

RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

MEETING OF BOARD OF DIRECTORS **MAIN STREETS SUBCOMMITTEE**

PUBLIC SESSION

APRIL 26, 2011

The Main Streets Subcommittee of the Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Tuesday, April 26, 2011, in Public Session, beginning at 9:00 a.m., at the offices of the Rhode Island Economic Development Corporation located at 315 Iron Horse Way, Providence, Rhode Island, pursuant to notice of the meeting to all subcommittee members, 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 individuals were present and participated throughout the meeting: Subcommittee Chairman Stanley Weiss, Mr. Jerauld Adams, Mr. Daniel Sullivan, Mr. Dan Baudouin, Mr. Bob Bromley, Executive Director Keith Stokes, Mr. Bill Parsons, Mr. Victor Barros, and Ms. Judy Chong.

Mr. Barros, the Corporation's Urban Development Manager, presented a PowerPoint presentation titled Urban Business Development. He outlined the three tenants of Urban Business Development: 1. the support the growth and development of emerging urban small businesses; 2. revitalization and rebranding of urban main streets as destinations locations for business attraction and consumer spending; and 3. the formation of an Urban Small Business Advisory Committee. The members of the subcommittee discussed the SBDC and the consulting services it provides to small businesses. Mr. Barros explained that a draft RFP for a Main Street Program Technical Assistant is being reviewed by the Main Street workgroup.

Mr. Stokes explained that Governor Chafee's early campaign initiative was to focus on five urban communities and identify economic development activities that focus on Main Street Initiatives. The National Trust was brought in to take a look at the Main Street program, formed a working group to develop an RFP to develop a comprehensive statewide main street plan for both physical and business development activities. For the 2012 budget, a full time main street coordinator is proposed.

The members of the subcommittee discussed the Mars Foundation's proposed museum in the City of Central Falls and its potential purchase the property through a Community Block Grant. Mr. Stokes described the background of the Mars Foundation to develop the history of chocolate grinding in the Blackstone area for 20 years and stated that Mars is willing to put \$10 million into the project to build the facility, however an alternative site is under review in Delaware. Mr. Sullivan commented that this was a huge opportunity for the area to tie in the Bike Path, Blackstone River and Slater Mill.

Mr. Stokes agreed and hoped for a positive response, while noting that there is only a two month window of opportunity. The subcommittee discussed the issue of parking in the area.

Mr. Barros continued his presentation by highlighting businesses that have a viable business plans. Mr. Stokes discussed mixed use property and suggested the opportunity to go to area CDCs to leverage money and partner with them for mixed use properties. He suggested holding a forum and inviting the CDCs in to hear their priorities for the next year. Mr. Parson also commented that the SBA was another partner resource provider. Mr. Barros further discussed continued with access to capital and micro lenders, SEED Corporation and ACCION USA. Mr. Baudouin noted ACCION USA's relationship with Admiral Bank and suggested getting them more resources. Mr. Stokes discussed building credit worthiness and financial literacy as part of the Main Street initiatives. He discussed a \$5 million MOU to the renewable energy fund to accelerate renewable energy and drive down the cost of utilities for small businesses, for which a subcommittee has been created. Mr. Stokes further stated the SSBCI has set aside funds to develop equity programs or capital access programs (CAP), \$13.1 million of which is slated for Rhode Island, with the application due on June 22nd.

The members of the subcommittee discussed the MIDC model having a direct impact on urban based businesses. Mr. Stokes noted that these businesses need a lot of support and to be successful they need to own their businesses. Mr. Weiss discussed lease options for urban businesses. Mr. Barros noted the need to find creative ways to get equity back into the community and an upcoming Roundtable event. He explained the target next steps of the program are: issuing of the RFP for the Main Street consultant; conducting field visits to Connecticut and Massachusetts Main Street programs; finalizing participants of the Advisory Committee; formalizing steps for streamlining access to capital, services and resources; identifying and leveraging efforts for local initiatives; and meeting with local officials from the five targeted urban communities.

Mr. Stokes also stated that implementing the capital and credit programs should also be the next step. He also commented on revisions to the executive order for minority business enterprise and the use of bonds as catalysts in urban communities. Mr. Parsons suggested a retooling of the Enterprise Zone Program. Mr. Stokes suggested bringing in a consultant in that regard.

The meeting concluded at 10:30 a.m.

David M. Gilden, Secretary