

MEMORANDUM OF AGREEMENT
By and between

The
CITY OF PROVIDENCE
and
FIRST RESERVOIR, LLC

COMMITTEE ON ANNA & MEYER
REFERRED TO SPECIAL
FIRST READING
IN CITY COUNCIL

CLERK

This Memorandum of Agreement ("Agreement") is entered into by First Reservoir, LLC, a Rhode Island limited liability company, having a mailing address of 76 Dorrance Street, Providence, RI 02903 (hereinafter referred to as "First Reservoir"), and the City of Providence, a municipal corporation located in the State of Rhode Island, having a mailing address of City Hall, 25 Dorrance Street, Providence, RI 02903 (the "City") (jointly, "the parties").

I. Introduction

First Reservoir and the City acknowledge that the property located at One Reservoir Avenue, Providence, Rhode Island (hereinafter, the "Property") is the subject of a Tax Stabilization Agreement granted by the City pursuant to Ordinance No. 157, 2004-16, effective April 25, 2004 (hereinafter, "Tax Stabilization").

The parties hereto acknowledge that the Tax Stabilization was extended by operation of law through the Rhode Island General Assembly's adoption of HB-8199 for five (5) years, making the extension of the Tax Stabilization expire in April of 2016.

The City recognizes that the Property has been occupied by the State of Rhode Island pursuant to a Lease Agreement with the State of Rhode Island and Providence Plantations, Department of Labor and Training (hereinafter, the "State") for the last ten (10) years, which Lease Agreement has been renewed for an additional ten (10) years, due to expire in June of 2023. Accordingly, the City recognizes that the State has an equitable and legal interest in the Property, pursuant to Rhode Island General Laws Section 44-4-4.1, to warrant the State and First Reservoir to obtain a Tax Exemption for the Property.

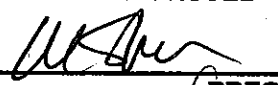

First Reservoir seeks to make a payment in lieu of taxes annually and to waive its ability to seek a Tax Exemption for the Property.

The City acknowledges that as consideration of First Reservoir waiving its ability to assert a Tax Exemption, it will agree to accept a payment in lieu of taxes for the Property commencing on the expiration of the Tax Stabilization, and continuing through July 1, 2023 unless terminated earlier through termination of the underlying Lease Agreement described in Section III.


IN CITY COUNCIL

MAY 02 2013

READ AND PASSED


PRES.

CLERK

I HEREBY APPROVE.


Mayor
Date: 5/13/13

II. Voluntary Payment to the City

Provided that the Condition of Payment has been satisfied, First Reservoir agrees to make voluntary payments to the City annually as follows:

Voluntary Payments

<u>Date</u>	<u>Payment</u>
1-Jul-2016	\$51,148.00
1-Jul-2017	\$51,148.00
1-Jul-2018	\$51,148.00
1-Jul-2019	\$51,148.00
1-Jul-2020	\$51,148.00
1-Jul-2021	\$51,148.00
1-Jul-2022	\$51,148.00
1-Jul-2023	\$51,148.00

III. Conditions to Payment

The “Conditions to Payment” shall mean that:

The Lease Agreement as entered into by and between First Reservoir, LLC (“Landlord”) and the State of Rhode Island and Providence Plantations acting by and through the Rhode Island Department of Labor and Training (“Tenant”), dated June, 2013 shall remain valid, binding and in full force and effect.

IV. Existing Tax Stabilization

The existing Tax Stabilization as granted by the City pursuant to Ordinance No. 157, 2004-16 (effective April 25, 2004) and as extended by operation of law by The General Assembly’s adoption of HB-8199 for 5 years, which is due to expire in 2016, shall remain in full force and effect and is not modified by this Agreement in any way.

V. Miscellaneous

General captions and section titles are for convenience of reference only, and shall not be used to construe this Agreement. References to a Section include subsections thereof.

The term “including” shall be interpreted to mean “including, without limitation,” unless the context otherwise expressly specifies.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall be deemed to constitute one instrument. Photocopies, facsimile and electronic versions (such as pdf, jpeg, and tif) of this Agreement shall be deemed originals and treated as binding.

This Agreement, including all Exhibits attached hereto, constitutes the entire understanding and agreement of the parties hereto with respect to the matters hereof and supersedes all prior understandings and agreements in their entirety, if any, there being no other oral or written promise, conditions, representations, understandings, agreements, or terms of any kind as conditions or inducements to the execution hereof and none have been relied upon by either Party. Any subsequent conditions, representations, warranties, agreements, or amendments to or modifications of this Agreement shall not be valid and binding upon the Parties unless the same shall be embodied in a subsequent writing signed by both of the Parties hereto.

Any notice or demand which must or may be given under this Agreement or by law shall be in writing and shall be deemed to have been given when delivered by personal delivery; one (1) business day after being deposited with a nationally recognized overnight courier; or two (2) business days after being deposited in the United States mail, certified return receipt requested, full postage prepaid, addressed to the respective parties at the addresses set forth in this Agreement. All notices or demands sent to the City shall be sent to the attention of the Mayor's Office, with a copy sent simultaneously (in accordance with the methods herein provided) to the attention of the City Solicitor. All notices or demands sent to First Reservoir shall be sent to the attention of the Managing Member (in accordance with the methods herein provided).


IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed by its respective duly authorized officers as of the day and year first written above.

THE CITY OF PROVIDENCE

FIRST RESERVOIR, LLC

BY: _____
Angel Taveras, Mayor

BY: _____
Managing Member
Title:

BY:  _____
Michael A. Solomon, President
Providence City Council

Approved as to correctness and form:

BY: _____
Jeffrey M. Padwa, City Solicitor
City of Providence

N:\Paolino, Joseph\One Reservoir Ave, Cranston\Memorandum Of Agreement.Docx

CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

PETITION TO THE CITY COUNCIL

TO THE HONORABLE CITY COUNCIL OF THE CITY OF PROVIDENCE:

The undersigned respectfully petitions your honorable body

To extend the existing Tax Stabilization Plan for the property located at One Reservoir Ave, Providence, RI (the "Property"). The Property is currently subject to a Tax Stabilization pursuant to Ordinance No. 157,2004-16 (effective April 25, 2004). The Tax Stabilization Plan was automatically extended by operation of the General Assembly, specifically through the adoption of HB-8199, for five (5) years, expiring in the year 2016. A copy of the January 10, 2013 correspondence from the City is attached hereto for reference.

We have finalized arrangements regarding the Lease Agreement for the Property to be extended permitting the State of Rhode Island acting by and through the Rhode Island Department of Labor and Training to occupy the Property for a term of ten (10) years, accordingly terminating in 2023.

The State has requested we obtain from the City an extension of the existing Tax Stabilization to cover the entire term of the Lease Agreement, which is ten (10) years.

We, therefore, request that the City of Providence extend the existing Tax Stabilization for the Property to December 31, 2023.

Sincerely,



John O. Mancini



CITY OF PROVIDENCE
Angel Taveras, Mayor

January 10, 2013

John O. Mancini, Esq.
The Law Office of Michael A. Kelly PC
128 Dorrance Street, Suite 300
Providence, RI 02903

Re: Tax Stabilization of One Reservoir

Dear John:

You requested a letter explaining the City's position as to tax stabilization for your client's property at One Reservoir. The City passed Ordinance No. 157, 2004-16 (effective April 25, 2004), which conferred tax stabilization on the property located at One Reservoir Avenue. Normally, this stabilization would have terminated with the 2011 tax year. However, in the interim, the General Assembly adopted HB-8199, which automatically extended certain Providence stabilization agreements, including this one, for an additional five years.

The schedule adopted with Ordinance No. 157 culminated in a payment of \$51,148 for the 2011 tax year. Since the General Assembly blanket extension provides no guidance as to the schedule by which stabilization payments are to be made, both the Tax Assessor and the Director of Administration have agreed that retention of the present level of \$51,148 for the remaining years of the extended tax stabilization agreement is appropriate. Your client may rely upon this letter as evidence of the City's position in this regard.

Very truly yours,

Adrienne G. Southgate
Deputy City Solicitor

Copies to: David Quinn II, Tax Assessor
Michael D'Amico, Director of Administration

CITY SOLICITOR'S OFFICE

444 Westminster Street, Suite 220, Providence, Rhode Island 02903
(401) 680-5333 | (401) 680-5520 (fax)
www.providenceri.com

MICHAEL A. KELLY*
JOHN O. MANCINI**

THOMAS P. CARTER*
JOSEPH P. PENANTELL, JR.
JOELLE C. SYLVIA*
NICHOLAS J. GOODIER*
JACKSON C. PARMENTER*

* also admitted in Massachusetts
+ also admitted in Connecticut

February 7, 2013

Via Hand-Delivery

Providence City Hall
Attention: City Clerk
25 Dorrance Street
Providence, RI 02903

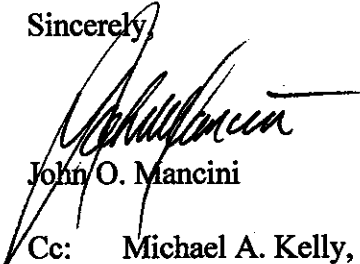
Re: Tax Stabilization of One Reservoir Ave.

Dear Clerk:

Please find attached hereto a copy of the Petition to extend the Tax Stabilization Plan for One Reservoir Avenue to December 31, 2023.

Should you have any question or require any additional information, please do not hesitate to contact me.

Sincerely,


John O. Mancini

Cc: Michael A. Kelly, Esq.
Adrienne G. Southgate, Deputy City Solicitor, via Hand Delivery
David Quinn, Tax Assessor, via Hand-Delivery
Michael D'Amico, Director of Administration, via Hand-Delivery