

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CHAPTER 2005-17

No. 88

AN ORDINANCE ESTABLISHING AND GRANTING A TAX STABILIZATION PLAN FOR CAPITOL COVE, LLC, WITH RESPECT TO ASSESSOR'S PLAT 4, LOT 247 OF THE CITY OF PROVIDENCE

Approved March 11, 2005

Be it ordained by the City of Providence:

WHEREAS, the City Council of the City of Providence, pursuant to Section 44-3-9 of the Rhode Island General Laws, as amended, and Sections 21-160 through 21-170.1 of the Code of Ordinances of the City of Providence, has the authority to exempt real and personal property used for manufacturing, commercial, and/or residential 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 of Providence by reason of physical improvements within the City of Providence which will result in a 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 of the City of Providence, pursuant to R.I. Gen. Laws Sec. 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, Capitol Cove, LLC, a Rhode Island limited liability company (defined below as the "Project Owner") has made application for tax stabilization under said Rhode Island General Laws and applicable ordinances of the City of Providence, as set forth in Exhibit A attached hereto and incorporated by reference, and has satisfied each condition of same; and

WHEREAS, there is underdeveloped land located at 80 Smith Street, more specifically described as Assessor's Plat 4, Lot 247, being Parcel 6A in The Capital Center Project, so-called; and

WHEREAS, the Project Owner, as the long term lessee of said Parcel 6A has evidenced a willingness to construct a multi-story apartment building consisting of two hundred and sixty-five (265) apartments and three hundred and thirty (330) parking

No.

CHAPTER
AN ORDINANCE

IN CITY COUNCIL

FIRST READING
REFERRED TO COMMITTEE ON
FINANCE

Michael R. Cleant
Clerk
ans

Councilman Hissett By Request

THE COMMITTEE ON

Finance

Recommends

Ann M. Stein

CLERK

12-21-04 *Schedule P Hwy*

THE COMMITTEE ON
FINANCE

Approves Passage of
The Within Ordinance

Ann M. Stein

Clerk

1-27-05
1-19-05 - P Hwy held

THE COMMITTEE ON
FINANCE

Approves Passage of
The Within Ordinance

Ann M. Stein

Clerk

2-24-05

spaces, with 1,500 square feet of retail space on its first floor on ("Phase I," as further described below), and to explore the possibility of constructing of two (2) additional multi-story residential buildings on the site ("Phase II" and/or "Phase III," as further described below) (collectively, the "Project"); and,

WHEREAS, the Project will result in an increase in the tax base of the City of Providence, an increase in expenditures by residents in the City of Providence and will increase employment opportunities in the City of Providence; and

WHEREAS, the City Council of the City of Providence has determined it is in the best interests of the residents of the City of Providence to grant such tax stabilization to induce the development of The Capital Center Project, generally, and this Project, specifically, and such tax stabilization will inure to the long-term benefit of the City of Providence,

NOW, THEREFORE, BE IT RESOLVED:

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, and other personal property, now or hereafter located at the Project Site (as hereinafter defined).
- (c) "Phase I" means the two hundred and sixty five (265) apartment, three hundred and thirty (330) parking space, 1,500 square retail space, residential complex to be situated on New Lot A and B as designated as such on the subdivision plan approved by the Providence City Plan Commission on June 22, 2004 and designated "Plan 04-047MI, Assessor's Plat 4, Lot 247" (the, "Sub-division"). "Phase II" means the multi-story residential building anticipated to be situated on New Lot C of the Sub-division.; and, "Phase III" means the multi-story residential building, anticipated to be situated on New Lot C of the Sub-division.
- (d) "Project" means the Project Site (as hereinafter defined), the Real Property Improvements (as hereinafter defined), and Personal Property.
- (e) "Project Owner" means Capitol Cove, LLC, which is the (i) lessee or sublessee under a ground lease with Capital Properties, Inc., of the Project Site (as hereinafter defined), and (ii) which holds legal title to the Real

Property Improvements (as hereinafter defined) or Personal Property, or any successor and/or assignee permitted hereunder.

- (f) "Project Site" means the property located at 80 Smith Street and more specifically described as Assessor's Plat 4, Lot 247, in the Land Evidence Records for the City of Providence, being Parcel 6A of The Capital Center Project, consisting of New Lots A, B and C of the Sub-Division.
- (g) "Project Taxable Properties" means, collectively, the Project Site as proposed, the Real Property Improvements (as hereinafter defined), and the Personal Property, together constituting the Project.
- (h) "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 an amendment to this ordinance, except as provided herein.
- (i) "Stabilized Assessment" means:
 - (1) the Project Site together with any and all existing infrastructure improvements thereon shall be the City of Providence tax assessment value as of December 31, 2003, as shown on Exhibit B attached hereto and incorporated by reference., being \$13,350,000 for the Project Site, with \$5,350,000 thereof being allocated to Phase I (New Lots A and B of the Sub-division) and the balance of \$8,000,000 being allocated between Phases II and III as reasonably determined by the tax assessor after consultation with the Project Owner.
 - (2) the Real Property Improvements shall be assessed as follows:
 - Phase I: Two hundred and sixty-five (265) apartments, three hundred and thirty (330) parking spaces, with 1,500' first floor retail space, as shown on Exhibit B hereof
 - Phases II and III: Two (2) multi-story residential complexes: Assessment will be determined upon request to the tax assessor of the City of Providence, based on the sum of the product of the number of residential units times \$125,000, plus the number of parking spaces times \$10,000, if any, plus the retail square footage times \$84.95, if any, for each phase, with the tax assessor setting forth a schedule using the remaining years left under the term of the tax stabilization agreement in modification of Exhibit B.

- (i) "Stabilized Tax Payment" means, with respect to the Project Taxable Properties, the amounts listed in the schedule attached hereto as Exhibit B, as it may be amended through the calculations of the tax assessor if and when Phases II and III are or are not developed, as provided for herein.
- (j) "Stabilized Tax Rate" shall mean \$38.82 per \$1,000.00 of assessed valuation for Real Property Improvements and \$49.68 per \$1,000.00 of assessed valuation for Personal Property.
- (k) "Termination Date" means June 30th of the year in which Stabilized Tax Payments based on the December 31, 2023 assessment date are to be paid in full.

Section 3. Tax Stabilization. That the City of Providence grants to the Project Owner for the Project Site the Stabilized Assessment at the Stabilized Tax Rate in accordance with Exhibit B as attached for the period commencing with the December 31, 2004 assessment date through the December 31, 2023 assessment date; provided, however, that in the event that Project Owner does not commence construction of Phase II and/or Phase III of the Project on or before December 31, 2006, no tax stabilization shall apply to the portion of the Project not so commenced and that portion of the Project Site allocated to said phase or phases of the Project shall be taxed at its full and fair market value as assessed on December 31, 2006.

Section 4. Term. The term of the tax stabilization shall be for a period commencing on the Commencement Date and terminating on the Termination Date, as more particularly described on Exhibit B hereof, unless earlier terminated as provided herein.

Section 5. As long as Project Owner owns or operates the Project Site, it will continue to make the Stabilized Tax Payment(s) as set forth in Exhibit B during the term of this tax stabilization agreement. Project Owner, its successors and assigns, agrees that this Project Site will be subject to taxation, without regard to tax stabilization, as of the Termination Date and thereafter. Project Owner also agrees not to transfer the Project Site, or any portion thereof, to any tax-exempt entity or to allow any transfer by any subsequent transferee to any tax-exempt entity during the term of this agreement to stabilize taxes. Project Owner is also required as a condition precedent to this tax treaty

to record notice in the Land Evidence Records of the City of Providence of the requirement that the subject property covered by this ordinance be transferred only to a tax-paying entity as long as this agreement is in effect. In the event that the subject property covered by this ordinance is transferred to a tax-exempt entity, despite the prohibition against such transfer, whether by Capitol Cove, LLC, or any subsequent transferee of such property, Capitol Cove, LLC, will be responsible to make payments in lieu of taxes to the City of Providence equal to the amount of taxes as set forth in Exhibit B which would have been paid to the City of Providence if such prohibition against transfer to a tax-exempt entity had not been violated. In the event that Project Owner shall divide the Project Site or any portion thereof into residential and/or commercial condominiums, said residential and/or commercial condominiums, once sold by the Project Owner, shall no longer be covered under this ordinance and shall be subject to taxation without regard to any tax stabilization agreement (the remaining portion of the Project shall be prorated accordingly). Project Owner shall send written notice of any such sale or sales to the tax assessor, by certified mail, postage pre-paid, return receipt requested, identifying the unit sold, the date thereof, the sale price, and the buyer's name and current address.

Section 6. Payment of Taxes. The following shall pertain to the payment of taxes set forth herein:

- (a) The Project Owner shall make Stabilized Tax Payments to the City of Providence as prescribed in the schedule attached in Exhibit B to the City of Providence, in lieu of all other real property and personal property taxes and assessments of every kind and nature which would now or hereafter otherwise be levied upon the Project and the City of Providence agrees to accept the Stabilized Tax Payments in lieu of such real property and personal property taxes on the Project (it being understood that the proposed Phases II and III require a written request to the tax assessor, City of Providence, for a determination of the tax stabilization available to such phase and/or phases).
- (b) Stabilized Tax Payments due the City of Providence, 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 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 of Providence and similarly subject to interest and late fee penalties if not timely made.

- (c) It is understood by the parties that Stabilized Tax Payments made hereunder are tax payments; and, the Project Owner shall be entitled to all the rights, privileges and obligations of a taxpayer in the City of Providence.
- (d) The liability for the Stabilized Tax Payments due and owing under this agreement shall constitute an obligation of the Project Owner, and the City of Providence 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 of Providence 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, not subject to a tax treaty or this Agreement.
- (e) Notwithstanding anything to the contrary contained herein, if the Project Owner does not commence construction on either Phase II or Phase III on or before December 31, 2006, Project Owner shall make a tax payment, in addition to those payments required under Exhibit B, in the sum of \$100,000 on or before January 1, 2007.

Section 7. Satisfaction of Obligations. The City of Providence agrees that so long as the Stabilized Tax Payments are made by the Project Owner in accordance with the terms of this ordinance, the City of Providence 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 of Providence which would otherwise be levied upon or with respect to the Project Taxable Properties, including future customary repairs and customary renovations of the Real Property Improvements 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 beyond that contemplated in the Project.

Section 8. Minority and Local Contractors/Vendors. It shall be the goal and the Project Owner shall use its best efforts to hire contractors and subcontractors and to purchase construction materials from entities which/who are situated in and/or are

residents of the City of Providence. Further, the Project Owner shall use its best efforts to award 25% of the total dollar value of construction to Minority Business Enterprises ("MBEs") and Women Business Enterprises ("WBEs"), as defined in and pursuant to Section 21-52 of the Code of City Ordinances, City of Providence, as certified by state agency or the Director of the Department of Planning and Development, City of Providence. The total fee and non-biddable "General Conditions" of the prime contractor will be deducted from this calculation. The Project Owner will use its best efforts to work with the prime contractor to reduce the size of bid packages where possible so as to maximize accessibility of contract work to small contractors from the community.

It is the intent of the parties that the participation of each element of minority and women business enterprise not fall below twelve and a half (12.5%) percent.

Section 9. Employment. Project Owner will include in all subcontracts an affirmative action and community hiring program in which the employer commits to notify Project Owner of any job openings at the Project Site and to a willingness to interview candidates identified through said program. Project Owner has set a target minimum of ten (10%) percent of total hires as community hires over the course of the Project construction period. In addition, Project Owner agrees to provide training and/or apprenticeships for City of Providence residents hired on the Project. Such training and/or apprenticeship program shall be submitted in writing to the Director of the Department of Planning and Development, City of Providence, for his or her written approval, as a condition precedent to any tax stabilization as envisioned under this ordinance, which may include an apprenticeship created under Section 28-45-1, et seq., of the General Laws of Rhode Island, as amended.

Section 10. Support for Affordable Housing. (a) Project Owner and all successors and assigns shall make a \$392,000.00 contribution to the Providence Redevelopment Authority with respect to Phase I to support affordable housing and community services as follows:

- (i) \$50,000.00 to be contributed on or before June 30, 2005; and,
- (ii) \$18,000.00 to be contributed on or before June 30 of each of the nineteen (19) years thereafter.

The contributions to be made in connection with Phases II and III shall be determined at the time of application for tax stabilization using the same formula used to determine the Phase I contribution, except that the payments shall be made within the time frame then existing under the term of the agreement. The contributions made by Project Owner shall be directed to a housing trust for the development of affordable housing and/or community services with a preference for affordable housing and community services in the Smith Hill section, so-called, of the City of Providence.

Section 11. Purpose. The City of Providence has entered into this tax treaty to provide residential, retail and commercial units in the City of Providence and to increase its tax base as a result of such construction. This treaty shall be in effect during its term as long as the property is utilized primarily for the Project and failure to use the Project Site primarily for such purposes renders the treaty null and void. This ordinance does not extend to any building or buildings used as a "dormitory" or an "apartment dormitory." The use of any building or portion of a building for "dormitory" or "apartment dormitory" purposes would render the treaty null and void. The treaty being rendered null and void for any reason would require the Project Owner to pay all taxes and fees as due and owing as if no treaty had been entered.

Section 12. Basis of Calculation. The schedule listed in Exhibit B is based, in part, upon information provided to the tax assessor of the City of Providence by Project Owner including, but not limited to, estimated construction costs. In the event that any of this information is inaccurate or proves to be materially erroneous, this treaty shall be modified to reflect the accurate information. This tax treaty is conditioned upon commencement of construction by June 30, 2005. Failure to begin construction by June 30, 2005 renders the treaty null and void and shall subject the Project Owner liable for the real estate and tangibles that would have been assessed against such property as if no treaty had been entered.

Section 13. Back Taxes. This treaty is conditioned upon Project Owner at all times owing no back taxes to the City of Providence and remaining current on all payments due under this tax treaty. Failure to make timely payments may render this treaty null and void.

Section 14. Reporting and Monitoring. Project Owner shall, not less than sixty (60) days after the end of each fiscal year of the Project Owner, submit to the Director, Department of Planning and Development of the City of Providence, a report that will provide evidence of compliance with Sections 8, 9 and 10 hereof on forms provided by said director for said purpose. The director may require additional information to demonstrate compliance.

Section 15. Notices. All notices, certificates, requests, demands, consents, approvals, and other communications which may or are required to be served or given hereunder (for the purposes of this section, collectively called "Notices") shall be in writing and shall be sent by registered or certified mail, postage pre-paid, return receipt requested and received overnight delivery by a recognized public or private carrier, or by facsimile, in either case as evidenced by a receipt or other evidence of delivery showing the date, time and, for facsimile, telephone number or receipt and addressed to the party to receive such Notice as identified below:

If to: City of Providence
 City Hall
 25 Dorrance Street
 Providence, RI 02903
 Attn: Mayor, City of Providence

Copies to: City Solicitor
 City of Providence
 275 Westminster Street, 2nd Fl.
 Providence, RI 02903

Director, Department of Planning and Development
 400 Westminster Street
 Providence, RI 02903

If to: Capitol Cove, LLC
 120 Seavor Street
 Brookline, MA 02445

Copy to: Tillinghast, Licht, Perkins, Smith and Cohen, LLP
 10 Weybosset Street
 Providence, RI 02903
 Attn. Richard Licht, Esq.

Section 16. Penalties and Petition for Relief. In the event that Project Owner does not substantially comply in all material respects with any and/or all of the material provisions of this ordinance, the Director of the Department of Planning and Development, City of Providence, may provide written notice, mailed, postage-prepaid,

to Project Owner at its/his/her last known address, setting forth the nature of such non-compliance and the date upon which the tax stabilization agreement shall be rendered null and void because of such non-compliance, unless said non-compliance is cured prior to said date ("Early Termination Date"). The full tax which would otherwise have been due and payable, if there had been no tax agreement, plus interest and penalties as provided by law ("Full Tax"), will become immediately due and payable on the Early Termination Date, with the calculation thereof being contained in the notice. However, the Early Termination Date shall be at least one hundred and twenty (120) days from the mailing of written notice. Project Owner may petition the City Council of the City of Providence, for a hearing with respect to the issue of non-compliance. The hearing shall be held within sixty (60) days of the receipt of the petition by the City Clerk, City of Providence. At the hearing Project Owner shall have an opportunity to present evidence of compliance and/or request relief. In the event that the City Council of the City of Providence, does not act after a hearing of Project Owner prior to the Early Termination Date, the determination of the Director, Department of Planning and Development, City of Providence, shall be conclusive and Project Owner shall immediately make payment of the Full Tax to the City of Providence.

Section 17. Expiration Dates. That in accordance with the laws of the State of Rhode Island and the Code of Ordinances of the City of Providence, the City Council of the City of Providence hereby approves the Project Owner's application for tax stabilization as set forth as Exhibit A and authorizes said tax stabilization as provided in this ordinance in accordance with it and with the schedule of payments set forth in Exhibit B.

Section 18. Applicable Law. This agreement shall be construed under the laws of the State of Rhode Island.

Section 19. Effective Date. This ordinance shall take effect upon its passage.

IN CITY COUNCIL
FEB 17 2005
FIRST READING
READ AND PASSED

Michael S. Clement

 CLERK APPROVED

[Signature]

 3/11/05

IN CITY COUNCIL

MAR 3 2005
FINAL READING
READ AND PASSED

[Signature]

 PRESIDENT
Michael S. Clement

 CLERK

CITY OF PROVIDENCE, RHODE ISLAND

APPLICATION REQUESTING

TAX STABILIZATION FOR COMMERCIAL / INDUSTRIAL & RESIDENTIAL
PROPERTIES

ACCORDING TO

CHAPTER 21 OF THE CODE ORDINANCES AS AMENDED

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.)

DATE September 15, 2003

1. NAME & ADDRESS OF APPLICANT Capital Cove LLC
(IF CORPORATION/PARTNERSHIP,
GIVE NAME & TITLE OF CEO FILING
APPLICATION) Robert Roth, Managing Partner
120 Seaver Street, Brookline MA 02445
2. IF APPLICANT IS LESSEE, GIVE
NAME AND ADDRESS OF OWNER
AND SPECIFIC TERMS OF LEASE CAPITAL Properties LLC
100 Dexter Road
Providence RI 02914
99 year ground lease
3. LOCATION OF PROPERTY 80 Smith Street, Parcel 6
4. ASSESSOR'S PLAT AND LOT 004-0247-4601
5. DATE & PURCHASE PRICE OF
EXISTING PROPERTY 12-05-02
6. COST & PROJECTED DATE OF
ADDITIONAL PROPERTY TO BE
PURCHASED FOR THIS
EXPANSION PROJECT N/A

NEW CONSTRUCTION

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.)

\$ 31,250,000

4.5 story, 250 apartment units
brick exterior with two
levels of underground parking
approximately 275,000 sq ft.

8. DESCRIBE EXISTING FACILITY:

OF STORIES
OF SQ. FT./ FLOOR
AGE OF BUILDING(S)
TYPE OF CONSTRUCTION
INTERIOR CONDITION
EXTERIOR CONDITION

n/a
land only

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
- d. expand building
- e. remodel facility
- f. construct new building (s)
- g. computer/telephone
- h. other

10. WILL PROPOSED CONSTRUCTION/
ALTERATION INCREASE THE
EMPLOYMENT AT YOUR COMPANY

YES NO

IF YES, GIVE ESTIMATE AS TO
NEW POSITIONS TO BE CREATED
AND JUSTIFICATION FOR SAME

20 employees
5 administrative, 10 service people
5 construction positions.

11. WILL THE PROPOSED ALTERATION/
CONSTRUCTION CAUSE ANY OTHER
FACILITY TO CLOSE?

YES NO

12. WILL CONSTRUCTION/ALTERATION
REQUIRE PURCHASE OF ADDITIONAL
FURNITURE/FIXTURES/EQUIPMENT?
IF YES, GIVE DETAILS AS TO NUMBER
AND TYPE TO BE PURCHASED

YES NO
Furniture & equipment for
having office and clubhouse

13. CONSTRUCTION SHALL BEGIN ANTICIPATED THAT CONSTRUCTION SHALL BE COMPLETED

June 04
June 05

14. ARE ALTERATIONS/CONSTRUCTION PLANS PERMITTED UNDER THE PRESENT ZONING;

YES NO

IF NO, PLEASE ADVISE AS TO WHETHER APPLICATION HAS BEEN OR WILL BE FILED WITH ZONING BOARD OF REVIEW.

HAS HEARING BEEN SCHEDULED?

Working with the Capital Gown Commission

IT IS THE UNDERSTANDING OF THE APPLICANT(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 ATTRIBUTABLE ONLY TO THAT PORTION OF THE ASSESSMENT ATTRIBUTABLE TO THIS CONSTRUCTION / RENOVATION; THAT THE EXEMPTION MAY BE REVOKED IN THE EVENT OF FRAUD OR MISREPRESENTATION BY THE APPLICANT(S).



SIGNATURE OF APPLICANT

Capital Cove LLC

120 Seaver St, Brookline MA
ADDRESS


WITNESS

2-9-04
DATE

2/9/04
DATE

RECEIVED BY CITY ASSESSOR PROVIDENCE RHODE ISLAND

DATE

APPLICATION FEE FORWARDED TO COLLECTOR _____ AMOUNT

REVIEWED BY ASSESSOR WITH THE FOLLOWING RECOMMENDATIONS

SIGNATURE/DATE/ASSESSOR John Galato 2/4/04

RECEIVED BY CITY COLLECTOR _____

APPLICANT OWES FOLLOWING TAXES 2003 YEAR 178,417³¹ AMOUNT (4th QTR)

NA

TAXES ARE PAID IN FULL _____

ARRANGEMENTS HAVE BEEN MADE YES _____ NO

SIGNATURE/DATE/COLLECTOR F. DeH. Payne 3/4/04

RECEIVED BY BUILDING INSPECTOR
DATE 2/9/04

Edgar Paxson
THE APPLICANT HAS BEEN PROVIDED ~~NO~~ SCHEMATIC REVIEWS.
CONSTRUCTION DRAWINGS ARE NOT YET AVAILABLE
FOR CODE ANALYSIS
_____ YES _____ NO

PLANS AS REVIEWED MEET ALL CURRENT CODES/STATUTES OF CITY

NO VIOLATIONS EXIST ON THIS OR OTHER PROPERTIES OWNED BY APPLICANT

VACANT PARCEL - NO CODE OR ZONING VIOLATIONS.
A LIST OF OTHER PROPERTIES IS NEEDED TO DETERMINE
VIOLATIONS _____ YES _____ NO

* VIOLATIONS EXIST AS FOLLOWS _____

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

_____ YES _____ NO

SIGNATURE/DATE/BUILDING INSPECTOR Edgar Paxson 2/9/04

REVIEW BY THE ASSESSOR OF THE APPLICATION FOR TAX STABILIZATION FOR COMMERCIAL/INDUSTRIAL & RESIDENTIAL PROPERTY

1. Name & Address of Applicant

2. Location of Property

3. List Plat/Lot(s)

4. Fee Paid

Yes _____ No _____

5. Application Reviewed by Building Inspection & Approved No Violations

Yes _____ No _____

6. Application reviewed by Collector with no outstanding taxes

Yes _____ No _____

7. Application is eligible for program on the basis of the following (check one)

- a. _____ Cause a commercial/industrial concern to locate in the city;
- b. _____ Cause a commercial/industrial concern to replace, expand, reconstruct, or remodel existing building thereby increase tax base
- c. _____ Cause a commercial/industrial concern to construct new buildings/facilities and thereby increase employment

8. Property is eligible for stabilization program in that it meets the criteria as commercial/industrial property

Yes _____ No _____

9. Application has been filed with Assessor prior to obtaining building permit

Yes _____ No _____

10. Improvements to be undertaken

11. Recommend that the project be approved for stabilization exemption program

Yes _____ No _____

RECAPITULATION OF EXEMPTION BREAKDOWN

Assessment date prior to Stabilization

Capital Cove
 Assumptions:
 Plat 4 Lot 247-LL01
 Capital Center Parcel 6
 Assessment Value:

Parcel		Building Units	AS ESTIMATED ASSESSMENT ESTIMATE ATTRIBUTABLE TO LAND	ASSESSMENT ESTIMATE ATTRIBUTABLE TO LAND AND BUILDINGS	UNIT VALUE
A & B & C			\$ 13,350,000		
A & B	Garage	330	\$ 5,350,000	\$ 3,300,000	\$10,000
A & B	Apt	265		\$ 33,125,000	\$125,000
A & B	Retail	1	\$ -	\$ 127,425	
C			\$ 8,000,000		
Total			\$ 13,350,000	\$ 36,552,425	

STABILIZATION YEAR #	DATE OF ASSESSMENT	LAND ASSESSMENT A & B	LAND ASSESSMENT C	LAND ASSESSMENT A & B & C	LAND TAX AT \$38.82 PER SQ.FT.	Phase I BUILDING ASSESSMENT ESTIMATE	TAX RATE PER \$1000	UNADJUSTED TAX CONCLUSION	% TAXABLE	STABILIZATION ASSESSMENT TAXABLE	STABILIZATION ASSESSMENT ABATED	STABILIZATION TAX AMOUNT	EXEMPTED STABILIZATION TAX AMOUNT	TOTAL STABILIZED TAX PAYMENT (LAND & BUILDING)
1	12/31/2004	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	0%	\$0	\$23,202,425	\$0	\$900,718	\$518,247
2	12/31/2005	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	0%	\$0	\$23,202,425	\$0	\$900,718	\$518,247
3	12/31/2006	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	0%	\$0	\$23,202,425	\$0	\$900,718	\$518,247
4	12/31/2007	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	10%	\$2,320,243	\$20,882,183	\$90,072	\$810,646	\$608,319
5	12/31/2008	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	20%	\$4,640,485	\$18,561,940	\$180,144	\$720,575	\$698,391
6	12/31/2009	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	30%	\$6,960,728	\$16,241,698	\$270,215	\$630,503	\$788,462
7	12/31/2010	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	40%	\$9,280,970	\$13,921,455	\$360,287	\$540,431	\$878,534
8	12/31/2011	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	40%	\$9,280,970	\$13,921,455	\$360,287	\$540,431	\$878,534
9	12/31/2012	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	50%	\$11,601,213	\$11,601,213	\$450,359	\$450,359	\$968,606
10	12/31/2013	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	50%	\$11,601,213	\$11,601,213	\$450,359	\$450,359	\$968,606
11	12/31/2014	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	60%	\$13,921,455	\$9,280,970	\$540,431	\$360,287	\$1,058,678
12	12/31/2015	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	60%	\$13,921,455	\$9,280,970	\$540,431	\$360,287	\$1,058,678
13	12/31/2016	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	70%	\$16,241,698	\$6,960,728	\$630,503	\$270,215	\$1,148,750
14	12/31/2017	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	70%	\$16,241,698	\$6,960,728	\$630,503	\$270,215	\$1,148,750
15	12/31/2018	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	80%	\$18,561,940	\$4,640,485	\$720,575	\$180,144	\$1,238,822
16	12/31/2019	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	80%	\$18,561,940	\$4,640,485	\$720,575	\$180,144	\$1,238,822
17	12/31/2020	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	90%	\$20,882,183	\$2,320,243	\$810,646	\$90,072	\$1,328,893
18	12/31/2021	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	90%	\$20,882,183	\$2,320,243	\$810,646	\$90,072	\$1,328,893
19	12/31/2022	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	95%	\$22,042,304	\$1,160,121	\$855,682	\$45,036	\$1,373,929
20	12/31/2023	\$ 5,350,000	\$ 8,000,000	\$ 13,350,000	\$ 518,247.00	\$23,202,425	38.82	\$900,718	100%	\$23,202,425	\$0	\$900,718	\$0	\$1,418,965
TOTALS					\$10,364,940			\$18,014,363				\$9,322,433	\$8,691,930	\$19,687,373

Handwritten text at the top right corner, possibly a date or initials.

Vertical handwritten text on the right side of the page, possibly a list or notes.

Handwritten text at the bottom left corner, possibly a signature or date.

CAPITOL COVE LLC

120 Seaver Street
Brookline, MA 02445
617-277-7778 fax 617-277-7757

September 30, 2003

Mr. John Gelati
City of Providence Tax Assessor
25 Dorrance Street
Providence, RI 02093

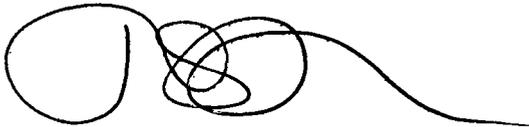
Re: Parcel 6 Tax Stabilization Application

Dear Mr. Gelati:

Enclosed is a request from Capitol Cove LLC for Tax Stabilization for two new residential buildings on Parcel 6 in the Capital District, Parcel 004-0247-LL01. Included with the application is a Fact Sheet, Site Plan, Public Improvement Plan and Building Elevations.

Please do not hesitate to call me if you need any additional information.

Very truly yours,

A handwritten signature in black ink, consisting of several loops and a long horizontal tail extending to the right.

Robert S. Roth

Enclosures
cc: R. Licht, Esq.

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

DATE	PLAT	LOT	UNIT	LOCATION	CERT #	PAGE
February 23, 2005	004	0247	LL01	80 Smith St	32,761	1

ASSESSED Capital Properties Inc
 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
04	RE	\$468,793.72	\$0.00	\$0.00	\$351,595.29	\$117,198.43	\$0.00	117,198.43	Capital Properties Inc
		<u>\$468,793.72</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$351,595.29</u>	<u>\$117,198.43</u>	<u>\$0.00</u>	<u>117,198.43</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: City Council
 City of Providence



ROBERT P. CEPRANO
 TAX COLLECTOR

MARC CASTALDI, DEPUTY.

Capital Properties, Inc.

100 Dexter Road
East Providence, Rhode Island 02914

Phone: (401) 435-7171

Fax: (401) 435-7179

February 22, 2005

Mr. Kevin Jackson, Chairman
Finance Committee
City of Providence
City Hall
Providence, RI 02903

Re: Capitol Cove, LLC
Plat 4, Lot 247 (Parcel 6, Capital Center)

Dear Mr. Jackson:

At the City Council Meeting held on Thursday, February 17, 2005, during the discussion of the tax stabilization plan for the above parcel, the question of some outstanding unpaid taxes owed by Capital Properties on this parcel was raised by Councilman DeLuca.

Subsequent to the meeting, I checked with the City Clerk's Office to determine what plat and lot Councilman DeLuca was referring to since, to the best of my knowledge, all taxes assessed to Capital Properties were paid up to date. The City Clerk's Office indicated that it was Plat 4, Lot 247. I then asked the City Tax Collector's Office for the status of this parcel and was told that all taxes were current.

However, upon further discussion with the Tax Collector's Office, an unpaid tax bill from 2001 covering Plat 4, Lot 252 emerged. This parcel is commonly called the "Slope" which runs along Gaspee Street to the west of Amtrak's main line north of the Providence Train Station. Capital Properties, Inc. owned this parcel, which was condemned by National Railroad Passenger Corporation (Amtrak) on May 3, 2001. Capital Properties paid the first quarter and one month of the second quarter's tax bill for 2001, representing the taxes due to the date of condemnation.

Mr. Kevin Jackson, Chairman
City of Providence Finance Committee
February 22, 2005
Page 2

The City Tax Collector indicated that the taxes for the remainder of 2001 in the amount of \$54,651.82 remained unpaid. In an effort to clear up this matter, Capital Properties, Inc. today paid the balance of the 2001 taxes plus interest in the amount of \$24,046.80, for a total of \$78,698.62. A copy of the 2001 tax bill and the receipt for the payment are enclosed, together with a letter to the City Tax Collector acknowledging receipt of the check.

As described above, the taxes on the Capital Cove, LLC property (Plat 4, Lot 247) are completely current, and I am enclosing a duplicate bill issued today by the Tax Collector's Office indicating that only one quarter remains to be paid when due April 24, 2005.

Very truly yours,



Ronald P. Chrzanowski
President

Cc: Mr. John Gelati
Tax Assessor
City of Providence
(With Enclosures)

City of Providence Duplicate Bill

National Railroad Passenger Copr Amtrak
400 N Capitol St NW
Washington, DC 20001-1511



ACCOUNT NO: 32010050001
LENDER

2004 TAX DUE:	
2004 INTEREST DUE:	
PRIOR YEARS TAXES DUE:	\$54,651.82
PRIOR YEARS INTEREST DUE:	\$24,046.80
TOTAL AMOUNT DUE:	\$78,698.62

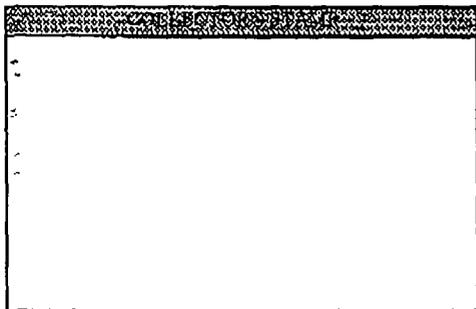
DESCRIPTION

REAL ESTATE

YR	PLAT/LOT	PROPERTY LOC.	TOTAL A	ORIG. DUE	ADJ/AB.	CHARGES	INT.	REVERS.	REFUND	PAYMENTS	TOT. DUE
2004	004-0252-0000	100 Smith St	2,417,310.00			\$0.00	\$0.00				
Interest as of date:											\$0.00
REAL ESTATE TOTAL:						\$0.00	\$0.00				

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>QTR1</u>	<u>QTR2</u>	<u>QTR3</u>	<u>QTR4</u>
REAL ESTATE TAX:	\$54,651.82					
TANGIBLE TAX:						
EXCISE TAX:						
INTEREST:	24,046.80	0.00	0.00	0.00	0.00	0.00
PENALTY/CHARGES:	\$500.00					
SUB TOTAL:	\$24,546.80					
TOTAL CREDITS:						
TOTAL PAYMENTS:	\$444,385.23					

TOTAL AMOUNT DUE : \$78,698.62



Capital Properties, Inc.

100 Dexter Road
East Providence, Rhode Island 02914

Phone: (401) 435-7171

Fax: (401) 435-7179

February 22, 2005

Mr. Robert Ceprano
Tax Collector, City of Providence
City Hall
Providence, RI 02903

RE: Plat 4, Lot 252

Dear Mr. Ceprano:

Enclosed is our check in the amount of \$78,698.62, which represents the balance due for the 2001 taxes on the above parcel of \$54,651.82 plus interest of \$24,046.80.

Capital Properties, Inc. is paying these taxes although we do not believe that we are the responsible party.

Very truly yours,


Ronald P. Chrzanowski
President

RPC/bd
Enclosure

Check Received:



City of Providence Duplicate Bill

Capital Properties Inc
100 Dexter Rd
East Providence, RI 02914-2005



ACCOUNT NO: 3099825001
LENDER

2004 TAX DUE:	\$117,198.43
2004 INTEREST DUE:	
PRIOR YEARS TAXES DUE:	
PRIOR YEARS INTEREST DUE:	\$0.00
TOTAL AMOUNT DUE:	\$117,198.43

DESCRIPTION

REAL ESTATE											
YR	PLAT/LOT	PROPERTY LOC.	TOTAL A.	ORIG. DUE	ADJ./AB.	CHARGES.	INT.	REVERS.	REFUND	PAYMENTS	TOT. DUE
2004	004-0247-LL01	80 Smith St	2,670,100.00	468,793.72		\$0.00	\$0.00			\$351,595.29	17,198.43
REAL ESTATE TOTAL:			468,793.72			\$0.00	\$0.00			Interest as of date:	\$0.00
										\$351,595.29	17,198.43

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>QTR1</u>	<u>QTR2</u>	<u>QTR3</u>	<u>QTR4</u>
REAL ESTATE TAX:		\$117,198.43				\$117,198.43
TANGIBLE TAX:						
EXCISE TAX:						
INTEREST:	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY/CHARGES:						
SUB TOTAL:						
TOTAL CREDITS:						
TOTAL PAYMENTS:	\$9,486,106.20	\$351,595.29	\$117,198.43	\$117,198.43	\$117,198.43	
TOTAL AMOUNT DUE :		\$117,198.43	<i>pd.</i>	<i>pd.</i>	<i>pd.</i>	\$117,198.43

Due
4/24/05

