

**RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**

**MEETING OF DIRECTORS**

**PUBLIC SESSION**

**JULY 23, 2012**

The Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Monday, July 23, 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 **Exhibit A**, 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, Mr. Jack Templin, Mr. Jerauld Adams, Mr. Karl Wadensten, Stanley Weiss and Mr. George Nee.

Directors absent were: Dr. David Dooley, Ms. Cheryl Snead and Mr. Daniel Sullivan. Also present were Deputy Director William J. Parsons, Thomas Carlotto, Jonathan Savage, Douglas Giron and René Pickett.

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

Governor Chafee called the meeting to order at 5:00 P.M. indicating that a quorum was present. Governor Chafee commented that there were many positive comments regarding Rhode Island's hosting of the America's Cup.

**2. APPROVAL OF THE PUBLIC AND CLOSED SESSION MINUTES OF THE MEETING HELD ON JUNE 25, 2012.**

A copy of the Public Session Minutes of the meeting held on June 25, 2012 are attached as **Exhibit B**. Upon motion duly made by Mr. Adams and seconded by Mr. Wadensten, the following vote was adopted:

**VOTED:** To approve the Public Session Minutes of the meeting held on June 25, 2012, as submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Templin, Mr. Adams, Mr. Wadensten, Mr. Weiss, and Mr. Nee.

Voting against the foregoing were: None

Upon motion duly made by Mr. Nee and seconded by Mr. Adams, 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 approval of the Executive Session Minutes of the meeting of June 25, 2012, as submitted to the Board of Directors, under Section 42-46-5(a)(2) or (4).

Voting in favor of the foregoing were: Mr. Templin, Mr. Adams, Mr. Wadensten, Mr. Weiss, and Mr. Nee.

Voting against the foregoing were: None

3. **APPROVAL OF THE CLOSED SESSION MINUTES OF THE MEETINGS HELD ON MAY 16 and MAY 21, 2012.**

Upon motion duly made by Mr. Wadensten and seconded by Mr. Nee, 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 approval of the Executive Session Minutes of the meetings of May 16, 2012 and May 21, 2012, as submitted to the Board of Directors, under Section 42-46-5(a)(7).

Voting in favor of the foregoing were: Mr. Templin, Mr. Adams, Mr. Wadensten, Mr. Weiss, and Mr. Nee.

Voting against the foregoing were: None.

4. **TO RECEIVE AND DISCUSS A STATUS UPDATE CONCERNING 38 STUDIOS.**

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

**VOTED:** Motion is made pursuant to the Open Meetings Act, Rhode Island General Laws Section 42-46-5(a)(2), to go into closed session in order to receive and discuss a status update regarding 38 Studios.

Voting in favor of the foregoing were: Mr. Templin, Mr. Adams, Mr. Wadensten, Mr. Weiss, and Mr. Nee.

Voting against the foregoing were: None

Members of the Board, counsel and staff entered into closed session at 5:06 P.M.

The public session was reconvened at 5:35 P.M.

Upon a motion duly made by Mr. Adams and seconded by Mr. Wadensten, 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: Mr. Templin, Mr. Adams, Mr. Wadensten, Mr. Weiss, and Mr. Nee.

Voting against the foregoing were: None

Mr. Carlotto stated that during executive session the Board unanimously voted to approve the May 16, 2012, May 21, 2012 and June 25, 2012 Executive Session Meeting Minutes.

**5. CONSIDERATION OF MATTERS COVERED IN EXECUTIVE DIRECTORS REPORT.**

Mr. Parsons introduced Paul Harden, the Executive Director of America's Cup Rhode Island 2012, in order to provide a report. Mr. Harden indicated that the event took place June 23<sup>rd</sup> to July 1<sup>st</sup> for the final series of races. He stated that over the course of the 9 day event there were over 60,000 people at Fort Adams, plus more on the water and in Jamestown. He also indicated that a firm has been hired to perform an economic impact study and it is beginning to collect the data. The firm did over 1,300 surveys at Fort Adams during the event, including attendees from 41 states and 19 foreign countries. He also stated that DEM had invested \$1.3 million to update the infrastructure at Fort Adams for the event. He indicated that the feedback from both the America's Cup teams and the spectators was very positive.

Governor Chafee asked whether the improvements to Fort Adams were permanent and therefore an investment for the future. Mr. Harden indicated that the improvements are permanent, and that the engineers had been told not to design specifically for the America's Cup, but to design the area to host a wide range of marine events. Governor Chafee thanked the media for properly marketing the event and providing very good coverage.

Mr. Parsons indicated that he also wanted to update the Board regarding the "FAM" tour. On June 26<sup>th</sup> and 27<sup>th</sup> the EDC worked with the Governor's Office and local

municipalities to host visiting national site location consultants. He introduced the leader of that event John Riendeau.

Mr. Riendeau stated the event had been scheduled nearly three months in advance to take advantage of the America's Cup being in Newport, and bring the consultants in and showcase Rhode Island's assets and sights. He indicated that it was accomplished through a two-day itinerary working with many of the municipalities. The tour started at the Airport Corporation Board of Directors Boardroom. The Governor led a walking tour through the airport to the Warwick station complex. The tour continued to Northern Rhode Island, the Amica complex, and Fidelity hosted for lunch. After, there were presentations in Providence and the Greater Providence Chamber of Commerce, which hosted for dinner. Day two was a maritime day, started in Providence and continued to Quonset-Davisville for a presentation and a tour. At the Naval Station in Newport, there was a presentation by all of the Aquidneck municipalities. The tour culminated with a boat to Fort Adams to experience the America's Cup. There were seven representatives and two media groups that participated. Mr. Riendeau indicated that they are now following up on those, and he stated that the beauty of it was to allow these individuals to come to Rhode Island and see what it has to offer.

6. **TO RECEIVE A REPORT CONCERNING THE RENEWABLE ENERGY FUND PROJECTS.**

Earl Queenan gave a presentation regarding a summary of the renewable energy fund. See Exhibit C. He stated that the presentation is based on a summary of the source and use of the funds, how much money has come into the agency, how much has been spent and what is currently left to be used. Mr. Queenan introduced Hannah Morini as the expert in the field. Mr. Queenan indicated that the total sources for the fund is \$19,109,132, with total uses totaling \$12,593,381, making the total amount available \$6,515,751, with the program starting in 2008.

Mr. Nee asked what constituted "an alternative compliance payment." Ms. Morini indicated that utility companies are required to buy a certain amount of power from renewable energy sources, but if they do not make those purchases, then the utilities must make an alternative compliance payment.

Mr. Queenan indicated that there is a sheet in the package that represents a breakdown of the use of funds, including the total use of funds. The sheet indicates all of the awards and that the total cost of the projects totaled \$41.5 million dollars.

Mr. Queenan indicated that \$5.3 million dollars came in recently. Ms. Morini indicated that she looked forward to working with the Governor's Office to use some of the new funds to fulfill some of the new articles that are required under the new budget that was passed. Mr. Queenan added that Mr. Wadensten had asked if there are any regulations regarding these funds and the effective date of the regulations is December

15, 2008. Ms. Morini indicated that she looks forward to passing new regulations to comply with the recently passed budget.

7. **TO RECEIVE A PRESENTATION CONCERNING THE IMPACT OF THE OFFICE OF REGULATORY REFORM ON RHODE ISLAND BUSINESSES: KARL WADENSTEN.**

Mr. Parsons introduced Mr. Wadensten to make a presentation regarding the impact of the Rhode Island Economic Development Corporation's Office of Regulatory Reform ("ORR") on Rhode Island businesses. Mr. Wadensten indicated that he is very passionate about streamlining regulations and making it easier to do business in Rhode Island. He stated that Rhode Island is one of 5 states that has House Bill 8024(a), which is very important. He stated that he has a short video to show by John Bernard, a person he has met. He continued that he was the keynote address speaker in Portland, Oregon this year for the meeting of Attorney Generals of the U.S. He also stated that Rhode Island's Attorney General, Peter Kilmartin, made a profound impact on John Bernard. Mr. Wadensten stated that Mr. Bernard's focus is to connect an overall system of outcomes to get a system of predictable outcomes. Mr. Wadensten stated that such approach is similar to the approach of ORR and the mandate from Governor Chafee's Office, to determine the outcomes and the expectations, to create a common vision for the citizens of the State of Rhode Island, and then to connect the legislative with the executive to create those outcomes.

Mr. Wadensten started the video presentation of "Tangled" which can be found at <http://www.youtube.com/watch?v=XaK9sTrNTXA>

After the presentation, Mr. Wadensten commented that Rhode Island has 409 new regulations annually. He continued that the Governor's Office and ORR have the vision and can improve on the regulatory reform being done in Oregon. Mr. Wadensten continued that he believes that the business sector and private sector need to work in unison to accomplish these goals.

Governor Chafee indicated that the business of the Board at this meeting was now completed, and that he would entertain a motion to adjourn.

There being no further business in public session, the meeting was adjourned at 6:11 P.M., upon motion made by Mr. Nee and seconded by Mr. Weiss, which was unanimously approved.

  
Secretary