

**RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**

**MEETING OF DIRECTORS**

**PUBLIC SESSION**

**MAY 21, 2012**

The Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Monday, May 21, 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. Jerauld Adams, Dr. Timothy Babineau, Mr. Stephen Lane, Mr. George Nee, Ms. Cheryl Snead, Mr. Daniel Sullivan, Mr. Karl Wadensten, and Mr. Stanley Weiss.

Directors absent were: Dr. David Dooley, Mr. J.L. Singleton, and Mr. Jack Templin.

Also present were: Deputy Director Bill Parsons and Secretary David M. Gilden.

**1. CALL TO ORDER AND OPENING REMARKS**

Governor Chafee called the meeting to order at 5:10 p.m. He thanked Bill Parsons for taking on the interim leadership of the Corporation and noted Mr. Parsons' 37 years with the Corporation. Governor Chafee stated that, although he would prefer to have the entirety of the meeting in public session, he ultimately wants 38 Studios, LLC to succeed. He stated that, balancing such interests and the need to discuss certain confidential information, certain parts of the meeting would likely be held in closed session.

**2. APPROVAL OF THE MINUTES OF THE MEETING HELD ON APRIL 23, 2012**

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

**VOTED:** To approve the Public Session Minutes of the meeting of April 23, 2012, as submitted to the Board of Directors.

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

Voting against the foregoing were: None.

3. **APPROVAL OF THE RENEWABLE ENERGY FUND APPLICATION OF THE CITY OF PROVIDENCE**

Mr. Julian Dash, the Director of the Renewable Energy Fund (the "Fund"), presented the application of the City of Providence (the "City") for a \$259,460 grant to fund feasibility studies relating to solar, hydro and wind energy in the City (see **Exhibit A**). He stated that this application is municipal project, which is one of the required project areas of the Fund. Mr. Dash noted that representatives of the City were present at the meeting. It was noted that total project costs are \$41.5 million, with the Fund to contribute \$11.3 million, and with private matching funds, which could be from other Public entities like a city or town, to contribute \$30.2 million. It was noted that the City will issue requests for proposals to undertake the feasibility studies in accordance with the City's procurement rules.

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

**VOTED:** See text of vote attached hereto as **Exhibit A**.

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

Voting against the foregoing were: None.

3. **CONSIDERATION OF 38 STUDIOS FINANCING**

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

**VOTED:** Motion is made pursuant to the Open Meetings Act, Rhode Island General Laws Section 42-46-4, to go into closed session in order to consider the 38 Studios, LLC financing, under Section 45-46-5(a)(7) (investment of public funds where the premature disclosure would adversely affect the public interest).

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

Voting against the foregoing were: None.

Members of the Board, counsel and staff exited the boardroom for the closed session at 5:18 p.m.

The public session was reconvened at 8:16 p.m.

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

**VOTED:** That, pursuant to Rhode Island General Laws § 42-46-4, § 42-46-5 and § 42-46-7, the Open Meetings Act, the minutes of the closed session shall not be made available to the public, except as to the portions of such minutes as the Board of Directors ratifies and reports in public session of this meeting.

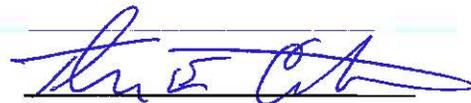
Voting in favor of the foregoing were: Ms. Foulkes, Mr. Adams, Dr. Babineau, Mr. Lane, Mr. Nee, Ms. Snead, Mr. Sullivan, Mr. Wadensten, and Mr. Weiss.

Voting against the foregoing were: None.

Mr. Gilden read the following statement of the Board:

"The Board met in closed session this afternoon to receive a confidential update from the Governor, and additional confidential information from representatives of 38 Studios. Members of the EDC's Board of Directors continued to question 38 Studios on financial and game development issues. The Board also received information concerning the structure of the bond transaction involving 38 Studios; as well as an update report from the EDC's auditor, Braver, P.C. The Board did not take any vote during the executive session. The members of the Board may not discuss the information received and discussed during the executive session and we again ask you to refrain from seeking that information from the Board members."

There being no further business in public session, the meeting was adjourned at 8:18 p.m., upon motion made by Mr. Weiss and seconded by Dr. Babineau and Ms. Snead.



Secretary

**RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE  
RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**

**WITH RESPECT TO RENEWABLE ENERGY DEVELOPMENT FUND**

**May 21, 2012**

**(With Respect to the City of Providence)**

**VOTED:** That the Rhode Island Economic Development Corporation, pursuant to the profile attached in accordance with § 42-64-13.2 of the General Laws of Rhode Island with respect to the Renewable Energy Development Fund, hereby approves the \$259,460 grant request of the City of Providence.

EXHIBIT

A

**RI RENEWABLE ENERGY DEVELOPMENT FUND**  
 315 Iron Horse Way, Suite 101, Providence, RI 02908

---

**APPLICANT:** City of Providence  
 25 Dorrance St.  
 Providence, RI 02903

**CONTACT:** Sheila Dormody

**GRANT REQUEST:** \$259,460

**LOAN REQUEST:** \$0

**OTHER REQUEST:** \$0

**TOTAL:** \$259,460

**PURPOSE:**

**SOURCES & USES:**

**Sources:**

EECBG Funds	\$	33,600	11%
RI Renewable Energy Fund	\$	259,460	89%
<b>Total:</b>	<b>\$</b>	<b>293,060</b>	<b>100%</b>

**Uses of Requested REF Money:**

Solar Project	\$	16,400	6%
Camp Cronin Wind Power Study	\$	80,000	31%
Hydropower Opportunities	\$	75,000	29%
Energy Manager	\$	13,000	5%
Plan Development Consultant	\$	30,000	12%
Director of Sustainability	\$	45,060	17%
<b>Total:</b>	<b>\$</b>	<b>259,460</b>	<b>100%</b>

**APPLICATION SUMMARY:**

The City of Providence is in the process of creating a Sustainability Action Plan. The proposed feasibility study will set the priorities for investments in renewable energy developments over the coming years. Simultaneously, these initiatives will help to create sustainable funding streams to maintain and expand the City's sustainability initiatives over a longer term. The City is also a member of the Emerald Cities Collaborative, a project to seek creative financing to invest in deep retrofits for municipal properties. This study will clarify the opportunities to use renewable technologies in those retrofits and strengthen the financing proposal for the projects. The City's commitment to development of its renewable energy potential is intended to reduce demand on the electric grid, improve public health and the environment and spur local economic growth.

**Hydropower:**

The City of Providence with the Providence Water Supply Board has been working to develop hydroelectric power at the Scituate Reservoir. Providence Water is seeking a conduit (licensing) exemption/waiver from FERC to develop and operate a small (100 - 200 kW) hydro generation unit at our Scituate Reservoir dam in order to produce electricity

to power the Scituate Treatment Plant. The City will also explore hydropower at Riverside Park in collaboration with the Woonasquatucket River Watershed Council their new net-zero facility at the Park. Lastly, The Providence Water Supply Board will explore opportunities for conduit and pump storage.

**Solar PV:**

Through this study, the City of Providence will determine the financial viability of implementing recommendations of the Net Zero Energy renewable energy projects conducted by RW Chew. In addition to High Schools, the City will evaluate energy efficiency and solar energy potential at several Public Works buildings on Ernest St. and 6 Providence Fire Stations.

**Wind:**

The City of Providence owns 2 acres of land on Point Judith in Narragansett, RI. This site has arguably the best consistent wind resource in the entire state. The City will review environmental and community impacts of installing a turbine at this location. DEM collected data from a MET tower at this location from September 2009-March 2011. Providence hopes to determine a financial partnership with nearby South Kingstown or Narragansett which will engage the surrounding communities by providing a direct public benefit.

**RECOMMENDATION:**

**The Renewable Energy Fund recommends funding this project.**

- 1. Funding will be awarded on a “recoverable” basis. In the event of successful development of the project, the City will be required to repay the REF no less than the awarded amount to the City. The specific repayment schedule to be determined by REF staff.**
- 2. Any projects undertaken by the City as a result of this grant, shall direct not less than 50% of the total energy savings/revenue generated solely to support the City’s Office of Sustainability budget.**

**RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**  
**PUBLIC NOTICE OF MEETING**

A meeting of the Rhode Island Economic Development Corporation Board of Directors will be held at the offices of the **Rhode Island Economic Development Corporation, 315 Iron Horse Way, Suite 101, Providence, Rhode Island**, on **MONDAY, MAY 21, 2012**, beginning at **5:00 p.m.**, for the following purposes:

**PUBLIC SESSION**

1. To approve the Public Session Minutes of the meeting held on April 23, 2012.
2. For consideration of Renewable Energy Fund approval of the City of Providence.
3. For consideration of the 38 Studios, LLC financing.

**EXECUTIVE SESSION**

4. To consider and act upon such matters, indicated in item 3, as may be considered at a meeting closed to the public pursuant to the Open Meetings Act, specifically matters permitted to be so considered under subsection (7) (investment of public funds where the premature disclosure would adversely affect the public interest) of Rhode Island General Laws, Section 42-46-5(a), the Open Meetings Act.

This notice shall be posted no later than 5:00 p.m. on THURSDAY, May 17, 2012, at the Office of the Rhode Island Economic Development Corporation, at the State House and by electronic filing with the Secretary of State's Office.

David M. Gilden  
Secretary

The location is accessible to the handicapped. Those requiring interpreter services for the hearing impaired must notify the Rhode Island Economic Development Corporation at 278-9100 forty-eight (48) hours in advance of the meeting. Also for the hearing impaired, assisted listening devices are available onsite, without notice, at this location.

Dated: May 17, 2012

