

**Rhode Island Economic Development Corporation**

**Enterprise Zone Council**

**Minutes of Special Meeting of February 10, 2009**

**RIEDC: Narragansett Room**

**315 Iron Horse Way, Suite 101**

**Providence, RI 02908**

**In attendance:**

**COUNCIL AFFILIATION**

**R. Caniglia Stand Corp.**

**D. Varin Vice Chairman**

**B. Parsons RIEDC**

**OTHER AFFILIATION**

**V. Barros RIEDC**

**J. Garrahy Moses Afonso**

**M. Godin Needs, Inc.**

**A. Crisman Mt. Hope Enterprise Zone**

**K. Cosentino City of Providence**

**W. Clark Town of Portsmouth**

**Vice Chairman Mr. Varin called the special meeting of the Enterprise Zone Council to order at approximately 10:04 AM and noted that there was a quorum present.**

**The first order of business before the Council was the Response to the Recommendations of the Governor's Strategic Tax Policy Workgroup.**

**Mr. Barros stated that the Council had requested this Special Meeting be held to begin to craft a response to the proposed elimination of the enterprise zone business tax credit. In addition, the Council requested information on the program's annual job creation and business participation. A request was made that a letter be drafted that could be used to inform enterprise zone member businesses of the proposed elimination of the enterprise zone business tax credit. A copy of a letter prepared by Mr. Crisman was included in the agenda package.**

**Mr. Parson stated that EDC would most likely advocate at the Governor's office not to eliminate the enterprise zone program.**

**Mr. Varin stated that he thought it was important that the local communities contact their state representatives to express their support for the program. Mr. Crisman and Mr. Clark both stated that they thought a response from the Council would be most helpful.**

**Mr. Garrahy questioned the Council's legal authority to take action, to advocate for the program itself. He added that, in this case, the Council would be taking an action contrary to the Governor's position – the Governor being the Council's appointing authority.**

**Mr. Garrahy stated that he would be less troubled by the Council drafting a resolution directed at the recommendations of the tax policy workgroup, as oppose to sending a letter to all EZ companies, authored by the Council, directly stating that they are against the tax policy workgroup's recommendation.**

**Mr. Varin suggested modifying the letter to be more informative in nature, as oppose to expressing a particular point of view about the program.**

**Mr. Garrahy agreed that an informational letter that doesn't advocate a clear position in support of the program would be a better approach.**

**Mr. Crisman stated the he feels the enabling legislation that created the Council does imply that the Council can promote and support the program.**

**Mr. Varin stated that he feels the Council should voice its opinion when matters are under discussion that impact what the Council does and how they do it. He added that the Council would be remised if they did not inform member businesses of proposed changes that would impact their businesses - present and future business decisions. He added that he wouldn't expect EDC to take any position other than to support the Governor's final recommendations, but**

**noted that a final decision on the workgroup's recommendations has yet to be rendered.**

**A general discussion continued about the timing of the workgroup's recommendations.**

**Mr. Caniglia suggested that a cleaned up version of the letter be shared with the acting EDC director. He added that as a small business owner, if he was in an EZ, he would be interested in receiving a letter like this from the Council informing him about proposed changes, including elimination of the program in its entirety.**

**Ms. Cosentino expressed her concern about the Council asking the local communities to contact the legislature and lobby for the program. The local communities have their hands full dealing with the state budget deficits and may have other lobbying efforts ranked as higher priorities. Lobbying for the EZ program could jeopardize those efforts.**

**A general discussion continued about the role that cities and towns could and should play in advocating for the program.**

**Mr. Varin asked for a motion to approve the letter on a 'stand-by status' subject to incorporating some of the changes that have been raised during the meeting, including making the letter more informational in nature. Mr. Caniglia made the motion; seconded by**

**Mr. Varin. Mr. Varin asked for comments or questions. Mr. Parson abstained from the vote.**

**There being no further discussion, the motion was approved.**

**The next order of business before the Council was other business to be discussed.**

**Mr. Barros directed the Council's attention to a copy of an article that appeared in the Wall Street Journal. The article talked about business tax credit incentives and how more states are considering tax credit to entice businesses and jobs.**

**There being no other business to come before the Council, Mr. Varin asked for a motion to adjourn. Mr. Parsons moved to adjourn. Mr. Caniglia seconded the motion. The motion was approved unanimously and the meeting was adjourned at 10:42**