

RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

MEETING OF BOARD OF DIRECTORS **MAKE IT EASIER TO DO BUSINESS SUBCOMMITTEE** **PUBLIC SESSION**

May 13, 2011

The Make It Easier to Do Business Subcommittee of the Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Friday, May 13, 2011, in Public Session, beginning at 1:00 p.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 Karl Wadensten; Mr. Jerauld Adams; Mr. Charles Hindley; Mr. Henry Kates; Mr. Paul Martineau; Mr. Paul McGreevy; Mr. Michael Mulholland; Mr. John Pagliarini; Mr. David Quigley; Mr. John Surrette; Ms. Leslie Taito; Executive Director Keith Stokes; Ms. Katharine Flynn; Ms. Sherri Carrera; Ms. Denise Javery; and Ms. Sara Beth Sidla.

Mr. Wadensten called the meeting to order at 1:10 p.m. Upon a motion by Mr. Adams, seconded by Mr. Wadensten, the May 9, 2011 draft subcommittee meeting minutes were approved. Mr. Wadensten asked the leaders of each of the subcommittee groups to report on their baseline findings of the agencies to which they were assigned.

Mr. Kates reported on the findings with respect to the Corporation's office. He stated that Mr. Martineau, Mr. Mulholland and Mr. McGreevy met with Ms. Carrera and Ms. Sidla and he summarized for the members of the subcommittee the Corporation's main functions. Mr. Kates described that the Corporation maintains an extensive database for potential customers that is being updated continuously; it was suggested that the database be shared with other entities, such as the SBA. The process of what occurs when a new customer contacts the Corporation was explained, which, depending upon the needs of the contact, may include the formation of a team of the Corporation's professionals, who are cross-trained in the various areas of expertise. It was noted there is a focus on customer service within the Corporation.

Mr. Surrette reported the findings with respect to the Division of Taxation (the "Division"), where he and Ms. Taito examined the procedure for obtaining a letter of good standing. It was noted that after submission of a request, the reason behind the request dictates how long the process will take, which is generally about four weeks. It was noted that there is no one individual dedicated to processing the letters of good standing. When a request is submitted, it is assigned to a revenue agent, whose workload will dictate when the letter is processed. The agent will review the application

and the filings to determine if there is any missing information or payments. If upon such a review information is missing, the agent immediately sends a notice to the requestor. Once the requestor returns the necessary information, the application goes to the top of the list and it will be processed by the agent. It was noted that the Division is attempting to have the letters processed in a timely manner. Mr. Surette recommended that one agent dedicate four hours per week to responding to requests and it was noted that Division is open to suggestions to improve its processes.

Mr. Pagliarini reported the findings with respect to the Department of Health (the "DOH"). He stated that he visited the DOH website to research obtaining a permit for a community well, which is a well that does not contain city water. He noted difficulty in finding the relevant information on the website because of the terminology used, which called it a public water system. He noted that the application for a community well is a one page form on the website, but that the relevant rules and regulations are contained in those for public drinking water, which is a 344 page document. Ms. Javery stated that she went to the offices of the DOH and spoke to one its engineers regarding a community well. She stated that his suggestion was to hire a professional engineer and stated that the permitting process can approximately two months if no issues arise, but he noted that it takes on average approximately ten months. The engineer further stated that there were three engineers in that department; however, there is now only one, since two engineers have retired and have not been replaced.

Mr. Hindley reported the findings with respect to the State Fire Marshal's office. He stated that, when he called the State Fire Marshal's office, he was referred to an inspector, who informed him that the local fire marshals are responsible for the determining whether building plans are in compliance with the State fire codes. It was noted that the State Fire Marshal is contacted only in the event of a problem and has jurisdiction over all the state buildings. The complexity of the code was noted as a concern, which is difficult to fix. Mr. Hindley estimated, based upon information he obtained the State Fire Marshal's web page, building a \$5 million dollar building would cost approximately \$18,000 in associated Fire Marshal fees.

Mr. Wadensten reported on the findings with respect to DEM/CRMC. He noted that the agencies have both federal and state mandates to adhere to and have implemented the federal government documentation in a streamline manner in order to avoid duplication. Mr. Wadensten also observed that DEM set up a concierge-type desk to facilitate customer service needs. He noted that there was not much construction going on for the Underground Injection Control program and that the workload is often uneven and of varying complexities.

Mr. Stokes noted that the purpose of the subcommittee is to provide input to the Board and the Corporation in the shaping of its products, programs and services. He explained that each of the subcommittees will report its recommendations at the May 23, 2011 Board meeting. Mr. Stokes further noted that the goal is to return to the Board with a comprehensive realignment plan to meet the subcommittees' needs and to align

with FY 2012 budget. He also stated that the goal is to have the ORR operating by July 1, 2011.

The members of the subcommittee identified the following significant next steps and goals: focus on statewide planning going over to the Corporation; identify best practices of cities and towns; determine who is adding value within state agencies and attaining and gaining business for the State; creation of an ad hoc group on business regulation; a 2011 zoning map that is flexible, friendly and new age; creation of boot camp/standardization for city administrators, potentially in conjunction with the League of Cities and Towns; review of the fire code and centralization of the associated permit processes; creation of state level flow charts for each type of permits and associated timeline; creation of an inventory of regulations to streamline to reduce refilling and create cross-agency analysis; and creation of a department head or executive team trained in lean processes.

Ms. Javery commented on the ORR Director job posting and stated that the qualifications sought for the position include a law degree, as well as business, real estate and planning experience. Members of the subcommittee recommended that the person should also have experience in lean concepts, private and public expertise, and project management.

The meeting was adjourned at 3:00 PM.

David M. Gilden, Secretary

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