



Businesses

Helping

Thrive



**Rhode Island Commerce**  
CORPORATION

# FY 2013 Performance Report

July 1, 2012 - June 30, 2013



Commerce RI

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Lincoln D. Chafee  
Governor

**OFFICE OF THE GOVERNOR**



May 2014

As we entered 2014, we saw positive changes in Rhode Island's economy. With the latest employment metrics showing an increase in the number of employed Rhode Island residents and the largest one month drop of unemployed in thirty years, Rhode Island's approach to economic development is paying dividends. Since January 2011, 17,700 jobs have been created as of April 2014.

Among the highlights from the latest statistics:

- Rhode Island's seasonally adjusted unemployment rate is now at 8.3 percent, down from 11.4 percent in January 2011. The rate has fallen for five consecutive months and is at its lowest level since August 2008.
- The April drop of 2,300 in the number of unemployed marks the ninth consecutive month the number has fallen and is the largest one-month decrease on record.
- The number of employed Rhode Island residents increased by 3,600 over the month, the largest one-month increase on record.
- The numbers of employed Rhode Island residents and the state's labor force have both increased for four consecutive months.
- Rhode Island-based jobs were up 4,100 during the first quarter of 2014, the largest first quarter job gain since 1992. In April, another 700 jobs were added.
- Since the recession ended, we have regained 50.5 percent - or 20,100 - of the total jobs lost during the recession. Rhode Island has also regained 59.2 percent - or 21,500 - of the private sector jobs lost during that same time.



Rhode Island is off to a solid start based on the first quarter numbers, and our economy will continue to grow because we have been focused on strengthening education, infrastructure and workforce development. We have invested in our cities and towns and are working to lower our energy costs. Through our commitment to those key investments, we have fortified our relationship with the private sector.

My administration is working on initiatives that send a message beyond our borders that Rhode Island is an inviting location to set-up a business, as well as live, work and raise a family. Through RhodeMap RI, we are creating a comprehensive, statewide plan that lays out a clear blueprint for economic development, housing, transportation, arts, culture, historic preservation and land use. We have met with Rhode Islanders in our cities and towns to get a clearer picture of how to shape the future of our communities. The results of this year's PolicyLink's *An Equity Profile of Rhode Island* tell us that we are growing into a diverse state. The study is guiding our efforts to strategize best practices for long-term state and civic planning. Additionally, a key sector of Rhode Island's growth continues to be arts and culture. By harnessing the power of the creative and cultural economy, we will ensure retaining talented business developers, arts and cultural leaders, propel innovation and promote collaboration. And, we are drawing many more visitors to Rhode Island through increased promotion and marketing of our tourism activities to a wider audience.

Thank you, Commerce RI for all your hard work. Today, the agency is even more customer-friendly and has focused its efforts to help existing Rhode Island businesses grow and succeed, while bringing new companies and investments to our state.

I invite you to review Commerce RI's Fiscal Year 2013 Performance Report, which highlights various programs and partnerships aimed at supporting businesses and creating a sound business climate in Rhode Island. Thank you to Marcel, the Board of Directors, and the entire Commerce RI team for helping to move our state in the right direction.

Lincoln D. Chafee  
Governor  
Chairperson, Commerce RI Board of Directors

# COMMERCE RI: HELPING BUSINESSES THRIVE

## Mission

The Rhode Island Commerce Corporation\* (Commerce RI) is the official economic development organization for the State of Rhode Island.

As a quasi-public agency, Commerce RI's mission is to work with public, private and non-profit partners to create the conditions for businesses in all sectors to thrive and to improve the quality of life for our citizens by promoting the State's long-term economic health and prosperity.

*\* On January 1, 2014, the Rhode Island Economic Development Corporation (RIEDC) changed its name to the Rhode Island Commerce Corporation (Commerce RI). The formerly-named RIEDC is referred to as Commerce RI throughout this report.*

## Current Board of Directors

The Honorable Lincoln D. Chafee, Chair  
Governor, State of Rhode Island

Roland Fiore – since March 2013  
President, South County Sand & Gravel Co.

Jerauld Adams, Vice Chair - since January 2011  
President, North American Industries

Elizabeth Francis – since May 2013  
Executive Director, RI Council for the Humanities

Karl Wadensten, Treasurer - since January 2010  
President, Vibco, Inc.

Oscar T. "Tim" Hebert – since May 2013  
CEO, Atrion Networking Corporation

Shannon Brawley – since March 2013  
Executive Director, RI Nursery & Landscape  
Association

Jason Kelly – since April 2013  
Executive Vice President, Moran Shipping Agencies, Inc.

Nancy Carriuolo, Ph.D. – since March 2013  
President, Rhode Island College

George Nee - since January 2010  
President, AFL-CIO of Rhode Island

Judith Diaz – since May 2013  
Director, Lifespan Community Health Services

Stanley Weiss - since January 2011  
Partner, Stanley Weiss Associates

Maeve Donohue - since June 2013  
President, Nami Studios

### Executive Director

Marcel A. Valois - since May 2013



# COMMERCE RI: HELPING BUSINESSES THRIVE



# COMMERCE RI: HELPING BUSINESSES THRIVE



## FY 2013 Highlights

### Access to Capital

Commerce RI provided **\$84.2 million** in capital through the following financing and grant programs:

- **\$3.5 million** in small business and bond financing to 8 Rhode Island businesses
- **\$38.4 million** in bond financing for the purchase and development of the I-195 surplus land—The Link
- **\$33.5 million** in bond financing on behalf of the Rhode Island Airport Corporation (RIAC) for the Deicer Management System at T. F. Green Airport
- **\$7.5 million** in bond financing on behalf of the Quonset Development Corporation (QDC) for a dredging project at the Port of Davisville
- **\$446,385** to support 10 renewable energy companies and projects through Commerce RI's Renewable Energy Fund (REF)
- **\$810,541** in research grants to four colleges and universities through the Rhode Island Science and Technology Advisory Council (STAC)
- **\$100,000** grant to help establish the Rhode Island Higher Education Research Collaborative to develop sound public policy research, and facilitate fact-based decision-making to grow our economy

# COMMERCE RI: HELPING BUSINESSES THRIVE



## FY 2013 Highlights

### Business Retention & Expansion

- In December 2012, Governor Chafee traveled to France to meet with **Dassault Systèmes SIMULIA Corp.** to ensure the company remained in Rhode Island.

Commerce RI subsequently facilitated the use of existing incentives for the rehabilitation of the former FM Global headquarters in Johnston which will provide Dassault the necessary space for continued expansion in Rhode Island.

- In October 2012, New York -based **Tunstall Americas** chose to relocate its data and medical call center operations to Rhode Island. As of February 2014, the company has created 269 new jobs in Pawtucket.
- Commerce RI worked with **General Dynamics Electric Boat** management and the Quonset Development Corporation (QDC) to address the company's expansion needs in accommodating plans to grow the U.S. Navy submarine fleet. In January 2014, Electric Boat reaffirmed the company's commitment to hire about 3,000 more workers at its Quonset facilities by 2020.

### Economic Development

- Building on the success of the 2012 America's Cup event, Governor Chafee and Commerce RI worked with Sail Newport and other statewide partners to secure Newport as the only North American stop for the **Volvo Ocean Race** in 2015.
- Commerce RI partnered with the John H. Chafee Center for International Business at Bryant University, the Rhode Island Manufacturing Extension Services, and the Rhode Island Manufacturers Association in a campaign of advocacy and technical assistance to help Rhode Island manufacturers meet their growth needs.
- Commerce RI joined with the Rhode Island Division of Planning to coordinate an economic data and business climate analysis as part of the state's RhodeMap RI initiative.
- In an effort to become more responsive to the needs of businesses, Commerce RI formed a dedicated **Client Services** team in early 2013. Since then, the new team has held more than 945 meetings with Rhode Island businesses.

# COMMERCE RI: PROVIDING ACCESS TO CAPITAL

## Financial Services

One of Commerce RI's top priorities is to help Rhode Island businesses – particularly small businesses – access the capital they need to jumpstart and accelerate their growth and long-term success in our state.

Our Financial Services team works closely with companies to determine their needs and to find the financing tools to best fit those needs. Sometimes, the best fit for a business may not be with a program managed through Commerce RI, but rather with programs available through conventional lenders or through our financing partners such as the U.S. Small Business Administration (SBA) or the Ocean State Business Development Authority (OSBDA). In these cases, the Financial Services team will facilitate referrals and guide businesses through the process.

Commerce RI may also refer clients to business development organizations, such as SCORE, the Small Business Development Center at the University of Rhode Island, the Center for Women and Enterprise and others to help businesses access technical support services so they can refine a business plan or take advantage of one-on-one counseling to help prepare them for successful financing.

## FY 2013 Financing

Commerce RI provided **\$83.3 million** in small business, bond and renewable energy financing to support **21** Rhode Island businesses, institutions, municipalities and infrastructure assets.



# COMMERCE RI: PROVIDING ACCESS TO CAPITAL

## Small Business Loan Fund Corporation (SBLFC)

For smaller businesses looking for a direct, fully-secured loan, the SBLFC provides up to \$500,000 for working capital to existing manufacturing, processing and selected services. Additionally, manufacturers seeking financing to be used for the acquisition of land, buildings and equipment may qualify for loans in excess of \$500,000.

In February 2013, the SBLFC Board voted to lower the standard interest rate on their loans to an average rate of 5.75% from the previous average rate of 7.5% to make it easier for businesses to access capital.

*Since the SBLFC's inception in 1986, the fund has issued over 650 loans totaling some \$60 million to Rhode Island small businesses.*

### SBLFC Financing in FY 2013

Company	Location	Amount
Biomes Marine Biology	North Kingstown	\$26,000
Breachway Bait & Tackle	Charlestown	\$15,000
D3 Logic Inc.	East Providence	\$250,000
Old Mountain Lanes	Wakefield	\$25,000
Valley Fuel	West Warwick	\$125,000
The Salad Man & Juice Bar Food Truck	Providence	\$17,645
<b>TOTAL</b>		<b>\$458,645</b>



# COMMERCE RI: PROVIDING ACCESS TO CAPITAL

## Bond Financing

**Revenue Bonds** - Commerce RI issues revenue bonds in the form of conduit financing. With the exception of Job Creation Guaranty Moral Obligation Bonds, Commerce RI -issued bonds carry no exposure for Rhode Island taxpayers.

**Rhode Island Industrial Facilities Corporation (RIIFC)** - RIIFC offers both tax-exempt and taxable revenue bonds to businesses exploring various manufacturing projects with a \$20 million limit per project. The bond can cover up to 100 percent of the cost for a manufacturing project including land, new machinery and equipment, building costs and certain eligible “soft” costs.

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

### Commerce RI Bond, RIIFC, IRBA Financing in FY 2013

Company/Entity	Location	Type of Financing	Amount
Ashaway Pines	Hopkinton	RIIFC/IRBA	\$2,000,000
I-195 Commission	Providence	Commerce RI Bonds	\$38,400,000
Quonset Development Corporation	North Kingstown	Commerce RI Bonds	\$7,500,000
RI Airport Corporation	Warwick	Commerce RI Bonds	\$33,500,000
<b>TOTAL</b>			<b>\$81,400,000</b>

# COMMERCE RI: PROVIDING ACCESS TO CAPITAL

## Job Creation Guaranty Program

Beginning in FY 2014, the General Assembly repealed Commerce RI's authority to issue loan guarantees or certain bond obligations through the Job Creation Guaranty Program.

### Job Creation Guaranty Program Financing in FY 2013

Company	Location	Approved Guaranty Amount	*Guaranteed Balance (as of 4/30/14)
eNow	Warwick	\$1,000,000	\$419,674
<b>TOTAL</b>		<b>\$1,000,000</b>	

\* This is the principal balance utilized out of the guaranteed loan amount as of 4/30/14.

### Additional Outstanding Job Creation Guarantees

Company	Location	Approved Guaranty Amount	*Guaranteed Balance (as of 4/30/14)
NuLabel Technologies	East Providence	\$1,500,000 (FY '12)	\$0.00
The Corporate Marketplace	North Kingstown	\$4,000,000 (FY '12)	\$3,250,000
38 Studios	Providence	\$75,000,000 (FY '11)	\$75,000,000
<b>TOTAL</b>		<b>\$80,500,000</b>	

# COMMERCE RI: PROVIDING ACCESS TO CAPITAL

## Renewable Energy Fund (REF)

Created by legislative statute in 1996, the REF is dedicated to increasing the renewable energy supply in Rhode Island. The REF is managed by Commerce RI and provides grants, loans, and other financing to support renewable energy projects that produce electricity in a cleaner, more sustainable manner and stimulate job growth in Rhode Island's economy. The REF is funded through the "system benefit charge" on electric bills and Alternative Compliance Payments from large electricity users.

In December 2012, the Commerce RI Board approved new rules and regulations which provide enhanced structure and transparency to the REF. In 2013, the REF also established a Renewable Energy Fund Advisory Board to assist REF staff in recommending projects to the Commerce RI Board for approval.

In 2013, the Commerce RI Board passed updated REF rules and regulations for 2014-2016. The revised rules and regulations strive for greater predictability and reliability in the renewable energy industry by establishing programs that will be available for a 3-year period. All specific funding program details will be determined in individual "Requests for Projects". This allows Commerce RI to adapt and improve the REF on a regular basis while leaving the overall programs intact.



## COMMERCE RI: PROVIDING ACCESS TO CAPITAL

### Summary of REF Funding in FY 2013

Company	Program Area	# of projects/ kW awarded	Amount
Church Community Housing Corp.	Small-scale solar	4 projects/ 36 kW	\$34,596
Clem's Electric Co.	Commercial Scale	1 solar project/33kW	\$27,390
City of Providence	Feasibility Study	N/A	\$200,000
East Bay MET School	Commercial Scale	1 solar project/42kW	\$53,170
Entech Engineering	Small-scale solar	4 projects/ 11kW	\$21,867
National Alarm	Commercial Scale	1 solar project/40kW	\$28,250
Newport Solar	Small scale solar	5 projects/12 kW	\$13,200
Real Goods Solar	Small-scale solar	4 projects/ 20 kW	\$26,388
Town of Glocester	Feasibility Study	N/A	\$18,881
US Solar Works	Small-scale solar	3 projects/18.7 kW	\$22,643
<b>TOTAL</b>			<b>\$446,385</b>

# COMMERCE RI: HELPING BUSINESSES THRIVE

## Business Development



In an effort to be agile and responsive and to seize economic development opportunities, Commerce RI is focusing resources on helping companies of all sizes in Rhode Island so they can continue to build vibrant industries and create quality jobs in the state.

### New Business Creation Increasing

“The number of new business entities created in the first quarter of 2014 rose compared to a year ago...

The first quarter of 2014 is up 4.35% from the first quarter of 2013. From January through March 1st, 1,989 new business entities registered with the Secretary of State's office; this is up over 4% compared to the first quarter of 2013, when 1,906 registered.”

*Source: Data released by the Office of Secretary of State, 4/3/14*

## Business Retention & Expansion

### Dassault Systèmes SIMULIA Corp.

In December 2012, Governor Chafee traveled to France to meet with Dassault Systèmes SIMULIA Corp. to ensure the company remained in Rhode Island.

Commerce RI was tasked to work with Dassault officials to meet the company's in Rhode Island.

Commerce RI subsequently facilitated the use of existing incentives for the \$60-million rehabilitation of the former FM Global headquarters in Johnston which will provide Dassault the necessary space for continued expansion in Rhode Island. Dassault is scheduled to take occupancy in June 2014 and has announced that it will expand its workforce through the recruitment of local talent.



# COMMERCE RI: HELPING BUSINESSES THRIVE

## Business Retention & Expansion

### Tunstall Americas

October 2012, New York -based Tunstall Americas chose to relocate its data and medical call center operations to Rhode Island. As of February 2014, the company has created 269 new jobs in Pawtucket.

The Governor's Office, Commerce RI, City of Pawtucket, Rhode Island Department of Labor and Training, Governor's Workforce Board, and the Community College of Rhode Island worked in close partnership to meet Tunstall's relocation needs by assembling a workforce development package to help the company attract, train and retain employees at its new Rhode Island facility.



### General Dynamics Electric Boat

Commerce RI worked with General Dynamics Electric Boat management and the Quonset Development Corporation (QDC) to address the company's expansion needs in accommodating plans to grow the U.S. Navy submarine fleet. In January 2014, Electric Boat reaffirmed the company's commitment to hire about 3,000 more workers at its Quonset facilities by 2020.

## GENERAL DYNAMICS Electric Boat



### Quick Fitting, Inc.

Commerce RI worked with Quick Fitting by performing an economic impact report in support of the company's pending federal EB-5 program application. A successful application will allow the company to more easily seek international investment. The company projects to invest over \$20 million and add over 235 new manufacturing jobs at its Warwick facility.



# COMMERCE RI: HELPING BUSINESSES THRIVE



## Business Development - Special Projects

### Manufacturing Renaissance Project

Commerce RI is part of a public-private partnership with Bryant University's John H. Chafee Center for International Business, the Rhode Island Manufacturers Association (RIMA) and RI Manufacturing Extension Service (RIMES) to advocate for and provide technical assistance to help Rhode Island manufacturers meet their growth needs. The team has identified over 2,000 manufacturing companies in Rhode Island and will continue to identify the remaining manufacturers to assemble a searchable database for business-to-business interactions among Rhode Island manufacturers.

### Federal Highway Administration Grant for City Centre Warwick

In 2012, the Rhode Island Department of Transportation, in partnership with Commerce RI and the City of Warwick, applied for a grant from the Federal Highway Administration and received \$400,000 to promote City Centre Warwick. Commerce RI was selected as the Managing Partner for the award. This consisted of drafting and issuing a Request for Proposals, which ultimately led to the selection of two consultants to conduct market analysis and develop a branding and marketing strategy for City Centre Warwick—formerly the Warwick Station Development District. The new City Centre Warwick brand identity and market analysis were unveiled in December 2013.

### Port Security Communications Network (PSCN)

Commerce RI led a multi-agency team, consisting of the RI Department of Environmental Management, RI Turnpike and Bridge Authority, RI Emergency Management Agency, and the Providence Emergency Management Agency, in establishing a waterborne surveillance system to monitor commercial shipping on Narragansett Bay and surrounding areas. The \$1.4 million federal grant managed by Commerce RI and its partner agencies continue to expand to the port of Providence, Davisville, Newport, Galilee, the federal shipping channels and anchorages, as well as the Mount Hope and Newport Pell Bridges. Rhode Island-based businesses were recipients of the funds, as they were hired to build and maintain the system of cameras, sensors and radar distributed to the State agencies named to assist in the performance of their jobs.

# COMMERCE RI: HELPING BUSINESSES THRIVE

## Client Services - Business Outreach

Commerce RI continues to pursue a goal of exemplary customer service as it seeks to better respond to businesses and connect them to Commerce RI programs and services, as well as other statewide resources that can help them grow and succeed.



## Key Activities

### Statewide Outreach Efforts

The Commerce RI Client Services team continues to prioritize statewide outreach efforts aimed at Rhode Island businesses to: 1) identify their needs; 2) inform them about our programs and services as well as those of our partner organizations; 3) determine how we can best assist companies through our programs and/or a referral to one of our partners; and 4) quickly mobilize Commerce RI and/or statewide resources to assist companies in need. Since February, 2013 - the first month of activity for the new team - Client Services has held more than **945 meetings with Rhode Island businesses.**

### New Customer Relationship Management (CRM) System

To ensure that business outreach activities are both meaningful and lead to successful outcomes, data needs to be captured and performance metrics need to be established. Commerce RI embarked on a major project to evaluate, identify and install a new CRM system. Subsequent to a formal RFP process, Salesforce CRM, along with Buan Consulting, was selected to provide the agency with a new CRM system. As part of the implementation process, staff undertook a business process review of each department.

Workflow improvements were accomplished utilizing “best practice” theory and guidelines from successful economic development agencies across the country. The agency went live with the system in February 2014.



As a result of internal process improvements and the new CRM system, Commerce RI is better able to respond and track incoming requests from the business community.

# COMMERCE RI: PROGRAMS & PARTNERSHIPS

## Partners in Success

Commerce RI is focused on keeping businesses in Rhode Island and helping them thrive by providing a high level of customer service. One of the ways Commerce RI is improving customer service is through strategic partnerships which are enabling the agency to offer a wider range of services to the business community and to help create the conditions for businesses to thrive.

## FY 2013 Highlights

### America's Cup

For the first time in nearly 30 years, America's Cup racing returned to the Ocean State in the summer of 2012, with 65,000 people visiting over the four-day racing period. Commerce RI, in collaboration with the Rhode Island Departments of Administration, Environmental Management, Labor and Training, and Rhode Island's America's Cup World Series Host Committee, coordinated a successful world-class sailing competition at Fort Adams State Park in Newport in June/July 2012.

#### America's Cup economic impact:

- \$38.2 million for Rhode Island businesses
- 345 jobs with an income of \$12 million
- \$2.5 million in general state tax revenue

Source: Large Marine Events Benefits Assessment Modeling Report by Planning Decisions, Inc., 2013



### Volvo Ocean Race

Building on the success of the America's Cup event, Governor Chafee and Commerce RI worked with Sail Newport and other statewide partners to secure Newport as the only North American stop for the Volvo Ocean Race in 2015.



*"We have made significant strategic land and marine infrastructure improvements at Fort Adams State Park, paving the way for a new era of racing in Rhode Island and setting the stage for the world-class events we continue to host...These large-scale sailing events draw impressive numbers of visitors to our state – visitors who make valuable contributions to our economy."*

- Governor Lincoln D. Chafee

# COMMERCE RI: PROGAMS & PARTNERSHIPS



## Roger Williams University

In 2012, Commerce RI and Roger Williams formed a partnership to pair students and faculty with municipalities, developers and community organizations to advance community development projects.

The current project involves working with Pawtucket and Central Falls on plans to redevelop the Conant/Coats & Clark Thread Mill Complex. The complex consists of seven buildings with a total of over 1,000,000 square feet.

Commerce RI and Roger Williams worked closely with both municipalities to understand what their needs and desires where in terms of the property use.

## FY 2013 Highlights

### RhodeMap RI

Under Governor Chafee's leadership, Commerce RI and the Rhode Island Division of Planning are engaged in a coordinated and forward-looking effort by the state to make Rhode Island a better place to live and work by mobilizing state and community assets in a whole new way.



Through a \$1.9-million grant from the U.S. Department of Housing and Urban Development, the state is developing a comprehensive plan that integrates economic and workforce development, housing, land use, transportation and infrastructure investments.

As an important first step, Commerce RI, with Statewide Planning, commissioned Fourth Economy Consulting to compile economic data and analyze the state's business climate. Released in February 2013, the collection and assessment of this data is helping to guide and inform our efforts to develop a comprehensive economic development plan for Rhode Island.



### Rhode Island Higher Education Research Collaborative

Working with the Association of Independent Colleges and Universities of Rhode Island, our state's three public institutions, and the Rhode Island Foundation, Commerce RI has helped to create a Higher Education Research Collaborative with a \$100,000 matching grant. The goal of this public-private partnership is to tap into some of the brightest minds and best talent in Rhode Island to develop sound public policy research and facilitate fact-based decision-making to grow our economy.



# COMMERCE RI: PROGRAMS & PARTNERSHIPS



## FY 2013 Highlights: Tourism Division

The Rhode Island Tourism Division is responsible for promoting domestic and international tourism to Rhode Island. It conducts a comprehensive marketing, communications, and research effort to expand the state's tourism industry and is a vital resource for hospitality developers.

### Visit Rhode Island Website

The Visitrhodeisland.com website continues to perform well, reaching more than **1.3 million visitors annually**. A strong increase in site traffic, up 17 percent during the FY 2013, indicates large interest coming from within 200 miles of the destination. The division launched a new brand, completely updating the look and functionality of the site, with the "**Discover Beautiful Rhode Island**" statewide promotion effort.

### Earned Media Coverage

Working directly with the Pont Group, the tourism director traveled to media centers including Boston, New York, and Philadelphia to meet with editors of major media outlets. These efforts generated more than **\$11 million in advertising equivalency for the state**. Through the division's partnership with Discover New England, the region has generated **\$19 million in earned media** in the German market and \$11 million in earned media in the United Kingdom.

### Publication

The division continues to publish the state's official Travel Guide and State Map, at no cost to the state through a partnership with Rhode Island Monthly Communications. Guides are used to fulfill more than **50,000 direct inquiries annually**.

**Travel Trade** - The division created more than **\$150,000 in partnerships** where cash or traded services helped to defray programing costs for the division. Division staff hosted or attended 11 travel trade conferences and events with at least **\$1.3 million** in realized or anticipated tourism and hospitality revenues brought into Rhode Island as a result.

# COMMERCE RI: PROGAMS & PARTNERSHIPS



## FY 2013 Highlights: RI Procurement Technical Assistance Center (PTAC)

PTAC is funded and administered through the Defense Logistics Agency's Office of Small and Disadvantaged Business Utilization in a cost matching Cooperative Agreement with Commerce RI.

PTACs' mission is to maximize the number of capable Rhode Island companies participating in the government marketplace by providing businesses with an understanding of the requirements of government contracting; providing the marketing know-how they need to obtain and successfully perform federal, state, and local government contracts; and supporting government agencies in reaching and working with the suppliers they need.

PTAC sponsored the highly anticipated and successful Rhode Island State and Federal Construction Projects Networking Event at Bryant University in April, 2013.

The meeting made available **over \$2 billion in construction and related projects** over the next five years for local companies to potentially bid on and/or partner with prime contractors. PTAC is the only statewide agency to conduct such a large scale construction networking event.

### PTAC Statistics Program Year 2013 (1/1/13 - 12/31/13)

- Active Clients: 386
- New Clients: 110
- Training Events: 46
- Attendees at Trainings: 3,286
- One-on-One Counseling Sessions: 1,154
- Contracts and Subcontracts Reported: 336
- Value of Contracts and Subcontracts Reported thru 10/31/2013: \$97,081,567
- RI Jobs Created or Retained: 1,941

# COMMERCE RI: PROGRAMS & PARTNERSHIPS

## Export Assistance

Commerce RI's Export Assistance program, a partnership between Commerce RI and the John H. Chafee Center for International Business at Bryant University, offers a number of specialized services:

- **Customized business matches** to foreign sales and distribution channels in over 70 countries
- **Export training grants** of up to \$5,000 for companies to learn about international trade
- Business development **trade missions** to international markets

## FY 2013 Highlights



*Director of Tourism Mark Brodeur meets with representatives from the U.S. Commercial Service in China.*

### Business Trade Missions

- DEFSEC Atlantic 2012, **Canada**, Sept. 2012  
Total Projected Sales: \$1.3 million
- **Panama & Dominican Republic**, Sept. 2012  
Total Projected Sales: \$1,675,000
- MEDICA, **Germany**, November 2012  
Total Projected Sales: \$310,000
- Mainland **China and Hong Kong**, April 2013  
Total Projected Sales: \$2,050,000

### International Trade Training

The Partnership for International Business continued to provide valuable international trade training programs. Over **1,500 attendees** in **25 key training events** and seminars on timely international trade topics.

### Governor's Workforce Board Grants

As we have been since 1997, Commerce RI was once again successful in requesting funding through the Governor's Workforce Board to support training programs to help Rhode Island businesses compete internationally and grow their export sales.

- Company grants: 18
- Grant trainees: 55
- Projected export sales from training: \$4,625,000



# COMMERCE RI: PROGRAMS & PARTNERSHIPS

## STEP Grant Funding

The federal STEP program (State Trade and Export Promotion) was renewed for a second year, covering the period October 1, 2012 – September 29, 2013.

This grant program, administered through the **U.S. Small Business Administration**, provides funds to support programs that help companies being exporting or expand into new global markets. Under Phase II of STEP, the Chafee Center was awarded **\$412,474** to assist Rhode Island companies. This money was used to provide one-on-one consulting, training, strategic planning assistance and trade mission assistance to eligible companies. Under both Phase I and II of the program, over **75 Rhode Island companies** received assistance.

## RHODE ISLAND: MISSION POSSIBLE

RESULTS  
2011 - 2013

Commerce RI & Chafee Center at Bryant University organized successful international trade missions to help RI businesses and industries thrive

### Expanding RI Markets Around the World



To find out more about future business trade missions, kindly contact Commerce RI via [kttherieau@commerceri.com](mailto:kttherieau@commerceri.com).



Trade mission quality rating by businesses (10 highest, 1 lowest)

**9.4**

**\$13.6 - \$14.2 million**

Potential Sales



Serious Business Leads  
176



Projected Jobs  
331



Distributors, Agents, End Users (Identified/Signed)  
74



# COMMERCE RI: PROGAMS & PARTNERSHIPS

## Rhode Island Science and Technology Advisory Council (STAC)

STAC was formed in 2006 by the Governor and General Assembly to develop strategic investments that maximize the economic impact of research, technology and innovation. STAC serves as the Rhode Island National Science Foundation (NSF) EPSCoR grant Governing Committee, and STAC Collaborative Research Grant awards fulfill the mandated state match to the Rhode Island NSF EPSCoR grant. STAC also develops the Rhode Island State Science and Technology Plan.

### FY 2013 Highlights

#### Grant Funding

STAC programs and initiatives continued to facilitate collaborative research and entrepreneurship. Recipients of the **2013 STAC Collaborative Research Grants, which totaled \$810,541**, represent 18 scientists at four research institutions pursuing projects that support STAC's partnership with the NSF's Experimental Program to Stimulate Competitive Research (EPSCoR) and address the impacts of climate change on marine life?

2013 STAC Collaborative Research Grants	
Institution	Amount
Brown University	\$120,000
University of Rhode Island	\$543,787
Roger Williams University	\$132,245
Rhode Island College	\$14,509
<b>TOTAL</b>	<b>\$810,541</b>



Since the first round of grants were distributed in 2007, the program has awarded **\$8.5 million to 52 teams from 44 research institutions** including universities, colleges, hospitals and private companies. To date, awardees have attracted **\$36 million in follow-on funding** from public/private sources.

#### Partnership with Greater Providence Chamber

To advance statewide innovation, STAC partnered with the Greater Providence Chamber of Commerce on a special project to produce a comprehensive benchmarking report to measure and track over time Rhode Island's knowledge enterprise and innovation capacity.

# COMMERCE RI: PROGAMS & PARTNERSHIPS

## Broadband Rhode Island Initiative (BBRI)

BBRI was created as a result of two acts of Congress – Broadband Data Improvement Act and American Recovery and Reinvestment Act of 2009 – and is funded by National Telecommunications and Information Administration (NTIA). The initiative has two major objectives: 1) Collect broadband coverage data which is obtained from the broadband providers in the state and submitted to the NTIA for the national broadband map; and 2) Help inform the state of issues/opportunities related to broadband and promote digital literacy and broadband adoption to our citizens.

## FY 2013 Highlights

The BBRI grant was assigned in 2009 to Commerce RI as the “designated entity” with a term of five years from December 2009 to December 2014 and funded in the amount of \$4.5 million.

- Expanded the reach of the BBRI Digital Literacy program. By the end of FY 2013, **15 instructor workshops** were completed with **130 volunteer instructors trained**; **43 public classes** (4 sessions of 2 hours each) were **taught with 433 citizens** completing the class; and there were many additional public classes scheduled.



RI is ranked in the **top 5** in the nation for download speed

Broadband is available to **97%** of RI businesses and residents

- Executed additional bi-annual cycle of broadband data collection for use in the National Broadband Map ([www.broadbandmap.gov](http://www.broadbandmap.gov)).
- Publicly released Spanish-language version of our new Internet Safety instructor module.
- Produced draft version of instructor module focused on technology and Internet requirements and training for the new computer-based GED exam .
- Initiated new project to develop messaging and content to address the impact and advantages of Rhode Island’s highly ranked Internet infrastructure.
- Held local site meeting between NTIA SBI grant officer and state officials regarding realigning the SBI grant between Commerce RI and the new state Office of Digital Excellence.
- Worked with RI Emergency Management to author and review the state’s FirstNet project proposal.

# COMMERCE RI: DEVELOPING & MARKETING INFRASTRUCTURE

## Building on Our Existing Assets

Building on our existing economic assets and enhancing our infrastructure is a key component of Governor Chafee's economic development priorities. The continued development and marketing of our infrastructure assets is vital to Rhode Island's economic expansion and competitiveness and is something that Commerce RI has been working on with our state, municipal and private-sector partners to accelerate.

## FY 2013 Highlights: The LINK and I-195 Commission

The land that is made available from the I-195 highway relocation has been aptly named The LINK. Located in the heart of Providence, its goals include linking the east and west sides of the city, linking initiatives underway by the three major universities in downtown Providence, linking neighborhoods, and linking jobs to people and people to jobs through new commercial and residential development.

The LINK is consists of 19 buildable acres, highly flexible zoning to support over 3 million square feet of new construction, and 8 acres of new urban parks, open spaces and pathways.

Commerce RI is a strategic partner with the I-195 Redevelopment District Commission, which was established by Governor Chafee and the Rhode Island General Assembly in 2011 to guide and oversee the thoughtful and planned economic development of the land opened up by the relocation of I-195.

In this past year, the I-195 Commission has made enormous strides in defining its vision, its process, its appeal to the investment communities and its marketing strategies.

The RI Department of Transportation began its work on the I-195 surplus land in April 2013 and has brought utilities, telecom, water, sewer, streets and sidewalks to the west side parcels, either with new or upgraded cable, conduit and pipes. Site preparedness was done on the east side in fall of 2013, ready for full efforts in spring 2014. The west side infrastructure, including finished roads, sidewalks and landscaping will be completed by year end 2014; the east side will be completed in summer 2015. The I-195 Commission's schedule for development readiness ties closely to this infrastructure schedule.



*An artist's rendering depicts a pedestrian walkway in the surplus land by I-195.*



**Parks Pavilion**

# COMMERCE RI: DEVELOPING & MARKETING INFRASTRUCTURE



## FY 2013 Accomplishments

Working in collaboration with Commerce RI, RI Department of Transportation, RI Department of Environmental Management, Coastal Resources Management Council, City of Providence and the private sector, the Commission has grown its list of key accomplishments to include:

- The Commerce RI Board approved up to \$38.4 million in bond financing in FY 2013 for the purchase and development of the I-195 surplus land.
- Creation of a website, [www.195district.com](http://www.195district.com), giving wide audiences full information about the opportunity; linked to Commerce RI, Chamber of Commerce and Statewide Planning websites.
- Logo and Graphic materials for identity, letterhead, banners, flyers and brochures.
- Public relations and media events, articles, newsletters, speaking engagements-radio, television, conferences, throughout the Northeast.
- Creation of a transparent, invitational and consistent process for disposition with the Developer's Toolkit. It provides details on permitting, criteria for selection, timeline, fees in a concise, singular location; offers developers a 60-day permitting turnaround.
- Build out options, bike paths, walking paths, priority streets, look and feel scenarios offered in the Toolkit.
- Advanced parking as a means to unlock development, with shared parking analysis and feasibility studies to support Garahy Garage.
- Advanced bridge and park design in collaboration with the City and RI DOT to meet budget without shortchanging final plans.
- Hired Jones Lang LaSalle, a national real estate firm, to market the properties throughout the country.
- Formation of an interim use program, with a Call for Submissions from RI creative persons. Six installed in May and another six in the fall to activate the property and city engagement.
- Managed the property to a high standard of lawn care and snow removal, using a quality RI landscape firm.
- Work with institutions, incubators and other interested parties to advance their ideas and encourage development in the 195 district.
- Final approval of the first in the state, master environmental permit by RIDEM, CRMC and NBC to the I-195 district.

# COMMERCE RI: DEVELOPING & MARKETING INFRASTRUCTURE

## Quonset Business Park & Port of Davisville

The Quonset Development Corporation (QDC) is a special purpose subsidiary of Commerce RI and is a quasi-state agency, responsible for the development and management of the Quonset Business Park.

In FY 2013, the Commerce RI Board approved a \$7.5-million bond on behalf of the QDC for a dredging project at the Port of Davisville that will allow for increased activity at the port.

### 2013 Highlights

**Lease incentive program:** The QDC Board adopted a standard two part uniform lease incentive program for new leases and lease renewals at the Business Park.

**Electric Boat:** By far, the single most important accomplishment in 2013 was the 25 year extension and 42 acre expansion of Electric Boat's lease. This transaction provides for stability and growth, allowing EB to add 600,000 SF and up to 3,000 more jobs over the next 10 years for the construction of Ohio class replacement submarines. QDC offered standard discounts to their rent based on lease term and employment. The lease signing followed 20 months of negotiations.

### Quonset Business Park

3,207 Total Acres

Over 175 Great Rhode  
Island Companies

More than 9,500 Jobs



**Tenant expansions:** The Parks other major tenants have continued to invest in major expansions and improvements at the Business Park, including Toray Plastics (America), NORAD, Ocean State Job Lot, SENESCO, and Supfina contributing toward \$83 million in investments.

**Gateway Office:** QDC, with a private partner, has completed construction of a 14,300 SF multi-tenant office building in the Gateway. The space is now 100% leased, and the QDC Board has approved construction of a second building.

**Port throughput:** Auto imports have continued to grow, with 173,297 autos in 2013 and 1185 tons of project cargo using the mobile harbor crane.

# COMMERCE RI: DEVELOPING & MARKETING INFRASTRUCTURE

## Greencore (2014)

In March 2014, Governor Chafee and convenience food manufacturer Greencore USA announced the company's plans to construct a 107,000-square-foot facility, resulting in almost **400 new jobs**, at the Quonset Business Park.



## Key Statistics



Metric	2013	Notes
Land Sold by QDC	0 acres	QDC policy is to lease – not sell - land
Land Purchased by QDC	13.3 acres	Dillabur Realty, Marrinan Associates, and Stanley Bostitch
Land Leased by QDC	70 acres	Electric Boat, Job Lot, Town of North Kingstown
New Structures	71,172 square feet	Electric Boat Moored Training Ship Facility, Toray Co Generation Facility, Bank Newport, Supfina addition
Investment	<b>\$83,000,000</b>	NOTE: This figure also includes Electric Boat's coatings building. The square footage was included in 2012, but the project cost was not available at that time.
Job Growth	400	Park total of 9,500 jobs, up from 9,100
New Vehicle Imports	173,297	Plus an additional 33,497 units that arrived by rail for a total of 206,794
Rail Cars	5168	Of which 3139 were auto racks
Infrastructure Projects	\$9.45 million \$8.26 million	Completed Under construction
Grants Awarded	\$379,000	RIDOT Rail Safety Grants

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# COMMERCE RI: DEVELOPING & MARKETING INFRASTRUCTURE

## City Centre Warwick

City Centre Warwick is where planes, trains and ground transport come together to form an intermodal gateway to Rhode Island and New England. This is an ideal place to create a mixed-use, Transit Oriented Development and growth center situated along the high-traffic Northeast Corridor.

The City Centre Warwick Master Plan, developed and adopted by the City of Warwick, establishes a clear vision for the design and further build-out of one of the region's key commercial and transportation hubs. Capitalizing on existing transportation assets, Warwick Station offers hospitality, flexible office, retail and residential development opportunities.

## FY 2013 Highlights

In 2012, the RI Department of Transportation (RIDOT), in partnership with Commerce RI and the City of Warwick, applied for a Transportation Community System Preservation grant from the Federal Highway Administration and subsequently received \$400,000 to promote Warwick Station.

Commerce RI, RIDOT and the City of Warwick then formed a Working Group to coordinate the implementation of the grant. Commerce RI was selected as the Managing Partner for the award. This consisted of drafting and issuing a Request for Proposals (RFP), which ultimately led to the selection of two consultants to conduct a market analysis and develop a branding and marketing strategy for City Centre Warwick.

In January 2013, Commerce RI and its partners awarded contracts to the BETA Group, Inc., of Lincoln, R.I., and add(ventures) of Providence, R.I., in response to the RFP for a market analysis and a branding and marketing plan for City Centre Warwick.

In December 2013, Governor Chafee, U.S. Senator Jack Reed and Warwick Mayor Scott Avedisian announced City Centre Warwick as the new name for the formerly-named Warwick Station Development District and launched a new website - [CityCentreWarwick.com](http://CityCentreWarwick.com) - to help market 95 acres surrounding T.F. Green Airport, the Warwick Rail Station, the InterLink and Interstates 95 and 295 for development.

The goal is to create a cohesive identity on a local, regional and national level to position City Centre Warwick as a prime, transit-oriented development hub with significant investment and business growth opportunities.



# COMMERCE RI: HELPING BUSINESSES THRIVE

## Appendix A - Commerce RI FY 2013 Board Meetings

For meeting minutes, visit the Secretary of State's website at [sos.ri.gov/openmeetings](http://sos.ri.gov/openmeetings) and under "Commerce Corporation, Rhode Island."

Meeting minutes are also available on the Commerce RI website at [www.commerceri.com/meetings/index.php](http://www.commerceri.com/meetings/index.php).

## FY 2013 Commerce RI Board Meetings

July 23, 2012	January 28, 2013
August 27, 2012	March 4, 2013
September 24, 2012	April 22, 2013
October 22, 2012	May 20, 2013
November 29, 2012	June 24, 2013
December 17, 2012	

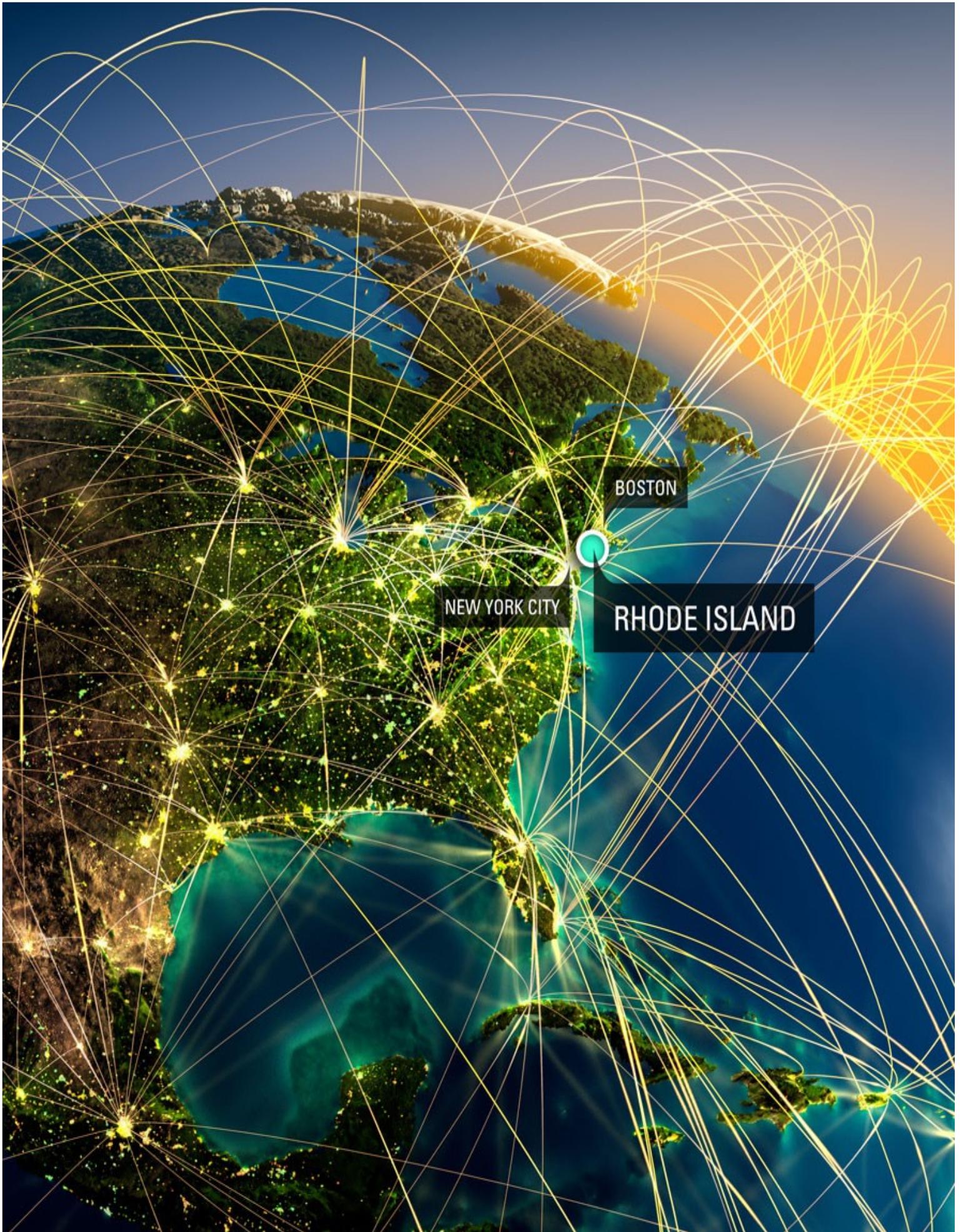
## Appendix B - Summary of Legal Matters

**Rhode Island Economic Development Corporation v. Wells Fargo Securities, LLC, et al.** Rhode Island Superior Court, Providence County, Civil Action Number: PB12-5616. The Rhode Island Commerce Corporation f/k/a the Rhode Island Economic Development Corporation filed suit against the named defendants with regard to the Job Creation Guaranty Program Taxable Revenue Bonds (38 Studios, LLC Project), Series 2010 dated November 2, 2010. Wistow, Barylick, Sheehan & Loveley, PC has been retained as special counsel to represent the Commerce Corporation in this matter which is currently in the discovery stage of litigation.

**Estate of Juan Molina, by and through Stephanie Molina, as Administratrix of the Estate of Juan G. Molina et al. v. Senesco Marine, LLC et al.** Rhode Island Superior Court, Providence County, Civil Action Number: PC12-1810. The Rhode Island Commerce Corporation f/k/a the Rhode Island Economic Development Corporation was named as a defendant in this tort action as it is the owner and Landlord of the property where the accident occurred. Thomas Muzyka of Clinton & Muzyka, P.C. has been appointed as defense counsel by Traveler's Insurance. Shechtman Halperin Savage, LLP in its capacity as general counsel to the Commerce Corporation is supervising defense counsel. In March 2014, summary judgment entered in favor of the Commerce Corporation as to all claims asserted against it by the Plaintiff. The matter will continue to trial with respect to the claims against other Defendants to the action.

**Patrick Campbell and Kail Campbell p/p/a Patrick Campbell v. General Growth Properties, et al.** Rhode Island Superior Court, Providence County, Civil Action Number: PC12-0267. The Rhode Island Commerce Corporation f/k/a the Rhode Island Economic Development Corporation was named as a defendant in this tort action as it is the owner and landlord of the Providence Place Mall where the incident occurred. In accordance with the terms of the lease for the Mall property, the Commerce Corporation is being represented by the Mall tenant's counsel, specifically Michael Smith of Bonner Kiernan Trebach & Crociata, LLP. The Commerce Corporation contests any liability and is defending the action.





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