

**MINUTES OF A REGULAR MEETING
PROVIDENCE REDEVELOPMENT AGENCY
Thursday, May 9, 2013
444 Westminster Street, Providence, RI 02903**

The Providence Redevelopment Agency (PRA) met in regular session at the Office of the Agency at 444 Westminster Street, Providence, Rhode Island on Thursday, May 9, 2013 at 4:05p.m.

The meeting was called to order. Roll call was conducted. Present: Chairman James DeRentis, Vice Chair Cliff Wood, Julius Kolawole and Councilman Bryan Principe

Absent at time of roll call: Jesse Kenner, YahairaPlacencia and Councilman Nicholas Narducci

Others in attendance: Donald Gralnek, Executive Director; Darcy Charleson, Recording Secretary; Sergio Spaziano, Legal Liaison- City of Providence Law Department; Sean Creegan, City of Providence Law Department; Zachary Darrow and Jon Restivo, DarrowEverett, LLP; Doug Girard, Schechtman Halperin Savage, LLP; Ann Gooding and Bob Azar, City of Providence

APPROVAL OF MINUTES:

Cliff Wood made a motion to approve the April 10, 2013 minutes which was seconded by Julius Kolawole. The motion passed unanimously and the minutes were approved as submitted.

BILLS AND COMMUNICATIONS:

Don Gralnek presented the following invoices.

Item 4: MLBCPA, LLP – accounting services performed to date.

Item 5: Citizen's Bank – SWAP payments- Umicore Bond Fund

Item 6: Schechtman Halperin Savage, LLP – to be reviewed in executive session.

Cliff Wood made a motion to pay the bills as presented and discussed, Councilman Principe seconded. The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT

Item 7: Mr. Gralnek reviewed the properties currently listed with Scotti and Associates. Mr. Gralnek indicated that there are offers to purchase properties listed. None of the offers were presented at the asking price; however, all are straightforward sales. Mr. Gralnek listed the properties and sales offers:

31 Pleasant Street, Plat 8 Lot 286, \$20,000

57 West Friendship Street, Plat 30 Lot 594, \$9,500
77 Beacon Avenue, Plat 23 Lot 712, \$9,000
251 Pearl Street, Plat 29 Lot 389, \$1,000
91 Bogman Street, Plat 45 Lot 384, \$8,500.
368 Blackstone Street, Lot 45 Plat 614, \$8,000

The above mentioned properties are in residential areas. Mr. Gralnek advised the board that, based on their approval of the sales amounts listed above, the potential buyers would then be notified and the city council will be asked to waive the back taxes owed on these properties.

4:09 p.m. Yahaira Placencia arrived.

Mr. Gralnek indicated that the property at 31 Myrtle Street is to go under contract soon at \$90,000 and the property at 1007 Broad Street will also be under contract soon at the newly agreed upon counter offer of \$75,000.

Mr. Gralnek also indicated that the PRA Budget line item for sales this year is \$90,000. The PRA is on track with sales at this time.

The Director asked for authorization to sign contracts on the discussed locations at the indicated dollar amounts. Cliff Wood made a motion to approve. Yahaira Placencia seconded. All board members present were in favor. The motion passed unanimously.

Item 8: Staffing –Mr. Gralnek apprised the board of the hiring of two unpaid summer interns from Roger Williams Law School that will be compiling data for the agency. He also indicated that in April Wolf's absence, Mike Lepore has been asked to return from retirement to assist in PRA matters. The salary committed at the time of hire was \$32/hour, however, the Union contract states the position salary at \$28/hour. Under the Union contract, retired personnel may return to work for no more than 79 hours per month. The difference of \$320/month (maximum) will be paid by PRA and the balance is paid out of the Department of Planning and Development budget. The job of Assistant Real Estate Officer will be posted in the near future.

Item 9: Workspace for interns will be set up in the office of Planning and Development prior to their start date of May 20th.

Item 10: Documents signed by Executive Director were reviewed.

Item 11: Housing Trust Funds – The Director reviewed the Housing Trust loan process and the potential depletion of funds in the next several years. Currently, there is no cap on annual spending of these funds [that are used by Providence residents as loans for home purchase; up to \$2,500 for down payments or closing cost assistance]. The current documents and guidelines are not reflective of best practices. Mr. Gralnek indicated a need to freeze the funds pending a review. Meetings will be conducted with the DPD housing department staff and new program criteria will be developed. This plan will be in effect for July 1.

Other: Mr. Gralnek indicated that the City is pursuing a TIGER grant for the Streetcar project. The office of Planning and Development is the point department within the city facilitating the

application. Mr. Azar, Director of Long Range Planning presented background information on the TIGER application and the Streetcar project plans for the city. Jim Bennett, Director of Economic Development is asking the PRA board to approve the expenditure of \$50,000 to prepare the application. On behalf of Mr. Bennett, Mr. Gralnek asked the PRA to help considering the funds are available. The full projected cost to complete is \$109m, with the Federal government grant of \$38m. The balance is expected to come from a number of sources. Both private and public entities will be asked and involved. Mr. Azar will give a full presentation on the project to the board at the next meeting.

Cliff Wood made a motion to approve the payment of \$50,000 for the preparation of the application. The motion was seconded by Councilman Principe. The motion passed unanimously.

Mr. Gralnek also advised the board of a grant request submitted to the Champlain Foundation in the amount of \$600,000 for remediation at the Gorham site. The total work to be completed is approximately \$1 million with \$200k from the EPA grant, \$200k pledged by Textron and \$75k from the Parks department. More information will be given as it becomes available.

NEW BUSINESS:

Item 14: MLBCPA, LLC report – postponed until June

Item 15: ProvPort

LOI- Requesting Board approval to sign LOI recognizing the issues to negotiate. The lease will be presented at the June meeting for review and authorization. Counsel is still working on the rent, management control and the term start date but they state they are reasonably optimistic that an agreement will be reached.

Operating Budget Approval – As part of the existing contract, the Agency has the opportunity to approve or disapprove of the operating budget. The budget has been presented and approval is being sought.

After much discussion regarding the history and future plans in relation to ProvPort, a motion was made by Yahaira Placencia to approve the continuation of the LOI process. Cliff Wood seconded. The motion carried unanimously.

Cliff Wood made a motion to approve the ProvPort annual operating budget as presented. Julius Kolawole seconded. The motion carried.

Item 16: Amendment to the Downtown Providence Renewal Plan for the acquisition of 94 Washington Street. Sean Creegan and Sergio Spaziano presented item #20 first.

Item 20: Resolution to approve redevelopment need of 68 Joslin Street, 113 Bowdoin Street and 94 Washington Street.

Attorney Sean Creegan spoke on behalf of the City of Providence Nuisance Task Force, which identified the abovementioned 3 properties in need of redevelopment. Mr. Creegan provided the

detailed findings of the task force and asked the PRA to find redevelopment necessary, accept tax title for the properties and to facilitate redevelopment. Cliff Wood made a motion to accept the resolution as presented. Yahaira Placencia seconded. The motion carried with no further discussion. Resolution 2013-12 was adopted.

Item 16: Sergio Spaziano provided background information on 94 Washington Street as it relates to the Downtown Providence Renewal Plan. Attorney Spaziano recommends the Agency acquire and redevelop the property. As Executive Director of the Agency, Mr. Gralnek will conduct a study of the property including an appraisal for purpose of acquisition. Mr. Azar further spoke of the violations placed on the building and the lack of responsiveness from the owner. 94 Washington Street is the only unoccupied building on the street. The building is blight as defined by the Downtown Zoning District and the Overlay District. Both parties do not permit demolition without an extensive process and replacement. The intent of the PRA is to rehab/reuse the building.

Cliff Wood made a motion to amend the Downtown Providence Renewal Plan for acquisition of 94 Washington Street. Yahaira Placencia seconded. The motion carried unanimously.

Item 17: Approval to add Executive Director Donald Gralnek to the incumbency Certificate for The Bank of New York Mellon Trust Co. Cliff Wood made a motion to approve, Yahaira Placencia seconded. The motion carried unanimously.

Item 18: Mr. Gralnek asked to table discussion until next month

Item 19: discussed earlier in the Executive Director's report

EXECUTIVE SESSION 42-46-5(A) The Chairman asked for a Roll Call vote to enter into Executive session

Yahaira Placencia made a motion to seal the minutes of the Executive Session which was seconded by Councilman Principe. The motion passed unanimously.

Cliff Wood made a motion to adjourn, seconded by Yahaira Placencia. The meeting ended at 5:36p.m.