

AGREEMENT FOR HISTORIC PRESERVATION TAX CREDITS 2013

THIS AGREEMENT (the "Agreement"), is made as of the 1st day of APRIL, 2015 (the "Effective Date"), by and between UNION MILK INC (the "Applicant"), and the Rhode Island Department of Revenue, through its Division of Taxation (the "Tax Division") (collectively the "Parties").

WITNESSETH:

WHEREAS, pursuant to RIGL §44-33.6-4(e), the Tax Division is authorized to enter into contracts of guaranty, on behalf of the State of Rhode Island, with persons, firms, partnerships, trusts, estates, limited liability companies, corporations (whether for profit or non-profit) or other business entities who have incurred, or intend to incur, Qualified Rehabilitation Expenditures for the Substantial Rehabilitation of a Certified Historic Structure, or some identifiable portion thereof, to be Placed in Service after July 3, 2013.

WHEREAS, in accordance with Chapter 33.6 of Title 44 of the Rhode Island General Laws, as amended, and the Regulations adopted by the Rhode Island Historical Preservation and Heritage Commission (the "Commission") and the Tax Division, the Applicant desires to conduct Substantial Rehabilitation of a Certified Historic Structure or, an identifiable portion thereof, located in Rhode Island, and described in Exhibit A attached hereto (the "Project") and, as a consequence thereof, to receive Historic Preservation Tax Credits ("Tax Credits").

WHEREAS, a Determination of Historic Significance (a/k/a Part 1 Certification) and a Certification of a Rehabilitation Plan (a/k/a Part 2 Certification) have been issued by the Commission to the Applicant.

NOW, THEREFORE, the Applicant and the Tax Division agree as follows:

SECTION 1. Definitions. Unless otherwise defined in this Agreement, capitalized terms used herein shall have the meaning ascribed to them pursuant to Chapter 33.6 of Title 44 of the Rhode Island General Laws and the Regulations implementing same.

SECTION 2. Adequate Consideration. The Processing Fee payable by the Applicant, under Section 4(b) hereof and the Regulations, constitutes adequate consideration for the contractual obligation of the Tax Division to provide the Tax Credits described in Section 5(a) hereof in accordance with the terms hereof.

SECTION 3. Effective Date of Rhode Island Law. Unless otherwise indicated herein, all references herein to the Rhode Island General Laws and the Regulations shall refer to such statutes as in effect as of the date of enactment of Public Law 2013, Ch 144, Art. 22 by the Rhode Island General Assembly and to such regulations as promulgated by the Commission and/or the Tax Division to implement Public Law 2013, Ch 144, Art. 22.

SECTION 4. Duties of the Applicant.

(a) The Applicant shall fulfill the requirements for the Substantial Rehabilitation of the Project approved by the Commission and, in addition thereto, the Applicant specifically covenants that:

(1) *Full, Fair and Honest Disclosures Required.* The Applicant has made, and will make, full, fair and honest disclosure of all material facts to both the Commission and the Tax Division during the entire Application process set forth in the Regulations.

(2) *Rehabilitation Will be Consistent with Plan and Standards.* The Applicant shall insure that the Project, when finished, will be consistent with the proposed rehabilitation plan certified by the Commission and that all completed work will meet the criteria set forth in the Regulations and the *Standards of Rehabilitation* incorporated therein.

(3) *Documentation Required to Verify Costs Incurred.* The Applicant will furnish, on demand and in a complete and timely fashion, any additional and detailed documentation to verify that any final costs attributable to the Substantial Rehabilitation of a Certified Historic Structure were actually incurred and furthermore, meet the criteria of Qualified Rehabilitation Expenditures. Said documentation shall include, at the minimum, the items set forth in Tax Division Regulation CR 13-16.

(b) *Processing Fee.* The Applicant agrees to pay, in full, a Processing Fee equal to three percent (3%) of estimated Qualified Rehabilitation Expenditures to the Tax Division before or upon execution of the within Agreement. If full payment is not tendered to the Tax Division along with a proposed Agreement, the Agreement will not be signed and any partial payment remitted shall be returned to the Applicant. The failure to pay the Processing Fee, in full and within thirty (30) days from the Commission's Part 2 certification date, will result in the denial of Tax Credits and the Applicant's loss of place in the Queue for Tax Credits.

SECTION 5. Duties of the Tax Division.

(a) *Tax Credit.* The Tax Division shall allow a Tax Credit, as set forth in Exhibit B, calculated in accordance with RIGL §44-33.6-3(a), and equal to the lesser of: (i) the estimated Qualified Rehabilitation Expenditures as submitted with this Agreement multiplied by either twenty percent (20%) or twenty-five percent (25%), as elected by the Applicant, or (ii) the actual Qualified Rehabilitation Expenditures, incurred by the Applicant and verified by the Tax Division, for the Substantial Rehabilitation multiplied by either twenty percent (20%) or twenty-five percent (25%), as elected by the Applicant. Provided further that:

(1) *25% Tax Credit Requires Trade or Business Use.* If the Applicant elects twenty five percent (25%) of the Qualified Rehabilitation Expenditures as the Tax Credit, the Applicant acknowledges and agrees that: (i) at least twenty five (25%) percent of the total rentable area of the Certified Historic Structure will be made available for a Trade or Business, as defined in RIGL §44-33.6-2(17), or (ii) the entire rentable area located on the first floor of a Certified Historic Structure will be made available for a Trade or Business, as defined in RIGL §44-33.6-2(17).

(2) *Qualified Rehabilitation Expenses Incurred on or after July 3, 2013.* The Applicant acknowledges that the Qualified Rehabilitation Expenses upon which the Tax Credit is claimed must be incurred on or after July 3, 2013. Qualified Rehabilitation Expenses incurred prior to July 3, 2013 cannot be used for calculating Tax Credits under this program.

(3) *Maximum Tax Credit Allowed.* The Applicant acknowledges and agrees that the maximum amount of the Tax Credit allowed for any certified rehabilitation project, under Chapter 33.6 of Title 44 of the General Laws, is Five Million Dollars (\$5,000,000) and that this limitation applies regardless if the structure is to be completed in phases or in multiple projects.

(4) *Qualified Rehabilitation Expenditures Allowed by Certification after Audit.* The Applicant acknowledges that the Qualified Rehabilitation Expenditures are allowed only if certified by the Tax Division after audit and further acknowledges that the Tax Division is authorized to conduct said audits and issue such certifications. The within acknowledgement does not abrogate or hinder the Applicant's right to contest the denial, in whole or in part, of a request to certify Qualified Rehabilitation Expenditures.

(b) *Processing Fee is Non-Refundable.* The Applicant acknowledges and agrees that the Processing Fee paid pursuant to Section 4(b) of this Agreement is, pursuant to RIGL §44-33.6-4(d), non-refundable. Processing Fees will not be returned if the Applicant subsequently abandons the Project and no longer desires the Tax Credit nor will Processing Fees be returned, in part, if the Processing Fees paid with this Agreement exceed three percent (3%) of the actual Qualified Rehabilitation Expenditures incurred by the Project as certified by the Tax Division.

SECTION 6. Termination of Agreement

(a) *Grounds for Termination and Sanctions.* If information comes to the attention of either the Commission or the Tax Division, at any time up to and including the last day of the Holding Period, that is materially inconsistent with representations made by the Applicant herein or in an application or supporting documentation filed with the Commission or the Tax Division, the Tax Division may terminate this Agreement and the Commission or the Tax Division may deny requested certifications or rescind certifications previously issued. In either instance, any Processing Fees paid by the Applicant will be forfeited. Upon termination, any Tax Credits issued under this Agreement hereunder shall be null and void and subject to recapture. In addition, any proceeds received from the sale, transfer or assignment of Tax Credits will be subject to taxation. This Section of the Agreement shall be applied in a manner consistent with RIGL §44-33.6-4(h) and RIGL §44-33.6-3(f).

(b) *Holding Period Defined.* The term "Holding Period" as used within this Agreement shall mean twenty-four (24) months after the Commission issues a Certificate of Completed Work. In the case of a rehabilitation which may reasonably be expected to be completed in phases, as described in RIGL §44-33.6-2(16), "Holding Period" shall be extended to include a period of time beginning on the date of issuance of a Certificate of Completed Work for the first phase or phases for which a Certificate of Completed Work is issued and continuing until the expiration of twenty-four (24) months after the Certificate of Completed Work issued for the last phase.

SECTION 7. Assignment of Agreement.

(a) *Assignments Allowed and Consents Required.* The Applicant's right to assign this Agreement is limited and shall be governed by RIGL §44-33.6-4(g) with that section allowing such assignment only to:

(1) An Affiliate of the Applicant without the consent of the Tax Division, or

(2) A banking institution, as defined by RIGL §44-14-2(1), or a credit union, as defined by RIGL §44-15-1.1(1), without the consent of the Tax Division, or

(3) A person, firm, partnership, trust, estate, limited liability company, corporation (whether for profit or non-profit) or other business entity that incurs Qualified Rehabilitation Expenditures for the Substantial Rehabilitation of Certified Historic Structures or some identifiable portion thereof to be Placed in Service on or after July 3, 2013, with such assignment to be approved by the Tax Division and which approval shall not be unreasonably withheld, or

(4) A person, firm, partnership, trust, estate, limited liability company, corporation (whether for profit or non-profit) or other business entity that is approved by the Tax Division, and such assignment shall require the consent Tax Division.

(b) *Affiliate Defined.* The term "Affiliate" is defined in RIGL §44-33.6-4(g) as any entity controlling, controlled by or under common control with such person, firm, partnership, estate, trust, limited liability company, corporation (whether for profit or non-profit) or other business entity.

(c) *Notice of Assignments.* Prior written notice of any assignments of the Agreement, including those for which no consent is required, shall be given to the Tax Division pursuant to Section 13. Such notice shall include the name, tax identification number, the address, phone number, and contact person for both the assignor and the assignee and shall indicate the date of assignment.

SECTION 8. Timely Progress of Project Required.

(a) *Project Schedule Must Have Been Filed.* The Applicant covenants that it has submitted to the Commission, along with its Part 2 Application, a reasonably detailed project timeline setting forth a schedule whereby various identifiable aspects of the Project (e.g., rough plumbing & electrical, exterior siding, interior finish work on 1st floor) will be completed and the estimated amount of Qualified Rehabilitation Expenditures that will be expended on each such aspect of the Project (the "Project Schedule"). In the event that the Project is to be completed in phases, the Project Schedule should also reflect when it is anticipated that each phase will be completed and an estimate as to the amount of Qualified Rehabilitation Expenditures that will be incurred in each phase.

(b) *"Substantial Construction" Requirement.* The Applicant acknowledges and agrees that Substantial Construction on the Project must commence within twelve (12) months from the date on which the Applicant's Part 2 Application is approved by the Commission. Furthermore, upon commencing Substantial Construction, the Applicant shall file an affidavit with the Commission

attesting to the commencement of Substantial Construction together with evidence that the requirements of Substantial Construction have been satisfied.

(c) *Substantial Construction Defined.* The term "Substantial Construction" is defined to mean that (i) the owner of a Certified Historic Structure has entered into a contract with the Tax Division and paid the Processing Fee; (ii) the Commission has certified that the Certified Historic Structure's rehabilitation will be consistent with standards set forth in Chapter 33.6 of Title 44; and (iii) the owner has, within five (5) years from the date this Agreement is executed, expended ten percent (10%) of the Qualified Rehabilitation Expenditures estimated in the contract entered into with the Tax Division for the Project or, if a phased project, for the first phase the Project. Substantial Construction does not occur until all three of the above requirements are fulfilled.

(d) *Project Shall Not "Remain Idle".* The Applicant further covenants that within twelve (12) months from the date of Part 2 Certification, construction will commence and the Project shall not Remain Idle for any period of time exceeding six (6) months prior to the completion of the Project.

(e) *Remain Idle Defined.* The term "Remain Idle" is defined to mean that:

(1) Substantial work has ceased at the Project; or

(2) Work crews have been reduced by more than twenty-five percent (25%) for reasons unrelated to (i) scheduled completion of work in accordance with the Project's schedule, (ii) reasonably unanticipated physical conditions, or (iii) an event of force majeure; or

(3) The Project Schedule that was originally submitted to the Applicant to the Commission has been extended for more than twelve (12) months for reasons unrelated to (i) reasonably unanticipated physical conditions or (ii) an event of force majeure.

The Project is deemed to Remain Idle if any one of the above three criteria are met.

(f) *Force Majeure Defined.* To be deemed an event of force majeure, the cause of the event must be (i) reasonably unforeseen, (ii) outside the control of the Applicant and (iii) could not be avoided by the Applicant's exercise of due care. By way of example, and not in limitation, any delays, work stoppages, or work force reductions caused by financial difficulties, labor disputes or violation of the law shall be deemed to cause the Project to Remain Idle.

(g) *Penalties for Non-Compliance.* In the event that Substantial Construction is not commenced within twelve (12) months from the date on which the Applicant's Part 2 Application is approved by the Commission or if the Project Remains Idle for a period of time exceeding six (6) months, the Applicant shall forfeit all Processing Fees paid prior to that date and this Agreement for Tax Credits shall be terminated and deemed null and void without further action or documentation.

(h) *Periodic Reports Required.* In order to demonstrate that the Project does not Remain Idle, the Applicant, or its successor in interest, is to submit quarterly reports, with supporting documentation, to the Tax Division on or before the fifth day of April, the fifth day of July, the fifth day of October and the

fifth day of January. Said reports shall briefly set forth the work or tasks accomplished and the number of individuals employed on the Project during the preceding quarter.

(i) *Reapplication after Forfeiture and Termination.* Upon forfeiture and termination, the Applicant, pursuant to RIGL §44-33.6-7, may re-apply for Tax Credits for the Project but the Applicant acknowledges that it will be placed at the end of queue of prior applicants then awaiting the availability of Tax Credits. To reapply and be placed at the bottom of the Queue, the Applicant must submit a new application for Rhode Island Historic Preservation Tax Credits 2013 (Form HTC-13) to the Tax Division. If and when Tax Credits become available, the Applicant acknowledges that reapplication is expressly conditioned and subject to the following:

(1) The Applicant shall submit to the Commission a new application for Part 2 Certification, an amended Project Schedule as described in Section 8(a), setting the new reasonably detailed project timeline;

(2) The Applicant shall submit evidence, along with its request for reapplication, establishing the reason for the delay in the commencing Substantial Construction of the Project or for the Project Remaining Idle, and shall further provide evidence, reasonably satisfactory to the Commission, that the condition or event, causing the delay in commencing the Project or causing the Project to Remain Idle, has been resolved and will not recur; and

(3) The Applicant will be required to remit a three percent (3%) non-refundable Processing Fee as described in Section 4(b). This Processing Fee shall be calculated in accordance with the re-application submitted to the Commission and the Tax Division.

SECTION 9. Restrictive Covenants Required.

(a) *Material Alterations.* The Applicant acknowledges and agrees that no Tax Credits shall be issued until the owner of the Certified Historic Structure grants to the Commission a restrictive covenant agreeing that, during the Holding Period as defined in Section 6(b), no material alterations will be made to the Certified Historic Structure (i) without the Commission's prior approval, and, if approved, (ii) such material alterations shall be consistent with the standards established by the Secretary of the United States Department of the Interior for the rehabilitation of historic structures.

(b) *Trade or Business Use.* In the event that application has been made for the twenty five percent (25%) Tax Credit under this Agreement, the owner of the Certified Historic Structure shall also grant to the Commission a restrictive covenant agreeing that, for a period of sixty (60) months commencing when the Certified Historic Structure, or an identifiable portion thereof, was Placed into Service, either (i) twenty five percent (25%) of the total rentable area of the Certified Historic Structure or (ii) the entire rentable area located on the first floor of the Certified Historic Structure will be made available for a Trade or Business, as defined below.

(1) *Trade or Business Defined.* Pursuant to RIGL §44-33.6-2(17), a Trade or Business means an activity carried on for the production of income from the sale or manufacture of goods or performance of services, *excluding residential rental activity.*

(2) *Made Available Defined.* For purposes of this Agreement, the rentable area of a Certified Historic Structure is “made available for a Trade or Business” if, during the sixty (60) months after the Certified Historic Structure, or an identifiable portion thereof, was Placed into Service, the owner of the Certified Historic Structure has:

(i) Consistently and repeatedly advertised and marketed the rentable area for immediate occupancy or use by means of electronic media, print media, commercial listings or directories and other channels of communication reasonably designed to reach businesses located throughout the State of Rhode Island and in communities in adjoining states; or

(ii) Has consistently and repeatedly rented or leased the rentable area to a Trade or Business as defined in Section 9(b)(1) above.

(3) *Documentation Required to Demonstrate Compliance.* The Tax Division may require rental agreements and/or sample advertising materials and invoices to document compliance with the provisions of RIGL §44-33.6-4 and RIGL §44-33.6-2(17).

(c) *Participation in Registered Apprenticeship Program.* The Applicant acknowledges and agrees that, under RIGL §44-33.6-8, if the Hard Construction Costs of the Project equal or exceed ten million dollars (\$10,000,000), Tax Credits will be allowed only if any contractor and subcontractor working on the Project has an apprenticeship program for all apprenticeable crafts that will be employed on the Project at the time of bid. Said apprenticeship programs must be registered and approved by the United States Dept. of Labor in conformity with federal regulations.

(1) *Hard Construction Costs Defined.* Hard Construction Costs shall mean direct contractor costs for labor, material, equipment, and services associated with the Project, contractors’ overhead and profit, and other direct construction costs. By way of example and not in limitation, Hard Construction Costs do not include architectural and engineering fees, the cost of surveying, legal and accounting expenses, insurance premiums or development costs. Hard Construction Costs are not necessarily costs that are allowable as QREs.

(2) *Minimum Employees Required.* The requirement to have a registered and approved apprenticeship program applies to any contractor and subcontractor working on the Project that has five (5) or more employees.

(3) *Review to Ascertain Non-Compliance.* The Applicant acknowledges that there are statutory sanctions for non-compliance with RIGL §44-33.6-8 and that the Department of Labor & Training, in conjunction with the Tax Division and other agencies, may review claims that a contractor or subcontractor was exempt from the apprenticeship program requirement due to insufficient employees.

SECTION 10. Jurisdiction and Venue. This Agreement shall be governed by the laws of the State of Rhode Island. Venue for all legal proceedings arising out of this Agreement, or the breach thereof, shall be located only in a court with competent jurisdiction in the State of Rhode Island.

SECTION 11. Entire Agreement. This Agreement contains the entire understanding between the Parties. For purposes of this Section, the Exhibits attached hereto are integral to the Agreement and made a part of the Agreement. The Agreement may not be changed orally but only by agreement in writing signed by the Parties.

SECTION 12. Severability. If one or more of the provisions of this Agreement should become legally invalid, the validity of the remaining provisions shall not be affected thereby. However, in such case, the Parties shall immediately agree on some other contractual arrangement which secures, as far as possible, the intended economic effect of the invalid provision(s).

SECTION 13. Notices. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given, if mailed by registered or certified mail, return receipt requested, or, if transmitted by other means, when received by the other Party at the address set forth herein, or such other address as may hereafter be furnished to the other Party by like notice.

(a) It is the responsibility of the Applicant or its successor and assignees to timely notify the Tax Division of any changes in contact information, and in particular, to notify the Tax Division of any change in address to which written notices should be sent.

(b) Notice or communication hereunder shall be deemed to have been received on the date delivered to or received at the premises of the addressee. In the case of receipt by registered or certified mail, notice or communication hereunder shall be deemed to have been received by the date noted on the return receipt. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing, and if sent by registered or certified mail or delivered, postage prepaid, to the addresses below:

If to the Applicant:

UNION MILL LLC
108 CATHERINE ST.
NEWPORT RI
02840

If to the Tax Division:

Tax Administrator
 RI Division of Taxation
 One Capitol Hill, 1st floor
 Providence, RI 02908-5800

SECTION 14. Guarantee, Binding Effect and Enforceability.

(a) Guarantee of Delivery of Tax Credits. If this Agreement is not terminated pursuant to Section 6 or Section 8(f) and the Applicant has secured a Certification of Completed Rehabilitation from the Commission, the Tax Division guarantees delivery of one hundred percent (100%) of the amount of the Tax Credit, subject to audit and confirmation, to (i) the Applicant pursuant to RIGL §44-33.6-3(b)(1) as the party that incurred Qualified Rehabilitation Expenditures for the Substantial Rehabilitation

of a Certified Historic Structure or an identifiable portion thereof, as specified in the Agreement, and Placed in Service on or after July 3, 2013, or (ii) to the Assignee(s) of the Applicant pursuant to RIGL §44-33.6-3(f) and the Regulations.

(b) If this Agreement is not terminated pursuant to Section 6 or Section 8(f) and the Applicant has secured a Certification of Completed Rehabilitation from the Commission, the Tax Division guarantees that the Tax Credit, subject to audit and certification, shall be allowed pursuant to RIGL §44-33.6-3(b) and §44-33.6-3(e) for the taxable year in which a Certified Historic Structure or an identifiable portion thereof, as specified in the Agreement, is Placed in Service; Provided that the Substantial Rehabilitation test is met for such taxable year and provided further that the Certified Historic Structure, or an identifiable portion thereof, is Placed into Service on or after August 1, 2013.

(c) "Substantial Rehabilitation" means that the Qualified Rehabilitation Expenditures incurred with respect to the Certified Historic Structure during the twenty-four (24) month period selected by the Applicant ending with or within the taxable year, in which the Certified Historic Structure is Placed in Service, exceed the Adjusted Basis in such building and its structural components as of the beginning of such period. In the case of any Rehabilitation which may reasonably be expected to be completed in phases, the above definition shall be applied by substituting "sixty (60) month period" for "twenty-four (24) month period".

(d) This Agreement constitutes a binding and enforceable agreement between the Applicant and the Tax Division. This Agreement and the rights granted hereunder shall be enforceable by the Parties through all remedies available at law and in equity.

SECTION 15. Limitations.

(a) *Applicability of Agreement.* This Agreement applies only to a Rehabilitation of a Certified Historic Structure or some identifiable portion thereof, that: (i) is Placed in Service on or after August 1, 2013; (ii) for which an Application for Certification of a Rehabilitation Plan (a/k/a Part 2 Certification) and an Application for Determination as a Historic Structure (a/k/a Part 1 Certification) have been issued by the Commission after August 1, 2013; and (iii) for which Qualified Rehabilitation Expenses have been incurred on or after July 3, 2013.

(b) *Election of Tax Credit Program.* The Applicant and/or its Assignees who elect and qualify for Tax Credits for the Substantial Rehabilitation of a Certified Historic Structure under Chapter 33.6 of Title 44 are ineligible to claim Tax Credits for Rehabilitation of that particular Certified Historic Structure under Chapter 33.1 of Title 44, Chapter 64.7 of Title 42 or Chapter 31 of Title 44. Applicants and/or their assignees must waive, in writing, any claims to tax credits under the aforementioned chapters prior to entering into this Agreement.

SECTION 16. Further Assurances. Each of the Parties hereto shall promptly execute and deliver all such documents, instruments and assurances and do or cause to be done all such acts and things as are necessary or advisable fully to perform and carry out the provisions and intent of this Agreement.

SECTION 17. Captions. Titles or captions of Sections contained in this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or the intent of any provision hereof.

SECTION 18. No Waiver. The failure of any Party to insist upon strict performance of a covenant hereunder or of any obligation hereunder, irrespective of the length of time for which such failure continues, shall not be a waiver of such Party's right to demand strict compliance in the future. No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation hereunder, shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation hereunder. No term or provision of the Agreement may be waived unless such waiver is in writing and signed by the Parties.

SECTION 19. Executed in Counterparts. For the purpose of facilitating proving this Agreement, and for other purposes, this Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument.

SECTION 20. Warranties.

(a) *Warranty of Legal Existence.* The Applicant warrants that it is duly organized, chartered or formed under the laws of its State of domicile and that it has the lawful power to engage in the business it is presently conducting or will conduct in the future. The Applicant is duly licensed or qualified and in good standing in each jurisdiction, including Rhode Island, wherein the nature of the business it transacts makes such licensing or qualification necessary.

(b) *Warranty of Authority to Execute.* The Applicant and the signatory of this Agreement for the Applicant both warrant that they have the power and authority to negotiate and execute this Agreement and to perform the obligations thereunder and all such acts have been duly authorized by the necessary proceedings.

(c) *Warranty of No Outstanding Delinquencies or Deficiencies.* The Applicant further warrants that it does not have any outstanding delinquencies or deficiencies for taxes or regulatory fees owed to the State of Rhode Island.

SECTION 21. Disclosure and Dissemination of Reported Information. The Applicant acknowledges and agrees that RIGL § 44-33.6-9 imposes certain reporting requirements for the Applicant's participation in this tax credit program and that the information reported shall be specific, definite, and attributable to an identifiable person. In addition, such specific information, including this Agreement and its terms and exhibits, pursuant to RIGL § 44-33.6-9, shall be:

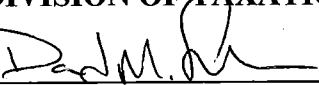
(a) Shared with or disseminated among other instrumentalities of the State, including but not limited to, the Commission, the Economic Development Corporation, designated members of both houses of the General Assembly, the governor, and the Department of Labor and Training; and

(b) A public document made available to the public for inspection by any person and published by the Tax Administrator on the Tax Division website.

This section shall also apply to any contract voided under the provisions of this Program.

IN WITNESS WHEREOF, the parties have caused this contract to be duly executed intending to be bound thereby:

**STATE OF RHODE ISLAND
DEPARTMENT OF REVENUE, by
its DIVISION OF TAXATION**

By: 

Date: 4/1/15

APPLICANT NAME 

By: UNION WITH LLC

LO SILVERSTEIN-PHILLIPS
PRINT NAME

Title: MANAGING MEMBER

Date: 3/10/15

Exhibit A: Determination of Historic Significance

[Attach a copy of the Determination of Historic Significance (Part 1 Certification) issued by the RI Historical Preservation & Heritage Commission]



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
HISTORICAL PRESERVATION & HERITAGE COMMISSION
Old State House • 150 Benefit Street • Providence, R.I. 02903-1209
TEL (401) 222-2678 FAX (401) 222-2968
TTY / Relay 711 Website www.preservation.ri.gov

HISTORIC PRESERVATION INVESTMENT TAX CREDIT
Part 1 -- Certification of Historical Significance

RI Project Number 13-36

Property Name Pontiac Mill

Property Address 334 Knight St., Warwick, Rhode Island

This Part 1 evaluation of significance has been reviewed by Edward Sanderson who meets Historic Preservation Professional Qualification Standards.

REASON FOR CERTIFICATION OF HISTORICAL SIGNIFICANCE
(See page 2 for a brief description of the property and its significance.)

- Property is individually listed in the National Register of Historic Places (Or determined to be eligible by the US Department of Interior).
- Property contributes to the significance of t
- Property has been designated as a historic property by Ordinance in the City/Town of _____, in accordance with RIGL 45-24.1 and
 - it is more than fifty (50) years old, and
 - it is related to a broad theme of the community's history or is a good example of a type, style, or method of construction, and
 - it possesses sufficient integrity of location, design, setting, materials, workmanship, feeling and association to convey its historical significance.
- THIS IS ONLY A PRELIMINARY DETERMINATION. The property appears to meet the criteria indicated, but it has not been formally listed or designated. In order to claim a RI Historic Preservation Investment Tax Credit the property must receive FINAL Certification of Significance before the rehabilitation work is completed and before the building is placed in service.

2/13/2015 Edward Sanderson

Date

Executive Director
Historical Preservation and Heritage Commission

Exhibit B: Certified Rehabilitation Plan

[Attach a copy of the Certification of a Rehabilitation Plan (Part 2 Certification) issued by the RI Historical Preservation & Heritage Commission and a complete copy of the detailed project timeline (including costs and dates of rehabilitation) submitted to the Commission as part of the Applicant's Part 2 Application]



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

HISTORICAL PRESERVATION & HERITAGE COMMISSION

Old State House • 150 Benefit Street • Providence, R.I. 02903-1209

TEL (401) 222-2678

FAX (401) 222-2968

TTY / Relay 711

Website www.preservation.ri.gov

**HISTORIC PRESERVATION INVESTMENT TAX CREDIT
Certification -- Part 2**

RI Project Number 13-36

Property Name Pontiac Mill

Property Address 334 Knight St., Warwick, Rhode Island

Certified Historic Structure? yes pending

Type of Request Part 2

Amended Part 2

Phased Project

CERTIFICATION

This application was reviewed by Virginia Hesse who meets Historic Preservation Professional Qualification Standards.

The project:

- meets the Standards for Historic Preservation Projects and is approved.
- meets the Standards only if the conditions stated on page 2 are met.
Approval is
- does not meet Standard number(s) _____ for the reasons stated on page 2.
The project is not approved.
- does not provide sufficient information. The project is not approved.

Date

2/13/2015 *Edward J. Anderson*

Executive Director

Historic Preservation and Heritage Commission

HISTORIC PRESERVATION INVESTMENT TAX CREDIT

Certification -- Part 2

Page 2

ISSUES

- Additions, including rooftop additions.
- Alteration of significant exterior features or surfaces.
- Alteration, removal, or covering of significant interior finishes or features.
- Adjacent new construction, extensive site work, or demolition of related structures.
- Changes to significant interior spaces or plan.
- Window replacements on any major elevation that do not match historic.
- Damaging or inadequately specified masonry treatments.
- Other (explain)

EVALUATION OF PROJECT AND CONCERNS

(Basis for decision to approve or deny the project.)

See Attached Project Evaluation.

CONDITIONS THAT MUST BE MET FOR APPROVAL

See Attached.

UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

CONDITIONS SHEET
Historic Preservation Certification Application

Property Name: Pontiac Mill

Project Number: _____

Property Address: 338 Knight Street, Warwick, RI

The rehabilitation of this property as described in the Historic Certification Application will meet the Secretary of the Interior's Standards for Rehabilitation provided that the following condition(s) is/are met:

GENERAL CONDITIONS:

- 1) **REPLACEMENT WINDOWS** must match profiles, details and light pattern of windows that are being replaced. Glass must be clear. Simulated divided lights must have exterior applied trapezoidal grid as well as sandwiched grid between the panes of glass. insect screening must be interior to the window. Mock-ups of major window types must be reviewed and approved within a window opening next (side by side) to an original window for comparison. Existing windows must not be removed until a mock-up window is approved.
- 2) **STUCCO PATCHING.** Samples of patching material must be prepared for review and approval. Samples should match texture and color of the predominant stucco on each building. The samples should include scoring to match historic scoring.
- 3) **MASONRY CLEANING.** Samples of brick, stucco and stone cleaning must be prepared for review and approval. The gentlest means of cleaning must be attempted first.
- 4) **MASONRY POINTING** samples must be prepared for review and approval. Pointing mortar must match original or predominant mortar in color, texture, composition and profile.
- 5) **MECHANICAL EQUIPMENT:** location of mechanical equipment must be provided for review as soon as drawings are available. Large pieces of equipment must be located toward the center of flat roofs, and away from eaves to the greatest extent possible. Duct runs must be above window heads at outside walls, or if they cannot be held entirely above the heads of windows, they must be held back from the interior masonry walls by 4'.
- 6) **NEW METAL RAILINGS:** New railings added to and around mill buildings and mill complex sites must be compatible with the historic character of the mill. Examples of historic railings can often be found on site, and they are almost always painted. New railings added at stair cases, ramps, entrances and as safety barriers at retaining walls, etc... must be painted. Bare galvanized metal is not compatible with the historic character of the mill, and unnecessarily calls attention to a new feature.
- 7) **WOOD FLOORS:** While we understand that the extent of water infiltration into many buildings means that most wood floors can not be salvaged and refinished, the application is unclear about the proposal for new floor finishes. Preferably, wood floors would be installed where wood floors must be removed. Minimally, wood floors should be retained in all common areas. Specific floor treatments Proposed floor treatment where original floor cannot be salvaged and reused must be submitted as additional information.
- 8) **LANDSCAPING, SITE LIGHTING AND SIGNAGE:** When plans are available that show proposed landscaping, paving materials; guard rails; new courtyard spaces; lighting standards and signage package, please submit them for review and approval.

BUILDING 1

- 1) **FIRE-ESCAPE** stairs will be removed, and the landings retained for balconies. Windows will be cut down to doors at these landings, and new doors made to look like windows will replace the windows at these locations **DETAILED ELEVATION OF NEW DOORS MUST BE PROVIDED. IT IS PREFERRED THAT WINDOWS BE RETAINED AS BALCONY ACCESS.**
- 2) **THE TOWER STAIR** will be retained and painted. The low railing will be supplemented with a new railing added to meet code requirements **A DETAILED DRAWING MUST BE SUBMITTED OF PROPOSED NEW RAILING.**
- 3) **TENANT RESTRICTIONS MUST BE IDENTIFIED, SUCH AS NO DROPPED CEILINGS OR WINDOW OBSTRUCTIONS, ETC...**

BUILDING 2

- 1) **STRUCTURAL STABILIZATION PROPOSAL REQUIRED.** Since the initial Part 2 application was received, the full extent of structural failure within Building 2 has been determined, and the challenges to rehabilitation of this structure are indeed great. Because it occupies such an important location within the complex, retention of its north and west walls are critically

important. We understand that the feasibility of rehabilitating all or a portion of this building is being evaluated and A NEW PROPOSAL WILL BE SUBMITTED.

BUILDINGS 3&5

- 1) CLARIFY DRAWING A201.1 Proposed plan does not match up with elevation 302.1 where there is a new entrance being introduced to access the bridge over the river. The plan shows an enclosure south of Building 3, while the elevation shows a canopy in this location.
- 2) CLARIFY DRAWING: Elevation A302.2 is ambiguous: the south wall of Building 3 east of Building 5 shows 6 bays of solid glass wall, but a note below this section says: "original window configuration to be restored in Building 4". Elevation A302 and A302.2 do not match. Floor plan A201.2 appears to match up with the large glazed bay elevation, but the bays are not consistent.
- 3) CLARIFY DRAWING: Narrative page 2 of 5, #4 describes new opening in the east elevation of the brick stair tower to access the river bridge, however the plan shows the new door in the south elevation...and confusing elevation (see above).
- 4) PROPOSED WINDOW ENLARGEMENT: Brick Stair and toilet tower has small windows on each floor. This elevation proposes enlarging the first floor openings to match the first floor windows in Building 3. The new larger windows should be differentiated from the historic windows – preferably they should still be smaller than the windows in Building 3.
- 5) CLARIFY NARRATIVE page 4 of 5, #10 describes restoring the south elevation of Building 3 north of Building 5 – contrary to elevation 302.2

BUILDING 4

- 1) MASONRY WALL dividing the two spaces is shown as removed in the proposed plans. This wall should be retained with a cased opening at the sides and ceiling.

BUILDINGS 4a & 6

- 1) THE WEST WALL will be dismantled to a level that can be stabilized and capped, possibly down to the first floor level. The first floor wall, and enough of the second floor wall to express the location of windows, should be retained. (2nd floor window sills and a foot or so of wall above the sill). Stuccoed sections must remain stuccoed, and brick remain brick.
- 2) WEST ELEVATION GABLE end wall is not discussed in the narrative, however it does not appear in the proposed elevations. As it is an important feature of the view of the complex from the west, we hope this wall can be retained and supported.
- 3) THE EAST WALL OF BUILDING 6 (of the western portion) in elevation A301 shows this wall removed. The removal of this wall leaves a big gap in the Mews wall in this important location. The removal of this wall in its entirety is not approved. Revise proposal to show at least a portion of this wall retained to preserve the integrity of the Mews corridor.

BUILDING 25

- 1) CLARIFY: Building 25 is called out to be restored. However, in item 5 in describing the work proposed for Building 11 windows, it refers to Building 25 being removed.

BUILDING 30

- 1) PROVIDE BUILDING SECTION showing the proposed raised floor level in relation to existing doors and windows. Show new staircase to elevated single door on west façade. Is a second egress required in this building?

BUILDING S1

- 1) REMOVAL OF INTERIOR FLOOR STRUCTURE - REQUIRES MORE INFORMATION. In order to reuse this building, two floors will be removed to allow for sufficient headroom under modern building codes. The floors to be removed are not clearly identified, although it would seem to be 2 and 4 that would come out. It must be acknowledged that the heavy timber frame is not only architecturally significant, but is doing the job of holding the building together. The short, thick wooden posts and heavy timber beams provide stiffness to the structure as well as support the weight of the floor loads above. By removing two floors, do the beams and posts come out too? Will the entire structure have to be replaced? Is there a way to reinforce the remaining structure without removing the posts, and sections of beams at the missing floors (to recall the structure)? Obviously, this is a complex issue and a structural plan and building section must be provided to RIHPHC for review before this demolition occurs.

TENANT IMPROVEMENTS

Proposed tenant improvements must be submitted for review and approval to RIHPHC.

2/13/2015 Edward P. Anderson

Date

State Signature

401-722-4135

State Contact Telephone Number

The National Park Service has determined that this project will meet the Secretary of the Interior Standards for Rehabilitation if the condition(s) listed in the box above are met.

Date

National Park Service Signature



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

HISTORICAL PRESERVATION & HERITAGE COMMISSION

Old State House 150 Benefit Street Providence, RI 02903

Telephone 401-222-2678
TTY 401-222-3700

Fax 401-222-2968
www.preservation.ri.gov

PONTIAC MILL PROJECT EVALUATION – February 2015

The Pontiac Mill Complex in Warwick, RI consists of 28 buildings, additions, and structures. Some are of red brick, and many are a combination of red brick, stone and stucco. Rehabilitation was proposed for this complex in 2005, but that project and the buildings were subsequently abandoned by the owner. Nine years later, the buildings have suffered dramatically from the decade of no maintenance whatsoever. A new owner proposes to rehabilitate the complex for commercial use. The Part 2 application package is organized with photographs of the individual buildings from the 2005 application – because they are more detailed and the interior was more accessible, but these photographs are supplemented with recent photos showing existing conditions. It is discouraging to see what no maintenance has done to the buildings in less than a decade. This evaluation describes typical treatments for all buildings, then specific work items for individual buildings.

Pontiac Mill Common Work Items

Stucco Treatment: Where stucco is deteriorated or missing, rubblestone substrate will be repointed and a new stucco patch will be applied. Stucco will be scored to match historic rustication. Samples of new stucco will be prepared for review and approval by RIHPHC matching the historic stucco in color, texture and aggregate, as well as samples of scoring the new stucco.

Masonry Repointing: historic masonry, including solid masonry walls and brick rustication around windows, doors, sills, and some corners, will be pointed with mortar to match historic mortar where required. Mortar will match historic in color, strength, texture and tooling. Samples of repointing mortar will be prepared for review and approval.

Windows: A majority of historic wood windows survive in all buildings, though they are in poor condition. With the exception of a very few decorative windows, all wood windows (and a few

steel replacement windows) will be replaced with new aluminum windows to match the historic configuration. Each new aluminum window will match the configuration of the wood window it is replacing. Some non-original steel industrial sash will also be replicated. Shop drawings will be submitted for review and approval. (MOCK UPS MUST BE REVIEWED ALSO). Decorative windows will be repaired. (SCREENS MUST BE INTERIOR)

Roofs: All buildings will receive new EPDM roofing. Decking will be replaced as necessary. Eaves will be repaired or rebuilt to match surviving historic fabric, including fascias and brackets.

Building Interiors: All buildings will be fitted out for business use, with new egress stairs and (in some) an elevator core. Floor plans will be largely undivided to allow tenants maximum flexibility. Structural damage will be repaired. Painted masonry walls will remain painted. Historic architectural features (such as bead board and staircases) where found, will be retained if in good condition or replaced.

Exterior Doors: Historic doors will be restored. Non-historic doors will be replaced with new doors which match similar historic doors, or will be compatible with other historic doors on the building. Some replacement doors will have glass panels in place of wood panels.

Wood Floors: Wood floors are not addressed in general treatments, or in most individual buildings. Since the extent of water damage is great in many buildings, it is likely that few original wood floors will be salvageable. The floors in Building 1 are perhaps in the best shape and should be preserved.

Proposed Work on Individual Buildings

Buildings 1 & 21

Building 1 is a 4 story red brick mill. Originally 3 and a half stories with a dormered gable roof, the fourth floor is now a full brick story with a mostly flat roof and a center tower. Building 21 is a one story structure attached to building 1 at its west end.

- Non-original loading docks will be removed and the facades restored.
- A very few doors will receive new simple metal railings in the masonry openings to create "Juliet" balconies, usually in low visibility areas.
- Fire-escape stairs will be removed, and the landings retained for balconies. Windows will be cut down to doors at these landings, and new doors made to look like windows will replace the windows at these locations (REQUIRE DETAIL ELEVATION OF DOORS, OR REQUIRE THAT WINDOWS BE RETAINED).
- The tower stair will be retained and painted. The low railing will be supplemented with a new railing added to meet code requirements (REQUIRE DETAILED DRAWING).

- Two new staircases and an elevator will be added.
- Plan will remain open for future tenant fit-out.

BUILDING 2 (Circa 1879-1889)

Building 2 is a 4 story stucco on rubblestone mill with brick quoining at window surrounds. The building fronts on the north street façade and also holds the corner of the entrance to the “Mews” on its west side. It also has a vinyl sided enclosed loading dock on its north (front) side.

- The loading dock will be removed and the facade behind it will be restored.
- Due to a failed roof and the resulting water infiltration, the internal structure is in poor shape. Floors have collapsed. Non-original partitions and an inserted floor will be removed. Structure will be restored.
- A new stair and elevator core will be installed.

BUILDING 7(c. 1875)

Building 7 is a 2-1/2 story stucco and brick structure with a mansard-roofed third floor. This building has a unique mansard roof not found elsewhere in the complex. It is not believed to be original as there is evidence of roof structure above the second floor (see page 13 – photo 17 – roof truss at second floor). Though not original, it is clearly old, as the windows are the same found in the lower floors, though the windows do not align. The only other building in the complex with a mansard roof was the Company Store (demolished – see nomination photo), and that roof was detailed quite differently. Note the strange lack of an eave detail on Building 7.

- The mansard roof and third floor will be demolished. A new roof will be re-established at the second floor, with a simplified eave detail that will match other stucco and brick buildings in the complex.
- A new internal stair will be introduced, according to the narrative, but is not shown in plan.

BUILDING 8 (circa 1875)

Building 8 is a single story building, with one south-facing brick and stucco wall, and the other walls being solid brick. This structure fills in space between Building 2 and 7. The roof and floor structure are in complete failure (prior to 2006). The walls, however appear to be sound. A narrow section of the building at the west end (fronting on the Mews) is two stories high and will be retained.

- The failed roof and floor structures will be removed in their entirety. A new floor structure will be constructed. The space within the walls will become an enclosed outdoor courtyard. The walls will be patched and restored, and receive new metal caps to prevent water infiltration.
- Windows will be removed. (Consider installing new aluminum windows with no glass...)

BUILDING 3 & 5 (c. 1870)

Building 3 is a handsome stucco and brick 3-story structure with an ornately bracketed eave and entrance tower. It has a later brick stair-tower addition on the south side, and a CMU elevator tower. Building 5 is a single story wedge shaped building at the south wall of Building 3, and following the river's edge. It is also stucco and brick.

- The CMU elevator addition will be removed and windows restored behind it.
- The brick staircase addition will be retained, but the collapsed staircase will be removed. Floors will be in-filled within the tower.
- A201.1 Proposed plan does not match up with elevation 302.1 where there is a new entrance being introduced to access the bridge over the river. The plan shows an enclosure south of Building 3, while the elevation shows a canopy in this location.
- Elevation A302.2 is ambiguous: the south wall of Building 3 east of Building 5 shows 6 bays of solid glass wall, but a note below this section says: "original window configuration to be restored in Building 4". Elevation A302 and A302.2 do not match. Floor plan A201.2 appears to match up with the large glazed bay elevation, but the bays are not consistent.
- Narrative page 2 of 5, #4 describes new opening in the east elevation of the brick stair tower to access the river bridge, however the plan shows the new door in the south elevation...and confusing elevation (see above).
- Brick Stair and toilet tower has small windows on each floor. This elevation proposes enlarging the first floor openings to match the first floor windows in Building 3. The new larger windows should be differentiated from the historic windows – preferably they should still be smaller than the windows in Building 3.
- Narrative page 4 of 5, #10 describes restoring the south elevation of Building 3 north of Building 5 – contrary to elevation 302.2
- 2 new stair cases are proposed to be added. There does not appear to be an elevator added to this building.

BUILDING 4

Building 4 is a small, brick, 2-story flat-roofed structure that lines the river. The building is characterized by small punched window openings along its long elevations, and door openings

or larger windows at its narrow end elevations. There are no internal staircases, but 2 on the exterior. The interior is simply divided into 2 spaces. An arched door opening on the first floor of the north elevation has been bricked in.

- The arched door opening will be re-opened and infilled with new carriage doors.
- A new masonry opening for a pair of doors will be added to the first floor of the east elevation, away from the major public view – under an existing pair of doors. It is difficult even to photograph this elevation as it can only be viewed from overgrown land to the east.
- Interior – the masonry wall dividing the two spaces is shown as removed in the proposed plans. This wall should be retained with a cased opening at the sides and ceiling.
- New exterior staircases will be added to the building in a slightly altered configuration.

BUILDINGS 4a & 6

Buildings 4a and 6 are two story structures sandwiched between the south side of Building 3 and the river. They have been ruins, without roofs for more than a decade. Their condition is grim. The previous rehab plan called for creating an exterior courtyard in the location of Building 6, while restoring the river wall (south) and the Mews (east) wall, and the gable end (west). Since that time, the condition of the surviving walls has deteriorated further and may not be salvageable. This proposal suggests partial demolition and stabilization of the remaining walls.

Building 4a was a gable-roofed structure comprised largely of walls shared with abutting buildings (Building 3 to the north and 6 to the east and south, and 5 to the west). It does hold a small 3-bay brick wall to the south at the river's edge, and a two story brick wall to the east (on the Mews). The only significant features that remain of Building 4a are a stuccoed, wood framed gable wall facing west, and the remains of the brick façade along the mews. There is no surviving roof over the "building" and it has long been an out-door space. The gable-end wall is unsupported and structurally compromised. The top of the east wall collapsed when the gable roof caved in, and remains a ruin.

- The interior volume of 4a will be cleaned and cleared of debris, old collapsed structure and vegetation.
- The grade inside 4a will be raised to match the level of the adjacent Mews. The new floor will be constructed of wood decking to allow water to pass through.
- The west wall will be dismantled to a level that can be stabilized and capped, possibly down to the first floor level. We hope that the first floor wall, and enough of the second

floor wall to express the location of windows, can be retained. (2nd floor window sills and a foot or so of wall above the sill).

- West elevation gable end wall is not discussed in the narrative, however it does not appear in the proposed elevations. As it is an important feature of the view of the complex from the west, we hope this wall can be retained and supported.
- Windows – fragments of surviving windows will be removed.
- The footprint of 4a will be an open courtyard.

Building 6 is a combination of brick, stone and stucco. This odd-shaped narrow 2-story structure appears to have been infill for leftover space between Building 4a and the river. Its south wall is a continuation of the south wall of Building 4a, though its first 2 stories are stucco over brick. Its north, south and east walls are brick. The roof has collapsed over the west end of 6.

- South wall will be dismantled and capped as in Building 4a, for the west half.
- The roof and floor structure of the east half of the building will be rebuilt.
- The east wall of Building 6 (of the western portion) in elevation A301 shows this wall removed. The removal of this wall leaves a big gap in the Mews wall in this important location. The removal of this wall in its entirety is not approved.

Building 9

Building 9 was the Boiler House. This red brick building is 1-1/2 stories in height, and has a 120 foot tall, six sided chimney stack. Window openings are 20/20 wood double-hung segmental arched, in poor condition. The two story interior has a mezzanine and a lower floor level that is below grade. It contains 4 large boilers and associated piping.

- Windows will be replaced with new aluminum windows to match.
- The corbeled chimney stack requires reconstruction of the top section, and will be rebuilt.
- Boilers and piping will be removed from the interior and the walls will be repaired and repainted.

BUILDINGS 11 & 25

Building 11 is a later two story brick structure with a flat roof. While evidence suggests that a three story building with fewer bays occupied this site as early as 1889, it is not clear whether that structure was heavily altered or replaced entirely with this longer and lower building. There are brick infilled arched masonry openings mid-story along the length of the building, but current windows are multi-light steel industrial sash. The interior structure is a combination of steel and wood framing.

Building 25 is small, 4-bay one story structure sharing the north end of the east wall of Building 11. It has small hopper windows, and was originally used for cotton storage.

Both buildings have suffered extensive water infiltration from failed roofs. Their rehabilitation calls for repairing the structure, masonry walls, and eaves in kind. Windows will be replaced with new aluminum to match existing. The existing staircase will be reconstructed to meet code, as it is the only stair in the building. The floors will remain open for future tenant fit-out.

- Building 25 is called out to be restored. However, in item 5 in describing the work proposed for Building 11 windows, it refers to Building 25 being removed.

BUILDING 19

Building 19 was a small mill office for the complex. This one story, gable-roofed, one-room, wood-framed building retains a high degree of historical/architectural integrity. The building has three original wood doors, only one of which is in poor condition. Changes on the interior include the insertion of an internal staircase to the basement, which renders the north entrance unusable; and the installation of non-original plywood paneling over plastered walls. All wood trim at windows doors and baseboards survive.

- Clapboard siding will be repaired or replaced in kind and painted.
- West exterior staircase is not original and will be removed. Door will be fixed shut.
- East exterior staircase will be replaced with new wood code-compliant stair. (Note – existing pipe rail is historically appropriate for new stair).
- Exterior doors will be restored, except for one which will be replaced in kind due to severe deterioration.
- Interior non-original features and partitions will be removed and original finish restored.
- Internal staircase to basement is called to be removed in the narrative and the floor restored, however the proposed floor plan does not show this staircase removed.
- Asphalt roof will be replaced with new asphalt roof.
- Original windows will be restored and new aluminum storms installed (or existing repaired).

BUILDING 20

Building 20 dates to the mid-twentieth century, and is very simple in its architectural detail. The one-story hipped-roof wood framed structure has clapboard siding and 2/2 wood double-hung windows. The one room interior last served as a small coffee shop. The building is in fair to good condition and all existing features will be repaired. Non-original interior features will be removed and the space prepared for future tenant fit-out.

BUILDINGS 28 & 29

Buildings 28 and 29 defy description. They are dated in the narrative to c. 1895, but they appear much newer than that date. It is difficult to identify where one building ends and the other begins either in plan or elevation. The narrative or NR nomination does not provide much clarity. They are identified on Sanborn maps as storehouse buildings.

Generally, they are red brick, 2 stories in height with flat roofs and steel industrial windows. Building 28 is lined along its entire south elevation by a one story CMU addition and on its east by a 2 story CMU addition. The interior structure is heavy timber and steel, and is architecturally undistinguished inside and out.

Like other buildings in the complex, water damaged structure and features will be repaired, windows replaced, and the space prepared for tenant fit out.

BUILDING 30

Building 30 is a 1 story brick, 4-bay garage, or "Auto House" as identified on Sanborn maps. The building is distinguished by a granite base, corbeled cornice, a pair of oculus windows (only one survives), and 2 surviving (partially) pairs of nicely paneled carriage doors. The main façade faces west and contains the four segmental arched carriage door openings, but other sides had a variety of window openings, most of which have been bricked in.

- Granite base will be cleaned of paint
- Masonry will be repaired/repointed as required
- All bricked-in window openings will be re-opened and receive new windows to match surviving windows
- Surviving carriage doors will be repaired if possible, and new glass installed in upper panels. Missing doors will be replaced with new to match existing. Single man-door will be replaced with new door to match original, but with a higher sill. All carriage doors will be fixed in the closed position.
- Interior floor level must be raised, as the current concrete floor is in the flood plain. A new wood floor will be added above the concrete floor (proposed new height not indicated in drawings). This will improve the window sill to floor height for occupants of the space. Because of the higher floor level, all but the single door will be fixed shut. This seems odd in a building of this size. If a second door is desired, the existing location

on the north side of the rear addition seems like a good discrete location to be modified to retain a second door at a higher elevation.

- The interior will be prepared for tenant fit-out.

BUILDING S1, 23 & 32

Building S1, dating from 1874, is one of the earlier buildings in the complex, and was built as a storehouse. Typical of buildings of this type, floor to floor heights are very low and the timber structure is very substantial. Head room under the beams is only 6'4", which presents a problem for reuse of these spaces. The building is stucco over rubblestone, with brick quoining around window openings. The original windows survive and are 8/8 double-hung. The 5 story structure has a steeply pitched gabled roof. Windows on the east and west gable-ends have been stuccoed over (not certain they were ever really window openings).

- In order to reuse this building, two floors will be removed to allow for sufficient headroom under modern building codes. The floors to be removed are not clearly identified, although it would seem to be 2 and 4 that would come out. It must be acknowledged that the heavy timber frame is not only architecturally significant, but is doing the job of holding the building together. The short, thick wooden posts and heavy timber beams provide stiffness to the structure as well as support the weight of the floor loads above. By removing two floors, do the beams and posts come out too? Will the entire structure have to be replaced? Is there a way to reinforce the remaining structure without removing the posts, and sections of beams at the missing floors (to recall the structure)? Obviously, this is a complex issue and a structural plan and building section must be provided to RIHPHC for review before this demolition occurs.
- Few original doors survive. New doors that match the surviving original doors will replace the non-original doors.
- Windows will be replaced with new aluminum to match.
- Interior finishes will be repaired and restored and spaces will be prepared for tenant program.

Building 32

Building 32 is a small 1 story, flat-roofed brick structure located along the east wall of Building S1. This small addition will be restored and prepared for tenant use. It does not communicate with Building S1.

Building 23

Building 23 is a two story, flat-roofed brick structure sharing its east wall with Building S1. The building communicates with S1 through a single door on the first floor. It has steel industrial

windows, and the interior is architecturally undistinguished. It will be repaired and restored, and prepared for tenant fit-out.

TENANT IMPROVEMENTS

Tenant stipulations must be prepared for fit-out of spaces, including exterior signage and lighting which must be in the character of the mill complex. In general:

- dropped ceilings are not permitted to hang below the head of windows
- ducts must not run across windows within 4 feet of an outside wall (unless they are fully above the head of the window and clear all beams)
- Exterior signage and lighting for individual tenants must conform to a pre-approved plan for the entire complex
- Mechanical equipment on rooftops must be located toward the center of the roof to be minimally visible, or toward the back (south), and care should be taken to minimize visibility from important view sheds.

The rehabilitation of the Pontiac Mill for commercial and business use, described in this application, is more compatible with its original use and therefore requires fewer changes than a mixed-use residential development that was proposed previously. The extent of deterioration of so many of the buildings will require more demolition of character defining pieces of the complex. The project is still somewhat schematic, and we understand that as vegetation is cleared from the site and the structures can be more closely evaluated, amendments to this application will be made with more detailed proposals. We recommend approval of the general project scope and individual building treatments with the conditions listed.



CORDTSEN DESIGN ARCHITECTURE, inc

Pontiac Mills

334 Knight Street

Warwick, RI

Construction Phasing Schedule

Phase 1 – Spring 2015 - \$8,000,000.00

Buildings 3, 5, 4a, 6, 19 & 20

Phase 2 – Spring 2016 - \$7,000,000.00

Buildings 4, 2, 7, 8 & 21

Phase 3 – Spring 2017 - \$5,000,000.00

Buildings 1, 9, 11, 25 & 26

Phase 4 – Spring 2018 - \$5,000,000.00

Buildings 23, 28, 29, S1, 32, 30 & Water tower

Exhibit C: Tax Credit Methodology Election and Fee Payment

[Attach Original of Form HTC-V -2013: "Rhode Island Historic Structures-Tax Credit-Processing Fee Form"]

State of Rhode Island and Providence Plantations
Form HTC-V-2013
 Historic Structures Tax Credit Processing Fee Form



13130399990101

Name UNION MILL LLC		Federal employer identification number	
Address 108 CATHERINE ST.			
Address 2			
City, town or post office NEWPORT	State RI	ZIP code 02840	E-mail address

Part A - Project Information

- 1 Project name: **POUTIAC MILLS**
- 2 Project location: **334 KUNDT ST. WARWICK RI**
- 3 Project number: **13-36**

Part B - Processing Fee Calculation Complete lines 1, 2, 3 and 7. If you wish to revise the amounts from your Form HTC-13, complete lines 1 through 7. NOTE: You cannot receive more Historic Preservation Tax Credits 2013 than what you initially applied for. If line 6 is more than line 3, you must change line 4 or 5, or both.

1	Estimated Qualified Rehabilitation Expenditures from 2013 application - Form HTC-13.....	1	25,000,000.00 33,500,000.00
2	Credit Percentage Elected - 20% or 25% from 2013 application - Form HTC-13.....	2	25 %
3	Estimated Historic Preservation Tax Credits 2013 from 2013 application - Form HTC-13.....	3	5,000,000.00
4	Revised Estimated Qualified Rehabilitation Expenditures.....	4	
5	Revised Credit Percentage Elected - 20% or 25%.....	5	%
6	Revised Estimated Historic Preservation Tax Credits 2013 amount.. CANNOT BE MORE THAN LINE 3 CREDIT AMOUNT	6	
7	Total processing fee due. Multiply line 1 or line 4, whichever is applicable, by 3% (0.0300)..	7	600,000.00

Make cashier's check or money order payable to the RI Division of Taxation. This fee is non-refundable. Pursuant to R.I.G.L. 44-33.6, Historic Preservation Tax Credits 2013, applicants are required to pay a non-refundable processing fee equal to 3% of Qualified Rehabilitation Expenditures as estimated on their Application for Rhode Island Historic Preservation Tax Credits 2013.

If you are revising the amount of Estimated Qualified Rehabilitation Expenditures for which you initially applied on your Application for Rhode Island Historic Preservation Tax Credits 2013, you acknowledge and agree that you waive all rights, claims and entitlements to Historic Preservation Tax Credits associated with the difference between the amount initially applied for (line 3) and the revised amount noted on line 6 above.

This 3% non-refundable processing fee must be paid prior to entering into a contract with the RI Division of Taxation under this program. Qualified applicants have 30 days from the date of Part 2 certification from the RI Historical Preservation & Heritage Commission to pay this non-refundable fee, and enter into a contract with the RI Division of Taxation.

Under penalties of perjury, I declare that I have examined this form and to the best of my knowledge and belief, it is true, accurate and complete.

Applicant signature <i>[Signature]</i>	Print name HARRY S. PHINIPS	Date 3/12/15	Telephone number
Applicant address 108 CATHERINE ST	City, town or post office NEWPORT RI	State RI	ZIP Code 02840