

STATE PROPERTIES REVIEW BOARD

Minutes of Special Meeting Held On November 27, 2019 450 Columbus Boulevard, Hartford, Connecticut

The State Properties Review Board held a Special Meeting on November 27, 2019 in Suite 2035, 450 Columbus Boulevard, Hartford, Connecticut.

Members Present:

Edwin S. Greenberg, Chairman
Bruce Josephy, Vice Chairman
Jack Halpert
William Cianci

Members Absent:

John P. Valengavich, Secretary
Jeffrey Berger

Staff Present:

Dimple Desai
Thomas Jerram

Guests Present

Chairman Greenberg called the meeting to order.

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

OPEN SESSION

1. ACCEPTANCE OF MINUTES

Mr. Halpert moved and Mr. Josephy seconded a motion to approve the minutes of the November 25, 2019 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

Mr. Halpert moved and Mr. Josephy seconded a motion to go out of Open Session and into Executive Session at 9:39. The motion passed unanimously.

EXECUTIVE SESSION

<i>PRB #:</i>	19-224
<i>Transaction/Contract Type:</i>	RE/ New Lease
<i>Origin/Client:</i>	DAS/DDS

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

Mr. Halpert moved and Mr. Josephy seconded a motion to go out of Executive Session and into Open Session at 9:40. The motion passed unanimously.

PRB # 19-232
Transaction/Contract Type: RE/ Voucher
Origin/Client: DOT/DOT
Project Number: 131-203-001
Grantor: Pan Am Southern
Property: Southington, I-84 to Spring Street to Aircraft Road (4 parcels)
Project Purpose: Farmington Canal Heritage Trail
Item Purpose: Voucher

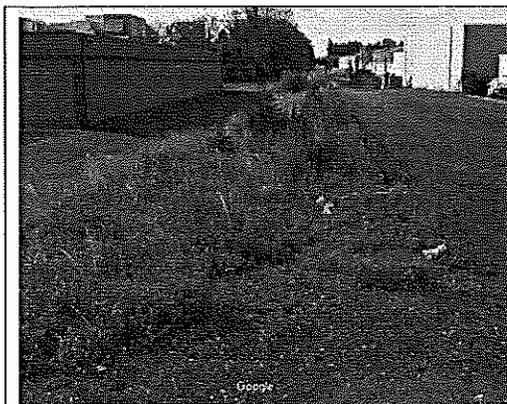
DAMAGES: \$500,000.00

DOT PROJECT:

Farmington Canal Heritage Trail (FCHT) History (<https://fchtrail.org/pages/history.asp>):

The **over Eighty miles** of the FCHT and the eighteen miles of the Farmington River Trail constitute one of the most picturesque and historic greenways in New England. The FCHT, 58 miles of which is paved in Connecticut, stretches from New Haven to the Massachusetts border before continuing into Massachusetts for a total length of 80.2 miles and 11 towns. The multi-use trail runs along abandoned rail corridors and canal tow paths through urban, suburban and rural areas of Southern Connecticut and the Farmington Valley. Along the way are historic buildings, canal locks, the remains of canal aqueducts and other landmarks that provide a rich cultural background for the trail experience. The largest gap remaining is 9.1 miles from southern Farmington, through all of Plainville into northern Southington.

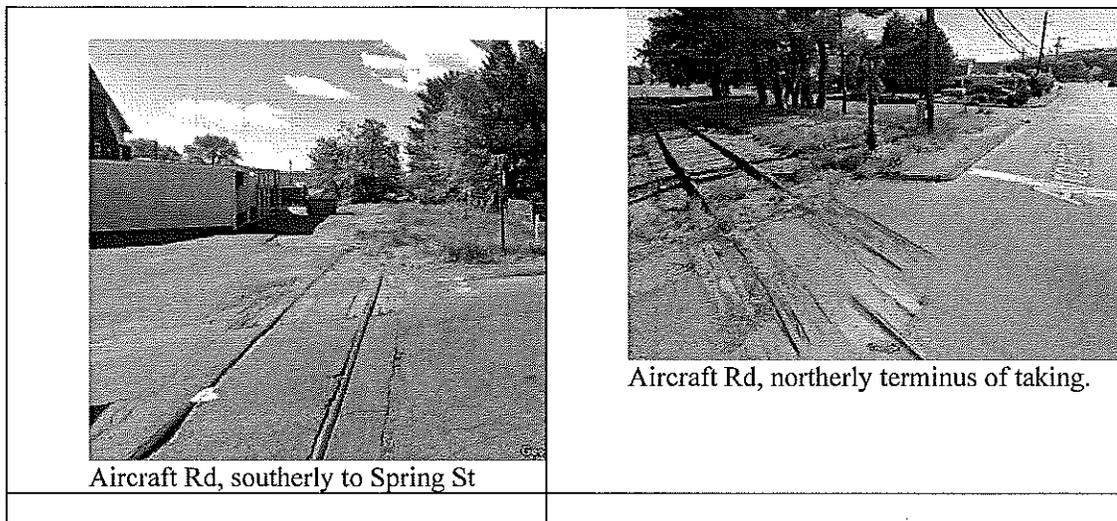
Subject Property Description, Before the Taking: The subject property (per map) consists of a former railroad corridor consisting of a 4.47 acre (194,893 square feet) strip of land the runs from Airport Road at the northerly terminus, south to the I-84 overpass terminating at land owned by CT DEEP. The width of the strip of land is approximately 50 feet and 3,860 feet in length. The property is located in three different zones: Commercial; I-1; and I-2 Industrial zones. Approximately 5,923 square feet of land is asphalt paved roadway (Spring St and Aircraft Rd). Some areas of the land include former rail improvements including ballast, ties, rails and spikes. The entire strip of land is subject to subterranean telecommunication and utility easements.



Spring St, southerly to I-84



Spring St, northerly to Aircraft Rd



Before Valuation: An appraisal was prepared by independent DOT appraiser Howard Russ as of July 2, 2019.

Russ utilized an “Across The Fence” (ATF) method of valuation to appraise the former corridor. This method assumes that the value of the land within the corridor is at least as valuable as the land adjacent to the corridor.

The Dictionary of Real Estate, 5th Edition, defines the ATF method as follows; “is used to develop a value opinion based on a comparison to abutting land.”

In light of the three different zones, Russ analyzed three different sales of land for each of the three different zones. All comparable properties were located in Southington. Russ concluded a per square foot value for each of the zones as follows:

Commercial	\$5.50
I-1 Zone	\$2.00
I-2 Zone	\$1.75

Russ researched and provided sales of abandoned railroad corridors. Data is limited, but he identified five sales, four in Manchester and one in Torrington, as follows:

178	Colonial Rd	Manchester	1.80	\$60,000	\$0.77
	Middle Tnpk	Manchester	4.01	\$55,000	\$0.31
44	Hilliard St	Manchester	0.64	\$170,000	\$6.10
265	Center	Manchester	5.30	\$107,000	\$0.46
	North Elm	Torrington	6.29	\$90,000	\$0.33

Russ concluded that the application of a Corridor Factor is appropriate in that sales of abandoned rail corridors clearly convey at a per-square-foot-rate significantly lower than that of fee-simple, unrestricted sales. To determine the rate of the Corridor Factor, appraiser Russ researched and provided comparable sales in the same town as the abandon rail corridor, where available. His analysis revealed a Corridor Factor of 35%, 10% and 10% for comparable sales 1, 2 and 4 respectively.

Russ reconciled the Corridor Factor, concluding that all sales of abandoned rail corridors were in inferior locations, concluding that an appropriate Corridor Factor is 65%.

Value Before Conclusion:

West Side Rail Computation

Zone	Area	Rate	Value	Factor	Mkt Value
Commercial	17,845	\$5.50	\$98,148	65%	\$63,796
I-1 Zone	45,517	\$2.00	\$91,034	65%	\$59,172
I-2 Zone	30,962	\$1.75	\$54,184	65%	\$35,219

East Side Rail Computation

Commercial	94,605	\$5.50	\$520,328	65%	\$338,213
I-1 Zone	0	\$2.00	\$0	65%	\$0
I-2 Zone	0	\$1.75	\$0	65%	\$0
					\$496,400
				Rounded:	\$500,000

The Taking: DOT will acquire the property in its entirety, subject to the subterranean easements in place.

After Valuation: \$0

Direct Damages: \$500,000

RECOMMENDATION: Board approval of damages in the amount of \$500,000 is recommended for the following reasons:

1. 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.
2. The independent Appraiser appropriately utilized an "Across The Fence" (ATF) method of valuation and applying a Corridor Factor to reflect the diminished utility of the land subject to the full take.

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER - NEW BUSINESS

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILE #19-224 – Mr. Halpert moved and Mr. Josephy seconded the motion to approve PRB File #19-224. The motion passed unanimously.

PRB FILE #19-232 – Mr. Halpert moved and Mr. Josephy seconded a motion to approve PRB FILE #19-232. The motion passed unanimously.

Minutes of November 27, 2019

9. **NEXT MEETING** – Tuesday, Special Meeting, December 3, 2019

The meeting adjourned.

APPROVED:  **Date:** 12/3/19
John Valengavich, Secretary