

**QUONSET DEVELOPMENT CORPORATION
STRATEGIC PLANNING COMMITTEE MEETING**

May 15, 2006

A meeting of the Strategic Planning Committee of the Quonset Development Corporation (the "Corporation") was held at 3:30 p.m. on Monday, May 15, 2006 at the offices of the Corporation located at 30 Enterprise Drive, North Kingstown, Rhode Island, pursuant to notice to all members of the Strategic Planning Committee and a public notice of the meeting as required by the Bylaws of the Corporation and applicable Rhode Island Law.

The Following members constituting a quorum were present and participated throughout the meeting as indicated: David Doern, John Simpson, Sav Rebecchi, and Barbara Jackson. Quonset Development Staff present were Geoff Grout, and Steven King. Also present were Jon Reiner of Town of North Kingstown Planning and David Preston of New Harbor Group all participated as indicated:

1. Call to order:

The meeting was called to order at 3:35 p.m. by Chairperson John Simpson.

2. Approval of minutes:

Mr. Simpson noted that there should be a correction made to the April 17th minutes. He stated that Item 4 should be revised as follows:

Line 1 should read: "... e-mail document sent to chair and distributed at meeting entitled "Benefits to Rhode Island".

Line 5 should read: "...an annual state income tax revenue of \$63 million..."

Lines 14 & 15 should be stricken.

Upon motion duly made by Barbara Jackson and seconded by Sav Rebecchi, the Strategic Planning Committee.

VOTED: To approve the minutes of the meeting of April 17, 2006 as corrected.

Voting in favor were: Barbara Jackson, Sav Rebecchi, and John Simpson.

Voting against were: none.

Unanimously approved.

Mr. Doern joined the meeting following the approval.

3. Agenda – Municipal Services Agreement:

A Municipal Services Agreement meeting will be held on Wednesday, May 17, 2006 at the QDC Offices. Attending will be Geoff Grout, John Simpson, Steven King, Jerry Batty, all representing Quonset Development Corporation, and Rich Kerbel, Jon Reiner, Phil Bergeron, and Larry Parks, from the Town of North Kingstown. The purpose of the meeting is to go over the suggested Municipal Services Agreement as drafted by the Staff at QDC.

Ms. Jackson asked if the Municipal Services Agreement is not going to be achieved, what should there be in its place. How are we going to operate?

Mr. Simpson stated that during the meeting on Wednesday we need to come to some agreement on a time frame for the resolution of the agreement.

Mr. Grout said that the existing Municipal Services Agreement is obsolete but we need to continue under the existing one until a new one can be agreed upon.

Mr. Rebecchi discussed that we work under the understanding that 50% of solving problems are identifying problems.

4. Critical Success Factor – Sale of land vs. Lease Strategy

Staff memo: Staff memo was distributed and discussed.

- Lease or Sell
- Town collects taxes on all buildings
- Without QDC creating a park image and having common area maintenance (CAM) fees there is no drive to maintain the park long term.
- Steven King displayed and distributed a map of current property ownership
- Discussion on what land has been sold and should be sold
- Rationalization of sold - infill parcels less than 10 acres and in proximity to other sold parcels.
- Retention of large tract developments
- Infill vs. large tract
- Exception – Gateway exit strategy for return on investment

Mr. Doern suggested that all sales should include a CAM charge.

Mr. Grout stated the fundamental question of what road are we are going down. We need to be true to our strategy.

Mr. Doern stated that we need a plan on how to maintain the image of the park.

Mr. Rebecchi commented that we have been trying to answer that question for months.

Mr. Preston stated that legislation will be needed to charge a CAM fee.

Mr. Rebecchi stated that we need to draw a line on selling property. We need to stop everything until we get this Municipal Services Agreement accomplished. We have an obligation to the buyers.

Mr. Grout stated that the Town has no interest or ability to run a Business Park.

Mr. Rebecchi stated that we need to find out what our responsible is and what is best for the state.

Mr. Simpson said rather than stopping everything, this Strategic Planning Committee needs to take a look at what is being suggested. Our Mission is to maintain the image as a Business Park. The question is what is the right strategy to do that?

Ms. Jackson stated that this Park is an opportunity for the State of Rhode Island to reposition itself in the national marketplace. Running this park like a professional Business Park is essential for good jobs in Rhode Island.

Mr. Doern suggested that QDC approach existing residents for willingness to accept a CAM fee. QDC needs to explain to them what the benefits are going to be.

Mr. Simpson asked the question - When looking at the sale and lease strategy understanding the Mission/Vision, in terms of the strategy the staff has movin forward -- is it going to help us. Is this Mission Critical factor being resolved?

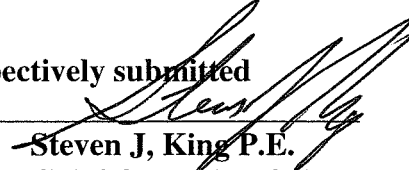
Ms. Jackson stated she is fine with these recommendations.

Mr. Rebecchi stated that he is not OK with these recommendations but that it is the Board's decision.

Mr. Simpson stated that if we were to form a Special Improvement District that could solve some of the problems. The little parcels of land do not interfere with our goal.

There being no further business to come before the Committee, upon motion duly made by Sav Rebecchi and seconded by David Doern the meeting was adjourned at 4:37 p.m.

Respectively submitted

By: 
Steven J, King P.E.
Chief Operating Officer