

STATE PROPERTIES COMMITTEE

SPECIAL MEETING

MONDAY OCTOBER 3, 2005

The special meeting of the State Properties Committee was called to order at 2:30 P.M. by Chairman Jerome F. Williams. Other members present were Genevieve Allaire Johnson, Esquire, representing the Department of Attorney General and Mr. Robert Griffith, representing the Department of Administration. Also present were, Ms. Lisa Primiano, from the Department of Environmental Management, Mr. Brian Peterson, from the Department of Motor Vehicles, Mr. Lawrence Pratt, from PRG, Mr. Michael Milito, Deputy Assistant Director for Rhode Island Housing, Mr. Moss Sidell from the Fellman Law Group, Mr. Andy Hodgkin, Governor's Executive Counsel, Mr. Louis A. DeQuattro, Esq. and Mr. John Ryan, from the Department of Administration, Mr. Arn Lisnoff, from The Department of Administration, Mr. Michael Dautchell, Esq., from the Department of Transportation/Department of Administration, and Ms. Noreen Shawcross, from the Department of Administration, Office of Housing and Community Development.

ITEM A – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT –  
Requests approval and signatures on License Agreement for the Autumnfest Celebration over Columbus Day weekend, October 7 through October 10, 2005 at World War II Memorial State Park in Woonsocket. The festival is organized and run by a non-profit

group in coordination with the City of Woonsocket and there will be no fee for the license of the park.

A motion was made by Ms. Allaire Johnson and seconded by Mr. Griffith to approve the request of the Department for approval and signatures.

Passed Unanimously

ITEM B – DEPARTMENT OF ENVIRONMENTAL MANAGEMENT – Requests review and approval on a Conservation Easement with Kevin A. Breene for 165 acres of land in the Town of Coventry.

The Amendment to the Purchase and Sales Contract with Kevin Breene was approved and signed at the State Properties Committee meeting of Tuesday March 8, 2005. The Amendment includes the grant from the US Forest Service, which is now in the amount of 324,000.00. The remainder of the funds will be provided by The Nature Conservancy and the Town of Coventry. Based on a question by the Chairman, Ms. Primiano confirmed that there are no State dollars involved in the purchase of the Conservation Easement.

A motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson for approval.

Passed Unanimously

ITEM C – DEPARTMENT OF ADMINISTRATION/DIVISION OF MOTOR VEHICLES – Requests final approval on the Lease Agreement with Independence Park Property Group, L.L.C. for new Division of Motor Vehicles Headquarters space at 1810 Plainfield Pike, Cranston. The Lease Agreement will include a ten-year lease term at

total rent of \$22.36 per square foot, and all utilities will be a responsibility of the Department of Motor Vehicles.

After the presentation by Mr. Ryan and Mr. DeQuattro, Ms. Allaire Johnson provided information relating to the form of the lease. Acknowledging that the leased property is not a typical office building but is a retail facility in a retail plaza, there are items that are different from the standard State lease. These items included 1) limited default language pertaining to rights of the tenant, 2) a termination clause that begins at the seventh year of the lease, is a one time right to terminate and carries a substantial penalty provision of \$1,019,837 and three sevenths of the cost of any change orders, 3) language that the lease commences when the landlord substantially completes the improvements which is 180 days from the dated lease, 4) a provision that if the tenant requests change orders then the landlord receives an extension to complete the improvements and 5) language on parking that states the DMV will share a minimum of 500 spaces with other tenants in the plaza. Mr. Peterson from the Department of Motor Vehicles explained that there is substantial parking in excess of the 500 spaces needed for the DMV.

Significant discussion ensued relating to the differences between the standard office building leases and the lease for the DMV. The Chairman raised a question on whether the lease guaranteed a minimum of 500 spaces for the DMV. Representatives of the developer verbally stated that the DMV would be guaranteed the 500 spaces but the current leases with other tenants in the retail plaza preclude the landlord from dedicating certain spaces. Since the language in the lease does not currently guarantee the minimum

500 spaces, the developer agreed to revise the language in the lease to address the issue of spaces as required in the original RFP.

A motion was made by Mr. Griffith to approve the lease subject to satisfactory resolution on the language for the parking and seconded by Ms. Allaire Johnson.

Passed Unanimously

ITEM D – DEPARTMENT OF ADMINISTRATION/CRANSTON STREET ARMORY – Requests conceptual approval on an Easement for Narragansett Electric for new use of electric and the installation of a pad and transformer for future operations at the Cranston Street Armory.

A motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson for approval with details to return back.

Passed Unanimously

ITEM E – OFFICE OF THE GOVERNOR – Approval of lease for evacuees of the Katrina Hurricane between the Rhode Island Housing Resource Commission and the Northeast Housing L.L.C. for property in Middletown. Federal reimbursement will be sought for the 60 to 70 units with no landlord to tenant lease provided, rather a transitional housing agreement.

A motion was made by Mr. Griffith and seconded by Ms. Allaire Johnson to approve subject to final approval of the Rhode Island Housing Commission on Wednesday.

Passed Unanimously

There being no further business to come before the Committee, the meeting adjourned at 3:45 P.M.

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Anne L. Lanni, Executive Secretary