

PROCACCIANTI

C O M P A N I E S

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December 27, 2021

Jason McNamee
Deputy Director, Bureau of Natural Resources
RI Department of Environmental Management
325 Promenade Street – Room 425
Providence, Rhode Island 02908
Via E-Mail Only

Re: ***Response to Request for Proposals - PRI X, LP***
Additional Information Per Letter of December 17, 2021

Dear Mr. McNamee:

Pursuant to your letter of December 17, 2021:

1. PRI X, LP is comprised of Elizabeth A. Procaccianti and Joseph R. Paolino, Jr. Both Ms. Procaccianti and Mr. Paolino are financially stable and helm multi-million-dollar portfolios of real estate and operating companies. PRI X intended to compile a complete budget to achieve its RFP goals and fund the vision with a combination of debt and equity. Ideally, we are considering a 20% equity and 80% debt, although this ratio may change based on the interest rate environment at the time. The individuals comprising PRI X are fully capable of funding the RFP vision. The economic impact would be great. Parking would be preserved temporarily to benefit the Block Island Ferry operations, the retail component would provide small businesses with a new outlet to capitalize on the growing pedestrian activity as well as the ferry passengers, as well as the employment base existing and growing in the immediate Galilee area. While the impact is challenging to detail, we envision \$800,000 to \$1.1 million in gross sales generated by the retail component, which results in growth sales tax revenue, plus the economic benefits of the development of the site. The Town would benefit from increased real estate improvement values, thus increased real estate tax benefits. Moreover, the creation of the public park between the retail component and the main road would add greenery to the otherwise stark area and provide a resting place for pedestrian traffic. Further, the park can operate as a “town center” and host events of all kinds, including musical, art shows, lecturers, demonstrations, etc.

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2. Team experience has been demonstrated by years of ownership and management of this site. Moreover, if the term can be extended, the development of a small hotel component can be realized. PRI X principals have vast experience in hotel ownership and management. Historically Ms. Procaccianti's resume includes over 200 hotels developed, owned or managed nationally, and Mr. Paolino owns several hotels including two new hotels in Providence. Both principals have demonstrated financial success consistently over decades. Michael Voccola, who oversees a portfolio of properties including this site, has been with Procaccianti Companies for 21 years, and has been involved in virtually every aspect of real estate stewardship – from construction to management to daily operations. Procaccianti Companies, Inc. is America's second-largest privately owned hotel owner-operator, and has vast holdings in non-hospitality assets national wide.
3. The only contingency expressed in our Response to RPF is an extension of the term to create a better foundation for lenders for the hotel component. Otherwise, we will demolish the majority of the existing hotel, redevelop the front portion for retail, create the public park in front and utilize the balance of the site for parking subject to any engagement for a DEM-approved user which would be attracted to the site as a "shovel-ready" location.
4. We plan to commence immediately upon receipt of approval. We envision about 8 months to commence and complete demolition, about 4 months for redevelopment. Assuming approval is granted in February, 2022, we could be complete and operational by Spring, 2023.
5. As set forth in our Response to RFP, a portion of the Phase I includes a public park amenity with benches and grass and walkways to create an attractive area and a pleasant sense of arrival. Benches and historical panels evidencing the history and background of Galilee and its fishing legacy will be placed around the park. Operationally, the local Chamber of Commerce can provide guidance on event planning to eventually create a calendar of events annually.

Clearly the principals of PRI X, LP are well experienced, well-funded and prepared to expedite its plan in accordance with the Response to RPF dated November 15, 2021. The proposed plan is well thought-out, rational and reasonable, allows for subsequent major interest by not consuming the entire site and preserving the vast majority for the true aim of RIDEM – to embrace and enhance the commercial fishing industry of Galilee.

Respectfully,
PROCACCIANTI COMPANIES, INC.



Michael A. Voccola, Esq.

MAV/wp

cc: *Mary Kay, Esq.*