

I-195 REDEVELOPMENT DISTRICT

MEETING OF COMMISSION

PUBLIC SESSION

JANUARY 9, 2012

The I-195 Redevelopment District (the "District") Commission met on Monday, January 9, 2012, in Public Session, beginning at 5:00 p.m., at the offices of the Rhode Island Economic Development Corporation, located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island, pursuant to notice of the meeting to all Commissioners, and public notice of the meeting, a copy of which is attached hereto, as required by applicable Rhode Island law.

The following Commissioners were present and participated throughout the meeting as indicated: Chairperson Colin Kane, Ms. Barbara Hunger, Ms. Diana Johnson, Mr. John Kelly, Mr. Mark Ryan, Mr. Michael Van Leesten, and Mr. James Bennett (ex officio) and Mr. Bill Parsons, designee of Mr. Keith Stokes (ex officio).

Commissioners absent: Dr. Barrett Bready and Mr. Keith Stokes.

Also present were: Mr. David M. Gilden, Ms. Alexandra W. Pezzello, Mr. Mike Walker and Mr. Thom Deller.

1. CALL TO ORDER AND OPENING REMARKS

Chairperson Kane called the meeting to order at 5:11 p.m. He noted that the next meeting of the Commission is scheduled for January 25, 2012 and he asked that the Commissioners come to that meeting prepared to discuss their high level objectives and aspirations for the District in order to facilitate the formation of the District's vision statement.

2. APPROVAL OF THE PUBLIC SESSION MINUTES OF THE MEETINGS HELD ON DECEMBER 6, 2011 AND DECEMBER 12, 2011, AND THE EXECUTIVE SESSION MINUTES FROM THE MEETING HELD ON DECEMBER 12, 2011

Ms. Johnson provided comments regarding the meetings minutes.

Upon motion duly made by Ms. Johnson and seconded by Ms. Hunger, the following vote was adopted:

VOTED: To approve the Public Session Minutes of the meetings held on December 6, 2011 and December 12, 2011, and the Executive Session Minutes of the meeting held on December 12, 2011, as

submitted to the Board of Directors, as amended by Ms. Johnson's comments.

Voting in favor of the foregoing were: Chairperson Kane, Ms. Hunger, Ms. Johnson, Mr. Kelly, Mr. Ryan, and Mr. Van Leesten.

Voting against the foregoing were: None.

3. CONSIDERATION AND APPROVAL OF THE BY-LAWS OF THE DISTRICT

Mr. Gilden reported that the proposed By-laws of the District reflect the comments that he received since the original draft of the proposed By-laws were presented to the Commission in October. Ms. Johnson provided comments regarding the By-laws. Mr. Gilden explained signing authority granted to certain officers within the By-laws and the indemnification provisions.

Upon motion duly made by Mr. Kelly and seconded by Ms. Hunger, the following vote was adopted:

VOTED: To adopt the By-laws of District, as presented to the Commission, as amended by Ms. Johnson's comments.

Voting in favor of the foregoing were: Chairperson Kane, Ms. Hunger, Ms. Johnson, Mr. Kelly, Mr. Ryan, and Mr. Van Leesten.

Voting against the foregoing were: None.

3. BRIEFING REGARDING THE STATUS OF THE AMENDMENT OF THE CITY OF PROVIDENCE ZONING ORDINANCES AND COMPREHENSIVE PLAN

Chairperson Kane noted that Mr. Thom Deller of the City of Providence planning department was present at the meeting and he asked Mr. Deller to provide the Commission with an update on the status of the amendments to the City of Providence zoning ordinances and comprehensive plan. Mr. Deller reported that the working committee would be meeting during the month of January and would likely refer the ordinances to the city council in time for its February meeting. He explained that a public hearing process would then be established, which would provide for a minimum of three weeks notice. Mr. Deller stated that the first hearing would likely be held in March. He explained that, once the city council closes the public hearings, a series of working meetings would be held at which the comments received would be discussed and debated. Mr. Deller stated that the ordinances require two approvals of the city council, which he projected would take place by May.

Mr. Deller explained that once the city council holds public hearings it cannot amend the language of the ordinances if such language was not previously introduced into the record. Mr. Deller stated that they are in the process of undertaking a build-out analysis in order to estimate the capacity of the space as zoned, considering both residential and life science uses. Chairperson Kane noted the need for the Commission to be prepared to comment on the proposed zoning ordinances by the March hearing dates. He further stated that the Commission will need to consider both the language of the ordinances and how the ordinances will function if enacted. Chairperson Kane noted that while yield analysis is helpful, many of the District parcels are uniquely shaped, which would make use of the maximum area of the parcel more difficult. He stated that the Commission intends to share information and comments on the proposed ordinances with the City of Providence as soon as possible.

4. FOR PRESENTATION REGARDING THE TERMS AND MECHANICS OF THE PROSPECTIVE BOND OFFERING.

Chairperson Kane reported that he, Ms. Johnson and Mr. Kelly have had various meetings with the Rhode Island Economic Development Corporation (“RIEDC”), its bond counsel, Normand Benoit, Esq. of Partridge Snow & Hahn LLP, and Maureen Gurchigian of FirstSouthwest, financial advisor to RIEDC. He stated that there are certain conditions precedent to the sale of the bonds, which include the completion of the appraisal by Rhode Island Department of Transportation (“RIDOT”) which will determine the fair market value of the parcels and affect bond sizing, and the sale of the designated parcels to Johnson & Wales University, which will also impact the sizing of the bond offering. Chairperson Kane reported that, in the interim, he is working to develop a three year budget for the District. He stated that the budget could potentially be funded through proceeds of the bonds, which would allow the District to be financially self-sustaining prior to the District’s sale of any of the parcels of surplus land. He stated that the delay in the sale of the bonds has been out of the District’s and RIEDC’s control.

With respect to anticipated timing, Chairperson Kane reported that draft sizing is currently in the works and both the appraisal and Johnson & Wales University transaction are also underway. He stated that requests for proposals for an investment bank and/or underwriters, as well as trustees, are being developed. Chairperson Kane projected that by March the District may be in a position to seek RIEDC Board approval regarding the issuance of the bonds, which would allow for the sale of the bonds in approximately May or June at the earliest. Mr. Kelly and Ms. Johnson noted that at a future Commission meeting Ms. Gurchigian could provide the Commission additional details regarding the bond transaction and a bond market update.

5. FOR UPDATE ON AND CONSIDERATION OF EXECUTIVE DIRECTOR POSITION.

Chairperson Kane noted that the intent was to discuss timing and process regarding the hiring of an Executive Director. Mr. Parsons noted the statutory

requirement that the District advertise for the position. Mr. Gilden stated that advertising in a daily newspaper would meet the statutory requirement and any broader advertisement would be within the Commission's judgment. Mr. Gilden noted that the position should also be posted on the RIEDC's website and the Secretary of State's website, at a minimum. Mr. Ryan stated that, with respect to the City of Providence's search for an economic development director, a countrywide search was undertaken and Skype video interviews were conducted with candidates. Mr. Ryan estimated that it would take at least three to four months to advertise and then interview the qualified candidates. Chairperson Kane noted that after the Commission's vision/mission statement meeting the Commission should be in a position to finalize the job description and begin to go to the market in search of an Executive Director. Mr. Parsons agreed to provide an outline of the RIEDC selection process for such positions and their recommended approaches. The Commission set a goal of June 1 for the hiring of an Executive Director.

Mr. Van Leesten noted the need to find a candidate who is committed to the State of Rhode Island and cautioned that, while the Commission may have many qualified and capable applicants, it needs to find a person who will be committed long term to the goals of the District. Chairperson Kane noted that there are numerous professionals in the State and in New England, and the challenge will be balancing the local perspective and the potential opportunity to engage a national scale candidate. Mr. Ryan noted the need to determine the compensation available for an Executive Director.

6. FOR CONSIDERATION OF OBTAINING DIRECTORS AND OFFICERS LIABILITY INSURANCE FOR THE COMMISSION.

Mr. Ryan reported that he and Mr. Walker spoke with an insurance broker regarding directors and officers liability insurance. He stated that they are in the process of completing the application materials that are necessary in order to get a quote. Mr. Ryan stated that among the considerations is a rider on the current RIEDC policy. Chairperson Kane noted the need to pay the premium once the policy is obtained and that the District is currently operating without financial resources. He stressed that, despite many conversations and sentiments of support of the District, it remains without interim funding sources.

Chairperson Kane distributed two letters received by the District relating to the City of Providence's potential licensure of nightclubs in proximity to the I-195 surplus land. He noted that the Commission is not in a position to be able to take a position on the matter at the present time.

5. FOR CONSIDERATION OF RECOMMENDATIONS AND ENGAGEMENT OF A CIVIL ENGINEER, TRANSPORTATION ENGINEER, ENVIRONMENTAL ENGINEER AND LEGAL COUNSEL FOR THE DISTRICT.

Mr. Gilden explained to the Commission that if it wished to go into executive session to consider recommendations and engagement of a civil engineer, transportation engineer and environmental engineer, as well as legal counsel for the District, a motion to go into closed session would be in order. He read the motions stated below.

Upon motion duly made by Mr. Van Leesten and seconded by Ms. Hunger, the following votes were adopted:

VOTED: To go into closed session, pursuant to the Open Meetings Act, Rhode Island General Laws Section 42-46-4, in order to discuss the investment of public funds, specifically engagement of a civil engineer, transportation engineer, environmental engineer for the District, under Section 45-46-5(a)(7).

VOTED: To go into closed session, pursuant to the Open Meetings Act, Rhode Island General Laws Section 42-46-4, in order to discuss the investment of public funds, specifically engagement of legal counsel for the District, under Section 45-46-5(a)(7).

Voting in favor of the foregoing were: Chairperson Kane, Ms. Hunger, Ms. Johnson, Mr. Kelly, Mr. Ryan, and Mr. Van Leesten.

Voting against the foregoing were: None.

Members of the public were then asked to leave the boardroom at 6:00 p.m. for the closed session.

The public session was reconvened at 6:48 p.m.

Chairperson Kane reported that the conversation during the closed session was confined to confidential information relating to the recommendations and engagement of a civil engineer, transportation engineer, environmental engineer and legal counsel. He further reported that during the closed session, along with the vote taken to end the closed session and resume the public session, the following vote was unanimously approved:

VOTED: To authorize the Chairperson and Vice Chairperson to continue evaluation of engineering firms, and to confer upon the Chairperson and Vice Chairperson the authority and power of this Commission to engage one or more civil engineer, environmental engineer, transportation engineer and zoning expert for the District at their discretion, upon such terms and conditions as are acceptable in their sole discretion.

Upon motion duly made by Ms. Johnson and seconded by Mr. Van Leesten, the following vote was adopted:

VOTED: That, pursuant to Rhode Island General Laws § 42-46-4, § 42-46-5 and § 42-46-7, the Open Meetings Act, the minutes of the closed session shall not be made available to the public, except as to the portions of such minutes as the Commission ratifies and reports in public session of this meeting.

Voting in favor of the foregoing were: Chairperson Kane, Ms. Hunger, Ms. Johnson, Mr. Kelly, Mr. Ryan, and Mr. Van Leesten.

Voting against the foregoing were: None.

Chairperson Kane noted that with respect to the January 30 Commission meeting, which is scheduled to include a discussion of external market conditions, his intention is to have presentations by northeast regional commercial brokerage professionals, as well as the local universities, hospitals, and local commercial brokerage professionals.

There being no further business in Public Session, upon a motion by Ms. Johnson and seconded by Mr. Van Leesten, the meeting was adjourned at 6:58 p.m.

David M. Gilden, Assistant Secretary

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