

# City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

## CHAPTER 2003-38

No. 530

**AN ORDINANCE** GRANTING A TAX EXEMPTION AND ESTABLISHING A TAX STABILIZATION PLAN FOR MASONIC HOTEL DEVELOPER, LLC ON BEHALF OF THE MASONIC TEMPLE.

*Approved* July 15, 2003

***Be it ordained by the City of Providence:***

WHEREAS, the City Council, pursuant to the R.I. Gen. Laws § 44-3-9, as amended, has the authority to exempt real and personal property used for commercial purposes from the payment of property taxes, or to stabilize said taxes, if the granting of the exemption or stabilization plan inures to the benefit of the City by reason of the willingness of a commercial enterprise to locate in the City, by reason of physical improvements within the City which will result in long-term economic benefit, and/or by reason of the willingness of a commercial enterprise to construct new buildings or to replace, reconstruct, convert, expand, retain or remodel existing buildings, and

WHEREAS, the City Council, pursuant to R.I. Gen. Laws § 44-3-9, as amended, has the authority to exempt and/or stabilize said taxes for a term not to exceed twenty (20) years, and

WHEREAS, MASONIC HOTEL DEVELOPER, LLC (defined below as the "Project Owner") has made application under said Rhode Island General Laws and the applicable ordinances of the City of Providence, and has satisfied each condition of Ordinance Sec. 21-169, and

WHEREAS, there is a building located at 57 Park Street, more specifically described as Assessor's Plat 4, Lot 174, Parcel 1, (see

No.

CHAPTER  
AN ORDINANCE

IN CITY COUNCIL

FIRST READING  
REFERRED TO COMMITTEE ON  
FINANCE

Michael R. Clement  
CLERK  
ans

THE COMMITTEE ON

Finance

Recommendation

- Schedule

Ann M. Nelson  
CLERK

Public Hearing

5-15-03

6-9-03

THE COMMITTEE ON  
FINANCE

Approves Passage of  
The Within Ordinance

Michael R. Clement  
Clerk

6-19-03

ans

Councilman Nassett (By Request)

definition of "Project Site") 1A and 2, which is known as the "Masonic Temple", and

WHEREAS, the Masonic Temple is a 75-year old structure, whose construction was abandoned in 1929 and never completed, and

WHEREAS, the Masonic Temple is currently in a state of great disrepair having no roof, the elements having destroyed the structural system and the flooring of the building, and the façade, which has historical significance, being only salvageable through careful and extensive restoration, and

WHEREAS, the Masonic Temple is owned by the State of Rhode Island and is not generating and has not generated, any tax revenues for the City of Providence, and

WHEREAS, the Project Owner has evidenced the willingness to restore and reconstruct the Masonic Temple into a four star, 205,000 square foot, 256-room hotel featuring 13,000 square feet of meeting space, a bar, a restaurant and a fitness center (defined below as the "Project"), and

WHEREAS, other entities in the recent past have proposed restoration plans for the Masonic Temple and those efforts have failed due to the extensive costs involved, and

WHEREAS, it is necessary to provide a tax exemption and stabilization plan to ensure the economic re-development of the Masonic Temple, and

WHEREAS, the Rhode Island Economic Development Corporation has undertaken an economic impact analysis which demonstrates the following:

- The resulting commercial enterprise will employ approximately 140 people with an estimated annual payroll of \$4 million, plus health insurance benefits.
- The Project will result in the creation of construction jobs with a payroll in excess of \$20 million.

- The expenditures by hotel guests in the City of Providence and the State of Rhode Island shall be in excess of \$20 million per year.

WHEREAS, it is in the interest of the residents of the City of Providence to grant a tax exemption and stabilization plan to induce the development, construction and operation of the Project.

**Be It Ordained by the City of Providence:**

Section 1. That the findings set forth in the preceding recitals are hereby made and confirmed.

Section 2. Definitions. The following terms shall have the meanings set forth herein:

(a) "Commencement Date" shall be upon passage of this Ordinance.

(b) "Personal Property" means any and all tangible personal property, including, but not limited to all fixtures, equipment, furnishings, vehicles and other personal property, now or hereafter located at the Project Site.

(c) "Project Owner" means the Masonic Hotel Developer, LLC or any successor hereunder which shall be deemed to be the Project Owner, developer and operator.

(d) "Project Site" means the property located at 57 Park Street and more specifically described as Assessor's Plat 4, Lot 174, Parcel 1, 1A and 2, in the Land Evidence Records for the City of Providence. Parcel 1 is included but refers solely to a condominium unit in the subbasement of the Veteran's Memorial Auditorium which is to be deeded by the State as part of the Project to be utilized as the ballroom for the hotel.

(e) "Project Taxable Properties" means, collectively, the Project Site as proposed, the Real Property Improvements, and the Personal Property, together constituting the Project.

(f) "Real Property Improvements" means all structures, buildings, renovations and improvements currently proposed to be located at the Project Site. Any material additional improvements, excluding customary repairs and renovations, shall require a modification of this treaty.

(g) "Project" means the Project site, the Real Property Improvements, and Personal Property as identified herein.

(h) "Stabilized Assessment" means that set forth in the schedule attached hereto as Exhibit A.

(i) "Stabilized Rate" means that set forth in the schedule attached hereto as Exhibit A.

(j) "Stabilized Tax Payment" means, with respect to the Project Taxable Properties, the amounts listed in the schedule attached hereto as Exhibit A.

(k) "Termination Date" means December 31, 2025, in which Stabilized Tax Plan per the attached schedule terminates.

Section 3. Tax Stabilization. That the City, in accordance with the Laws of the State of Rhode Island and the Code of Ordinances for the City of Providence, is hereby authorized to grant the schedule of Stabilized Tax Payments as of December 31, 2005, up to and including December 31, 2025, to the Project Owner for the Project Site as provided in the above-mentioned Ordinance in accordance with the schedule attached hereto as Exhibit A.

Section 4. Term. The term of this agreement shall be for a period commencing on the date hereof and terminating on the termination date per the schedule attached hereto as Exhibit A.

Section 5. Transfers. As long as the Project Owner owns or operates the Project, it will continue to pay taxes on the Project Taxable Properties pursuant to this Ordinance. The Project Owner, its successors and assigns, agrees that the Project Taxable Properties will be subject to taxation beginning in 2006 pursuant to the terms of this

Ordinance and then pursuant to Rhode Island law and the Ordinances of the City of Providence, upon the Termination Date. The Project Owner also agrees not to transfer the Project Site and/or Real Property Improvements to a tax exempt entity or to allow any transfer by any subsequent transferee to a tax-exempt entity during the Term set forth in Section 4. The Project Owner is also required as a condition precedent to this tax treaty to record notice of the requirement that the Project Site covered by this Ordinance be transferred only to a tax paying entity as long as this agreement is in effect, as set forth herein in the Land Evidence Records of the City of Providence. Notwithstanding anything to the contrary herein or in the tax treaty used in connection herewith, the provisions of this Section 4 shall continue to be given full force and effect until such time as the same shall be amended or terminated by majority vote of the City Council of Providence.

Section 5. Payment of Taxes. (a) The Project Owner shall make Stabilized Tax Payments to the City as prescribed in the schedule attached hereto as Exhibit A, in lieu of all other real property and personal property taxes and the City agrees to accept the Stabilized Tax Payments in lieu of such real property and personal property taxes on the Project Taxable Properties.

(b) Stabilized Tax Payments due to the City, pursuant to the terms of this agreement, may be made in either a lump sum during the first quarter of the applicable tax year or in equal quarterly installments. If the quarterly payments are to be made, they shall be due on the same dates that quarterly taxes are due for all other taxpayers in the City.

(c) It is understood by the parties that Stabilized Tax Payments made hereunder are deemed by the City to be tax payments, and the Project Owner shall be entitled to all the rights and privileges of a taxpayer in the City.

(d) The liability for Stabilized Tax payments due and owing under this agreement shall constitute an obligation of the Project Owner,

and the City shall be granted by the Project Owner a lien on the Project Taxable Properties, which lien shall be of the same priority and entitle the City to the same foreclosure remedy as the lien and foreclosure remedy provided under applicable laws and ordinances with respect to real and personal property taxes

Section 6. Satisfaction of Obligations. The City agrees that so long as the Stabilized Tax Payments are made by the Project Owner in accordance with the terms of this agreement, the City shall, during the term of this agreement, accept said payments in full satisfaction of the obligations of the Project Owner as to the payment of any and all taxes and property assessments to the City which would otherwise be levied upon or with respect to the Project Taxable Properties, including future customary repairs and customary renovations of the Project and the Personal Property which may now exist or which may hereafter be placed or erected thereon or located thereat or used therein, but excluding material renovations or improvements to the facility beyond that contemplated in the definition of Project herein.

Section 7. Employment. It shall be the goal and the Project Owner shall use its best efforts to award Minority Business Enterprises as defined in Rhode Island General Laws, Section 37-14.1 ("MBE Act") no less than 10% of the dollar value of the construction costs for Project construction (as determined in accordance with the rules and regulations promulgated pursuant to the MBE Act). It shall be the goal and the Project Owner shall use its best efforts to award to women business enterprises ("WBE") no less than 10% of the dollar value of the construction costs for the Project construction (as determined in accordance with Section 21-52 of the Code of Ordinance of the City of Providence). However, the Project Owner commits to the City of Providence to strive toward a goal of 20% MBE and 20% WBE. In order to do so, the Project Owner will look to the City of Providence MBE/WBE office to establish a list of qualified MBE and WBE companies. In

addition, the Project Owner shall: (1) conduct job fairs in the City of Providence Ward No. 12, in order to maximize employment opportunities at the commercial enterprise for Providence residents living in the area most likely to immediately benefit from the resulting economic development; and (2) use its best efforts to purchase construction materials from Providence businesses.

Section 8. Basis of Calculation. The schedule listed below is based upon information provided to the Tax Assessor by the Project Owner including, but not limited to, estimated construction costs. In the event any of this information is inaccurate or proves to be erroneous, this treaty shall be modified to reflect the accurate information.

Section 9. Back Taxes. That the real property taxes payable to the City by the Project during the term of this Ordinance shall be based upon the stabilized real property tax rates set forth in Exhibit A. This treaty is further conditioned upon the Project Owner or subsequent Owner at all times owing no back taxes to the City of Providence or remaining current on a payment plan approved by the Tax Collector. Failure to make said timely payments may render this treaty null and void at the sole discretion of the City of Providence.

Section 10. Grant of Exemption. That the City, in accordance with the Laws of the State of Rhode Island and the Code of Ordinances for the City of Providence, is hereby authorized to grant and does grant an exemption from the assessed valuation for tax purposes as of December 31, 2005, up to and including December 31, 2025, to the Project Owner for the Project Site as provided in the above-mentioned Ordinance, in accordance with the schedule attached hereto as Exhibit A. Furthermore, the Project Taxable Properties are exempt from real and personal property taxes for the term of Project construction and/or development which shall terminate no later than December 31, 2005, conditioned upon construction of the Project commencing on or before December 31, 2003.

Section 11. Traffic Protection and Control: The appropriate City departments shall:

- Reconfigure the traffic and parking patterns for Avenue of the Arts (Brownell Street), so that one (1) way traffic proceeds east from Park and Francis Streets and that parking and loading is restricted and reserved for Project use only along the entire frontage of Parcels 1A and 2;
- Dedicate Project parking and loading for Francis Street along the Project frontage;
- Order sidewalk and street closure of Brownell Street along Parcel 2 and 1A during Project construction; and
- Order sidewalk and parking lane closure along frontage on Francis and Brownell Streets during Project construction

Section 12. Effective Date. This Ordinance shall take effect upon its passage.

Section 13. Applicable Law. This agreement shall be construed under the laws of the State of Rhode Island.

IN CITY COUNCIL  
 JUN 26 2003  
 FIRST READING  
 READ AND PASSED  
*Michael R. Clement*  
 CLERK

IN CITY COUNCIL  
 JUL 3 2003  
 FINAL READING  
 READ AND PASSED  
*Michael R. Clement*  
 PRESIDENT  
*Michael R. Clement*  
 CLERK

APPROVED  
*[Signature]*  
 MAYOR 7/15/03

# Masonic Temple Property Tax Analysis

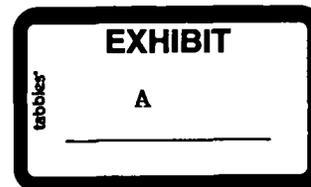
## Stabilization Plan

Year	Assessed Value	Stabilized Value (1)	Stabilized Tax Rate (2)	Stabilized Taxes
2006	\$22,812,450.00	\$2,365,200.00	\$33.44	\$79,092
2007	\$22,812,450.00	\$2,365,200.00	\$33.44	\$79,092
2008	\$22,812,450.00	\$2,365,200.00	\$33.44	\$79,092
2009	\$22,812,450.00	\$2,365,200.00	\$33.44	\$79,092
2010	\$22,812,450.00	\$2,365,200.00	\$33.44	\$79,092
2011	\$22,812,450.00	\$4,409,925.00	\$33.44	\$147,468
2012	\$22,812,450.00	\$6,454,650.00	\$33.44	\$215,843
2013	\$22,812,450.00	\$8,499,375.00	\$33.44	\$284,219
2014	\$22,812,450.00	\$10,544,100.00	\$33.44	\$352,595
2015	\$22,812,450.00	\$12,588,825.00	\$33.44	\$420,970
2016	\$22,812,450.00	\$14,633,550.00	\$34.04	\$498,154
2017	\$22,812,450.00	\$16,678,275.00	\$34.65	\$577,980
2018	\$22,812,450.00	\$18,723,000.00	\$35.28	\$660,519
2019	\$22,812,450.00	\$20,767,725.00	\$35.91	\$745,841
2020	\$22,812,450.00	\$22,812,450.00	\$36.56	\$834,021
2021	\$22,812,450.00	\$22,812,450.00	\$37.22	\$849,034
2022	\$22,812,450.00	\$22,812,450.00	\$37.89	\$864,316
2023	\$22,812,450.00	\$22,812,450.00	\$38.57	\$879,874
2024	\$22,812,450.00	\$22,812,450.00	\$39.26	\$895,712
2025	\$22,812,450.00	\$22,812,450.00	\$39.97	\$911,834
				<b>\$9,533,842</b>

(1) Years 1-5 Land only is assessed (based on an estimated 26,280 sf at \$45 psf)

- Year 6 Land + 10% of the improved valued building is assessed
- Year 7 Land + 20% of the improved value building
- Year 8 Land + 30% of the improved value building
- Year 9 Land + 40% of the improved value building
- Year 10 Land + 50% of the improved value building
- Year 11 Land + 60% of the improved value building
- Year 12 Land + 70% of the improved value building
- Year 13 Land + 80% of the improved value building
- Year 14 Land + 90% of the improved value building
- Year 15-20 Land + 100% of the improved value building

(2) Tax rate under Standard Property Structure increases 1.8% per year. Stabilized tax rate is equivalent to the stabilized rate in R.I. Gen. Laws Section 44-3-31.2 (Designated Properties in Providence)



## ATTACHMENT A

### I. Property Value After Project Construction Per Income Method (Inclusive of Furniture, Fixtures and Equipment for 256 Rooms)

	2006	2007	2008
Occupancy	60%	65%	70%
Average Rate	\$166	\$187	\$194
Rooms Revenue	9,324,753	11,361,512	12,663,716
Total Revenue	12,340,609	14,989,195	17,300,703
Net Operating Income	890,245	2,362,522	3,193,743
Capitalization Rate	14%		
Income Value	\$6,358,893	\$16,875,157	\$22,812,540

### II. Building Value After Project Construction Per Marshall and Swift Valuation

<b>Building Base Cost</b>	<b>\$120.59</b>	psf
Current Cost multiplier	1.10	
Local Cost Multiplier	1.16	
Adjusted Cost	\$153.87	
Square Footage	126,264	
<b>Reproduction Cost New</b>	<b>\$19,428,600</b>	
<b>Back-of-House</b>	<b>\$31.75</b>	
Current Cost Multiplier	1.10	
Local Cost Multiplier	1.16	
Adjusted Cost	\$40.51	
Square Footage	29,053	
<b>Reproduction Cost New</b>	<b>\$922,433</b>	
<b>Below Grade – Finished</b>	<b>\$58.07</b>	
Current Cost Multiplier	1.10	
Local Cost Multiplier	1.16	
Adjusted Cost	\$74.10	
Square Footage	28,996	
<b>Reproduction Cost New</b>	<b>\$2,148,526</b>	
Total Reproduction Cost	\$22,499,559	
Depreciation – 10%	(\$2,249,956)	
<b>Assessed Value – 2006</b>	<b>\$20,249,603</b>	

**III. Cost of Project Construction (Not Including Demolition and Historic Façade Repairs)**

<b>Construction</b>	<b>Cost</b>
Site Work – In GMP	0
Tap/Utility Fees	100,000
Zoning Expenses	0
Materials Testing	80,000
Hotel New Construction – GMP	29,342,815
Remediation – In GMP	0
Insurance & Bonds	200,000
Permits	200,000
Signage	300,000
	<hr/>
<b>Subtotal</b>	<b>\$30,222,815.00</b>

CIYT OF PROVIDENCE, RHODE ISLAND

APPLICATION REQUESTING

TAX STABILIZATION FOR COMMERCIAL/INDUSTRIAL & RESIDENTIAL  
PROPERTIES

ACCORDING TO

CHAPTER 21 OF THE CODE ORDINANCES AS AMENDED

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PAY OF NON-REFUNDABLE APPLICATION FEE  
MUST ACCOMPANY APPLICATION ACCORDING TO  
THE FOLLOWING SCHEDULE:

\$150.00 FOR PERMIT UP TO - \$250,000 (COM/IND)  
\$225.00 FOR PERMIT FROM \$251 - \$750,000  
\$300.00 FOR PERMIT OVER - \$751,000  
\$200.00 FOR COMPUTER/TELEPHONE  
.001% of EST. CONSTRUCTION COSTS (RESIDENTIAL)

Dated: \_\_\_\_\_

- |    |   |  |
|----|---|--|
| 1. | Name & Address of Applicant (If Corporation/Partnership, Give Name & Title of CEO Filing Application) | Kenneth J. Geist<br>Executive Vice President<br>Masonic Hotel Developer, LLC<br>1512 Larimer Street, Suite 800<br>Denver, CO 80202                                       |
| 2. | If Applicant Is Lessee, Give Name and Address of Owner and Specific Terms of Lease                    | The Applicant currently has a lease with the State of Rhode Island, however, upon development, the Applicant shall become the owner of the subject property              |
| 3. | Location of Property  | 57 Park Street, Providence, Rhode Island<br>Assessor's Plat 4, Lot 174, Parcel 1<br>(condominium unit in the subbasement of the Veteran's Memorial Auditorium), 1A and 2 |
| 4. | Assessor's Purchase Price   |  |

5. Date & Purchase Price of Existing Property \_\_\_\_\_
6. Cost & Projected Date of Additional Property to be Purchased for This Expansion Project \_\_\_\_\_
7. Estimated Cost of Expansion/Renovation. (Attach Evidence Supporting Such Figure: COP of Bids, Construction Contract, Architect's Certification). Give Details as to Scope of Project to be Undertaken -- # of Stories Type of Construction, Total Sq. Ft. Etc.) See attachment A hereto  
 \_\_\_\_\_  
 A 205,000 square foot, 256 room hotel, including 13,000 square feet of meeting space, a bar, a restaurant and a fitness center.  
 \_\_\_\_\_
8. Describe Existing Facility:  
 # of Stories 8 stories (1 story building on Parcel 1A)  
 # of Sq. Ft./Floor 17,280 square foot former social/fraternity hall  
 Age of Building(s) Age of building -- 1929  
 Type of Construction Type of Construction – Brick/Stone  
 Interior Condition Interior Condition – requires demolition  
 Exterior Condition Exterior Condition – requires demolition
9. Application is Made Under the Provision of the Ordinance for the Following Reason(s) (Check One or More)  
 a. locate in City of Providence  
 b. replace section of premises  
 c. expand building  
 d. remodel facility  
 e. construct new building(s)  
 f. computer/telephone  
 g. other
10. Will proposed construction/Alteration Increase the Employment at Your Company X Yes \_\_\_\_\_ No  
 If Yes, Give estimate as to New Positions to be Created and Justification for Same 140 new full time equivalent positions  
 \_\_\_\_\_
11. Will The Proposed \_\_\_\_\_ Yes X No

Alteration/Construction Cause Any  
Other Facility to Close?

12. Will Construction/Alteration Require Purchase of Additional Furniture/Fixtures/Equipment?  X  Yes   No

If Yes, Give Details as to Number and Type to be Purchased

See Attachment A hereto.   
\_\_\_\_\_  
\_\_\_\_\_

13. Construction Shall Begin Anticipated that Construction Shall be Completed

December 31, 2003   
\_\_\_\_\_

December 31, 2005   
\_\_\_\_\_

14. Are Alterations/Construction Plan Permitted Under the Present Zoning

X  Yes   No

If No, Please advise as to Whether Application Has Been or Will be Filed with Zoning Board of Review

\_\_\_\_\_  
\_\_\_\_\_

Has Hearing Bee Scheduled?

IT IS THE UNDERSTANDING OF THE APPLICATION(S) THAT THE EXEMPTION, IF APPROVED, IS APPLICABLE ONLY TO COMMERCIAL/INDUSTRIAL CONCERNS WHO WISH TO LOCATE IN THE CITY, OR WHO WISH TO REPLACE, RECONSTRUCT, EXPAND OR REMODEL CURRENT FACILITIES; THAT MEET THE APPROVAL OF THE BUILDING INSPECTOR; THAT ALL CURRENT AND PAST TAXES DUE BY THE APPLICANT(S) MUST BE PAID IN FULL; THAT THE EXEMPTION WOULD BE ATTRIBUTED TO THIS CONSTRUCTION/RENOVATION; THAT THE EXEMPTION MAY BE REVOKED IN THE EVENT OF FRAUD OR MISREPRESENTATION BY THE APPLICANT(S).

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Application

By: W. Mark Russo

Title: Attorney for Masonic Hotel

Developer, LLC

49 Weybosset Street

Street Address

Providence, RI 02903

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Date

APPLICATION FEE FORWARDED TO COLLECTOR

AMOUNT

REVIEWED BY ASSESSOR WITH THE FOLLOWING RECOMMENDATIONS

SIGNATURE/DATE/ASSESSOR

*John J. Gelati* 5/12/03

\*\*\*

RECEIVED BY CITY COLLECTOR

4/24/03

APPLICANT OWES FOLLOWING TAXES

YEAR

AMOUNT

TAXES ARE PAID IN FULL

X

ARRANGEMENTS HAVE BEEN MADE

YES

NO

SIGNATURE/DATE/COLLECTOR

*Robert P. Cyren* 4/24/03

\*\*\*

RECEIVED BY BUILDING INSPECTOR DATE

PLANS AS REVIEWED MEET ALL CURRENT CODES/STATUTES OF CITY

YES

NO

NO VIOLATIONS EXIST ON THIS OR OTHER PROPERTIES OWNED BY APPLICANT

YES

NO

5/9/03

\* VIOLATIONS EXIST AS FOLLOWS

VIOLATIONS HAVE BEEN DISCUSSED WITH APPLICANT(S) ARRANGEMENTS HAVE BEEN MADE TO CORRECT SAME

YES

NO

SIGNATURE/DATE/BUILDING INSPECTOR

*Edward Paxon* 5/14/03

REVIEW BY THE ASSESSOR OF THE

APPLICATION FOR TAX STABILIZATION FOR COMMERCIAL/INDUSTRIAL & RESIDENTIAL PROPERTY

SEE MEMO OF

MUNICIPAL LIEN CERTIFICATE  
 CITY OF PROVIDENCE - OFFICE OF THE COLLECTOR  
 CITY HALL PROVIDENCE, R.I. 02903 (401) 331-5252

DATE	PLATE	LOT	UNIT	LOCATION	CERT #	PAGE
April 24, 2003	004	0174	0000	57 Park St	10,262	1

ASSESSED RI Public Buildings Authority  
 OWNER

STATUS OF REAL ESTATE AND PERSONAL PROPERTY BILLS AS OF DATE PRINTED

YR	TYPE	ORIGINAL TAX	CHARGE	ADJUSTMENT ABATEMENT	PAID	BALANCE DUE	INTEREST	TOTAL DUE	BILL NAME
02	RE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	RI Public Buildings A
		<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	

NOTE - INTEREST SHOWN IS VALID FOR 30 DAYS FROM DATE ISSUE. ADDITIONAL CHARGES MAY APPLY IF PAYMENT IS RECEIVED LATER THAN 30 DAYS FROM DATE.

NOTE - PLEASE BE AWARE THAT UNPAID TAXES MAY BE SUBJECT TO TAX SALE.

PLEASE CONTACT THE WATER SUPPLY BOARD AT 521-6300  
 PLEASE CONTACT THE NARRAGANSETT BAY COMMISSION AT 521-6300

C E R T I F I C A T I O N

THIS IS TO CERTIFY THAT THE ABOVE IS TRUE AND CORRECT, SAID CERTIFICATION BEING GIVEN IN ACCORDANCE WITH 44-7-11 OF THE GENERAL LAWS OF RHODE ISLAND 1956, AS OF THE DATE PRINTED ABOVE.

MAILED TO: Ferrucci Russo Pc  
 49 Weybossett St  
 Providence, Ri 02903

*Robert P. Ceprano*  
 \_\_\_\_\_  
 ROBERT P. CEPRANO  
 TAX COLLECTOR

MARC CASTALDI, DEPUTY.

Masonic Hotel Developer LLC Stabilization 5.14.03

Stabilization For: MASONIC HOTEL DEVELOPER LLC  
 Date of Application: April 9, 2003

Property Locations: 57 Park Street

( IF TAXABLE  
 INCLUDING  
 VETERANS  
 MEMORIAL  
 AUDITORIUM)

City Ordinance:  
 Parcels ( Plat/Lot): Plat 4 Lots 174

Assessment Assumptions:

Tax Rate :  
 Assumptions:  
 Tangible Assessment \$6,540,000  
 Term: 20 YEAR FIXED

YEAR #	DATE	ASSESSMENT ESTIMATE	TAX RATE PER \$1000	UNADJUSTED TAX CONCLUSION	% TAXABLE	STABILIZATION ASSESSMENT TAXABLE	STABILIZATION ASSESSMENT ABATED	STABILIZATION TAX PAYMENT	EXEMPTED TAX PAYMENT	STABILIZED LEVEL PAYMENT
1	12/31/2003	\$6,540,000	49.35	\$322,749	5%	\$327,000	\$6,213,000	\$16,137	\$306,612	\$169,443.23
2	12/31/2004	\$6,540,000	49.35	\$322,749	10%	\$654,000	\$5,886,000	\$32,275	\$290,474	\$169,443.23
3	12/31/2005	\$6,540,000	49.35	\$322,749	15%	\$981,000	\$5,559,000	\$48,412	\$274,337	\$169,443.23
4	12/31/2006	\$6,540,000	49.35	\$322,749	20%	\$1,308,000	\$5,232,000	\$64,550	\$258,199	\$169,443.23
5	12/31/2007	\$6,540,000	49.35	\$322,749	25%	\$1,635,000	\$4,905,000	\$80,687	\$242,062	\$169,443.23
6	12/31/2008	\$6,540,000	49.35	\$322,749	30%	\$1,962,000	\$4,578,000	\$96,825	\$225,924	\$169,443.23
7	12/31/2009	\$6,540,000	49.35	\$322,749	35%	\$2,289,000	\$4,251,000	\$112,962	\$209,787	\$169,443.23
8	12/31/2010	\$6,540,000	49.35	\$322,749	40%	\$2,616,000	\$3,924,000	\$129,100	\$193,649	\$169,443.23
9	12/31/2011	\$6,540,000	49.35	\$322,749	45%	\$2,943,000	\$3,597,000	\$145,237	\$177,512	\$169,443.23
10	12/31/2012	\$6,540,000	49.35	\$322,749	50%	\$3,270,000	\$3,270,000	\$161,375	\$161,375	\$169,443.23
11	12/31/2013	\$6,540,000	49.35	\$322,749	55%	\$3,597,000	\$2,943,000	\$177,512	\$145,237	\$169,443.23
12	12/31/2014	\$6,540,000	49.35	\$322,749	60%	\$3,924,000	\$2,616,000	\$193,649	\$129,100	\$169,443.23
13	12/31/2015	\$6,540,000	49.35	\$322,749	65%	\$4,251,000	\$2,289,000	\$209,787	\$112,962	\$169,443.23
14	12/31/2016	\$6,540,000	49.35	\$322,749	70%	\$4,578,000	\$1,962,000	\$225,924	\$96,825	\$169,443.23
15	12/31/2017	\$6,540,000	49.35	\$322,749	75%	\$4,905,000	\$1,635,000	\$242,062	\$80,687	\$169,443.23
16	12/31/2018	\$6,540,000	49.35	\$322,749	80%	\$5,232,000	\$1,308,000	\$258,199	\$64,550	\$169,443.23
17	12/31/2019	\$6,540,000	49.35	\$322,749	85%	\$5,559,000	\$981,000	\$274,337	\$48,412	\$169,443.23
18	12/31/2020	\$6,540,000	49.35	\$322,749	90%	\$5,886,000	\$654,000	\$290,474	\$32,275	\$169,443.23
19	12/31/2021	\$6,540,000	49.35	\$322,749	95%	\$6,213,000	\$327,000	\$306,612	\$16,137	\$169,443.23
20	12/31/2022	\$6,540,000	49.35	\$322,749	100%	\$6,540,000	\$0	\$322,749	\$0	\$169,443.23
				<u>\$6,454,980</u>		<u>\$68,670,000</u>	<u>\$62,130,000</u>	<u>\$3,388,865</u>	<u>\$3,066,116</u>	<u>\$3,388,865</u>

*John J. Glatt*

John J. Gelati

Masonic Hotel Developer LLC Stabilization 5.14.03

Stabilization For: MASONIC HOTEL DEVELOPER LLC  
 Date of Application: April 9, 2003

Property Locations: 57 Park Street  
 Current Assessment: \$ 12,399,980

( IF TAXABLE  
 INCLUDING  
 VETERANS  
 MEMORIAL  
 AUDITORIUM)

City Ordinance:  
 Parcels ( Plat/Lot): Plat 4 Lots 174

Current Taxes \$ 445,655

Assessment Assumptions:

Tax Rate :  
 Assumptions:  
 Real Estate Assessment Value: AS ESTIMATED  
 Term: 20 YEAR FIXED

YEAR #	DATE	ASSESSMENT ESTIMATE	TAX RATE PER \$1000	UNADJUSTED TAX		STABILIZATION ASSESSMENT TAXABLE	STABILIZATION ASSESSMENT ABATED	EXEMPTED		
				CONCLUSION	% TAXABLE			STABILIZATION TAX PAYMENT	STABILIZATION TAX PAYMENT	STABILIZATION LEVEL PAYMENT
1	12/31/2003	\$22,395,500	35.94	\$804,894	5%	\$1,119,775	\$21,275,725	\$40,245	\$764,650	\$422,569
2	12/31/2004	\$22,395,500	35.94	\$804,894	10%	\$2,239,550	\$20,155,950	\$80,489	\$724,405	\$422,569
3	12/31/2005	\$22,395,500	35.94	\$804,894	15%	\$3,359,325	\$19,036,175	\$120,734	\$684,160	\$422,569
4	12/31/2006	\$22,395,500	35.94	\$804,894	20%	\$4,479,100	\$17,916,400	\$160,979	\$643,915	\$422,569
5	12/31/2007	\$22,395,500	35.94	\$804,894	25%	\$5,598,875	\$16,796,625	\$201,224	\$603,671	\$422,569
6	12/31/2008	\$22,395,500	35.94	\$804,894	30%	\$6,718,650	\$15,676,850	\$241,468	\$563,426	\$422,569
7	12/31/2009	\$22,395,500	35.94	\$804,894	35%	\$7,838,425	\$14,557,075	\$281,713	\$523,181	\$422,569
8	12/31/2010	\$22,395,500	35.94	\$804,894	40%	\$8,958,200	\$13,437,300	\$321,958	\$482,937	\$422,569
9	12/31/2011	\$22,395,500	35.94	\$804,894	45%	\$10,077,975	\$12,317,525	\$362,202	\$442,692	\$422,569
10	12/31/2012	\$22,395,500	35.94	\$804,894	50%	\$11,197,750	\$11,197,750	\$402,447	\$402,447	\$422,569
11	12/31/2013	\$22,395,500	35.94	\$804,894	55%	\$12,317,525	\$10,077,975	\$442,692	\$362,202	\$422,569
12	12/31/2014	\$22,395,500	35.94	\$804,894	60%	\$13,437,300	\$8,958,200	\$482,937	\$321,958	\$422,569
13	12/31/2015	\$22,395,500	35.94	\$804,894	65%	\$14,557,075	\$7,838,425	\$523,181	\$281,713	\$422,569
14	12/31/2016	\$22,395,500	35.94	\$804,894	70%	\$15,676,850	\$6,718,650	\$563,426	\$241,468	\$422,569
15	12/31/2017	\$22,395,500	35.94	\$804,894	75%	\$16,796,625	\$5,598,875	\$603,671	\$201,224	\$422,569
16	12/31/2018	\$22,395,500	35.94	\$804,894	80%	\$17,916,400	\$4,479,100	\$643,915	\$160,979	\$422,569
17	12/31/2019	\$22,395,500	35.94	\$804,894	85%	\$19,036,175	\$3,359,325	\$684,160	\$120,734	\$422,569
18	12/31/2020	\$22,395,500	35.94	\$804,894	90%	\$20,155,950	\$2,239,550	\$724,405	\$80,489	\$422,569
19	12/31/2021	\$22,395,500	35.94	\$804,894	95%	\$21,275,725	\$1,119,775	\$764,650	\$40,245	\$422,569
20	12/31/2022	\$22,395,500	35.94	\$804,894	100%	\$22,395,500	\$0	\$804,894	\$0	\$422,569
				<u>\$16,097,885</u>		<u>\$235,152,750</u>	<u>\$212,757,250</u>	<u>\$8,451,390</u>	<u>\$7,646,496</u>	<u>\$8,451,390</u>

*John F. Gelati*

