

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On March 23, 2020 – remotely via telephone conference –

Pursuant to Governor Lamont's Executive Order No. 7B regarding suspension of In-Person Open Meeting requirements, the State Properties Review Board conducted its Regular Meeting at 9:30AM on March 23, 2020 remotely via telephone conference at (866)-692-4541, passcode 85607781.

Members Present:

Edwin S. Greenberg, Chairman
Bruce Josephy, Vice Chairman
John P. Valengavich, Secretary
Jack Halpert
Jeffrey Berger
William Cianci

Members Absent:

Staff Present:

Dimple Desai
Thomas Jerram

Guests Present

Chairman Greenberg inquired if there were any public participants. None responded.

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

1. ACCEPTANCE OF MINUTES

Mr. Valengavich moved and Mr. Halpert seconded a motion to approve the minutes of the March 19, 2020 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

Director Desai informed the Board of a communication from DOT regarding DOT's submission of real estate proposals electronically, as well as their return upon action by the Board electronically, where feasible, during the period that Executive Order #7B is in effect.

To that effect, the Board and the staff discussed the process to return those proposals approved by the Board to the submitting Agency, typically signed by SPRB Chairman Greenberg. Board members and staff discussed the need to return those proposals in a timely fashion to permit each submitting Agency to continue with their respective business. Board members and staff also discussed the process to execute members' vouchers for reimbursement.

Upon conclusion of the discussion Mr. Valengavich moved and Mr. Halpert seconded a motion to delegate authority to Director Desai to execute various documents typically executed by the Chairman as well as individual Board members.

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

Transaction/Contract Type: RE/ Voucher
Origin/Client: DOT/DOT
Project Number: 018-135-008
Grantor: Hawley Realty Limited Partnership
Property: Brookfield, Federal Rd (215)
Project Purpose: Safety Improvements along Route 202
Item Purpose: Voucher

DAMAGES: \$80,000.00

DOT PROJECT: The purpose of this project is to improve safety on the lower portion of Route 202 (Federal Road) for all users. The project limits are from the driveway of BJ's/Kohl's to the intersection of Route 202 (Federal Road) and Route 133 (Junction Road).

The project consists of four (4) intersection safety improvements:

- The construction of a southbound dedicated left-turn lane into Chick-Fil-A and Shop Rite plaza.
- The installation of a traffic signal at the intersection of Beverly Drive and Hardscrabble Road.
- The installation of a traffic signal at the southern intersection of Route 202 and Old New Milford Road.
- The removal of one of the two traffic signals at the northern intersection of Route 202 and Old New Milford Road.

The project also proposes the widening of the roadway along the corridor to provide 4-foot shoulders to improve safety for bicyclists. In addition, the project will include the construction of 5-foot sidewalks to accommodate pedestrian traffic along the corridor.

The present schedule indicates that the design will be completed in January 2021, with construction anticipated to begin in summer 2021. The estimated construction cost for this project is approximately \$6.0 million, anticipated to be undertaken with 80% federal funds and 20% state funds.

Subject Property Description, Before the Taking: The subject property (per appraisal) consists of a commercially-zoned, 62,984 square foot (1.446 acre) lot, improved with a single-tenant retail store containing 13,736 sf of gross building area, plus additional basement area, constructed in 1997. The property is located in an intensely developed retail/commercial neighborhood known as the 'Miracle Mile.' The property is pre-existing non-conforming regarding site requirements.





Southeasterly.



Northeasterly.

Before Valuation: An appraisal was prepared by DOT appraiser James P. Mansfield as of December 19, 2019.

Land Valuation: Based on the sales data comparison approach, the appraiser analyzed three sales of commercially-zoned land in Brookfield (2) and Danbury (1) concluded that the fair market value of the subject land was \$17/square foot, or

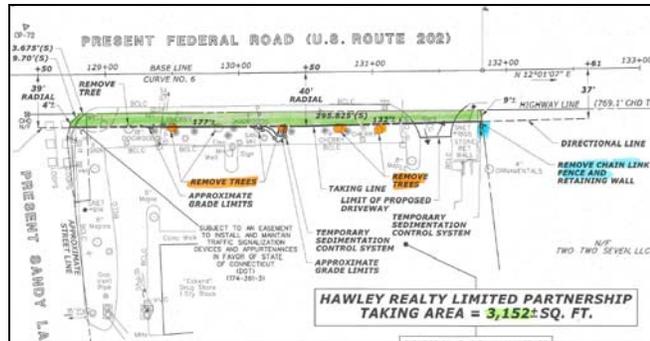
Item	Calculation	Value
Fee Simple	62,984 sf x \$17/sf	\$1,070,728
Affected Site Improvements	Lump Sum	\$25,000
	Total	\$1,095,728
	Rounded	\$1,095,500

Improvements within the taking area include a stone retaining wall, chain link fence, several trees, landscape island, shrubs and seeded lawn with the contributory value estimated at \$25,000.

Improvements on the site are not impacted and assigned an “X” value.

The Taking: DOT will acquire the following:

1. A partial take of 3,152± sq.ft. of land;
2. A right to remove chain link fence and retaining wall acquired over an area of 5±LF;
3. Right to grade acquired over an area of 74± sq.ft.;
4. Right to install sedimentation control system acquired over an area of 45±LF;
5. Right to construct driveway acquired over an area of 278± sq.ft.; and
6. Right to remove trees acquired.



After Valuation:

Land Valuation: Based on the sales data comparison approach, the appraiser analyzed the same three sales of land in the Before and concluded that the fair market value of the subject land was \$17/square foot, or

Item	Calculation	Value
Fee Simple	59,832 sf x \$17/sf	\$1,017,144
	<i>Rounded</i>	\$1,017,000

Calculation of Permanent Damages

Item	Value
Before Valuation	\$1,095,500
After Valuation	\$1,017,000
Permanent Damages	\$78,500

In addition to Direct Damages, DOT has awarded nominal damages to the Grantor to process the required zoning variance in the amount of \$1,500.

Notes on Conformance & Non-Conformance – Landscaping
 The Town of Brookfield has regulations in place via Article 6, Section 3 and requires a front yard buffer of 25 feet. Additional landscaping requirements include a street frontage buffer of 1 shade tree and 2 understory trees per 50 feet of frontage as well as 6 shrubs per 50 feet of frontage and a landscaped berm.

It appears that, post acquisition, the "After" property will not meet the landscape buffer setback requirement per the Brookfield zoning regulations. It is reasonable to assume that the property will require a variance to account for this non-conformance. After speaking with the zoning officer from the Brookfield Planning and Zoning department, it is my understanding that this variance will not receive a high degree of scrutiny, given the underlying reason for the non-conformance. As such, for the purposes of this report, this appraiser is valuing the subject with the assumption that the variance shall be granted by the municipality. If it were found that assumptions made regarding the variance deviate from what is outlined within this appraisal report, this appraiser reserves the right to consider its effect on value. The costs associated with acquiring this variance is estimated by the appraiser at \$1,500.

RECOMMENDATION: Board approval of damages in the amount of \$80,000 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 damages are supported by the DOT appraisal.



PRB # 20-040
Transaction/Contract Type: RE/ Voucher
Origin/Client: DOT/DOT
Project Number: 018-135-011
Grantee: Fullmoon Cyber, LLC
Property: Brookfield, Federal Rd (366)
Project Purpose: Safety Improvements along Route 202
Item Purpose: Voucher

DAMAGES: \$53,000.00

DOT PROJECT: The purpose of this project is to improve safety on the lower portion of Route 202 (Federal Road) for all users. The project limits are from the driveway of BJ's/Kohl's to the intersection of Route 202 (Federal Road) and Route 133 (Junction Road).

The project consists of four (4) intersection safety improvements:

- The construction of a southbound dedicated left-turn lane into Chick-Fil-A and Shop Rite plaza.
- The installation of a traffic signal at the intersection of Beverly Drive and Hardscrabble Road.
- The installation of a traffic signal at the southern intersection of Route 202 and Old New Milford Road.
- The removal of one of the two traffic signals at the northern intersection of Route 202 and Old New Milford Road.

The project also proposes the widening of the roadway along the corridor to provide 4-foot shoulders to improve safety for bicyclists. In addition, the project will include the construction of 5-foot sidewalks to accommodate pedestrian traffic along the corridor.

The present schedule indicates that the design will be completed in January 2021, with construction anticipated to begin in summer 2021. The estimated construction cost for this project is approximately \$6.0 million, anticipated to be undertaken with 80% federal funds and 20% state funds.

Subject Property Description, Before the Taking: The subject property (per appraisal) consists of a commercially-zoned, 27,878 square foot (0.64 acre) lot, with frontage on both Federal Road and Old New Milford Road, improved with a single-tenant office building containing 3,568 sf of gross building area, plus additional basement area, constructed in 1974. The property is located at the northerly fringe of an intensely developed retail/commercial neighborhood known as the 'Miracle Mile.' The property is pre-existing non-conforming regarding site requirements. The highest and best use is for continued commercial use as improved.





Southeasterly.



Northeasterly.



Northwesterly.

Before Valuation: An appraisal was prepared by independent appraiser Walter Kloss as of December 11, 2019.

Land Valuation: Based on the sales data comparison approach, the appraiser analyzed three sales of commercially-zoned land in Brookfield (2) and New Milford (1) concluded that the fair market value of the subject land was \$7/square foot, or

Item	Calculation	Value
Fee Simple	27,878 sf x \$7/sf	\$195,146
Site Improvements	Lump Sum	\$25,000
	Total	\$220,146
	Rounded	\$220,000

From the appraisal:

15. VALUATION OF SITE IMPROVEMENTS

Estimated Contributory Value of Site Improvements - \$25,000.00

For purposes of this analysis a contributory value approximating 10% of the depreciated building value is deemed to be appropriate.

Improvements on the site are not impacted and assigned an “X” value.

16. COST APPROACH

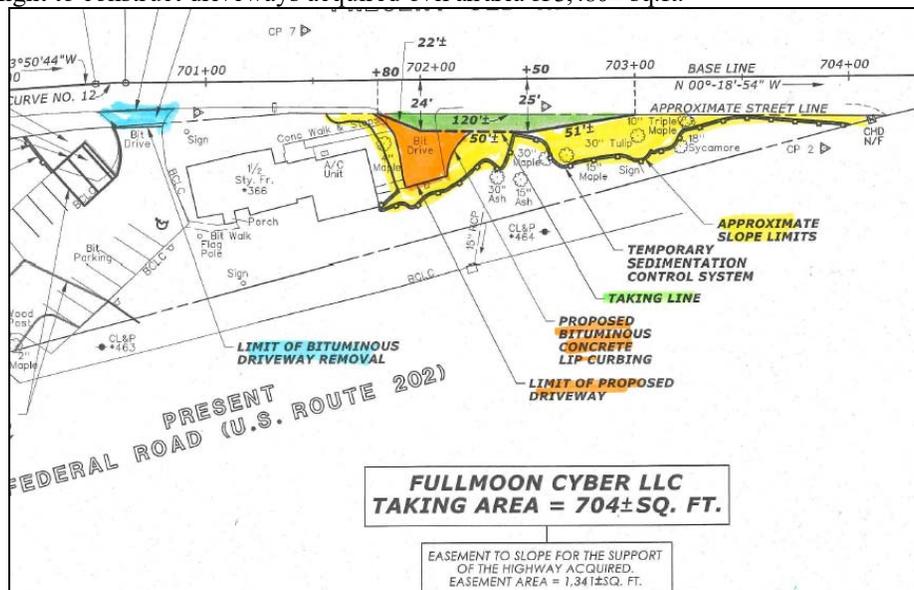
Value Determination using the Cost Approach:

Land Value	.....	\$195,000.00
Site Improvements	.....	\$ 25,000.00
Structures	.....	<u>\$261,000.00</u>
Estimated Market Value by this Approach	\$	\$481,000.00

Sales Comparison Approach: Based on the sales data comparison approach, the appraiser analyzed three sales of commercially-zoned improved properties in Brookfield concluded that the fair market value of the subject building was \$135/square foot, or 3,568 x \$135 = \$481,680, rounded to \$481,000.

The Taking: DOT will acquire the following:

1. A partial take of 704± sq.ft. of land;
2. An easement to slope for the support of the highway acquired over an area of 1,341±sq.ft.;
3. Right to install sedimentation control system acquired over an area of 290± LF;
4. Right to remove bituminous driveway, establish turf, install parking stripes, install bituminous concrete lip curbing and grade acquired over an area of 992±sq.ft.; and
5. Right to construct driveways acquired over an area of 3,480± sq.ft.



After Valuation:

Land Valuation: Based on the sales data comparison approach, the appraiser analyzed the same three sales of land in the Before and concluded that the fair market value of the subject land included more restricted access than the Before valuation and the value estimate was diminished by \$0.50/sf or \$6.50/square foot, or

Item	Calculation	Value
Fee Simple	27,174 sf x \$6.50/sf	\$176,631
Site Improvements	Lump Sum	\$20,000
	Total	\$196,631
	Rounded	\$197,000

21.16. AFTER-COST APPROACH

Value Determination using the Cost Approach:

Land Value	.....	\$177,000.00
Site Improvements	.....	\$ 20,000.00
Structures	.....	<u>\$232,000.00</u>
Estimated Market Value by this Approach	\$	\$429,000.00

Sales Comparison Approach: Based on the sales data comparison approach, the appraiser analyzed three sales of commercially-zoned improved properties in Brookfield concluded that due to the more restrictive access the fair market value of the subject building was diminished by \$15/sf to \$120/square foot (-15%), or 3,568 x \$120 = \$428,160, rounded to \$428,000.

Reconciliation & Value Conclusion

Cost Approach	\$429,000.00
Sales Comparison Approach	\$428,000.00
Income Capitalization Approach	<u>\$ N/A</u>
After Value Estimate	\$428,000.00

Calculation of Permanent Damages

Item	Value
Before Valuation	\$481,000
After Valuation	\$428,000
Permanent Damages	\$53,000

A breakdown of the damages is as follows:

Fair Market Value of Entire Property Before Taking		\$481,000	Fair Market Value of Entire Property After Taking	\$428,000
SUMMARY:				
Value of the Taking	Description	Amount of Loss	Total	
	1. Land Loss	\$4,900		
	2. Landscaping Loss	\$5,000		
	3.	<u>.00</u>		
			\$9,900	
Damage to the Remainder				
Severance:	1. Land & Bldg	\$43,100		
Cost-to-Cure	2.	.00		
Temp Damages	3.	<u>.00</u>		
			<u>\$43,100</u>	
	Net Total Damages		\$53,000	

RECOMMENDATION: Board approval of damages in the amount of \$53,000 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 damages are supported by the independent Appraisers estimate of value.



PRB # 20-041
Transaction/Contract Type: RE/ Sale by Public Bid
Origin/Client: DOT/DOT
Project Number: 85-75-43D
Grantor: Aleaph Enterprises, LLC
Property: Montville, Fort Shantok Rd (1.32 ac of land)
Project Purpose: Sale by Public Bid
Item Purpose: Quit Claim Deed

Sale Price: \$43,000

March 10, 2010

On December 30, 2019, the Board approved the transfer of 1.32 acres of land to Aleaph Enterprises, LLC under PRB#19-252. Upon submission to the Office of the Attorney General, the AG requested corrections on page 2 regarding language of an easement. The issue was resolved and now resubmitted for Board approval.

Recommendation – Staff recommend approval of the sale for \$43,000 (+ admin fee) for the following reasons:

- The proposed sale complies with Sections 4b-21, 3-14b, and 13a-80 of the CGS in that the Town of Montville declined to purchase and the legislative delegation received the required notification on December 14, 2018.
- The release value of \$43,000 is reasonable in that it represents 430% of the appraised value and it will return the property to the Montville tax rolls and relieve the State of all future expenses.
- The description in the Quit Claim Deed is consistent with the compilation plan to be filed in the Montville Land Records.

Under this proposal, DOT will release an irregularly-shaped, 1.32 acre parcel, a portion of land originally acquired for an access road to a toll plaza and subsequent use by CT State Police. The site is improved with an asphalt-paved driveway, asphalt-paved parking area and communications tower. According to the DOT Appraiser, the property is residentially zoned (R-20), non-conforming lot, and given shape likely cannot be developed with a building, but possibly improved with a billboard(s) or cell tower.



Valuation – A Value of Finding appraisal was done by DOT appraiser Edward P. Sass, Jr as of January 11, 2019. Based on the sales data comparison approach (3 open space sales in the greater market area), the appraiser concluded that the fair market value of \$7,500 per acre, or \$10,000 (rounded).

Public Bid & Negotiations – The Public Bid was held 4/3/2019 with an asking price of \$20,000. Two bids were received: \$29,999 (+\$1,000 admin fee) from Wireless Solutions and \$43,000 (+\$1,000 admin fee) from Aleph Enterprises, LLC, which DOT accepted. Notably, both entities are controlled by the same individual.

Staff asked DOT to clarify the following:

1. Please clarify if the map description in the Quit Claim Deed should be corrected to reflect the correct date of the map (July 2019, not September 2018).
DOT Response: The deed was corrected to reflect the map. OPM has approved of the change. OK
2. Please clarify if the following description from the deed is correct stating 619 feet of frontage, or 583 feet of frontage from the map.

SOUTHWESTERLY by said land now or formerly of Richard A. Bedingfield et al and land
WESTERLY now or formerly of Clara L. Kalnitsky, each in part, a total distance of
NORTHWESTERLY 619 feet, more or less, by a line designated "RELEASE LINE &
PROPERTY LINE", as shown on said map;

- DOT Response: The deed was corrected to reflect the map. OPM has approved of the change. OK**
3. Please clarify how DOT plans to prevent the Proponent from utilizing remaining state land within the state right of way.
DOT Response: There are no plans to create a barrier to the state owned land. OK

Recommendation – Staff recommend approval of the sale for \$43,000 (+ admin fee) for the following reasons:

- The proposed sale complies with Sections 4b-21, 3-14b, and 13a-80 of the CGS in that the Town of Montville declined to purchase and the legislative delegation received the required notification on December 14, 2018.
- The release value of \$43,000 is reasonable in that it represents 430% of the appraised value and it will return the property to the Montville tax rolls and relieve the State of all future expenses.
- The description in the Quit Claim Deed is consistent with the compilation plan to be filed in the Montville Land Records.

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER - NEW BUSINESS

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILE #20-039 – Mr. Halpert moved and Mr. Berger seconded a motion to approve PRB FILE #20-039. The motion passed unanimously.

PRB FILE #20-040 – Mr. Valengavich moved and Mr. Berger seconded a motion to approve PRB FILE #20-040. The motion passed unanimously.

PRB FILE #20-041 – Mr. Berger moved and Mr. Valengavich seconded a motion to approve PRB FILE #20-041. The motion passed unanimously.

9. NEXT MEETING – Thursday, March 26, 2020.

The meeting adjourned.

APPROVED: _____ **Date:** _____
John Valengavich, Secretary