

Report of Findings

**Related to the Proposed Demolition of Properties
Located at
Waite's Wharf and West Extension Street
Newport, RI 02840
Plat 32, lots 155, 267, 268, & 248**

Prepared For:

**J Russell Jackson, Esquire
Miller, Scott, Holbrook and Jackson
122 Touro Street
Newport, RI 02840**

Prepared By:

**James A. Houle
James A. Houle & Associates
198 Union Street
Portsmouth, Rhode Island 02871
RI Certified General Appraiser**

**Effective Date of the Analysis and Report
13 November 2020**

JAMES A. HOULE & ASSOCIATES
198 UNION STREET, PORTSMOUTH, RHODE ISLAND 02871 (401-662-1543)

J Russell Jackson, Esquire
Miller, Scott, Holbrook and Jackson
122 Touro Street
Newport, RI 02840

13 November 2020

Dear Mr. Jackson:

Pursuant to your request, I have reviewed the proposal of Harbor Realty, LLC for the demolition of the existing buildings at 25 Waite's Wharf (plat 32, lot 155), 20 West Extension Street (plat 32, lot 267), 0 Waite's Wharf (plat 32, lot 268), and 16 Waite's Wharf (plat 32, lot 248), Newport, RI. The zoning for these properties is Waterfront Business (WB).

Additionally, I have read the reports performed by several other related professionals with regard to the intended demolition. These include a report by Paige Bronk, a former Newport City Planner, a report by Catherine Zipf, an Architectural Historian, David Merkel, a Structural Engineer; Ross Cann, an Architect, and the staff report of the Newport City Planner, Peter Friedrichs.

Further, I have viewed the site and the surrounding area. I then finalized my own analysis by reviewing the Comprehensive Land Use Plan for Newport, as well as the Newport city Zoning Code.

To begin discussion, we identify again each of the properties considered in my analysis:

#25 Waite's Wharf has been improved with docks, a small office and a 5,658 square foot single level building, used as a restaurant/ night club. This restaurant building is the subject of the request for demolition. The lot contains 1.34 acres of land.



Building at 25 Waite's Wharf

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20 West Extension Street has been improved with a garage/warehouse style, 1 level building. The city states the building, comprised of three sections, contains 6,668 square feet of base area. There is also a small, 144 square foot mezzanine. It is unfinished on the inside and has most recently been used for storage. Generally, the building is in fair to poor condition. The lot contains .26 acres of land.



Two Views of Building at 20 West Extension Street

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#16 Waite's Wharf is a .14 acre site, improved with a single level, 5,960 square foot warehouse style building. The building is in poor condition and has been used most recently for storage.



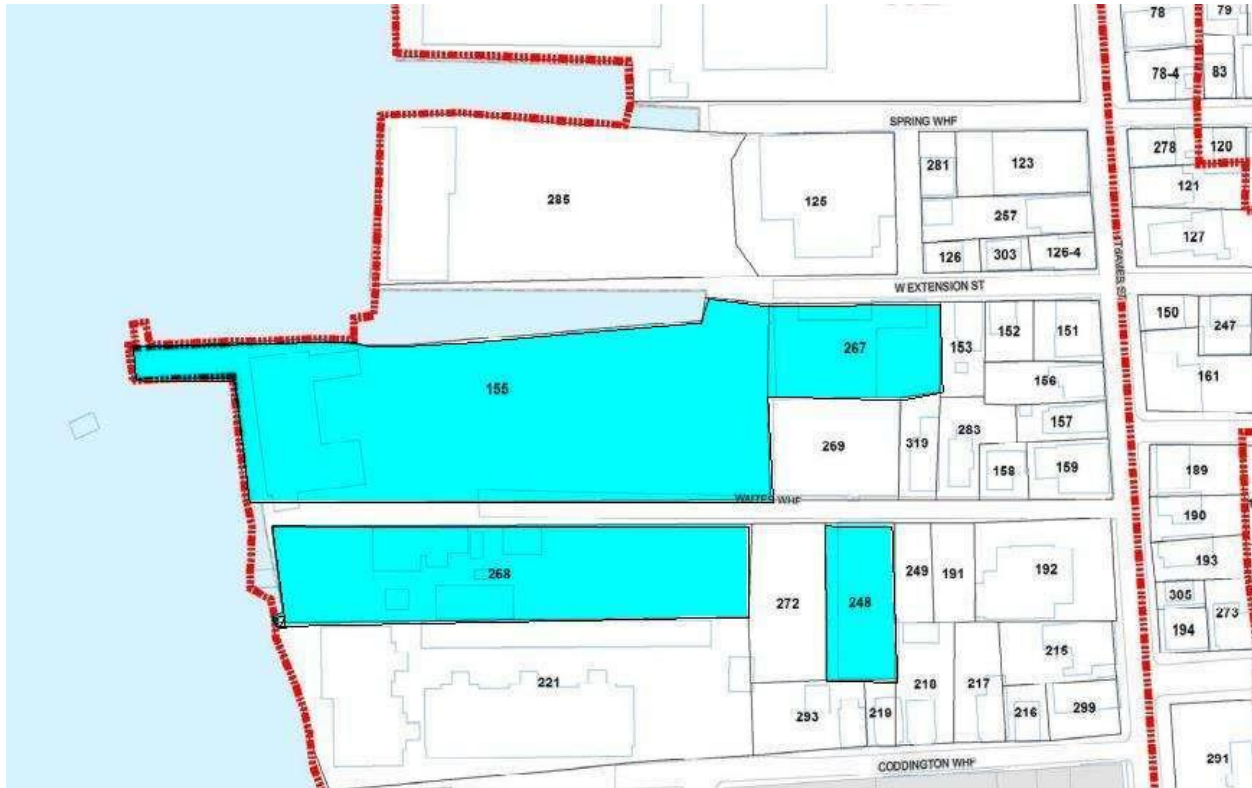
Building at 16 Waite's Wharf

0 Waite's Wharf, also identified as #1 Waite's Wharf, is currently improved with what are described as three separate buildings, although in practice they are used for a single use, that of a restaurant. The larger buildings are one story, brick construction. The first contains 1,782 square feet of building area and the second contains 2,320 square feet of building area. The third building is a small shed type structure. They are all seen to be in average/fair condition.



Improvements at 0 Waite's Wharf

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Plat Map, Subject Lots Highlighted

The owners feel the buildings, all of minimal quality at the time of their construction, are no longer the most effective use of their respective sites. They feel the first step towards any long term improvement/ redevelopment of the larger site requires removal of the existing improvements.

Therefore, your request for my review of the petition for demolition is intended to opine if the proposed demolition conforms to all necessary related criteria of the Comprehensive Land Use Plan and the Newport Zoning Code.

After review of the petition, the related city documents and viewing of the subject building and the surrounding neighborhood, I have reached the conclusion that the demolition of the subject buildings conform to all necessary related criteria.

To this end, I paid particular attention to the:

Demolition of Structure Ordinance

The Demolition of Structures Ordinance enacted in 2012 provides the City of Newport's Planning Board with the tools necessary to preserve historically and culturally significant built environment and neighborhood architectural identities outside the local historic district. Review of demolition permits by the board ensures that proposed demolition projects shall not damage

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the physical fabric and architectural context of the community, without expanding the boundaries of the historic district. Procedures for the demolition of structures within the Local Historic District are defined within Chapter 10, Historical & Cultural Resources.

And, to:

Chapter 17.86 of the Newport Zoning Code, “Demolition of Structures”.

From **17.86.020** of the *City of Newport Code of Ordinances*, “Prior to the issuance of a demolition permit for any principal structure, the planning board must approve any demolition of a principal structure.”

17.86.070 Review standards, required findings

The planning board will review all building demolition permit applications in accordance with this chapter and the ordinances of the city, together with the following standards:

- 1. The granting of a permit is not detrimental to the public health, safety, and general welfare of the community.*
- 2. The proposed demolition of the structure is consistent with the goals and policies of the Comprehensive Land Use Plan.*
- 3. The proposed demolition does not create land with constraints to development.*
- 4. The proposed demolition does no harm to the character of the immediate neighborhood or area of the city.*

Each of these standards are discussed here:

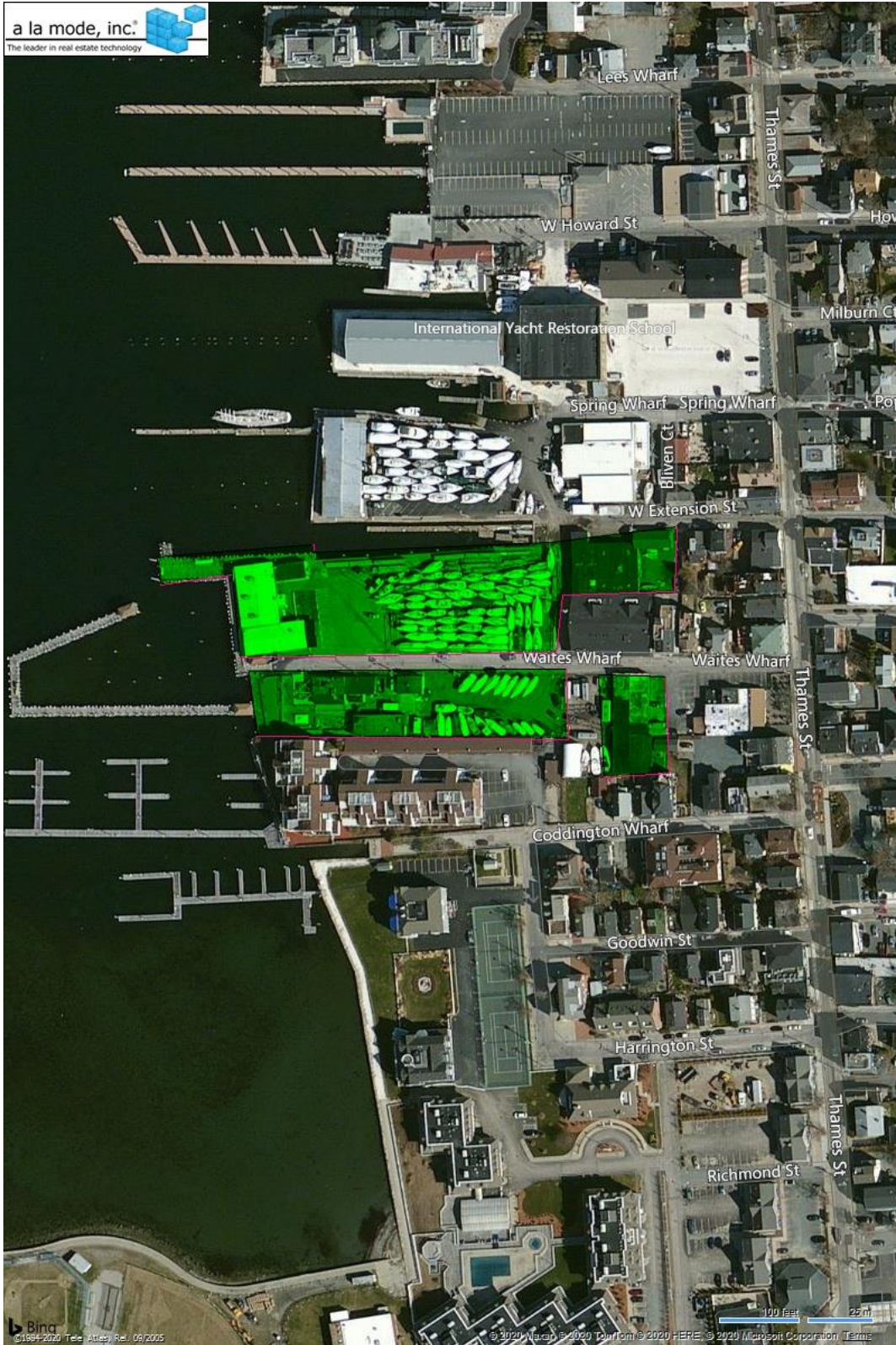
- 1) The granting of a permit is not detrimental to the public health, safety, and general welfare of the community:*

Here, we pay particular attention to the uses found in the subject neighborhood. For purposes herein, we describe the neighborhood as the area bounded by Perry Mill Wharf to the north, to Wellington Avenue to the south, Thames Street to the east and Newport Harbor to the west.

This area roughly corresponds to the Waterfront Business zone. It is comprised of about a dozen short roads/ wharves, which extend from Thames Street towards the harbor. The uses are a mix of commercial and residential. Along the water front are several marinas used for pleasure craft, as well as condominium complexes and time share resorts. The remaining uses are retail and service, with a smaller amount of single and small multi-family residential uses.

Any physical work relating to the demolition will be done under the supervision of the RI Department of Environmental Management, who has regulatory responsibility for any environmental issues or questions.

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Subject Neighborhood, Subject Lots Highlighted

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There are no factors noted, relating to the proposed demolition of the subject buildings, which would have any impact to the neighboring land uses; the granting of a permit is not seen as detrimental to the public health, safety, and general welfare of the community.

- 2) *The proposed demolition of the structure is consistent with the goals and policies of the Comprehensive Land Use Plan.*

Here, we refer to both the description of the waterfront business district, as well as the land use definition of the waterfront business zone, both found in the land use section of the comprehensive land use plan:

WB Waterfront Business District

The waterfront business district consists of the area adjoining the harbor. The intent of this district is to provide for retail and commercial service facilities to meet the needs of both tourists and residents. A mix of land uses is encouraged in this area, with access to the water utilized by those activities, which are dependent on such a location for their existence.

MUW Mixed-Use, Waterfront

The Mixed-Use, Waterfront land use is primarily located along the eastern side of Newport Harbor, west of Thames Street. This area is historically mixed-use and this development pattern is promoted for the future. Uses including housing, retail, offices, restaurants, boat building and repair, fish and seafood receiving, handling, and shipping are all promoted in a mixed environment with small lot sizes. Often housing and/or offices are on second or third floors with more intensive uses, such as retail or restaurants, located on the street.

The removal of the subject building will not negative impact what is seen as the intended uses for the site, based on the definitions above.

Further, we point specifically to:

Policy LU-1.6 The City shall encourage upgrading, beautification, revitalization, and environmentally appropriate reuse of existing commercial areas.

Certainly, by removing minimal quality buildings from what is a significant water front location, the ultimate result will form the basis of the upgrading, beautification and revitalization called for in policy LU 1-6.

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3) *The proposed demolition does not create land with constraints to development.*

The proposed demolition will not create land with constraints to development. There are no factors which can be identified which would have any negative impact to future development.

It is true that the proximity to the harbor will result in certain accommodations for any future use, such as elevation, etc. However, that restriction is universal to the water front and is not created by the demolition of the subject building.

4) *The proposed demolition does no harm to the character of the immediate neighborhood or area of the city.*

It is my opinion that the demolition of the subject buildings will have no negative impact at all the immediate neighborhood of general area of the city.

This is essentially discussed in the answer to question #1, regarding the public health, safety and general welfare of the community. The existing uses in the area will suffer no diminution or harm by the demolition of the subject building.

The removal of the building paves the way for replacement by a more attractive, modern and economically feasible use. The existing buildings are of minimal original quality of construction and is not seen to be compatible with the large extent of renewal found in the neighborhood over the last 30 years.

Each of these buildings are older and generally in fair to poor condition overall. Their continued existence is actually detrimental to the area. The cost to renovate any of these, relative to possible return, limits their appeal in the market as they are. Removal for ultimate replacement will be of greater benefit than their continued presence.

JAMES A. HOULE & ASSOCIATES
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Therefore, when all factors are considered. It is the opinion of this appraiser that the demolition of the buildings at each of the subject properties is fully in harmony with the City's Comprehensive Land Use Plan and the current Zoning Ordinance.

Its removal is consistent with the City's stated goals of upgrading the properties throughout the town and encouraging improved economic uses. This is seen to be especially important in the Lower Thames area, an area which sees substantial activity from visitors to the city. Further, it is very consistent with the growth seen in this area in the last few decades.

Thank you for allowing me to have been of service.

Sincerely,

A handwritten signature in cursive script that reads "James A. Houle". The signature is written in dark ink and is positioned above the typed name and title.

James A. Houle
RI Certified General Appraiser

JAMES A. HOULE & ASSOCIATES
198 UNION STREET, PORTSMOUTH, RHODE ISLAND 02871 (401-662-1543)

JAMES HOULE & ASSOCIATES
198 Union Street
Portsmouth, Rhode Island 02871

Voice: 401- 662-1543

Email: houleappr@gmail.com

Web: www.houleappr.com

QUALIFICATIONS OF APPRAISER

JAMES A. HOULE

LICENSING:

Rhode Island Appraisal Certification: #CGA.0A00769

Massachusetts Appraisal Certification: #1000015

Rhode Island Real Estate Broker: # REB.0009805

BUSINESS EXPERIENCE:

James Houle & Associates, Portsmouth, RI	1981- Present
Real Estate Appraisal, Consulting & Brokerage Services	
Deputy Tax Assessor, City of Newport, RI	1990- 1998
Appraisal and Mass Assessment Services	
Gold Star Group, Middletown, RI	1988-1989
Real Estate Education and Franchise Development	
Atlantic Properties, Middletown, RI	1985-1988
Principal Broker	
L.H. Houle Realty, Stafford Springs, Conn.	1975-1983
Consulting Broker	
Better Homes Realty, Middletown, RI	1978-1981
Principal Broker	
Heritage Realty, Newport, RI	1975-1978
Associate Broker	
Kennan Associates, Cumberland, RI	1973-1975
Associate Broker	

PROFESSIONAL QUALIFICATIONS AND RELATED BOARDS:

ACTIVE:

Licensed Real Estate Broker, Rhode Island

Certified Real Estate Appraiser, Rhode Island

Certified Real Estate Appraiser, Massachusetts

Approved by State of Rhode Island, Office of Municipal Affairs, to perform city- wide mass appraisals and revaluations, as required by Rhode Island law

Board of Realtors, (Officer of Newport County Board, 1975)

JAMES A. HOULE & ASSOCIATES
198 UNION STREET, PORTSMOUTH, RHODE ISLAND 02871 (401-662-1543)

RELATED EDUCATION:

BA, Clark University, Worcester, Mass. 1973

Society of Real Estate Appraisers, course #101 Introduction to Appraisal
Society of Real Estate Appraisers, course #102 Small Income Property Appraisal
R.I. Tax Assessor's Administrative Course
Graduate Realtor Institute, Board of Realtors
Uniform Standards of Professional Practice, University of Rhode Island
Income Approach to Property Valuation, University of Rhode Island
Practical Application of Income Approach to Value, University of Rhode Island

Seminars:

Impact of Environmental Issues in Appraisals, RI Board of Realtors
Rhode Island Tax Law, NLI Institute
Performing an In House Revaluation, International Order of Assessing Officers
Lead Issues in Real Estate, RI Board of Realtors
Tax Issues in Real Estate, RI Board of Realtors
Appraiser as Expert Witness, RI Board of Realtors
Appraising FHA Today, McKissock
Report Writing, MBREA
Oddball Properties, McKissock
Environmental Issues for Appraisers, McKissock
The Cost Approach, McKissock
History of Zoning, Appraisal Institute
Appraisal of Fast Food Facilities, McKissock
Appraisal of Land Subject to Ground Leases, McKissock
Appraisal of Owner Occupied Commercial Facilities, McKissock

Seminars as Approved Instructor:

Real Estate Tax Assessment: How to Judge its Equity
Real Estate Financing: Conventional and Creative

APPRAISAL EXPERIENCE:

Active since 1976, performing appraisals of single and multi family housing and commercial/ industrial properties.
Experience in appraising impacted/ contaminated properties
Experience in appraising specialty/ partial interests
Experience in appraising water related utilities
Accepted as expert in Rhode Island Family Court
Accepted as expert in Rhode Island Superior Court
Accepted as expert in Rhode Island Bankruptcy Court
Accepted as expert before several Rhode Island community Boards of Tax Appeals
Accepted as expert before several Rhode Island Zoning Boards of Appeal

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SIGNIFICANT CLIENTS

Ford Motor Company
NYNEX (Bell Atlantic)
National Grid
Stone Bridge Water District, Tiverton, RI
Church Community Housing Corporation, Newport, RI
City of New Shoreham, Rhode Island, Assessor's Office
City of Swampscott, Massachusetts, Assessor's Office
City of Newport, Rhode Island, Assessor's Office
City of Newport, Rhode Island Planning Office
City of Newport, Rhode Island, Public Utilities Department
Twin River Gaming Facility, Lincoln, RI
Appraisal Resource, East Greenwich, RI