

## **STATE PROPERTIES COMMITTEE MEETING**

**TUESDAY, OCTOBER 8, 2013**

**The meeting of the State Properties Committee was called to order at 10:04 a.m. by Chairman Ronald N. Renaud. Attendance of the members was taken by roll call and the following members made their presence known: Robert K. Griffith representing the Rhode Island Department of Administration; Susan E. Urso on behalf of the Department of Attorney General in the absence of Richard Woolley; Christopher Feisthamel representing the Rhode Island Office of the General Treasurer, Ex-Officio Member. Others in attendance were Marco Schiappa and John Ryan from the Rhode Island Department of Administration; Michelle Sheehan from the Rhode Island Department of Environmental Management; Robert B. Jackson and Colleen Kerr from the Rhode Island Department of Transportation; Corrine Calise Russo and Deborah Barclay from the Rhode Island Department of Human Services and Thomas Bruckner from the Narragansett Bay Commission.**

**Chairman Renaud stated for the record that the State Properties Committee did have a quorum present.**

**ITEM A - Department of Administration - A request was made for approval of and signatures on a License Agreement, by and between the Department of Administration and the PVD Lady Project ("PVD") for use of the State House to host the PVD Lady Project Reception on Thursday, October 17, 2013. Mr. Schiappa stated that the PVD has requested use of the State House on the above-referenced date from**

**3:00 p.m. to 8:00 p.m. PVD has provided all necessary paperwork. Alcoholic Beverages will be served/sold and proof of liquor liability insurance has been submitted to the Division of Facilities and all required insurance policies are currently under review with the State's Risk Manager, Kevin Carvalho. Mr. Schiappa indicated that all fees including the fee to engage the Capitol Police for use of the State House have been paid. Mr. Schiappa introduced Piya Sarawgi from the PVD and indicated that she could provide the Committee with more specific information as this is a new event for the State House. Ms. Sarawgi thanked the Committee for allowing the PVD to be heard today and indicated that the organization will be two years old in February of 2014. Ms. Sarawgi explained that the PVD is a networking group for women in the State of Rhode Island that connects, inspires and showcases awesome women doing amazing things in Providence. The PVD has limited this event to one hundred (100) guests. Ms. Sarawgi indicated that the theme for this particular event is "Ladies in Charge." The featured speakers include Donna Nesselbush, Suzy Alba and Rhode Island General Treasurer, Gina M. Raimondo. Ms. Sarawgi noted that the intent of all PVD's events is to showcase women who are doing inspiring things throughout Rhode Island. This particular event will provide an opportunity for PVD's members to visit the State House, which is a signature of living in Rhode Island. Ms. Sarawgi noted that many of PVD's members include transplants from other places, women who have started their own businesses and/or women planning to launch their own businesses in the State of Rhode Island. Ms. Sarawgi believes this**

**event will be a wonderful networking opportunity for all members. A motion was made to approve by Mr. Griffith and seconded by Ms. Urso.**

**Passed Unanimously**

**ITEM B - Department of Administration - A request for approval of and signatures on a License Agreement, by and between the Department of Administration and Waterfire Providence for use of the State House and Station Park to host the Waterfire Salute to Veterans Event on Saturday, November 9, 2013. Item B is deferred to the next meeting of the State Properties Committee at the request of Waterfire Providence.**

**ITEM C - Department of Environmental Management - A request was made for approval of and signatures on a Purchase and Sale Contract for the purchase of 9 acres of land located along Canonchet and Worth Roads in the Town of Hopkinton; known as the Fisher Property. Ms. Sheehan stated that the purchase price for the subject property is \$285,000.00, which will be funded through the US Fish & Wildlife Service via a Statewide Land Acquisition Grant. Ms. Sheehan presented a map for the Committee's review and noted that this acquisition will provide connectivity from existing DEM land around Blue Pond to the Ell Pond/Long Pond to conservation land held by the Nature Conservancy and the Audubon Society. Ms. Sheehan indicated that public access will be maintained on the property to provide for recreational use including hiking and hunting. Mr. Griffith asked if the temporary shutdown of the federal government will affect**

the funding for this acquisition. Ms. Sheehan stated that the availability of the funding will not be affected, but the process very well could be affected. Ms. Sheehan explained that the Department has already received the funds; however, the closing on the property could be delayed if the temporary shutdown lasts much longer. A motion to approve was made by Mr. Griffith and seconded by Ms. Urso.

#### **Passed Unanimously**

**ITEM D - Department of Environmental Management - A request was made for approval of and signatures on a Purchase and Sale Contract for the purchase of 7.5 acres of land located along Worden's Pond Road in the Town of South Kingstown; known as the Boy Scouts Worden's Pond Property. Ms. Sheehan indicated that the subject property is located across the road from the Department of Environmental Management's boat ramp and that the purpose of this acquisition is to provide an auxiliary parking lot for said boat ramp and safer conditions for the public. The parking area for the boat ramp is consistently filled beyond capacity and with nowhere else to park, boaters resort to parking along Worden's Pond Road, which creates unsafe conditions. Ms. Sheehan stated that using federal funds from the US Fish and Wildlife Service, the Department will create a parking lot and install a crosswalk to provide a safer means of accessing the boat ramp. Ms. Sheehan also noted that the purchase price for the property is \$160,000.00. The funding source for this acquisition is provided from State Open Space Bond funds and said acquisition will be used to match federal funds for the**

project's development. Chair Renaud asked how the value of the subject property was established. Ms. Sheehan indicated that an appraisal conducted by Newport Appraisal determined the value of the subject property. Ms. Urso asked if the Boy Scouts presently utilize the subject property. Ms. Sheehan indicated that the Boy Scouts no longer use the property. Chair Renaud asked if the Department is confident the landlord will approve the construction of the parking lot. Ms. Sheehan stated that the landlord has already granted his approval for the construction of the parking lot. A motion to approve was made by Mr. Griffith and seconded by Ms. Urso.

**Passed Unanimously**

**ITEM E - Department of Human Services - A request for final approval of a Lease Agreement, by and between PUI O Inc. and the Department of Human Services for office space located at 249 Roosevelt Avenue in the City of Pawtucket. Ms. Barclay explained that the Department is before the Committee seeking final approval of the Lease Agreement for the Pawtucket Regional Family Center located at the above-mentioned address. Chair Renaud expressed concerns relative to the federal funding associated with this Lease Agreement. Ms. Barclay stated that general funds will support approximately forty (40%) percent of the Lease fee and the remaining sixty (60%) percent is subsidized by federal funds. Ms. Barclay explained that as is the case with all the leases and contracts subsidized with federal funding, these documents contain a clause which allows the Department to cease its tenancy and vacant the premises in the event federal monies are reduced or lost or funding is**

lost altogether. Chair Renaud asked Mr. Ryan if he believes the lease fee is comparable to other space leased by the State. Mr. Ryan stated that yes, the fee is comparable given extent of provided under the terms and condition of this Lease Agreement. For example, under this Lease the landlord will provide janitorial services, snow and ice removal and parking to accommodate one hundred fifty (150) vehicles directly across the street. Mr. Ryan emphasized that it is very rare for a private landlord to offer these sort of amenities to a tenant in today's market. Mr. Ryan presented a floor plan of the leased premises for the Committee's review. Mr. Ryan stated that PUI O Inc. has previously leased space to the State and the occupants have always found this landlord to be very accommodating and cooperative. Chair Renaud asked what the term of the Lease Agreement is. Mr. Ryan indicated that the initial term is for a period of five (5) years; however, the Lease includes an option to extend said Lease for an additional five (5) years. Chair Renaud asked whether the lease fee will remain stable for the initial five (5) year term. Mr. Ryan stated that the rent will not be increased for either the initial five (5) year term or for the five (5) year option, with the exception of any tax increase. The Department is obligated to pay its proportionate share of any increase in taxes. Mr. Feisthamel asked what the square footage of the space is. Mr. Ryan indicated that at the present time the Department will occupy 18,000 square feet. Chair Renaud asked if the landlord will pay the build-out expenses. Mr. Ryan indicated that the landlord is responsible to pay for any cost associated with the build-out of the premises. Chair Renaud asked if the Department has

sufficient furniture and equipment for this new space. Mr. Ryan indicated that as part of the negotiations, the landlord agreed to provide new cubicle walls, desks turnarounds and a file cabinet for each cubicle for an additional rental payment of approximately \$117,000.00 per year. However, at the end of ten (10) years, the State will own said furniture. Mr. Ryan explained that the landlord further agreed to have all cubicles up and wired prior to the Department taking occupancy of the premises. Mr. Ryan noted that the Pawtucket Regional Family Center can not afford to be closed for any significant length of time and given the enormity and expense of this move, not to mention the necessary man power, this particular condition of the Agreement is invaluable. Chair Renaud agreed that the construction and wiring of such an extensive number of cubicles is an incredible expense and commended those individuals involved for their ability to negotiate these terms and conditions. A motion to approve was made by Mr. Griffith and seconded by Ms. Urso.

**Passed Unanimously**

**ITEM F - Department of Transportation - A request was made for conceptual approval to convey 39,295 square feet of land to the Town of North Kingstown for the installation of a sewer pumping station for the next phase of the Town's sewer project. Mr. Jackson explained that the North Kingstown Department of Public Works wants to install a sewer pumping station for the next phase of the Town's sewer project situated south of Richard Smith Drive on a portion of the parcel consisting of approximately 6,300 square feet. An appraisal of**

the property established a value of \$2.50 per square foot or a total purchase price of \$98,000.00. Ms. Jackson noted that in the appraiser's view, the visibility and exposure to the traveling public of the site is problematic. Additionally, the property does not meet the requirements for a franchise type user or retailer requiring visibility and exposure. Further, Mr. Jackson stated that the property could be developed for 'office' and other uses permitted by the Post Road Zoning District by an owner/operator or for surface parking by an abutter. The property is also subject to DEM regulations as a stream runs along the perimeter of the property. Therefore, the subject property is within the 100' setback, which requires DEM approval for any work done on the site. This issue also affects the value of the site, not only by prolonging the time a developer will have to wait to obtain all necessary approvals, but because it creates an unknown risk factor as well. The Town requested a sole source sale given the Town's critical need for a location for a sewer pumping station and the public service that said pumping station would provide to the Town. Mr. Jackson indicated that the Department's Land Sales Committee approved the conveyance of the parcel on June 25, 2013. For the above reasons, Mr. Jackson respectively requested the Committee grant conceptual approval to convey the subject property to the Town of North Kingstown. Chair Renaud noted that the Department's request for a sole source sale has been approved and signed off on by the Chief Purchasing Agent, Director Richard Licht. Chair Renaud asked if the appraisal was an in-house appraisal and when it was conducted. Mr. Jackson stated that the appraisal of the

property was conducted by a certified, licensed member of the Department's In-House Appraisal staff on July 22, 2013. A motion to approve was made by Ms. Urso and seconded by Mr. Griffith.

**Passed Unanimously**

**ITEMS G1, G2 & G3 - Narragansett Bay Commission - A request was made to proceed with the acquisition of the following permanent easements via condemnation in order to construct the Woonasquatucket Interceptor:**

**G1. A 3,164 square foot permanent easement; a portion of A.P. 62, Lot 441**

**45 Manton Avenue, Providence; and**

**G2. A 1,081 square foot permanent easement; a portion of A.P. 62, Lot 443**

**31 Manton Avenue, Providence; and**

**G3. A 768 square foot permanent easement; a portion of A.P. 62, Lot 567**

**65 Manton Avenue, Providence.**

**With regard to Item G1, Mr. Brueckner explained that there will be no construction taking place within the easement area, they will simply be utilized as a means to access the property where construction will actually take place. Ms. Urso asked what is on the property at this time. Mr. Brueckner indicated that a Dunkin Donuts is located at 45 Manton Avenue in the City of Providence. Using a site map, Mr.**

**Brueckner illustrated the location of the easement and explained that the easement area is situated close to the property's edge along the roadway. As to Item G2, Mr. Brueckner indicated that the property is owned by Olnyville Construction Corporation located at 31 Manton Avenue. The easement area is also located close to the edge of the property along the roadway as is the case with Item G3 located at 65 Manton Avenue and owned by Stonedam Joint Venture Realty Trust. Chairman Renaud asked whether all three (3) easements are related to the same construction project. Mr. Brueckner indicated that is correct. Mr. Feisthamel asked if all three (3) easements are for the same project and situated along the same roadway why is the price, per square foot, different for each. Mr. Brueckner indicated that the valuation for each easement was determined by an appraisal and although he has not personally reviewed the appraisal reports, he would assume the difference in price is based upon the amount of square footage per easement and the impact each easement will have upon the associated property. Mr. Feisthamel suggested that going forward, when necessary easements are purchased for the same project and within the same vicinity, perhaps determining a uniform cost per square foot for all easements would be beneficial to the Commission. There being no more questions from the Committee, a motion to approve Items G1, G2 and G3 was made by Mr. Griffith and seconded by Ms. Urso.**

**Passed Unanimously**

**The Committee may move 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 relating to the following item:**

**A motion to enter into Executive Session was made by Mr. Griffith and seconded**

**by Ms. Urso.**

**A roll call vote was taken and the votes were as follows: Mr. Griffith voted “Aye” and Ms. Urso voted “Aye” and Chairman Renaud voted “Aye.”**

**After a detailed discussion relating to Executive Session Item E1, concluded, a motion to return to the open session of the State Properties Committee meeting and to seal the Executive Session minutes, until such time as said matters are resolved, was made by Mr. Griffith and seconded by Mr. Urso.**

**Passed Unanimously**

**Upon returning to open session at 10:38 a.m., the Committee proceeded to**

**vote relative to Item E1 presented in Executive Session.**

**ITEM E1 - Department of Transportation - A request was made for approval of and signatures on a Temporary Easement Agreement authorizing the Department of Transportation to obtain the use of property located at Centerville Road in the City of Warwick in conjunction with the Apponaug Circulator Long Term Improvement Project; A.P. Plat 244, Lot 84. After discussion in Executive Session, a motion was made to approve Item E1 by Mr. Griffith and seconded by Ms. Urso.**

**Passed Unanimously**

**There being no further business to come before the State Properties Committee, the meeting was adjourned at 10: 39 a.m. The motion to adjourn was made by Mr. Griffith and seconded by Ms. Urso.**

**Passed Unanimously**

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**Holly H. Rhodes, Executive Secretary**