

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

**JUNE 18, 2024**

**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 Tuesday, June 18, 2024, 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, Donald D. Gralnek, William W. Harsch, David M. Langlais, Adam J. Lupino, Lawrence Mandel, Matthew B. McCoy, Susan M. Riley, Eric R. Shorter, and Elizabeth M. Tanner. Absent were: none. Present also were: Steven J. King, P.E., Managing Director; Chelsea Siefert, Chief Operating Officer; John R. Pariseault, Hinckley Allen; and the Corporation's staff, and members of the public.

1. **CALL TO ORDER:**

The meeting was called to order at 5:00 p.m. by Chairperson Tanner.

2. **APPROVAL OF MINUTES:**

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

**VOTED:** To approve the Public Meeting Minutes of the May 21, 2024, meeting.

Voting in favor were: Lauren A. Burgess, Susan Leach DeBlasio, Donald D. 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.

3. **QDC STAFF REPORTS:**

Mr. King reviewed the Staff Report with the Board of Directors.

4. **COMMITTEE REPORTS:**

There were no committee meeting reports.

5. **APPROVALS:**

A. Approval of Ground Sublease Agreement between RI Airport Corporation and Quonset Development Corporation for Land at the Quonset State Airport.

Mr. King provided the Board with historical background on the current Management Agreement with RI Airport Corporation (“RIAC”) which dates back to 1981 and involves the Corporation’s predecessor, RI Port Authority. Mr. King explained that much of the airport property was conveyed free of charge to the RI Department of Transportation (prior to the creation of RIAC) and much of the property lies outside the actual airport boundaries. Mr. King added this conveyed property was identified as revenue property for the maintenance and upkeep of the airport. The Management Agreement provides the Corporation with a management fee to manage and maintain the RIAC property. Mr. King stated that the Corporation collects the rents and passes the revenue to RIAC, less the management fee, however, during a review of lease agreements at all airports nationwide, the FAA found the Management Agreement did not meet the requirements of the FAA’s new rules and regulations. Mr. King explained that RIAC desires to terminate the Management Agreement and enter into a Ground Sublease Agreement for the airport property instead. Mr. King reviewed the mutually agreed upon terms of the new agreement.

Mr. King stated there is 86.01 acres of land under the sublease agreement which includes tenant leased land, streets, rights of way, a carrier pier and Compass Rose Beach. Mr. King stated that the Corporation would pay rent in the amount of \$1,243,756 per year with 12.5% escalations every 5 years. The Corporation is permitted to sublease property to tenants and build improvements without any notice to RIAC. RIAC can provide input to the Corporation for the purpose of FAA compliance. The Corporation is not obligated to improve parcels or maintain any existing structures including the carrier pier. The Corporation will have full discretion to demolish buildings and structures during the 30-year agreement.

Mr. King explained that RIAC submitted a RI Ready request to move Zarbo Avenue that leads to the Corporation’s Wastewater Treatment Plant but also runs through much of leased tenant land. Mr. King explained that moving the road will allow for the Corporation to lease additional land that is desperately needed along the southern waterfront district.

Upon questioning, Mr. King affirmed that all the leases that are in effect currently will remain in effect upon the execution of the agreement.



Upon motion duly made by Mr. Harsch 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 Agreement (the “Ground Sublease Agreement”) with the Rhode Island Airport Corporation for the subleasing of that certain property consisting of approximately 86.01 acres and being comprised of (1) those certain parcels currently designated as North Kingston Tax Assessor’s Plat 186, Lots 3, 10, 12, 17, 18, 19, 20, 28, and 29, and AP 185, Lot 32; (2) a portion of that certain parcel currently designated as North Kingston Tax Assessor’s Plat 186, Lot 9; and (3) the rights of way containing Zarbo Avenue, Eccleston Avenue, Airport Street, Northrup Road and Jones Road controlled by the Rhode Island Airport Corporation (collectively, the “Premises”), and to execute and deliver any related instruments as deemed appropriate by the Authorized Officers, including, but not limited to, a termination of that certain Management Agreement related to the Premises by and between the Corporation and the Rhode Island Airport Corporation, the terms of such Ground Sublease Agreement to be substantially in accordance with Request of Board Authorization presented to the Board (the Ground Sublease Agreement 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, including the execution 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, Donald D. 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.

Eric R. Shorter joined the meeting already in progress at 5:24 p.m.

6. **RHODE ISLAND READY:**

Ms. Siefert reviewed the RI Ready Status report with the Board. Ms. Siefert noted that the two capital investment projects, Moshassuck Street in Pawtucket for \$1.5 million and Goddard Road in Cranston for \$1.2 million, have not received investment yet but are set to close and begin construction next month.

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

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

**VOTED:** To adjourn to Executive Session pursuant to: citing of business in Rhode Island, subsection (6) location of prospective businesses in Rhode Island and subsection (7) a matter related to the question of the investment of public funds where the premature disclosure would adversely affect the public interest of Rhode Island General Laws, Section 42-46-5(a), the Open Meeting Law.

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

Voting Against were: None.

Unanimously Approved.

The meeting adjourned to Executive Session at 5:27 p.m. The meeting reconvened in Public Session at 5:54 p.m.

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

Upon motion duly made by Mr. McCoy and seconded by Ms. Riley, 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 or adversely affect the public interest.

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

Voting Against were: None.

Unanimously Approved.

9. **ADJOURNMENT:**

Upon motion duly made by Mr. Gralnek and seconded by Mr. Lupino, the meeting adjourned at 5:58 p.m.

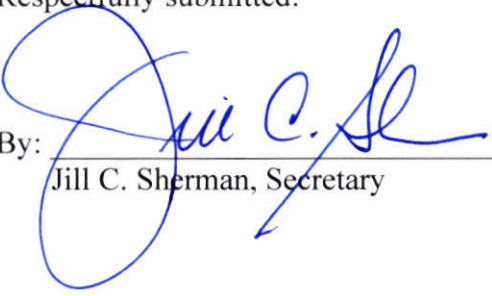
Voting in favor were: Lauren A. Burgess, Susan Leach DeBlasio, Donald D. Gralnek, William W. Harsch, David M. Langlais, Adam J. Lupino, Lawrence Mandel, Matthew B. McCoy, Susan M. Riley and Eric R. Shorter.

Voting Against were: None.

Unanimously Approved.

Respectfully submitted:

By:

  
\_\_\_\_\_  
Jill C. Sherman, Secretary