

# **RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**

## **MEETING OF BOARD OF DIRECTORS** **BUSINESS ATTRACTION/CULTIVATION SUBCOMMITTEE**

### **PUBLIC SESSION**

**JUNE 24, 2011**

The Business Attraction/Cultivation Subcommittee of the Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Friday, June 24, 2011, in Public Session, beginning at 8:00 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 Chairperson Mr. Stephen Lane, Dr. David Dooley, Executive Director Keith Stokes, Mr. Bill Parsons, Ms. Katharine Flynn, Ms. Ann Gooding, Mr. Dan Baudouin, Ms. Janet Raymond, Ms. Laurie White and Mr. Jon Duffy.

Mr. Lane began the meeting by explaining to the subcommittee members that at the next meeting of the Board of Directors he would be reporting back the progress of the subcommittee. He noted that the legislative approval of funding was still pending, but he stressed the need to report the keys to success and ensure that there is alignment as to what a private/public partnership looks like at the highest level, regardless of the pending legislation. Mr. Stokes also commented that the goal of the Corporation should be private/public partnership. He noted that business cultivation and attraction should be driven by the private sector and that the role of Corporation should be to supplement and support. Mr. Stokes noted the progress with 38 Studios and Ms. White noted that they had been working with The Commodores. Ms. Flynn noted that there will be an upcoming announcement by Hasbro in mid-July and she highlighted the momentum of the digital media cluster in Providence.

Mr. Stokes commented that the Job Creation Guaranty Program ("JCGP") was created last year in order to assist early stage technology firms. He stated that the Corporation has opened up the JCGP review and application process and it has approximately 15 applicants looking for funds with jobs created ranging between 15 and 100 employees. Mr. Stokes noted that the focus has been on the 20 acres in Providence, however the subcommittee can help create a strategy that is broader and that has more depth than just one land transaction. He explained that funding would most likely be through a supplemental appropriation for business attraction that would come through the Corporation, but which would be set aside and apart from other Corporation funds. Mr. Stokes also informed the members of the subcommittee of the

\$13.1 million in federal treasury funds were applied for and he explained the investment plan for those funds.

Ms. Raymond stated that there have been discussions with respect to an EDA grant that would be centered on the Knowledge District and a life sciences incubator. Mr. Stokes recommended that the subcommittee's focus be on the whole downtown of Providence and not just the 20 acres. He noted also the need to discuss life sciences and ITDM. Mr. Lane emphasized the need to brand the Knowledge District and that the boundaries and mapping should include and incorporate RISD, Brown, URI and Johnson & Wales. He suggested that funds be used to hire a Knowledge District coordinator, which is co-founded and co-managed by the Greater Providence Chamber of Commerce (the "Chamber") and the Corporation. Ms. White stressed that the person in the position should be sales oriented.

Mr. Lane noted that, after they have demonstrated how they have built the universities' value and presence in the area, there needs to be a dialogue with the universities in the district in order to seek their financial contributions toward the private/public partnership. He also commented that the Life Sciences Showcase, scheduled for October 12, 2011, is an opportunity to demonstrate the idea of a university based conference with many other comingled participants. Mr. Duffy stated that the role of the subcommittee should be to plant the seed, nurture it, let it grow and then let people see how they benefit from it. With respect to branding, Mr. Duffy noted that the message needs to be kept simple and not overcomplicated. The subcommittee members discussed how fast a search could be conducted for a coordinator once the funding was in place.

Mr. Stokes raised three points for the subcommittee's consideration: (1) How best to build attraction/cultivation strategy around existing education and medical institutions; (2) How best to develop a clear, concise implementation budget that defines the private/public funding requirement as established by the Chamber; and (3) How best to align the Corporation's business resource delivery systems to support the Chamber's Knowledge District cultivation and efforts.

Mr. Lane suggested that the best people to call on for business attraction are Ruth Simmons, John Maeda and David Dooley. Dr. Dooley agreed and noted that colleges and universities are continually innovating and they will be a great help for attraction. Members of the subcommittee then discussed sales tactics. Ms. Gooding stated that there is an urgent need to create an entity that will take the next step. The question of who will pay for this position was brought up. Mr. Lane suggested the person be required to answer to a board consisting of members who have a stake in this project. He additionally noted that this person should not be encumbered by the day to day workings of either the Corporation or the Chamber.

President Dooley noted the need find entities interested in funding so that the salary of the person in the position is not a distraction from development. Mr. Lane stated that, in order to do this, they need to demonstrate and show that this is for the greater good. Ms. Gooding stated that she would like to see the City be an equal

partner in this. President Dooley suggested that they ask the universities for funding from day one. Mr. Lane noted this is no different from the way a start-up is funded; however, he noted since URI is publically funded will be easier to communicate to them, as opposed to the private universities. He further stated that dates, milestones and measures of success needed to be established.

Mr. Duffy suggested that the subcommittee create a job description. Mr. Lane stated that he thought Chamber should take the lead on this, emphasizing the need for it to be 51% private or the private sector will remain skeptical of investing. Members of the subcommittee further discussed the October 12th conference. Mr. Lane suggested that this event be used to articulate the intersections of the universities. He further stated that he hoped that someone would be hired as the face of the Knowledge District before this event. Dr. Dooley noted that Bio/Pharma/Med is the big focus for this area, and that the person selected should have both a science and marketing background and it would also be helpful to have someone with gaming/digital media knowledge. Dr. Dooley noted that Cambridge is on the verge of "overheating". He stressed that we need to siphon off some of that energy and draw it into Providence. It was agreed that Dan Baudouin from the Chamber would look at a governance structure and that the Chamber should create a job description. The subcommittee's dashboard will be presented at the Corporation Board of Directors meeting.

The meeting concluded at 9:33 a.m.

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David M. Gilden, Secretary