STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On April 30, 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 30, 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 27, 2020 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

PRB #	**20-060**
Transaction/Contract Type:	RE/ Voucher
Origin/Client:	DOT/DOT
Project Number:	015-371-010
Grantor:	Twenty One Forty Nine Seaview Avenue, LLC
Property:	Bridgeport, Seaview Ave (2149)
Project Purpose:	Seaview Avenue Corridor Improvements
Item Purpose:	Voucher

DAMAGES: $7,000.00

PROJECT: The City of Bridgeport, with technical and financial assistance from the Connecticut Department of Transportation (CTDOT) and the Federal Highway Administration (FHWA), proposes reconstruction, streetscape enhancements, and a new transportation corridor centered upon Seaview

Avenue in Bridgeport. The project will reconstruct and provide streetscape enhancements on Seaview Avenue and construct a new arterial roadway which will provide access to the planned Lake Success Business Park (LSBP), as well as the new Harding High School.

Improvements on Seaview Avenue from Barnum Avenue to US Route 1 are anticipated to include pavement rehabilitation, replacement and upgrade of traffic signal equipment, new sidewalks, streetscape enhancements, transit service features, and relocation of above ground utilities to below grade. The intersection at US Route 1 will be realigned to accommodate a "normalized" four-way intersection with Seaview Avenue and Bond Street, thus eliminating the current offset alignment of the north/south legs.

SITE DESCRIPTION: The subject property consists of a 1.61 acre (70,132 sf) lot with 224.64 feet of frontage on the west side of Seaview Avenue. The site is level at grade. The property is located in the OR zone and is pre-existing non-conforming regarding use. The site is improved with a 15,466 sq.ft. partially-demolished mill building, 18,800 sq.ft. of asphalt-paved parking area and approximately 1,760 linear feet of chain link fence.

The Appraiser opined the highest and best use of the property is for demolition of the existing improvements to permit redevelopment of the site.

Before Valuation: An appraisal was done by independent Appraiser Steven E. MacCormack, as of 8/29/2019.

Land Valuation: Based on the sales comparison approach, the Appraiser considered three commercially-zoned comparable sales, two in Bridgeport and one in abutting Stratford, and concluded that the fair market value of the entire property (land only) is $235,000/acre. The value of the land, before the taking, is then 1.61 acre x $235,000/acre = $378,350, rounded to $378,000.

The Appraiser then completed both the Sales Comparison Approach and Income Capitalization to confirm his opinion of Highest and Best Use – demolition of the existing improvements to permit redevelopment of the site – as the two approaches indicates a value less than the indicated land value.

Sales Comparison Approach: The Appraiser considered three sales of warehouses, all in Bridgeport, and concluded that the fair market value of the entire property is $20.00/square foot. The value of the building, before the taking, is then 15,466/sq.ft. x $20/sq.ft. = $309,320, rounded to $309,000.

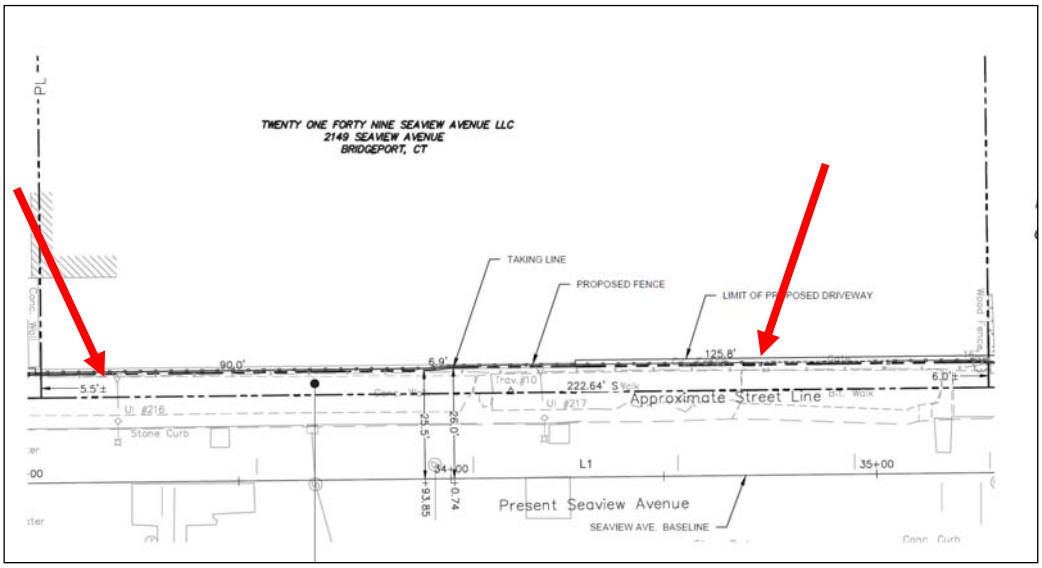
Income Capitalization Approach: The Appraiser considered four listings of similar properties, all in Bridgeport, and concluded that the fair market value of the entire property is $2.00/square foot, on a triple-net basis, or 15,466 sf x $2/sf = $30,932 gross potential income. After deducting for vacancy, fixed and variable operating expenses ($23,328 Net Operating Income), the Appraisers developed and supported a 7.75% overall capitalization rate, indicating a value of $352,619, rounded to $353,000.

Reconciliation & Value Conclusion

VALUE CONCLUSIONS	
Cost Approach	Not developed
Sales Comparison Approach	$309,000
Income Approach	$353,000
Market Value As Of August 29, 2019	**$310,000**

DOT requires acquiring the following:

- A partial take (#1) in fee-simple along Seaview Avenue – 1,280± sf
- A right to install fence acquired over an area of 223± lf
- A right to construct driveway acquired over an area of 146± feet



The following is a summary of the effects of the taking:

1. A loss of a total of 1,280± sq.ft. of land area
2. The taking will require the installation of approximately 223 linear feet of chain link fencing.

After Valuation:

Land Valuation: The Appraisers utilized the same land sales from the Before valuation and concluded that the fair market value of the remaining property (land only) is $235,000/acre. The value of the land, after the taking, is then 1.5806 acre x $235,000/acre = $371,441, rounded to $371,000.

Total Direct Damages are calculated as follows:

Direct Damages	
Land Value Before:	$378,000
Less Land Value After:	$371,000
Total Direct Damages =	$7,000

RECOMMENDATION: Board **approval** of damages in the amount of $7,000 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 independent appraisal report completed by Steven E. MacCormack.

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER - NEW BUSINESS

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILES #20-060 – Mr. Valengavich moved and Mr. Halpert seconded a motion to approve PRB FILE #20-060. The motion passed unanimously.

9. NEXT MEETING – Monday, May 4, 2020.

The meeting adjourned.

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