

NORTH SMITHFIELD INDUSTRIAL DEVELOPMENT COMMISSION

WEDNESDAY, OCTOBER 15, 2008

PRESENT: Robert E. Nault; Kenneth L. Peloquin; Alfred S. Puccetti; Bernice F. Salzberg

ALSO: Michael Phillips, Town Planner; Scott A. Gibbs and Michelle M. Godin of New England Economic Development Services, Inc.

ABSENT: Michael R. Dowling

Call to Order

The meeting was called to order at 4:00 PM.

Public Comment

There was no public comment.

Discussion: Planned Corporate Zone

There was no discussion concerning the Planned Corporate Zone.

Update: Web Site

Phillips briefly mentioned that the Town's web site is live and its URL is nsmithfieldri.org. Phillips also noted that there is a link to the Commission's web site.

Update: Branch Village District

Peloquin mentioned that the Branch Village Task Force is proceeding with the establishment of a North Smithfield Redevelopment Agency, and requested funds from the Small Business Revolving Loan Fund for legal services in connection with the drafting of an ordinance and bylaws. Peloquin noted that the Commission previously provided \$10,000 toward the Phase I study.

Phillips said he reviewed the history of the Small Business Revolving Loan Fund. According to Phillips, the fund was established by the Town Council in 1987 with \$50,000 of CDBG funds and \$50,000 of Town general funds. Gibbs said the Town Council has been supportive of the Branch Village Task Force's efforts to date. Gibbs also said the legal fees should not exceed \$3,000. Discussion followed. Nault made a motion in support of a letter to the Town Council requesting the reallocation of up to \$3,000 from the Small Business Revolving Loan Fund to pay for legal services associated with the drafting of an ordinance and bylaws for the proposed North Smithfield Redevelopment Agency. The motion also included a request that no additional allocations from the Small Business Revolving Loan Fund be considered by the Town Council, unless those allocations are directly linked to a job creating project. Salzberg seconded the motion, and the vote in favor passed. Peloquin stated that it is important to maintain the integrity of the Small Business Revolving Loan Fund for future economic development projects, which may or may not be located in the Branch Village District. Gibbs agreed to prepare a letter to the Town Council to reflect the Commission's vote.

Discussion: Gold Property

Phillips reviewed a satellite photograph depicting the Gold property. There was discussion about access, ponds on the site, and the rail bed. Nault inquired about the asking price. Phillips stated that the asking price is \$2.8 million and the Town's offer is \$2.8 million. It was noted, however, that the appraised value is \$1.92 million. Furthermore, Phillips stated that the agreement entails a \$2 million payment and \$800,000 paid over a period of 8 years. Several Commission members questioned whether or not the payment over a period of 8 years is legal. Phillips indicated that the Finance Director is reviewing the matter with Bond Counsel. Peloquin commented that the Town already approved a \$3 million bond for

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open space. Phillips commented that \$2 million of the \$3 million bond would be expended for acquisition of the Gold property; while the balance of the bond would be used to acquire a different parcel of land in Town. Peloquin asked how the bond will affect the tax rate. Phillips did not know what the increase in the tax rate would be. Gibbs said the Gold property is more suited to open space than other parcels in Town that are well suited for economic development purposes. Discussion followed. There was consensus that Gibbs should prepare a letter to the Town from the Industrial Development Commission stating its position in support of the acquisition of the Gold property. Furthermore, the letter should state that the Gold property is best for open space in-lieu-of other parcels that are more favorable for economic development purposes.

Update: Commercial Developments

There was no discussion concerning commercial developments in Town.

Adjournment

The meeting adjourned at 4:37 PM, at which time the Commission members proceeded to Wright's Dairy Farm for a tour.

Respectfully submitted,

Kenneth L. Peloquin
Chairman