

**QUONSET DEVELOPMENT CORPORATION
MEETING OF BOARD OF DIRECTORS**

JANUARY 26, 2021

PUBLIC SESSION MINUTES

A virtual meeting of the Board of Directors of the Quonset Development Corporation (the "Corporation") was held at 5:00 p.m. on Tuesday, January 26, 2021, at the offices of the Corporation located at 95 Cripe Street, North Kingstown, Rhode Island, pursuant to notice to all members of the Board of Directors and a public notice of the meeting as required by the By-Laws of the Corporation and applicable Rhode Island Law.

The following members constituting a quorum were present and participated throughout the meeting as indicated: Katherine Anderson, Jeffrey B. Cianciolo, Susan Leach DeBlasio, Donald D. Gralnek, Scot A. Jones, Gregory A. Mancini, Kerry P. McKay, Stefan Pryor, Guillaume de Ramel, and Job Toll. Present also were: Steven J. King, P.E., Managing Director; Norine V. Lux, Finance Director; Chelsea Siefert, Planning Director; John R. Pariseault, Hinckley Allen & Snyder LLP; and Corporation's staff and members of the public.

1. CALL TO ORDER:

The meeting was called to order at 5:03 p.m. by Chairperson Pryor.

2. APPROVAL OF MINUTES:

Upon motion duly made by Ms. DeBlasio and seconded by Mr. McKay, the Board:

VOTED: To approve the Public Session Minutes of the December 15, 2020 meeting as presented.

Voting in favor were: Katherine Anderson, Jeffrey B. Cianciolo, Susan Leach DeBlasio, Donald D. Gralnek, Scot A. Jones, Gregory A. Mancini, Kerry P. McKay, Guillaume de Ramel, and Job Toll.

Voting Against were: None.

Unanimously Approved.

3. STAFF REPORTS:

Mr. King reviewed the staff report with the Board of Directors.

4. COMMITTEE REPORTS:

There were no committee meetings.

5. APPROVALS:

A. Approval of Ground Sublease with Rhode Island Airport Corporation:

Mr. King stated that the Corporation has been working with Rhode Island Airport Corporation (“RIAC”) on a Ground Sublease agreement to increase land and terminal space at the Port of Davisville with an interest toward entertaining wind industry growth. RIAC has agreed to lease 19 acres of current airport land to the Corporation for this purpose for a term of 20 years at \$207,890 per year with increases every 5 years of 12.5%. The proposed Ground Sublease has been reviewed and approved by the RIAC Board of Directors.

Mr. King continued that the Ground Sublease may be terminated by either party if, within 120 days of February 1, 2021 (anticipated execution date); RIAC does not receive approval from the FAA of a reclassification of the leased property to Non-Aeronautical Use and/or QDC does not obtain all required approvals, including approval by Rhode Island Coastal Resources Management Council. Additionally, QDC may sublease the leased property for a term of 12 months without obtaining RIAC consent; however, any term exceeding 12 months would require written consent from RIAC.

Mr. King explained that the property is expected to be revenue generating but requires improvements prior to leasing. In the interim, the Corporation has entered into a ground lease for property at 1530 Davisville Road, which will serve as an offset to the Ground Sublease with RIAC until the newly leased property becomes revenue generating.

Mr. Gralnek and Mr. Ramel inquired about extending the Ground Sublease beyond 20 years. Mr. King clarified that the term is limited by RIAC’s underlying lease term with Rhode Island Department of Transportation for that property.

Mr. Ramel and Mr. Kerry asked how long until the Corporation can expect to breakeven on the property and what is the approximate cost of the improvements. Mr. King stated the improvements are expected to cost around \$4 million (to be funded by the bond issue if passed) and the Corporation can expect to see a profit roughly 3 years after the land is sub-leased.

Upon motion duly made by Mr. McKay and seconded by Mr. Gralnek, the Board:

VOTED: The Corporation, acting by and through its Chair, Vice-chair, Managing Director or Finance Director, each of them acting alone (the “Authorized Officers”) is hereby authorized to enter into, execute and deliver a Ground Sublease (and related instruments as deemed appropriate by the Authorized Officers) with the Rhode Island Airport Corporation, relating to that certain approximately 19.1 acre parcel of land, which parcel is a portion of the parcel currently designated as North Kingstown Tax Assessor Plat 192, Lot 1, the terms of such Ground Sublease to be substantially in accordance with the Request for Board Authorization