

2024 Quarter 4 Program Outcomes

The full 2024 Quarter 4 report can be read [online here](#) and can be accessed on the Rhode Island Commerce *Open Government Page* <https://commerceri.com/about-us/open-government-transparency/>.

Innovation Initiative

The Innovation Voucher and the Network Matching Grants have proven valuable investments; they have helped small businesses access the state's innovation assets, supported R&D that has generated new business and technological advancements, as well as tap technical assistance, access to capital and space on flexible terms needed to grow.

Innovation Vouchers

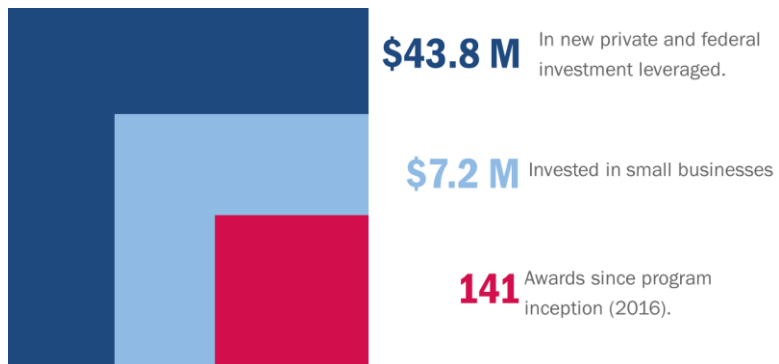
The Innovation Voucher helps small businesses tap the expertise and resources needed to unlock research and development capacity and catalyze their small business growth. The program pairs small Rhode Island businesses (500 employees or less) with local knowledge partners like colleges, universities, and hospitals. Manufacturers may use vouchers for internal R&D.

Grants up to \$75,000 allow RI businesses to partner with in-state knowledge providers to:

- support for commercialization of a new product, process, or service;
- access to scientific, engineering, and design expertise that fits an innovation need;
- technological development and exploration to make an innovation come to life; and/or
- scale-to-market development of an innovative idea.

To date, the voucher program has supported 141 awards across 114 companies with \$7.2 million in dedicated R&D funding critical to help businesses scale their efforts and maintain competitiveness.

With \$7.2 million in total funding awarded, the innovation vouchers have led to \$43.8 million in new private and federal investment coming back to Rhode Island.

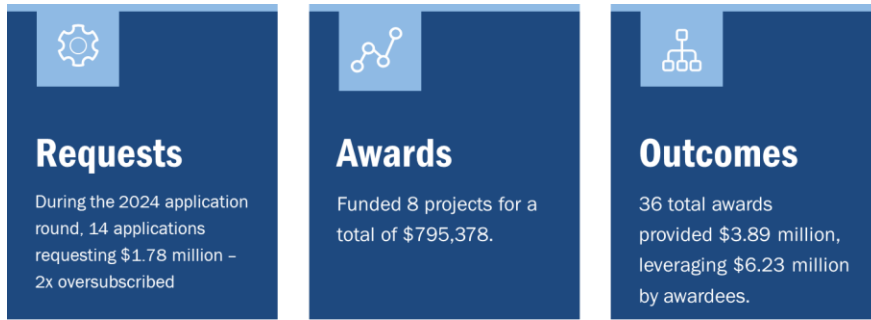


Vouchers have resulted in 24 patents for companies and the creation of 317 new jobs (based on final company reports). Thirty-one percent of recipients are MBEs or WBEs.

Network Matching Grants:

The Innovative Network Matching Grant supports small business intermediaries working in key industries that specifically provide support through technical assistance, space on flexible terms and/or access to capital. Grants of at least \$50,000 are available to organizations, including nonprofit, for-profit organizations, universities, and co-working space operators. A 50% cash match or 100% in-kind match is required from the recipient.

The program in total has made 36 awards, totaling \$3.89 million, leveraging \$6.23 million in matching funds invested by awardees.



Main Streets

The Main Street Rhode Island Streetscape Improvement Fund awards grants on a competitive basis for improvements to our state’s commercial districts. This program encourages private-public partnerships to enhance streetscapes in Rhode Island’s local business districts. Funding is available in two categories: (1) physical improvements for streetscape and (2) municipal technical assistance.



Since 2016, 50 grants have been awarded to cities, towns, and economic development organizations to support main street growth.

\$8.1 million in state funding has leveraged \$21.8 million in matching funds to support investments in Rhode Island’s main streets.

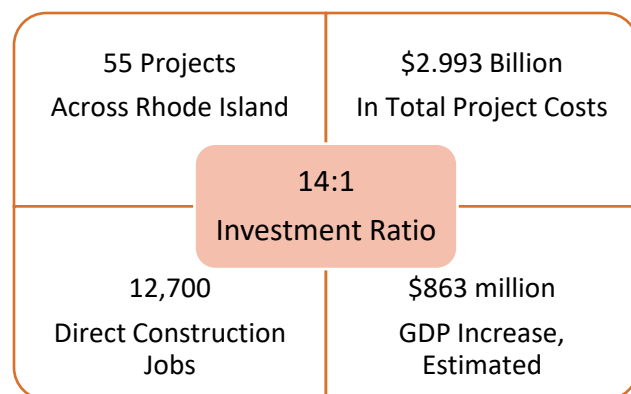
This program, along with the Site Readiness Program, provide direct support to municipalities and economic development organizations to fulfill local economic development goals.

Rebuild

Rebuild Rhode Island was established to attract new business and industry to the state and stimulate growth in real estate developments and/or businesses that are prepared to make meaningful investment and foster job creation in Rhode Island.

Since the program’s inception in 2016, 55 projects have been approved for the Rebuild program and are still active and moving forward.

Those projects represent \$201 million in Rebuild incentives, with total project costs of over \$2.993 billion. This is huge investment in the state from non-state sources, with a leverage ratio of nearly 14 to 1. Meaning that for every dollar invested through the Rebuild program, nearly \$14 in total is invested in the state.



In total, these Rebuild projects are estimated to create more than 12,700 direct construction jobs and over 6,500 ongoing direct jobs.

The 10-year net state revenue from taxes is estimated at \$42.4 million from these projects.

The GDP increase is estimated at \$863 million when these projects are complete and fully operating.

Qualified Jobs Tax Credit

The Qualified Jobs Incentive program provides annual, redeemable tax credits for up to 10 years. Credits can equal up to \$7,500 per job per year, depending on wage level and other criteria. This incentive is for companies relocating to the state and creating new jobs, as well as for current Rhode Island companies growing their in-state workforce.



21 companies actively participating in this program and are anticipated to receive tax credits in the future. Approximately 902 eligible jobs have been created by companies that have certified and received tax credits.

The 10-year net state revenue from taxes from the 21 companies is estimated to be \$163.6 million. Annual GDP increase from these companies is estimated at \$466.7 million. These figures are based on the economic impact analyses completed at the time of project approval for when all deals are flowing and hitting their job commitments.

The Office of Revenue Analysis recently released their second report on the QJ program, covering tax years 2019-2021. In this report, they found that the program breaks even with respect to state revenue if at least 19.4% of the jobs of the credit recipients are new jobs that exist because of this tax incentive.

Small Business Assistance Program (SBAP)

The Small Business Assistance Program (SBAP) is Rhode Island's first State-funded small business loan program.

Program structure: Works with third-party lenders, including those with expertise in micro-lending:

- Presently, there are six lenders who are a part of the SBAP portfolio: BDCRI, SEED, RI Capital Access Program, SEG, RIBBA, and CIC.
- Direct loans \$25,000-\$750,000 and microloans between \$2,000 and \$25,000.

- A portion of the state funds provide technical assistance to the borrowers (up to 10% for small business direct loans and 25% for microloans).

A portion of the state funds provide technical assistance to the borrowers (up to 10% for small business direct loans and 25% for microloans).

Overall results:

- \$9.8 million of state funding has leveraged a total loan value of \$37 million to provide loans to 291 small businesses. The program has seen \$3.3 million in repayments to date and presently has \$3.5 million of funding remains available across all lenders.
- More than half (53.1%) of the loans made through the program have gone to minority-or women owned business enterprises.
- 26% of total closed loans have been paid in full.
- A total of 2,254 jobs have been created or retained.

SupplyRI

SupplyRI connects Rhode Island suppliers (companies) with opportunities that help them grow and expand. Suppliers are linked with a network of Anchors’ for procurement opportunities as well as resources through Rhode Island Resource Partners

Aggregated in-state spend from anchor institutions since program inception (2019)	\$584,194,921
Aggregated in-state spend from anchor institutions as reported for CY24 (reported on an annual basis)	\$156,615,285
% ROI for FY25 to date	20,782%
FY25 Jobs created/retained to date	2510
Companies engaged in buyer requests in FY25	212
Active Suppliers in FY25	1260
Small & Disadvantaged Active Business Enterprises	353

Tax Increment Financing (TIF)

Tax increment financing provides capital for an eligible project by rebating a portion of the new state tax revenue generated by the project. An eligible project must demonstrate need through a “financing gap.” The tax revenue rebate may not exceed 30% of total project costs (there’s an exemption for public infrastructure/utilities) or 75% of incremental revenue generated.

- TIF has been awarded to 9 projects.
- To date, a total of \$9.4 million has been disbursed to 7 TIF projects. One approved project has not yet received any payments and is anticipated to begin receiving payments in 2025 (Hive Apartments).
- Four of the projects are part of Commerce’s PILOT program, while the others are administered in coordination with the Division of Taxation.
- Together, the 8 TIF projects total just over \$32 million of state investment through the TIF program. Several of these projects have also received other incentives through the Rebuild program.

Tax Stabilization Incentive (TSI)

The Tax Stabilization Incentive Program provides incentives to Rhode Island municipalities by allowing them to enter into a qualifying property tax stabilization agreement with the State to allow

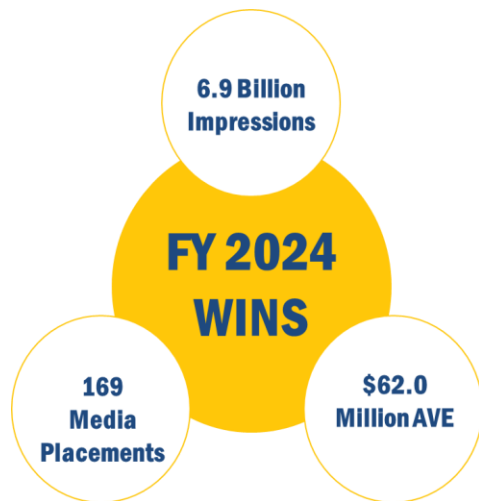
development or redevelopment of properties for industrial, manufacturing and commercial uses. Municipalities will be able to receive reimbursements from State that can supplement the projected cost of the municipal infrastructures through a payment schedule, no more than 10% of the forgone revenue.

In total, 4 projects have been approved for a TSI, totaling \$2,105,253 in state incentives. These incentives are helping to leverage \$712,430,703 of total investment.

- Providence- \$246,597 in committed funds
- Amgen (West Greenwich)- \$179,829 in committed funds
- Organogenesis (Smithfield)- \$140,000 in committed funds
- Amazon (Johnston)- \$1,538,927 in committed funds

To date \$124,896 has been disbursed to Amgen (West Greenwich).

Tourism – Destination Marketing & Air Service Development Fund



Rhode Island's tourism efforts in FY 2024 yielded impressive results with 169 media placements reaching a circulation of 6.9 billion and generating \$62.0M in advertising value.

Rhode Island Tourism is successfully positioning the state as a luxury destination through global coverage and strategic initiatives including marketplace events, journalist hosting, and innovative marketing installations*.

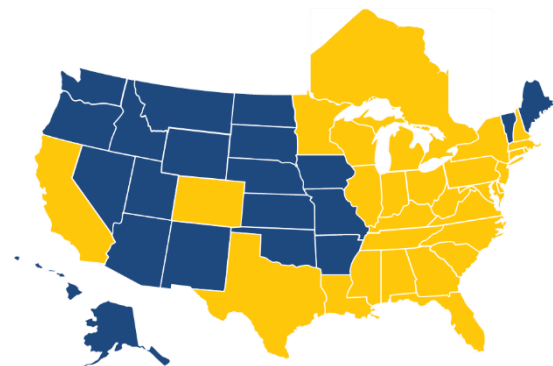
The state's tourism metrics showed strong growth with hotel occupancy reaching 64.5% (up 3.9% from 2023), and overnight stays increasing to 74.5% of total visitors (up from 70.6% pre-COVID).

Achievements including two HSMIA Adrian Awards and recognition from Brand USA as one of America's Best Kept Secrets.

The state has invested \$10.1 million in state and federal revenues over the past three fiscal years through the Air Service Development Fund and the destination marketing programs. This is in addition to approximately \$6.5 million invested per year by the Commerce Corporation through our portion of hotel tax receipts and a \$10.6 million grant from the US EDA.

Our investment in tourism and marketing is paying off: visitor spending, visitor-supported jobs, and business sales generated \$935 million in state and local taxes in 2023.

Advertisements in 31 states and the southern tip of Ontario, Canada



Wavemaker

The Wavemaker fellowship program helps to retain high-level talent in high-demand positions within the state by helping defray student loan debt. Many of these fellows have turned down offers to work elsewhere thanks in part to this program. The program was originally designed for science, technology, engineering, and math (STEM) as well as design fields. The FY23 budget expanded the program to include healthcare workers. The FY24 budget further added teachers to the program.

Many of these fellows have turned down offers to work elsewhere thanks in part to this program. The program was originally designed for science, technology, engineering, and math (STEM) as well as design fields. The FY23 budget expanded the program to include healthcare workers. The FY24 budget further added teachers to the program.

There have been 1,525 fellows accepted into the program. of those, 1,423 remained eligible through their first service period and were able to request certification.