

Small Business Advocacy Council Meeting

Friday, January 28, 2005

8:30 AM

RI Economic Development Corporation

Providence, RI

Meeting Minutes

I. Lieutenant Governor Charles J. Fogarty, Chairman, called the meeting to order at 8:37 a.m. In attendance were:

II. In Attendance were:

Lieutenant Governor Charles J. Fogarty, Chair

Jerry Meyer, East Greenwich Chamber of Commerce

Robert Lafond, North Central Chamber of Commerce

Jerry Schaufeld, RI Slater Fund

Louis Soares, RI EDC

Mark Deion, Deion and Associates

Jim Hurton, Narragansett Chamber of Commerce

John Gregory, Northern RI Chamber of Commerce

Josh Miller, Trinity Brewhouse

Herb Weiss, City of Pawtucket

John McCauley, SCORE

Robert Hamelin, RI SBDC

Steve Umberger, SBA

Hannah Hodgson, Cranston Chamber of Commerce

Mike McMahon, Director RI EDC

Dean Edward Mazze, URI School of Business

James Segovis, Bryant University

III. Approval of December 14 , 2004 Meeting Minutes

The Chairman called for the approval of the previous meeting minutes. A motion was made and seconded for the approval of the minutes.

IV. Comments from the Chair

Chairman Fogarty welcomed back the SBAC to the first meeting of the year. He welcomed EDC Director Mike McMahon and Dean Edward Mazze of the URI Business School who will be giving remarks to the Council. Chairman Fogarty said that he would like the SBAC to form a public policy working to put forth recommendations to the full Council at the March meeting. He invited members to contact the Office of Lt. Governor if they would like to be involved with the workgroup. Chairman Fogarty informed the Council on some of the legislation he will be putting forth this legislative session. He said that legislation creating an Office of Tax Policy Analysis in the

Division of Taxation is sponsored by Representative Elizabeth Dennigan in the House and Senator Dan DaPonte in the Senate. He said that this office will provide state government with the appropriate data and analysis to make RI's tax structure one that is fair and conducive to economic development. He said that legislation giving authority to the RI Arts Council to coordinate efforts among arts districts will help to nurture the arts as an economic engine. He said that he is putting forth legislation to strengthen the RI Regulatory Flexibility Act by establishing a small business advocate in the EDC. Senator Leo Blais and Representative Brian Patrick Kennedy are sponsoring this legislation. Chairman Fogarty provided members with a copy of a letter sent to Fire Marshal Owens requesting that information on the fire safety regulation be put into Spanish (See attachment 1).

V. SBAC Member Updates

Robert Hamelin, RI SBDC said that since April the focus has been on growth and development through their Rhode Builder program. The SBDC is partnering with the RI EDC to build capacity in RI businesses. Steve Umberger said the US SBA is looking for 504 loan participation in the small business community. Jerry Schaufeld said that the Slater Fund is interested in partnering with the SBAC to bring more awareness to the Slater Fund. He also said that that Manufacturing Summit is offering services to companies and helping them get started. They are assisting through product development

and looking for sites to market the program. Mark Deion said that the regulatory flexibility amendments were being drafted and he looks forward to supporting the bill in the upcoming legislative session. He also called on the SBAC to support the re-instatement of the SBA Fee Tax Credit. Louis Soares said the execution of reg flex seems to be working. He said that they have been working with DEM as a test case and have been using the chambers through the comment period for collaboration. Josh Miller informed the SBAC that he is a member of the Providence Business Improvement District. He said this organization has been working to make Providence clean and safe through security and clean up. John McAuley said that he is involved with SCORE and that this organization provides mentors to small business owners. Jim Hurton said that he is working with the Bed and Breakfast Association to deal with the new fire safety code. He also informed the members about the opening of the small business resource center for Narragansett and Charlestown. Jerry Meyer said that fire code and healthcare issues are at the forefront of the small business agenda this year. He said that the East Greenwich Main Street revitalization has been successful to date. Hannah Hodgson said that Park Cinema revitalization project is underway and she looks forward to this as a major economic development project in Cranston. She said that on March 3 the Chamber is having a business expo to be held at Shriners Memorial Hall. Bob Lafond said that he has been working with the regional economic development group in his area. The group has about 35 members and they are looking to create a joint database on economic development

initiatives in North Central RI. He also echoed the concern of healthcare to the small business community. Herb Weiss said that arts are alive and well in Pawtucket. That a new mill has been turned into mixed use and that the SBDC has moved into Main Street, which will help the small business and arts community in Pawtucket.

VI. RI EDC Jobs Partnership 2005

Mike McMahon, Director, RI EDC

Director McMahon said that the focus of government should be to provide a competitive tax environment, good education system and government especially in regulatory matters. He said that the goals of the Jobs Partnership 2005 are to support access to capital for small and minority owned businesses, well trained workers, good sites, intellectual capital and to nurture management talent. He looks forward to working on this initiative during the upcoming legislative session. For more information, please see attachment 2.

VII. The Rhode Island Economic Environment 2005

Dean Edward Mazze, URI Business School

Dean Mazze said that his role on the board of directors at Washington Trust allows him to get indicators on the state's economy due to the amount of money being borrowed. He said it is important to identify places where to locate businesses. He said that small business people are ordinary people that need to extraordinary things. He said that Rhode Island is unique because of its location. He said the location is one of the best in the country. He noted that the economy is improving but it is fragile due to the world economy. He said that Y2k, which was a non-event, the September 11th terrorist attacks and corporate skepticism as well as the rising healthcare and housing costs have created a perfect storm leading into 2005. Every indication is that things are going to improve. He said that the state needs to have a message of optimism, that the state is trying to work with government and the business community to create a thriving business environment. He said the key is to celebrate victories and successes, as there are many in Rhode Island and this will set the stage for the business community for years to come.

Chairman Fogarty requested a motion for adjournment, which was made and seconded. The meeting adjourned at 10:22 AM.