

**QUONSET DEVELOPMENT CORPORATION
MEETING OF BOARD OF DIRECTORS**

PUBLIC SESSION MINUTES

February 27, 2007

A meeting of the Board of Directors of the Quonset Development Corporation (the "Corporation") was held at 5:00 p.m. on Monday, February 27, 2007, 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 constituting a quorum were present and participated throughout the meeting as indicated: Steven Campo, Robert Crowley, Kas R. DeCarvalho, Thomas Hazlehurst, Barbara Jackson, Saul Kaplan, John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson. Absent were: David A. Doern. Also present were: W. Geoffrey Grout, Managing Director, E. Jerome Batty, Secretary, members of the Corporation's staff and members of the public.

1. CALL TO ORDER:

The meeting was called to order at 5:00 p.m. by Chairman Kaplan.

2. A. APPROVAL OF MINUTES:

Mr. Kaplan indicated that by request of many of the Board members, subcommittee reports would be added back to the agenda. Mr. Kaplan noted that there were no agenda items for this meeting as there were no subcommittee meetings scheduled prior to the Board meeting. Mr. Kaplan noted that it was important that the committees have the opportunity to report at the Board meeting.

Upon motion duly made by Mr. Rebecchi and seconded by Mr. Crowley, the Board:

VOTED: To approve the minutes of the Public Session meeting of January 22, 2007, as presented.

Voting in favor were: Steven Campo, Robert Crowley, Kas R. DeCarvalho, Thomas Hazlehurst, Barbara Jackson, John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson.

Voting against were: None.

Unanimously approved.

B. MANAGING DIRECTOR'S REPORT:

Mr. Grout indicated that there would be a Strategic Planning Committee meeting on Monday, March 5, 2007, at 3:30 pm and an agenda would be posted.

Mr. Grout reported to the Board about a series of events that have occurred since last summer. Mr. Grout indicated that a successful production executive from California has been working with the Economic Development Corporation for a number of months looking at the opportunities related to infrastructure and the creation of production facility in the State of Rhode Island. Mr. Grout noted that one of the sites identified early on was at Quonset. EDC has encouraged a series of discussions regarding the potential opportunities at Quonset that has led to the encouragement of further conversations between the EDC, QDC, and New Boston Development Partners, LLC. The business opportunity relates to the creation of a production studio of approximately 400,000 square feet of office and studio space. Mr. Grout stated that the proposed production studio could possibly create 100 to 200 jobs in the production studio and that the office space component is intended to attract ancillary businesses to come to the site. Mr. Grout noted that there are still a number of issues to discuss but because the production studio would demand an amenities rich environment, there have been a number of synergies between New Boston Development Partners, LLC and the production studio. Mr. Grout further noted that while there is optimism for the project, there are still a number of hurdles to overcome, namely the equity gap on this estimated \$80M project. Mr. Grout noted that the site being looked at is Site 3 on the current status map which is comprised of 49 acres. Mr. Grout indicated that in order for the production studio to have a 400,000 square foot building, approximately 42 acres would be required.

Mr. Kaplan noted that it was important for the Board to be aware of these on-going conversations but has assured QDC and New Boston Development Partners, LLC that these conversations are in the early stages. Mr. Kaplan noted that more understanding of the economics of the project are coming to light but that these conversations were in no way intended to change the course of the conversation regarding the Gateway. Mr. Kaplan noted that while on the surface the project looks like an attractive opportunity, more details were needed before that determination could be made.

