



East Providence Waterfront Special Development District Commission

Meeting/Public Hearing Minutes of December 1, 2010

Attendees: William Fazioli, Vice Chairman
Bruce Chick
John Gregory
Steven Hardcastle
Jacob Harpootian
Jonathan Killian
John Pesce
Luis Torrado

Staff: Jeanne Boyle, Executive Director
Robin Main, Counsel

The meeting was called to order at 6:32PM.

1. Vice Chairman's Opening Remarks

2. Approval of Minutes

VOTE: A motion was made to approve the minutes of the August 23, 2010 meeting. The motion was seconded and unanimously approved without discussion.

3. New Business

A. Village on the Waterfront LLC Tax Increment Financing (TIF)- assessment fees

The public hearing opened at 6:39PM. Present for the hearing were: Mr. Michael Hennessey from Village on the Waterfront LLC ("VOTW"); Carla Baker from Chevron Land Development; John R. "Jay" Gowell, Jr., Esquire, legal counsel for Chevron and VOTW; and Sandy Mack, Esquire, legal counsel for the City. Mr. Gregory stated that the purpose of the hearing was for the Waterfront Commission to approve the TIF Assessment Plan. Mr. Fazioli recused himself from the discussion, handed the meeting over to Mr. Gregory, and left the room.

Ms. Boyle stated that the document (the TIF Assessment Plan) is one piece of the larger package of documents associated with the TIF and bond documents. The City, the City's bond counsel, the Waterfront Commission's counsel and TIF consultant, and a team from VOTW all worked long and hard on this document. The document needed to comply with the RI enabling law associated with a redevelopment authority, the TIF enabling legislation, and other tax laws. The Waterfront Commission will be the entity that has the authority to impose assessment fees. The purpose of the assessment fees is to fill in the gap to pay for the debt service on the bonds in the early stage of the project, when few units have been constructed. It is additional security for which the developer will pay.

Because the Waterfront Commission does not have the administrative capabilities to make the evaluations and collect the fees: this document sets up the relationship between the City and the Commission that will enable the City to collect the fees. The Commission will assign the collection responsibilities to the City tax collector and tax assessor.

Mr. Gowell, attorney for VOTW, stated that Chevron owns the land, is remediating the land, and will be building the public infrastructure. The tax revenue will provide the means to pay bonds that will then repay Chevron for a portion of the investment. The purpose of the assessment fees is to provide gap coverage in the event that the tax revenues are insufficient to pay the required debt service on the bonds. Mr. Gowell led the Commission through a brief presentation about the project and the TIF assessment fees. There was a discussion about an example of how the fees would be assessed for a unit.

Ms. Mack said that the assessments are principal and interest on the bonds that will be issued, as well as administrative expenses: the fees are not applied solely to interest alone. The public improvements are not subject to the assessments: they are exempt. All the roads in the development will become public roads.

There was a discussion about administrative expenses. Ms. Mack explained that the dollar figures in the Assessment Plan Draft are only estimates. Mr. Gregory wanted to ensure that the Commission was not tied to these estimates: Ms. Mack and Mr. Gowell assured him that it was not. Mr. Gowell and Ms. Mack briefly discussed debt service coverage.

VOTE: Mr. Pesce made a motion to accept the resolution adopting the assessment fees and methodology relating to the Village on the Waterfront project as outlined in Document 1096000-V2 and to authorize the Waterfront Commission to sign the assessment pledge agreement. Mr. Harpootian seconded the motion. The motion was approved unanimously, without discussion, through a roll-call vote:

Fazioli	AYE
Chick	AYE
Gregory	AYE
Hardcastle	AYE
Harpootian	AYE
Killian	AYE
Pesce	AYE
Torrado	AYE

The public hearing ended at 7:17PM.

4. Continued Business

A. Baer Supply Update

Baer Supply has had its signage approved by the Design Review Committee.

B. Waterfront Commission Finances

Ms. Boyle reviewed the summary of finances that was included in the Commission packet.

5. Reports from Subcommittees

Mr. Gregory stated the DRC approved the Baer Supply signage.

6. Miscellaneous Other Business

There was no miscellaneous other business.

7. Staff Reports

A. General Counsel's Report

Ms. Main gave a status update on TLA/Pond View..

B. Executives Director's Report

Ms. Boyle discussed on-going Waterfront Commission issues.

8. Communication and Correspondence

9. Executive Session

Mr. Gregory recused himself from the session.

VOTE: A motion was made to enter into Executive Session: the motion was seconded and unanimously approved, without discussion. Mr. Fazioli reported that there was discussion with no motions made.

10. Announcements

There were no announcements.

11. Adjournment

VOTE: A motion was made to adjourn the meeting: the motion was seconded and unanimously approved without discussion.

The meeting was adjourned at 8:29PM.

Respectfully submitted,

JEANNE M. BOYLE
Executive Director

JMB/RG