

RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

MEETING OF DIRECTORS

PUBLIC SESSION

JANUARY 24, 2011

The Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Monday, January 24, 2011, 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 By-Laws of the Corporation and applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Lincoln D. Chafee, Mr. Karl Wadensten, Mr. Daniel Sullivan, Mr. Shivan Subramaniam, Ms. Cheryl Snead, Mr. Paul Choquette, Ms. Donna Cupelo, and Mr. Stephen Lane.

Directors absent: Dr. David Dooley, Mr. George Nee, Mr. Lynn Singleton and Dr. Timothy Babineau.

Also present were: Executive Director Keith Stokes, Chief of Staff Patrick Rogers, Attorney David M. Gilden and Attorney Robert I. Stolzman.

Governor Chafee presided over the meeting.

1. CALL TO ORDER AND OPENING REMARKS

Governor Chafee called the meeting to order at 4:10 p.m. and welcomed all to the meeting. He noted that during his campaign he was asked what he was going to do about economic development, and explained his "ABCs" of economic development: maximizing the State's assets, certainty and stability of budget and removing corruption from government.

Governor Chafee discussed the connection between progressive communities and economic growth, and commented on the need to revive distressed areas of our State, including West Warwick, Woonsocket and Central Falls.

Governor Chafee next introduced several Mayors and community representatives whom he invited to attend the meeting, including Angel Taveras, Mayor of Providence, Warwick Mayor Scott Avedisian, Woonsocket Mayor Leo Fontaine, John Ward, Council President in Woonsocket and Mayor Donald Grebien of Pawtucket.

2. **APPROVAL OF THE MINUTES OF THE MEETING HELD ON DECEMBER 20, 2010**

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

VOTED: To approve the public session minutes of the meeting held on December 20, 2010.

Voting in favor of the foregoing were: Mr. Wadensten, Mr. Sullivan, Mr. Subramaniam, Mr. Choquette, Ms. Cupelo and Mr. Lane.

Voting against the foregoing were: None.

Ms. Snead was not present for this vote.

3. **EXECUTIVE DIRECTOR'S REPORT**

A copy of Executive Director Keith Stokes's report is attached at **Exhibit A**.

Mr. Stokes updated the Board on the America's Cup matters, and noted the involvement of Richard A. Licht, Director of Administration, and Janet Coit, Director of the Department of Environmental Management, in the State's efforts to bring the America's Cup pre-regatta races to Rhode Island. He reported that the America's Cup Committee is putting together a response to the RFP for a pre-regatta event in the Fall of 2011.

Governor Chafee stated that he wants the State to help with the infrastructure improvements that are needed at Fort Adams to host this event, and that the cost is anticipated to be less than \$10 million.

With respect to the Defense sector, Mr. Stokes reported that he attended a final dedication of the new Naval Supply School in Newport this morning. He stated that all senior Naval training and all undersea technology training will now be done at this facility.

Mr. Stokes reported that a final draft of the Rhode Island Tourism Strategic Plan is being reviewed by the Governor's office, and that the Renewable Energy Program is being reviewed and amended to ensure compliance with the federal Renewable Energy Program.

4. **APPROVAL OF INNOVATION TAX CREDIT FOR PHOENIX MEDICAL TECHNOLOGIES**

Mr. Stokes introduced Ms. Christine Smith to brief the Board on the request of Phoenix Medical Technologies ("Phoenix") for Innovation Tax Credit approval. Ms. Smith explained that Phoenix made a presentation to the Board in November and

received preliminary approval of its request at that time. The company has now raised \$200,000 in investment capital as required and is now seeking final approval of its request. More details can be found at **Exhibit B**.

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

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

Voting in favor of the foregoing were: Mr. Wadensten, Mr. Sullivan, Mr. Subramaniam, Mr. Choquette, Ms. Cupelo and Mr. Lane.

Voting against the foregoing were: None.

Ms. Snead was not present for this vote.

5. PRESENTATION OF WARWICK INTERLINK DEVELOPMENT DISTRICT

Governor Chafee introduced Warwick Mayor Scott Avedisian to make a presentation on the Warwick Interlink Development District. He noted that Rhode Island now has the closest link between an Amtrak station and an airport in the country. He specifically mentioned the efforts of Richard A. Licht, on behalf of the Rhode Island Airport Corporation, Mr. Michael D'Ambra, owner of D'Ambra Construction, an abutting land owner, and Warwick Council member Bruce Place, in the creation of the Warwick Intermodal Station.

With the aid of a Power Point presentation (See **Exhibit C**) prepared by Goody Clancy, Mayor Avedisian described the history of the vision and creation of the plan for the Warwick Station Development District.

Mr. David Spillane, architect with Goody Clancy, continued with the presentation. He explained how the Master Plan for the Warwick Station Redevelopment calls for a 24-hour mixed use, creative and walkable community, and will grow from 20 acres to 95 acres. The plan presently anticipates 40-45% hotel/office space, 40-45% residential space and 10-20% retail space.

Mr. Mike D'Ambra, from D'Ambra Construction, next spoke about his plans to build a hotel, office buildings and parking garage, noting that he already has all approvals necessary to commence construction.

Governor Chafee described this plan as a "winner", noting that real estate opportunities will abound.

Upon inquiry of Mr. Choquette regarding lessons learned from studying other airports besides BWI, Mr. Avedisian noted that many ideas were garnered from the study, but that the events of 9/11/01 now prevent some of those ideas from becoming a reality.

Mr. Stokes asked about the potential for jobs in the area, to which Mayor Avedisian responded that 1.5 million square feet of space and 4,700 jobs are anticipated.

Mayor Avedisian concluded the presentation with a note that upon completion of the Master Plan, he will meet with Mr. Stokes to develop an Action Plan. In response to a question of Ms. Snead, Mayor Avedisian reported that the time frame for the entire buildout is five years.

6. PRESENTATION OF URBAN COMMUNITIES/DISTRESSED COMMUNITIES/MAIN STREET ECONOMIC DEVELOPMENT PLAN

Executive Director Stokes referred to a Power Point presentation (See **Exhibit D**) and introduced Doris de Los Santos, Governor Chafee's Director of Community Relations, to speak to the Board about a comprehensive economic development plan to strengthen the state's urban communities.

Ms. de Los Santos commented that Broad Street in Providence could be any number of "main streets" in other Rhode Island communities. She explained that access to capital, easing of regulatory barriers, collaboration between municipal and state agencies, workforce development and a reduction of crime are what the businesses need in order to survive and grow. She stressed the importance of investing in local small businesses and utilizing the talents, skills and diversity of urban communities.

Mr. Stokes noted that urban areas are where the lion's share of the workforce population reside and where infrastructure is already in place, including utility systems and public transit. He explained that economic development of urban areas will discourage the "suburban sprawl" and help to keep natural habitats and open spaces in place.

Mr. Stokes announced the formation of an Urban Investment Roundtable which includes key urban business stakeholders, decision makers and professionals. The Roundtable is focused on targeted goals to enhance economic development in urban areas. He noted that Broad Street has a low vacancy rate and is already working, but that it needs to be "branded" as a place to be. He recommended a realignment of staff functions at the EDC, including the appointment of Victor Barros as Director of Small Business Services, who will interact directly with mayors and other municipal leaders to assist with their needs.

Mr. Stokes reported that a Main Street Program is being established to engage small business and commercial property owners in urban communities to work together with local officials to develop a preservation-based strategy for rebuilding the places and enterprises that make sustainable, vibrant and unique commercial main streets. He noted that a model for this program is the national Main Street Program which is currently run by the National Trust for Historic Preservation. He reported that the initial urban core communities have been identified as Providence, Pawtucket, Woonsocket, Central Falls and West Warwick.

Governor Chafee reiterated the need for the EDC to focus on and partner with municipalities for effective economic development.

Ms. Snead commented that, as a 20-year business owner, she has seen urban development as being an important issue, and congratulated the EDC and the Board for bringing these programs together.

Ms. Cupelo suggested looking at what other areas are doing, specifically New England areas, to see what works and what does not work.

Mr. Wadensten commented that it was good to see Mayors and other municipal representatives at the meeting, but that he would like to see representation from southern Rhode Island.

Mayor Taveras, referring to Governor Chafee, noted that he is glad to be working with a former mayor, and noted that another key to be added to the ABCs referred to earlier by Governor Chafee is Collaboration, specifically between the city and the state.

Mayor Grebien thanked the Board and Governor Chafee for the opportunity to attend the meeting and to partner with the state in economic development.

Mayor Fontaine described an example of collaboration and customer service in Woonsocket, where he recently brought 15 new business owners together. He also reported that Family Resources, a local agency, is assisting with job training in Woonsocket.

There being no further business in Public Session, the meeting was adjourned at 5:20 p.m., upon motion made by Mr. Wadensten and seconded by Mr. Choquette.

David M. Gilden, Secretary