

**Rhode Island Economic Development Corporation**

**Enterprise Zone Council**

**Minutes of Meeting of March 26, 2013**

**RIEDC: Narragansett Room**

**315 Iron Horse Way, Suite 101**

**Providence, RI 02908**

**In attendance:**

**COUNCIL AFFILIATION**

**D. Varin Vice Chairman**

**R. Caniglia Stand Corporation**

**A. Gibbs RIEDC**

**OTHER AFFILIATION**

**V. Barros RIEDC**

**M. Godin ED Foundation of RI**

**L. DiBoni City of Cranston**

**W. Clark Town of Portsmouth**

**J. Rojas-Brito City of Providence**

**K. Cosentino City of Providence**

**A. Gooding City of Providence**

**R. Flores-Marzan City of Providence**

**F. Pressley Town of West Warwick**

**J.R Pagliarini RIEDC**

**At 10:05 Mr. Varin called the meeting of the Rhode Island Enterprise Zone Council to order and declared that there was a quorum present. He introduced Armeather Gibbs, who would was joining the Council as the designee of the RIEDC executive director.**

**The first item of business before the Council was the Meeting Minutes from December 18, 2012.**

**Mr. Caniglia made a motion to approve the meeting minutes. The motion was seconded by Ms. Gibbs. There being no further discussion, all voted in favor and the motion was approved.**

**The next order of business before the Council was the Enterprise Zone Re-designation Request by the City of Providence for the Providence II EZ.**

**Ms. Gooding provided the Council with a brief overview of the city's re-designation proposal. She talked about the importance of the EZ program to the city's overall economic development efforts to grow and attract businesses to the capital city. She also talked about the city's efforts to leverage federal funds to support the growth of businesses.**

**She introduced Ruben Flores-Marzan, the city's Director of Planning and Urban Development, who addressed the Council and drilled-down on some of the specifics of the proposal including the number of jobs the program has created over the past five years and**

**the ethnic makeup of the zone. He formally asked the Council for a five year re-designation of the Providence II EZ.**

**Mr. Varin asked if the city's representatives at the general assembly understood the importance of the program and if so how they will need to advocate for the continuation of the program.**

**Ms. Gooding stated the she and others at the city staff level are beating that drum but due to the number of critical issues being deliberated at the general assembly, she is uncertain whether they message is being heard by their delegation.**

**Mr. Varin stressed the importance of the local communities including, but not limited to, Providence making their case to the members of the general assembly in order to offset the arguments about the program being a revenue drain coming from the office of revenue.**

**Mr. Caniglia talked about the importance of an aggregate effort by the EZ communities working to get the message out about the job creation statistics and metrics of the program especially as it relates to zone residents hires.**

**Mr. Varin asked for a motion to approve on the re-designation of the Providence II Enterprise Zone for an additional 5-year term. Ms. Gibbs made the motion which was seconded by Mr. Caniglia. Mr. Varin asked if there was any further discussion. There being no**

**further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the Council was the Recommendations for 2013 Membership**

**Mr. Barros stated that there were two (2) businesses being presented for 2013 membership. He stated that the both businesses had completed applications that were reviewed and approved by the appropriate local municipalities. Staff also reviewed the applications and recommend approval of membership for both businesses. The businesses were the first two new member businesses of the year.**

**Mr. Varin asked for a motion to approve on the staff recommendations for membership. Mr. Caniglia made the motion which was seconded by Mr. Gibbs. Mr. Varin asked if there was any further discussion. There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the Council was a Recommendation for 2012 Certification.**

**Mr. Varin directed the Council's attention to a revised report that was distributed prior to the meeting**

**Mr. Barros stated that there were four (4) businesses being presented for 2012 year-end certification; the business had declared its status as c-corps and satisfied the requirements of EZ year-end tax**

**certification; as a result, staff recommended approval of the business, bringing the year-to-date total to four (4) businesses resulting in thirty five (35) new full-time jobs created in 2012.**

**Mr. Varin asked if there were any questions. Mr. Caniglia asked Mr. Clark how the new boat program at New England Tech was being received by boat building companies.**

**Mr. Clark stated that the boat builders are advocates of the program.**

**A general discussion ensued about the growing employment opportunities in the boat building industry and the shortage of qualified, skilled employees.**

**Mr. DiBoni asked if there was wage information available on the new jobs represented on the report.**

**Mr. Barros stated that each company must provide wage data for each new job and the he would report back to the Council on the wages associated with those new jobs contain within the report.**

**A general discussion ensued about apprenticeship programs for the boat building industry.**

**Mr. Varin asked for a motion to approve the 2012 recommendations for certification. Mr. Caniglia made the motion which was seconded**

**by Ms. Gibbs. Mr. Varin asked if there was any further discussion. There being no further discussion, all voted in favor and the motion was unanimously approved.**

**The next order of business before the Council was an Excerpt from the Governor's FY 14 Budget**

**Mr. Barros explained that the governor's budget article 9 calls for the elimination of the EZ business tax credit and contains a sunset date of January 1, 2014.**

**A general discussion ensued about the impact of budget article 9 including how passage of the budget article will impact existing EZ member and certified businesses.**

**The next order of business before the Council was House Bill 5892**

**Mr. Barros stated that the bill is designed to reinstate the EZ business tax credit as an allowable credit against RI personal income.**

**A general discussion ensued about the likelihood of the bill's passage.**

**The next order of business before the Council was the EZ New Business and Job Creation Report for 2005-2012**

**Mr. Barros gave the Council an overview of the report, highlighting the slides that showed dramatic decreases in membership, business participation and jobs created since the marginalization of the EZ tax credit – could no longer be claimed against RI personal income.**

**A general discussion ensued about the lack of advocates for the EZ program at the general assembly level despite the positive numbers as they relate to new jobs and wages.**

**The next order of business before the Council was Other Business.**

**Mr. Varin asked if there was any other business to come before the Council.**

**There being none, he asked for a motion to adjourn. Ms. Gibbs made the motion which was seconded by Mr. Caniglia. All voted unanimously in favor of the motion to adjourn.**