RHODE ISLAND COMMERCE CORPORATION

AGENDA

December 8, 2020

Call to order and opening remarks.

Tab 1: To consider the approval of meeting minutes.

Tab 2: To consider increasing funding under the Take it Outside Initiative and delegating authority to the President & COO and the CFO to increase individual grant amounts.

Tab 3: To consider delegating authority to the President & COO and the CFO to increase individual grant amounts to consultants providing technical assistance to COVID-impacted businesses.*

Tab 4: To consider an award of incentives for a proposed project by PREG-DSC, LLC pursuant to R.I. Gen. Laws Chapter 45-33.4.*

Tab 5: To consider an award of incentives for a proposed project by 401 Tech Bridge under the Rebuild Rhode Island Tax Credit program and the First Wave Closing Fund program.*

Tab 5: To consider the utilization of the Corporation’s incentive programs for the investment of public funds.*

*Board members may convene in Executive Session pursuant to R.I. Gen. Laws § 42-46-5(a)(7) to consider this Agenda item.
VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

December 8, 2020

APPROVED

VOTED: To approve the public session meeting minutes for the November 9, 2020 meeting as presented to the Board.
The Board of Directors of the Rhode Island Commerce Corporation (the “Corporation”) met on November 9, 2020, in Public Session, beginning at 12:00 p.m. via telephonic conference, pursuant to Executive Order 20-46 and pursuant to the public notice of meeting, a copy of which is attached hereto as Exhibit A, as required by applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Bernard Buonanno, III, Dr. Brenda Dann-Messier, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Michael McNally, George Nee, Ronald O’Hanley, and Donna Sams.

Directors absent were: Governor Gina M. Raimondo, Vanessa Toledo-Vickers, and Karl Wadensten.

Also present were: Secretary of Commerce Stefan Pryor; Jesse Saglio, President & COO; and Christopher Fragomeni, Esq.

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

   Mr. O’Hanley called the meeting to order at 12:03 p.m., indicating that a quorum was present.

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

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

   **VOTED:** To approve the public session and executive session meeting minutes for the October 26, 2020 meeting as presented to the Board.

   Voting in favor of the foregoing were: Bernard Buonanno, III, Dr. Brenda Dann-Messier, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Michael McNally, George Nee, and Ronald O’Hanley.

   Voting against the foregoing were: none.

3. **TO CONSIDER THE APPROVAL OF THE REMOTE WORK TECHNOLOGY GRANT PROGRAM AND THE SELECTION OF VENDORS.**

   Ms. Sams entered the meeting.

   Daniela Fairchild, the Corporation’s Director of Operations and Special Projects, explained that before the Board for approval was authorization to provide grants to intermediary organizations to assist with the costs associated with transitioning to remote work. The grants, she
stated, will allow businesses to purchase the hardware and software, such as laptops, monitors, virtual private network (“VPN”) access, remote telephone systems, and broadband hotspots. She noted that over two hundred businesses have indicated their interest in participation in the program through interest forms, and indicated their need for laptops, softphones, and VPN software.

In response to a question by Mr. O’Hanley, Ms. Fairchild stated that the intermediary originations will conduct direct business engagement—some will conduct door-to-door solicitation and set up tech and business helplines. Mr. Buonanno noted that the demand for grants could be significant, and questioned the program’s eligibility requirements and how grants will be allocated. Ms. Fairchild responded that businesses that have between two and one hundred employees will be eligible, and that grants will be up to $50,000 per company, which equates to about $2,500 per employee. Ms. Moore noted, though, that the staff expects that the grants will, on average, be smaller because many businesses, through interest forms, have expressed a need to converting only one to two employees to remote work. Mr. Hebert noted that the staff, in its evaluation of applicants, should focus on companies that have no IT staff or IT management. Board members noted that these grants should be awarded to smaller companies that need such assistance, not larger companies that can absorb the costs of transitioning employees to remote work.

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

**VOTED:** To approve the Remote Work Technology Grant Program and the selection of vendors pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard Buonanno, III, Dr. Brenda Dann-Messier, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Michael McNally, George Nee, Ronald O’Hanley, and Donna Sams.

Voting against the foregoing were: none.

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

4. **TO CONSIDER APPROVAL OF THE RHODE ISLAND HOTEL, ARTS & TOURISM (HART) RECOVERY GRANT PROGRAM AND THE SELECTION OF VENDORS.**

Matt Sheaff, the Corporation’s Director of Communications and Stakeholder Outreach, explained that before the Board for approval is a request to delegate authority to two of the Corporation’s officers to award grants to applicants under the Rhode Island Hotel, Arts & Tourism Recovery Grant Program (“HArT”). Under that program, he explained, the Corporation will make three types of grants: direct support grants, tourism grants, and resiliency activity grants.

Mr. Sheaff stated that the direct support grants will be available to hotels and art and cultural institutions. The hotels, he stated, must have a certain number of rooms and experienced a seventy percent revenue loss to be eligible for the grant. Mr. Sheaff explained that the tourism
grants will be available to state regional tourism boards to support direct marketing for COVID-safe activities. He further explained that the resiliency activity grants will be available to support activities to support stays at hotels.

In response to a question by Mr. Buonanno, Mr. Sheaff stated that funding for the program is from the CARES Act, and Mr. Saglio explained the algorithmic approach the staff will use to evaluate applications for grants. Mr. Buonanno expressed his concern that larger hotels will consume all the available funding. In response to that concern, Mr. Sheaff noted that smaller hotels and organizations are also eligible for grants under the Restore RI Grant program, and Ms. Moore and Mr. Saglio discussed a review framework for applications that accounts for Mr. Buonanno’s concern, which accounts for losses and already-received funding. In response to a question by Ms. Sams, Mr. Saglio stated that hotels that receive grants under this program will be required to stay open and staffed for a period of time, and will not be permitted to make profit distributions for a period of time. Mr. Nee, Ms. Moore, Ms. Sams, and Mr. Saglio discussed a recently-enacted City of Providence ordinance that requires hotels to re-hire employees that have been laid off.

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

**VOTED:** To approve the Rhode Island Hotel, Arts & Tourism (HArT) Recovery Grant Program and the selection of vendors pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Dr. Brenda Dann-Messier, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Michael McNally, George Nee, Ronald O’Hanley, and Donna Sams.

Voting against the foregoing were: Bernard Buonanno, III.

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

5. **TO CONSIDER THE APPROVAL OF THE CONSUMER ACTIVATION VOUCHER/GIFT CARD PROGRAM AND THE SELECTION OF VENDORS.**

Secretary Pryor indicated that before the Board for approval is authorization to make grants up to $15 million, under the Consumer Activation Voucher/Gift Card Program. That program, he stated, would incentivize—through the award of vouchers and gift cards—COVID-19 compliant safe practices, such as mask wearing, hand washing, and contact tracing participation. The program, he explained, could also increase and promote local consumer demand by providing vouchers and gift cards to local businesses to incentivize shopping at local stores and “staycations.”

Secretary Pryor stated that the Corporation received four responses to a request for proposals, and, in connection with that request, held a bidder’s conference. Mr. McNally noted that the Board is delegating authority to the Corporation’s officers, which poses risk, but, nevertheless, the Corporation needs to act quickly or some businesses that need these funds will not survive the pandemic. Mr. Kelly agreed, but noted the Corporation’s prior record of good investments, which mitigates any noted risk. He also noted, in response to a question from Mr.
Hebert, that the Corporation is modeling its program after similar, successful programs in Vermont and Utah.

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

**VOTED:** To approve the Consumer Activation Voucher/Gift Card Program and the selection of vendors pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Bernard Buonanno, III, Dr. Brenda Dann-Messier, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Michael McNally, George Nee, Ronald O’Hanley, and Donna Sams.

Voting against the foregoing were: none.

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

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 12:56 p.m. upon motion made by Dr. Dann-Messier and seconded by Mr. McNally.
MEETING NOTICE
RHODE ISLAND COMMERCE CORPORATION

A meeting of the Rhode Island Commerce Corporation (“Corporation”) will be held on November 9, 2020 at 12:00 p.m., via telephone conference. Public access to the meeting is available as provided below:

Telephone Access: 1-877-820-7829
Access code: 249-144-8489

If technical assistance is needed, contact Michael Walker at 401-278-9105.

The meeting will be held for the following purposes:

1. To consider for approval meeting minutes.

2. To consider the approval of the Remote Work Technology Grant Program and the selection of vendors.*

3. To consider approval of the Rhode Island Hotel, Arts & Tourism (HArT) Recovery Grant Program and the selection of vendors.*

4. To consider the approval of the Consumer Activation Voucher/Gift Card Program and the selection of vendors.*

5. To consider the utilization of the Corporation’s incentive programs for the investment of public funds.*

*Board members may convene in Executive Session pursuant to R.I. Gen. Laws § 42-46-5(a)(7) to consider the investment of public funds in regards to this Agenda item.

This notice shall be posted at the Office of the Rhode Island Commerce Corporation, at the Executive Office of Commerce, and by electronic filing with the Secretary of State’s Office.

Any individual requiring a reasonable accommodation in order to participate in this meeting must notify the Rhode Island Commerce Corporation at 278-9105, forty-eight (48) hours in advance of the meeting.

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

November 9, 2020

(With Respect to the Remote Work Support Grant Program)

WHEREAS, the Board of Directors (the “Board”) of the Rhode Island Commerce Corporation (the “Corporation”) received a presentation relative to the establishment of a grant program known as the Remote Work Support Grant Program (the “Program”);

WHEREAS, many Rhode Island businesses have been adversely economically injured due to the COVID-19 public health emergency;

WHEREAS, the Program will provide economic support to Rhode Island businesses that have been adversely economically injured due to the COVID-19 public health emergency by providing hardware, software and internet access to businesses as well as to provide businesses with digital training;

WHEREAS, the Corporation is anticipated to receive federal funding sources to establish and administer the Program; and

WHEREAS, the establishment and administration of the Program is consistent with the purposes and mission of the Corporation.

NOW, THEREFORE, be it resolved by the Corporation, acting through its Board of Directors, as follows:

Section 1: The Board hereby finds and determines that the Program is consistent with the principles established by the Corporation in relation to the review and approval of grant programs.

Section 2: The Remote Work Support Grant Program is hereby established and the Authorized Officers shall administer the Program consistent with the presentation of Program parameters to the Board.

Section 3: The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO or the Chief Financial Officer (the “Authorized Officers”). Any two of the Authorized Officers of the Corporation, acting jointly, are hereby authorized to take any and all actions necessary to accomplish the intent of this Resolution including (i) the negotiation and execution of one or more contracts with the State of Rhode Island in relation to the funding for the Program and related costs and/or expenses; (ii) the expenditure of funding to carry out the Program inclusive of the award of grants; and (iii) to negotiate, execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions and Program 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 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. Stacy Farrell is appointed as the Assistant Secretary for all purposes hereunder.

Section 4: From and after the execution and delivery of the documents hereinabove authorized, any two of the Authorized Officers, acting jointly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transactions authorized herein.

Section 5: 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.

Section 6: This Resolution shall take effect immediately upon passage by the Board.
NOVEMBER 9, 2020 PUBLIC SESSION MEETING MINUTES

EXHIBIT C
RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RHODE ISLAND COMMERCE CORPORATION

November 9, 2020

(With Respect to the HArT Grant Program)

WHEREAS, the Board of Directors (the “Board”) of the Rhode Island Commerce Corporation (the “Corporation”) received a presentation relative to the establishment of a grant program known as the Hotels, Arts/Culture, and Tourism Industries Grant Program (the “Program”);

WHEREAS, many businesses and organizations in the hotel, arts/culture and tourism sectors have been adversely economically injured due to the COVID-19 public health emergency;

WHEREAS, the Program will provide economic support to these Rhode Island businesses and organizations that have been adversely economically injured due to the COVID-19 public health emergency;

WHEREAS, the Corporation is anticipated to receive federal funding sources to establish and administer the Program; and

WHEREAS, the establishment and administration of the Program is consistent with the purposes and mission of the Corporation.

NOW, THEREFORE, be it resolved by the Corporation, acting through its Board of Directors, as follows:

Section 1: The Board hereby finds and determines that the Program is consistent with the principles established by the Corporation in relation to the review and approval of grant programs.

Section 2: The Hotels, Arts/Culture, and Tourism Industries Grant Program is hereby established and the Authorized Officers shall administer the Program consistent with the presentation of Program parameters to the Board.

Section 3: The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO or the Chief Financial Officer (the “Authorized Officers”). Any two of the Authorized Officers of the Corporation, acting jointly, are hereby authorized to take any and all actions necessary to accomplish the intent of this Resolution including (i) negotiation and execution of one or more contracts with the State of Rhode Island in relation to the funding for the Program and related costs and/or expenses; (ii) the expenditure of funding to carry out the Program inclusive of the award of grants; and (iii) to negotiate, execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents.
necessary or appropriate to consummate the transactions and Program 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 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. Stacy Farrell is appointed as the Assistant Secretary for all purposes hereunder.

Section 4: From and after the execution and delivery of the documents hereinabove authorized, any two of the Authorized Officers, acting jointly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transactions authorized herein.

Section 5: 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.

Section 6: This Resolution shall take effect immediately upon passage by the Board.
RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RHODE ISLAND COMMERCE CORPORATION

November 9, 2020

(With Respect to the Consumer Activation Voucher or Gift Card Program)

WHEREAS, the Board of Directors (the “Board”) of the Rhode Island Commerce Corporation (the “Corporation”) received a presentation relative to the establishment of a program known as the Consumer Activation Voucher or Gift Card Program (the “Program”);

WHEREAS, many Rhode Islanders have experienced stressors that have led to unhealthy behaviors, including limiting exercise, increased alcohol and substance abuse, and decreased access of mental health supports;

WHEREAS, many Rhode Island businesses have been adversely economically injured due to the COVID-19 public health emergency;

WHEREAS, the Program will provide for the distribution of vouchers or gift cards, or the creation of other structured awards to motivate COVID-19 compliant behaviors and incentivize healthy behaviors amongst Rhode Islanders and support Rhode Island businesses that have been adversely impacted as a result of the COVID-19 public health emergency;

WHEREAS, the Corporation is anticipated to receive federal funding sources to establish and administer the Program; and

WHEREAS, the establishment and administration of the Program is consistent with the purposes and mission of the Corporation.

NOW, THEREFORE, be it resolved by the Corporation, acting through its Board of Directors, as follows:

Section 1: The Board hereby finds and determines that the Program is consistent with the principles established by the Corporation in relation to the review and approval of grant programs.

Section 2: The Consumer Activation Voucher or Gift Card Program is hereby established and the Authorized Officers shall administer the Program consistent with the presentation of Program parameters to the Board.

Section 3: The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO or the Chief Financial Officer (the “Authorized Officers”). Any two of the Authorized Officers of the Corporation, acting jointly, are hereby authorized to take any and all actions necessary to
accomplish the intent of this Resolution including (i) the negotiation and execution of one or more contracts with the State of Rhode Island in relation to the funding for the Program and related costs and/or expenses; (ii) the expenditure of funding to carry out the Program inclusive of the retention of vendors to distribute vouchers, gift cards or to undertake other similar mechanisms for consumer engagement to support Rhode Island businesses; and (iii) to negotiate, execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions and Program 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 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. Stacy Farrell is appointed as the Assistant Secretary for all purposes hereunder.

Section 4: From and after the execution and delivery of the documents hereinabove authorized, any two of the Authorized Officers, acting jointly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transactions authorized herein.

Section 5: 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.

Section 6: This Resolution shall take effect immediately upon passage by the Board.
VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

December 8, 2020

APPROVED

VOTED: To approve an increase in funding under the Take it Outside Initiative and a delegation of authority to the President & COO and the CFO to increase individual grant amounts pursuant to the resolution pursuant to the Board.
RESOLUTION OF THE BOARD OF DIRECTORS OF THE RHODE ISLAND COMMERCE CORPORATION

December 7, 2020

(With respect to the Take it Outside Initiative)

WHEREAS, the Board of Directors (“Board”) of the Rhode Island Commerce Corporation (“Corporation”) previously, on September 30, 2020, approved the implementation of the Take it Outside Initiative (“TIO”) and awards of grants under that program; and

WHEREAS, the Board wishes to increase the funding for the TIO and individual grants under that program.

NOW, THEREFORE, it is hereby resolved by the Corporation as follows:

Section 1: The Board hereby approves total funding for the TIO in the amount of $7,263,000.

Section 2: The Board delegates to the President & COO and CFO, acting jointly and in their sole discretion, the authority, but not the obligation, to increase individual awards under the TIO, so long as the cumulative total of awards is not in excess of the total program funding as authorized by the Board.

Section 2: This Resolution shall take effect immediately upon passage.
TAB 3
VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

December 8, 2020

APPROVED

VOTED: To approve the delegation of authority to the President & COO and the CFO to increase individual grant amounts to consultants providing technical assistance to COVID-impacted businesses pursuant to the resolution pursuant to the Board.
RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RHODE ISLAND COMMERCE CORPORATION

December 7, 2020

(With respect to the retention of consultants to provide technical assistance to COVID-impacted businesses)

WHEREAS, the Board of Directors (“Board”) of the Rhode Island Commerce Corporation (“Corporation”) previously, on September 30, 2020, approved consultants to provide technical assistance to COVID-impacted businesses (“Services”), including Social Enterprise Greenhouse (“SEG”), District Hall Providence (“District Hall”), and The Multicultural Innovation Center (“MIC,” or collectively with SEG and District Hall, the “Consultants”); and

WHEREAS, the Board wises to delegate authority to the Corporation’s COO & President and CFO to increase the awards to the Consultants.

NOW, THEREFORE, it is hereby resolved by the Corporation as follows:

Section 1: The Board delegates to the President & COO and CFO, acting jointly and in their sole discretion, the authority, but not the obligation, to increase awards to the Consultants in the following amounts:

<table>
<thead>
<tr>
<th>Consultant</th>
<th>Increase of original award up to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEG</td>
<td>$55,000</td>
</tr>
<tr>
<td>MIC</td>
<td>$175,000</td>
</tr>
<tr>
<td>District Hall</td>
<td>$97,515</td>
</tr>
</tbody>
</table>

Section 2: This Resolution shall take effect immediately upon passage.
VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

December 8, 2020

APPROVED

VOTED: To approve an award of incentives for a proposed project by PREG-DSC, LLC pursuant to R.I. Gen. Laws Chapter 45-33.4 pursuant to the resolution submitted to the Board.
RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING AN AWARD UNDER THE
CITY OF PAWTUCKET DOWNTOWN REDEVELOPMENT ACT
December 8, 2020

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 33.4 of Title 45 of the General Laws of Rhode Island, as amended (the “Pawtucket Downtown Redevelopment Act”) authorizes State, the City of Pawtucket (the “City”) and the Pawtucket Redevelopment Agency (the “Agency”) to enter into an “Economic Activity Taxes Agreement”, as defined in the Downtown Pawtucket Redevelopment Act, and for the Corporation to designate a portion of “Baseline Revenues” as “State Economic Activity Taxes” for, among other purposes, financing qualifying projects in the City; and

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

WHEREAS: The Corporation received an application for an Award under the Rules from PREG-DCS, LLC (together with its nominee or assignee, the “Developer”) and the Agency in relation to a mixed-use project (the “Project”) located at 71 Dexter Street, Pawtucket, RI, which is proposed to consist of approximately one hundred fifty (150) residential units and an estimated fourteen thousand five hundred (14,500) square feet of retail, office or other commercial space; and

WHEREAS: The Corporation has received from the chief executive officer or equivalent officer of the Developer an attestation under oath as required under R.I. Gen. Laws 45-33.4-1(13)(ii); and

WHEREAS: The Corporation’s Investment Committee has reviewed and considered the proposed Award and has voted to recommend to the Board of Directors (the “Board”) of the Corporation the approval of the Award; and

WHEREAS: The Board of the Corporation received a presentation inclusive of a term sheet detailing the Project and proposed Award together with a recommendation from the staff of the Corporation for approval of the Award in accordance with the Rules and Pawtucket Downtown Redevelopment Act.
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 Pawtucket Downtown Redevelopment Act, the Corporation approves the issuance of the Award to the Agency and the Developer to pay a portion of the principal and interest on bonds issued by the Agency in annual installments that will provide proceeds, net of capitalized interest, debt service coverage and reserves, and costs of issuance in an aggregate amount not to exceed $10,100,000 for the development of the Project.

2. The term of the Award shall not exceed thirty (30) years.

3. The authorization provided herein is further subject to the following conditions:
   a. The execution of an Incentive Agreement between the Corporation and the Developer meeting the requirements of the Rules in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer; and
   b. A requirement in a contract binding the Agency, the Developer and such others as an Authorized Officer deems appropriate, in his or her discretion, requiring the annual payments received on account of the Award to be held in an escrow or trust account until the Corporation certifies to the Agency that the Project has been Placed in Service;
   c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer; and
   d. Appropriation by the General Assembly of amounts sufficient to pay the Award in accordance with the terms of the Pawtucket Downtown Redevelopment Act.

4. The Board of the Corporation hereby finds and determines that: (i) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (ii) that, to the extent applicable, the provisions of R.I. Gen. Laws § 42-64-10(a)(1)(ii) through (v) have been satisfied; (iii) that a defined amount of Baseline Revenues from the arts district, ballpark district and growth center district (as such districts are defined in the Pawtucket Downtown Redevelopment Act) assessed and collected under chapters 18, 19, and 30 of title 44 of the general laws equal to the Award are necessary to finance or complete the Project; (iv) that the chief executive officer or equivalent officer of the Developer has provided an attestation under oath as required under R.I. Gen. Laws 45-33.4-1(13)(ii); and (v) that the Chief Executive Officer of the Corporation has provided written
confirmation that one or more of the eligibility criteria required by the Pawtucket Downtown Redevelopment Act has been satisfied (a copy of which is annexed hereto as Exhibit 1).

5. Prior to the execution of an Incentive Agreement with the Developer, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of the incentives will or may have on the State considering the factors set forth in R.I. Gen. Law § 42-64-10(a)(2).

6. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the CEO, the President & COO, the Chief Financial Officer, the Treasurer and the SVP 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 the State Economic Activity Taxes Agreement, the Incentive Agreement any other 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 by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, 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. Stacy Farrell is appointed Assistant Secretary for all purposes under this Resolution.

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, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.
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. No costs or expenses whether incurred by the Corporation or any other party in connection with the Award or the preparation or review of any documents by any legal or other consultants retained in connection herewith shall be borne by the Corporation except as permitted by an Authorized Officer. The Corporation may require such deposits or advances as it deems desirable for such fees, costs and expenses, and may require reimbursement of any such fees, costs and expenses paid by the Corporation. The Corporation shall have the right to select and retain legal, financial and other consultants in connection with the Award, and all fees, costs and expenses of such consultants and professionals, along with all other such costs and expenses, shall be borne by the Developer and/or the Agency.

11. This resolution shall take effect immediately upon adoption by the Board.
From: Stefan Pryor, Secretary of Commerce and Chief Executive Officer of the Rhode Island Commerce Corporation
      Jesse Saglio, President and Chief Operating Officer of the Rhode Island Commerce Corporation
To: Board of Directors, Rhode Island Commerce Corporation
Re: City of Pawtucket Downtown Redevelopment Act Application
Date: December 8, 2020

The staff of the Rhode Island Commerce Corporation (the “Corporation”) is recommending to the Board of Directors that it approve the application of the Pawtucket Redevelopment Agency and PREG-DCS, LLC (the “Application”) for an award pursuant to the. This memo serves as the written confirmation, pursuant to 870-RICR-30-00-9.10(A)(2), of the following:

1. The Corporation’s staff has reviewed the Application submitted and the impact analysis for this project and has determined that the project meets the eligibility criteria set forth in R.I. General Laws 45-33.4-1(13) in that staff has concluded that a defined amount of revenues from the districts assessed and collected under chapters 18, 19, and 30 of title 44 are necessary to finance or complete a given project.

2. Based upon the foregoing determination it is hereby confirmed that the Application satisfies the identified eligibility criteria under R.I. General Laws 45-33.4-1(13).
VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

December 8, 2020

APPROVED

VOTED: To approve an award of incentives for a proposed project by 401 Tech Bridge under the Rebuild Rhode Island Tax Credit program and the First Wave Closing Fund program pursuant to the resolutions submitted to the Board.
WHEREAS: The Rhode Island Commerce Corporation (the “Corporation”) was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the “State”) under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the “Enabling Act”); and

WHEREAS: Chapter 64.23 of Title 42 Chapter 48.3 of Title 44 of the General Laws of Rhode Island (the “First Wave Act”), authorizes the Corporation to approve the issuance of incentives in relation to catalytic economic development projects in the State; and

WHEREAS: The Corporation received an application for incentive under the First Wave Act in relation to a project by 401 Tech Bridge (the “Recipient”);

WHEREAS: The Corporation’s Investment Committee has reviewed and considered the proposed incentives to the Recipient and has voted to recommend to the Board of Directors (the “Board”) of the Corporation the approval of the incentives; and

WHEREAS: The Board of the Corporation received a presentation regarding the 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 First Wave Act.

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

RESOLVED:

1. To accomplish the purposes of the Enabling Act and the Act, the Corporation approves the issuance of a grant to the Recipient under the First Wave Act in the amount of $500,000.

2. The authorization provided herein is subject to the following conditions:
a. The execution of an incentive agreement between the Corporation and the Recipient meeting the requirements of the First Wave Act in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;

b. Prior to certification of any award of incentives to the Recipient, verification by the Corporation of compliance with the funding guidelines of the rules and regulations adopted in relation to the First Wave Act (the “First Wave Rules”); and

c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.

3. The Board of the Corporation hereby finds and determines that: (i) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (ii) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (iii) the Recipient has demonstrated that it will otherwise satisfy the funding guidelines of Rule 6 of the First Wave Rules; and (iv) the Corporation has prepared and publicly released an analysis of the impact that the project and job creation associated therewith will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 1).

4. 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, EVP Investments (the “Authorized Officers”). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any action with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same. Stacy Farrell is appointed as the Assistant Secretary for all purposes hereunder.

5. 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.

6. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.

7. 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.

8. This resolution shall take effect immediately upon adoption by the Board.
Introduction

The Rhode Island Commerce Corporation (the “Corporation”) may provide Rebuild Rhode Island tax credits to 401 Tech Bridge (the “Sponsor”), a Kingston-based non-profit organization affiliated with the University of Rhode Island Research Foundation that seeks to accelerate the development and commercialization of new materials and technologies. 401 Tech Bridge was the first in what is now a national network of Tech Bridge centers created by the U.S. Navy to promote collaboration in the development of new technologies that can be used for both military and civilian purposes.

The credits would be provided in connection with the Sponsor’s proposed investment in a new Nanomaterials Center of Excellence, to be located in 17,000 square feet of flex space in an existing building in Portsmouth, Rhode Island. Among other activities, this new facility would support 401 Tech Bridge’s collaboration with Graphene Composites USA, the U.S. subsidiary of a U.K. company that has developed a new graphene-silver composite called GC Ink™ that has proven effective in killing the Influenza A virus, and that GC USA plans to test for use against the COVID-19 virus. The Center would provide space for research and development, pilot manufacturing activity, and collaboration with other Rhode Island firms engaged in the development of new applications of GC Ink™ technology.

The Sponsor estimates the total cost of the project to be $6.6 million. The Sponsor is requesting $1.0 million in Rebuild Rhode Island tax credits, as well as a First Wave grant of $500,000. First Wave funds would be used to purchase a Haydale plasma reactor, a specialized tool required for use of graphene in a variety of applications.

This analysis was prepared by Appleseed, a consulting firm with more than twenty years’ experience in economic impact analysis.

Jobs Analysis

Construction

As shown below in Table 1, the Sponsor’s estimate of total project cost is approximately $6.6 million.
Table 1: Estimated total project cost ($ millions)

<table>
<thead>
<tr>
<th>Component</th>
<th>Estimated cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architecture and engineering</td>
<td>$0.01</td>
</tr>
<tr>
<td>Construction</td>
<td>2.61</td>
</tr>
<tr>
<td>Equipment and furniture</td>
<td>3.98</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6.60</strong></td>
</tr>
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Using IMPLAN – a modeling tool commonly used in economic impact studies – Appleseed estimates that direct expenditures of $6.6 million will directly and indirectly generate:

- 20 person-years\(^1\) of work in Rhode Island, with $1.40 million in earnings (in 2021 dollars);
- Approximately $3.61 million in statewide economic output\(^2\); and
- A one-time increase of $1.98 million in Rhode Island’s GDP.

These impacts are summarized below in Table 2. The project’s direct impact is the impact of the company’s direct spending on design and construction. Its indirect impact is the effect of spending by contractors for goods and services (insurance, construction materials, etc.) purchased from other Rhode Island businesses.

Table 2: Direct, indirect and induced impact of construction and related spending
(employment in person-years; income, value-added and output in millions of 2021 dollars)

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<th>Output</th>
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<td>$1.15</td>
<td>$1.55</td>
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<td>Indirect Effect</td>
<td>4</td>
<td>0.25</td>
<td>0.43</td>
<td>0.77</td>
</tr>
<tr>
<td><strong>Total Effect</strong></td>
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The activity reflected in Table 2 will occur from the spring of 2021 through the spring of 2022.

In addition to the impacts on employment, earnings, output and state GDP cited in Table 2, direct spending of $6.60 million would generate a projected one-time increase of approximately $80,500 in taxes paid to the State during construction, including:

- $52,400 in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project
- $21,500 in state sales taxes paid by these workers on taxable household spending

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\(^1\) A person-year is equivalent to the time worked by one person who is employed full-time for a year. It could represent the work of two people who are each employed full-time for six months; or the work of one person who is employed half-time for two years. In this case, 292 person-years would equate to an average of 146 full-time-equivalent jobs in construction and related industries each year for two years.

\(^2\) Output is a measure of the total sales by Rhode Island companies (including the “sale” of labor by Rhode Island households) generated by the project.
• $6,600 in state business taxes

The anticipated wage rates for construction jobs are shown below in Table 3. Anticipated wage rates are the median hourly wage for these occupations in Rhode Island, as of May 2018.

### Table 3: Anticipated wages during construction

<table>
<thead>
<tr>
<th>Occupation</th>
<th>RI median hourly wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architect</td>
<td>$37.59</td>
</tr>
<tr>
<td>Construction manager</td>
<td>$54.75</td>
</tr>
<tr>
<td>Carpenter</td>
<td>$22.68</td>
</tr>
<tr>
<td>Electrician</td>
<td>$28.40</td>
</tr>
<tr>
<td>Plumber</td>
<td>$27.71</td>
</tr>
<tr>
<td>Painter</td>
<td>$19.92</td>
</tr>
<tr>
<td>Laborer</td>
<td>$21.25</td>
</tr>
</tbody>
</table>

Fringe benefits associated with these jobs are expected to be in accordance with industry norms, with the cost of such benefits generally ranging between 22 and 28 percent of wages. Workers who fill these jobs are expected to be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

**Annual operations**

The office, research and manufacturing space and equipment developed in Plymouth and Kingston are assumed to be occupied and in use by mid-2022. While the precise number and characteristics of those who will be working at the Nanomaterials Center of Excellence have not yet been determined, we assume for purposes of this analysis that in accord with the minimum requirements of First Wave program, 25 people will be engaged in the Center’s work, including a mix of scientific research, manufacturing and administrative workers.

Using IMPLAN, Appleseed estimates (Table 4) that in 2022, the Center’s ongoing operations would directly and indirectly support:

- 41 jobs in Rhode Island, with approximately $2.89 million in annual earnings (in 2022 dollars);
- $9.97 million in annual statewide economic output; and
- An increase of $4.52 million in Rhode Island’s annual GDP.

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3 Median wages cited in Table 3 are from Rhode Island Department of Labor and Training, Occupational Employment Statistics, May 2018, except for plumbers, which are from May 2017
### Table 4: Direct, indirect and total impact of ongoing operations, 2022 (employment in jobs; earnings, value-added and output in millions of 2022 dollars)

<table>
<thead>
<tr>
<th></th>
<th>Employment</th>
<th>Earnings</th>
<th>Value added</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Effect</td>
<td>25</td>
<td>$1.91</td>
<td>$2.95</td>
<td>$6.98</td>
</tr>
<tr>
<td>Indirect Effect</td>
<td>16</td>
<td>0.98</td>
<td>1.57</td>
<td>2.99</td>
</tr>
<tr>
<td><strong>Total Effect</strong></td>
<td><strong>41</strong></td>
<td><strong>$2.89</strong></td>
<td><strong>$4.52</strong></td>
<td><strong>$9.97</strong></td>
</tr>
</tbody>
</table>

In addition to the impacts on employment, earnings, output and state GDP cited in Table 4, ongoing operations on Parcel 6 would generate a projected gross increase of approximately $161,300 in taxes paid to the state in 2023, including:

- $108,400 in state personal income taxes paid by Rhode Island workers employed in building and tenant business operations atParcel 6, or whose jobs are indirectly attributable to operations at the site
- $44,500 in state sales taxes paid on those workers’ taxable household spending;
- $8,400 in state business taxes

Workers employed by the Center, GC USA and other partners would be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

### Impact

The state fiscal impact of the requested tax credits and sales tax exemption will be approximately $1.0 million in forgone state tax revenue. Direct and indirect economic and fiscal benefits of the proposed project include an estimated increase in annual state GDP (in 2022 dollars) of approximately $4.52 million; the associated job creation; and a cumulative gross increase of approximately $2.02 million in state personal income, sales and business tax revenues directly and indirectly generated by the project during the construction phase, and by ongoing operations during the twelve years after completion of the project.

In addition to the economic and tax revenue impacts cited above, the proposed project would benefit Rhode Island in several other ways:

- By helping to seed the creation of a cluster of Rhode Island firms engaged in the development and commercialization of new applications of GC USA’s GC Ink™ technology.
- By highlighting Rhode Island’s attractiveness as a location for other companies engaged in the development and use of new nanomaterials.
- By providing students at URI and other Rhode Island institutions with opportunities to connect with innovative companies in this sector.
Beyond the fiscal impact noted above, the state’s financial exposure will be limited. Various features of the Rebuild Rhode Island program mitigate other risks to the state. In particular, the completion risk (i.e., the risk that the project is not completed) is mitigated by the fact that the tax credits will be issued only upon completion of the development. The risk of project cost overruns is mitigated by the fact that the credits capped at the amount set forth above. In addition, if project costs come in lower than anticipated, the value of the credits will be reduced accordingly.
WHEREAS: The Rhode Island Commerce Corporation (the “Corporation”) was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the “State”) under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the “Act”); and

WHEREAS: Chapter 64.20 of Title 42 of the General Laws of Rhode Island (the “Rebuild RI Tax Credit Act”), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to certain development projects in the State; and

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

WHEREAS: The Corporation received an application for tax credits from 401 Tech Bridge (the “Recipient”) under the Rebuild RI Tax Credit Act in relation to a project (the “Project”) located at 1170 East Main Road, Portsmouth, RI; and

WHEREAS: The Corporation’s Investment Committee has reviewed and considered the proposed issuance of tax credits to the Recipient and has voted to recommend to the Board of Directors (the “Board”) of the Corporation the approval of the tax credits and tax exemption; and

WHEREAS: The staff has recommended that the Board exempt the Recipient from the application of the Rules insofar as the applicant has submitted an application pursuant to the streamlined process adopted in accordance with RIGL § 42-64.20-5(c), and the Project is exempt from certain of the Eligibility Requirements contained in the Rules pursuant to RIGL § 42-64.20-5(e); and

WHEREAS: The Board of the Corporation received a presentation inclusive of a term sheet detailing the Project and proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of tax credits and a sales and use tax exemption to the Recipient in accordance with the Rebuild RI Tax Credit Act and the Rules.
NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

RESOLVED:

1. To accomplish the purposes of the Act and the Rebuild RI Tax Credit Act, the Corporation approves the issuance of tax credits in the aggregate amount of $1,000,000 to the Recipient.

2. The authorization provided herein is subject to the following conditions:
   a. The execution of an Incentive Agreement between the Corporation and the Recipient meeting the requirements of the Rebuild RI Tax Credit Act and the Rules in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;
   b. Verification by the Corporation of compliance with the applicable Eligibility Requirements of the Rules prior to Certification of any award of tax credits to the Recipient; and
   c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.

3. The Board of the Corporation hereby finds and determines that: (i) the Recipient’s application is exempt from both the application requirements of the Rules consistent with RIGL § 42-64.20-5(c) and such eligibility requirements of the Rules that are inconsistent with the RIGL §42-64.20-5(e); (ii) approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (iii) to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (iv) 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; (v) there is a Project Financing Gap for the Project such that after taking into account all available private and public funding sources, the Project is not likely to be accomplished by private enterprise without the incentives described in the Act and the Rules; (vi) the total amount of Tax Credits awarded for the Project is the lesser of twenty (20%) of the total Project Cost or the amount needed to close the Project Financing Gap; (vii) 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); (viii) 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); (ix) the Office of Management and Budget has provided written confirmation required under the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 2); and (x) the Recipient has demonstrated that it will otherwise satisfy any other applicable Eligibility Requirements of the Rules.
4. Prior to the execution of an Incentive Agreement with the Recipient, the Corporation has prepared and publicly released an analysis of the impact that the issuance of the tax credits will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 3).

5. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the 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 Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.

6. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.

7. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.

8. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.
9. This Resolution shall take effect immediately upon passage.
EXHIBIT 1
The staff of the Rhode Island Commerce Corporation (the “Corporation”) is recommending to the Board of Directors that it approve tax credits pursuant to the Rebuild Rhode Island Tax Credit program. The recommendation is as follows:

- To approve the application of 401 Tech Bridge for tax credits of $1,000,000.

This memo serves as the written confirmation, pursuant to Rhode Island General Laws § 46-64.20-6, of the following:

1. The Corporation staff has reviewed the application submitted and the impact analysis for this project (the impact analysis is provided to the Board as an exhibit to the approving resolution for the project).

2. The project is consistent with the purpose of the Rebuild Rhode Island Tax Credit Act, R.I. Gen. Laws § 42-64.20-1 et seq.

The total credits to be awarded to the applicant shall not be in excess of the amount listed above.
Rhode Island Commerce Corporation
Rebuild Rhode Island – Economic Impact Analysis

401 Tech Bridge Application

Introduction

The Rhode Island Commerce Corporation (the “Corporation”) may provide Rebuild Rhode Island tax credits to 401 Tech Bridge (the “Sponsor”), a Kingston-based non-profit organization affiliated with the University of Rhode Island Research Foundation that seeks to accelerate the development and commercialization of new materials and technologies. 401 Tech Bridge was the first in what is now a national network of Tech Bridge centers created by the U.S. Navy to promote collaboration in the development of new technologies that can be used for both military and civilian purposes.

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This analysis was prepared by Appleseed, a consulting firm with more than twenty years’ experience in economic impact analysis.

Jobs Analysis

Construction

As shown below in Table 1, the Sponsor’s estimate of total project cost is approximately $6.6 million.
Table 1: Estimated total project cost ($ millions)

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- 20 person-years\(^1\) of work in Rhode Island, with $1.40 million in earnings (in 2021 dollars);
- Approximately $3.61 million in statewide economic output\(^2\); and
- A one-time increase of $1.98 million in Rhode Island’s GDP.

These impacts are summarized below in Table 2. The project’s direct impact is the impact of the company’s direct spending on design and construction. Its indirect impact is the effect of spending by contractors for goods and services (insurance, construction materials, etc.) purchased from other Rhode Island businesses.

Table 2: Direct, indirect and induced impact of construction and related spending
(employment in person-years; income, value-added and output in millions of 2021 dollars)

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The activity reflected in Table 2 will occur from the spring of 2021 through the spring of 2022.

In addition to the impacts on employment, earnings, output and state GDP cited in Table 2, direct spending of $6.60 million would generate a projected one-time increase of approximately $80,500 in taxes paid to the State during construction, including:

- $52,400 in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project
- $21,500 in state sales taxes paid by these workers on taxable household spending

\(^1\) A person-year is equivalent to the time worked by one person who is employed full-time for a year. It could represent the work of two people who are each employed full-time for six months; or the work of one person who is employed half-time for two years. In this case, 292 person-years would equate to an average of 146 full-time-equivalent jobs in construction and related industries each year for two years.

\(^2\) Output is a measure of the total sales by Rhode Island companies (including the “sale” of labor by Rhode Island households) generated by the project.
$6,600 in state business taxes

The anticipated wage rates for construction jobs are shown below in Table 3. Anticipated wage rates are the median hourly wage for these occupations in Rhode Island, as of May 2018.

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Fringe benefits associated with these jobs are expected to be in accordance with industry norms, with the cost of such benefits generally ranging between 22 and 28 percent of wages. Workers who fill these jobs are expected to be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

Annual operations

The office, research and manufacturing space and equipment developed in Plymouth and Kingston are assumed to be occupied and in use by mid-2022. While the precise number and characteristics of those who will be working at the Nanomaterials Center of Excellence have not yet been determined, we assume for purposes of this analysis that in accord with the minimum requirements of First Wave program, 25 people will be engaged in the Center’s work, including a mix of scientific research, manufacturing and administrative workers.

Using IMPLAN, Appleseed estimates (Table 4) that in 2022, the Center’s ongoing operations would directly and indirectly support:

- 41 jobs in Rhode Island, with approximately $2.89 million in annual earnings (in 2022 dollars);
- $9.97 million in annual statewide economic output; and
- An increase of $4.52 million in Rhode Island’s annual GDP.

³ Median wages cited in Table 3 are from Rhode Island Department of Labor and Training, Occupational Employment Statistics, May 2018, except for plumbers, which are from May 2017
# Table 4: Direct, indirect and total impact of ongoing operations, 2022 (employment in jobs; earnings, value-added and output in millions of 2022 dollars)

<table>
<thead>
<tr>
<th></th>
<th>Employment</th>
<th>Earnings</th>
<th>Value added</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Effect</td>
<td>25</td>
<td>$1.91</td>
<td>$2.95</td>
<td>$6.98</td>
</tr>
<tr>
<td>Indirect Effect</td>
<td>16</td>
<td>0.98</td>
<td>1.57</td>
<td>2.99</td>
</tr>
<tr>
<td><strong>Total Effect</strong></td>
<td><strong>41</strong></td>
<td><strong>$2.89</strong></td>
<td><strong>$4.52</strong></td>
<td><strong>$9.97</strong></td>
</tr>
</tbody>
</table>

In addition to the impacts on employment, earnings, output and state GDP cited in Table 4, ongoing operations on Parcel 6 would generate a projected gross increase of approximately $161,300 in taxes paid to the state in 2023, including:

- $108,400 in state personal income taxes paid by Rhode Island workers employed in building and tenant business operations at Parcel 6, or whose jobs are indirectly attributable to operations at the site
- $44,500 in state sales taxes paid on those workers’ taxable household spending;
- $8,400 in state business taxes

Workers employed by the Center, GC USA and other partners would be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

**Impact**

The state fiscal impact of the requested tax credits and sales tax exemption will be approximately $1.0 million in forgone state tax revenue. Direct and indirect economic and fiscal benefits of the proposed project include an estimated increase in annual state GDP (in 2022 dollars) of approximately $4.52 million; the associated job creation; and a cumulative gross increase of approximately $2.02 million in state personal income, sales and business tax revenues directly and indirectly generated by the project during the construction phase, and by ongoing operations during the twelve years after completion of the project.

In addition to the economic and tax revenue impacts cited above, the proposed project would benefit Rhode Island in several other ways:

- By helping to seed the creation of a cluster of Rhode Island firms engaged in the development and commercialization of new applications of GC USA’s GC Ink™ technology.
- By highlighting Rhode Island’s attractiveness as a location for other companies engaged in the development and use of new nanomaterials.
- By providing students at URI and other Rhode Island institutions with opportunities to connect with innovative companies in this sector.
Beyond the fiscal impact noted above, the state’s financial exposure will be limited. Various features of the Rebuild Rhode Island program mitigate other risks to the state. In particular, the completion risk (i.e., the risk that the project is not completed) is mitigated by the fact that the tax credits will be issued only upon completion of the development. The risk of project cost overruns is mitigated by the fact that the credits capped at the amount set forth above. In addition, if project costs come in lower than anticipated, the value of the credits will be reduced accordingly.