

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On April 24, 2017 450 Columbus Boulevard, Hartford, Connecticut

The State Properties Review Board held its regular meeting on April 24, 2017 in Suite 2035, 450 Columbus Boulevard, Hartford, Connecticut.

**Members Present:** Edwin S. Greenberg, Chairman  
Bruce Josephy, Vice Chairman  
John P. Valengavich, Secretary  
Jack Halpert

**Staff Present:** Brian A. Dillon, Director  
Mary Goodhouse, Real Estate Examiner

Chairman Greenberg called the meeting to order.

Mr. Valengavich moved and Mr. Halpert seconded a motion to enter into Open Session. The motion passed unanimously.

### OPEN SESSION

**ACCEPTANCE OF MINUTES OF APRIL 13, 2017 AND APRIL 17, 2017.** Mr. Valengavich moved and Mr. Halpert seconded a motion to accept the minutes of April 13, 2017 and April 17, 2017. The motion passed unanimously.

### COMMUNICATIONS

**Department of Transportation Report of Property Acquisitions.** As required by CGS Section 13a-73(h), the Board received a report from DOT dated April 3, 2017 listing property acquisitions, not in excess of \$5,000, processed during the month of March 2017.

### REAL ESTATE- UNFINISHED BUSINESS

### REAL ESTATE – NEW BUSINESS

**PRB #** 17-079 **Transaction/Contract Type:** RE / Voucher  
**Origin/Client:** DOT/DOT  
**Project Number:** 034-305-003  
**Grantor:** St. Nicholas Byzantine Catholic Church of Danbury  
**Property:** 13 Pembroke Road, Danbury  
**Project Purpose:** Intersection Improvements at Route 37 (Pembroke Road) Project  
**Item Purpose:** DOT Acquisition of 2,197± SF of land and a 1,639± SF slope easement for the safety of the highway as well as additional compensation for affected site improvements as required for the road intersection improvement project.

The purpose of this project is to improve safety and traffic operations on Route 37 (Pembroke Road) at its intersections with Stacey Road and Barnum Road, Danbury. The project will realign Stacey Road to form a “T” type intersection with Route 37, and provide a two-lane approach from Stacey Road. Route 37 will

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be widened to provide an exclusive left-turn lane southbound. A traffic signal will be installed at the intersection, and a curve on Route 37 will be flattened. The funding for this project is 80% federal, 20% state. The estimate for acquiring property rights is \$216,000; the total project estimate is \$1,676,000.

13 Pembroke Road, Danbury is a 2.9508 acre parcel in Danbury, located at the intersection of Pembroke Road and Stacy Road. It is improved with three buildings that serve as a church, a rectory, and a utility building. The zone is RA-40 residential. This property conforms to the zone requirements. DOT will acquire 2,197 SF of land located along 180 feet of the site's frontage on Stacey Road at its intersection with Pembroke Road. DOT will also acquire a slope easement of about 1,639 SF located adjacent to the land taking. The taking will affect some landscaping, a retaining wall, a sign, and outdoor lighting fixtures

DOT completed the appraisal, as of 9/7/2016 and concluded a site value based on 3 sales of vacant land with similar highest and best use. The sales were of church property; or of property purchased for church purposes and indicated a value of \$2.25/SF for the subject. The compensation recommended was \$12,235, including \$6,000 for site improvements.

Staff recommended approval of \$12,235 in damages. The acquisition complies with Section 13a-73(c) of the CGS which governs the acquisition of property by the commissioner of transportation required for highway purposes. The award is supported by the DOT appraisal.

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session into Executive Session. The motion passed unanimously.

**EXECUTIVE SESSION**

**PRB #** 17-088 **Transaction/Contract Type:** RE / Lease Amendment  
**Origin/Client:** DAS / DSS

**Statutory Disclosure Exemptions: 4b-23(e), 1-200(6)(D) & 1-210(b)(24)**

The Board commenced its discussion of the proposed lease amendment at 9:40 a.m. and concluded at 9:53 a.m.

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Executive Session into Open Session. The motion passed unanimously.

**OPEN SESSION**

**PRB #** 17-089 **Transaction/Contract Type:** RE / Lease-out  
**Origin/Client:** DAS/DAS  
**Lessee:** Sprint Spectrum, L.P.  
**Property:** Mystic Educational Center, Groton, CT  
**Project Purpose:** Exercise of Renewal Option, Lease-Out, Mystic Education Center, Groton  
**Item Purpose:** Five year lease renewal for continued use of a nine-foot by fifteen foot area of paved land and the top of the circular masonry structure of the smokestack to provide space for a wireless telecommunication facility.

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DAS seeks approval for Sprint to exercise the second renewal option for the lease-out of area at Mystic Educational Center, Oral School Road, Groton, as described in the table below. Sprint will pay a total of \$168,172 over the five-year lease term.

Staff recommended approval of the lease renewal. The renewal terms which increase the lease rate by 3% per year were required by SPRB in 2008 for the approval of the initial lease-out (PRB #08-018). In 2008, the Board returned two lease-out proposals for wireless communication facilities submitted by DPW that had been negotiated with Sprint Spectrum, L. P. The proposals (PRB #08-018 & #08-019) were returned to DPW with the recommendation that the rental payments increase annually at a rate not less than 3% per annum over the initial and renewal terms.

As a consequence, DPW renegotiated the two lease-outs so that the schedule of rental payments (shown as Exhibit B in each lease) would remain level for the first 5 years only, and then increase annually at 3%. As a result, the increased revenue to the state for each lease proposal as a result of the Board's review is \$127,726, for a total of \$255,452 for both leases.

<b>PRB #</b>	<b>17-093</b>	<b>Transaction/Contract Type:</b>	RE / Lease Out
<b>Origin/Client:</b>	DAS/DAS		
<b>Lessee:</b>	Wheeler Clinic, Inc.		
<b>Property:</b>	Russell Hall, Eastern Drive, CT Valley Hospital Campus, Middletown, CT		
<b>Project Purpose:</b>	Exercise of Renewal Option, Lease-Out, Russell Hall		
<b>Item Purpose:</b>	Lease-out of approximately 2,600 SF on the first floor of Russell Hall to Wheeler Clinic, Inc. for use as an "Alternative in the Community" program center, a Judicial Branch funded program.		

Staff recommended Board approval for the renewal for an additional five years of the lease-out to the Wheeler Clinic. Judicial Branch CSSD has contracted with Wheeler Clinic, Inc. to provide transitional services for Middletown and Meriden AIC clients. AIC is a community-based alternative to incarceration that provides intervention services for adults awaiting trial or on probation. Wheeler Clinic, founded in 1968, is an "independent, not-for-profit, community-based organization that provides a comprehensive continuum of mental health and substance abuse recovery services, special education, early childhood, community justice, foster care, employee assistance, and prevention and wellness programs."

Lease Exhibit E is a Memorandum of Agreement (MOA) between DMHAS and JUD/CSSD regarding the 2012 renovation of space at Russell Hall to house a CSSD Alternative in the Community (AIC) Program. DMHAS is accommodating clients of the Middletown probation office by offering to house the AIC program. CSSD provided DMHAS with \$174,375 to cover the cost of renovating 2,600 SF of the 1<sup>st</sup> floor of Russell Hall for this purpose.

The rental rate is \$17,990.88/year escalating 3% per year thereafter. The rent, established in 2012, was based on 0.002941% (pro rata share) of the DMHAS operating expenses at CVH.

<b>PRB #</b>	<b>17-113</b>	<b>Transaction/Contract Type:</b>	RE / Lease-Out
<b>Origin/Client:</b>	DEEP/DEEP		
<b>Lessee:</b>	Mohawk Mountain Ski Area, Inc.		

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<b><i>Property:</i></b>	Mohawk State Forest, Cornwall
<b><i>Project Purpose:</i></b>	New Lease Agreement for Commercial Ski Area
<b><i>Item Purpose:</i></b>	Lease for a 30-year term of 243.63 acres, a portion of Mohawk State Forest, for public recreation as a commercial ski area and related uses deemed appropriate by the State pursuant to and as stipulated in Section 21 of Special Act No. 15-1, June Special Session.

Staff recommended that the Board approve the Lease Agreement between the State and Mohawk Mountain Ski Area, Inc. for the continued public recreational use as a commercial ski area and related uses because the Agreement is consistent with the requirements of Section 21, Special Act No. 15-1, June Special Session.

The Special Act mandates that DEEP execute a new lease of the Mohawk Mountain Ski Area to the current Lessee. The Act stipulates that DEEP shall:

1. Lease the ski area to Mohawk Mountain Ski Area, Inc.;
2. Authorize use under the terms and conditions described in the current lease dated 2/3/1986;
3. Lease for a term not to exceed 30 years;
4. Authorize use for public recreation as a commercial ski area and other recreational activities deemed appropriate by DEEP in substantially the same manner as currently authorized; and
5. Receive the same percentage of compensation as in the current lease.

As requested by SPRB, DEEP has amended Exhibit D to include the language in the Board memorandum to DEEP of 3/20/17, as follows: "The fee schedule will be reviewed and amended at least every five years to reflect current fair market value. It is mutually agreed by both parties that, in view of the public benefit in maintaining a recreational facility at Mohawk Mountain, the fee schedule is subject to upward and/or downward revision annually upon determination of the State after consideration of economic conditions and competitive indicators and with the approval of the Lessee."

DEEP has provided executed Non-Discrimination and OPM Ethics Forms.

The Lease requires that annual payments be substantiated by books, records and income tax returns prepared and certified by an independent CPA and delivered to the state each April 1.

### **ARCHITECT-ENGINEER - UNFINISHED BUSINESS**

### **ARCHITECT-ENGINEER – NEW BUSINESS**

### **OTHER BUSINESS**

**Reimbursement of Meeting and Mileage Fees.** Mr. Josephy moved and Mr. Halpert seconded a motion to reimburse Mr. Valengavich meeting and mileage fees in connection with travel to the Connecticut Army National Guard Readiness Center, Windsor Locks, on April 20, 2017. The motion passed unanimously.

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The Board took the following vote in Open Session:

**PRB FILE #17-079** – Mr. Valengavich moved and Mr. Halpert seconded a motion to approve PRB File #17-079. The motion passed unanimously.

**PRB FILE #17-088** – Mr. Valengavich moved and Mr. Josephy seconded a motion to approve PRB File #17-088. The motion passed unanimously.

**PRB FILE #17-089** – Mr. Halpert moved and Mr. Valengavich seconded a motion to approve PRB File #17-089. The motion passed unanimously.

**PRB FILE #17-093** – Mr. Valengavich moved and Mr. Halpert seconded a motion to approve PRB File #17-093. The motion passed unanimously.

**PRB FILE #17-113** – Mr. Valengavich moved and Mr. Josephy seconded a motion to approve PRB File #17-113. The motion passed unanimously.

The meeting adjourned.

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
John P. Valengavich, Secretary