

City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CHAPTER 1995-22

No. 582 AN ORDINANCE

ESTABLISHING A TAX STABILIZATION PLAN AND
RELATED TAX TREATY AGREEMENT FOR THE
PROVIDENCE PLACE PROJECT, AS AMENDED

Approved October 11, 1995

Be it ordained by the City of Providence:

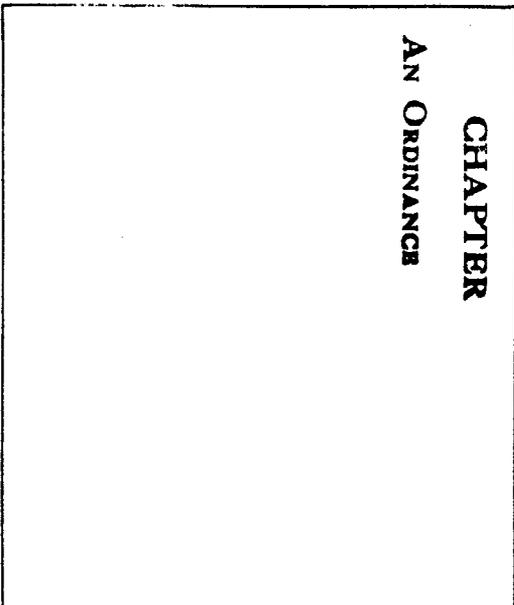
WHEREAS, Providence Place Group (PPG") and The Rhode Island Economic Development Corporation, formerly the Rhode Island Port Authority and Economic Development Corporation ("Corporation") entered into an Amended and Restated Development Agreement dated August 22, 1994, as amended in November, 1994 and as further amended on December 23, 1994 (the "1994 Agreement") relating to the development and construction of the Providence Place super regional shopping center (the "Shopping Mall") and a parking garage to be constructed beneath and adjacent to the Shopping Mall (the "Garage"); and

WHEREAS, the Corporation has requested, and PPG is considering, a restructuring of the transaction as previously contemplated by the 1994 Agreement, pursuant to which (a) the Corporation will acquire and own the fee to or certain air rights over the land as described on Exhibit I attached hereto and shown on a survey entitled "Plan of Land in Providence, Rhode Island Surveyed for Providence Place, surveyed and drawn by Marrier Surveying Inc. Scale 1"=40' May, 1990, revised May, 1995 (the "Survey") on and in which the Shopping Mall and the Garage are to be built (such fee interest and air rights are hereinafter referred to as the "Site"); (b) the Corporation will ground lease the Site to PPG (the "Ground Lease"), and PPG will construct thereon the Shopping Mall, the Garage, and certain appurtenances thereto, including without limitation the aerial pedestrian bridge connecting the Shopping Mall to the Convention

No.

CHAPTER

AN ORDINANCE



“Project”); (c) PPG will retain title to the Project in its own name or that of a nominee; and (d) PPG will enter into a lease with the State of Rhode Island (“State”) with respect to parking spaces for 2,500 high occupancy vehicles in the Garage (the “Parking Garage Lease”); the Corporation and PPG are currently finalizing the terms of such restructuring and if such negotiations are successful, they will enter into an agreement memorializing the same and replacing the 1994 Agreement (the “1995 Agreement”), and the General Assembly has been asked to enact legislation (the “Legislation”) approving and authorizing certain aspects of the Project, including authority for the Corporation and the City to enter into the Tax Treaty Agreement (as hereinafter defined) with PPG; and

WHEREAS, the City, the Corporation and PPG wish to enter into a tax treaty agreement with respect to all real and personal property taxes or payments in lieu of taxes which relate to the Project substantially in the form attached hereto as Exhibit II (the “Tax Treaty Agreement”); and

WHEREAS, upon taking effect of this Ordinance authorizing the Tax Treaty Agreement, it shall be deemed to supersede the City Council’s authorization pursuant to Ordinance No. 612, Chapter 1994-32, enacted on September 23, 1994, of a similar agreement with the Corporation and PPG with respect to the Shopping Mall; and

WHEREAS, the City has made and hereby reaffirms the following findings with respect to the Tax Treaty Agreement:

- (a) The Tax Treaty Agreement is in the public interest; and
- (b) The Legislation as proposed provides that the City, the Corporation, and PPG may make an agreement with respect to all real and personal property taxes or payments in lieu of real and personal property taxes from the Project; and
- (c) The payments made pursuant to the Tax Treaty Agreement are in an aggregate amount which will enable the City to stabilize the amount of taxes that would be paid on account of property used for retail and commercial purposes and located in the City and are in the public interest.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PROVIDENCE, RHODE ISLAND, AS FOLLOWS:

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

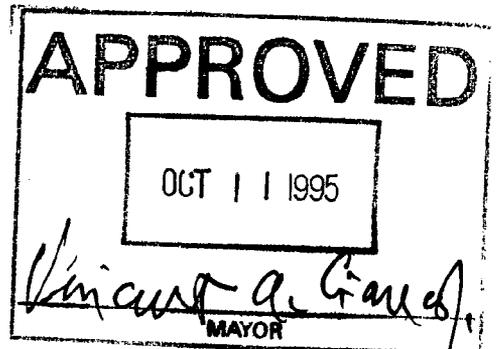
Section 2. That the execution, delivery and performance by the City of a Tax Treaty Agreement with the Corporation and PPG for a stated term of thirty (30) years, or such lesser term as shall be effected by the terms of the Tax Treaty Agreement in a form substantially similar to Exhibit II attached hereto, is hereby authorized and approved.

Section 3. If this Ordinance or any part of this Ordinance conflicts or is inconsistent with any then existing Ordinance, including, but not limited to, Ordinance 21-129, the provisions of this Ordinance shall govern.

Section 4. This Ordinance shall take effect only upon the occurrence of the following events (1) the passage by the Rhode Island General Assembly of the Legislation substantially in the form attached hereto as Exhibit III, and any other legislative amendments necessary to carry out the terms of the 1995 Agreement; (2) the execution and delivery of the 1995 Agreement substantially in the form reviewed by the City Solicitor on the date hereof and the other documents referred to therein by the parties thereto and their taking effect; and (3) the execution and delivery of the Ground Lease and the Parking Garage Lease, which document shall include as an exhibit a form of Parking Garage Management Agreement to take effect upon the exercise by the State and the City of their respective options to purchase the Garage; and upon taking effect, this Ordinance shall supersede the aforementioned Ordinance No. 612, Chapter 1994-32.

EXHIBITS TO ORDINANCE NO. _____

- Exhibit I - Description of Site
- Exhibit II - Tax Treaty Agreement
- Exhibit III - Legislation



IN CITY COUNCIL
OCT 5 1995
FIRST READING
READ AND PASSED

Michael L. Clement
CLERK

IN CITY COUNCIL
OCT 10 1995
FINAL READING
READ AND PASSED

Eugene V. Fargnoli
ACTING PRES.
Michael L. Clement
CLERK

EXHIBIT II TO ORDINANCE
ESTABLISHING A TAX STABILIZATION PLAN
TAX TREATY AGREEMENT FOR
THE PROVIDENCE PLACE PROJECT

THIS AGREEMENT made and entered into as of the ____ day of _____, 1995 by and among the City of Providence, Rhode Island (the "City"), The Rhode Island Economic Development Corporation (the "Corporation") and Providence Place Group, a limited partnership organized under the laws of the State of New York, its successors and assigns ("PPG").

W I T N E S S E T H:

WHEREAS, pursuant to P.L. 1995 Ch. ____, the Rhode Island General Assembly has authorized the City and the Corporation to execute a tax treaty agreement with PPG with respect to all real and personal property taxes or payments in lieu of such taxes which relate to the Project (as hereinafter defined) (the "Legislation"); and

WHEREAS, the City has authorized and approved the form of this agreement pursuant to Ordinance No. ____, Chapter 1995-__ (the "PPG Tax Ordinance"); and

WHEREAS, PPG and the Corporation have entered into an "Agreement relating to the Providence Place Mall" dated _____, 1995 (the "1995 Agreement"), with respect to the development and construction of the Project to be located on the Site (as defined in the Ordinance), which agreement supersedes an Amended and Restated Development Agreement dated August 22, 1994, as amended, by and among the parties with respect to the Site and the Project;

WHEREAS, representatives of the City, PPG and the Corporation have met and discussed proposed terms of a tax treaty agreement related to the Site, the Project and the Personal Property (as hereinafter defined);

WHEREAS, PPG, the Corporation and the City desire to fix and stabilize the level of payments of taxes or payments in lieu of taxes to be made with respect to the Site, the Project and the Personal Property;

WHEREAS, this Agreement contains all the terms and conditions of such agreement relating to payments of taxes or payments in lieu of taxes to be made with respect to the Site, the Project and the Personal Property.

NOW, THEREFORE, in consideration of the mutual agreements, understandings and obligations set forth herein, the City, the Corporation and PPG hereby agree as follows:

1. Providence Place.

PPG intends to develop and construct on or within the Site (i) an enclosed shopping mall consisting of no less than 900,000 square feet and no more than 1,300,000 square feet of gross leasable area (the "Shopping Mall"), together with personal property and fixtures constituting leasehold improvements to the Shopping Mall and inventory ("Personal Property") to be owned and/or leased by tenants and business entities located within the Shopping Mall for commercial, retail and/or restaurant purposes, but excluding any office building or other commercial property described as additional property in Section 10, (ii) a partially enclosed parking garage with approximately 5,000 spaces (the "Garage") beneath and adjacent to the Shopping Mall, all to be constructed by PPG; and (iii) certain other appurtenances, including without limitation the aerial pedestrian bridge connecting the Shopping Mall to the Convention Center Complex. All of the real property listed in clauses (i), (ii) and (iii) hereof are collectively referred to hereinafter as the "Project".

2. Consideration.

(a) As consideration for and to induce the City to enter into this Agreement and to accept the payments hereunder in full satisfaction of any and all taxes or payments in lieu of taxes that might otherwise be levied or assessed by the City on the Site, Project or the Personal Property, PPG shall pay Nine Hundred Thousand Dollars (\$900,000) to the City on June 30, 1996. The City agrees that such payment shall represent full payment for any and all fees or expenses that can or would be charged to PPG or the Anchor Tenants (as defined in the 1995 Agreement) by the City's fire and building officials in connection with the construction of the Project and the Anchor Tenants' stores or other improvements to the Site by PPG or the Anchor Tenants,

provided, however, such payment shall not include any fees or expenses payable by tenants other than the Anchor Tenants for construction of individual stores.

(b) PPG agrees to pay on or before June 30, 1996, \$25,000 in full and complete payment for the ordinary and customary fees imposed by the City and presently in effect in connection with construction of the Project not referred to in (a) above, including, without limitation, permit, filing and inspection fees, signage permits and fees, fees for accepting the dedication of any streets and sidewalks, street and sidewalks rentals or opening or closing fees, fees for temporary street closings (whether by Council resolution or administrative action), curb cut fees, temporary construction easements or licenses, (but excluding the cost of any police details).

3. Payments. On behalf of the Corporation, and of all the owners, tenants and users of all or any portion of the Site, Project or the Personal Property, PPG shall pay the amounts shown in the column titled "Base Annual Tax Payment" on Schedule A (the "Tax Payments") in the manner set forth herein, in lieu of all taxes that could be levied on the Site, Project or the Personal Property by the City. PPG shall pay (i) ten percent (10%) of each of the Tax Payments directly to the City Collector, to be deposited in the City's general fund and (ii) ninety percent (90%) of each of the Tax Payments directly to the lender or lenders (as designated from time to time by PPG or its successor) which are providing the original or subsequent financing or refinancing of the Project, as long as the principal and interest owed by PPG or its successor with respect to such financing or refinancing of the Project on a given payment date is equal to or greater than the 90% Tax Payment amount to be applied thereto. If the principal and interest owed by PPG or its successor with respect to the financing or refinancing of the Project on a given payment date shall be less than the 90% Tax Payment amount referred to above, only the amount actually owed to Project lenders on the payment date in question shall be applied thereto, and PPG shall pay the remainder of the Tax Payment in question to the City Collector, to be deposited in the City's general fund. On the earliest date on which the principal and interest owed by PPG or its successor with respect to the financing or refinancing of the Project shall be reduced to \$0, this Agreement shall terminate in accordance with Section 10(b)(iv) hereof.

The portion of the Tax Payments to be paid to the City representing payments of taxes or in lieu of taxes upon or in respect of the Site, Project and the Personal Property as provided in this Section 3 shall be made semiannually, on December 31 and June 30 of each year, commencing December 31, 1998 and ending June 30, 2028. No taxes shall be due or payable with respect to the Site, Project or the Personal Property prior to December 31, 1998. The City shall, within thirty days following receipt of (1) its share of a Tax Payment for any six-month period and (2) a copy of a confirmation from any designated lender of its receipt of the amount paid to such lender for such six-month period, send to PPG a written acknowledgment that such Tax Payment (or portion thereof, as the case may be) has been paid. The financing or refinancing documents to which the Tax Payments are to be applied shall provide that each lender thereunder shall provide a confirmation to the City of its receipt of such amounts to enable the City to make such acknowledgment as provided in the preceding sentence. The liability for all payments due and owing under this Agreement shall constitute a full faith and credit obligation of PPG (but shall not include recourse to any individual partners thereof), and the City shall be granted by PPG a first lien on the Project and a first lien on the Personal Property, which lien shall be provided to insure that the City's right and priority to foreclose on such property is no less than those rights and priority of foreclosure provided under applicable laws and ordinances if taxes were being paid to the City thereon.

It is understood by the parties that payments made under this Section 3 are deemed by the City to be tax payments, and PPG (and all tenants and owners of space within the Project) shall be entitled to the rights and privileges of a taxpayer in the City. It is further understood and agreed that the City's recourse to the Corporation for the payments hereunder are limited to the City's first lien on the Project and the Personal Property as described above, and, to the extent the Corporation holds title to any portion of the Project or the Personal Property, the Corporation shall, upon termination of this Agreement for any reason, transfer its interests in the Project and the Personal Property (other than the Site) to PPG (or its assignee or transferee as provided in Section 12 hereof) so that taxes payable to the City under applicable laws and ordinances shall not be exempted. Neither the State nor the Corporation shall be obligated to make the payments

hereunder. Neither the faith and credit of the State or of any political subdivision thereof is pledged to the payment of the obligations hereunder.

4. Payment Adjustments. Each Tax Payment scheduled for the fiscal years 2019 through 2028 shall be adjusted higher to reflect any increase in the Consumer Price Index (CPI") over the immediately preceding calendar year. For example, the Tax Payment due for the fiscal year beginning July 1, 2021 shall be increased by an amount calculated by multiplying the Tax Payment otherwise payable for such fiscal year by the percentage increase in the CPI for the period from January 1, 2020 through December 31, 2020 over the preceding year. For purposes of this Agreement, the CPI shall mean the Consumer Price Index All Items (1982-1984=100) as published by the Bureau of Labor Statistics of the United States Department of Labor. In the event such index ceases to be published, such comparable index shall be agreed upon between the City and PPG.

5. Total Payments. Except as specifically provided herein, the Project and the Personal Property owned by PPG or any tenant, user or any owner of space within the Project (and substitutions therefor or replacements thereof), shall not, during the period covered by Section 3 above prior to termination of this Agreement as provided herein, be liable to taxation, levy or assessment of any kind, direct or indirect, by the City (except for any uniform assessment for the planned Downtown Management District).

6. Option to Purchase Garage Interest. On or before January 1, 2029, PPG shall notify the City and the City shall have the option, between January 1 2029 and March 31, 2029, to purchase a one-half interest in the Garage for \$1.00, exercisable upon notice to the Corporation and PPG, and provided that the City shall have, as conditions precedent to the transfer to it of such one-half interest, (i) agreed to and recorded the easements referred to in Section 2.3 of the Ground Lease between the Corporation and PPG referred to in the 1995 Agreement, (ii) executed a management contract with PPG or its designee substantially in the form of the applicable exhibit to the Ground Lease, and (iii) executed a joint ownership agreement with the State if the State shall have exercised its option to purchase a one half interest in the Garage, or PPG, providing for, among other things, appropriate mechanisms for resolution of any deadlock between the parties so that the operation of the Garage is not materially disrupted. On April 1, 2029, if the

State or City shall have exercised their respective options, the State and/or the City will enter into a comprehensive agreement reasonably satisfactory to the City and State for the management and operation of the Garage with PPG for a period of 69 years. In no case, shall the City have any financial responsibility for the Garage.

7. Additional Agreements of PPG and the Corporation.

(a) The Corporation and PPG agree to meet their respective obligations under the 1995 Agreement and related agreements described in the 1995 Agreement.

(b) PPG agrees that the Shopping Mall shall consist of a first-class regional shopping mall of not less than 900,000 square feet and no more than 1,300,000 square feet of gross leasable area, including space for not less than three Anchor Stores, and shall include at street level along Francis Street other retail shops and/or restaurants ("Street Level Retail").

(c) It shall be the goal of PPG to award to Minority Business Enterprises as defined in Rhode Island General Laws, Section 31-14.1 ("MBE Act") no less than 10% of the dollar value of the construction costs for the Project (as determined in accordance with the rules and regulations promulgated pursuant to the MBE Act). It shall be a further goal to award to women business enterprises (WBE's) no less than 10% of the dollar value of the construction costs for the Project (as determined in accordance with Section 21-52 of the Code of Ordinances of the City of Providence). It shall be a further goal of PPG to achieve a minimum level of 10% for minority and 10% for female employment as measured by gross accumulated hours for trades people. The City's MBE/WBE Coordinator shall monitor compliance with this subsection.

(d) The State and City, in cooperation with PPG, shall develop a retail sales and management training program for prospective employees at the Shopping Mall, such program shall provide that residents of the City shall be given a preference in participating in the training program at the Shopping Mall subject to applicable federal, state and local laws. PPG will use its best efforts to publicize the training program and will encourage its tenants to consider applicants from the training program for permanent employment. Such efforts shall include, but shall not be limited to, including a statement in each tenant lease describing the training program and providing guidance as to

procedures to obtain access to those who have successfully completed the training program.

(e) PPG will explore with the Providence Foundation, the Greater Providence Chamber of Commerce and the City the possibility of PPG taking a lead role in the establishment and operation of a Downtown Management District and use its best efforts to cause the establishment and operation thereof.

(f) For a five-year period beginning upon the opening of the Shopping Mall, PPG shall contribute 50 percent of the cost of a downtown advertising campaign, with an annual series of ads that strengthen the image of downtown as an employment, education, arts & entertainment center. PPG shall be required to provide the funds only if (i) the budget for such downtown advertising campaign is acceptable to PPG and the City and (ii) such funds are matched by the City from contributions from various parties and sources.

(g) PPG, the State and the City shall develop and implement plans for the operation of a shuttle bus linking Providence Place and historic downtown Providence, beginning at the time when the Shopping Mall opens. It is understood that the City shall have no financial obligation for such service. The intent is to provide this service for as many hours of the Shopping Mall's operation as economically feasible. The shuttle is intended to move downtown employees, users of the Garage and visitors to and from the Garage, and to transport such people from the Shopping Mall to shopping, entertainment and other opportunities elsewhere in downtown Providence.

(h) PPG shall undertake those additional improvements adjacent to the Project which are depicted in the design of the Project as approved by Convention Center Complex, including without limitation, an extension of the River Walk, the aerial pedestrian walkway to the Convention Center Complex, the resurfacing and widening of those portions of Hayes and Park Streets which abut the Site and the construction of a railing along the Francis Street Bridge.

(i) PPG hereby agrees (i) to indemnify, defend and save the City, its officers, its servants, its employees, agents and representatives harmless from any and all loss, costs, liability, claims, damages, expenses and attorneys fees resulting from activities

under the 1995 Agreement (including without limitation any claims of third parties in connection with any condemnation proceedings) and operation of the Site or the Project, and (ii) maintain or cause to be maintained liability insurance naming the Corporation and the City as the additional insureds, which insurance shall comply with the requirements of the 1995 Agreement and the Ground Lease. Notwithstanding anything in the 1995 Agreement to the contrary, PPG shall indemnify and hold the City, its agents, servants, officers and employees harmless from any and all claims, losses, actions, causes of action, costs, charges, fees (including attorneys' fees), violations (including any administrative action for violation of any Federal, State or local law, statute, regulation, rule or ordinance brought by any quasi-governmental or governmental entity or any board, bureau, agency, department, division thereof), on account of the presence of any contaminant, or hazardous or toxic substance at or near the Project and/or Site. Notwithstanding anything herein or elsewhere to the contrary, the indemnification obligation of PPG hereunder shall survive the termination of this Agreement.

(j) PPG represents that the three original Anchor Tenants shall be: Nordstroms, Lord & Taylor and Filene's. PPG shall not substitute another store for the aforementioned Anchor Tenants without the consent of the City, which consent will not be unreasonably withheld.

(k) PPG agrees that the Garage will always be operated and maintained as a first class parking facility with such amenities and security so as to attract retail customers. To this end, PPG covenants and agrees that the Garage will be operated such that all revenues generated by the Garage will be used solely to repair and maintain the Garage as a first class facility, to provide security to all users and to provide for improvements. In any case where revenues exceed expenses, parking and HOV rates will be reduced to make parking more attractive. It is not expected that revenues in excess of the expense of maintaining the Garage and reducing parking fees as set forth above will ever be generated. To the extent, however, that such excesses should be generated the City shall be entitled to such share of revenues as is commensurate with its interest in the Garage.

(l) PPG and the Corporation shall execute and deliver any additional documents reasonably necessary including, but not limited to, tax compliance and other certificates, (i) to evidence its obligations hereunder, or (ii) to comply with the provisions of the law of the State of Rhode Island pertaining to this Agreement.

8. Specific Performance. In addition to (i) any other remedies which the City may have under law or equity and (ii) the termination rights of the City under Section 10 hereof, if PPG shall breach any of its obligations under this Agreement, the parties hereby agree that the City shall have the right to a remedy of specific performance to cure any such breach, and PPG hereby waives any right to claim that such specific performance remedy is inappropriate or unavailable to enforce its obligations hereunder if the City shall first have proven that PPG has breached its obligations hereunder. The parties hereby acknowledge that this Section 8 was added to this Agreement as bargained for consideration from PPG in lieu of more extensive termination rights in the City if this Section 8 were not included in this Agreement.

9. Effectiveness of this Agreement. This Agreement shall become effective only upon the occurrence of the following events: (1) the passage by the Rhode Island General Assembly of legislation approving and authorizing certain aspects of the Project, including authority for the Corporation and the City to enter into this Agreement as well as any other legislative amendments necessary to carry out the terms of the 1995 Agreement; (2) the execution and delivery of the 1995 Agreement and the other documents referred to therein by the parties thereto and their taking effect; and (3) the execution and delivery by the parties thereto of the Ground Lease and Parking Garage Lease.

10. Termination of Agreement.

(a) PPG may terminate this Agreement by giving the City written notice of termination only under the following circumstances:

(i) if after completion of the Shopping Mall, PPG permanently shuts down or abandons the use of the Shopping Mall as a retail shopping mall as the result of an act of God, civil or military authority, civil disturbance, war,

fire, actions of regulatory authorities or other catastrophe or similar occurrence beyond PPG's reasonable control.

(b) The City may terminate this Agreement upon delivery of written notice to PPG and the Corporation only under the following circumstances:

(i) the occurrence of any "Material Event of Default" under paragraphs (i), (ii), (iii), (iv), (v), (vi), (viii), (ix), (x), (xi), (xii) or (xiii) of Section 7.1(a) of the 1995 Agreement, subject, however, to the provisions of Section 7.3 of the 1995 Agreement and to the restriction that the only insurance cancellation, notice of cancellation, termination or expiration which shall give rise to a termination right in the City hereunder shall be with respect to insurance under which the City shall be entitled to be a named insured as provided in the 1995 Agreement and the Ground Lease; or

(ii) the 1995 Agreement is terminated for any reason, by any party thereto;

or

(iii) PPG fails to pay to the City or to the lender designated by PPG pursuant to Section 3 any sum required to be paid by PPG hereunder when the same shall be due and payable and such failure shall continue for twenty (20) days after written notice from the City to the Corporation and PPG; or
(iv) the principal and interest owed by PPG or its successor with respect to the financing or refinancing of the Project shall be reduced to \$0.

(c) Notwithstanding the foregoing, any mortgagee of the Project or Anchor Tenant of the Shopping Mall shall have the right to cure any default giving rise to a right of termination under this Agreement in the manner provided in Section 7.3 of the 1995 Agreement.

(d) In the event of termination with respect to all or any part of the property covered hereunder, PPG shall make the payments required pursuant to Section 3 for the then current fiscal year, prorated as of the date of termination, but shall have no further obligations with respect to Tax Payments and the other matters covered hereunder. The City shall, after such termination, assess and collect taxes on such property under then applicable laws and ordinances.

(e) Notwithstanding anything to the contrary herein or elsewhere, the indemnification obligation of PPG set forth in Section 7(i) herein shall survive the termination of this Agreement without regard to the cause for such termination.

11. Additional Taxes or Payments. If PPG develops or constructs a commercial office building or any other commercial facility in addition to the Project and the Personal Property, either on the Site or off-Site, such property will be subject to property or other taxes on a regular tax basis, and shall not be covered by the terms of this Agreement.

12. Assignment.

(a) If the Project or any part thereof is sold or transferred or any interest in PPG is sold or transferred in accordance with provisions of the 1995 Agreement or approvals of PPG's financial lenders for the Project or otherwise, PPG shall provide written notice to the Mayor of the City at least 30 days prior to such sale. If the Project or any part thereof is transferred or sold, the agreements contained herein shall run with the part so sold and benefit the transferee who shall be bound by the provisions hereof. In each such case, PPG shall have no further obligations hereunder with respect to the part sold provided, however, such transferee has agreed in writing to be bound by the terms of this Agreement.

(b) In the event a portion of the Shopping Mall is sold to an Anchor Tenant as defined in the 1995 Agreement and such Anchor Tenant applies for a separate tax lot designation from the City's Tax Assessor, and such Anchor Tenant agrees under an agreement in writing to be bound by the terms of this Agreement with respect to such separate tax lot, then, notwithstanding anything herein to the contrary, the provisions hereof including, but not limited to, payments and default provisions, shall apply to such Anchor Tenant with respect to its separate tax lot and payments of taxes thereon (determined, with respect to total payments owed under Section 3 hereof, on a pro rata basis or on any other basis mutually acceptable to the City, PPG and such Anchor Tenant). A default incurred by PPG under this Agreement shall not constitute a default hereunder with respect to an Anchor Tenant who is a party to this Agreement and is not in default of its payment obligations hereunder with respect to its separate tax lot. Any agreement

EXHIBIT I

PROVIDENCE PLACE

That certain tract or parcel of land with all buildings and improvements thereon, situated on the southerly side of Hayes Street, westerly side of Francis Street, easterly side of Interstate Route 95, and the northerly side of the Civic Center Interchange, in the City of Providence, County of Providence, State of Rhode Island and delineated on that plan entitled "Plan of Land in Providence, Rhode Island, surveyed for Providence Place, surveyed and drawn by Marrier Surveying, Inc. Scale: 1"=40', May, 1990";

Beginning at the northwesterly corner of the herein described parcel said corner being sixty-three and 90/100 (63.90) feet westerly, on the extension of the southerly line of said Hayes Street, from the intersection of the southerly line of Hayes Street with the easterly line of Park Street;

thence S 85-20'-00" E, crossing said Park Street, a distance of sixty-three and 90/100 (63.90) feet to the intersection of the southerly line of said Hayes Street with the easterly line of Park Street;

thence S 85-20'-00" E along the southerly line of Hayes Street, a distance of four hundred fifty-eight and 71/100 (458.71) feet to a corner;

thence S 61-24'-44" E along the southwesterly line of said Francis Street, a distance of ninety-five and 52/100 (95.52) feet to a corner;

thence S 05-41'-29" W, a distance of one hundred five and 75/100 (105.75) feet to a point of curvature;

thence southerly bearing southeasterly along the arc of a curve having a radius of five hundred eight and 00/100 (508.00) feet, a distance of along said arc of forty-one and 86/100 (41.86) feet to a point of tangency;

thence S 00-58'-12" W, a distance of one hundred fifty-three and 25/100 (153.25) feet to a point of curvature;

thence southerly bearing southwesterly along the arc of a curve having a radius of four hundred ninety and 00/100 (490.00) feet, a distance along said arc of forty and 38/100 (40.38) feet to a point of tangency;

thence S 05-41'-29" W, a distance of four hundred ninety-one and 26/100 (491.26) feet to a point of curvature;

thence southerly bearing southeasterly along the arc of a curve having a radius of seven hundred fifty-five and 00/100 (755.00) feet, a distance along said arc of two hundred sixty-one and 37/100 (261.37) feet to a point of reverse curve, the last six (6) courses bounding easterly by said Francis Street;

thence southwesterly bearing westerly along the arc of a curve having a radius of thirty-six and 00/100 (36.00) feet, a distance along said arc of fifty-six and 50/100 (56.50) feet to a point of compound curve;

thence southwesterly bearing westerly along the arc of a curve having a radius of four hundred seventy-one and 00/100 (471.00) feet, a distance of two hundred seventy and 25/100 (270.25) feet to a point of compound curve;

thence westerly bearing northwesterly along the arc of a curve having a radius of four hundred seventy-one and 00/100 (471.00) feet, a distance along said arc of two hundred seventy-one and 35/100 (271.35) feet to a point of tangency;

thence N 38-20'-23" W, a distance of twelve and 18/100 (12.18) feet to a point of curvature;

thence northwesterly bearing northerly along the arc of a curve having a radius of four hundred seventy-one and 00/100 (471.00) feet, a distance along said arc of sixty-seven and 11/100 (67.11) feet to a point of curvature;

thence northerly bearing northeasterly along the arc of a curve having a radius of five hundred seventy-two and 00/100 (572.00) feet, a distance along said arc of three hundred fifty-seven and 65/100 (357.65) feet to a point of tangency, the last five (5) courses bounding on the Civic Center Interchange;

thence N 05-38'-56" E along the easterly line of said Interstate Route 95, a distance of three hundred fifty-two and 66/100 (352.66) feet to an angle;

thence N 07-31'-50" E, a distance of two hundred ninety-nine and 10/100 (299.10) feet to the point and place of beginning.

The above described parcel contains an area of seven hundred thousand two hundred fifty-nine (700,259) acres be the same more or less.

Schedule A

TAXES ASSESSED DECEMBER 31	FOR FISCAL YEAR	BASE ANNUAL PAYMENT IN LIEU OF TAX
1993	July 1, 1994 - June 30, 1995	\$ - 0 - *
1994	July 1, 1995 - June 30, 1996	\$ - 0 - *
1995	July 1, 1996 - June 30, 1997	\$ - 0 - *
1996	July 1, 1997 - June 30, 1998	\$ - 0 - *
1997	July 1, 1998 - June 30, 1999	\$3,500,000.00
1998	July 1, 1999 - June 30, 2000	\$3,500,000.00
1999	July 1, 2000 - June 30, 2001	\$3,500,000.00
2000	July 1, 2001 - June 30, 2002	\$3,500,000.00
2001	July 1, 2002 - June 30, 2003	\$3,500,000.00
2002	July 1, 2003 - June 30, 2004	\$4,700,000.00
2003	July 1, 2004 - June 30, 2005	\$4,700,000.00
2004	July 1, 2005 - June 30, 2006	\$4,700,000.00
2005	July 1, 2006 - June 30, 2007	\$4,700,000.00
2006	July 1, 2007 - June 30, 2008	\$4,700,000.00
2007	July 1, 2008 - June 30, 2009	\$4,700,000.00
2008	July 1, 2009 - June 30, 2010	\$4,700,000.00
2009	July 1, 2010 - June 30, 2011	\$4,700,000.00
2010	July 1, 2011 - June 30, 2012	\$4,700,000.00
2011	July 1, 2012 - June 30, 2013	\$4,700,000.00
2012	July 1, 2013 - June 30, 2014	\$4,700,000.00
2013	July 1, 2014 - June 30, 2015	\$4,700,000.00
2014	July 1, 2015 - June 30, 2016	\$4,700,000.00
2015	July 1, 2016 - June 30, 2017	\$4,700,000.00
2016	July 1, 2017 - June 30, 2018	\$4,700,000.00
2017**	July 1, 2018 - June 30, 2019	\$4,700,000.00
2018**	July 1, 2019 - June 30, 2020	\$4,700,000.00
2019**	July 1, 2020 - June 30, 2021	\$4,700,000.00
2020**	July 1, 2021 - June 30, 2022	\$4,700,000.00
2021**	July 1, 2022 - June 30, 2023	\$4,700,000.00
2022**	July 1, 2023 - June 30, 2024	\$5,900,000.00
2023**	July 1, 2024 - June 30, 2025	\$5,900,000.00
2024**	July 1, 2025 - June 30, 2026	\$5,900,000.00
2025**	July 1, 2026 - June 30, 2027	\$5,900,000.00
2026**	July 1, 2027 - June 30, 2028	\$5,900,000.00
Total		\$141,000,000.00 (Avg \$4.5 million per year)

* Construction period, no payments made.
 ** To be adjusted for CPI increase.