
- Achieving 100% renewable energy usage





## Overview »

The third and final thematic focus area is sustainable growth, including infrastructure, environmental stewardship, and resilience. The following section lays out the state's strengths, weaknesses, opportunities, and threats in this thematic area, as well as the goals and actionable objectives that will drive work under this theme over the next five years.

Throughout the development of *Ocean State Accelerates*, stakeholders emphasized that bringing a sustainability mindset to all components of the plan was key to the state's long-term success. While this document embeds sustainability throughout, the "Sustainable Growth" section particularly focuses on infrastructure, business resilience, and protecting natural resources for today and the future. This section is explicitly focused to ensure that the state moves beyond sustainability as a concept and truly operationalizes it in all facets of economic development. For example, while most stakeholders understand the importance of sustainable growth, it was only a central theme in three of the 13 work groups: food, small business, and infrastructure. It was referenced conceptually, without specifics, in other groups as a guiding principle for future growth.

## SMALL BUSINESS »

A number of focus groups referenced sustainable growth as it relates to succession planning for small businesses, inclusive of nonprofits. Several focus groups articulated a need for a strategy to assist with succession planning for mature firms whose owners will exit their business without identified, prepared management in place to continue operations—as well as a need to start that planning process years before the owner might transition. One potential solution mentioned by stakeholders is a focus on transitioning toward employee ownership through an ESOP or worker cooperative model. Another focused on shared-use of infrastructure,



## CONNECTION TO RHODE ISLAND 2030 Related RI2030 Objectives

- Increase the resiliency of Rhode Island's industry sectors, such as tourism, that are especially susceptible to seasonality and economic downturns.
- Have ubiquitous, reliable broadband internet coverage across the state that is affordable and upgradeable to meet the ever-evolving needs of residents and businesses.
- Replace fossil fuel electricity generation with renewable resources, while recognizing the benefit of protected green space.
- Protect people and infrastructure in coastal and riverine communities from storms and floods due to climate change.
- Codify and implement a 100% Renewable Energy Standard by 2030.
- Modernize the electrical grid.

especially for fishers and farmers, as a means toward business sustainability.

Focus groups also highlighted the need for sustainable growth/scaling opportunities for small businesses. And, despite evidence of Rhode Island's retail business longevity compared to other New England states, focus group participants expressed a need for resources to help scale new businesses and sustain the operations of fast-growing firms. Smaller companies may be hesitant to adopt new technologies while others struggle with harmonizing data across multiple platforms and with decision-making involving the digitization of information.



Additionally, of major concern for sustaining business operations is building a workforce pipeline and a resilient supply chain. One corporate executive noted that it takes three times as long to fill positions in Rhode Island as it does for the same position in his Chicago location, suggesting that much more should be done in strengthening education-industry connections.

## INFRASTRUCTURE »

Advocacy and leadership development surrounding infrastructure sustainability may be lacking. It was not discussed by stakeholders, although it is clearly a need given the challenges and opportunities noted below.

Positive developments in the state's infrastructure include Rhode Island Department of Transportation (RIDOT) projects funded through the federal infrastructure bill, North Kingstown's pavement management program, a big-picture vision for the next 20 years with waste management, and the Graduate School of Oceanography (GSO) and Coastal Resources Center at URI. Additionally, while there are active composting programs for leaf and yard waste, food waste composting and diversion is happening more informally.

The digital infrastructure space was a focus for some infrastructure advocates. For instance, stakeholders emphasized that there needs to be a concerted effort on issues such as preparing for the next generation beyond broadband, staffing for cybersecurity for the state's 39 cities and towns, and protecting against cyber threats.

From a physical infrastructure standpoint, stakeholders mentioned identifying and protecting critical infrastructure assets; green, "complete", streets to increase bike and pedestrian use and safety; upgrading stormwater management; winterizing of buildings; and putting in place bus routes to service the entire state.

Finally, stakeholders believe it is time for the State to have a principal point person responsible for resilience in the governor's cabinet. Regarding natural disasters, it was stated that the state's energy infrastructure is mostly located in floodplain zones and the entire state is subject to growing incidents of unpredictable windstorms, changing precipitation patterns, and inland flooding.

## FOOD AND AGRICULTURE »

Food executives and advocates agree that good relationships are in place between Rhode Island businesses and business support organizations in the sector. Focus group participants noted that the RI Food Policy Council plays a critical role in advancing issues relevant to stakeholders. Stakeholders acknowledge that continued coordination is necessary for sharing resources as well as pursuing and receiving federal and philanthropic funds. To that end, the State has a Director of Food Strategy housed at RI Commerce who works in collaboration with the Department of Environmental Management and the Department of Health, among others.

At a local level, one-on-one relationships in such a small state have helped form strong bonds and common understandings. These include co-op fishers, Hope & Main—which supports hundreds of food businesses—and restaurants that source locally and focus on storytelling and messaging. Farm Fresh RI was mentioned as another key player in the field.

The food industry is at an inflection point with technology-assisted agriculture; food advocates are concerned about reconciling these new technologies with best practices in sustainability. Resource accessibility—natural and capital oriented—is additionally a concern. Stakeholders report that resiliency cannot be built into food systems without access to natural resources. They are also concerned about small businesses that compete with highly subsidized large agricultural companies.

# SWOT Findings » Sustainable Growth

## STRENGTHS

- Good relationships across food businesses and institutions
- Small state, 1:1 relationships make a big impact
- Recent infrastructure project completion
- Pavement management program in North Kingstown
- Active composting program for leaf and yard waste
- Waste management vision
- GSO and Coastal Resources Center

Rhode Island is expected to receive **\$885 million for roads, bridges, public transit, ports, and airports** and over **\$66 million for clean water** from the Bipartisan Infrastructure Law.

Source: [Whitehouse.gov](https://www.whitehouse.gov)

## WEAKNESSES

- Missing or unclear sector strategies
- Old utility easements
- Municipal staff capacity to do climate resilience work
- Lacking transit investments
- Deferred maintenance of homes and infrastructure

While renter cost burdens are relatively similar across race and ethnicity, **a much higher percentage of Black and Hispanic households experience cost burdens as homeowners.** Only 34% of Black Rhode Islanders own their homes compared to 42% nationally and 62% of all Rhode Islanders.

Source: *2023 Rhode Island Kids Count Factbook*

## OPPORTUNITIES

- Direct input from farmers and fishers about their challenges
- Communications – food systems, composting, and fertilizing
- Coexistence of offshore wind and fisheries
- Food waste and food security
- Infrastructure to support zero waste food and beverage operations
- Composting
- State funding for Bonus Bucks
- Legislation to protect core forest
- Green bonds to protect all natural resources
- Technology-assisted agriculture
- Sustainability goals for targeted cluster investments
- Better connectivity to major New England tourism destinations
- Coordinated, structured body to share resources and pursue/ receive federal funds
- Procurement and co-op models
- View childcare as infrastructure
- Recent passage of transit-oriented development legislation

The **Agriculture, Forestry, Fishing, and Hunting industry** is the **second smallest** industry in Rhode Island with just over 2,000 jobs, although the number of jobs has grown by 5% since 2017.

*Source: Lightcast*





## THREATS

- Resistance toward aquaculture farmers getting licensed to farm
- Housing crisis impacts the ability to preserve farmland for food and nursery
- No way to preserve farmland unless State and federal government support it (which they have since the 80s)
- Many young farmers leaving Rhode Island for other New England states
- Fishermen risk displacement due to development pressures
- Small businesses competing with highly subsidized large agricultural companies
- Lack of funding to support diverse entrepreneurs and women with sustainable products
- Competing interests for use of local waterfronts
- High energy costs for businesses
- Resource matching for small business expansion
- Workforce development – limited pipeline for younger farmers and fishers
- Food inflationary and supply chain pressures - food is not a good bet for investors
- Some companies are hesitant to adopt technology that can improve sustainability
- Resistance to change
- Insufficient funding for road use, transit operations, and complete streets
- Cyber attacks

- Wastewater and sea level rise
- Natural disasters – state’s energy infrastructure and inland flooding
- Climate impact on systems – food system, supply chain
- Loss of property value due to climate change
- Inability for farmers, who predominantly lease land in Rhode Island, to act quickly to purpose land before housing developers
- Water quality and soil health

### Renewable energy generation in Rhode Island accounted for 1,149 megawatts (MW) as of the middle of 2022.

- 527 MW from solar
- 430 MW from offshore wind
- 148 MW from onshore wind

Source: Rhode Island Office of Energy Resources





# Goals and Actionable Objectives >>

Based on focus group findings, quantitative analyses, and additional stakeholder feedback, the following goals and actionable objectives were developed under the theme of Sustainable Growth:

- **GOALS** are the desired state. They should be simple, broad, high reaching, yet specific enough to be meaningful.
- **OBJECTIVES** are what will be done to achieve the desired state. They set out the parameters and the tone for action; they are the procedures that must be followed for the goals to be achieved. Each objective includes specific actionable items to help the State advance the objective to reach the listed goal.
- The first objective under each goal is the **PRIORITY OBJECTIVE**, which has been identified as core to advancing Rhode Island's economic development. Each priority objective also includes further information about existing assets in the state to help implement the objective.
- Objective 12.3 is identified as a **STRETCH OBJECTIVE**, meaning it is an innovative and aspiration initiative that has large economic development potential for Rhode Island but will be more difficult to fully achieve.

Implementation details are provided for the priority objectives and are further detailed in the Action Plan Matrix.





# SUSTAINABLE GROWTH

## **GOAL 10» Embed climate resilience, natural resource protection, and a sustainability mindset and practice into all statewide economic, land use, and transportation initiatives.**

Climate change is creating substantial economic costs and producing new business opportunities. Natural disasters result in direct expenses due to damage to critical infrastructure, impacted supply chains, and disruption of business operations. Climate-related impacts also have indirect economic consequences related to social and public health impacts. Clean technology and energy innovations, together with shifts in consumer preferences, and regulatory and policy changes, are altering markets and necessitating a fast transition to a more sustainable and resilient economy. According to the Federal Emergency Management Agency (FEMA), 40% of small businesses do not reopen after a natural disaster; another 25% fail within a year. Around one in 10 employer firms (12%) reported revenue losses related to a natural disaster in 2021. Nearly one in five (17%) employer firms owned by people of color reported storm-related losses.

### **PRIORITY OBJECTIVE 10.1**

#### **Develop principles, review and implement statewide guidelines, and establish or improve performance measures that advance resilience and sustainability as central to economic development efforts.**

Climate resilience is the design and implementation of natural and man-made infrastructure to prevent the catastrophic impact of hazardous events such as hurricanes, coastal storms, and flooding. This sector includes the research and development and potential commercialization of solutions that could be broadly adopted.

Coastal resilience aligns with the State's Ocean-based Economy and Climate-Tech sector. Rhode Island's geography makes it uniquely vulnerable to the effects of climate change. The State recognizes the importance of the coastline to the economy, including aquaculture/fishing, tourism, business resilience, residents' property, and natural resource protection, and has invested in understanding and planning for climate change including Rhode Island Climate Risk Reduction Act (2010), Resilient Rhode Island Act (2014), Greenhouse Gas Emissions Reduction Plan (2016), Resilient Rhody (2018), and Act on Climate (2021).

Most recently, the State has invested in a Blue Economy study by Fourth Economy that calls out the following action item: Invest in climate adaptation and mitigation strategies to protect Rhode Island's coast and physical assets—Investing now in protecting the state's natural resources will improve the state's resilience to future climate and disaster-related shocks, and ensure that businesses that rely on these resources will remain able to do so in the future.

As the Ocean State, Rhode Island has the recognition, resources, workforce, and testing grounds for



those looking to make advancements in coastal resilience efforts. There is already significant effort by different organizations to address these issues, including municipalities, nonprofit organizations, and universities, and leaning into advancing coastal resilience efforts will fit in with the goals of the State and residents' general sense of pride in the natural resources. The state's location along the eastern seaboard with a variety of working and recreational waterfronts and different types of bodies of water provides a strong testing ground for innovations in protection infrastructure that can then be scaled to other parts of the country.

### Existing Assets

- The State of Rhode Island has invested heavily in pursuing the Ocean-based Economy as a target sector, but without coastal resilience and protection of the natural resources, the Ocean-based Economy efforts will be challenged. Implementation of the Ocean-based Economy report will move the state forward on these important initiatives to protect the economy and environment.
  - The University of Rhode Island has several ongoing initiatives that do and can play a role in advancing coastal resilience efforts. These include:
    - The Coastal Institute Climate Response Demonstration Sites: CI demonstration sites explore effective approaches and best practices currently being implemented in Rhode Island and throughout the northeast coastal region.
    - Host institutions for the North Atlantic Coast Cooperative Ecosystem Studies Unit (NAC-CESU): The NAC-CESU is one of 17 CESUs across the US that provide research, technical assistance, and education to federal land management, environmental, and research agencies.
  - The AFL-CIO, along with a number of partners, has launched the Climate Jobs Rhode Island project, which advocates for a just transition to a green economy.
- a. Create a task force reporting to the newly re-established Chief Resilience Officer (CRO) that will include representation from all relevant State agencies to discuss infrastructure needs, upgrades, and preparation for strengthening climate-related resilience. Use this task force to vet potential policies, programs, projects and investments that strengthen the state's preparedness for the impacts of a changing climate.
  - b. Create a research and development fund to advance technology that enables businesses to shift from fossil fuel-based energy to renewable energy, including manufacturers.
  - c. Address small business property improvement and renovation needs with sustainable materials to be more resilient and attractive.

**OBJECTIVE 10.2: Invest in innovative design and land use approaches, including supporting municipalities in implementing smart development initiatives, and transit-oriented development.**

- a. Expand funding for green infrastructure, including increasing bike and pedestrian use and safety, upgrading stormwater management and natural resource protection, and putting in place bus routes to service the entire state.
- b. Upgrade water and sewer infrastructure to meet the impact of intensifying storms. Consider requiring/incentivizing greater use of pervious surfaces and other green infrastructure techniques to manage large flows of water throughout the year.
- c. Continue to prioritize funding projects and programs that include innovative and sustainable design, including public building upgrades.
- d. Investigate how to grow Transit-Oriented Districts (TOD), building off the TOD funding introduced in the FY24 budget, in collaboration with municipalities and RIPTA.
- e. Explore incentives to adopt cooling technologies for buildings, including green roofs, paint, etc.

**OBJECTIVE 10.3: Address critical infrastructure needs related to climate change and disaster preparedness.**

- a. Consider technology-enabled infrastructure design efforts in all state funding projects to reduce energy, water, and other consumption that deplete resources unnecessarily.
- b. Continue to explore options for RIPTA fleet electrification/decarbonization. (*Long Range Transportation Plan 2020*)
- c. Create dedicated State funding to leverage local funds to expand, improve or create new open spaces connected by trails and paths (e.g., Green Economy Bond). (*Long Range Transportation Plan 2020*)
- d. Continue efforts to collaborate through the EC4 to bring multiple agencies together to fund impactful projects.
- e. Continue efforts articulated through the *Long-Range Transportation Plan* and *RIDOT Transportation Asset Management Plan* to make Rhode Island's roads and bridges more resilient.

## **GOAL 11» Develop infrastructure and facilities to support businesses and emerging and leading industries.**

Strong and sustainable infrastructure is fundamental for economic growth and prosperity. It includes roads, rail, and air service; energy; sites for future development; inter-modal facilities; broadband; ports; rural, urban, and suburban transportation; food infrastructure; and water and sewer. Over the past five years, Rhode Island has been making significant improvements to its transportation infrastructure, but continued work is needed to modernize and strengthen it. Broadband infrastructure also enables direct job growth in state. For example, according to data from the Bureau of Economic Analysis, the internet and technology sector contributed \$3.9 billion to Rhode Island's GDP in 2019, which represents 6.8% of the state's total GDP. The sector also accounted for 4.4% of total employment in Rhode Island, providing jobs for approximately 23,000 workers in 2019. Additionally, Rhode Island has 57,000 acres of farmland and 67,000 jobs in state are food-related, further showcasing the interconnection between sustainability and business growth in Rhode Island.

### **PRIORITY OBJECTIVE 11.1**

**Invest in infrastructure that strengthens and cleans working waterfronts; develops industrial sites, labs, and shared incubator spaces; and is located at or near transportation hubs and school campuses to make facilities more accessible to workers and more visible in the community.**

Investing in resilience is a proactive approach that helps Rhode Island minimize the impact of various challenges; adapt to changing conditions; and ensure the safety, well-being, and prosperity of its residents and environment in the face of uncertainty. The State is taking this effort seriously by re-establishing the State Resilience Officer role, as well as proposing a \$2.6 million spending plan to implement the 2021 Act on Climate. Other recent efforts include focusing on coastal resilience, infrastructure resilience, food security, and emergency preparedness.

#### **Existing Assets**

- *Resilient Rhody* climate adaptation strategy aimed to address the impacts of climate change, including sea-level rise, coastal erosion, and increased flooding. It involved collaboration between State agencies, local governments, and community stakeholders to identify vulnerabilities and implement adaptive measures.
- The Resilient Rhode Island Act, which established the EC4 in 2014.
- The first offshore wind farm in the United States is located off Block Island; the State has continued to invest in expansion, reliability, research, and adoption of offshore wind.
- Rhode Island has strong port infrastructure, from the Port of Davisville at Quonset to the Port of Providence to the Port of Galilee. Quonset is presently implementing its \$245 million



master plan for Port of Davisville to expand its operations and is a premier import port; Port of Providence is one of the largest deep water ports in New England; and the Port of Galilee recently received infrastructure funding through the State’s budget to upgrade its infrastructure.

- a. Perform a fit-gap analysis to better understand what businesses and assets are currently utilizing waterfront space, what commercial entities are missing, and where waterfront access may be expanded for businesses. (*Grow Blue Action Plan*)
- b. Informed by the fit-gap analysis, develop a working waterfront plan that ensures a diverse mix of businesses and sectors have affordable access to needed commercial waterfront and dock space. (*Grow Blue Action Plan*)
- c. Work with selected industries to identify the critical space needs over the next 10 years and help identify the most efficient and sustainable locations. Collaborate with major landowners (hospitals, universities, schools, anchor employers) to identify any reuse potential of existing facilities to accommodate specific industry needs. Utilize and expand the RI Ready program.
- d. Complete the Rhode Island Department of Health (RIDOH) State Health Laboratory project, including the commercial and research lab space available for lease to organizations in the local life sciences community.
- e. Create an inventory of key parcels and vacant buildings that have the necessary infrastructure and pursue initial phases of site readiness. Use geographic information system (GIS) maps to create and maintain the list of properties that are accessible by transit, in close proximity to the workforce, and accessible to minority populations for future real estate investment opportunities. Work with municipalities to create and maintain this list of sites to be able to match with businesses looking for space.

**OBJECTIVE 11.2: Create a unified public sector broadband network architecture to allow for easier digital government, sustainable systems, and resiliency.**

- a. Coordinate broadband installation activities with other infrastructure projects to streamline work and make Rhode Island more competitive for future federal funds (e.g., “Dig Once” policy).
- b. Further support municipal and State agency digital infrastructure collaborations.

**OBJECTIVE 11.3: Create an open-access broadband network that provides the fastest, most affordable commercial internet available in the Northeast.**

- a. Write open-access requirements into any new broadband infrastructure build outs supported by State funding.

- b. Set definitions and thresholds for broadband affordability for all providers in the state.
- c. Deploy Broadband Equity, Access, and Deployment (BEAD) and Capital Projects Fund (CPF) funding in targeted ways to ensure universal access to at least 100/100 Mbps broadband speeds.

**OBJECTIVE 11.4: Position Rhode Island as a leader in local food production in New England, supporting the region's goal of 50% of food consumed locally to be produced locally by 2060.**

- a. Update *Relish Rhody*, the State's food systems strategy, and implement recommendations from that update.
- b. Explore ways to increase the sale of food that is grown, raised, caught and/or processed in Rhode Island by state institutions and State and municipal agencies.
- c. Update State policies as needed to promote more composting and organic waste reduction.
- d. Conduct a statewide comprehensive needs assessment of the food system as well as feasibility study of implementing the various efforts articulated through the needs assessment, including seafood wastewater treatment, second stage food production, farmland preservation, food waste reduction.

## **GOAL 12 » Support the State’s goal for 100% renewable energy by 2033 and support initiatives that address sustainability goals and impacts of climate change.**

Rhode Island consistently has one of the highest electricity utility rates in the nation and is 15th highest in the nation for all utility costs. This is an issue for small businesses, industrial facilities, and workforce retention. The State has set an ambitious goal to transition to 100% renewable energy offsets by 2033 as way to take a stand against climate change and protect the state’s critical natural resources. The research universities in Rhode Island are actively working on this goal and there are many ongoing and planned initiatives and efforts to build from. Additionally, Rhode Island has the highest price for farmland in the nation (\$17,500/acre); local food production as well as green space and farmland preservation can support sustainability and climate change mitigation goals for the State. Further, Rhode Island has signed onto the New England Food Vision, which seeks to see 50% of food needed in the region grown in the region by 2060.

### **PRIORITY OBJECTIVE 12.1**

#### **Continue to invest in and lead on coastal resilience planning and innovation.**

The *Rhode Island 2022 Climate Update* acknowledges that Rhode Island is particularly vulnerable to “episodic storms, erosion, coastal flooding, inundation and storm surge.”<sup>8</sup> RI2030 states that “Climate change policies need to be equitable and make sure that they benefit all Rhode Islanders and no group is left holding an unfair share of the costs.” Investing in coastal resources to help protect them from the effects of climate change with a specific focus on ensuring that low-income neighborhoods do not bear the brunt of the effects of climate change.

#### **Existing Assets**

- The Office of Energy Resource’s Lead By Example program supports efforts within State and municipal government to lower greenhouse emissions and reduce energy costs. (<https://energy.ri.gov/lead-example>)
  - The Rhode Island Infrastructure Bank’s Climate Resilience and Clean Energy programs support the State’s Property Assessed Clean Energy program (PACE), Municipal Resilience Program, and the Stormwater Project Accelerator.
- a. Fund municipal business district grants to support towns in addressing their specific areas of concern around climate resilience and increase their individual resilience.
  - b. Expand secondary education opportunities related to resilience. Assess the feasibility of a resilience and sustainable construction certification program to train construction workers

<sup>8</sup> “Rhode Island 2022 Climate Update”, RI Executive Climate Change Coordinating Council, December 15, 2022, <https://climatechange.ri.gov/media/1261/download?language=en>



and tradespeople, a sustainable project management certificate program, and expanded planning and GIS certificate programs at URI to create a degree program in resilience with a specific planning focus.

- c. Expand research and commercialization of technologies to address marine pollution (microplastics, algae blooms).
- d. Update the Resilient Rhody Comprehensive Climate Preparedness Strategy, through the State's Climate Resilience Officer (CRO).
- e. Actively encourage and pursue new funding sources for the design and installation of green infrastructure, including a focus on storm water management.

**OBJECTIVE 12.2: Support efforts of the business community to acknowledge and address the impacts of climate change.**

- a. Create a sustainable business collective that brings together business leaders, educational institutions, and philanthropic organizations to consider opportunities at the intersection of Rhode Island's selected industry to leverage the economic potential of climate action.
- b. Survey manufacturing companies and others about what they see as the critical issues they face when it comes to transitioning to renewable energy.
- c. Consider a funding stream specific to innovations in renewable energy and energy storage, sustainable business practices, and commercialization of new technology to address large-scale issues. Help manufacturers transition their equipment to more efficient options.

**STRETCH OBJECTIVE 12.3: Further advanced energy storage systems and renewable energy efforts by increasing capabilities, capacity, and availability through corporate investment, utility and university collaborations, workforce development, and targeted incentives.**

Renewable energy is intermittent, which has been one of the key barriers to full adoption but by expanding storage capacity there is a greater imperative to expand renewable energy generation to better meet the off-hours demand. Advanced Energy Storage Systems (AESS) can store electrical energy from other power systems to be used later. The development of these systems includes everything from the R&D of the storage technology, testing of small-scale pilot projects, manufacturing of batteries (small and large), advancements in metering capability, and general growth of the advanced energy ecosystem. AESS will help build resilience within the grid which is critical for supporting existing businesses and is becoming an increasingly important factor to business location decisions.

Rhode Island has been a leader in renewable energy with the nation's first offshore wind farm and has set the aggressive goal of achieving 100% electricity generation from renewable energy by 2033. As a small state, there is potential to be a testing ground for mass demonstration projects that would have a real impact. This initiative would also align well with the investments in the Ocean-based Economy, as it would help to make offshore wind more effective and could help spread adoption. Similarly, there has been recent investment in Boston tech startups around the development of better lithium-based batteries for electric vehicles as well as massive banks to be used to collect from wind and solar farms.

### Existing Assets

- Assets like the Senesco Carrier Pier and Port of Providence provide huge support for Offshore Wind Vessels, with ability to serve projects in Rhode Island as well as neighboring states' waters.
  - The Rhode Island Office of Energy Resources' report Resilient Microgrids for Rhode Island Critical Services lays out the importance of having microgrids to help prevent wide-spread outages as well as the environmental benefits of these grids; the report also indicates the role of energy storage as part of creating microgrids.
  - Research is being conducted at two research institutions in Rhode Island around battery storage and clean energy.
    - Brown recently launched the Initiative for Sustainable Energy. The initiative's mission is to propel breakthrough technological innovations—in sustainable battery systems, wind and water turbines, zero-carbon fuels, and energy-efficient materials, for example—toward a secure, equitable, and net-zero-carbon energy future, while also preparing the next generation of sustainable energy leaders.
    - The University of Rhode Island's College of Engineering has 10 faculty focused on Alternative Energy, including researchers working on projects to improve lithium battery performance at lower temperatures and innovations in renewable energy.
- a. Convene a meeting with the state's research institutions, Office of Energy Resources, utility providers, and industry leaders to discuss the regional opportunities and challenges associated with this sector and potential next steps to pursue.
  - b. Assess the existing energy distribution system and invest in needed improvements to facilitate advancements in renewable energy systems.
  - c. Support the growth of renewable energy incubator space and consider collaboration with the Ocean Economy industry leaders to develop physical space and funding for research, development, assistance, and sector collaboration.
  - d. Increase awareness of Rhode Island offshore wind and renewable energy offerings and assets

amongst OSW developers, Tier 1 companies, and original equipment manufacturers. Create a system through which contractors can easily find, evaluate, and engage with Rhode Island OSW companies to support project workflow.

- e. Allocate State funding to support decarbonization and renewable energy research and development initiatives to attract top researchers, establish research facilities, conduct pilot projects, and establish strategic partnerships with a focus on green hydrogen and water electrolysis technologies.
- f. Look into collaborations with Boston-based institutions to provide Rhode Island-based incubators or production space for entrepreneurs. Work with neighboring states to maximize regional OSW involvement in supply chain, workforce, solicitation, and asset usage.
- g. Focus on those companies developing ocean-based products for clean energy and how to connect to tech transfer in Rhode Island.
- h. Create an ordered and reliable message to stakeholders, including industry, the public, and municipalities, about offshore wind, clean energy technology, innovations in renewable energy and battery storage, and the role of Rhode Island and the public in the transition. Amplify Rhode Island's strengths as a leader in OSW and renewable energy.
- i. Research the New England and New York Independent System Operators (ISOs) permitting requirements to access those grids.
- j. Evaluate the feasibility and impact of clean hydrogen production at the state's present and developing Offshore Wind farm(s).
- k. Consider renewable energy certifications or other green credit market incentives to support expansion of renewable energy.



# Action Plan Matrix >>

The Action Plan Matrix provides implementation detail related to the objectives labeled as priority objectives—or core to our economic development success.

This section:

- Establishes a timeline
- Names potential partner organizations
- Identifies potential funding sources
- Provides metrics for tracking success



# Reading the Action Plan Matrix >>

The Action Plan Matrix is designed to directly support the implementation of *Ocean State Accelerates*—detailing who will do the work, when it will happen, and how the team will measure success. The Matrix presently covers implementation planning for *Ocean State Accelerates*' 12 priority objectives.

This plan will be accompanied by a live PowerBI dashboard through which Rhode Islanders can track progress against the plan's core objectives, as well as see how they can lean in to support.

Below subsections explain each of the columns in the action plan, apart from the Goals, Actionable Objectives, and Sub-Tasks columns.

\*Note: The Action Plan Matrix speaks specifically to the efforts within *Ocean State Accelerates*. As relevant, efforts undertaken through other State plans will be supported.

## SUB-TASK TYPES >>

Actions are labeled based on the suggested approach to implementation:

**Capacity Building:** Ensuring stakeholder groups and implementation partners have the information and resources needed to achieve their mission and goals.

**Communications:** Customizing outreach and awareness about economic development activities and ensuring that content is catered toward target audiences, from State agencies to small businesses to community organizations and more.

**Partnerships:** Establishing or building out formal collaborations within or across sectors to achieve common goals.

**Policy:** Creating interventions or removing barriers at the State

or municipal level to advance economic development goals.

**State Investment:** Dedicating funds from State government to develop, enhance, and sustain economic development activities.

## IMPLEMENTATION TIMEFRAME >>

**Immediate:** Should be initiated as soon as possible

**Short:** 1-2 years

**Mid:** 3-5 years

## RESOURCE LEVEL >>

Estimated intensity of the time commitment, effort, and resources required to complete each objective sub-task.

## OBJECTIVE METRICS >>

Performance measures that can be used to track progress using the State's dashboard.

## POTENTIAL PARTNERS >>

List of organizations that have a role to play in executing the listed tactics, either individually or collectively.

## FUNDING SOURCE >>

Guidance on potential funding sources for the tactics listed under each objective, including specific federal grant programs that may support these actions.

**GOAL 1**

**Expand linkages between K-12, postsecondary education, and industry, and strengthen on-ramps into selected industry sectors.**

**PRIORITY OBJECTIVE 1.1**

Increase work-based learning opportunities across Rhode Island middle and secondary public schools to strengthen the state’s talent pool for public, private, and nonprofit employers.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Adapt workforce training programs to increase pathways into in-demand occupations.	Capacity Building	Mid	Low
b. Develop a work-based learning guide and seminar or training program for employers.	Capacity Building	Mid	Medium
c. Continue to invest in the work-based learning navigator.	Investment	Immediate	Medium
d. Connect work-based learning opportunities to CTE.	Partnership	Short	Low
e. Increase career awareness programming.	Communications	Short	Low
f. Complete CTE program and training provider list with metrics.	Capacity Building	Mid	Medium
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
<ul style="list-style-type: none"> <li>• Share of the population over the age of 16 that is in the labor force</li> <li>• Number of students receiving industry approved credential through Rhode Island’s CTE programs</li> <li>• Number of students enrolled in RI CTE programs</li> </ul>	Governor's Workforce Board Private Employers Industry Associations RI Department of Labor and Training		Private employers US Department of Labor



**GOAL 2****Address family care issues that present barriers to education and employment for many.****PRIORITY OBJECTIVE 2.1**

Improve the infrastructure and programming for childcare, out-of-school learning, eldercare, and care for individuals with disabilities. Ensure that it is safe, reliable, inclusive, and engaging.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Evaluate feasibility of approaches to expanding access to child care.	Policy	Short	Low
b. Enhance non-emergency transportation services.	Investment	Short	Medium
c. Update state's conservation and recreation plan to encourage multigeneration community centers.	Policy	Mid	Low
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
<ul style="list-style-type: none"> <li>• Share of the population over the age of 16 in the labor force</li> <li>• Licensed early learning program capacity</li> <li>• Percentage of Licensed Early Learning Centers and Family Child Care Programs receiving a Bright Stars Ranking of 3, 4, or 5</li> </ul>	RIDE RI Kids Count School Districts		Office of Elementary and Secondary Education

**GOAL 3**

**Invest in young professionals, change-makers, and rising leaders.**

**PRIORITY OBJECTIVE 3.1**

Support students to remain in, return to, and choose Rhode Island after secondary and post-secondary education. Review existing programs and evaluate financial incentives to retain graduates in the state.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Evaluate the efficacy of programs to keep graduates of Rhode Island’s postsecondary institutions in the state.	Policy	Immediate	Low
b. Evaluate feasibility of other programs to support residents remaining in Rhode Island.	Policy	Immediate	Low
c. Offer startup grants and entrepreneur mentorship to support graduates interested in launching and keeping their own businesses within the state.	Investment	Short	Medium
d. Connect young professional programming with alumni engagement activities to facilitate connections and networking opportunities.	Investment	Mid	Low
e. Build on registered apprenticeships pathway to Bachelor’s degree and direct connection from high school to career options.	Capacity Building	Short	Medium
f. Engage in a targeted ad campaign highlighting quality of life in Rhode Island geared toward twenty-somethings.	Investment	Mid	Medium
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
<ul style="list-style-type: none"> <li>• Three-year compound annual growth rate of population ages 25-29</li> <li>• Number of Wavemaker fellows that have redeemed tax credits</li> </ul>	RI Commerce MillennialRI		Private employers Philanthropic sources

**GOAL 4**

**Invest resources into affordable housing preservation and development, integrating housing, transportation, and employment centers.**

**PRIORITY OBJECTIVE 4.1**

Reduce barriers to developing housing at all price points, making housing affordable for all Rhode Islanders, including necessary support for seniors and others that require assistance.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Dedicate State resources to increase housing production and implement State housing plan.	Investment	Short	High
b. Establish new and expand existing tools to finance affordable and workforce housing projects.	Investment	Short	High
c. Commit additional funds to support pre-development/site readiness.	Investment	Mid	High
d. Enhance funding, incentives and public-private collaboration.	Investment	Mid	Medium
e. Simplify regulatory procedures to expedite the construction of housing.	Policy	Short	Medium
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
<ul style="list-style-type: none"> <li>• Share of occupied housing units where selected monthly owner costs and/or gross rent are 30% or more of household income</li> <li>• Sum of housing units incentivized through State investments</li> </ul>	RI Department of Housing/ Office of Housing and Community Development  RI Commerce Private Developers  RI Division of Statewide Planning Community Development Corporations  Municipalities		Tax credits Private developers Tax Increment Financing Philanthropic sources



**GOAL 5**

**Take a holistic approach to placemaking, amenity-rich mixed-use development, and tourism.**

**PRIORITY OBJECTIVE 5.1**

Support individual artists and the invigoration of public spaces, mixed-use development, and tourism in historically marginalized communities and population centers.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Assess the need and viability of an office for complete streets and placemaking at the State level.	Policy	Immediate	Medium
b. Seek alternative funding sources to replace ARPA placemaking funding.	Investment	Immediate	Medium
c. Invest in placemaking initiatives that enhance the overall experience of communities.	Investment	Short	High
d. Support implementation of the State Guide Plan elements that promote placemaking.	Policy	Short	Medium
e. Support efforts to expand access to local food and create a sense of place around food.	Investment	Short	Medium
f. Continue to build out congregating spaces in state.	Investment	Mid	High
g. Implement the State Conservation and Outdoor Recreation Plan.	Investment	Mid	Medium
h. Ensure community members who are most impacted by decisions are central to the decision making process.	Capacity Building	Short	High
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
Total tourism visitation by region (Bristol County, Warwick, Newport County, Providence, South County, Blackstone Valley, Block Island)	RI Commerce RI Office of Housing and Community Development RI Division of Statewide Planning RI Foundation AARP		EDA Recompete Pilot Program Phase 1

**GOAL 6**

**Improve the reach, vibrancy, and resilience of Rhode Island’s entrepreneurial and small business ecosystem.**

**PRIORITY OBJECTIVE 6.1**

Expand access to small business resources, including those for nonprofits, and ensure that the suite of resources available is integrated, multilingual-accessible, holistic, and can be navigated seamlessly without duplication of efforts.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Enhance and market online small business portal.	Communications	Immediate	Medium
b. Create or engage full spectrum business services in multiple languages.	Communications	Short	Low
c. Provide support to business owners with succession planning.	Capacity Building	Short	Low
d. Increase funding for business support organization (BSO) staff and programs.	Investment	Short	Medium
e. Develop and fund a structured municipal business liaison program.	Investment	Mid	Medium
f. Invest in and support a Minority Business Support Coalition.	Investment	Short	Medium
g. Work with local banks to make access to capital easier for small business.	Capacity Building	Immediate	Low
h. Provide compliance relief and resources to assist small businesses with regulatory requirements.	Capacity Building	Short	Low
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
<ul style="list-style-type: none"> <li>Establishment Births to Deaths Ratio</li> <li>Federal funds leveraged through innovation programs</li> </ul>	RI Commerce Business Support Organizations Community Based Organizations Municipalities Rhode Island Black Business Association Hispanic Chamber of Commerce Center for Southeast Asians Narragansett Indian Tribe		EDA Planning and Technical Assistance EDA Recompete Pilot Program Phase 1

**GOAL 7**

**Increase productivity, competitiveness, and growth of existing businesses and leverage the opportunities and advantages of the state’s selected industries.**

**PRIORITY OBJECTIVE 7.1**

Better promote State, municipal, and institutional business expansion and retention resources to meet the needs of new and existing, small and mid-sized businesses.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Develop a statewide Economic Development District.	Capacity Building	Immediate	Low
b. Continue efforts to implement a data-focused business retention and expansion program.	Investment	Short	Medium
c. Provide competitive grants and low-interest financing for capital-related, hard asset, needs of businesses.	Investment	Mid	High
d. Develop and deploy an emergency preparedness strategy for small businesses.	Policy	Short	Medium
e. Explore new and strengthen existing commerce-related partnerships at the large metropolitan, bi- or tri-state (MA/CT/RI) level.	Partnership	Mid	Low
f. Consider shared overseas FDI and export representatives with other states.	Partnership	Mid	Medium
g. Develop a public awareness campaign of business support services.	Communications	Short	Medium
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
<ul style="list-style-type: none"> <li>Establishment Births to Deaths Ratio; GDP as a percentage of the state’s GDP by major industry</li> <li>Location Quotient of state’s selected industries</li> <li>Patents by originating state per 1,000 population</li> </ul>	RI Commerce		EDA Planning and Technical Assistance



**GOAL 8**

**Improve government functions to optimize economic growth opportunities.**

**PRIORITY OBJECTIVE 8.1**

Improve government responsiveness to the public and to business needs by continuing to support the digital transformation of government initiatives that produce more efficient and smoother interactions across State departments and agencies.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Designate a State champion to inform the Governor, legislators, and cabinet about AI advances and implementation of <i>Ocean States Accelerates</i> .	Capacity Building	Immediate	Medium
b. Assess the current process for certifying as a Minority and/or Women-Owned Enterprise.	Policy	Immediate	Medium
c. Review the current participation rate by Minority and/or Women-Owned Enterprises.	Policy	Immediate	Low
d. Strengthen the security of digital government assets that expand transparency and ease of participation.	Investment	Short	Medium
e. Create a digital marketing campaign to educate business owners about Rhode Island tax structure and allocation.	Communications	Short	Medium
f. Make it easier for Rhode Island businesses to get on Master Purchasing Agreements (MPAs).	Policy	Mid	Low
g. Continue to work to reduce red tape.	Policy	Mid	Low
h. Support digital literacy and digital equity efforts.	Capacity Building	Mid	Low
i. Review state licensing requirements and barriers to licensing.	Policy	Short	Low
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
Number of E-Licenses issued by the Department of Business Regulation	RI Commerce RI Minority Business Enterprise Compliance Office Rhode Island Black Business Association Hispanic Chamber of Commerce Center for Southeast Asians Narragansett Indian Tribe		EDA Build to Scale

**GOAL 9**

**Expand industry collaboration in the workforce and education system.**

**PRIORITY OBJECTIVE 9.1**

Encourage employers, including public entities, to expand formal work-based learning opportunities for all as well as expand other work-based learning—especially for residents that have historically faced challenges to entering the workforce.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Engage employers in registered apprenticeship and pre-apprenticeship programs for residents that face challenges entering the workforce.	Partnership	Short	Medium
b. Expand access to workforce training programs for minorities.	Capacity Building	Short	Medium
c. Expand paid internships and micro-internships with Rhode Island employers.	Capacity Building	Short	Medium
d. Facilitate private industry’s involvement to expose students to industry opportunities.	Partnership	Mid	Low
e. Increase the number of state-funded workforce development programs taught by bilingual trainers.	Capacity Building	Mid	Low
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
<ul style="list-style-type: none"> <li>• Median Household Income in dollars</li> <li>• Share of the population over the age of 16 that is in the labor force</li> <li>• Number of RA participants</li> </ul>	Governor's Workforce Board Private Employers Industry Associations RI Department of Labor and Training		Private employers US Department of Labor

**GOAL 10**

**Embed climate resilience, natural resource protection, and a sustainability mindset and practice into all statewide economic, land use, and transportation initiatives.**

**PRIORITY OBJECTIVE 10.1**

Develop principles, review and implement statewide guidelines, and establish or improve performance measures that advance resilience and sustainability as central to economic development efforts.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Create a task force that reports to the ECF and is chaired by the newly re-established Resilience Officer.	Policy	Immediate	Medium
b. Create a research and development fund to advance technology that enables businesses to shift from non-renewable to renewable energy.	Investment	Short	High
c. Address small business property improvement and renovation needs with sustainable materials to be more resilient and attractive.	Investment	Short	High
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
Climate resilience and natural resource protection performance measures established by Rhode Island State government	RI Department of Environmental Management RI Office of Energy Resources		Philanthropic sources Private employers



**GOAL 11**

**Develop infrastructure and facilities to support businesses, emerging, and selected industries.**

**PRIORITY OBJECTIVE 11.1**

Invest in infrastructure that strengthens and cleans working waterfronts; develops industrial sites, labs, and shared incubator spaces; and is located at or near transportation hubs and school campuses to make facilities more accessible to workers and more visible in the community.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Perform a fit-gap analysis to better understand where waterfront access may be expanded for businesses.	Investment	Short	Medium
b. Develop a working waterfront plan.	Policy	Mid	Medium
c. Fast-track the Rhode Island Department of Health (RIDOH) State Health Laboratory project.	Investment	Immediate	High
d. Work with target industries to identify the critical space needs over the next 10 years.	Capacity Building	Short	Medium
e. Inventory of key parcels and vacant buildings that have the necessary infrastructure and pursue site readiness.	Policy	Mid	Low
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
<ul style="list-style-type: none"> <li>Total square feet of industrial space</li> <li>Dollars awarded through Site Readiness and RI Ready programs</li> </ul>	RI Department of Health RI Department of Transportation ProvPort Municipalities RI Coastal Resources Management Council RIReady Quonset Development Corporation		Infrastructure Reinvestment Act Infrastructure Investment and Jobs Act Economic Development Administration

**GOAL 12**

**Support the State’s goal for 100% renewable energy by 2033 and support initiatives that address sustainability goals and impacts of climate change.**

**PRIORITY OBJECTIVE 12.1**

Continue to invest in and lead on climate resilience planning and innovation.

OBJECTIVE SUB-TASKS	SUB-TASK TYPE	TIMEFRAME	RESOURCE LEVEL
a. Continue to invest in and lead on climate resilience planning and innovation.	Investment	Mid	Medium
b. Expand secondary education opportunities related to resilience.	Capacity Building	Mid	High
c. Expand research and commercialization of technologies to address marine pollution.	Investment	Mid	Medium
d. Update the Resilient Rhody Comprehensive Climate Preparedness Strategy.	Policy	Mid	Low
e. Actively encourage and pursue new funding sources for the design and installation of green infrastructure.	Investment	Mid	Medium
OBJECTIVE METRICS	POTENTIAL PARTNERS		FUNDING SOURCE
<ul style="list-style-type: none"> <li>Statewide net greenhouse gas reductions from 1990 baseline as mandated by the 2021 Act on Climate</li> <li>State funds invested in climate resilience through the EC4</li> </ul>	RI Coastal Resources Management Council RI Department of Environmental Management RI Division of Statewide Planning RI Department of Transportation Research Institutions		EDA Public Works and Economic Adjustment Assistance Program

# Appendix A: Glossary of Terms

**AESS:** Advanced Energy Storage System

**Advanced Manufacturing Industry Cluster:** The Advanced Manufacturing cluster consists of firms using innovative technologies to develop and produce new products. Production activities in this cluster typically rely on information, automation, computation, software, sensing, and networking.

**AI:** Artificial Intelligence

**AIR:** Agency Informational Roundtable

**BBBRC:** Build Back Better Regional Challenge

**BETC:** Blue Economy Technology Cluster

**Bioscience Industry Cluster:** The Bioscience cluster consists of companies primarily engaged in using living organisms or molecular and cellular techniques to provide chemicals, food, and services that meet human needs, as well as related supply chain industries including research, testing, and medical laboratories, pharmaceutical manufacturing, medical device manufacturing, agricultural feedstock manufacturing, and related wholesaling and distribution.

**BIPOC:** Black, Indigenous, and People of Color

**BEAD:** Broadband Equity, Access, and Deployment

**BSO:** Business support organization

**CBO:** Community based organizations

**CDBG:** Community Development Block Grant

**CDFI:** Community Development Financial Institution

**CEDS:** Comprehensive Economic Development Strategy

**CPF:** Capital Projects Fund

**CRA:** Community Reinvestment Act

**CTE:** Career and Technical Education

**CTO:** Chief Technology Officer

**CIO:** Chief Information Officer

**DEI:** Diversity, equity, and inclusion

**DEM:** Department of Environmental Management

**Diversity:** The representation of a wide range of racial, ethnic, and cultural backgrounds, perspectives, and experiences

**DLT:** Department of Labor and Training

**RIDOT:** Rhode Island Department of Transportation

**EC4:** Executive Climate Change Coordinating Council

**EDA:** US Department of Commerce's Economic Development Administration

**EOC:** Educational Opportunity Center

**Equity:** Justice and fairness for those who have been historically and systemically excluded from opportunities in life

**FEMA:** Federal Emergency Management Agency

**FDI:** Foreign direct investment

**FTZ:** Foreign Trade Zone

**GA +:** General aviation



**Goals:** In *Ocean State Accelerates*, goals are the desired state. They should be simple, broad, high reaching, yet specific enough to be meaningful.

**GRP:** Gross regional product

**GSO:** Graduate School of Oceanography

**HSI:** Hispanic Serving Institution

**IBES:** Institute at Brown for Environment and Society

**Inclusion:** Creating a sense of belonging and actively involving people in the decision-making processes and culture of the state and its communities

**LQ:** Location quotient

**MBL:** Marine Biological Laboratory

**MPA:** Master Purchasing Agreement

**NAC-CSEU:** North Atlantic Coast Cooperative Ecosystem Studies Unit

**NAICS:** North American Industrial Classification System

**NIH:** National Institute of Health

**Objectives:** In *Ocean State Accelerates*, objectives are what will be done to achieve the desired state. They set out the parameters for action; they are the procedures that must be followed for the goals to be achieved. They set the tone for action.

**OER:** Office of Energy Resources

**OSP:** Ocean State Procures

**OPC:** Office of Postsecondary Commissioner

**P2S in CS:** Pathways to Success in Computer Science

**Priority Objective:** An objective that is core to the state's economic development

**QRM:** Quick response manufacturing

**Resilience:** The capacity of Rhode Island's population, economy, and environment to thrive long-term, with a particular focus on supporting the populations most vulnerable to economic, public health, and climate disruptions

**RA:** Registered apprenticeship

**R&D:** Research and development

**Retail Industry Cluster:** The Bioscience cluster consists of companies primarily engaged in using living organisms or molecular and cellular techniques to provide chemicals, food, and services that meet human needs, as well as related supply chain industries including research, testing, and medical laboratories, pharmaceutical manufacturing, medical device manufacturing, agricultural feedstock manufacturing, and related wholesaling and distribution.

**RI2030:** Working document from Governor McKee to chart a vision for Rhode Island's economic recovery and future growth.

**RIDE:** Rhode Island Department of Education

**RIDOH:** Rhode Island Department of Health

**RIPTA:** Rhode Island Public Transit Authority

**SBIR:** Small Business Innovation Research

**SENEDIA:** Southeastern New England Defense Industry Alliance

**SF:** Square feet

**SOS:** Security of supply, or the capacity for businesses to maintain a secure supply chain even during external disruptions

**SSBCI:** State Small Business Credit Initiative

**STAC:** Science and Technology Advisory Council

**STEM:** Science, technology, engineering, and math

**Stretch Objective:** innovative and aspirational initiatives that have large economic development potential for Rhode Island but that will be more difficult to fully achieve

**SWOT:** Strengths Weakness Opportunities Threats

**TOD:** Transit Oriented Development

**Tourism Industry Cluster:** The Tourism cluster consists of operators serving and/or catering to visitors at a given destination, including both leisure and business travel. It should be noted that many establishments categorized in the Retail Industry Cluster also cater to tourists and other visitors to the state. Restaurants in particular stand out as spanning both sectors.

**URI:** University of Rhode Island

# Appendix B: Reports Reviewed

RI Commerce drew insights from the following resources and reports:

A Ten-Year Strategy to Secure a Stronger Economy (Connect Greater Newport) (2021)

Blue Economic Action Plan (2023)

Broadband and Digital Equity Strategic Plan (2022)

Comprehensive Housing Market Analysis Rhode Island (2022)

Energy 2035: Rhode Island State Energy Plan (2015)

Economic Impact of the Defense Cluster in New England (2023)

Freight Forward: Freight and Goods Movement Plan (2022)

Housing Analysis: Working Document (Connect Greater Newport) (2023)

Meeting the Housing Needs of Rhode Island's Older Adults and Individuals with Chronic Disabilities and Illnesses (2023)

PrepareRI 2.0 Action Plan (2020)

Relish Rhody: Rhode Island Food Strategy (2017)

Resilient Rhody, Resilient Rhody Three-Year Impact report, and Municipal Reports (2018–2021)

Rhode Island BIPOC Small Business Ecosystem Assessment (2021)

Rhode Island Department of Health: Timeline of Climate Actions in Rhode Island (2021)

Rhode Island Long-Range Transportation Plan (2020)

Rhode Island 2030 (2021)

Rhode Island Rising (2014)

Rhode Island Transit Master Plan (2020)

RI Innovates 2.0 (2019)

Solid Waste 2038 (2015)

Risk Reduction for Small Business Resiliency-in Rhode Island: Final Report (2019)

State of Manufacturing Rhode Island (2022)

The Interagency Food and Nutrition Policy Advisory Council Annual Report (2022)

The Life Sciences Opportunity for Rhode Island: Roadmap and Recommendations (2023)

Transportation Equity Benefits Analysis (2021)



# Appendix C: Rhode Island Rising and Innovates 2.0 Retrospective

*\*Status update as of June 2023; not yet completed*

## RI Rising (2014) – Most Recent Official CEDS for Rhode Island

### GOAL 1 - Provide educational training opportunities to activate a 21st-century workforce.

#### Policy 1: Provide opportunities for career growth and help employers to attract and retain qualified talent.

- a. Enact and empower a single, seamless, and cohesive workforce-training system in Rhode Island, overseen by the Governor's Workforce Board as recommended in Rhode to Work.
  - **Who has taken the lead:** Governor's Workforce Board (GWB)
  - **What has been done:** A cohesive, comprehensive set of workforce programs have been stood up and expanded through the Governor's Workforce Board (GWB), including Real Jobs Rhode Island, Incumbent Worker Training Grants, Real Skills for Youth, and Work Immersion. The full list of programs available through the GWB and enabled partners is available at: <https://gwb.ri.gov/programs-services>.
- b. Expand STEAM education programs by promoting system-wide industry-academic coordination.
  - **Who has taken the lead:** RI Department of Education (RIDE)
  - **What has been done:** The CS4RI (Computer Science for Rhode Island) has brought computer science to all K-12 schools across the state. And the PrepareRI initiative launched in 2017, representing a strategic partnership between government, industry, education, and the nonprofit sectors. PrepareRI has provided almost 1,300 paid internships, served over 14,000 students with summer learning, and increased dual enrollment by 131% between 2017 and 2021. More information on PrepareRI available at: <https://www.prepare-ri.org/what-we-do>.
- c. Expand and increase the number of university-business engagement centers modeled after University of Rhode Island's (URI's) recent successful efforts.
  - **Who has taken the lead:** Office of the Post-secondary Commissioner (RIOPC), University of Rhode Island
  - **What has been done:** The URI business engagement center remains a strong connector between industry and education. In 2017 and 2022, the State established the Westerly and Woonsocket Education Centers. These centers are managed by RIOPC and operate in partnership with CCRI, RIC, and URI. Businesses can rent classroom space for training sessions and can engage with the centers' higher ed partners to develop customized courses to meet workforce needs.

## Policy 2: Support reform of the education system to better provide the knowledge and skills necessary for success.

- a. Provide a competitive advantage to the next generation of our workforce by preparing our children to enter the educational system. Efforts should include promoting and expanding programs that improve early childhood literacy and advocating for universal access to pre-kindergarten (pre-K).
  - **Who has taken the lead:** RI Children’s Cabinet, RIDE, RI Department of Human Services (DHS), RI Kids Count
  - **What has been done:** Through significant cross-collaboration on a [shared strategic plan](#) and year over year investments, key advancements have been made to support affordability, access, and quality in early learning. To address affordability and access, RI Pre-K—a nationally recognized high-quality, tuition-free program for 4-year-olds in 18 communities—has expanded by 120% in the last five years and now reaches approximately 20% of 4-year-olds. In addition, Rhode Island has expanded eligibility for the Child Care Assistance Program to families making up to 200% FPL and to full-time college students in public IHEs. To advance quality, Rhode Island has invested directly in early learning educators through the Pandemic Retention Bonus Program, the TEACH Scholarship, and a pilot tiered compensation supplement based on educational attainment (WAGE\$). Rhode Island has also invested in quality through a \$15 million early learning facilities bond in 2021, targeted PDTA, and start-up grants for Family Child Care.
  - **What is still being built:** Despite significant progress, the market failure of the early learning sector—a national issue—continues to drive high costs for families and low wages for early educators. Continued efforts to [expand access to RI Pre-K](#) and other affordable, accessible, and high-quality early learning programs is a priority; the FY24 budget provides significant investment in RI Pre-K to sustain all existing seats, prepare for future expansion, and support Head Start and Early Head Start. The State is currently undertaking a targeted strategic planning effort to identify solutions to address the crisis in access to infant/toddler care which is scarce and often costs more than in-state tuition for higher education. In addition, the State continues to focus on advancing equity in access and is working on developmental supports alignment, mental health supports, and multilingual learner supports for the early years.
- b. Re-envision and improve English Language Learner (ELL) programming and instruction in urban core districts, and districts with high ELL populations through the creation of a statewide inter-district ELL task force to leverage and centralize established best practices.
  - **Who has taken the lead:** RIDE
  - **What has been done:** In 2016, Rhode Island created a Seal of Biliteracy, to accompany high school diplomas for all multilingual learners. In 2020, the Blueprint for Multilanguage Learner (MLL) Success and a Strategic Plan were published, detailing a targeted strategy for the state’s 24,000 MLLs. The MLL/EL Advisory Council and meets regularly to advise the Commissioner of Education at the Rhode Island Department of Education on all things related to the education of MLL/EL students.
  - **What is still being built:** The State continues to improve holistic and integrated supports for MLLs, using the Blueprint and Strategic Plan as the guideposts.
- c. Continue the momentum to improve K-12 education for workforce education by expanding career awareness and counseling for in-school and out-of-school youth.
  - **Who has taken the lead:** RIDE, RI Career and Technical Board of Education

- **What has been done:** PrepareRI has hosted summits to increase student awareness of various career paths; the Junior Achievement summit has additionally exposed students to new career paths. All students have access to a career counseling program at their schools. Today, more than 19,000 students are now enrolled in career and technical education (CTE) courses across the state, compared to 6,662 in 2016. 47 new CTE programs were added in 2022 alone. The expansion of CTE programming has expanded career awareness for K-12 students.
  - **What is still being built:** Work continues to support career awareness for K-12 students.
- d. Access the full potential of Rhode Island university institutions, including community and technical colleges, to help prepare our workforce. Provide academic support for those students who are not adequately prepared for higher education.
- **Who has taken the lead:** RIOPC, Community College of Rhode Island (CCRI)
  - **What has been done:** The RI Promise Scholarship has opened the door to higher education for all Rhode Island high school graduates, providing two free years of community college to all recent qualifying graduates. CCRI and other institutions of higher education (IHEs) in state continue to provide academic support to students who are not adequately prepared for higher education.
  - **What is still being built:** Work continues to support Rhode Island residents access the full potential of our state’s IHEs, including expanding the Promise Scholarship to include the Hope Scholarship, allowing qualifying Promise Scholars the ability to enroll at Rhode Island College for free to complete their bachelor’s degree.
- e. Transform adult education by increasing access and developing programs in line with state workforce priorities.
- **Who has taken the lead:** RIOPC
  - **What has been done:** RIOPC created the RI Reconnect Program. This program works to help adults change careers or get on the path to a degree/certification. The program provides an educational navigator who will help connect adults with educational and job training opportunities in Rhode island.
  - **What is still being built:** Work continues with RIOPC, the GWB, DLT, and other partners to develop adult education programming in line with state workforce priorities.

**Policy 3: Support apprenticeships and internships to increase access to experiential learning.**

- a. Actively engage with employer organizations and industry partnerships to develop new internship, externship, and apprenticeship programs based on need, impact, and capacity.
- **Who has taken the lead:** GWB, DLT, Building Futures
  - **What has been done:** Apprenticeship Rhode Island identified high growth industries poised to capitalize on the value of Registered Apprenticeship, with four specific goals: 1) Develop/Expand Innovative RAPs, 2) Align/integrate public workforce system and RA, 3) Connect residents to employment as registered apprentices, with at least 30% from underrepresented populations, and 4) Enhance the policy/regulatory environment to make RA a central strategy to achieve state economic goals. Apprenticeship Rhode Island exceeded all proposed goals for program development and RAP enrollment of participants with 52% of all apprentices from target populations, including 84 veterans, 110 women in male-dominated occupations, and 561 Latinx and/or People of Color. In total, the initial AAI grant was completed in six years, achieving



154% of the proposed participants served, 143% of proposed apprentices registered, and 300% of new RA programs developed. Rhode Island's AAI grant was highlighted as top performing in the nation.

- **What is still being built:** The success of the initial AAI grant has enabled Apprenticeship RI to receive federal funding to continue this highly impactful work, with a focus on deepening access to careers through RAPs for underrepresented populations and increasing linkages to secondary and post-secondary education and the public workforce system funded through WIOA. Additionally, GWB has recently revised its non-trade registered apprenticeship grant program as a rolling application making it more accessible for employer on-demand, with Apprenticeship RI providing technical support to recipients.
- b. Support and enhance BRidge.jobs program, including expanding participation to high school students.
- **Who has taken the lead:** GWB, DLT
  - **What has been done:** After a pilot effort, the BRidge.jobs program was pivoted; the State is now focused on expanding Real Jobs RI.
  - **What is still being built:** N/A
- c. Execute a strategic expansion of the occupations and industries that qualify for the apprenticeship tax credit and consider other incentives for developing an apprenticeship program.
- **Who has taken the lead:** GWB, DLT
  - **What has been done:** The State offers an apprenticeship tax credit up to 50% of actual wages paid to qualifying apprentices or \$4,800. [More information available here.](#)

## GOAL 2 - Foster an inclusive economy that targets opportunity to typically underserved populations.

### Policy 1: Develop an urban core strategy to encourage job creation and other opportunities in areas of higher concentration of unemployment and benefiting those who live there.

- a. Encourage major financial and other anchor institutions to support community economic development initiatives such as promoting local purchasing, local hiring, and business incubation.
- **Who has taken the lead:** RI Commerce
  - **What has been done:** SupplyRI, launched in 2018, is a program that connects Rhode Island small businesses (suppliers) to some of the state's largest companies and purchasers (anchors). There are presently over a dozen anchors and 2,200 suppliers in the database, including over 20% minority and/or women-business enterprises (M/WBE). Since inception, SupplyRI has facilitated over \$140 million in contracts awarded to local suppliers from our anchor companies. Business incubation efforts have expanded with the creation of RIHub; the expansion of Goldman Sachs 10,000 Small Businesses program, programs like MassChallenge, Entrepreneurship for All, and others into Rhode Island; and the further development of industry-focused and general business support organizations like NEMIC and 401 Tech Bridge. The State has also established community benefits agreements in coordination with major investments made by private companies. For instance, Amazon has committed significant funds for the town of Johnston as well as the state such as investing in

education, public safety, infrastructure, and small business supports (through RI Commerce’s Small Business Assistance Program). Additionally, offshore wind companies such as Ørsted have committed to hiring local union labor and investing in job training, workforce development, and the local supply chain.

- **What is still being built:** The enacted FY24 budget expands funding for SupplyRI to deepen local purchasing and local supplier capacity. Efforts through the Innovation Campus bond continue, and RI Commerce continues to engage major anchor institutions in ways they can promote local purchasing, hiring, and business incubation.
- b. Develop a process for negotiating Community Benefit Agreements for projects of state significance that receive State or local subsidies, to guarantee that a project’s positive economic impacts (jobs, neighborhood improvements, etc.) will benefit current residents.
- **What has been done:** No uniform process has been developed. However, there is now a defined process for public-sector Project Labor Agreements (PLAs). Within these PLAs, equity is centered through RA program requirements, utilization rates, and a pre-defined process to draw underrepresented populations from Building Futures into employment/career starts on the PLA project. See Policy 1(a) in this section for additional models of how CBAs could work in Rhode Island.
- d. Develop a means for giving preference to banks seeking to do business with the State if they demonstrate an effective and equitable a strong small business lending track record for small businesses within Rhode Island, including businesses run by people of color and women.
- **Who has taken the lead:** Executive Office of Commerce (EOC)
  - **What has been done/What is still being built:** Commerce has established a new State Small Business Credit Initiative with a requirement for specific focus from lenders on socially and economically disadvantaged individuals.
- e. Expand and coordinate the service centers throughout the state that provide career and personal financial education and assistance for low-to-moderate income individuals.
- **Who has taken the lead:** General Treasurer, Department of Labor and Training (DLT)
  - **What has been done/What is still being built:** The Department of Labor and Training (DLT) has three Career Centers located throughout the state (Providence, West Warwick, Woonsocket) where jobseekers and employers are matched through quality employment programs and services. The centers provide one-on-one services for jobseekers, including resume assistance, interview skills and techniques, and information on training opportunities. In 2022, renovations were made to the West Warwick Career Center to improve the facility and to make it a more welcoming space for Rhode Islanders looking to find a job. In addition, in 2023, the Providence/Cranston center moved to a new, more accessible location in Providence to serve our customers. In addition, the Department has co-located services in the Central Falls Workforce Hub and the Woonsocket Education Center. DLT’s goal is to continue to co-locate with partners in strategic areas across the state to expand access to the job and skills training services provided by DLT.

**Policy 2: Promote opportunities for workforce training that leads to upward mobility, particularly for disadvantaged populations that have faced barriers to employment.**

- a. Recognize an increasingly multi-cultural workforce by promoting language diversity in public and private sectors and placing programs and resources where they are needed most.

- **Who has taken the lead:** Many partners
  - **What has been done:** New business serving hubs have been established on Broad Street and Manton Ave in Providence, as well as in the Jewelry District. Additionally, Rhode Island College has established a Workforce Development Hub in Central Falls. Additionally, see Policy 3a for more on locally placed programs and resources.
- b. Identify and scale solutions for employing those with barriers to employment
- **Who has taken the lead:** Many partners
  - **What has been done:** Focus has been paid to limiting barriers to employment, whether they be due to childcare coverage (see above policy recommendation on early childhood learning), transportation (see below policy recommendations on transportation), physical ability, or other.
  - **What is still being built:** Work continues in order to expand workforce participation and limit barriers to employment.

**Policy 3: Increase diversity in the State workforce and State contracting.**

- a. Diversify the State workforce at all levels so that the racial, ethnic, and gender composition of staff is reflective of the state as a whole.
- **Who has taken the lead:** Department of Administration (DOA)
  - **What has been done:** The State has set a requirement for affirmative action plans to be submitted by all State agencies annually. The DOA now also monitors agency staff composition in terms of race, ethnicity, and gender (self-reported for all) and provides transparent information to Rhode Islanders on the percentage of the State’s workforce self-identifies by a variety of races/ethnicities. There is also a goal for each agency in order to ensure accountability toward meeting the state’s workforce diversity goals.
  - **What is still being built:** More work must be done in order to reach our diverse populations to ensure all agencies are hit their goal.
- b. Integrate childcare facilities into public service and job training facilities.
- **Who has taken the lead:** DHS, DLT
  - **What has been done:** In 2019, the child care facilities licensing unit moved from DCYF to DHS to support increased coordination between the licensing and subsidy for child care. DHS and the Local Initiatives Support Corporation, through a Preschool Development Grant, completed a thorough child care facilities report in 2019 that documented opportunities across the state for early learning facility expansion and improvement. The report led to the 2021 \$15 million Early Childhood Care and Education Facilities Bond that is currently being implemented to expand and improve early learning spaces across the state. To expand supports for caregivers pursuing career advancement and job training, the eligibility for the Child Care Assistance Program was expanded to full-time students in public IHEs and DLT made child care expenses an eligible expense for support in the Back to Work program.
  - **What is still being built:** Quality spaces for early learning facilities remains a barrier to expanding access. Continued investment in building and improving spaces for young children is needed. Future facilities bonds will support the increased growth of spaces across the state.

- c. Provide access to economic development programs in Spanish and other languages as appropriate.
- **Who has taken the lead:** GWB, DLT, RI Commerce, RI Hispanic Chamber of Commerce (RIHCC) and other business serving organizations
  - **What has been done:** In collaboration with the RI Hispanic Chamber of Commerce, RI Commerce has hosted a series of Spanish-language awareness and technical assistance sessions for businesses.
  - **What is still being built:** See policy below regarding the Minority Business Accelerator.
- d. Intensify efforts to promote hiring and apprenticeship programs within communities of color for State and local infrastructure projects.
- **Who has taken the lead:** DOA, DLT, Building Futures, RIBCTC, RIDOT
  - **What has been done:** See section Policy 2b above for information on PLAs. Additionally, State leads have worked to leverage FHWA funded projects for diverse placements, convening and running a heavy and highway council of stakeholders to coordinate placements. For local projects, Providence, as example, has a registered apprenticeship utilization ordinance that Building Futures monitors and helps place diverse graduates.
  - **What is still being built:** Efforts remain underway in this space, with new support initiatives coming online.

### GOAL 3 - Support industries and investments that play to Rhode Island's strengths.

#### Policy 1: Develop and enhance Rhode Island's sustainable and innovative maritime and defense economy.

- a. Establish a Marine and Cybersecurity Center to showcase the cybersecurity capabilities already within the state.
- **Who has taken the lead:** SENEDIA, private partners, Quonset Development Corporation
  - **What has been done:** Marine hubs in Bristol, Narragansett, and Aquidneck and other locations have grown as centers for marine and cybersecurity innovation over the past five years. In 2023, Rhode Island College announced the creation of an Institute for Cybersecurity and Emerging Technologies at the College as well.
  - **What is still being built:** Quonset continues to build the funding stack for a multi-modal facility to further support growth in cyber security and marine trades.
- b. Create a standing defense industry task force to report to the Governor and identify real-time and longer operational challenges in a proactive manner.
- **Who has taken the lead:** General Assembly
  - **What has been done:** In 2014, a National Security infrastructure support fund advisory commission was created by the General Assembly, comprising of seven members, including two who are co-chairs of the Rhode Island defense economy planning commission. Statute is available here: <https://law.justia.com/codes/rhode-island/2022/title-30/chapter-30-32/section-30-32-8/>.
  - **What is still being built:** SENEDIA and others remain diligent in promoting the defense industry in state.



- c. Create a private-public Rhode Island Shipping Association (Ship RI) to provide a platform for collaborating around key opportunities to increase logistics and export support for Rhode Island businesses.
- **Who has taken the lead:** Rhode Island Marine Trades Association (RIMTA)
  - **What has been done:** Founded in 1964, represents the recreational boating industry in Rhode Island.
  - **What is still being built:** More work is ongoing to support collaboration around increasing logistics supports/exports supports for Rhode Island businesses, including looking at State-owned waterfront properties that can be used toward this end. The State could re-look at development of a Ship RI association.
- d. Provide guidance to host communities on how to retain areas with infrastructure for waterfront industry in the face of market pressures for alternative uses (e.g., resort, hotel, residential, etc.).
- **Who has taken the lead:** CRMC, local waterfront commissions
  - **What has been done/What is still being built:** Local ordinances and plans and around waterfront development have been created by local commissions and others charged with maintaining active and appropriate usages of our waterfronts.
- e. Increase investment in Logistics and Export Assistance to support shipping activity and ports.
- **Who has taken the lead:** Chafee Center at Bryant University, RI Commerce, Small Business Administration (SBA), Small Business Development Center (SBDC)
  - **What has been done/What is still being built:** RI Commerce routinely answers questions to help businesses assess their export readiness and develop a strategic plan to enter export markets. The Chafee Center administers STEP grants for export activities to Rhode Island businesses as well as houses the World Trade Center and Export Assistance Center for the State of Rhode Island. And the SBA manages Export Assistance Centers and the Export Express Loan Program and Export Working Capital Program to support financing for export transactions.

**Policy 2: Strengthen and support Rhode Island’s burgeoning food system businesses, which span agriculture, aquaculture, and fishing, food processing/manufacturing, and sales.**

- a. Formalize the Food and Beverage Industry within economic and workforce development systems.
- **Who has taken the lead:** Director of Food Strategy (RIDEM 2017-2018, then RI Commerce (2018-2022))
  - **What has been done:** The Director of Food Strategy, a role created in the Governor’s Office in 2016 and officially moved to RI Commerce in 2018 was moved to the Business Development team to focus on attracting food and beverage businesses to the state as well as supporting retention and expansion of Rhode Island food businesses. In 2017, the State created its first comprehensive food strategy which included priorities to support agriculture and seafood industries, create new markets for food and beverage products and improve the business environment for food industry entities. Significant investment has been made by RI Commerce (\$25 million+) to invest in economic incentives, loans and grants to support the growth of the food economy. Some successful examples include the development of a 60,000 square foot food hub and processing center in Providence at Farm Fresh Rhode Island as well as the opening of a 100,000 square foot indoor agriculture facility operated by Gotham Greens.
  - **What is still being built:** RI Commerce continues to identify internal programs within State government that can better

support food and beverage economic development.

- b. Review State policies to reduce/eliminate barriers to increased sales of food that is grown, raised, caught and/or processed in Rhode Island to state institutions and State and municipal agencies.
- **Who has taken the lead:** RIDOH, RI Commerce, RIDEM
  - **What has been done:** RIDEM and partners at RI Commerce and RIDE secured a USDA Farm to School grant to hire a Farm & Sea to School Coordinator to make supply chain connections between institutional buyers at K-12 schools and local food producers.
  - **What is still being built:** The State-led Interagency Food Nutrition and Policy Council is working to identify State procurement policies that could be modified to allow for more purchasing of local foods in public bids.
- c. Comprehensively reform existing State regulations and guidance related to food safety, production, processing and sales.
- **Who has taken the lead:** RIDOH, RI Commerce, RIDEM
  - **What has been done:** Dockside sales for commercial fishermen, previously not allowed, were permitted to be processed and sold direct to consumer. The Cottage Food Manufacture Law (2021) passed allowing early stage entrepreneurs and home food makers to produce certain foods in home kitchens. RI Commerce created a roadmap for food businesses to navigate various State and local permitting and licenses through an easy-to-use website (<https://openarestaurant.commerceri.com>).
  - **What is still being built:** Regulatory barriers still exist at the federal and State level for food waste composters, food trucks and commercial fishermen. Commerce is working with industry partners to identify and address these regulatory barriers.
- d. Conduct a statewide comprehensive needs assessment and feasibility study to determine existing food system infrastructure and improvement needs in the areas of safety, growing, harvesting, catching, processing, distribution, access, and recovery.
- **Who has taken the lead:** Director of Food Strategy (RI Commerce)
  - **What has been done:** The Director of Food Strategy, a role created in the Governor's Office in 2016 and officially moved to RI Commerce in 2018 was moved to the Business Development team to focus on attracting food and beverage businesses to the state as well as supporting retention and expansion of Rhode Island food businesses. In 2017, the State created its first comprehensive food strategy which included priorities to support agriculture and seafood industries, create new markets for food and beverage products and improve the business environment for food industry entities.
  - **What is still being built:** Director of Food Strategy is working collaboratively with partners at RIDEM and RIDOH to update the State's 2017 food strategy with collective impact goals out to 2030 and continues to work with State, local and federal partners to leverage investment in building a more resilient and sustainable food supply chain in light of significant disruptions due to the pandemic and climate change.
- e. Comprehensively reform existing State policies and regulations related to food waste, encouraging diversion of food from the waste stream.
- **Who has taken the lead:** Director of Food Strategy, RIDEM
  - **What has been done:** Hope's Harvest, established in 2018, has significantly increased food source reduction on farms

through a robust gleaning and volunteer network while also connecting excess food to the emergency food supply chain.

- **What is still being built:** RI Resources Recovery Corp has been working on food waste composting, as has the City of Providence. RIDEM is working on a cooperative agreement with USDA to support food waste diversion and increased technical assistance for commercial composters. Continue to identify and protect land for urban, suburban, and rural agriculture and increase access to land and water for agri- and aquaculture where appropriate. Work additionally continues to improve the State's farmland protection program.

### **Policy 3: Invest in arts and culture to build on Rhode Island's identity as a cultural destination.**

- a. Empower and fund the Rhode Island State Council for the Arts (RISCA) to serve as the state's central investment agency in the arts and culture, supporting work that increases partnerships, revitalizes communities, helps create jobs, and increases participation in cultural activities by Rhode Island residents and visitors.
  - **Who has taken the lead:** Rhode Island State Council for the Arts (RISCA)
  - **What has been done/What is still being built:** Established in 1967, the Rhode Island State Council on the Arts is charged by the State Legislature to stimulate public interest and participation in the arts, and to serve as the liaison to the state's arts community. Honoring its State mandate, RISCA expands arts and culture resources and supports public participation. RISCA regularly assesses the needs of the arts statewide; make recommendations to the Governor, General Assembly, and other stakeholders; provide opportunities in the arts to arts educators and organizations, schools and individual artists. In addition, it protects freedom of artistic expression and oversees three galleries across the state. The RISCA strategic plan is available at: <https://arts.ri.gov/about/our-strategic-plan> and RISCA's performance measures can be found at: <https://omb.ri.gov/sites/g/files/xkgbur751/files/2023-01/Vol%20III%20-%20RISCA.pdf>.
- b. Develop a comprehensive statewide map of cultural assets.
  - **Who has taken the lead:** N/A
  - **What has been done:** This has not been done comprehensively.
- c. Explore the development of a United Cultural Fund that could support a number of functions related to arts preservation and expansion. Revenue sources could include corporate contributions, income tax, sales tax, and federal funding. A management structure and procedure for allocating funds would need to be established with the support of stakeholders.
  - **Who has taken the lead:** RISCA
  - **What has been done/What is still being built:** The state does not have a United Cultural Fund. Grants through RISCA are available at: <https://arts.ri.gov/grants>.

### **Policy 4: Fuel the manufacturing renaissance and reinvest in Rhode Island's unique built environment.**

- a. Create a Rhode Island Center for Design and Manufacturing.
  - **Who has taken the lead:** Design x RI, Polaris MEP, RI Commerce
  - **What has been done:** The State was awarded a STEAMEngine USA Phase 1 grant for planning and feasibility of an Innovation Center for Design and Manufacturing. A pop-up center was established and ran programming for a short period

of time. Design X RI and Polaris also launched the Manufacturing Innovation Challenge and Design Readiness Assessments.

- **What is still being built:** Cambridge Innovation Center (CIC) continues to play a critical role, in the jewelry district, of supporting innovation. 401 Tech Bridge also continues to support the state as an Innovation Campus dedicated to advanced materials and composites technology.
- b. Claim Rhode Island's position as the center of the Maker Movement by developing an action plan to support business growth.
- **Who has taken the lead:** FabX, libraries, AS220, other after-school programming efforts
  - **What has been done:** FabX, formerly FabNewport, has built a robust pipeline and set of programming around the Maker Movement in Newport and Providence (<http://gofabx.org>). Libraries in state have continued to build out their Maker Spaces as well, including investments in Providence, Warwick, and Woonsocket. A collaborative effort with seven libraries and the Office of Library and Information Services led to the creation of a toolkit for libraries to re-make themselves and their space in support of things like the Maker Movement. That toolkit can be found at: <http://studiorhode.ri.gov>. And AS220 remains a space for youth in Providence to focus on making, creating, and art.
  - **What is still being built:** This work has not yet been connected to an action plan to support business growth.
- c. Work with RI Commerce, the Energy Efficiency and Resource Management Council, and National Grid to aggressively target manufacturing expansion opportunities, including expanding the commercial and industrial efficiency program and seeking expansion of the revolving loan pool.
- **Who has taken the lead:** Energy Efficiency and Resource Management Council (EERMC), RI Energy (formerly National Grid)
  - **What has been done:** Rhode Island Energy (formerly National Grid), in partnership with the EERMC, has developed robust programming for the commercial and industrial sectors with rebates and incentives for a variety of customers, including a Strategic Energy Management Program (SEMP) for large energy users in the state.
  - **What is still being built:** The energy efficiency programming is reviewed and revised annually to ensure that the programming best meets the needs of Rhode Island energy customers.
- d. Work together to develop pad-ready sites that can support new demand for manufacturing facilities.
- **Who has taken the lead:** RI Commerce, Quonset Development Corporation
  - **What has been done/What is still being built:** Commerce's Site Readiness program and the bond-funded RI Ready program administered by Quonset support pad-readiness, especially for industrial/manufacturing facilities.

#### **Policy 5: Transition to a knowledge-, innovation-, and technology-driven economy geared to greener, more sustainable outcomes.**

- a. Pursue collaborations with our universities and hospitals to continue innovation in the fields of design, ocean science, bioscience, public health, translational research, neuroscience and medtech industry sectors.
- **Who has taken the lead:** RI Commerce, GWB, IHEs, Grow Blue, RI Bio, NEMIC
  - **What has been done:** RI Commerce has made both the ocean economy and life sciences two core industry focus areas



over the past seven years. Additionally, collaborators in state, including the universities, were awarded two Build Back Better Regional Challenge Phase One grants focused on the ocean economy and biosciences. Further partnerships are honed through the Innovation Voucher program, which provides businesses with R&D grants they can use in collaboration with a knowledge provider (typically a researcher at an institute of higher education), many times going to businesses in these target sectors.

- **What is still being built:** The FY24 budget created a new quasi-governmental agency, with a board comprising of State, industry, and higher education, to further develop the life sciences, neurosciences, and medtech industry sectors in state. Ongoing efforts continue to advance the ocean sciences through the Grow Blue initiative.
- b. Support development of sector-based incubation and applied research facilities and the development of wet lab and other niche space.
- **Who has taken the lead:** RI Commerce, RIDOH, URI
  - **What has been done:** The State passed a bond in 2019 issuing \$20 million for Innovation Campuses, which are being built as sector-based incubation and applied research facilities—current Innovation Campuses include RIHub, a start-up incubator, and others focused on, as examples, the composites and aquaculture industries.
  - **What is still being built:** Wet lab space is being built out in the 195 District through a public-private partnership in collaboration with a developer (Wexford), Brown University, and the 195 Commission. The state’s new health lab, which is being built with an \$80 million+ grant from the Center for Disease Control, will also maintain private wet lab space in the same building. Further, the FY24 State budget additionally has funding for wet lab space build out in downtown Providence.
- c. Continue to advance the CleanTech economy through procurement efforts, renewable energy fund investment and regional collaboration.
- **Who has taken the lead:** OER, DOA, RI Commerce
  - **What has been done:** The Renewable Energy Fund has been created.
  - **What is still being built:** In April 2023, Rhode Island and six states in the Northeast Regional Clean Hydrogen Hub announced submission of \$3.62 billion proposal to US Department of Energy for funding and designation as a national hub.
- d. Create programs that will support high-paying clean technology jobs, including establishing career pathways to ensure that people traditionally underrepresented in these fields, including women, people of color, and low-income populations, have access to these jobs.
- **Who has taken the lead:** DLT, GWB, RI Commerce
  - **What has been done/What is still being built:** Recognizing the anticipated growth in the offshore wind sector, the Community College of Rhode Island will launch Global Wind Organization (GWO) Basic Safety Training (BST), with an anticipated launch in fall 2023. The GWO Basic Safety Training is a critical component for anyone looking to work in the offshore wind sector.
- e. Support collaboration between the state’s research enterprises, including academic, government, and private performers in order to increase the level of research funding coming into the state. Build on current efforts of Science and Technology Advisory Council

(STAC), through their use of the experimental Program to Stimulate Competitive Research (EPSCoR) program.

- **Who has taken the lead:** RI Commerce
- **What has been done:** STAC released its most recent strategic plan in 2021 and annual report in 2022. Both can be found at: <https://stac.ri.gov/>.
- **What is still being built:** The State is presently (June 2023) in the middle of a one-year extension of a five-year EPSCoR grant and is applying for a new five-year grant with a focus on ocean-based research.

**Policy 6: Expand the economic potential of tourism in Rhode Island by developing and marketing the state as an attractive, unique destination on the national and global tourism map through conservation and promotion of our natural, cultural, and built heritages.**

- a. Create a steady and predictable funding mechanism for state-level tourism promotion, programming, and coordination.
  - **Who has taken the lead:** RI Commerce
  - **What has been done/What is still being done:** A portion of the state’s hotel tax revenue is dedicated to promoting state-level tourism.
- b. Develop a state brand that is widely recognizable to promote and expand tourism and promote Rhode Island arts, culture, products and places.
  - **Who has taken the lead:** RI Commerce
  - **What has been done:** VisitRhodeIsland.com receives over 1.3M visitors annually (more than we have residents in the state!). The Open Rhode targeted branding campaign run during the pandemic brought myriad visitors to the state. And the recently launched Hotel Week/Month campaign has led to over 1,000 additional bookings in January for Rhode Island hotels.
  - **What is still being built:** Through a grant from the Economic Development Administration, RI Commerce will be undergoing a state marketing strategic planning effort before the end of FY24.
- c. Engage the arts, culture, historic preservation, and environmental communities in place-making efforts.
  - **Who has taken the lead:** RI Commerce
  - **What has been done:** Commerce launched a HArT grant program during the pandemic and created a \$3 million Placemaking grant program in FY22 that has assisted municipal governments and private organizations across the state in place-making efforts. Funded projects through this grant have included arts and cultural events and public space improvements to encourage community gathering.
  - **What is still being built:** More information on both programs and next steps is below in the Innovates 2.0 recommendations recap.

**GOAL 4: Create great places by coordinating economic, housing, and transportation investments.**

**Policy 1: Support State investments and incentives and provide technical assistance focused on high priority redevelopment areas and growth centers.**

- a. Create a State-level urban redevelopment initiative, designed to increase capacity, avoid displacement, and streamline redevelopment within urban communities.
  - **Who has taken the lead/What has been done:** N/A
- b. Consider using “tax-free zones” to redevelop older industrial buildings and sites, both to attract new investment and provide clear, direct benefits to residents in the host community.
  - **Who has taken the lead:** RI Commerce
  - **What has been done:** Though not a “tax-free zone,” both the state’s Tax Incremental Financing (TIF) and Super TIF programs created related incentives for districts.
- c. Restore the Historic Preservation Investment Tax Credit with adequate funding to spur targeted development, including residential development.
  - **Who has taken the lead:** General Assembly, Division of Taxation
  - **What has been done/What is still being built:** Funding for the Historic Preservation Tax Credit remains limited, though the program funding was expanded and extended in both 2021 and 2022. The Division of Taxation accepts applications. Additionally, as a compliment to the Historic Preservation Investment Tax Credit, the Rebuild RI tax credit program was launched in 2015.
- d. Revitalize the State’s Enterprise Zone Program to re-establish it as an effective redevelopment tool that increases the benefit to businesses that provide direct local employment.
  - **Who has taken the lead/What has been done:** Though the Enterprise Zone Program has not been revitalized, the State has initiated an Opportunity Zones program, providing additional tax credit incentive for those who invest in targeted distressed areas in state. More information on the Opportunity Zones program is at: <https://commerceri.com/site-selection/opportunity-zones/>. Relatedly, the Qualified Jobs Incentive Tax Credit was launched in 2015 and incentivized investments in local jobs.
- e. Consider exempting Growth Centers from the state’s tax levy cap to remove disincentives for public and private investment.
  - **What has been done:** N/A
- f. Provide incentives to rehabilitate foreclosed/vacant properties into rental and homeownership opportunities and explore the use of “sweat equity” programs for local residents to perform the work.
  - **Who has taken the lead/What has been done:** The RebuildRI program, under RI Commerce, provides tax credit incentives to developers to renovate and revitalize formerly vacant and/or blighted properties. The Rebuild tax credit program prioritizes developments that include housing and/or provide for mixed-use of space. In 2016, voters passed \$10 million for blighted properties. RI Housing has also launched the Acquisition and Revitalization program (“ARP”), with an additional \$25 million approved by voters in 2021. Further, additional SFRF funding was provided for Home Repair.
  - **What is still being built:** The exploration of the use of “sweat equity” programs is still underway.

- g. Consider providing additional incentives within programs and tools such as the Historic Preservation Investment Tax Credit, Enterprise Zone Program, Tax Increment Financing, etc. when they are applied to approved Growth Centers.
- **Who has taken the lead/What has been done:** See above policy recommendation re: Growth Centers as well as additional information about RebuildRI and TIF.

**Policy 2: Increase the capacity of communities to create and revitalize mixed-use, walkable village and growth centers.**

- a. Provide technical assistance for the identification and implementation of Growth Centers, including growth center visualization techniques.
- **Who has taken the lead:** RI Commerce, Department of Housing, General Assembly, RI Housing
  - **What has been done/What is still being built:** Through a statutory change put forward in the governor’s FY24 budget bill, the Main Streetscape Improvement Program can now provide funding for technical assistance. This funding will help recipients in planning and designing main street improvements. Additionally, two housing-related programs, the Municipal Housing Fellows (SFRF funds 2023) and Municipal Technical Assistance (Housing Production Fund) were established in 2023.
- b. Adopt mixed-use development zoning which incorporates village-like amenities, services, and housing options for a mixed-age, mixed income residential population, and includes by-right multi-family or other denser housing models for rural and suburban centers.
- **Who has taken the lead:** General Assembly
  - **What has been done/What is still being built:** The Rhode Island Legislature passed an adaptive re-use bill in the 2023 legislative session. The bill prevents cities and towns from blocking residential conversions and prevents them from limiting project density to less than 15 units per acre (if they include below market-rate housing). There has additional been funding (\$5 million) provided in FY24 for transit oriented development programs, which will include more housing, as well as the planning and zoning required for transit-oriented development.
- c. Provide guidance and funding to local communities for the implementation of innovative tools that can increase development density with high-quality design.
- **What has been done:** See above Policy 2a.
- d. Adopt revised State legislation for the Transfer of Development Rights (TDR) to facilitate strategic, increased economic activity and housing development. Use RIDEM draft legislation as a starting point.
- **Who has taken the lead/What has been done:** The Land Use Commission has been established to facilitate strategic land use, including supporting increased economic activity and housing development.

**Policy 3: Promote alternative transportation that connects people to housing, jobs, and services.**

- a. In updating the State’s transportation plan, approach future transit investments with an eye toward increasing workforce mobility and health, strengthening our tourism industry, and reducing environmental impacts.



- **Who has taken the lead:** Statewide Planning, RIDOT, RIPTA
  - **What has been done:** The *2020 RI Long-Range Transportation Plan* (LRTP) and *Transit Forward RI 2040 Plan* (TMP) support reducing environmental impacts and recognize that workforce mobility and tourism depend on a robust transportation system, including quality public transit services.
  - **What is still being built:** Ongoing efforts to implement the LRTP continue.
- b. In updating the State’s transportation plan, support the connection of bike paths and greenways across the state to create region-wide bike trails, prioritizing investment in bike paths that would serve low-income communities.
- **Who has taken the lead:** Statewide Planning
  - **What has been done:** The 2020 LRTP and the *2020 Bicycle Mobility Plan* recognize the need and desire for more bike paths and greenways. The Aquidneck Island-wide “Ride Island” initiative is planning for bike facilities on AI.
  - **What is still being built:** Ongoing efforts to implement the LRTP and 2020 Bicycle Mobility Plan continue.
- c. Focus on in-state and regional commuter rail service at T.F. Green InterLink facility that enhances air-to-rail opportunities for airline passengers, while investigating the business development opportunities of additional potential stops in Rhode Island, leveraging the state’s central location along the Northeast Corridor between Boston and New York City.
- **Who has taken the lead:** RIDOT, RIPTA
  - **What has been done:** The new Pawtucket-Central Falls Train Station opened in January 2023 and now provides MBTA service to Boston, T.F. Green, and Wickford Junction.
  - **What is still being built:** Transit Forward RI 2040 calls for improving regional connectivity; RIPTA is focused on developing regional rapid bus services connecting Newport, Woonsocket, and Narragansett with more frequent every day service.

## GOAL 5: Create a stronger, more resilient Rhode Island.

### Policy 1: Support investments in sustainable built infrastructure to support economic activity, commerce, and benefits to communities.

- a. Create a sustainable, permanent funding mechanism for the repair of Rhode Island’s roads and bridges and for the maintenance and expansion of public transportation, freight, and rail infrastructure.
- **Who has taken the lead:** RIDOT, RIPTA
  - **What has been done:** RIDOT is working systematically to use federal funds to improve deficient roads and bridges. In 2023, pavement conditions for all DOT-maintained roads is at 87%. Since beginning the RhodeWorks initiative in the mid-2010s, RIDOT has completed repair or replacement of 244 bridges, with 136 under construction as of June 2023. RIDOT bridge sufficiency rating went from 77% in 2016 to 85% in 2022. RIPTA has secured more than \$70 million in discretionary grant funding for facility modernization, fleet decarbonization, and preliminary planning for rapid bus, Bus Rapid Transit (BRT), and/or light rail improvements. Ridership has rebounded to near pre-COVID levels and demand for transit service remains high.

- **What is still being built:** In 2022, RIDOT began investing \$492 million in paving projects with funding from the Investment in Infrastructure and Jobs Act (IIJA). RIDOT continues to improve its bridge sufficiency rating. The *Transit Forward RI 2040 Funding Plan* identifies 17 potential new funding sources that are currently being vetted by RIPTA and stakeholders. Meanwhile, RIPTA continues to benefit from cost-sharing partnerships with employers, educational institutions, and human services providers, and is working to deepen these mutually beneficial relationships.
- b. Investigate the creation of an Infrastructure Bank or other more innovative models (e.g., Investment Trusts) to fund projects that support critical economic activity.
  - **Who has taken the lead:** RI Infrastructure Bank
  - **What has been done:** The RI Infrastructure Bank was originally created in 1989 but received an expanded mandate in 2015, allowing it to provide competitive financing to a number of infrastructure-related projects. More information can be found here: <https://www.riib.org/about/who-we-are/>.
- c. Develop a funding mechanism at the State level similar to the federal State Revolving Fund (SRF) programs specifically designated for developing small-scale wastewater treatment facilities or small community water supply wells in suburban and rural growth centers. Consider preference for systems that demonstrate progress in regionalizing multiple smaller systems, and that are located where surplus water is proven available for development.
  - **Who has taken the lead:** RI Infrastructure Bank
  - **What has been done:** RI Infrastructure Bank currently operates an affordable financing option for municipalities and private entities to complete wastewater facility projects.
- d. Promote T.F. Green’s “Go Green” initiative to attract passengers and service to the airport.
  - **Who has taken the lead:** RI Airport Corporation (RIAC)
  - **What has been done/What is still being built:** RIAC has engaged multiple promotional campaigns for TF Green over the past nine years. TF Green is regularly ranked in the top tier of airports nationally and internationally; in 2023, TF Green was recognized by that publication’s readers as the third-best airport in the nation.
- e. Actively encourage and pursue new funding sources for the design and installation of green infrastructure. These could include, but not be limited to, community storm water management districts that DEM and the Bays, Rivers, and Watersheds Coordination Team (BRWCT) have been working to promote with community partners.
  - **Who has taken the lead:** RIDEM, municipalities, Southeast New England Program (SNEP) Network
  - **What has been done/What is still being built:** The Rhode Island Bays, Rivers, and Watersheds Coordination team is a State interagency commission dedicated to the protection, management, restoration and sustainable development of Rhode Island's fresh and marine waters and watersheds. The BRWCT conducts strategic interagency planning, fosters coordination of government programs and partnerships, and makes targeted investments in science, monitoring, policy analysis, and the pursuit of strategic projects in support of our aquatic environments and their human uses. More information is at: <https://dem.ri.gov/environmental-protection-bureau/water-resources/research-monitoring/surface-water-quality/bay-0>. Additionally, the Office of Energy Resources (OER) tracks all State and federal green energy incentives at: <https://energy.ri.gov/incentives>.

## Policy 2: Support investments in innovative technology infrastructure.

- a. Leverage broadband investment for next generation applications and make services more accessible for all Rhode Islanders.
  - **Who has taken the lead:** Office of Digital Excellence, OSHEAN, RI Commerce, Office of Library and Information Services (OLIS)
  - **What has been done/What is still being built:** In 2022-2023, the federal and State government invested over \$130 million in broadband infrastructure and digital equity in Rhode Island, to fully close the digital divide for both residents and small businesses. Additionally, the State's FY24 budget includes \$5 million to expand the State's Gateway to Government program, which streamlines permitting and government paperwork processes, making services more accessible for all Rhode Islanders.
- b. Invest in information technology capacities at libraries and community centers.
  - **Who has taken the lead:** Office of Library and Information Services (OLIS)
  - **What has been done/What is still being built:** OLIS has provided over \$800,000 in grants to upgrade existing or add new public access computers and other technology at libraries across the state, especially in areas with marginalized and low-income populations. Between 2021 and 2022, over 600 new desktop and laptop computers, 100 tablets, and other equipment such as printers, videoconferencing equipment, and digital learning kiosks were provided to Rhode Island public libraries to increase digital access. To further support digital access, OLIS funded a statewide digital literacy program through the Providence Public Library with workshops hosted at libraries around the state. During that same time period, the public library consortium, Ocean State Libraries, added or strengthened access to free wifi at 69 public library parking lots across the state through its Park 'n Surf program, in partnership with the Take It Outside initiative, the RI Foundation, OSHEAN, and the national Information Technology Disaster Resource Center. Finally, starting in fiscal year 2021, OLIS invested additional funds in online learning resources and digital content freely available for all Rhode Islanders through AskRI to meet the information needs of students, job-seekers and others seeking high quality and trustworthy learning and research tools and continues to offer and promote high quality online content through [AskRI](#).

## Policy 3: Adopt an energy policy that keeps Rhode Island competitive.

- a. Expand existing energy programs to add new financing and investment tools.
  - **Who has taken the lead:** RI Office of Energy Resources (OER), RI Energy, RI Commerce, RI Infrastructure Bank
  - **What has been done:** The State created the Renewable Energy Fund, which provides funding for solar projects across the state. OER and the Renewable Energy Fund have expanded the REF's programmatic offerings to include funding for small scale, commercial scale and Brownfield PV, energy storage, and workforce development. REF and OER offer a [Clean Energy Internship program](#) to help support the growth of the clean energy workforce in Rhode Island. The Rhode Island Infrastructure Bank and OER partner and manage the Efficient Buildings Fund, which provides below market rate financing to public entities for energy efficiency and renewable energy projects. [RIIB runs the Commercial Property Assessed Clean Energy \(CPACE\) program](#) which helps commercial property owners invest in clean energy technologies. OER runs a [Farm Energy Incentive program](#) which helps farmers with the expensive upfront costs of solar and energy efficiency upgrades.

- **What is still being built:** In 2023, REF and OER will launch the Affordable Solar Access Pathways (ASAP) program which will help LMI customers in disadvantaged communities go solar through a third party ownership model. OER will additionally be launching a new program 2023 with federal funding focused on [Resiliency and Outage Prevention](#).
- b. Improve energy efficiency codes and standards.
- **Who has taken the lead:** OER, RI Building Code Commission, General Assembly
  - **What has been done/What is still being built:** Legislation has been adopted <http://webserver.rilegislature.gov/BillText/BillText23/SenateText23/S0855A.pdf>) mandating the adoption of the latest building energy codes. OER will support this effort with educational opportunities, outreach, and coordination with our programming.
- c. Diversify and decentralize Rhode Island’s energy sources to include more renewable energy providers for positive climate and economic benefits.
- **Who has taken the lead:** OER, DEM, DOT, RI Energy
  - **What has been done:** Rhode Island is home to the country’s first offshore wind farm and an executive order signed by the Governor in January 2020 committed the state to being 100% renewable energy consuming by 2030.
  - **What is still being built:** Additional offshore wind capacity will be coming online by 2028, through a 2023 procurement for additional leased water space.
- d. Actively engage and train local communities regarding energy efficient neighborhood and site development techniques, the siting and regulation of wind turbines, removing regulatory barriers for solar power and becoming more fiscally resilient to impacts from climate change.
- **Who has taken the lead:** OER, RI Energy (formerly National Grid)
  - **What is being done:** The Rhode Island Infrastructure Bank’s [Municipal Resilience Program \(MRP\)](#) support this effort. OER is applying (Summer 2023) to the US Department of Energy for a funding opportunity to provide more energy funding and community engagement strategies into the MRP. Additionally, OER has worked with RIE (National Grid at the time) and stakeholders on updates to the [Interconnection Tariff](#) which became effective in September 2022, including the creation of the Interconnection Technical Standards Committee. OER has also implemented and completed the System Reliability Procurement Solar DG Pilot Project. [Details can be found here](#). This pilot sought to understand how renewable distributed generation—in particular, solar power—could potentially reduce the need for costly investments in utility infrastructure to meet growing energy demand. One thing that came out of the SRP pilot was the creation of the utility’s System Reliability Procurement Working Group, which meets quarterly. OER is an active participant as RIE develops non-wires and non-pipes solutions while maintaining reliability. The work done on this since the pilot resulted in RIE filing their 2022 SRP Year End Report [under docket 5080](#). [More information on wind turbine siting can also be found here](#).
  - **What is still being built:** OER, RIE, Lawrence Berkley National Lab and the Regulatory Assistance Project are currently working on an Integrated Grid Planning Project with the town of Johnston called “RI Community Engagement on Grid Improvements.” OER has also worked with Lawrence Berkely National Laboratory, RIE, Rocky Mountain Institute, and the National Renewable Energy Laboratory on a project [“Use of Operating Agreements and Energy Storage to Reduce PV Interconnection Costs”](#). While this concept is not currently in practice now, both RIE and OER anticipate it will be including in the next iteration of the interconnection tariff.



#### **Policy 4: Educate and empower State and local government to increase climate change preparedness and adaptation.**

- a. Implement the relevant recommendations of “A Resilient RI: Being Practical About Climate Change” (June 2014), “Economic Intersections of Rhode Island” (February 2014), “Understanding the Opportunities and Impact of Climate Change” (April 2014) and associated strategies as referred to in this Economic Development Plan.
  - **Who has taken the lead/What has been done:** This has been a collective impact effort amongst agencies.
- b. Perform targeted assessments of economic centers, infrastructure assets, and individual resources for potential impacts of climate change, sea-level rise and other hazards.
  - **Who has taken the lead:** RI Emergency Management Agency (EMA)
  - **What has been done/What is still being built:** RIEMA has recently started updating the State’s Hazard Mitigation Plan (spring 2023).
- c. Actively advocate for amendments to federal policies that would allow infrastructure repair/replacement funds/grants to be used not just to rebuild the way things were, but stronger and more resilient.
  - **Who has taken the lead:** Statewide Planning and RIDOT
  - **What has been done/What is still being built:** The Biden administration has made climate change and infrastructure priorities, in both policy and funding.
- d. Align academic research around issues of resiliency in order to provide State and local governments with the best climate adaptation and mitigation tools.
  - **Who has taken the lead:** The Executive Climate Change Coordinating Council (EC4) Science and Technical Advisory Board
  - **What has been done/What is still being built:** The EC4 Science and Technology Advisory Board advises the EC4 on these issues on an ongoing basis. Additionally, the Environmental Data Center (EDC) at the University of Rhode Island (URI) provides geographic information system (GIS) mapping capacity to State agencies, including understanding sea-level rise and other climate related scenario mapping.

#### **Policy 5: Strengthen regional economic resilience and harness opportunities for innovation.**

- a. Identify test sites, both land and water facilities, to support piloting resiliency-related product innovation.
  - **Who has taken the lead:** RI Commerce
  - **What has been done:** In 2019, voters passed an Innovation Campus bond, providing \$20 million to develop R&D facilities (both land and water), which can, among other things, support piloting resiliency-related product innovation.
  - **What is still being built:** The Grow Blue initiative also continues to seek funding to develop physical infrastructure as well as programmatic capacity to support the ocean economy, including resiliency-related product development.
- b. Develop policy and practical support around the “Green Economy.”
  - **Who has taken the lead:** RI Commerce

- **What has been done/What is still being built:** The State has pivoted its focus to the “Blue Economy” as a core component of the state’s “Green Economy,” particularly with offshore wind investments.
- c. Expand availability of business continuity planning and access to different succession models.
- **Who has taken the lead:** RI Commerce
  - **What has been built:** Commerce has expanded its technical assistance offered to businesses, including continuity planning, through the \$9.5 million Technical Assistance program launched in 2023. Additional intermediaries, including SBA partners the SBDC, SCORE, and CWE, as well as other business serving organizations, provide ongoing business planning assistance, including continuity planning. Additionally, industry-specific support organizations, like Polaris MEP, have created succession planning trainings. And entities like New Majority Capital and the Initiative for a Competitive Inner City, have created specific succession planning trainings to make business owners aware of different succession models and how they may structure their own succession.
  - **What is still being built:** Succession planning remains a focus and key priority for RI Commerce.
- d. Attract private capital for long-term, sustainable financing for energy efficiency, renewable energy and infrastructure (transportation, drinking water, wastewater, stormwater, etc.).
- **What has been done/What is still being built:** This is an ongoing effort.
- e. Ensure the future prosperity of Rhode Island’s ports through the development of detailed vulnerability assessments and long-term infrastructure investment plans.
- **Who has taken the lead:** Division of Planning
  - **What has happened/What is still being built:** The State’s Long-Range Transportation Plan (*Moving Forward 2040*), written in December 2020, provides a comprehensive long-term infrastructure investment plan for Rhode Island (<https://planning.ri.gov/sites/g/files/xkgbur826/files/documents/trans/2020/Final-LRTP-December-2020.pdf>). Additionally, the 2022 *Statewide Freight and Goods Movement Plan* evaluates goods movement by marine transport, as well as land-based transport: <https://planning.ri.gov/planning-areas/transportation/freight-planning>.
- f. Perform employment center vulnerability mapping to better understand the potential benefits of protecting these areas with infrastructure investment.
- **What has been done/What is still being built:** Undertaking this effort is still being considered.

## GOAL 6: Make Rhode Island a state where companies, our workers, and the state as a whole can develop a competitive advantage.

### Policy 1: Accelerate the impact of regulatory reform throughout State and local government.

- a. Promote the establishment of a statewide building and fire inspection service that can be enlisted at the request of developers in designated growth centers or other priority development areas.
- **Who has taken the lead:** RI Building Code Commission, Office of the State Fire Marshall

- **What has been done/what is still being built:** The development of this effort is still under consideration.
- b. Investigate new governance models and tools including Management Districts, County Government, Revenue Sharing, Functional Regionalization, etc.
- **Who has taken the lead:** DOA
  - **What has been done/what is still being built:** Undertaking this effort is still under consideration.
- c. Improve “customer service” in State and local government while providing higher quality development along with a faster and more predictable permitting process.
- **Who has taken the lead:** Department of Business Regulation, State Building Office, Department of Information Technology (Point of contact: Christina Santos)
  - **What has been done:** The RI Statewide Permitting Initiative establishes a uniform, web-based system to be used by the State, its municipalities, and taxpayers for statewide permit management, inspection management, and electronic plan review. To date, SBO has facilitated the onboarding of 36 municipal building departments to OpenGov, the State’s selected e-permitting platform. We are reimbursing every municipality for associated start-up costs.
  - **What is still being built:** While working with the remaining three municipalities to ensure compliance with the e-permitting law, SBO has started working with a number of early adopter municipalities to expand digital permitting processes to other service areas—planning, zoning, and clerk’s offices, for instance. This marks the next frontier of the e-permitting initiative and will build on the success of the implementation already completed on the building department side. The FY24 budget includes \$5 million for a Gateway to Government initiative to support the transition of licensing processes toward a paperless platform housing digital identities and credentialing information.
- d. Explore enabling legislation that would allow municipalities to combine their planning and zoning review processes.
- **Who has taken lead:** General Assembly
  - **What has been done:** The General Assembly has passed legislation that requires municipalities to implement Unified Development Review.
- e. Implement the state- or region-wide, uniform, electronic building permitting system for cities and towns.
- **Who has taken the lead:** See above under Policy 1c.
  - **What has been done:** See above under Policy 1c.
  - **What is still being built:** See above under Policy 1c.
- f. Continue support for the ongoing work of the Office of Regulatory Reform (ORR).
- **Who has taken the lead:** DOA, ORR
  - **What has been done:** The ORR continues to operate to its full capacity.
- g. Adopt new legislation to facilitate the use of different small business models like co-ops both for preserving existing and creating new business.
- **Who has taken the lead:** General Assembly

- **What has been done/what is still being built:** In 2020, the Senate passed a resolution to study the costs and benefits of legislation facilitating the use of different small business models. This exploration remains a priority in current economic development planning.
- h. Continue to evaluate and update the State Fire Code to reduce the cost and burden of providing fire suppression in new and redeveloped properties, without compromising safety.
- **Who has taken the lead:** Department of Business Regulation, Fire Safety Code Board of Appeal and Review (Point of contact: Keith Burlingame)
  - **What has been done:** Work is underway to update the Rhode Island Fire Safety Code to conform with the current national Model Code. Rhode Island's Fire Safety Board is considering a very small number of state-specific amendments in order to minimize costs of compliance for businesses and property owners. The Code is expected to be formally adopted in late summer 2023.
  - **What is still being built:** Cost-benefit analysis for the new Code is underway and will be complete prior to adoption.
- i. Build on recent efforts to create interagency cooperation for permitting and formalize a structure for collaborative permitting within all of RIDEM's divisions (e.g., wetlands, site remediation, wastewater, etc.) as well as with CRMC. Use these lessons to update processes for other State agencies that manage permitting.
- **Who has taken the lead:** RIDEM, CRMC
  - **What has been done/what is currently being built:** RIDEM is moving towards online permitting; through the Gateway to Government effort, all State agencies will have formalized, interagency cooperation for permitting.

**Policy 2: Make Rhode Island's tax structure more simple, competitive, equitable and predictable.**

- a. Evaluate the impact of recent changes in corporate and estate tax.
- **Who has taken the lead:** Department Of Revenue (DOR)
  - **What has been done:** In 2018, the Department of Revenue's Division of Taxation released the Tax Administrator's Report: Impact of Corporate Tax Changes, analyzing the effect of reforms enacted in 2014, when RI Rising was written. That report is available at: [https://tax.ri.gov/sites/g/files/xkgbur541/files/reports/Report\\_on\\_corporate\\_tax\\_changes\\_03\\_15\\_18.pdf](https://tax.ri.gov/sites/g/files/xkgbur541/files/reports/Report_on_corporate_tax_changes_03_15_18.pdf).
- b. Analyze and reform the unemployment insurance (UI) system.
- **Who has taken the lead:** DLT
  - **What has been done/What is currently being built:** During the 2016 legislative session, the legislature enacted changes to the unemployment system to revise the unemployment taxes that some employers pay and lower the amount the unemployment trust fund was required to hold in reserve. In the first year, these changes saved employers approximately \$30 million from reduced unemployment insurance taxes.
- Additionally, the UI system has been updated to increase the amount of part-time earnings that a claimant can take home before losing their full weekly benefit, allowing them to earn more before having it counted against the amount of their



benefit for that week. This program continues to be an effective tool in getting Rhode Islanders off full unemployment and back into the workforce.

- c. Adjust sales tax rate to be competitive within the region.
  - **Who has taken the lead:** DOR
  - **What has been done/what is currently being built:** In the FY24 budget, the Governor proposed a reduction of the sales tax rate to 6.85% to be competitive with the region.
- d. Analyze and reform the property tax system.
  - **Who has taken the lead:** DOR
  - **What has been done/What is currently being built:** In 2023, Governor McKee signed legislation providing businesses with relief from tangible taxes by providing an exemption of \$50,000 of tangible tax from the tangible personal property tax.
- e. Clearly define expected or desired outcomes of tax incentive programs. Continually monitor performance and adjust as required.
  - **Who has taken the lead:** EOC, ORA
  - **What has been done/What is still being built:** The objectives for incentive programs have been outlined in the respective statutes. The Office of Revenue Analysis regularly reviews these incentives and reports on results seen alongside recommendations for improvement. EOC additionally reviews program performance and proposes changes. For instance, the Rebuild Rhode Island statute was updated in 2019 to allow for streamlined applications for small projects and the Small Business Assistance Program was updated in 2018 to clarify the microloan portfolio application. The existence of sunsets for nearly all of Commerce’s incentive programs additionally gives the General Assembly the ability to review performance annually and make determinations about extending these programs.

### **Policy 3: Support small business activities to enhance operations and access to capital.**

- a. Create a network of “one-stop-shop” business community centers where trained personnel can educate business owners about licensing, regulations, financing, taxes and other essential aspects of running a business. Pilot efforts within low-income communities.
  - **Who has taken the lead:** Business serving organizations in RI
  - **What has been done:** A number of business community centers have been launched in state, including: Innovate Newport (Newport), Biz Bodega (Manton Neighborhood in Providence), District Hall/Innovation Studio (Providence), Social Enterprise Greenhouse (Providence), RI Black Business Association’s new hub building (Providence), and shared business/working space at the CIC in downtown Providence.
  - **What is still being built:** Additional focus should be made for similar efforts in other cities in the state, including Woonsocket, Pawtucket, and Central Falls. RI Commerce and the Secretary of State’s Office are also re-launching the Biz Builder as a key feature in the Business Assistance Portal to expand access to resources, programs, services, and access to capital to small businesses in the state.

- b. Create an investment credit designed to attract and accelerate private investment in high-growth companies, paired with new or expanded capital resources and services to make projects financing ready.
  - **Who has taken the lead:** RI Commerce
  - **What has been done/what is being built:** See below for explanation of the SSBCI program, which includes venture capital investment. Exploration of an investment credit is still underway.
- c. Explore a re-launch of a RI-based Community Development Financial Institution (CDFI). This organization could partner with RI Commerce to administer and increase access to micro- loan funding.
  - **Who has taken the lead:** RI Commerce
  - **What has been done:** Providence Revolving Fund is an RI-based CDFI, with other CDFIs, like BDC and SEED engaged in RI
  - **What is still being built:** Commerce is engaged in discussions around the launch of a new RI CDFI.
- d. Convene and educate industry associations about offering group purchasing services to Rhode Island businesses.
  - **Who has taken the lead:** RI Commerce, RISCPA
  - **What has been done/What is still being built.** RI Commerce continues to engage industry associations around discussions to best serve members. The RI Society of CPAs (RISCPA) announced in the fall of 2023 an employee benefits program (piloting with RI Manufacturers Association and RI Trucking Association) to provide employers with supplementary benefit options they can offer their employees along with their existing insurance.
- e. Create a central database as an in-state resource that can connect suppliers and services through a web-based platform.
  - **Who has taken the lead:** RI Commerce
  - **What has been done:** SupplyRI launched in 2018 and currently has over 2,000 businesses in a web-based, searchable platform.
  - **What is still being built:** SupplyRI was provided additional funding in the FY24 budget for a five-year program assessment and strategic plan for the next five years of work, including support of a GlobalRI, deepen current programming in five selected industry (innovation, blue economy, manufacturing, food, and construction), and provide targeted business growth support for Tier 2 suppliers as recommended in Innovates 2.0 (below).

**Policy 4: Foster a healthier Rhode Island population and economy where access to care and quality of care are paramount, the health of our population is among the highest in the nation, and the increasing costs of health care are contained.**

- a. Develop a network of neighborhood health stations throughout Rhode Island to bring routine health care services closer to those who need them most.
  - **Who has taken the lead:** RI Department of Health (RIDOH)
  - **What has been done/What is still being built:** A full list of neighborhood health clinics is available at: <https://health.ri.gov/healthcare/providers/communityhealthcenters/>. Additionally, the Health Equity Zone (HEZ) program (information here:

[https://health.ri.gov/programs/detail.php?pgm\\_id=1108](https://health.ri.gov/programs/detail.php?pgm_id=1108)), works to build a healthy and resilient Rhode Island by investing in communities and their capacity to affect change; by honoring the expertise of those who live and work in those communities; and by challenging the systems and structures that perpetuate health inequities. As of 2023, there are 15 HEZs in Rhode Island. Through a collaborative, community-led process, each Health Equity Zone conducts a needs assessment and implements a data-driven plan of action to address the unique social, economic, and environmental factors that are preventing people from being as healthy as possible.

- b. Continue to enhance the role of consumer information and choice in healthcare for small employers, helping leverage their collective power to drive down the cost of health care in Rhode Island and reduce its drain on the state's economy.
  - **Who has taken the lead:** HealthSource RI
  - **What has been done/What is still being built:** HealthSource RI offers the lowest cost health insurance plans in Rhode Island and also works one-on-one with businesses to customize the package and support individual business needs. This includes tiered level benefits and plans from more than one insurance company. More information is available at: <https://healthsourceri.com/employers/employers/>.
- c. Develop strategies and resources to reduce the prevalence and economic impact of preventable chronic disease, and improve the health of the state population to create a healthier workforce.
  - **Who has taken the lead:** RIDOH
  - **What has been done/What is still being built:** See above Policy 4a re: Health Equity Zones. RIDOH also tracks chronic disease in Rhode Island (<https://health.ri.gov/data/chronicconditions/>) and engages in a range of disease prevention and management strategies. Example of some RIDOH chronic disease initiatives include: working with healthcare providers to identify high-risk patients and refer them to affordable community-based lifestyle change programs, working with employers to expand worksite wellness programs, and providing training to healthcare providers on best practices for encouraging patient self-management of chronic conditions (e.g., monitoring blood pressure, medication adherence, etc.).

### **Policy 5: Promote Rhode Island internationally.**

- a. Attract new businesses and investment through partnerships with private sector representatives and federal programs designed to attract foreign investment.
  - **Who has taken the lead:** RI Commerce and the John H. Chafee Center for International Business
  - **What has been done:** International Efforts are experiencing a re-start post-pandemic and with a complete turnover in personnel. Since made a priority in state, though, Rhode Island has participated each year in the Select USA conference, has hosted delegations from key market sectors to state, have created a process and pipeline for Foreign Direct Investment (FDI) through in-market lead generation, and have participated in the Department of State's World Affairs Program. Additionally, relationships with US representatives of target markets have been built, which result in delegations of interested companies expanding to Rhode Island visiting. As example, key market relationships ScaleUp NL and the Blue Venture Forum.

- **What is still being built:** The team working on international business and foreign investment are working to fund and execute awareness-building internationally in focus markets, soft landing programs that support and address the unique needs of foreign companies landing in the US/in Rhode Island, and to prioritize understanding and executing additional federal funding opportunities to further promote Rhode Island internationally.
- b. Explore the feasibility of an overseas trade office.
- **Who has taken the lead:** Chafee Center for International Business (in collaboration with RI Commerce)
  - **What has been done:** A firm has been employed to establish a Foreign Direct Investment program that identifies international companies to locate to Rhode Island from one target market.
  - **What is still being built:** The State continues to build out focus markets with greater FDI return potential, which may be excellent opportunities for an overseas trade office. This assessment and potential may be used in securing funding for such an office.
- c. Establish a Foreign Direct Investment program that identifies international companies to locate to Rhode Island.
- **Who has taken the lead:** Chafee Center for International Business (in collaboration with RI Commerce)
  - **What has been done:** A firm has been employed to establish a Foreign Direct Investment program that identifies international companies to locate to Rhode Island from one target market.
  - **What is still being built:** Once an international company has been identified and qualified, there may be hand-off to the RI Commerce Business Development team.

## Innovates 2.0 Strategic Priorities

### Respond to new threats and embrace new opportunities:

#### Establish the Blue Economy as focus

- **Who has taken the lead:** University of Rhode Island Research Foundation (URIRF)
- **What has been done:** Rhode Island won a Phase 1 Build Back Better Regional Challenge award to deepen our engagement with and focus on the Blue (Ocean) Economy in state. Since that award was made in 2021, the URIRF has continued to build the Grow Blue coalition, engaging over 300 individuals and organizations in the state to develop an action plan for the Blue Economy.
- **What is still being built:** In 2023, RI Commerce, in collaboration with the URIRF and Grow Blue, applied to and was awarded Phase 1 of the EDA's Tech Hubs grant program to support further development of an undersea tech hub focused around automation and advanced materials.

#### Add Offshore Wind as a targeted industry cluster

- **Who has taken the lead:** RI Commerce



- **What has been done:** Offshore Wind is a targeted industry cluster for Rhode Island, which boasts the nation's first offshore wind farm. The Revolution Wind project is scheduled to bring 400MW to Rhode Island by 2025. Rhode Island is also actively supporting the construction of the New York South Fork project and Massachusetts Vineyard Wind projects currently under construction. Over 30 companies in the OSW space have located at the Providence CIC, making it one of the largest concentrations of OSW companies in North America.
- **What is still being built:** Ongoing work in supply chain to promote Rhode Island companies in the OSW industry and workforce development, including programs starting with K-12 along with universities, is underway. Other infrastructure efforts are underway or in planning stages including expanding ProvPort, South Quay, Quonset Development Park and the RI Airport Corporation (RIAC) pier property and land adjacent to Quonset Development Corporation. Much of this activity will be associated with the Revolution 2 procurement, which is under consideration with the public utility RI Energy as of mid-2023.

### Target the technologically advanced Back Office market

- **Who has taken the lead:** RI Commerce
- **What has been done:** Technology has been a targeted industry for Commerce, with key growth companies landing in and expanding in Rhode Island over the past five years.
- **What is still being built:** The Back Office market remains a priority focus for Commerce.

### Create a Minority Business Accelerator

- **Who has taken the lead:** RI Commerce, Business Empowerment Network
- **What has been done:** In FY23, the General Assembly allocated \$6 million to RI Commerce to develop and launch a Minority Business Accelerator, focused on providing technical assistance and access to capital to minority businesses in state. Additionally, a dozen organizations supporting the minority business community have recently come together to create the Rhode Island Business Empowerment Network (RIBEN), with a goal of more collaboratively and holistically supporting the state's minority business community.
- **What is still being built:** The Accelerator is presently being built. The first program, intermediary-based technical assistance, will be launched mid-2023. Additional programming will come online through 2024. Funding for the Minority Business Accelerator is unconfirmed after FY24.

### Transition to the future of work via a new Technology Adjustment Initiative

- **Who has taken the lead:** RI Commerce
- **What has been done:** With COVID-19, Commerce ran two programs to support businesses in their shift to better leveraging technology and generally pivot and triage their business operations to survive and thrive through and after the pandemic. The first, Business Adaptation, supported 100 businesses in these general pivots; the second, Remote Work, supported over 300 businesses with the purchase, installation, and usage of both hardware and software to allow the businesses to allow their workers to work remotely.

- **What is still being built:** This effort has not been a core priority over the past four years, but a version of this recommendation remains in the current 2023 Comprehensive Economic Development Strategy (CEDS) effort.

### **Support Business Succession across generations of business owners, particularly in manufacturing**

- **Who has taken the lead:** RI Commerce, Polaris, Initiative for a Competitive Inner City (ICIC), New Majority Capital (NMC)
- **What has been done:** RI Commerce has funded ICIC and NMC to build and run a succession-planning program for Rhode Island businesses—this program then connects those business owners to entrepreneurs of color looking to purchase a business. Polaris has additionally hosted succession planning trainings for businesses in the manufacturing field specifically.
- **What is still being built:** RI Commerce, in collaboration with Polaris, ICIC, NMC, RIBBA, and RIHCC, requested a Congressionally Designated Spending grant to further succession planning efforts within the manufacturing sector in Rhode Island in 2023.

## **Stay the course, double down, and sharpen the focus on strengthening advanced industries while improving the foundation for all businesses:**

### **Make strategic infrastructure investments for selected industry including wet labs in the Biomedical Innovation cluster, Smart Bay in the Blue Economy space, and large-scale site assembly/preparation in the advanced manufacturing/industrial area.**

- **Who has taken the lead:** RI Commerce, Quonset Development Corporation
- **What has been done:** The FY24 Rhode Island budget includes \$45 million to support Life Sciences development in the state, including the creation of a new Life Sciences Hub, including support to potentially build wet lab space in the biomedical innovation cluster. Additional investments in critical port, industrial, and advanced manufacturing facilities have been made over the past few years as well, including \$35 million investment in an offshore wind port in East Providence (South Quay), and funding for investments at Quonset, including \$60 million for improvements at the Port of Davisville. See more in the Offshore Wind status update.
- **What is still being built:** Efforts to develop a “Smart Bay” are still being discussed.

### **Expand the Innovation Campus initiative and complement this effort with an enhanced statewide tech transfer focus and expanded Innovation Voucher Initiative.**

- **Who has taken the lead:** RI Commerce
- **What has been done:** The FY24 budget provided an additional \$1 million to the Innovation Voucher Initiative as well as expanded the vouchers to allow for \$75,000 grants (previously grants were capped at \$50,000).
- **What is still being built:** Innovation Campuses are still being built, with funds remaining to be allocated.

### **Continue development of cluster networks and small business intermediaries.**

- **Who has taken the lead:** RI Commerce
- **What has been done:** For nearly five years, Commerce ran an Industry Clusters grant program supporting cluster network growth in state. Commerce continues to manage a Network Matching Grant program, which provides support to business intermediaries for them to provide access to capital, space on flexible terms, and/or technical assistance. To date, nearly \$3M has been awarded to business intermediaries through this program. Additional and targeted partnerships were formed during the pandemic as well, as business intermediaries were critical allies in ensuring the health of our small business sector.
- **What is still being built:** Additional and continued supports for small business intermediaries continue to be sought.

### **Continue progress and investment in improving quality of place via transit, housing, small business, arts, and culture. Regenerate the state's historic cities and town centers. Continue place making efforts in the 195 District.**

- **Who has taken the lead:** I-195 Redevelopment District Commission and RI Commerce
- **What has been done:** The 195 District Park provides monthly events, hosts a seasonal beer garden, and acts as a key component of Providence's placemaking efforts. Additional investments through RI Commerce have been made in public space improvements through the Main Streetscape Improvement Fund, which has awarded 23 grants to municipalities in state to improve bus shelters, wayfinding signage, Main Street facades, and other like projects. Commerce also launched a Placemaking grant program in FY23, modeled after a successful HArT (hospitality, arts, and culture) grant program for events and COVID-19-safe programming launched during the pandemic. The HArT program supported 79 organizations conduct outdoor and virtual arts/cultural programming.
- **What is still being built:** The Placemaking program is presently underway, with \$2.9 million in grants funding outdoor and public space improvements, public art installations, and events programming for 32 grantees.

### **Build municipal and regional development capacity via a new Local Development Fellows Program.**

- **Who has taken the lead:** RI Commerce, RI League of Cities and Towns
- **What has been done/what is still being built:** The League of Cities and Towns has worked to support municipalities with their capacity and collective knowledge. RI Commerce has proposed in budget twice a new Local Municipal Technical Assistance Fellowship program, though it has not yet been funded. The FY24 budget did, however, include \$1.3 million to support a housing development-focused municipal fellows program within the Department of Housing.

### **Create an inventory of public assets and large-scale private assemblies (or potential assemblies) of land to identify opportunities for better utilizing, combining, and building upon assets including land and facilities.**

- **What has been done:** N/A

### **Establish a Taxpayer Advocate and pre-audit Division of Taxation assessment to continue progress on the business climate.**

- **Who has taken the lead:** General Assembly, Division of Taxation
- **What has been done:** The Taxpayer Steward position within the Division of Taxation was created in the FY23 budget.

## Enlist greater private, civic, university, and federal engagement and investment

### Increase foreign direct investment, the export potential of existing companies, and international B-to-B relationships via a GlobalRI Initiative.

- **Who has taken the lead:** Chafee Center for International Business, RI Commerce
- **What has been done:** The FY24 State budget increased funding of SupplyRI to include, among other efforts, the exploration of a GlobalRI Initiative.
- **What is still being built:** Foreign direct investment remains a needed focus for Rhode Island. The FY24 budget allocation to SupplyRI to pilot a GlobalRI effort to increase exporting opportunities for suppliers ready to sell their products and/or services to global markets is one such step.

### Expand SupplyRI into a broader AnchorRI Initiative focused on helping our largest institutions buy local, hire local, and invest locally.

- **Who has taken the lead:** RI Commerce
- **What has been done:** SupplyRI, launched in 2018, is a program that connects Rhode Island small businesses (suppliers) to some of the state's largest companies and purchasers (anchors). There are presently over a dozen anchors and 2,200 suppliers in the database, including over 20% minority and/or women-business enterprises (M/WBE). Since inception, SupplyRI has facilitated over \$140 million in contracts awarded to local suppliers from our anchor companies.
- **What is still being built:** The FY24 State budget increased funding to SupplyRI, which will allow the program to expand focused efforts on Tier 2 suppliers—critical to supporting anchors in hiring and investing locally.

### Improve access to capital via a new InvestRI Initiative.

- **Who has taken the lead:** RI Commerce
- **What has been done:** The InvestRI Initiative by that name has not been built. However, the State Small Business Credit Initiative (SSBCI)'s \$62 million investment in Rhode Island is seeding enhanced access to capital for Rhode Island businesses, especially for our smallest businesses and businesses owned by women and people of color. Additionally, the Small Business Assistance Program provides access to capital.
- **What is still being built:** The SSBCI program is currently being built out.

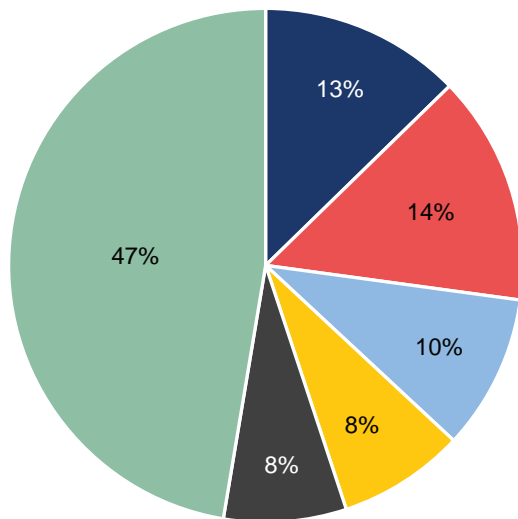
### Establish a new Community Development Entity to leverage federal tax incentives and promote municipal and neighborhood development.

- **Who has taken the lead/What has been done:** N/A



# Appendix D: Selected Industry Analysis

Top Industry Sectors Share of Employment in Rhode Island, 2022

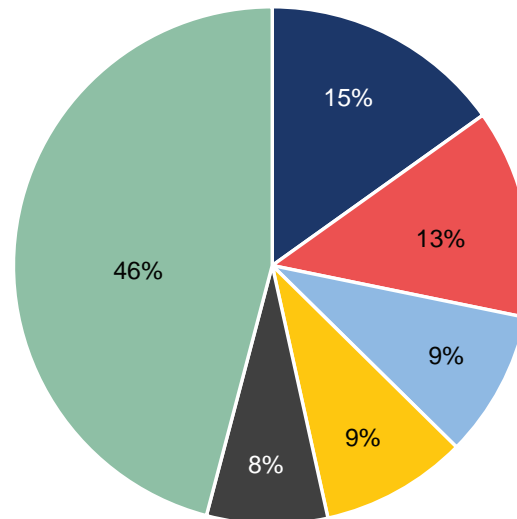


Source: Lightcast

The healthcare and social assistance industries comprise the largest number of jobs in the State of Rhode Island, and were, therefore, a central feature of the RI2030 plan.

While the Health Care and Social Assistance sector had the highest share of employment in Rhode Island, the state is losing jobs in the sector (-4%) faster than at the national level, which increased jobs by 13%. Within the Health and Social

Top Industry Sectors Share of Employment in the US, 2022



Assistance sector, the sub-industries with the most job loss since 2013 are Nursing Care Facilities (-3,227) and Specialty (except Psychiatric and Substance Abuse) Hospitals (-2,961). At 17%, earnings growth for this sector is significantly lower than at the national level (32%).

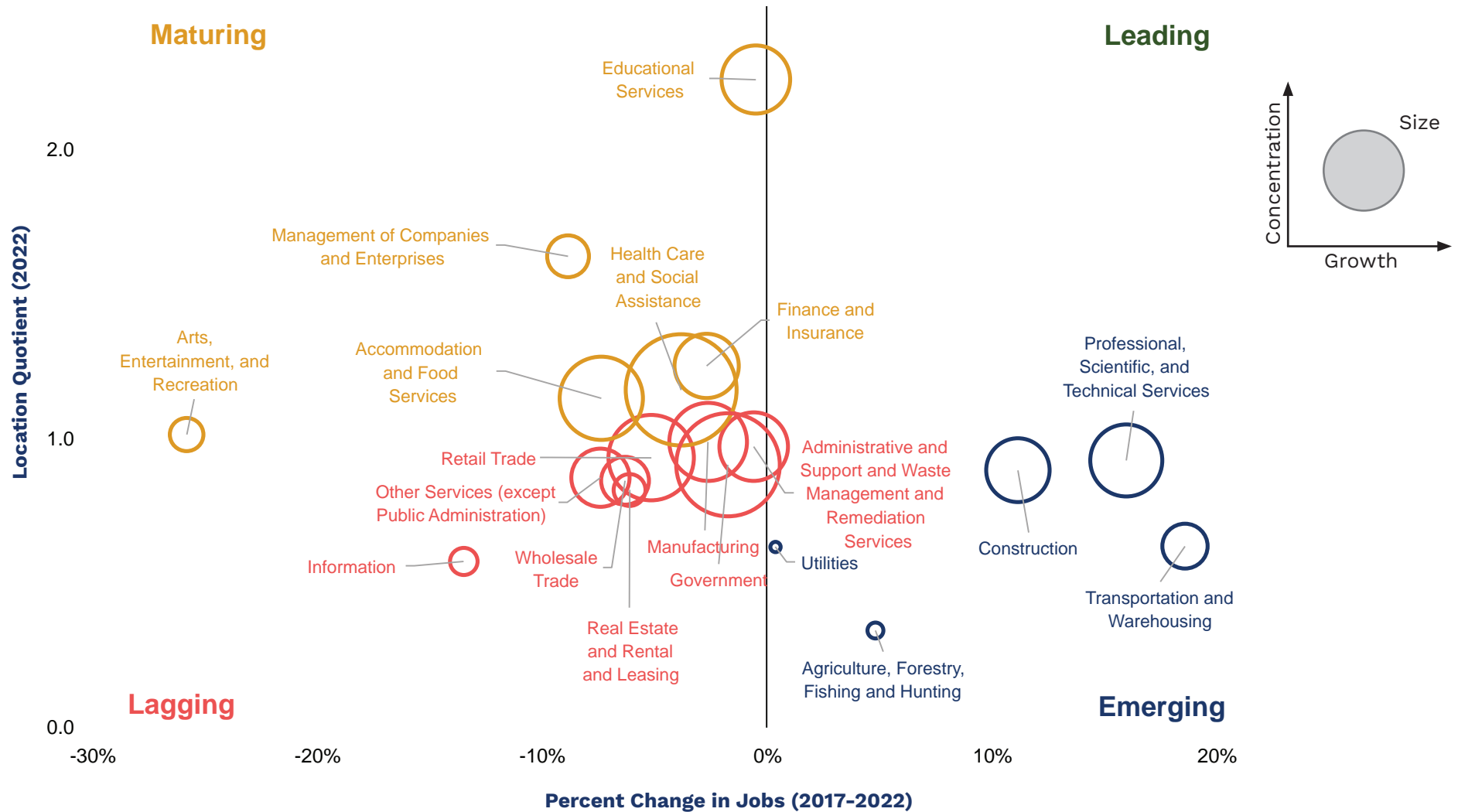
*Ocean State Accelerates* includes a general review and analysis of biosciences as a targeted sector of the healthcare

industry, with an eye toward identifying specific initiatives to advance the industry and maintain Rhode Island leadership in the healthcare sector overall.

The following bubble chart highlights key indicators for the sectors in Rhode Island, including overall size (number of jobs), concentration of jobs (called location quotient or LQ), and percent change in jobs since 2017. Rhode Island has no

### Key Metrics by Sector, Rhode Island

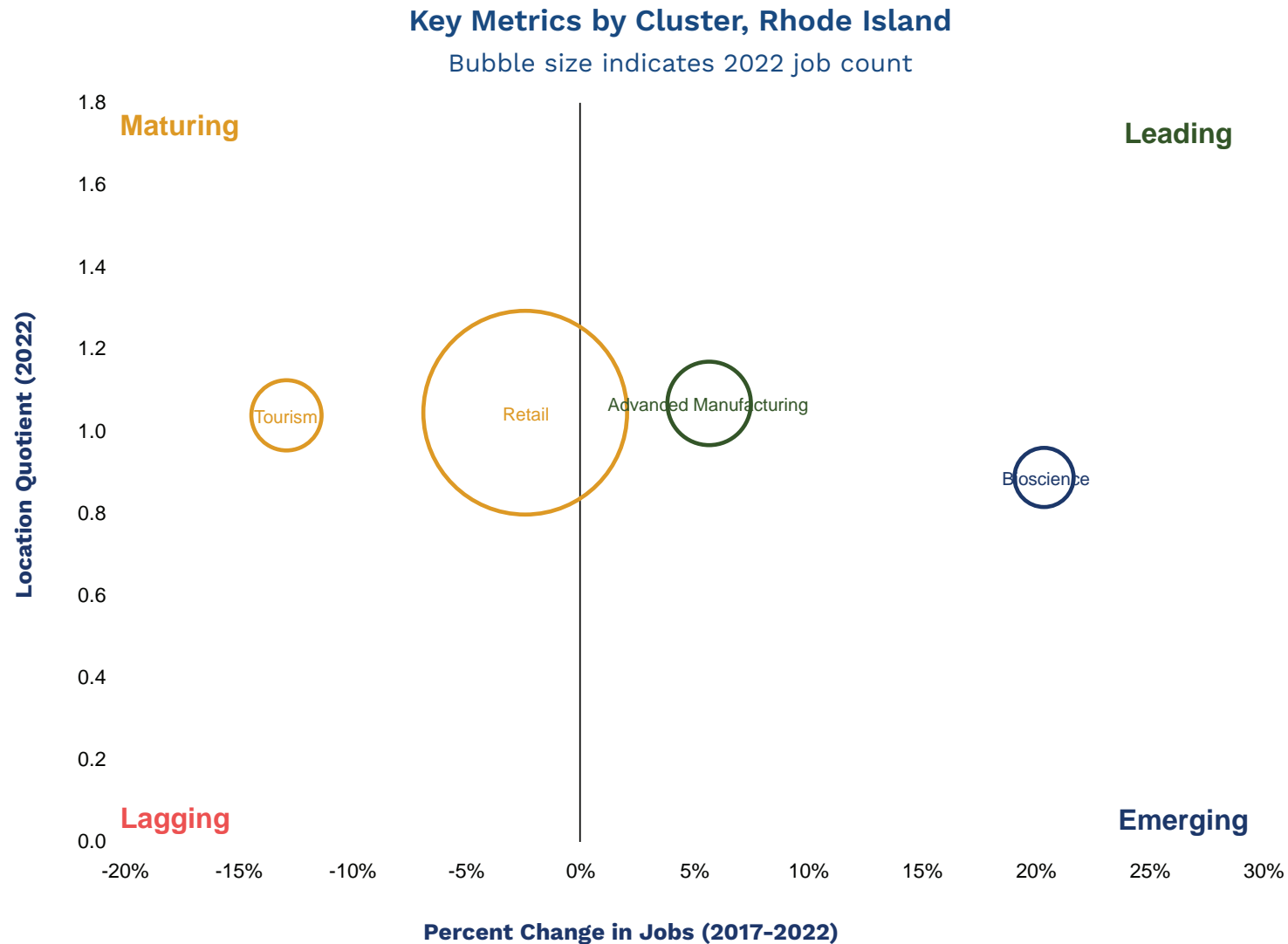
Bubble size indicates 2022 job count



Source: Lightcast

leading industries (those with above-average concentrations and that grew over the last five years), but it does have five emerging industries: Professional, Scientific, and Technical Services; Construction; Transportation and Warehousing; Agriculture, Forestry, Fishing, and Hunting; and Utilities all added jobs from 2017 to 2022.

Most sectors shrank between 2017 and 2022, a sign that some of them may not yet have recovered from pandemic-induced job losses. Among these, six are maturing industries, with employment shares above the national average. These may be considered potential “export” industries, providing services to customers outside the state or drawing nonresidents in.



Source: Lightcast

The Selected Industry Analysis provides a deep dive into four of Rhode Island’s priority and/or largest industry clusters: Advanced Manufacturing; Life/Bioscience; Retail; and Tourism. RI Commerce additionally leveraged work done by partners, who, concurrent to the development of this CEDS, conducted a parallel study on a fifth selected industry cluster: the Ocean (or “Blue”) Economy. Industry clusters are defined as: “geographic concentrations of interconnected companies and institutions in a particular field.” Additional priority clusters—food, defense and security, offshore wind and renewable energy, design, and technology—have concurrent analyses being conducted as well and thus have not been deeply evaluated here. Though segmented here, there is heavy overlap between these clusters.

The following is a summary of the results of the selected industries analysis, with a particular focus on identifying the key opportunities or niches within each. Each section also includes “opportunity areas,” or unique value-propositions for Rhode Island, and “strategy drivers,” or recommendations for ways to enhance Rhode Island’s position in the cluster.

## ADVANCED MANUFACTURING »

The Advanced Manufacturing cluster consists of firms using innovative technologies to develop and produce new products. Production activities in this cluster typically rely on information, automation, computation, software, sensing, and networking.

This sector accounts for 16,549 jobs or just over 3% of total jobs in Rhode Island.<sup>9</sup> The largest of the subclusters that make up Advanced Manufacturing is the Defense Manufacturing subcluster, which includes over a third of the cluster’s total employment. The Defense Manufacturing subcluster is heavily driven by Shipbuilding and Repairing (83% of the jobs in this cluster) and Search, Detection, Navigation,

<sup>9</sup> The Advanced Manufacturing cluster accounts for 16,549 jobs or 3.1% of the total 528,039 jobs in the state.



Guidance, Aeronautical and Nautical System, and Instrument Manufacturing. The Newport Naval Station, major employer General Dynamics - Electric Boat, and many other large and small companies contribute to Rhode Island’s strength in this sector.

Food Products and Processing subcluster is also an emerging cluster, with job growth over the last five years and almost 20% of the jobs in the cluster.

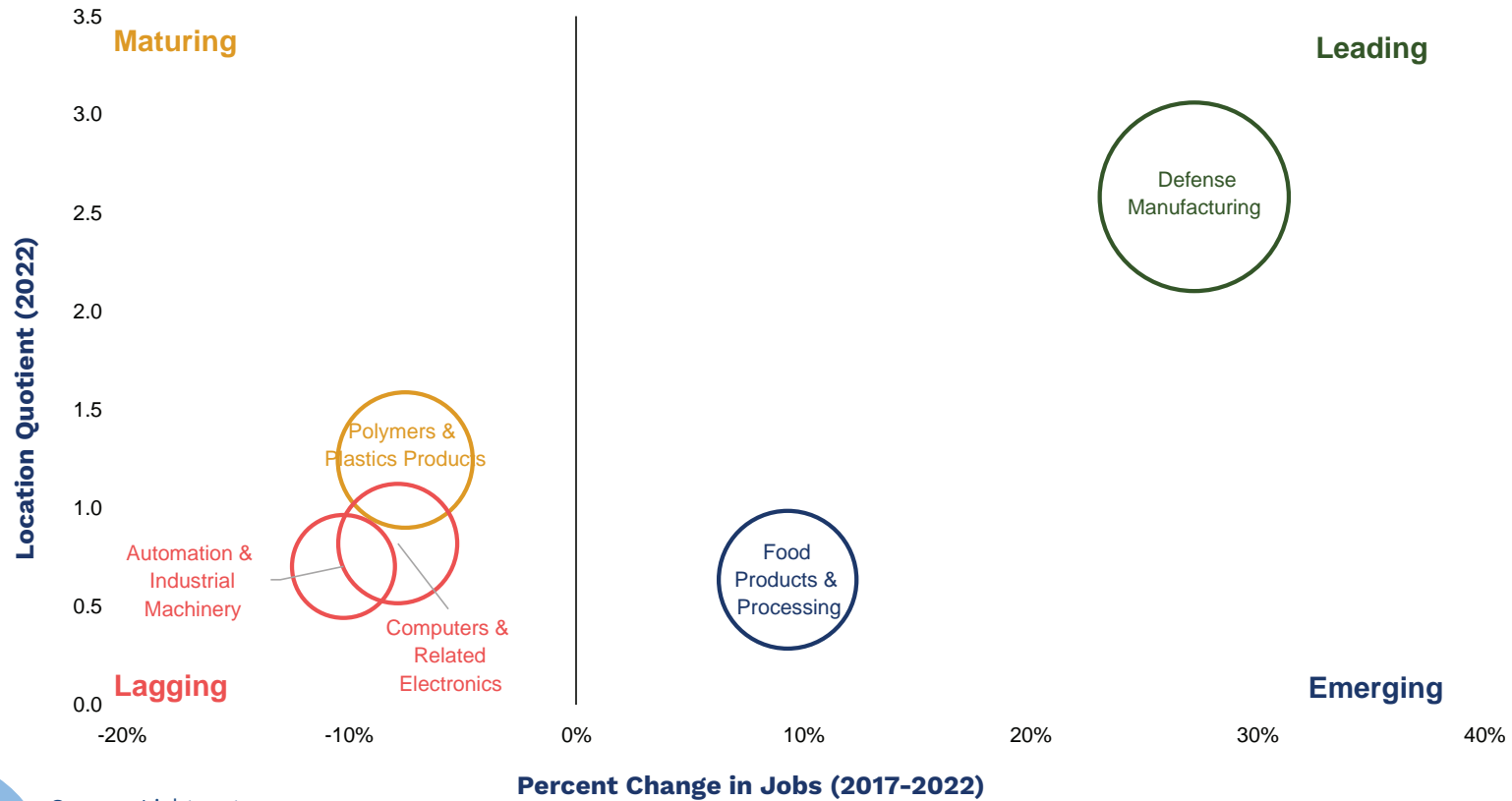
### Opportunities

- Many small- and medium-sized minority-owned supply chain businesses and continued supply chain development.
- New technology driving productivity and redefining what Advanced Manufacturing work is like.
- More affordable real estate for production compared to Boston-metro.
- Livable salary and opportunities for growth within the sector.

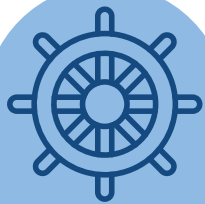


## Key Metrics by Advanced Manufacturing Subcluster, Rhode Island

Bubble size indicates 2022 job count



Source: Lightcast



## STRATEGY DRIVERS

- Expand access to capital for minority- and women-owned production.
- Support manufacturers in transitioning to more energy-efficient and carbon-neutral processes.
- Increase networking opportunities to connect supply chain businesses with purchasers and purchasing from women-, minority-, immigrant-, and veteran-owned businesses.
- Increase workforce training and skill development to meet the higher technical needs of the sector.
- Address infrastructure to meet the needs of the sector to transport goods, have reliable energy sources and strong internet to accommodate changing technical demands.
- Build resilience of the existing manufacturing base through emergency preparedness initiatives, diversification of the supply chain, and preparing for future succession planning.

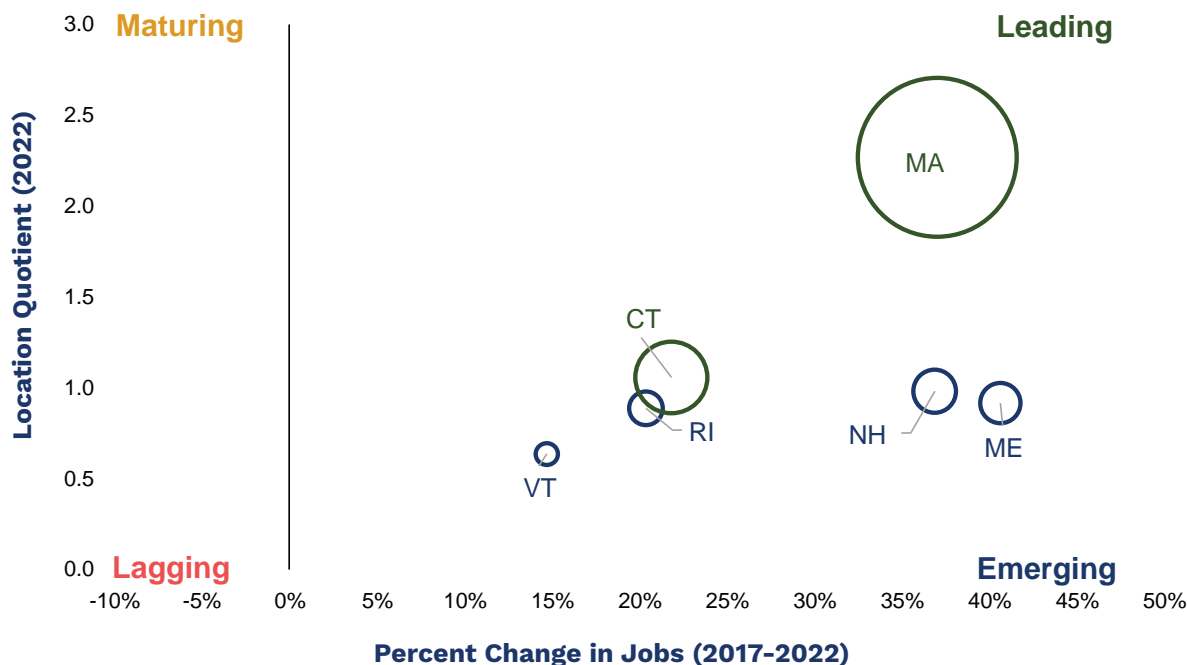
## BIOSCIENCE »

The Bioscience (or Life Sciences) cluster consists of companies primarily engaged in using living organisms or molecular and cellular techniques to provide chemicals, food, and services that meet human needs, as well as related supply chain industries including research, testing, medical laboratories, pharmaceutical manufacturing, medical device manufacturing, agricultural feedstock manufacturing, and related wholesaling and distribution.

Recent growth in Rhode Island’s Bioscience cluster has exceeded national growth but lagged New England, and it remains a relatively undersized segment within the state, providing an opportune moment for focus in the sector.

### Key Metrics by Bioscience Subcluster, New England States

Bubble size indicates 2022 job count



Source: Lightcast

Within the Bioscience cluster, the Research, Testing, and Medical Laboratories subcluster is the largest, with 38% of the total jobs. This subcluster includes research and development, medical and other lab testing, and other diagnostic-related work and has seen high employment growth over recent years.

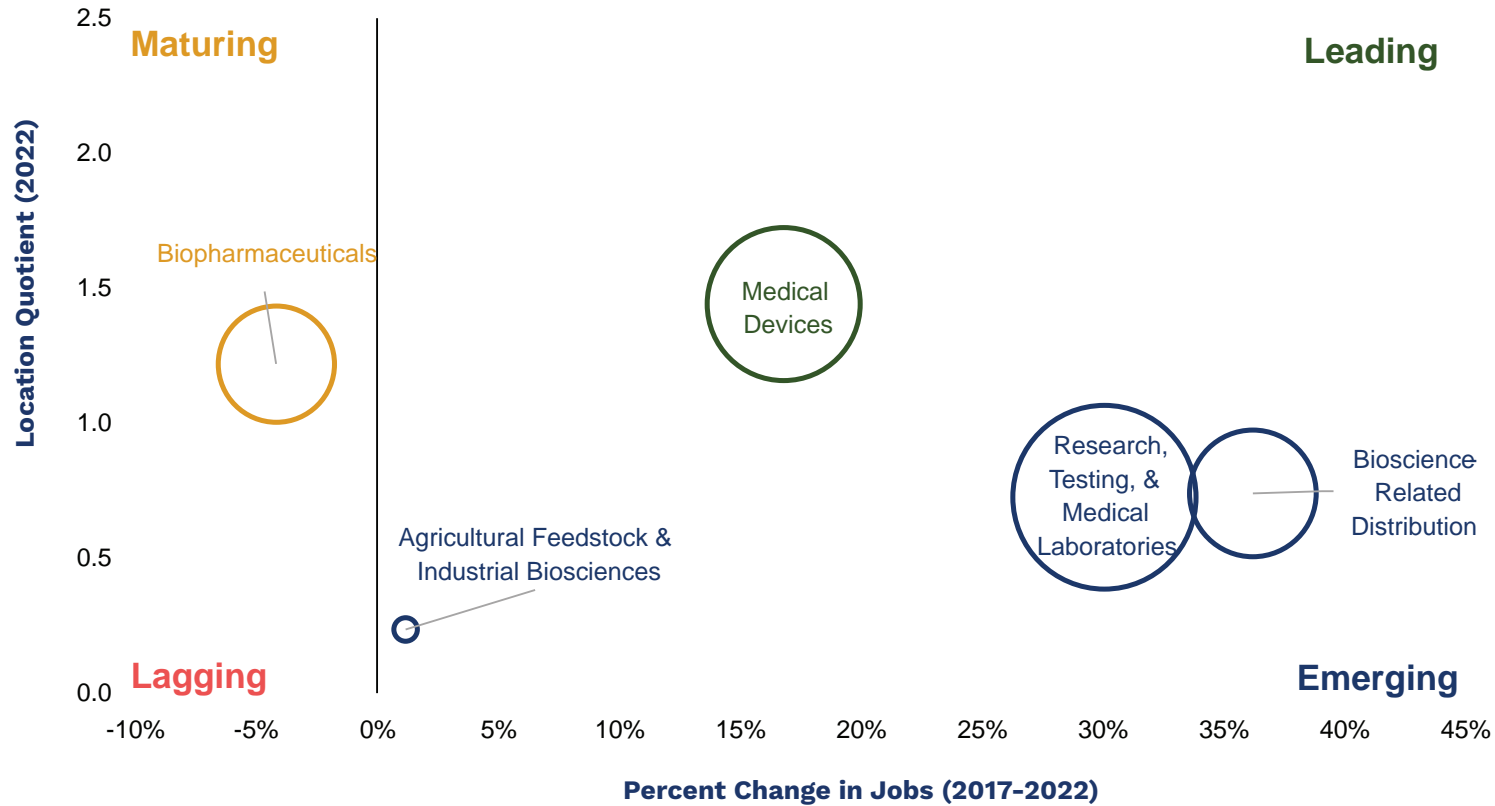
The Medical Device subcluster is showing a strong concentration within Rhode Island and has been adding jobs since 2017. The Medical Devices subcluster includes the manufacturing of devices, instruments, equipment, and supplies for healthcare applications, and it represents over a quarter of the total jobs in the bioscience cluster.

### Opportunities

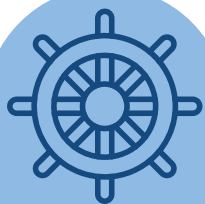
- The large and well-funded bioscience hub of the Boston area could generate spin-off opportunities for Rhode Island as companies are looking for nearby yet affordable spaces for growing their company or testing their products.
- Significant research advancements and continued investment in related studies among institutions in Rhode Island.
- Alignment with the Ocean-based Economy to understand opportunities and challenges related to marine life as well as ways to leverage the marine environment to support human needs.
- Recent State investment in expanding the Life Sciences sector in Rhode Island.
- Overlap between the strong Medical Device Manufacturing subcluster and the Advanced Manufacturing cluster.

## Key Metrics by Bioscience Subcluster, Rhode Island

Bubble size indicates 2022 job count



Source: Lightcast



## STRATEGY DRIVERS

- Invest in infrastructure, space, and capacity to build out the Bioscience cluster in Rhode Island.
- Build on Rhode Island's strengths in R&D and Bioscience-Related Distribution by leveraging the state's growing employment base—particularly in Research, Testing, and Medical Laboratories—and aligning with Boston-based activity.
- Expand on synergies between research at Rhode Island's IHEs and the Ocean-based Economy to identify solutions to regional and international ocean-related problems.
- Expand efforts to retain workforce to meet the needs of the sector.

## OCEAN-BASED ECONOMY »

*Note: The following information is from the Blue Economy Action Plan that was prepared for the State of Rhode Island by the Grow Blue Partnership at the same time as the full statewide strategy.*

With the ocean covering 71% of the Earth's surface, human life and commercial activity are inextricably linked to the water. The global ocean economy is worth over \$2.5 trillion annually—and growing—according to a recent United Nations Conference on Trade and Development (2021).<sup>10</sup> Industries contributing to this impact include, but are not limited to:

- Ports and Shipping
- Tourism and Recreation
- Offshore Renewable Energy
- Education and Training
- Aquaculture and Fisheries
- Marine Trades
- Defense

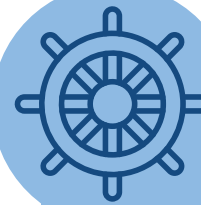
The total impact of the Rhode Island Ocean-based Economy is estimated to be \$5.2 billion and more than 36,500 jobs.<sup>11</sup>

Worldwide, economic and political leaders recognize that the Ocean-based Economy is poised for growth. From renewable energy to increased food opportunities, from systems innovation to adaptation and resilience in the face of climate change, the Ocean-based Economy can bring both economic prosperity and environmental protection to coastal areas.

Various Ocean-based Economy industry sectors are creating good jobs for a range of skill levels; defining and structuring the focus of the Ocean-based Economy can accelerate Rhode Island's equitable economic development.

## Opportunities

- Increased attention and innovation in the Climate-Tech sector that can further the goals of the state's Ocean-based Economy.
- Overlap between the Ocean-based Economy and Biosciences to find solutions to protect natural resources as well as benefit society.
- Significant research at the University of Rhode Island and Brown University related to the Ocean-based Economy.
- Leadership and commitment to offshore wind, including around building the workforce needed to support the sector.



## STRATEGY DRIVERS

- Invest in expanding ocean-based renewable energy solutions and supportive infrastructure.
- Build on innovation and commercialization of marine-based products.
- Protect the working waterfronts for fishing, transportation, and aquaculture.
- Continue efforts to expand coastal resilience.

<sup>10</sup> [United Nations Center on Trade and Development](#); McCann, J., Poli, S., Kennedy, S., O'Neill, E., Robadue, D., and Kotowicz, D. (2020). The Value of Rhode Island's Blue Economy. Coastal Resources Center and Rhode Island Sea Grant College Program, Graduate School of Oceanography, University of Rhode Island.

<sup>11</sup> McCann, J., et al. (2020).



## RETAIL AND EATING/DRINKING BUSINESSES »

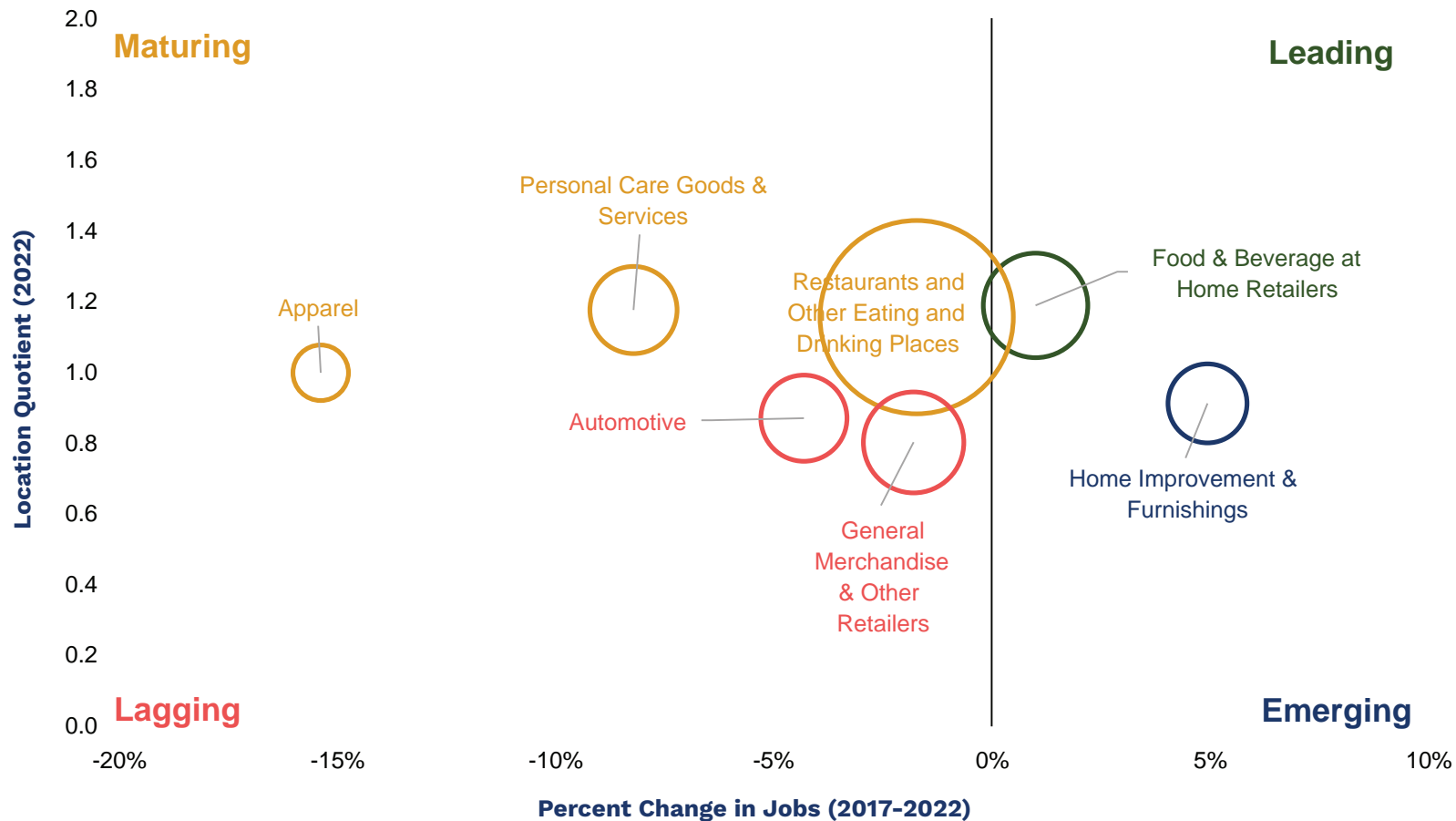
The Retail Trade cluster is defined as the final step in the distribution of merchandise to end consumers and includes retailers operating through brick-and-mortar locations, online sales, or both. Though not formally a retail subsector, restaurants, and other eating and drinking businesses are also included in the retail industry cluster for the purposes of this analysis.

New England states saw retail trade cluster employment decline across the board from 2017-2022, though Rhode Island's losses were among the lowest in percentage terms: Employment in the cluster in Rhode Island decreased by 2.4%, notably less than the 6.4% decline experienced in New England as a whole.

Rhode Island's Retail cluster constitutes about 7.1% of New England jobs in the cluster (compared to the state's 6.6% share of all jobs economy-wide). Rhode Island ranks 5th in

### Key Metrics by Retail Subcluster, Rhode Island

Bubble size indicates 2022 job count



Source: Lightcast

the region in terms of overall cluster employment and 3rd in concentration relative to total employment. As noted above, with a location quotient of 1.04, the cluster has a slightly above-average presence in Rhode Island relative to the nation.

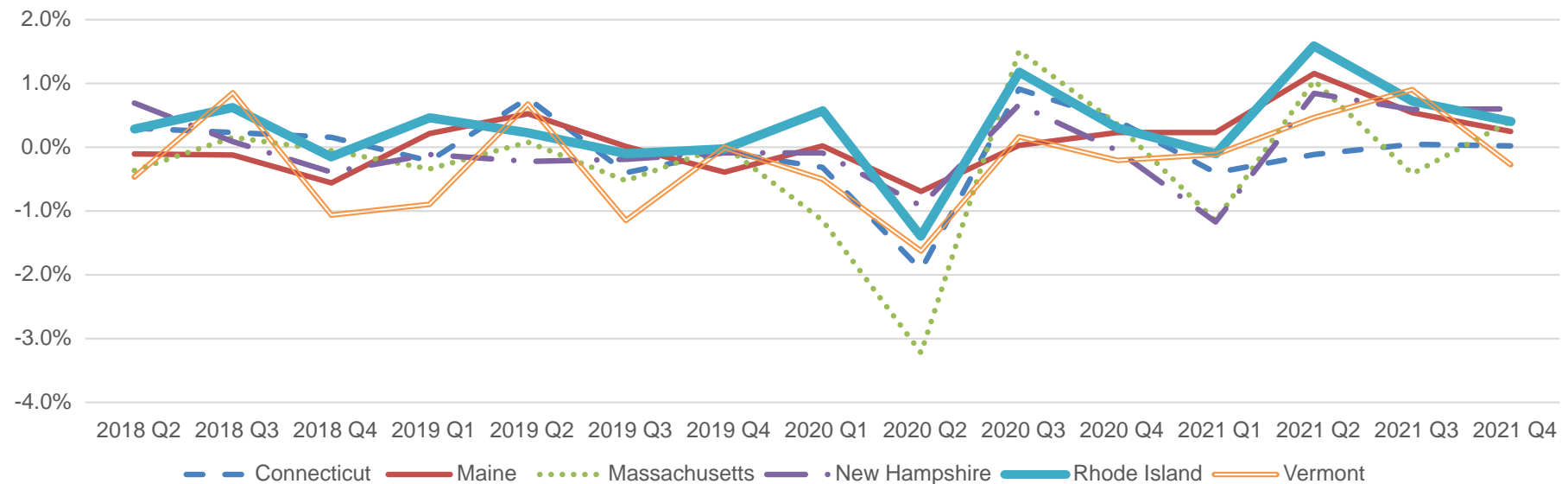
The restaurant subsector comprises over 44% of employment in the retail cluster, the most by far. Full-service and limited-service restaurants constitute a full one-third of all retail cluster jobs. Earnings in this subsector are the lowest in the cluster, averaging \$30,000 per job.

Food and beverage at-home retailers (purchased and brought home to consume) were one of two subclusters that showed employment growth between 2017 and 2022, likely driven by consumers shifting spending from dining out during the pandemic. Specifically, Supermarkets gained jobs and most specialty stores lost jobs over the past five years. Further, Fish

and Seafood Markets and Beer, Wine, and Liquor Stores are particularly concentrated in Rhode Island compared to the nation as a whole, with location quotients well above 2.00. During the period from 2018 to 2021, the retail industry in the New England region experienced significant fluctuations in the number of business establishments. Rhode Island, however, maintained a relatively stable trend with a change ranging between zero to 1% quarter after quarter. It is worth noting that after the peak of the COVID-19 pandemic, Rhode Island immediately began an uptrend in business count. These trends reflect the ongoing pandemic-era challenges faced by the retail industry in New England.

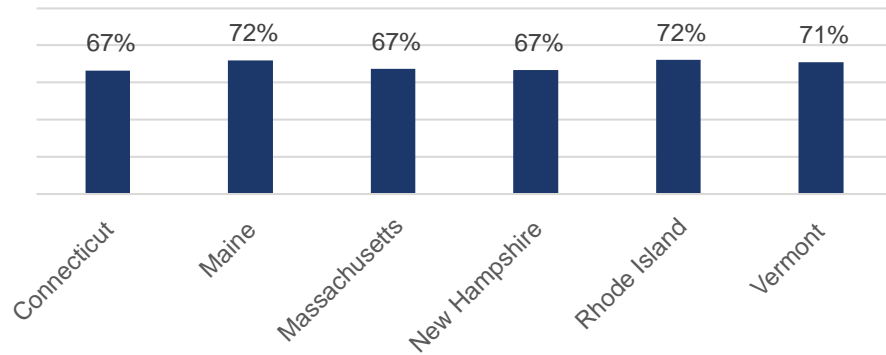
Along with Maine, Rhode Island has the highest percentage of legacy retail businesses among the New England states listed, with 72% of businesses being open for more than five years.

### Quarterly Change in Establishment Count, 2018 Q1-2021 Q4



Source: Sitewise Analytics Datatotal

## Legacy Businesses (Occupied Space for More Than Five Years)



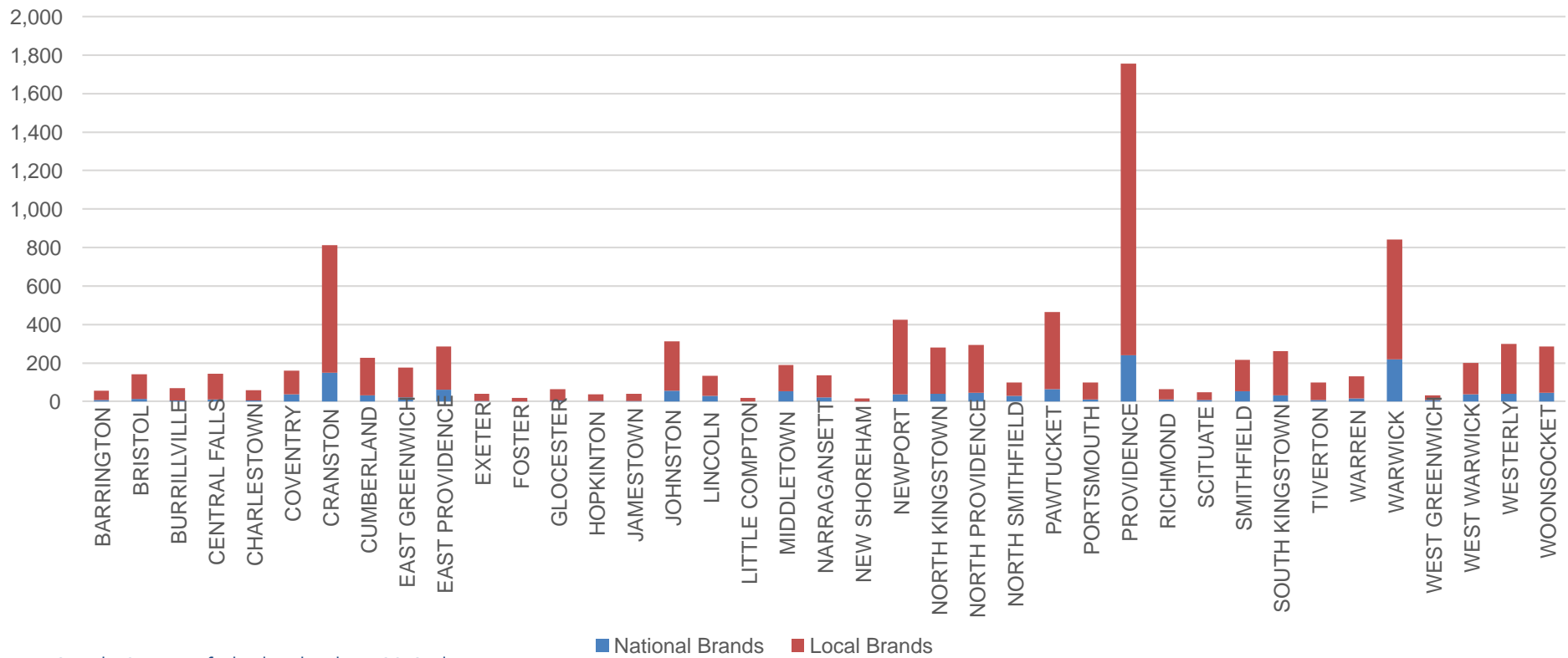
Source: CoStar

Retail in Rhode Island is clustered in a few cities/towns near the urbanized portion of the state, with the greatest count of businesses in Providence, Warwick, and Cranston. The majority of businesses in each city/town are local brands, with only 16% representing national brands statewide.

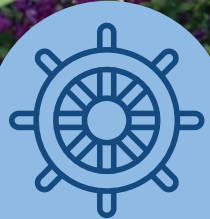
### Opportunities

- Strength and significant presence of Rhode Island's locally owned retail and restaurant sector.
- Stability of retail in Rhode Island, including high number of legacy companies and faster rebound after COVID-19.
- Concentration of retail activity supporting placemaking efforts and improving walkability.

## Total Retail Establishments



Source: Google Scrape of Rhode Island NAICS Codes



## STRATEGY DRIVERS

- Support small businesses throughout the state, including retail and restaurants, to maintain longevity and resilience.
- Encourage the use of retail/restaurants as a way to support placemaking.
- Expand awareness of and access to technical assistance for diverse business owners.
- Support the redevelopment of underutilized parcels to include a mix of uses, including retail.
- Support manufacturing companies, including food and beverage manufacturers



## TOURISM »

The Tourism cluster consists of operators serving and/or catering to visitors at a given destination, including both leisure and business travel. It employs over 11,000 people statewide.<sup>12</sup>

Rhode Island's natural and cultural resources as well as entertainment opportunities consistently attract visitors to the state. The attributes that make Rhode Island a great place to visit are similar to those that make it a great place to live, creating dual-reasons to invest in the tourism cluster as a whole.

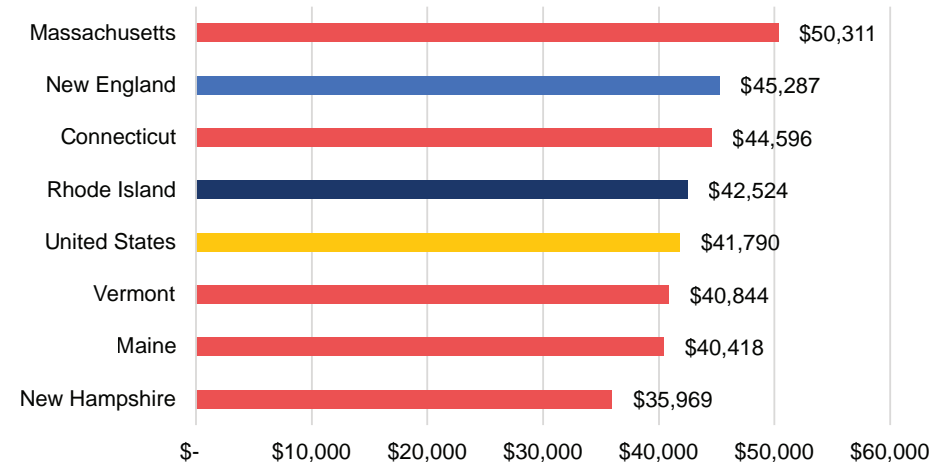
The Lodging subsector is the largest by employment, making up 46.4% of jobs and 60% of gross regional product (GRP) in the Tourism cluster. Despite considerable declines in hotel and motel employment between 2017-2022, the subsector saw a net gain of 767 jobs (+16.2%) over this period due to the opening of Bally's Twin River Casino Resort in Lincoln and the Tiverton Casino Hotel, both in 2018 (categorized as casino hotels). Rhode Island's concentration of lodging is on par with the national average.

### Opportunity Areas

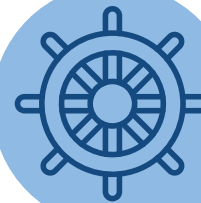
- Increased interest in experiential tourism that can expand the industry reach to new areas of the state based on things like food, history, outdoor recreation.
- Brand recognition for Rhode Island's core destinations (Newport, Block Island, beaches).

<sup>12</sup> The tourism cluster encompasses 10 food and beverage NAICS codes that are also used in the retail industry analysis.

## Average Earnings per Job, Tourism Cluster



Source: Lightcast



## STRATEGY DRIVERS

- Expand placemaking throughout the state to disperse the benefit and economic activity.
- Continue to invest in the maintenance and expansion of tourism and recreation assets, including trails, historic sites, community centers, coastline, events, and attractions.
- Increase use of assets during the shoulder season.
- Protect natural resources of Rhode Island

# Appendix E: Statewide Diagnostic

The separate Appendix Attachment includes the following analysis that make up the Rhode Island Statewide Diagnostic:

- Economic Base Analysis
- Workforce Analysis
- National Indicators Analysis
- Sustainable Growth and Economic Resilience Analysis
- Small Business Analysis
- Community Development Analysis
- Appendix E: Selected Industry Analysis

# Appendix F: Stakeholder Focus Group Feedback

This Appendix provides an overview of the feedback and notes taken from the dozen official focus groups hosted in June 2023 through this process.

## Education

- Revisiting the Department of Education's high school accountability goals.
- Removing barriers to internships for low-income families where some families assume they must claim students' income which affects their eligibility for some benefits.
- Empowering school administrators to innovate.
- Expanding access to high-quality childcare and Pre-K programs.

## Workforce Development

- Considering lowering thresholds to get into some job training programs.
- Providing job training for emerging skills and addressing workforce housing needs.
- Rethinking transportation assistance to help people get to job sites, especially in southern Rhode Island (e.g., Narragansett, Westerly, Newport). The public transit system cannot meet needs, and many residents cannot afford access to cars.

- Creating jobs in underserved communities.
- Helping high school juniors and seniors who are not in the traditional CTE pathways as many are unable to participate in workforce programs if they do not have a steady income.
- Addressing citizenship and eligibility to work, including for immigrants and formerly incarcerated individuals.
- Changing accountability structures of the state which focuses on high graduation rates that do not align with new paradigms for skills training.
- Considering the need to incentivize individuals to remain in-state following college or to move back.

## Employment-Based Issues

- Considering incentives for employers to offer childcare benefits and working with employers to offer credits for family health benefits to position small businesses to be more competitive with benefits packages.
- Considering legislative support to enhance incentives for employers to provide internships, transportation support, and on-site childcare.
- Offering incentives for businesses to provide a higher minimum wage to bring in more State taxes so that resources could be repurposed into incentives packages for businesses to better support workers (e.g., transportation, childcare, benefits).

- Providing fair wages for the hospitality, service, and creative sectors.

## Place-Based Improvements

- Addressing food insecurity in all communities.
- Fixing the piecemeal nature of placemaking and community development funding.

## Business Support Needs

- Simplifying the business registration process.
- Expand number of State and local contracts won by minority and women-owned enterprise—and expanding this effort to industries other than construction.
- Investing in creative art entrepreneurs.
- Providing transparency with tourism marketing.
- Reconsideration of restaurant personal property tax of 8% annually on equipment.
- Establishing a coordinated, state-level governing process for tourism.
- Establishing a business retention and expansion tax incentive program.
- Requiring the State to reinvest restaurant industry taxes back into industry promotion.
- Focusing on microloans and the establishment of a new Community Development Financial Institution (CDFI).
- Creating a sub-state entity that provides loan guarantees for small businesses and/or provides a short-term revolving loan fund for small businesses who begin government contracts.
- Offering incentives for employers that offer childcare and transportation benefits.
- Encouraging State support for employers that create internships, offer transportation support, and

on-site childcare.

- Reciprocity for credential recognition to make it easier to accept credentials that immigrants and military spouses already have.
- Incentives for businesses to offer a higher minimum wage and expanded benefits.
- Conducting accountability assessment of all small business support service providers that receive funding from the State.
- Supporting municipalities that do not have money to support cybersecurity risk recognition at the user level.
- Designing business resilience templates for customization and adoption by small businesses.

## Infrastructure

- Considering childcare as infrastructure.
- Building out systemwide cybersecurity architecture to oversee and implement cybersecurity measures, e.g. CTO, CIOs.
- Reconsidering toll roads and using charging to finance green infrastructure.
- Reconsidering old utility easements to determine if land can be opened up for higher purpose use.
- Directing DOT to make transit investments.
- Financially assist homeowners who are not in a position to transition to non-fossil fuel.
- Improving the condition of the natural gas system.
- Expanding and improving the public transit and bike path systems.
- Exploring the viability of aquacultural coexistence with offshore wind and fisheries.
- Developing infrastructure to support zero-waste food and beverage operations.



- Establishing a visitor's center or multiple centers for the state.
- Providing historic restoration support for Newport Mansions and other legacy assets that drive a large share of tourism to the state.
- Considering the ease of entryways and greater awareness of public venues (e.g., Roger Williams Park Zoo).
- Building public networks to donate food waste.
- Providing grants to tourism destinations including arts facilities, festival streets, and beaches to contribute to infrastructure improvements.
- Ensuring equitable distribution of broadband infrastructure.
- Considering creating a central entity to manage response to inland and coastal flooding emergencies.

## Food and Agriculture

- Developing clear food sector strategies, including supporting the establishment and growth of agriculture, production, and restaurant businesses at all scales.
- Considering right-to-farm legislation to encourage farmers to switch from pesticides to composting.
- Providing State incentives to match federal Bonus Bucks that increase the ability to use SNAP dollars at farmer's markets.
- Developing legislation to protect core forests and farmland.
- Continuing green bonds to protect all natural resources.
- Considering a co-op model for the food and beverage industry to access employee benefits.

# Appendix G: Acknowledgments

Funding for this project was generously provided by the US Economic Development Administration.

The strategy was prepared with assistance from Camoin Associates and &Access. Deep community engagement was critical to the success of this effort: RI Commerce recognizes and thanks all those who have participated in this process,

through the Economic Development Steering Committee, participation in one of the 12 focus groups, an in-person or virtual public session, or through an individual interview.

Commerce especially wants to thank those who gave time through focus groups and informal feedback sessions, including:

<b>Alyssa Alvarado</b>	Governor's Workforce Board
<b>Manuel Batlle</b>	Small Business Development Center
<b>Jan Brodie</b>	Pawtucket Foundation
<b>Scott Bromberg</b>	RI Food Dealers' Association
<b>Adam Brunetti</b>	Downtown Woonsocket Collaborative
<b>Karen Bullock</b>	Brown University
<b>Bob Burke</b>	Pot au Feu
<b>Olivia Byron</b>	Department of Labor and Training
<b>Carly Callahan</b>	United Theatre
<b>Anna Cano-Morales</b>	Rhode Island College
<b>Dave Chenevert</b>	RI Manufacturers Association

<b>Brenda Clement</b>	HousingWorks RI
<b>Matthew Cook</b>	AstroNova, Inc.
<b>Christian Cowan</b>	URI Research Foundation
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## About Camoin Associates >>

As a full-service economic development and lead generation consulting firm, Camoin Associates empowers communities through human connection backed by robust analytics.

Since 1999, Camoin Associates has helped local and state governments, economic development organizations, nonprofit organizations, and private businesses across the

country generate economic results marked by resiliency and prosperity.

To learn more about Camoin Associates' experience and projects in all of its service lines, please visit the company's website at [www.camoinassociates.com](http://www.camoinassociates.com) or find them on [LinkedIn](#), [Facebook](#), and [YouTube](#).

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## About &Access >>

&Access works toward transformative community development, fostering equitable retail solutions and innovative approaches to urban planning and economic development. With a data-driven and design-centric ethos, its mission transcends traditional paradigms, aiming to uplift historically excluded entrepreneurs and under-invested communities.

Through leading and partnering on initiatives like the [In-Place Project](#) and the [Small Business Anti-Displacement Network](#), we harness the power of information, collaboration, and strategic investment to create thriving, inclusive

neighborhoods. The &Access team combines expertise in retail market analysis, impact investment, and community engagement to reshape the urban landscape, leaving an sustainable mark on how places evolve and prosper.

Explore &Access's work and gain insights into equitable retail solutions by visiting the company's website: [www.andaccess.com](http://www.andaccess.com). You can also stay connected with them through [LinkedIn](#) and [Instagram](#) for the latest updates and key information about the company's initiatives.

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