

1 **ARTICLE 11**

2 **RELATING TO ECONOMIC DEVELOPMENT**

3 SECTION 1. Sections 42-64.10-6 and 42-64.10-7 of the General Laws in Chapter 42-64.10
4 entitled "Quonset Development Corporation" are hereby amended to read as follows:

5 **42-64.10-6. Additional general powers and duties.**

6 In addition to the powers enumerated in § 42-64.10-5, except to the extent inconsistent
7 with any specific provision of this chapter, the corporation shall have and may exercise additional
8 general powers:

9 (a) As set forth in § 42-64-7 necessary or convenient to effect its purposes; provided,
10 however, that the corporation shall not have the power to issue bonds or notes or exercise eminent
11 domain;

12 (b) As a subsidiary of the Rhode Island commerce corporation as provided for in § 42-64-
13 7.1;

14 (c) As the Rhode Island commerce corporation's true and lawful attorney as agent and
15 attorney-in-fact and in the name, place and stead of the Rhode Island commerce corporation with
16 respect to all property of the Rhode Island commerce corporation at Quonset Business Park
17 (hereinafter referred to as "the Property") and for the purposes hereinafter set forth:

18 (1) To ask, demand, recover, collect, receive, hold, and possess all sums of money, debts,
19 dues, goods, wares, merchandise, chattels, effects, bonds, notes, checks, drafts, accounts, deposits,
20 safe deposit boxes, interests, dividends, stock certificates, certificates of deposit, insurance benefits
21 and proceeds, documents of title, personal and real property, tangible and intangible property, and
22 property rights, liquidated or unliquidated, that now are, or hereafter, shall be, or become, due,
23 owing, or payable in respect to the property, and upon receipt thereof, or of any part thereof, to
24 make, sign, execute, and deliver such receipts, releases, or other discharges for the same as the
25 corporation shall deem proper.

26 (2) To lease, purchase, exchange and acquire, and to bargain, contract, and agree for the
27 lease, purchase, exchange, and acquisition of, and to take, receive, possess, and manage any real or
28 personal property related in any way to the property, tangible and intangible, or any interest therein.

29 (3) To enter into and upon all and each of the real properties constituting a part of, or related
30 in any way, to the property, and to let, manage, and improve the real property or any part thereof,
31 and to repair or otherwise improve or alter, and to insure any buildings or structures thereon.

32 (4) To market and sell, either at public or private sale, or exchange any part or parts of the
33 real or personal properties, including indebtedness or evidence thereof, constituting a part of or
34 related in any way to the property, including sales on credit, and for that purpose to execute and

1 receive all promissory notes, bonds, mortgages, deeds of trust, security agreements, and other
2 instruments that may be necessary or proper, and to bargain, contract, and agree with respect to the
3 sale or exchange of such properties; and to execute and deliver good and sufficient deeds, bills of
4 sale, assignments, or other instruments or endorsements for the conveyance or transfer of the same;
5 and to give receipts for all or any part of the purchase price or other consideration.

6 (5) To sign, endorse, execute, acknowledge, deliver, receive, and possess such applications,
7 contracts, agreements, options, covenants, deeds, conveyances, trust deeds, mortgagees deeds,
8 security agreements, bills of sale, leases, mortgages, assignments, insurance policies, bills of lading,
9 warehouse receipts, documents of title, bills, bonds, debentures, checks, drafts, bills of exchange,
10 notes, stock certificates, proxies, warrants, commercial paper, receipts, withdrawal receipts, and
11 deposit instruments relating to accounts or deposits in, or certificates of deposit of, banks, savings
12 and loan or other institutions or associations, proofs of loss, evidences of debts, releases, and
13 satisfactions of mortgages, judgments, liens, security agreements, and other debts and obligations,
14 and other instruments in writing of whatever kind and nature as be necessary or proper in the
15 exercise of the rights and powers herein granted.

16 (6) To enter into subordination agreements, inter-creditor agreements, reinstatement
17 agreements, "stand still" and "stand-by" agreements, modification agreements, forbearance
18 agreements, and other contracts having the effect of subordinating, modifying, renewing,
19 restructuring or otherwise altering the rights, obligations, or liabilities of the commerce corporation,
20 under or with respect to any indebtedness, property, or other assets constituting or securing any
21 property.

22 (7) To make demands, give notices of default, notices of intention to accelerate, notices of
23 acceleration, or such other notices as the corporation deems necessary or appropriate, and to take
24 other actions and exercise other rights that may be taken under the terms of any loan agreements,
25 security agreements, guaranties, or other documents or agreements evidencing, or otherwise
26 relating to, the property, including foreclosure, lease, sale, taking possession of, realization upon,
27 or any other disposition of any property or any collateral therefor or guarantee thereof.

28 (8) To exercise any powers and any duties vested in the commerce corporation as a partner,
29 joint venturer, participant, or other joint-interest holder with respect to any property, or to concur
30 (or not) with persons jointly interested with the commerce corporation in any property.

31 (9) With respect to the property: (i) To sue on, or otherwise prosecute, any claim or cause
32 of action, or commence or seek any legal, equitable, or administrative or other remedy in any legal,
33 administrative, arbitration, mediation, or other proceeding whatsoever (including, non-judicial
34 repossessions and foreclosures or similar actions to recover collateral); (ii) To defend, or otherwise

1 participate for, or in the name of, the commerce corporation in any legal, administrative, arbitration,
2 mediation, or other proceedings; (iii) To process, determine, or adjudge any claim or cause of action
3 for, or in the name of, the commerce corporation; (iv) To compromise, settle, discharge or resolve,
4 or make, execute, or deliver any endorsements, acquittances, releases, receipts, or other discharges
5 of any claim, cause of action, determination, judgment, or other proceeding for, or in the name of,
6 the commerce corporation; and (v) To prepare, execute, and file ad valorem, franchise and other
7 tax returns, protests and suits against taxing authorities, and to prepare, execute, and file other
8 governmental or quasi-governmental reports, declarations, applications, requests and documents in
9 connection with any property, and to pay taxes in connection with the property as the corporation
10 deems necessary or appropriate, or as otherwise required by law.

11 (10) Any third party shall be entitled to rely on a writing signed by the corporation to
12 conclusively establish the identity of a particular Property as property for all purposes hereof.

13 (d) To own, hold, improve, operate, manage, and regulate utilities at the Quonset Business
14 Park and to establish rates, fees, and charges, to adopt regulations, and to impose penalties for any
15 services or utilities it provides, or causes to have available, and to have functions and exercise
16 powers as necessary and appropriate under the provisions of §§ 42-64-4, 42-64-7.4, 42-64-7.8, 42-
17 64-7.9 and 42-64-9.1 – 42-64-9.10, inclusive.

18 (e) To enter into agreements with any city, town, district, or public corporation with regard
19 to application and/or administration of zoning or other land use ordinances, codes, plans, or
20 regulations, and cities, towns, districts, and public corporations are hereby authorized and
21 empowered, notwithstanding any other law to the contrary, to enter into such agreements with the
22 corporation and to do all things necessary to carry out their obligations under such agreements; in
23 the absence of any such agreement the corporation shall act in accordance with the provisions of §
24 42-64-13.

25 (f) To enter into agreements, including with any state agency, city, town, district, or public
26 corporation, for the provision of police, security, fire, sanitation, health protection, and other public
27 services.

28 (g) To be exempt from taxation and to enter into agreements for payments in lieu of taxes
29 as provided for in § 42-64-20.

30 (h) To establish a stormwater management and conveyance system and regulate
31 connections, user fees, charges and assessments in connection therewith. In particular, the
32 corporation shall have full and complete power and authority to:

33 (1) Limit, deny, or cause appropriate direct or indirect connections to be made between any
34 building or property located in the Quonset Business Park, or from any location outside the

1 boundaries of the Quonset Business Park and discharging into the corporation's stormwater
2 management and conveyance systems. The corporation may prescribe those rules and regulations
3 for stormwater runoff, that in the opinion of the corporation, are necessary and appropriate for the
4 maintenance and operation of the stormwater management and conveyance systems, and may
5 establish, from time to time, rules and regulations relating to stormwater management in the
6 Quonset Business Park. Any person or entity having an existing connection to the stormwater
7 management and conveyance systems or currently discharging into such systems, will obtain a
8 permit from the corporation in accordance with its rules and regulations. No person or entity shall,
9 without first being granted a written permit from the corporation in accordance with its rules and
10 regulations, make any future connection or permit any runoff from any structure or property to any
11 stormwater management and conveyance systems, or any appurtenance thereto, without first being
12 granted a written permit from the corporation in accordance with its rules and regulations.

13 (2) Compel any person or entity within the Quonset Business Park, for the purpose of
14 stormwater runoff, to establish a direct connection on the property of the person or entity, or at the
15 boundary thereof, to the corporation's stormwater management and conveyance systems. These
16 connections shall be made at the expense of such person or entity. The term "appurtenance" as used
17 herein shall be construed to include adequate pumping facilities, whenever the pumping facilities
18 shall be necessary to deliver the stormwater runoff to the stormwater management and conveyance
19 systems.

20 (3) Assess any person or entity having a direct or indirect connection (including, without
21 limitation, via runoff) to the Quonset Business Park stormwater management and conveyance
22 systems the reasonable charges for the use, operation, maintenance, and improvements to the
23 systems. The corporation shall also be entitled, in addition to any other remedies available, to assess
24 fines for violations of the rules and regulations established by the corporation with respect to
25 stormwater management.

26 (4) Collect the fees, charges, and assessments from any person or entity so assessed. Each
27 person or entity so assessed shall pay the fees, charges, or assessments within the time frame
28 prescribed by the rules and regulations of the corporation. The corporation may collect the fees,
29 charges, and assessments in the same manner in which taxes are collected by municipalities, with
30 no additional fees, charges, assessments, or penalties (other than those provided for in chapter 9 of
31 title 44). All unpaid charges shall be a lien upon the real estate of the person or entity. The lien shall
32 be filed in the records of land evidence for the city or town in which the property is located and the
33 corporation shall simultaneously, with the filing of the lien, give notice to the property owner.

1 Owners of property subject to a lien for unpaid charges are entitled to a hearing within fourteen
2 (14) days of the recording of the lien.

3 (5) Notwithstanding the provisions of subsection (h)(4) of this section, the corporation is
4 authorized to terminate the water supply service or prohibit the use of the corporation's stormwater
5 management and conveyance systems of any person or entity for the nonpayment of storm water
6 management user fees, charges, and assessments. The corporation shall notify the user of
7 termination of water supply or use of the stormwater management and conveyance systems at least
8 forty-eight (48) hours prior to ceasing service. The corporation may assess any person or entity any
9 fees, charges, and assessments affiliated with the shut off and restoration of service.

10 (6) Without in any way limiting the foregoing powers and authority, the corporation is also
11 hereby empowered to: (i) Establish a fee system and raise funds for administration and operation
12 of the stormwater management and conveyance systems; (ii) Prepare long-range, stormwater
13 management master plans; (iii) Implement a stormwater management district; (iv) Retrofit existing
14 structures to improve water quality or alleviate downstream flooding or erosion; (v) Properly
15 maintain existing stormwater management and conveyance systems; (vi) Hire personnel to carry
16 out the functions of the stormwater management and conveyance systems; (vii) Receive grants,
17 loans, or funding from state and federal water-quality programs; (viii) Grant credits to property
18 owners who maintain retention and detention basins or other filtration structures on their property;
19 (ix) Make grants for implementation of stormwater management plans; (x) Purchase, acquire, sell,
20 transfer, or lease real or personal property; (xi) Impose liens; (xii) Levy fines and sanctions for
21 noncompliance; (xiii) Provide for an appeals process; and (xiv) Contract for services in order to
22 carry out the function of the stormwater management and conveyance systems.

23 (i) To purchase and obtain water supply and water service from any city, town, water
24 district, or other water supply authority. In particular, the corporation is authorized to:

25 (1) Enter into agreements or contracts with any city, town, county, water district, or other
26 water supply authority to purchase, acquire, and receive water supply and water service.

27 (2) Enter into cooperative agreements with cities, towns, counties, water districts, or other
28 water supply authorities for the interconnection of facilities or for any other lawful corporate
29 purposes necessary or desirable to effect the purposes of this chapter.

30 (3) Connect the water supply system at Quonset Business Park with any city, town, county,
31 water district, or other water supply authority that receives or has a connection with the city of
32 Providence and/or the Providence Water Supply Board (or any successor thereof) and purchase,
33 connect to, receive, and enter into agreements to receive water supply from any city, town, county,
34 water district, or other water supply authority regardless of the origin of such water supply. The

1 city of Providence and the Providence Water Supply Board (and any successor thereof) are
2 authorized and directed to supply water to the Quonset Business Park either directly or via
3 connections between the Quonset Development Corporation and any city, town, county, water
4 district, or other water supply authority, notwithstanding any terms to the contrary in any
5 agreement, including, without limitation, any agreement between any city, town, county, water
6 district, or other water supply authority and the city of Providence and/or the Providence Water
7 Supply Board (or its or their predecessors), or the provisions of chapter 16 of title 39. In addition,
8 the provisions of § 18 of chapter 1278 of the public laws of Rhode Island of 1915 as amended, and
9 any other public law that would conflict with the terms hereof, are hereby amended to authorize
10 the provision of water supply by the city of Providence and the Providence Water Supply Board
11 (or any successor thereof) to the Quonset Business Park and to authorize any additional connections
12 in accordance herewith. There shall be no requirement that the corporation demonstrate public
13 necessity before entering into such agreements, connecting to such water supplies, or receiving
14 such water as described in this subsection, but the corporation shall be subject to the other
15 applicable provisions of chapter 15 of title 46.

16 [\(j\) The corporation shall have and may exercise all powers set forth in general laws 42-](#)
17 [64.34-6\(a\) and 42-64.34-9 in the place and stead of the commerce corporation when requested by](#)
18 [a municipality and approved by the corporation.](#)

19 **42-64.10-7. Directors, officers and employees.**

20 (a) *Directors.*

21 (1) The powers of the corporation shall be vested in a board of directors consisting of eleven
22 (11) members. The membership of the board shall consist of the executive director of the Rhode
23 Island economic development corporation as chairperson, (who shall vote only in the event of a
24 tie), six (6) members appointed by the governor, with the advice and consent of the senate, two (2)
25 members appointed by the town council of the town of North Kingstown, one member appointed
26 by the town council of the town of Jamestown, and one member appointed by the town council of
27 the town of East Greenwich. The initial members of the board shall be divided into three (3) classes
28 and shall serve initial terms on the board of directors as follows: two (2) of the directors appointed
29 by the governor; one of the directors appointed by the town council of the town of North Kingstown
30 shall be appointed for an initial term of one year; two (2) of the directors appointed by the governor,
31 one director appointed by the town council of the town of North Kingstown and the director
32 appointed by the town of East Greenwich shall be appointed for an initial term of two (2) years;
33 and two (2) of the directors appointed by the governor and one director appointed by the town of
34 Jamestown shall be appointed for an initial term of three (3) years. Upon expiration of each initial

1 term and upon the expiration of each term thereafter, a successor shall be appointed by the same
2 authority that made the initial appointment, and in the case of appointments by the governor with
3 the advice and consent of the senate, to serve for a term of three (3) years so that members of the
4 board of directors shall serve for staggered terms of three (3) years each. A vacancy on the board,
5 other than by expiration, shall be filled in the same manner as an original appointment, but only for
6 the unexpired portion of the term. If a vacancy occurs with respect to one of the directors appointed
7 by the governor when the senate is not in session, the governor shall appoint a person to fill the
8 vacancy, but only until the senate shall next convene and give its advice and consent to a new
9 appointment. A member shall be eligible to succeed himself or herself. Appointed directors shall
10 not serve more than two (2) successive three (3) year terms but may be reappointed after not being
11 a director for a period of at least twelve (12) months. Each appointed director shall hold office for
12 the term for which the director is appointed and until the director's successor shall have been
13 appointed and qualified, or until the director's earlier death, resignation or removal. Except for
14 members of the town council of the town of North Kingstown, who may serve as members of the
15 board of directors, no director shall be an elected official of any governmental entity.

16 (2) The directors shall receive no compensation for the performance of their duties under
17 this chapter, but each director shall be reimbursed for his or her reasonable expenses incurred in
18 carrying out those duties. A director may engage in private employment, or in a profession or
19 business.

20 (3) *Meetings.* An annual meeting of the directors shall be held during the month of October
21 of each year for the purposes of electing and appointing officers and reviewing and considering for
22 approval the budget of the corporation. Regular meetings of the directors shall be held at least once
23 in each calendar quarter, at the call of the chairperson or secretary, or in accordance with an annual
24 schedule of meetings adopted by the board. Special meetings may be called for any purposes by
25 the chairperson or the secretary and as provided for in the bylaws of the corporation.

26 (4) A majority of the directors then in office, but not less than five (5) directors, shall
27 constitute a quorum, and any action to be taken by the corporation under the provisions of this
28 chapter, may be authorized by resolution approved by a majority of the directors present and
29 entitled to a vote at any regular or special meeting at which a quorum is present. A vacancy in the
30 membership of the board of directors shall not impair the right of a quorum to exercise all of the
31 rights and perform all of the duties of the corporation.

32 (5) Any action taken by the corporation under the provisions of this chapter may be
33 authorized by a vote at any regular or special meeting, and each vote shall take effect immediately.

1 (6) The board of directors shall establish an audit committee and a governance committee,
2 which shall advise: (i) the board with the respect to the best practices of governance; and (ii) the
3 board, members of the board, and officers with respect to conflicts of interest, corporate ethics and
4 responsibilities, and the maintenance of the public trust; the members of the audit committee and
5 the governance committee shall be appointed by the chairperson with the advice of the board of
6 directors. In addition to the audit and the governance committee, the board may establish bylaw or
7 with the approval of the chairperson such other committees as it deems appropriate.

8 (7) To carry out the powers and duties under 42-64.10-6(j), the board of directors shall
9 establish a site readiness committee, which shall consist of members of the board of directors as
10 well as a representative of the Rhode Island League of Cities and Towns and a representative of
11 the Rhode Island Manufacturers Association selected by the board of directors. The board of
12 directors may grant its authority under 42-64.10-6(j) to this committee.

13 ~~(78)~~ The board shall prescribe the application of the cash flow of the corporation, in the
14 following order of priority:

15 (i) To debt service, including without limitation, sinking funds established in connection
16 with any financing;

17 (ii) To operating expenses;

18 (iii) To capital expenses;

19 (iv) To reserve funds as may be established by the board, from time to time; and

20 (v) To the economic development corporation for application to statewide economic
21 development.

22 ~~(89)~~ The board shall establish by bylaw limits on the expenditure of corporation funds
23 without approval of the board.

24 ~~(910)~~ The approval of the board shall be required for any recommendation to the economic
25 development corporation board of directors for the issuance of bonds or notes or borrowing money
26 on behalf of the corporation or for the exercise of eminent domain on behalf of the corporation.

27 (b) *Officers.* The officers of the corporation shall include a chairperson, a managing
28 director who shall be the chief executive officer of the corporation, a vice-chairperson, a secretary,
29 and a finance director, as herein provided, and such other officers as the board may from time to
30 time establish.

31 (1) *Chairperson.* The executive director of the economic development corporation shall be
32 the chairperson of the board and shall appoint the managing director with the concurrence of the
33 board, appoint committee members, approve the corporation's annual operating and capital budget,

1 approve land sale prices, lease rents, and economic development incentives, and approve numbers
2 and types of employees and staff of the corporation, and preside at meetings of the board.

3 (2) *Managing director.* The chief executive officer of the corporation shall be managing
4 director of the corporation, who shall be appointed by the chairperson with the concurrence of the
5 board. The managing director of the corporation shall be entitled to receive for his or her services
6 any reasonable compensation as the board of directors may determine. The board of directors may
7 vest in the managing director the authority to appoint staff members and to determine the amount
8 of compensation each individual shall receive.

9 (3) *Vice-chairperson.* The board of directors shall from among its members elect a vice-
10 chairperson who shall preside at meetings in the absence of the chairperson and have such other
11 duties and powers as the directors may from time to time prescribe.

12 (4) *Other officers.* The board shall appoint a secretary, a director of finance, the duties of
13 whom shall be prescribed in the bylaws of the corporation, and such additional officers and staff
14 members as they shall deem appropriate and shall determine the amount of reasonable
15 compensation, if any, each shall receive.

16 (5) With the exception of the chairperson, any number of offices may be held by the same
17 person, unless the bylaws provide otherwise.

18 (c) *Employees.*

19 (1) The corporation may have such numbers and types of employees as the board, with the
20 approval of the chairperson, shall determine upon the recommendation of the managing director.
21 The board, upon the recommendation of the managing director, may authorize entering into
22 agreements with the economic development corporation for any duties or functions to be performed
23 by employees, staff, or agents of the corporation.

24 (2) No full-time employee of the corporation shall, during the period of his or her
25 employment by the corporation, engage in any other private employment, profession or business,
26 except with the approval of the board of directors.

27 (3) Employees of the corporation shall not, by reason of their employment, be deemed to
28 be employees of the state for any purpose, any other provision of the general laws to the contrary
29 notwithstanding, including, without limiting, the generality of the foregoing, chapters 29, 39, and
30 42 of title 28 and chapters 4, 8, 9, and 10 of title 36.

31 SECTION 2. Sections 42-64.20-5 and 42-64.20-10 of the General Laws in Chapter 42-
32 64.20 entitled "Rebuild Rhode Island Tax Credit Act" are hereby amended to read as follows:

33 **42-64.20-5. Tax credits.**

1 (a) An applicant meeting the requirements of this chapter may be allowed a credit as set
2 forth hereinafter against taxes imposed upon such person under applicable provisions of title 44 of
3 the general laws for a qualified development project.

4 (b) To be eligible as a qualified development project entitled to tax credits, an applicant's
5 chief executive officer or equivalent officer shall demonstrate to the commerce corporation, at the
6 time of application, that:

7 (1) The applicant has committed a capital investment or owner equity of not less than
8 twenty percent (20%) of the total project cost;

9 (2) There is a project financing gap in which after taking into account all available private
10 and public funding sources, the project is not likely to be accomplished by private enterprise
11 without the tax credits described in this chapter; and

12 (3) The project fulfills the state's policy and planning objectives and priorities in that:

13 (i) The applicant will, at the discretion of the commerce corporation, obtain a tax
14 stabilization agreement from the municipality in which the real estate project is located on such
15 terms as the commerce corporation deems acceptable;

16 (ii) It (A) Is a commercial development consisting of at least 25,000 square feet occupied
17 by at least one business employing at least 25 full-time employees after construction or such
18 additional full-time employees as the commerce corporation may determine; (B) Is a multi-family
19 residential development in a new, adaptive reuse, certified historic structure, or recognized
20 historical structure consisting of at least 20,000 square feet and having at least 20 residential units
21 in a hope community; or (C) Is a mixed-use development in a new, adaptive reuse, certified historic
22 structure, or recognized historical structure consisting of at least 25,000 square feet occupied by at
23 least one business, subject to further definition through rules and regulations promulgated by the
24 commerce corporation; and

25 (iii) Involves a total project cost of not less than \$5,000,000, except for a qualified
26 development project located in a hope community or redevelopment area designated under § 45-
27 32-4 in which event the commerce corporation shall have the discretion to modify the minimum
28 project cost requirement.

29 (c) The commerce corporation shall develop separate, streamlined application processes
30 for the issuance of rebuild RI tax credits for each of the following:

- 31 (1) Qualified development projects that involve certified historic structures;
- 32 (2) Qualified development projects that involve recognized historical structures;
- 33 (3) Qualified development projects that involve at least one manufacturer; and
- 34 (4) Qualified development projects that include affordable housing or workforce housing.

1 (d) Applications made for a historic structure or recognized historic structure tax credit
2 under chapter 33.6 of title 44 shall be considered for tax credits under this chapter. The division of
3 taxation, at the expense of the commerce corporation, shall provide communications from the
4 commerce corporation to those who have applied for and are in the queue awaiting the offer of tax
5 credits pursuant to chapter 33.6 of title 44 regarding their potential eligibility for the rebuild RI tax
6 credit program.

7 (e) Applicants (1) Who have received the notice referenced in subsection (d) above and
8 who may be eligible for a tax credit pursuant to chapter 33.6 of title 44, (2) Whose application
9 involves a certified historic structure or recognized historical structure, or (3) Whose project is
10 occupied by at least one manufacturer shall be exempt from the requirements of subsections
11 (b)(3)(ii) and (b)(3)(iii). The following procedure shall apply to such applicants:

12 (i) The division of taxation shall remain responsible for determining the eligibility of an
13 applicant for tax credits awarded under chapter 33.6 of title 44;

14 (ii) The commerce corporation shall retain sole authority for determining the eligibility of
15 an applicant for tax credits awarded under this chapter; and

16 (iii) The commerce corporation shall not award in excess of fifteen percent (15%) of the
17 annual amount authorized in any fiscal year to applicants seeking tax credits pursuant to this
18 subsection (e).

19 (f) *Maximum project credit.*

20 (1) For qualified development projects, the maximum tax credit allowed under this chapter
21 shall be the lesser of (i) Thirty percent (30%) of the total project cost; or (ii) The amount needed to
22 close a project financing gap (after taking into account all other private and public funding sources
23 available to the project), as determined by the commerce corporation.

24 (2) The credit allowed pursuant to this chapter, inclusive of any sales and use tax
25 exemptions allowed pursuant to this chapter, shall not exceed fifteen million dollars (\$15,000,000)
26 for any qualified development project under this chapter; except as provided in subsection (f)(3) of
27 this section; provided however, any qualified development project that exceeds the project cap upon
28 passage of this act shall be deemed not to exceed the cap, shall not be reduced, nor shall it be further
29 increased. No building or qualified development project to be completed in phases or in multiple
30 projects shall exceed the maximum project credit of fifteen million dollars (\$15,000,000) for all
31 phases or projects involved in the rehabilitation of the building. Provided, however, that for
32 purposes of this subsection and no more than once in a given fiscal year, the commerce corporation
33 may consider the development of land and buildings by a developer on the "I-195 land" as defined
34 in § 42-64.24-3(6) as a separate, qualified development project from a qualified development

1 project by a tenant or owner of a commercial condominium or similar legal interest including
2 leasehold improvement, fit out, and capital investment. Such qualified development project by a
3 tenant or owner of a commercial condominium or similar legal interest on the I-195 land may be
4 exempted from subsection (f)(1)(i) of this section.

5 (3) The credit allowed pursuant to this chapter, inclusive of any sales and use tax
6 exemptions allowed pursuant to this chapter, shall not exceed twenty-five million dollars
7 (\$25,000,000) for the project for which the I-195 redevelopment district was authorized to enter
8 into a purchase and sale agreement for parcels 42 and P4 on December 19, 2018, provided that
9 project is approved for credits pursuant to this chapter by the commerce corporation.

10 (g) Credits available under this chapter shall not exceed ~~twenty fifteen~~ percent (~~1520~~%) of
11 the project cost, except that credits shall not exceed twenty percent (20%) of project cost for
12 projects that involve recognized historic structures, or projects where infrastructure costs exceed
13 twenty percent (20%) of project costs, provided, however, that the applicant shall be eligible for
14 additional tax credits of not more than ten percent (10%) of the project cost, if the qualified
15 development project meets any of the following criteria or other additional criteria determined by
16 the commerce corporation from time to time in response to evolving economic or market
17 conditions:

18 (1) The project includes adaptive reuse or development of a recognized historical structure;

19 (2) The project is undertaken by or for a targeted industry;

20 (3) The project is located in a transit-oriented development area;

21 (4) The project includes residential development of which at least twenty percent (20%) of
22 the residential units are designated as affordable housing or workforce housing;

23 (5) The project includes the adaptive reuse of property subject to the requirements of the
24 industrial property remediation and reuse act, § 23-19.14-1 et seq.; or

25 (6) The project includes commercial facilities constructed in accordance with the minimum
26 environmental and sustainability standards, as certified by the commerce corporation pursuant to
27 Leadership in Energy and Environmental Design or other equivalent standards.

28 (h) *Maximum aggregate credits.* The aggregate sum authorized pursuant to this chapter,
29 inclusive of any sales and use tax exemptions allowed pursuant to this chapter, shall not exceed
30 ~~two hundred ten million dollars (\$210,000,000)~~ two hundred fifty million dollars (\$250,000,000),
31 excluding any tax credits allowed pursuant to subsection (f)(3) of this section.

32 (i) Tax credits shall not be allowed under this chapter prior to the taxable year in which the
33 project is placed in service.

1 (j) The amount of a tax credit allowed under this chapter shall be allowable to the taxpayer
2 in up to five, annual increments; no more than thirty percent (30%) and no less than fifteen percent
3 (15%) of the total credits allowed to a taxpayer under this chapter may be allowable for any taxable
4 year.

5 (k) If the portion of the tax credit allowed under this chapter exceeds the taxpayer's total
6 tax liability for the year in which the relevant portion of the credit is allowed, the amount that
7 exceeds the taxpayer's tax liability may be carried forward for credit against the taxes imposed for
8 the succeeding four (4) years, or until the full credit is used, whichever occurs first. Credits allowed
9 to a partnership, a limited-liability company taxed as a partnership, or multiple owners of property
10 shall be passed through to the persons designated as partners, members, or owners respectively pro
11 rata or pursuant to an executed agreement among persons designated as partners, members, or
12 owners documenting an alternate distribution method without regard to their sharing of other tax
13 or economic attributes of such entity.

14 (l) The commerce corporation, in consultation with the division of taxation, shall establish,
15 by regulation, the process for the assignment, transfer, or conveyance of tax credits.

16 (m) For purposes of this chapter, any assignment or sales proceeds received by the taxpayer
17 for its assignment or sale of the tax credits allowed pursuant to this section shall be exempt from
18 taxation under title 44. If a tax credit is subsequently revoked or adjusted, the seller's tax calculation
19 for the year of revocation or adjustment shall be increased by the total amount of the sales proceeds,
20 without proration, as a modification under chapter 30 of title 44. In the event that the seller is not a
21 natural person, the seller's tax calculation under chapter 11, 13, 14, or 17 of title 44, as applicable,
22 for the year of revocation, or adjustment, shall be increased by including the total amount of the
23 sales proceeds without proration.

24 (n) The tax credit allowed under this chapter may be used as a credit against corporate
25 income taxes imposed under chapter 11, 13, 14, or 17, of title 44, or may be used as a credit against
26 personal income taxes imposed under chapter 30 of title 44 for owners of pass-through entities such
27 as a partnership, a limited-liability company taxed as a partnership, or multiple owners of property.

28 (o) In the case of a corporation, this credit is only allowed against the tax of a corporation
29 included in a consolidated return that qualifies for the credit and not against the tax of other
30 corporations that may join in the filing of a consolidated tax return.

31 (p) Upon request of a taxpayer and subject to annual appropriation, the state shall redeem
32 this credit, in whole or in part, for ninety percent (90%) of the value of the tax credit. The division
33 of taxation, in consultation with the commerce corporation, shall establish by regulation a
34 redemption process for tax credits.

1 (q) Projects eligible to receive a tax credit under this chapter may, at the discretion of the
2 commerce corporation, be exempt from sales and use taxes imposed on the purchase of the
3 following classes of personal property only to the extent utilized directly and exclusively in the
4 project: (1) Furniture, fixtures, and equipment, except automobiles, trucks, or other motor vehicles;
5 or (2) Other materials, including construction materials and supplies, that are depreciable and have
6 a useful life of one year or more and are essential to the project.

7 (r) The commerce corporation shall promulgate rules and regulations for the administration
8 and certification of additional tax credit under subsection (e), including criteria for the eligibility,
9 evaluation, prioritization, and approval of projects that qualify for such additional tax credit.

10 (s) The commerce corporation shall not have any obligation to make any award or grant
11 any benefits under this chapter.

12 **42-64.20-10. Sunset.**

13 No credits shall be authorized to be reserved pursuant to this chapter after ~~December 31,~~
14 ~~2020~~December 31, 2023.

15 SECTION 3. Section 42-64.21-9 of the General Laws in Chapter 42-64.21 entitled “Rhode
16 Island Tax Increment Financing” is hereby amended to read as follows:

17 **42-64.21-9. Sunset.**

18 The commerce corporation shall enter into no agreement under this chapter after December 31,
19 ~~2020~~2023.

20 SECTION 4. Section 42-64.22-15 of the General Laws in Chapter 42-64.22 entitled “Tax
21 Stabilization Incentive” is hereby amended to read as follows:

22 **42-64.22-15. Sunset.**

23 The commerce corporation shall enter into no agreement under this chapter after December
24 31, ~~2020~~2023.

25 SECTION 5. Section 42-64.23-8 of the General Laws in Chapter 42-64.23 entitled “First
26 Wave Closing Fund Act” is hereby amended to read as follows:

27 **42-64.23-8. Sunset.**

28 No financing shall be authorized to be reserved pursuant to this chapter after December 31,
29 ~~2020~~2023.

30 SECTION 6. Section 42-64.24-8 of the General Laws in Chapter 42-64.24 entitled “I-195
31 Redevelopment Project Fund Act” is hereby amended as follows:

32 **42-64.24-8. Sunset.**

33 No funding, credits, or incentives shall be authorized or authorized to be reserved pursuant
34 to this chapter after December 31, ~~2020~~2023.

1 SECTION 7. Section 42-64.25-14 of the General Laws in Chapter 42-64.25 entitled “Small
2 Business Assistance Program Act” is hereby repealed:

3 ~~42-64.25-14. Sunset.~~

4 ~~No grants, funding, or incentives shall be authorized pursuant to this chapter after~~
5 ~~December 31, 2020.~~

6 SECTION 8. Section 42-64.27-6 of the General Laws in Chapter 42-64.27 entitled “Main
7 Street Rhode Island Streetscape Improvement Fund” is hereby amended as follows:

8 42-64.27-6. Sunset.

9 No incentives shall be authorized pursuant to this chapter after December 31, ~~2020~~2023.

10 SECTION 9. Section 42-64.28-10 of the General Laws in Chapter 42-64.28 entitled
11 “Innovation Initiative” is hereby amended as follows:

12 42-64.28-10. Sunset.

13 No vouchers, grants, or incentives shall be authorized pursuant to this chapter after
14 December 31, ~~2020~~2023.

15 SECTION 10. Section 42-64.29-8 of the General Laws in Chapter 42-64.29 entitled
16 “Industry Cluster Grants” is hereby amended as follows:

17 42-64.29-8. Sunset.

18 No grants or incentives shall be authorized to be reserved pursuant to this chapter after
19 December 31, ~~2020~~2023.

20 SECTION 11. Section 42-64.31-4 of the General Laws in Chapter 42-64.31 entitled “High
21 School, College, and Employer Partnerships” is hereby amended as follows:

22 42-64.31-4. Sunset.

23 No grants shall be authorized pursuant to this chapter after December 31, ~~2020~~2023.

24 SECTION 12. Section 42-64.32-6 of the General Laws in Chapter 42-64.32 entitled “Air
25 Service Development Fund” is hereby amended as follows:

26 42-64.32-6. Sunset.

27 No grants, credits, or incentives shall be authorized or authorized to be reserved pursuant
28 to this chapter after December 31, ~~2020~~2023.

29 SECTION 13. Title 42 of the General Laws entitled "State Affairs and Government" is
30 hereby amended by adding thereto the following chapter:

31 CHAPTER 42-64.34

32 THE SITE READINESS ACT

33 42-64.34-1 Legislative findings.

34 (a) It is found and declared that:

1 (1) Rhode Island is home to a growing economy and municipalities are partners in the
2 state's economic growth.

3 (2) The state seeks to work in even closer partnership with cities and towns to support
4 economic development throughout the state.

5 (3) The state seeks to serve as resource and partner for best practices and technical
6 assistance to enable the continued growth of cities and towns.

7 (4) Cities and towns have achieved great progress through initiatives such as LEAN
8 programs, e-permitting, and other process improvement programs and these successes should be
9 built upon and expanded.

10 (5) There is significant interest in using the Quonset Development Corporation as a model
11 of successful pre-permitting and shovel-ready site development, and to build off the success of
12 Quonset to identify and prepare pad-ready development sites around the state.

13 (6) Rhode Island lacks readily developable land and this lack of shovel ready sites can
14 prevent manufacturers and other types of businesses from locating in Rhode Island.

15 (7) Rhode Island can create a national model that integrates economic development
16 processes across the state in a mutually accountable partnership with cities and towns and Rhode
17 Island can develop an attractive portfolio of pre-permitted sites.

18 (8) This approach is premised upon cities and towns opting in – participating in ways that
19 are of the greatest value to the local community involved.

20 **42-64.34-2. Short title.**

21 This chapter shall be known as "The Site Readiness Act."

22 **42-64.34-3. Establishment of Program.**

23 There is hereby established the site readiness program to be administered by the Rhode
24 Island commerce corporation ("commerce corporation"), in partnership with the Quonset
25 Development Corporation, as set forth in this chapter.

26 **42-64.34-4. Purposes.**

27 To promote site readiness, the commerce corporation is authorized and empowered to carry
28 out the site readiness program for the following purposes:

29 (a) To foster and maintain strong collaborations with municipalities in the state.

30 (b) To provide all manner of support and assistance to municipalities and/or owners of real
31 property in order to foster economic development in Rhode Island.

32 (c) To promote site readiness in the state, including developing an inventory of vetted, pad-
33 ready sites in the state capable of supporting economic development and establishing a professional
34 capacity to develop, manage, and market lands to foster economic development in Rhode Island.

1 (d) To establish, implement, and maintain high standards for design, improvement,
2 operation, and use of property in order to provide sites and related amenities for high quality
3 businesses that create high value-added jobs in Rhode Island.

4 (e) To plan, construct, reconstruct, rehabilitate, alter, improve, develop, maintain, operate
5 and/or acquire or convey any parcels, tracts, areas or projects within participating municipalities.

6 **42-64.34-5. Definitions.**

7 (a) As used in this chapter, words and terms, shall have the meaning set forth in § 42-64-3
8 unless this chapter provides a different meaning or unless the context indicates a different meaning
9 or intent.

10 **42-64.34-6. Assistance to municipalities.**

11 (a) In carrying out the site readiness program, the commerce corporation is authorized and
12 empowered to enter into contractual agreements with municipalities if such contracts are deemed
13 necessary or of utility by the commerce corporation; such contracts may include, among other
14 things, for the commerce corporation to provide all manner of support and assistance to
15 municipalities in connection with fostering economic development including, but not limited to,
16 aiding in the (i) preparation, adoption or implementation of laws, regulations, or processes related
17 to development; and (ii) the planning and development of any parcels, tracts, areas or projects
18 within the municipality; and municipalities are authorized and empowered, notwithstanding any
19 other law to the contrary, to enter into any contractual agreements with the commerce corporation
20 including provisions for the sharing or allocation of fees or other revenues and to do all things
21 necessary to carry out their obligations under the agreements.

22 (b)(1) Notwithstanding anything to the contrary in chapter 64.22 of title 42 of the general
23 laws or any regulations adopted in connection with the tax stabilization program created under
24 chapter 64.22 of title 42, if a qualifying community or hope community participating in the tax
25 stabilization program grants a qualifying tax stabilization agreement in connection with a
26 qualifying development project, upon application to the commerce corporation or a
27 recommendation by the Quonset Development Corporation to the commerce corporation of
28 eligibility of an enhanced award and subject to availability of appropriated funds, the commerce
29 corporation may provide a partial reimbursement of no more than twenty-five percent (25%) of the
30 qualifying community and/or hope community's forgone tax revenue. The qualification for
31 reimbursement shall cease upon any termination or cessation of the underlying tax stabilization
32 agreement or upon exhaustion of funds appropriated pursuant to this section.

33 (2) Terms used in this subsection that are defined in chapter 64.22 of title 42, shall have
34 the meaning as assigned in chapter 64.22 of title 42.

1 (3) The commerce corporation shall provide no more than five (5) certifications in any
2 calendar year under this subsection.

3 (c) To carry out the powers and duties under this chapter, the board of directors of the
4 commerce corporation shall establish a site readiness committee, which shall consist of members
5 of the board of directors as well as other members, including a representative of the Rhode Island
6 League of Cities and Towns selected by the board of directors and a representative appointed by
7 the governing body of the municipality seeking action under this chapter.

8 (d) Any department, agency, council, board or other instrumentality of the state shall
9 cooperate with the commerce corporation in relation to the implementation, execution and
10 administration of the program created under this chapter.

11 **42-64.34-7. General powers.**

12 Except to the extent inconsistent with any specific provision of this chapter and in addition
13 to the powers contained herein, the commerce corporation shall have and may exercise all powers
14 set forth in chapter 42-64 of the general laws. Nothing in this chapter diminishes any powers or
15 authority of the department of business regulation.

16 **42-64.34-8. Regulations.**

17 The commerce corporation may adopt implementation guidelines, directives, criteria, rules
18 and regulations pursuant to § 42-35-1, et seq. as are necessary for the implementation and
19 administration of the site readiness program, including development and land use guidelines, and
20 provisions for the imposition of fees or other charges in relation to the administration of the site
21 readiness program.

22 **42-64.34-9. Site readiness.**

23 (a) To promote site readiness within the state, the commerce corporation is authorized and
24 empowered to:

25 (1) Develop an efficient permitting and pre-permitting process in relation to parcels, tracts
26 or areas as authorized by a municipality participating in the site readiness program.

27 (2) To the extent authorized by a municipality, through and with the department of business
28 regulation as appropriate, conduct and/or issue any and all permits, licenses, state, and municipal
29 code reviews and approvals, including building and fire code reviews and approvals, or other
30 authorizations appropriate to carry-out the site readiness program; and/or

31 (3) Plan, construct, reconstruct, rehabilitate, alter, improve, develop, operate, maintain, any
32 parcels, tracts, or projects as authorized by a municipality participating in the site readiness
33 program. To the extent provided by the authorization for participation of a municipality in the site
34 readiness program, such parcels, tracts and projects that include a significant commercial office,

1 innovation/laboratory, industrial/port/marine/distribution, or sporting/performance/outdoor
2 entertainment venue use or include a structure in need of rehabilitation, revitalization, or
3 replacement or other uses as determined for this purpose by the economic development planning
4 council shall be exempt from local zoning or other land use ordinances, codes, including building
5 and fire codes, plans, or regulations of any municipality or political subdivision. Parcels, tracts,
6 areas or projects which are planned, constructed, reconstructed, rehabilitated, altered, improved, or
7 developed by the commerce corporation in accordance with the exemption provisions of this
8 subsection may be maintained and operated by the owners of such parcels, tracts, area or projects,
9 and their lessees or successors in interest, in the same manner as if such parcel, tract, area or project
10 had been in existence prior to the enactment of the zoning or other land use ordinances, codes,
11 plans, or regulations which, but for this chapter, would otherwise be applicable.

12 (b) The authority of the department of environmental management and the coastal
13 resources management council authorities under federal or state law, including but not limited to
14 issuing licenses and permits delegated to the department of environmental management pursuant
15 to chapter 1 of title 2 and to the coastal resources management council pursuant to chapter 23 of
16 title 46, shall remain with those agencies.

17 (c) The commerce corporation shall, in planning, constructing, reconstructing,
18 rehabilitating, altering, or improving any parcel, tract, area or project, comply with all requirements
19 of federal laws, codes, or regulations applicable to that planning, construction, reconstruction,
20 rehabilitation, alteration, or improvement. Except as otherwise specifically provided to the contrary
21 in the authorization allowing participation by a municipality in the site readiness program or a
22 contract entered into between the commerce corporation and such municipality pursuant to § 42-
23 64.33-6(a) of this section, no municipality or other political subdivision of the state shall have the
24 power to modify or change in whole or in part the drawings, plans, or specifications for any parcel,
25 tract, area or project adopted by the commerce corporation; nor to require that any person, firm, or
26 the commerce corporation with respect to that parcel, tract, area or project perform work in any
27 other or different manner than that provided by those drawings, plans, and specifications; nor to
28 require that any such person, firm, or the commerce corporation obtain any approval, permit, or
29 certificate from the municipality or political subdivision in relation to the parcel, tract, area or
30 project; and the doing of that work by any person, firm, or the commerce corporation in accordance
31 with the terms of those drawings, plans, specifications, or contracts shall not subject the person,
32 firm, or the commerce corporation to any civil liability or penalty, other than as may be stated in
33 the contracts or may be incidental to the proper enforcement thereof; nor shall any municipality or
34 political subdivision have the power to require the commerce corporation, or any lessee or

1 successor in interest, to obtain any approval, permit, or certificate from the municipality or political
2 subdivision as a condition of owning, using, maintaining, operating, or occupying any parcel, tract,
3 area or project acquired, constructed, reconstructed, rehabilitated, altered, or improved by the
4 commerce corporation or pursuant to drawings, plans, and specifications made or approved by the
5 commerce corporation; provided, however, that nothing contained in this subsection shall be
6 deemed to relieve any person, firm, or commerce corporation from the necessity of obtaining from
7 any municipality or other political subdivision of the state any license which, but for the provisions
8 of this chapter, would be required in connection with the rendering of personal services or sale at
9 retail of tangible personal property.

10 **42-64.34-10. Inconsistent provisions.**

11 Insofar as the provisions of this chapter are inconsistent with the provisions of any other
12 law or ordinance, general, special or local, the provisions of this chapter shall be controlling.

13 **42-64.34-11. Construction – Liberal construction.**

14 This chapter, being necessary for the welfare of the state and its inhabitants, shall be
15 liberally construed so as to effectuate its purposes.

16 **42-64.34-12. Severability.**

17 If any clause, sentence, paragraph, section, or part of this chapter shall be adjudged by any
18 court of competent jurisdiction to be invalid, that judgment shall not affect, impair, or invalidate
19 the remainder of the chapter but shall be confined in its operation to the clause, sentence, paragraph,
20 section, or part directly involved in the controversy in which that judgment shall have been
21 rendered.

22 **42-64.34-13. Reporting requirements.**

23 The commerce corporation shall publish a report summarizing municipality participation
24 in the program within sixty (60) days after the end of each fiscal year. The report shall contain
25 information on the commitment, disbursement, and use of funds expended by the commerce
26 corporation in relation to assistance to municipalities.

27 SECTION 14. Section 44-48.3-14 of the General Laws in Chapter 44-48.3 entitled “Rhode
28 Island Qualified Jobs Incentive Act of 2015” is hereby amended as follows:

29 **44-48.3-14. Sunset.**

30 No credits shall be authorized to be reserved pursuant to this chapter after December 31,
31 ~~2020~~2023.

32 SECTION 15. This article shall take effect upon passage.