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LC005438/SUB A/4
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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**JOINT RESOLUTION
AND AN ACT**

**APPROVING THE ISSUANCE OF NOT TO EXCEED \$45,000,000 REVENUE BONDS BY
THE RHODE ISLAND CONVENTION CENTER AUTHORITY TO FINANCE
CONSTRUCTION OF A PUBLIC PARKING GARAGE AT THE GARRAHY COURTHOUSE
PARKING LOT SITE AND AUTHORIZING THE STATE TO ENTER INTO A FINANCING
LEASE IN CONNECTION THEREWITH**

Introduced By: Senators Ruggerio, Goodwin, and Miller

Date Introduced: March 23, 2016

Referred To: Senate Finance

(The I-195 Redevelopment District Commission)

1 SECTION 1. This act consists of a joint resolution that is submitted pursuant to Rhode
2 Island General Laws § 35-18-1, et seq.

3 SECTION 2. Garrahy Courthouse Parking Project.

4 WHEREAS, Given the prime geographic location of the Garrahy Courthouse surface
5 parking lot site and its current limitations to adequately serve the Courthouse and surrounding
6 buildings; and

7 WHEREAS, Given the results of the Garrahy Courthouse Parking Garage Conceptual
8 Analysis presented to a Special Legislative Commission for the Garrahy Parking Garage in
9 January, 2014 which identifies development of the current site into a multi-level parking garage
10 as a way to alleviate parking demand in the area and to spur economic activity; and

11 WHEREAS, The I-195 Redevelopment District Commission ("Commission") has the
12 principal responsibility for developing the surplus land from the relocation of Interstate 195 ("the
13 Link") to promote economic development through the best use of nearby freed-up parcels; and

14 WHEREAS, The Commission has indicated that adequate structured parking is essential
15 to the development of the Link and that authorization for construction of a garage will assist it in
16 attracting interest in parcels of land; and

17 WHEREAS, The Rhode Island Convention Center Authority ("Convention Center

1 Authority") is a public instrumentality of the State of Rhode Island, created by the general
2 assembly pursuant to Rhode Island General Laws §§42-99-1 et seq. (as enacted, reenacted and
3 amended, the "Act"); and

4 WHEREAS, Pursuant to the Convention Center Act and this Joint Resolution and Act
5 (this Joint Resolution and Act are herein referred to as the "Joint Resolution"), the Convention
6 Center Authority shall have the authority to develop, construct and operate a garage on the
7 Garrahy Courthouse parking lot site; and

8 WHEREAS, The State would enter into an agreement with the Convention Center
9 Authority to develop, construct and operate a garage on the Garrahy Courthouse parking lot site;
10 and

11 WHEREAS, The Commission and CV Properties, LLC and Wexford Science &
12 Technology, LLC ("CV/Wexford") have entered into a purchase and sale agreement (the
13 "CV/Wexford Agreement") pursuant to which CV/Wexford has agreed to purchase land within
14 the Link in order to develop a mixed-use complex consisting of laboratory space, office space,
15 hotel, meeting space, and residential units (the "CV/Wexford Development"); and

16 WHEREAS, The CV/Wexford Development is across Clifford Street from the Garrahy
17 Courthouse and Garrahy Courthouse parking lot site; and

18 WHEREAS, CV/Wexford expressed in the CV/Wexford Agreement its intention to
19 acquire spaces in a public parking garage located on the Garrahy Courthouse parking lot site at
20 applicable market rates in order to assure adequate parking is available for the CV/Wexford
21 Development; and

22 WHEREAS, The project costs associated with the construction of a garage is estimated at
23 forty-five million dollars (\$45,000,000) based on industry guidelines of thirty-one thousand two
24 hundred fifty dollars (\$31,250) per parking space for approximately one thousand two hundred
25 (1,200) or more parking spaces and build out of commercial or retail space on some portion of the
26 first floor, funding debt service reserve fund, and issuance and other costs associated with the
27 financing. Debt service payments on the bonds are not expected to exceed eighty-eight million
28 one hundred twenty-five thousand dollars (\$88,125,000) in the aggregate based on an average
29 interest rate of six percent (6%) assuming that the project must be financed with taxable debt
30 rather than tax-exempt debt, with average annual debt service payments on a fiscal year basis
31 expected to be approximately three million five hundred twenty-five thousand dollars
32 (\$3,525,000) over a twenty-five (25) year term (the Financing Parameters"); and

33 WHEREAS, the location of the garage is central to the "Link" and other essential city and
34 state services; and

1 WHEREAS, the general assembly has determined that because the garage will be an
2 extremely visible structure on the city/state landscape, the garage's appearance, design and use
3 concept should be considered in a holistic manner so that the garage can serve as more than a
4 "utilitarian" garage; now, therefore be it

5 RESOLVED AND ENACTED, That the State is authorized to effectuate the
6 development of the garage, to lease or sell the surface lot adjacent to the Garrahy Courthouse to
7 the Convention Center Authority, to enter into a long-term parking lease for court employees and
8 other state employees, as appropriate, and to enter into appropriate agreements including
9 financing arrangements that would permit the development and operation of the garage by the
10 Convention Center Authority; and be it further

11 RESOLVED AND ENACTED, That no debt shall be issued by the Convention Center
12 Authority for the garage until such time that the Commission certifies to the State and the
13 Convention Center Authority that either: (1) CV/Wexford or their nominee(s) have closed on the
14 purchase of Parcel 1 as described in the CV /Wexford Agreement and have agreed to lease not
15 fewer than four hundred (400) spaces in the garage at market rates; or (2) The Commission has
16 entered into at least three (3) purchase and sale agreements for parcels of land under its control,
17 excluding parcels 6, 8 and 9 of the Link; and be it further

18 RESOLVED AND ENACTED, That the Department of Administration may advance
19 from the Rhode Island Capital Plan Fund ("Fund") an amount not to exceed five hundred
20 thousand dollars (\$500,000) for preliminary architectural and engineering work on the planned
21 garage, the sum of which shall be repaid to the Fund upon issuance of the debt by the Convention
22 Center Authority, and be it further

23 RESOLVED AND ENACTED, That the general assembly hereby authorizes the
24 Convention Center Authority to develop, construct and operate a garage on the Garrahy
25 Courthouse parking lot site and to issue debt in accordance with its authority under Chapter 99 of
26 title 42 of the General Laws in an amount not to exceed forty-five million dollars (\$45,000,000),
27 in conformity with the Financing Parameters, to finance the project; and be it further

28 RESOLVED AND ENACTED, The Convention Center Authority shall seek, through a
29 public notice and competitive process, proposals that provide for the design and construction of
30 the garage, and shall encourage respondents to include in their proposals creative uses for the
31 garage that are compatible with the property's primary function as a garage; provided, however,
32 that nothing herein shall require the Convention Center Authority to use a particular method of
33 procurement nor require it to proceed with a proposal that it determines cannot deliver a garage of
34 the size and character required under this Joint Resolution in a timely manner and within budget,

1 and be it further

2 RESOLVED AND ENACTED, That this Joint Resolution shall take effect immediately
3 upon its passage; and be it further

4 RESOLVED AND ENACTED, That this Joint Resolution supersedes the authorization
5 contained in Section 2, Article 4 of Chapter 145 of the 2014 Public Laws; and be it further

6 RESOLVED AND ENACTED, That this Joint Resolution shall apply to debt issued
7 within five (5) years of the date of passage of this Joint Resolution.

8 SECTION 3. This act shall take effect upon passage.

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