



# nerej

## **President's message: What should have RIEDC done with \$75 million?**

September 09, 2010 - Rhode Island

While I'm sure that much can be said for Curt Schilling's 38 Studios, a video game company, moving to R.I. and bringing Schilling's promise of 450 new jobs by 2012, something is wrong with this picture. The company is moving here from Massachusetts with a \$75 million loan backed by the Rhode Island Economic Development Corp. (RIEDC). One critic suggested that "the government could have used the same amount to establish 1,000 smaller firms."

We would put it another way. Think what \$75 million could do for already existing small businesses in R.I. Specifically, think what the same \$75 million, sponsored and insured by RIEDC, could do to put 450 people to work in the shelter industry this fall, not in 2012.

Doing what, some might ask?

Most, if not all, R.I.'s cities and towns already have redevelopment programs in place. This funding would allow for immediate home improvements, benefiting the community and the entire state. Look at the federal government's emphasis on "green" building, remodeling and retrofits. Think of what this state-backed money could do for this and other programs to improve energy efficiency.

Imagine what such funding could do for job-training programs, especially career and technical education, in a state whose workforce is chronically underskilled.

If the state is going to guarantee funding, then let's put our people to work now!

I can only quote Michael Saul when, as acting director of RIEDC, he addressed the RIBA's board of directors in May 2009. His call was for "a knowledge-based, innovation economy that will support small business and big industries alike."

He emphasized that RIEDC needs to help small business access the capital it needs. Saul urged RIBA members to call their state legislators in support of the proposed Small Business Guaranty Program, which was passed in the 2009 legislative session and is now available as the Small Business Loan Fund.

In fairness to RIEDC, that was an achievement. But let's not lose sight of the goal.

Saul also called for equipping workers with skills for high-wage, innovative jobs. This would include college-level certificate programs to train unskilled workers for existing jobs that companies are having trouble filling from within the state. He suggested a "Rhode Island Center for Innovation and Entrepreneurship" to foster the establishment and growth of new companies. He also wanted to develop "robust regional and local economic partnerships" and promote expedited permitting throughout the state, which RIBA actively supports.

Saul also stressed the importance of making the most of federal stimulus money and "reinvigorating" RIEDC's own programs.

As R.I.'s home values continue to decline, we can help the situation by maintaining and improving them, "greening" them and otherwise working to stop that slide and increase their value. This ought

to be a prime consideration for money we guarantee.

RIEDC: You're a great organization that does a lot for this state. But \$75 million for a gaming studio?

Let's keep our eye on the ball!

Michael Artesani Sr. is president of W. Artesani & Sons, Cranston, and is president of RIBA.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540