

2016 -- H 8294 AS AMENDED

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LC005920
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

**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: Representatives Carnevale, Almeida, McKiernan, and Slater

Date Introduced: June 07, 2016

Referred To: House Finance

(The I-195 Redevelopment District Commission)

1 It is enacted by the General Assembly as follows:

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

4 SECTION 2. Garrahy Courthouse Parking Project.

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

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

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

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

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

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

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

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

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

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

23 WHEREAS, The project costs associated with the construction of a garage is estimated at
24 forty-five million dollars (\$45,000,000) based on industry guidelines of thirty-one thousand two
25 hundred fifty dollars (\$31,250) per parking space for approximately one thousand two hundred
26 (1,200) or more parking spaces and build out of commercial or retail space on some portion of the
27 first floor, funding debt service reserve fund, and issuance and other costs associated with the
28 financing. Debt service payments on the bonds are not expected to exceed eighty-eight million
29 one hundred twenty-five thousand dollars (\$88,125,000) in the aggregate based on an average
30 interest rate of six percent (6.0%) assuming that the project must be financed with taxable debt
31 rather than tax-exempt debt, with average annual debt service payments on a fiscal year basis
32 expected to be approximately three million five hundred twenty-five thousand dollars
33 (\$3,525,000) over a twenty-five (25) year term (the "Financing Parameters"); now, therefore be it

34 RESOLVED, AND ENACTED, That the state is authorized to effectuate the

1 development of the garage, to lease or sell the surface lot adjacent to the Garrahy Courthouse to
2 the Convention Center Authority, to enter into a long-term parking lease for court employees and
3 other state employees, as appropriate, and to enter into appropriate agreements including
4 financing arrangements that would permit the development and operation of the garage by the
5 Convention Center Authority; and be it further

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

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

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

23 RESOLVED, AND ENACTED, That this Joint Resolution shall take effect immediately
24 upon passage; and be it further

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

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

29 SECTION 3. This joint resolution and act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
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1 This joint resolution approves the issuance of not more than forty-five million dollars
2 (\$45,000,000) in revenue bonds by the Rhode Island convention center authority to finance
3 construction of a public parking garage at the Garrahy Courthouse parking lot site and authorizing
4 the state to enter into a financing lease in connection therewith.

5 This joint resolution would take effect upon passage.

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