

**RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION
MEETING OF DIRECTORS
PUBLIC SESSION
NOVEMBER 21, 2013**

The Board of Directors of the Rhode Island Economic Development Corporation (the “Corporation”) met on Thursday, November 21, 2013, 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, RI 02908, pursuant to the 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 to Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Lincoln D. Chafee, Mr. Jerauld Adams, Mr. Roland Fiore, Ms. Shannon Brawley, Ms. Judith Diaz, Ms. Maeve Donohue, Dr. Nancy Carriuolo, Mr. Jason Kelly, Mr. Karl Wadensten, Mr. Tim Hebert, Mr. Stanley Weiss, and Mr. George Nee.

Directors absent were: Ms. Elizabeth Francis

Also present were: Marcel Valois and Thomas Carlotto.

1. CALL TO ORDER AND OPENING REMARKS

Governor Chafee called the meeting to order at 5:06 p.m. indicating that a quorum was present.

2. APPROVAL OF THE PUBLIC SESSION MINUTES OF THE MEETING HELD ON OCTOBER 28, 2013.

Upon motion duly made by Dr. Carriuolo and seconded by Ms. Brawley, the following vote was adopted:

VOTED: To approve the Public Session Minutes of the meeting of October 28, 2013, as submitted to the Board of Directors.

Voting in favor of the foregoing were Mr. Jerauld Adams, Mr. Roland Fiore, Ms. Shannon Brawley, Ms. Judith Diaz, Ms. Maeve Donohue, Dr. Nancy Carriuolo, Mr. Jason Kelly, Mr. Karl Wadensten, Mr. Stanley Weiss and Mr. George Nee.

Voting against the foregoing were: None.

Mr. Tim Hebert was not present for the vote.

3. SIGNING OF AN EXECUTIVE ORDER FOR THE RHODE ISLAND STATE SAILING COMMISSION.

Governor Chafee introduced representatives from the newly formed Rhode Island Sailing Events Commission. Governor Chafee

discussed the Commission's efforts to secure the return of the America's Cup and America's Cup World Series to Newport. After introduction by the Governor, Mr. Paul Harden thanked the Governor for his support and presented two short videos on international sailing events and their host cities, which included the City of Newport. Mr. Michael Keyworth discussed the Commission's work and its mission to bring national and international sailing events to Newport and to the State of Rhode Island such as the upcoming Volvo Ocean Race Stopover in 2015 and to have Newport serve as the premier Olympic sailing training location. Governor Chafee then signed the Executive Order and presented a Citation to Dr. Robin Wallace commemorating his 38 years in the sailing industry.

Mr. Hebert entered the meeting at 5:36 p.m.

4. EXECUTIVE DIRECTOR'S REPORT

Mr. Valois stated that he would not give a presentation; however, Mr. Valois did provide a written report to the Board Members, which includes updates on various issues involving the Corporation. See Exhibit B.

5. TO RECEIVE AND DISCUSS A STATUS UPDATE WITH RESPECT TO THE I-195 COMMISSION.

Governor Chafee introduced Colin Kane to discuss a status update regarding the I-195 Redevelopment Commission (the “Commission”). See Exhibit C. Mr. Kane thanked the Governor and began his presentation by noting that the Commission had just passed its two-year mark and had officially launched its new marketing campaign. Mr. Kane then presented a PowerPoint outlining the I-195 Relocation Project. Mr. Kane stated that the road construction phase of the project is targeted for completion in November 2014. Mr. Kane added that they expect to have a “framework package” completed in the next month that will serve as a tool kit to present to the institutional development community and potential investors. The “framework package” will contain marketing materials and lifecycle project development information for investors and developers.

Mr. Kane continued that the I-195 Redevelopment Project is expected to house 3 million square feet of building fabric, adding that the goal of the I-195 Redevelopment Project is to create jobs by creating a dynamic environment where employees want to live and work and is attractive to employers. Mr. Kane then discussed the many qualities of the I-195 Redevelopment Project that are especially appealing to employers and employees, including location, accessibility, infrastructure, and open space.

Mr. Adams inquired as to why such a large amount of the project is allocated to parks and open spaces. Mr. Kane responded by stating that all highway project plans go through a rigorous and lengthy

federal environmental impact process and that the planning for I-195 Redevelopment Project that began 25 years ago required 14 acres of dedicated open space projects. Mr. Kane added that a great deal of the 14 acres of open space has already been built. He continued that when the Commission was formed, the Commission felt the original open space plans did not make economical or environmental sense and went back to the Federal Government and requested permission to carve out “parcel 42”, which will house one of the most highly desirable hotel site locations in the Northeast. The Board then discussed the challenges and location of parking garages to serve the I-195 Redevelopment Project. Mr. Kane pointed out the various parking locations and discussed the plans for meeting the increased parking and transportation needs. The Board Members and Mr. Kane concluded the update by discussing the marketing challenges, strengths, and opportunities of the I-195 Redevelopment Project, and the impact on the project from taxes, transportation and parking infrastructure, and the impact of the South Street Power Station.

6. TO CONSIDER FOR APPROVAL THE ANNUAL AUDIT OF THE RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION COMPLETED BY LEFKOWITZ, GARFINKEL, CHAMPI & DERIENZO.

Governor Chafee asked Mr. Valois to discuss the annual audit as completed by Lefkowitz, Garfinkel, Champi and Derienzo (“LGCD”). See Exhibit D. Mr. Valois stated that the Board Members had met in Public Session Meeting on November 18, 2013 and conducted a

lengthy, in-depth review of the Corporation's FY '13 draft Audited Financial Statements. Mr. Valois continued that answers to the questions raised by Board Members at the November 18, 2013 meeting had been emailed to each Board Member following that meeting. Mr. Quinlan then added that a few subsequent changes had been made to the Audited Financial Statements relating to items contained in the audit footnotes, that the changes were emailed to each Board Member for their review prior to this Board Meeting, and requested that the changes be supplemented in the Audited Financial Statements.

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

VOTED: To approve the Annual Audit of the Rhode Island Economic Development Corporation as completed by Lefkowitz, Garfinkel, Champi & Derienzo.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Roland Fiore, Ms. Shannon Brawley, Ms. Judith Diaz, Ms. Maeve Donohue, Dr. Nancy Carriuolo, Mr. Jason Kelly, Mr. Karl Wadensten, Mr. Tim Hebert, Mr. Stanley Weiss, and Mr. George Nee.

Voting against the foregoing were: None.

Mr. Jerauld Adams left the meeting at 5:51 p.m.

7. TO RECEIVE A PRESENTATION REGARDING THE PROPOSED RULES CHANGES FOR THE RENEWABLE ENERGY FUND.

Governor Chafee introduced Hannah Morini to give a presentation regarding the proposed changes to the rules and regulations of the Renewable Energy Fund (the “Fund”). Ms. Morini began her presentation by stating that the current rules and regulations for the Fund expire in December 2013 and that a public hearing is scheduled for December 9, 2013. Ms. Morini then outlined the summary of changes that took place in 2013, which included a stronger review and award process and the formation of a Renewable Energy Fund Advisory Committee to review all fund applications. She went on to summarize the further improvements to take place in 2014 which include the ability to adapt and make changes during the Fund’s programs and to change the program to a three-year term from one-year at present. Mr. Wadensten inquired as to whom or what was the driving force behind the proposed changes and whether there was input from the Office of Regulatory Reform. Ms. Morini responded that the changes were mainly internal, but that they had received input from the Office of Regulatory Reform. Ms. Morini then passed out a draft of the proposed changes to the rules and regulations to each Board Member for their review. Mr. Valois added that if Board Members have any questions or comments after they review the proposed changes, they can email Mr. Valois or Ms. Morini, and any comments will be incorporated for the public hearing.

8. TO AUTHORIZE THE ENGAGEMENT OF A CONSULTANT FOR SERVICES RELATED TO THE U.S. DEPARTMENT OF COMMERCE EDA PLANNING GRANT FOR A MANUFACTURING AND DESIGN CENTER, IN AN AMOUNT NOT TO EXCEED \$150,000.

Governor Chafee introduced John Riendeau to discuss the request to engage a consultant for services related to the U.S. Department of Commerce EDA Planning Grant for the Rhode Island Manufacturing and Design Center. See Exhibit E. Mr. Riendeau presented a PowerPoint outlining the plans for the new Rhode Island Design and Manufacturing Center. Mr. Riendeau stated that the budget for the program was \$200,000.00, consisting of: a \$100,000.00 grant from the EDA; a \$75,000.00 contribution from the Corporation, \$25,000.00 of which is a cash contribution and \$50,000.00 of which is an “in-kind” contribution, and; a \$25,000.00 cash contribution from the Rhode Island Foundation. Mr. Riendeau discussed the benefits in bringing the design, research and manufacturing sectors together in the development of the Rhode Island Design and Manufacturing Center. Mr. Riendeau then outlined the scope of work to be undertaken by the proposed consultant: (1) determine market size and value proposition; (2) create potential target profiles; (3) determine the positioning and role of the Center; and (3) creation of a Business Plan. Discussion on the proposed Rhode Island Design and Manufacturing Center and its importance to the State followed, with input from Board Members and responses by Mr. Valois and Mr.

Riendeau.

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

VOTED: To approve the engagement of a consultant for services related to the U.S. Department of Commerce EDA Planning Grant for a manufacturing and design center, in an amount not to exceed \$150,000, pursuant to the Resolution submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Roland Fiore, Ms. Shannon Brawley, Ms. Judith Diaz, Ms. Maeve Donohue, Dr. Nancy Carriuolo, Mr. Jason Kelly, Mr. Karl Wadensten, Mr. Tim Hebert, Mr. Stanley Weiss, and Mr. George Nee.

Voting against the foregoing were: None.

Mr. Jerauld Adams was not present for the vote.

A copy of the Resolution is attached hereto as Exhibit F.

Dr. Carriuolo left the Meeting at 6:16.

Mr. Valois then called on Board Members to update the Board on any sub-committee meetings or other events. Mr. Nee presented a brief

update on the success of the recent Governor's Workforce Board Retreat, specifically noting the commitment of Governor Chafee in the event. Mr. Hebert echoed Mr. Nee's sentiment.

Vote to Adjourn.

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 6:19 p.m., upon motion made by Mr. Wadensten and seconded by Mr. Weiss.

Thomas Carlotto, Secretary