

**CAPITAL CENTER COMMISSION
MEETING MINUTES**

Thursday, September 11, 2008

12:00 Noon

First Floor Conference Room

30 Exchange Terrace

Providence, RI

1. Roll Call

The Chairman Gardner called the meeting to order at 12:05 PM. Members present included Leslie A. Gardner, Rebecca Barnes, Greg Benik, Jennifer Cookke, Merlin DeConti, Councilwoman Josephine DiRuzzo, Steve Durkee, Barry Fain (arrived 12:42 PM), Duncan Johnson, and Stanley Weiss. Members absent included Guy Abelson, Wilfrid L. Gates Jr., Councilman Luis Aponte, and Christopher Thomas.

Staff present included Deborah Melino-Wender, Executive Director.

Others present included Dan Baudouin, Providence Foundation, Todd Turcotte, Capital Properties; and Robert Bromley, Senate Fiscal Office.

Chairman Gardner called for a moment of silence in memory of the

victims of the 9/11 tragedy.

2. Minutes

2.1 The motion was duly made, seconded and unanimously passed to approve the minutes of the Capital Center Commission meeting of July 10, 2008.

2.2 The motion was duly made, seconded and unanimously passed to accept the minutes of the Design Review Committee meeting of July 1, 2008 and the Financial Subcommittee meeting of August 1, 2008.

3. Report of the Executive Director

The Executive Director reported on the Southern New England APA Conference.

4. Parcels 3 & 4: Request for Extension of Interim Parking

Chairman Gardner explained that the Commission initially granted approval for interim parking on October 10, 1991. This was extended at various intervals over the last several years through October 10, 2008. Capital Properties is now seeking a two-year extension on this interim parking, .and has paid the two-year interim fee of \$2,500.

The motion was duly made, seconded and unanimously passed to approve the extension of the interim parking on Parcels 3W and 4W through October 10, 2010.

5. Parcel 6: Request for Design Modifications (if available)

This item was not available for action. Chairman Gardner explained that the developers are requesting a number of modifications which are presently under review by the DRC and will be before the Commission at its October meeting.

6. Internal Operating Procedures:

Action: Increase in Application and Processing Fees as Recommended by Finance Subcommittee

Chairman Gardner explained that as a result of the revenue issues facing the Commission, it directed the formation of a Finance Subcommittee consisting of Chris Thomas, Stan Weiss, Greg Benik and Leslie Gardner. Following an extensive review of the financial requirements for the Commission and the fees of other agencies, the Finance Subcommittee is recommending increasing the project development fees to the following level:

- .005 of the first \$25 million of the project's total cost, then**
- .002 of the project's total cost over the first \$25 million.**

She noted that should projects materialize, these funds should be sufficient to fund the Commission's operations. However, new projects are dependent upon factors outside the control of the Commission and the next year will be critical.

Discussion followed. Mr. DeConti stated that he could not support

the fees structure which he felt did not relate to the level of benefit that a developer received. Mr. Weiss stated that the CCC needs to run like the rest of the city and that it provides a thoughtful and critical way of handling development. Mr. Benik stated that, at a minimum, the budget should be balanced going forward and that the only way to do this is to change the fee structure, as presented. He noted that the projections have conservative development options and the fees just keep the CCC in the black. Mr. Benik said that he was surprised at how unrealistically low the fees were given the level and quality of service. He stated that the increase will not deter the development and that there is value in the review process. Chairman Gardner stated that the other stipends from the City and State have been reduced drastically.

The members then discussed other methods of structuring the Commission and the need to get the property owners involved.

Mr. Weiss made the motion, seconded by Mr. Benik to adopt the proposed fee schedule of .005 times the first \$25 million of total project cost, then .002 times the balance of the project cost in excess of \$25 million.

Discussion followed. Mr. DeConti stated that he had concerns with the high increase in fees, which seems onerous. He suggested looking at a DID operation in which the operations of the CCC would be a small portion of that. Mr. Turcotte stated that other operational

methods should be explored. He agreed that fees need to be raised, but the proposed level seemed high and expressed concern that these may deter developers. Chairman Gardner suggested increasing the existing fees by some factor while exploring ways to operate differently.

Mr. Weiss withdrew his original motion. Mr. Benik then made the motion, seconded by Mr. DeConti to triple all the Commission fees for a six month period, with the increase expiring on March 11, 2008, during which time the Finance Committee will review other funding options and partners. The motion passed unanimously.

7. Budget Update

Chairman Gardner reported that there is no new information at this time.

8. New Business

There was no new business.

9. Adjournment

The meeting was adjourned at 1:02 PM.

Christopher Thomas

Secretary