



EAST PROVIDENCE WATERFRONT DISTRICT COMMISSION

Waterfront Commission Meeting Minutes September 19, 2019

Attendees: William Fazioli, Chair
Steven Hardcastle
Rick Lawson
Peter Willey
Jennifer Griffith
Tim Conley
Domenic Pontarelli

Absent: Luis Torrado
David Sluter
Paul Moura

Staff: Pamela M. Sherrill, AICP, Executive Director
Craig Seymour, RKG Associates, TIF application peer review
Karen Grande, Locke Lorde, TIF legal counsel

1. **CHAIRMAN'S OPENING REMARKS** The chair called the meeting to order at 6:35 PM and confirmed quorum. He called attention to the 15-year anniversary of the Waterfront Commission, as commemorated in a recent East Providence Post article.
2. **OLD BUSINESS**
 - A. **VOTE:** On a motion by Mr. Lawson, seconded by Mr. Hardcastle, August 15, 2019 meeting minutes were voted unanimously.
3. **NEW BUSINESS**
 - B. **Vote:** To request US Senate funding to remove marine debris in the Providence and Seekonk Rivers, including the derelict structure of the India Point railroad bridge.

Ms. Sherrill reported discussions with Sen. Whitehouse's staff regarding the recent City Council resolution and request by Councilman Rodericks for Waterfront Commission support. The August 27, 2019 grant application that the Waterfront Commission worked on with the Planning Department is limited to removal of marine debris in the vicinity of Green Jacket Shoals and removal of the derelict India Point Bridge cannot be included because an environmental impact assessment has not been conducted for this site. She will request further information from Senator Whitehouse's office regarding the Corps of Engineers process to request funding. At this point Sen. Whitehouse is noncommittal regarding support. Councilwoman Sousa expressed support to improve navigation safety, business expansion, and public access to the waterfront, among others.

On a motion by Mr. Conley and seconded by Mr. Hardcastle, the commission voted 7-0 to request US Senate funding to remove marine debris in the Providence and Seekonk Rivers, including the derelict structure of the India Point railroad bridge.

4. Public Hearing

- 1) **Vote:** To recommend to the City Council the application for \$9,370,000 Tax Increment Financing to fund a portion of infrastructure and public amenities including those within the FEMA 100-year flood zone, for a mixed-use development project.

Owner/Applicant: Union Oil Company of California (UNOCAL), a subsidiary of Chevron Corporation
Address: 620 Waterfront Drive
Map/Block/Lot: 006/01/005 (also known as 1 Pier Road)
007/01/001 (also known as 0 Pier Road)
007/01/002 (also known as 0 Pier Road)
Zoning: Bold Point Harbor Sub-district

Applicant testimony was presented by Monte McKillip on behalf of his client, Chevron, owner of UNOCAL. He indicated the concept for mixed use development upon which the \$9.73 million TIF request is based is aspirational and reflects the Waterfront Commission vision. Drone videos were presented to enhance understanding of the 8-acre site. Keenan Rice, Muncip, indicated that significant costs are required for development since 100% is in the floodplain, a gas pipeline must be relocated, structural parking is required to avoid construction of 75% of the site for surface parking, and public amenities will provide a waterfront attraction. Without TIF incentive an alternative use would be 35 townhouse units without any public access. Construction of the I-195 off-ramp is required to attract investment needed for development. The TIF request reflects the terms of the successful Kettle Point TIF and the Gulf Site TIF modification approved in 2018. Of the projected \$70 million development, 87% would be privately funded, yielding an attractive \$6 return for every \$1 of TIF funding.

Craig Seymour, Waterfront Commission TIF consultant, indicated that without TIF incentive the site is not feasible as a real estate deal. TIFs assure that the Waterfront Commission and city have a seat at the table with coordinated development of adjacent parcels. Karen Grande, Waterfront Commission TIF legal counsel, indicated that the city council issues bonds, and that the Waterfront Commission's role is to determine consistency with the Waterfront Plan. Sophisticated investors will want extensive research before purchasing bonds. As further protection, an assessment district that runs with the land will assure that city taxpayers will not be responsible for any bond repayment. The city will also gain restaurant, hotel, and tangibles tax. TIF debt service is not a general obligation to city residents, only to owners of the four corners of the development site. Although the city might have "reputational risk" if development fails, there is no financial risk to the city.

The floor was opened to public comment. One acknowledged that there is general misunderstanding of tax increment financing and how beneficial resultant development could be to the city. Another questioned apartment demand and indicated that traffic volumes on the parkway have increased in response to Kettle Point development.

The executive director provided testimony on project history and read a conclusion from her report indicating that the applicant (and future developer) should be aware that support for a TIF at this time does not automatically assure a future developer that a TIF modification will be granted if the goals and objectives of the 2003 Waterfront District Plan are not met.

On a motion by Mr. Hardcastle and seconded by Mr. Pontarelli, the hearing was closed.

Mr. Hardcastle read the attached resolution, seconded by Mr. Lawson. Commissioners voted 7-0 to approve the resolution to send a positive advisory opinion to City Council on \$9,730,000 tax increment financing for public infrastructure for UNOCAL parcels.

- 2) **Vote:** To recommend to the City Council, the amendment of the CITY OF EAST PROVIDENCE SPECIAL WATERFRONT DEVELOPMENT DISTRICT TAX INCREMENT FINANCING (TIF) PROJECT PLAN, 2007, as amended through October, 2018, by the adoption of a PROJECT PLAN for the UNOCAL Project Area within the Bold Point Sub-District of the Southern Waterfront Special Development District.

Ms. Grande summarized the Rhode Island General Law requirements, need for plan amendment, and the applicant's required findings.

Ms. Griffith read the attached resolution, seconded by Mr. Pontarelli. Commissioners voted 7-0 to approve the resolution to send a positive advisory opinion to City Council.

5. Staff Report

Ms. Sherrill provided an update on an anticipated application for a solar field on Dexter Road, status of construction of Kettle Point condos (70%), Colonial Mills landscaping, transfer of Kettle Point pier on hold pending remediation of oil seeps and peer review of the remedial action work plan, and Diane Feather's retirement after 29 years with the Planning Department. The next meeting will be October 17, not October 24 as previously announced.

The Chair announced that he has appointed Mr. Conley vice chair. He further announced that he has accepted the position of director of the East Providence Department of Planning and Economic Development. He will be seeking a ruling from the Ethics Commission to clarify his eligibility to continue as chair while a city employee.

6. **VOTE:** A motion was made by Mr. Hardcastle, seconded by Mr. Lawson, and voted unanimously to adjourn the meeting. Meeting adjourned at 8:05 PM.

Respectfully submitted,

PAMELA M. SHERRILL, AICP, *Executive Director*

Enclosures:

- Resolution of the East Providence Special Waterfront Development District Commission Rendering an Advisory Recommendation Regarding the Chevron (UNOCAL) Tax Increment Financing Application and Recommending Approval thereof to the City Council
- Resolution of the East Providence Special Waterfront Development District Commission Amending the East Providence Special Waterfront Development District Redevelopment Plan and Adopting a Project Plan for the UNOCAL Project Area within the Bold Point Sub-district of the Southern Waterfront Special Development District, Rendering an Advisory Recommendation Regarding the Project Plan and Recommending Approval thereof to the City Council

**RESOLUTION OF THE EAST PROVIDENCE SPECIAL WATERFRONT
DEVELOPMENT DISTRICT COMMISSION**

**RENDERING AN ADVISORY RECOMMENDATION REGARDING THE CHEVRON
(UNOCAL) TAX INCREMENT FINANCING APPLICATION AND RECOMMENDING
APPROVAL THEREOF TO THE CITY COUNCIL**

WHEREAS, it is the purpose and intent of the City Council of the CITY OF EAST PROVIDENCE (the "City") to facilitate redevelopment of certain areas within the City to accommodate the City's redevelopment initiatives; and

WHEREAS, pursuant to chapters 31-33 of title 45 of the Rhode Island General Laws, the Redevelopment Act of 1956 (the "Redevelopment Act") and chapter 33.2 of title 45 of the Rhode Island General Laws, as amended (the "Tax Increment Financing Act") the City desires to raise funds for such redevelopment by the means of tax increment financings; and

WHEREAS, the City has established the East Providence Special Waterfront Development District Commission ("Waterfront Commission") to act as its Redevelopment Agency to implement the East Providence Waterfront Development District Redevelopment Plan (the "Redevelopment Plan"); and

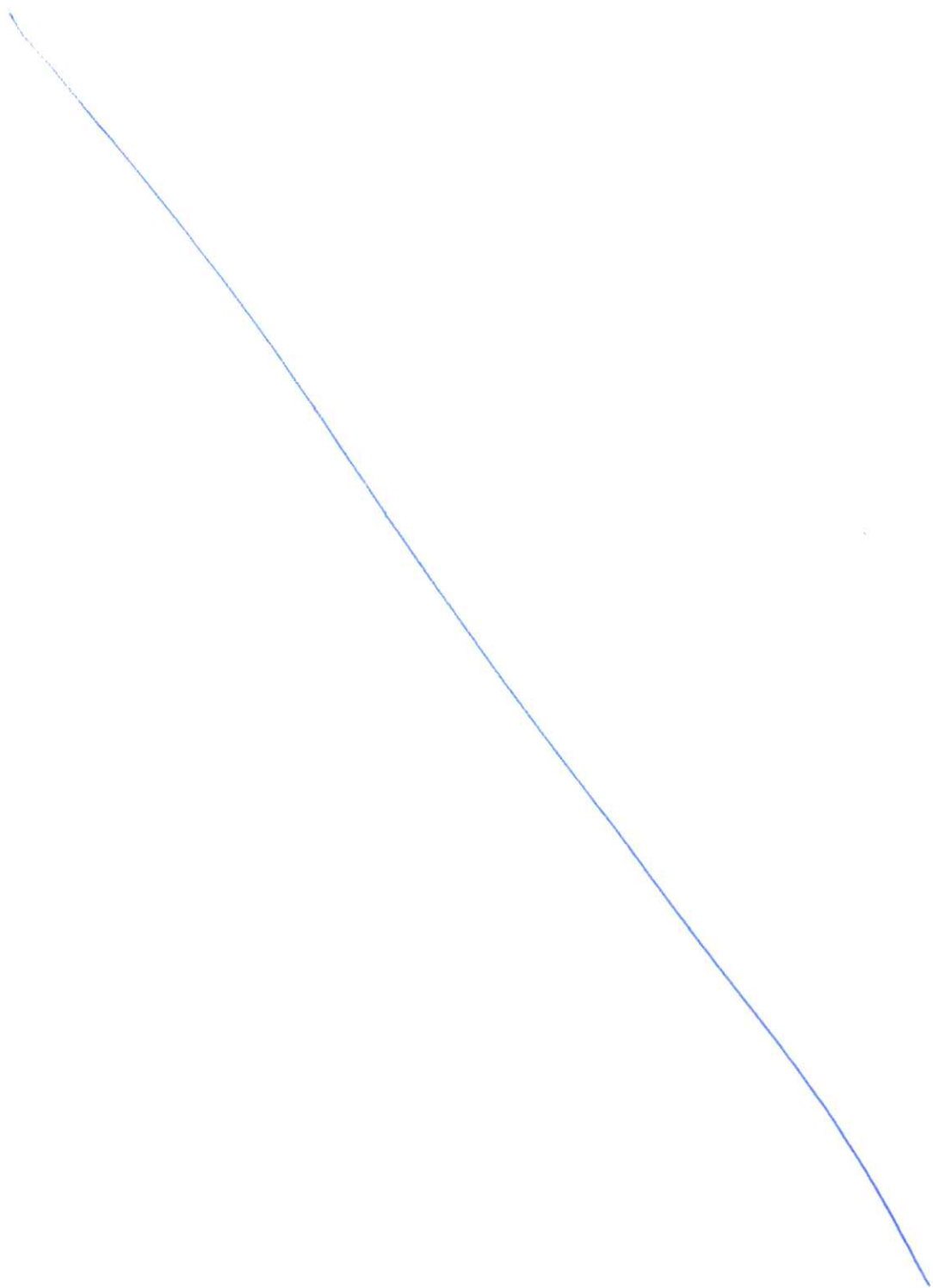
WHEREAS, the Waterfront Commission has reviewed the proposed Tax Increment Financing Application from Chevron Corporation dated September 13, 2019 attached hereto as Exhibit A relating to a project proposed to be located within the Bolt Point Sub-District of the Southern Waterfront Special Development District; and

WHEREAS, the Waterfront Commission Executive Director issued a Certificate of Completeness dated September 16, 2019 with respect to the Application attached hereto as Exhibit B and incorporated herein; and

NOW THEREFORE BE IT RESOLVED by the Waterfront Commission, that the Waterfront Commission recommends that the City Council approve the request of Chevron Corporation for Tax Increment Financing as described in the Application.

This resolution shall take effect upon passage.

Adopted: _____



**RESOLUTION OF THE EAST PROVIDENCE SPECIAL WATERFRONT
DEVELOPMENT DISTRICT COMMISSION**

**AMENDING THE EAST PROVIDENCE SPECIAL WATERFRONT DEVELOPMENT
DISTRICT REDEVELOPMENT PLAN AND ADOPTING A PROJECT PLAN FOR THE
UNOCAL PROJECT AREA WITHIN THE BOLD POINT SUB-DISTRICT OF THE
SOUTHERN WATERFRONT SPECIAL DEVELOPMENT DISTRICT, RENDERING
AN ADVISORY RECOMMENDATION REGARDING THE PROJECT PLAN AND
RECOMMENDING APPROVAL THEREOF TO THE CITY COUNCIL**

WHEREAS, it is the purpose and intent of the City Council of the CITY OF EAST PROVIDENCE (the "City") to facilitate redevelopment of certain areas within the City to accommodate the City's redevelopment initiatives; and

WHEREAS, pursuant to chapters 31-33 of title 45 of the Rhode Island General Laws, the Redevelopment Act of 1956 (the "Redevelopment Act") and chapter 33.2 of title 45 of the Rhode Island General Laws (the "Tax Increment Financing Act") the City desires to raise funds for such redevelopment by the means of tax increment financings; and

WHEREAS, the City has established the East Providence Special Waterfront Development District Commission ("Waterfront Commission") to act as its Redevelopment Agency to implement the East Providence Waterfront Special Development District Redevelopment Plan ("Redevelopment Plan"); and

WHEREAS, the Waterfront Commission has formulated the Amendment No. 5 to the Redevelopment Plan to add a Project Plan with respect to the UNOCAL Project Area within the Bold Point Sub-District of the Southern Waterfront Special Development District, which amendment is attached hereto as Exhibit A and incorporated herein (Amendment No. 5) ; and

WHEREAS, the Waterfront Commission has reviewed the proposed Amendment No. 5; and

WHEREAS, the Waterfront Commission has provided an advisory opinion to the East Providence City Council in its memorandum dated attached hereto as Exhibit B and incorporated herein; and

NOW THEREFORE BE IT RESOLVED by the Waterfront Commission, that:

SECTION 1. The Waterfront Commission hereby approves the Amendment No. 5 to attached hereto as Exhibit A. Future plans for the Unocal Project shall (a) be generally consistent with the scope and intent of the conceptual development presented in Amendment No. 5 and (b) shall address the provision of affordable housing or the payment of fees in lieu of affordable housing.

SECTION 2. The Waterfront Commission recommends that the City Council adopt and approve the Amendment No. 5 to the Project Plan.

SECTION 3. This Resolution shall take effect upon passage.