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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- QUONSET DEVELOPMENT
CORPORATION

Introduced By: Representatives Casimiro, and Craven

Date Introduced: January 30, 2019

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-64.10-6 of the General Laws in Chapter 42-64.10 entitled
2 "Quonset Development Corporation" is hereby amended to read as follows:

3 **42-64.10-6. Additional general powers and duties.**

4 In addition to the powers enumerated in § 42-64.10-5, except to the extent inconsistent
5 with any specific provision of this chapter, the corporation shall have and may exercise additional
6 general powers:

7 (a) As set forth in § 42-64-7 necessary or convenient to effect its purposes; provided,
8 however, that the corporation shall not have the power to issue bonds or notes or exercise eminent
9 domain, except as expressly set forth in this section;

10 (b) As a subsidiary of the Rhode Island commerce corporation as provided for in § 42-64-
11 7.1;

12 (c) As the Rhode Island commerce corporation's true and lawful attorney as agent and
13 attorney-in-fact and in the name, place and stead of the Rhode Island commerce corporation with
14 respect to all property of the Rhode Island commerce corporation at Quonset Business Park
15 (hereinafter referred to as "the Property") and for the purposes hereinafter set forth:

16 (1) To ask, demand, recover, collect, receive, hold, and possess all sums of money, debts,
17 dues, goods, wares, merchandise, chattels, effects, bonds, notes, checks, drafts, accounts,
18 deposits, safe deposit boxes, interests, dividends, stock certificates, certificates of deposit,

1 insurance benefits and proceeds, documents of title, personal and real property, tangible and
2 intangible property, and property rights, liquidated or unliquidated, that now are, or hereafter,
3 shall be, or become, due, owing, or payable in respect to the property, and upon receipt thereof, or
4 of any part thereof, to make, sign, execute, and deliver such receipts, releases, or other discharges
5 for the same as the corporation shall deem proper.

6 (2) To lease, purchase, exchange and acquire, and to bargain, contract, and agree for the
7 lease, purchase, exchange, and acquisition of, and to take, receive, possess, and manage any real
8 or personal property related in any way to the property, tangible and intangible, or any interest
9 therein.

10 (3) To enter into and upon all and each of the real properties constituting a part of, or
11 related in any way, to the property, and to let, manage, and improve the real property or any part
12 thereof, and to repair or otherwise improve or alter, and to insure any buildings or structures
13 thereon.

14 (4) To market and sell, either at public or private sale, or exchange any part or parts of the
15 real or personal properties, including indebtedness or evidence thereof, constituting a part of or
16 related in any way to the property, including sales on credit, and for that purpose to execute and
17 receive all promissory notes, bonds, mortgages, deeds of trust, security agreements, and other
18 instruments that may be necessary or proper, and to bargain, contract, and agree with respect to
19 the sale or exchange of such properties; and to execute and deliver good and sufficient deeds,
20 bills of sale, assignments, or other instruments or endorsements for the conveyance or transfer of
21 the same; and to give receipts for all or any part of the purchase price or other consideration.

22 (5) To sign, endorse, execute, acknowledge, deliver, receive, and possess such
23 applications, contracts, agreements, options, covenants, deeds, conveyances, trust deeds,
24 mortgagees deeds, security agreements, bills of sale, leases, mortgages, assignments, insurance
25 policies, bills of lading, warehouse receipts, documents of title, bills, bonds, debentures, checks,
26 drafts, bills of exchange, notes, stock certificates, proxies, warrants, commercial paper, receipts,
27 withdrawal receipts, and deposit instruments relating to accounts or deposits in, or certificates of
28 deposit of, banks, savings and loan or other institutions or associations, proofs of loss, evidences
29 of debts, releases, and satisfactions of mortgages, judgments, liens, security agreements, and other
30 debts and obligations, and other instruments in writing of whatever kind and nature as be
31 necessary or proper in the exercise of the rights and powers herein granted.

32 (6) To enter into subordination agreements, inter-creditor agreements, reinstatement
33 agreements, "stand still" and "stand-by" agreements, modification agreements, forbearance
34 agreements, and other contracts having the effect of subordinating, modifying, renewing,

1 restructuring or otherwise altering the rights, obligations, or liabilities of the commerce
2 corporation, under or with respect to any indebtedness, property, or other assets constituting or
3 securing any property.

4 (7) To make demands, give notices of default, notices of intention to accelerate, notices
5 of acceleration, or such other notices as the corporation deems necessary or appropriate, and to
6 take other actions and exercise other rights that may be taken under the terms of any loan
7 agreements, security agreements, guaranties, or other documents or agreements evidencing, or
8 otherwise relating to, the property, including foreclosure, lease, sale, taking possession of,
9 realization upon, or any other disposition of any property or any collateral therefor or guarantee
10 thereof.

11 (8) To exercise any powers and any duties vested in the commerce corporation as a
12 partner, joint venturer, participant, or other joint-interest holder with respect to any property, or to
13 concur (or not) with persons jointly interested with the commerce corporation in any property.

14 (9) With respect to the property: (i) To sue on, or otherwise prosecute, any claim or cause
15 of action, or commence or seek any legal, equitable, or administrative or other remedy in any
16 legal, administrative, arbitration, mediation, or other proceeding whatsoever (including, non-
17 judicial repossessions and foreclosures or similar actions to recover collateral); (ii) To defend, or
18 otherwise participate for, or in the name of, the commerce corporation in any legal,
19 administrative, arbitration, mediation, or other proceedings; (iii) To process, determine, or
20 adjudge any claim or cause of action for, or in the name of, the commerce corporation; (iv) To
21 compromise, settle, discharge or resolve, or make, execute, or deliver any endorsements,
22 acquittances, releases, receipts, or other discharges of any claim, cause of action, determination,
23 judgment, or other proceeding for, or in the name of, the commerce corporation; and (v) To
24 prepare, execute, and file ad valorem, franchise and other tax returns, protests and suits against
25 taxing authorities, and to prepare, execute, and file other governmental or quasi-governmental
26 reports, declarations, applications, requests and documents in connection with any property, and
27 to pay taxes in connection with the property as the corporation deems necessary or appropriate, or
28 as otherwise required by law.

29 (10) Any third party shall be entitled to rely on a writing signed by the corporation to
30 conclusively establish the identity of a particular Property as property for all purposes hereof.

31 (d) To own, hold, improve, operate, manage, and regulate utilities at the Quonset
32 Business Park and to establish rates, fees, and charges, to adopt regulations, and to impose
33 penalties for any services or utilities it provides, or causes to have available, and to have functions
34 and exercise powers as necessary and appropriate under the provisions of §§ 42-64-4, 42-64-7.4,

1 42-64-7.8, 42-64-7.9 and 42-64-9.1 -- 42-64-9.10, inclusive.

2 (e) To enter into agreements with any city, town, district, or public corporation with
3 regard to application and/or administration of zoning or other land use ordinances, codes, plans,
4 or regulations, and cities, towns, districts, and public corporations are hereby authorized and
5 empowered, notwithstanding any other law to the contrary, to enter into such agreements with the
6 corporation and to do all things necessary to carry out their obligations under such agreements; in
7 the absence of any such agreement the corporation shall act in accordance with the provisions of
8 § 42-64-13.

9 (f) To enter into agreements, including with any state agency, city, town, district, or
10 public corporation, for the provision of police, security, fire, sanitation, health protection, and
11 other public services.

12 (g) To be exempt from taxation and to enter into agreements for payments in lieu of taxes
13 as provided for in § 42-64-20.

14 (h) To establish a stormwater management and conveyance system and regulate
15 connections, user fees, charges and assessments in connection therewith. In particular, the
16 corporation shall have full and complete power and authority to:

17 (1) Limit, deny, or cause appropriate direct or indirect connections to be made between
18 any building or property located in the Quonset Business Park, or from any location outside the
19 boundaries of the Quonset Business Park and discharging into the corporation's stormwater
20 management and conveyance systems. The corporation may prescribe those rules and regulations
21 for stormwater runoff, that in the opinion of the corporation, are necessary and appropriate for the
22 maintenance and operation of the stormwater management and conveyance systems, and may
23 establish, from time to time, rules and regulations relating to stormwater management in the
24 Quonset Business Park. Any person or entity having an existing connection to the stormwater
25 management and conveyance systems or currently discharging into such systems, will obtain a
26 permit from the corporation in accordance with its rules and regulations. No person or entity
27 shall, without first being granted a written permit from the corporation in accordance with its
28 rules and regulations, make any future connection or permit any runoff from any structure or
29 property to any stormwater management and conveyance systems, or any appurtenance thereto,
30 without first being granted a written permit from the corporation in accordance with its rules and
31 regulations.

32 (2) Compel any person or entity within the Quonset Business Park, for the purpose of
33 stormwater runoff, to establish a direct connection on the property of the person or entity, or at
34 the boundary thereof, to the corporation's stormwater management and conveyance systems.

1 These connections shall be made at the expense of such person or entity. The term
2 "appurtenance" as used herein shall be construed to include adequate pumping facilities,
3 whenever the pumping facilities shall be necessary to deliver the stormwater runoff to the
4 stormwater management and conveyance systems.

5 (3) Assess any person or entity having a direct or indirect connection (including, without
6 limitation, via runoff) to the Quonset Business Park stormwater management and conveyance
7 systems the reasonable charges for the use, operation, maintenance, and improvements to the
8 systems. The corporation shall also be entitled, in addition to any other remedies available, to
9 assess fines for violations of the rules and regulations established by the corporation with respect
10 to stormwater management.

11 (4) Collect the fees, charges, and assessments from any person or entity so assessed. Each
12 person or entity so assessed shall pay the fees, charges, or assessments within the time frame
13 prescribed by the rules and regulations of the corporation. The corporation may collect the fees,
14 charges, and assessments in the same manner in which taxes are collected by municipalities, with
15 no additional fees, charges, assessments, or penalties (other than those provided for in chapter 9
16 of title 44). All unpaid charges shall be a lien upon the real estate of the person or entity. The lien
17 shall be filed in the records of land evidence for the city or town in which the property is located
18 and the corporation shall simultaneously, with the filing of the lien, give notice to the property
19 owner. Owners of property subject to a lien for unpaid charges are entitled to a hearing within
20 fourteen (14) days of the recording of the lien.

21 (5) Notwithstanding the provisions of subsection (h)(4) of this section, the corporation is
22 authorized to terminate the water supply service or prohibit the use of the corporation's
23 stormwater management and conveyance systems of any person or entity for the nonpayment of
24 storm water management user fees, charges, and assessments. The corporation shall notify the
25 user of termination of water supply or use of the stormwater management and conveyance
26 systems at least forty-eight (48) hours prior to ceasing service. The corporation may assess any
27 person or entity any fees, charges, and assessments affiliated with the shut off and restoration of
28 service.

29 (6) Without in any way limiting the foregoing powers and authority, the corporation is
30 also hereby empowered to: (i) Establish a fee system and raise funds for administration and
31 operation of the stormwater management and conveyance systems; (ii) Prepare long-range,
32 stormwater management master plans; (iii) Implement a stormwater management district; (iv)
33 Retrofit existing structures to improve water quality or alleviate downstream flooding or erosion;
34 (v) Properly maintain existing stormwater management and conveyance systems; (vi) Hire

1 personnel to carry out the functions of the stormwater management and conveyance systems; (vii)
2 Receive grants, loans, or funding from state and federal water-quality programs; (viii) Grant
3 credits to property owners who maintain retention and detention basins or other filtration
4 structures on their property; (ix) Make grants for implementation of stormwater management
5 plans; (x) Purchase, acquire, sell, transfer, or lease real or personal property; (xi) Impose liens;
6 (xii) Levy fines and sanctions for noncompliance; (xiii) Provide for an appeals process; and (xiv)
7 Contract for services in order to carry out the function of the stormwater management and
8 conveyance systems.

9 (i) To purchase and obtain water supply and water service from any city, town, water
10 district, or other water supply authority. In particular, the corporation is authorized to:

11 (1) Enter into agreements or contracts with any city, town, county, water district, or other
12 water supply authority to purchase, acquire, and receive water supply and water service.

13 (2) Enter into cooperative agreements with cities, towns, counties, water districts, or other
14 water supply authorities for the interconnection of facilities or for any other lawful corporate
15 purposes necessary or desirable to effect the purposes of this chapter.

16 (3) Connect the water supply system at Quonset Business Park with any city, town,
17 county, water district, or other water supply authority that receives or has a connection with the
18 city of Providence and/or the Providence Water Supply Board (or any successor thereof) and
19 purchase, connect to, receive, and enter into agreements to receive water supply from any city,
20 town, county, water district, or other water supply authority regardless of the origin of such water
21 supply. The city of Providence and the Providence Water Supply Board (and any successor
22 thereof) are authorized and directed to supply water to the Quonset Business Park either directly
23 or via connections between the Quonset Development Corporation and any city, town, county,
24 water district, or other water supply authority, notwithstanding any terms to the contrary in any
25 agreement, including, without limitation, any agreement between any city, town, county, water
26 district, or other water supply authority and the city of Providence and/or the Providence Water
27 Supply Board (or its or their predecessors), or the provisions of chapter 16 of title 39. In addition,
28 the provisions of § 18 of chapter 1278 of the public laws of Rhode Island of 1915 as amended,
29 and any other public law that would conflict with the terms hereof, are hereby amended to
30 authorize the provision of water supply by the city of Providence and the Providence Water
31 Supply Board (or any successor thereof) to the Quonset Business Park and to authorize any
32 additional connections in accordance herewith. There shall be no requirement that the corporation
33 demonstrate public necessity before entering into such agreements, connecting to such water
34 supplies, or receiving such water as described in this subsection, but the corporation shall be

1 subject to the other applicable provisions of chapter 15 of title 46.

2 (j) Notwithstanding any provision of the general laws to the contrary, the corporation
3 shall be authorized to:

4 (1) Borrow or otherwise obtain credit of up to one million dollars (\$1,000,000) for the
5 corporation's operational purposes and, in connection with such borrowing, shall be entitled to
6 issue notes and grant security in assets of the corporation.

7 (2) Borrow monies or otherwise obtain funds, loans or other financial assistance from,
8 and issue any bond, note, local governmental obligation, or other evidence of indebtedness to, the
9 Rhode Island infrastructure bank or its successors, and enter into any loan, trust or other
10 agreement in connection therewith. In connection with entering into any agreement or the
11 issuance of any indebtedness contemplated herein, the corporation may grant security in any of
12 the assets or revenues of the corporation. For the avoidance of doubt, for purposes of entering into
13 any of the transactions described in the immediately preceding sentence, the corporation shall be
14 deemed:

15 (i) A "local governmental unit" subject to the provisions of chapters 12.2 and 12.8 of title
16 46; and

17 (ii) An "eligible borrower" subject to the provisions of chapter 19.16 of title 23, as such
18 terms are defined therein. This section shall constitute the bond act authorizing the corporation's
19 issuance of local governmental obligations for all purposes under chapters 12.2 and 12.8 of title
20 46 and chapter 19.16 of title 23.

21 (3) Any indebtedness authorized by subsection (j) of this section shall not be an
22 indebtedness of the state or of the Rhode Island commerce corporation. Notwithstanding any
23 provision of the general laws to the contrary (including, without limitation, the provisions of §§
24 35-18-3 and 35-20-7), no further approval or authorization of the general assembly or the Rhode
25 Island commerce corporation shall be required for the corporation to exercise any of the rights
26 and powers granted in subsection (j) of this section.

27 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO STATE AFFAIRS AND GOVERNMENT -- QUONSET DEVELOPMENT
CORPORATION

1 This act would authorize the Quonset development corporation to borrow up to one
2 million dollars (\$1,000,000) for operational purposes, including from the Rhode Island
3 infrastructure bank, which debt would not be a debt of the state and would be secured only by the
4 Quonset development corporation's assets.

5 This act would take effect upon passage.

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