

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, JULY 10, 2007

The meeting of the State Properties Committee was called to order at 10:02 a.m. by Chairman Kevin M. Flynn. Other members present were Mr. Robert Griffith representing the Rhode Island Department of Administration; Genevieve Allaire Johnson representing the Rhode Island Department of Attorney General; Robert W. Kay and John A. Pagliarini, Jr., Public Member. Others in attendance were Gerald Ratigan from the Rhode Island House of Representatives; Xaykham Khamsyvovong and Nathan Myers from the Rhode Island Office of the General Treasurer. Steven Feinberg, from the Film & Television Office; Montez Monroe Audra Gonnar and Luke Ramsey, from Brotherhood Productions, Inc.; Meredith Holderbaum and Kelly Carpenter from the Rhode Island Senate Fiscal Office; Marlene McCarthy-Tuohy from the Department of Administration; Rick Kalunian, Robert B. Jackson, Maureen McMahon and Annette Jacques from the Rhode Island Department of Transportation; Lisa Primiano and Michelle Sheehan from the Department of Environmental Management; Am Lisnoff from the Rhode Island Department of Administration; Anthony J. Bucci, Jr. and Thomas Brueckner from the Narragansett Bay Commission; Mary Ellen McQueeney-Lally from the Rhode Island Department of Labor and Training and Elizabeth Gudrais from the Providence Journal Bulletin.

Chairman Flynn 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, June 26, 2007, as amended, by Mr. Griffith and seconded by Mr. Pagliarini.

Passed Unanimously

ITEM A -Department of Administration -A request was made for approval of and signatures on the Amended and Restated Agreement transferring ownership of the Hanley Career and Technical Education Center to the City of Providence. Mr. Lisnoff explained that approximately one year ago the Department of Administration obtained permission to delay Fire Life Safety Code improvements from the Board of Appeal and Review until the building's rehabilitation is completed. Mr. Griffith asked if the funding for this transfer is separate from School Housing Aid. Mr. Lisnoff indicated that this funding is separate from the school housing and that once the \$3.8 million dollar funding is depleted, which Mr. Lisnoff believes will be some time in early fall, the Department of Administration will release the title from the escrow and at that time, the City of Providence will have to meet all of the newly passed School Housing Aid requirements. If the City of Providence meets the energy proficient requirements, it will receive up to eighty-four (84%) percent reimbursement for every dollar spent. Mr. Kay asked what the status of the building's Fire Life Safety Code rehabilitation is at the present time. Mr. Lisnoff indicated that the Department of Administration reached an agreement with the

Board of Appeal and Review to keep the building open through June 30, 2007, by meeting some minor code violations. Mr. Lisnoff indicated that the Hanley Building will remain closed until such time as it is in total compliance with all existing Fire Life Safety Codes. Mr. Lisnoff indicated that the cost of said safety renovations will be approximately \$20 million dollars. Once the \$3.8 million dollars is exhausted, the City of Providence will apply for the State of Rhode Island School Housing Aid, which is a combination of both City bonding and a State aid formula, which is approved annually by the legislature. Chairman Flynn asked that Mr. Lisnoff explain the timing of the building's transfer in relation to the expenditure of the \$3.8 million dollars. Mr. Lisnoff explained that the building's title will be held in escrow during the building's rehabilitation. The City of Providence will submit invoices to the State of Rhode Island until such time as the \$3.8 million dollars is depleted. At that time, the title will be transferred to the City of Providence. A motion to approve was made by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

ITEM B -Department of Labor and Training -A request was made for approval of and signatures on a Memorandum of Understanding, which sets forth the terms for the Farmers' Market to be held on the Pastore Campus beginning July 2007, and ending October 2007. Ms. McQueeney-Lally explained that as this event was well received last year, the Departments of Labor and Training, Environmental Management and Mental Health, Retardation and Hospitals is seeking permission to host the Farmers' Market again. Chairman Flynn asked where on the Pastore Campus the Farmers' Market will be held. Ms. McQueeney-Lally indicated that the Farmers' Market is held on a grass area

referred to as Margret Walsh Park near the Department of Labor and Training building. Mr. Kay noted that the legal liability insurance coverage is for \$100,000/\$300,000. Mr. Kay indicated that the State requires a one million dollar legal liability insurance limit for this type of event. Ms. McQueeney-Lally indicated that the issue of liability insurance was raised last year, and the State Properties Committee approved a reduction of the one million dollar limit as some of farmers indicated that they were unable to afford the one million dollar limit. Mr. Kay indicated that in view of the number of farmers involved in the event, they could receive a group plan, which would cover the Farmers' Market on a blanket basis. Chairman Flynn asked what Committee's pleasure is relative to this item. Mr. Griffith indicated that Ms. McQueeney-Lally should contact the Department of Administration to find out the amount of insurance coverage required for the Farmers' Market held on Capitol Hill, as the amount of insurance coverage should be consistent. Mr. Pagliarini suggested that the Committee table this item to the July 24, 2007, State Properties Committee meeting in order to give Ms. McQueeney-Lally time to investigate the insurance coverage requirements and the possibility of the farmers obtaining a group rate. A motion was made to table this request to the July 24, 2007 meeting of the State Properties Committee by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

ITEM C -Department of Environmental Management -A request was made for approval of and signatures on a Purchase and Sale Contract for the acquisition of approximately 4.5 acres of land located in the Town of Gloucester, known as the Bissell Property. Ms. Primiano presented an aerial photograph of the subject property for review by the State Properties Committee. Ms. Primiano indicated that the subject property is

owned by Susan Bissell and includes a house. The house is in extremely poor condition; however, Ms. Bissell has agreed to demolish the structure prior to the State's acquisition of the property. Mr. Pagliarini asked if the Department of Environmental Management is requesting that the State of Rhode Island pay the property owner's taxes. Ms. Primiano explained that the Department of Environmental Management will require that the property owner pay the taxes through the end of the calendar year, as the municipalities are counting on said tax dollars for their budgets. For the past five or six years, the Department of Environmental Management has made an adjustment back to the property owner in view of their paying the taxes through the end of the calendar year. Ms. Primiano indicated that typically, the Department will pro rate the property taxes; however, the Department of Environmental Management has never been successful in obtaining payment for the taxes through the State's system. The municipality is then dissatisfied because it does not receive payment of the assessed taxes. Ms. Primiano explained that making an adjustment to the property owner for the payment of the taxes may not be the perfect solution; however, this arrangement does appease the municipalities. Ms. Primiano indicated that some of the municipalities are willing to forgive the taxes at closing; however, that is not the case relative to the subject property. Ms. Allaire Johnson asked if the Department of Environmental Management will be involved in the selection of the contractor that will demolish the structure. Ms. Primiano indicated that the property owner is working with the Department to put together the specifications for the structure's demolition; however, the demolition of the structure is the property owner's responsibility. Ms. Allaire Johnson asked when the house will be

demolished. Ms. Primiano indicated that the demolition of the house will not be done until after the contract is executed. A motion was made to approve by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

ITEM D -Department of Environmental Management -This item was deferred to a future meeting of the State Properties Committee at the request was of the Department of Environmental Management.

ITEM E -Department of Environmental Management -A request was made for conceptual approval to surplus approximately 15,000 square feet of land located on First Street in the City of East Providence. Ms. Primiano explained that the State of Rhode Island owns three (3) building lots in the City of East Providence. The lots consist of 5,000 square feet each. The subject property was originally acquired by the Metropolitan Parks Commission in 1934. There was a maintenance facility on the subject property many years ago; however it has not be utilized for decades. The property is primarily used by the neighbors for parking and unfortunately for disposing of trash. The State of Rhode Island wishes to get this property back on the tax roll. The City of East Providence has expressed some interest in examining the property for affordable housing. Ms. Primiano indicated that the Department of Environmental Management supports this proposal. Andolfo Appraisal Associates conducted the appraisals of the parcels of land and they were valued at \$100,000 each. The Department of Environmental Management is negotiating with the City of East Providence relative to the purchase price for the property in view of its proposal to build affordable housing. The subject property will be

offered to other State agencies through the A-95 surplus process. Mr. Pagliarini asked if the property was appraised as three (3) individual parcels of land or whether the City of East Providence has a merger provision and the property has been merged into one (1) parcel of land because of common ownership. Ms. Primiano indicated that the property was appraised as three (3) individual parcels of land. Ms. Primiano indicated that she believes the City of East Providence has a merger provision; however she is unsure whether the City has ever merged these parcels of land. Ms. Primiano indicated that most of the other houses in the neighborhood are on similar lots. Ms. Primiano presented an aerial photograph of the subject property and the surrounding area for review by the Committee. Mr. Primiano indicated that the City of East Providence has discussed potentially building a duplex on the property. Although, Ms. Primiano indicated that she is not sure if the City is interested in merging the three (3) lots into one (1) lot. Chairman Flynn asked if the Residential R6 zoning designation means 6,000 square feet. Ms. Primiano believes that is correct. Chairman Flynn indicated that if there were a merger provision, the lots could be merged into two parcels of land. Chairman Flynn asked Ms. Primiano to investigate the existence of a merger provision prior to the Department of Environmental Management's return to the State Properties Committee relative to this property. A motion was made to grant conceptual approval with no restriction as to the use of the property for affordable housing; however, Mr. Pagliarini recommended that the Department of Environmental Management obtain a zoning certificate for each parcel of land for review by the State Properties Committee, as he believes there may in fact be a merger provision relative to this property. The motion was seconded by Mr. Kay.

Passed Unanimously

ITEM F -Department of Environmental Management -A request was made for conceptual to surplus approximately 33,190 square feet of land located at 60 Public Street in the City of Providence. Ms. Primiano presented an aerial photograph of the subject property for review by the Committee. Ms. Primiano indicated that the Department of Environmental Management will issue a Request for Proposals relative to the subject property. The property has been appraised at a value of \$195,000. The City of Providence may be interested in the property and will have the opportunity to match the terms and conditions of the Request for Proposals. Chairman Flynn asked if this property is included in this year's budget. Ms. Primiano indicated that it was estimated at approximately \$500,000. Mr. Griffith asked if the property was acquired by condemnation. Ms. Primiano indicated the property was acquired by the State of Rhode Island by condemnation in 1911. Ms. Primiano indicated that former owner of the property is deceased. Mr. Pagliarini indicated that he feels the value of the property would increase significantly if the State of Rhode Island held on to it for a couple of years as the waterfront changes and develops. Mr. Pagliarini feels the property could be a prime site for a hotel. Mr. Pagliarini indicated in view what the development of the dock area; he feels this is a premature sale. Chairman Flynn indicated that there will most likely be several revenue items in this year's budget to which Mr. Pagliarini may have similar objections. Mr. Pagliarini believes it is short sighted to sell the subject property at this time. Ms. Allaire Johnson indicated that similar issues arose relative to holding on to the ProMed property in attempt to obtain a higher purchase price. Ms. Allaire Johnson indicated that as the Department of Environmental Management is requesting conceptual approval to surplus the property, the Committee can allow the

Department to go through this process and make a decision regarding when to sell the property at a later time. Ms. Primiano indicated that the Department of Environmental Management is looking at the appraised values as a starting point. However, if the market improves, there is a chance that a higher figure could be determined through the public bid process. Chairman Flynn indicated that there were numerous issues arise relative to this particular part of the Providence Waterfront. The Planning Department is currently having discussions with the City of Providence regarding its desire to change this area to a mixed-use development, which would include residential development. The difficulties of attempted to incorporate such a project into a very heavy marine industrial environment where substantial investment has been in terms of dredging the Providence River is also being discussed. Chairman Flynn indicated that it is difficult to reside near companies such as ProMed Marine Services Corporation and Sprague Energy Corporation due to the nature of their operation. Chairman Flynn also indicated that it is the State's to try to preserve marine industrial land. A motion was made to grant conceptual approval by Mr. Pagliarini and seconded by Mr. Kay.

Passed Unanimously

ITEM G -Department of Corrections -A request was made for approval of and signatures on Film Location Agreement by and between the State of Rhode Island, acting through the Department of Corrections, and Brotherhood Productions, Inc. Mr. Feinberg explained that Brotherhood Productions, Inc. recently toured the maximum security facility of the Adult Correctional Institute with the assistance of Tracy Poole. Mr. Feinberg indicated that the Director of the Department of Corrections, A.T. Wall, II, gave his approval for Brotherhood Productions to film within the maximum security facility.

Mr. Feinberg indicated that Michael Corrente is directing this particular episode of Brotherhood. A Film Location Agreement has been prepared and reviewed by the Department of Attorney General. Mr. Feinberg indicated that Brotherhood Productions is planning to film on Wednesday, July 18, 2007. Ms. Allaire Johnson indicated that the Film Location Agreement as drafted is acceptable; however, the document has not been executed. Mr. Feinberg indicated that the Film and Television Office will obtain a fully executed Film Location Agreement forthwith. Chairman Flynn asked Ms. Allaire Johnson is comfortable with a motion being made to approve this request subject to obtaining a fully executed Film Location Agreement. Ms. Allaire Johnson indicated that as long as the fully executed Film Location Agreement is the same as the document already approved by the Department of Attorney General, she is comfortable with such a motion. Mr. Pagliarini stated that bases upon the materials provided to the Committee, it is his opinion that a request to film in the maximum security facility offends common sense. Mr. Pagliarini asked if the State will incur additional costs due to the need for extra security personnel. Ms. Montez explained that Brotherhood Productions is actually planning to tap into the video surveillance system within the facility. Ms. Montez indicated that filming will take place during the inmate's usual recreation time and therefore, the cell block will be vacant. Mr. Montez indicated that only one actor will be placed in a cell and he will be escorted by an actual prison guard if possible. Brotherhood Production will of course compensate the guard for his/her appearance. Ms. Montez indicated that the filming will require a very limited crew of not more than ten 10 individuals. Ms. Montez indicated that no actual inmates will be used for filming. Ms. Allaire Johnson indicated that the Film Location Agreement contains a provision, which

stipulates that any activities must be approved by Director Wall. Chairman Flynn indicated that he personally contacted Director Wall and he indicated that he is comfortable with this request. Mr. Feinberg indicated that the maximum security facility has previously been utilized for filming. Said filming went very smoothly and without incident. Mr. Kay asked that a letter be submitted by Director Wall indicating that he fully supports this request. Chairman Flynn indicated that Director Wall forwarded an email correspondence indicating that he is completely aware of and comfortable with this request. Mr. Kay indicated that this request concerns him from a security stand point due to the recently reported increase in the prisons population. Mr. Kay stated that he is not comfortable voting to approve this request. Mr. Feinberg indicated that the prisoners will be in the prison yard at the time of the filming. Ms. Monet explained that the film crew will not enter the maximum security facility where the prisoners are housed. The film crew will actually be in the area of the security surveillance monitors and tap into that system in order to film the scene. The only person that will actually be in the cell block area is the one actor who will be escorted by a security guard from the prison. Mr. Griffith indicated that he is confident that Director Wall is fully of aware of this request and completely supports the same. Mr. Griffith also indicated that Brotherhood Productions will pay for any additional staffing involved including overtime pay if necessary. A motion was made to approve subject to a fully executed Film Location Agreement being provided to the State Properties Committee by Mr. Griffith and seconded by Ms. Allaire Johnson. The motion passes three (3) votes Aye to two (2) votes Nay.

Two (2) Votes Nay

Mr. Pagliarini
Mr. Kay

Three (3) Votes Aye

Ms. Allaire Johnson
Mr. Griffith
Chairman Flynn

ITEM H -Narragansett Bay Commission -A request was made for approval to acquire permanent and temporary construction easements to rehabilitate the sewer lines in the Dupont Drive, Burrington Street and Chambers Street area of Providence. Mr. Bruekner explained that the Narragansett Bay Commission needs to replace the sewer line, which runs under the Amtrak rails. Additionally, the sewer needs to be relined in the Dupont Drive area. In order to do the necessary repair work, the Narragansett Bay Commission needs to obtain these temporary and permanent easements from Amtrak. Mr. Bruekner indicated that the Narragansett Bay Commission has already obtained a license to do the work under the railroad. The additional easements will be obtained from the private property owners on both the north and south side of the railroad tracks. A motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM I -Narragansett Bay Commission -A request was made for approval to acquire permanent and temporary construction easements to rehabilitate sewer lines in the Grotto Brook area of Providence. Mr. Bruekner explained that the sewer site in this area is nearly one hundred years old. Mr. Bruekner indicated that the sewer is located to the south of Butler Hospital in a wetland area. The Narragansett Bay commission would like to replace the sewer with another siphon to be placed approximately fifty (50') feet

to the west of the existing site, as the current site cannot be maintained due to wetland restrictions. In order to do so the Narragansett Bay Commission must obtain temporary and permanent easements from Butler Hospital and from the City of Providence. A motion was made to approve by Mr. Kay and seconded by Mr. Griffith.

Passed Unanimously

ITEM J -Department of Transportation -This item is deferred to a future meeting of the State Properties Committee at the request of the Department of Transportation.

ITEM K -Department of Transportation -A request was made for approval of and signatures on a Temporary Use Agreement between the Department of Transportation and Lisa A. and Michael M. Pestana. Ms. McMahon explained that this request is part of Department of Transportation's Statewide Drainage Improvement Plan. This Temporary Use Agreement is between the Department of Transportation and a property owner on Route 7 in own of North Smithfield. This Temporary use Agreement is necessary in order for the Department of Transportation can replace the asphalt to meet the elevation of an existing gutter line, and to loam, seed, and maintain the existing culvert. There is no financial transaction associated with this Agreement. The Temporary Easement Agreement is for the use of 917 square feet of land for a two (2) year period from September 1, 2007 to August 31, 2009. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Griffith.

Passed Unanimously

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-5(a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purpose, 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 enter into Executive Session by Mr. Griffith and seconded by Mr. Pagliarini. A roll call vote was taken and the votes were as follows: Mr. Kay voted "Aye", Mr. Griffith "Aye", Ms. Allaire Johnson voted "Aye"; Mr. Pagliarini voted "Aye" and Chairman Flynn voted "Aye".

The State Properties Committee closed the Executive Session and returned to open session at 11:22 a.m.

ITEM E1 -Department of Transportation -A request was made for authorization to acquire easements from Amtrak for the construction of the Warwick Internodal Train Station in Warwick. After a discussion in Executive Session, a motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM E2 -Department of Transportation -A request was made for approval to acquire easements necessary to complete the construction of the Reconstruction of Route 5 Project in the in City of Warwick. After discussion in Executive Session, a motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM E3 -Department of Transportation -A request was made for approval of an administrative settlement with Gill Realty, LLC in conjunction with the Anny Aviation Expansion -Quonset State Airport Project. After discussion in Executive Session, a motion was made to approve by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

ITEM E4 -Department of Transportation -A request was made for approval of an administrative settlement with D&J Forbes, LLC in conjunction with the Army Aviation Expansion -Quonset State Airport Project. After discussion in Executive Session, a motion was made to approve by Mr. Griffith and seconded by Ms. Allaire Johnson.

Passed Unanimously

A motion was made to seal the minutes of the Executive Session until such time as these matters are disposed of by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

There being no further business to come before the State Properties Committee, the meeting was adjourned at 11:27 a.m. A motion was made to adjourn by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

Holly H. Rhodes, Executive Secretary