ARTICLE 5

RELATING TO CAPITAL DEVELOPMENT PROGRAM

SECTION 1. Proposition to be submitted to the people. -- At the general election to be held on the Tuesday next after the first Monday in November 2014, there shall be submitted to the people for their approval or rejection the following proposition:

"Shall the action of the general assembly, by an act passed at the January 2014 session, authorizing the issuance of bonds, refunding bonds, and temporary notes of the state for the capital projects and in the amount with respect to each such project listed below be approved, and the issuance of bonds, refunding bonds, and temporary notes authorized in accordance with the provisions of said act?"

Project

(1) Higher Education Facilities $125,000,000

Approval of this question will allow the State of Rhode Island to issue general obligation bonds, refunding bonds, and temporary notes in an amount not to exceed one hundred twenty-five million dollars ($125,000,000) to construct a new College of Engineering building and undertake supporting renovations. The new building will anchor the northwest corner of the Engineering Quadrangle on the Kingston Campus and provide contemporary and state-of-the-art instructional and research facilities. As part of this project, outdated engineering buildings will be taken out of service and razed.

(2) Creative and Cultural Economy $35,000,000

Approval of this question will authorize the State of Rhode Island to issue general obligation bonds, refunding bonds, and temporary notes in an amount not to exceed thirty-five million dollars ($35,000,000) to fund capital preservation and renovation projects for public and nonprofit artistic, performance centers, historic sites, museums and cultural art centers located throughout the State of Rhode Island, to be allotted as follows:

(a) Cultural Arts and the Economy Grant Program $30,000,000

Provide funds for the a new Cultural Arts and the Economy Grant program to be administered by the Rhode Island State Council on the Arts for capital preservation and renovation projects for public and nonprofit artistic, performance centers and cultural art centers located throughout the State of Rhode Island.
1. Trinity Repertory Company $4,647,750
For the Lederer Theater and the Pell Chafee Performance Center, both in Providence, used for performance facilities, educational instruction, production and administration, including reimbursements of advances of up to $1,500,000 expended for ongoing fire code upgrades.

2. Rhode Island Philharmonic $2,390,250
For the Carter Center for Music Education and Performance in East Providence, used for music teaching, learning, performance and administration.

3. Newport Performing Arts Center $4,216,800
For the Opera House in Newport for use as a multi-cultural performing arts and educational facility.

4. United Theater/Westerly Land Trust $2,369,440
For the United Theater in Westerly for use as space for performing arts, fine arts showcase, arts instruction, cinema, public television station and program administration.

5. The Chorus of Westerly $1,054,200
For the George Kent Performance Hall in Westerly for music and arts performance, teaching and rehearsal space, administrative and community function space.

6. The Stadium Theater Conservatory in Woonsocket $2,108,400
For set construction, costuming, rehearsal, voice, acting and dance studios and administrative spaces.

7. 2nd Story Theater $1,054,200
For performance venues in Warren, including concessions studio/classroom space, set construction shop and administrative offices.

8. AS220 $2,108,400
For AS220's facilities in downtown Providence used for performing arts, dance studio, youth and adult education, gallery and artist live/work space.

9. WaterFire Providence $3,162,600
To develop a 27,000 square foot historic warehouse in the Valley/Olneyville neighborhood into its headquarters, multi-use community arts center, visitor center, education center and arts and creative industries incubator

10. Other funds to be allocated by RISCA $6,887,960
For 1:1 matching grants to be allocated by the Rhode Island State Council on the Arts to 501(c)(3) nonprofit cultural organizations which lease or own their performance space, and for RISCA’s expenses in administering the program. In awarding such grants RISCA shall take into account financial need, the availability or actual expenditure of matching funds for the projects,
available gifts or grants for projects, the amount square footage to be improved, the geographical
location and characteristics of audiences benefitted.

(b) State Preservation Grants Program $5,000,000

Provide funds to cities, towns and non-profit organizations to preserve, renovate and
improve public and nonprofit historic sites, museums, and cultural art centers located in historic
structures in the State of Rhode Island to be administered by the Rhode Island Historical
Preservation and Heritage Commission.

(3) Mass Transit Hub Infrastructure $35,000,000

Approval of this question will allow the State of Rhode Island to issue general obligation
bonds, refunding bonds, and temporary notes in an amount not to exceed thirty-five million
dollars ($35,000,000) to fund enhancements and renovations to mass transit hub infrastructure
throughout the State of Rhode Island to improve access to multiple intermodal sites, key
transportation, healthcare, and other locations.

(4) Clean Water, Open Space, and Healthy Communities $53,000,000

Approval of this question will allow the State of Rhode Island to issue general obligation
bonds, refunding bonds, and temporary notes in an amount not to exceed fifty-three million
dollars ($53,000,000) for environmental and recreational purposes, to be allotted as follows:

(a) Brownfield Remediation and Economic Development $5,000,000

Provides up to eighty percent (80%) matching grants to public, private, and/or non-profit
entities for brownfield remediation projects.

(b) Flood Prevention $3,000,000

To provide grants to public and/or non-profit entities for project design and construction
grants for repairing and/or removing dams, restoring and/or improving resiliency of vulnerable
coastal habitats, and restoring rivers and stream floodplains.

(c) Farmland Acquisition $3,000,000

Provides funds to protect the state’s working farms.

(d) Local Recreation Grants $4,000,000

Provides up to eighty percent (80%) matching grant funds to municipalities to acquire,
develop, or rehabilitate local recreational facilities to meet the growing needs for active
recreational facilities.

(e) Roger Williams Park Zoo $15,000,000

Provides funds for improvements and renovations to the Roger Williams Park Zoo.

(f) Roger Williams Park $3,000,000

Provides funds for improvements and renovations to the Roger Williams Park.
(g) Clean Water Finance Agency $20,000,000

Provides funds to finance water pollution abatement infrastructure projects.

SECTION 2. Ballot labels and applicability of general election laws. -- The secretary of state shall prepare and deliver to the state board of elections ballot labels for each of the projects provided for in section 1 hereof with the designations "approve" or "reject" provided next to the description of each such project to enable voters to approve or reject each such proposition. The general election laws, so far as consistent herewith, shall apply to this proposition.

SECTION 3. Approval of projects by people. -- If a majority of the people voting on the proposition provided for in section 1 hereof shall vote to approve the proposition as to any project provided for in section 1 hereof, said project shall be deemed to be approved by the people. The authority to issue bonds, refunding bonds and temporary notes of the state shall be limited to the aggregate amount for all such projects as set forth in the proposition provided for in section 1 hereof which has been approved by the people.

SECTION 4. Bonds for capital development program. -- The general treasurer is hereby authorized and empowered with the approval of the governor and in accordance with the provisions of this act, to issue from time to time capital development bonds in serial form in the name and on behalf of the state in amounts as may be specified from time to time by the governor in an aggregate principal amount not to exceed the total amount for all projects approved by the people and designated as "capital development loan of 2014 bonds" provided, however, that the aggregate principal amount of such capital development bonds and of any temporary notes outstanding at any one time issued in anticipation thereof pursuant to section 7 hereof shall not exceed the total amount for all such projects as have been approved by the people. All provisions in this act relating to "bonds" shall also be deemed to apply to "refunding bonds". Capital development bonds issued under this act shall be in denominations of one thousand dollars ($1,000) each, or multiples thereof, and shall be payable in any coin or currency of the United States which at the time of payment shall be legal tender for public and private debts. These capital development bonds shall bear such date or dates, mature at specified time or times, but not beyond the end of the twentieth state fiscal year following the state fiscal year in which they are issued, bear interest payable semi-annually at a specified rate or different or varying rates, be payable at designated time or times at specified place or places, be subject to expressed terms of redemption or recall, with or without premium, be in a form, with or without interest coupons attached, carry such registration, conversion, reconversion, transfer, debt retirement, acceleration and other provisions as may be fixed by the general treasurer, with the approval of the governor, upon each issue of such capital development bonds at the time of each
Whenever the governor shall approve the issuance of such capital development bonds, he or she shall certify approval to the secretary of state; the bonds shall be signed by the general treasurer and countersigned by the manual or facsimile signature of the secretary of state and shall bear the seal of the state or a facsimile thereof. The approval of the governor shall be endorsed on each bond so approved with a facsimile of his or her signature.

SECTION 5. Refunding bonds for 2014 capital development program. -- The general treasurer is hereby authorized and empowered, with the approval of the governor and in accordance with the provisions of this act, to issue from time to time bonds to refund the 2014 capital development program bonds in the name and on behalf of the state, in amounts as may be specified from time to time by the governor in an aggregate principal amount not to exceed the total amount approved by the people, to be designated as "capital development program loan of 2014 refunding bonds" (hereinafter "refunding bonds").

The general treasurer with the approval of the governor shall fix the terms and form of any refunding bonds issued under this act in the same manner as the capital development bonds issued under this act, except that the refunding bonds may not mature more than twenty (20) years from the date of original issue of the capital development bonds being refunded.

The proceeds of the refunding bonds, exclusive of any premium and accrual interest and net the underwriters' cost, and cost of bond insurance, shall, upon their receipt, be paid by the general treasurer immediately to the paying agent for the capital development bonds which are to be called and prepaid. The paying agent shall hold the refunding bond proceeds in trust until they are applied to prepay the capital development bonds. While such proceeds are held in trust, they may be invested for the benefit of the state in obligations of the United States of America or the State of Rhode Island.

If the general treasurer shall deposit with the paying agent for the capital development bonds the proceeds of the refunding bonds or proceeds from other sources amounts that, when invested in obligations of the United States or the State of Rhode Island, are sufficient to pay all principal, interest, and premium, if any, on the capital development bonds until these bonds are called for prepayment, then such capital development bonds shall not be considered debts of the State of Rhode Island for any purpose from the date of deposit of such moneys with the paying agent. The refunding bonds shall continue to be a debt of the state until paid.

The term "bond" shall include "note", and the term "refunding bonds" shall include "refunding notes" when used in this act.

SECTION 6. Proceeds of capital development program. -- The general treasurer is directed to deposit the proceeds from the sale of capital development bonds issued under this act,
exclusive of premiums and accrued interest and net the underwriters’ cost, and cost of bond
insurance, in one or more of the depositories in which the funds of the state may be lawfully kept
in special accounts (hereinafter cumulatively referred to as “such capital development bond
fund”) appropriately designated for each of the projects set forth in section 1 hereof which shall
have been approved by the people to be used for the purpose of paying the cost of all such
projects so approved.

All monies in the capital development bond fund shall be expended for the purposes
specified in the proposition provided for in section 1 hereof under the direction and supervision of
the director of administration (hereinafter referred to as “director”). The director or his or her
designee shall be vested with all power and authority necessary or incidental to the purposes of
this act, including but not limited to, the following authority: (a) to acquire land or other real
property or any interest, estate or right therein as may be necessary or advantageous to
accomplish the purposes of this act; (b) to direct payment for the preparation of any reports, plans
and specifications, and relocation expenses and other costs such as for furnishings, equipment
designing, inspecting and engineering, required in connection with the implementation of any
projects set forth in section 1 hereof; (c) to direct payment for the costs of construction,
rehabilitation, enlargement, provision of service utilities, and razing of facilities, and other
improvements to land in connection with the implementation of any projects set forth in section 1
hereof; and (d) to direct payment for the cost of equipment, supplies, devices, materials and labor
for repair, renovation or conversion of systems and structures as necessary for 2014 capital
development program bonds or notes hereunder from the proceeds thereof. No funds shall be
expended in excess of the amount of the capital development bond fund designated for each
project authorized in section 1 hereof. With respect to the bonds and temporary notes described in
section 1, the proceeds shall be used for the following purposes:

Question 1 relating to bonds in the amount of one hundred twenty-five million dollars
($125,000,000) to be provided to the University of Rhode Island to construct a state-of-the-art
College of Engineering building and for supporting renovations and demolition of outdated
ingineering buildings at the University of Rhode Island Kingston Campus.

Question 2 relating to bonds in the amount of thirty-five million dollars ($35,000,000) for
capital preservation and renovation projects for public and non-profit artistic, performance
centers, historic sites, museums and cultural arts centers to be allocated as follows:

(a) Cultural Arts and the Economy Grant Program $30,000,000

Provide funds for the a new Cultural Arts and the Economy Grant program to be
administered by the Rhode Island State Council on the Arts for capital preservation and
renovation projects for public and nonprofit artistic, performance centers and cultural art centers located throughout the State of Rhode Island.

1. Trinity Repertory Company  $4,647,750
   For the Lederer Theater and the Pell Chafee Performance Center, both in Providence, used for performance facilities, educational instruction, production and administration, including reimbursements of advances of up to $1,500,000 expended for ongoing fire code upgrades.

2. Rhode Island Philharmonic  $2,390,250
   For the Carter Center for Music Education and Performance in East Providence, used for music teaching, learning, performance and administration.

3. Newport Performing Arts Center  $4,216,800
   For the Opera House in Newport for use as a multi-cultural performing arts and educational facility.

4. United Theater/Westerly Land Trust  $2,369,440
   For the United Theater in Westerly for use as space for performing arts, fine arts showcase, arts instruction, cinema, public television station and program administration.

5. The Chorus of Westerly  $1,054,200
   For the George Kent Performance Hall in Westerly for music and arts performance, teaching and rehearsal space, administrative and community function space.

6. The Stadium Theater Conservatory in Woonsocket  $2,108,400
   For set construction, costuming, rehearsal, voice, acting and dance studios and administrative spaces.

7. 2nd Story Theater  $1,054,200
   For performance venues in Warren, including concessions studio/classroom space, set construction shop and administrative offices.

8. AS220  $2,108,400
   For AS220's facilities in downtown Providence used for performing arts, dance studio, youth and adult education, gallery and artist live/work space.

9. WaterFire Providence  $3,162,600
   To develop a 27,000 square foot historic warehouse in the Valley/Olneyville neighborhood into its headquarters, multi-use community arts center, visitor center, education center and arts and creative industries incubator.

10. Other funds to be allocated by RISCA  $6,887,960
    For 1:1 matching grants to be allocated by the Rhode Island State Council on the Arts to 501(c)(3) nonprofit cultural organizations which lease or own their performance space, and for...
RISCA’s expenses in administering the program. In awarding such grants RISCA shall take into account financial need, the availability or actual expenditure of matching funds for the projects, available gifts or grants for projects, the amount square footage to be improved, the geographical location and characteristics of audiences benefitted.

(c) State Preservation Grants Program

Provide funds to cities, towns and non-profit organizations to preserve, renovate and improve public and nonprofit historic sites, museums, and cultural art centers located in historic structures in the State of Rhode Island to be administered by the Rhode Island Historical Preservation and Heritage Commission.

Question 3 relating to bonds in the amount of thirty-five million dollars ($35,000,000) to be provided to the Department of Transportation to provide funding for enhancements and renovations to mass transit hub infrastructure throughout the State of Rhode Island to improve access to multiple intermodal sites, key transportation, healthcare, and other locations.

Question 4 relating to bonds in the amount of fifty-three million dollars ($53,000,000) for Clean Water, Open Space, and Healthy Communities programs to be allocated as follows:

(a) Brownfield Remediation for Economic Development

Provides up to eighty percent (80%) matching grants to public, private, and/or non-profit entities for brownfield remediation projects. Between 10,000 and 12,000 abandoned industrial sites, referred to as “brownfields,” lie idle in towns and cities across the state, much of it in prime commercial or industrial locations within the state’s urban services boundaries established by Land Use 2020. Cleanup, reinvestment and re-use of these sites creates and attracts jobs, protects the urban environment, removes hazards, prevents sprawl, and reduces the cost of stormwater flooding.

(b) Flood Prevention

Provides grants to public and/or non-profit entities for project design and construction grants for repairing and/or removing dams, restoring and/or improving resiliency of vulnerable coastal habitats, and restoring rivers and stream floodplains. These funds are expected to leverage significant matching funds to support local programs to improve community resiliency and public safety in the face of increased flooding, major storm events, and environmental degradation.

(c) Farmland Acquisition for Active Use

Provides funds to protect the state’s working farms. Through the State Land Acquisition Program, the Department of Environmental Management will purchase farmland in danger of converting to non-agricultural use, then restrict and affordably sell or lease the land to qualified farmers. Funds from sale of the land to farmers will be returned to the program account for re-use.
in new projects. Funds provided under this section may also be used for the purchase of
development rights to farms by the Agricultural Preservation Commission.

(d) Local Recreation Grants $4,000,000

Provides up to eighty percent (80%) matching grant funds to municipalities to acquire,
develop, or rehabilitate local recreational facilities to meet the growing needs for active
recreational facilities. All grant applications are evaluated and ranked by the State Recreation
Resources Review Committee.

(e) Roger Williams Park Zoo $15,000,000

Provides funds to construct a new education center to meet the increased demand for
education programs; to renovate and convert the existing education center into a world class
reptile facility; for demolition of existing facilities and construction of a new tropical rainforest
building to house rare and endangered animals and event space; or for other improvements to the
Roger Williams Park Zoo.

(f) Roger Williams Park $3,000,000

Provides funds for construction and reconstruction of roads, bridges, sidewalks and
walkway within Roger Williams Park.

(g) Capital for Clean Water $20,000,000

Provides funds to be administered by the Clean Water Finance Agency to finance water
pollution abatement infrastructure projects. The Department of Environmental Management has
compiled a list of more than $1.8 billion dollars of needed clean water infrastructure
improvements from municipalities and the Narragansett Bay Commission. Projects range from
wastewater treatment upgrades and stormwater quality improvements to combined sewer
overflow abatement projects.

SECTION 7. Sale of bonds and notes. -- Any bonds or notes issued under the authority
of this act shall be sold from time to time at not less than the principal amount thereof, in such
mode and on such terms and conditions as the general treasurer, with the approval of the
governor, shall deem to be for the best interests of the state.

Any premiums and accrued interest, net of the cost of bond insurance and underwriter’s
discount, which may be received on the sale of the capital development bonds or notes shall
become part of the Municipal Road and Bridge Revolving Fund of the state, unless directed by
federal law or regulation to be used for some other purpose.

In the event that the amount received from the sale of the capital development bonds or
notes exceeds the amount necessary for the purposes stated in section 6 hereof, the surplus may
be used to the extent possible to retire the bonds as the same may become due, to redeem them in
accordance with the terms thereof or otherwise to purchase them as the general treasurer, with the
approval of the governor, shall deem to be for the best interests of the state.

Any bonds or notes issued under the provisions of this act and coupons on any capital
development bonds, if properly executed by the manual or facsimile signatures of officers of the
state in office on the date of execution shall be valid and binding according to their tenor,
notwithstanding that before the delivery thereof and payment therefor, any or all such officers
shall for any reason have ceased to hold office.

SECTION 8. Bonds and notes to be tax exempt and general obligations of the state. -
- All bonds and notes issued under the authority of this act shall be exempt from taxation in the
state and shall be general obligations of the state, and the full faith and credit of the state is hereby
pledged for the due payment of the principal and interest on each of such bonds and notes as the
same shall become due.

SECTION 9. Investment of moneys in fund. -- All moneys in the capital development
fund not immediately required for payment pursuant to the provisions of this act may be invested
by the investment commission, as established by chapter 35-10, pursuant to the provisions of such
chapter; provided, however, that the securities in which the capital development fund is invested
shall remain a part of the capital development fund until exchanged for other securities; and
provided further, that the income from investments of the capital development fund shall become
a part of the general fund of the state and shall be applied to the payment of debt service charges
of the state, unless directed by federal law or regulation to be used for some other purpose, or to
the extent necessary, to rebate to the United States treasury any income from investments
(including gains from the disposition of investments) of proceeds of bonds or notes to the extent
deemed necessary to exempt (in whole or in part) the interest paid on such bonds or notes from
federal income taxation.

SECTION 10. Appropriation. -- To the extent the debt service on these bonds is not
otherwise provided, a sum sufficient to pay the interest and principal due each year on bonds and
notes hereunder is hereby annually appropriated out of any money in the treasury not otherwise
appropriated.

SECTION 11. Advances from general fund. -- The general treasurer is authorized from
time to time with the approval of the director and the governor, in anticipation of the issue of
notes or bonds under the authority of this act, to advance to the capital development bond fund for
the purposes specified in section 6 hereof, any funds of the state not specifically held for any
particular purpose; provided, however, that all advances made to the capital development bond
fund shall be returned to the general fund from the capital development bond fund forthwith upon
SECTION 12. Federal assistance and private funds. -- In carrying out this act, the director, or his or her designee, is authorized on behalf of the state, with the approval of the governor, to apply for and accept any federal assistance which may become available for the purpose of this act, whether in the form of loan or grant or otherwise, to accept the provision of any federal legislation therefor, to enter into, act and carry out contracts in connection therewith, to act as agent for the federal government in connection therewith, or to designate a subordinate so to act. Where federal assistance is made available, the project shall be carried out in accordance with applicable federal law, the rules and regulations thereunder and the contract or contracts providing for federal assistance, notwithstanding any contrary provisions of state law. Subject to the foregoing, any federal funds received for the purposes of this act shall be deposited in the capital development bond fund and expended as a part thereof. The director or his or her designee may also utilize any private funds that may be made available for the purposes of this act.

SECTION 13. Effective Date. -- Sections 1, 2, 3, 11, and 12 of this article shall take effect upon passage. The remaining sections of this article shall take effect when and if the state board of elections shall certify to the secretary of state that a majority of the qualified electors voting on the propositions contained in section 1 hereof have indicated their approval of all or any projects thereunder.