

I-195 REDEVELOPMENT DISTRICT COMMISSION

MEETING OF COMMISSION PUBLIC SESSION APRIL 21, 2014

The I-195 Redevelopment District (the "District") Commission (the "Commission") met on Monday, April 21, 2014 in Public Session, beginning at 5 P.M., at the offices of the Rhode Island Commerce Corporation, located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island, pursuant to a 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: Chairperson Colin Kane, Dr. Barrett Bready, Ms. Barbara Hunger, Ms. Diana Johnson, Mr. John Kelly, Mr. Mark Ryan and Mr. Michael Van Leesten. Also present was non-voting Commissioner Mr. Ruben Flores-Marzan.

Also present were Ms. Jan Brodie, District Executive Director, and Ms. Kate Holguin, District Project Associate, and Mr. Charles F. Rogers of Edwards Wildman Palmer LLP, legal counsel to the District.

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

1. APPROVAL OF THE MINUTES OF THE MEETING HELD ON MARCH 17, 2014

Chairperson Kane stated that the minutes of the meeting of March 17, 2014 had been distributed to the Commissioners and asked if there were any comments or corrections.

There being none, the following vote was adopted:

VOTED: To approve the minutes of the meeting held on March 17, 2014 as submitted.

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

Voting against the foregoing were: None.

2. EXECUTIVE DIRECTOR'S REPORT

Ms. Brodie provided a summary of her recent activities as follows:

- a. The May 1 deadline for responses to the Commission's RFI for development proposals is approaching. Several inquiries about the process have been

received and responses have been provided within a 24-hour period, but there have been some questions that require Commission input.

- b. There has been a focus on outreach, which includes talking to local businesses and developers, acting on recommendations by the Rhode Island Commerce Corporation, and attending an MIT Symposium on public space as an economic driver. Upcoming events include a press event and walking tour in mid-May to promote DOT's work and the interim use art on District parcels. Also, April 24 marks the one-year anniversary of the closing on the District's land purchase agreement.
- c. Another call for interim use project submissions has been issued, with fall 2014 as the next targeted installation period.
- d. The scope of property maintenance for 2014 has been established relative to DOT's areas of impact, and pricing with Shalvey Bros. Landscape ("Shalvey") has been agreed upon. Shalvey will be returning as the contractor for lawn maintenance.
- e. A license agreement for Parcel 1A has been signed with Providence Flea, LLC. The fee for use and maintenance outlined in the agreement is in line with the District's previous easement agreements.

3. DISCUSSION OF BROKERAGE COMMISSIONS TO BE PAID TO THIRD-PARTY BROKERS IN CONNECTION WITH SALES/LEASES OF DISTRICT PROPERTY AND VOTE REGARDING COMMISSIONS

There was a discussion of brokerage fees to be paid to real estate brokers other than Jones Lang LaSalle ("JLL") in connection with the sales and leases of District property. The District has agreed to pay JLL a fee of 2-3 percent (depending on sale proceeds) for the sale of District property, and JLL is not obligated to deal with other brokers unless those brokers are being compensated by the District or some other party. Because other brokers typically charge a 5-6 percent fee, there is room in the commission structure for the District to make its own arrangements with other brokers who bring a purchaser, and it would be typical for a seller such as the District to do so. Accordingly, Chairperson Kane suggested that a two percent (2%) fee payable to cooperating brokers would be appropriate.

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

VOTED: That the District pay a two percent (2%) fixed brokerage commission at closing to any brokers other than JLL who introduce a party that purchases or leases a District property.

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

Voting against the foregoing were: None.

4. DISCUSSION REGARDING DISTRICT SUPPORT FOR APPLICATIONS AND PROPOSALS MADE TO THE CITY AND STATE BY GROWSMART RI (STATE HISTORIC TAX CREDITS), RIDOT (TIGER PLANNING-PROVIDENCE STATION TRANSIT CENTER) AND RIDOT (TIGER IMPLEMENTATION-PROVIDENCE VIADUCT NORTHBOUND)

There was a discussion regarding whether the District should support a GrowSmart RI proposal to continue state historic tax credits and two RIDOT proposals for TIGER grants, one for planning and one for implementation. There was a discussion as to whether supporting the GrowSmart RI proposal is directly connected to the Commission's mission. It was pointed out that the application is in the Commission's best interests because overall historic preservation in Providence benefits the quality of life and thus promotes the attractiveness of the 195 land. Also, it was noted that the TIGER grant for the Providence Viaduct is in competition with the Providence Streetcar TIGER grant proposal, which the Commission voted to support at the March 17 meeting. However, it was suggested that the Commission support all three proposals as a demonstration of its commitment to all Providence efforts for growth and development.

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

VOTED: To authorize the Executive Director to send letters supporting GrowSmart RI's proposal for the continuation of the state's historic tax credit program and the two RIDOT proposals for TIGER grants.

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

Voting against the foregoing were: None.

5. DISCUSSION OF COMMISSION POLICY REGARDING CONFIDENTIALITY OF PROPOSALS TO ACQUIRE DISTRICT PROPERTY AND VOTE ON POLICY

There was a discussion concerning Commission policy surrounding the confidentiality of proposals submitted to acquire District property, specifically on how much time proposals should remain confidential between the date they are submitted and the date a firm deal or commitment has been made. JLL has informed the Executive Director that all interested parties had inquired about confidentiality of proposals, particularly financial and proprietary information contained in any proposals, and had noted that if details of proposals were to be made public immediately, then the proposals would not be specific or might not be submitted at all. It was noted that complete confidentiality may not be practical in light of the

Commission's desire and commitment to be transparent about its activities in general and the sale process in particular. It was suggested that for the benefit of parties considering making proposals the Commission should adopt a policy before the May 1 proposal deadline; it was noted that the confidentiality policy could be fine-tuned as circumstances develop. It was suggested that with respect to proposals for purchase and development of District property, the confidentiality of those proposals would be as follows:

Proposals are to remain confidential until the Commission has had a chance to review all proposals at the next Commission meeting on May 19. Following that meeting an abstract will be released to the public that will identify the number of proposals received by the Commission, which parcels were the subject of proposals, the total number of square feet planned in each proposal, and the program of proposed uses. The Commission will shortlist desirable proposals, identify a schedule for interviews by selected proposers, and negotiations will begin with those selected with the goal in each case of entering into a non-binding letter of intent outlining the principal points of the agreement, including price and the particular development. The details of each letter of intent will be made public.

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

VOTED: That the District maintain in confidence all proposals to acquire District property until a letter of intent is executed at which point the letter of intent will be made public.

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

Voting against the foregoing were: None.

6. DISCUSSION REGARDING FINANCIAL FEASIBILITY OF PROJECTS IN THE DISTRICT AND TOOLS AVAILABLE TO FILL FINANCIAL GAPS AND ENHANCE PROJECT FEASIBILITY

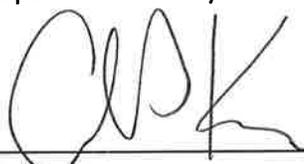
Chairman Kane led a discussion regarding economic variables and the feasibility of projects in the District. A document circulated to the Commission outlined the economic variables the Commission needs to consider, which includes cost of production, post-completion and property operation economics, and speculative investment vs. corporate location considerations. The Commission only has control over a few of these economic variables. Additionally, there was discussion regarding economic development tools available to fill financial gaps and enhance project feasibility, including the current scale and accessibility of these tools. Using numbers put together by the Executive Director and supported by Goody Clancy's feasibility consultant, Sarah Woodworth from WZHA, there was a dialogue surrounding the impact of rent and operating costs, as well as the Commission's need to consider retail, try to market to build-to-suit companies and encourage manufacturing development on the 195

land. It was noted that the Commission and the Rhode Island Commerce Corporation currently have very few economic development tools at their disposal, but these tools could be catalytic for development in the District.

7. CHAIRPERSON'S REPORT/AGENDA FOR MAY 19, 2014 MEETING

The next Commission meeting will be held Monday, Monday, May 19, 2014. Chairperson Kane reminded the Commission of the upcoming walking tour promoting DOT's work and the interim use installations.

There being no further business in the Public Session, upon motion duly made and seconded, the meeting was adjourned at 7:15 PM.

 5/19/14

Colin P. Kane
Chairperson

I-195 REDEVELOPMENT DISTRICT COMMISSION

PUBLIC NOTICE OF MEETING

A meeting of the I-195 Redevelopment District Commission will be held at **Rhode Island Commerce Corporation, 315 Iron Horse Way, Providence, Rhode Island**, on **MONDAY, APRIL 21, 2014**, beginning at 5 P.M., for the following purposes:

PUBLIC SESSION

Call to Order: The Chairperson

1. Welcome by Chairperson: Chairperson Colin Kane.
2. Approval of the Minutes of the Commission Meetings Held on March 17, 2014.
3. Executive Director's Report – Review of Activities During Past Month/Action Plan and Target Activities April – May, 2014.
4. Discussion of Brokerage Commissions to be Paid to Third Party Brokers in Connection with Sales/Leases of District Property and Vote.
5. Discussion Regarding District Support for Applications and Proposals Made to the City and State by GrowSmart RI (State Historic Tax Credit), RIDOT (TIGER Planning– Providence Station Transit Center) and RIDOT (Tiger Implementation-Providence Viaduct Northbound).
6. Discussion of Commission Policy Regarding Confidentiality of Proposals to Acquire District Property and Vote.
7. Discussion Regarding Financial Feasibility of Projects in the District and Tools Available to Fill Financial Gaps and Enhance Project Feasibility.
8. Chairman's Report – Review of Activities in Past Month and Proposed Future Activities/ Tentative Agenda for May 19, 2014 Meeting.
9. Vote to Adjourn.

The location is accessible to the handicapped. Those requesting interpreter services must notify the I-195 Redevelopment District Commission at (401) 383-5900 forty-eight (48) hours in advance of the meeting. Also, for the hearing impaired, assisted listening devices are available onsite, without notice, at this location.