

## PROJECT SUMMARY



The \$206 million development includes three separate projects (1 commercial, 1 residential, 1 parking garage) that will be permitted, designed and constructed on different schedules between September 2014 and August 2016.

The first project is the South Street Landing. It consists of approximately 265,000 square feet of academic and office space located in the Jewelry District of Providence, Rhode Island. The Project, located in the vacant former South Street Power Station on the Providence riverfront, will be occupied as follows:

- 130,000 square feet of state of the art teaching space for a Rhode Island College/University of Rhode Island's nursing education center more commonly known as the NEC;
- 135,000 square feet of space for Brown University, to be used as administrative offices, freeing up College Hill campus space for core academic growth;

The second project is the River House Student Housing Project ("River House"). This development consists of a 220-bed student housing development that will service the student housing needs of graduate, medical and upper level nursing students. The Project is a newly constructed 6-story, 134,000 square foot project in two buildings fronting Point Street and the Providence River. The ground floor will contain a lobby, a café/ restaurant and other neighborhood retail.

The third component of the development is a 650-space parking garage which will be constructed on land leased from NGRID adjacent to South Street Landing along Eddy Street. The garage will be privately owned financed and owned.



## PUBLIC BENEFITS



The Project enjoys broad based support and is being described as transformational for the Jewelry District of downtown Providence. The state's investment in the project will provide important returns for the taxpayers, including:

- **Leveraging State Investment** - For every dollar the state invests in the project, private investors and Brown University will invest two, making the state's \$68 million dollar investment 33% of the project's total \$206 million cost.
- **Minimized Risk to Taxpayers** – The State of Rhode Island has limited its risk in this project by requiring that CV Properties complete construction and secure a Certificate of Occupancy enabling the state to occupy its leased space before the state begins lease payments in FY 2017.
- **Job Creation** - 500 construction jobs and 375 indirect jobs will be generated during construction, producing \$92 million in income. When completed, the project will directly and indirectly support 540 jobs generating \$29 million in annual earnings.
- **Generating New Revenue for State and City of Providence** - Over \$5 million in income and sales tax revenue during construction and \$1.1 million annually thereafter for the State of Rhode Island. With no upfront investment by the City of Providence, the project will generate \$5.4 million in net new property taxes along with an estimated \$2.5 million in fees.
- **Training Healthcare Workers of the 21<sup>st</sup> Century** – The project will produce a pipeline of educated healthcare workers to fill the expanding needs of an aging population – particularly in a state where new models of care are being pioneered.
- **Saving Taxpayers Money through Collaboration** - New facilities are needed to enable both the URI and RIC nursing programs to grow and the projected costs to build and operate separate facilities on each campus would be millions more than the state's investment in the new shared facility. The savings enabled by building a single, shared Nursing Education Center will allow



# SOUTH STREET LANDING AND RIVER HOUSE

## PROVIDENCE, RHODE ISLAND

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### EXECUTIVE SUMMARY

construction of a state-of-the-art facility which will include the state's first ever "smart hospital" simulation learning labs. The facility will also enhance opportunities for future collaborations with the Alpert Medical School, significantly bolstering the inter-professional education experience for nursing and medical school students. All of these factors will give nurses educated in this shared facility an advantage when competing for the nursing industry's best jobs.

- **Boosting Value of I-195 Parcels** - The State's investment will enhance the value of developing nearby I-195 parcels whose prospective developers will be buoyed by the replacement of an eyesore with the South Street Landing and River House.
- **Fueling Growth of Medical & Educational Sector in Former Jewelry District** – The State's investment together with Brown's investment and the dedication of private funds will further fuel the growing number of medical research and education facilities in the former Jewelry District. This area is now home to Brown University's Laboratories for Molecular Medicine and the Alpert Medical School, nearby Lifespan and Care New England facilities and the soon-to-be opened Johnson & Wales University Center for Physician Assistant Studies, which is advancing its own collaboration with Brown University's medical school.
- **Extending River Walk** - The development will reopen the west bank of the Providence River to the head of Narragansett Bay for the first time in decades through an extended River Walk.
- **Neighborhood Revitalization** - The currently uninhabited street- front along Eddy and Point streets will be activated by the addition of more than 1,200 students, employees, and residents, fostering economic activity and improving safety and security in the district.
- **Protecting and Preserving Historic resources** - The South Street Landing project will utilize a significant historic building that will be adapted and reused for the benefit of citizens of Rhode Island.

### **Development Challenges-CV Properties LLC/Commonwealth Ventures Solutions**

- **Vacant, dangerous and crumbling historic structure that has been open to the elements for decades. The condition of the masonry and structural elements is rapidly deteriorating.**
  - CV has hired a team of architects and engineers led by Tsoi Kobus & Associates and Durkee, Brown, Viveiros & Werenfels to design state-of-the- art teaching and office space to replace the deteriorating structure. Construction is scheduled to commence in September 2014.
- **Complex current ownership structure with out of town control and title that is sullied by defaulted loans, easements and mechanics liens.**



**CV PROPERTIES** LLC  
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- CV has negotiated purchase agreements with both the fee owner and the mortgagee to obtain site control.
- CV has agreements with the first and second mortgagee that will gain control of the defaulted notes and allow foreclosure if needed
- CV expects to reach agreement with former contractors to resolve mechanics liens
- **Deed restriction that requires a museum use at South Street Landing. The Heritage Harbor Museum is unable to complete the museum plan.**
  - CV has reached agreement with the Heritage Harbor museum to release the deed restrictions that would have required construction of a museum at the site.
- **Active electrical substation attached to the building with unsightly high-tension wires and electrical transformer yard adjacent to the building.**
  - CV has reached an agreement for the burial of the above-ground high tension wires. NGRID will replace its aging substation with a newly constructed upgraded facility with appropriate landscaping and security fencing on an adjacent parcel.
  - CV is working with NGRID to allow access along the Providence River to complete the final section of the River Walk to Point Street.

Perspective | POINT STREET VIEW



SOUTH STREET STATION REDEVELOPMENT  
MASTER PLAN



CV PROPERTIES LLC  
Development Investment

### **DEVELOPER**

CV PROPERTIES, LLC is a Connecticut-based commercial real estate company focusing on development and investment opportunities throughout New England. Founded in 2003, CV Properties was formed to identify, develop, and manage commercial real estate projects that provide superior risk-adjusted returns. Our partners are large, institutional investors with broad-based experience in the development, redevelopment and acquisition of commercial real estate.

CV Properties' senior professionals have many years of experience acquiring, developing and managing commercial real estate in the United States. Their experience in the New England marketplace has established a wide network of brokers, architects, attorneys, lenders, developers and other real estate professionals. The company believes that its strength lies in building teams with large capital partners, strong operating capabilities and local relationships developed over a long career that provide significant advantages in the complicated business of creating value in commercial real estate.

To date CV Properties has been involved in the acquisition, development and investment of nearly 2 million square feet of real estate representing \$1 billion in capital investment. Commonwealth Ventures is a DBA of CV Properties.

The President and Founder of CV Properties, LLC is Richard Galvin who was born and raised in Newport, Rhode Island and received his BA in Economics from Brown University. Galvin has 30 years of experience in acquiring, developing, and managing commercial real estate throughout the United States. He started CV Properties, LLC in 2003 to focus on development and investment opportunities throughout New England. Since then, Galvin has developed and acquired more than 2.6 million square feet of office and residential projects valued at almost \$1 billion.

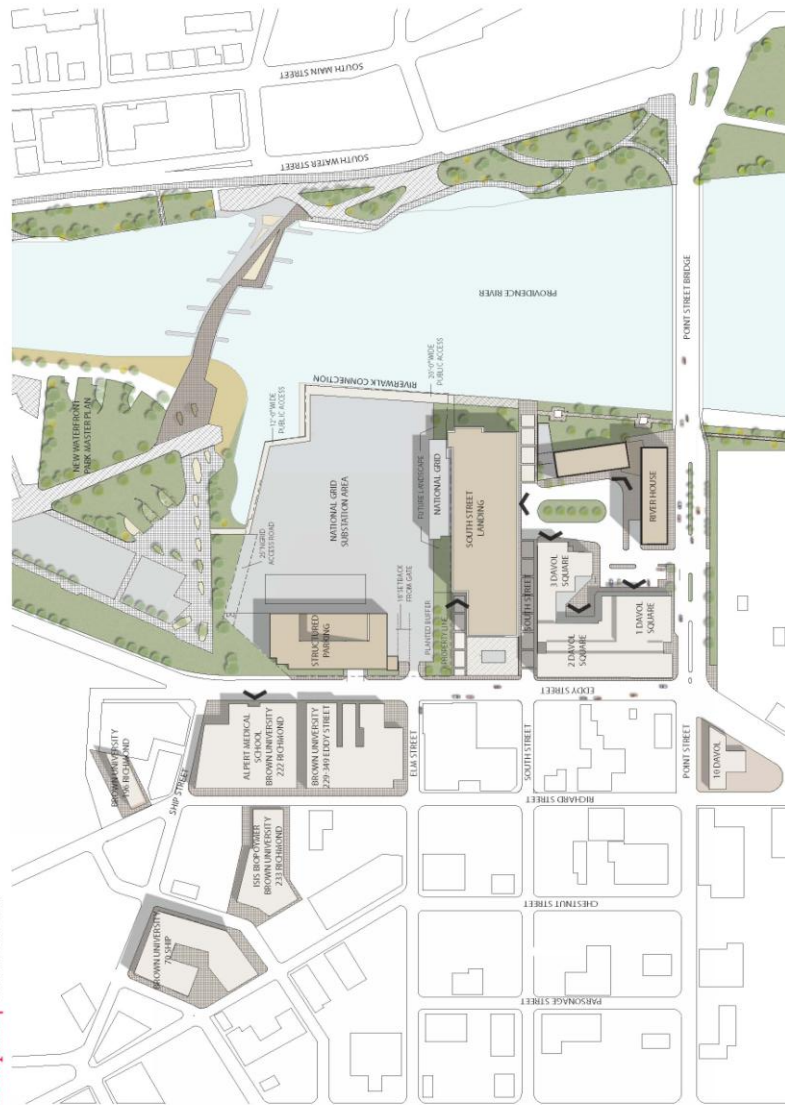
CV Properties just completed the construction of a 500,000 sf building for State Street Bank in Boston and a 970-car parking garage at a cost of \$250 million. The company also recently broke ground on a \$155 million, 510 hotel room project adjacent to the Boston Convention Center involving the construction of two Starwood brand hotels, an Aloft and an Element. CV Properties also has extensive experience in Rhode Island, having developed the GTECH building in downtown Providence. CV Properties also owns portions of the Davol Square complex in Providence. Galvin is the Chairman of the Board of Trustees for the Wakeman Boys and Girls Club, is on the Board of the Labour Center in Boston and is a member of the Providence Foundation.



# SOUTH STREET LANDING AND RIVER HOUSE PROVIDENCE, RHODE ISLAND

EXECUTIVE SUMMARY

District Masterplan | SITE MASTER PLAN



SOUTH STREET STATION REDEVELOPMENT  
MASTER PLAN