

RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

MEETING OF DIRECTORS

PUBLIC SESSION

NOVEMBER 23, 2009

The Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Monday, November 23, 2009, in Public Session, at 4:00 p.m., at the offices of the Rhode Island Economic Development Corporation, located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island, pursuant to notice of the meeting to all Directors, and public notice of the meeting, a copy of which is attached hereto, as required by the bylaws of the Corporation and applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Donald L. Carcieri, Mr. Frank Montanaro, Mr. Keith Stokes, Mr. George Shuster, Ms. Alma Green, Ms. Cheryl Merchant, Mr. Alexander Biliouris, and Ms. Kimball Hall.

Director absent: None.

Also present were: Interim Executive Director J. Michael Saul, members of the Corporation's staff and Attorney Robert I. Stolzman.

Governor Carcieri presided over the meeting and Attorney Robert I. Stolzman acted as Secretary.

1. CALL TO ORDER

Governor Carcieri called the meeting to order at 4:00 p.m.

2. APPROVAL OF THE MINUTES OF THE MEETING HELD ON OCTOBER 26, 2009

Upon motion duly made by Mr. Montanaro and seconded by Ms. Merchant, the following vote was adopted:

VOTED: To approve the public session minutes of the meeting held on October 26, 2009, as submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Montanaro, Mr. Stokes, Mr. Shuster, Ms. Merchant, Mr. Biliouris and Ms. Hall. Ms. Green was not present for this vote.

Voting against the foregoing were: None.

3. INTERIM EXECUTIVE DIRECTOR'S REPORT

Interim Executive Director J. Michael Saul's report can be found at **Exhibit A**, together with a packet of recent press releases regarding economic development news. Mr. Saul highlighted the following items from his report:

The business development team is currently working on over 52 active expansion or attraction projects with a potential of over 3,000 jobs. Of those projects, it is anticipated that 15 active projects will be completed within the next 6 months.

Two "green sector" companies desiring to relocate their headquarters from Massachusetts to Quonset have submitted requests for proposals to the corporation's business development team, which is working diligently with the companies to facilitate their moves. Final decisions on both companies are anticipated in early 2010.

Mr. Saul made a presentation to the deans of the University of Rhode Island on how the corporation and the university can work together on initiatives.

An article highlighting the positive momentum on economic development due to the I-Way project was published in the November 10 edition of the New York Times. A copy of the article entitled "Removing a Barrier" is included in the following package of press releases.

On November 18, Congress passed the FY 2010 Military Construction and Veterans Affairs Appropriations bill which includes funding for projects at the Naval Station Newport. Two projects of particular interest to Rhode Island relate to the BRAC 2005 Recommendations. The first is a \$45.8 million project to construct a new building to house Officer Training Command students and provide administrative space for command and support staff. The second is a \$17.5 million project to consolidate the Bristol, Providence and Warwick Army Reserve Centers into one facility at Naval Station Newport.

The EDC, together with the Newport Chamber and the Naval Station Newport Public Works Department, will host a Small Business Opportunities Conference at the Atlantic Beach Club in Middletown on December 11. The conference, entitled "Doing Business with RI Military Commands", will be opened by Mr. Saul and will include a presentation by Dorothy Reynolds, director of PTAC.

The first Federal/State Offshore Wind Coordination Team meeting regarding the development of offshore wind farms off the coast of Rhode Island was presented by the Department of Commerce-Mineral Management Services Division. Attending the meeting, which was the first of its kind in the country, were various Federal agencies: EPA, Army Corp of Engineers, Coast Guard, Bureau of Indian Affairs; and State Agencies: Governor's Office, RIEDC and Coastal Resources Management.

Governor Carcieri noted that Rhode Island is in the forefront of the development of offshore wind farms in the country. He reported that efforts are being made to assist National Grid and Deepwater Wind in coming to a mutual agreement.

Governor Carcieri also reported that STAC held an event last week regarding the installation of IBM's largest supercomputer at Brown University. The computer will be available to all Rhode Island higher education and Lifespan institutions.

4. FOR REVIEW OF STATEWIDE STRATEGIC PLAN FOR OFFICE AND INDUSTRIAL SITE DEVELOPMENT

Mr. Saul introduced Mr. John Rhodes, Senior Principal of Moran, Stahl and Boyer, to present the Statewide Strategic Plan for Office and Industrial Site Development. Mr. Rhodes presented the plan via a PowerPoint presentation (See **Exhibit B**). In addition, a Briefing Document and a binder containing the full report, both prepared by Moran, Stahl & Boyer, were distributed to the Board members (See **Exhibit C**).

Mr. Rhodes explained that he met with a cross-section of stakeholders, including state and local planners, industries of various sizes, chambers of commerce, brokers and developers and growth-related organizations, throughout the State in order to gather information for this report.

The recommendations resulting from this study are summarized as follows:

1. Develop a Master Plan for Each Priority Development Area.
2. Establish a Certified Sites Program.
3. Reduce Permit Processing Time.
4. Support Small Manufacturing Firms Making Transition to Large/Modern Facilities with a Bridge Loan.
5. Develop and Maintain a Database of Desirable Industrial and Office Spaces.
6. Develop Strategy for Renovation of Vintage Mill/Industrial Buildings.
7. Develop Incubator and Commercialization Facilities for High Potential Companies.

Mr. Shuster observed, and Mr. Rhodes concurred, that it would be useful to bring back historic tax credits to facilitate renovating existing structures. Mr. Shuster also stated that site certification is very important but also very risky due to the existence of many brownfields in the state. Mr. Rhodes responded that the sites identified in the report do not have brownfield issues.

Mr. Saul stated that conversations have begun regarding the development of Master Plans for identified locations, such as the Route 295 corridor. He noted that infrastructure is an important component.

Mr. Stokes commented that one of the challenges will be to assist municipalities in changing their view of economic development. He stated that the State views economic development as job development, while municipalities generally view economic development as revenue raising. He noted that it is the municipalities that control permitting.

Governor Carcieri concurred with Mr. Stokes, stating that EDC's focus should be on educating the municipalities and getting them to work together.

Mr. Stokes added that working with the federal DOT and RIDOT is necessary in order to come up with a uniform and consistent plan.

Mr. Rhodes stated that, although it will be hard work to align the State and the municipalities it will be worth it.

Mr. Biliouris praised the report, stating that it should have been done a long time ago. He suggested adding an 8th item to the list of recommendations, that being "Package commercial properties and go to market immediately".

Attorney Stolzman stated that since everything is now in place to move forward, and negotiations are underway regarding the hiring of a new Director for the EDC, there is no reason not to get started.

5. FOR APPROVAL OF RENEWABLE ENERGY DEVELOPMENT FUND GRANTS

Mr. Saul explained that three proposals were up for consideration for renewable energy development fund grants. He introduced Larry Gemma, President of **Gem Plumbing** (GEM), and explained that GEM is proposing a \$386,000 project to build a 60 KW Solar System at its corporate headquarters in Lincoln. The system will not only produce renewable energy for the company, but will also serve as a training opportunity for existing and new employees regarding the benefits, use and installation of solar technology. GEM electrical technicians will acquire the knowledge to sell and install PV technology to both residential and commercial projects, moving the business into a whole new area. GEM is requesting a grant of \$115,709.

Upon motion duly made by Mr. Shuster and seconded by Ms. Merchant, the following vote was adopted:

VOTED: See text of Vote at **Exhibit D.**

Voting in favor of the foregoing were: Mr. Montanaro, Mr. Stokes, Mr. Shuster, Ms. Green, Ms. Merchant, Mr. Biliouris and Ms. Hall.

Voting against the foregoing were: None.

Mr. Saul next explained that the **East Greenwich School Department** is seeking a grant in the amount of \$59,000 to facilitate the installation of a 50 KW solar PV system on the new Cole Middle School which is being built. The solar system is estimated to cut energy use by 30%.

Upon motion duly made by Mr. Shuster and seconded by Mr. Montanaro, the following vote was adopted:

VOTED: See text of Vote at **Exhibit E.**

Voting in favor of the foregoing were: Mr. Montanaro, Mr. Stokes, Mr. Shuster, Ms. Green, Ms. Merchant, Mr. Biliouris and Ms. Hall.

Voting against the foregoing were: None.

Mr. Saul explained that the **RI Department of Environmental Management** is seeking a grant in the amount of \$137,500 to facilitate the installation of a 100KW Wind Turbine generator at the Fishermen's Memorial Campground. The campground is located in the Galilee/Narragansett area, overlooking Great Salt Pond. It is anticipated that the generator will provide 2/3 of the energy needed to run the campground.

Upon motion duly made by Mr. Shuster and seconded by Ms. Merchant, the following vote was adopted:

VOTED: See text of Vote at **Exhibit F.**

Voting in favor of the foregoing were: Mr. Montanaro, Mr. Stokes, Mr. Shuster, Ms. Green, Ms. Merchant, Mr. Biliouris and Ms. Hall.

Voting against the foregoing were: None.

Governor Carcieri asked that a report be prepared for presentation at the next Board meeting to advise the balance remaining in the Renewable Energy Development Fund and the best way to use it.

There being no further business to come before the Board, the meeting was adjourned at 5:20 p.m., upon motion made by Mr. Montanaro and seconded by Ms. Merchant.

Robert I. Stolzman, Secretary