

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

January 28, 2014

PUBLIC SESSION MINUTES

A meeting of the Board of Directors of the Quonset Development Corporation (the "Corporation") was held at 4:30 p.m. on Tuesday, January 28, 2014, 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 Bylaws of the Corporation and applicable Rhode Island Law.

The following members constituting a quorum were present and participated throughout the meeting as indicated: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., , Elizabeth Dolan, Barbara Jackson, John G. Laramée , James Rugh, Marcel A. Valois, and Richard A. Welch. Absent were: Kas R. DeCarvalho and Anthony F. Miccolis, Jr. Also present were: Steven J. King, P.E., Managing Director; E. Jerome Batty, Secretary and the Corporation's staff and members of the public.

1. **CALL TO ORDER:**

The meeting was called to order at 4:32 p.m. by Chairman Marcel Valois.

2. **APPROVAL OF MINUTES:**

Upon motion duly made by Mr. Berson and seconded by Mr. Rugh, the Board:

VOTED: To approve the Public Session minutes of the December 17, 2013 meeting, as presented.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

3. **STAFF REPORTS:**

Mr. King reviewed the staff report with the Board and handed out the 2013 Annual Statutory Report (Exhibit A).

Barbara Jackson joined the meeting at 4:40 p.m.

4. **COMMITTEE REPORTS:**

There were no committee reports to represent.

5. **APPROVALS:**

A. **Approval of a Land Purchase of 5+/- Acres from WDIC, LLC:**

Mr. King stated that the Corporation was proposing to purchase 5 acres of land in West Davisville from WDIC, LLC to act as a permanent buffer to Site Readiness Parcel 34. Mr. King handed out an aerial map of the West Davisville (Exhibit B) that displayed the proposed site, Site Readiness Parcel 34, and the Town's proposed Reynolds' Farm residential development area. Mr. King noted that Site Readiness Parcel 34 has been permitted for a five hundred thousand (500,000) square foot building on fifty six (56) acres of land and has huge potential for new business in the West Davisville area. The proposed purchase would maintain a positive and productive relationship with the Town residents in the proposed Reynolds Farm development while supporting and promoting Parcel 34. Mr. King added the 5+/- acres is comprised mostly of wetlands and will remain open land once purchased as is not suitable for any other use. The purchase price of the property is twenty five thousand dollars (\$25,000.00). Mr. King also noted negotiations to purchase property adjacent to the other half of Parcel 34 are ongoing; however, the purchase is more complex due to the layout of the property and existence of a second owner.

Upon motion duly made by Mr. Berson and seconded by Ms. Jackson, 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 Purchase and Sale Agreement for the purchase of 5 +/- acres in West Davisville from WDIC, LLC and other agreements related thereto, substantially in accordance with the Request for Board Authorization presented to the Board (the Purchase and Sale Agreement and related documents are referred to herein collectively as the "Agreements").

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by executing, delivering and performing any and all modifications, renewals, confirmations and variations of the Agreements or as any of the Authorized Officers acting singularly and alone shall deem necessary, desirable and without further specific action by this Board, and empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Agreements and/or all related and ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Agreements, including any and all agreements, contracts, certificates, licenses, assignments, and

memorandums upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto as the Authorized Officer executing or authorizing the use of the same and shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the executed and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the foregoing resolutions shall be conclusive of such Authorized Officer's determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved

B. Approval of a Lease Option and Lease Agreement with NK Hospitality Sites, LLC:

Mr. King introduced Brian Bucci of Bucci Development Company to the Board. Mr. King stated that Mr. Bucci is proposing entering into a lease option and potential lease for 2.7 acres in the Quonset Gateway, adjacent to the Marriott Towneplace Suites Hotel. Mr. King explained that the Bucci Development Company is hoping to develop and lease space for commercial retail food service. Mr. King stated the lease option would be for twelve (12) months at eleven hundred twenty five dollars (\$1,125) a month. If Mr. Bucci successfully finds a tenant and begins development then the term of the lease would be twenty five (25) years and the rent would be forty thousand dollars (\$40,000) annually for the first five (5) years; forty four thousand dollars (\$44,000) through year ten (10); forty eight thousand four hundred dollars (\$48,400) through year fifteen (15); fifty three thousand two hundred and forty dollars (\$53,240) through year twenty (20); and fifty eight thousand five hundred sixty-four dollars (\$58,564) through year twenty-five (25).

Mr. Asadorian asked if the lease rates were consistent with current rates in the park. Mr. King stated the rates were consistent with retail rates which run a little higher than industrial rates.

Mr. King stated upon questioning that the lease of the property adjacent to the hotel would not impede any future hotel growth as an expansion of 104 rooms (if necessary) was already laid out in the hotel's current lease.

The Board discussed liquor licensing requirements and the possible restriction of restaurant frontage along Post Road concluding that neither issue should impede the developer in this case.

Mr. Batty noted for the record that his firm, Hinckley, Allen & Snyder LLP represents Bucci Development Company on other matters then the proposal being considered by the Board.

Upon motion duly made by Mr. Breslin and seconded by Mr. Rugh, 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 an Option to Lease Agreement and a Lease Agreement and other agreements related thereto with NK Hospitality Sites, LLC, or an affiliated entity for the lease of property at Quonset Business Park, substantially in accordance with the Request for Board Authorization presented to the Board (the Option to Lease Agreement and Lease Agreement and related documents are referred to herein collectively as the “Agreements”).

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by executing, delivering and performing any and all modifications, renewals, confirmations and variations of the Agreements or as any of the Authorized Officers acting singularly and alone shall deem necessary, desirable and without further specific action by this Board, and empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Agreements and/or all related and ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Agreements, including any and all agreements, contracts, certificates, licenses, assignments, and memorandums upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto as the Authorized Officer executing or authorizing the use of the same and shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the executed and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the foregoing resolutions shall be conclusive of such Authorized Officer’s determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

Mr. John G. Laramee joined the meeting at 4:52 p.m.

Mr. King referred back to his Staff Report noting some of the upcoming events in the Quonset Business Park including the Air Show on May 17th and 18th; the Boy Scouts Touch a Truck event on May 10th to benefit the RI National Guard Family Readiness Group; the Caterpillar Entertainment Fourth of July event at Compass Rose Beach; and finally the FedCap event, "Stabilizing an Entry Level Workforce" on February 12, 2014 (Exhibit C).

6. **MOTION TO ADJOURN TO EXECUTIVE SESSION:**

Upon motion duly made by Mr. Welch and seconded by Mr. Berson, the Board:

VOTED: To adjourn to Executive Session pursuant to Subsection (6) – (Location of Perspective Businesses in Rhode Island) and Subsection (7) - (Investment of Public Funds) of the RIGL §42-46-5(a) (the "Open Meetings Law").

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, John G. Laramee, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

The meeting adjourned to Executive Session at 5:00 p.m. The meeting reconvened in Public Session at 5:24 p.m. Ms. Elizabeth Dolan left the meeting at 5:22 p.m.

7. **VOTE TO MAINTAIN MINUTES OF EXECUTIVE SESSION CLOSED:**

Upon motion duly made by Mr. Breslin and seconded by Mr. Asadorian, the Board:

VOTED: Pursuant to Section 42-46-4 and 42-46-5 of the General Laws, the minutes of the Executive Session shall not be made available to the public at the next regularly scheduled meeting of the Corporation because such disclosure may adversely impact ongoing negotiations.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Barbara Jackson, John G. Laramee, James Rugh, and Richard A. Welch.

Voting Against were: None.

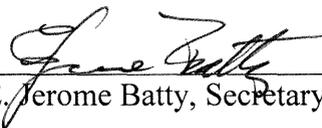
Unanimously Approved.

8. **ADJOURNMENT:**

Upon motion duly made by Mr. Breslin and seconded by Mr. Asadorian, the meeting adjourned at 5:25 p.m.

Respectfully submitted:

52313324 v1

By: 
E. Jerome Batty, Secretary