

RHODE ISLAND COMMERCE CORPORATION  
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES  
UNDER THE REBUILD RHODE ISLAND TAX CREDIT ACT  
May 1, 2017

- WHEREAS:** The Rhode Island Commerce Corporation (the "Corporation") was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State") under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the "Act"); and
- WHEREAS:** Chapter 64.20 of Title 42 of the General Laws of Rhode Island (the "Rebuild RI Tax Credit Act"), as amended, authorizes the Corporation to approve the issuance of incentives, including loans, in relation to certain development projects in the State; and
- WHEREAS:** The Corporation promulgated rules and regulations (the "Rules") governing the issuance of incentives under the Rebuild RI Tax Credit Act. Capitalized terms used herein but not defined shall have the meaning as set forth in the Rules; and
- WHEREAS:** The Corporation received an application from Case Mead Assoc., LLC (together with its nominee or an assignee, the "Recipient") under the Rebuild RI Tax Credit Act in relation to a Residential Project (the "Project") located at 68-76 Dorrance Street, Providence, RI, which is proposed to consist of approximately forty four (44) residential units and an estimated space for three (3) ground-floor retail units;
- WHEREAS:** The Board of Directors of the Corporation ("the Board") previously voted to award the Recipient incentives under the Rebuild RI Tax Credit for the adaptive reuse of the Case Mead building in downtown Providence ("the Project") on February 22, 2016 (the "Board Approval");
- WHEREAS:** Subsequent to the Board Approval, the Recipient was awarded State Historic Tax Credits, which lowered the Project's financial gap;
- WHEREAS:** Despite lowering the Project's financial gap, the Recipient has discovered additional cost associated with completing the Project;
- WHEREAS:** The Corporation's Investment Committee and Access to Capital Subcommittee have reviewed the Project and considered a proposed loan, proposed tax incentives, and a sales and use tax exemption to the Recipient and each has voted to recommend to the Board of Directors (the "Board") of the Corporation the approval of the incentives; and
- WHEREAS:** The Board has received a presentation inclusive of a term sheet detailing the Project and proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of incentives to the Recipient in accordance with the Rebuild RI Tax Credit Act and the Rules.

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

**RESOLVED:**

1. To accomplish the purposes of the Act and the Rebuild RI Tax-Credit Act, the Corporation approves the following incentives:
  - a. A sales and use tax exemption in an amount not to exceed Two Hundred Twenty-Five Thousand Dollars (\$225,000); and
  - b. Issuance of Tax Credits to the Recipient in an amount not to exceed Two Hundred Twenty-Three Thousand Four Hundred Ninety-Seven Dollars (\$223,497), or, at the discretion of any Authorized Officer and in lieu of the Tax Credits, a loan (the "Loan") to the Recipient in an amount not to exceed One Million Five Hundred Eighty Eight Thousand Seven Hundred Ninety-Eight Dollars (\$1,588,798), subject to the verification of the Project Financing Gap necessitating such loan resulting from the failure of certain contingencies as presented to the Board.
2. Any sales and use tax exemption in excess of Two Hundred Twenty-Five Thousand Dollars (\$225,000) shall reduce the amount of the Tax Credits or the Loan dollar for dollar.
3. The authorization provided herein is subject to the following conditions:
  - a. The execution of an Incentive Agreement between the Corporation and the Recipient meeting the requirements of the Rebuild RI Tax Credit Act, which agreement shall expressly provide, as applicable, that the Loan will not be a general obligation of the Corporation and shall otherwise be in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Authorized Officer;
  - b. Verification by the Corporation of compliance with the Eligibility Requirements of Rule 6 of the Rules prior to issuance of Certification to the Recipient; and
  - c. Such additional terms and conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.
4. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient's Equity in the Project is not less than twenty percent (20%) of the total Project Cost and otherwise meets the Project Cost criteria of the Rebuild RI Tax Credit Act; (d) there is a Project Financing Gap for the Project such

that after taking into account all available private and public funding sources, the Project is not likely to be accomplished by private enterprise without the incentives described in the Rebuild RI Tax Credit Act and the Rules; (e) the total amount of the Loan is the lesser of thirty (30%) of the total Project Cost or the amount needed to close the Project Financing Gap; (f) that the Chief Executive Officer of the Corporation has provided written confirmation required by the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 1); (g) the Secretary of Commerce has provided written confirmation required by the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 1); (h) the Office of Management and Budget has provided written confirmation required under the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 2); (i) the Recipient has demonstrated that it will otherwise satisfy the Eligibility Requirements of Rule 6 of the Rules for a Residential Project; and (j) the award of the Loan meets the principles adopted by the Board in compliance with RIGL § 42-64-37.

5. Prior to the execution of an Incentive Agreement with the Recipient, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of Loan and Tax Credits will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 3).
6. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Managing Director, Head of Investments (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any action with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.
7. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this

Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.

8. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized and empowered to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein all as such any one of the Authorized Officers deems appropriate in his or her discretion.
9. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.
10. This Resolution shall take effect immediately upon passage.