

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, MARCH 4, 2008

The meeting of the State Properties Committee was called to order at 10:14 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; John A. Pagliarini, Jr., Public Member. Others in attendance were Anthony Paolantonio from the Rhode Island House of Representatives; Robert C. Bromley and Amy Mendillo from the Rhode Island Senate Fiscal Office; Jerome F. Williams, Director, Maureen McMahon, Richard Kalunian and Paul Carcieri from the Rhode Island Department of Transportation; Michael D. Mitchell, Marco Schiappa, John Ryan and Mary Ellen Davey from the Rhode Island Department of Administration; Joseph Dias, Lisa Primiano, Mary Kay and Terri Bisson from the Rhode Island Department of Environmental Management; Deborah Barclay from the Rhode Island Department of Human Services; J. Vernon Wyman from the Rhode Island Board of Governors for Higher Education/University of Rhode Island; Scott Kettelle from the Exeter Emergency Dispatch Center, Inc.; Robert Mowry from the Office of the State of Rhode Island Fire Marshal; Robert Marshall from the Prudence Conservancy; Romeo Mendes from the Rhode Island Water Resources Board; Attorney Peter V. Lacouture from Nixon Peabody, LLP.

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, March 18, 2008, at 10:00 a.m.

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

Committee meeting held on Tuesday, February 5, 2008, as amended, by Mr. Pagliarini and seconded by Mr. Griffith.

Passed Unanimously

A motion was made to approve the Executive Session minutes of the State

Properties Committee meeting held on Tuesday, February 5, 2008, by Mr. Griffith and

and seconded by Mr. Pagliarini.

Passed Unanimously

A motion was made to approve the regular minutes of the State Properties Committee meeting held on Tuesday, February 19, 2008, as amended, by Mr. Pagliarini and seconded by Mr. Griffith.

Passed Unanimously

ITEM A – Department of Administration – A request was made for

final approval of the Purchase and Sale Contract by and between the Department of Administration and Atlantic Management Corporation for property located at 90 Plain Street in the City of Providence. Mr. Ryan explained that the subject property was under the custody and control of the Department of Mental Health, Retardation and Hospitals. The property was offered for sale at a public auction. The highest bid received was in the amount of \$3,630,000. The successful bidder is the Atlantic Management Corporation with a business address of 205 Newbury Street, Framingham, Massachusetts. The parties hope to close on the subject property on or before May 15, 2008. Mr. Ryan provided an informational booklet relative to the 90 Plain Street property to the Committee. Mr. Pagliarini noted that page 1, paragraph 2 of the Purchase and Sale Contract states: "In addition, the Buyer shall pay a 1% buyer's premium to SJ Corio Company in the total amount of Thirty Six Thousand Three Hundred Dollars (\$36,300) which shall be pay at the closing (See Exhibit C). However, Mr. Pagliarini indicated that the copy of the Purchase and Sale Contract he received did not include an Exhibit C. Mr. Ryan indicated that the final Purchase and Sale Contract submitted to Ms. Rhodes this morning did in fact contain an Exhibit C, which is labeled "Terms and Conditions". Additionally, Mr. Pagliarini indicated that page 3, paragraph 10 of the Purchase and Sale Contract states: "Applications for the foregoing items may be filed by Buyer in the name of Seller, and Seller shall cooperate... Buyer has the right to extend the closing date as necessary upon written request to Seller." Mr. Pagliarini asked if the State of Rhode Island is aware of what the

Buyer's intended purpose is and whether the Buyer will need to extend the closing date. Mr. Mitchell explained that said language is a standard clause, which is utilized in purchase and sale contracts. It is Mr. Mitchell's understanding that the property is zoned for medical office use and that the Buyer is intends to continue said use and will not require a change in zoning. Mr. Ryan indicated that the Buyer is going gut the entire building and reconstruct a 'Class A' medical office space. Mr. Pagliarini asked if paragraph 16, on page 4 of the Purchase and Sale Contract "Buyer Affiliate" is also standard language, as it states that the Buyer has the right to assign the Purchase and Sale Contract provided it retains 51% or more of the ownership interests of the applicable entity. Mr. Mitchell explained that the Buyer requested said language in the event that it creates a Rhode Island entity to own the property such as a LLC situation; however, the Buyer will have to return to the State Properties Committee for approval of said assignment. Mr. Pagliarini asked if the Buyer will have to return with a disclosure of its members at that time. Mr. Mitchell indicated that is correct. Mr. Pagliarini stated that the documents indicate that the Rhode Island Department of Transportation's internal appraiser valued the property at \$3.63 million; however, the external fee appraiser valued the property at \$5.7 million. Mr. Pagliarini asked why such a large discrepancy exists between the two appraised values and who conducted the external fee appraisal. Mr. Ryan indicated that Thomas Sweeney conducted the external fee appraisal. Mr. Ryan explained that the Rhode Island Department of Transportation's review appraiser took into

consideration the condition of the building. Mr. Ryan explained that contained in the information package there is a report by Rhode Island Analytical, which indicates that there is a great deal of water infiltration into the building, which caused a substantial mold problem. Mr. Ryan indicated that the subject property will require a great deal of renovation. Mr. Ryan stated that the fee appraiser was initial unaware of the Rhode Island Analytical report at the time the Department of Mental Health, Retardation and Hospitals requested he conduct the appraisal. Mr. Ryan explained that he contacted Mr. Sweeney prior to offering the property at public auction and asked how the Rhode Island Analytical report would factor into his appraisal. Mr. Sweeney indicated that in view of the location of the property within the hospital complex, said report would not affect his valuation of the property. However, the State of Rhode Island's position is quite the

opposite. Mr. Ryan informed the Committee that coincidentally the Rhode Island Department of Transportation's appraised value is right on target. The Rhode Island Department of Transportation's income approach was approximately 40,000 higher, but the market approach was on the mark. Therefore, the State of Rhode Island is confident that it is receiving the best and highest value for the subject property.

Chairman Flynn commended John Ryan for his efforts relative to the sale of the subject property as he dealt with the auction bidders, prepared and finalized the Request for Proposals and coordinated with the auctioneers. Mr. Ryan stated that both bidders from the State of Massachusetts indicated that they had exceeded their

anticipated maximum bid by five (5%) percent. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Griffith. The motion passed three (3) votes “Aye” to one (1) vote “Nay.”

Three (3) Votes “Aye”

Mr. Griffith

Mr. Pagliarini

Chairman Flynn

One (1) Vote “Nay”

Mr. Woolley

Mr. Woolley indicated that he is not comfortable voting to approve the Department of Administration’s request for approval and execution of the Purchase and Sale Contract due to the discrepancy between the internal appraisal and the external fee appraisal.

ITEM B – Department of Corrections – A request for final approval of the Lease Agreement by and between the Department of Corrections and the Urban League of Rhode Island for the premises located at 234 Prairie Avenue in the City of Providence. This item was deferred to a future meeting of the State Properties Committee at the request of the Department of Corrections.

ITEM C – Department of Human Services – A request was made for approval of and signatures on the Amendment and Renewal of Sublease by and between the Department of Human Services and Capital City Community Centers, Inc. for the premises located at 450

Clinton Street in the City of Woonsocket. Ms. Barclay explained that this is the second request for a one-year renewal of the Sublease relative to the childcare center. The Amendment and Renewal of Sublease is essentially unchanged from the one-year renewal approved by the State Properties Committee in 2007. The Amendment and Renewal of Sublease provides for childcare services within the Woonsocket Regional Center. Capital City Community Center, Inc. pays a rental fee of \$5.12 per square foot for a total of 17,000 square feet and a portion of the land. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

The State Properties Committee agreed to temporarily defer Item D of the agenda until later in the meeting.

ITEM E – Board of Governors for Higher Education – A request was made for approval of and signatures on a Land Exchange Agreement between the Board of Governors for Higher Education / University of Rhode Island and Habitat for Humanity. Mr. Wyman explained that the Board of Governors for Higher Education previously placed this item on the State Properties Committee’s agenda. At that time, Mr. Wyman gave a very brief presentation of the facts; however, the Committee requested more detailed information relative to the proposed land exchange between the Board of Governors for Higher Education / University of Rhode Island and Habitat for Humanity. Mr. Wyman indicated that the Board of Governors for Higher Education has developed a response to the Committee’s request. The Board of Governors for Higher Education has provided visual displays of both

properties involved together with copies of the appraisals of both properties. Mr. Wyman explained that this transaction involves the exchange of a parcel of land owned by Habitat for Humanity located north of the University of Rhode Island Campus and a parcel of land owned by the University of Rhode Island located off Old North Road, which consists of approximately 1.4 acres of land. The Habitat for Humanity's parcel encompasses 9 acres of land; however, approximately half of the property is affected by wetlands and associated setbacks. The 9 acre parcel of land is of strategic importance to the University of Rhode Island based upon a series of property transactions; some very old and some very recent. Mr. Wyman indicated that approximately eighteen month ago, the State Properties Committee approved the purchase of 125 acres of land, which essentially closed the boundaries for the University of Rhode Island on a total of approximately 288 acres of land located immediately north of the Kingston Campus. Said land is undeveloped at this time. The University of Rhode Island has taken steps to conduct wetlands flagging on the 288 acres of land, including the Habitat for Humanity parcel, which has been examined by the University. Mr. Wyman indicated that the Habitat for Humanity parcel combined with the adjacent property owned by the University of Rhode Island would yield a significantly larger, potentially developable parcel of land. Mr. Wyman stated that under every scenario of future development north of the campus, the University would bring its utility infrastructure from the campus property into this northern area. Using a site map, Mr. Wyman illustrated the exact

location of each of the parcels and described the surrounding areas. Mr. Wyman reiterated that the Habitat for Humanity parcel is of strategic importance to the University. The property is not as desirable to Habitat for Humanity as perk tests have shown the property can only support a single-family home residence with the use of septic system. Mr. Wyman indicated that the University has flagged all the wetlands in the area and has prepared a preliminary development design for a potential research park immediately north of the academic core of the campus. Using a wetlands map, Mr. Wyman illustrated the wetland area of both the Old North Road parcel and the Habitat for Humanity parcel. The University of Rhode Island is currently in the process of obtaining the Department of Environmental Management's confirmation of the wetland boundaries. At the present time, the University of Rhode Island is seeking approval of the Land Exchange Agreement. Mr. Wyman reiterated that the Committee has been provided with the appraisals of both properties. In accordance with the appraisals, both properties are valued at \$250,000 and comparable sales in the area support said value in both cases. The appraisal of the Habitat for Humanity takes into consideration the presence of wetlands on the property and the fact that it is not accessible to utility services. The appraisal of the University of Rhode Island parcel takes into account that in order for Habitat for Humanity to construct multiple dwellings on the property to yield the \$250,000 value, it must first obtain zoning approval. In fact, the exchange transaction is dependent upon Habitat for Humanities successfully obtaining said approval. Chairman Flynn

asked if it is fair to assume that the 9 acre parcel of land will require some level of rezoning work in the future as he assumes the University does not want it for single-family residences either. Mr. Wyman indicated that the University is not interested in constructing single-family homes and is working very closely with the Town of Kingston on the future planning of the entire north area. There is a group, which includes members of the Town Council and the Town of Kingston's Administration working with the University of Rhode Island on the future land use arrangement for that northern parcel of land to ensure that impacts of any future developments do not over stress local infrastructure and surrounding land use. Mr. Pagliarini noted that the appraisal of the properties was conducted by Thomas Sweeney and as part of his appraisal packet on Plat 16-4, Lot 4, which is the University's parcel, Mr. Sweeney attached a copy of the Deed. Mr. Pagliarini indicated that on page two (2) of said Deed it states that if the property is not used for University purposes it reverts back to the previous owner, which is the Town of South Kingstown. Mr. Pagliarini indicated that he does not see any reference to said restriction contained in the Purchase and Sale Agreement. Mr. Pagliarini questioned how it would be possible for the property not to revert back to the Town of South Kingstown if Habitat for Humanity becomes the owner. Mr. Wyman stated that although said restriction is not presently addressed, the Town of South Kingstown is fully aware of the University's intent regarding this transaction and the Town of South Kingstown has not objected to the transaction. Chairman Flynn stated that there will need to be some type of formal

documentation regarding the Town's support of the intended transaction and its waiver of the reverter clause pursuant to the Deed.

Mr. Wyman agreed that some form of documentation will be necessary to clarify the Town's position regarding this transaction. A motion was made to deny by Mr. Pagliarini based upon the his opinion that the appraisal does not take into account the highest and best value of the University of Rhode Island's property and Mr. Pagliarini indicated that he does not believe this transaction is an equitable exchange of property. The motion was seconded by Mr. Woolley. Under discussion Chairman Flynn stated that Mr. Pagliarini had brought up some very valid concerns; however, Chairman Flynn questioned whether a motion to table would not be in the best interest of the Committee and the University to allow the University the opportunity to further research the issues raised and provide the Committee with additional information in order to for the Committee to determine whether this land exchange is in the best interest of the State of Rhode Island. Mr. Woolley stated that he has particular concerns regarding the reverter clause. Mr. Woolley indicated that the Town of South Kingstown may not have expressed an objection to the land exchange yet; however, at any time, the Town could object to this transaction, which would invariably reflect poorly on the State Properties Committee as well as the State of Rhode Island. Mr. Woolley recommended that the Town's position relative to this transaction be formally address, in writing. The Town must sign off on this transaction and relinquish its rights under the reverter clause.

Mr. Wyman suggested that he obtain a final release from the Town of

South Kingstown. Mr. Wyman also stated that the University is willing to conduct reappraisals of both properties. Mr. Wyman indicated that if a differential between the values of the two properties can be confirmed, then there may be an option for Habitat for Humanity as well as other parties to acquire the University's parcel and the University could still acquire the second parcel of land. Mr. Wyman stated that the University's goal is to ensure that the appraised value of both parcels of land is appropriate and equitable. Mr. Wyman indicated that he is certainly willing to convey the Committee's recommendations to the Board of Governors for Higher Education and the University of Rhode Island for consideration. Mr. Pagliarini withdrew his motion to deny. A motion was made to table this item to a future meeting of the State Properties Committee by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM F – Board of Governors for Higher Education – A request was made for permission to proceed with a Request for Proposals for commercial lease space for the University of Rhode Island's Bookstore. Mr. Wyman indicated that the basic information relative to this request was provided in the presentation memorandum addressed to Chairman Flynn, dated February 27, 2008. Mr. Wyman explained that at this time, the University of Rhode Island Providence Campus Bookstore is operating out of a small 1,000 square foot space located on the upper floors of the Shepard's Building. Said location was a product of an opportunity, which has served campus well over the years. However, the former bookstore space located on

street level in the front of the building has been converted for childcare purposes. As a result of the necessary specific adaptations to properly accommodate the childcare facility those adaptation became a permanent commitment of said space. Mr. Wyman explained that while the campus bookstore has operated as a texts operation at the commencement of each semester, the bookstore is not realizing the potential business that is generated very effectively at the Kingston Campus. Mr. Wyman explained that at one time the Kingston Campus bookstore was a relatively basic operation; however, at this time, the bookstore is a very successful auxiliary enterprise, which is a self-supporting operation. The bookstore operates entirely on its own revenues and pays indirect costs back to the University of Rhode Island's General Fund. Mr. Wyman indicated that the University now has the opportunity to develop a true college bookstore that would have outside business together with student based business. Mr. Wyman indicated that there is a strong desire throughout the Administration to achieve that level of success in Providence. Mr. Wyman indicated that the University is examining adjacent properties, which are immediately accessible from the lobby of the current location. The majority of business is generated in the evening hours consisting of both youths and adults. The University wants the location of the new bookstore to be visible and accessible from the security covered lobby area. The University has viewed properties in the immediate blocks around the Shepard's Building. There are no less than four (4) street level storefront type properties available that could certainly serve the dual purpose of serving

college students as well as the general public. Mr. Wyman indicated that as there is no alternative space that offers the desired features within the Shepard's Building. The University is seeking approval to proceed with a Request for Proposals for suitable space in the surrounding adjacent area. Chairman Flynn clarified that the University wishes to find space adjacent to the Shepard's Building, which will allow the security staff currently stationed in the Shepard's Building to patrol and monitor the new location as well. Chairman Flynn questioned this as a feasible concept given the location of the security guard desk with in the building. Mr. Wyman indicated that the Shepard's Building has two (2) main entrances. One entrance opens onto Westminster Street and the other opens onto Washington Street. Mr. Wyman stated that there is security coverage at both entry ways. Mr. Wyman also indicated that ever since the University opened the campus in the heart of downtown Providence, there has been heightened security interest and concern for the movement of personnel and students to and from the campus. Therefore, the University feels that a bookstore operating in an adjacent building will benefit from the existing security staff. This position has been expressed by all parties including the security staff itself and the Dean of the University of Rhode Island's Providence Campus. Mr. Wyman indicated that the University is searching for a location, which consists of between 17,000 square feet and 27,000 square feet depending upon its configuration. Mr. Wyman stated that there are presently four (4) available locations which suit the University's necessary requirements. Mr. Pagliarini asked if the University leases

any portion of the Shepard's Building other than the daycare facility. Mr. Wyman indicated that the daycare facility is actually a University operated program. Mr. Pagliarini asked if there are any other third party tenants within the building. Mr. Wyman indicated that the State of Rhode Island owns the Shepard's Building and the University is the primary tenant within the building. Mr. Wyman explained that the Rhode Island Department of Education is located within the building, the Metropolitan High School utilizes classrooms during the daytime and the Community College of Rhode Island also utilizes classrooms. Mr. Pagliarini asked if there is any third party that could be relocated. Mr. Wyman indicated that none of the tenants can be relocated at this time. Mr. Pagliarini commented that the bookstore's current location and set up is certainly less than desirable. Chairman Flynn asked if the University is looking to attract the general public to patronize the bookstore. Mr. Wyman indicated that the University is definitely seeking to attract the general public as well as the student customer base. Chairman Flynn commented that the addition of a café component may help to attract the general public. Mr. Wyman stated that the University is certainly looking to expand its customer base. However, as there is currently a non-college affiliated bookstore located on Westminster Street, which includes a successful café component, he believes the University will continue to concentrate on the college bookstore orientation. Although, Mr. Wyman agrees the opportunity exists to test the market relative to the private sector. Mr. Griffith commented that the inclusion of a café within the bookstore may compete with the cafeteria operation currently located in the

Shepard's Building. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Griffith.

Passed Unanimously

ITEM D – Department of Administration – A request was made for approval of and signatures on a License Agreement between the Department of Administration and The International Police Work Dog Association for use of the Cranston Street Armory Building from Sunday, March 30, 2008 through April 6, 2008, for The 3rd Annual Explosive Detector Dog Seminar. Mr. Mowry explained that the License Agreement needs to be revised to name the Office of the State of Rhode Island Fire Marshal as the applicant rather than the International Police Work Dog Association, as the Fire Marshal's Office is sponsoring this event. The International Police Work Dog Association is actually the testing and training agency, which will participate in this event at the request of the Fire Marshal's Office. Mr. Mowry explained that there are nine (9) explosive detective dogs utilized in the State of Rhode Island. These dogs are required to be duly certified on a yearly basis for odor recognition through the Bureau of Alcohol, Tobacco and Firearms. The dogs are required to find different types of explosive substances on airplanes and during building searches. Up until four (4) years ago, the dogs were required to travel out of state in order to obtain the necessary certifications simultaneously. Therefore, all of the bomb squads in New England made the decision to sponsor said testing and training in the New England area. One of the two main components of this seminar is the International Police Work Dog Association, which actually provides

the certification for the dogs relative to building, airplane, train and motor vehicle searches. The other component is the Bureau of Alcohol, Tobacco and Firearms, which provides the certification of the dogs for odor recognition. The first seminar held in New England was held in Boston, Massachusetts and was sponsored by the Office of the State of Rhode Island Fire Marshal together with NBTA, the Federal Protection Agency and the State Police. However, Mr. Mowry indicated that because the City of Boston is so congested, it made traveling with the dogs from venue to venue very difficult. This event will encompass use of the airport and airplanes, NBTA will provide trains to be located on one of the side rails. The Federal Protection Agency will identify and provide badges for those who attend the event. The Office of the State of Rhode Island Fire Marshal wishes to provide use of the Cranston Street Armory where the Bureau of Alcohol, Tobacco and Firearms will conduct the majority of the testing for odor recognition. Mr. Mowry explained the method used for the odor recognition portion of the training and testing. Mr. Mowry indicated that agencies from Canada, Bermuda, California, Florida and the Washington D.C. will be attending this seminar.

Chairman Flynn asked if the training and testing will be conducted inside the Cranston Street Armory building. Mr. Mowry indicated the training and testing will be conducted inside the building. Chairman Flynn asked how many individuals are expected to attend the seminar. Mr. Mowry indicated that at this time seventy-five (5) K-19(s) are expected to attend; however, Mr. Mowry explained that only one or two dogs will be in the building at one time. The other dogs will

remain outside in their travel vehicles. Mr. Woolley asked what breeds of dogs are typically utilized for this type of training. Mr. Mowry indicated that the Office of the Fire Marshal has three (3) dogs which will be receiving training and be tested; a Dutch Shepherd, a Black Labrador Retriever and a German Shepherd. Chairman Flynn asked if Marco Schiappa wanted to add anything to the discussion. Mr. Schiappa indicated that Mr. Mowry had covered all the bases. Mr. Griffith asked if media presence was anticipated. Mr. Mowry indicated that the media was expected and had attended certain portions of the seminar last year. Chairman Flynn commented that previously the Office of the Rhode Island Fire Marshal expressed great concern relative to a request by a film studio to utilize the Cranston Street Armory due to security issues. The Office of the Rhode Island Fire Marshal had particular concerns regarding the basement portion of the building due to the storage of certain substances and materials. Chairman Flynn indicated that at the time, the Office of the Rhode Island Fire Marshal mentioned that perhaps new walls would need to be constructed to enhance security within the Armory building. Chairman Flynn asked that as people and dogs from around the world are expected to attend this event, are enhanced security measures being considered? Mr. Mowry indicated that the Office of the Rhode Island Fire Marshal will have personnel from the office within the building anytime anyone is in the building. Mr. Mowry also stated that the two offices are secure and a pass is required to gain entry. The only time individuals will enter the basement area is for use of the rest rooms. Mr. Mowry indicated that

all sensitive material and substances stored within the Armory building are secured in locked rooms. Mr. Schiappa commented that the major difference between the film studio's request and this request is that the film studio requested access to the Armory building twenty-four (24) hours per day, seven (7) days per week, at times when there would be no security personnel in the building. These agencies will only be utilizing the building during daytime hours and staff from the Office of the Rhode Island Fire Marshal will be present at all times. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith. Passed Unanimously

ITEM G – Water Resources Board – A request was made for approval of and signatures on seven (7) Lease Agreements between the Water Resources Board and the Tenants for the following residences located within the Big River Management Area:

- 1. Arlene Oberg - 16 Arrowhead Road, Coventry; and**
- 2. Frank Deniger - 53 Arrowhead Road, Coventry; and**
- 3. Stephen Lachance – 787 Harkney Hill Road, Coventry; and**
- 4. Steven and Diane Lonergan – 74 Division Road, West Greenwich; and**
- 5. William and Tanya Albro – 235 Nooseneck Hill Road, West Greenwich; and**

6. Ray Lovelace of 10 Town Hall Road, West Greenwich; and

7. William and Donna Drew – 14 Town Hall Road, West Greenwich.

Mr. Mendes explained that the State Properties Committee previously granted approval of twenty (20) Lease Agreements between the Water Resources Board and Tenants of residences located within the Big River Area. However, at that time, the remaining tenants did not have confirmation of the appropriate amount of liability insurance coverage. Seven (7) of the remaining tenants have provided the Water Resources Board with the appropriate certificates of insurance, which are attached to the Lease Agreements before the Committee today. The Water Resources Board is before the Committee seeking approval of and signatures on these seven (7) Lease Agreements. Mr. Mendes indicated that three (3) to four (4) of the remaining tenants have not provided the required insurance coverage documentation and Mr. Mendes believes these remaining Tenants will not update their current policies and therefore, will remain tenants on a month to month basis. Mr. Mendes indicated that relative to the twenty-seven (27) tenants that have provided the appropriate insurance documentation, and pursuant to the recommendation of the State Properties Committee, the Water Resources Board will be returning in August of 2008, with multi-year lease agreements as opposed to the annual lease agreements in order to avoid the necessity of returning to the Committee each year for approval. A motion was made to

approve the seven (7) Lease Agreements by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM H – Water Resources Board – A request was made for approval of and

signatures on the Landlord’s Consent to Encumbrance and Subordination Agreement by and between the Affordable House Trust Fund, the Water Resources Board and Maple Root Corporation. A motion was made to table Item H to a future meeting of the State Properties Committee by Mr. Griffith and seconded by Mr. Woolley to allow the Water Resources Board to obtain the necessary signatures and to correct the document to reflect the current address of the Water Resources Board.

Passed Unanimously

ITEM I – Water Resources Board – A request was made for approval of and signatures on the Landlord’s Consent to Encumbrance and Subordination Agreement by and between the Rhode Island Housing and Mortgage Finance Corporation, the Water Resources Board and Maple Root Corporation. A motion was made to table Item I to a future meeting of the State Properties Committee by Mr. Griffith and seconded by Mr. Woolley to allow the Water Resources Board to obtain the necessary signatures and to correct the document to reflect the current address of the Water Resources Board.

Passed Unanimously

The State Properties Committee agreed to here Item T out of

sequence as Attorney Peter V. Lacouture had a scheduling conflict.

ITEM T – Department of Environmental Management – A request was made for approval of and signatures on an Indenture of Lease for the location of an emergency management dispatch tower with the Exeter Emergency Dispatch Center, Inc. on 125,600 square feet of land located on Escoheag Hill Road in the Town of West Greenwich. Ms. Kay explained that this is a request for an Indenture of Lease Agreement for a tower site on Escoheag Road, which is part of the Arcadia Management Area. Ms. Kay indicated that the State Properties Committee has been provided with a letter from the Town of West Greenwich, wherein the Town expresses its approval of the proposed tower site and further notes the safety features that the tower will afford the Town of West Greenwich and the State of Rhode Island by operating in said area. Ms. Kay indicated that a letter from the Exeter Volunteer Fire Company explains the current need for response in this area and how the tower can facilitate those needs. Ms. Kay indicated that there has been a tower on this site for quite some time and is located directly near the old fire tower. The new tower will be constructed at the sole expense of the Exeter Emergency Dispatch Center, Inc. Ms. Kay anticipates that the Department of Environmental Management as well as other emergency response agencies will be able co-locate equipment on the tower as necessary. Ms. Kay indicated that there is no fee associated with this tower as it is considered to be in the public's best interest and in the best interest of the Department of Environmental Management that the tower be constructed on this

site. Ms. Kay indicated that there is no current plan for subleases on the tower; however, if there ever are, the State of Rhode Island would receive fifty (50%) percent of the revenue. Additionally, the State of Rhode Island's approval would be required before any additional equipment could be placed on the tower. A motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM J – Department of Environmental Management – A request was made for approval of and signatures on a Conservation Easement between the State of Rhode Island and the Hopkinton Land Trust over 49.78 acres of land located on the northerly side of Collins Road in the Town of Hopkinton. Mr. Dias explained that the Hopkinton Land Trust received a Rhode Island Open Space Grant in 2006 in the amount of \$225,000.00 to purchase the Lundgren Land. The Hopkinton Land Trust purchased the property from the Lundgrens in 2007, for four hundred fifty (\$450,000) dollars. The Department of Environmental Management awarded the Hopkinton Land Trust a grant in the amount of two hundred twenty-five thousand (\$225,000) dollars. The Hopkinton Land Trust is contributing two hundred twenty-five thousand (\$225,000) dollars toward the purchase of the subject property. The Hopkinton Land Trust owns approximately thirty (30) acres of contiguous land located to the north of this property. The State of Rhode Island placed a conservation easement over 49.78 acres of land located on the northerly side of Collins Road in the Town of Hopkinton. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM K – Department of Environmental Management – A request was made for approval of and signatures on an Agreement of Assignment of Conservation Easement between the State of Rhode Island and the Prudence Conservancy over 178.04 acres of land located on the southerly side of Neck Farm Road and Bay Avenue in the Town of Portsmouth; known as the Blount Land. Mr. Dias explained that one of Luther Blount final deeds was to transfer a conservation easement over his property, which is located in the center of Prudence Island, to the Prudence Conservancy. The Prudence Conservancy applied for a grant in the amount of \$175,000 for the purchase of this property. The property is valued at \$765,000. Mr. Blount donated the remaining value of the property to preserve this unique area, which includes ponds. There is a license agreement for an oyster farm with Roger Williams University. Once Mr. Blount donated the remaining value of the property, he transferred the conservation easement to the Prudence Conservancy and in exchange for the State of Rhode Island Open Space Grant the Conservancy agreed to assign the conservation easement to the State of Rhode Island. Mr. Pagliarini asked whether this transaction will have any negative effects on the Roger Williams University's easement to the oyster farm. Mr. Dias indicated that said easement remains intact without any negative effects. Mr. Dias explained that the Prudence Island Conservation Easement is subject to the license agreement with Roger Williams University. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM L – Department of Environmental Management – A request was made for approval of and signatures on a Lease Renewal between the Department of Environmental Management and Coggeshall Farm Museum, Inc. for the operation of the Coggeshall Farm located in Colt State Park in the Town of Bristol. Ms. Primiano introduced Terri Bisson to the State Properties Committee and indicated that Ms. Bisson will begin working with the Department of Environmental Management, Division of Planning and Development on or about March 16, 2008. Ms. Bisson will be handling all of the lease agreements and is here today to acquaint herself with the State Properties Committee’s policies and procedures. Ms. Primiano provided the Committee with copies of the appropriate Certificate of Insurance. Ms. Primiano indicated that the Coggeshall Farm Museum has been in operation for over twenty (20) years. It is a living farm museum with farm managers living on the property, who dress in period costumes six (6) days per week. The museum is open from 10:00 a.m. to 5:00 p.m. The museum offers a variety of programs including sheep shearing, various demonstrations and a popular harvest fair. Ms. Primiano explained that the Department of Environmental Management has fine tuned the License Agreement, which requires the museum to provide the Department of Environmental Management with more detailed information and additional coordination with the Department relative to its activities. Ms. Primiano explained that the museum recently had a turnover in its Board members and the Department of Environmental

Management has become more involved with the Board to ensure that the museum is successful. The Department of Environmental Management is somewhat fearful that without additional support and guidance from the Department, the Board could be faced with issues it is unprepared and/or unable to effectively manage. If the museum is not successful, the Department of Environmental Management will be left with a vast job and large shoes to fill, and does not believe it is in a position to assume the responsibilities associated with the operation of the museum. Ms. Primiano stated that the museum provides an important public service. Thus far, the Board has been doing a great job and has recruited some new farm managers from Plymouth Plantation who have gotten directly to work. Ms. Primiano explained that the Department is seeking approval of a one year renewal of the Lease at this time, as the Department would like to monitor the success of the museum. Ms. Primiano indicated that if the Department feels the museum is being well managed and enjoys continued success, then the Department will return to the State Properties Committee in the future requesting approval of a four (4) year renewal of the Lease Agreement. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Woolley.

Passed Unanimously

ITEM M – Department of Environmental Management – A request was made for final approval of the purchase of Development Rights over 24 acres of land known as Harmony Farm located on Howard Lane and Saw Mill Road in Gloucester. Ms. Primiano indicated the State Properties Committee previously approved and executed the

Purchase and Sale Agreement between the Department of Environmental Management and Bernard and Mary Ellen Smith relative to this property. Ms. Primiano explained that this is the final Deed to Developments over 24 acres of land known as Harmony Farm. The property is currently operated as a “pick-your-own” farm. The available produce includes blueberries, peaches and apples. The acquisition of Harmony Farm will be 100% funded with the Agricultural Land Preservation Commission Open Space Bond. The purchase price is \$375,575, which is the appraised value of the property. A motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM N – Department of Environmental Management – A request was made for approval of a one year renewal of the Hmong United Association of Rhode Island’s Indenture of Lease at John L. Curran Park in the City of Cranston. Ms. Primiano explained that the renewal of this Indenture of Lease is requested on an annual basis, due to legislation passed several years ago allowing the Department of Environmental Management to enter into one year lease agreements only. This Indenture of Lease includes approximately fourteen (14) acres of land, which is leased to the Hmong United Association of Rhode Island and is operated as a community garden. Ms. Primiano indicated that a number of families grow their own vegetables on the property. The operation has been very successful and the Department of Environmental Management is very supportive of this operation and has assisted the Hmong United Association of Rhode

Island to install a well located on the property and wishes to support its request to renew the Indenture of Lease for an additional period of one year. Mr. Pagliarini stated that he understands that the Hmong United Association of Rhode Island has leased the property for many years; however, he questioned why the Department of Environmental Management does not offer the property for sale to the public for others to potentially farm the land. Ms. Primiano stated that the Department of Environmental Management has since been working with the Southside Community Land Trust in providing other properties to other groups that may wish to farm these properties and have actually had a hard time finding people who are interested in participating in such activities outside the urban area. In fact, the Hmong United Association of Rhode Island is the only group that has continually returned to farm this property. Mr. Pagliarini stated that the Department of Environmental Management purchases numerous development rights to numerous properties. Mr. Pagliarini questioned that as the Hmong United Association of Rhode Island has been using this land for twenty-four (24) years, at what point will the Department of Environmental Management offer the property for sale with some sought of development right restriction rather than leasing it for \$1.00 per year. Ms. Primiano indicated that the subject property was part of an acquisition of Curran Park and that she does not know the history of how the Hmong United Association of Rhode Island came to farm the land. Ms. Primiano asked Chairman Flynn if he has any insight regarding the history of this arrangement. Chairman Flynn indicated that he did not have any further insight;

however, he suggested that it may have something to do with some encumbrance as it was purchased with federal funds. Ms. Primiano added that one of the Department of Environmental Management's missions is to support agriculture and the Hmong United Association of Rhode Island has done a good job and certainly has a need for the opportunity to farm this land. Ms. Primiano indicated that she was unsure the Hmong United Association of Rhode Island has the financial resources to purchase the property; however, the Department would like to see them continue farming. Ms. Primiano noted that the Department's interest is not in selling the property, but rather to help support this community and its interest in farming. A motion to approve was made by Mr. Pagliarini and seconded by Mr. Griffith.

Passed Unanimously

ITEM O – Department of Environmental Management – A request for conceptual approval to appraise, survey, title search and negotiate the purchase of approximately 40 acres of land located in the Town of Hopkinton and owned by the Goff Family. Item O was removed from the State Properties Committee Agenda at the request of the Department of Environmental Management, as it was discovered that the State Properties Committee previously granted conceptual approval to purchase said property.

ITEM P – Department of Environmental Management – A request was made for conceptual approval to appraise, survey, title search and negotiate the purchase of approximately 15.51 acres of land located

in the Town of Charlestown; known as the Ryan Property. Ms. Primiano stated that often the Department of Environmental Management brings a list of properties to the State Properties Committee, which it is considering acquisition of over the course of the next year or two. Therefore, Ms. Primiano explained that the Committee will not be asked to consider final approval to purchase said properties one after another. The Department of Environmental Management has simply been considering these properties, which have been offered to it for sale overtime and that the Department believes are worth pursuing. In some cases, the properties will never return to the Committee once the appraisal process is completed and the Department may decide other properties are worthy of seeking permission to purchase. With that being said, Ms. Primiano illustrated the exact location of the subject property using a site map. Ms. Primiano explained that her only concerns are that the tax assessment is relatively high relative to this parcel of land; it also appears to be land locked and contains wetlands. Therefore, Ms. Primiano is unsure as to how the Department intends to negotiate the transaction if at all; however, as the property is within the Department's acquisition boundaries for the Burlingame Management Area the Department is desirous of pursuing it. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM Q – Department of Environmental Management – A request was made for conceptual approval to appraise, survey, title search and negotiate the purchase of approximately 12 acres of land located in

the Town of Hopkinton; known as the Clark Property. Ms. Primiano explained that the subject property is a small parcel of land located within the Department's boundaries of the Arcadia Management Area.

Ms. Primiano indicated the location of the property using a site map. Ms. Primiano explained that the property was taken at tax sale by the Town of Hopkinton. Ms. Primiano indicated that during the Department's initial discussions with the Town, the Department proposed reimbursing the Town and then having the Town quit claim the property to the Department of Environmental Management if the expenses are not too great. Mr. Pagliarini asked if the Town of Hopkinton foreclosed on right of redemption. Ms. Primiano stated that she believed that to be the case. A motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM R – Department of Environmental Management – A request was made for conceptual approval to appraise, survey, title search and negotiate the purchase of approximately 290 acres of land located in the Town of Exeter; known as the Vallone Property. Using a site map, Ms. Primiano illustrated the exact location of the subject property. Ms. Primiano indicated that this parcel of land is of great significance to the Department of Environmental Management. Ms. Primiano explained that a small trailer exists on one of the parcels that the owner has agreed to relocate. The property has actually been subdivided by a number of family members. Therefore, the Department of Environmental Management will most likely have to negotiate with individual family members. Initially, two lots were

offered to the Department of Environmental Management and although said lots were contiguous to the Arcadia Management Area, they were fragmented. Ms. Primiano indicated to the land owners that if the properties could be assembled, the Department of Environmental Management would consider an acquisition. Chairman Flynn asked how many different property owners are involved. Ms. Primiano indicated that there are a total of five (5) different property owners. Mr. Pagliarini asked whether the Town has identified the land as property it would like to retain. Ms. Primiano indicated that she did not have that information at this time. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Griffith.

Passed Unanimously

ITEM S – Department of Environmental Management – A request was made for conceptual approval to appraise, survey, title search and negotiate the purchase of approximately 65 acres of land located in the Town of Coventry; known as the RI/CONN Airport Property. Ms. Primiano explained that the subject property was offered to the Department of Environmental Management in the past and while an acquisition was being considered, one of the owners passed away. The owners had offered to sell the Department of Environmental Management a conservation easement over the airport, which the Department is not really interested in pursuing. The Department of Environmental Management informed the owners that if they would be willing to entertain the sale of some fee ownership that the Department would definitely consider such an offer. The Department of Environmental Management and RI/CONN Airport will continue

negotiating as to which portion of the land it would be interested in selling. Ms. Primiano indicated that there is another parcel of land known as the Smith property, which has also been offered to the Department of Environmental Management. The property is of particular interest to the Department because if said property is acquired it will provide the Department with the pond frontage in its entirety. Ms. Primiano clarified that the Department of Environmental Management has no interest in acquiring the airport itself. Mr. Pagliarini noted that the zoning designation is listed on the Action Request Form as 20,000 square feet. Mr. Pagliarini questioned the accuracy of said zoning designation and asked that the Department of Environmental Management verify the zoning designation when this item returns to the State Properties Committee as it will effect the appraisal. A motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM U – Department of Transportation – A request was made for approval of and signatures on a Warranty Deed and Deed of Easement by and between the Department of Transportation and Eagle American Investors, LLC for the acquisition of right-of-way and a permanent drainage easement for a parcel of land located at the southwest corner of New London Turnpike and Crompton Road in the Towns of Coventry and East Greenwich. Mr. Kalunian provided a site map, which illustrated the location of this triangular shaped parcel of land. Mr. Kalunian indicated that the subject property is going to be developed as a three unit retail shopping center. Mr. Kalunian stated

that an existing slice of land is already being utilized for highway purposes; therefore, the Department of Transportation is seeking approval of a Deed for highway purposes on the New London Turnpike. Eagle American Investors, LLC is also granting the Department of Transportation the right to use its drainage detention basin to catch storm water runoff from the Department's mid-state maintenance facility, which abuts the property. There are no monetary considerations associated with these transactions; as they were approved via a physical alterations permit process for access to the property, which was submitted through the Department of Transportation's Design Section. Mr. Pagliarini noted that the subject property was previously owned by the Diocese of Providence and then sold to Richard Sennetti, who subsequently rezoned the property as a business park. It is Mr. Pagliarini's understanding that a CVS Pharmacy and potentially a Dunkin Donuts will be constructed on this site. Mr. Pagliarini asked if there are any plans to construct a turning lane onto Crompton Road. Mr. Kalunian indicated that he is unable to speak for the planners involved with the project; however, the Department of Transportation does not anticipate the construction of a turning lane onto Crompton Road. 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. Woolley. A roll call vote was taken and the votes were as follows: Mr. Griffith voted “Aye”, Mr. Pagliarini voted “Aye”, Mr. Woolley voted “Aye” and Chairman Flynn voted “Aye”.

The State Properties Committee closed the Executive Session and returned to

open session at 12:17 p.m.

ITEM E1 – Department of Transportation – A request for approval to proceed with the acquisition of Temporary Easements in conjunction with the replacement of Warren Bridge No. 124 in the Towns of Barrington and Warren. After discussion in Executive Session, a motion was made to approve by Mr. Woolley and seconded by Mr. Pagliarini.

Passed Unanimously

ITEM E2 – Department of Transportation – A request for authorization to acquire necessary land and easements by virtue of Condemnation Plat 2676 in conjunction with the Sakonnet River Bridge Replacement Project in the Town of Tiverton. After discussion in Executive Session, a motion was made to approve by Mr. Woolley and seconded by Mr. Pagliarini.

Passed Unanimously

ITEM E3 – Department of Transportation – A discussion regarding the sale of property to Johnson & Wales University and Extell, LLC. This item required no action by the State Properties Committee at this time.

There being no further business to come before the State Properties Committee, the meeting was adjourned at 12:19 p.m. A motion was made to adjourn by Mr. Woolley and seconded by Mr. Pagliarini.

Passed Unanimously

Holly H. Rhodes, Executive Secretary