

STATE PROPERTIES COMMITTEE

Tuesday, August 30, 2005

The meeting of the State Properties Committee was called to order at 10:20 A.M. by Chairman Jerome F. Williams. Other members present were Richard Woolley, Esquire, representing the Department of Attorney General and Mr. Robert Griffith, representing the Department of Administration. Also present were, Ms Marlene McCarthy-Tuohy from the Department of Administration; Louis Saccoccio, Esquire and Mr. J. Vernon Wyman, from the University of Rhode Island; Ms. Maureen McMahon and Messrs John Glynn, Paul Carcieri, Rick Kalunian and Dan Clarke, from the Department of Transportation; Mr. Tim Patterson, Office of the Secretary of State; Jane Morgan, Esquire and Mr. Paul Grennon, from the Department of Mental Health, Retardation and Hospitals; Mr. John Faltus, from the Department of Environmental Management; Misses Kathleen Crawley and Elaine Maguire and Mr. Francis Perry, from the Water Resources Board; Mr. S. Keith White, from White Appraisals; Mr. Todd Manni, from the Providence EMA and OHS; Mr. Christopher Cotta, from the Department of Attorney General; and, Mr. James F. Hackett, from the Office of the Auditor General.

The minutes of the meeting held on August 17, 2005 were approved.

1. OLD BUSINESS

2. NEW BUSINESS – Miscellaneous – A special meeting of the State Properties Committee will be held on Thursday, September 8, and next the regularly scheduled meeting of the State Properties Committee is scheduled to be held on Tuesday, September 13, 2005.

ITEM A – DEPARTMENT OF ADMINISTRATION/DIVISION OF MOTOR VEHICLES – A request was made by the Department for final approval and signatures on Lease Agreement with Independence Park Property Group, L.L.C. for new Division of Motor Vehicles Headquarters space at 1776 Independence Parkway, Cranston.

This matter was deferred to September 8, 2005.

ITEM B – OFFICE OF HIGHER EDUCATION - UNIVERSITY OF RHODE ISLAND - A request was made by the Office of Higher Education for approval and signatures on an Agreement and a Building Lease/Purchase Agreement with Chi Phi Holding Corporation of Rhode Island, Inc. regarding property located at 11 Fraternity Circle and 61 Upper College Road, Kingston.

The University presented two documents for approval and signatures involving the University and the Board of Governors, and the Chi Phi Fraternity and its building corporation, Chi Phi Holding Corporation of Rhode Island, Inc. The first document is a Building Lease/Purchase Agreement between Chi Phi Holding Corporation of Rhode Island, Inc. and the University of Rhode Island/Board of Governors for Higher Education regarding 61 Upper College Road, Kingston. Chi Phi Fraternity is the last fraternity that exists on Upper College Road, an entrance to the University of Rhode Island. It is adjacent to a building that the university took over from another fraternity in 1998. It housed the University's international engineering program. The University is expanding that program, which gives rise to the opportunity to acquire the Chi Phi Fraternity house which is immediately adjacent to the international engineering program. With

long standing agreements with fraternities and sororities who do maintain their buildings on the University land, the University does have the right to take over possession and ownership of the building when it feels it is in the best interest of the University. The University is then required to pay the fair market value of that property. In this case, the fraternity will remain the equitable owner of the building and the University will lease it for a period of ten (10) years. The fraternity will make all repairs and renovations needed for the international engineering program and the student resident fees generated over that period of time will ultimately pay for those improvements. The exact amount of the rent will not be known until the fraternity completes its financing arrangements. In exchange, the University is advancing the sum of \$470,000.00 as the deposit for the ultimate acquisition of that property. At the end of the ten (10) year period, the University will pay the nominal sum of \$1.00 for acquisition and full ownership of the fully improved property.

The second document presented was an Agreement between the University of Rhode Island/Board of Governors for Higher Education and Chi Ph Holding Corporation of Rhode Island, Inc. regarding 11 Fraternity Circle, Kingston. This authorizes the fraternity to construct and operate their fraternity house on 11 Fraternity Circle. The advance of \$470,000.00 is allowing them, combined with their own financing, to construct the new facility. Mr. Vernon Wyman spoke regarding the business aspect of this arrangement. Discussion ensued. The Chair, Mr. Williams stated this appears to be a financing lease and inquired if there was authorization to enter into a financing

lease. Discussion took place, and the Chair stated if the State were going to do a financing lease, it would need a Kushner authorization for it. The Chair, Mr. Williams wanted to make sure that the University had the authorization to enter into a financing lease. Additional discussion took place. The Chair, Mr. Williams suggested recessing this matter to allow the University time to speak with someone in the Budget Office who could answer the questions raised regarding the financing.

ITEM C – DEPARTMENT OF ADMINISTRATION – A request was made by the Department for approval of the use of Station Park by the Providence Emergency Management Agency, Office of Homeland Security on September 17, 2005 for their Prepare Providence Fair.

This is for a one day event sponsored by the Providence Emergency Management Agency, as part of the National Preparedness Month being run by the United States Homeland Security. A few corrections were noted. The document furnished erroneously indicated the event would take place on September 18. In addition, the Department had waived both the user fee and the damage fee. The language in the document regarding the user fee was corrected, however language regarding the damage fee required correcting. The document will be corrected and forwarded to the Department as well as a copy sent to the Office of the Attorney General. A Certificate of Insurance is also being worked on and will be furnished.

A motion was made by Mr. Woolley and seconded by Mr. Griffith to approve the request of the Department for approval of the use of Station Park by the Providence Emergency Management Agency,

Office of Homeland Security on September 17, 2005 of their Prepare Providence Fair. Approval was granted subject to receipt of the Certificate of Insurance, as well as the final language changes being made in the documents.

Passed Unanimously

ITEM D –DEPARTMENT OF THE ATTORNEY GENERAL - A request was made by the Department of the Attorney General for approval to continue a lease with Churchill Banks/R.B. Realty for parking at the Dyer Street parking lot on a month to month basis and permission to negotiate with Metro Park for lease of existing and additional spaces at Water Street in Providence.

The Department of the Attorney General currently leases parking at the Dyer Street Parking lot from Churchill Banks/R.B. Realty. There are 46 free spaces and 20 paid spaces that are currently being used. In addition, the Office of the Attorney General leases 20 spaces from Metro Park at their Water Street lot at a rate of \$175.00 per space per month. Metro Park has indicated they are going to raise their rates to \$190.00 and the Department has inquired whether or not Metro Park would keep their rate the same if the Department leased more parking spots. Metro Park agreed they would. The Department has looked for other parking areas (at least 5 facilities contacted) and there were no spaces available. The Department is seeking permission to negotiate with Metro Park for these 20 spaces and approval to continue the parking agreement with Churchill Banks/R.B. Realty at the Dyer Street lot on a month to month basis. The agreement with Churchill Banks/R.B. Realty expires on August 31, 2005.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for approval to continue lease with Churchill Banks/R.B. Realty for parking at the Dyer Street parking lot on a month to month basis, and permission to enter into negotiations with Metro Park.

Passed Unanimously

ITEM E – OFFICE OF THE SECRETARY OF STATE – A request was made by the Office of the Secretary of State for permission to enter into negotiations with Paolino Properties, LP to exercise the option to renew a lease for property at 343-344 Westminster Street Providence.

The Office of the Secretary of State was seeking permission to enter into negotiations with Paolino Properties, LP to exercise the option to renew a lease for property located at 343-344 Westminster Street, Providence, which currently houses the Archives Division. This space consists of 16,000 square feet of space. In February 2005 the Office of the Secretary of State requested permission to seek proposals for the Divisions of Archives, Elections and Corporations. When the Office of the Secretary of State reviewed the proposals, the Technical Review Committee did not feel that any of the proposals adequately met the needs of the Archives. The Lease is scheduled to expire January 31, 2006. Notification must be given to the landlord by October 31, 2005.

The Chair, Mr. Williams opened a discussion regarding a series of questions with the location. One of those issues was the basement

area with the sump pumps. The response was that this issue has been resolved. Discussion took place regarding records retention and the possibility of making digital copies of existing documents. That is currently being explored. Also discussed was the issue of storing documents in the basement area. It was established that the documents could be moved to a higher level if necessary. The Chair requested that the Office of the Secretary of State identify any issues that had been raised previously be taken care of before returning to the Committee for final approval and signature on documents.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for permission to enter into negotiations with Paolino Properties, LP to exercise option to renew a lease for property at 343-344 Westminster Street Providence.

Passed Unanimously

ITEM F – DEPARTMENT OF MENTAL HEALTH, RETARDATION & HOSPITALS – A request was made by the Department for approval and signatures on Lease with the Newport County Chapter, RIARC for property located at 1 Metacom Avenue, Bristol.

This property is currently being operated by the Maher Center. The Maher Center is a licensed provider by the Department and provides services to adults with developmental disabilities. The term of the Lease is from July 1, 2005 through June 30, 2015.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for approval and signatures on Lease with the Newport County Chapter, RIARC for property located at 1 Metacom Avenue, Bristol.

Passed Unanimously

ITEM G – WATER RESOURCES BOARD – Presentation and overview of the fair market rental appraisals for lease of the Big River residential properties.

A handout was distributed consisting of a sample lease, spreadsheet showing rent paid, and policies of the Water Resources Board. The Board has a policy mandating fair market appraisals every five years. In order to establish rents for the 39 residential properties in the Big River the Board goes through a comparable rental analysis to establish fair market rental values. In the years between appraisals, the CPI index is used for those incremental increases on a yearly basis. The spreadsheet identifying current and proposed rents was explained and discussed. The spreadsheet contains information regarding the name, address, original rental amounts and proposed increases. The Water Resources Board had an initial meeting with the tenants so they would be aware of what was taking place and introduce White Appraisals to review these properties. Once the rents had been established another open meeting was held and the new proposed leases were distributed. Tenants had the opportunity to appeal those amounts. Subsequently, all the information was presented to the Board. The Board reviewed and accepted the appraisal report subject to any adjustments to come out of the appeal process, any adjustments for the subsidized rental and any comments by the State Properties Committee. Discussion regarding the leases took place. No action was taken at this meeting. The Board will return at a Special meeting being held on September 8,

2005 for final approval and signatures on the leases.

ITEM B - OFFICE OF HIGHER EDUCATION - UNIVERSITY OF RHODE ISLAND – Resumed from earlier continuance.

Louis Saccoccio and Mr. Vernon Wyman, from the University of Rhode Island returned to the meeting. At this time, a request was made to defer the matter outlined in Item “B”.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to defer Item “B”.

Passed Unanimously

ITEM H – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on License Agreement with Turtle Island Design for the use of Lincoln Woods State Park for a Native American Pow Wow on October 1 and October 2, 2005.

This request is for the use of a portion of Lincoln Woods State Park for a Native American Pow Wow on October 1 and October 2, 2005. There is no fee associated with this event. The Office of the Attorney General requested that the insurance should cover the days for set up and breakdown as well as the actual days of the event.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for approval and signatures on License Agreement with Turtle Island Design for the use of Lincoln Woods State Park for a Native American Pow Wow on October 1 and October 2, 2005. As part of the motion, approval was granted subject to the insurance coverage being extended to cover the days for set up and breakdown as well as the actual days of the event.

Passed Unanimously

ITEM I –DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on License Agreement with the First Congregational Church of Bristol for the use of Colt State Park for a car show on September 17, 2005.

This is for a fundraising event. The Certificate of Insurance has not been received as yet.

A motion was made by Mr. Woolley and seconded by Mr. Griffith to approve the request of the Department for approval and signatures on License Agreement with the First Congregational Church of Bristol. Approval was granted subject to receipt of the Certificate of Insurance.

Passed Unanimously

ITEM J – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and signatures on a License Agreement with Juanito Abanilla for use of property located at Albion Road and Route 116, Lincoln.

This License Agreement is a renewal of a License Agreement that was granted in 1999. This is for the use of 10,000 square feet of property at Albion Road and Route 116 in Lincoln, to be utilized for surface parking. This is a five year lease, commencing on July 1, 2005 and terminating on June 30, 2010. Rent is at the rate of \$290.00 per month.

A motion was made by Mr. Woolley and seconded by Mr. Griffith to approve the request of the Department for approval and signatures on a License Agreement with Juanito Abanilla for use of property

located at Albion Road and Route 116, Lincoln.

Passed Unanimously

ITEM K – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and signatures on a Grant of Easement to Mark Silva and Kimberly A. Wood over property at 2 Surf Drive, Bristol.

On May 10, 2005, the State Properties Committee approved an easement to Gary Mantoosh and Robin Burch for the purpose of maintaining a cabana on 375 square feet of state land comprising part of the East Bay Bike Path. The parties sold their home to Mark Silva and Kimberly A. Wood, whose attorney sent the Department a check in the amount of \$2,500.00, necessitating that a new Grant of Easement, in the name of the new owners, be prepared.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for approval and signatures on a Grant of Easement to Mark Silva and Kimberly A. Wood over property at 2 Surf Drive, Bristol.

Passed Unanimously

ITEM L – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval and signatures on a License Agreement with Albert Ranaldi d/b/a/ Airport Radiator, Inc. and Ranaldi Motors for land north of Thomas Street and east of Old Atwood Avenue, Cranston.

This is a renewal of a License Agreement for the use of 1,000 square feet of land for vehicle parking. The License Agreement is for a

period of five (5) year from September 1, 2005 to August 31, 2010.

Rent is at the rate of \$70.00 per month.

A motion was made by Mr. Griffith and seconded by Mr. Woolley, to approve the request of the Department for approval and signatures on a License Agreement with Albert Ranaldi d/b/a/ Airport Radiator, Inc. and Ranaldi Motors for land north of Thomas Street and east of Old Atwood Avenue, Cranston.

Passed Unanimously

ITEM M – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for conceptual approval to convey property located on Route 2, New London Avenue, Cranston.

This is a request to convey 35,350 square feet of state owned land located along the old New London Turnpike. This property is between Oaklawn Avenue and New London Avenue, in Cranston. A request has been received from Mr. Frank Paolilna to purchase the excess land and combine it with his property for commercial development. This property is landlocked. Correspondence has been received from the City of Cranston and from the Office of Statewide Planning expressing no objection to the conveyance of this property. A letter had been received from Rhode Island Housing expressing interest in this property for affordable housing. Since the property is landlocked and there is no access, Rhode Island Housing will be notified of that fact.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for conceptual approval to convey property located on Route 2, New London Avenue, Cranston.

Passed Unanimously

ITEM N – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval of an interagency transfer of land adjacent to Wood River in Richmond to the Department of Environmental Management.

The Department is working with the Department of Environmental Management to seek an interagency transfer of 4.13 acres of land adjacent to Wood River in Richmond. The original request goes back to August 2003 when the State Properties Committee granted approval of a gratis transfer of 1.7 acres of property to the Wood-Pawcatuck Watershed Association and the Department is continuing to work with them. The Wood-Pawcatuck Watershed Association would like to fund a public access and conservation enhancement project. Recent discussions among the Department and the Wood-Pawcatuck Watershed Association indicated that the Department of Environmental Management would be the agency best suited to monitor this project. All three parties agree the state should retain ownership of the property.

A motion was made by Mr. Woolley and seconded by Mr. Griffith approval of an interagency transfer of land adjacent to Wood River in Richmond to the Department of Environmental Management

Passed Unanimously

ITEM O – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for signatures on Lease Agreement and final approval and signatures on First Amendment to Lease Agreement with Deeble Holdings LLC for use of property on Route 114, in East

Providence for vehicle parking.

On May 10, 2005, the Department appeared before the Committee and received approval to enter into a 20 year agreement with Deeble Holdings, LLC. At that meeting the Committee requested the Lease be amended to ensure the parking was confined to a particular area and also requested a default clause be added. The Department has followed through on these recommendations. This First Amendment of Lease reflects the stricter language for parking and the default clause. The original agreement had been left in the office of the State Properties Committee. This document was not to be executed until the new document was in place.

The Chairman expressed appreciation to the Department for including recommendations made previously by the State Properties Committee.

A motion was made by Mr. Griffith and seconded by Mr. Woolley to approve the request of the Department for final approval and signatures on First Amendment to Lease Agreement with Deeble Holdings LLC for use of property on Route 114, in East Providence for vehicle parking.

Passed Unanimously

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-4 (a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purposes, or of the disposition of publicly held property wherein advanced public information would be detrimental

to the interest of the public.

A Motion was made to go into Executive Session by Mr. Griffith and seconded by Mr. Woolley. A roll call vote was made. Mr. Woolley voted “Aye”, Mr. Griffith voted “Aye”, and the Chair voted “Aye”.

A Motion was made by Mr. Griffith and seconded by Mr. Woolley to close the Executive Session and return to the regular meeting. The Motion was approved unanimously.

After reviewing Items “P”, “Q” and “R” in Executive Session, the Committee acted on those matters in the regular session.

ITEM P - DEPARTMENT OF TRANSPORTATION – A request was made by the Department for approval of the acquisition of Condemnation Plat 2576A/Parcels 2B, 3B, 4B and 4D, Station Street, Cranston, in conjunction with the Freight Rail Improvement Project.

The Department is involved in railroad site work for this project. It is necessary to acquire new temporary easements for one (1) year for three (3) parcels and an additional permanent drainage easement. These parcels are located on Station Street in Cranston. The project initially involved twenty-two (22) parcels. Additional work is needed on three parcels that went over the time period and also an additional drainage easement is needed on one of the parcels. Estimated cost for the new temporary easements and additional permanent drainage easement is \$5,990.00, of which 80% is Federally funded.

After a review and description of the recommendation by the Department of Transportation, a motion was made by Mr. Griffith and seconded by Mr. Woolley for approval of the acquisition of Condemnation Plat 2576A/Parcels 2B, 3B, 4B and 4D, Station Street,

Cranston, in conjunction with the Freight Rail Improvement Project.

Passed Unanimously

ITEM Q – DEPARTMENT OF TRANSPORTATION –A request was made by the Department for approval of acquisition of Condemnation Plat 2648A, Parcels 14B and 15G (temporary and permanent easements) in conjunction with the ADA Improvements to Park Avenue, Portsmouth.

This is for additional guy easements and a temporary easement for the Park Avenue, Portsmouth project. Estimated cost is \$600.00, of which 80% is Federally funded.

After a review and description of the recommendation by the Department of Transportation, a motion was made by Mr. Woolley and seconded by Mr. Griffith for approval of of acquisition of Condemnation Plat 2648A, Parcels 14B and 15G (temporary and permanent easements) in conjunction with the ADA Improvements to Park Avenue, Portsmouth.

Passed Unanimously

ITEM R – DEPARTMENT OF TRANSPORTATION – A request was made by the Department for conceptual approval to convey property on Crary Street, Providence in conjunction with the Relocated Route 195 project.

The Department was seeking conceptual approval to convey property consisting of 7,075 square feet of land on Crary Street, Providence to the abutting property owner, Crary Realty Associates, Inc. This is part of a settlement for damages negotiated by the Department for the owner of Crary Realty Associates, Inc. During the I-915 Relocation

project the Department acquired half of a building and in tearing down half the building they needed to restore the remainder of the building to make it useful to the property owner. The cost estimates rose higher than originally anticipated. The owner has approached the Department and asked for a certain sum of money. This value of this land will be taken off the amount the Department owes the owner.

If the property is conveyed, the Department will maintain an easement to that property for a period of five years to complete the project. The Department understands that this is subject to any preemptive rights the former owner and/or the municipality may have. It is estimated the value of the parcel to be between \$22.00 to \$25.00 per square foot.

After a review and description of the recommendation by the Department of Transportation, a motion was made by Mr. Woolley and seconded by Mr. Griffith for conceptual approval to convey property on Crary Street, Providence in conjunction with the Relocated Route 195 project.

Passed Unanimously

With the exception of Item "B", all matters presented to the Committee were approved by all present.

There being no further business to come before the Committee, the meeting adjourned at 11:50 A.M.

Anne L. Lanni, Executive Secretary