

2016 -- H 8294

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LC005920
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

J O I N T R E S O L U T I O N

APPROVING THE ISSUANCE OF NOT TO EXCEED \$45,000,000 REVENUE BONDS BY THE RHODE ISLAND CONVENTION CENTER AUTHORITY TO FINANCE CONSTRUCTION OF A PUBLIC PARKING GARAGE AT THE GARRAHY COURTHOUSE PARKING LOT SITE AND AUTHORIZING THE STATE TO ENTER INTO A FINANCING LEASE IN CONNECTION THEREWITH

Introduced By: Representatives Carnevale, Almeida, McKiernan, and Slater

Date Introduced: June 07, 2016

Referred To: House Finance

1 SECTION 1. This act consists of a joint resolution that is submitted pursuant to Rhode
2 Island General Laws § 35-18-1, et seq.

3 SECTION 2. Garrahy Courthouse Parking Project.

4 WHEREAS, Given the prime geographic location of the Garrahy Courthouse surface
5 parking lot site and its current limitations to adequately serve the Courthouse and surrounding
6 buildings; and

7 WHEREAS, Given the results of the Garrahy Courthouse Parking Garage Conceptual
8 Analysis presented to a Special Legislative Commission for the Garrahy Parking Garage in
9 January, 2014, which identifies development of the current site into a multi-level parking garage
10 as a way to alleviate parking demand in the area and to spur economic activity; and

11 WHEREAS, The I-195 Redevelopment District Commission ("Commission") has the
12 principal responsibility for developing the surplus land from the relocation of Interstate 195 ("the
13 Link") to promote economic development through the best use of nearby freed-up parcels; and

14 WHEREAS, The Commission has indicated that adequate structured parking is essential
15 to the development of the Link and that authorization for construction of a garage will assist it in
16 attracting interest in parcels of land; and

17 WHEREAS, The Rhode Island Convention Center Authority ("Convention Center
18 Authority") is a public instrumentality of the State of Rhode Island, created by the General

1 Assembly pursuant to Rhode Island General Laws §42-99-1 et seq. (as enacted, reenacted and
2 amended, the "Convention Center Act"); and

3 WHEREAS, Pursuant to the Convention Center Act and this joint resolution and act (this
4 joint resolution and act are herein referred to as the "Joint Resolution"), the Convention Center
5 Authority shall have the authority to develop, construct and operate a garage on the Garrahy
6 Courthouse parking lot site; and

7 WHEREAS, The state would enter into an agreement with the Convention Center
8 Authority to develop, construct and operate a garage on the Garrahy Courthouse parking lot site;
9 and

10 WHEREAS, The Commission and CV Properties, LLC and Wexford Science &
11 Technology, LLC ("CV/Wexford") have entered into a purchase and sale agreement (the
12 "CV/Wexford Agreement") pursuant to which CV/Wexford has agreed to purchase land within
13 the Link in order to develop a mixed-use complex consisting of laboratory space, office space,
14 hotel, meeting space, and residential units (the "CV/Wexford Development"); and

15 WHEREAS, The CV/Wexford Development is across Clifford Street from the Garrahy
16 Courthouse and Garrahy Courthouse parking lot site; and

17 WHEREAS, CV/Wexford expressed in the CV/Wexford Agreement its intention to
18 acquire spaces in a public parking garage located on the Garrahy Courthouse parking lot site at
19 applicable market rates in order to assure adequate parking is available for the CV/Wexford
20 Development; and

21 WHEREAS, The project costs associated with the construction of a garage is estimated at
22 forty-five million dollars (\$45,000,000) based on industry guidelines of thirty-one thousand two
23 hundred fifty dollars (\$31,250) per parking space for approximately one thousand two hundred
24 (1,200) or more parking spaces and build out of commercial or retail space on some portion of the
25 first floor, funding debt service reserve fund, and issuance and other costs associated with the
26 financing. Debt service payments on the bonds are not expected to exceed eighty-eight million
27 one hundred twenty-five thousand dollars (\$88,125,000) in the aggregate based on an average
28 interest rate of six percent (6.0%) assuming that the project must be financed with taxable debt
29 rather than tax-exempt debt, with average annual debt service payments on a fiscal year basis
30 expected to be approximately three million five hundred twenty-five thousand dollars
31 (\$3,525,000) over a twenty-five (25) year term (the "Financing Parameters"); now, therefore be it

32 RESOLVED, That the state is authorized to effectuate the development of the garage, to
33 lease or sell the surface lot adjacent to the Garrahy Courthouse to the Convention Center
34 Authority, to enter into a long-term parking lease for court employees and other state employees,

1 as appropriate, and to enter into appropriate agreements including financing arrangements that
2 would permit the development and operation of the garage by the Convention Center Authority;
3 and be it further

4 RESOLVED, That no debt shall be issued by the Convention Center Authority for the
5 garage until such time that the Commission certifies to the state and the Convention Center
6 Authority that either: (1) CV/Wexford or their nominee(s) have closed on the purchase of Parcel I
7 as described in the CV/Wexford Agreement and have agreed to lease not fewer than four hundred
8 (400) spaces in the garage at market rates; or (2) The Commission has entered into at least three
9 (3) purchase and sale agreements for parcels of land under its control, excluding parcels 6, 8 and
10 9 of the Link; and be it further

11 RESOLVED, That the Department of Administration may advance from the Rhode
12 Island Capital Plan Fund ("Fund") an amount not to exceed five hundred thousand dollars
13 (\$500,000) for preliminary architectural and engineering work on the planned garage, the sum of
14 which shall be repaid to the Fund upon issuance of the debt by the Convention Center Authority;
15 and be it further

16 RESOLVED, That the general assembly hereby authorizes the Convention Center
17 Authority to develop, construct and operate a garage on the Garrahy Courthouse parking lot site
18 and to issue debt in accordance with its authority under chapter 99 of title 42 of the General Laws
19 in an amount not to exceed forty-five million dollars (\$45,000,000), in conformity with the
20 Financing Parameters, to finance the project; and be it further

21 RESOLVED, That this Joint Resolution shall take effect immediately upon passage; and
22 be it further

23 RESOLVED, That this Joint Resolution supersedes the authorization contained in
24 Section 2, Article 4 of Chapter 145 of the 2014 Public Laws; and be it further

25 RESOLVED, That this Joint Resolution shall apply to debt issued within five (5) years of
26 the date of passage of this Joint Resolution.

27 SECTION 3. This joint resolution shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

J O I N T R E S O L U T I O N

APPROVING THE ISSUANCE OF NOT TO EXCEED \$45,000,000 REVENUE BONDS BY
THE RHODE ISLAND CONVENTION CENTER AUTHORITY TO FINANCE
CONSTRUCTION OF A PUBLIC PARKING GARAGE AT THE GARRAHY COURTHOUSE
PARKING LOT SITE AND AUTHORIZING THE STATE TO ENTER INTO A FINANCING
LEASE IN CONNECTION THEREWITH

1 This joint resolution approves the issuance of not more than forty-five million dollars
2 (\$45,000,000) in revenue bonds by the Rhode Island convention center authority to finance
3 construction of a public parking garage at the Garrahy Courthouse parking lot site and authorizing
4 the state to enter into a financing lease in connection therewith.

5 This joint resolution would take effect upon passage.

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