### Block Island Named 
#5 Best U.S. Island for Family Vacations

— Condé Nast Traveler
Readers' Choice

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Dear Stakeholders,

It’s an exciting time to be involved with the Rhode Island Commerce Corporation. The State, through the leadership of Governor Gina M. Raimondo and Secretary of Commerce Stefan Pryor, is building a portfolio of investments that will lead the way for workforce development, advanced industries, enterprise innovation, visitor attraction, business expansion and recruitment.

In 2014 the General Assembly recognized the need for an infrastructure capable of supporting a new economic development approach, and created the Executive Office of Commerce (EOC). In 2015, after working closely with the EOC, the General Assembly voted to approve a suite of new economic development tools. Simply put, 2015 was a year of setting the stage for growth.

I am proud to be part of a team that makes innovative and accelerating progress possible. I want to give special thanks to my predecessor Marcel Valois and our entire team for their tireless effort helping Rhode Island businesses grow and prosper.

Respectfully,

Darin Early
President & COO

PROVIDENCE IS THE #1 CITY TO RAISE KIDS IN AMERICA” —Destination Tips
COMMERCE CORPORATION BOARD OF DIRECTORS

The Honorable Gina M. Raimondo
Chair
Governor, State of Rhode Island

Ronald P. O’Hanley
Vice-Chair
President & CEO, State Street Global Advisors

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Director of Operations, Academy for Career Exploration

EXECUTIVE OFFICE OF COMMERCE

Stefan Pryor
Secretary of Commerce, State of Rhode Island

Wade Gibson
Chief of Staff
Executive Office of Commerce, State of Rhode Island

Jeremy Licht
General Counsel
Executive Office of Commerce, State of Rhode Island

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President & COO
Rhode Island Commerce Corporation

Marcel Valois
Senior Economic Development Advisor
Rhode Island Commerce Corporation

Lisa Lasky
Chief Financial Officer
Rhode Island Commerce Corporation

Elizabeth Tanner
Executive VP of Client Services
Rhode Island Commerce Corporation

Bill Ash
Managing Director of Financial Services
Rhode Island Commerce Corporation

Dan Jennings
Senior Economic Development Advisor
Rhode Island Commerce Corporation

Jesse Saglio
Managing Director, Head of Investments
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Managing Director of Financial Services
Rhode Island Commerce Corporation

Dan Jennings
Senior Economic Development Advisor
Rhode Island Commerce Corporation

Jesse Saglio
Managing Director, Head of Investments
Rhode Island Commerce Corporation
DESIGNING ECONOMIC TOOLS FOR GROWTH

During the 2015 legislative session, the Commerce Corporation worked closely with the Governor, the EDC and leaders in both chambers to level the playing field by developing powerful incentives that will help grow Rhode Island’s economy. The General Assembly overwhelmingly supported this suite of economic tools focused on creating job opportunities for Rhode Island’s citizens.

Among the new economic development initiatives are incentive programs that encourage businesses to create jobs and invest in capital assets that will spur Rhode Island’s growth. The Qualified Jobs incentive program offers annual, redeemable tax credits for up to 10 years to companies expanding their workforce in Rhode Island or relocating jobs New jobs from out of state. Similarly, the Rebuild Rhode Island Tax Credit program creates lasting partnerships in the STEM fields. The P-TECH Fellowship reimburses annual student loan payments for four years for college graduates pursuing careers in the STEM fields. The P-TECH program creates lasting partnerships between public high schools, the Community College of Rhode Island and Rhode Island employers to grow the state’s skilled workforce.

The full suite of new economic tools includes:

- Qualified Jobs Incentive
- Rebuild/Rhode Island Tax Credit
- First Wave Closing Fund
- Main Street Streetscape Improvement Fund
- Rhode Island Industrial Development Tax Credit
- Incentive Vouchers
- Tax Increment Financing
- Industry Cluster Initiatives
- Small Business Assistance
- Anchor Institution Tax Credit
- Main Street Streetscape Improvement Fund
- First Wave Closing Fund
- Rebuild Rhode Island Tax Credit
- Qualified Jobs Incentive
- Preapring to Measure
- Programmatic and investment
- Program performance and outcomes
- Works with the Commerce
- Corporation to develop and implement
- Economic development initiatives.
DASSAULT SYSTÈMES
With the help of the Commerce Corporation, Dassault Systèmes (DS) SIMULIA moved into its new 100,000-square-foot space located in the Northwoods Office Park in Johnston in November 2014. The Commerce Corporation supported the site-search process by identifying Providence office sites and expanding to the greater Providence metro area, finally isolating the new development project that was selected to accommodate more than 350 Rhode Island-based employees. The ribbon-cutting ceremony was held on December 9, 2014. DS is a French-owned, international software-design company supporting system engineering and manufacturing companies and their products with 3D software.

ATLANTIC PRODUCE, INC. (dba Boston Greens)
The Commerce Corporation hosted Atlantic Produce in 2013 and began supporting its efforts to establish a new business model of growing leafy vegetables and herbs. At Atlantic Produce was identifying locations in the Northeast, the Commerce Corporation introduced the company to the University of Rhode Island College of Environment and Life Sciences (CELS), which led to the signing of a R&D agreement providing the company a third-party validation of its growing process and students to work in a new hydroponic greenhouse. Atlantic Produce officially opened Rhode Island’s first commercial, high-tech hydroponic greenhouse in the summer of 2015 and launched the Boston Greens™ line of herbicide-free, pesticide-free produce grown year-round and distributed throughout southeastern New England.

GREENCORE USA
Greencore is an Irish-based, multinational global leader in convenience foods and the largest manufacturer of fresh sandwiches worldwide. When Greencore USA, the company’s North American presence, needed to expand its production facility in the Northeast, the company chose the Quonset Business Park in Rhode Island. Centrally located between Boston and New York, Rhode Island presented an ideal location. Greencore executives were enthused with Quonset’s incentives, which reward longer-term leases and job creation based on payrolls, and Site Readiness Program. Greencore had a tight schedule—less than 14 months to build a 107,000-square-foot green-field, state-of-the-art fresh-prepared-food facility, almost twice the speed of a normal project. The Commerce Corporation worked with other agencies to expedite the development timeline offered. Only 11 months elapsed between groundbreaking and the start of operations in April 2015.

ARTIC TOOL & ENGINEERING COMPANY
When the Carlyle Johnson Machine Company (CJMC)—the Connecticut-based parent company of Artic Tool & Engineering Company—decided to embark on an aggressive growth plan through new product offerings and advanced product development, it needed an alternative to its facility in Warwick, RI. The Rhode Island Commerce Corporation stepped in to assist Artic Tool in its new site location search. Once a new location was identified in Smithfield, Artic Tool’s Client Service Advisor at the Commerce Corporation worked with the Commerce Corporation’s financial products team to secure a SBA 504 loan so Artic Tool could purchase the new facility.
VOLVO OCEAN RACE NEWPORT

The Commerce Corporation was responsible for coordinating public safety at this marquee event. Our scope of work included managing private security consultants, private security guards, private ambulance service, Newport Police and Fire, the Rhode Island Department of Environmental Management Police, Rhode Island State Police, the Rhode Island Emergency Management Agency and the Civil Support Team that used the race for training purposes.

The Commerce Corporation was also responsible for field services including ADA compliance, sanitation, logistics and coordination of other state agencies to ensure all proper permits and licenses were obtained as they related to public safety and planning.

TEAM ALVIMEDICA was skippered by Bristol, RI, native Charlie Enright

NEWPORT was the only stopover in North America

125,000 visitors over 13 days & ranked ahead of the Abu Dhabi stopover

PLATINUM LEVEL certification as a Clean Regatta

$47 MILLION in economic impact as reported by Sail Newport

SEVENTH PORT to be confirmed for the 2018 race

#1 BEST PLACE TO VISIT IN THE U.S.A. FOR SAILING

— Condé Nast Traveler
REVENUE BONDS
The Commerce Corporation issues revenue bonds in the form of conduit financing. With the exception of Job Creation Guaranty Moral Obligation Bonds, the Commerce Corporation–issued bonds carry little to no exposure for Rhode Island taxpayers.

RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION (RIIFC)
RIIFC offers both tax-exempt and taxable revenue bonds to businesses exploring various manufacturing projects with a $20-million limit per project. The bond proceeds can cover up to 100 percent of the cost for a manufacturing project, including land, new machinery and equipment, building costs and certain eligible “soft” costs.

RHODE ISLAND INDUSTRIAL RECREATIONAL BUILDING AUTHORITY (IRBA)
IRBA offers mortgage insurance, covering up to 90 percent of real estate, 80 percent of machinery and equipment, and 75 percent of tourist-travel recreation projects. The maximum amount a business can borrow is $5 million. Funds can be used for new building acquisitions, additions, rehabilitation of existing buildings, and new or used machinery and equipment. This program offers borrowers debt insurance on tax-exempt and taxable bonds, as well as conventional mortgages.

Public institutions of the State of Rhode Island having distinct legal existence from the State and the Commerce Corporation.

BONDS & NOTES ISSUED TO THE FOLLOWING

$75,000,000
HISTORIC STRUCTURES TAX CREDIT

$42,980,000
RHODE ISLAND AIRPORT CORPORATION

$2,117,700
ASHAWAY PINES

$120,097,700
TOTAL BONDS ISSUED

PROVIDENCE NAMED ONE OF THE TOP 100 BEST PERFORMING LARGE CITIES IN THE U.S.”
—Milken Institute
A key to growth is access to capital. For smaller Rhode Island–based manufacturing, processing and selected services businesses looking for a direct, fully secured loan, the SBLF provides an infusion of cash for working capital up to $500,000. Manufacturers seeking financing for the acquisition of land, buildings and equipment may qualify for loans in excess of this $500,000 limit.

**SMALL BUSINESS LOAN FUND (SBLF)**

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**SMALL BUSINESS LOAN FUND (SBLF)**

CHRONOMATIC

SBLF provided financing for the upgrading of the company’s HVAC system to a highly efficient system. Chronomatic, Inc., manufactures and sells “recognition and promotional jewelry” that acknowledges and celebrates personal, professional and organizational identity—such as athletic award rings and branded merchandise. Chronromatic has been passionate about delivering a superior product that typifies, if not improving quality and recognized as having high-perceived value.

1. Chronomatic signed a new contract with the U.S. Navy as the vendor/supplier for the U.S. Navy Exchanges worldwide and manufacturer of Navy logo-driven jewelry.

2. Chronomatic was commissioned by United States Military Academy (USMA) at West Point to design and manufacture a commemorative pin for former U.S. Secretary of State Madeleine Albright. This gift was presented to her during her visit to West Point’s student conference on U.S. Affairs.

3. Launched the new sales and marketing campaign, joined Promotional Products Association International (PPAI)—reaching more than 2,000 distributors (potential customers).

4. Partnered with a new distributor representing their products in all of the military branches: USMC, AAFES, Army, Coast Guard and Navy.

*Subsidiary of the Commerce Corporation with a distinct legal existence, administered by SBLF Corporation

**FINANCING VEHICLES**

10 BUSINESSES RECEIVED $2,575,000

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The RENR provides grants for renewable energy projects with the potential to generate electricity in a cleaner, more sustainable manner while stimulating job growth in Rhode Island’s green technology and energy sectors of Rhode Island’s economy. Using funds from the “system benefit charge” on electric bills and Alternative Compliance Payments, the Commerce Corporation funds renewable energy projects through Small Scale Solar grants, Commercial Scale grants, and Pre-Development Feasibility loans.

In late 2014, the RENR launched a partnership with the Rhode Island Office of Energy Resources and SmartPower to manage the Solarize Rhode Island program. Numerous business owners have signed contracts for small-scale solar electricity systems with the program. In addition, hundreds more have been educated about the economic and environmental benefits of solar electricity, energy efficiency, and other clean energy technologies. Selected municipalities and installers are chosen each round to participate.
Rhode Island Tourism is responsible for promoting domestic and international tourism to Rhode Island by working closely with the local tourism regions throughout the year, by maintaining and activating the state’s tourism website, earning media coverage, publications and travel trade.

VISIT RHODE ISLAND WEBSITE
The visitrhodeisland.com website continued to perform well, reaching more than 1 million unique visitors in FY2015. Website traffic patterns indicated 90 percent of interest is coming from within 250 miles of the state.

PUBLICATION
The Commerce Corporation continued to publish the state’s official travel guide and state map at no cost to the state through a partnership with Rhode Island Monthly Communications. Guides are used to fulfill more than 50,000 direct inquiries annually and are distributed through AAA offices in the Northeast, hotel rooms in market, consumer and trade events, and visitor information centers statewide.

TRAVEL TRADE
The Commerce Corporation created more than $100,000 in partnerships for which cash or traded services helped defray programming costs. Staff hosted or attended six travel trade conferences and events, generating more than 250 tour operator meetings and more than $500,000 in realized or anticipated tourism and hospitality revenue.

THE BIG E
The Commerce Corporation manages and operates the Rhode Island building at the Big E, the fifth-largest fair in the country and the largest consumer event in New England. More than 1.4 million consumers attend the event over 17 days in September and October each year. The building showcases the state’s many diverse recreational and cultural assets.

EARNED MEDIA COVERAGE
The Commerce Corporation’s in-house team targeted media centers in Boston, New York and Chicago, generating more than $3 million in advertising equivalency for the state. Through the Commerce Corporation’s partnership with Discover New England, the region generated $20 million in earned media in the German market, $17 million in the United Kingdom market and $6 million in the Asian market.

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The Rhode Island Commerce Corporation Export Assistance program, in partnership with the John H. Chafee Center for International Business at Bryant University, offers a number of specialized services including customized business matches to foreign sales and distribution channels in over 70 countries, State Trade Expansion Program funding for qualified Rhode Island companies for export promotion activities, business development trade missions and trade seminars on a wide range of trade-related topics.

MARINE EQUIPMENT TRADE SHOW (MET5)

On November 16-21, the partnership of the Commerce Corporation and the Chafee Center organized the first-ever “Best of New England Pavilion” at MET5 in Amsterdam. The event was designed to support the growing marine and boat-building trade in New England. MET5 is the biggest and best attended business-to-business marine equipment show worldwide. Last year, a record number of 21,086 visitors were welcomed by a record-setting 1,358 exhibitors. Attendees included yacht and boat builders, naval architects, repair yards, distributors, captains, marina developers and equipment manufacturers from around the world.

Two Rhode Island-based companies participated this year at the booth and in the USA pavilion:
- GMT Composites, a forerunner in carbon fiber composites’ renovation and new applications development
- Brooks Marine, nationally recognized as the top management recruiting firm dedicated to serving the marine industry

In addition, four other Rhode Island companies were present independently at the show:
- Farsounder, a manufacturer and developer of three-dimensional sonar
- KVH, a developer and manufacturer of digital navigation systems, marine satellite communication products and fiber-optic gyros for commercial, military and marine markets
- Hall Composites, manufacturing the highest technology composites
- Peerless Chain, a manufacturer and distributor of chain, fittings, overhead lifting products and traction products

In total, four companies received assistance from the STEP program to support their participation. With funding from the STEP program, a representative from the partnership between the Commerce Corporation and the Chafee Center was in attendance at the event to provide direct assistance to participating companies.
The Partnership for International Trade continued to provide valuable international trade training programs. A total of 1,304 registrants from 54 companies attended 23 key training events and seminars on timely international trade topics throughout the year. Targeted topics included country-specific information, global espionage and export logistics.

State Trade Export Expansion Funding (STEP)
The Chafee Center in conjunction with the Commerce Corporation was awarded a $100,000 STEP Grant (September 2014 to September 2015) from the Small Business Administration (SBA). STEP is a federally funded program designed to help companies increase their exports.

Under the STEP program, the partnership of the Chafee Center and the Commerce Corporation provides dedicated resources to support the needs of Rhode Island small businesses that meet the eligibility requirements of the program. These services include providing free market research, one-on-one consulting and business development assistance.

The program also provided financial assistance to companies for specific projects that are designed to increase their exports, including:

- Booth registration for international trade shows
- Exhibit design and development
- Design and development of international marketing campaigns
- Website translation

International Trade Training
- Export training
- Participation in U.S. Department of Commerce programs
- Trade show participation

World Trade Day
Hosted by the Chafee Center and Bryant University in partnership with the Commerce Corporation, the 30th Annual World Trade Day was held on May 20, 2015. The theme was “Changing Global Dynamics: Creating Opportunities for New England” and the event focused on featuring local companies as well as prominent business and government speakers who addressed important issues regarding growing the region’s international trade. Once again, World Trade Day was a highly successful event, drawing over 800 participants who participated in high-level presentations and breakout sessions on a wide range of topics.

Highlights of the event included:

- Maria Contreras-Sweet, administrator of the U.S. Small Business Administration in Washington, D.C., presented the luncheon keynote address.
- Rhode Island Governor Gina M. Raimondo and Massachusetts Governor Charlie Baker participated on a Governor panel moderated by Mark Murphy, editor of Providence Business News. This was the first-ever World Trade Day that hosted a Governors panel to talk about mutual efforts to support regional interests and economic growth strategies.
- Dustin Burke, principal with the Boston Consulting Group, and Rick LaHood, former U.S. Secretary of Transportation, served as keynote speakers in the morning.
- There were three executive panel discussions featuring business leaders from regional companies including A.T. Cross, New Balance, Black & Decker, TACO, Hope Global Trade, Haemonetics and Hexagon Metrology. The presentations and panel discussions focused on changing global dynamics and how they impact the global supply chain, global manufacturing and emerging export markets.

*Seven key events targeted specific international trade topics relevant to local businesses.
*Networking events brought individuals together to share information, form partnerships and establish stronger ties to the business community.

Food Export USA
From 2013 to 2015, Rhode Island food and seafood companies made great progress growing their export sales with the Commerce Corporation’s Food Export-Midwest and Food Export-Northeast assistance. During this three-year period, Rhode Island companies participated in Food Export’s programs including buyers missions, Food Show PLUS! webinars, seminars, the online product catalog and branded programs, and a cost-share assistance program for international market promotion. These efforts resulted in export sales totaling $57,692,967 during this three-year period. Additionally, companies had 21 first-time sales to new markets and secured 75 new distributorships abroad. These results mean that Rhode Island products have greater exposure around the world.

The Partnership for International Trade works with the Commerce Corporation, Food Export MidWest and Food Export Northeast to help American’s small businesses reach their potential in the export of food and agricultural products. As these products move along the supply chain, they create jobs and improve the stability and strength of our agricultural economy. Food Export-MidWest and Food Export-Northeast are mission-driven, nonprofit organizations that work in collaboration with their member state departments of agriculture and the USDA’s Foreign Agricultural Service. They offer a wide range of programs and services that help boost America’s agricultural exports.
$19,000,000 GRANTED FOR MARAD PROJECTS

During FY14, the Commerce Corporation received and implemented a technical assistance grant funded principally by the U.S. Economic Development Administration—along with supplemental funding from the Commerce Corporation and the Rhode Island Foundation—to assess a design and marketing center concept. This effort allowed the Commerce Corporation to subsequently forward a grant proposal to the U.S. Department of Defense Office of Economic Adjustment (OEA). In September 2014, the Commerce Corporation was awarded an OEA grant totaling $1,575,000. The Commerce Corporation provided $180,000 in additional funding for a total project value of $1,755,000. In November 2014, the Commerce Corporation’s board of directors approved a contract with Fourth Economy Consulting to assist the Commerce Corporation with implementing the project—a pilot called STEAM ENGINE. The project’s goal was to help the state of Rhode Island develop a program that would allow defense manufacturing companies to pursue an accelerated course of market transformation through intensive use of industrial design, engineering and innovation.

Specific deliverables for the project included:
• A database and report that detail weaknesses within the defense company ecosystem and makes recommendations on how to focus the efforts described in the other tasks
• The creation of a fully operational Design Readiness Assessment (DRA) program and model for ongoing sustainability of services
• An innovation strategy that will support future actions and investments related to defense technology innovation
• A framework for a proposed design manufacturing curriculum that would allow defense manufacturing companies to pursue an accelerated course of market transformation through intensive use of industrial design, engineering and innovation.

The Commerce Corporation continued its advocacy and support for the Greenfins Aquaculture Tuna Center of Excellence (GATCE). These facilitation efforts started with the introduction of Peter Mottur, CEO/founder of Greenfins, to the University of Rhode Island (URI) College of Environment and Life Sciences (CELS) to develop the first U.S.-based tuna research center of excellence, now located at the URI Bay Campus in Narragansett, home of the Graduate School of Oceanography. CATCE is a public-private partnership providing a North Atlantic, U.S.-based platform for collaboration with global researchers and institutions for maintaining and developing critical elements of tuna biology. Currently, there are no facilities in North America providing researchers with the opportunity to work with large tuna and other pelagic species. The new 4,200-square-foot facility is dedicated to tuna research with a 40-foot-diameter tank holding more than 100,000 gallons of seawater. Construction began in June 2015 and will be fully operational by summer 2016, when the facility will be ready for tuna brood stock.

$19,000,000
The Rhode Island PTAC is a member of a nationwide network of 97 federally funded Procurement Technical Assistance Centers providing a variety of services to Rhode Island-based businesses of all sizes to navigate the complexities of contracting with federal agencies, state purchasing departments and local governments. RI PTAC is a partner program of the Commerce Corporation. RI PTAC services are free to all Rhode Island businesses.

RI PTAC helps businesses with government registrations, bid match profiles, market research, capture management and contract requirements. Its staff guides businesses through all facets of contracting including acquisition planning, subcontracting, solicitation analysis, proposal development, dispute mitigation, cost/price analysis and post-award administration. The RI PTAC team has significant hands-on industry and government experience in business development, contracts management and administration.

PTAC clients: 271
Counseling hours with clients: 1,688
Training and outreach events: 45
Federal and state contracts awarded: $30,044,398

PTAC clients represent a number of industries, including construction, marketing and advertising, staffing services, food production and distribution, composites R&D and manufacturing, architects and engineers, manufacturers, and boat builders.

Clients reported prime and subcontract awards from various agencies and private-sector contractors. For example:
- NASA
- U.S. Department of Navy
- U.S. Department of Homeland Security
- General Services Administration
- Defense Logistics Agency
- U.S. Federal Aviation Administration
- U.S. Missile Defense Agency
- State of Rhode Island
- Commonwealth of Massachusetts
- General Dynamics
- Raytheon
- Boeing

Broadband Rhode Island (BBRI) launched and finalized broadband data collection and technical feasibility studies for the underserved communities of Aquidneck and Block Islands. The "Aquidneck Island Broadband Analysis and Recommendations" report and the "Town of New Shoreham Broadband Plan and Network Design" report were published in January 2015. BBRI worked closely with the Senate Policy Office to create the agenda for the Broadband Legislative Commission and represented the Commerce Corporation at the commission meetings contributing to the commission’s final report.

Other accomplishments in FY15:
- Publishing the final BBRI report entitled "Broadband Priorities for Rhode Island 2015-2020"
- Transitioning the BBRI Digital Literacy Program to the Rhode Island Adult Education Professional Development Center
- Creating new digital literacy instructor modules to support the state’s initiative with Northstar Digital Literacy Assessment and Certification and conducting a pilot instructor training session

- Compiling and transferring the complete file of BBRI broadband data to the Rhode Island Emergency Management Agency, which will continue to use the data in its first responder planning efforts
- Participating in negotiations between the Town of New Shoreham (Block Island) and National Grid to secure a long-term lease for eight strands of fiber that will be connected to the mainland
- Initiating the grant closeout process
Rhode Island Research Alliance Collaborative Research Grant

In FY15, the program awarded six grants to teams engaged in projects that directly addressed the overarching goals guiding Rhode Island’s National Science Foundation Experimental Program to Stimulate Competitive Research (EPSCoR) - What is the effect of climate change on marine plant and animal life in Narragansett Bay? Working collaboratively, these scientists brought together expertise from multiple disciplines to seek answers to how marine organisms are reacting to temperature and chemical changes in their habitats, what the impact of these changes on the food web is and how all of this is impacting the bay’s susceptibility to increased parasites and pathogens.

Collaborative Research Grant awardees:

“Diatom Community Composition as an indicator of Coastal Ecosystem Change” ($156,722)
- Deborah Robinson, University of Rhode Island
- Tatiana Rynevyr, University of Rhode Island Graduate School of Oceanography
- Carmen Prez, Brown University
- David Murray, Brown University
- Belgica Samoilov, University of Rhode Island
- Edward Dinsdale, Brown University

This project brings together four scientists from different fields to explore coastal biogeochemical responses to climate change and develop new assessment tools for monitoring ecological change:
- • Deborah Robinson, University of Rhode Island
- • Tatiana Rynevyr, University of Rhode Island Graduate School of Oceanography
- • Carmen Prez, Brown University
- • David Murray, Brown University

“Caries in Narragansett Bay: Untangling the Ecological Plasticity Response of a Key Diatom Genus to Environmental Change” ($170,893)

This project links an academic scientist with expertise in genetics and a federal agency scientist with expertise in predictive modeling to assess the effect on food web in Narragansett Bay is changing in response to changes in environmental conditions:
- • Tatiana Rynevyr, University of Rhode Island Graduate School of Oceanography
- • Jason Ozer, U.S. Environmental Protection Agency

“Marine Disturbance Disease and Climate Change in Rhode Island’s Coastal Waters: Merging Higher Trophic Level Population Dynamics Models/Datasets with Lower Trophic Level Climate Change Forecast Models” ($190,952)

This team uses physical oceanography and aquatic pathology to integrate historic datasets to create a new 3D modeling tool that extends our existing ability to create a new 3D modeling tool that extends our existing ability to understand the relationship between physical and chemical changes in the ocean and various health issues:
- • Lewis Roothsien, University of Rhode Island
- • Kathleen Castro, University of Rhode Island
- • Maela Gomez-Chiarri, University of Rhode Island
- • Rosanna Smeda, Roger Williams University


This team uses satellite imagery and aerial photography to determine if it is adapting to local stress factors and how marine organisms are reacting to temperature and chemical changes in their habitats, what the impact of these changes on the food web is and how all of this is impacting the bay’s susceptibility to increased parasites and pathogens:
- • Lewis Roothsien, University of Rhode Island
- • Kathleen Castro, University of Rhode Island
- • Maela Gomez-Chiarri, University of Rhode Island
- • Rosanna Smeda, Roger Williams University

“A Proteomic Approach to Analyzing Phenotypic Plasticity Response of a Key Diatom Genus to Marine Invertebrates to Climate Change” ($131,799)

This team studies the proteins in a common marine algal species to determine if it is adapting to local stress factors and how marine organisms are reacting to temperature and chemical changes in their habitats, what the impact of these changes on the food web is and how all of this is impacting the bay’s susceptibility to increased parasites and pathogens:
- • Lewis Roothsien, University of Rhode Island
- • Kathleen Castro, University of Rhode Island
- • Maela Gomez-Chiarri, University of Rhode Island
- • Rosanna Smeda, Roger Williams University

“Untangling the Ecological Plasticity Response of a Key Diatom Genus to Environmental Change” ($170,893)

This team studies the proteins in a common marine algal species to determine if it is adapting to local stress factors and how marine organisms are reacting to temperature and chemical changes in their habitats, what the impact of these changes on the food web is and how all of this is impacting the bay’s susceptibility to increased parasites and pathogens:
- • Lewis Roothsien, University of Rhode Island
- • Kathleen Castro, University of Rhode Island
- • Maela Gomez-Chiarri, University of Rhode Island
- • Rosanna Smeda, Roger Williams University

“Pushing to New Limits for Models of RI Bay Salinity and Temperature” ($300,000)

This trans-disciplinary project combines expertise in coastal waterway modeling and supercomputing model development to create a new 3D modeling tool that extends our existing ability to understand coastal turbulence for such things as risk assessment, infrastructure planning, tracking of toxic spills and fisheries/aquaculture management:
- • Bryan Fox-Kemp, Brown University
- • Lewis Roothsien, University of Rhode Island
- • David Ullman, University of Rhode Island
- • Rebekah Rand Merson, Rhode Island College
- • Diane Naccio, United States Environmental Protection Agency

• Edward Dutin, University of Rhode Island Graduate School of Oceanography
• Dale Leavitt, Roger Williams University
• David Taylor, Roger Williams University
• “Narragansett Bay Apex Predators’ Response to Toxic Chemicals and Climate Change” ($104,225)

Working in partnership with the federal Environmental Protection Agency, a research scientist with expertise in marine molecular toxicology studies the activity of predators in persistent chemicals in Narragansett Bay:
- • Rebekah Rand Merson, Rhode Island College
- • Diane Naccio, United States Environmental Protection Agency

The Rhode Island STAC is dedicated to creating economic opportunity and job growth by creating Rhode Island’s Research Alliance through collaborative, trans-disciplinary projects that have great potential to build research, industry and to advance the competitiveness of Rhode Island research and development. The Innovative Rhode Island Small Business Fund (IRISBF) helps Rhode Island small businesses with fewer than 50 employees get needed access to capital in the early stages of R&D and supports internships for Rhode Island students.

• David Murray, Brown University
• Warren Prell, Brown University
• Tatiana Rynearson, University of Rhode Island
• Rebecca Robinson, University of Rhode Island
• James Clifton, Brown University
• Lewis Rothstein, University of Rhode Island
• Luke Wood, Brown University
• David Taylor, Roger Williams University
• Rebekah Rand Merson, Rhode Island College
• Diane Naccio, United States Environmental Protection Agency

The Rhode Island Technology and Science Advisory Council (STAC) is dedicated to creating economic opportunity and job growth by creating Rhode Island’s Research Alliance through collaborative, trans-disciplinary projects that have great potential to build research, industry and to advance the competitiveness of Rhode Island research and development. The Innovative Rhode Island Small Business Fund (IRISBF) helps Rhode Island small businesses with fewer than 50 employees get needed access to capital in the early stages of R&D and supports internships for Rhode Island students.
Small businesses need capital to innovate, expand and succeed. The Innovate RI Small Business Fund provides grants to assist local entrepreneurs and high-growth startups to defray the costs of applying for federal SBIR/STTR grants, match Phase I and Phase II awards and hire interns.

### Innovate Rhode Island Small Business Fund

Small businesses must apply to Innovate Rhode Island for a grant. The Innovate RI Small Business Fund provides grants to assist local entrepreneurs and high-growth startups to defray the costs of applying for federal SBIR/STTR grants, match Phase I and Phase II awards and hire interns.

**In 2013, to foster job creation, facilitate small business development, and enhance the workforce pipeline, the Rhode Island General Assembly created the IRISBF. Through a variety of programming supported by the fund, eligible Rhode Island small businesses may apply for grants to:**

- defray the cost of applying for SBIR/STTR awards
- match SBIR/STTR Phase I awards and hire interns
- leverage state funds to encourage and support Rhode Island entrepreneurial participation in the federal SBIR/STTR programs
- increase the amount of federal research dollars received by Rhode Island firms
- sustain companies through the early stages of product development
- encourage the establishment of high-potential, high-quality, high-growth ventures in Rhode Island
- enhance the talent pipeline in the life sciences and engineering fields

The federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs represent the largest source of early-stage, high-risk technology financing in the United States. Eleven federal agencies participate in this program that provides over $2 billion for early-stage R&D projects leading to commercialization of resulting products or services. The programs are designed to benefit entrepreneurs and small businesses while increasing the competitiveness of the U.S. economy by funding the development of innovative products and services. Agencies award grants to explore the technical merit of an idea or technology in response to a specific agency topical need. The IRISBF provides grants of up to $3,000 to assist small businesses in defraying the costs associated with preparing a competitive Phase I SBIR/STTR application and matching grants of up to $45,000 to encourage recipients of SBIR/STTR Phase I awards to pursue the more substantial Phase II awards.

Experiential learning opportunities, such as internships, provide students with a way to explore career possibilities, gain hands-on experience and meet people in their field of study. Companies benefit as well from internships, which can be a critical workforce development tool. The IRISBF provides grants of up to $3,000 to assist companies in the life sciences and engineering sectors to defray the cost of providing internships and mentoring to eligible Rhode Island residents attending a Rhode Island college or university.

**TOTAL GRANTED FUNDS**

$380,797
Rhode Island’s legislature passed an unprecedented and powerful suite of new programs aimed at growing businesses and creating jobs. These incentives, benefiting businesses of every size, are some of the most significant and comprehensive in the Northeast, if not the nation.

**QUALIFIED JOBS INCENTIVE**
Companies expanding their workforce in Rhode Island or relocating jobs from out of state can receive a redeemable annual tax credit for up to 10 years with the Qualified Jobs Incentive program.

**REBUILD RHODE ISLAND TAX CREDIT**
If a real estate project cannot raise sufficient funding, or is at risk of locating in another state, Rebuild Rhode Island can fill this gap with redeemable tax credits covering up to 20 percent—and, in some cases, 30 percent—of project costs.

**TAX STABILIZATION INCENTIVES**
Rhode Island municipalities that enter into reasonable tax stabilization agreements (TSA) may be eligible to reimbursement up to 10 percent of tax revenue foregone due to the completion of a TSA.

**INNOVATION VOUCHERS**
Expand R&D capacity by granting Rhode Island–based enterprises with fewer than 500 employees up to $50,000 in R&D assistance from a Rhode Island university, research center or medical center.

**NETWORK MATCHING GRANTS**
Supports intermediary organizations that build capacity to offer technical assistance, space on flexible terms, and/or access to capital for small businesses in targeted industries.

**INDUSTRY CLUSTER GRANTS**
Encourages companies in an industry sector to work together to solve problems, exchange ideas and develop talent.

**SMALL BUSINESS ASSISTANCE**
Eases the path to startup or expansion for small Rhode Island businesses (200 employees or less) by bolstering the small business lending community.

**WAVEMAKER FELLOWSHIP**
Incentivizes graduates pursuing careers or starting businesses in technology, engineering, design and other key sectors that choose to stay and work in Rhode Island by defraying student loan payments for up to four years.

**Economic Incentives enacted $50+ MILLION**

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<th>2016 INCENTIVES</th>
<th>36</th>
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**FINANCIAL REPORTS**

Rhode Island Commerce Corporation submitted the board-approved, audited financial statements for the year ended June 30, 2015, to the Governor, Senate President, Speaker of the House and Secretary of State before May 31, 2016, as required by Title 42 Section 64-28, State Affairs and Government. These statements can be found at:


**BOARD MEETINGS**

For all board meetings and public hearings held by the Commerce Corporation; the subjects addressed; decisions rendered; actions considered and their disposition; and the minutes of these meetings and hearings if requested by the governor, the president of the senate, the speaker of the house of representatives, or the secretary of state:

http://sos.ri.gov/openmeetings/?page=view_entity&id=742

**LEGAL MATTERS**

a. Rhode Island Economic Development Corporation v. Wells Fargo Securities, LLC et al. Rhode Island Superior Court Providence County, Civil Action Number: PB12-5616. The Rhode Island Commerce Corporation f/k/a the Rhode Island Economic Development Corporation filed suit against the named defendants with regard to the Job Creation Guaranty Program Taxable Revenue Bonds (38 Studios, LLC Project), Series 2010 dated November 2, 2010. Wistow, Barylick, Sheehan & Lovely, PC has been retained as special counsel to represent the Commerce Corporation in this matter. During fiscal year 2015, the Commerce Corporation reached a settlement with Antonio Afonso, Jr. and Moses Afonso Ryan LTD in the approximate amount of $4.4 million.

b. Patrick Campbell and Kail Campbell p/p/a Patrick Campbell v. General Growth Properties et. al. Rhode Island Superior Court, Providence County, Civil Action Number: PC12-0267. The Rhode Island Commerce Corporation was named as a defendant in this tort action as it is the owner and landlord of the real estate upon which the Providence Place Mall is constructed. General Growth properties undertook defense of the matter and agreed to indemnify the Commerce Corporation. The matter was dismissed on April 30, 2015.

c. Monica S. Moreno v. Rhode Island Commerce Corporation, et al. Rhode Island Superior Court, Providence County, Civil Action Number: PC2015-0790. The Rhode Island Commerce Corporation was named as a defendant in this tort action as it is the owner and landlord of the certain land leased to CVS Pharmacy, Inc. CVS has undertaken its responsibility to defend and indemnify the Commerce Corporation in connection with the above-referenced litigation. CVS has retained Melick & Porter, LLP to defend the action.