

**MINUTES OF A REGULAR MEETING
PROVIDENCE REDEVELOPMENT AGENCY
Thursday, October 10, 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, October 10, 2013 at 4:07p.m.

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

Absent at time of roll call: Jesse Kenner Councilman Nicholas Narducci and Julius Kolawole

Others in attendance: Donald Gralnek, Executive Director; April Wolf, Secretary; Darcy Charleson, Recording Secretary; Sean Creegan, City of Providence Law Department; Robert Azar and Emily Kish, City of Providence Planning department; Jon Restivo and Zach Darrow, Darrow Everett

Chairman DeRentis advised the members that, at the last PRA meeting dated September 12, 2013 Mr. Kolawole left the meeting at 4:58 at which point the meeting should have been adjourned. Mr. DeRentis asked that the action be corrected. Cliff Wood made a motion to adjourn the September 12, 2013 meeting at 4:58. Yahaira Placencia seconded. The motion carried.

APPROVAL OF MINUTES:

Cliff Wood made a motion to approve the September 12, 2013 minutes which was seconded by Yahaira Placencia. The motion passed unanimously and the minutes were approved as submitted.

BILLS AND COMMUNICATIONS:

Don Gralnek briefly reviewed and presented the following invoices.

Item 4: Compass Research – title examinations and reports \$1,019.50

Item 5: Mike Lepore – reimbursement for duplicate keys made \$31.08

Item 6: Darrow Everett LLP – legal \$5,000.00

Item 7: Durkee Brown – concept designs for Parcel 12 \$3,000.00

Item 8: Cherenzia & Associates – soil sampling and regulatory coordination \$4,100.00

Item 9: Cherenzia & Associates – soil sampling and site investigation \$9,225.00

Item 10: Peter M. Scotti & Associates – appraisal 600 Broad Street \$750.00

Item 11: Providence Water – 2 Hawthorne Street \$39.93

Item 12: National Grid – (electric) 2 Hawthorne Street \$72.38

Item 13: National Grid – (gas) 2 Hawthorne Street \$33.17

Item 14: Cavanaugh Landscaping – monthly lot maintenance \$6,500.00

Cliff Wood made a motion to pay the bills as presented. Yahaira Placencia seconded. The motion passed unanimously. Resolution 2013-24 was adopted.

EXECUTIVE DIRECTOR’S REPORT

Item 15: Guild New England project at 496 Kinsley Avenue – Mr. Gralnek discussed a possible opportunity with a craft brewing company he will be meeting with. The project is in the discussion stage and involves an over 85,000 square foot project. More information will follow in the coming months.

Item 16: VCAP/ ProvPort – Relates to bonds issued in 2006 and the arbitrage calculations. A settlement discussion is underway and Mr. Gralnek will advise the outcome.

Item 17: Procedure regarding new landscaping contract for maintenance of vacant lots –The maintenance contract runs from mid- April through mid- November. Mr. Gralnek is now researching competitive bids and will advise once procured.

Item 18: 100 Washington Street – Sean Creegan reported that the mortgage is in the PRA’s possession and paperwork has been filed with the court. The property can be re-marketed.

Item 19: Loan to Cromwell Ventures – Mr. Gralnek advised the board of a proposed project for 55 Cromwell Street in the west end of the city. The first step is to get the property registered with the National Historic Register. A non-refundable deposit is needed from Cromwell Ventures.

NEW BUSINESS

Item 20: Authorize the Executive Director to initiate preparation of a redevelopment plan that may include all of Plat 21 Lots 430, 440, 438, and 439, as well as a portion of Plat 21 Lot 429 and a portion of Plat 22 Lot 353- Attorney Zach Darrow presented the resolution and Bob Azar presented an overview of the redevelopment area and explained the process for the redevelopment plan and implementation.

4:17 Councilman Narducci arrived.

Discussion ensued. Cliff Wood made a motion to approve the resolution as presented. Yahaira Placencia seconded. The motion carried unanimously. Resolution 2013-25 was adopted.

Item 21: Approve compensation adjustment for Executive Director – Jim DeRentis spoke of the phone calls and memos that were previously sent to the board members regarding this matter and the transitions the PRA leadership has gone through. The initial plan when Mr. Gralnek was hired was for a 20 hour work week with a \$25,000.00 (per year) stipend. Mr. DeRentis reported that Mr. Gralnek is working in excess of 40 hours per week and his time, effort and expertise should be valued accordingly. Mr. DeRentis proposed, based on Mr. Gralnek work schedule to increase the salary to \$50,000.00 per year. A brief discussion ensued. Cliff Wood made a motion to approve the increase in compensation as discussed. Yahaira Placencia seconded the motion. The motion passed unanimously. Resolution 2013-26 was adopted.

Items 22 and 23: Approve entering into a lease with an option to purchase for 600 Broad Street with Oasis International and authorize the Executive Director to enter into a building consulting agreement in connection with 600 Broad Street, with such consultant to be determined at the Executive Director's sole discretion, for the benefit of Oasis International, not to exceed \$5,000.00 - Mr. Gralnek described the checkered history of the property at 600 Broad Street and the current agreement with the tenant, Oasis. The tenant is leasing rent free and will continue with the current agreement in effect until December 31, 2014. The agreement includes an option to buy at the end of the lease term. It was also discussed that the agency will enter into a building consulting agreement with a consultant selected by the Executive Director for the benefit of Oasis International. Councilman Principe inquired regarding the possible sale of the property and the opportunity for the property to become taxable. Mr. Gralnek stated that the property would be subject to taxes related to those of non-profits [if purchased by the lessee]. Yahaira Placencia made a motion to accept the resolutions #22 and 23 as presented. Cliff Wood seconded the motion. The motion carried unanimously. Resolutions 2013-27a and 2013-27b were adopted.

Item 24: Ratify insurance settlement with Gulf Insurance Company concerning Gorham manufacturing site at 333 Adelaide Avenue – Mr. Gralnek advised that the settlement was made in the amount of \$50,000.00. The contracts were signed by Mr. Gralnek. The resolution ratifies and confirms the insurance settlement. Cliff Wood made a motion to approve the resolution as presented. Yahaira Placencia seconded. The motion carried unanimously. Resolution 2013-28 was adopted.

Item 25: will present at the close of meeting.

Item 26: Approve the Executive Director entering into an agreement concerning, and to thereafter to have the Executive Director effectuate, the swap with RI Housing of PRA owned properties at Public/Prairie (Plat 45, Lots 400,401,438,439 and 755, with addresses of 391 Public Street, 399 Public Street, 316 Prairie Street, 320 Prairie Street and 395 Public Street) for RI Housing owned property at 36 Cromwell Street – Mr. Gralnek provided background information regarding the properties mentioned and the request to swap properties in order that RI Housing can develop the lots on Public and Prairie (which are zoned for 11 units of housing and common space). Councilmen Aponte and Sanchez are in favor of the swap. The land currently owned by

RI Housing would be used for much needed parking for adjacent lot. Councilman Principe made a motion to approve the resolution as presented. Cliff Wood seconded the motion. The motion carried unanimously. Resolution 2013-29 was adopted.

Item 27: Authorize the Executive Director to enter into a two-year lease with Helping Hands Community Partners with an option to purchase 425 Elmwood Avenue – Mr. Gralnek reviewed the history of 425 Elmwood Avenue and the current status. PRA owned the property and is currently leasing to two tenants without a profit. Helping Hands is interested in a lease with the option to buy. Helping Hands has agreed to pay \$1,000/per month with full management responsibility of tenants with an option to purchase the building in 2 years for \$200,000.00 with a credit for rent paid. Questions regarding capital improvements and percentages of such applied to purchase price were discussed. Mr. Gralnek said capital improvements would be in the 10-20% range and rent would be credited in the 50% range. Cliff Wood made a motion to approve the resolution as presented. Councilman Principe seconded. The motion carried unanimously. Resolution 2013-30 was adopted.

Item 29 and Item 30: Motion to approve acquisition of a tax title to 68 Joslin Street and motion to approve acquisition of a tax title to 39 Julian Street. Attorney Sean Creegan presented information regarding 68 Joslin Street and 39 Julian Street including interest and a soft commitment from Olneyville Housing. A brief discussion ensued. Yahaira Placencia made a motion to approve the resolutions as presented. Cliff Wood seconded. The motion carried. Resolutions 2013-31 and 2013-32 were accepted.

4:57 Yahaira Placencia leaves.

Item 31: Motion to approve acquisition of a tax title to 433 Prairie Avenue – the property, now known for the “walking school bus” project. Mr. Creegan has asked the board to ratify acceptance of tax title. Councilman Principe made a motion to approve the resolution as presented. Cliff Wood seconded. The motion carries unanimously. Resolution 2012-33 was accepted.

Item 25: Motion to approve and authorize three demonstration projects relating to Pop-up Providence [formerly Pride of Providence]. Emily Kish of the Department of Planning and Development presented the projects. A press release and kick off are scheduled for the end of October. The projects presented include:

- a. Before I Die –an inter-active piece that was developed by artist Candy Chang in 2011. The budget is \$6,500.00 and the Downtown Improvement District, Department of Planning and Development, and Cornish Associates will provide the installation and maintenance for the project. There are 3 proposed sites and the installation will take place in late October.
- b. Community Music Works – providing free lessons, instruments and community concerts. The budget is \$10,000.00 and the partners are Community Music Works and DPD. There will be one month residency in vacant storefronts that will be open to the public.
- c. With the balance of funds, DPD is currently finalizing ideas for 3 smaller programs to be installed this fall.

Nicholas Narducci made a motion to approve the resolution as presented. Cliff Wood seconded. The motion carried unanimously. Resolution 2013-34 was accepted.

NEW BUSINESS/ OTHER

Councilman Narducci spoke of the interest Edesia has in the American Tourister site and the concern he has regarding having a designated developer for the site. Councilman Narducci also spoke of the neighborhood organization that is working on taking over and maintaining the back side of the property as public space. The space is in need of work has potential and is naturally beautiful. Don Gralnek advised that there will be a file review of the property.

Councilman Narducci made a motion to adjourn, seconded by Cliff Wood. The meeting ended at 5:16 p.m.