

I-195 REDEVELOPMENT DISTRICT

MEETING OF COMMISSION

PUBLIC SESSION

APRIL 9, 2012

The I-195 Redevelopment District (the "District") Commission met on Monday, April 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. Mark Ryan, Mr. Bill Parsons, designee of Mr. Keith Stokes (ex officio), and Mr. Bob Azar, designee of Mr. James Bennett (ex officio).

Commissioners absent were: Dr. Barrett Bready, Mr. John Kelly and Mr. Michael Van Leesten.

Also present were: Ms. Alexandra W. Pezzello and Mr. Mike Walker.

Chairperson Kane called the meeting to order at 5:00 p.m.

1. **APPROVAL OF THE PUBLIC SESSION MINUTES OF THE MEETINGS HELD ON MARCH 12, 2012 AND MARCH 19, 2012 AND APPROVAL OF THE EXECUTIVE SESSION MINUTES OF THE MEETING HELD ON MARCH 19, 2012**

Ms. Johnson provided comments to the March 19, 2012 public session meeting 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 March 12, 2012 and March 19, 2012, and the Executive Session Minutes of the meeting held on March 19, 2012, as submitted to the Commission and as amended by Ms. Johnson's comments.

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

Voting against the foregoing were: None.

2. DISCUSSION AND CONSIDERATION OF THE BOND ISSUANCE

Chairperson Kane introduced Mr. Normand Benoit, Esq., from Partridge Snow & Hahn LLP, bond counsel to the Rhode Island Economic Development Corporation (“EDC”), which will be issuing the bonds to finance the purchase of the I-195 surplus land by the District. Mr. Benoit explained that the enabling legislation that created the District also contained the General Assembly authorization for EDC to issue the bonds. He explained that both EDC and the District will need to pass authorizing resolutions to authorize the issuance of the bonds. Mr. Benoit explained the various agreements that would be entered into between the State, EDC and the District. He reported that EDC has sent out a request for proposals (“RFP”) to various banks for a direct purchase of the bonds and/or a letter of credit (“LOC”) to be used in conjunction with the sale of the bonds publicly. Mr. Benoit noted that the bonds are likely to be variable rate bonds and, thus far, they have received back more proposals for a direct purchase of the bonds. He explained that EDC would issue a RFP for underwriters in the event that that EDC determines that the sale of the bond publicly would be the best option, which would also require coordination with rating agencies.

Mr. Benoit explained that EDC will choose which bank will either directly purchase the bonds or issue the LOC and he discussed the benefits and drawbacks of the public sale or private placement options. He then reviewed a tentative timeline of events for the bond transaction (See **Exhibit A**). Chairperson Kane noted that there are currently a number of variables that have prevented the District from moving beyond the to be determined portion of the timeline, which include the Rhode Island Department of Transportation (“DOT”) appraisal of the I-195 surplus land. He reported that in the interim the District is evaluating its projected operational and determining what portion of the bonds proceeds and proceeds of the sale of the land could be used for such operational costs. Chairperson Kane stated that Ms. Maureen Gurghigian, from FirstSouthwest financial advisor to EDC, will present the recommendations regarding selection of a bank and additional details on the bond transaction at a later date. Mr. Ryan noted the need for the District to have counsel engaged to support the District through the issuance of the bonds.

3. CHAIRPERSON’S REPORT AND COMMISSION UPDATE.

Chairperson Kane reported that he and others have been meeting with regarding scheduling, utility relocation across parcels 22 and 25, storm water management treatment, and facilitating Cox Communications and Verizon fiber optic installation. He reported that with respect to open space, Ms. Johnson will be meeting with the landscape architects to discuss the work plans. Chairperson Kane reported that he has scheduled a water quality meeting with Department of Environmental Management and that the Phase I study of the parcels has been completed by Fuss & O’Neill, engineering consultants to the District, and will be distributed to the Commission shortly. He reported that he and Fuss & O’Neill are looking into global permitting with DEM and

Rhode Island Coastal Resources Management Council regarding both water quality and environmental remediation. The Commissioners and Mr. John Chambers, from Fuss & O'Neill, discussed the likelihood and willingness of such entities entering into a global permitting solution for the District. Chairperson Kane noted that such an agreement would provide predictability for buyers, which is valuable.

Chairperson Kane requested that Mr. Azar provide an update on the City of Providence zoning and comprehensive plan approvals. Mr. Azar reported that the public hearings have been continued and that he anticipates the ordinances will be passed by mid-May. Chairperson Kane noted that comments made by the District appear likely to be accepted. He reported that the District will need to establish sequencing plans for the development of the District and that Fuss & O'Neill is conducting a preliminary study on parking. Ms. Johnson noted that the sequencing will also allow the District to determine subdivision and what uses make most sense on certain parcels based on their size. Chairperson Kane reported that Fuss & O'Neill is also preparing a new base map of the District parcels which will also include identification of neighboring properties. He further reported that the District's application for Environmental Protection Agency funds for brownfields remediation has been submitted and the District should expect a response on the application in May.

4. REVIEW AND CONSIDERATION OF DRAFT BUDGET FOR THE DISTRICT

Chairperson Kane distributed a draft budget for the District to the Commissioners (see **Exhibit B**). He stated that it presents the uses of funds, while the sources are still to be determined. Chairperson Kane highlighted that in 2012 and 2013 the draft budget includes higher capital expenditures for engineering, architects/design and legal counsel than what is projected for future years, which are projected to include more transaction related expenditures. He stated that presumably the District would charge application fees to potential purchasers, which could be used for District operational costs, as well as potentially a District maintenance fee to help manage and maintain the District's park space. Ms. Johnson suggested that each Commissioner set up a time to discuss the draft budget with Chairperson Kane. Chairperson Kane noted the need to obtain further information regarding park maintenance costs from the City and DEM, as well as the need to consider the salary provisions for the Executive Director. He further stated that there needs to be further consideration and discussions regarding what portion of the District's budget will come from appropriations versus bond proceeds.

5. TO ESTABLISH AN AGENDA FOR THE NEXT COMMISSION MEETING.

Chairperson Kane noted the need for the Commission to further discuss the Executive Director job description and use of a search firm. The Commissioners agreed that this topic would need a significant amount of time and that in the interim the Commissioners would send their comments to the job description initially distributed to Ms. Johnson. The Commissioners agreed to also hear from Ms. Gurchigian regarding any additional transaction details on the bond issuance, consider of directors and

officers liability insurance and consider selection of, at minimum, transaction counsel for the District for the bond issuance.

There being no further business in Public Session, upon a motion by Ms. Johnson and seconded by Ms. Hunger the meeting was adjourned at 6:20 p.m.

David M. Gilden, Assistant Secretary

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