

## **Rhode Island Qualified Jobs Incentive Tax Credit Application Review and Evaluation Principles**

The Rhode Island Commerce Corporation (the “Corporation”), pursuant to the Rhode Island Qualified Jobs Incentive Act of 2015 (the “Act”), R.I. Gen. Laws § 44-48.3 *et seq.*, and the Rules and Regulations for the Rhode Island Qualified Jobs Incentive Act of 2015 (the “Rules,” or “Rule” when reference is made to a specific provision of the Rules), may provide tax credits to applicants meeting the requirements of the Act and the Rules for an eligibility period of up to ten years. The Corporation has established these application review and evaluation principles (the “Principles”) to further the program integrity goals of the Act, namely, to ensure compliance with the terms and conditions of the Act and the Rules, to safeguard the expenditure of public funds, and to ensure that the awarding of tax credits furthers the objectives of the Rhode Island Qualified Jobs Incentive Tax Credit program, *see* R.I. Gen. Laws § 44-48.3-11; and to establish accountability standards, risk analysis standards, and program objectives in accordance with the Corporation’s enabling law, *see* R.I. Gen. Laws § 42-64-36.

These Principles do not create any legal rights, duties, obligations, or defenses, implied or otherwise, for any person or negate the Corporation’s discretion under the Act and Rules. Notwithstanding anything contained in these Principles to the contrary, the Corporation shall have and may exercise all general powers and discretion set forth in the Act and the Rules as necessary or convenient to effect their purposes.

These Principles are effective as of December 21, 2015 and shall remain in effect until such time as the Board of Directors of the Corporation (the “Board”) amends, supersedes, or repeals them.

### **1. Application Completeness and Consistency**

The Corporation will review the application for (a) completeness and (b) consistency. This review consists of the following:

- A. Review for Submission Completeness: The Corporation determines if the applicant has submitted all information required by the Qualified Jobs Incentive Tax Credit application. In accordance with Rule 10(d), the Corporation will not recommend an application for approval unless it has determined that the application is substantially complete.
- B. Review for Consistency of Material Information: The Corporation will assess whether the material information provided in the application is internally consistent.

Pursuant to Rule 11 and Rule 23, the Corporation, in its sole discretion, has the right to (a) require that an applicant furnish additional information that the Corporation deems relevant to the review of the application; (b) reject any incomplete or deficient application; and (c) may permit the resubmission of an Application rejected as being incomplete or deficient.

## **2. Program Eligibility**

The Corporation will assess whether, based on the application and any additional information that the Corporation may require, the applicant and application, as presented, meet the eligibility requirements of the Act and the Rules.

The Corporation may reject any application deemed to be ineligible for any reason.

## **3. Risk Assessment**

The Corporation will perform a risk assessment analyzing (1) the general likeliness of the applicant to reach the promised job growth levels, taking into account any factors relevant to this analysis in light of the nature of the projected job growth (e.g. site control risk, capital investment risk, operational risk, financing risk, etc.) and (2) any other risk factors that the Corporation, in its sole discretion, deems relevant to its overall assessment of applicant and program risk.

## **4. Impact**

In considering whether to grant an application and the terms under which it will be granted, the Corporation may consider, among other factors:

- A. The industry of the new jobs and its strategic importance.
- B. The total number of the new jobs.
- C. The wages and benefits of the new jobs.
- D. The size of any capital investment made in connection with the creation of the new jobs.
- E. Whether the new jobs are located in economic priority areas, including:
  - i. the I-195 Redevelopment District Commission land;
  - ii. within a Hope Community;
  - iii. within one-half mile of T.F. Green Airport, Quonset Business Park, or a passenger rail station; or
  - iv. in a Transit Oriented Development Area.
- F. Whether the new jobs are in a Targeted Industry.
- G. Whether the new jobs are the result of a business relocating from another state.
- H. Whether the new jobs are in Scientific Research and Development or Industrial Design.
- I. Whether the new jobs will align with the academic mission of a college or university in the State.
- J. The length of the commitment period.
- K. Other direct and indirect economic benefits to the State, if any.

## **5. Recommendation**

Based upon the above factors, the Corporation will make a determination, in its sole discretion, whether to award tax credits to applicants. Staff will make written and verbal presentations of recommended eligible applications to the Board's Investment Committee and the Board. Such recommendations of eligible applicants will be based on an assessment of the project's impact and risk, if any, to the Corporation, the state, or taxpayers.



Pursuant to Rule 11(d), if the Corporation determines that it will not recommend a complete application to the Board for approval, it shall notify the applicant in writing of such decision.