

I-195 REDEVELOPMENT DISTRICT COMMISSION

MEETING OF COMMISSION

PUBLIC SESSION

January 14, 2013

The I-195 Redevelopment District Commission (the "District") met on Monday, January 14, 2013, in Public Session, beginning at 5 PM, 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 except as noted below: Chairperson Colin Kane, Ms. Barbara Hunger, Ms. Diana Johnson, Mr. John Kelly, Mr. Michael Van Leesten, Mr. Mark Ryan, Dr. Barrett Bready and Mr. Robert Azar.

Mr. Bill Parsons was absent.

Also present were Mr. Michael Walker, as staff assigned by the Rhode Island Economic Development Corporation, and Mr. Charles F. Rogers of Edwards Wildman Palmer LLP, legal counsel to the District.

Chairperson Kane called the meeting to order at 5 PM.

1. APPROVAL OF THE PUBLIC SESSION MINUTES OF THE MEETINGS HELD ON NOVEMBER 19, 2012 AND DECEMBER 10, 2012

Chairperson Kane stated that the Public Session minutes and the Executive Session minutes from the meetings of November 19, 2012 and December 10, 2012 have been distributed to the Commissioners, and asked if there were any comments or corrections. Ms. Johnson noted that she had several minor additions she would like to make to the Public Session minutes of the December 10, 2012 meeting. Those additions are:

- a. Noting that Ms. Johnson had recused herself from discussion of selection of legal counsel for the District;
- b. Noting the Commission's concerns about setting a precedent with respect to the Johnson & Wales request to widen the sidewalk adjacent to the J&W building on Clifford Street at the expense of on-street parking spaces; and
- c. Noting in a public statement that parties interested in making presentations about interest in particular parcels would be provide the opportunity to do so.

Ms. Johnson said that she would provide to Mr. Rogers suggested language regarding each of the above.

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

VOTED: To approve the Public Session and Executive Session minutes of the meetings held on November 19, 2012 and December 10, 2012 with the revisions suggested by Ms. Johnson.

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

Voting against the foregoing were: None.

2. ENGINEERING AND PERMITTING STATUS UPDATE

Chairperson Kane introduced John Chambers of Fuss & O'Neill, the District's engineering consultants, to provide an update as to engineering and permitting matters. Mr. Chambers said that environmental due diligence is complete, but noted that the current Phase I environmental reports are only effective through March 11, 2013; if title has not been obtained by the District by that date, those reports would need to be updated. Chairperson Kane pointed out that this is another reason why the bond closing and property acquisition needs to take place as soon as possible. Mr. Chambers said that Fuss & O'Neill has been reviewing surveys and legal descriptions of each of the lots which will be conveyed to the District. These surveys and legal descriptions have been prepared by Maguire Group ("Maguire") for the RI Department of Transportation ("DOT"). Mr. Chambers said that Fuss & O'Neill has noted minor comments on those legal descriptions where parcels did not "close", and has conveyed those comments to Maguire. Mr. Chambers said that there would soon be agreement on final legal descriptions and surveys and those legal descriptions would then be attached to the deed from DOT to the District.

With respect to the environmental condition of the parcels to be acquired, Mr. Chambers said that Fuss & O'Neill is prepared to submit a final report to the Department of Environmental Management ("DEM"). Once that report has been submitted, Mr. Chambers believes that the various parcels will all be financeable, which will expedite the due diligence process for purchases of individual parcels.

Mr. Chambers said that his firm has completed the application to the Environmental Protection Administration ("EPA") for a grant of \$350,000. This grant, if obtained, can be used for various purposes, including preparation of flood plans and development assessments. Mr. Chambers pointed out that EPA holds a national conference in May of each year regarding Brownfields sites and suggested that the conference might be of interest and worth attending.

With respect to the Coastal Resources Management Council (“CRMC”), Mr. Chambers said that a storm water plan was submitted to CRMC in December, and that CRMC had provided minor comments on that plan. No comments have yet been received from DEM. Mr. Chambers said he anticipated no significant issues and that a CRMC assent should be issued without any difficulty.

With respect to the park sites, Mr. Chambers said that no work has been done on that by Fuss & O’Neill since the last meeting of the Commission.

Mr. Chambers and Mr. Rogers had a general discussion about creating an electronic data room, which would include environmental and permitting information about the I-195 properties and each individual parcel, and would be made available to interested parties to assist in their due diligence activities.

3. BRIEFING BY RIDOT ON ROAD CONSTRUCTION SCHEDULE AND CONTRACT 15 (EAST SIDE) ACTIVITIES

Chairperson Kane introduced Ms. Kelly Carr of Beta Associates and Mr. David Freeman of Maguire who were appearing on behalf of DOT. Ms. Carr provided an update with respect to the status of Contract 15, which is the contract to provide for roads and other improvements on the East Side of the project. Ms. Carr ran through a review of plans showing existing conditions and proposed new road construction on the East Side. These plans included proposed circulation roads, shared use paths and landscape plans. Ms. Carr showed plans for the entrance pavilions to the parks and compared those pavilions to existing pavilions previously constructed in connection with the river relocation project. She pointed out that the Fox Point Veterans Memorial will be relocated to a more visible location, and better maintenance will be provided. There was a discussion of how the Veterans Memorial will be lighted. There was also a discussion about paving materials to be used on the shared use path, and it was pointed out by Mr. Lambri Zerva of DOT who was present that materials on the shared use path must comply with Federal Highway Administration guidelines. Mr. Kelly suggested that the shared use path be the same surface as is currently in place, which is not asphalt. Mr. Zerva responded that asphalt is a good surface for bikes and roller blades, since it is smooth and contains no expansion joints as concrete does. Ms. Carr said that the plan was to bid the East Side work in the winter of 2013 with construction to start in the spring of 2013 and be completed in early 2014.

There was also a brief discussion of what lighting is needed for flags in order to comply with federal regulations.

With respect to Contract 14, which is construction of roads on the West Side, Ms. Carr said that ground would be broken on the project in March 2013.

Finally, there was a question about irrigation of the East Side parks. Ms. Carr said that no irrigation has been provided in the specifications, and the Commission suggested that irrigation be added.

4. BOND AND LAND ACQUISITION UPDATE; SNOW AND LANDSCAPE MAINTENANCE CONTRACT RECOMMENDATIONS; PROPERTY INSURANCE UPDATE

At the request of Chairperson Kane, Mr. Rogers summarized the status of the bond and land acquisition closings. Mr. Rogers said that it was expected that Sovereign Bank would purchase the bonds and that approval of the transaction by the Rhode Island Economic Development Corporation was tentatively scheduled for January 28, 2013. He said that the lawyers were working through the documents with a goal of closing the transaction by the end of February. It was noted that Mr. Chambers had said that the Phase I environmental reports would need to be updated if a closing did not occur by March 11, 2013, which should provide an additional impetus to get the transaction closed.

Mr. Kelly then summarized the process by which proposals for snow and landscape maintenance were sought. An RFQ was issued in October 2012. Eight firms expressed interest, and six firms submitted proposals by the November 28, 2012 deadline. Mr. Kelly, Ms. Hunger and Mr. Walker were appointed a committee to review proposals and make selections. Mr. Kelly reported that the committee has determined that the snowplowing contract be awarded to Rhode Island Snow and Ice, which will be paid by the inch of fallen snow. The landscaping contract should be awarded to Yard Works. Both of these firms were the respective low bidders. Both contracts would be for one year, and will contain provisions allowing the District to terminate the contracts for non-performance. Ms. Johnson asked if references had been sought, and Mr. Kelly responded that positive references had been obtained.

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

VOTED: To approve the selection of Rhode Island Snow and Ice to provide snow removal services and Yard Works to provide landscape maintenance in accordance with their respective proposals.

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

Voting against the foregoing were: None.

Mr. Van Leesten then left the meeting.

With respect to property insurance proposals, Mr. Walker noted that quotations had previously been sought from various carriers, many of whom declined to make a proposal in view of the lack of any history of the District. Furthermore, any quotes that were received were

no longer valid, since quotes are typically only made for a 30-day period. The Commission asked that new quotations be sought from all insurance carriers. Mr. Walker said that he would do so, and would try to have updated quotations by the meeting on January 29, 2013.

5. EXECUTIVE DIRECTOR SEARCH UPDATE

Chairperson Kane briefly summarized the presentation by Levin & Company at the meeting of December 10, 2012, in which the Commission asked Levin to seek out additional candidates. Chairperson Kane said that Levin reported that because of the holidays, there was not much initial response to Levin, but that Levin is now following up and will make a presentation with respect to previous and additional candidates at the Commission's next meeting on January 29, 2013.

6. LEGAL ACTIVITIES DISCUSSION

Chairperson Kane then led a discussion of various legal and contract issues to be addressed by the Commission and counsel in the coming months, including the following:

- a. Creation of a protocol for disposition of real estate.
- b. Creation of a protocol for review of particular projects, including planning, zoning and design review. It was noted that Mr. Azar could provide guidelines and assistance in preparing those procedures.
- c. Negotiation of an employment contract with the person selected to be Executive Director.
- d. Creation of a procurement policy. It was noted that existing State procurement policies would provide a model.
- e. Creation of a human resources policy. Again, a State model would presumably provide the guidelines.
- f. Creation of maintenance standards for the various parcels.
- g. Organization of due diligence packages and a data room.

The Commission took a break at 6:05 PM and reconvened at 6:15 PM.

7. Q1/Q2 WORK PLAN AND ACTION ITEM DISCUSSION

Chairperson Kane distributed his list of action items and work plan for the first and second quarters of 2013 (attached). He identified the three priorities of the Commission as follows:

1. Hire an Executive Director.
2. Bond and real estate acquisition closing.
3. Create a disposition plan for the real estate.

Mr. Ryan pointed out that the bond and real estate closing will largely be handled by lawyers representing the various parties, and that it will happen in the natural course. In Mr. Ryan's view, the priorities are:

1. Hiring an Executive Director.
2. Creating a marketing plan for the property.

Mr. Ryan said that he believes that the Commission should bring in one or more consultants to provide their expertise as to how best to position and market the property, how to mix uses and generally create interest in the property. Mr. Ryan said he did not know whether this could be done on a sole-source basis or if a RFP was required, but that outside expertise and guidance should be sought. There was a general sense of agreement among the Commissioners on this point. Chairperson Kane said that he would put together some specific thoughts on this issue for review and discussion at a subsequent meeting.

8. SCHEDULE AND PROTOCOL FOR MEETING WITH SPECIFIC PARTIES EXPRESSING INTEREST IN PARTICULAR PARCELS

Chairperson Kane stated that the Commission continues to receive inquiries from various parties asking to appear before the Commission to discuss potential development plans for various parcels. Mr. Kane asked Mr. Rogers if it was permissible for the Commission to go into Executive Session to discuss such requests and establishment of a protocol to allow its parties to appear before the Commission. Mr. Rogers stated that pursuant to the Open Meetings Act, any discussions of the disposition of real estate could be conducted in Executive Session.

Accordingly, upon motion duly made by Mr. Kelly and seconded by Ms. Johnson, the following vote was adopted:

VOTED: To go into Closed Session, pursuant to the Open Meetings Act, Rhode Island General Laws Section 42-46-5(a) (the Open Meetings Law), in order to discuss a schedule and protocol for meeting with specific parties expressing an interest in particular parcels of real estate.

Voting in favor of the foregoing were: Chairperson Kane, Ms. Hunger, Ms. Johnson, Mr. Kelly, Mr. Ryan and Dr. Bready. Mr. Van Leesten was not in attendance.

Voting against the foregoing were: None.

Members of the public were then asked to leave the boardroom for the Closed Session, and members of the Commission and staff entered into Closed Session at 6:35 PM.

The Public Session was reconvened at 7:05 PM.

Chairman Kane reported that the discussion during the Closed Session was confined to discussion regarding a schedule and protocol for meeting with specific parties expressing an interest in particular parcels of real estate, and that a vote was taken with respect to a schedule and a protocol. Additionally, the Commission voted to end the Closed Session, maintain the Closed Session records and reconvene the Public Session.

Upon motion duly made and seconded, the following vote was adopted:

VOTED: That pursuant to Rhode Island General Laws Section 42-46-4, Section 42-46-5 and Section 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 Dr. Bready. Mr. Van Leesten was not in attendance.

Voting against the foregoing were: None.

There being no further business in Public Session, upon motion duly made and seconded, the meeting was adjourned at 7:10 PM.

Colin Kane
Chairperson