

## I-195 REDEVELOPMENT DISTRICT

### RESOLUTION REGARDING DISTRICT PARCEL 28

August 28, 2019

**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 and Providence Plantations 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 enter into purchase and sale agreements for 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 Exeter Property Group (the “Developer”) to develop a project consisting of approximately 246 residential units and approximately 22,700 square feet of retail space on District Parcel 28 (the “Project”); and

**WHEREAS:** The Commission has entered into a non-binding Letter of Intent with the Developer dated July 22, 2019 (the “Letter of Intent”) outlining the terms and conditions under which the District would negotiate a purchase and sale agreement with the Developer, or its nominee, with respect to the Project; and

**WHEREAS:** The Chairperson and Acting Executive Director have completed their negotiation of a purchase and sale agreement with the Developer and have briefed the Commissioners in Executive Session on this date as to those negotiations which are substantially in accordance with the terms and provisions of the Letter of Intent.

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, or its nominee, with respect to the Project (the “Purchase Agreement”) on the terms contained in the “Summary of Terms of Purchase and Sale Agreement for Parcel” attached hereto as Exhibit A.
2. That each of the Chairperson and Acting 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.

3. That each of the Chairperson and Acting Executive Director, acting singly, be and hereby is, authorized to take such further action with respect to financial assistance to the Project in light of available state and local programs, including adjustments to the purchase price, as he or she in his or her discretion deems necessary and appropriate to ensure that a closing takes place.

**Exhibit A**

**I-195 REDEVELOPMENT DISTRICT**

**August 28, 2019**

**Summary of Terms of Purchase and Sale Agreement for Parcel 28**

<b>1.</b>	<b><u>Purchaser:</u></b>	An EM 28 Providence, LLC, an affiliate of Exeter Property Group, LLC.
<b>2.</b>	<b><u>Property:</u></b>	Parcel 28 (approximately 1.35 acres).
<b>3.</b>	<b><u>Project:</u></b>	a) Approx. 246 residential units; and b) Approx. 22,700 sf of retail space.
<b>4.</b>	<b><u>Purchase Price:</u></b>	\$2,000,000.
<b>5.</b>	<b><u>Deposits, Third Party Expense and Application Fee:</u></b>	a) \$50,000 upon execution of Purchase Agreement; b) \$50,000 at end of Due Diligence Period; c) \$25,000 to extend Permitting Period for 90 days; d) \$25,000 Third Party Expense Deposit; and e) \$50,000 application fee payable upon Level 2 approval.
<b>6.</b>	<b><u>Due Diligence Period:</u></b>	45 days from execution of the Purchase Agreement.
<b>7.</b>	<b><u>Permitting Period:</u></b>	180 days from the execution of the Purchase Agreement with right to extend for additional 90 days upon payment of non-refundable additional deposit of \$25,000.
<b>8.</b>	<b><u>Closing Date:</u></b>	30 days after expiration of the Permitting Period.
<b>9.</b>	<b><u>Default:</u></b>	Upon default by Seller, Purchaser will have right to either a) terminate the agreement and receive return of deposit plus reimbursement of reasonable third party expenses up to \$50,000 or b) sue for specific performance.  Upon default by Purchaser, Seller's sole remedy is to retain deposit as liquidated damages.
<b>10.</b>	<b><u>Broker:</u></b>	None
<b>11.</b>	<b><u>Project Milestones:</u></b>	a) Purchaser shall meet the following milestones: i) Commence construction not later than 11 months after execution of purchase agreement;

		<ul style="list-style-type: none"> <li>iii) Commence vertical construction within 4 months of commencement of construction; and</li> <li>iv) Obtain certificate of occupancy not later than 24 months after commencement of construction.</li> </ul>
12.	<b><u>Purchaser Conditions:</u></b>	<p>Purchaser's obligation to close will be subject to satisfaction of each of the following conditions not later than the end of the Permitting Period:</p> <ul style="list-style-type: none"> <li>a) Purchaser shall have entered into an agreement with the RI Convention Center Authority granting Purchaser exclusive access to 70 spaces in the Garrahy Garage on such terms as Purchaser may elect;</li> <li>b) Purchaser shall have entered into a Tax Stabilization Agreement with the City of Providence on terms acceptable to Purchaser; and</li> <li>c) Purchaser shall have received a binding commitment for incentives for the Project under applicable state/local programs which, in Purchaser's sole discretion, are sufficient for development of the Project and may include adjustments to the Purchase Price.</li> </ul>
13.	<b><u>Seller Conditions:</u></b>	<p>Prior to closing, Purchaser shall have provided Seller with evidence (a) of a bona fide financing commitment for the Project and (b) that Purchaser has executed a construction contract with an order to proceed promptly upon closing of Purchaser's financing for the Project.</p>