

Rhode Island Economic Development Corporation

Enterprise Zone Council

Minutes of Meeting of November 25, 2014

Commerce RI: 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 Commerce RI

M. Wood RI League of Cities & Towns

OTHER AFFILIATION

V. Barros Commerce RI

L. DiBoni City of Cranston

W. Clark Town of Portsmouth

K. Michaud Town of Tiverton

J. Moran East Providence

J.R Pagliarini Commerce RI

At 10:02 Mr. Varin called the meeting of the Rhode Island Enterprise Zone Council to order and noted that there was a quorum present.

The first item of business before the Council was the Meeting Minutes from June 24, 2014

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

The next item of business before the Council was the zone re-designation request by the towns of Portsmouth and Tiverton.

Mr. Clark began by highlighting the proposed adjustments to the boundaries of the zone. He explained that the adjustments were necessitated by the 2010 census which renumbered some census tracts and added a third block group where there had only been two prior to the 2010 census. The proposed changes allow the zone to recapture its originally designed geography except for the complete removal of one tract (CT 417.02) in Tiverton. The proposed changes were as follows:

- Deletion of block group 3 of CT 401.01**
- Addition of block group 1 of CT 401.01**

- Deletion of block group 1 of CT 401.02**
- Addition of block group 3 of CT 401.02**

- **Deletion of CT 417.02 in Tiverton**

Mr. Clark stated the importance of the EZ program in regards to future projects in the town like The Back Yard project, a 32-acre development project in the heart of Melville Marine District. He also talked about the development and reuse of three vacant buildings on the Raytheon campus.

He talked about other economic and business development opportunities particularly on the west side of Aquidneck Island as the result of an EDA grant focusing on underwater and sea-based technologies.

Ms. Michaud explained why the town decided to drop CT 417.02 in South Tiverton. She stated that it was mostly residential, had significant development issues – no public utilities – and was a watershed protection overlay district.

She continued by highlighting several development projects in the town of Tiverton.

Mr. Wood made a motion to approve the town's re-designation request for a 5 year term with the amended block groups. The motion was seconded by Mr. Caniglia. There being no further discussion, all voted in favor and the motion was approved.

Mr. Varin notified the Council that Mr. Barros suggested that agenda item IV be heard next, changing the order of the agenda. He asked for a motion.

Ms. Gibbs made a motion to switch the order of agenda items III and IV. The motion was seconded by Mr. Caniglia. There being no further discussion, all voted in favor and the motion was approved.

The next item of business before the Council was the zone re-designation request by the city of East Providence.

Mr. Moran reviewed the salient points of the city's re-designation request; he focused on the vacancy issues in the city particularly on the waterfront.

He stated the unemployment had improved in the zone but there were still high levels of poverty within the zone.

He talked about the challenges of managing the 'watered-down' EZ program.

He addressed the change to the zone's boundaries that the town was requesting. At the last re-designation in 2009, the Council approved the removal of CT 106 and the addition of CT 103 for which the city saw some benefit including Pharmatech-Proform relocated to

Waterman Avenue in CT 103 and a decrease in overall office vacancies.

He explained that the current boundary change request is based on the fact that block group 2 of CT 107.01 was being developed as residential so the city felt that it would result in a greater economic and business development impact if that block group was substituted for another, specifically block group 1 of CT 105.01 that includes the Westminster Industrial Park. He continued by addressing the business and job growth opportunities within the industrial park.

Mr. Wood asked if the new block group that the city is looking to add was considered distressed.

Mr. Moran directed the Council's attention to pages 7 and 8 of the city's proposal where it showed that CT 105.01 had an extremely high poverty rate of 15.9% and an unemployment rate of 8.4%, the highest rate of any tract in the zone.

Mr. Wood suggested that the Council should consider approving the 5-year re-designation request with the proposed change in the block groups contingent upon a review as to the Council's ability and authority to grant such boundary changes.

Mr. Caniglia supported Mr. Woods' concern about the Council's authority to approve boundary changes to an existing zone.

Mr. Wood made a motion to approve the city's re-designation request for a 5-year term with the amended block groups contingent upon a review as to the Council's ability and authority to grant such changes. The motion was seconded by Mr. Caniglia. There being no further discussion, all voted in favor and the motion was approved

The next item of business before the Council was the Recommendation for 2013 Certification.

Mr. Barros stated that was one (1) businesses being presented for 2013 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 as presented, bringing the year-to-date total to four (4) businesses resulting in one hundred forty two (142) new full-time jobs created last year.

Mr. Varin asked for a motion to approve the 2013 recommendations for certification. Ms. Gibbs made the motion which was seconded by Ms. Woods. 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 Micro-Zone Legislation

Mr. Barros provided an overview of the micro-zone related bills. A general discussion ensued about specific aspects of the bill and its objectives.

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. Mr. Wood made the motion which was seconded by Mr. Caniglia. All voted unanimously in favor of the motion to adjourn.