

AGREEMENT FOR HISTORIC PRESERVATION TAX CREDITS 2013

THIS AGREEMENT (the "Agreement"), is made as of the 7th day of March, 2014 (the "Effective Date"), by and between American Wire LLC (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:

American Wire LLC

 c/o Chris Starr

 670 North Commercial Street

 Manchester NH 03101

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: *Kevin J. McLaughlin*

Date: 3/10/14

APPLICANT NAME

By: *CS*

CHRIS STARR

American Wire LLC

PRINT NAME

Title: manager

Date: 3/7/14

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 (401) 222-3700 Website www.preservation.ri.gov

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

RI Project Number 13-15

Property Name Phillips Insulated Wire Company (Later American Insulated Wire)

Property Address 413 Central Ave, Pawtucket, Rhode Island

This Part 1 evaluation of significance has been reviewed by Richard Greenwood 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
- 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.

2/12/14

Date

Deputy

Executive Director

Historical Preservation and Heritage Commission

HISTORIC PRESERVATION INVESTMENT TAX CREDIT

Part 1 -- Certification of Historical Significance

Page 2

AREAS OF SIGNIFICANCE

Property is a good example of a type, style, method of construction (specify):

Property is associated with one of the broad themes of the community's history (specify):

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

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

RI Project Number 13-15

Part 2 Fee Paid

Part 3 Fee Paid

Property Name Phillips Insulated Wire Company (Later American Insulated Wire)

Property Address 413 Central Ave, Pawtucket, Rhode Island

Certified Historic Structure? yes pending

Type of Request Part 2

Amended Part 2

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.

2/12/14

Date

Deputy 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.)

The Philips Insulated Wire Company (a.k.a. American Insulated Wire) is a large turn of the century industrial mill complex comprised of two very large 3 and four story brick masonry structures, and several smaller buildings.

The largest building in the complex is a long multi-story structure comprised of 7 different building campaigns. Most of these buildings are typical mill construction characterized by single segmental arch topped masonry openings with multi-light wood windows. Building 1 is a single story free-standing structure. Buildings 2 through 8 are connected. Building 2 is a single story structure which originally housed the mill offices. Buildings 3 and 4 are both four stories in height. The mill offices also occupied a portion of the first floor of Building 3 and connect internally to Building 2. Buildings 5 through 8 are two stories. The building use of the ground floor of Buildings 4 through 6 will be residential, and 2, 3 and 7 will be commercial. The layout for the commercial spaces will be developed in a second phase, but the apartment layouts have been more fully developed. The developer has been notified that significant features and spaces on the first floor of Building 3, associated with the mill office, (corridors and some offices) must remain, and that no work should be done in this space before detailed existing condition drawings and proposed plans have been prepared and reviewed by RIHPHC.

Much of the work proposed is in The following buildings as proposed.

•Building 8A is attached to the end of Building 8. It is a large solid CMU structure which was built in the second half of the twentieth century. It has been identified as a non-contributing structure. It will be demolished as part of this project.

•The Bridge connects Building 3 to Building 10 over Freeman Street, which is a street within the complex between the two structures. The bridge is gently arched, architecturally detailed, is very handsome and will be retained.

•Building 10 is three stories high and twenty bays long, and has a six story tower. Building 10 differs stylistically from the earlier structures in that it has large paired transom-topped windows set off by masonry piers, and articulated by concrete water table, window sills, a third story band course, and a concrete cornice with corbelled detail. The main entrance to the building is through the tower, which has an articulated granite door surround. Windows are also multi-paned wood. Windows function as pivot, or casements.

Building 10 will be sub-divided for residential use. The building has a very large footprint with deep interior spaces, so a portion of the floor will be removed in the center of the building to create a two story space between the first and second floor, and used as common area. The floor will remain intact on the third floor.

On the north elevation of the building, at the first floor level, there are 7 bays at the west corner that have clerestory windows. Because there will be apartment units along this wall, the developer is proposing to add full windows to these bays to allow light and views to the interior. I have required that the first bay at the northwest corner retain its clerestory with no additional window. In the remaining 6 bays, the existing clerestory windows should be retained (or replaced with new to match) with the granite sills intact. New windows can be added immediately beneath the granite sill, but should retain approximately 4 courses of brick beneath the new windows to distinguish them from the original full sized windows in the other bays on this floor level. The new drawings that reflect this change also show the extra windows being added to the west elevation. These windows were not part of our original discussion, and it is certainly not clear why all of these windows must be lowered when they open into a single unit.

•Building 11 is the power plant. It is a tall one story, with a large interior volume structure and a mezzanine. It is similarly detailed to Building 10. A tall brick smoke stack is adjacent to it. This building will be rehabilitated for use as the leasing office and common space. A small office may be created within the space with a low ceiling. The large volume will be retained. One section will be used for a gym and basketball court, and the other space will have leasing offices built into it with low partition, which will not intersect any exterior walls. The full volume of the space will be retained.

•Building 12 is a rectangular 1-1/2 story block with basement windows half a story above grade, and with paired double-hung wood windows on the first floor. Building 12 will be subdivided to create 5 town house units, with exterior entrances into each unit. The center units will share a common entrance by cutting down an existing window opening. An adjacent original wooden loading bay pair of doors will be repaired and fixed shut. Glass will be added to the upper panels of the door. The other units will cut down a window sill to introduce a new door in the façade. The new doors are shown as full glass patio doors. There will be new staircases added to the building in front of each set of exterior entrances.

•Building 13 is the Stable. It has a slate hipped roof, with one small dormer on the south side. This one story structure has brick walls and 2/2 windows at its west end, and six open garage bays at the east end. There is also a low flat-roofed addition at the east end which connects the stable to Building 14. This addition will be demolished. This building was originally proposed for demolition. We objected to the loss of this building. Most floor plans/site plans in the application show the building gone and replaced by parking lot. The proposed plans call for a single two-story apartment unit in the enclosed portion of the stable. The west street façade has an overhead door opening which will be retained and fixed in place, but a pedestrian door on this façade will be replaced with a full-glass patio door. The paired wood and glass doors on the

south façade are shown as being replaced by a full-glass patio door and a full glass side-light and transom.

•Building 14, like Building 12, is a long, 1-1/2 story rectangular building. Its interior is not sub-divided. It has painted masonry walls and ceilings. It will be subdivided as 6 townhouse apartments. New exterior entrances will be added to each unit (with full glass patio doors). Two of these new entrances will be created at the north end of the west façade where the stable had originally connected to it.

The east façade of Building 14 has only two windows, one in each of the end bays. New windows will be added to the blank bays in between. The new windows will be differentiated from the old in that rather than steel industrial sash, they will be paired double-hung windows with 1/1 lights. This elevation faces away from the main mill complex onto a side residential street.

All buildings will be subdivided for new apartments. The only buildings that will retain some business and commercial spaces on the first floors are Buildings 1 through 8. The apartments will be laid out along double-loaded corridors in the larger multi-story buildings. The town house units will have no common areas inside. Paint on masonry walls and wood ceiling framing and decking will be sandblasted and left exposed within apartment units. Wood posts will not be sandblasted. All common areas will have painted walls, framing and ceilings.

Mechanical ductwork and sprinkler lines will be kept as tight to the ceiling as possible, and wherever the lines must run below the head of a window, the ducting and piping will be held back from the window wall a minimum of 4 feet. Where it is not possible to maintain this distance away from the window, the ductwork and piping will be painted a dark color, to minimize its visibility from the exterior. Any large rooftop mechanical equipment must be located near the center of the building and away from roof edges to minimize its appearance.

Wood floors, where they are in good condition will be saved and refinished.

All original and existing wood windows will be replaced by aluminum replacement sash to replicate the appearance of the existing. This differs from the original application, which had planned to restore most of the wood windows. We have reviewed and approved a mock-up window for Buildings 2 through 8, and Building 10.

We have been working closely with the developer and project manager on the details of this rehabilitation. I have only recently received revised drawings that reflect the extent of the subdivision of the buildings, and the proposed changes to the exterior that we have discussed. In general, the proposed changes are in keeping with the character of the buildings and with other mill rehabs that we have reviewed and approved. While the drawings reflect most of the design revisions that we have agreed upon with the developer, there remain some changes to the buildings we have not yet discussed or which may have been misinterpreted. We have described some additional (relatively minor) proposed modifications in our recommended conditions for this project. We recommend approval of this rehabilitation if the following conditions are met.

CONDITIONS THAT MUST BE MET FOR APPROVAL

Replacement Windows

Replacement windows must match the profiles and details of the original existing windows that they are replacing, in each opening. Glass size and pane size should be replicated in the

new windows. Care must be taken to insure that the exterior applied window grid matches the proportion and configuration of the original panes, and that mullions, meeting rails and transom windows also match the original configuration. Screens must be on the interior. Mock-up windows must be prepared for review and approval of each major window type.

Masonry Repointing

Masonry repointing must match the color, strength, texture and profile of the original mortar. Samples of the repointing mortar must be prepared for review and approval before this work is undertaken.

Masonry Cleaning

Samples of cleaning of exterior masonry, if planned on any part of this project, must be prepared for review and approval. Cleaning must not damage the brick masonry, and not result in an over-cleaned appearance.

Interior Paint Removal from Masonry

Removal of paint from the interior must be accomplished in the gentlest means possible, to avoid an eroded and pitted brick surface. Leaving firmly adhered paint on the brick masonry is preferable to having a completely paint free surface that is rough and heavily sandblasted. Samples of the paint removal must be reviewed and approved before this work is undertaken.

Interior Paint Removal from Wood Surfaces

Wood surfaces, including posts, beams, floor decking, wainscot/bead board paneling, or staircase features that are within 10 feet of the floor cannot be blasted with an abrasive medium of any kind. If total paint removal is necessary on those surfaces, they must be chemically stripped. It should be noted that all historically painted surfaces in common areas must remain painted in the completed project, even if old paint is removed.

Ceiling framing and the underside of floor decking in spaces with ceilings higher than 10 feet can be abrasively cleaned, but the method of cleaning must not raise the grain of the wood excessively. If the raised grain is clearly visible from the floor, then it has damaged the wood. A sample of wood paint removal must be prepared for review and approval before this work is undertaken.

Mechanical Systems

New ductwork and sprinkler pipes, where run along an outside wall, must not drop below the head of the window. If there is not sufficient ceiling height to keep ductwork and piping above the window heads, ducts and piping must be held back from the window a minimum distance of four feet.

Rooftop mechanical equipment should be located near the center of the roof and away from roof edges where ever possible. Where equipment will be very large relative to the size and height of the building, site line studies must be prepared and submitted for review and approval before the installation of any such equipment. Any new large equipment that will be prominently located on the roof of any building must also be drawn in elevation and submitted to the RIHPHC for review and approval.

Wood Floors

Wood floors should be retained where they are in good condition. Wood floors in good condition must not be covered with a flow-able leveling compound or gypcrete system. Floors that are not repairable can be covered with an underlayment and new floor where the underlayment serves as a bond breaker so that the wood can be uncovered without damage in the future.

Common Areas

Architectural finishes in common spaces must be restored to original finish type. For example, painted brick walls must remain painted brick, even if the old paint is removed first. Ceilings and woodwork, particularly in staircases, must retain a painted finish. Similarly, painted posts and beams and the underside of floor decking must retain a painted finish in all common areas.

Architectural Features in Building 2 and 3

Building 2 and part of Building 3, which were used as the mill complex offices, have significant architectural detailing, including paneled doors, wood door casings, wainscot paneling, ceiling cornice moldings, etc... These details must be retained in their existing configuration. The existing condition floor plan does not correctly show the section of Building 3 where these architectural details survive. They are pictured in some of the "Before" photographs. These areas run roughly from the exterior doorway into Building 3 at the ramp, to the party wall and into Building 2. I continue to wait for corrected existing conditions drawings which show the hallway and architecturally detailed rooms in Building 3 but have not received them as of this writing.

"After" photographs which show these features preserved in place must accompany the Part 3 application.

Building 10 – Additional Windows

The proposal to introduce new windows under the clerestory windows along the west façade have not been agreed upon by this office. While there may be no significant harm in allowing one window to be added, I do not see the necessity of adding four windows into a single unit, plus three more on the north side.

Building 10 – New Entrance Platform

The main entrance to Building 10 was through the door at the base of the tower. The granite surround signifies the importance of this entrance. A staircase accessed this door which is at the same elevation as the adjacent loading dock. The proposed design will eliminate the loading dock and infill the loading bay doors, but will also eliminate the staircase to the tower entrance. A new set of stairs will be built which are centered on the loading bay doors. The effect of this change results in minimizing the importance of the main entrance to this mill. The staircase should continue to be centered on the tower entrance doors. An additional staircase could be added further south on the platform.

Proposed New Entrance Doors Into Apartment Units – Buildings 12, 13, & 14

The new doors into apartments are proposed to be full glass, simulated divided lite doors, otherwise referred to as Patio Doors. This door is residential in scale and not appropriate for these industrial buildings. New exterior doors should have solid recessed panels on the bottom half of the door, and can have a glass panel in the top half. The glass panel can have divided

lites, but if there is an existing door that is being replaced, the light configuration must be similar. Where paired doors must be replaced with a single wider door to meet code, and the new door does not fill the opening, the new door should be centered on the opening and ideally fill the opening. If the opening is too wide to accommodate a single door, the door should be surrounded with a heavy wood or aluminum molded frame, not a glass side light, off-set. A new door schedule must be submitted reflecting the revised door designs.

ESTIMATED PROJECT TIME-LINE

Project Name American Insulated Wire Project Tax Credit Number 13-15

Project Address 413 Central Avenue, Pawtucket, RI

ITEM NO.	DESCRIPTION OF WORK	ESTIMATED COST	ESTIMATED COMPLETION DATE
1	Architectural & Engineering completed		March 2013
2	Construction contract awarded		March 2013
3	Contractor Authorized to proceed		March 2013
4	Building Permit Application filed		March 2013
5	Other permitting (Certificate of Zoning Compliance)		Dec 2012
6	Exterior Envelope Rehabilitation Completed Masonry Windows and doors Roof	\$175,000 \$1,325,000 \$500,000	May 2014
7	Interior Rehabilitation Completed Demolition Rough framing Plumbing, mechanical, electrical, sprinklers Interior finishes Painting	\$600,000 \$1,900,000 \$3,500,000 \$650,000 \$250,000	May 2014
8	Site work and landscaping completed		June 2014
9	New construction/additions completed		
10	Project completion and Certificate of Occupancy issued	\$200,000 (non QRE)	June 2014

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"]

Form HTC-V-2013

Historic Structures Tax Credit Processing Fee Form



13130399990101

Name: American Wire , LLC Federal employer identification number: [blank]

Address: 5 Brighton Street

Address 2: [blank]

City, town or post office: Belmont State: MA ZIP code: 02478 E-mail address: [blank]

Part A - Project Information

1 Project name: American Wire

2 Project location: 413 Central Avenue Pawtucket RI 02881

3 Project number: 13-15

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	15,000,000
2	Credit Percentage Elected - 20% or 25% from 2013 application - Form HTC-13.....	2	20 %
3	Estimated Historic Preservation Tax Credits 2013 from 2013 application - Form HTC-13.....	3	3,000,000
4	Revised Estimated Qualified Rehabilitation Expenditures.....	4	9,250,000
5	Revised Credit Percentage Elected - 20% or 25%.....	5	20 %
6	Revised Estimated Historic Preservation Tax Credits 2013 amount.. CANNOT BE MORE THAN LINE 3 CREDIT AMOUNT	6	1,850,000
7	Total processing fee due. Multiply line 1 or line 4, whichever is applicable, by 3% (0.0300)..	7	277,500

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:	Print name: Chris Starr	Date: 3/4/14	Telephone number: [blank]
Applicant address: 5 Brighton Street	City, town or post office: Belmont	State: MA	ZIP Code: 02478