

PROVIDENCE ECONOMIC DEVELOPMENT PARTNERSHIP, INC.
WEDNESDAY, OCTOBER 16, 2013
MEETING MINUTES

A meeting of the Providence Economic Development Partnership, Inc. (PEDP) Board of Directors was held at the office of the Department of Planning and Development, 444 Westminster Street, 1st Floor, Providence, Rhode Island, on October 16, 2013. The meeting was called to order at 12:12 PM, with Gonzalo Cuervo, presiding.

MEMBERS IN ATTENDANCE

Members in attendance included Gonzalo Cuervo, Deputy Chief of Staff, City of Providence and Representative for Mayor Angel Taveras (PEDP), Daniel Baudouin, Kas DeCarvalho, Mark Feinstein, Juana Horton, Councilwoman Sabina Matos.

MEMBERS ABSENT

Members not in attendance were Mayor Angel Taveras, Joseph Caffey, Adriana Dawson, William DiStefano, Jr, Stephen Lane, Gerald Massa, Paul Mithun, Janet Raymond and Clay Rockefeller.

STAFF MEMBERS IN ATTENDANCE

Staff members in attendance included: James Bennett, Director of Economic Development and Executive Director, PEDP; Stuart MacDonald, Director of Fiscal Operations, Department of Planning and Development (DPD) and Assistant Director, PEDP; Kathy Cosentino, and Gail McGowan .

OTHERS IN ATTENDANCE

Others in attendance included John J. Garrahy, Esq., Moses Afonso Ryan, PEDP legal counsel; Natalie Lopes, Director of First Source Providence, Department of Planning and Development; Thomas Hoagland, PEDP consultant; Matt Jerzyk, Deputy City Solicitor, City of Providence Law Department; and Allan Tear and Melissa Withers, Betaspring.

PEDP legal counsel, John J. Garrahy, Esq. indicated to the board that there is not a quorum present but that the meeting is a posted meeting in accordance with the open meetings act. As such, the board cannot conduct business and therefore there is no official meeting. The public is welcome to stay.

Gonzalo Cuervo called the meeting to order and indicated that today's discussion would be a workshop regarding Betaspring.

MEETING MINUTES

The minutes of the September 18, 2013 PEDP Board of Directors meeting were not reviewed for approval due to the lack of quorum.

REPORT OF THE CHAIRMAN

There was no report in the Chairman's absence.

REPORT OF THE EXECUTIVE DIRECTOR

There was no report of the Executive Director.

James Bennett introduced Allan Tear of Betaspring and provided a brief history of Betaspring. The board previously requested an update on the Betaspring companies funded through the IIP program. Thirty-three (33) start-ups have been funded through the program. Hopefully PEDP will work with Allan and Betaspring in the future. Mr. Bennett gave the floor to Mr. Tear.

Mr. Tear began by stating that he would be giving a short presentation regarding the partnership with PEDP for the IIP program.

Betaspring is a start-up accelerator program based in Providence for technology and design entrepreneurs. Betaspring makes investments in companies in cash and in mentorship services to take them to a global level. A brief overview of the terms IIP program was provided. The program was

aimed at companies with a high innovation component and economic development impact on the city. Mr. Tear hopes to revisit the partnership with PEDP.

Mr. Tear then made a presentation to the board providing a PEDP portfolio update. The topics discussed relative to Betaspring and the IIP funding were as follows: program outline; program outcomes; portfolio companies; investments span industries; investments address a range of customers; growth stage; employment; funding success; company overviews – 121 nexus, Care Thread, Splitwise, and Sproutel; Providence start-up map; and four lessons.

Questions were asked of Mr. Tear and answered.

At 12:35 P.M. Juana Horton arrived at the meeting.

With regard to funding success, Betaspring funding was in the amount of \$1,611,375.00, PEDP funding was in the amount of \$1,650,000.00, and \$5,348,000.00 was provided in additional private funding.

Mr. Tear proceeded to provide a brief overview of the company stories of 121 nexus, Care Thread, Splitwise and Sproutel.

The plan over the next five (5) years is to raise another fund, bigger than the last, and start up 150 more companies. Bringing talent here from New York and Boston will explode this. When questioned whether there are other things that the city can do to incentivize companies or resources that can be provided to help, Mr. Tear responded that entrepreneurs care about four (4) things: living where entrepreneurs are loved and where they can be around other entrepreneurs; following resources; housing and having resources to give them to find housing. A discussion followed with regard to demand for apartments and rentals beyond sub-lets.

At 1:05 P.M. Matt Jerzyk arrived at the meeting.

Mr. Tear thanked everyone for their support of this. It has had a big impact. He hopes the program can be done again and if not, hopes he can find another stakeholder. The eighteen (18) months that the program was up and running truly did take them up a notch. Entrepreneurial density is the key here. Questions were raised and answered. Mr. Tear will evaluate at the end of five (5) years the continuing need for a technology start-up accelerator and is also looking into other types of accelerators/incubators.

The board thanked Mr. Tear for his presentation.

OTHER BUSINESS/PUBLIC COMMENT

There was no other business or public comment.

The meeting adjourned at 1:20 PM.

Approved: November 20, 2013