

PROVIDENCE ECONOMIC DEVELOPMENT PARTNERSHIP, INC.
THURSDAY, JANUARY 12, 2012
MEETING MINUTES

A regular meeting of the Providence Economic Development Partnership, Inc. (PEDP) Loan Committee was held at the office of the Department of Planning and Development, 444 Westminster Street, Providence, Rhode Island, in the 3rd Floor Conference Room on January 12, 2012. The Loan Committee meeting was called to order at 12:07 P.M.

MEMBERS IN ATTENDANCE

Members of the Loan Committee in attendance included Manny Barros, Renee Bailey, Frank Benell, Adriana Dawson and Peter Scotti.

STAFF MEMBERS IN ATTENDANCE

Staff members in attendance included: Thomas E. Deller, Executive Director, PEDP and Director, Department of Planning and Development, Ann Gooding, Director of Communications, Department of Planning and Development; Kathy Cosentino and Gail McGowan.

OTHERS IN ATTENDANCE

There were no others in attendance.

MEETING MINUTES

The minutes of the October 13, 2011 PEDP Loan Committee meeting were submitted for review and approval. Upon a motion was made by Frank Benell and seconded by Renee Bailey, it was voted to approve the minutes of the October 13, 2011 meeting. Motion passed by unanimous vote.

REPORT OF EXECUTIVE DIRECTOR

Thomas Deller began by discussing the components of Section 108 loan funds, which are the RLF, IIP, and the Creative Economy Fund and provided a brief overview of each one. Mr. Deller also presented the repayment schedule for the new loan funds and the manner in which those funds will be drawn down.

Mr. Deller then discussed the committee appointments and related status. Mr. Deller questioned whether the committee members are willing to continue to serve on the committee should their appointments have expired. All of the members affirmed that they are willing to continue to serve on the committee.

Mr. Deller provided a brief update relative to the recent public records requests. The requested information has been provided and a notice has been sent to the PEDP Borrowers. Mr. Deller also provided a brief update relative to the department's HUD monitoring visit.

Ann Gooding added that she has been working with Adriana Dawson to develop a partnership between PEDP and Johnson & Wales University/Small Business Development Center in order to provide technical support to those businesses that receive loans through the city.

NEW BUSINESS

Mr. Deller presented the New Business agenda items, indicating that there were no new loans for approval or loans requiring approval or ratification by the Board of Directors this month. Mr. Deller proceeded to present a brief overview of the loans that have been approved, which were to Providence Cookie Salad Bar and to ABV Design, Inc. d/b/a Andrea Valentini. A loan listing report was distributed at the meeting to the members.

OLD BUSINESS

The first agenda item under Old Business was the two (2) requests of Broad Street Revitalization (BSR), 693 Broad Street, Providence, Rhode Island, for the ratification of staff approval of a revised collateral structure to secure the PEDP loan and for the approval of a request for a payment

moratorium. The first request was previously tabled at the August meeting for additional information relative to this request, which was subsequently submitted by the Borrower's legal counsel. At the next meeting, held in October 2012, the committee expressed the need for additional clarification to be provided as to the legal impact of such a change in PEDP's collateral structure and continued both requests to its next meeting in order for PEDP legal counsel to be present. Due to a death in his family, PEDP legal counsel was unable to attend today's meeting (next meeting since the October 2011 meeting) and the Borrower indicated that it was acceptable for both requests to be continued to next month's meeting. As such, Mr. Deller stated that these two (2) agenda items would be continued to next month's meeting for legal counsel to be present to address the concerns of the committee and both requests of the Borrower would be considered at that time.

The next agenda item entertained by the Loan Committee was the two (2) requests of A New Leaf, 135 Gano Street, Providence, Rhode Island, for the 1) approval of an additional (fourth) twelve (12) month moratorium of principal and interest payments; and 2) review of a new proposal for the Providence Center to assume the balance of the PEDP loan to A New Leaf. Mr. Deller presented the requests and indicated that state cuts in program support have impacted its ability to support the debt service. Upon a motion made by Peter Scotti and seconded by Frank Benell, it was voted to approve the moratorium as outlined above, to waive the conflict of PEDP legal counsel relative to the proposed loan assumption, and to approve the proposed loan assumption and resumption of monthly loan payments. Motion passed by unanimous vote.

The next agenda item entertained by the Loan Committee was the request of ExNihilo Design, Inc., 2 Charles Street, Providence, Rhode Island, for a three (3) month extension of the commencement of the loan repayments from November 1, 2011 to February 1, 2012 due to the loan not having been fully disbursed as a result of hiring difficulties. Mr. Deller presented the request. Upon a motion made by Peter Scotti and seconded by Frank Benell, it was voted to approve the three (3) month extension of the loan repayment commencement date (and loan disbursement period), as presented. Motion passed by unanimous vote.

The next agenda item entertained by the Loan Committee was the request of Pisaturo Real Estate, LLC, 290 Plainfield Street, Providence, Rhode Island, for a three (3) month extension of the loan disbursement period and loan repayment commencement date from January 1, 2012 to April 1, 2012, due to construction delays. Mr. Deller presented the request. Upon a motion made by Peter Scotti and seconded by Renee Bailey, it was voted to approve the three (3) month extension of the loan disbursement period and loan repayment commencement date, as presented. Motion passed by unanimous vote.

OTHER BUSINESS

The next agenda item entertained by the Loan Committee was the 2012 meeting schedule. Mr. Deller presented this agenda item. Upon a motion made by Frank Benell and seconded by Adriana Dawson, it was voted to approve the 2012 meeting schedule. Motion passed by unanimous vote.

A brief discussion followed relative to marketing the PEDP program and the new loan funds.

Upon a motion made by Peter Scotti and seconded by Frank Benell, the meeting was adjourned at 12:50 P.M.