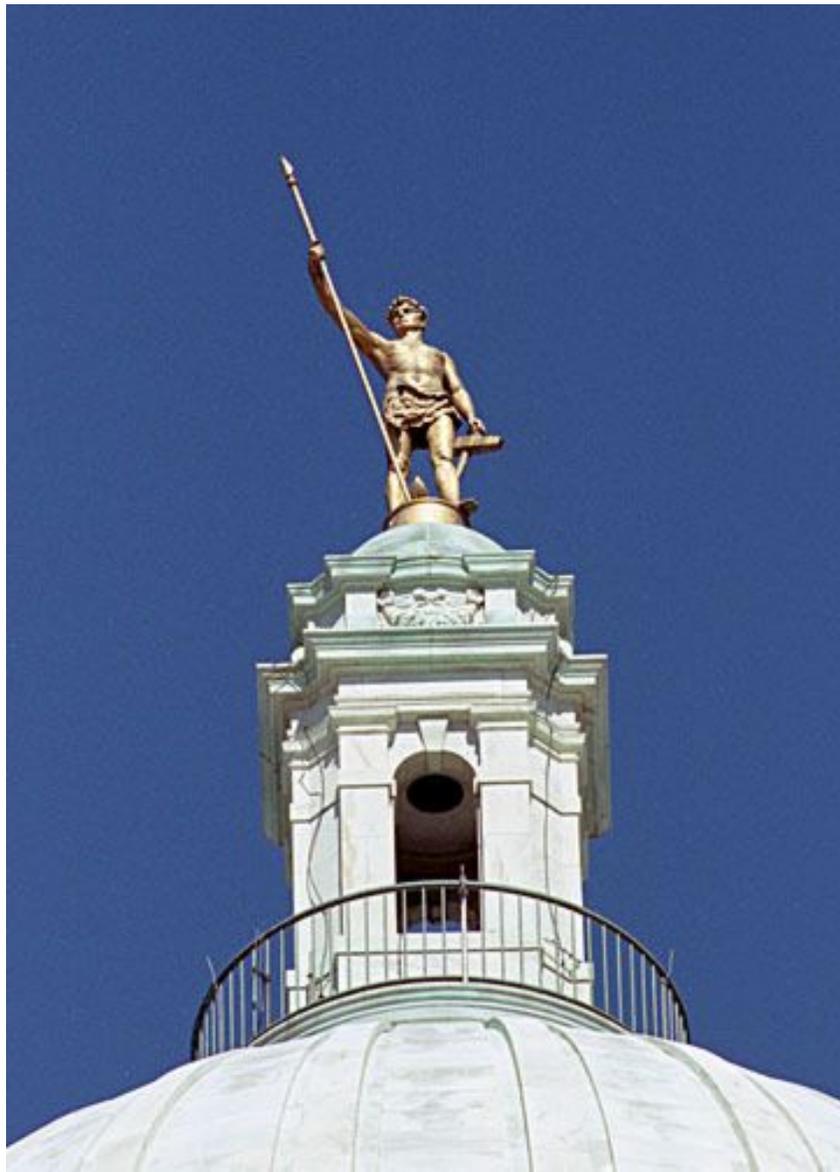


**RHODE ISLAND
COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY
Annual Report
Calendar Year 2011**



Office of Strategic Planning and Economic Development
Rhode Island Division of Planning
Rhode Island Department of Administration
Providence, Rhode Island 02908
WWW.planning.ri.gov
Approved by State Planning Council on July 12, 2012

The Rhode Island State Planning Council, initially called the Policy Committee, was organized on December 20, 1963. It was established by statute in 1978 and is charged with developing and maintaining a State Guide Plan as the basic guide for the long-term physical, economic, and social development of the state. The Statewide Planning Program within the Department of Administration provides staff support to the Council.

The Statewide Planning Program, Rhode Island Department of Administration, Division of Planning, is established by Chapter 42-11 of the *General Laws* as the central planning agency for state government. The work of the Program is guided by the State Planning Council, comprised of state, local, and public representatives and federal and other advisors.

The objectives of the Program are:

1. to prepare strategic and systems plans for the state;
2. to coordinate activities of the public and private sectors within this framework of policies and programs;
3. to assist local governments in management, finance, and planning; and
4. to advise the Governor and others concerned on physical, social, and economic topics.

Activities of the Program are supported by state appropriations and federal grants. The contents of this report reflect the views of the Statewide Planning Program, which is responsible for the accuracy of the facts and data presented herein. The contents do not necessarily reflect the official views or policies of other sponsoring agencies. This publication is based upon publicly supported research and may not be copyrighted. It may be reprinted, in part or full, with the customary crediting of the source.

This report and its appendices were approved by the State Planning Council at their July 12, 2012 meeting and are available at www.planning.ri.gov. For more information contact the Division of Planning, One Capitol Hill, Providence, R.I. (401) 222-7901.

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Introduction

A. Overview

The Comprehensive Economic Development Strategy (CEDS) is a state planning process that results in a five-year strategic plan for economic development that is updated annually. Rhode Island is mandated to submit a CEDS to the U. S. Economic Development Administration (EDA) in order to receive funding for economic development projects. This annual report is designed to be a short document and readily accessible to the public and decision makers to use to keep track of the CEDS and its implementation. The CEDS seeks to analyze current conditions, establish goals, objectives and a vision, and initiate and evaluate projects that move us toward the long-term vision. The Division of Planning is committed to supporting the CEDS ongoing, sustained planning process. Conformance with the CEDS is required to qualify for most EDA funding under its public works, economic assistance and planning programs. The CEDS is valuable because it helps to identify, organize and maximize resources, build community support, petition state and federal funding agencies, and understand Rhode Island's economic situation. This report is the 2011 *Comprehensive Economic Development Strategy (CEDS) Annual Report*.

In Part I of the report, we describe the organization and management of the CEDS process in Rhode Island including the roles of our State Planning Council and its role as the CEDS Committee, in consultation with its Technical Committee.

Part II examines the condition of the state's economy, including Rhode Island's knowledge base and its quality of place, together with certain institutional assets involved with economic development in Rhode Island. It highlights the activity in Rhode Island's innovation economy, and also analyzes the state's "quality of place" assets and challenges.

Part III presents the state's overall economic development vision and objectives which are taken directly from the *Economic Development Policies and Plan (2002)*.

Part IV provides the policies of the Economic Development Policies and Plan as our action plan.

Part V describes how the catalytic projects on our FFY 2011 CEDS project priority list will help implement our objectives. It also lists projects that have been funded by the Economic Development Administration since 2002 and compares amounts received by Rhode Island with other New England States.

Part VI provides an evaluation of the CEDS process especially in light of recent revisions to our process for reviewing and analyzing projects proposed for submission to EDA.

The acceptance of this document by the Economic Development Administration will establish program eligibility under the provisions of the Public Works and Economic Development Act of 1965, as amended, for those applicants who successfully participated in the CEDS process.

The State Planning Council adopted a Five-Year Update to the Rhode Island Economic Development Strategy in March 2010. EDA expects it to be supplemented by a series of Annual Reports 2010-2014. This Annual Report describes the year's activities and development strategies and the program's effectiveness in 2011.

B. Program Experience

Here are some highlights of the CEDS program and other economic development activities in Rhode Island in 2011:

CEDS Application Workshops

Prior to 2010 the Division of Planning hosted annual CEDS workshops to ensure that potential CEDS applicants were clear on our requirements. Since 2010 we have opted to solicit and evaluate proposals for consistency with certain threshold criteria (applicant eligibility, match in place and consistency with state guide plan economic development goal(s)). We also provide technical assistance to applicants aimed at making their proposals more competitive. Applications are received and reviewed on a rolling basis consistent with the Economic Development Administration's quarterly review and evaluation process.

Economic Development Policies and Plan

Division of Planning staff is preparing a new *Economic Development Policies and Plan* that identifies key conditions in the Rhode Island economy including our positive assets and resources (e.g. our research universities) and those areas we need to work on (e.g. competitive tax structure, regulatory framework, health and energy cost containment, education and training, workforce development). This plan will replace the existing Economic Development Policies and Plan (2002). Preparation of the plan is being undertaken in conjunction with the work program of a Sustainable Communities Grant funded by the U.S. Department of Housing and Urban Development.

Key Public and Private Economic Development Investments

In Rhode Island during 2011 public and private investments beyond the projects supported by the EDA continued at levels comparable to 2010. These include capital investments and investments in workforce development; education; scientific research; and company start-ups. *Part II: Analysis of Conditions* provides concrete examples about many of these investments.

Part I: Organization and Management – “What are the roles and activities of the Comprehensive Economic Development Strategy Committee and staff?”

This part of the Update describes the roles of the State Planning Council/CEDS Committee, the Technical Committee, the CEDS Subcommittee and Division of Planning (DOP) staff, especially in the selection of catalytic economic projects recommended to the U.S. Economic Development Administration. These projects comprise Rhode Island’s “Project Priority List,” endorsed by the state’s CEDS Committee through a three-tiered review process.

Comprehensive Economic Development Strategy (CEDS) Project Evaluation

The CEDS Committee evaluates CEDS project applications from municipalities, various state agencies and non-profits. The CEDS Committee consists of three tiers: the State Planning Council, the Technical Committee, and the CEDS Subcommittee, and it is staffed by the Rhode Island Division of Planning. Projects are evaluated according to such factors as job creation and wages potential, funding sources, workforce development, partnering with other entities as co-applicants, and implementing objectives of the *Rhode Island Economic Development Policies and Plan* (See Appendix 2 and Attachment A to Appendix 2). The output of the CEDS process is a list of projects recommended by the CEDS Committee to the federal Economic Development Administration whose regional office is located in Philadelphia. CEDS Committee approved projects are listed in the CEDS Annual Reports that can be found on the Rhode Island Division of Planning website. See Parts V and VI for an analysis of current projects and Appendix A for projects from 2009 and 2010.

State Planning Council/CEDS Committee

The Rhode Island State Planning Council serves as the state's CEDS Committee. The Planning Council is charged with developing and maintaining a State Guide Plan as the basic guide for the long-term physical, economic, and social development of the state. The Division of Planning, within the Department of Administration, provides staff support to the Planning Council.¹ Planning Council members and their affiliations are listed below.

Name	Affiliation
Richard Licht, Chair	Rhode Island Department of Administration, Director
Kelly Mahoney, Vice Chair	Governor's Policy Office
Kevin Flynn, Secretary	Rhode Island Division of Planning, Associate Director
Daniel Beardsley	Rhode Island League of Cities and Towns, Executive Director
Jeanne Boyle	Rhode Island League of Cities and Towns, President's designee
Stephen Cardi, Esq.	Public Member
Janet Coit	Rhode Island Department of Environmental Management, Director
Jeanne Cola	Rhode Island Resources Commission, Chair
Michael Fine	Rhode Island Department of Health, Director
Michael Lewis	Rhode Island Department of Transportation, Director
Thomas Mullaney	Rhode Island Department of Administration, Budget Office
L. Vincent Murray	Rhode Island League of Cities and Towns, Local Government Official Representation
Anna Prager	Public Member
Janet White Raymond	Public Member
William Sequino	Public Member
Samuel J. Shamoan	Governor's Designee, Shamoan Planning LLC, Consultant
John Trevor	Environmental Advocate
Sharon Conrad Wells	Nonprofit Community Development/Housing Organization Representative
Scott Wolf	Environmental Advocate, Executive Director Grow Smart RI

Technical Committee

Section 42-11-10(f)(5) of the General Laws requires the Planning Council to appoint a permanent advisory committee comprised of public members from different geographic areas of the state who represent diverse interests and officials of all levels of government. The Technical Committee performs this function. The Technical Committee meets monthly and advises the staff on all aspects of its work including technical studies, rule making and amendments or additions to the State Guide Plan. The State Planning Council directs the Technical Committee to review the CEDS project priority rating system and solicit new projects annually. Technical Committee members and their affiliations are listed below.

Name	Affiliation
Robert Azar, Chair	City of Providence
Michael DeLuca, Vice Chair	Town of Narragansett
Jared Rhodes, Secretary	Rhode Island Statewide Planning Program
Barbara Breslin	Federal Highway Administration
Lisa Bourbannais	City of East Greenwich
Ames Colt, Ph.D.	Rhode Island Dept. of Environmental Management
Stephen Devine	Rhode Island Department of Transportation
Tina Dolen, AIPC	Aquidneck Island Planning Commission
Thomas Kogut	Rhode Island Public Utilities Commission
Patrick Malone, PhD	Brown University
Eugenia Marks	Audubon Society of Rhode Island
Jason Pezzullo	City of Cranston
Fred Presley	Town of West Warwick
Jon Reiner	Town of North Kingstown Planning Department
Robert Vanderslice, PhD	Rhode Island Department of Health
Michael Walker	Rhode Island Economic Development Corporation
Jeff Willis	RI Coastal Resources Management Council
Ronald Wolanski	Town of Middletown Planning Department

CEDS Subcommittee

The Technical Committee appoints a CEDS Subcommittee to work with the staff in revising the rating criteria, soliciting projects and rating those projects. The State Planning Council has authorized the Technical Committee and staff (i.e., the Office of Strategic Planning and Economic Development) to invite individuals from outside the Technical Committee to serve on the CEDS Subcommittee. This has allowed broader representation of constituencies in the CEDS process. The Technical Committee and the CEDS Subcommittee have become a major part of the CEDS committee process – first, by the balance of values and interests they bring to it, and second, because they have traditionally been the ones to establish the details of CEDS project solicitation, evaluation and selection. CEDS Subcommittee members and their affiliations are listed below.

Sheila Brush, Grow Smart Rhode Island

Lynne Dunphy, Ph.D., URI – College of Nursing

Diane Feather, City of East Providence

Scott Gibbs, New England Economic Development Services Incorporated

Douglas Jobling, RI Small Business Development Center

Michael Walker, RI Economic Development Corporation

Part II: Analysis of Conditions – “Where are we?”

Business and Economic Climate: Conditions and Resources

Overview

- Governor personally engaged in State’s economy
- Situated in the Northeast Corridor; arguably one of the greatest markets in the world
- Well endowed with natural resources: water, agricultural soils, coastal location
- Well positioned infrastructure: highways, rail, airports, marine ports
- Poised for success in the innovation economy with the state’s academic research engines.
- Second highest unemployment rate in the nation
- Increasingly agile labor pool
- High energy costs but high economic output per BTU due to compact geography
- Seventh in Energy Efficiency (“Rhode Island Ranks High” Chafee Center)
- High health care costs (expenditures and premiums)
- Recovering from the effects of the March 2010 Flood Disaster
- Reputed poor business climate; many regulatory impediments.

How Rhode Island compares with other states

Business Activity

- Third among all states for broadband communications (2010 State New Economy Index)
- Second among all states in a Health IT indicator that measures the percentage of prescriptions routed electronically (2010 State New Economy Index)
- Tied for second among all states in an Online Agriculture indicator that measures the percentage of farmers with Internet access and using computers for business (2010 State New Economy Index)
- 13th in IPOs (2010 State New Economy Index)
- Ninth among all states in Foreign Direct Investment (2010 State New Economy Index)
- Sixteenth in overall score in State New Economy Index (2010 State New Economy Index)
- Exports increased by 24.5 percent in 2011 over 2010 levels (November to November, World Trade Center of New Orleans)
- Third lowest growth in overall economic activity in New England for 2011 (Federal Reserve Bank of Boston)
- Thirty-fifth in access to capital, a venture capital measure (CNBC, 2011)
- Forty-eighth in value of exports per manufacturing and service worker (2010 State New Economy Index)

Business Climate

- Rhode Island is one of the leading states in terms of access to broadband; Broadband is available to 97% of Rhode Island residents
- Eighth for Technology Nationwide (Beacon Hill Institute)
- Lowest nationally in per capita energy consumption (cents per kilowatt hour) for both commercial and industrial users (Energy Information Administration)

- Best nationally in total energy consumption per person. (Energy Information Administration)
- Twentieth in the Beacon Hill competitiveness 2010 index.(Beacon Hill Institute)
- Worst in cost of doing business (2011 CNBC index)
- Forty-sixth in state business tax climate (Tax Foundation index)
- Third worst in “business friendliness”(CNBC, 2011)

Demographics

- Educational attainment among highest in country (U.S. Census Bureau)
- Highest in New England in the percentage of the population age 85 or older (Population Reference Bureau)
- Third highest in New England in the percentage of the population age 65 or older (Population Reference Bureau)
- Tenth among the healthiest states (United Health Foundation)
- Second highest in New England in the percentage of the population receiving Supplemental Social Security Income (Population Reference Bureau)
- Second highest Old Age Dependency Ratio in New England Population Reference Bureau)
- 14.0 percent of RI families with incomes below poverty level; below national rate but second highest in New England. (1-Year ACS 2010, US Census Bureau)

Governor Chafee actively engaged in State’s economy

Since taking office Governor Lincoln Chafee has engaged himself personally in the State and local economy. As chairman of the board of directors of Rhode Island’s Economic Development Corporation he led the way to help Rhode Island businesses gain better access to financing and streamline state and local regulatory processes to save companies time and money. Chafee also lead a number of community business forums in cities and towns throughout the state bringing the leaders of the EDC and other State agencies involved in business and workforce development and regulation directly to local businesses and workers to listen to their concerns and help them identify State and federal programs that can help boost their economies.

The Northeast Regional Context

One of Rhode Island’s strongest assets is its location in the Northeast Corridor, a swath of urban development and economic activity that stretches from Washington, D.C. to Boston. Rhode Island is well-positioned to benefit from the projected regional and national growth in innovation and knowledge-based industries. The state’s many educational and institutional assets, detailed in the *Knowledge Base and the Innovation Economy* section, will help boost the state’s economy in the critical growth area.

Business Incentives and Finance Programs

Rhode Island offers a broad array of business incentives in the areas of corporate and personal income taxes, film and television, financial service industry, foreign trade, general business taxes, historic preservation, job training and education, manufacturing, research and development, various sale tax exemptions, small business and state enterprise zone business tax credits. Legislative changes made in 2010 and effective beginning January 1, 2011 modified the state’s personal income tax structure and revised the criteria for several of Rhode Island’s tax incentives. Details on these taxes and incentives may be found at the website of the Rhode

Island Economic Development Corporation. Go to: <http://www.riedc.com/business-services/business-incentives>.

Regulatory Framework

Many cite Rhode Island's complex regulatory environment as a disincentive for locating a business in the state. The Rhode Island Economic Development Corporation's Office of Regulatory Reform (ORR) was created in 2010 by executive order and supported by legislation from both the House and the Senate. The office aims to improve the state's business climate by making it easier for small and mid-sized businesses to engage with state and municipal permitting and regulatory affairs.

By working directly with cities and towns and coordinating statewide regulatory and permitting matters, the ORR is ensuring that Rhode Island can more efficiently and consistently implement a regulatory and permitting framework that enhances economic and community development and fosters the overall health and wellbeing of its citizens.

The Office of Regulatory Reform seeks to:

- Provide direct assistance to incoming and existing Rhode Island businesses in navigating through regulatory systems;
- Work with state agencies and local municipalities on efforts to streamline local permitting processes;
- Recommend legislative and regulatory changes to the state leadership;
- Intervene in any regulatory or permitting matters for the purpose of assuring the efficient and consistent implementation of rules and regulations and to foster the creation and retention of Rhode Island jobs;
- Publish reports from executive branch agencies on their regulatory environment

During its first year in operation the ORR provided direct assistance to twenty incoming or existing Rhode Island businesses in navigating through the regulatory process, worked with state agencies and municipalities on efforts to streamline the local permitting process, intervened in regulatory and permitting issues for the purpose of assuring the efficient and consistent implementation of rules and regulations and fostered the creation and retention of Rhode Island jobs. For details on ORR's activities in FY 2011 go to:

http://www.riedc.com/files/Annual%20Report%20Website%20Version_0.pdf.

Health Care Costs

Rhode Island's quality of life is certainly enhanced by not only its access to its own fine hospitals and medical services but to those an hour's drive away in Boston. It is, however, according to Kaiser State Health Facts, expensive relative to the nation. Rhode Island's high per capita health expenditures relative to the nation (7th highest nationally) include high relative per capita expenditures in the areas of hospital care (10th highest nationally); drugs and other medical non-durables (21st highest nationally); nursing home care (7th highest nationally); and other personal health care (4th highest nationally).²

Energy Costs

The Rhode Island economy is one of the least energy intensive in the nation with the state having the lowest per capita energy consumption among states. Industrial energy consumption is low, and the residential sector is Rhode Island's leading energy consumer. Nevertheless,

Rhode Island, along with much of the U.S. Northeast, is vulnerable to distillate fuel oil shortages and price spikes during winter months due to high demand, as about two-fifths of Rhode Island households use fuel oil as their primary energy source for home heating.³ The state is also vulnerable to the high energy peak use in the summer as well.

Electric power generators and the residential sector are the State's largest natural gas consumers. Natural gas fuels almost all of electricity generation within Rhode Island while Rhode Island also purchases electricity from outside the state. Rhode Island residential electricity use is low compared with the national average; in part because demand for air-conditioning is low during mild summer months and relatively few households rely on electricity as their main energy source for home heating. Rhode Island offers a number of incentives for the use of renewable energy.⁴

Rhode Island's potential renewable utility-scale energy resources include wind power on and off the state's Atlantic Coast as well as limited terrestrial wind sites.⁵ In January 2008, the state signed a joint development agreement with Deepwater Wind Rhode Island, LLC outlining the terms and conditions for the construction of a wind energy facility off the shores of Rhode Island that potentially will provide 1.3 million megawatt hours per year of renewable energy – 15 percent of all electricity used in the state.⁶ The project consists of two phases, an eight turbine wind facility, referred to as the "Town of New Shoreham Project", and a larger utility scale facility of potentially two hundred turbines with a generating capacity of 1,000 megawatts. The developer revised the construction schedule to put the development on pace to be one of the first off-shore wind farm constructed in North America.

The U.S. Department of Transportation awarded the Quonset Business Park \$22.3 million from the Transportation Investment Generating Economic Recovery (TIGER) program (stimulus funds) for road and rail improvements and the installation of a \$4-million mobile harbor crane in preparation for offshore wind development. These funds will also be used for improvements to facilitate short sea shipping.

Reduced reliance on fossil fuels here in Rhode Island contributes to energy independence, and a healthier environment. Renewable sources of energy will contribute to energy conservation of existing sources.

Recovering from the Effects of the March 2010 Flood Disaster

Any evaluation of current economic conditions in Rhode Island during 2011 must take place within the context of the natural disaster in late winter of 2010. The flooding that occurred between March 12 and March 30, 2010 (FEMA declaration DR-1894) was the worst in over 100 years in the state of Rhode Island and was unprecedented in scale, ubiquity and overall impact on the state.

Total damage from the flooding exceeded \$200 million, affecting infrastructure, homes and businesses. Given Rhode Island's historic pattern of industrial development along major rivers, it is not surprising that businesses suffered substantial flooding related damages, with estimates exceeding \$70 Million. The cities of Cranston, Warwick and Providence, and the Towns of West Warwick, Coventry, Westerly and Cumberland were especially hard hit, although business damage occurred in other locales as well. Parts of the West Warwick business district were submerged under ten feet of water. More than 3000 business state wide have applied for SBA loans.

Several hundred Rhode Islanders were evacuated during the flood; over 25,000 applied for FEMA Individual Assistance. Low income individuals (39 percent) disproportionately comprised displaced and affected homeowners. The estimate of total damage to homes and individual property exceeded \$100 million.

A Federal Disaster declaration has led to the availability of new funding sources to assist Rhode Island in addressing flood relief, recovery and mitigation. In 2011, FEMA paid nearly \$37 million to local governments through its Individuals and Households Program and \$9 million for eligible disaster costs. The SBA made \$13 million in disaster loans to businesses and \$33 million in disaster home loans. Additional resources funded through the Economic Development Administration and HUD Community Development Block Grants totaled \$15 million and \$8.9 million respectively. Table 1, below, summarizes EDA Disaster Investments in Rhode Island in Fiscal Year 2011.

Table 1
U.S. Economic Development Administration
Disaster Investments in Rhode Island, Fiscal Year 2011

Construction:

• City of Warwick Sewer Authority Bellows Street Pumping Station	\$721,360
• Town of Coventry Extension of Sewer line to Industrial Park	2,170,813
• East Providence Waterfront Commission Ten New Road, Building Revitalization	5,000,000
• Town of Bristol Culvert Replacement, Tanyard Brook	2,960,000
• ProvPort, Inc. Infrastructure Improvement	1,500,000
• Town of Westerly White Rock/Canal Street, Drainage Improvement	2,495,072

Non-Construction:

• Rhode Island Emergency Management Agency	140,000
• Town of West Warwick Brayton Street Drainage Study	75,800

Total EDA Disaster Investments – FY 2011	\$15,063,364
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The flooding hit Rhode Island at a time when the state was already weakened by the effects of the recession. The disaster exacerbated the State's unemployment rate that hovered at over 12 percent, well above the national average, and strained both state and local governments already suffering from budget deficits. Although federal disaster assistance was most welcome, the necessary response to the flooding diverted public and private attention and efforts to cope with the continuing effects of the Great Recession.

High Unemployment

It is no secret that Rhode Island has the highest unemployment rate in New England and among the highest in the United States; 11.1 percent average for 2011 and 11.2 percent as of this writing in May 2012. Jobs are the No. 1 issue for the Governor and the State for the foreseeable future See: Jobs: Employment and Wages beginning at p. 23 for a detailed treatment of this subject.

Key Resources and Investments

Rhode Island Economic Development Corporation Investments

Renewable Energy Development Fund (REF)

The Renewable Energy Fund invests in renewable energy based projects that support the production of electricity generation within the New England Power Pool. The REF invested almost \$3.5 million in new REF awards in 2011, which included both REF funding and Federal American Recovery and Reinvestment Act (ARRA) funding to help states advance renewable energy development and assist businesses in lowering their energy costs.

The grants and loans support a wide range of Rhode Island businesses, municipalities, non-profits and housing/residential projects designed to boost energy efficiency with the installation of renewable energy systems or conduct feasibility studies to identify clean energy development opportunities around the state.

Small Business Loans (EDC)

For smaller businesses looking for a direct, fully-secured loan, the Small Business Loan Fund provides up to \$250,000 for manufacturing businesses and \$250,000 for non-manufacturing businesses. The program funds average 25 percent of the total project cost and can be used for acquisition and improvements of land, buildings and equipment, new construction, and working capital. Interest rates are fixed. The repayment terms are also flexible, with up to 10 years. EDC issued a total of \$2.4 million to ten Rhode Island small businesses in 2011. The funding is expected to create and sustain nearly 200 jobs in Rhode Island.

R.I. Industrial Facilities Corporation

Tax Exempt Bonds: RIIFC issues tax-exempt revenue bonds for companies exploring various manufacturing projects with a \$20 million maximum 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. Interest rates are tax exempt and are determined by the market. Building materials purchased for projects may be eligible for exemption from Rhode Island sales tax.

Taxable Bonds: For businesses that want to branch out into a commercial enterprise, including building tourist-travel facilities, RIIFC offers taxable bonds. These bonds are almost identical to the tax-exempt bonds, but they are taxable for financing fixed

commercial assets such as land, building, machinery and equipment, and related "soft" costs.

Rhode Island Industrial - Recreational Building Authority Bond / Mortgage Insurance

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

The following bonds were closed in 2010:

- **Parmatech-Proform Corp/ATW 825 Waterman Ave LLC:** \$5,000,000 for the purchase and renovation of a new facility and the purchase of new equipment.(450 new jobs)
- **Calisi & Sons Bakery:** \$10,000,000. Bond was for building expansion (large addition) and equipment purchases (40 new jobs).
- **Enertek International Inc. 7 Affiliates:** \$6,030,000 for the purchase of a new facility (165 jobs).
- **Ocean Community YMCA:** \$2,640,000 for modernizing and enlarging its Westerly facility.
- **Bullard Abrasives:** \$3,300,000 for facility expansion and new equipment.
- **Capco Endurance LLC/Capco Steel LLC:** \$6,000,000 for facility improvements and equipment purchases (100 new jobs)

Sales Tax Exemptions – Project Status

Tax-Exempt small issue bonds may be eligible for state sales tax exemption on building materials which can be significant for projects involving new construction. The following transactions were completed prior to July 1, 2011 when the Rhode Island General Assembly discontinued use of the program.

From 2007 – June 2011 legislative mandate required 3 key components: 1) review and approval of the general assembly, 2) review and approval of an economic impact analysis and 3) the creation of 100 identified new jobs within a 3-year period.

- **Hasbro** received Project Status in April 2011. To offset the sales tax exemption, Hasbro agreed to create at least 284 full-time jobs in the state within the first three years of the project with annual wages averaging \$80,290. For the company to qualify for Project Status, 281 of those jobs must pay more than \$36,691 per year – or 105 percent of Rhode Island's median annual wage. The 281 qualified full-time jobs are expected to generate \$1.628 million in state income tax revenue over the first three years of the project - the equivalent of Hasbro's sales tax exemption.
- **Electric Boat Project** includes the expansion of facilities to increase production of submarine components. The proposed investment of approximately \$55 million is for

the expansion of an existing building, the construction of a new building, and the purchase of manufacturing equipment. At least 450 new full and part time jobs will be added during the first 3 years of project. All of the new jobs are over the legal threshold of 105% of median annual wage as per RI statute (median wage for 2009 was \$34,944). The company has requested sales tax abatement as a project of the RIEDC, which is capped at the estimated personal state income tax revenue of \$1,146,021. These jobs are to be added in increments of 150 over a three-year period beginning in 2010. As of the end of 2011, Electric Boat added 371 jobs attributed to this program.

- **TD Bank, NA** received Project Status from RIEDC in February of 2011 to expand in the Rhode Island marketplace with the opening of four branch locations in Johnston, East Providence, Barrington, and Providence. TD Bank's anticipated capital investment for this project is approximately \$31 million, and 164 new jobs in Rhode Island. The jobs are to be added in increments over three years. The company's sales tax abatement was capped at \$420,586.
- **Yardney Technical Products Inc.** received Project Status from RIEDC in October 2010 to acquire, build out and install equipment in a facility for the research, development and manufacture of high performance batteries for aerospace and government applications. Yardney committed to adding at least 165 full time jobs during the first 3 years of the project at a minimum of \$36,691 annual salary. The company's sales tax abatement was capped at \$557,405. As of this writing Yardney has requested an extension of the "move in" period because of delays in the build out and equipment installation schedule.

Corporate Income Tax Rate Reduction - Jobs Development Act

No JDA's completed since 2009

Innovation Tax Credits (ITC)

- **Mofuse** was approved for a \$100,000 Innovation Tax Credit in December of 2010. To that point Mofuse had raised about \$750,000 in private investment. Mofuse proposed creating 37 direct jobs by 2013. The estimated Rhode Island income tax revenues from these 37 jobs are projected to be greater than 3.1X the value of the state's \$100,000 investment.
- **Phoenix Medical Technologies** was approved for a \$100,000 Innovation Tax Credit in December of 2010. Phoenix committed to creating 79 fulltime jobs by 2014. The estimated Rhode Island income tax revenues from these jobs are projected to be greater than \$900,000 by the end of 2014.

State Small Business Credit Initiative (SSBCI)

In October 2011, Governor Chafee and other State leaders announced that the U.S. Department of Treasury had awarded Rhode Island \$13.1 million under the provisions of the SSBCI authorized by Congress in 2010. The \$13.1 million will be directed in Rhode Island through the following programs:

- Up to \$9 million to the Slater Technology Fund for seed stage investments. Slater currently provides seed funding for local technology-based ventures in the IT and life sciences industries, and plans to expand investments.

- \$2 million to Betaspring for new small business formation. Betaspring is a mentorship-driven, Providence-based startup accelerator program for technology and design entrepreneurs.
- Up to \$2.1 million to the RIEDC's Small Business Loan Fund (SBLF) for additional capital.

The following transactions have closed:

- **Ocean State Psychotherapy (North Kingstown, RI):** \$50,000 loan closed 12/13/2011. This loan was closed as part of a \$665,000 transaction which allowed the Borrowers to acquire an operating business.
- **National Marker Company (North Smithfield, RI):** \$250,000 loan closed 2/14/12. The loan was closed as part of a \$4.53 million transaction, which allowed the current company President to purchase the business and retain more than 50 manufacturing jobs in Rhode Island.
- **Mnemosyne Pharmaceuticals, Inc. (Providence, RI):** \$500,000 Series A investment closed on 2/1/12 with additional round of \$500,000 committed to second closing contingent upon achievement of milestones (expected February 2013). The Series A closing leveraged \$2 million in private financing, while the second closing is expected to leverage up to an additional \$1.65 million in private financing.

Job Creation Guaranty Program

Created by the RI General Assembly in 2010, the Job Creation Guaranty Program provides greater access to capital and credit for growth-oriented businesses looking to expand or relocate to Rhode Island. Under the program, the RIEDC is authorized to guarantee loans by private lenders or guarantee certain bond obligations for the benefit of businesses in, primarily, technology and innovation-driven industries that can create permanent, high-paying, full-time jobs in the state and continue to expand Rhode Island's knowledge economy. Under the direction of Governor Chafee, the RIEDC has developed and implemented new program rules and regulations which cap loan guarantees at \$10 million for any single project.

- **The Corporate Marketplace, Inc.** received a guarantee of up to \$4 million. The loan will be provided by Bridge Bank. The financing will help the North Kingstown, R.I.-based company create 45 new jobs within the next five years with an average salary of more than \$60,000. These employees will develop new products and help the company expand its international market.
- **NuLabel Technologies, Inc.** received a guarantee of up to \$1.5 million on private loans that will be provided by Bank Rhode Island. The company has developed and refined a liner-free label product. The loan guarantees will assist the Providence-based company to expand and create 40 new high-skilled, high-wage jobs, having an average wage of \$74,250, in the Knowledge District in Rhode Island's capital city.

Key Capital Investments

- **McCoy Stadium** - \$3.3 million from the Rhode Island Capital Plan Fund for continued work on McCoy Stadium, the home of the Pawtucket Red Sox, a Triple-A baseball franchise. The Governor recommended \$900,000 in FY 2011 and \$500,000 in FY 2012. Pre-FY 2011 expenditures total \$1.9 million.

- **Strong Communities / Affordable Housing** - The Building Homes Rhode Island bond provides funding to address the critical shortage of affordable housing. Developments include housing for families who have been homeless, for veterans, for those with disabilities, for the elderly, and for the low-to-moderate income workforce. The Governor recommended the remaining issued funding of \$22.8 million in FY2011. Pre-FY 2011 expenditures total \$27.2 million.
- **Quonset Point/Davisville Industrial Park Improvements** – The total authorization of \$48.0 million has been issued. This funding, along with \$3.0 million in private funding, will be used for the following projects:
 - **Building Demolition- Quonset Point** - This project entails the continuing demolition of 55 unusable buildings, removal of hazardous materials and site preparation at the Quonset Business Park and will enable the assemblage of marketable parcels of land for development totaling 140 acres. These parcels will be used for manufacturing, warehousing, distribution, lay down areas, office developments, and aesthetic improvements as outlined in the Quonset Master Plan.
 - **New Internal Roadway- Quonset Point** – This project includes the construction of 12,000 linear feet of internal roadways and the realignment of the existing Davisville Road into an attractive boulevard to serve as a gateway to the waterfront district. The work will include new or improved pavement, utility systems, landscaping and signage. The internal roadways are required to provide access to development parcels.
 - **Utility Service Improvement/Extensions – Quonset Point** -This project includes the removal of the Navy's abandoned overhead utility lines and the installation of underground utilities (electric/telephone) along Davisville Road. The primary purpose of this project is to improve the curb appeal of the Davisville section of the property, thereby enhancing property values and improving marketability. The underground utilities are a feature component of the development of the new Davisville Boulevard as a gateway to the waterfront district.
 - **Farmland Preservation and Acquisition** - The Governor recommended a total of \$15.5 million for farmland development rights to relieve farm owners from the economic pressure to sell their land for residential or commercial development, thus making the properties available for farming in perpetuity. In FY 2011, the Governor recommended \$1.4 million in unissued bond proceeds from the 2004 authorization, \$557,121 in issued bond proceeds, and \$1.5 million in federal funds for a total of \$3.5 million.
 - **Galilee and Newport Piers** - The Governor recommended a total of \$15.5 million from the Rhode Island Capital Plan Fund for improvements at Galilee Piers (\$9.1 million) and at Newport Piers (\$6.3 million). These port facilities and piers support the state's commercial marine fishing industry and provide access points for the Department of Environmental Management's enforcement and marine wildlife divisions. The Governor recommend continued financing for pier improvements. Financing from the Rhode Island Capital Plan Fund for the Galilee Piers is recommended in the amount of \$1.1 million in FY 2011, \$950,000 in FY 2012, \$1.1 million in FY 2013, \$500,000 in FY 2014, and \$500,000 in FY 2015. Rhode Island Capital Plan Fund financing for the Newport Piers includes \$250,000 each fiscal year from FY 2011 through FY 2014.

- **Route I-195 Relocation Project** - This project includes a total of fourteen new bridges, five miles of new city streets, and 4,100 feet of new pedestrian river walks. In addition, removal of the existing interstate has freed up 20 acres of prime downtown real estate. The project will compliment the recently completed river relocation, Waterplace Park and Memorial Boulevard projects that have revitalized downtown Providence. The centerpiece of the project is the four hundred foot long main span of the Providence River Bridge which is part of the new South Main Street ramp that was opened to motorists in November 2007. This represents the second phase of the project. The third and final phase of the project involves the demolition of the existing facility and reconnection of city streets by 2013.
- **Pawtucket-Central Falls Train Station** - This project involves establishing a commuter rail station with a transit-oriented development (TOD) along Barton Street between Dexter and Conant Streets serving the cities of Pawtucket and Central Falls. Total funding for this project is \$3.1 million; for FY 2012, \$600,000 in FTA funds and \$150,000 in local funds comprise the financing.
- **Extension of service to Green Airport and North Kingstown and Fixed Guideway (Commuter Rail)** -The Governor recommended the additional funding source of American Recovery and Reinvestment Act of 2009 federal stimulus funds totaling \$460,000; \$200,000 in FY 2010 and \$260,000 in FY 2011. The current project reflects the continuation of the Pilgrim Partnership Agreement with the MBTA which will enable continuation of the South County Commuter Rail (SCCR) system. Phase I of the SCCR included construction for the provision of service between Providence and North Kingstown with stops at T.F. Green Airport and Wickford Junction, two new stations. The Warwick Intermodal Train Station is included in these efforts; financing is included in the Highway Improvement Program. Phase II of the project would extend service to the Kingston and Westerly stations with potential stops in Cranston and East Greenwich. Funding for the construction phase of Phase II of the SCCR is included in this year's recommendation. Service for Phase I of the project began in December, 2010.
- **Information Technology Initiative (ITI) – K-16 Investment** -The Governor recommended expenditures of \$81,905 in FY 2010, \$94,169 in FY 2011, and \$94,168 in FY 2012. The Governor recommended Certificates of Participation financing of \$445,154 to support the acquisition of capital assets for various instructional programs that incorporate the innovative use of IT equipment. These projects include, but are not limited to, Project Inner Space and the FIRST Vex™ Challenge. Project Inner Space is a program designed to improve science teaching and learning through advanced “telepresence” technology that allows students to view underwater life via internet access. Vex is a school-based instructional program in the field of robotics that culminates in statewide interscholastic competitions. The program is produced by a partnership between BIF (Business Innovation Factory) and FIRST (For Inspiration and Recognition of Science and Technology) and administered through the East Bay Educational Collaborative (EBEC). Future programs include the design and construction of a STEM (Science, Technology, Engineering & Mathematics) center website and potential upgrades to interactive classrooms in Central Falls.
- **ITI - Education Innovation Smart Classrooms** - The Governor recommended \$11.7 million in Certificates of Participation and \$2.4 million in other funds to design and build a Science and Technology Education in Mathematics (STEM) Center at Rhode Island College linked to the University and Community College of Rhode Island and open to all Rhode Island colleges and universities, SMART classrooms at the College and the University and one on each of the Community College’s campuses, and initial training across institutions to

support the use of technology. Projects that qualify will support teacher professional development, innovative techniques, and teacher preparation programs supporting K-12, post secondary and adult education, and upgrades to existing science laboratories in public education institutions.

- **CCRI Newport Campus Construction** -The Governor recommended completion of a \$12.5 million project for a new 65,000 square foot Newport campus in the North End of Newport on 6.5 acres of excess federal naval land. This project meets both an Aquidneck Island expansion legislative mandate for general studies and a hospital health and nursing program shift from Newport Hospital due to hospital space concerns. Funding is primarily derived from a November 2000 bond authorization, with an additional \$1.5 million from the Rhode Island Capital Plan Fund. Total expenditures were \$12.3 million in pre-FY 2011, with a balance of \$195,784 expended in FY 2011. This project has been completed.
- **RIC Nursing & Associated Health Building** – The Governor recommended a total of \$60.2 million, of which \$175,000 is from the Rhode Island Capital Plan Fund, for the construction of a new Nursing and Associated Health Building for the Higher Education system.
- **URI College of Pharmacy New Building** - The Governor recommended \$75.2 million, of which \$65 million was approved in a November 2006 bond referendum, for a new 120,000 to 150,000 sq. ft. College of Pharmacy Building. Changes in pharmaceutical research to involve computer technologies require more space that is sufficient, amenable to faculty recruitment, and comparative to other institutions. Expenditures include: \$20.3 million in pre-FY 2011 \$41.6 million in FY 2011, and \$13.4 million in FY 2012. This project is currently in progress and should finish in FY 2012 or FY 2013.
- **URI New Chemistry Building** -The Governor recommended \$4.8 million from the Rhode Island Capital Plan Fund to study and to plan a new Department of Chemistry building, with teaching laboratories and classrooms, research laboratories, and faculty and administrative offices. High quality facilities will also allow the University to pursue alternate streams of revenue through contract and grant work. The balance of funding for the project, \$61.0 million, is from a bond approved in November 2010. Expenditures will include \$4.6 million in FY 2011, \$27.8 million in FY 2012, \$23.3 million in FY 2013, and \$9.9 million in FY 2014. This project is currently in progress.
- **URI Environmental Biotechnology Center** -The Governor recommended \$59.4 million to add 87,700 square feet of office space, classrooms, and laboratory space at the Kingston Campus for several biological departments. The current structure would be improved and expanded to include a new addition above the current roof. Funding would be derived primarily from a general obligation bond approved on the November 2004 ballot. Total expenditures would be \$5.6 million from the Rhode Island Capital Plan Fund, \$1.9 million of private funds, and issued general obligation bond funds of \$50.0 million in pre-FY 2011. This project is currently in progress and slated for completion before the end of FT 2012.
- **URI Biological Resources Laboratory** - The Governor recommended \$16.2 million in RIHEBC bonds, to construct a state-of-the-art 17,000 square foot small animal lab facility to centralize and replace older facilities. It will be constructed underground in the North District and be connected to the new College of Pharmacy Building. It will have redundant energy systems and share some space with the Pharmacy complex. Expenditures, pending approval, will include \$1.6 million in FY 2012, \$5.7 million in FY 2013, \$5.2 million in FY2014, and \$3.7 million in FY 2015.

Jobs: Employment and Wages

Overview

Employment

- Higher unemployment rates than neighboring states
- Providence ranks # 1 in one-year retail job growth (“Rhode Island Ranks High” Chafee Center)
- Declining manufacturing sector in terms of number of employees
- Potential to tap into high wage sectors of Boston Metro Economy

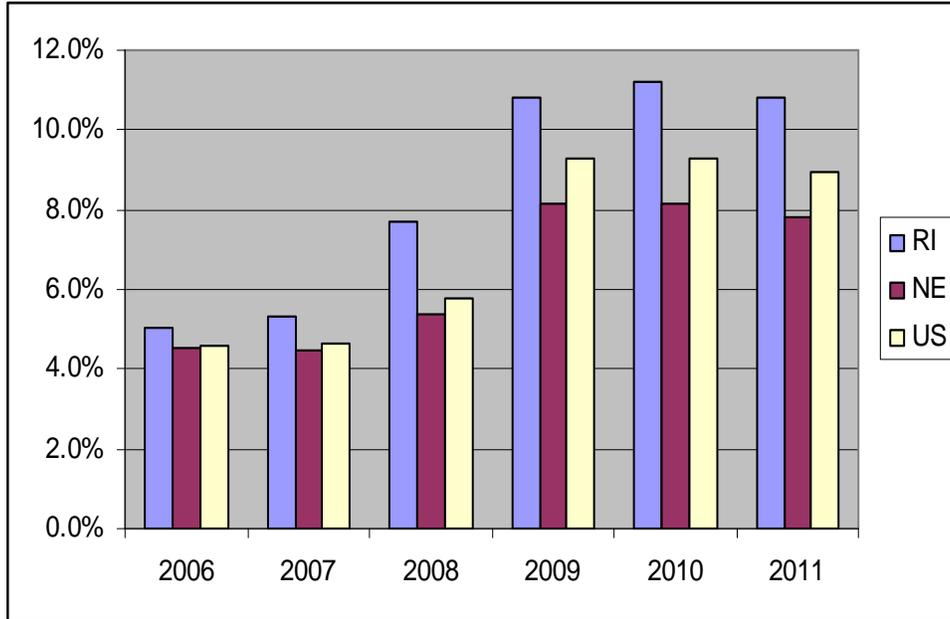
Income/Wages

- Higher median household income than nation but lower than neighboring states
- Lower average private sector wage than nation and neighboring states
- Among top twenty states in per capita income but lower than neighboring states
- Lower manufacturing wages than neighboring states but higher average salaries for manufacturing than for other private sector jobs

2011 Employment/Unemployment in Rhode Island Compared to 2010

Rhode Island's unemployment has compared unfavorably with its neighboring states for several straight years. The state's unemployment rate has been higher than the average rate in New England and the United States for six years. Rhode Island had among the highest unemployment rates in the nation as of December 2011. While the current spike in unemployment cuts across all levels of the State's workforce, unemployment among the less well educated workforce appears to be more prevalent. There are unemployed Rhode Islanders at all educational levels. Rhode Island's very high unemployment rate may be due, in part, to the employment vulnerability of a large number of working age Rhode Islanders with less than a high school education (See Figure 5, page 27).

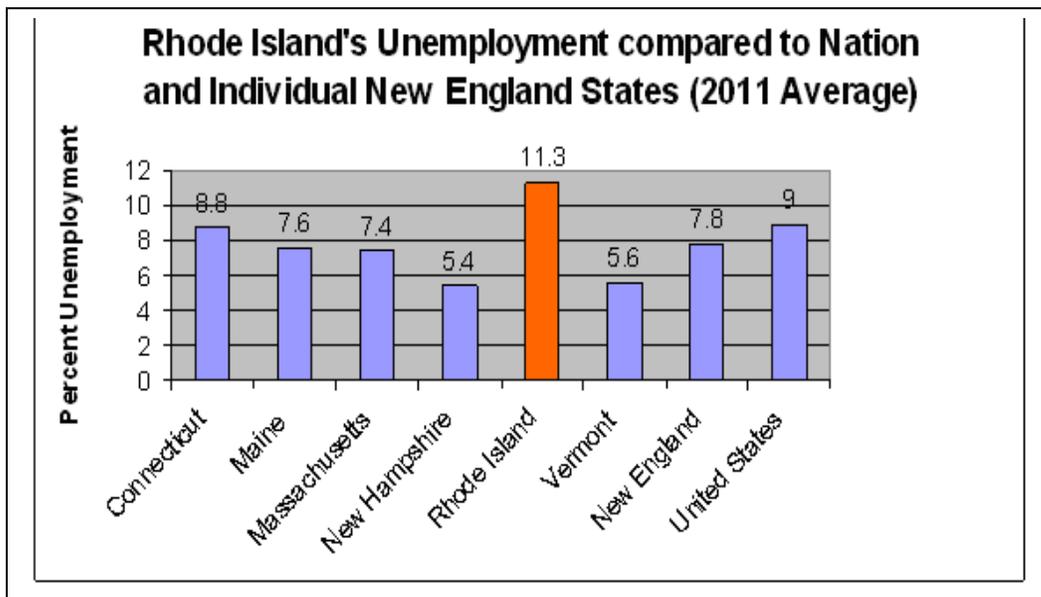
Figure 1
Rhode Island's Average Unemployment Rate Compared to Rates for Nation and New England States, 2006-2011



Source: Federal Reserve Bank of Boston

The state's seasonally adjusted unemployment rate for December 2011 was 11.0 percent compared to an unemployment rate of 11.5 percent the previous year. The number of unemployed Rhode Island residents—those residents classified as available for and actively seeking employment—decreased by 5,355 over the year.

Figure 2



Source: Federal Reserve Bank of Boston

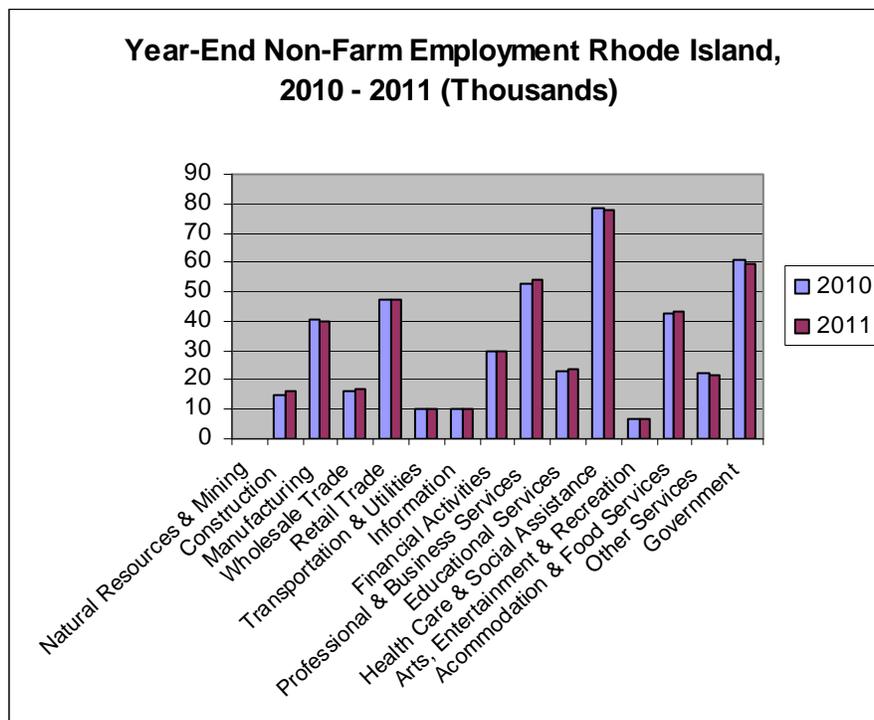
2011 Rhode Island Employment/Unemployment Compared to 2010

Rhode Island total employment (448,532) increased by 1,313 jobs in 2011, a 0.3 percent increase in total employment from 2010 and on par with earlier estimates that show an annual increase of 1,100 in establishment employment. Private sector employment accounted for all of the employment gain by adding 2,235 (+0.6%) jobs, while the Government sector lost 922 (-1.5%) jobs. The Private sector (389,240) represents 86.8 percent of total covered employment, while the Government sector (59,293) represents 13.2 percent of total employment.

Over the year, total non-farm employment was up 500 from December 2010. Job gains were reported in six economic sectors over the year, including Professional & Business Services (+1,400), Construction (+900), Educational Services (+700), Wholesale Trade (+400), Transportation & Utilities (+200) and Accommodation & Food Services (+100).

Government employment posted the largest over-the-year decline in December, with a decrease of 1,400 jobs, followed by Other Services (-800), Manufacturing (-300), Health Care & Social Assistance (-300), Arts, Entertainment & Recreation (-200), Financial Activities (-100) and Information (-100). Retail Trade and Natural Resources & Mining employment remained even over the year.

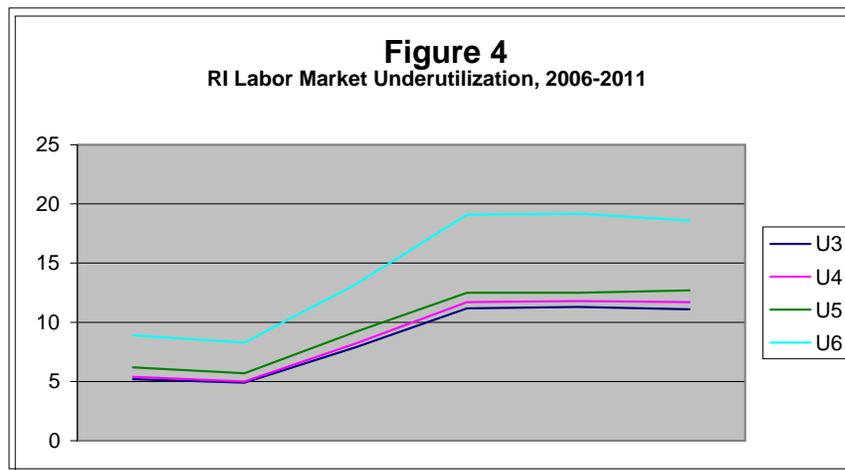
Figure 3



There is more to Rhode Island's unemployment story than the fact that the unemployment rate is the highest in New England and among the highest in the nation. Figure 4, below, depicts unemployment through common alternative measures of unemployment and underemployment used by the Bureau of Labor Statistics. These measures, described in the box below, are compared to the official Unemployment Rate (U3), which is defined as unemployed workers actively seeking jobs in the prior 4 weeks as a percent of the civilian labor force. Rhode Island's

U-6 rate, which includes underemployed workers, approached 20 percent in 2009 and 2010, before dropping below 19 percent in 2011.

U-3	Official unemployment rate: number of workers actively seeking jobs in the prior 4 weeks as a percent of the civilian labor force. Reported as a percentage of civilian labor force.
U-4	U-3 + “discouraged workers” or workers who want and are available for work, have looked for work in the past 12 months but have not looked in the past 4 weeks specifically because they do not believe any jobs are available to them. Discouraged workers are a subset of “marginally attached workers” (see U-5 definition). Reported as a percentage of civilian labor force + discouraged workers.
U-5	U-3 + “marginally attached workers” or workers who want and are available for work, have looked for work in the past 12 months, but have not looked in the past 4 weeks for any reason. Reported as a percentage of civilian labor force + marginally attached workers.
U-6	U-3 + “marginally attached workers” + workers employed part-time for economic reasons (e.g. their hours were cut back or they were unable to find full-time jobs) but want to work full time. These individuals are sometimes referred to as involuntary part-time workers or underemployed workers. Reported as a percentage of civilian labor force + marginally attached workers.



Source: Bureau of Labor Statistics

Even more discouraging are the persistently high unemployment rates among Rhode Island’s sub-populations: youths, racial minorities and veterans. While the total unemployment rate for Rhode Islanders in 2011 was 11.1 percent, it was 29.0 percent for teens in the labor force, 17.6 percent for blacks, 21.6 percent for Hispanics and 14.6 percent for veterans. Among veterans of the nation’s most recent and ongoing wars, the unemployment rate is 16.8 percent.

Long term unemployment, defined by the RI Department of Labor & Training as anyone unemployed for more than a year, was estimated at 34.4 percent of all unemployed Rhode Island residents. This percentage may be even higher, because the statistic only counts the U-3

workers, excluding many people who have given up looking for a job. Among the entire population, long term unemployment in 2011 was highest among Rhode Islanders lacking a high school diploma or GED equivalent, 18.4 percent; Rhode Islanders with Bachelor's Degrees or higher had among the lowest long term unemployment rates at 13.8 percent.

Income/Wages

How Rhode Island compares with other states

- Sixteenth highest median annual household income (\$52,254)⁷
- Twelfth nationally in per capita income (\$27,667)⁸

Rhode Island's average private-sector wage in 2010 was lower than the national average and that of all New England states except Maine and Vermont.⁹ As of this writing, more detailed comparisons of average annual wages by state and occupational sectors are not available.

Figure 5
Rhode Island's 2010 Average Annual Private-Sector Wage Compared to United States and Individual New England States

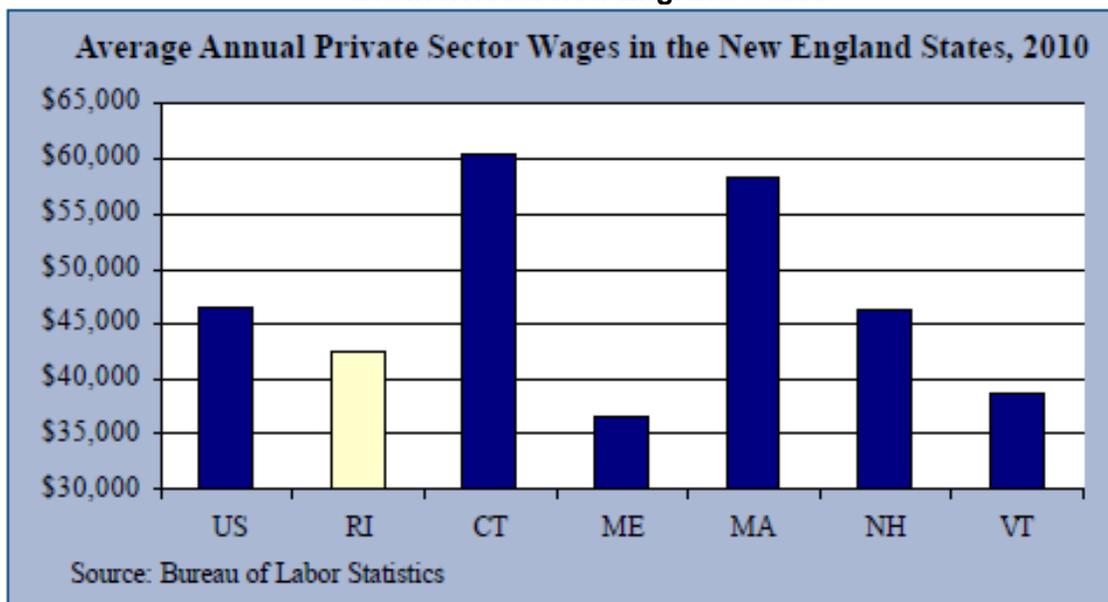


Table 2
Average Annual Private Sector Wages by Industry Sector, 2010
United States and New England States

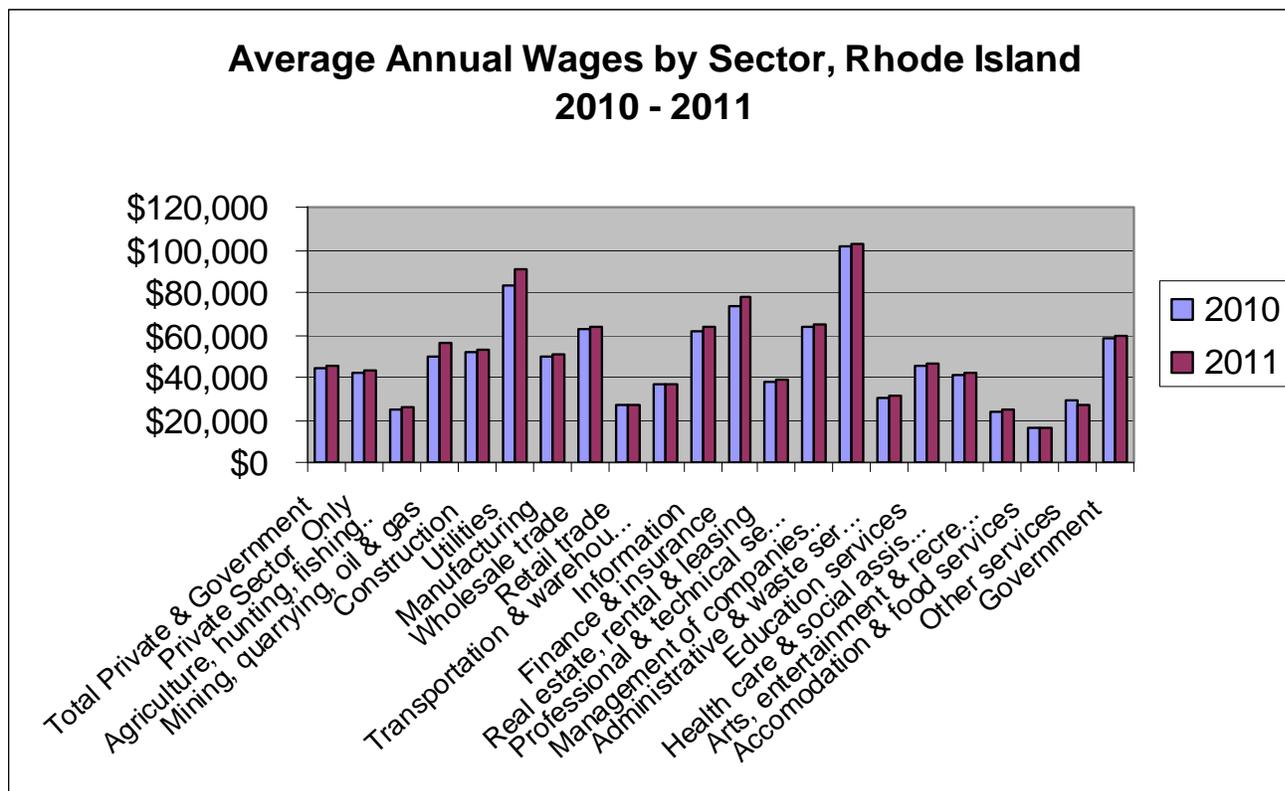
Average Annual Private Sector Wages by Industry Sector, 2010							
	US	RI	CT	ME	MA	NH	VT
Total Private	\$46,451	\$42,530	\$60,394	\$36,581	\$58,319	\$46,281	\$38,644
Agriculture, Forestry, Fishing & Hunting	\$26,626	\$24,916	\$28,919	\$33,195	\$47,424	\$30,113	\$27,292
Mining, Quarrying, & Oil & Gas Extraction	\$90,397	\$50,242	\$68,397	\$52,234	\$56,229	\$56,105	\$55,646
Construction	\$49,588	\$51,545	\$58,564	\$40,228	\$62,159	\$49,392	\$42,721
Utilities	\$86,799	\$83,249	\$103,468	\$67,810	\$104,003	\$87,732	\$92,215
Manufacturing	\$57,511	\$49,217	\$73,395	\$49,718	\$75,196	\$61,884	\$53,024
Wholesale Trade	\$63,628	\$63,199	\$81,555	\$51,353	\$79,238	\$74,755	\$52,532
Retail Trade	\$26,655	\$27,059	\$30,813	\$23,998	\$27,803	\$26,705	\$26,007
Transportation & Warehousing	\$44,198	\$36,394	\$44,995	\$36,283	\$41,649	\$36,537	\$36,034
Information	\$74,382	\$61,341	\$77,197	\$44,986	\$92,119	\$75,354	\$45,210
Finance & Insurance	\$84,516	\$73,450	\$144,676	\$56,055	\$115,359	\$78,044	\$62,128
Real Estate & Rental & Leasing	\$43,779	\$37,624	\$54,294	\$32,445	\$60,106	\$40,866	\$33,349
Professional & Technical Services	\$77,313	\$63,861	\$88,477	\$54,643	\$101,184	\$74,462	\$63,969
Management of Companies & Enterprises	\$98,215	\$101,240	\$135,526	\$64,995	\$103,920	\$80,119	\$78,931
Administrative & Waste Services	\$33,284	\$30,038	\$39,989	\$30,900	\$38,453	\$39,947	\$28,708
Educational Services	\$42,761	\$45,530	\$53,515	\$37,567	\$56,929	\$47,043	\$39,515
Health Care & Social Assistance	\$43,732	\$41,121	\$47,257	\$39,549	\$51,578	\$46,851	\$38,779
Arts, Entertainment, & Recreation	\$32,278	\$23,744	\$26,132	\$21,448	\$34,519	\$18,838	\$21,288
Accommodation & Food Services	\$17,177	\$16,239	\$18,526	\$15,884	\$19,341	\$17,036	\$17,773
Other Services	\$29,366	\$26,602	\$30,309	\$27,214	\$27,523	\$31,053	\$28,321

Source: Bureau of Labor Statistics for US and other New England states. Wages are preliminary and subject to change.
 **Wages are confidential.

Average Annual Wages in Rhode Island in 2011

The average annual wage in Rhode Island for 2011 was \$45,701, an increase of 2.35% over 2010. The average annual wage for private sector employees in 2011 was \$43,526, an increase of 2.34%. All but two sectors experienced increased average annual wages in 2011. Notable among these were Mining, Quarrying, Oil & Gas (12.0%), Utilities (8.5%), Finance & Insurance (6.5%), Information (4.4%), and Manufacturing (3.3%). Management of Companies & Enterprises employees earned an average of \$103,185 in 2011, the highest private sector wage in Rhode Island. Government workers at all levels earned an average \$59,293 while construction workers earned \$52,750. At the lower end of the wage scale, workers in the Arts, Entertainment & Recreation and the Accommodation & Food Service sectors earned an average \$24,442 and \$16,596 respectively. Workers in the Retail Trades (-1.4%) and Other Services (-8.5%) experienced a decline in average wages in 2011 over 2010.

Figure 6

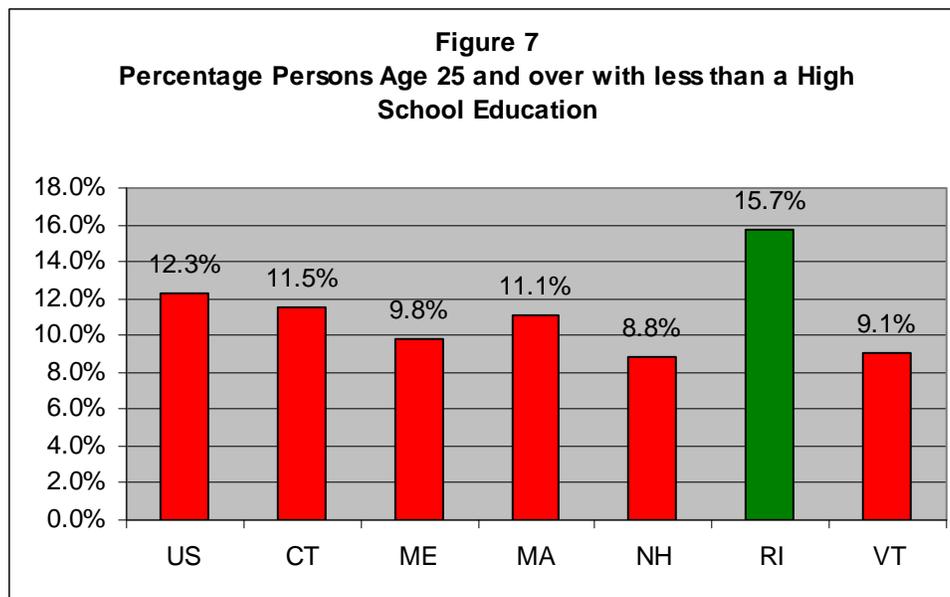


Source: RIDLT

Preparing the Present and Future Workforce: Conditions and Resources

Overview

- Four RI schools among nation's bet colleges (Princeton Review)
- High educational attainment relative to nation but lower than neighboring states
- Nearly 16 percent of Rhode Islanders age 25-64 without a high school diploma
- High School students not adequately prepared in math and science
- More members of the workforce needed who read and can do math at least the ninth grade level
- More members of the workforce needed who have basic computer skills
- Many with low literacy levels and limited English fluency
- Rhode Island Community College, Governor's Workforce Board, and Rhode Island Department of Labor and Training as key institutions in workforce training



Source: U.S. Census Bureau, 5-Year ACS (2006-2010)

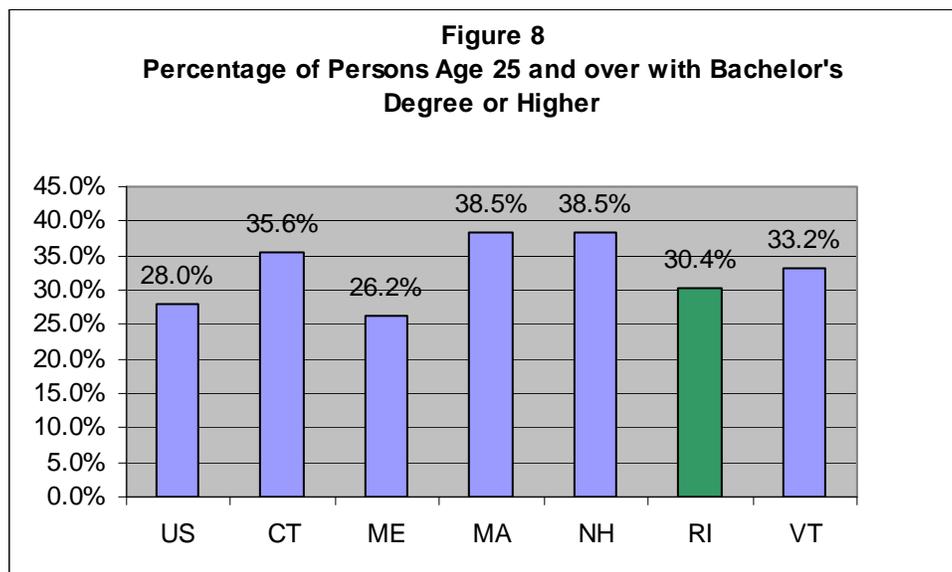
How Rhode Island compares with other states

- Among 35 states that have 28.8 percent or more residents age 25-64 with high school diploma only (Five Year (2006-2010) American Community Survey)
- Among 29 states with greater than 7.6 percent of persons age 25 – 64 with Associate’s degrees as highest educational attainment (Five Year (2006-2010) American Community Survey)
- Nineteenth in the percentage of persons age 25-64 with bachelor’s degrees (Five Year (2006-2010) American Community Survey)
- Top ten in the percentage of persons age 25-64 with graduate or professional degrees (Five Year (2006-2010) American Community Survey) Eighth in Average Educational Attainment of recent Migrants from within the United States (2010 New Economy Index)
- 31 in Average Educational Attainment of recent Immigrants from Abroad (2010 New Economy Index)
- 22nd (down from tenth in 2008) overall nationally in the area of technology and science (Milken Institute, 2010)
- 12th (down from sixth in 2008) in the research and development inputs composite index (Milken Institute, 2010)
- 21st (down from 13th in 2008) in technology and science work force (Milken Institute, 2010)
- 34th (down from 13th in 2008) in technology concentration and dynamism (Milken Institute, 2010)

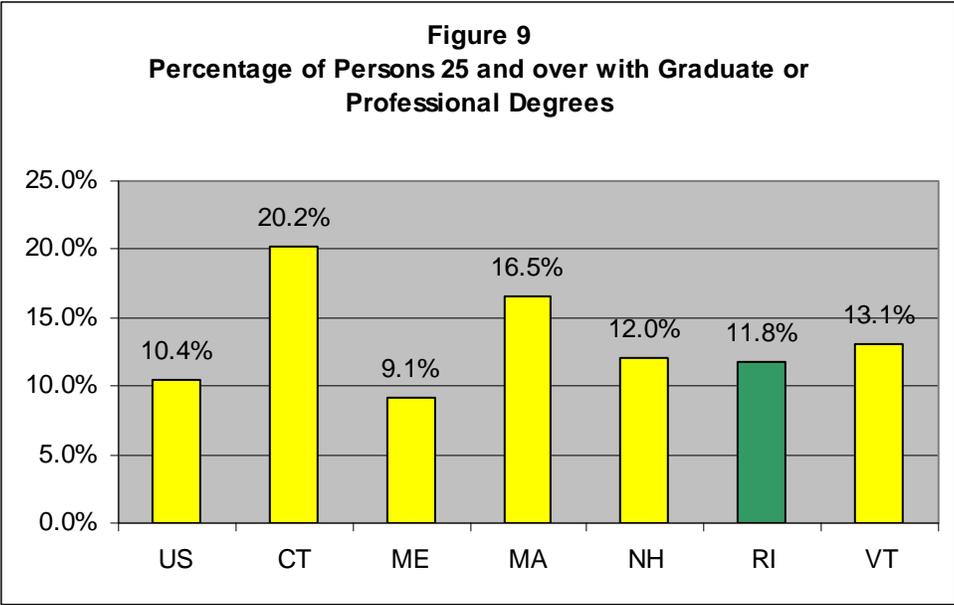
Rhode Island continues to be a state of educational attainment contrasts. The state has one of the highest percentages of persons age 25 to 64 with Bachelor degrees or higher in the nation (30.3 percent).¹⁰ The state also has a high percentage of persons in that age group with graduate or professional degrees (11.9 percent) and Rhode Island ranks in the top half of states in the percentage of persons with Associate and Bachelor’s Degrees.¹¹ The percentages for higher education attainment for younger Rhode Islanders age 25 to 34 are encouragingly higher than for the larger workforce of those ages 25 to 64. Rhode Island ranks sixth in the nation for

preparation of persons age 25 to 34 with a bachelor's degree or higher, 36.9 percent, and also ranks sixth for proportion of persons in the same age group with graduate or professional degrees, 11 percent. However, only 14 states have an equal or higher percentage of persons without a high school or GED diploma than Rhode Island (15.7 percent).¹²

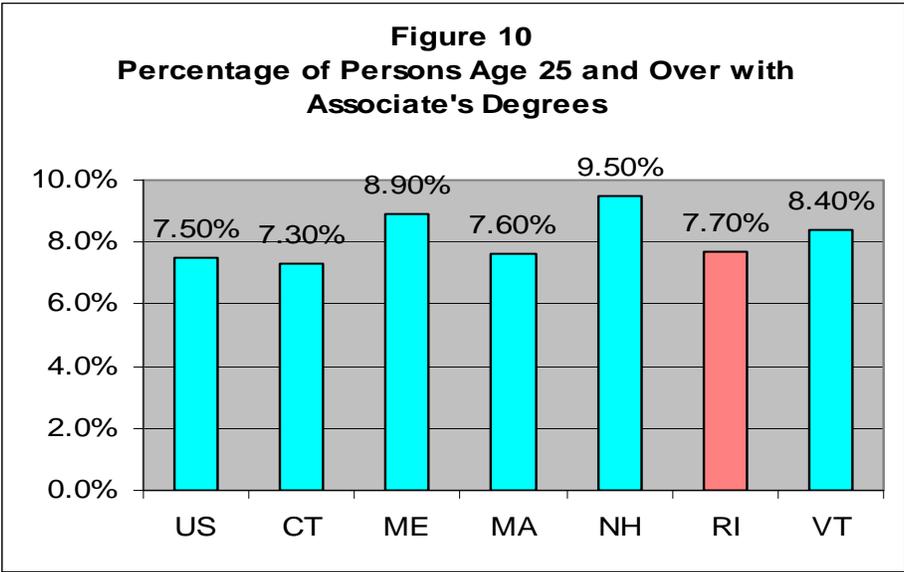
Despite Rhode Island comparing favorably with national rates of higher education attainment, the state does not compare as well with its neighboring states of Massachusetts and Connecticut, according to the U.S. Bureau of the Census Five Year (2006-2010) American Community Survey (ACS). Massachusetts and Connecticut ranked first and second nationally for 25-64 year olds with bachelor's or higher (41.3 and 38.0 percent respectively), while Rhode Island is ranked eleventh (32.6 percent). In the same age group, Massachusetts and Connecticut ranked first and third for people with a graduate or professional degree (17.2 and 16.1 percent respectively) compared to Rhode Island, which ranked ninth with 12.3 percent. With respect to people age 25 to 64 with Associate's degrees or higher, Massachusetts and Connecticut ranked first and second with 49.6 and 46.0 percent respectively compared to fourteenth-ranked Rhode Island with 41.4 percent. Rhode Island is also 3.5 percentage points higher than Massachusetts in the proportion of persons age 25-64 without a high school diploma or GED and 3.7 percentage points higher than Connecticut.



Source: U.S. Census Bureau, 5-Year ACS (2006-2010)



Source: U.S. Census Bureau, 5-Year ACS (2006-2010)



Source: U.S. Census Bureau, 5-Year ACS (2006-2010)

Earnings are clearly correlated with the level of educational attainment. Since many Rhode Islanders have not graduated from high school, adult education programs are challenged to provide opportunities for them to acquire the skills and knowledge necessary to participate more fully in the Rhode Island economy.

Rhode Island educators recognize the growing need to better prepare its citizens for the demands of the emerging knowledge based economy. In 2010 the Rhode Island Board of Regents adopted common core standards that define the knowledge and skills students should have within their K-12 education careers so that they will graduate from high school able to succeed in entry-level, credit-bearing academic college courses and in workforce training programs. The transition to curriculum and instruction that is fully aligned to the Common Core Standards will occur over several years with the expectation of full implementation by the 2013-2014 school year. Recognizing that a high proportion of Rhode Island's population lacks a high school education or GED equivalent, the Rhode Island Department of Education (RIDE) is developing a cohesive system of learning opportunities that integrate academic and 21st century work and career skills to ensure that all learners, grades K-Adult, will have access to diverse program options that match their career interests and the ways they wish to pursue them. This is all the more important as much of the State's recent population growth is from immigration. According to the 2010 New Economy Index, Rhode Island ranks 31st in the average educational attainment of recent immigrants from abroad; New Hampshire ranks 2nd and Massachusetts 13th.

Insufficient English fluency skills continue to be an issue that needs addressing to facilitate economic opportunities to immigrants and many inner city residents. Our state is looking more closely at increased educational choice, alternative teacher certification, more classroom time (school day and/or school year lengthening), increasing dual enrollment programs (high school students taking college courses) and rewarding teachers for performance to see how these changes can improve student educational performance.

Test scores that compare Rhode Island students to students in New Hampshire, Vermont, and Maine suggest that Rhode Island students have increased levels of proficiency in math, reading, and writing since 2010. Results of the 2011 New England Common Assessment Program (NECAP) tests for students in grades 3-8 and 11 revealed that at the *state level*, approximately 73% of Rhode Island students achieved proficiency or higher in reading (up two percentage points from 2010), 56% in mathematics (up one percentage point), and 55% of students achieved proficiency or higher in writing. However, compared with the other states, Rhode Island students have average or below average reading and math competency. Writing is a relative strength for Rhode Island students.

In reading, Rhode Island has higher achievement in grade 11 than in grades 3-8, compared with other states. Results indicate that across all four NECAP states (Rhode Island, Maine, New Hampshire, and Vermont), Rhode Island students in grade 11 were among the highest performing of the NECAP states, performing similarly to their peers in NH with 77% achieving proficiency or better in reading, versus 73% in VT.

In mathematics in 2011, Rhode Island students underperformed other New England states. In writing, compared to their peers in the other NECAP states, Rhode Island students outperformed students in grades 3 through 8 in Vermont and Maine and nearly matched the performance of their peers in New Hampshire. Grade 11 students in Rhode Island outperformed their peers in both New Hampshire and Vermont by 5 and 3 percentage points, respectively.

Statewide aggregated results of various student groups in reading and mathematics show that between 2010 and 2011, achievement gaps have closed for some groups and widened for others. The gap in achievement between White and Black students has shrunk slightly, while the gap between White and Hispanic students has grown. For students who are limited English

proficient (LEP), the achievement gap in reading has widened compared with students who are not LEP by about one percentage point, and in mathematics, the achievement gap widened by three percentage points. This direction is concerning for a state with a growing immigrant population.

Among ongoing initiatives to improve science instruction and results in Rhode Island are:

- Data analysis workshops conducted by RIDE, at which more than 150 teachers and school leaders analyzed NECAP data to inform instruction, assessments, and curriculum at their schools;
- Building a Strong Foundation, a mathematics-science partnership between the Department of Elementary and Secondary Education (RIDE) and the Charles A. Dana Center at the University of Texas at Austin, which provides targeted support for school districts to align their mathematics and science curriculum within their system;
- Inner Space Center at URI and Smithfield Public Schools, which uses telepresence technologies to connect to oceanographic exploration projects in real time and to share the excitement of undersea discovery as it happens;
- Physics First, a high-school science initiative based on guided-inquiry learning through the physics, chemistry, and biology sequence and with a new atomic and molecular curriculum focus, plus teacher professional development;
- Educators Ashore Supporting Nautilus Live, currently underway in Smithfield, which provides educators with an opportunity to become a part of scientific research as it happens and to establish partnerships between classroom teachers and community youth-organization leaders; and
- RI Technology Enhanced Science Program (RITES), through which science educators from high schools and middle schools participate in professional development that focuses on the use of technology-enhanced investigations.

Despite these impressive initiatives, the low percentage of high school juniors demonstrating proficiency, especially in math, remains a matter of continuing concern. State regulations scheduled to take effect in 2012 could put some high school students in jeopardy of not graduating should math proficiency scores remain at current levels.¹³ More relevant to this subject, such scores do not bode well for a future workforce in a knowledge economy

Preparing the Rhode Island workforce for the demands of the new economy also requires providing incumbent workers and the unemployed with the skills and knowledge needed by employers. In responding to this challenge Rhode Island's leaders have placed the burden squarely on the State's Community College of Rhode Island (CCRI). In April, 2010 the CCRI 21st Century Workforce Commission reported that "nearly one-third of new jobs in Rhode Island over the next five years will require at least an associate's degree. More than half of these jobs will require additional on-the-job training."¹⁴ Based on that key finding, the Commission proposed two broad recommendations drawing on some of the best practices in the nation, in regions where community colleges have become leaders of workforce development:

1. Enact legislation to create a statewide career pathways system that is driven by industry needs.

- Charge the Governor’s Workforce Board (GWB) with establishing and overseeing the state’s career pathways system, building on its existing industry partnership system. Ensure that the principals of relevant education, workforce development, and economic development agencies lead this effort.
- Support the state’s career pathways system with a balance of public, non-profit, and private sector funding to ensure commitment from all who have a vested interest in the state’s future workforce, and to make certain those interests are maintained for the greater benefit of Rhode Island and its citizens.
- Establish an integrated performance measurement plan for the state career pathways system. The plan should align each agency’s individual career pathways objectives and resources with goals set for the state system and identify milestones with budget, dates, measures, and resources. Performance results and progress should be made transparent to the public.

2. Strengthen CCRI’s capacity to raise knowledge and skill levels in a greater share of the state’s population.

- Expand and enhance CCRI’s Center for Workforce and Community Education to increase the workforce education and training services offered in response to occupational demand in strategic industries.
- Work closely with Rhode Island’s Industry Partnerships to understand market demand in the state’s strategic industries, as determined by the GWB.
- Respond to identified needs by establishing credit and non-credit bearing industry-recognized credentials, as required.
- Create career pathways that map CCRI’s workforce development training courses to its postsecondary occupational degree programs. Align courses across the education continuum — from secondary to pre-college (Adult Basic Education/General Education Development/English as a Second Language/Remediation) to two- and four-year postsecondary education — with entry-level, mid-level and high-level occupations.
- Emphasize careers and career advancement at CCRI. Publicize CCRI’s degree programs and workforce training courses through an ongoing career-focused marketing campaign targeting students, parents, business, and the general public. Focus on the career opportunities in Rhode Island’s strategic industries.

Working with the Governor’s Workforce Board, a body that coordinates all workforce training and development activities in the state, CCRI has embarked on a program to become the linchpin between Rhode Island’s education and training institutions and its economy. As of this writing it is too early to assess results.

Some Key Training Resources

Governor's Workforce Board of Rhode Island

Since Governor Carcieri established the Governor's Workforce Board in September 2005, the 17-member board has supported strategies to improve the existing skill base of the Rhode Island workforce and to anticipate the future needs of growing and emerging businesses. Since its inception, the GWB has made more than \$56-million worth of strategic investments in Rhode Island that reward collaboration among the state's employment, education and economic development entities.

The GWB oversees the efforts of several workforce training programs designed to assist unemployed workers reenter the jobs market. Under the provisions of the Workforce Investment Act (WIA) of 1998, in 2011 the Rhode Island Department of Labor and Training (DLT) assisted nearly 11,500 unemployed adult workers with services including: initial assessment; providing employment data and labor market information; referrals to employment; workshops; job search and placement assistance. Intensive services include: development of an individual employment plan; individual counseling and career planning; and case management. Training services include occupational skills training through Individual Training Accounts, On-the-Job Training and Group Training Contracts. Nearly 63 percent of the participants in these programs entered employment with a retention rate of 86.2 percent. A similar program under the WIA for 3,000 dislocated workers resulted in an employment rate of 65.6 percent with a retention rate of 88.5 percent. Nearly 44,000 Rhode Islanders received assistance through Rhode Island's One-Stop Career Centers resulting in an employment rate of 51 percent and an employment retention rate of 80 percent.¹⁵ These results exceeded approved outcomes.

On-the-Job Training (OJT), for example, helps new hires build the specialized skills necessary to company's operations. Employers conduct the training while the new employee learns at the work site, the employer's equipment and alongside more experienced workers. Training may last up to six months, during which time the company may be reimbursed up to 90 percent of the participant's salary.

WorkShare, another DLT program, is aimed at jobs retention by allowing employers to retain their skilled workers during times of slowdown by simply reducing the work hours of a larger group of employees. Employees whose hours and wages are reduced would be able to receive a portion of their regular unemployment insurance benefits to compensate for the lost wages. In addition to sparing employers the potential loss of their existing workforce, WorkShare also spares a company's employees the financial and emotional hardship associated with a layoff situation. In 2010, the most recent year for which data are available, nearly 3,000 layoffs by over 475 companies were averted by this program.¹⁶

The RI Works Employment and Retention Services Unit

RI Works is a partnership between the RI Department of Labor and Training and the RI Department of Human Services to provide intensive employment services to those beneficiaries who receive cash assistance under the Temporary Aid to Needy Families program. The goal of RI Works is to have the participants engage in job search as a first and primary activity in their plan.¹⁷ The unit also arranges partnerships with employers to help their new employees with education, training, and a host of other services aimed at increasing the employee's work preparedness. The RI Works program also provides on-the-job training programs including formal training programs in specific areas of concentration that can be customized to meet an employer's labor needs; and work preparedness programs under FIP that emphasize

dependability and positive work habits and ultimately provide employers with a pool of pre-screened, employment-ready applicants.

CCRI Center for Workforce and Community Education (CWCE)

The Center for Workforce & Community Education offers programs in customized training, community education, literacy education and personal enrichment courses at four campus locations around the State. Within CWCE the Workforce Training department offers training to companies and organizations throughout the state for credit and noncredit training as well as programs that are tailored specifically for an organization's unique needs. CWCE's Department of Adult Education and Literacy provides non-credit ESL programs, the GED Transitions Pathways Program, the Workplace Solutions Program, and the Statewide Transitions to College.

CWCE also provides career and technical training leading to degrees and certificates in specialized fields demanded by employers. For example, the Electrical Apprenticeship Training program of study satisfies the state requirement for electricians' apprentice educational hours.

With healthcare and healthcare support occupations projected to grow between 15 and 18 percent between now and 2018, CCRI has geared up to be a major supplier of qualified workers for the sector. In 2011 CCRI conferred over 900 diplomas, degrees or certificates to graduates from health, paramedical and other health services programs out of a total 1,587 Associate degrees, certificates or diplomas awarded that year.¹⁸

VetSuccess

In autumn of 2010 CCRI was chosen by the U.S. Department of Veterans' Affairs (VA) as one of eight schools nationwide for its VetSuccess on-campus pilot program. The program provides outreach, support and assistance with VA benefits to veterans, active duty service members and family members attending CCRI. For the more than 600 veterans, active duty service members and their eligible family members enrolled at CCRI in 2011,¹⁹ the VetSuccess program focused mainly on vocational exploration, advising and selecting a suitable career, guidance and support with education benefits, and finding employment opportunities. Some vets also received assistance navigating the Veterans Healthcare Administration, submitting a claim for disability compensation, information on VA benefits such as life insurance, home loan guarantee, vocational rehabilitation and employment.

Governor's Workforce Board Training Grants

The GWB has made more than \$56 million in strategic investments in industry partnerships, business ventures, adult education and youth programs that reward collaboration among the state's employment, education and economic development entities. Highlights in FY 2011 include:

Industry Partnerships

Over the last five years, the Governor's Workforce Board has invested nearly \$8 million in Industry Partnerships in order to develop the workforce for the state's high-growth, high-wage industries. The partnerships are charged with identifying skill gaps, promoting relevant training and creating career pathways for their industries. In FY 2012, the GWP invested over \$800,000 in Industry Partnerships.

Comprehensive Worker Training Grants

Incumbent worker training allows companies to increase employee productivity, build capacity and stay competitive in a changing marketplace. In FY 2011, the Governor's Workforce Board awarded \$937,000 in matching grants to 43 companies to train more than 3,100 incumbent workers. Participating companies provided a match of at least 50 percent, bringing the total public/private investment to more than \$1.8 million.

Job Training Tax Credits

Another way that the Governor's Workforce Board supports growing businesses is through the Job Training Tax Credit Act. Employers may receive tax credits equal to as much as 50 percent of their training costs, with a limit of \$5,000 per employee over a three-year period. Only \$1,000 of qualified expenses may be wages earned through training. The training may run the gamut, from academic remediation and ESL to technology applications and management skills. In FY 2011, more than \$4.4 million in tax credits were awarded to 26 companies. Collectively, they were able to train nearly 5,200 Rhode Island workers.

Adult Basic Education

Since 2007, the Governor's Workforce Board has collaborated with the RI Department of Education to target the segment of the workforce that lacks the necessary Adult Basic Education and work readiness skills to compete in the 21st century economy. In FY 2011, 19 service providers received \$3.5 million from the Job Development Fund to help raise the literacy and basic skill levels of the RI workforce. More than 1,600 adults enrolled in funded, community based programming, with each participant receiving an average of more than 100 hours of instruction.

Contextualized Training Initiative

In FY2011, the Governor's Workforce Board launched a contextualized learning initiative in conjunction with the two local workforce investment boards—The Workforce Partnership of Greater Rhode Island and Workforce Solutions of Providence/ Cranston. By offering literacy education simultaneously with occupational skills training, this non-traditional format allowed adults with low literacy levels or limited English-speaking skills to become work-ready more quickly than through a traditional ESL delivery system. Financed with more than \$1 million in Workforce Investment Act funding, the contextualized training initiative enabled 11 community-based organizations to serve 225 adult learners.

Individual Training Accounts

The federal Workforce Investment Act (WIA) allows eligible job seekers access to up to \$5,500 in free short-term training if that training corresponds with the occupational skills desired by area employers. Therefore, each year, the State Workforce Investment Office creates a list of approved programs in areas proven, through labor market projections and business community intelligence, to address RI workforce needs. In FY 2011, 1,174 RI job seekers requiring short-term skill upgrades received a total of more than \$5 million in subsidized training in areas such as health care, technology, construction, Green technologies, business, manufacturing and biotechnology. More than 80 approved vendors provided this training. Potential enrollees in Individual Training Accounts are referred through the netWORKri one-stop career system. The actual accounts are overseen by Rhode Island's two local workforce investment boards.

YouthWorks411

- In keeping with the all-youth agenda of Shared Youth Vision, the YouthWorks411 network of youth workforce centers combine WIA dollars with less-restrictive Job Development Fund dollars to serve all Rhode Island youth ages 14-24. Services include interest inventories, academic assessments and services, contextual learning, leadership development, job readiness and work experience. In FY 2011, the Governor's Workforce Board distributed \$2.9 million through the local workforce investment boards to operate 16 YouthWorks411 centers, through which 3,000 youth were served.

As impressive as these investments are, it is not clear whether or how they have met expectations. What is needed now is an analysis of how they have performed in terms of jobs created and retained at both the programmatic level and by the vendors.

The Innovation Economy: Conditions and Resources

Overview

- Excellent colleges and universities
- Many college and graduate students studying in Rhode Island
- Resident design talent
- Focus on linkage between university research and commercialization

Key resources include Science & Technology Advisory Council and Greater Providence Knowledge Economy Project

In addition to providing workforce education and training for unemployed and incumbent workers, Rhode Island provides an array of programs aimed at stimulating research and innovation leading to the development of new "home grown" businesses with the potential to add to the State's industrial base and the creation high skill/high paying jobs as part of the knowledge economy.

How Rhode Island compares with other states

- Highest research & development tax credit (22.5%); second for health IT initiatives. ("Rhode Island Ranks High" Chafee Center)
- Fifth for non-industry investments into research & development as a percentage of gross state product (2010 New Economy Index)
- Eighteenth for scientists and engineers as a percentage of the state's workforce. (2010 New Economy Index)
- Twenty-fourth in innovative capacity based measures of seven aspects of innovation capacity: 1) share of jobs in high-tech industries; 2) scientists and engineers as a share of the workforce; 3) the number of patents relative to the size of the workforce; 4) industry R&D as a share of worker earnings; 5) nonindustrial R&D as a share of GSP; 6) green energy production; and 7) venture capital invested as a share of worker earnings. (2010 New Economy Index)
- Thirty-third for industrial-performed research as a percentage of total worker earnings. (2010 New Economy Index)
- Top five movers in number of independent inventor patents per 1,000 people (2010 New Economy Index)

- Eleventh in managerial, professional and technical jobs as a percentage of total workforce (2010 New Economy Index)
- Second in Digital Economy (2010 New Economy Index)
- Eighth in the technology sub index in the 2010 Beacon Hill competitiveness index. (Beacon Hill Institute)
- Top ranked graduate program in graphic design and second nationally in industrial design at Rhode Island School of Design (U.S. News & World Report)

Key Resources and Investments for Innovation and Entrepreneurship

The Rhode Island Science and Technology Advisory Council (STAC)

The Rhode Island Science & Technology Advisory Council (STAC) develops programs and policies in three main areas: research & development; entrepreneurship and new company creation and enabling innovation. Governor Carcieri created STAC in 2005, by Executive Order, to advise the Governor and General Assembly in prioritizing Rhode Island's investment in science and technology and address issues that impact the State's ability to support and grow an innovation economy. It was established by statute (Chapter 42-144 of the Rhode Island General Laws) in 2006.

STAC's Collaborative Research Award Program is designed to stimulate collaborative research projects that are well-positioned to attract significant follow-on funding from agencies such as the National Science Foundation and National Institutes of Health or are ripe for commercialization. Award recipients have included academic and industry scientists pursuing research in renewable energy, medicine, engineering, biology, chemistry, pharmacology and environmental science.²⁰ The 2011 grants totaling \$1,435,822, support eight projects, representing 23 scientists from 13 educational institutions, hospitals and private companies throughout Rhode Island. The 2011 award recipients include academic and industry scientists pursuing research in mercury emission control, traumatic brain injuries and infection prevention, for example. Winning teams include scientists from the University of Rhode Island, Brown University, Bryant University, Rhode Island Hospital, Women & Infants Hospital and eight private research companies.

To administer the program, STAC uses a competitive application process similar to that used by the National Science Foundation. Peer reviewers who are scientific experts familiar with a proposal's area of focus evaluate the proposal on the basis of scientific merit and broader impacts in the community. A subcommittee of STAC members also reviews the proposals based on how well the proposal meets the objectives of the program. Awardees represent the most exciting proposals which combine high scientific merit with opportunity for significant follow-on funding or substantial commercial potential, such as valuable licensing prospects or the creation of new companies, at the completion of the one-year grant cycle.

Tech Collective

Tech Collective is the technology industry association of Rhode Island. It is an Industry Partner with the GWB for the Information Technology and Bioscience industries. A 501(c)3 non-profit organization, it derives funding from membership, fundraising and grant awards. Tech Collective works with organizations on local, regional, and national levels to connect members, industry, and the workforce development pipeline with the latest services and resources needed to drive innovation and growth.

The University of Rhode Island (URI)

The University of Rhode Island is a significant research and innovation hub that provides numerous economic benefits to the state. The process of turning research into new products and new businesses is managed by the URI Division of Research and Economic Development.²¹ University researchers are required to disclose to the Division any inventions or discoveries that might have some commercial application. The Division then determines whether to seek patents on these inventions; and, after patents are obtained, negotiates licensing agreements with existing businesses or newly-created ventures that, in exchange for a fee, permits the licensees to use the University's "intellectual property" for commercial purposes. With the completion of the new Center for Biotechnology and Life Sciences the University's technology transfer functions will be co-located with incubator space for new businesses, public-private research partnerships and mixed use facilities. URI faculty members have also created businesses in Rhode Island that are not based on technology licensed by the University.²²

The research enterprise at the University of Rhode Island experienced significant growth in the recent four year period from Fiscal Year 2007-2010 (the most recent year for which data is available). External sponsored program awards increased 54 percent from \$68.1 million in Fiscal Year 2007 to \$105 million in Fiscal Year 2010 of which \$75 million was in federal grants. That \$75 million in federal awards represents new money to the State that we would not have otherwise, generates an additional \$146 million in local economic impact, which in turn generates additional jobs, and state and local taxes.

The revenue generated by the URI research enterprise is significant. For example, the economic impact of the \$105 million in research funds coming into the State of Rhode Island yields \$178.5 million. That is, Rhode Island would not have realized \$178.5 million in FY2010 if it were not for URI research enterprise. The Division of Research and Economic Development commissioned URI Economics Professor Leonard Lardaro to produce a report on the economic impact of the URI research enterprise. He found that:

- Every \$1 in funded research URI received in FY09, created \$1.70 in terms of total output, based on the direct, indirect, and induced impacts of this research.
- While the economic benefits of URI's funded research extended to all of Rhode Island's counties, the primary beneficiaries (in order) were Washington County, Kent County, and Providence County.
- In FY09, the \$86 million of funded research at URI resulted in an increase in output of \$144.8 million. The associated gain in employment was 1,747 jobs. By contrast, during this same period, payroll employment for Rhode Island fell by 17,600. The employment stimulated by this research generated a total increase in labor income for Rhode Island of \$98.7 million.
- The majority of the jobs created by funded research resulted from the direct and indirect impacts of this research (1,199). The income created from these generated further income and spending (induced spending), which resulted in an additional 548 jobs. The average yearly wage of all the jobs created was \$56,505. So, the short-term effects of this research were highly significant, based on their overall employment and labor market impacts, which helped to offset the severe job loss Rhode Island suffered in FY09.
- RI is a small business state. According to R.I. Department of Labor and Training, as of March 2010, 82 percent of Rhode Island's private sector employers had 10 or fewer

employees, while 90.4 percent employed fewer than 20 persons. If we consider a five-person firm to be “typical,” the employment gains resulting from funded research at URI in FY09 would have added 350 such companies. With average earnings for jobs created by URI’s funded research at \$56,505, these jobs may pay more than jobs at the typical company.

- The leading sectors of Rhode Island’s economy that affected by URI’s funded research in FY09, in terms of the value of output created, were medical-related fields (\$9.3 million), Rhode Island’s trade sector (retail and wholesale trade, \$8.8 million), and finance, insurance and real estate (FIRE, \$4.1 million).
- This funded research resulted in increased taxes paid by individuals and businesses in FY09. The total of all new tax revenue generated was \$27.6 million, of which \$8.0 million was for state and local taxes, while \$19.6 million was for federal taxes.

Brown University

As Rhode Island’s leading center for scientific research and development, Brown attracts federal funding to the state, creates jobs, spins off companies, fosters academic and corporate partnerships, creates multidisciplinary centers, and contributes knowledge and marketable technology to society. The University supports entrepreneurship among its faculty and students through education, grants, and programs administered through the office of the vice president for research, within the academic curriculum, and via student organizations and opportunities. The University seeks to facilitate and accommodate robust growth and development by attracting talented researchers and investing in the space and equipment to advance knowledge. Brown’s capital projects, including those in Providence’s Jewelry District, have created jobs and improved the geographic and economic landscape. Brown itself is the sixth largest private employer in the state.

A world-renowned academic institution, Brown brings tens of thousands of visitors to the state each year and educates thousands of students, all of whom spend money in Rhode Island. Many alumni, a large percentage of whom hail from Rhode Island, choose to live in the state after graduation, adding to the wealth of human capital that comprises our rich cultural, intellectual, and innovative community. And of course, central to Brown’s mission is a commitment to community service and outreach, which benefits the local community in many ways, especially in the area of education. Improving education outcomes leads to higher graduation rates and better job prospects.

The Technology Ventures Office (TVO) at Brown is responsible for technology transfer and related activities. TVO fosters collaborations with industry through licensing, sponsored research, and new ventures launches. TVO staff work with faculty to identify sources of intellectual property, plan strategies for commercialization, identify sources of intellectual property, and negotiate license and commercialization agreements. TVO also promotes industry collaborations. Much of the work of TVO involves the licensing of intellectual property to start-up firms, for which the TVO staff will develop business plans and establish management credentials. The office will often help to launch companies by introducing sources of capital and/or providing initial strategic planning expertise. In 2010, TVO launched four Brown start-ups: Banyan, Tivorsan, Microtissues, and Audax. There are 10 Rhode Island technology companies employing a total of over 250 people that were started by Brown alumni, faculty and staff, or based on technology licensed from Brown. TVO has also hosted several major industry visits, including Merck & Co., Johnson & Johnson, and Sanofi-Aventis.

Also in 2009, Brown, the Rhode Island Economic Development Corporation (RIEDC), Slater Technology Fund, and the state's Science & Technology Advisory Council (STAC) established the Rhode Island Center for Innovation and Entrepreneurship (RI-CIE) to promote business creation statewide. RI-CIE has won two economic development awards and attracted 5,000+ entrepreneurs, faculty, students, and business professionals to more than 185 events, including those under the auspices of the Brown Forum for Enterprise (BFE). The BFE, whose mission is to foster a culture of innovation and enterprise within Rhode Island and to be a focus for entrepreneurship activity within the state and region, is open to any member of the public. Brown is also an annual sponsor of the Rhode Island Business Plan Competition, which aims to further develop the entrepreneurial spirit in Rhode Island and help create growth companies that will increase local employment. Many Brown University students participate in—and sometimes win—the student track of the competition.

As co-chair of STAC, Brown's Vice-President for Research helped launch the RI Research Alliance, which has awarded over \$6 million in competitive research awards since 2007. Brown administrators and faculty have supported and benefited from the Innovation Providence Implementation Council (IPIC), an initiative of the Greater Providence Chamber of Commerce, which involves a team of civic, academic, and business leaders working to strengthen and grow the region's knowledge economy sectors—healthcare, technology, research and design, and alternative energy and entrepreneurship—through advocacy, grant funding, and strategic project support.

Brown is working with city, state, and federal officials, as well as its hospital partners and other Providence higher education institutions, to develop Providence's Knowledge District, which is home to academic and clinical research centers and Brown's new 134,000-square foot medical education building that opened in August 2011.

The new home for the Warren Alpert Medical School of Brown University, located in a former manufacturing facility in the Jewelry District, is expected to generate \$26.2 million of economic output for the state, create nearly 350 temporary construction and retail jobs, and support an additional 200 jobs, according to an independent 2009 economic impact study conducted by Appleseed, Inc. In Rhode Island, the total economic impact of academic medicine in 2008 exceeded \$4 billion and accounted for 28,249 jobs. The out-of-state medical visitor impact was \$139 million. The state government revenue attributable to academic medicine in 2008 was \$218 million.

Center for Economic & Environmental Development, Roger Williams University

The Center for Economic and Environmental Development (CEED) was established in 1997 through a grant from the Economic Development Administration of the Department of Commerce to encourage innovative methods for environmental education and stewardship by involving students, faculty and local community in outreach efforts, strategic environmental management and entrepreneurship for a sustainable environment.²³ The mission of the Center includes an emphasis on environmental monitoring, marine science and technology, commercial and recreational fishing, aquaculture, tourism, boat building and marina development and expansion. The Center also seeks to promote research that bears directly on limitations to the growth of the region's marine economy and facilitates the delivery of innovative degree programs and professional certificates in aquaculture, marine biology, environmental science and related fields of study.

Rhode Island STEM Center, Rhode Island College

The Rhode Island Technology Enhanced Science Project seeks to enhance the quality of science teaching and learning at Rhode Island's middle and high schools and increase the number and diversity of students who are proficient in science and who pursue STEM (Science, Technology, Engineering and Mathematics) related careers.²⁴ The R.I. STEM Center is a centralized resource for STEM educators and provides many programs aimed at improving STEM literacy among Rhode Island's children.

The John H. Chafee Center for International Business, Bryant University

The Center is located on the Bryant University campus in Smithfield, RI, and was named after the late RI Senator John H. Chafee, a longtime advocate of international trade and the benefits of introducing new markets to our nation's businesses.²⁵ The Center serves the regional business community, as well as offering hands on opportunities for students to learn about global business.

The Chafee Center houses the World Trade Center and Export Assistance Center for the state of RI providing comprehensive services on all aspects of international trade including trade data, training, consulting, trade show and trade mission support. The Center's state-of-the-art technology provides businesses with a competitive advantage in the global marketplace and prepares students for careers in international business. Through these programs, the Chafee Center assists more than 200 companies with international consulting needs annually

Greater Providence Knowledge Economy Project

The Greater Providence Knowledge Economy Project is a regional initiative led by the Greater Providence Chamber of Commerce and the Innovation Providence Implementation Council (IPIC), a group comprised of business, colleges, universities, hospitals, and state and city government leaders. The IPIC is charged with measuring progress and driving strategy surrounding the development of Rhode Island's Knowledge Economy through the development of an Action Agenda that outlines six strategies designed to grow and develop the knowledge economy by identifying, coordinating and supporting regional assets, competencies, and networks. Key industry sectors which comprise the knowledge economy include behavioral and preventative healthcare, medical devices and rehabilitative services; environmental and alternative energy; facility and spatial design and project safety and design and entrepreneurship.

Particular attention is being paid to fostering academic-industry collaboration, building entrepreneurial capacity, and facilitating the commercialization of technologies developed by local universities, companies and start-ups. The primary goal of the project is to unleash and commercialize the untapped talent in the region, boosting productivity, creating wealth, and mitigating government revenue shortfalls. In 2011, the IPIIC has dispersed nearly \$110,000 in grant funds to jumpstart projects within the key targeted sectors including Betaspring, an entrepreneurial boot camp whose goal is to create 100 new companies over the next three years; and the Change Accelerator, another entrepreneurial boot camp for social enterprises which incubated eight new ventures with this grant funding. To date, it is estimated that over 150 jobs have been created and/or retained as a result of the grant funding.

Knowledge economy jobs pay higher wages and knowledge economy jobs are growing 40 percent faster than other jobs in Providence County and 470 percent faster statewide. The knowledge economy currently accounts for approximately 50 percent of the state and local economy.

The following are the highlights from the EDA grant funded awards to grow and develop the knowledge economy in the State of Rhode Island and the City of Providence:

Creating Affordable Co-Working Space in the Knowledge Economy: These funds will assist in the implementation of the Rhode Island Center for Innovation and Entrepreneurship (RI-CIE) Incubator Phase II program, namely creating affordable co-working space within the Knowledge Economy. RI-CIE developed and launched an Incubator Program in the fall of 2010 (Phase I) which entailed the initial space acquisition, outfitting, and program development to support seven new ventures. Phase II, which is expected to have an immediate impact on the larger entrepreneurial community, features increased programming, the purchase of equipment and furniture, and functional co-working space to support more entrepreneurs within the Knowledge District.

Medical Device Innovation Summer Internship Program. Diavibe is developing a summer internship program for local university students interested in medical device development. The program ran from May 31st to August 19th, 2011, and involved students collaborating with clinical and industry mentors to develop innovative medical device concepts. Initial collaborators include the Rhode Island Center for Innovation and Entrepreneurship (RI-CIE), Brown University, Bryant University and Ximedica.

Building a Social Entrepreneurship Ecosystem Social Venture Partners Rhode Island (SVPRI) proposed three programs:

1. Support for ten fellowships for 2011 Change Accelerator participants. SVPRI expects to incubate ten new ventures, which will create at least 25 new jobs and bring significant out-of-state funding to support the development of these ventures.
2. Support to help build the Social Venture Partners-University program through the development of SVP University Fellows and provide them opportunities to meet with SVPRI partners, mentors and the ventures. SVPRI will recruit and engage more than 20 local college and university students in the SVP-U Fellows program and they anticipate more than half will remain in Rhode Island after graduation.
3. To seed a "Social Enterprise Leaders speaker series" as a new service in the Change Place Incubator – the program is expected to expose more than 500 social enterprise stakeholders to the expertise and networks of the speakers.

Dormcubator: The 2011 summer pilot created a “dormcubator” for 12 students from 10 colleges and universities in Rhode Island and aim to achieve the following objectives:

- *Draw greater connectivity to corporate partners looking for a skilled workforce.*
- *Provide students with a rich experience and opportunity to think of RI as a post-graduate option.*
- *Develop students as future ambassadors for the bRIdge program.*
- *Provide input and support for the creation of the bRIdge mobile application.*

The six-week program ran from June to July 2011 and included paid internships along with academic credit. Students were housed at a Providence-based college/university. The program contained two tracks: Entrepreneurial (partnering with RI-CIE) and a corporate track.

Implementing Smart Phone Technology for Radiation Oncology Error Prevention:

The goal of this project is to design and implement an innovative approach to minimize the incidence of radiotherapy adverse events that could potentially have negative impacts on patient safety. Error prevention software applications will be created and developed by the Department of Radiation Oncology at Rhode Island Hospital/Brown Alpert Medical School for a ROMPeR (Radiation Oncology & Medical Physics e-Rover) mobile smart-phone system. This uniquely designed smartphone will provide legally compliant, “anytime-anywhere” transmission of instructions, check-lists, anatomical images and rapid information exchange to validate CT-simulator scans, computer-based treatment planning data and treatment delivery set-ups. The ROMPeR project will also provide Providence, RI with an opportunity to actively enter the newly burgeoning mobile healthcare applications industry and become a recognized international hub for the development of advanced communications technology solutions that address issues directly impacting the quality and safety of cancer care.

Healthcare and Medical Devices Technology Showcase: The Healthcare and Medical Devices Technology Showcase was held at the Rhode Island Center for Innovation and Entrepreneurship (RI-CIE) on October 12, 2011 and was convened by Brown’s Technology Ventures Office (TVO). The event featured research opportunities in the life sciences sector from throughout the state, drew local and national life sciences companies and investor groups, and stimulated networking and ideas for monetization. It was aimed to dovetail with the opening of the new medical school and the governor’s initiative to promote innovation in the knowledge district. The overarching goal of the Technology Showcase was to raise visibility and enhance investment in the research, development and translational programs underway in Rhode Island in the life sciences area.

Eulie, LLC: Eulie LLC is a Providence-based start-up that has developed and now sells a line of underwear called Sexy Period. Created by Brown University graduates Julie Sygiel and Eunice Png, the fashionable intimates line is made with leak resistant fabric and is designed for women to wear as backup protection during their period. According to their research, 60% of women experience menstrual spills at least once every month. The Sexy Period team spent 2 1/2 years developing the revolutionary, patent-pending underwear and is now ready to expand to additional product lines. Their current line is marketed toward young professional women, though exceptional demand has arisen from women of all ages for additional lines of functional undergarments and apparel.

The Providence Economic Development Partnership and the RI Foundation contributed along with EDA to fund the GPCC IPIC awards.

Change Accelerator (Social Venture Partners Rhode Island)

The Change Accelerator is a program administered by Social Venture Partners Rhode Island that provides needed business support to social entrepreneurs who are developing innovative solutions to unmet social needs.

Change Accelerator Ventures in 2011:

A Clean Start is a professional cleaning company, created by women who provide exceptional services to residential and commercial customers, as an empowerment program under Child & Family Services on Aquidneck Island. A Clean Start provides the foundation for single mothers, who have a desire to work hard, in regaining their financial independence and permanent housing stability.

BikeNewport Tours is a youth-driven enterprise offering custom, on-location bicycle tours. Its guides, area youth, have the opportunity to become bicycle ambassadors, touring visitors around scenic and historic Newport.

The FoodSecure Collaborative is a catalyst for food system reform that increases the productivity and health of the local foodshed. Locally, the Collaborative is developing a composting enterprise to transform waste into fertilizer for area farms and gardens. Globally, the Collaborative is developing ringREVOLUTION, a benefit concert and launch event for a worldwide campaign uniting aligned movements to address the challenge of a mounting food crisis.

Growhouse RI aims to expand the agriculture sector on Aquidneck Island by developing the capability to provide year round access to affordable, locally grown, pesticide free vegetables through the application of advanced scientific and engineering principles.

Make Hay Sewing Kits is a for-profit social enterprise dedicated to fabricating unique and attractive sewing kits to generate funds and use as a training and skill building tool for a local women's shelter project. After developing a partnership with a Laotian cottage industry women's project, Make Hay Kits, in raw silk, can be sold at high end stores with coordinating website.

Ocean State Fresh is a non-profit that is providing locally harvested seafood to Rhode Islanders through a Community Supported Fishery program and a state-wide branding program. The Community Supported Fishery program is similar to Community Supported Agriculture programs and gives subscribers a weekly share of freshly caught local seafood. The branding program identifies local species of seafood that are harvested by Rhode Islanders in a sustainable manner. The brand is meant to differentiate between fresh local seafood and seafood shipped into the state.

The Peacedale Culinary Collaborative turns disadvantaged people into great chefs that provide Rhode Islanders with delicious food, locally-prepared from healthy ingredients that are grown nearby. The Collaborative brings together three well-known South County institutions; The Education Exchange, The Domestic Violence Resource Center, and the locally-famous Sweet Cakes Café. Together these partners are prepared to train low income, unemployed/under-employed adults, young adults, and the formerly incarcerated in the culinary arts, food service and hospitality industries.

Project One is a 15-year old award-winning non-profit network of artists and volunteers. It enables the display, creation and enjoyment of outdoor public art by brokering access to public spaces and inviting artists to contribute work for these locations.

Swipe for a Cause created a credit card processing agency in order to raise money to build RI's first long-care hospice house.

Rhode Island Center for Innovation and Entrepreneurship (RI-CIE) Entrepreneur Boot Camp: RI-CIE is a state-wide hub to connect, educate and accelerate entrepreneurs in areas such as life sciences, technology, design, engineering and the environment. The workshop targeted early stage ventures with 14 new ventures (23 people) participating in the program.

- **Bakodo:** Software technology; company launched; released multiple upgrades to website; ongoing discussions with investors; significant growth in “app” downloads.
- **MicroTissues:** Healthcare/medical device; product to launch in November; 2010, pursuing SBIR funding; secured US and international patents; recruited business development talent.
- **Eulie Intimates:** Apparel Product to launch with Preview Sale in Winter 2010/11; identified design and manufacturing expertise; ongoing discussions with investors.
- **Banyan Environmental:** Environmental technology; pursuing SBIR funding; on-going discussions with investors.
- **Skooga:** Software technology; hired experienced managerial talent
- **Cross Peptides:** Health care/bioscience; won Vaccine Start-up Program business plan contest.

Rhode Island Business Plan Competition: The Rhode Island Business Plan competition attracted 103 business ideas. The winners and finalists were:

The Green winner was **AmbiLabs**, which is making turnkey, field monitoring laboratories that will enable scientists and engineers to quickly and accurately assess air pollution levels.

The winner in the Entrepreneur track was **Lucidux**, which is developing application software that will provide three-dimensional images to help surgeons perform minimally invasive procedures. Finalists in the Entrepreneur track were:

Maternova Inc. – Building a web-based global marketplace to provide information and low-cost products to help save the lives of mothers and newborns.

Moondust Macaroons – Will produce and distribute desserts to mainstream America that emphasize creative and novel design.

MoveAround IV Buggy – Aims to be the leading supplier of cart to provide intravenous and other related treatments for children.

The Student track winner was **PriWater**, which has formulated a prenatal beverage supplement to reduce birth defects.

Finalists in the Student track were:

PriviCare – Will provide at-home diagnostic devices for common infections and diseases.

Richtr.tv – Developing a platform for TV viewers to provide real-time feedback on TV programs using an online social network.

Renewable Energy Fund: The Renewable Energy Fund (REF) focuses on providing funding across the spectrum for the development and advancement of Renewable Energy economy in the state. Historically, the REF has provided mostly funding for direct installation projects, but with the implementation of several new incentive programs, most notably the “Distributed Generation Contracts” program, which provides a more clear direct incentive payment for installation projects, the REF now has more funding available to support R&D, Market development and other innovative renewable energy opportunities.

Slater Technology Fund: The Slater Technology Fund was created in 1997 by Governor Lincoln Almond and the RI General Assembly to stimulate the creation of new technology-based companies in RI. The fund is financed annually by the General Assembly and has received a total of \$40M in state investment since it was created. View the Slater portfolio at <http://www.slaterfund.com/portfolio/>.

In addition to direct seed funding, Slater also sponsors two related programs. The Entrepreneurial Fellows Program is funded by the National Science Foundation’s Rhode Island Experimental Program to Stimulate Competitive Research (R.I. EPSCoR) grant and is designed to provide exceptional students in science based university studies with an opportunity to interact with local life science firms. Slate Entrepreneurs-in-Residence allows prospective founders of new ventures space to get started and in-house expertise in start-up formation.

As with the State’s investments in workforce training and development, Rhode Island’s resources and investments for innovation and entrepreneurship are impressive, but in an economy struggling with persistently high unemployment it is important to demonstrate the return on investments. It is time to ask how these programs have performed in terms of new businesses and jobs created, and what the salaries and benefits of those jobs are.

Quality of Place and Infrastructure: Conditions & Resources

Overview

Cultural

A lively Rhode Island arts community and celebrations of ethnic culture

Diverse Ethnic Population

Active programs of historical preservation but moratorium on new projects eligible for the historic structure tax credit

Land Use, Transportation and Water

- Strong state land use plan in *Land Use 2025*
- Great potential for the former Providence Jewelry District
- T.F. Green Airport ranks fifth among best airports in U.S. ((Travel & Leisure)
- Lack of a truly high speed metro between Boston and New York
- Ports at Quonset Davisville and Providence
- New intermodal train station at T.F. Green Airport
- Intermodal train station at Wickford Junction
- Insufficient access to suburban jobs via public transit
- Aging infrastructure including deficient bridges

- Relative scarcity of land suitable for industrial facilities
- Water infrastructure in need of repair and strained in summer months
- Over reliance on trucks for containerized cargoes
- Increased use of short-sea shipping may emerge as a solution
- Over 10 miles of commercial waterfront
- Narragansett Bay as a valuable natural and cultural resource
- High value-added agriculture

Cultural Conditions

Closely connected to its tourism industry are the state's cultural conditions. Rhode Island is blessed with a diversity of ethnic groups, ethnic celebrations, and a lively arts community with numerous art events, cultural festivals and strong programs to preserve its history. All these things not only contribute to its attractiveness to tourists but also make the state an enjoyable place to live and work. The Rhode Island Historical Preservation & Heritage Commission recognizes our state's remarkable ethnic diversity and the contributions that immigrants from around the world have made to Rhode Island's social, economic, political, and cultural history. While studying these aspects of the state's development, the Commission strives to preserve the traditions of each ethnic group, foster pride in ethnic heritage, and promote a sense of brotherhood and understanding among our citizens. The Commission coordinates an annual heritage festival, sponsors studies of folk life and ethnic history, and works with other organizations to present educational programs about ethnic traditions and history. In addition, the Commission sponsors the Rhode Island Heritage Hall of Fame and has produced a series of booklets describing the histories of different ethnic groups in Rhode Island. These various projects are organized by representatives from more than thirty-six different ethnic groups (Go to: <http://www.preservation.ri.gov/heritage/> for a listing of events currently supported by the Commission).

Rhode Island's historic areas contribute significantly to tourism. The City of Newport is arguably the state's biggest tourist attraction, primarily because of its nautical heritage and the history preserved in colonial era architecture and 19th-century mansions along Cliff Walk and Bellevue Avenue. On a somewhat smaller scale is the village of Wickford in North Kingstown, whose shopping district is frequented by out-of-towners, especially during the yearly Wickford Art Fair. The Town of Bristol, whose downtown area also is distinguished by historic buildings, also contends for the tourist dollar as the site of the oldest continuing Fourth of July parade in the nation. In Providence, Benefit Street, Blackstone Boulevard and Atwells Avenue are among the historic neighborhoods popular with sightseers. Many visitors are also attracted to Roger Williams Park in Providence, with its many cultural and recreational features. These include a museum, zoo, paddle boats, greenhouse, carousel, picnic areas, and the Temple to Music.

In the northern part of the state, the John H. Chafee Blackstone River Valley National Heritage Corridor, created in 1986 with the cooperation of the federal government and the Commonwealth of Massachusetts, highlights past and present activities along the Blackstone River. These include a bikeway along the corridor that winds its way past 19th-century mill buildings and the waterfalls they harnessed for hydropower, canal boats wending their way down the Blackstone River, a textile labor history museum in Market Square in Woonsocket, the Museum of Work and Culture and Slater Mill National Historic Landmark, the birthplace of the American Industrial Revolution. The organizations involved in this undertaking include the National Park Service, the Blackstone Valley National Heritage Corridor Commission, the Rhode Island AFL-CIO, Main Street 2000, and the host communities Woonsocket, Pawtucket, Central Falls, and Blackstone, Massachusetts. In October, 2011 members of the Massachusetts and Rhode Island congressional delegations filed bills in the U.S. House of Representatives and

Senate to make the Corridor a national historic park. National park status would increase the visibility of the Corridor and further stimulate tourism in the region.

Block Island with its 17 miles of beaches and bluff and spectacular ocean views has been called the “Bermuda of the North” The Island affords visitors with wonderful opportunities to hike, bike and sail. The Towns of Charlestown, Narragansett and Westerly, in the southwest corner of the state, as well as Newport and Middletown on Aquidneck Island, provide beaches along the Atlantic, boating and cultural opportunities including Newport’s annual boat shows and various festivals at Ninigret Park and Shakespeare in the Park and the Chorus of Westerly.

Late in 2011 Governor Chafee announced that Newport had been selected to host the final stop of the 2011-2012 America’s Cup World Series in June and July 2012. The event promises to bring thousands of visitors to Rhode Island, showcase Narragansett Bay and the State’s sailing heritage and industry, and add over \$70 million and 400 jobs to the economy.

Land Use, Transportation and Water

The State’s Land Use Plan notes that the Interstate Highway System and its interchanges created a series of new sites with excellent potential for commercial and industrial development – large tracts of undeveloped land with easy access to high volumes of traffic. This continues to be an attraction to this type of development. While much of this land has been identified in municipal plans as future commercial and industrial sites, the implications of such development need to be carefully evaluated at both the State and local level.

The same holds true for large stretches of road frontage along major state and local highways and at their interchanges that are designated on Future Land Use maps for highway commercial/industrial or mixed-use development. Inasmuch as the value of this land is a product of public investment in the transportation infrastructure and its development will shape the perceptions, function and identity of the area, the State has a vested interest in these areas.

In the past 50 years, this substantially undeveloped acreage has encouraged much of Rhode Island’s commercial and industrial activity to move from the urban centers to the inner-ring suburbs, to be near, or nearer, the Interstate highways and airports. Large commercial and industrial enterprises are certainly drawn to them because so many goods move by truck nowadays.

The availability and apparent attractiveness of these sites portends future development further from the State’s existing centers, infrastructure, and concentrations of employable population. This creates a potential conflict with the desired development model established in Land Use 2025 that recommended limited development in large areas of the State lacking infrastructure, or having resource constraints; and a concentration of development and higher densities in areas having adequate facilities and services. The tenet “match the plant to the land,” should be applied in these situations. Where necessary, and only when infill or rehabilitation of exiting structures within the built environment or designated areas will not work, build new and extend the infrastructure, but do not do so haphazardly. Always work at the appropriate scale, and at the appropriate site.

The estimation of land needs for economic activities through 2025 is based upon an update and expansion of an analysis contained in State Guide Plan Element 212, the Industrial Land Use Plan. The analysis indicates that Rhode Island could need to devote slightly less than 36,000 acres of land (5.6 percent of total land area) to support economic activities in 2025. This is a 54 percent increase over the 23,300 acres in commercial, industrial, or mixed-use that existed in

1995. Examples of industrial land needing infrastructure improvements include the Tiverton Industrial Park, Bristol Industrial Park, and the West Warwick Industrial Park.²⁶ Investments are also needed in the area of maritime industry at Portsmouth's Melville Marine Trades Center in Portsmouth, Port of Providence, and Quonset West Davisville Commerce Park.²⁷ The release of some 380 acres of former Navy land from the Newport Naval Station presents opportunities for mixed-use and marine industry expansion.²⁸

Historic Tax Credits in Rhode Island

The Rhode Island Historical Preservation & Heritage Commission administers programs to help owners meet the costs of maintaining their historic properties. Among the mechanisms that the Commission uses are tax incentives, preservation easements, and low-interest loans. In addition to these financial incentives, restoration architects on the Commission staff help owners to plan their projects and make sure that the work meets preservation standards.

As of June 1, 2011, the Homeowner Tax Credit has been suspended and is no longer available to new applicants or to taxpayers who have outstanding credits. The Commercial Historic Tax Credit is also no longer available for new applicants, but remains in place for dozens of projects enrolled in the program before the end of 2007 that agreed to pay a higher processing fee and accept a lower credit than were originally in effect. A broad coalition of groups including historic preservationists, developers, representatives of the business community and affordable housing and urban revitalization advocates are actively lobbying the Administration and General Assembly for restoration of the Commercial Historic Tax Credit program in a modified form.

Transportation

Transportation access to and from Rhode Island is of paramount importance to economic development. The State is well served by land, sea, and air transportation options. The Northeast Corridor railroad line runs through the Northeastern mega-region. Interstate highways traverse the state; bands of arterial highways link urban and rural communities, and provide connections to the state's airports, seaports, rail lines, and commuter bus lines. Adequate transportation access to industrial and commercial sites is essential for continued economic expansion.

Networks of employment centers are shaped by transportation investments and transit. In the greater Boston Metro region, urbanization strongly follows both the MBTA/Commuter Rail investments as well as highways. The building of highways in Rhode Island (especially I-195, I-95, and I-295) provides good transportation access and has reshaped development significantly. Only a few highway interchanges in the most rural parts of Rhode Island are still sparsely developed and easy targets for new large scale developments. The increase in frequency of MBTA commuter rail services has benefited Providence and Northern Rhode Island. The extension of MBTA commuter rail to the recently completed Warwick Interlink now creates direct rail to air connections for travelers. In spring 2012 MBTA commuter service was extended to the south with the completion of the Wickford Junction Station in North Kingstown. The potential for adding MBTA commuter rail service to Pawtucket/Central Falls could significantly invigorate the economies of those older urban centers. In addition, future consideration will be given to potential passenger rail service to Woonsocket serving the Blackstone Valley region.

Ports and Marine Transportation

Waterborne transportation of goods is still the cheapest mode of goods movement, making Rhode Island's ports important to the economy. Narragansett Bay provides one of the best deep-water ocean ports on the East Coast. The bay has over 10 miles of commercial waterfront with piers and wharves to accommodate deep and medium draft vessels. Terminals are located in Providence, East Providence, and North Kingstown at the Quonset Business Park.

The Port of Providence, at the head of Narragansett Bay, has a 40-ft. channel, ranging from 600 to 1,300 feet wide. Bulk and general cargo is handled at 27 private and public docks in Providence and East Providence. The Port is a distribution center for petroleum products, and terminal for such cargoes as scrap iron, lumber, chemicals, cement, asphalt, and steel. Municipal Wharf in Providence has 4,750 ft. of berthing space, 35- to 40-ft. depth at mean low water, rail spurs, 265,000 sq. ft. of transit and storage space, and more than 45 acres of open storage areas. Areas of the Port of Providence and Port of Davisville have been designated Rhode Island Foreign Trade Zones by the Federal Trade Commission. United States Customs District Five is located in Providence, and there are five custom house brokers in the city. The port has three major piers with rail track and over 6,800 lineal feet of deep-water dockage. The Port of Providence handles liquid, dry and break-bulk cargoes.

The Port of Davisville, within the Quonset Business Park, is strategically situated between New York and Boston at the entrance of Narragansett Bay, and provides one of the best deep-water ocean ports on the East Coast. Major cargo arriving at the port includes automobiles, quarried stone, and general cargo. The Port of Davisville is the fifth-busiest auto importer in North America. Although plans for a very large port expansion did not move forward, an alternative form of marine transportation that may become more utilized in Rhode Island is short-sea shipping. Short sea shipping is commercial waterborne transportation that utilizes inland and coastal waterways to move commercial freight from major domestic ports to its destination via barges. Short sea shipping could reduce the number of large tractor trailers hauling a cargo on our highways contributing to highway congestion and air pollution. Additionally, ship yards at Port of Davisville, Providence and Bristol could build and service the barges and other coastal carriers filling this underutilized niche industry. The State continues to assess short sea shipping through its ports to relieve truck congestion on its highways and to stimulate growth of its marine industries and commercial warehousing sectors.

Public Transit

In 2008 the General Assembly designated the Rhode Island Public Transit Authority (RIPTA) as Mobility Manager for Rhode Island and assigned the following specific responsibilities:

- Provide public transit services that meet mobility needs of the people of the state, including the elderly and disabled.
- Increase access to employment opportunities.
- Connect different modes of public transportation, including rail, air and water service.
- Promote community design that features public transit services as defining elements of a community.
- Facilitate energy conservation and efficient energy use in the transportation sector by providing public transit services.
- Mitigate traffic congestion and enhance air quality.

RIPTA FY 2011 Ridership
Fixed Route Bus – 17,311,378
Flex Services – 291,524
RIde Senior/ADA/ Disabled Program – 641,534
Total Passenger Trips – 18,244,436

Currently, RIPTA operates fixed-route and Flex services throughout Rhode Island and provided more than 18.2 million passenger trips in FY2011. The following is a snapshot of the RIPTA fixed route bus transportation service:

- Operates 7 days a week in 34 communities on 56 bus routes.
- Owns a fleet of more than 200 vehicles.
- Brings about 1.5 million students and faculty members to local colleges and universities.
- Provides over 4.3 million discounted passenger trips each year to individuals with disabilities and those over the age of 60.
- Serves 37 Park and Ride lots throughout Rhode Island.

RIPTA also administers the Ride Program, Rhode Island's statewide paratransit program and other transportation programs, including Commuter Resources Rhode Island (CRRI), a program co-sponsored by the RI Department of Transportation and funded by the Federal Highway Administration, Commuter Resource RI offers the following services and information for the Rhode Island workforce and higher education population:

- Manages a range of programs to benefit all commuters in Rhode Island.
- Provides free transit service on Air Quality Alert Days.
- Cooperates with 12 of 13 colleges and universities to meet their needs through the UPASS program.
- Administers the Eco-Pass fare program, which was introduced in 2009 and encourages employers to fund transit trips. The program provides more than 100,000 rides per year and has new employers enrolling each month, diverting greater numbers of commuters from their autos to transit.

Rail

Commuter Rail

The Massachusetts Bay Transportation Authority (MBTA) operates weekday and weekend commuter rail service between Boston and Providence, with additional service to Warwick. There are currently sixteen inbound trips from Providence to Boston, which include ten inbound trips from Warwick; and fifteen outbound trips per weekday to Providence; seven of these trips continue on to the Warwick Intermodal Station; additionally there are three outbound trips from Providence to Warwick. There are sixteen round trips on weekends. Future commuter rail needs in Rhode Island include continuation of existing service to Providence and expansion of service south of Providence. The new Warwick Interlink station opened in November 2010 and the Wickford Junction station opened in April 2012. Additional stations are under consideration for Phase II service. Communities near proposed train stations are be cognizant of, and planning for, secondary growth impacts using Transit Oriented Development (TOD) and other smart growth tools.

Intercity Rail

Amtrak provides passenger rail service in the Northeast Corridor, with nine trains Northeast Regional trains operating each day in each direction. All trains stop in Providence and Kingston, eight trains stop at Westerly. Additionally, Amtrak operates 11 Acela Express trains between Boston and New York (each way) stopping in Providence. Ridership from Rhode Island's three stations in 2011 was 821,567, up 3.6 percent from 2010. Of this number 625,995 used Providence Station, 154,237 used Kingston, and 42,335 used Westerly. The Northeast Regional train competes favorably with air service to major cities along the coast including New York and Philadelphia. It does not compete well with air service to Washington, D.C. Future needs include continuation of existing service at reasonable prices; expanded Amtrak service to the recently completed Warwick Interlink Station which would provide better connections between rail and air transportation options.

Freight lines include the Providence & Worcester Railroad Main Line, Harbor Junction Industrial Track, Moshassuck Industrial Track, East Providence Running Track, Slatersville Secondary Track, and the Quonset Point/Davisville Industrial Track. Freight operations on all but the last line are conducted by the Providence and Worcester Railroad. Operations on the last line, which is entirely within the Quonset Business Park in North Kingstown, are conducted by the Seaview Transportation Company. The Newport Secondary Track right-of-way extends from Newport to the state line at Tiverton; however the bridge over the Sakonnet River was damaged and has been removed. A portion of the track on Aquidneck Island is operated by the National Railroad Foundation as a tourist railroad. There is no rail activity on the Tiverton section of the line.

Airports

There are six state-owned airports in Rhode Island operated by the Rhode Island Airport Corporation. T.F. Green Airport in Warwick is the primary commercial service airport (served by 6 airlines). Green had experienced passenger growth due to new terminal and parking facilities that opened in 1996 and the subsequent appearance of additional airlines and flights. However, the airport has experienced a 30 percent drop in the annual number of passengers since the peak in 2001 when there were a total of 5,530,393 passengers. In 2011 there were 3,883,548 passengers at T.F. Green. The terminal continues to undergo renovations related to security, terminal capacity, and separation of arriving and departing passengers.

Newport and North Central Airports serve general aviation. Quonset serves general aviation and the RI National Guard (Army and Air). Block Island and Westerly are also general aviation airports with limited commercial service between the two. The airport is especially important to Block Island for emergency service.

Warwick Interlink Station

The Transportation Equity Act for the 21st Century (TEA-21) enacted in 1998, authorized \$25 million for a new Amtrak/commuter rail station and automated people mover connection from the Northeast Corridor to T.F. Green Airport in Warwick. In an effort to reduce traffic congestion on the local roads in the airport area, a public / private partnership with the R.I. Airport Corporation (RIAC) and the rental car agencies was established to develop a multimodal consolidated rental car facility. The facility centralizes all existing and future ground transportation services, commuter rail, RIPTA and intercity bus, and rental cars. The Warwick Interlink Station is connected to T.F. Green Airport by a 1,300 foot skywalk with moving

sidewalks. The facility opened in November 2010 and provides MBTA service between Boston and T.F. Green Airport.

Water

In 2010, 92% of the State's resident population is served public water by the 28 major water suppliers and 458 small public systems of the State. The 28 major water suppliers (and the smaller public systems of Richmond and Block Island) provide the majority of this water (98% of this 92% or 116 MGD). The 458 small public systems supply the other two percent (2%) of public water (about 3.0 MGD.) The remaining portion of the population is served by private wells (self-supply) and is estimated at eight percent (8%) of the State's resident population. The total amount of persons on private wells varies by each region with the highest percentage (nearly 30%) in the Southern Region. The Water Resources Board staff estimates that total water use statewide in 2010 is 134 MGD and that 120 MGD of that use is from public suppliers.

Presently, Rhode Island on a statewide basis has a reasonably adequate supply situation. The statewide average daily use is equal to about ½ of the maximum statewide daily capacity of the public suppliers. However, just using Statewide averages masks problems: water may not be always available when and where needed.

- Northern RI has generally adequate supplies.
- Southern RI is groundwater dependent, and lacks storage capacity therefore water is not always available when and where needed.
- Aquidneck Island has shallow reservoirs with developed watersheds and raw water that is challenging to treat.
- On other Islands, growth is stressing available supplies.

Residential and commercial customers now account for 75% of all water used. Climbing summer peak water use is now one of the biggest water use issues due to strain placed on existing water supply infrastructure. The summertime daily water use in suburban communities increases from 50 to 155%. Household use averages 58-72 gallons per person each day in winter. In summer, outdoor nonessential water use such as, watering lawns, increases this use an additional 30-50 gallons daily per person. Unlike all other uses, residential water use now doubles or triples in the summer when supply is at its lowest, mostly driven by factors such as residential lawn irrigation. In some areas of the State this is compounded by the influx of summer tourism that uses the same groundwater supplies. This is concerning for economic development for those areas where water is not always available when needed. Locating new large water users after meeting human needs could be problematic in these areas. We need to ensure that adequate and reliable water is available to grow our economy. This summer peak is especially hard for areas supplied by groundwater because of lack of storage for drinking water and use of groundwater wells intercept water that feeds streams and rivers precisely when flows are lowest.

A variety of different rate structures are used throughout the State. In 2010, the Block Island Water Company had the highest rates in the State at \$1,075 per 60,000 gallons annually while the Smithfield Water Supply Board had the lowest rates at \$175 per 60,000 gallons annually.²⁹ The average normalized annual cost for Rhode Islanders is about \$345 per household. Rhode Island continues to strive for more effective demand management, reuse and recycling of water including in the commercial use of water. RI Legislation enacted in 2009 establishes requirements for more effective demand management strategies to be employed by public water suppliers.

There are concerns about the adequacy of water supply for use at the Quonset Business Park at full build out because the park shares the water source with two other large suppliers. There are also concerns about the inadequate availability of water supply in some areas of the State for high volume users because water is not always located where it is needed or available in sufficient quantities for all uses at all times. Our water infrastructure is some of the oldest in the country and it is aging and maintenance projects to improve it are backlogged. The former Economic Policy Council reported that a large portion of Rhode Island's water delivery infrastructure is reaching the end of its expected life and in 2007 the infrastructure replacement plans totaled \$833 million.

Industries that enhance Rhode Island's Quality of Place

Tourism

Rhode Island's tourism industry is a major component of economic development. An HIS Global Insights study estimated that visitors injected \$3.56 billion into the Rhode Island economy in 2010 alone (the last year of complete available data). The tourism sector supported 42,000 direct and indirect Rhode Island jobs in 2010 (9.3 percent of the state's job base in 2010) and generated \$541 million in state and local tax revenue. Tourism contributes disproportionately to state and local tax revenue. While total tourism is responsible for 5.0% of total RI GSP, it contributed 8.4% of all RI state government revenue. If tourism didn't exist, each RI household would have to pay \$1,310 more in taxes to maintain the current level of state and local tax receipts.

Rhode Island may be small, but it packs a cultural and scenic punch. Within Rhode Island's borders is one of the largest concentrations of historic landmarks in the nation, a vibrant arts and cultural scene, miles of pristine coastline and some of the most acclaimed dining establishments in the country. Providence, ranked third in the U.S. for food and drink by Travel & Leisure magazine,³⁰ is never more than a 45-minute drive from anywhere in the state - from the beaches of Narragansett to the City-by-the-Sea, Newport, to the farms and bucolic beauty of Northwestern Rhode Island. Providence is becoming a hotspot for both business and leisure travelers with more than 2,200 moderately priced hotel rooms, the Providence Place Mall, the Rhode Island Convention Center and a rich theater and cultural scene.

Commercial Fisheries

Rhode Island commercial fisheries supported approximately 1,454 license holders and an estimated 2,500 fishermen including crew in 2011. In 2011 the estimated that the economic contribution of the sector to Rhode Island's economy included \$763.3 million in sales, \$240 million in income and supported 8,995 jobs.³¹ Landings of groundfish, squid, shellfish, and lobster provide the mainstay of the industry. This value does not include indirect sales, exports, or purchases of supplies and services, or the workforce of those sub-sectors, suggesting the total value of the industry is much higher.

In 2010, NOAA imposed more restrictive quotas on fisheries that raised intense debate. Balancing commercial seafood harvests and maintaining sustainable fish stocks requires constant attention and monitoring for the potential social and economic impact on our seafood industry in New England in general and Rhode Island fisheries in particular. These changes and broader trends in North East commercial fishing led the Cornell Cooperative Extension to conclude that "the commercial fishing industry's (overall) economic performance and contributions to greater Rhode Island's economy has declined."³² Given the commercial seafood industry's close identification with the "Ocean State," this issue is a matter of ongoing

concern. State fisheries regulators and representatives of the industry are collaborating on a sustainable fisheries initiative to preserve and enhance both the resource and the industry.

Marine Recreational Fishing

NMFS estimated that in 2009 111,000 Rhode Islander and 209,000 out-of-state recreational anglers made a combined 1.62 million recreational fishing trips from Rhode Island ports and marinas. NMFS calculated that the combined value of angler trips and durable expenditures brought \$124 million to the Rhode Island economy that year.³³ Beginning in 2010 the State began a new RI recreational saltwater fishing license program, combined with its existing party and charter boat license program in compliance with amendments to the Sustainable Fisheries Act. In 2011, the first full year of the program, the State raised \$244,000 after expenses. The funds are held in a restricted receipts account to be used to support marine fisheries projects associated with recreational fishing.³⁴

Agriculture & Green-related industries

In 2011, the state-level contribution of green-related industries was \$1.8 billion in direct and indirect revenues, and 12,370 jobs. Landscaping services, landscape architecture, florists, and nursery/garden supply stores brought in almost \$1.1 billion in annual revenues and employed 6,470. The estimated revenues of Rhode Island's golf courses and country clubs were about \$2.6 million, accounting for over 2,810 jobs. The conservative estimate for farm revenues is \$2.7 million, accounting for 2,330 jobs³⁵

According to New England Field office of the National Agricultural Statistics Service (NASS), in 2007 Rhode Island ranked first in the direct market sales as a percentage of all farm sales.³⁶ Rhode Island farms make efficient use of agricultural land ranking fifth nationally in agricultural market value per acre. Rhode Island ranks third in the nation in the value of per farm sales of fresh fruits and vegetables sold directly from the farm to consumers.³⁷ The state ranks 7th nationally in the percentage farms with direct sales.³⁸

Rhode Island's prime farmland is an irreplaceable natural resource.³⁹ Rhode Island once had significantly more farmland.⁴⁰ One major reason for loss of farmland in Rhode Island is the spread of residential and commercial development into suburban and rural areas of the state. Development pressures have greatly increased the value of agricultural lands. In fact, the value of Rhode Island farmland (\$12,500/acre) is the highest in the country.⁴¹ This situation increases property taxes, results in high estate taxes when farms pass from one generation to the next and means that young farmers cannot afford to acquire land. The average age of farmers in Rhode Island is 54, and many are years older. If their own children do not want to farm, and young farmers can't afford to purchase farms, then farms will be sold for other uses.

Rhode Island has taken steps to address some of these issues. The Farm, Forest and Open Space Act enables municipalities to tax farmland (as well as forest land and open space) at its current use value rather than at the use value for which it is zoned. Land Use 2025 recommends that communities use tools such as land acquisition, purchase of development rights, transfer of development rights, and conservation development to preserve land for farming. Rhode Island also established the Agricultural Lands Preservation Commission in 1981 and charged that body with allocating state bond funds to purchase development rights from farmers who needed to pull some cash out of their land but also wanted to keep the land in active agriculture.

Aquaculture

Rhode Island is a producer of farm-raised shellfish, including eastern oysters and northern quahogs, the 2008 farm gate value reported as \$1,692,195, up from \$1,587,857 in 2007 and the 2009 value increased to \$1,785,135. The eastern oyster is the number one product in terms of production and value over 2.5 million pieces sold, representing 99% of the farm gate value total. There are 33 companies cultivating shellfish in Rhode Island (2007) with 134.5 acres under lease. The State Department of Environmental Management (DEM) operates three trout hatcheries and a warm water hatchery for stocking of species such as largemouth bass. Other species of interest include: blue mussels and bay scallops.⁴²

Forestry

As of 2008, Rhode Island's 348,400 acres of forest land represented 52 percent of the state's land area reflecting a 12 percent decrease since 1985. Most of this land is timberland i.e. it is capable of growing trees that can be used for forest products. Despite the decline in the state's forestland, the remaining forests have matured. The growing tree stock volume increased from 1985 to 2006 by 57 percent and saw timber volume increased by 81 percent during the same period to an average of 3,875 board feet per acre. Wood production exceeded 1,200 MBF per year by 2008.⁴³

The forest products industry in Rhode Island is small in relation to other business sectors but is an important component of the economy, representing approximately 3.3 percent of all manufacturing jobs in the state. The annual payroll income of the lumber and wood products industry totals over 22 million dollars. Employment in the forest related sector includes three categories: harvesting trees, processing lumber and wood products, and secondary processing.⁴⁴

Fuel wood is the leading forest product in Rhode Island in terms of volume, accounting for about 50 percent tree volume harvested.⁴⁵ Saw logs account for about 32 percent of tree volume harvested in Rhode Island.⁴⁶ Other timber products include bark, chips, mulch, sawdust, shavings, slabs and edging.

Some attributes such as the aesthetic, social or cultural value of forests are difficult to measure but obviously have a positive impact on Rhode Island's quality of life. DEM/DFE's 2003 survey of forest landowners found the most important reason people own forest of Rhode Island is that they want to live in a forest setting. Home sites in a forested setting may be more attractive to potential buyers. A study on Aquidneck Island found property values 3 to 12 percent higher associated with properties closer to open space. The impact differed with the type of open space, size of the open space parcel, and distance between the home and open space parcel.⁴⁷

Part III: Vision – “Where do we want to be?”

This section of the Update provides the vision and objectives from Rhode Island’s Economic Development Policies and Plan; State Guide Plan Element 211 (2002), and describes where we want our state economy to be.

Vision

To foster and maintain a vigorous economy able to provide an adequate number and variety of activities that generate wealth for the people of the state.

Objective A: Employment

Provide at least 34,200 new employment opportunities for Rhode Island residents, by the year 2020, achieving and maintaining full employment and reducing underemployment.

Objective B: Facilities

Work with economic development practitioners to encourage sustainable industrial and commercial development that advances the long-term economic and environmental well-being of the state, and is consistent with the State Land Use Policies and Plan, the Industrial Land Use Plan, and other applicable elements of the State Guide Plan.

Objective C: Climate

Maintain a business environment conducive to the birth, sustenance, and growth of suitable industry and commerce.

Part IV: Action Plan – “How do we get there?”

This part of the Update presents our action plan or policies from the Economic Development Policies and Plan to help implement each of objectives listed in Part III.

Policies to achieve Objective A: Employment

Improve opportunities for productive employment with highest priority given to those economic development activities that have the potential to upgrade the skill and wage levels of the state’s resident labor force. Target public economic development assistance of any type to those applicants that can increase the average wage rate in their industrial sectors.

Promote expansion and recruitment of industries that offer career opportunities for both our secondary and post-secondary school graduates.

Encourage and expand those social services, both in the public and private sector that are necessary to facilitate the broadest labor force participation, including training, job placement, child care, health care, and transportation services.

Promote and develop the use of mass transit in order to eliminate spatial barriers to employment opportunities. Encourage development in densities high enough to facilitate the economical provision of mass transit.

Emphasize diversity of industry toward those sectors that demonstrate a steady employment pattern, avoid seasonal layoffs, and withstand cyclical downturns of the economy.

Expand educational and job-training opportunities that have as their primary objective providing the state’s labor force with those marketable skills sought by employers that provide above average wage rates. Provide lifelong training and education opportunities that make the labor force competitive.

Eliminate barriers to employment based on race, gender, disability, sexual orientation, or ethnic origin through education and training as well as consistent enforcement of applicable laws.

Encourage communities to plan for and accommodate the socioeconomic impacts of industrial and commercial development, such as by providing a variety of housing options to meet the needs of the local labor force.

Encourage industry, particularly those that employ urban populations, to locate in urban areas and to take advantage of public and alternative transportation modes where feasible.

Policies to achieve Objective B: Facilities

Reclaim brownfields by environmental remediation and encourage use of the “built environment.”

Conserve and enhance desirable existing industrial areas, office complexes, and concentrations of service activities to maximize the investment and utilization of existing infrastructure. New or expanded public sewer and water services and highways should be provided to industrial and commercial development only where such development is appropriate in terms of the natural constraints imposed by the land, air, and water in the immediate vicinity of such development,

and where the area is being developed at an intensity that is consistent with state land use policy, and when such development will not promote wasteful use of resources. When possible, an industry's needs should be matched with the appropriate site in order to maximize the return on the infrastructure investment.

Ensure adequate investment to maintain and improve a balanced, intermodal transportation system that meets the needs of the state's commerce and labor force. Make the transit system and intermodal connections user-friendly for all members of the riding public. Maintain shipping channels and recognize the economic potential of T. F. Green Airport and other state airports.

Encourage higher densities, mixed uses, careful design, transit and pedestrian-friendly land use and development patterns, and location near existing hubs and corridors to avoid "sprawl." Maximize the use of alternative modes of transportation, such as bicycling, walking, and mass transit.

Relate industrial and commercial development to overall land use by promoting the use of development controls and performance standards that mitigate conflicts with other land uses and activities.

Encourage investment by the public and private sectors that will stabilize and improve housing and commerce in deteriorating urban areas.

Promote the control of land development along arterial highways in order to preserve their functional integrity, capacity, safety, and appearance.

Contribute to the stabilization and redevelopment of central business districts through the provision of supporting services such as transportation access, parking, utilities, and police and fire protection, as well as the adaptive reuse of historic buildings that contribute to the commercial and cultural economic base of these areas. Public subsidy enticements to industries other than traded industries should only be considered where they contribute to the stabilization and redevelopment of such areas. Viable economic reuses should be found for historic buildings that can contribute to the economy.

Designate sites in developing communities and in or near smaller urban centers in rural communities for industrial or commercial development as needed to meet state and municipal economic objectives. Select locations with natural characteristics favorable for economic development that have or can be supplied with the public facilities and services necessary to support the type of economic activity planned, and that are readily accessible to a labor force. These locations must also be consistent with the general development patterns set forth in the state land use policies and plan element and with all other applicable elements or provisions of the State Guide Plan. Sites selected, and the economic activities that use these sites, should be compatible with the scale, historic character, and other aspects of the surrounding community.

Locate industrial development causing other than domestic waste discharges in areas served either by public sewerage systems or by appropriately permitted and maintained private systems.

Support agricultural base to include turf, ornamentals, vineyards, forestry, field crops, dairy and livestock. Seek alternative niche markets to support smaller, more diverse farms. Promote the preservation of prime farmland and provide the technical support to keep agriculture environmentally and economically sustainable.

Encourage development of sport and commercial fisheries both inshore and offshore up to levels of maximum sustainable yield by supporting the provision of appropriate infrastructure, research and training facilities, aquaculture, management activities, and enforcement of water quality standards. Reserve suitable port access areas for commercial fishing vessels. Encourage new industrial development in the coastal zone that places a priority on the maximum efficient and appropriate utilization of existing marine infrastructure, such as the Port of Providence and Quonset Davisville.

Encourage areas used for commercial development to be selected and configured to make the most efficient use of scarce shoreline locations.

Promote tourism as a major industry, and encourage and support the use of the wide range of facilities that make up the industry's infrastructure.

Encourage the reuse of industrial land as industrial land to the maximum extent feasible.

Note areas most vulnerable to natural hazards and locate development away from these areas whenever possible. Provide appropriate mitigating measures wherever such hazards exist.

Policies to achieve Objective C: Climate

Promote the implementation of a growth development strategy giving priority to economic development programs directed at the promotion, maintenance, and expansion of existing firms.

Encourage and promote locally and regionally initiated economic development efforts as set forth in the economic development elements of local comprehensive plans.

Attract and give assistance to those types of industry that best capitalize on Rhode Island's strengths, and are potentially most beneficial to the state's employment, the needs of firms, resources, fiscal soundness, and related development goals.

Expand all markets, in state, national, and international, for the state's products and services, through improved communications and promotion.

Encourage reservation of prime industrial sites through protective regulation or acquisition, recognizing the importance of factors such as topography and soil characteristics, availability of water and sewer service, access to transportation facilities, proximity to water bodies, and availability of labor.

Maintain public infrastructure, both structural (physical) and non-structural (social). Provide additional infrastructure where it is clearly demonstrated as necessary and in a manner that will protect the long-term health of the state's natural and fiscal resources.

Recognize Rhode Island's quality of life as an asset that improves the state's "business climate." Protect and enhance the quality of life by promoting sustainable development.

Recognize cultural diversity and heritage as major assets to be protected and promoted.

Recognize Narragansett Bay as a major economic resource.

Encourage initiatives to ensure a competitive and fair tax environment for all Rhode Island residents and businesses.

Work with local government officials to study and better understand the relationship between land use and property tax.

Recognize education as an essential component of economic development.

Encourage and promote initiatives aimed at creating competitive utility rates.

Enhance the affordability and reliability of the state's energy supplies by pursuing energy conservation and supporting wider use of indigenous renewable energy resources where environmentally benign and economically feasible.

Part V: CEDS Projects as Catalytic Projects: “How would the projects on the Project Priority List (PPL) help to implement the Action Plan?”

This part of the Update describes projects on our PPL and how they will help implement our objectives. It also lists projects that have been funded by the Economic Development Administration since 2002.

The Rhode Island Comprehensive Economic Development Strategy provides the opportunity to implement the policies of the Economic Development Policies and Plan and local (municipal) comprehensive plans with specific, directed development proposals. Project proponents are required as part of the application process to cite at least one specific objective and policy from the Economic Development Policies and Plan that each of their projects fulfills. With their CEDS application, they receive a list of all the objectives and policies in the Plan. Most applicants are able to cite more than one policy, often several policies, that their projects will help implement.

As noted previously, CEDS staff solicited proposals throughout the year and instructed applicants to provide a brief project narrative answering questions related to job generation, wages, funding sources, partnering, and so on.

Statewide Planning staff scored and ranked the projects, recommending projects as candidates for CEDS Certification. The Rhode Island State Planning Council considered and approved CEDS Certification at various times throughout the year based on recommendations both the CEDS Subcommittee and the Technical Committee. By approving this report the State Planning Council formally establishes Rhode Island’s Project Priority List for 2011.

State of Rhode Island CEDS Project Priority List – 2011

Warren, RI, Hope & Main Culinary Business Incubator

- Warren, RI and Hope & Main are seeking \$1.2 million from the EDA. The Hope & Main culinary business incubator is a coordinated approach to economic development designed to offer culinary workspace, teach business skills and jumpstart early-stage food companies. The Hope & Main project involves the adaptive reuse of a Town-owned 17,500 square foot vacant, historic school on Main Street in downtown Warren. Specifically the project aims to provide:
 - Four commercial kitchens (including a demonstration kitchen and classroom/studio);
 - Cold and dry storage;
 - Food processing center and loading dock;
 - A business center to accommodate marketing, e-commerce, labeling, packaging, and shipping;
 - A flexible rentable event facility for catered events and meetings;
 - A weekly Town Market for farmers, fisherman, and clients to sell specialty food products; and
 - Educational programming on the use of culinary equipment and marketing.

The project is a true public/private partnership intended to create a range of job opportunities for a spectrum of people--those with food industry experience (such as Rhode Island’s young culinary school graduates) to those who have a food idea that they wish to pursue. Based on the success of similar projects, Hope and Main projects it will create 99 direct and 236 indirect jobs over the course of its first three years of activity. Hope & Main’s business model is based

on a needs assessment of aspiring local food entrepreneurs and an evaluation of comparable facilities nationwide. This work documents a strong regional demand for accessible commercial kitchen facilities—presently unavailable anywhere in Rhode Island. Warren's proximity to farms, fishing, food markets and restaurants presents a unique opportunity to start and sustain a business in the rapidly growing specialty food market. Hope & Main LLC is a private non-profit organization acting in cooperation with the Town of Warren, a special purpose unit of government engaged in economic development activities.

Division of Planning staff have reviewed the proposed project and found it to be consistent with the state guide plan, found it to include the necessary match for an EDA grant; and found that the project will help implement the state's Economic Development Policies and Plan. Score 63 points. This project received CEDS Certification on 9/15/11.

Resubmission of Town of Johnston and Rhode Island Resource Recovery Corporation Sewer Line Project

Rhode Island Resource Recovery Corporation (RIRRC) and the Town of Johnston are seeking \$3.4 million to construct 12,300 feet of sewer line that will connect the following entities to Narragansett Bay Commission's (NBC) wastewater treatment facilities:

- 1).All RIRRC operations including waste disposal, recycling, composting, construction and demolition debris, and hazardous waste collections.
- 2) All current and future Lakeside Commerce Center Industrial Park businesses.
- 3) Ridgewood Electric Power Generating Plant
- 4) A number of businesses in Johnston that will be able to connect to the proposed line.

Implementation of this project will solve the need for increased wastewater capacity required by the above named businesses and facilitate compliance with treatment limits as mandated by State regulators. Beyond capacity and compliance, the following benefits will result from implementation of this project:

- Generate 210 additional direct jobs
- Preserve 303 existing direct jobs
- Permit expansion to extend the landfill life by 20 years and preserve below market tip fees for Rhode Island municipalities.
- Significantly increase the amount of RI renewable energy produced.
- Reduce CO2 emissions thereby reducing greenhouse gases produced.

Division of Planning staff have reviewed the proposed project and found it to be consistent with the state guide plan, found it to include the necessary match for an EDA grant; and found that the project will help implement the state's Economic Development Policies and Plan. Score 49 points. This project received CEDS Certification on 9/16/10.

Westerly RI, Bay Street Infrastructure

The Town of Westerly seeks \$1,000,000 in EDA Public Works grant assistance for infrastructure improvements (street drainage rehabilitation, water line replacement, utility duct bank, and street repair). Funding partners in this project include the Watch Hill Fire District and the Watch Hill Conservancy. It is anticipated that this shovel-ready project will spur reinvestment in Bay Street commercial properties, including a projected potential \$52 million in rehabilitation and new construction (including the \$4.6 million infrastructure project) that could generate over 1492 short term direct effect jobs (based upon the RIMS II multipliers for construction). The long term result for the area would be 181 direct effect, local work force-appropriate jobs. Long term Bay Street employment would benefit from sustaining 500-650 current jobs in retail, real estate management, accommodation, and hospitality, while adding approximately 130 jobs to the current market mix. EDA funds will close the gap between local available funds and funds needed to complete the project. The project area is within a designated Urban Services Area.

Division of Planning staff have reviewed the proposed project and found it to be consistent with the state guide plan, found it to include the necessary match for an EDA grant; and found that the project will help implement the state's Economic Development Policies and Plan. Score 46 points. This project received CEDS Certification on 5/12/11.

Quonset Development Corporation, Compass Circle Extension

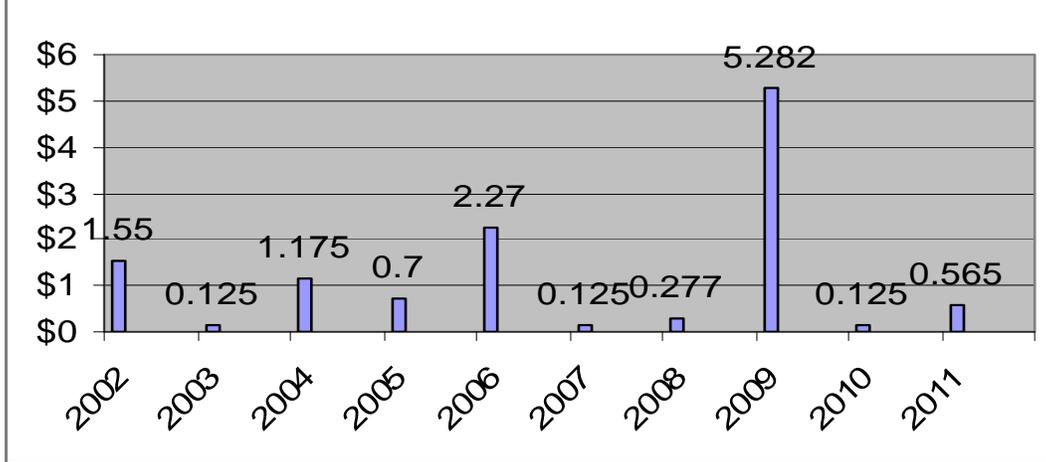
The Quonset Development Corporation (QDC) is requesting a grant from EDA for \$440,000 to construct a new roadway and utilities to gain access to a 60 acre parcel by extending an existing road called Compass Circle (an EDA project completed in 1999). The roadway portion of the project includes approximately 700' of 2 lane roadway with water, sewer, natural gas, storm drainage, and fiber optic cable. There is a wetland crossing which will be accomplished via a box culvert. Six foot shoulders will accommodate bicyclists and pedestrians. There is excellent highway access to Route 403, Route 4, and Interstate 95. Due to the topography of the site and the wetlands constraints, a rail spur is not considered to be feasible at this time.

Division of Planning staff have reviewed the proposed project and found it to be consistent with the state guide plan, found it to include the necessary match for an EDA grant; and found that the project will help implement the state's Economic Development Policies and Plan. QDC estimates that upon completion this project will create 275 jobs paying an estimated average salary of \$40,000 per year. Division of Planning staff have reviewed the proposed project and found it to be consistent with the state guide plan, found it to include the necessary match for an EDA grant; and found that the project will help implement the state's Economic Development Policies and Plan. Score 44 points. This project received CEDS Certification on 5/12/11, and received an EDA grant in the amount requested in December 2011.

EDA Investments in Rhode Island, 2002 - 2011

The graph below indicates total dollar investments made by the federal Economic Development Administration in Rhode Island since 2002.

Figure 11
EDA Investments in Rhode Island,
2002 - 2011
(Millions)



EDA Investments in Rhode Island, FFY 2002-2011

The table below lists EDA investments in Rhode Island for the FFY 2002-FFY 2011 period. Some \$11.7 million dollars was invested in Rhode Island for the period of which \$9.82 million or 83.9 percent was in the area of public works.**

** This does not include approximately \$15 million in disaster funds from EDA in response to the spring floods of 2010 (see page 15).

**Table 3
EDA Approved Investments in Rhode Island FFY 2002-2011**

	Category	Amount
FFY 2002		
City of Newport	Public Works	\$1,000,000
Rhode Island College	Economic Adjustment Strategy	\$40,000
Town of West Warwick	Technical Assistance	\$15,000
FFY 2003		
RI Department of Administration	State Planning	\$125,000
FFY 2004		
RI Department of Administration	State Planning	\$125,000
PPAC	Public Works Completed	\$1,000,000
Town of Smithfield	Economic Adjustment Implementation	\$50,000
FFY 2005		
RI Department of Administration	State Planning	\$200,000
PCHC	Public Works Completed	\$500,000
FFY 2006		
City of East Providence	Waterside Drive - Under way	\$2,000,000
Business Innovation Factory	Economic Adjustment Implementation	\$270,000
FFY 2007		
RI Department of Administration	State Planning	\$125,000
FFY 2008		
RI Department of Administration	State Planning	\$125,000
City of Providence	Urban Planning	\$50,000
University of Rhode Island	University Center Assistance - Under way	\$102,000
FFY 2009		
University of Rhode Island	Technical Assistance	\$102,116
RI Department of Administration	State Planning	\$100,000
Quonset Development Corp.	Public Works – Completed	\$3,880,000
Roger Williams University	Public Works - Completed	\$1,000,000
City of Providence	Technical Assistance	\$100,000
Greater Prov. Chamber of Commerce	Planning Grant – Knowledge Economy On going	\$100,000
FFY 2010		
RI Department of Administration	State Planning	\$125,000
FFY 2011		
RI Department of Administration	State Planning	\$125,000
Quonset Development Corporation	Compass Circle Funded	\$440,000

Part VI: Evaluation

In this section of the Update, we evaluate the Rhode Island CEDS process especially in light of our scoring criteria which is contained in the following three categories: job creation and workforce development; environmental, land use and socio-economic factors; and partnering, funding and permits.

Job Creation and Workforce Development

The scoring criteria in this category rewards project applicants for job creation, jobs with higher salaries with benefits; and the inclusion of a training component for likely employees. The 2011 CEDS process resulted in four projects with 1,011 projected direct jobs. The projects reflected an average salary of \$34,300 per job. Half of the projects would provide education and training of likely employees.

Environmental, Land Use and Socio-Economic Factors

One of the eligible projects on the 2011 Project Priority List would result in remediation of brownfield sites and/or rehabilitation of historic structures or other buildings. 100 percent would be located within urban services boundary established by the state's land use plan Land Use 2025. Fifty percent of the projects would use a technology or practice, above and beyond that which is required by regulation (e.g. technologies to conserve water or energy, mitigate air and water pollution).

Three of the projects or 75 percent are located in census tracts where the per capita income was between 61 and 80 percent of the state average. One project is located in a census tract above 81 percent of the state per capita income; it did not provide a plan to recruit employees from census tracts below 81 percent of the state per capita income.

Partnering, Funding and Permits

All but one project on the 2011 Project Priority List had matching amounts that exceeded the minimum federal matching requirement of 50 percent. Three of the projects involved partnerships between two or more entities each contributing funds or matching resources. In terms of project readiness, all projects have or have applied for all their approvals and permits.

Evaluation Summary

The CEDS process did well in attracting projects with a fairly large job projections associated with them. The average salary for projected positions associated with these projects (\$34,300), however, was below the 2010 state average private sector salary of \$41,320. 2011 project applicants did show a general willingness to provide training to potential employees. All of the projects are located within urban services boundaries and are located within census tracts with per capita incomes less than the state average. Three-quarters involve partnerships. Future projects could do better in job creation and higher projected income per job created.

Goals for the Coming Year

Support the update of the Economic Development Policies and Plan; the state's guide plan being prepared under the auspices of the Sustainable Communities grant.

Solicit new job-producing CEDS projects and evaluate project applications.

Provide technical assistance to potential applicants to enhance the competitiveness of their project proposals.

Appendix 1

State of Rhode Island CEDS Project Priority Lists – FFY 2010 & 2009

2010 PPL

Mosaico Community Development Corporation

\$2,150,000 is requested by the Mosaico Community Development Corporation for the acquisition and rehabilitation of an 186,000 square foot industrial mill complex in Bristol formerly known as the Kaiser Mill. The goal of the project is to rehabilitate the mill complex into a vibrant business center offering employment and workforce training opportunities for neighborhood residents. The mill is a Brownfield site that has experienced considerable physical and aesthetic deterioration. A total of 766 jobs (direct and indirect) are projected as a result of this project. Score: 48 points.

Highland Business Center

\$650,000 is requested by the Economic Development Foundation of Rhode Island Inc. for the construction and leasing of a 20,000 square foot, multi-tenanted, flexible manufacturing building in the Highland Corporate Park in Cumberland. The project is designed to accommodate the needs of small firms for quality, flexible manufacturing space in the 1,000 to 5,000 square foot market. The project will be owned and leased by the Economic Development Foundation of Rhode Island, Inc. A total of 109 jobs (direct and indirect) are projected as a result of this project. Score: 31 points.

NBC Wind Turbine Project

\$1M is requested by the Narragansett Bay Commission for the installation of a utility scale wind turbine at the Field's Point in Providence. The wind energy project will supply a clean renewable source of electricity to the Commission's wastewater treatment facility. A total of 16 jobs (direct and indirect) are projected as a result of this project. Score: 48 points.

Pawtucket Armory Center for the Arts

\$114,689 is requested by the Pawtucket Armory Center for the Arts for gutter replacement of the Center; a component of Phase III of the Armory Project. The other Phase III components include window replacement, mason work, crenellations work and turret repair. The work would be part of the efforts to transform the Pawtucket Armory into the home of Gamm Theatre and the JMW Arts High School. A total of 174 jobs (direct and indirect) are projected as a result of this project. Score: 44 points. The Pawtucket School Committee voted in May, 2010 to move the JMW Arts High School out of the Armory. The withdrawal of \$180, 000 in rental payments from the school caused the Armory to go into receivership in 2011.

Enhanced Youth Training Job Training and Business Incubator

\$500,000 is requested by the City of East Providence for the acquisition, build out and facility upgrades to the East Providence Youth Center for the purposes of creating an enhanced training and subsidized employment continuum administered through the East Bay Community Action Program. The project proposal will seek to acquire and complete renovations to a 7,300 square foot vacant building located on Waterman Avenue, and convert the facility into a two-tiered service facility. The proposal will fund the establishment of the enhanced training facility within the building, occupying about 50 percent of the existing space and the establishment of an onsite business incubator within the remaining portion of the building. The building is currently for sale. A total of 177 jobs (direct and indirect) are projected as a result of this project. Score: 28 points.

Ann & Hope Business Incubator

\$500,000 is requested by the Town of Cumberland to create a business incubator and neighborhood commercial center in an underutilized historic mill located in a low-moderate income area on the Blackstone River. The incubator will be located on the upper floors while the commercial space on the ground floor will provide shops and services. The project includes the acquisition of the second floor of southeast building as a condo unit, architectural design for improvements to create a business center, basic improvements for shared facilities, stairs and moveable partitions; and project coordination, permit applications and legal services. A total of 427 jobs (direct and indirect) are projected as a result of this project. Score: 45 points.

Branch Village Growth Center Sewer Improvements

\$1,760,583 is requested by the Town of North Smithfield for sewer improvements to implement the development and revitalization plan within the Branch Village district. The plan seeks to provide a pad-and-rehab-ready development site to accommodate new business investment. A total of 1,906 jobs (direct and indirect) are projected as a result of this project. Score: 37 points.

2009 PPL

Weybosset Mills Entrepreneurial Center and Creative Business Incubator

\$1M is requested for the retrofitting of a property in an industrial section of Olneyville to create incubator space for small/mid-sized manufacturing, green industries, technology and creative businesses. An estimated 160 jobs (80 direct; 80 indirect) are expected to be created as a result of this project. This project scored 70 out of 100 points.

ProvPort

\$1.496M is requested for the redevelopment of a former city landfill for a lay-down area and public access areas with a boardwalk, extension of existing Providence-Worcester rail lines and the refurbishing of Berth 6 with dock and lot repairs, upgrading of drainage and the relocation of security checkpoints. The lay-down area involves the development of about 20 acres of open land south of Berth 6 as a paved lay-down storage area for port use. The extension of the rail lines involves the building of a looped rail system within ProvPort increasing the number of rail cars from 15 to 50 allowing the expansion of the transportation of goods. The refurbishing of Berth 6 involves the construction of a dock and repairs to adjacent land including the removal of existing cranes, removal of rails, upgrading the drainage system, resurfacing dock and restoring

the area under the existing storage bins. An estimated 210 jobs (120 direct; 90 indirect) are expected be created as a result of this project. This project scored 65 out of 100 points.

Opportunities Industrialization Center

\$900K is requested for the renovation of the Atlantic Building on Broad Street in South Providence to provide a home for the new a job training and resource center for Providence low-income persons with a focus on minority persons. An estimated 32 jobs (20 direct; 12 indirect) are expected be created as a result of this project. This project scored 61 out of 100 points.

Heritage Harbor Museum

\$1.8 M is requested for the design and construction of exhibit display infrastructure and exhibit lighting, signage and graphics for the planned Heritage Harbor museum in Providence. An estimated 75 jobs (52 direct; 25 indirect) are expected be created as a result of this project. This project scored 42 out of 100 points.

Pier 1 at the Port of Davisville

\$520K is requested for repairs to Pier 1 at the Port of Davisville. The pier was built by the Navy in 1943 with the last full deck replacement in 1951. Overtime, use and exposure to weather has taken their toll on the deck surface and the marine hardware. The project will provide short-term repairs to maintain the utility of the structure. The deck will be patched in key areas, cleats and bollards will be replaced and fenders will be repaired that protect the pier from damage by berthed vessels. Deteriorated wood light poles supporting high-mast lighting will be replaced. An estimated 19 jobs (11 direct; 8 indirect) are expected be created as a result of this project. This project scored 37 out of 100 points.

Global Business Command Center

\$1M is requested for the addition to or renovation of an existing Bryant University Building for a high tech learning and information center for the delivery and utilization of information from around the world to support world trade. The Center will offer web-based training, trade webinars and other training programs to the local workforce and businesses in international trade issues. The Center will also be involved with market research, global networking to help businesses to be competitive in the global market. An estimated 34 FTE jobs (20 direct; 14 indirect) are expected be created as a result of this project. This project scored 31 out of 100 points.

Appendix 2

INSTRUCTIONS FOR COMPLETING YOUR 2012 ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) INVESTMENT ASSISTANCE APPLICATION

General:

All applicants are required to follow the Statewide Planning Program's format described in this package. In the past, applicants were required to submit their applications to the Rhode Island Division of Planning by a specified date following our annual solicitation of project applications. *We will now receive applications during the year following the federal Economic Development Administration conversion to a quarterly grant application review process. However, applications should be sent to the Division of Planning at least 60 days prior to the first day of the quarter the applicant expects to submit a federal grant application to the Economic Development Administration.* EDA Investment Assistance applications should be sent to the attention of or delivered to Robert K. Griffith Ph.D., Chief, Office of Strategic Planning and Economic Development, William E. Powers (Dept. of Administration) Building, One Capitol Hill, Providence, RI 02908.

EDA Investment Assistance applicants need not submit an SF-424, the federal grant application, to Planning Staff initially. They should familiarize themselves with the SF-424 federal application form which can be found at <http://www.grants.gov>. Applicants may find the federal application form by selecting "Grant Search" under the heading "For Applicants" and typing the appropriate CFDA number (11.300 for public works grants or 11.302 for Planning and Technical Assistance grants).

You should send your draft EDA Investment Assistance applications to Planning Staff in a narrative format. The narrative format is intended to allow you to provide a level of detail and explanation beyond what can be provided in the SF-424 application form. We ask that you limit your narrative to three pages. Please submit three copies of your application to facilitate our review. We will use this information to open a dialogue with you to help strengthen your proposal. Note: At some point in this process you will be required to prepare a draft SF 424. This will be necessary to take your proposal forward to the Technical Committee and State Planning Council for CEDS Certification.

We are providing you with a copy of EDA's strategic priorities to assist you in making your formal application to the EDA more competitive. All projects that meet the Threshold Requirements below will be CEED Certified, i.e. recommended to the Economic Development Administration for funding consideration. We strongly encourage applicants to design their projects and write their narratives with EDA priorities in mind in order to make them more competitive at the EDA regional level. Our aim is to work with you to improve your prospects for funding.

Threshold Requirements:

All projects submitted for consideration must meet the following minimum (threshold) criteria:

- 1) Applicant(s) must be EDA eligible as defined in the Federal Register dated 9/27/06 Rules and Regulations. These include 303.3 Definitions: Eligible Applicant means an entity qualified to be an Eligible Recipient or its authorized representative.
 - a. City or other political subdivision of a State, including a special purpose unit of State or local government engaged in economic or infrastructure development activities or a consortium of political subdivisions;
 - b. State;
 - c. Institution of higher education or consortium of institutions of higher education;
 - d. Public or private non-profit organization or association including a community or faith-based non-profit organization acting in cooperation with officials or a political subdivision of a State;
 - e. District organization;
 - f. Indian Tribe.
- 2) Required funding match is identified and committed. EDA requires applicants to identify a non-federal match no less than fifty percent (50%) of total project cost as defined in 13 CFR 301.5. The required Matching Share of a Project's eligible costs may consist of cash or in-kind contributions. In addition, the applicant must show that the Matching Share has been applied for and will be available as needed consistent with the project schedule. This can be accomplished with a letter assuring EDA that the matching funds will be available upon implementation of the project. For construction, funds must be available before construction begins and EDA must have evidence identifying the source of funding. *Please note that Community Development Block Grants are the only federal grants that may be used as a match for EDA funded projects.*
- 3) Project is generally consistent with all elements of the State Guide Plan and specifically implements a goal of the Economic Development Policies and Plan (See <http://www.planning.ri.gov/ed/econplan/edpp.htm>).

Applications that do not meet all these criteria will be returned to the applicants.

EDA Strategic Priorities

Our goal is to assist you in submitting a highly competitive application to EDA. EDA will evaluate your project according to its strategic priorities as well as other critical aspects of the application (legal, environmental, engineering, etc.) that will be considered in total by their Investment Review Committee (IRC). EDA will only consider information contained in the application. Citing third party evidence (such as federal/state data or an independent report) to support a claim will generally make that response competitive.

EDA prefers that applicants provide data from federal or state sources, whenever possible; however, applicants may cite other quantitative or qualitative data, including news articles, economic studies/market research, and letters of support from prospective partners and beneficiaries of the project. Where possible, applicants should provide copies of supporting data as attachments, or provide a complete citation/source reference for the supporting evidence in the project narrative. Highly Competitive responses will make a persuasive argument for the claim, and provide supporting documentation/data. Competitive responses will make a persuasive argument for the claim, but not necessarily document it using third party evidence. Noncompetitive responses will not make a persuasive argument for the claim.

EDA's Strategic Priorities include:

National Strategic Priorities:

Technology-Led Economic Development:

EDA values projects whose primary beneficiary can be described by 5-digit NAIC codes reflecting technology-led economic development. EDA views projects with beneficiaries in the scientific, healthcare, or IT industries as highly competitive. Be sure to specify which industry the project supports by using a relevant North American Industry Classification (NAICS) Code See: <http://www.naics.com/search.htm>

Small and Medium Sized Businesses:

EDA generally gives priority to projects in support of businesses whose average size and annual sales are reflective of small or medium sized businesses. Applicants are encouraged to provide evidence of the average number of employees and average annual sales of businesses that would benefit by the proposed project. Supporting evidence may include information from these firms

Global Competitiveness and Innovation:

EDA also looks favorably on investments that support companies with fewer than 500 employees whose sales doubled in four years or less; investments linked to a leading industry with export potential; and, investments supporting infrastructure to sustain or attract foreign direct investments. How will the proposed investment help the region compete in the global marketplace? Does it target high growth industries? Does it assist an industry with export potential? Will it support facilities or infrastructure to sustain or attract foreign direct investments? EDA Investment Assistance applicants are encouraged to provide evidence of such planned investments.

Economic Dislocation due to Natural Disaster:

EDA will give priority to investments supporting communities that have experienced a natural disaster. Natural Disasters include but are not limited to severe storms and flooding; hurricanes, water contamination, blizzards and snowstorms and inland and coastal flooding. EDA Economic Development Investment Assistance applicants are encouraged to provide a FEMA Declaration if their project meets this criteria. A list of FEMA disaster declarations may be found at <http://www.fema.gov/news/disasters.fema> . Applications should select "Rhode Island" to search for such declarations for our state designated by number.

Commercialization of Research:

EDA will give priority to investments that facilitate the commercialization of research. EDA Economic Development Investment Assistance applicants are encouraged to provide evidence of same. Will the investment support tech transfer; link to a business incubator or commercialization center; or commercialize a patent or invention? For example, EDA might fund a university infrastructure project necessary for research that will result in the patenting, manufacturing, marketing and perhaps exporting of a new commercial product with associated job creation.

Environmentally Sustainable Development:

EDA will give priority to investments resulting in a green end-product (e.g. a renewable energy commercialization center); investments that green an existing process or function (e.g. implements sustainable manufacturing practices); and investments that utilize sustainable construction practices (e.g. LEED Certified). EDA Investment Assistance applicants are encouraged to describe all contributions their proposal would make to environmentally sustainable development. Will the investment result in a green end product, green an existing process or function, or utilize sustainable construction practices? More information on EDA's definition of Environmentally Sustainable Development is available here: http://www.eda.gov/PDF/GCCMIF_%20OnePager_External%20_081409.pdf.

Economically Distressed and Underserved Communities

Severe Economic Distress:

EDA will give priority to applications that strengthen diverse communities that have suffered disproportionate economic and job losses and/or are rebuilding to become more competitive in the global economy. Applicants are encouraged to indicate if their project will be in a community with unemployment rate at least three percent greater than the national average, or per capita income that is lower than the 70 percent of the national average. EDA Investment Assistance applicants are also encouraged to provide the 24 month average unemployment rate for that community if criteria are applicable. A table is included in this application package that indicates the PCIs for each of Rhode Island's Census tracts. When citing your data, please be sure to document the areas that make up the region you are describing and the year that was used to generate the data.

Long-Term Economic Distress:

EDA will give priority to communities that have been distressed according to EDA's statutory criteria, or experienced annual population loss, for 10 years or more. Applicants are encouraged to provide evidence of such distress if criteria are applicable. According to the Rhode Island State Data Center there was one municipality that experienced an annual population loss from 1999 to 2009; Middletown. Regarding EDA's criteria for a distressed community, the project must be located in a region that, on the date EDA receives the application for investment assistance, meets one (or more) of the following economic distress criteria: (i) an unemployment rate that is, for the most recent twenty-four (24) month period for which data are available, at least one (1) percentage point greater than the national average unemployment rate; (ii) per capita income that is, for the most recent period for which data are

available, eighty (80) percent or less of the national average per capita income; or (iii) a “Special Need,” as determined by EDA.

Sudden Economic Dislocation:

EDA gives priority to communities that have experienced sudden economic distress unrelated to natural disasters. We encourage EDA Investment Assistance applicants to include evidence of such in their narratives. Sudden economic dislocation could include such events as plant and military base closures, defense downsizing; and industry layoffs.

Return on Investment

Job Creation or Retention:

EDA also gives priority to created or retained jobs that are considered high-wage for the community. What are the average wages in your region? Will the jobs created by your project provide higher wages? If so, include this information in your project narrative. Document the beneficiaries that will create or save jobs, or commit to investing additional funds in the region, due to the proposed investment. We encourage EDA Investment Assistance applicants to include evidence of such in their narratives. For information about high wage jobs in Rhode Island, see the Rhode Island Occupational Wage Report at <http://www.dlt.ri.gov/lmi/pdf/wagereport.pdf> Note particularly its “Top Paying Occupations by Education and Training Requirement (Median Annual Salary)”.

Catalyst for Private Sector Investment:

EDA favors supporting projects that spur private investment. We encourage EDA Investment Assistance applicants to include evidence of such in their narratives.

Regional Collaboration

EDA also gives priority to projects that support the development and growth of innovation clusters based on existing regional competitive strengths as evidenced by the extent to which the investment contributes to collaboration among multi-jurisdictional leadership, links and leverages of regional assets and effective planning.

Collaboration among multi-jurisdictional leadership:

EDA Investment Assistance applicants should indicate how many of the following entities are part of the leadership and/or funding for their projects excluding EDA and the applicant: federal, state, tribe, municipality, non-profit/private and higher education. What other organizations are “actively involved” in the development and/or implementation of the

project? Describe each organizational entity and its role in the project. Strong applications will draw from a broad range of partners in the project

Links and leverages regional assets:

EDA Investment Assistance applicants are encouraged to indicate and provide evidence in their narrative of how investment would target existing and prospective industry clusters. What are the region's major industry/occupational clusters? Use these to help document your region's unique economic assets. How will the proposed investment leverage these assets? How will the proposed investment expand or enhance the clusters you have identified? We encourage applicants to indicate and provide evidence if the investment would utilize the existing regional human capital base and/or specialized workforce skills developed by local educational institutions. For some Rhode Island's industrial sector information, see the Rhode Island Economic Development Corporation website at <http://www.riedc.com/industry-sectors>

Effective Planning:

Does the proposed project support the vital programs, projects, and activities identified in the region's Comprehensive Economic Development Strategy (CEDS)? Applicants are encouraged to indicate and provide evidence that the investment would implement or build upon a well-defined set of strategic goals and priorities identified in the Rhode Island CEDS. The 5-Year Update of the Rhode Island CEDS may be found on the Office of Strategic Planning and Economic Development page in the Division of Planning website <http://www.planning.ri.gov/strategic/default.htm> under publications.

Public-Private Partnerships

EDA will give priority to applications that use both public and private sector resources and leverage complementary investments by other governmental/public entities and/or non-profits.

Private Sector Support:

What is the nature of any private sector engagement in the project? Have they provided letters of support, offered committed to provide matching share for the project or otherwise contribute financially, match contribution or been part of the leadership of this project? Private sector funds such as those from a private foundation are encouraged as part of the projects funding package. Applicants should demonstrate private sector support for their project in their narratives.

Leveraging of Public Funds and Coordination of Public Investment:

Does the project form part of a larger public initiative? If so, what is the nature/sources of other investments that are committed to the larger initiative? Applicants also should describe the total public initiative (if larger than the EDA-funded project) in their narrative. Committed funds

should include funds from federal, state, tribe, municipality, non-profit, private and higher education sources.

Additional information for EDA Investment Assistance applicants:

Presentation to Planning Staff:

All applicants will be expected to make a presentation on their project to the Planning staff and select members of the CEDS Subcommittee of the State Planning Council's Technical Committee which reviews applications. Information on the time and location for presentations will be provided at a later date.

Scoring and Placement on annual CEDS Project Priority List (PPL).

In the final quarter of the State Fiscal Year Planning staff will score all applications received and CEDS Certified during the course of that year *whether they have been submitted to the EDA for grant consideration or not*. Scoring will be based on criteria attached to these instructions. As with the EDA Strategic Priorities contained in these instructions, applicants should craft their proposals to demonstrate how they contribute to State priorities reflected in these criteria. Based on these scores proposals will be placed on and integrated with projects from the previous two PPLs resulting in a three-year rolling PPL.

d. Per capita income of census tract in which the project is located is:			
1) less than 50% of the state average,		16	
2) 51-60% of the state average,		13	
3) 61-80% of the state average,		11	
4) 81% of the state average or more.		0	
5) If the project is not located in a census tract where per capita income is less than 80% of state average, applicant presents a plan to recruit residents from census tracts in which per capita income is below 80% of the state average, and/or		8	
6) Applicant presents a transportation plan to bring residents of census tracts in which income is below 80% of the state average to the project work site.		3	
3. Partnering, funding and permits	Points:	25	Maximum
a. Project is a partnership between two or more entities, each contributing funds or matching resources.		2	
b. Non-federal funds/matching resources equal:			
1) 51-60% of total project,		1	
2) 61-70% of total project,		3	
3) 71-80% of total project,		5	
4) above 81% of total project cost.		7	
c. Percent private investment exceeds total project costs:			
1) zero,		0	
2) 1-20%,		1	
3) 21-40%,		3	
4) 41-60%,		5	
5) 61-100%		7	
d. Essential project studies, approvals and permits:			
1) All approvals and permits obtained, or confirmation obtained from regulatory agencies that no permits are required, if not		9	
2) Applicant has applied for but not yet obtained all necessary approvals and permits, if not		6	
3) Essential project studies completed but applicant has not applied for necessary approvals or permits.		3	

Scoring Summary

1. Job creation and workforce development	___
2. Environmental, land use and socio-economic factors	___
3. Partnering, funding and permits	___
Total	___

Attachment B

Explanation of Project Ranking Criteria

1. Job Creation and Workforce Development

The eventual number of jobs resulting from the implementation of a proposal is a prime consideration in priority selection. The figures are used to determine a cost per job. The applicant should base the cost per job only on the Economic Development Administration's share. Do not base this on total project cost, which would include the applicant's share and other non-federal contributions. The jobs must be "long range" jobs, i.e., those that are expected once a facility or project begins operation; do not count construction jobs, which are only of a temporary nature. In determining the number of jobs stimulated, direct, indirect, and induced employment should be considered. This is calculated by using the direct-effect employment multipliers listed in the table included in the application package, "Regional Multipliers." These are found in the far right column of the table. The industry providing direct jobs as a result of the project would be located in the left column, and the number of direct jobs anticipated is multiplied by the employment multiplier to get total employment – direct, indirect, and induced.

There are other methods of calculating total jobs based on multipliers, such as by accounting for square feet occupied per worker in the industry being considered. However, to ensure that all applicants are using the same frame of reference, only multiplier effects calculated from the enclosed table will be accepted.

We take into account quantity (the number of jobs), quality (how well the direct jobs pay) and if the jobs are part of one of our clusters defined below. Note that we use the state average private-sector wage as a yardstick. Projects leading to direct jobs in a high-wage industry will be awarded the most points.

The state average annual private-sector wage for 2011 was \$43,526. Please consult the R.I. Department of Labor and Training, Employment Bulletin, May 2012, (see: <http://www.dlt.ri.gov/lmi/pdf/eb/may12eb.pdf>), for average wage rates in the major industrial groups if the wage rates for your project have not yet been determined.

Estimates of job stimulation that are not documented in a study will be penalized by a deduction of five (5) points under this criterion. We award additional points under this criterion to projects providing jobs in one or more recognized industry sectors. Each sector represents a collaboration of firms and disciplines. These sectors, as identified by the R.I. Economic Development Corporation, are: health and life sciences, financial services, manufacturing and industrial products, hospitality, consumer goods, education, creative/advertising and media, communications and information technology, marine/environmental, and defense/homeland security.

Workforce Development

To underscore the importance of worker education and training in today's world – to assure that our industries remain competitive nationally and globally, and to provide workers with the opportunity to grow professionally and follow career paths leading to higher wages – this

criterion will reward projects that include an education and training component for likely employees. Alternatively, credit will be given where the commitment to education and training can be clearly demonstrated by an active program, whether through a provider of such services or in-house through the industry served.

3. Environmental, Land Use and Socio-economic Factors

The rating method for this criterion rewards applicants whose projects make use of innovative technologies or management practices that use raw materials more efficiently, and that can reduce the consumption of energy, water, and other natural resources as well as air and water pollution. Examples may include (but are not limited to) alternative or renewable energy use; “closed loop” industrial parks; and the recycling of wastewater in the production process. Also under this criterion are those projects that are located within the urban services boundary or designated centers, rehabilitate brownfield sites, or lead to the non-residential reuse of certified mill buildings and historic properties, whether individually listed on the national or state historic register or within national or historic districts.

Points are also awarded for revitalizing other existing industrial or commercial space and its associated infrastructure, and for implementing a specific goal or strategy in the state’s land use plan, Land Use 2025. Copies of this plan in full and its Executive Summary can be downloaded from the Division of Planning website, www.planning.ri.gov , under “Statewide Planning Program.” If credit is sought for fulfilling strategies in Land Use 2025, the specific strategies within the plan must be cited. “Table 121-5(01), Objectives and Strategies” in the full plan is a handy reference for this and may be downloaded separately from the Division of Planning website.

Per Capita Income

Per capita income is a criterion the EDA uses for screening applications. For the CEDS, a range of five (5) per capita income levels is considered. These are based on the per capita income of the U.S. Census tract (See Attachment C) in which the project is located. Projects located in areas where the per capita income is 80% of the national average or less will gain points under this criterion. Providing incentives to workers living in low PCI communities to use public transit to commute to jobs created by applicant projects will also receive credit. For this year’s projects, be sure to use 2010 Census data for your tract. The Rhode Island average is \$28,707, and we will use this figure as the baseline when computing your score.

3. Partnering, funding and Permits

Partnering with Other Eligible Applicants. This criterion awards points for partnering between or among eligible applicants, such as two or more municipalities, a municipality and a state agency, or a municipality and an academic institution. Partners must jointly submit a single application and list themselves as coapplicants.

Commitment of Non-Federal Funds. This criterion measures the financial commitment to the project, and is an indicator of the applicant’s ability to initiate the project in a timely manner and the ability of the project to leverage additional investment. It awards additional points to applicants able to commit an amount of non-federal funds greater than the required minimum for EDA grants, i.e., greater than fifty percent (50%) of total project costs. It also awards points to

applicants able to attract unrestricted private sector funds as part of their match or private sector funds that enhance the project, e.g. providing equipment for the finished project.

Finally, this criterion rewards applicants who have obtained the necessary environmental permits to initiate the project, or who have confirmed from the relevant regulatory agencies that no permits are necessary for the project. In addition, this criterion awards points to those projects with applications supported by essential studies, which are taken to mean planning, engineering, or any other studies prerequisite to implementation, excluding environmental assessments. Those projects progressing reasonably toward completion of these studies and obtaining of permits are also awarded points in this category. This system recognizes that any project having a negative environmental effect that cannot be reasonably mitigated will probably be eliminated from consideration under the State Guide Plan conformance threshold review, which is part of the CEDS process. Nevertheless, this threshold review does not constitute the in-depth regulatory review required for the granting of environmental permits.

Attachment C

Per Capita Income (PCI) in Last 12 Months by Census Tract (In 2010 Inflation-Adjusted Dollars) 2006-2010 5-year American Community Survey Data

Geography	Per Capita Income Estimate (\$)	PCI Estimate Margin of Error (+/-)	Census Tract PCI as % of State PCI (=\$28,707)
Census Tract 301, Bristol County, Rhode Island	32,955	3,206	114.8%
Census Tract 302, Bristol County, Rhode Island	36,188	4,607	126.1%
Census Tract 303, Bristol County, Rhode Island	42,458	5,540	147.9%
Census Tract 304, Bristol County, Rhode Island	75,884	12,835	264.3%
Census Tract 305, Bristol County, Rhode Island	26,039	5,360	90.7%
Census Tract 306.01, Bristol County, Rhode Island	32,248	5,414	112.3%
Census Tract 306.02, Bristol County, Rhode Island	30,032	4,012	104.6%
Census Tract 307, Bristol County, Rhode Island	25,082	3,618	87.4%
Census Tract 308, Bristol County, Rhode Island	25,380	3,341	88.4%
Census Tract 309.01, Bristol County, Rhode Island	31,982	3,593	111.4%
Census Tract 309.02, Bristol County, Rhode Island	37,123	3,251	129.3%
Census Tract 201.01, Kent County, Rhode Island	34,210	2,375	119.2%
Census Tract 201.02, Kent County, Rhode Island	24,634	2,562	85.8%
Census Tract 202, Kent County, Rhode Island	26,446	2,581	92.1%
Census Tract 203, Kent County, Rhode Island	18,624	1,806	64.9%
Census Tract 204, Kent County, Rhode Island	25,650	3,219	89.4%
Census Tract 205, Kent County, Rhode Island	29,453	2,816	102.6%
Census Tract 206.01, Kent County, Rhode Island	27,480	2,067	95.7%
Census Tract 206.02, Kent County, Rhode Island	29,198	4,280	101.7%
Census Tract 206.03, Kent County, Rhode Island	28,342	1,983	98.7%
Census Tract 206.04, Kent County, Rhode Island	24,068	2,086	83.8%
Census Tract 207.01, Kent County, Rhode Island	34,305	4,811	119.5%
Census Tract 207.02, Kent County, Rhode Island	32,226	3,342	112.3%
Census Tract 207.03, Kent County, Rhode Island	34,707	3,358	120.9%

Island			
Census Tract 208, Kent County, Rhode Island	34,754	4,108	121.1%
Census Tract 209.01, Kent County, Rhode Island	34,157	4,325	119.0%
Census Tract 209.03, Kent County, Rhode Island	55,133	7,142	192.1%
Census Tract 209.04, Kent County, Rhode Island	56,696	7,918	197.5%
Census Tract 210.01, Kent County, Rhode Island	25,688	2,489	89.5%
Census Tract 210.02, Kent County, Rhode Island	32,695	4,868	113.9%
Census Tract 211, Kent County, Rhode Island	26,470	2,309	92.2%
Census Tract 212, Kent County, Rhode Island	26,507	3,622	92.3%
Census Tract 213, Kent County, Rhode Island	32,725	3,678	114.0%
Census Tract 214.01, Kent County, Rhode Island	28,185	2,789	98.2%
Census Tract 214.02, Kent County, Rhode Island	26,983	2,447	94.0%
Census Tract 215.01, Kent County, Rhode Island	27,122	3,743	94.5%
Census Tract 215.02, Kent County, Rhode Island	27,304	2,911	95.1%
Census Tract 216, Kent County, Rhode Island	51,546	9,167	179.6%
Census Tract 217, Kent County, Rhode Island	22,497	3,693	78.4%
Census Tract 218, Kent County, Rhode Island	28,345	1,968	98.7%
Census Tract 219.01, Kent County, Rhode Island	27,011	2,788	94.1%
Census Tract 219.02, Kent County, Rhode Island	25,937	3,227	90.4%
Census Tract 219.03, Kent County, Rhode Island	30,507	2,951	106.3%
Census Tract 220, Kent County, Rhode Island	31,992	4,790	111.4%
Census Tract 221, Kent County, Rhode Island	31,482	2,227	109.7%
Census Tract 222.01, Kent County, Rhode Island	44,145	4,257	153.8%
Census Tract 222.02, Kent County, Rhode Island	31,963	3,529	111.3%
Census Tract 223, Kent County, Rhode Island	28,738	5,265	100.1%
Census Tract 224, Kent County, Rhode Island	32,739	3,383	114.0%
Census Tract 9800, Kent County, Rhode Island	-	**	
Census Tract 401.01, Newport County, Rhode Island	33,818	4,959	117.8%
Census Tract 401.02, Newport County, Rhode Island	52,461	7,437	182.7%
Census Tract 401.03, Newport County, Rhode Island	39,416	4,161	137.3%
Census Tract 402, Newport County, Rhode	24,134	5,513	84.1%

Island			
Census Tract 403.02, Newport County, Rhode Island	29,328	2,914	102.2%
Census Tract 403.03, Newport County, Rhode Island	33,215	4,558	115.7%
Census Tract 403.04, Newport County, Rhode Island	29,621	3,835	103.2%
Census Tract 404, Newport County, Rhode Island	41,872	5,978	145.9%
Census Tract 405, Newport County, Rhode Island	22,577	2,968	78.6%
Census Tract 406, Newport County, Rhode Island	34,013	5,351	118.5%
Census Tract 407, Newport County, Rhode Island	38,467	4,009	134.0%
Census Tract 408, Newport County, Rhode Island	37,927	5,374	132.1%
Census Tract 409, Newport County, Rhode Island	40,381	10,881	140.7%
Census Tract 410, Newport County, Rhode Island	47,235	14,579	164.5%
Census Tract 411, Newport County, Rhode Island	59,431	11,313	207.0%
Census Tract 412, Newport County, Rhode Island	25,554	4,021	89.0%
Census Tract 413, Newport County, Rhode Island	44,057	6,840	153.5%
Census Tract 414, Newport County, Rhode Island	45,260	5,508	157.7%
Census Tract 416.01, Newport County, Rhode Island	25,813	5,232	89.9%
Census Tract 416.02, Newport County, Rhode Island	33,247	2,929	115.8%
Census Tract 417.01, Newport County, Rhode Island	30,301	3,417	105.6%
Census Tract 417.02, Newport County, Rhode Island	35,670	4,356	124.3%
Census Tract 9900, Newport County, Rhode Island	-	**	
Census Tract 1.01, Providence County, Rhode Island	15,460	2,175	53.9%
Census Tract 1.02, Providence County, Rhode Island	21,297	1,992	74.2%
Census Tract 2, Providence County, Rhode Island	14,063	2,308	49.0%
Census Tract 3, Providence County, Rhode Island	12,128	1,459	42.2%
Census Tract 4, Providence County, Rhode Island	10,213	1,478	35.6%
Census Tract 5, Providence County, Rhode Island	10,990	2,706	38.3%

Census Tract 6, Providence County, Rhode Island	14,755	4,903	51.4%
Census Tract 7, Providence County, Rhode Island	8,558	1,833	29.8%
Census Tract 8, Providence County, Rhode Island	22,272	5,122	77.6%
Census Tract 9, Providence County, Rhode Island	15,185	3,418	52.9%
Census Tract 10, Providence County, Rhode Island	16,102	2,897	56.1%
Census Tract 11, Providence County, Rhode Island	35,512	14,639	123.7%
Census Tract 12, Providence County, Rhode Island	14,690	4,025	51.2%
Census Tract 13, Providence County, Rhode Island	19,366	3,850	67.5%
Census Tract 14, Providence County, Rhode Island	11,663	1,975	40.6%
Census Tract 15, Providence County, Rhode Island	22,671	4,903	79.0%
Census Tract 16, Providence County, Rhode Island	13,825	2,300	48.2%
Census Tract 17, Providence County, Rhode Island	15,004	1,837	52.3%
Census Tract 18, Providence County, Rhode Island	14,744	2,648	51.4%
Census Tract 19, Providence County, Rhode Island	14,505	2,508	50.5%
Census Tract 20, Providence County, Rhode Island	15,350	2,483	53.5%
Census Tract 21.01, Providence County, Rhode Island	20,006	3,470	69.7%
Census Tract 21.02, Providence County, Rhode Island	22,779	6,392	79.3%
Census Tract 22, Providence County, Rhode Island	12,481	2,019	43.5%
Census Tract 23, Providence County, Rhode Island	22,578	3,288	78.6%
Census Tract 24, Providence County, Rhode Island	20,191	1,887	70.3%
Census Tract 25, Providence County, Rhode Island	30,819	8,149	107.4%
Census Tract 26, Providence County, Rhode Island	12,650	1,994	44.1%
Census Tract 27, Providence County, Rhode Island	10,443	1,493	36.4%
Census Tract 28, Providence County, Rhode Island	17,752	2,168	61.8%
Census Tract 29, Providence County, Rhode Island	20,362	2,923	70.9%
Census Tract 31, Providence County, Rhode	26,684	4,470	93.0%

Island			
Census Tract 32, Providence County, Rhode Island	35,303	4,177	123.0%
Census Tract 33, Providence County, Rhode Island	42,604	5,240	148.4%
Census Tract 34, Providence County, Rhode Island	72,589	9,639	252.9%
Census Tract 35, Providence County, Rhode Island	44,238	6,031	154.1%
Census Tract 36.01, Providence County, Rhode Island	48,112	18,115	167.6%
Census Tract 36.02, Providence County, Rhode Island	15,071	4,110	52.5%
Census Tract 37, Providence County, Rhode Island	30,861	6,228	107.5%
Census Tract 101.01, Providence County, Rhode Island	27,339	2,486	95.2%
Census Tract 101.02, Providence County, Rhode Island	40,078	5,722	139.6%
Census Tract 102, Providence County, Rhode Island	24,471	2,773	85.2%
Census Tract 103, Providence County, Rhode Island	23,059	2,336	80.3%
Census Tract 104, Providence County, Rhode Island	22,824	2,281	79.5%
Census Tract 105.01, Providence County, Rhode Island	24,283	5,489	84.6%
Census Tract 105.02, Providence County, Rhode Island	30,340	3,657	105.7%
Census Tract 106, Providence County, Rhode Island	31,965	5,657	111.3%
Census Tract 107.01, Providence County, Rhode Island	28,472	2,755	99.2%
Census Tract 107.02, Providence County, Rhode Island	31,179	3,815	108.6%
Census Tract 108, Providence County, Rhode Island	14,792	2,163	51.5%
Census Tract 109, Providence County, Rhode Island	15,579	1,793	54.3%
Census Tract 110, Providence County, Rhode Island	16,394	2,077	57.1%
Census Tract 111, Providence County, Rhode Island	12,578	1,618	43.8%
Census Tract 112, Providence County, Rhode Island	21,699	1,807	75.6%
Census Tract 113.01, Providence County, Rhode Island	28,281	2,523	98.5%
Census Tract 113.02, Providence County, Rhode Island	34,223	3,042	119.2%
Census Tract 114.01, Providence County, Rhode Island	40,764	3,857	142.0%

Census Tract 114.02, Providence County, Rhode Island	43,392	5,000	151.2%
Census Tract 114.03, Providence County, Rhode Island	31,442	2,688	109.5%
Census Tract 115, Providence County, Rhode Island	35,024	4,735	122.0%
Census Tract 116, Providence County, Rhode Island	45,694	6,491	159.2%
Census Tract 117.01, Providence County, Rhode Island	33,192	4,502	115.6%
Census Tract 117.02, Providence County, Rhode Island	30,161	2,533	105.1%
Census Tract 118, Providence County, Rhode Island	27,047	2,994	94.2%
Census Tract 119.01, Providence County, Rhode Island	24,979	4,871	87.0%
Census Tract 119.02, Providence County, Rhode Island	37,111	5,235	129.3%
Census Tract 120, Providence County, Rhode Island	29,375	2,734	102.3%
Census Tract 121.02, Providence County, Rhode Island	24,761	2,321	86.3%
Census Tract 121.03, Providence County, Rhode Island	24,337	2,378	84.8%
Census Tract 121.04, Providence County, Rhode Island	24,600	2,619	85.7%
Census Tract 122, Providence County, Rhode Island	32,168	3,079	112.1%
Census Tract 123, Providence County, Rhode Island	25,493	2,657	88.8%
Census Tract 124.01, Providence County, Rhode Island	27,872	2,075	97.1%
Census Tract 124.02, Providence County, Rhode Island	24,921	3,322	86.8%
Census Tract 125, Providence County, Rhode Island	22,794	3,218	79.4%
Census Tract 126.01, Providence County, Rhode Island	15,900	2,497	55.4%
Census Tract 126.02, Providence County, Rhode Island	34,441	3,117	120.0%
Census Tract 127.01, Providence County, Rhode Island	35,325	3,635	123.1%
Census Tract 127.02, Providence County, Rhode Island	36,417	2,942	126.9%
Census Tract 128.01, Providence County, Rhode Island	35,954	2,618	125.2%
Census Tract 128.02, Providence County, Rhode Island	29,299	2,707	102.1%
Census Tract 128.03, Providence County, Rhode Island	35,265	3,910	122.8%
Census Tract 129, Providence County, Rhode	25,735	2,782	89.6%

Island			
Census Tract 130.01, Providence County, Rhode Island	30,935	4,478	107.8%
Census Tract 130.02, Providence County, Rhode Island	28,742	3,147	100.1%
Census Tract 131.01, Providence County, Rhode Island	31,590	1,917	110.0%
Census Tract 131.02, Providence County, Rhode Island	32,017	3,245	111.5%
Census Tract 132.01, Providence County, Rhode Island	28,699	4,057	100.0%
Census Tract 132.02, Providence County, Rhode Island	33,059	5,001	115.2%
Census Tract 133, Providence County, Rhode Island	34,661	8,622	120.7%
Census Tract 134, Providence County, Rhode Island	39,763	5,112	138.5%
Census Tract 135, Providence County, Rhode Island	21,728	2,858	75.7%
Census Tract 136, Providence County, Rhode Island	23,496	2,892	81.8%
Census Tract 137.01, Providence County, Rhode Island	19,746	2,343	68.8%
Census Tract 137.02, Providence County, Rhode Island	32,298	3,195	112.5%
Census Tract 138, Providence County, Rhode Island	29,767	3,280	103.7%
Census Tract 139, Providence County, Rhode Island	28,218	2,944	98.3%
Census Tract 140, Providence County, Rhode Island	24,845	2,552	86.5%
Census Tract 141, Providence County, Rhode Island	21,921	3,040	76.4%
Census Tract 142, Providence County, Rhode Island	10,900	1,414	38.0%
Census Tract 143, Providence County, Rhode Island	41,702	6,702	145.3%
Census Tract 144, Providence County, Rhode Island	35,520	3,667	123.7%
Census Tract 145.01, Providence County, Rhode Island	42,036	4,620	146.4%
Census Tract 145.02, Providence County, Rhode Island	28,380	2,639	98.9%
Census Tract 146, Providence County, Rhode Island	32,870	3,266	114.5%
Census Tract 147, Providence County, Rhode Island	20,805	1,694	72.5%
Census Tract 148, Providence County, Rhode Island	27,832	3,040	97.0%
Census Tract 150, Providence County, Rhode Island	19,658	2,250	68.5%

Census Tract 151, Providence County, Rhode Island	14,013	1,902	48.8%
Census Tract 152, Providence County, Rhode Island	13,018	2,105	45.3%
Census Tract 153, Providence County, Rhode Island	15,552	2,651	54.2%
Census Tract 154, Providence County, Rhode Island	14,830	2,679	51.7%
Census Tract 155, Providence County, Rhode Island	18,671	2,075	65.0%
Census Tract 156, Providence County, Rhode Island	22,412	2,654	78.1%
Census Tract 157, Providence County, Rhode Island	27,885	2,550	97.1%
Census Tract 158, Providence County, Rhode Island	24,650	2,336	85.9%
Census Tract 159, Providence County, Rhode Island	23,839	2,332	83.0%
Census Tract 160, Providence County, Rhode Island	19,725	3,721	68.7%
Census Tract 161, Providence County, Rhode Island	14,548	2,061	50.7%
Census Tract 163, Providence County, Rhode Island	29,543	4,198	102.9%
Census Tract 164, Providence County, Rhode Island	15,427	2,238	53.7%
Census Tract 165, Providence County, Rhode Island	34,484	4,651	120.1%
Census Tract 166, Providence County, Rhode Island	16,674	3,729	58.1%
Census Tract 167, Providence County, Rhode Island	22,793	3,048	79.4%
Census Tract 168, Providence County, Rhode Island	27,587	2,825	96.1%
Census Tract 169, Providence County, Rhode Island	35,677	5,720	124.3%
Census Tract 170, Providence County, Rhode Island	24,864	3,163	86.6%
Census Tract 171, Providence County, Rhode Island	20,581	3,571	71.7%
Census Tract 173, Providence County, Rhode Island	21,886	3,642	76.2%
Census Tract 174, Providence County, Rhode Island	16,549	2,270	57.6%
Census Tract 175, Providence County, Rhode Island	24,075	2,959	83.9%
Census Tract 176, Providence County, Rhode Island	17,633	2,899	61.4%
Census Tract 177, Providence County, Rhode Island	24,553	2,880	85.5%
Census Tract 178, Providence County, Rhode	19,402	2,710	67.6%

Island			
Census Tract 179, Providence County, Rhode Island	18,208	3,429	63.4%
Census Tract 180, Providence County, Rhode Island	16,925	2,536	59.0%
Census Tract 181, Providence County, Rhode Island	17,462	2,493	60.8%
Census Tract 182, Providence County, Rhode Island	22,593	3,557	78.7%
Census Tract 183, Providence County, Rhode Island	11,916	2,520	41.5%
Census Tract 184, Providence County, Rhode Island	23,459	2,734	81.7%
Census Tract 185, Providence County, Rhode Island	19,933	3,342	69.4%
Census Tract 415, Washington County, Rhode Island	48,212	6,871	167.9%
Census Tract 501.02, Washington County, Rhode Island	42,553	8,772	148.2%
Census Tract 501.03, Washington County, Rhode Island	24,918	2,170	86.8%
Census Tract 501.04, Washington County, Rhode Island	32,079	3,296	111.7%
Census Tract 503.01, Washington County, Rhode Island	39,622	4,835	138.0%
Census Tract 503.02, Washington County, Rhode Island	47,986	8,960	167.2%
Census Tract 504.01, Washington County, Rhode Island	43,348	4,608	151.0%
Census Tract 504.02, Washington County, Rhode Island	59,956	19,293	208.9%
Census Tract 505, Washington County, Rhode Island	37,763	3,746	131.5%
Census Tract 506, Washington County, Rhode Island	31,731	2,761	110.5%
Census Tract 507, Washington County, Rhode Island	31,520	2,202	109.8%
Census Tract 508.01, Washington County, Rhode Island	25,167	2,262	87.7%
Census Tract 508.02, Washington County, Rhode Island	29,008	2,496	101.0%
Census Tract 509.01, Washington County, Rhode Island	29,736	2,798	103.6%
Census Tract 509.02, Washington County, Rhode Island	34,170	4,063	119.0%
Census Tract 510, Washington County, Rhode Island	57,463	12,983	200.2%
Census Tract 511.01, Washington County, Rhode Island	33,039	4,412	115.1%
Census Tract 511.02, Washington County, Rhode Island	40,547	8,663	141.2%

Census Tract 512.01, Washington County, Rhode Island	30,806	3,780	107.3%
Census Tract 512.02, Washington County, Rhode Island	30,521	3,155	106.3%
Census Tract 513.02, Washington County, Rhode Island	47,815	6,965	166.6%
Census Tract 513.04, Washington County, Rhode Island	36,290	4,505	126.4%
Census Tract 513.05, Washington County, Rhode Island	40,618	9,188	141.5%
Census Tract 513.06, Washington County, Rhode Island	37,917	4,106	132.1%
Census Tract 514, Washington County, Rhode Island	5,869	857	20.4%
Census Tract 515.02, Washington County, Rhode Island	39,650	6,880	138.1%
Census Tract 515.03, Washington County, Rhode Island	42,351	9,609	147.5%
Census Tract 515.04, Washington County, Rhode Island	29,742	5,604	103.6%
Census Tract 9901, Washington County, Rhode Island	-	**	
Census Tract 9902, Washington County, Rhode Island	-	**	

Attachment D

RIMS II Multipliers (2002/2007)
Table 2.5 Total Multipliers for Output, Earnings, Employment, and Value Added by Industry Aggregation
State of Rhode Island (Type II)

INDUSTRY	Multiplier					
	Final Demand			Direct Effect		
	Output/1/ (dollars)	Earnings/2/ (dollars)	Employment/3/ (jobs)	Value-added/4/ (dollars)	Earnings/5/ (dollars)	Employment/6/ (jobs)
1. Crop and animal production	1.6484	0.3833	20.7583	0.7127	1.6933	1.3281
2. Forestry, fishing, and related activities	1.8440	0.6313	25.7458	0.9239	1.5609	1.3551
3. Oil and gas extraction	1.7533	0.4072	11.6153	0.9614	2.0000	1.8524
4. Mining, except oil and gas	1.7544	0.4418	10.4324	0.9769	1.8417	2.0171
5. Support activities for mining	1.6535	0.3208	7.9310	0.8204	2.1789	2.2074
6. Utilities*	1.4004	0.2544	4.8245	0.8357	1.7161	2.7715
7. Construction	1.9309	0.5834	15.6695	1.0473	1.7293	1.8410
8. Wood product manufacturing	1.7467	0.3972	11.0889	0.7233	1.9643	1.9271
9. Nonmetallic mineral product manufacturing	1.7853	0.4070	9.8727	0.8939	2.0258	2.2312
10. Primary metal manufacturing	1.9015	0.3903	8.5682	0.7820	2.3402	2.9395
11. Fabricated metal product manufacturing	1.8514	0.4589	11.5574	0.9106	1.9111	2.0466
12. Machinery manufacturing	1.9048	0.4826	11.3520	0.9036	1.9677	2.1927
13. Computer and electronic product manufacturing	1.9791	0.5143	10.5860	0.9342	2.0989	2.7460
14. Electrical equipment and appliance manufacturing	1.8894	0.4426	9.4505	0.9340	2.1072	2.6649
15. Motor vehicle, body, trailer, and parts manufacturing	1.7772	0.3546	7.9949	0.6928	2.3428	2.7421
16. Other transportation equipment manufacturing	1.8551	0.4415	10.2714	0.8710	2.0781	2.4913
17. Furniture and related product manufacturing	1.8651	0.4653	12.4233	0.9041	1.8954	1.9326
18. Miscellaneous manufacturing	1.8902	0.4754	11.6906	1.0024	1.9330	2.1133
19. Food, beverage, and tobacco product manufacturing	1.7545	0.3453	9.5280	0.7066	2.3563	2.1825
20. Textile and textile product mills	2.0111	0.4226	11.0482	0.8464	2.3921	2.4096
21. Apparel, leather, and allied product manufacturing	2.0768	0.5278	17.3116	0.9883	2.0620	1.7372
22. Paper manufacturing	1.8064	0.3502	8.3561	0.8117	2.2865	2.5261
23. Printing and related support activities	1.8465	0.5037	13.3105	0.9683	1.7959	1.8876
24. Petroleum and coal products manufacturing	1.7201	0.3723	6.8058	0.5219	2.0142	3.2989
25. Chemical manufacturing	1.7210	0.3071	5.9573	0.7499	2.6519	3.9184
26. Plastics and rubber products manufacturing	1.9087	0.3947	9.5200	0.8712	2.1951	2.3414
27. Wholesale trade	1.7430	0.4870	10.4572	1.1292	1.7142	2.2158
28. Retail trade	1.7709	0.5083	18.6122	1.1269	1.6455	1.4633
29. Air transportation	1.8058	0.5330	14.4139	0.9308	1.6991	1.9167
30. Rail transportation	1.7665	0.3593	7.9423	0.9464	2.4108	3.7074
31. Water transportation	1.8378	0.3689	10.2905	0.8037	2.7749	2.7052
32. Truck transportation	1.9420	0.5441	14.8197	1.0296	1.9973	2.1608
33. Transit and ground passenger transportation*	1.9524	0.5424	23.4184	0.8873	1.9152	1.4580
34. Pipeline transportation	1.9513	0.4805	11.3594	0.8255	2.2362	3.1366
35. Other transportation and support activities*	1.8899	0.6821	17.5526	1.1867	1.5560	1.7321
36. Warehousing and storage	1.9701	0.6872	21.3614	1.2120	1.5908	1.5712
37. Publishing industries, except Internet	1.8632	0.5269	12.5429	1.0848	1.8129	2.2080
38. Motion picture and sound recording industries	1.5410	0.3284	16.3880	0.9244	1.7700	1.3647
39. Broadcasting, except Internet	1.8238	0.5764	11.0416	0.9307	1.6393	2.6173
40. Telecommunications	1.6575	0.2848	6.5358	0.9417	2.2412	3.0338
41. Internet and other information services	1.7403	0.4414	10.3693	1.0761	1.8015	2.3010

(Continued)

Region Definition: Rhode Island

*Includes Government enterprises.

1. Each entry in column 1 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.

2. Each entry in column 2 represents the total dollar change in earnings of households employed by all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.

3. Each entry in column 3 represents the total change in number of jobs that occurs in all industries for each additional 1 million dollars of output delivered to final demand by the industry corresponding to the entry. Because the employment multipliers are based on 2007 data, the output delivered to final demand should be in 2007 dollars.

4. Each entry in column 4 represents the total dollar change in value added that occurs in all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.

5. Each entry in column 5 represents the total dollar change in earnings of households employed by all industries for each additional dollar of earnings paid directly to households employed by the industry corresponding to the entry.

6. Each entry in column 6 represents the total change in number of jobs in all industries for each additional job in the industry corresponding to the entry.

NOTE.—Multipliers are based on the 2002 Benchmark Input-Output Table for the Nation and 2007 regional data. Industry List B identifies the industries corresponding to the entries.

SOURCE.—Regional Input-Output Modeling System (RIMS II), Regional Product Division, Bureau of Economic Analysis.

RIMS II Multipliers (2002/2007)

Table 2.5 Total Multipliers for Output, Earnings, Employment, and Value Added by Industry Aggregation State of Rhode Island (Type II)

2

INDUSTRY	Multiplier					
	Final Demand			Direct Effect		
	Output/1/ (dollars)	Earnings/2/ (dollars)	Employment/3/ (jobs)	Value-added/4/ (dollars)	Earnings/5/ (dollars)	Employment/6/ (jobs)
42. Federal Reserve banks, credit intermediation and related services	1.7316	0.3977	9.0717	1.1165	1.9638	2.4540
43. Securities, commodity contracts, investments	2.0037	0.6430	13.1345	1.1796	1.7094	2.3034
44. Insurance carriers and related activities	2.0587	0.5337	11.9971	1.1646	2.1021	2.6038
45. Funds, trusts, and other financial vehicles	2.3318	0.5023	10.7205	0.9842	4.5933	5.5090
46. Real estate	1.4380	0.1609	6.2827	1.0149	3.0172	1.9374
47. Rental and leasing services and lessors of intangible assets	1.7116	0.3778	10.2726	1.1295	2.0233	2.0358
48. Professional, scientific, and technical services	1.8949	0.6410	14.8827	1.2178	1.5903	1.9491
49. Management of companies and enterprises	1.8924	0.5961	10.8670	1.1668	1.6706	2.7639
50. Administrative and support services	1.9026	0.6551	27.2704	1.2223	1.5817	1.3695
51. Waste management and remediation services	1.8594	0.4847	12.2666	1.0740	1.9189	2.1899
52. Educational services	1.9325	0.5973	19.1631	1.1429	1.6129	1.5707
53. Ambulatory health care services	2.0361	0.7449	18.0514	1.2712	1.5801	1.8197
54. Hospitals	2.0263	0.6419	16.1248	1.1887	1.6747	1.8814
55. Nursing and residential care facilities	1.9588	0.7102	24.9086	1.2477	1.5269	1.4311
56. Social assistance	1.9313	0.5971	28.3256	1.1498	1.6654	1.3423
57. Performing arts, spectator sports, museums, zoos, and parks	1.8903	0.5950	35.0994	1.1504	1.6521	1.2686
58. Amusements, gambling, and recreation	1.8441	0.5436	21.4734	1.1448	1.6754	1.4346
59. Accommodation	1.7992	0.4934	17.1487	1.1271	1.7866	1.5945
60. Food services and drinking places	1.8807	0.5274	26.7928	1.0461	1.7511	1.3182
61. Other services*	1.9358	0.5412	18.9725	1.0779	1.8196	1.5971
62. Households	1.1729	0.3048	9.6742	0.7197	0.0000	0.0000

Region Definition: Rhode Island

*Includes Government enterprises.

1. Each entry in column 1 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.

2. Each entry in column 2 represents the total dollar change in earnings of households employed by all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.

3. Each entry in column 3 represents the total change in number of jobs that occurs in all industries for each additional 1 million dollars of output delivered to final demand by the industry corresponding to the entry. Because the employment multipliers are based on 2007 data, the output delivered to final demand should be in 2007 dollars.

4. Each entry in column 4 represents the total dollar change in value added that occurs in all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.

5. Each entry in column 5 represents the total dollar change in earnings of households employed by all industries for each additional dollar of earnings paid directly to households employed by the industry corresponding to the entry.

6. Each entry in column 6 represents the total change in number of jobs in all industries for each additional job in the industry corresponding to the entry.

NOTE.—Multipliers are based on the 2002 Benchmark Input-Output Table for the Nation and 2007 regional data. Industry List B identifies the industries corresponding to the entries.

SOURCE.—Regional Input-Output Modeling System (RIMS II), Regional Product Division, Bureau of Economic Analysis.

notes

¹ Statewide Planning consists of four major sections: Strategic Planning and Economic Development, Land Use, Housing, Comprehensive Planning and Transportation. Each section is responsible for the preparation and amendment of elements of Rhode Island's State Guide Plan that fall within its area of expertise. For example, the Office of Strategic Planning and Economic Development is responsible for the *Economic Development Policies and Plan* as an element of the State Guide Plan, as well as updates and amendments to the CEDS.

² Kaiser Family Foundation, State Health Facts.

³ State Energy Profiles, United States Energy Information Administration (http://tonto.eia.doe.gov/state/state_energy_profiles.cfm?sid=RI).

⁴ See http://www.dsireusa.org/library/includes/printincentive.cfm?incentive_code=RI07F

⁵ State Energy Profiles, op. cite.

⁶ See "Carrier Signs Development Agreement with Deepwater Wind for Off-Shore Wind Development", January 8, 2009. (<http://www.ri.gov/GOVERNOR/view.php?id=7961>)

⁷Source: U.S. Census Bureau, 1-year 2010 ACS

⁸Source: U.S. Census Bureau, 1-year 2010 ACS.

⁹ Some forty percent of Rhode Island private sector jobs pay more than the national average while the majority of private sector jobs in Connecticut and Massachusetts exceed the national average.

¹⁰ U.S. Census Bureau, Five Year (2005-2009) American Community Survey (ACS).

¹¹ U.S. Census Bureau, Five Year (2005-2009) American Community Survey (ACS).

¹² U.S. Census Bureau, Five Year (2006-2010) American Community Survey (ACS).

¹³ "Rhode Island high school students lag in math", Jennifer D. Jordan, *Providence Journal*, January 23, 2009,

¹⁴ CCRI 21st Century Workforce Commission, Executive Summary of Report & Recommendations, (April, 2010), p. 1.

¹⁵ Governor's Workforce Board UNIFIED WORKFORCE DEVELOPMENT EXPENDITURE & PROGRAM REPORT, 2011, p. 1a.

¹⁶ RI DLT 2010 Annual Report, p. 6.

¹⁷ Much of the narrative in this section is directly excerpted from the website of the Rhode Island Department of Human Services (See <http://www.dhs.state.ri.us/dhs/dbusinfo.htm#Education,%20Training%20and%20Employment%20Retention%20Services>)

¹⁸ CCRI Office of Institutional Research and Planning, 2010-2011 Degrees and Certificates Awarded by Program.

¹⁹ Ibid., CCRI Enrollment of Veterans by Semester, 4/10/2012.

²⁰ The awards will support seven projects, representing 23 scientists from 10 organizations throughout Rhode Island. The awards will fund: development of control mechanisms to enhance the safety of prosthetic limbs; development of technologies to increase reproductive success in female cancer patients; techniques to decrease common bacterial infections at hospitals and healthcare facilities; identifying and assaying novel proteins that may cause/deter pregnancy complications such as preeclampsia; the acquisition of shared equipment that will enable Rhode Island scientists to enhance drug development; further development of a wave energy converter to provide power to off-shore buoys used for emergency beacons or surveillance; and, development of a water-tracking device to aid in ecosystem management. Example awardees include scientists from Bluewater Designworks, Brown University, Electro Standards Laboratories, Narragansett Bay Commission, Nunnery Orthotics, Rhode Island College, Rhode Island Hospital, University of Rhode Island, Providence VA Medical Center and Women and Infants Hospital..

²¹ p. 26, *A Partner for Prosperity; The University of Rhode Island's Impact on the Economy of the Ocean State*.

²² Examples include: Optigain, a developer of electro-optical devices founded in 1990 by Harish Sunak, Professor of Electrical Engineering, and located in Peace Dale, Rhode Island; FarSounder, a developer of advanced solar systems, founded by Professor James Miller of the Graduate School of Oceanography in 2001; Boothroyd-Dewhurst, a developer of software to analyze the cost effects of design decisions during the product development cycle, founded in 1985 by Professors Jeffrey Boothroyd and Peter Dewhurst, and located in Wakefield, Rhode Island; BioConversion, a developer of improved food products for fish founded by Professor Gene Park based in Warwick, Rhode Island; and, Accurate Environmental Forecasting of Narragansett, founded in 1999 by Professors Lewis Rothstein and Isaac Ginis of the Graduate School of Oceanography. Rothstein and Ginis' hurricane forecasting model adopted by the National Weather Service in 2001 as the nation's first operational coupled-ocean atmosphere forecast model. See p. 27, *A Partner for Prosperity; The University of Rhode Island's Impact on the Economy of the Ocean State*

²³ <http://www.rwu.edu/academics/centers/ceed.htm>

²⁴ <http://www.ric.edu/stemcenter/>

²⁵ http://chafeecenter.bryant.edu/about_us.htm

²⁶ See "Rhode Island needs master infrastructure plan to make future economic development possible", Keith Stokes, *Providence Journal*, December 16, 2008

²⁷ Ibid

²⁸ Ibid

²⁹ Rhode Island Water Resources Board, Annual Survey of Rhode Island Residential Water Rates, 2010.

³⁰ As cited in "Rhode Island Ranks High," The Chafee Center, Bryant University, p. 64.

³¹ "Rhode Island Commercial Fishing and Seafood Industries – The Development of an Industry Profile," Cornell Cooperative Extension Marine Program, October 2012, passim.

³² Ibid., p. 2.

³³ NMFS, 2009 Economic Impacts of Recreational Fishing Expenditures, Rhode Island, p. 70.

³⁴ RIDEM, Rhode Island Saltwater Recreational Fishing License Program Annual Report, February 2012.

³⁵ RIDEM, Preliminary Findings of the Economic Impact Study for Rhode Island Green-Related Industries, April 26, 2012, p. 1.

³⁶ National Agricultural Statistics Service, United States Department of Agriculture, New England Office.

³⁷ USDA, *2002 Census of Agriculture*

³⁸ In 2007, Rhode Island had 249 farms that sold directly to the public. Information from the National Agricultural Statistics Service, United States Department of Agriculture, New England Office.

³⁹ The American Farmland Trust notes, "Fertile soils take thousands of years to develop. Creating them takes a combination of climate, geology, biology and good luck. So far, no one has found a way to manufacture them."

⁴⁰ At the beginning of the 19th century, Rhode Island farms comprised approximately 550,000 acres of Rhode Island's total land.) However, over succeeding decades the amount of acreage used for agriculture declined steadily, and by 2008, Rhode Island farms comprised 61,000 acres. That is a figure that has remained relatively constant for the past 15 years.

⁴¹ *New England Agricultural Statistics, 2007*

⁴² RI CRMC, Aquaculture in Rhode Island, 2009 Annual Status Report and *Michael A. Rice*, Rhode Island Cooperative Extension, University of Rhode Island and *Dale Leavitt*, Roger Williams University, Aquaculture Situation and Outlook Report 2009: Rhode Island, Northeast Regional Aquaculture Center, University of Maryland College Park, Maryland.

⁴³ RIDEM, Division of Forest Environment Rhode Island Forest Resources Assessment and Strategies, June 18, 2010, passim.

⁴⁴ Ibid.

⁴⁵ In 1995, the latest year for which data is available, about 126,000 cords of wood were used for firewood. The cost of home heating oil has greatly increased the demand for firewood so this figure is undoubtedly low.

⁴⁶ By the mid 1980s, approximately 7 million board feet per year were being harvested every year, and more than half of that harvest came from highly valued oaks.

⁴⁷ Op. Cite., Rhode Island Forest Resources Assessment and Strategies, and Aquidneck Island and Open Space: An Economic Perspective, Aquidneck Island Partnership. Coastal Resources Center, University of Rhode Island. Rhode Island Sea Grant Publication P1461.