

RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

MEETING OF DIRECTORS

PUBLIC SESSION

FEBRUARY 6, 2012

The Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Monday, February 6, 2012, in Public Session, beginning at 5:00 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, Ms. Helena Foulkes, Mr. J.L. Singleton, Mr. Jerauld Adams, Dr. Timothy Babineau, Dr. David Dooley, Mr. Stephen Lane, Mr. George Nee, Ms. Cheryl Snead, Mr. Daniel Sullivan, and Mr. Karl Wadensten.

Director absent: Mr. Jack Templin and Mr. Stanley Weiss.

Also present were: Executive Director Keith Stokes and Alexandra W. Pezzello, Esq.

1. CALL TO ORDER AND OPENING REMARKS

Governor Chafee called the meeting to order at 5:06 p.m.

2. APPROVAL OF THE MINUTES OF THE MEETING HELD ON DECEMBER 19, 2012

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

VOTED: To approve the Public Session Minutes of the meeting of December 19, 2011, as submitted to the Board of Directors.

Voting in favor of the foregoing were: Ms. Foulkes, Mr. Singleton, Mr. Adams, Dr. Babineau, Dr. Dooley, Mr. Lane, Mr. Nee, Ms. Snead, Mr. Sullivan, and Mr. Wadensten.

Voting against the foregoing were: None.

3. EXECUTIVE DIRECTOR'S REPORT

A copy of the Executive Director's reported is attached hereto as **Exhibit A**. Mr. Stokes reported that the Corporation held a senior staff retreat in December to synthesize the Corporation's plans around the five economic development priorities. Mr. Stokes further reported that metrics of success and performance standards are being developed to measure progress in each of the economic development priorities. Mr. Stokes reported that, based on the success of recent community outreach forums in Pawtucket, West Warwick and Cranston, the Corporation and the Governor's office have scheduled additional community outreach forums in Woonsocket, Newport, South Kingstown and Hopkinton. He further reported that at the beginning of the year Delta Airlines' in-flight magazine had a 15-page feature about Rhode Island, showcasing the State's beauty, attractions, academic institutions and businesses.

Mr. Stokes reported that the America's Cup World Series Host Committee recently held its first meeting and has designated subcommittees to continue to prepare for the event. He also noted the commitment of the Governor's office to fund capital improvements to Fort Adams to continue to attract America's Cup and other events to the State. Mr. Stokes distributed a white-paper report prepared by Broadband Rhode Island, an initiative of the Corporation, entitled "Broadband Policy for Rhode Island: Gaining Competitive Advantage in the Digital Age" which recommends an integrated strategy relating to broadband (see **Exhibit B**). Mr. Stokes reported that the Corporation's trade initiatives have been active, including a reception with the Quebec Boston Delegation and a follow-up reception with the Israeli Trade Mission, both in conjunction with Bryant University. He reported that the Corporation is exploring additional trade missions in the future. Mr. Stokes stated that Corporation staff is still in the process of preparing, and the subcommittees have been providing feedback on, the Corporation's Strategic Economic Growth Plan that will serve as a platform for economic development investments going forward.

4. APPROVAL OF THE ALTERIS RENEWABLES RENEWABLE ENERGY DEVELOPMENT FUND APPLICATION

Governor Chafee commended Julian Dash, the Director of the Renewable Energy Fund, for his and the Corporation's work in informing businesses regarding the various Renewable Energy Fund ("REF") programs. Mr. Dash provided the Board information on the current REF balance. He then presented the \$125,750 REF grant application of Alteris Renewables, Inc. ("Alteris") (See **Exhibit C**), which is one of the State's largest solar energy installers and contractors. Mr. Dash explained that Alteris has developed a commercial scale model to apply to residential solar installation projects in the State. He stated that the project had originally been approved for the ARRA program funding; however, due to the project's residential elements, it was not eligible for the ARRA funding, which is why the grant is now proposed through the REF. Mr. Dash explained that, although the Corporation is moving toward more loans in lieu of direct grants, this grant would allow Alteris, a Rhode Island based company that

works throughout New England, to support nine Rhode Island residences and strengthen Alteris' ability to remain competitive and grow within the State. Mr. Dash stated that although the grant is decreasing the cost of the solar installation for the residential customers, the grant is truly an investment in Alteris. Mr. Stokes noted the requirement that REF funds be used in various sectors, including non-profits, for profit and residential. Mr. Dash introduced Ben Swanson from Alteris, who described the installation process and how the grant funds would benefit Alteris and reduce the net cost of the installation for the residential home owners. Mr. Dash noted that the grant would come out of the REF, and that the previously approved ARRA funds for this project would be available for other projects.

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

VOTED: See text of vote at **Exhibit C.**

Voting in favor of the foregoing were: Ms. Foulkes , Mr. Singleton, Mr. Adams, Dr. Babineau, Dr. Dooley, Mr. Lane, Mr. Nee, Ms. Snead, Mr. Sullivan, and Mr. Wadensten.

Voting against the foregoing were: None.

5. APPROVAL OF THE WEST BROADWAY NEIGHBORHOOD ASSOCIATION RENEWABLE ENERGY DEVELOPMENT FUND APPLICATION

Mr. Dash next presented the \$500,000 REF grant application of the West Broadway Neighborhood Association ("WBNA") (see **Exhibit D**), which, like Alteris, had been previously approved under ARRA. He reported that WBNA is sponsoring the "West Side Solar" program, which is a neighborhood-wide solar PV bulk purchase and installation program. Mr. Dash reported that approximately 125 residences/building owners had initially showed interest in the program and that WBNA will be moving forward with approximately 20 residences and/or businesses, initially. Ms. Snead noted that this is a great story of the REF assisting residents and taxpayers, along with businesses. Mr. Dash reported that after competitive bids were sought, Alteris was selected to undertake the work for the project. He stated that this pooled installation model could be implemented in the future using other existing renewable energy programs. With respect to the remaining REF fund balance and pipeline after the grants, Mr. Dash reported that approximately \$200,000 in new funds come into REF per month and there is currently a balance of approximately \$2.2 million. A representative from WBNA described the organization and the potential for such solar installations to be replicated throughout their neighborhood and other parts of the State.

Upon motion duly made by Ms. Snead and seconded by Ms. Foulkes, the following vote was adopted:

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

Voting in favor of the foregoing were: Ms. Foulkes , Mr. Singleton, Mr. Adams, Dr. Babineau, Dr. Dooley, Mr. Lane, Mr. Nee, Ms. Snead, Mr. Sullivan, and Mr. Wadensten.

Voting against the foregoing were: None.

5. APPROVAL OF PCS UTILIDATA RENEWABLE ENERGY DEVELOPMENT FUND APPLICATION

Mr. Dash presented the \$500,000 REF loan application of PCS Utilidata (“PCS”) (See **Exhibit E**). He reported that PCS is a smart grid energy management company currently based in Spokane, Washington looking to relocate to the east coast and is considering Providence among a short list of other potential locations. Mr. Dash reported that Braemar Energy Ventures (“Braemar”) is a key investor in PCS as a part of this relocation and the company growth strategy. He stated that the \$500,000 REF loan is intended to compliment the investment by Braemer. Mr. Dash stated that the company is actively looking at spaces in Providence and estimates that it will create 8 jobs initially, with a planned 47 new jobs over the next 5 years. He stated that Providence is under serious consideration for PCS and the REF loan would be contingent on PCS ultimately choosing to locate in the State. Mr. Dash explained the terms of the loan, which would be a zero interest loan with repayment due at the earlier of 5 years or when the company reaches a \$1,000,000 benchmark in earnings. Members of the Board discussed the need to convey to PCS the other programs that the Corporation offers that could also be of assistance to them in the future and that this is the type of project that should be invested in to keep the State competitive. The members of the Board also commended Mr. Dash and the Corporation for their speed and attention to this prospective business relocation.

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

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

Voting in favor of the foregoing were: Ms. Foulkes , Mr. Singleton, Mr. Adams, Dr. Babineau, Dr. Dooley, Mr. Lane, Mr. Nee, Ms. Snead, Mr. Sullivan, and Mr. Wadensten.

Voting against the foregoing were: None.

Governor Chafee introduced Richard Licht, Director of the Department of Administration, who was in attendance at the meeting. Mr. Licht explained that the Governor’s Fiscal Year 2013 budget proposes to consolidate the Renewable Energy Fund, which is currently administered through the Corporation, with the Governor’s Office of Energy Resources. Mr. Stokes commented that the Corporation’s renewable energy programs should be job creation and economic development based, which is

narrower than the projects currently being funded by the REF. He stated that the Corporation would work to identify funds that can be deployed as a part of its jobs growth strategy. Governor Chafee also introduced his new chief of staff, George Zainyeh, and Mr. Rick Brooks, Executive Director of the Governor's Workforce Board RI, who were in attendance at the meeting.

There being no further business in Public Session, the meeting was adjourned at 6:10 p.m., upon motion made by Mr. Sullivan and seconded by Mr. Adams.

David M. Gilden, Secretary

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