

STATE PROPERTIES COMMITTEE MEETING
TUESDAY, JUNE 1(5)

The meeting of the State Properties Committee was called to order at 9:59 a.m. by Robert Griffith. Other members present were Richard B. Woolley representing the Rhode Island Department of Attorney General; Robert W. Kay, Public Member; and John A. Pagliarini, Public Member. Mr. John Ryan, Deputy Chief/Public Buildings, Department of Administration, was designated to serve as the Director's Designee of the Department of Administration. Others in attendance were Anthony Paolantonio from the Rhode Island House of Representatives; Lisa Primiano from the Rhode Island Department of Environmental Management; John Glynn and Eva Bernardo from the Rhode Island Department of Transportation; Marlene McCarthy-Tuohy, Mary Hamilton, Kevin Nelson and Marco Schiappa from the Rhode Island Department of Administration; Attorney Deborah Barclay from the Rhode Island Department of Human Services; Paul Pisano and Paul Grenon from the Department of Mental Health, Retardation and Hospitals; Ronald Cavallaro and from the Rhode Island Board of Governors for Higher Education; J. Vernon Wyman from the University of Rhode Island; Meredith Holderbaum from the Rhode Island Senate Fiscal Office; Xaykharn Kharnsyvoravong from the Rhode Island Office of the General Treasurer; Lynne McCormack from the Department of Art, Culture and Television; Robert Rothenberg from CVS SK.

Mr. Griffith noted for the record that the State Properties Committee did have a quorum present.

A motion was made to approve the regular minutes of the State Properties Committee meeting held on Tuesday, May 29, 2007, by Mr. Woolley subject to a

correction on page ten (10) and seconded by Mr. Pagliarini.

Passed Unanimously

ITEM A -Department of Transportation -A request was made for conceptual approval to convey approximately 8,000 square feet of property located on Route 116 (George Washington Highway) in the Town of Smithfield. Ms. Bernardo presented site maps for review by the State Properties Committee. Ms. Bernardo explained that SAG Investments, LLC is interested in purchasing the subject property to accommodate the entrance for two proposed buildings. The subject property was acquired by the State of Rhode Island by condemnation. SAG Investments, LLC is the only abutter to the property. The property is zoned commercial. Ms. Bernardo indicated that the subject property is not a buildable lot. Mr. Ryan asked if the Department of Transportation's operational divisions have approved the proposed sale of this property. Mr. Ryan indicated that Route 116's right-of-way is one of the widest rights-of-way of its kind in the State of Rhode Island. Mr. Ryan indicated that the Department of Transportation's operational divisions have been reluctant to sell excess property in this area, due to the possible construction of a bike path and the need to widen the highway at some time in the future. Mr. Ryan commented that if the subject property can be sold then the Department of Transportation should investigate the sale of property along the entire length of the right-of-way on Route 116. Mr. Griffith stated that Kevin Nelson of the Statewide Planning Program submitted an advisory report relative to the sale of the subject property and the relevant elements, which bear on the sale of the property. Mr. Griffith indicated that Mr. Nelson is concerned that an appropriate vegetative buffer be

maintained. Mr. Nelson is also concerned with promoting the development and management of transportation corridors as greenways. Mr. Nelson recommended that the State Properties Committee consider conveyance of the site be conditioned upon the retention and permanent presentation of a significant landscaped buffer area between the adjoining Route 116 and existing SAG Investments, LLC's property. Additionally, the normal restrictions against outdoor advertising and highway-oriented signage should be included in the conveyance. Mr. Woolley asked if this is a lot of record or if the property is being cut out of a larger piece of property. Ms. Bernardo utilized the site plan to illustrate the portion of the property, which is the continuity of the right of way and another portion, which has been purchased by Crossroads. Mr. Woolley asked who sold said property to Crossroads. Mr. Nelson indicated that the Crossroads' parcel of land was part of the Department of Transportation's land; however, said land was transferred to the Rhode Island Economical Development Corporation. The Rhode Island Economical Development Corporation later sold it to Crossroads. Mr. Pagliarini asked whether the Department of Transportation will retain the property, which fronts George Washington Highway. Ms. Bernardo indicated that the Department of Transportation will retain said land. Mr. Pagliarini questioned whether the easements and restrictions recommended by Mr. Nelson of the Statewide Planning Program are in fact necessary if the Department of Transportation intends to retain that land. Mr. Nelson stated that Statewide Planning's policy has consistently been that if land can provide a vegetative buffer along a highway then that is a public use, which should be retained. Mr. Nelson indicated that the right-of-way maintained by the Department of Transportation is for transportation purposes not for the purpose of a vegetative buffer. Mr. Pagliarini asked whether the portion of the

land being retained by the Department of Transportation will remain in its vegetative state until such time as the Department of Transportation needs it to widen the highway. Mr. Ryan indicated that according to the site plan, Crossroads is going to put improvements on the right-of-way to gain access. Mr. Griffith indicated that he would support a motion to grant conceptual approval with the recommendation that the Department of Transportation and the Statewide Planning Program workout the appropriate restrictive language on the parcel of land pursuant to its transfer. Said motion was made by Mr. Pagliarini and seconded by Mr. Ryan.

Passed Unanimously

ITEM B -Department of Transportation -A request was made for approval of and signatures on a License Agreement between the State of Rhode Island acting through the Department of Transportation and Brown University for property located adjacent to 196 Richmond Street in the City of Providence. Mr. Glynn explained that this is a request for the execution of a License Agreement for approximately 11,675 square feet of property located adjacent to 196 Richmond Street in the City of Providence. Mr. Glynn indicated that there was a previous license agreement years ago; however, the property located at 196 Richmond Street has been sold to Brown University by the previous tenant, Belvoir Properties. Brown University now wishes to license the subject property from the State of Rhode Island. The term of the License Agreement is from June 1, 2007, through and including May 31, 2012. The rental fee is \$2,640, per month, which is an increase of approximately forty-seven (47%) percent. Mr. Ryan asked if the License Agreement is for the entire parking area. Mr. Glynn indicated the License Agreement is for the entire parking area. Mr. Ryan asked why the Department of Transportation does

not sell the property rather than license it. Mr. Glynn stated that he is unsure as to the Department of Transportation's logic in this regard. Mr. Griffith asked Mr. Woolley if the License Agreement contains a provision concerning the loss of use of the subject property in light of the teardown of Route 195. Mr. Woolley indicated that the License Agreement is revocable at will. A motion was made to approve by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM C -Department of Transportation -A request was made for approval to convey approximately 10,500 square feet of land located between Pilgrim Parkway and Fowler Street in the City of Warwick. Mr. Glynn explained that the subject property has been deemed surplus to the Department of Transportation's needs by the Land Sale Committee. Mr. Glynn indicated that the Statewide Planning Program objects to the sale of this property. The Statewide Planning Program recommended that the subject property be retained by the Department of Transportation as open space. Mr. Glynn indicated that the subject property is currently zoned as open space by the City of Warwick. Mr. Pagliarini indicated that according to Mr. Nelson's advisory report, the City of Warwick objects to the sale of this property and indicated that said sale is in conflict with the City of Warwick's Comprehensive Plan. Therefore, Mr. Pagliarini indicated he is not inclined to support a request for conceptual approval to convey the property. Mr. Kay asked if the City of Warwick has provided its comments in writing. Mr. Nelson stated that the City of Warwick assured him that it will provide its comments in writing; however, Statewide Planning has not yet received them. Mr. Woolley made a motion that the State Properties Committee acquiesce the objection and recommendation

of Statewide Planning Program and that the Department of Transportation's request for conceptual approval to convey the subject property be denied. Said motion to deny was seconded by Mr. Pagliarini.

Passed Unanimously

ITEM D -Department of Environmental Management -A request was made for approval of and signatures on a Conservation Easement between the of Rhode Island and the Department of Environmental Management over forty-three (43) acres of property known as the Alice O. Harris Wildlife Refuge located in the Towns of Scituate and Johnston. Ms. Primiano presented a photograph of the subject property for review by the State Properties Committee. Ms. Primiano explained that as this is a donation of a Conservation Easement, there is no cost to the State of Rhode Island. Ms. Primiano indicated that the Audubon Society of Rhode Island acquired the Conservation Easement through a donation of the former owner. The Audubon Society is committed to keeping the property in conservation and wants to have some extra protection on the property. Therefore, the Audubon Society offered the State of Rhode Island the Conservation Easement at no cost. The property will be open to the public and the Department of Environmental Management believes it will be a valuable amenity to both communities. Ms. Primiano stated that the Department of Environmental Management agreed to accept the Conservation Easement conditional upon the approval of the State Properties Committee. A motion was made to approve by Mr. Kay and seconded by Mr. Ryan.

Passed Unanimously

ITEM E -Department of Environmental Management -A request was made for approval of and signatures on a Purchase and Sale Contract for the acquisition of twenty

three (23) acres of land located in the Town of Exeter known as the Gaudette Property. Ms. Primiano presented a site map of the subject property for review by the State Properties Committee. Ms. Primiano explained that the subject property is located on Route 165 (Ten Rod Road). Ms. Primiano illustrated the location of the property on the site map and noted that the property contained an existing dwelling, which the property owners will retain. The appraisal valued the property at \$262,000. The property owners have agreed to sell the property for \$200,000. It has been proposed that one hundred (100%) percent of the funding for this acquisition will come from the Department of Environmental Management's Bond Program. However, Ms. Primiano has requested that the Champlain Foundation contribute fifty (50%) percent of the total cost. Ms. Primiano has not yet received a response from the Champlain Foundation. Ms. Primiano explained that the Department of Environmental Management is making every effort to preserve the frontage in the center of the Arcadia Management Area. Mr. Kay asked if the appraisal of the property is based upon a commercial rate or residential rate. Ms. Primiano indicated that the appraiser examined other residential properties in the area to establish the value of the subject property. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Ryan.

Passed Unanimously

ITEM F -Department of Administration -A request was made for permission to utilize the State House lawn for promotion of the 18th Annual Downtown SK Road Race on Saturday, September 15, and Sunday September 16, 2007. Mr. Breagy explained that this is the sixth year the State House lawn has been utilized for this event. Station Park will not be utilized for this event this year. A motion was made to approve by Mr. Ryan

and seconded by Woolley.

Passed Unanimously

ITEM G -Department of Administration -A request was made for permission to request proposals from shoeshine vendors to utilize space in the State House. Mr. Schiappa explained that he is before the State Properties Committee representing a proposal for the shoeshine operation in the State House basement area. Mr. Schiappa explained that an individual previously managed the shoeshine operation at this location for over twenty (20) years. However, there is no record regarding how or why it was there. Mr. Schiappa indicated that the gentleman has unfortunately passed on. The Department of Administration, Facilities Division has been approached by another company to occupy the space for the same purpose. Mr. Schiappa indicated the new operation would remain in the same location, as a structured area already exists in the basement of the State House. Mr. Schiappa indicated that he is seeking the approval of the State Properties Committee to proceed with a Request for Proposals for the continued use of said area for a shoeshine operation. Mr. Griffith commented that the shoeshine operation has occupied the basement area of the State House long enough to have basically establish itself by precedent. A motion was made to approve by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM H -Department of Administration -This request is deferred to a future meeting of the State Properties Committee at the request of the Department of Administration.

ITEM I -Department of Administration -This request is deferred to a future meeting of the State Properties Committee at the request of the Department of Administration.

ITEM J -Department of Human Services -The submission of updated information regarding the progress of negotiations with respect to the renewal option of the Sublease Agreement between the City of Pawtucket and the Department of Humans Services for Pawtucket Regional Family Center. Ms. McCarthy-Tuohy noted that there have been new regulations past regarding the renewal of leases. Ms. McCarthy-Tuohy provided a synopsis of the negotiations concerning the renewal option of the above-referenced Sublease to the State Properties Committee. Ms. McCarthy-Tuohy also provided the executive secretary of the State Properties Committee with two original communications, which illustrate the negotiated terms and conditions of the Sublease Agreement. Said communications have been prepared by the Department of Human Services for execution and conveyance by Chairman Flynn to President Montlebono and Speaker Murphy. Ms. McCarthy-Tuohy indicated that the Department of Human Services previously obtained the approval of the Sublease Agreement from the State Properties Committee several months ago. Ms. McCarthy-Tuohy explained that the purpose of their appearance before the State Properties Committee today is to provide updated information regarding the negotiations between the Department of Human Services and the City of Pawtucket for the renewal of this Sublease Agreement and to provide the communications to be executed by Chairman Flynn and forwarded to President Montlebono and Speaker Murphy for their review and consideration . Ms.

Barclay explained, by way of background, that this is a renewal of the first and only five-year renewal of a Sublease Agreement between the Rhode Island Department of Human Services and the City of Pawtucket for the premises located at 24 Commerce Avenue in the City of Pawtucket. The Department of Human Services subleases a portion of this property for its Pawtucket Regional Family Center. Ms. Barclay stated that on May 1, 2007, the State Properties Committee granted permission for the Department of Human Services to negotiate this five-year amendment. Mr. Barclay indicated that pursuant to R.I.G.L. this Sublease Agreement will fall under Article 38 and therefore, requires the approval of the State Properties Committee to bring said Sublease Agreement before the General Assembly. Ms. McCarthy-Tuohy clarified that the property is leased by the City of Pawtucket from Kellaway Realty Corporation and the City of Pawtucket subleases a portion of the property to the Department of Human Services to accommodate its Pawtucket Regional Family Center. Mr. Pagliarini asked what the City of Pawtucket's rental expense is. Ms. Barclay indicated she does not know the City of Pawtucket rental rate for the property. Mr. Pagliarini asked how much of the property the City of Pawtucket leases from Kellaway Realty Corporation. Ms. Barclay indicated she does not have that information at this time. Ms. Barclay reiterated that the Department of Human Services subleases an 18,000 square foot portion of the property for the Pawtucket Regional Family Center. Mr. Pagliarini indicated that the property is a 125,000 square foot facility. Mr. Pagliarini stated that the City of Pawtucket assesses a value of \$1,000,000 for tax purposes and the State of Rhode Island is paying top dollar to sublease a portion of the property. Ms. Barclay indicated that fifty as (50%) of the clients served by this facility are residents of the City of Pawtucket, the City of Pawtucket will pay fifty

(50%) percent of the \$271,040 rental expense, as was the case under the provisions of the previous sublease agreement. Mr. Pagliarini asked if the Department of Human Services contemplated any alternative locations. Ms. Barclay indicated that the Department of Human Services did not contemplate alternative locations, as this is a renewal of the existing Sublease Agreement. Mr. Griffith clarified that as the State Properties Committee previously approved the renewal of the Sublease Agreement, the Committee is now being asked to approve the mechanism by which the Department of Human Services will transmit the request to the General Assembly for its approval. Ms. McCarthy-Tuohy explained that the Department of Human Services has prepared and provided said mechanism to the executive secretary of the State Properties Committee. A motion was made to receive and file by Mr. Pagliarini and seconded by Mr. Ryan.

Passed Unanimously

ITEM K and L – Department of Mental Health, Retardation and Hospitals - A request was made for approval to surplus and convey property located at 492 Main Street in the City of Woonsocket. Ms. McCarthy-Tuohy introduced Mr. Pisano and Mr. Grenon from the Department of Mental Health, Retardation and Hospitals. Ms. McCarthy-Tuohy explained that these properties were previously before the State Properties Committee under another request. Ms. McCarthy-Tuohy indicated the previous request was denied. Therefore, today the Department of Mental Health, Retardation and Hospitals is before the Committee seeking permission to proceed with the surplus procedure and eventually put the subject properties out for sale. After reviewing the meeting minutes from the previous request regarding to these properties, Ms. McCarthy-Tuohy spoke briefly with the Department of Attorney General and it was agreed that the Department of Mental

Health, Retardation and Hospitals should return to the State Properties Committee to obtain permission to surplus and convey these properties. Mr. Pisano explained that these properties were previously utilized as group homes. The properties are no longer utilized for this purpose. One of the properties has been vacant for a substantial period of time. Mr. Pisano indicated that as the subject properties are in deplorable condition, it would behoove the Department of Mental Health, Retardation and Hospitals to sell said properties, as they create a huge liability issue for the State of Rhode Island. Mr. Ryan asked if a standard Request for Proposal process will be followed relative to the sale of these properties. Ms. McCarthy-Tuohy indicated that the standard process will be followed. Mr. Woolley asked if the concerns of the Statewide Planning Program have been addressed. Mr. Pisano stated that the Statewide Planning Program has been notified and advised of the Department of Mental Health, Retardation and Hospitals' intentions regarding the sale of these properties. Mr. Woolley read a document, which recommended that the State Properties Committee approve the disposal of this property at public auction only if all other options for either State-agency use or private non-profit housing uses have been fully explored and deemed impractical. Mr. Pagliarini commented that the designated use for these properties (group homes) is extremely difficult to obtain in the State of Rhode Island. Mr. Pagliarini questioned whether the Department of Mental Health, Retardation and Hospitals has any need for a pre-existing group home. Ms. McCarthy indicated that the Department of Mental Health, Retardation and Hospitals will explore that possibility through the surplus process. Mr. Pagliarini asked if the properties could eventually end up on the private market. Ms. McCarthy-Tuohy indicated the properties could be placed on the private market if no State-agency

expresses an interest in said properties. Mr. Griffith explained that the surplus process requires a State-agency notify all other State-agencies of its intent to surplus property and gives the other State-agencies the right of first refusal. Subsequently, the State-agency is required to notify the municipality. Ms. McCarthy explained that the municipality has a thirty (30) day period of time in which to respond to the notice to surplus. If no response is received, then a Request for Proposals can be prepared and advertised subject to the approval of the State Properties Committee. Mr. Woolley stated the Historical Preservation and Heritage Commission expressed concerns regarding the 492 Main Street property. Ms. McCarthy-Tuohy indicated that the Department of Mental Health, Retardation and Hospitals is fully aware of the Historical Preservation and Heritage Commission's concerns regarding the property located at 429 Main Street. A motion was made to approve the Department of Mental Health, Retardation and Hospitals' request to dispose of this property at public sale only if all other options for either State-agency use or private non-profit housing uses have been fully explored and deemed impractical as recommended by the Statewide Planning Program and subject to the historical easement requirement by Mr. Pagliarini and seconded by Mr. Ryan.

Passed Unanimously

ITEM L -Department of Mental Health, Retardation and Hospitals -A request for approval to surplus and convey the property located at 504 Gaskill Street in the City of Woonsocket. Following the foregoing discussion, a motion was made to approve the Department of Mental Health, Retardation and Hospitals' request to dispose of this property at public sale only if all other options for either State-agency use or private non-profit housing uses have been fully explored and deemed impractical as recommended by

the Statewide Planning Program by Mr. Pagliarini and seconded by Mr. Kay.

Passed Unanimously

ITEM M & N- Board of Governors for Higher Education/Community College of Rhode Island -A request was made for approval of and signatures on a License Agreement between the Community College of Rhode Island and National Grid USA Service Company, Inc. and a request for approval of and signatw-es on a License Agreement between the University of Rhode Island and the National Grid USA Service Company, Inc. Mr. Cavallaro explained that the Community College of Rhode Island and the Board of Governors is seeking approval of a License Agreement with the National Grid USA to allow for emergency mobilization sites on its Lincoln and Warwick campuses. In preparation for such an extreme condition, National Grid USA would like to enter into this Agreement, which would give it the ability to immediately mobilize command and operation centers on large paved sw-face areas, with road and utility access in strategic locations throughout the State of Rhode Island. National Grid USA has identified the Lincoln and Warwick campuses of the Community College of Rhode Island as ideal locations from which to conduct power restoration efforts to these areas. The sites will be used to stage crews, equipment and materials due to emergency situations within the State of Rhode Island. Mr. Wyman explained that similar conditions exist at the University of Rhode Island Campus in Kingston serving the southern part of the State. Mr. Wyman explained that in the event of a hurricane and/or extreme weather conditions, the need could arise for National Grid USA to call on resources outside of its own facility in the State Rhode Island to restore power. In tum for providing this access,

a provision has been included in the License Agreement, which makes the University of Rhode Island a priority in the effort to restore power. Mr. Wyman explained that this is not only beneficial to the University of Rhode Island because of research activities and other activities taking place on the campus at any given time, but also in support of the State of Rhode Island's use of the campus as a Red Cross Shelter. Mr. Wyman indicated a request to this effect will soon be coming before the State Properties Committee. Mr. Ryan recused himself from voting to approve Items M and N due to a conflict of interest. A motion was made to approve both Items M and N by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

There being no further business to come before the State Properties Committee, the meeting was adjourned at 10:59 a.m. A motion to adjourn the meeting of the State Properties Committee was made by Mr. Ryan and seconded by Mr. Woolley

Passed Unanimously

Holly H. Rhodes, Executive Secretary

