

# ***ECONOMIC DEVELOPMENT ADVISORY COMMITTEE***

***WEDNESDAY, MAY 18, 2016***

***DRAFT MEETING MINUTES***

A meeting of the Economic Development Advisory Committee was held at the office of the Department of Planning and Development, 444 Westminster Street, Providence, Rhode Island, in the 1<sup>st</sup> Floor Conference Room on May 18, 2016. The Economic Development Advisory Committee meeting was called to order at 12:12 P.M, with Donald Gralnek presiding. Roll call of the members and legal counsel was conducted. A quorum was not yet present. A discussion of the committee commenced.

## **MEMBERS IN ATTENDANCE**

Members in attendance included Adriana Dawson (Vice-Chair), Kas DeCarvalho, Esq. (Treasurer), Daniel Baudouin, John (Jack) Bentz, Allyson Cote, Stephen DelSesto, Esq., Councilwoman Sabina Matos, and Dr. Russell Ricci.

## **MEMBERS ABSENT**

Members not in attendance were Brett Smiley, Chief Operating Officer, City of Providence, Juana Horton (Secretary), Sussy DeLeon, Mark Feinstein, Amahl Harik, Shomari Husband and William Tracey.

## **STAFF MEMBERS IN ATTENDANCE**

Staff members in attendance included Donald Gralnek, Executive Director, Providence Business Loan Fund, Inc. (PBLF); Kathy Cosentino, Arthur Speaks, and Gail McGowan.

## **OTHERS IN ATTENDANCE**

Others in attendance were Michael Calise, Esq., Senior Assistant City Solicitor, City of Providence Law Department and Economic Development Advisory Committee legal counsel; Mark Huang, Director of Economic Development, City of Providence; Brian Hull, Director of the Division of Community Development, City of Providence Department of Planning and Development; and Mark C. Johnson, City of Providence IT Department.

## **MEETING MINUTES**

The consideration of the meeting minutes was skipped at this time until a quorum is present.

## **REPORT OF THE CHAIRMAN**

There was no report of the Chairman in Mr. Smiley's absence.

## **REPORT OF THE EXECUTIVE DIRECTOR**

Donald Gralnek stated that we are continuing the discussion of the three (3) reports today. Dr. Ricci gave a presentation at the last meeting. Mr. Gralnek questioned if the first meeting on Dr. Ricci's continued research should be before summer or in the fall. Dr. Ricci responded before summer. Mr. Gralnek summarized Dr. Ricci's three (3) findings. It was suggested that Roger Williams University (RWU) be contacted relative to its undergraduate program as well as its law school both with respect to space and students interested in participating in this matter. Ms. Dawson responded that the university would be very excited and very inclined to do so. Mr. Gralnek concluded the report by stating that Kathy Cosentino would get out some dates to the committee to select the date of the next meeting.

At 12:20 P.M. Councilwoman Matos arrived at the meeting. A quorum was present.

## **DIRECTORS REPORTS**

The first report was provided by Brian Hull, Director of the Department of Planning and Development, Division of Community Development. Mr. Hull briefly discussed the budget process and that conversations with regard to the CDBG budget process have begun. It is unclear right now what the allocation priorities will be. Mr. Hull will provide those as soon as they are known.

The next report was provided by Mark Huang, Director of Economic Development. Mr. Huang discussed the following: 1) the tangible tax and tax stabilization agreements (TSA's) centered around the four (4) target areas we have talked about; 2) receipt of a CommerceRI grant that was applied for focused on community food and a second big project being a Center of Excellence that Mayor Elorza is on board with but that is not yet capitalized; 3) a third initiative being relative to workforce development and a partnership being formed with respect to by the PCTA and the leadership of the city. The City of Worcester has been looked to since it is doing it successfully and has the same demographics as Providence; and 4) Mr. Huang is working with Mr. Gralnek in his PRA capacity and has applied for a PDA grant to be utilized for fixing infrastructure.

The issues of companies leaving Providence and whether we have enough staffing resources to stay on top of this issue was questioned and briefly discussed. The difficulty in attracting businesses here was also briefly discussed as well as the issue of meeting the parking requirements of potential businesses in an urban setting. It was added that we do not have a mass transit plan either. It was noted that we do not need structured parking but that we might have an extra or dedicated MBTA line or commuter buses from Route 146 to bring people in from Boston.

Mr. Gralnek summarized the current staffing of the Department of Economic Development and the Providence Business Loan Fund (PBLF). Mr. Gralnek also briefly discussed the issue of PBLF not getting as many applicants as it should and the fact that the city is fighting a lot of myths, such as that it is not business friendly. Mr. Huang was questioned as to the feedback that he hears. Mr. Huang responded that he hears complaints, which are about the cost to build in Providence and that it is as high as in Boston and yet Providence gets half the rent and about the process. Mr. Huang noted that employees in the city think that economic development is not their business or responsibility and that it has to be sent out from the top down that it is everyone's business. The committee noted that it hears that there are too many steps in too many groups and that it stops the project at various steps. It was further noted that the committee is not hearing that people want funding and TSA's but that the TSA's make it not competitive for them because they are not getting the assistance that other people are getting. Mr. Huang stated that part of the problem is defining the problem. From the private sector point of view, if you cannot plan the process, it will make you not want to pursue the project. Mr. Hull added that we like to do thing sequentially in the city and that it offends the timeline sometimes. Everything is run in its own silo. The board noted that this is true of even of inspections within the Inspections Department. The board also noted that it is in agreement with what the problems are and that the issue is not even a cost point but a death blow of time and uncertainty especially given the fact that issues come late in the process. It was suggested that if developers were given a timeframe, i.e. a number of days, that would improve the process. It was expressed that currently it is a ridiculous system.

At 12:58 P.M. John Bentz left the meeting.

Mr. Gralnek suggested that we invite Mayor Elorza to hear recommendations on this matter. We could form a taskforce with a timeline and an agenda. We would start where there are the most problems, if permitting is that. We may be wasting a lot of time and talent bringing people around the table to discuss the three (3) reports as it may be more basic than that. Mr. Hull suggested that it may be helpful to bring in Nicole Pollock to streamline permitting through innovation.

Mr. Gralnek questioned whether the committee would want a June meeting, noting that there is not one on the calendar. Dr. Ricci's research could be discussed as well as permitting, and Mr. Gralnek will

invite Ms. Pollock. Mr. Gralnek noted that the meeting with Mayor Elorza and the City Council will take place in September.

It was questioned whether we have on the shelf what process we have here, what practices are elsewhere and best practices. It was noted that the IBM Smart Cities Study did this already about five (5) years ago and that it was thought that all this information is already out there.

At 1:09 P.M. Sabina Matos left the meeting.

Mr. Gralnek questioned if Wednesday, June 15, 2016 or Wednesday, June 22, 2016 was convenient for everyone to meet. A meeting date of June 15, 2016 was selected. Mr. Gralnek noted that Ms. Pollock will be at the meeting and that he would also invite Jeff Lykins, Director of the Department of Inspections and Standards. Mr. Huang added that he would invite Barry Sullivan also as he meets with businesses every day.

It was questioned who has the power to change it, to which it was responded that it is the mayor and the council. It was suggested by the committee that this is the direction that we should then head in and that the role of taking this before the decision makers is a role that this committee can play.

#### NEW BUSINESS

The matter of of New Business entertained by the Economic Development Advisory Committee was the discussion of an implementation strategy of the city regarding the three (3) recent economic development reports. This agenda item was not discussed.

#### MEETING MINUTES

The minutes of the April 21, 2016 Economic Development Advisory Committee were submitted for review and approval but were not taken up for consideration or voted upon.

Mr. Gralnek stated that he appreciates the committee's time and thanked everyone for coming and noted that the next meeting will be on June 15, 2016.

The meeting was adjourned at 1:15 P.M.