

DEPARTMENT OF CITY CLERK

CITY HALL

MAY 29, 2003

The Committee on Urban Redevelopment, Renewal and Planning meets this day at 5:30 o'clock P.M., the Conference Room, Third Floor, City Hall.

PRESENT: Chairwoman Balbina A. Young, Councilwoman Carol A. Romano and Councilman David A. Segal – 3.

ABSENT: Vice-Chairman Miguel C. Luna and Councilman Joseph DeLuca – 2.

Also present are Councilman Luis A. Aponte; Karen Grande, Esquire; Greg Smith, Providence Journal; Michael R. Clement, City Clerk and Lori L. Hagen Assistant Clerk.

**Resolution Relative to the Providence Redevelopment Agency Parcel 12 Project.**

CHAIRWOMAN YOUNG: We only have one item on the agenda tonight, and this is a resolution relating to the Providence Redevelopment Agency parcel 12 project, and this has been in the City Council since May 15<sup>th</sup> of 2003, and it's been presented by Councilman Jackson by request. And we're hoping that Councilman Jackson can give us a brief presentation. Have they started their meeting?

COUNCILWOMAN ROMANO: No. I'm on that committee but he's in there speaking – he has two people in his office.

CHAIRWOMAN YOUNG: I asked Mike to ask him to come in here and give us a presentation. Who actually wants this property? Do we know that?

MS. GRANDE: I can speak –

CHAIRWOMAN YOUNG: Oh, okay.

MS. GRANDE: -- when it's appropriate if you would like to let the Councilman speak first –

CHAIRWOMAN YOUNG: Okay.

MS. GRANDE: -- but I'm here and available.

MR. CLEMENT: Councilman Aponte's coming.

CHAIRWOMAN YOUNG: Here's councilman Smith. Hi, Greg.

COUNCILWOMAN ROMANO: Are you present?

CHAIRWOMAN YOUNG: You missed the roll call. Does this seem -- this seems like this is a lease agreement or purchase --

COUNCILMAN SEGAL: Is this the one with the pieces of art on it?

MS. GRANDE: Yes.

COUNCILMAN SEGAL: Okay. So, it's where -- okay.

CHAIRWOMAN YOUNG: Next to the new Citizens bank, the tower.

MS. GRANDE: Correct.

COUNCILMAN SEGAL: It's on the opposite side of the river.

MS. GRANDE: This is a lot that has been looked at from time to time for development as a hotel site.

CHAIRWOMAN YOUNG: Joe Paolino, right.

MS. GRANDE: Yeah.

CHAIRWOMAN YOUNG: Okay, that's the one.

COUNCILMAN SEGAL: The one GTECH was talking about.

CHAIRWOMAN YOUNG: This is not GTECH though

COUNCILMAN SEGAL: I know but that's where they were they were thinking of going.

CHAIRWOMAN YOUNG: Actually, this goes back a while with that hotel, quite a few years now and we'd be happy to get something on it. Hi, Councilman Aponte.

COUNCILMAN APONTE: How are we doing?

CHAIRWOMAN YOUNG: Good, how are you?

COUNCILMAN APONTE: Not too bad.

CHAIRWOMAN YOUNG: Could you please give us just a brief –

COUNCILMAN APONTE: Sure.

CHAIRWOMAN YOUNG: -- overview of what this parcel is and what's going to be going on there?

COUNCILMAN APONTE: Parcel – this particular parcel 12 is the one adjacent to the Federal Court Building. It had been under development contract with the PRA for sometime. That deal went belly up. We do have developer that the PRA is working with. We'll probably not be able to consummate that deal until after July. What we're hoping to do is bond sell the parcel, bond out purchase of the parcel, take the \$2 million dollars in as a potential budget solution. We need to with the expectation that the developer is going to purchase the parcel sometime after July 1<sup>st</sup>. The – the – it's part of the public record, Carpionato was the developer that was chosen and is working with the PRA. He has a tremendous proposal for a combination hotel and I believe there might be some condo units as well. He did a tremendous proposal, actually enlisted Frederick St. Florian from RISD to design the building. What this will give us is a little bit of flexibility and as you all know we need to get as much flexibility as we can as we're unsure yet of what we will be getting from the legislature.

CHAIRWOMAN YOUNG: Okay.

COUNCILMAN APONTE: So, it's a sell with a lease back so that the PRA would be able to keep negotiating. Once the parcel is sold, take that in and either satisfy the debt or depending on how – what type of rate we're able to obtain, pay it over a longer period.

MS. GRANDE: That's a very excellent summary.

CHAIRWOMAN YOUNG: Okay. Anything you wanted to add?

MS. GRANDE: I would just say that this is a transaction that the City has done, the PRA, in similar circumstances in the past, an example is Promenade Center, that the PRA had purchased from the City in a similar way back in 1994,

held it for – and approved it a little bit for pre-development, for subsequent development then sold the parcel to Wasserman, I believe, which is currently being under construction right now. So, it's the same exact kind of idea. So, it serves a couple of purposes. It does serve as a – a budget solution. It's not a lot of dollars but every \$2 million dollars helps.

CHAIRWOMAN YOUNG: Exactly.

MS. GRANDE: So, that's part of the reason why we're here now because in order to get it into play so that it gives you the maximum budget flexibility. It would be nice to get this deal closed by the end of the fiscal year or the very beginning of the next fiscal year so that the accountants would let the City accrue it to this fiscal year.

CHAIRWOMAN YOUNG: Thank you. Any questions by Committee members? Can we get a motion then –

COUNCILWOMAN ROMANO: Sounds very good.

CHAIRWOMAN YOUNG: -- to approve?

COUNCILWOMAN ROMANO: Motion to approve.

COUNCILMAN SEGAL: Second the motion.

On motion of Councilwoman Romano, Seconded by Councilman Segal, it is voted to approve the foregoing matter.

CHAIRWOMAN YOUNG: Motion has been made and seconded to approve, all those in favor.

COMMITTEE: Ayes.

CHAIRWOMAN YOUNG: Opposed? Motion carries. It's approved.

COUNCILMAN APONTE: Excellent. Thank you, folks.

COUNCILWOMAN ROMANO: Very nice.

CHAIRWOMAN YOUNG: Thank you.

MS. GRANDE: Thank you very much.

CHAIRWOMAN YOUNG: Thank you so much.

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COUNCILWOMAN ROMANO: I knew about this and I think that the presentation –

COUNCILMAN APONTE: Oh, it was excellent.

COUNCILWOMAN ROMANO: Yeah.

COUNCILMAN APONTE: It was fantastic. It was far – far and away the best proposal I've seen for that sight and I've been on the PRA for almost five years.


CHAIRWOMAN YOUNG: Oh, I know and you've seen them all.

COUNCILMAN APONTE: Absolutely the best one I've seen yet and it has legs. He wants to – the developer really wants to do it.

CHAIRWOMAN YOUNG: Okay.

**ADJOURNMENT:** On motion of Councilman Segal, Seconded by Councilwoman Romano, it is voted to adjourn the meeting at 6:01 o'clock P.M.

  
City Clerk

  
Assistant Clerk

