

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, OCTOBER 30, 2007

The meeting of the State Properties Committee was called to order at 10:04 a.m. by Chairman Kevin M. Flynn. Other members present were Robert Griffith representing the Rhode Island Department of Administration; Richard Woolley representing the Rhode Island Department of Attorney General; Robert W. Kay and John A. Pagliarini, Jr., Public Members and Xaykham Khamsyvovong representing the Rhode Island Office of the General Treasurer, Ex-officio Member. Others in attendance were Anthony Paolantonio from the Rhode Island House of Representatives; Robert C. Bromley from the Rhode Island Senate Fiscal Office; Robert B. Jackson, Eva Bernardo, Marc Malkasian, John Glynn, Paul Carcieri, Maureen McMahon, William McCarthy and Rick Kalunian from the Rhode Island Department of Transportation; Lisa Primiano from the Rhode Island Department of Environmental Management; Benjamin Copple and Michael Hayes from the Rhode Island Department of Labor and Training; Annette Jacques from the Rhode Island Department of Administration; J. Vernon Wyman from the University of Rhode Island; Julie Snyder and Benjamin Thomas from Two Prong Lesson, LLC (Tanner Hall); Steve Feinberg from the Rhode Island Film & Television Office.

A motion was made to approve the regular minutes of the State Properties

Committee meeting held on Tuesday, October 2, 2007, by Mr. Pagliarini and

seconded by Mr. Kay.

Chairman Flynn noted for the record that the State Properties Committee did have a quorum present.

The next scheduled meeting of the State Properties Committee will be held on

Tuesday, November 13, 2007, at 10:00 a.m.

OLD BUSINESS – A request was made for the execution of the Lease Agreement and Amendment One to Ground Lease Agreement between Independence Square Foundation and the University of Rhode Island/Board of Governors for property located at 25 West Independence Way in the Town of Kingston, that were previously approved by the State Properties Committee on May 29, 2007. Mr. Wyman explained that Mr. Woolley of the Department of Attorney General and Attorney Louis Saccoccio have revised some of the language contained in the Lease Agreement and the revised documents are before the State Properties Committee today for approval and signature. Chairman Flynn asked if Mr. Woolley was satisfied with the language of the Lease Agreement as revised. Mr.

Woolley indicated that he was in fact satisfied with the revised documents.

ITEM A – Film & Television Office/Department of Transportation – A request was made for approval for Two Prong Lesson, LLC “Tanner Hall” to film along Route 107 in the Town of Burrillville. Mr. Feinberg explained that Ms. Snyder is the Producer of “Tanner Hall” a feature film. Mr. Feinberg indicated that filming will commence on November 12, 2007, in and around portions of the State of Rhode Island. Mr. Feinberg indicated that the request before the Committee today is for filming in the Town of Pascoag. Mr. Malkasian indicated that Two Prong Lesson, LLC is seeking permission to film on November 12, 2007, between the hours of 6:00 a.m. and 7:00 p.m., in and around Route 7, which is a main road in the Town of Pascoag. Mr. Malkasian provided pictures of the filming sites for review by the Committee. Pursuant to the Letter of Agreement, the Department of Transportation will allow Two Prong Lesson, LLC for the intermittent stoppage of both pedestrian and motor vehicle traffic. The traffic control will be handled by the Burrillville Police Department under the direction of Lieutenant Kevin San Antonio. Mr. Pagliarini asked if the businesses in the area will still be accessible by the public during the hours of filming. Ms. Snyder indicated that yes the public will be able access the area businesses during filming. A motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM B – Department of Environmental Management – A request was made for approval of and signatures on a Warranty Deed by and

between Susan Bissell and the State of Rhode Island, acting through the Department of Environmental Management. Ms. Primiano explained that this is a request for the Committee's approval of a Warranty Deed for the acquisition of an inholding at the Durfee Hill Management Area. Ms. Primiano provided a site map for review by the State Properties Committee. Ms. Primiano indicated that the Division of Fish and Wildlife has determined that it is critical to secure this area. Ms. Primiano indicated that this item was deferred from the previous meeting so that the face of the Warranty Deed could be revised to include the purchase price as required by law. Mr. Griffith asked what would become of the structures located on the property. Ms. Primiano indicated that both the house and the barn will be demolished as it is an old house in very poor condition. The State of Rhode Island has no use for the barn or house and they would be a drain on the Department of Environmental Management's resources. Ms. Primiano indicated that the Department of Environmental Management has a difficult enough time maintaining the structures that are currently under its control. Mr. Griffith asked if the property's use will be for passive recreation. Ms. Primiano indicated that passive recreation will be allowed together with hunting as the property is part of a management area. A motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM C – Department of Transportation – A request was made for conceptual approval to convey 3,510 square feet of State-owned property located along Front Street (Route 123) in the Town of

Lincoln to Joel and Vincent Bessette/179 Front Street, LLC. Ms. Bernardo provided a photograph of the subject property for review by the Committee. Ms. Bernardo explained that the applicants, Joel and Vincent Bessette, wish to purchase the property along Front Street in order to expand their current property line. The area is zoned commercial and the applicants are the only abutter to the property. Ms. Bernardo indicated that due to the shape of the parcel of land it is neither a buildable lot, nor a stand alone parcel of land. The State of Rhode Island has sold two other parcels of land in the area. The sale of the property will be subject to protecting the water main, which is twenty feet centered along the existing pipelines as well as an eight inch line, which will give them access to maintain the lines. Mr. Kay asked if the sign owned by the Sullivan Insurance Committee will have to be moved. Ms. Bernardo indicated that she did not have that information immediately available, but would consult with the Division of Signs to obtain the same. Mr. Pagliarini raised concerns regarding the possibility of a gas line being located on the subject property. Ms. Bernardo stated that the deed restrictions would allow the utility company access for maintaining the lines. Chairman Flynn suggested that a condition be added regarding easements for any public utilities. Mr. Pagliarini asked how the issue of the sign should be handled. Mr. Carcieri indicated that there is a standard deed covenant in all of the Department of Transportation's documents which preserves easements for any utilities both private and public in any conveyance. Mr. Carcieri indicated that if the sign is located on the State property to be conveyed, the sign will come under the

jurisdiction of the Department of Transportation, as off premise advertising. If it is on private property and is not part of the conveyance area, the same will apply. Chairman Flynn asked if that meant the sign would have to be removed. Mr. Carcieri explained that the sign could remain on the property if it advertises the principal activity on site. A motion to grant conceptual approval was made by Mr. Pagliarini and seconded by Mr. Kay.

Passed Unanimously

ITEM D – Department of Transportation – A request was made for conceptual approval to convey approximately 142,231 square feet of land along Fred Humlak Way in the City of Warwick to Brewer Yacht Yard Cowesett, Inc. Mr. Jackson provided an aerial photograph of the subject property for review by the Committee. The Department of Transportation received a request from the applicant, Brewer Yacht Yard Cowesett, Inc., to purchase State-owned property located in Warwick bounded by Masthead Drive to the north, Folly Landing to the south, Green Bay to the east and Amtrak property to the west. The use of the riparian right in Green Bay will be considered when the fair market value is established. Mr. Jackson indicated that at this time the Department of Transportation is seeking conceptual approval to solicit bids for the sale of the property.

Mr. McCarthy indicated that the Department of Transportation acquired the subject property in March of 1981, for a railroad grade crossing elimination project. The Department of Transportation has received several requests to sell the property over the years and each time the applicant has backed out of the purchase prior to the

Department of Transportation consummating the sale of the property.

Mr. McCarthy indicated he is trying to locate the old property management files to review the “comments.” Mr. McCarthy indicated that Mr. Jackson has received new comments from several agencies. Mr. McCarthy noted that Coastal Resources Management Council (“CRMC”) had some questions regarding the subject property. Mr. McCarthy indicated that he and Mr. Jackson recently met with Jeffrey Willis, Deputy Director of CRMC. Mr. McCarthy explained the details of their meeting with Mr. Willis to the State Properties Committee at length. Mr. McCarthy and Mr. Jackson also recently met with Mark Carruolo and Richard Crenca of the City of Warwick, as they had concerns regarding the community’s access to the open sea. Mr. McCarthy indicated that following said meeting, the City of Warwick sent a request to the Department of Transportation to acquire the subject property. Chairman Flynn noted that the City would not be able to acquire the property unless the entity from whom the property was condemned chose not to exercise its rights of first refusal. Mr. McCarthy indicated that the Department of Transportation is conducting due diligence at this time and it appears that the property was acquired by condemnation. The Department of Transportation has ordered the files in order to confirm that fact because if the property was acquired by deed, the City of Warwick would have first right of refusal if the former owner chose not to exercise its right of first refusal. Mr. McCarthy indicated that the former owner is Alhambra Realty Company. Chairman Flynn noted that the State Properties Committee received two correspondences from the City of

Warwick. One indicated that the City opposes the sale of the property and the other indicated that if the subject property is available, the City may be interested in acquiring it. Chairman Flynn noted the City of Warwick would not have that opportunity if the property was condemned and Brewer Yacht Yard Cowesett, Inc. is somehow the successor of the former owner. Mr. Woolley asked if the Department of Environmental Management has been contacted regarding the intended sale of the property. Mr. Jackson read aloud the comments received from CRMC, the Department of Environmental Management, the Statewide Planning Program and the City of Warwick. Mr. Pagliarini stated that with regard to the issue of access to the water, the plat map that was provided to him shows a dedicated unimproved portion of Masthead Drive, which is City-owned property that extends right to Greenwich Bay. Mr. Pagliarini indicated that when he visited the site, he noted that the City could clear the fifty (50') foot strip of land and have public access to the water. Therefore, Mr. Pagliarini feels it is a bit of a red herring that the State has to reserve access for public access to the water, when Masthead Drive is already available and unimproved. Mr. Pagliarini indicated that he although he understands the City's position, he asked for Mr. McCarthy's opinion regarding the riparian rights relative to the subject property. Mr. Pagliarini believes since the City is seeking open space protection, perhaps the property should be divided into two separate parcels of land. The waterfront parcel of land is sold for marina use in the riparian rights and the upland portion remains as open space protection, which would satisfy the comments of the Statewide

Planning Program. Mr. McCarthy agreed with Mr. Pagliarini suggestion and stated that in speaking to Mr. Crenca of the City of Warwick, Mr. McCarthy indicated that there is always room for negotiations with any prospective buyer. Mr. McCarthy stated that if Alhambra Realty no longer exists, then the City of Warwick has first right of refusal. Mr. McCarthy stated that Director Williams asked that his staff look for creative negotiations when no other options can be found. The City of Warwick seems open to negotiations; the CRMC seem to be open to some flexible uses of the property. It is also possible that the property can be divided into two parcels of land. Mr. McCarthy indicated that there are many possibilities regarding this land. However, if it is determined that Alhambra Realty is still in existence that could eliminate the City of Warwick as a potential buyer. Mr. Pagliarini agreed and stated that he believes dividing the property into separate parcels of land is a natural transition. Chairman Flynn indicated that Mr. Pagliarini seems to be assuming that the City of Warwick is not interested in the waterfront portion of the property and he believes the City is interested in the water front. After further discussion, a motion was made to grant conceptual approval subject to the Department of Transportation completing its research to determine which entity has the first right of refusal and subject to a map being provided to the State Properties Committee showing public access and/or launches to the water in the vicinity, to encompass both the City of Warwick or the Town of East Greenwich and subject to the condition that if it is determined that the property will be sold to a private entity, that some type of

negotiations take place with the City of Warwick by Mr. Pagliarini and seconded by Mr. Kay.

Passed Unanimously

Mr. McCarthy stated that the Department of Transportation will include all of the parties in negotiations in an attempt to find an amicable resolution.

ITEM E – Department of Transportation – A request was made for approval of and signatures on documents for the acquisition of right of way, a drainage easement and for the conveyance of a permanent easement to UTGR, Inc. Mr. Kalunian explained that the subject property is the Twin River Casino, which has improved over the past few years. As part of the expansion, the Department of Transportation was involved in granting the UTGR, Inc. a physical alterations permit to improve access to Twin River Road and as part of that process, UTGR, Inc. agreed to construct the improvements to the roadway as illustrated on the site plan and to install a drainage system. Mr. Kalunian indicated that UTGR, Inc. was required to deed a portion of the roadway and a drainage easement to the Department of Transportation in order to finalize the application for the physical alterations permit. Mr. Kalunian stated that in return, UTGR, Inc. requested that it be allowed to place some planters/landscaping and its sign within the roadway- roundabout area. Therefore, the Department of Transportation is granting the UTGR, Inc. permanent easement to maintain those items. The acquisition area consists of 47,818 square feet and the drainage easement consists of 14,737 square feet. Mr. Kalunian indicated that the Department of

Transportation is seeking the approval and signatures of the State Properties Committee in order to record the documents. Mr. Kalunian stated that there is no money involved in the transaction. Mr. Woolley asked if the improvements have already been constructed. Mr. Kalunian indicated that the improvements have been completed. After further discussion, a motion to approve was made by Mr. Griffith and seconded by Mr. Woolley. The motion passed four votes "Aye" and one abstention by Mr. Pagliarini.

ITEM F – Department of Labor and Training – A request was made for conceptual approval to convey State-owned property located at 470 Metacom Avenue in the Town of Warren. Mr. Copple indicated that the Department of Labor and Training is seeking conceptual approval sell the subject property. Mr. Copple indicated that the building was originally purchased in January of 1992. The building is approximately 7,480 square feet located on a lot consisting of approximately 42,000 square feet. The building includes air conditioning, an alarm system, and two sets of bathrooms and is largely an open floor space plan. The building was assessed by the Town at a value of \$1,026,200; however, the Department of Labor and Training has not yet conducted an independent appraisal. The Department of Labor and Training intends to sell the subject property via the public auction process. At this time, the Department of Labor and Training has received interest from the Warren Housing Authority, from East Bay CDC and from two private parties. The Department of Labor and Training has selected an auctioneer from the Department of Administration's MPA list. Mr. Copple indicated

the facility will be permanently closed for Department of Labor and Training's purposes on November 30, 2007. Chairman Flynn asked where the Department of Labor and Training will relocate the existing function. Mr. Hayes indicated that the function will be consolidated to other offices administered by the Department of Labor and Training located in Providence, West Warwick, Pawtucket and further down in the East Bay/Middletown area. Mr. Woolley asked what the property's current use is. Mr. Hayes indicated that the property's present use is referred to as a "One Stop Center", for employment training programs administered by the Department of Labor and Training to assist unemployed/underemployed individuals in seeking employment and/or alternative employment. Mr. Woolley asked how much of an impact the closing of this facility will have on the services provided to the public. Mr. Hayes indicated that the selection of this facility to be closed is based upon a strategic study prepared by labor market information, based upon the demographics and the client flow. Mr. Hayes indicated that given the reduced funding, the Department of Labor and Training believes it can serve its clients best by the consolidation of this facility into two main facilities located in Providence and Pawtucket together with the other satellite facilities, which will remain open. The Department of Labor and Training is proposing to decrease its presence in the Wakefield Government Center for the same reasons. Mr. Pagliarini asked if unemployed individuals residing in Bristol or Warren will have to travel to Pawtucket or Providence to receive these services. Mr. Hayes indicated that individuals from the Bristol area will utilize either the

Middletown or Providence facilities. Mr. Pagliarini asked if public transportation is available to the alternate facilities. Mr. Copple indicated that public transportation is available. Mr. Woolley asked if any other State agencies have expressed an interest in the property. Mr. Copple indicated that Rhode Island Housing informed the Department of Labor and Training that it had received interest from East Bay CDC. Chairman Flynn asked if the Town of Warren has expressed an interest. Mr. Copple indicated that the Warren Housing Authority has expressed an interest. A motion was made to approve by Mr. Griffith and seconded by Mr. Kay.

Passed Unanimously

ITEM G – Department of Transportation – A request was made for approval of and signatures on a Permanent Loop Detector Easement Agreement by and between the Pawtuxet Realty, Inc. and the State of Rhode Island acting through the Department of Transportation relative to the installation of a traffic signal device at 635 Washington Street in the Town of Coventry. Ms. McMahon indicated the Department of Transportation is seeking permission to allow the property owner to proceed with a physical alteration permit. Ms. McMahon indicated that there is no monetary value; this is simply an easement that will be located on private property for a traffic light for future development. A motion to approve was made by Mr. Griffith and seconded by Ms. Woolley.

Passed Unanimously

Chairman Flynn indicated that the matter scheduled for the Executive Session has

been deferred to a future meeting of the State Properties Committee at the request of the

Department of Transportation.

Passed Unanimously

There being no further business to come before the State Properties Committee, the meeting was adjourned at 10:54 a.m. A motion was made to adjourn by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

Holly H. Rhodes, Executive Secretary