

I-195 REDEVELOPMENT DISTRICT

RESOLUTION REGARDING DISTRICT PARCELS 14 AND 15

May 17, 2023

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 (the “State”) under Chapter 64.14 of Title 42 of the General Laws of Rhode Island (the “Act”); and

WHEREAS: The Act authorizes the District, acting through its Commission (the “Commission”), to dispose of properties owned by the District for development that will be beneficial to the State and the City of Providence and upon such terms and conditions as the Commission shall determine; and

WHEREAS: The Commission has solicited proposals with respect to development of District Parcels 14 and 15 and has received one proposal from and presentation by CV Properties; and

WHEREAS: The Commission has determined that it is appropriate to select a development proposal for Parcels 14 and 15 and to negotiate a letter of intent with respect to such proposal; and

WHEREAS: The Commission has made certain findings with respect to the proposal of CV Properties which findings are attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS: The Commission has determined that approval of any development of District Parcels 14 and 15 be subject to those conditions set forth on Exhibit A (the “Conditions”); and

WHEREAS: After review and consideration of the proposal submitted by CV Properties, the Commission has determined that the proposal of CV Properties to develop a residential building on Parcels 14 and 15 and adjacent property satisfies the goals of the Commission and its obligations under the Act.

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

RESOLVED: That the proposal of CV Properties to develop a 149-unit residential project (the “Proposed Project”) on Parcels 14 and 15 and on adjacent land be and hereby is selected as the preferred proposal for development of Parcels 14 and 15 and that the District commence negotiation with CV Properties of a letter of intent for the purchase and development of Parcels 14 and 15, including financial terms and performance dates, and subject to the Conditions.

EXHIBIT A

FINDINGS and CONDITIONS

Findings

1. The configuration of Parcel 14 and 15 reflects their use for decades as a portion of the layout of interstate 195. Given the small and irregular shape of these parcels, Parcels 14 and 15 should be developed jointly to maximize development potential. By combining Parcels 14 and 15 with the adjacent property at 200 Dyer Street, the preferred developer's proposal enables a master planned development of the combined properties, resulting in a more efficient development program that can maximize the development potential of this important site. Although Parcels 14 and 15 do not accommodate typical floorplates for laboratory or office when developed on their own, the later phases of the preferred developer's master plan are currently envisioned as commercial and laboratory uses.

2. The Commission recognizes the statewide housing supply shortage in the State of Rhode Island with a documented need for up to 55,000 additional multi-family housing units across the state, with a particular need for studios, one-bedroom units, and two-bedroom units.¹ The preferred developer has proposed 149 units, of which 95% are studios, one-bedrooms, and two-bedrooms. Furthermore, the Commission recognizes the shortage of affordable and workforce housing in Rhode Island and expects new multifamily housing developments in the District to provide either affordable or workforce housing (or a combination of them). The capital structure for larger projects has the flexibility to accommodate a greater number of units devoted to these purposes. The preferred developer has proposed 15 workforce units.

3. The State of Rhode Island issued bonds of approximately \$38 million to finance the infrastructure for the development of the District, of which approximately \$31 million was expended on the Michael S. van Leesten Memorial Bridge and the seven acre-park adjoining the bridge. The Commission is expected to generate sales of District real estate sufficient to repay the bonds. The preferred developer has proposed a significant purchase price of \$600,000.00 which is consistent with the Commission's objectives.

4. The Commission, by law, is the owner and operator of the District parks and is charged with generating revenue to support their maintenance and operation. The Commission's financial plan for the operation and maintenance of the parks contemplates that the owners of completed buildings in the District will pay an annual assessment based on the square foot area of their buildings at the current rate of \$0.48 per rentable SF (excluding parking, as adjusted for inflation) and that the contribution from the development of Parcels 14 and 15 will exceed \$30,000.00 per year.

5. The Commission recognizes the established urban planning principle that substantial residential developments with activated streetscape are positive for the surrounding neighborhood, enhancing the pedestrian experience and safety. Furthermore, given Parcel 14 and 15's location adjacent to the District park, it is essential that the development's ground floor use

¹ Rhode Island Foundation, "Housing Supply and Homelessness in Rhode Island," April 2023.

complements and enhances the adjacent open space. The proposal of the preferred developer responds to this principle with its inclusion of a first floor restaurant adjacent to the park.

6. The design of the project should reflect its prominent location along the Providence riverfront and adjacent to the District park. The proposed design will create a building of significant presence and which, as refined during the design review process, will result in the development consistent with its important location.

Conditions

1. The preferred developer's proposal shall be subject to a design review and approval process under the District's Development Plan during which the Commission will undertake an intensive review of the design of the project. This process will include a preliminary (concept) review to occur at two public meetings and a final plan review.

2. The preferred developer shall consult with the Commission on the later phases of the master plan to ensure a cohesive vision that is responsive to the site's location adjacent to the District Park and other District parcels.

3. The Commission understands that later phases may involve further development of Parcel 15, which will remain subject to the District Development Plan. Redevelopment of Parcel 15 shall be complementary of the parcel's location adjacent to the District Park.