

STATE PROPERTIES COMMITTEE

Tuesday, March 8, 2005

The meeting of the State Properties Committee was called to order at 10:05 A.M. by Chairman Jerome F. Williams. Other members present were, Genevieve Allaire Johnson, Esquire, representing the Department of Attorney General, Mr. Robert Griffith, representing the Department of Administration, and Mr. Thomas Barry. Also present were, Messrs William Ferguson, Brian Peterson and John Ryan, from the Department of Administration; Mr. Daniel Clarke, from the Department of Transportation; Ms. Lisa Primiano and Mr. James McGinn, from the Department of Environmental Management; Mr. Michael Walker, from the Rhode Island Economic Development Corporation and Rob Stolzman, Esquire, for the Rhode Island Economic Development Corporation; Ms. Rosemary Zelano and Attorney John Hardiman, from the Office of the Public Defender; Mr. Charles Dolan, from the Division of Motor Vehicles; Messrs. Paul Petite and John Baxter, from the Supreme Court; Mr. Richard Berstein, from the Department of Business Regulation; and, Mr. Ricardo Pitts-Wiley and Ms. Bernadette Pitts-Wiley, from the Mixed Magic Theatre and Cultural Events.

Minutes of the meeting held on February 22, 2005 were approved.

1. OLD BUSINESS
2. NEW BUSINESS – Miscellaneous - The next meeting of the State Properties Committee is scheduled to be held on Tuesday, March 29, 2005.

ITEM B1 – DEPARTMENT OF ADMINISTRATION – An update on the Request for Proposals process seeking new space for the Division of Motor Vehicles headquarters was given and a request was made by the Department to formally cancel the original Request for Proposal for a five (5) year period. During the time the Department has been involved in the project, there have been changes which decrease the amount of

square footage needed in the space and a decrease in the number of parking spaces needed. The Department feels that from a budgetary standpoint, amortizing the cost of the build-out for a facility like this, it would be better over a ten year lease period than a five (5) year period and the Department could attract more proposals. When the Department originally went out for a bid, it had been seeking 60,000 square feet in a five (5) year Lease. At that time the Department had intended to move the old division to the Pastore Complex. With the bond issue being defeated and other developments, it now makes sense to revise the RFP. The Department has moved Operator Control to Harrington Hall at the Pastore Complex. With that move the Department now requires less square footage, probably about 45,000 square feet and 100 less parking spaces..

A Motion was made by Mr. Robert Griffith and seconded by Mr. Thomas Barry to approve the request of the Department to formally cancel the original RFP and authorize the preparation of a revised RFP with the new analysis of space needs and extending the term for ten (10) years.

Passed Unanimously

ITEM B – DEPARTMENT OF ADMINISTRATION – A request was made for approval to use the State House lawn by Mixed Magic Theatre for the 5th Annual “Bard on the Bay” August 12 to August 14, 2005.

The Mixed Magic Theatre has requested the use of the South steps and South Plaza of the State House to put on a Shakespearean Play, “The Taming of the Shrew” for three days, August 12 to August 14, 2005. The Mixed Magic Theatre is a non-profit organization. Certificates of Insurance, Disclose and Authority have been received.

A Motion was made by Mr. Griffith and seconded by Mr. Barry to approve the request of the Department for approval to use the State House lawn by Mixed Magic Theatre for the 5th Annual “Bard on the Bay” August 12 to August 14, 2005.

ITEM A – DEPARTMENT OF ADMINISTRATION/ECONOMIC DEVELOPMENT CORPORATION – An update on the Garrahy Parking Garage RFP was made.

At the State Properties Committee meeting held on Tuesday, December 21, 2004, the Committee had asked for an update once the RFP was nearly ready. No action was being requested at this meeting, and this was an informational presentation. Since that meeting, the Judiciary, the Sheriffs, the Economic Development Corporation and the Department of Administration have been working to set down what actually is needed physically for requirements of any potential bidder to construct a parking garage at the Garrahy Courthouse Complex. They have narrowed down the number of spaces that they would like to see made available for State employees, and have identified that there are physical constraints that need to be met with regard to an area for prisoner transfer, for security in the Judges' parking area, as well as insuring that there are several goals met in this project being completed. They are, to provide parking spaces for State employees, to provide secure facilities for the Judges, but also to provide parking for those persons who use the Court House, as well as the businesses that are located downtown in the financial district of the City. They believe that they are ready to complete the RFP and issue it. Legal Counsel has drafted legislation for consideration of the General Assembly to transfer the property upon the request of the Director of the Economic Development Corporation. That has been given to members of the Providence Delegation to submit and they are awaiting the outcome of this legislative session. From a planning standpoint, the City of Providence has been involved in working with EDC, the Judiciary and the Department of Administration. It has been a collective effort to try to create a public/private partnership RFP.

Mr. Barry requested that when the Departments return, they bring a financial analysis of what the State gives up and gets back. Per Mr. Walker, that is one of the requirements of any respondent submitting to be considered. Ms Allarie Johnson inquired about the status of the legislature. The legislation has been approved by the City of Providence, and the Providence Delegation was going to submit it. Discussion ensued regarding the parking spaces.

The Chair, Mr. Williams stated one of the primary factors is there are a number spaces the State would propose to lease on a long term basis, but the Department wants to make sure that they would focus on customer needs. The parking needs of the customers of the Courthouse have to be met.

The Chair commented that it is always a pleasure, when there are multiple agencies and entities working together to make certain that the input is provided up front to ensure nothing is forgotten and he thanked the team. There was no action as this was a update.

ITEM C – OFFICE OF THE PUBLIC DEFENDER – A request was made by the Office of the Public Defender for approval of continuation of a month-to-month Lease with MSI Holdings LLC for office space at 100 North Main Street, Providence.

The Office of the Public Defender is located at 100 North Main Street, Providence and occupies 11,400 square feet of space. The Lease has terminated and they have gone through one month-to-month , which expires April 30, 2005. The Office of the Public Defender is requesting another six (6) month extension of the month-to-month lease with MSI Holdings, LLC which expired in November, 2004. The Office of the Public Defender has not negotiated a new Lease and asked for permission for a six month extension of the month-to-month Lease. The Office of the Public Defender would like to

stay at this location, but because of maintenance issues and not having a Lease, it is not certain where it will be located at a future time.

A Motion was made by Mr. Griffith and seconded by Mr. Barry to approve its request for approval of continuation of a month-to-month Lease with MSI Holdings LLC for office space at 100 North Main Street, Providence.

Passed Unanimously

ITEM D – DEPARTMENT OF BUSINESS REGULATION – A request was made by the Department for conceptual approval to negotiate with Belvoir Properties, Inc. for space at 222 Richmond Street, Providence.

The Department currently has storage space at 222 Richmond Street, Providence. When the Lease for the Department originated, the leases for storage space and the office space did not coincide and the Department would like to extend the Lease for the storage space so that it would terminate at the same time as the Lease for office space. The Department has approximately 1,600 square feet of storage space at \$6.00 per square foot and is looking to continue this from June 30, 2005 to April 30, 2007, which is when the main Lease terminates. This storage space is used for the Department's retention program and it is more cost efficient than Capitol Records and is also across the street from the Department, so it is very convenient. The Department will return with documents for final approval and signatures.

A Motion was made by Mr. Griffith and seconded by Mr. Barry to approve the request of the Department for conceptual approval to negotiate with Belvoir Properties, Inc. for space at 222 Richmond Street, Providence.

Passed Unanimously

ITEM E – DEPARTMENT OF ADMINISTRATION – A request was made by the Department for permission to enter into negotiations with Growing Children of Providence, Inc. for the Day Care Facility located in the Powers Building, Providence.

The Department was seeking approval to enter into negotiations for an extension to the Lease Agreement with Growing Children of Providence, Inc., who currently operates the Day Care Facility at the Powers Building. The current Lease expires June 30, 2005. The Day Care Facility is located on the ground level and consists of 4,400 square feet. The facility operates from 7:30 A.M. to 5:30 P.M. and serves State employees children from six (6) weeks old to Kindergarten. There are currently about 85 children there. The Department currently charges rent and allows Growing Children of Providence, Inc. to take ten (10%) percent of non State-employee's' children. The Chair stated part of the reason for negotiating is that the Department had gone out for an RPF last year and only received two bids. The second bid was not very good. The Department felt since it had tested the market last year and was able to negotiate a rental payment from the current provider, along with the fact that the Department received over 50 letters of support, the Department feels another RFP is not needed.

A Motion was made by Mr. Griffith and seconded by Mr. Barry to approve the request of the Department for permission to enter into negotiations with Growing Children of Providence, Inc. for the Day Care Facility located in the Powers Building, Providence.

Passed Unanimously

ITEM F – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on a Purchase and Sales

Contract for the purchase of 154 acres of land in Exeter from the Whitfield Realty Trust and Henry and Ann Marie Rowles.

Ms. Primiano, from the Department displayed a map and indicated the area. This property is a critical in-holding in the State's Arcadia Management Area and shares over 7,000 feet of common borders with the State property. Total purchase price is \$1,175,000.00, of which \$675,000.00, plus survey costs, will come from State Open Space Bond Funds and \$500,000.00, less survey costs from a grant from The Nature Conservancy.

A Motion was made by Mr. Griffith and seconded by Mr. Barry to approve the request of the Department for approval and signatures on a Purchase and Sales Contract for the purchase of 154 acres of land in Exeter from the Whitfield Realty Trust and Henry and Ann Marie Rowles.

Passed Unanimously

ITEM G – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on Purchase and Sales Contract with the Narragansett Gun Club of Kent County, Inc., for a Conservation Easement over land in Exeter.

This is for the purchase of a Conservation Easement over 30 acres of land in Exeter. With the acquisition of the Whitfield Realty Trust/Rowles parcel pending, identified in Item "F", the property will be an in-holding in the State's arcadia Management Area. The Narragansett Gun Club of Kent County, Inc. has also agreed to give the Department an Option to Purchase, so that if the Club ever disbands, the Department would become the owner of the property. The Option purchase amount is \$10.00. Total purchase price for the Conservation Easement is \$341,500.00, which will come from State Open Space Bond funds.

A Motion was made by Mr. Griffith and seconded by Mr. Barry to approve the request of the Department for approval and signatures on Purchase and Sales Contract with the Narragansett Gun Club of Kent County, Inc., for a Conservation Easement over land in Exeter.

Passed Unanimously

The Department of Environmental Management requested to make a presentation of Items “H”, “J” and “K” together as they all related to the Town Pond Restoration Project.

The first item which will be presented, Item “H” is for approval and signatures on an Easement and License Agreement with Roger Williams University and Kentron Incorporated, which is the real state holding company for Roger Williams University. The Department is looking for a permanent access easement and a temporary construction easement so that this construction project can move forward.

The Town Pond Restoration Project is a joint project between the Department and the Army Corps of Engineers. It is authorized under Section 11-35 of the Water Resources Development Act which basically states that the Corps is authorized to go into areas that they had previously impacted and restore them back to their natural character. In the early 1950's Town Pond was an open salt pond. The Army Corps selected that as a disposal area for the Fall River Shipping Channel dredge material. The Pond is filled in. Title exchange was halted. It was turned from an open water body to a barren mud flat. Since then the area has grown an evasive reed which does not allow for diverse habitat in that area. Under Section 11-35, the Corps and the Department will go in and remove the dredge material that was placed there in the 1950's and put it in a big disposal mound to create some open water, some different types of mud flats and grass disposal area. The Corps is responsible for 75% of the total project and the State is responsible for

the balance. All the easements and the value of the land that the State is using is credited toward the project.

The first item discussed was Item “H”, which is property owned by Kentron Incorporated, which is the real estate holding company for Roger Williams University. A map was displayed depicting the property. The Department was asking for a temporary construction easement and a permanent access easement in order to access the restoration area. Also in the restoration area there is a power supply from the Narragansett Electric Company, so the Department will allow Narragansett Electric to go in and maintain their lines and the restoration was designed around that. When the project is completed, there will be a permanent access for both the Department and Narragansett Electric Company. There is a token cost of \$1.00 associated with this request. A discussion took place regarding the dredging material and if it was useable. This is basically clean. The Chair Mr. Williams suggested contacting Rhode Island Resource Recovery regarding reuse of the dredged material.

The next item explained was item “K”. This request is for approval and signatures on a Boundary Line Agreement between the Department and Montaup Realty Corporation. Because this was a salt pond, there was no Deed for it and the Deeds for the surrounding properties basically referenced that the property line ended at Town Pond, at the mean high water mark. When the pond was filled in, there was no record of exactly where that mean high water mark was. The Department hired, through the Aquidneck Island Land Trust, a surveyor to go out and survey the property. There was no documentation on the eastern side of the property of exactly where the mean high water mark was and therefore where the property line was. Through research there are some plans of subdivisions that showed approximately where the mean high water mark was. The surveyor compiled all the data and it is his best estimate where that mean high water

mark was in the 1950's. To get it exactly is not possible. The Department had the property done and overlaid what the Army Corps had designed the restoration project to. The Department found that the Army Corps had designed over the property boundary, or where the Department's survey thought the mean high water mark was. The Department met with Montaup Realty Corporation and this Agreement will establish the exact boundary line between the State property and the Montaup Realty property.

The next item discussed was item "J". This request is for approval and signatures on a Conservation Easement to the Aquidneck Island Land Trust. The Aquidneck Island Land Trust has paid for the survey, which cost \$15,000.00 and that gets credited to the Department's cost to the Army Corps. They have also agreed to donate \$50,000.00 to the project. The Aquidneck Island Land Trust wants to solidify their standing here with the Conservation Easement for the \$50,000.00. This easement will require that the Department keep the property in its natural condition after the implementation of the Restoration Plan and to prevent the land from any further development. The Department appeared before the Committee previously to get approval to negotiate that Conservation Easement and are now here to obtain signatures.

The total project cost is \$3,500,000.00. The Department will be contributing about \$700,000.00, and the Department is getting that from the OSPAR account; the Aquidneck Island Land Trust is contributing \$50,000.00; Ducks Unlimited is contributing \$10,000.00; \$15,000.00 is from the Corporate Wetlands Partnership; \$100,000.00 from 1989 Shoreline Access Bonds; and, CRMC, through the Habitat Restoration Trust Fund has donated about \$80,000.00. The State's cash contribution is \$691,958.00. That is not the exact amount because there are a number of estimates in that figure. When the bids come in, the amount would be solidified.

ITEM H – A Motion was made by Mr. Barry and seconded by Mr. Griffith to approve the request of the Department for approval and signatures on an Easement and License Agreement with Roger Williams University and Kentron Incorporated.

Passed Unanimously

ITEM J - A Motion was made by Mr. Griffith and seconded by Mr. Barry to approve the request of the Department for approval and signatures on a Conservation Easement to the Aquidneck Island Land Trust.

ITEM K - A Motion was made by Mr. Griffith and seconded by Mr. Barry to approve the request of the Department for approval and signatures on a Boundary Line Agreement between the Department and Montaup Realty Corporation.

Passed Unanimously

The Chair, Mr. Williams requested the Department submit a breakdown of the costs and how much the State is contributing for the files.

ITEM I – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – A request was made by the Department for approval and signatures on an Amendment to the Purchase and Sales Contract with Kevin A. Breene for acquisition of a Conservation Easement over land in Coventry.

This request is for approval of an Amendment to the Purchase and Sales Contract between the Department and Kevin A. Breene for the acquisition of a Conservation Easement over 165 acres of land in Coventry. The Department appeared before the Committee previously and approval was granted to the Department to move forward. The Department did get a Purchase and Sale Contract signed with Senator Breene for this property. After that time, the Department ran into some major problems with the appraisal. The Department was working with the US Forest Service, which has very

specific standards on appraisal documents. The Department had gotten its original appraisal from Peter Scotti & Associates, and a gentleman who was working there. The appraisal was sent back by the US Forest Service. In the meantime, the gentleman who was working at Peter Scotti & Associates left employment there, so in a series of months, a response was finally sent back from DEM to the US Forest Service. And then, again, the appraisal was rejected a second time. The Department had no options at that point, but to move forward and get a new appraisal. The original contract that the Department signed with Senator Breene was based on the original appraisal document which had a value placed on the property of \$2500.00 per acre and at that time, the Department was assuming that the property consisted of 175 acres. As the appraisal process was going on, the actual survey process was started because the Department did have an actual Purchase and Sale. The Department has come to a point where the project has changed in a couple of ways. The appraisal valued the land at \$3,000.00 per acre based on requirements established by the U.S. Forest Service. The configuration of the actual purchase has changed somewhat. The acreage to be acquired has changed due to the elimination of a portion of the property from the overall project. Ms. Primiano displayed a map depicting the property and changes. The Department does have an appraisal. The Federal standards are different than the State standards. They have a separate requirement, in that the appraisers have to pass a fifteen (15) hour course and the Department knows of only two people who work in the State who have taken that class; and this is the appraisal that the Department now has in its possession for the property, which does value the property at \$3,000.00 per acre. The appraisal has been resubmitted to the US Forest Service.

The request of the Department is to amend the contract. The Department would be paying Senator Breene 20% more than the Department originally negotiated. That

original negotiation was based on an appraisal made in June 2003. There was a time difference there and there was also a difference in the methodology of approach. The approach that was taken by Peter Scotti & Associates' appraiser was much different than the approach taken by this gentleman, who does have the property certification. Ms. Allaire Johnson commented on the course that was required to be taken and stated she did not recall that being mentioned previously. Ms. Primiano stated this is a new requirement that the US Forest Service passed within the last 18 months. What the US Forest Service did was, if the Department had any projects in the works, they would let the Department get a waiver from that requirement, but when they rejected the appraisal, they told the Department to go back and get someone that was a qualified appraiser within their standards. There are written and adopted rules and regulations by the US Forest Service, so any time the Department uses US Forest Service money, the Department has to have someone who has taken this fifteen (15) hour course. Ms. Primiano reiterated that there are only two appraisers who have completed this fifteen (15) hour course and she has sent notices of the course to appraisers suggesting they take the course so that the Department can use them for these projects, without much success. Two persons bid on the appraisal and the Department went with the lowest bid. Ms. Allaire Johnson asked Ms. Primiano to explain again the reconfiguration of the property and Ms. Primiano explained using the map of the property. She explained that there would be one building lot retained, which is also addressed in the appraisal, so that if the parcel ever sold in total, someone could buy it, with an easement on it and still build a house and live there. The Department likes to have a building lot associated with a large parcel, otherwise, in the future there would be a 165 acre of land with a conservation easement that no one could live on. The Department likes to have a building lot associated with a large parcel that has an easement on it. The amount of acreage has been reduced from 175 acres to 165

acres. The Federal Grant has gone from what the Department thought would be \$328,000.00 to \$324,000.00 and the difference between the original Purchase and Sale Contract to this one \$171,000.00 and that balance would be split equally between The Nature Conservancy and The Town of Coventry. The Department would not be putting in any State funding for the actual easement acquisition and did not pay for the survey or the appraisal. The Department's involvement has been administration of the project. In the Ethics Commission's Opinion regarding Senator Breene's ability to enter into a Purchase and Sales Contract, there was a discussion about the Department not putting any money in, and that has not changed. Discussion took place regarding the methodology of the appraisals. Mr. Barry commented, the State is not putting any money in this project, but in future situations, the Forestry Service may be forcing the Department to use the services of one or two appraisers who are using a different method than the Department would usually use. Additional discussion regarding the appraisals took place. Ms. Primiano stated that the property owner had no control over this process. Once he signed the Purchase and Sale Contract, he believed he was signing that based on an appraisal that reflected the true value.

The Chair, Mr. Williams commented that he would not be voting for this if it were using State funds. He went on to say he is not faulting the Department. This is a situation that, because of some of the delays that have occurred, more is being paid. The other issue is it sounds as though the US Forest Service had provided, what appeared to be initially minor roadblocks, then turned them into major issues and as a result, are reducing the Grant. Additional discussion took place. The Chair commented that there is more money now coming from The Nature Conservancy and the Town and asked if they were comfortable with this. Ms. Primiano stated, that at meeting at the Champlin Foundation, where the Department represented the project, their comment was that they

thought this was done, so they were totally on board. The Nature Conservancy has had direct contact with the Coventry Land Trust, so she does not know if there are any questions and has not heard of any and is assuming they are anxious to see this project go forward. She said she cannot speak to whether they did have any problems, but she has not heard of any. The Chair stated, if this were approved, he would want to make it subject to confirmation from The Nature Conservancy and the Town of Coventry that they are in agreement with this. Additionally, the Chair requested, for the Committee's records, any correspondence that dictates from the US Forestry Service the change in the appraisal and rejection letters.

A Motion was made by Mr. Griffith and seconded by Mr. Barry, to approve the request of the Department for approval and signatures on an Amendment to the Purchase and Sales Contract with Kevin A. Breene for acquisition of a Conservation Easement over land in Coventry. Inherent in this Motion is receipt of confirmation from The Nature Conservancy and the Town of Coventry that they are in agreement with this, since they will be putting in more money. Additionally, request was made for the receipt of any correspondence that dictates from the US Forestry Service the change in the appraisal and rejection letters.

Passed Unanimously

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-4 (a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purposes, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.

A Motion was made to go into Executive Session by Mr. Griffith and seconded by Mr. Allaire Johnson. A roll call vote was made. Ms. Allaire Johnson voted “Aye”, Mr. Griffith voted “Aye”, Mr. Barry voted “Aye”, and the Chair voted “Aye”.

Mr. Griffith left the meeting at 11:50 A.M.

A Motion was made by Ms. Allaire Johnson and seconded by Mr. Barry to close the Executive Session and return to the regular meeting. The Motion was approved unanimously.

The regular session of the State Properties Committee re-opened with the following requests.

DEPARTMENT OF TRANSPORTATION

3) A request was made by the Department for approval of the acquisition of Condemnation Plat 2641, O’Connell Street, Bay Street, Oxford Street, Providence, for the relocation of Interstate Route 195 Project. The parcels are adjacent to Interstate 95 Southbound in the vicinity of a proposed ramp. Five (5) parcels are affected. Two involve a partial acquisition of land totaling 2,276 square feet. Four (4) parcels will be affected by three (3) year temporary easements totaling 1,779 square feet. Total cost for land and easements is \$42,276.00, of which 90% is Federally funded.

A Motion was made by Ms. Allaire Johnson and seconded by Mr. Barry to approve the request of the Department for approval of the acquisition of Condemnation Plat 2641, O’Connell Street, Bay Street, Oxford Street, Providence, for the relocation of Interstate Route 195 Project.

Passed Unanimously

4) A request was made by the Department for approval of the acquisition of temporary easements by Temporary Easement Agreements for land located at Route 107

and Chapel Street, Burrillville for Streetscape Enhancements/Rehabilitation of Granite Mill Bridge No. 309, Burrillville.

The total easement area consists of 283 square feet. The Temporary Easement Agreements are for a two (2) year period. Compensation totals \$200.00, which is 80% Federally Funded.

A Motion was made by Ms. Allaire Johnson and seconded by Mr. Barry to approve the request of the Department for approval of the acquisition of temporary easements by Temporary Easement Agreements for land located at Route 107 and Chapel Street, Burrillville for Streetscape Enhancements/Rehabilitation of Granite Mill Bridge No. 309, Burrillville.

Passed Unanimously

ITEM L – OFFICE OF THE CHILD ADVOCATE – A request was made by the Office of the Child Advocate for final approval and signatures on Lease for office space at 272 West Exchange Street, Providence.

At the request of the Office of the Child Advocate, this item was deferred to March 29.

All matters presented to the Committee were approved by all present. There being no further business to come before the Committee, the meeting adjourned.

Anne L. Lanni, Executive Secretary