

## I-195 REDEVELOPMENT DISTRICT

### RESOLUTION REGARDING SALE OF DISTRICT PARCEL 2

March 16, 2022

**WHEREAS:** The I-195 Redevelopment District (the “District”) was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island under Chapter 64.14 of Title 42 of the General Laws of Rhode Island, as amended (the “Act”); and

**WHEREAS:** The Act authorizes the District, acting through its Commission (the “Commission”), to enter into agreements for the sale of properties owned by the District for any consideration and upon such terms and conditions as the Commission shall determine; and

**WHEREAS:** The Commission has received a proposal from Collage Providence, LLC (the “Developer”) to develop on District Parcel 2 a mixed-use project, to include workforce and affordable housing (the “Project”); and

**WHEREAS:** The Commission has entered into a non-binding Letter of Intent with the Developer dated March 8, 2022 (the “Letter of Intent”) outlining the terms and conditions under which the District would negotiate a purchase agreement with the Developer with respect to the Project; and

**WHEREAS:** The Chairperson and Executive Director have briefed the Commissioners in Executive Session this date regarding the Letter of Intent and have requested that they be authorized to negotiate and execute a purchase agreement with the Developer as provided herein.

NOW, THEREFORE, acting by and through its Commissioners, the District hereby resolves as follows:

**RESOLVED:**

1. That the District be, and it hereby is, authorized to enter into a Purchase and Sale Agreement with the Developer with respect to the Project (the “Purchase Agreement”) on the terms contained in the “Summary of Terms of Purchase Agreement for Parcel 2” attached hereto as Exhibit A and otherwise consistent with the terms of the Letter of Intent.
2. That each of the Chairperson and Executive Director, acting singly, be and hereby is, authorized to execute the Purchase Agreement on behalf of the District subject to such modifications as he or she in his or her discretion deems necessary and appropriate.

Exhibit A

**I-195 REDEVELOPMENT DISTRICT**

March 16, 2022

**Summary of Terms of Purchase Agreement for Parcel 2**

1.	<b><u>Purchaser:</u></b>	Collage Providence, LLC
2.	<b><u>Property:</u></b>	Parcel 2 (approximately 1.13 acres)
3.	<b><u>Project:</u></b>	a) Approx. 194 residential units (approx. 12 units to be live/work affordable artist housing); b) Approx. 15,000 sf commercial space; and c) Subsurface parking.
4.	<b><u>Contract Purchase Price:</u></b>	\$2,010,000
5.	<b><u>Deposits, Third Party Expense and Application Fee:</u></b>	a) \$25,000 deposit upon execution of Purchase Agreement; b) Additional \$25,000 deposit at end of Due Diligence Period; c) \$25,000 Third Party Expense Deposit with an additional deposit when expended; d) Non-refundable application fee payable upon Final Design Approval based upon project cost.
6.	<b><u>Due Diligence Period:</u></b>	60 days from execution of the Purchase Agreement.
7.	<b><u>Permitting Period:</u></b>	210 days from the end of the Due Diligence Period.
8.	<b><u>Closing Date:</u></b>	30 days after expiration of the Permitting Period with a Seller option to extend for an additional 30 days.
9.	<b><u>Default:</u></b>	a) If Purchaser defaults, Seller to retain deposits as liquidated damages b) If Seller defaults, Purchaser will have all remedies available, including suit for damages and specific performance.
10.	<b><u>Broker:</u></b>	None

11.	<b><u>Project Milestones:</u></b>	<p>a) Purchaser shall meet the following milestones:</p> <ul style="list-style-type: none"> <li>i) Commence construction within 30 days of closing;</li> <li>ii) Commence vertical construction within 4 months of construction commencement; and</li> <li>iii) Complete construction of each phase within 28 months of closing.</li> </ul> <p>Financial penalties shall be secured by a letter of credit or by a guaranty of an entity or individual reasonably acceptable to Seller.</p>
12.	<b><u>Purchaser Conditions</u></b>	By the end of the Permitting Period, Purchaser shall have entered into a tax stabilization agreement with the City of Providence. (This condition is waivable by Purchaser)
12.	<b><u>Seller Conditions:</u></b>	<p>Seller’s obligation to close the sale will be subject to satisfaction of each of the following conditions:</p> <ul style="list-style-type: none"> <li>a) Purchaser has closed on its debt financing for the project;</li> <li>b) Purchaser has demonstrated to Seller’s reasonable satisfaction that it has access to sufficient equity to satisfy the requirements of the debt financing commitment;</li> <li>c) Purchaser has executed a construction contract with an order to proceed promptly upon closing of Purchaser’s financing and has provided a copy to Seller; and</li> <li>d) Purchaser has met the conditions of the “Resolution Regarding Parcel 2” adopted at the February 2, 2022 meeting of the I-15 Redevelopment District Commission.</li> </ul>