

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

NOVEMBER 14, 2023

PUBLIC SESSION MINUTES

A meeting of the Board of Directors of the Quonset Development Corporation (the "Corporation") was held at 5:00 p.m. on Thursday, October 19, 2023, 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 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: Lauren A. Burgess, Susan Leach DeBlasio, Don Gralnek, William W. Harsch, David M. Langlais, Adam J. Lupino, Lawrence Mandel, Matthew B. McCoy, Susan M. Riley, and Elizabeth M. Tanner. Absent was: Eric R. Shorter. Present also were: Steven J. King, P.E., Managing Director; Norine V. Lux, Finance Director; Chelsea Siefert, Chief Operating Officer; John R. Pariseault, Hinckley, Allen & Snyder LLP; and the Corporation's staff, and members of the public.

1. **CALL TO ORDER:**

The meeting was called to order at 5:07 p.m. by Chairperson Tanner.

2. **APPROVAL OF MINUTES:**

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

VOTED: To approve the Public and Executive Session Minutes of the October 17, 2023, meeting.

Voting in favor were: Susan Leach DeBlasio, Don Gralnek, William W. Harsch, David M. Langlais, Adam J. Lupino, Lawrence Mandel, Matthew B. McCoy, and Susan M. Riley.

Abstaining was: Lauren A. Burgess

Voting Against were: None.

Motion Passed.

3. **QDC STAFF REPORTS:**

Mr. King welcomed Lauren A. Burgess, who replaced Scott A. Jones, to the Quonset Board of Directors.

Mr. King reviewed the staff report with the Board.

4. **COMMITTEE REPORTS:**

There were no committee meetings.

5. **APPROVALS:**

A. **Approval of Consent of Lease Assignment from Infinity Meat Solutions LLC to Cargill Meat Solutions Corporation:**

Mr. King stated that Infinity Meat Solutions LLC, a subsidiary of Retail Business Solutions, is proposing to assign their 50-year lease in West Davisville to Cargill Meat Solutions Corporation ("Cargill"). Mr. King explained that Cargill is the current operator of the 202,000 square foot packaged protein processing facility.

Mr. King reviewed the Request for Board Authorization and noted that under the existing lease agreement there are five (5) obligations that Cargill must meet for Infinity Meat Solutions LLC to be released from their current lease. Mr. King reviewed the obligations including that the assignee must have a tangible net worth of \$25,000,000.00. Mr. King stated that Cargill more than meets the obligations outlined in the lease agreement.

Upon motion duly made by Mr. McCoy and seconded by Mr. Langlais, 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 consent to and/or expressly acknowledge the assignment by Infinity Meat Solutions LLC ("Tenant/Assignor") of the tenant's interest under that certain Ground Lease dated November 19, 2018 between Tenant/Assignor and the Corporation (and related instruments as deemed appropriate by the Authorized Officers) to Cargill Meat Solutions Corporation ("New Tenant/Assignee") and the release of Tenant/Assignor from liability under the Lease from and after the effective date of such assignment (the "Assignment"), relating to that certain parcel of land located at 60 Compass Circle being approximately 33.68 acres, located in North Kingstown, designated as North Kingstown Tax Assessor Plat 181, Lot 15, the terms of such Assignment to be substantially in accordance with the Request for Board Authorization presented to the Board (the

Assignment and such 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.

Voting in favor were: Lauren A. Burgess, Susan Leach DeBlasio, Don Gralnek, William W. Harsch, David M. Langlais, Adam J. Lupino, Lawrence Mandel, Matthew B. McCoy, and Susan M. Riley.

Voting Against were: None.

Unanimously Approved.

B. Approval of Ground Lease with A.R. Development Company for the Development of Workforce Housing.

Mr. King stated that the staff have worked diligently with the North Kingstown Planning Commission to come up with a viable plan for workforce housing at Quonset. The plan resulted in a Request for Proposals from potential developers. The Corporation received eight (8) Expressions of Interest (EOI) which were eventually narrowed down to three (3) finalists. Mr. King explained that one of the finalists withdrew from consideration and after final review, the Corporation tentatively awarded the project to A.R. Development Company.

Mr. King reviewed the Request for Board Authorization with the Board and stated that the ground lease will be for 99 years for 6.89 acres off Gate Road. Mr. King continued noting that base rent will commence at \$77,000 per year with 10% escalations at each 5-year interval. Mr. King stated that the developers will build and manage 144 one-bedroom apartments on the property giving preferential leasing to Quonset workers and 10% of those units will be designated as affordable housing keeping with North Kingstown's affordable housing ordinance. Mr. King also stated that rent for the one-bedroom apartments will be based on 30% of the average current worker income at Quonset. Mr. King stated that currently, the average salary of a worker at Quonset is \$60,000 and therefore, rents will range from \$1,250 to \$1,450 per month at the start.

The Board discussed the financial benefit of the agreement for the Corporation and the possibility that the developers could raise rents at a higher rate than the escalation in the agreement. Mr. King referred to the rent being tied to the average worker's salary at Quonset and that too many unknowns make it difficult for the Corporation to set a higher escalation because there would be too many unknowns to interest any developers in the project. The Board also discussed that the housing will be one-bedroom to appeal and to assist workers just starting in the workforce.

Mr. McCoy asked about the Payment in lieu of Tax (PILOT) negotiations with the Town of North Kingstown. Mr. King stated that a draft agreement was sent to the Town Manager for review.

Upon motion duly made by Mr. McCoy 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 Lease (and related instruments as deemed appropriate by the Authorized Officers) with A.R. Development Company, or its affiliates, relating to that certain parcel of land located on Gate Road, being approximately 6.89 +/- acres, designated as North Kingstown Tax Assessor Plat 182, Lots 16 and 17, the terms of such Ground Lease to be substantially in accordance with the Request for Board Authorization presented to the Board (the Ground Lease and such 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: Lauren A. Burgess, Susan Leach DeBlasio, Don Gralnek, William W. Harsch, David M. Langlais, Adam J. Lupino, Lawrence Mandel, Matthew B. McCoy, and Susan M. Riley

Voting Against were: None.

Unanimously Approved.

6. **RHODE ISLAND READY:**

A. RI Ready Status Update:

Ms. Siefert reviewed the Rhode Island Ready status report with the Board and noted that there were no new applications since last report.

7. **ADJOURNMENT:**

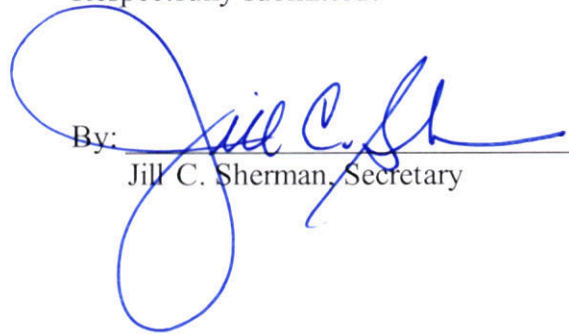
Upon motion duly made by Ms. DeBlasio and seconded by Ms. Riley, the meeting adjourned at 5:42 p.m.

Voting in favor were: Lauren A. Burgess, Susan Leach DeBlasio, Don Gralnek, William W. Harsch, David M. Langlais, Adam J. Lupino, Lawrence Mandel, Matthew B. McCoy, and Susan M. Riley.

Voting Against were: None.

Unanimously Approved.

Respectfully submitted:

By:  _____
Jill C. Sherman, Secretary