

I-195 REDEVELOPMENT DISTRICT

RESOLUTION REGARDING LOT 402, PLAT 20

October 20, 2021

- 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 (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 State of Rhode Island, through its Commerce Corporation (“Commerce”), anticipates issuing a Request for Proposals (“RFP”)] for the development of a new building to house the operations of the Rhode Island State Health Lab (“RISHL”), such building to contain approximately 80,000 sq. ft. of space to be occupied by the RISHL as well as additional lab space to be occupied by a private lab user (the “RISHL Facility”); and
- WHEREAS:** Following the receipt of responses to the RFP process, Commerce will conduct a competitive process to select a developer for the RISHL Facility on a private site controlled by the developer, a suitable public site, or Lot 402 within the I-195 District; and
- WHEREAS:** The District is the owner of Lot 402 on Providence Assessor’s Plat 20 containing approximately 46,853 sq. ft. of land (“Lot 402”) and is interested in securing a developer to locate the RISHL Facility on Lot 402; and
- WHEREAS:** Typically, the Commission would issue an RFP to select a developer to construct the RISHL Facility on Lot 402 but in order to avoid separate processes with each of Commerce and the District, the District proposes to commit to offer Lot 402 to developers who participate in the RFP process on certain specified terms in order to provide certainty to developers as to the terms under which they could acquire title to Lot 402.
- WHEREAS:** In the event the developer for the RISHL selected through the RFP process desires to develop the facility on Lot 402, the Commission requires the authority to sell the land to the selected developer on certain specified terms and conditions.

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

RESOLVED: That the District be, and it hereby is, authorized to enter into negotiation of a Letter of Intent to sell Lot 402 (“LOI”) with a developer who is selected by Commerce to develop the RISHL Facility and who submits to the District written confirmation that it accepts the terms of sale set forth in Exhibit A attached hereto (the “Sale Terms”); and

RESOLVED: No developer shall acquire any rights to purchase Lot 402 unless and until (a) such developer has been selected by Commerce as the developer of the RISHL Facility, (b) such developer has agreed to locate the RISHL Facility on Lot 402 and (c) the Commission has approved the final terms of, and such developer has entered into, a Purchase Agreement with the District incorporating the Sale Terms and such other terms and conditions as the Chairperson and Executive Director may determine; and

RESOLVED: That each of the Chairperson and Executive Director, acting singly, be and hereby is, authorized to execute an LOI on behalf of the District incorporating the Sale Terms and to negotiate the terms a Purchase Agreement consistent with the Sale Terms, subject to such modifications as he or she in his or her discretion deems necessary and appropriate.

Exhibit A

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Summary of Terms of Purchase Agreement for Lot 402

1.	<u>Property:</u>	Lot 402 – 46,853 sq. ft.
2.	<u>Project:</u>	A lab facility consisting of approximately 80,000 SF of space for the RISHL and additional space to be occupied by private party lab tenant(s)
3.	<u>Purchase Price:</u>	\$1.00
4.	<u>Deposits, Third Party Expense and Application Fee:</u>	a) \$25,000 deposit upon execution of Purchase Agreement; b) additional \$ 25,000 deposit upon conclusion of due diligence period; c) \$75,000 third party expense deposit to be replenished when/if expended ; and d) non-refundable application fee in accordance with the Seller’s published fee schedule payable upon final construction plan approval by Seller.
5.	<u>Due Diligence Period:</u>	90 days from execution of the Purchase Agreement.
6.	<u>Permitting Periods:</u>	180 days from the end of the Due Diligence Period.
7.	<u>Closing Date:</u>	60 days after expiration of the Permitting Period.
8.	<u>Default:</u>	a) If Purchaser defaults, Seller to retain deposit/s as liquidated damages b) If Seller defaults, Purchaser will have all remedies available, including suit for damages and specific performance.
9.	<u>Broker:</u>	None

<p>10.</p>	<p><u>Project Milestones:</u></p>	<p>a) Purchaser shall be required to meet the following milestones:</p> <ul style="list-style-type: none"> i) Commence construction within 30 days of each closing; ii) Commence vertical construction within 6 months of closing; and iii) Complete construction within 3 years of closing. <p>These obligations will be evidenced by a development agreement to be executed and recorded at closing. Financial penalties for failure to meet milestones will be secured by a mutually agreed security to assure the developer's construction obligations.</p>
<p>11.</p>	<p><u>Park Maintenance Fee:</u></p>	<p>Upon completion of the project, Purchaser will be obligated to make annual contributions to the maintenance of the District parks based on the building square footage not occupied by RIDOH, pursuant to a recorded Declaration of Covenants. The 2022 assessment is \$0.44/per sf. ft. and is subject to annual CPI adjustment.</p>
<p>12.</p>	<p><u>Seller Conditions:</u></p>	<p>Seller's obligation to close the sale will be subject to satisfaction by Purchaser of each of the following conditions:</p> <ul style="list-style-type: none"> a) all permits for construction shall have been issued, including design review by Seller; b) construction financing to be closed and funding of equity to be completed at closing; c) all necessary acquisition and funding agreements with the State have been executed.