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Testimony to
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Table of Contents

- Rebuild Rhode Island Tax Credits & Sales Tax Rebates
- Tax Increment Finance Incentive
- Qualified Jobs Incentive Tax Credit
- Appendix



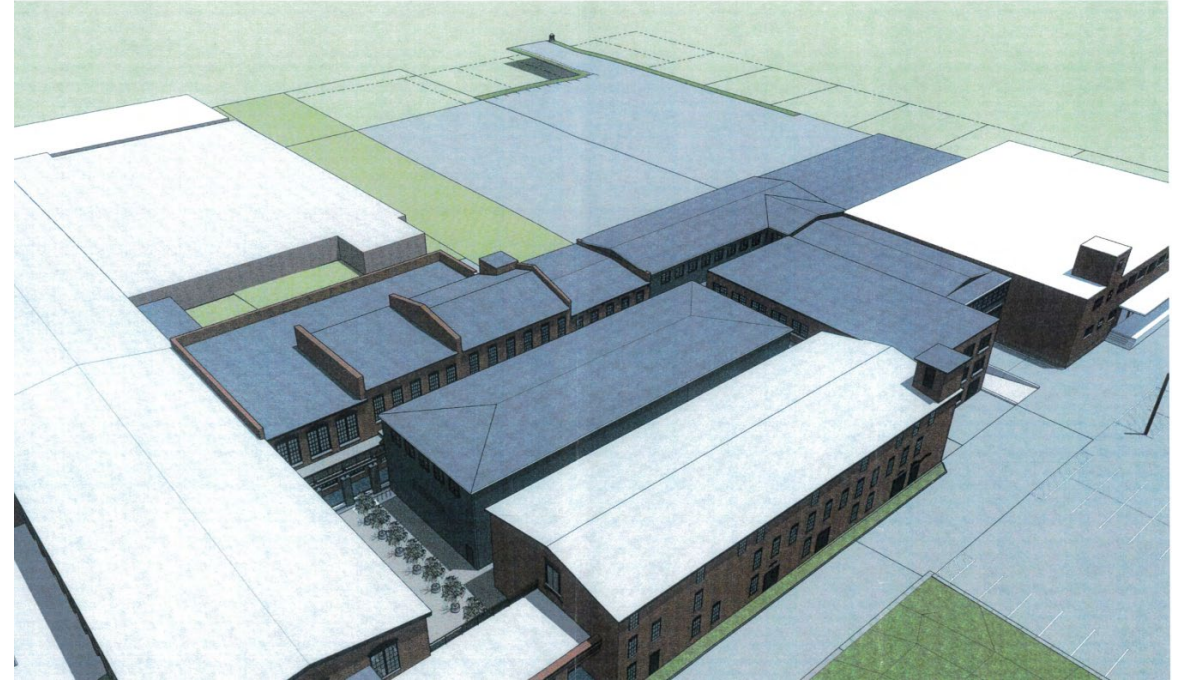
Rebuild Rhode Island Tax Credits & Sales Tax Rebates

Approvals Since October Conference

4 Rebuild RI projects have been approved by the Board since the October Conference



Project	Rebuild RI Award	Est. Delivery
265 Manton Ave	\$500,000	FY 2026
36 Exchange Terrace	\$450,000	FY 2027
Organogenesis Holdings	\$10,000,000	FY 2028
Unity Park	\$2,680,080	FY 2027



Unity Park, 500 Wood St, Bristol, RI

Rebuild Rhode Island Tax Credits & Sales Tax Rebates

Redemptions to the Rebuild Rhode Island tax credits are funded by a separate and dedicated escrow account that is funded annually via an appropriation. This escrow account was created to not only offset the liability created by the granting of the committed tax credits, but also provides surety to a lender or buyer of the tax credits that funds will be available for future redemptions. Both the Sales and Use Tax redemption and the net use of tax credits are funded by this escrow account. Therefore, there is no impact on state revenues associated with the Rebuild Rhode Island tax credit program beyond the annual appropriation.

As of March 31, 2025, we have certified \$86.3m in Rebuild Tax credits and reimbursed \$14.3 million in sales and use tax for a total of \$100.6 million to the date for the life of the program.

FY 2025:

- 4 Rebuild RI Tax Credit payments totaling \$2,575,409
- Anticipating 30 Rebuild RI Tax Credit certifications totaling \$12 million
- Anticipating 4 Sales and Use Tax Certifications totaling \$8.4 million
- **Combined \$20.4 million total draw on Rebuild Fund**

FY 2026:

- Anticipating 32 Rebuild RI Tax Credit certifications totaling \$12 million
- Anticipating 3 Sales and Use Tax certifications totaling \$5.3 million
- **Combined \$17.3 million total draw on Rebuild Fund**



265 Manton Ave, Providence, RI

Tax Increment Finance Incentive Program

PILOT Projects

- PILOT structures involve payments that are made directly by the TIF recipients to an escrow account managed by the Commerce Corporation for the benefit of the financing, and thus are not reflected in state revenue estimates.
 - In FY 2024 actual payment receipts were \$1.5 million year-to-date

FY 2025

- Disbursed \$997,454 million in TIF disbursements this Fiscal year already
- **4 PILOT projects⁽²⁾ expected to be certified in FY2025**
 - Total estimated payments of \$1.3 million

FY 2026

- **4 PILOT projects expected to be disbursed in FY 2026**
 - Total estimated payments of \$1.8 million



D'Ambra Hotel (Warwick)

(1) These payments are made directly to an escrow account managed by the Commerce Corporation by the TIF recipients and thus are not reflected in state revenue estimates.
(2) Exchange Street, Residence Inn, Southern RI Hospitality, D'Ambra Warwick Hotel

Tax Increment Finance Incentive Program (continued)

Standard TIF Projects

- Payments from these recipients are collected by the Division of Taxation and then subsequently disbursed to the recipient by the state and are **subject to annual appropriation**
- As a result, those amounts disbursed will represent an adjustment to collections

FY 2025

- **Disbursed a Standard TIF project totaling \$657,600**
 - Hammett Wharf (Newport): \$657,600
- **Anticipating more Standard TIF projects to be disbursed in FY2025**
 - **Estimated total payments of \$1.74 million**
 - Aloft Hotel: \$849,405
 - Hammett Wharf: \$520,515
 - Hotel Beatrice: \$373,703

FY 2026

- **Expecting Standard TIF projects to certify in FY2026**
 - **Estimated total payments of \$1.8 million**
 - Aloft Hotel: \$872,788
 - Hammett Wharf: \$540,621
 - Hotel Beatrice: \$384,914



Hammett Wharf Hotel (Newport)

Qualified Jobs Incentive Tax Credit Program

Approvals Since October Conference

3 Qualified Job projects have been approved by the Board since the October Conference



Project	Projected Qualified Jobs Award	Est. Delivery
Blount Fine Foods	\$3,227,250	FY 2026
Organogenesis Holdings	\$3,240,000	FY 2027
Saab, Inc	\$1,023,000	FY 2025



American Offshore Services

Qualified Jobs Incentive Tax Credit Program

Qualified Jobs Incentive Tax Credit rebates up to 75% (100% prior) of new personal state income tax withholdings up to a cap of \$7,500 per job for new full-time jobs that wouldn't be created but for this incentive. **Of the 48 deals approved to date, 13 are subject to the up to 100% program, 8 are subject to the up to 75% program, and 27 have been terminated.**

As of March 31st, 2025, we have certified Qualified Job Tax Credits in the amount of \$8,056,188 for the life of the program.

FY 2025

- Anticipated are 12 annual additional certifications for the remaining FY2025 with an estimated gross value of \$3.1 million

FY 2026

- Anticipating 17 annual certifications with a total gross value of \$4.4 million



Regent Craft, North Kingstown

**The anticipated total gross value is based upon original project underwriting on hiring estimates and salaries provided by the participant companies. The annual actual value of the tax credits will be based on the actual job data certified on an annual basis.*

Appendix

Qualified Jobs Incentive Tax Credit Program




Estimated Total Qualified Jobs Tax Credit Cash Flow by Fiscal Year

Total Projects	1	3	3	6	8	9	14	17	19	19	19	17	16	14	13	11	5	2	
Qualified Jobs Incentive Tax Credits Certified To Date	\$40,187	\$660,638	\$804,051	\$1,683,974	\$3,267,766	\$3,618,867	\$3,265,463	\$4,452,498	\$5,348,984	\$5,575,061	\$5,854,208	\$5,802,047	\$5,540,930	\$4,342,628	\$3,692,500	\$3,421,750	\$1,264,500	\$813,000	\$58,984,473
# Fiscal Year - Projected Tax Credit Certifications	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total
1 Collette Travel Service, Inc.	-	-	-	-	-	-	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	-	-	1,300,000
2 Custom & Miller Box	-	-	-	-	-	-	31,000	53,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	-	-	612,000
3 Gotham Greens Holdings, LLC	-	-	-	132,845.65	93,461	148,248	93,461	93,461	93,461	93,461	93,461	93,461	93,461	93,461	-	-	-	-	953,861
4 Immunex RI Corporation	-	-	-	-	487,981	686,595	568,484	597,312	608,508	619,928	631,577	643,458	655,469	667,378	-	-	-	-	6,026,079
5 Infinity Meat Solutions, LLC	-	-	-	387,749.38	753,000	821,461	965,000	993,000	1,018,000	1,040,000	1,069,000	1,099,000	1,125,000	-	-	-	-	-	9,390,749
6 Lexington Lighting Group, LLC	40,186.50	45,170.78	42,229.96	30,636.95	39,419	-	-	-	-	-	-	-	-	-	-	-	-	-	197,643
7 Ocean State Jobbers, Inc.	-	-	170,761.60	445,484.10	265,010	699,872	335,725	341,457	347,247	353,154	359,152	365,128	-	-	-	-	-	-	3,322,863
8 RESH	-	-	-	-	-	66,750	81,775	74,250	74,250	74,250	74,250	74,250	74,250	74,250	74,250	74,250	-	-	735,000
9 Surplus Solutions, LLC	-	50,870.91	-	169,134.83	46,102	46,102	46,102	46,102	46,102	46,102	46,102	-	-	-	-	-	-	-	542,720
10 United Natural Foods, Inc.	-	-	591,059.93	-	1,115,947	200,916	200,916	200,916	200,916	200,916	200,916	-	-	-	-	-	-	-	2,912,503
11 Virgin Pulse, Inc.	-	564,596.72	-	518,123.05	466,846	894,739	-	-	-	-	-	-	-	-	-	-	-	-	2,444,304
12 Future Foam	-	-	-	-	-	-	30,000	34,500	38,250	38,250	38,250	38,250	38,250	38,250	38,250	38,250	-	-	370,500
13 Flux Marine	-	-	-	-	-	54,184	106,500	212,250	212,250	212,250	212,250	212,250	212,250	212,250	212,250	212,250	-	-	1,857,750
14 Regent	-	-	-	-	-	-	495,000	989,250	1,484,250	1,484,250	1,484,250	1,484,250	1,484,250	1,484,250	1,484,250	1,484,250	-	-	13,358,250
15 Breeze Airways	-	-	-	-	-	-	162,750	198,000	279,000	325,500	325,500	325,500	325,500	325,500	325,500	325,500	-	-	2,918,250
16 Norpak	-	-	-	-	-	-	-	42,750	71,250	81,750	81,750	81,750	81,750	81,750	81,750	81,750	81,750	-	768,000
17 American Offshore Services	-	-	-	-	-	-	-	82,500	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	865,500
18 Anduril Industries, Inc.	-	-	-	-	-	-	-	-	132,000	190,500	209,250	252,000	318,000	326,250	343,500	359,250	372,000	415,500	2,918,250
19 Organogenesis Holdings	-	-	-	-	-	-	-	-	64,500	99,750	293,250	397,500	397,500	397,500	397,500	397,500	397,500	397,500	3,240,000
20 Saab, Inc.	-	-	-	-	-	-	18,750	60,750	81,750	105,750	126,000	126,000	126,000	126,000	126,000	126,000	-	-	1,023,000
21 Blount Fine Foods	-	-	-	-	-	-	-	303,000	314,250	326,250	326,250	326,250	326,250	326,250	326,250	326,250	326,250	-	3,227,250

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