

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On April 27, 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 April 27, 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. Berger seconded a motion to approve the minutes of the April 23, 2020 Meeting. The motion passed unanimously.

### 2. COMMUNICATIONS

### 3. REAL ESTATE- UNFINISHED BUSINESS

### 4. REAL ESTATE – NEW BUSINESS

<b>PRB #</b>	<b>20-057</b>
<b>Transaction/Contract Type:</b>	RE/ Voucher
<b>Origin/Client:</b>	DOT/DOT
<b>Project Number:</b>	301-176-042
<b>Grantor:</b>	Roberto Zepeda
<b>Property:</b>	Norwalk, Fort Point St (21)
<b>Project Purpose:</b>	Fort Point Street Bridge Replacement
<b>Item Purpose:</b>	Voucher for Total Take

**DAMAGES: \$615,000.00**

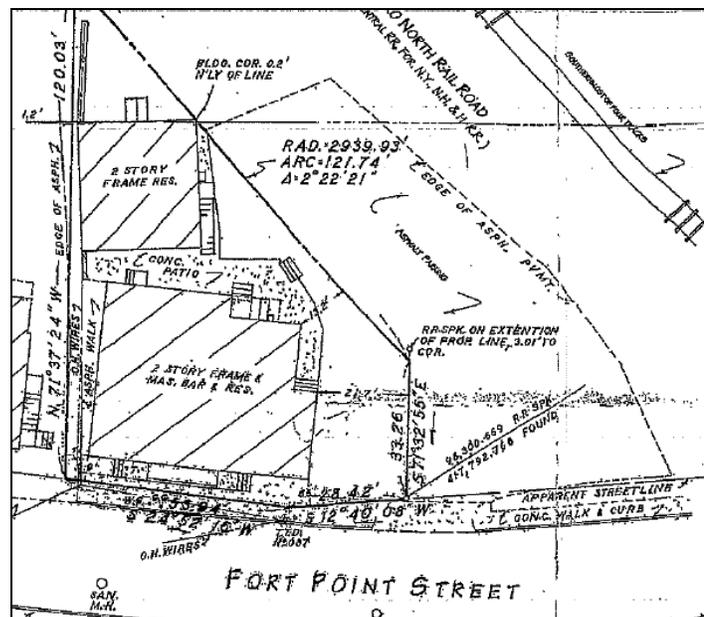
**DOT PROJECT:** The DOT project involves the replacement of the Fort Point Street Bridge Replacement project. This bridge is part of the overall Walk Railroad Bridge replacement project in the City of Norwalk as it is approximately 1,165 feet east of the Walk Bridge.



**SITE DESCRIPTION:** The property at 21 Fort Point Street consists of an irregularly-shaped, 6,389 SF (0.1467 acre) commercially-zoned lot, fronting the north side of Fort Point Street. The property is bordered to the north and east by the Metro North railroad right of way. The site is improved with two buildings. The first building is a 2,836 square foot mixed use building housing a bar/restaurant on the first floor and apartments on both the first and second floors. The second building is a two family dwelling currently utilized as a rooming house. Both the independent Fee Appraiser and DOT Review Appraiser note the rooming house is not a permitted use by local zoning regulations. There is limited on-site parking. The subject, along with other neighbors, utilizes an asphalt-paved parking area within the railroad ROW, for no cost.

The property owner acquired this property on June 5, 2006, for \$600,000, as recorded in a Warranty Deed beginning on page 234 in volume 6219 of the Norwalk Land Records.

**DOT ACQUISITION:** The DOT acquires a Total Take of this property in conjunction with the Fort Point Street Bridge Replacement project. Both the independent Fee Appraiser and DOT Review Appraiser note that no Taking Map was prepared for this taking and relied on Survey Map #12591 within the Norwalk Land Records.



Survey Map #12591.

**VALUATION:** The DOT appraisal was completed December 2, 2019 by Independent Appraiser Norman Benedict, MAI. This appraiser previously appraised this property for DOT as of May 10, 2018 for \$610,000.

**Land Valuation:** Based on the sales comparison approach, the Appraiser considered three commercially-zoned comparable sales, two in Norwalk and one in abutting Darien, and concluded that the fair market value of the entire property (land only) is \$38/square foot. The value of the land, before the taking, is then 6,534 sq.ft. x \$38/sq.ft. = \$248,292, rounded to \$248,500.

LAND SALES							
SUMMARY OF VALUATION ADJUSTMENTS							
ITEM	Appraised Property	COMPARABLE 3		COMPARABLE 5		COMPARABLE 8	
STREET ADDRESS	21 Fort Point Road Norwalk, CT	159 West Avenue Darien, CT		10 South Smith Street Norwalk, CT		215 Martin Luther King Drive Norwalk, CT	
CITY OR TOWN, STATE	Norwalk, CT	Darien, CT		Norwalk, CT		Norwalk, CT	
Unadjusted Sales Price	None Recently	\$1,250,000	\$43.11	\$300,000	\$58.37	\$1,300,000	\$29.84
ADJUSTMENTS	DESCRIPTION	DESCRIPTION	± ADJ.	DESCRIPTION	± ADJ.	DESCRIPTION	± ADJ.
<b>TRANSITIONAL ADJUSTMENTS</b>							
PROPERTY RIGHTS CONVEYED	Fee Simple	Fee Simple	0%	Fee Simple	0.00%	Fee Simple	0.00%
FINANCING	None	None	0%	None	0.00%	None	0.00%
CONDITIONS OF SALE	Arms-length	Arms-length	0%	Arms-length	0.00%	Arms-length	0.00%
MARKET CONDITIONS	03-Dec-19	05-Dec-16	6.00%	14-Jun-17	4.00%	01-Aug-18	2.00%
ADJUSTED SALES PRICE			<b>\$45.70</b>		<b>\$60.70</b>		<b>\$50.44</b>
<b>LOCATIONAL ADJUSTMENTS</b>							
	Suburban	Suburban	0.00%	Suburban	0.00%	Suburban	0.00%
ADJUSTED SALES PRICE			<b>\$45.70</b>		<b>\$60.70</b>		<b>\$50.44</b>
<b>PHYSICAL ADJUSTMENTS:</b>							
SIZE (SQUARE FEET)	6,534	28,996	-5.00%	5,140	0.00%	43,680	-7.50%
TOPOGRAPHY	Effectively level	Gentle slope	0.00%	Gentle slope	0.00%	Level	-5.00%
SHAPE	Trapezoidal	Rectangular	-15.00%	Rectangular	-15.00%	Generally Rectangular	-12.50%
ADVERTISING	Good	Average to Good	2.50%	Fair	5.00%	Good	0.00%
UTILITIES	All locally normal	All locally normal	0.00%	All locally normal	0.00%	All locally normal	0.00%
ENCUMBRANCE-APPURTENANCE	None special	None special	0.00%	None special	0.00%	None special	0.00%
CURB APPEAL	Average	Average	0.00%	Average	0.00%	Average	0.00%
HIGHEST AND BEST USE	Multi-family	Single-family	5.00%	Multi-family/Ind	-5.00%	Multi-family/Ind	-5.00%
ON AND OFF SITE VEHICLE ACCESS	Adequate, safe	Adequate, safe	0.00%	Adequate, safe	0.00%	Adequate, safe	0.00%
REGIONAL VEHICLE MOBILITY	Area typical	Area typical	0.00%	Area typical	0.00%	Area typical	0.00%
ADJUSTED SALES PRICE			-12.50%		-15.00%		-30.00%
FINAL ADJUSTED SALES PRICES			<b>\$39.98</b>		<b>\$51.60</b>		<b>\$21.31</b>

quality scale: 0.00-none, 1.00-poor, 1.25-fair, 1.50-average, 1.75-good and 2.00-best of database

**Sales Comparison Approach:** Due to the absence of sales of properties containing multiple buildings, the Appraiser first considered sales of mixed use properties to arrive at the value of Building #1 and then the Appraiser considered sales of two family dwelling to arrive at the value of Building #2.

**Valuation of Building #1.** The Appraiser considered three sales of mixed use buildings, two in Norwalk and one in abutting Darien, and concluded that the fair market value of Building #1 is \$130.20/square foot of gross building area (GBA). The value of Building #1, is then 2,836 sq.ft. x \$130.20/sq.ft. of GBA = \$369,247, rounded to \$369,500.

RETAIL AND RESIDENTIAL PROPERTY SALES							
SUMMARY OF VALUATION ADJUSTMENTS							
ITEM	Appraised Property	COMPARABLE 9		COMPARABLE 10		COMPARABLE 11	
STREET ADDRESS	21 Fort Point Road Norwalk, CT	88 Main Street Darien, CT		42 Woodward Ave Norwalk, CT		139 Ely Avenue Norwalk, CT	
CITY OR TOWN, STATE	Norwalk, CT	Darien, CT		Norwalk, CT		Norwalk, CT	
Unadjusted Sales Price	None Recently	\$285,000	\$99.34	\$370,000	\$117.76	\$320,000	\$95.21
ADJUSTMENTS	DESCRIPTION	DESCRIPTION	± ADJ.	DESCRIPTION	± ADJ.	DESCRIPTION	± ADJ.
<b>TRANSITIONAL ADJUSTMENTS</b>							
PROPERTY RIGHTS CONVEYED	Fee Simple	0	0.00%	Fee Simple	0.00%	Fee Simple	0%
FINANCING	None	None	0.00%	None	0.00%	None	0%
CONDITIONS OF SALE	Arms-length	Arms-length	0.00%	Arms-length	0.00%	Arms-length	0%
MARKET CONDITIONS	03-Dec-19	02-Jul-15	9.50%	12-Nov-15	8.50%	10-Aug-16	8.50%
ADJUSTED SALES PRICE			<b>\$108.77</b>		<b>\$127.77</b>		<b>\$101.40</b>
<b>LOCATIONAL ADJUSTMENTS</b>							
	Urban	Urban	0.00%	Urban	0.00%	Urban	0.00%
ADJUSTED SALES PRICE			<b>\$108.77</b>		<b>\$127.77</b>		<b>\$101.40</b>
<b>PHYSICAL ADJUSTMENTS:</b>							
ZONE	NB	CBDA	0.00%	IND-1	0.00%	NB	0.00%
BUILDING SIZE (SQ FT)	2,836	2,869	0.00%	3,142	0.00%	3,361	5.00%
TOPOGRAPHY	Level	Sloping	10.00%	Level	0.00%	Sloping	10.00%
NEIGHBORHOOD QUALITY	Average plus	Good	-5.00%	Average	0.00%	Average	0.00%
ADVERTISING QUALITY	Average plus	Average plus	0.00%	Average plus	0.00%	Fair	5.00%
NEAR MAJOR HIGHWAY	Average	Average	0.00%	Average	0.00%	Average	0.00%
SHAPE	Trapezoid	General rectangular	-5.00%	Generally rectangular	-5.00%	Moderately irregular	-2.50%
UTILITIES	All normal	All	0.00%	All	0.00%	All	0.00%
ENCUMBRANCE-APPURTENANCE	None Special	None Special	0.00%	None Special	0.00%	None Special	0.00%
CURB APPEAL	Average	Limited	5.00%	Average	0.00%	Average	0.00%
HIGHEST AND BEST USE	Retail-residential	Retail-residential	0.00%	Retail-residential	0.00%	Retail-residential	0.00%
ON AND OFF SITE VEHICLE ACCESS	Limited	None	10.00%	None	10.00%	None	10.00%
REGIONAL VEHICLE MOBILITY	Average	Average	0.00%	Average	0.00%	Average	0.00%
ADJUSTED SALES PRICE			15.00%		5.00%		27.50%
FINAL ADJUSTED SALES PRICES			<b>\$125.09</b>		<b>\$134.16</b>		<b>\$129.28</b>

quality scale: 0.00-none, 1.00-poor, 1.25-fair, 1.50-average, 1.75-good and 2.00-best of database

**Valuation of Building #2.** The Appraiser considered three sales of two-family dwellings, all in Norwalk, and concluded that the fair market value of Building #2 is \$137.00/square foot of gross building area (GBA). The value of Building #2, is then 1,736 sq.ft. x \$137.00/sq.ft. of GBA = \$237,832, rounded to \$238,000.

TWO FAMILY PROPERTY SALES							
SUMMARY OF VALUATION ADJUSTMENTS							
ITEM	Appraised Property	COMPARABLE 19		COMPARABLE 20		COMPARABLE 21	
STREET ADDRESS	21 Fort Point Road Norwalk, CT	16 1/2 Osborne Ave Norwalk, CT		151 South Main Street Norwalk, CT		10 Grove Street Norwalk, CT	
CITY OR TOWN, STATE							
Unadjusted Sales Price	None Recently	\$380,000	\$115.15	\$299,000	\$138.49	\$289,000	\$111.71
ADJUSTMENTS	DESCRIPTION	DESCRIPTION	± ADJ.	DESCRIPTION	± ADJ.	DESCRIPTION	± ADJ.
<b>TRANSITIONAL ADJUSTMENTS</b>							
PROPERTY RIGHTS CONVEYED	Fee Simple	0	0.00%	Fee Simple	0.00%	Fee Simple	0%
FINANCING	None	None	0.00%	None	0.00%	None	0%
CONDITIONS OF SALE	Arms-length	Arms-length	0.00%	Arms-length	0.00%	Arms-length	0%
MARKET CONDITIONS	03-Dec-19	02-Jul-15	9.50%	12-Nov-15	8.50%	10-Aug-16	6.50%
ADJUSTED SALES PRICE			\$128.09		\$150.26		\$118.97
<b>LOCATIONAL ADJUSTMENTS</b>							
ADJUSTED SALES PRICE	Urban	Urban	0.00%	Urban	0.00%	Urban	0.00%
			\$128.09		\$150.26		\$118.97
<b>PHYSICAL ADJUSTMENTS:</b>							
BUILDING BUILT	1900	1920	0.00%	1855	5.00%	1870	2.50%
BUILDING SIZE (SQ.FT)	1,736	3,300	10.00%	2,159	5.00%	2,587	10.00%
BUILDING TOTAL ROOMS	10	14	5.00%	9	0.00%	11	0.00%
BUILDING CONDITION	Fair	Good	-10.00%	Fair	0.00%	Good	-10.00%
TOPOGRAPHY	Level	Level	0.00%	Downslope	5.00%	Upslope	5.00%
NEIGHBORHOOD QUALITY	Average	Good	-7.50%	Average	0.00%	Good	-15.00%
NEAR MAJOR HIGHWAY	Average	Average	0.00%	Average	0.00%	Average	0.00%
SHAPE	Trapezoid	General rectangular	-5.00%	Generally rectangular	-5.00%	Moderately irregular	-5.00%
UTILITIES	All normal	All normal	0.00%	All normal	0.00%	All normal	0.00%
ENCUMBRANCE-APPURTENANCE	None Special	None Special	0.00%	None Special	0.00%	None Special	0.00%
CURB APPEAL	Rear location	Front lot location	-5.00%	Front lot location	-5.00%	Front lot location	-5.00%
HIGHEST AND BEST USE	Retail-residential	Retail-residential	0.00%	Retail-residential	0.00%	Retail-residential	0.00%
ON AND OFF SITE VEHICLE ACCESS	Adequate	None	10.00%	None	10.00%	Limited	5.00%
REGIONAL VEHICLE MOBILITY	Average	Average	0.00%	Average	0.00%	Average	0.00%
ADJUSTED SALES PRICE			-2.50%		15.00%		-12.50%
ADJUSTED SALES PRICE			\$122.94		\$172.80		\$104.10

quality scale: 0.00-none, 1.00-poor, 1.25-fair, 1.50-average, 1.75-good and 2.00-best of database

Income Capitalization Approach: The Appraiser estimated the stabilized monthly rent and Gross Potential Income as follows:

<i>Income Stabilization</i>		<u>Rental Units</u>	<u>Rent/Month</u>	<u>Annual Total</u>
Restaurant - 21A	First Floor	1,841	\$16.50	\$30,377
Apartment 21A	Second and third	5 Rooms	\$1,000	\$12,000
Apartment 21B	First Floor	4 Rooms	\$1,100	\$13,200
Apartment 21B	Second Floor	4 Rooms	\$1,100	\$13,200
<b>Potential Gross Income</b>				<b>\$68,777</b>

After deducting for vacancy, fixed and variable operating expenses (\$46,124 Net Operating Income), the Appraiser developed and supported a 7.44% overall capitalization rate, indicating a value of \$619,916, rounded to \$620,000.

Reconciliation & Value Conclusion

Cost Approach	Not developable
Sales Comparison Approach	\$610,000
Income Capitalization Approach	<u>\$620,000</u>
<b>Total Market Value of the Appraised Property</b>	<b>\$615,000</b>

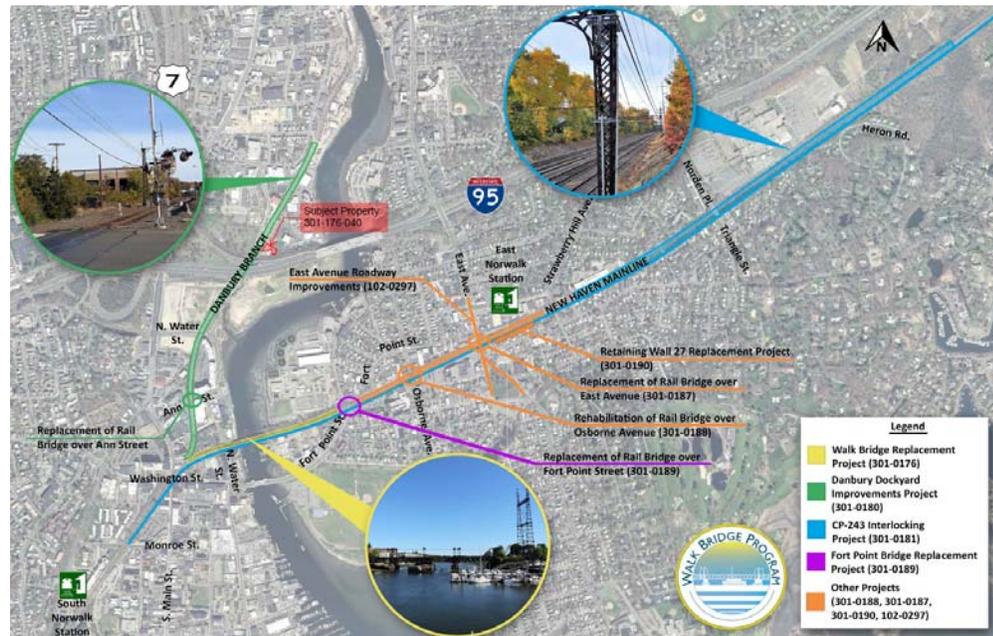
The town assessment records tax the property based on \$648,786 (100% value) based on a 2018 city-wide revaluation.

The Grantor has agreed to DOT's taking price of \$615,000.

**RECOMMENDATION:** Board approval of damages in the amount of \$615,000 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 acquisition value is supported by the DOT appraisal report completed by Independent Appraiser Norman Benedict, MAI.



## 5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

## 6. ARCHITECT-ENGINEER - NEW BUSINESS

## 7. OTHER BUSINESS

<b>PRB #</b>	<b>20-055</b>
<b>Transaction/Contract Type:</b>	DAS / WCC
<b>Origin/Client:</b>	RE / Lease
<b>Lessor:</b>	Quantum of Washington Street, LLC
<b>Property:</b>	New Britain, Washington Street (24)
<b>Project Purpose:</b>	Relocation of WCC New Britain Office
<b>Item Purpose:</b>	New 10-year Lease

April 23, 2020 Update.

At the April 9, 2020 SPRB Meeting, under PRB #20-055, the SPRB approved a new Lease for the Workers Compensation Commission to relocate to 24 Washington Street, New Britain, CT. Upon DAS submitting the Lease to the AG for final approval two Scrivner's errors were identified as well as an outdated Exhibit L, described as follows:

1. There was a discrepancy in Section 2.02 of the lease pertaining to dollar amounts. In text, the amount in the lease was shown as \$90,857.00, but numerically it is shown as \$96,857.00. It is supposed to be \$96,857, the text was changed to reflect the accurate amount in the slip page.
2. There was a discrepancy in the rental amount for the first renewal term in Section 3.03. In text, the amount is shown as \$166,550.21, but numerically it is shown as \$160,550.21. The correct amount is \$160,550.21 (8% increase over base rent for first renewal term). The text has been updated on the attached slip page.
3. Exhibit L in the original lease is out of date. The attached Exhibit L has been updated.

The AG requires an email from WCC, OPM & SPRB approving of DAS to slip sheet the affected six pages to correct the Scrivner's errors and update Exhibit L.

RECOMMENDATION: It is recommended that SPRB approve DAS' request to slip-sheet the affected pages.

**8. VOTES ON PRB FILE:**

**PRB FILES #20-057** – Mr. Halpert moved and Mr. Berger seconded a motion to approve PRB FILE #20-057. The motion passed unanimously.

**PRB FILES #20-055** – Mr. Valengavich moved and Mr. Berger seconded a motion to approve replacing the necessary pages within the Lease approved under PRB #20-055, to correct two Scrivner's errors as well as an outdated Exhibit L in the Addenda. The motion passed unanimously.

**9. NEXT MEETING** – Thursday, April 30, 2020.

The meeting adjourned.

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