

**Quonset Development Corporation
Meeting of the Marketing & Business Development Committee**

Public Session
Minutes

October 17, 2005

A meeting of the Marketing & Business Development Committee of the Quonset Development Corporation (the "Corporation" and/or "QDC") was held at 4:00 p.m. on Monday, October 17, 2005 at the offices of the Corporation located at 30 Enterprise Drive, North Kingstown, Rhode Island, pursuant to notice to all members of the Board of Directors and a public notice of the meeting as required by the Bylaws of the Corporation and applicable Rhode Island Law.

The following directors were present and participated throughout the meeting as indicated: Thomas Hazlehurst, Anthony F. Miccolis, Jr., David A. Doern and Michael E. McMahon. Mr. Miccolis joined the meeting at 4:15 p.m. The following QDC staff were present: W, Geoffrey Grout, Steven King, Evan Matthews, and Heather Cain. David Preston and Dyana Koelsch from New Harbor Group and Gerald Lavallee and Andrew Galvin from CB Richard Ellis were also present.

1. CALL TO ORDER

The meeting was called to order at 4:03 p.m.

2. INTRODUCTION OF NEW REAL ESTATE SPECIALIST

Evan Matthews, Director of Planning and Development introduced the new Real Estate Specialist, Heather Cain, to the committee-Director Hazlehurst, Director Doern, and to David Preston from the New Harbor Group.

3. DISCUSSION OF SMALL BUSINESS SEMINAR

Mr. Lavallee of CB Richard Ellis (CBRE) discussed the development of a SBA seminar scheduled for November 22nd at the QDC. Mr. Lavallee indicated that CBRE has been focusing the marketing effort on the development initiatives, "and now we are jointly moving in the direction with the staff to start targeting some end user opportunities." Since there has been quite a bit of interest in some of the SBA programs, CBRE, along with the New Harbor Group and QDC, decided to sponsor this seminar.

Director Doern asked who would be invited. Mr. Lavallee responded by stating that the list included about 350 companies from South Eastern MA and RI that range anywhere from 10 to 50 employees.

Director Doern asked if brokers would be invited. Mr. Lavallee indicated that no brokers would be included, just companies.

The Committee discussed with Mr. Lavallee some strategies on how best to target invitees for the meeting.

Mr. Miccolis joined the meeting at 4:15 p.m.

4. DISCUSSION OF CORPORATE HEADQUARTERS SITE

Mr. Lavallee showed the Committee the draft brochure for marketing the corporate headquarters site. CBRE had a discussion again with Hank Devine and some of the EDC account representatives who are trying to pitch businesses. Mr. Lavallee estimated that it is going to "be from 24 to 36 months to put all the pieces together so we want to be ahead of the curve on this."

Director Doern asked, in reference to the brochure, who would you say is the owner? How far into the document do you have to get to find out who owns the site? Mr. Lavallee indicated that he would add the QDC logo and contact information as the owner.

Director Doern said that the fact that the site is owned by the state and is on Narragansett Bay should be highlighted more in the brochure. He continued by stating, "The headline is 45 acres on Narragansett Bay and waterfront Business Park Quonset Business Park ...I think Fry's Cove is not important until you get inside... I do not think anyone knows Fry's Cove."

Mr. Matthews said the brochure was a mark up of the types of the materials being developed by CBRE and the intent of presenting them was to show the Committee examples of what the QDC was doing in terms of marketing.

Director Doern commented on the color of the water in the picture saying it looked like ice. Chairman Hazelhurst said the Bay should be retouched because it looked phony.

The Committee continued by discussing whether to identify the location and name of the airport and whether to include a rendering of an office building in the photo.

5. DISCUSSION OF THE FLEX PARK DEVELOPMENT INITIATIVE

Mr. Lavallee explained that the Flex Park was the actual gateway to the Park. When entering the Park through the new highway, the first thing people are going to see are the Flex Park sites. Dale Nelson is in the process of tying up two sites to construct some flex space. CBRE get calls all the time and the market so tight, addressing some of this small business or flex building were it to range from 5,000 - 10,000 square foot tenant or as much as a 30,000 square foot tenant and design something that can be taken through the Flex Park as a lead program.

Director Doern asked, "Where is the front of the building and where is this building situated?...If this proposed flex building site is the entrance to the park then the Committee should have a lot to say in that project since it is visible to everyone who enters the Park."

The Committee discussed the size of the lot and proposed building, parking ratios, colors, and façade.

Mr. Grout told the Committee that conversations with a qualified developer start by looking at what can be built and the relationship between the density in the Flex Park and the accessory retail in the Gateway.

Mr. Matthews indicated that staff would be happy to go into some of the numbers behind the flex park concepts and get into more of the details. However, the Committee would have to adjourn into Executive Session to cover the market activity.

The Committee indicated that the first parcel in the Flex Park from Roger Williams Way would set the tone for the whole Flex Park development and the façade was very important.

Mr. Lavallee said the marketing material will be updated periodically and all of the new pricing structures on the infill parcels have been updated on Loopnet.com. Current pricing is \$150,000 per acre in West Davisville and \$175,000 per acre in Keifer, representing an increase in the prices.

6. MOTION TO ADJOURN TO EXECUTIVE SESSION

Upon motion duly made by Mr. Hazlehurst and seconded by Mr. Miccolis, the Committee:

VOTED: To adjourn to its Executive Session for a review of the Market Activity Report pursuant to Subsection (5) (Acquisition or Lease of Real Estate for Public Purposed or Disposition of Publicly held Property), Subsection (6) (Location of Prospective Businesses in Rhode Island) of the Rhode Island General Laws Section 42-46-5(a) (the "Open Meeting Law").

Voting in favor were: Mr. Doern, Mr. Hazlehurst, and Mr. Miccolis.

Voting against were: none.

Unanimously Approved.

The meeting was adjourned to Executive Session at 4:40 p.m.

The meeting was reconvened to meet in Public Session at 4:58 p.m.

VOTED: to maintain the minutes of the Executive Session as closed.

Upon motion duly made by Mr. Miccolis and seconded by Mr. Hazlehurst, the Committee:

VOTED: Pursuant to 42-46-4 and 42-46-5 of the General Laws, the minutes of this Executive Session shall not be made available to the public at the next regularly scheduled meeting of the Corporation because such disclosure would adversely impact ongoing negotiations.

Voting in favor were: Mr. Miccolis, Mr. Doern, and Mr. Hazlehurst.

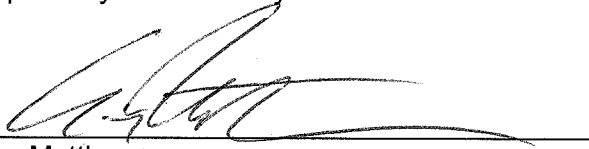
Voting against were: none

Unanimously Approved.

There being no further business to come before the committee, upon motion made duly by Mr. Hazlehurst and seconded by Mr. Miccolis, the meeting was adjourned at 4:59 p.m.

Respectfully submitted by:

By:



Evan Matthews,
Director of Planning & Development