

## I-195 REDEVELOPMENT DISTRICT

### RESOLUTION REGARDING SALE OF DISTRICT PARCELS 14 AND 15

August 16, 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 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:** Pursuant to Resolution dated May 17, 2023, the Commission has selected CV Properties, LLC (the “Developer”) to develop on District Parcels 14 and 15, and on adjacent land owned by Brown University, a mixed-use building consisting of approximately 149-unit residential units, 4,500 SF of ground floor commercial space, and 24 parking spaces (the “Project”); and

**WHEREAS:** The Chairperson and Executive Director have briefed the Commissioners in Executive Session this date regarding negotiations with the Developer 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 Parcels 14 and 15” attached hereto as Exhibit A.
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**

**August 16, 2023**

**Summary of Terms of Purchase Agreement for Parcels 14 and 15**

<b>1.</b>	<b><u>Purchaser/Developer:</u></b>	CV Dyer Street LLC, an affiliate of CV Properties, LLC
<b>2.</b>	<b><u>Property:</u></b>	Parcels 14 and 15
<b>3.</b>	<b><u>Project:</u></b>	Mixed-use building with approximately 149 residential units, 4,500 SF of commercial space, and 24 parking spaces
<b>4.</b>	<b><u>Contract Purchase Price:</u></b>	\$600,000
<b>5.</b>	<b><u>Deposits, Third Party Expense and Application Fee:</u></b>	a) \$25,000 deposit upon execution of Purchase Agreement; b) Additional \$50,000 deposit at end of Due Diligence Period; c) \$75,000 Third Party Expense Deposit with additional \$50,000 if needed; d) Non-refundable application fee payable upon Final Design Approval based upon project cost.
<b>6.</b>	<b><u>Due Diligence Period:</u></b>	150 days from execution of the Purchase Agreement.
<b>7.</b>	<b><u>Permitting Period:</u></b>	270 days from the end of the Due Diligence Period.
<b>8.</b>	<b><u>Closing Date:</u></b>	60 days after expiration of the Permitting Period.
<b>9.</b>	<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.
<b>10.</b>	<b><u>Broker:</u></b>	None

11.	<b><u>Project Milestones:</u></b>	<p>Purchaser shall meet the following project milestones:</p> <ul style="list-style-type: none"> <li>i) Commence construction by within thirty (30) days of closing;</li> <li>ii) Commence vertical construction within one (1) year of construction commencement; and</li> <li>iii) Complete construction within three (3) years of closing.</li> </ul> <p>Financial penalties shall be secured by a \$500,000 guaranty of CV Properties, LLC.</p>
12.	<b><u>Purchaser Conditions:</u></b>	Seller to have satisfied its obligations under the Agreement.
13.	<b><u>Seller Conditions:</u></b>	<p>Purchaser has the right to assign the purchase agreement to Brown University (“Brown”) for the sole purpose of combining Parcels 14 and 15 with Brown’s adjacent property and entering into a ground lease having a term of not less than 65 years with Purchaser for the combined site. If the purchase agreement is assigned to Brown, a non-profit entity, Brown and Purchaser will be obligated to comply with the provisions of the I-195 Act requiring non-profits to enter into agreements with the City regarding payments in lieu of taxes.</p> <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 entered into binding agreements with Brown, including a ground lease having a term of not less than 65 years, with respect to the use and development of the Project and has provided copies of such agreements to Seller;</li> <li>b) Purchaser has closed on all financing, debt and equity, required to complete the Project and has provided evidence of the same to Seller;</li> <li>c) Purchaser has executed a construction contract with an order to proceed promptly upon closing of purchase and has provided a copy to Seller; and</li> <li>d) Purchaser has met the conditions of the “Resolution Regarding District Parcels 14 and 15” adopted at the May 17, 2023 meeting of the Commission.</li> </ul>
14.	<b><u>Subsequent Phases:</u></b>	The Project is contemplated to be the first phase of a master-planned development of Parcels 14 and 15 and the adjacent Brown property. The purchase agreement will provide that the developer will consult with the Commission on subsequent

		<p>phases to ensure a cohesive vision given the location of the site adjacent to the District Park and other District parcels. Parcel 15 is anticipated to be redeveloped as part of a later phase and will remain subject to the District's Development Plan. The purchase agreement will also provide that future redevelopment of Parcel 15 will be complimentary of the location of that parcel adjacent to the District Park</p>
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