

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On November 2, 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 November 2, 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

At Chairman Greenberg's request, Vice Chairman Josephy led the meeting.

Vice Chairman Josephy 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 October 29, 2020 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

The Board had inquired about a prior communication with the Department of Agriculture regarding coursework available as it relates to appraising the farm lands. Staff informed the Board that no response has been received as of this meeting.

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

PRB #	20-210
Transaction/Contract Type:	RE – Amendment
Origin/Client:	DAS/DVA
Lessee:	Vietnam Veterans of America, Inc. Connecticut State Council
Property:	Rocky Hill, West St (287)
Project Purpose:	Relocate Tenant and add Option to Extend Lease

Item Purpose: First Amendment to Lease

At the May 4, 2017 SPRB Meeting, under PRB #17-102, the SPRB approved a five-year renewal option in the Lease for Vietnam Veterans of America, Inc. Connecticut State Council's (VVA) continued use of 320 SF, Office #103, First Floor, Building #18, located at 196 West Street in Rocky Hill. The rental rate was \$600/year, or \$1.88/sf. The Lease term expires on October 31, 2022.

Under this Proposal (PRB #20-210), DAS and DVA are now seeking SPRB approval to amend the terms of the Lease to relocate the Lessee to 440 square feet in Building #50 at 287 West Street in Rocky Hill and adds one five-year option to extend the Lease through October 31, 2027. The rental rate remains unchanged at \$600 per year during the option.

DESCRIPTION	SUBJECT LEASE-OUT	SUBJECT LEASE-OUT
PRB #	#12-258, renewal #17-102	#20-210 – First Amendment
Leased Premises	320 SF, Office #103, First Floor, Building #18, 196 West Street, Rocky Hill	400 SF, First Floor & Basement, Building #50, 287 West Street, Rocky Hill
Use	Office use and assembly meetings, Monday thru Saturday from 7:00 a.m. to 8:00 p.m.	Office use and assembly meetings, Monday thru Saturday from 7:00 a.m. to 8:00 p.m.
Lease Term	5 years, commencing upon AG approval	Term expires on October 31, 2022
Annual Rent	\$600	\$600
Renewal Term (years)	<u>One 5-year renewal - #17-102</u>	<u>Adds one 5-year renewal</u>
Lessee's Additional Rent	See Lease Exhibit C. Lessee furnishes its own t-comm. /data service, housekeeping and window washing. In addition, Lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees	See Lease Exhibit C. Lessee furnishes its own t-comm. /data service, housekeeping and window washing. In addition, Lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees
Services Provided @ Lessor's Cost	See Lease Exhibit C. In general, Lessor is responsible for all services and utilities, common areas, and central building equipment.	See Lease Exhibit C. In general, Lessor is responsible for all services and utilities, common areas, and central building equipment.
Insurance	Lessee will maintain liability insurance \$1,000,000 occurrence/\$2,000,000 aggregate; and insurance against all risk or loss to any tenant improvement, betterment, personal property, trade fixture. Workers Compensation and Employers Liability coverage shall be maintained in compliance with state law. Minimum level of Employers Liability coverage is \$100,000 each accident, \$300,000 Disease-Policy Limit, \$100,000 each employee.	Lessee will maintain liability insurance \$1,000,000 occurrence/\$2,000,000 aggregate; and insurance against all risk or loss to any tenant improvement, betterment, personal property, trade fixture. Workers Compensation and Employers Liability coverage shall be maintained in compliance with state law. Minimum level of Employers Liability coverage is \$100,000 each accident, \$300,000 Disease-Policy Limit, \$100,000 each employee.
Assignment & Subletting	Requires prior written consent of Lessor	Requires prior written consent of Lessor
Lease Termination	Lessor may terminate in the event of Lessee's default or at any time with 90 days notice	Lessor may terminate in the event of Lessee's default or at any time with 90 days notice

RECOMMENDATION: Staff recommends approval for the First Amendment to Lease to relocate the Lessee and extend the Lease through October 31, 2027. The annual rent helps to offset DVA operating expenses in exchange for VVA providing in-kind services to DVA clientele.

PRB #17-102, Lease-Out, Office #103, Building #18, located at 196 West Street, Rocky Hill. **Lessee:** Vietnam Veterans of America, Inc. Connecticut State Council

The Vietnam Veterans currently lease 320 SF for office use in Building #18 on the Rocky Hill campus of the Department of Veterans Affairs. The rate of \$1.88/SF/annum which was set by the Department of Veterans Affairs to cover a portion of the operating expenses. Similar leases are in place at the Rocky Hill Campus for American Legion and the Veterans of Foreign Wars.

RECOMMENDATION: Board approval is recommended for the Lessee's exercising its option to renew the lease for an additional 5 years, expiring 10/31/2022.

SUMMARY – STANDARD LEASE-OUT AGREEMENT

DESCRIPTION	SUBJECT LEASE-OUT
PRB #	#12-258, renewal #17-102
Leased Premises	320 SF, Office #103, First Floor, Building #18, 196 West Street, Rocky Hill
Use	Office use and assembly meetings, Monday thru Saturday from 7:00 a.m. to 8:00 p.m.
Lease Term	5 years, commencing upon AG approval
Annual Rent	\$600
Renewal Term (years)	<u>One 5-year renewal - #17-102</u>
Lessee's Additional Rent	See Lease Exhibit C. Lessee furnishes its own t-comm. /data service, housekeeping and window washing. In addition, Lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees
Services Provided @ Lessor's Cost	See Lease Exhibit C. In general, Lessor is responsible for all services and utilities, common areas, and central building equipment.
Insurance	Lessee will maintain liability insurance \$1,000,000 occurrence/\$2,000,000 aggregate; and insurance against all risk or loss to any tenant improvement, betterment, personal property, trade fixture. Workers Compensation and Employers Liability coverage shall be maintained in compliance with state law. Minimum level of Employers Liability coverage is \$100,000 each accident, \$300,000 Disease-Policy Limit, \$100,000 each employee.
Assignment & Subletting	Requires prior written consent of Lessor
Lease Termination	Lessor may terminate in the event of Lessee's default or at any time with 90 days notice

PRB # **20-211**
Transaction/Contract Type: RE – Amendment
Origin/Client: DAS/DVA
Lessee: Veterans of Foreign Wars of the United States
Property: Rocky Hill, West St (287)
Project Purpose: Relocate Tenant
Item Purpose: First Amendment to Lease

At the August 27, 2018 SPRB Meeting, under PRB #18-141, the SPRB approved a five-year Lease for Veterans of Foreign Wars of the United States' (VFW) continued use of 2,635 square feet of office space located in Building #7, located at 287 West Street in Rocky Hill. The rental rate was \$2,200/year, or \$0.83/sf. The Lease term expires on June 30, 2023.

Under this Proposal (PRB #20-211), DAS and DVA are now seeking SPRB approval to amend the terms of the Lease to relocate the Lessee to 2,266 square feet in Building #50 at 287 West Street in Rocky Hill. The rental rate remains unchanged at \$2,200 per year.

DESCRIPTION	#18-141	SUBJECT LEASE-OUT
Lessee	Veterans of Foreign Wars of the United States	#20-211 – First Amendment
Building/Leased Premises	Building #7, 1 st floor, 2,635 SF	2,266 SF, First Floor & Basement, Building #50, 287 West Street, Rocky Hill
Use	offices	Office use and assembly meetings, Monday thru Saturday from 7:00 a.m. to 8:00 p.m.
Lease Term	5 year commencing May 1, 2018, upon AG approval	Ending June 30, 2023
Annual Rent	\$2,200 (\$0.83/SF)	\$2,200 (\$0.97/SF)
Renewal Term (years)	5 year extension at same rate	Same
Lessee's Additional Rent	Air conditioning; recycling and housekeeping services; task lighting; window washing. In addition lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees	See Lease Exhibit C. Lessee furnishes its own t-comm. /data service, housekeeping and window washing. In addition, Lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees
Services Provided @ Lessor's Cost	Lessor is responsible for maintenance of building exterior and structural portions of the premises, public portions of the building, and the plumbing, electrical, heating and ventilating systems, and parking lot maintenance.	See Lease Exhibit C. In general, Lessor is responsible for all services and utilities, common areas, and central building equipment.
Insurance	Meets standard state requirements contained within Section 10 of Lease	Lessee will maintain liability insurance \$1,000,000 occurrence/\$2,000,000 aggregate; and insurance against all risk or loss to any tenant improvement, betterment, personal property, trade fixture. Workers Compensation and Employers Liability coverage shall be maintained in compliance with state law. Minimum level of Employers Liability coverage is \$100,000 each accident, \$300,000 Disease-Policy Limit, \$100,000 each employee.
Assignment & Subletting	Requires prior written consent of Lessor	Requires prior written consent of Lessor
Lease Termination	Lessor may terminate in the event of Lessee's default or at any time with 90 days notice	Lessor may terminate in the event of Lessee's default or at any time with 90 days notice

During the review of this Proposal Board members questioned the different per sf rental rates and VVA/VFW providing in-kind services to DVA clientele.

Under PRB #18-141, the Board approved the new VFW Lease. At that time DAS and DVA determined that DVA must work with its non-profits to better quantify the value of the in-kind services provided to DVA clientele at which time the value of the in-kind services can be applied to offset rent.

The Board requested an update from DAS with respect to DVA providing any quantification of the value of these in-kind services.

RECOMMENDATION: Staff recommends approval for the First Amendment to Lease to relocate the Lessee to Building #50. The annual rent helps to offset DVA operating expenses in exchange for VFW providing in-kind services to DVA clientele.

From PRB #18-141

The Veterans of Foreign Wars of the United States has been leasing these premises under similar terms (16-049 1-yr term), except that before 2010 (PRB #10-093) the prior rental rate was \$1.00 per year. The current rate is \$0.83/SF which was set by the DVA in 2010 to cover a portion of the operating expenses.

In 2010, DAS sought to increase the rental rate to recapture more of the State's operating expenses. VFW responded in that they are providing services to DVA clientele and absent VFW's efforts, those services either won't be available, or DVA would bear the expense. DAS and DVA determined that DVA must work with its non-profits to better quantify the value of the in-kind services provided to DVA clientele at which time the value of the in-kind services can be applied to offset rent.

The terms of the lease are as follows:

DESCRIPTION	#18-141
Lessee	Veterans of Foreign Wars of the United States
Building/Leased Premises	#7, 1 st floor, 2,635 SF
Use	offices
Lease Term	5 year commencing May 1, 2018, upon AG approval
Annual Rent	\$2,200 (\$0.83/SF)
Renewal Term (years)	5 year extension at same rate
Lessee's Additional Rent	Air conditioning; recycling and housekeeping services; task lighting; window washing. In addition lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees
Services Provided @ Lessor's Cost	Lessor is responsible for maintenance of building exterior and structural portions of the premises, public portions of the building, and the plumbing, electrical, heating and ventilating systems, and parking lot maintenance.
Insurance	Meets standard state requirements contained within Section 10 of Lease
Assignment & Subletting	Requires prior written consent of Lessor
Lease Termination	Lessor may terminate in the event of Lessee's default or at any time with 90 days notice

RECOMMENDATION - Board approval of the standard lease-out agreement at an annual of \$2,200 for a 1 year term is recommended.

PRB # 20-212
Transaction/Contract Type: RE – Amendment
Origin/Client: DAS/DVA
Lessee: Southeastern Connecticut Enterprise Region Corporation
Property: Rocky Hill, West St (287)
Project Purpose: Relocate Tenant
Item Purpose: First Amendment to Lease

At the January 5, 2018 SPRB Meeting, under PRB #17-353, the SPRB approved a five-year Lease for Southeastern Connecticut Enterprise Region Corporation – PTAP Program's (Secter) continued use of 132 square feet of office space located in Building #7, located at 287 West Street in Rocky Hill. The rental rate was \$950/year, or \$7.20/sf. The Lease term expires on February 28, 2023.

Under this Proposal (PRB #20-212), DAS and DVA are now seeking SPRB approval to amend the terms of the Lease to relocate the Lessee to one office in Building #50 at 287 West Street in Rocky Hill. The rental rate remains unchanged at \$950 per year.

#17-353	#20-212
Southeastern Connecticut Enterprise Region Corporation	Southeastern Connecticut Enterprise Region Corporation
Office #4, Building #7	Office #4, Building #7
132 SF	132 SF
Offices use 7:00 a.m. to 8:00 p.m. Monday thru Saturday	Offices use 7:00 a.m. to 8:00 p.m. Monday thru Saturday
1 year commencing upon AG approval	1 year commencing upon AG approval
\$950 (\$7.20/SF)	\$950/year
5 year extension at \$950/year (\$7.20/SF) 5 year extension at \$1,000/year (\$7.57/SF)	5 year extension at \$1,000/year
T-Comm/Data services; task lighting; housekeeping. In addition lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees	T-Comm/Data services; task lighting; housekeeping. In addition lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees
Lessor is responsible for maintenance of building exterior and structural portions of the premises, public portions of the building, and the plumbing, electrical, heating and ventilating systems, and parking lot maintenance.	Lessor is responsible for maintenance of building exterior and structural portions of the premises, public portions of the building, and the plumbing, electrical, heating and ventilating systems, and parking lot maintenance.
Lessee will maintain liability insurance \$1,000,000 occurrence/\$2,000,000 aggregate; and insurance against all risk or loss to any tenant improvement, betterment, personal property, trade fixture. Workers Compensation and Employers Liability coverage shall be maintained in compliance with state law. Minimum level of Employers Liability coverage is \$100,000 each accident, \$300,000 Disease-Policy Limit, \$100,000 each employee.	Lessee will maintain liability insurance \$1,000,000 occurrence/\$2,000,000 aggregate; and insurance against all risk or loss to any tenant improvement, betterment, personal property, trade fixture. Workers Compensation and Employers Liability coverage shall be maintained in compliance with state law. Minimum level of Employers Liability coverage is \$100,000 each accident, \$300,000 Disease-Policy Limit, \$100,000 each employee.
Requires prior written consent of Lessor	Requires prior written consent of Lessor
Lessor may terminate in the event of Lessee's default or at any time with 90 days notice	Lessor may terminate in the event of Lessee's default or at any time with 90 days notice

RECOMMENDATION: Staff recommend approval for the First Amendment to Lease to relocate the Lessee to Building #50. The annual rent helps to offset DVA operating expenses in exchange for Sector providing in-kind services to DVA clientele.

Re: **PRB #17-353** DAS/Dept. of Veterans Affairs – Lease-Out Renewal - DVA Campus,
Southeastern Connecticut Enterprise Region Corporation – PTAP Program

RECOMMENDATION - Board approval of the renewal for this standard lease-out agreement at an annual of \$950 for a 5- year term is recommended. The Lessee runs programs to help veteran-owned small businesses obtain government contracts.

SUMMARY - LEASE-OUT

#17-016	#17-353
Southeastern Connecticut Enterprise Region Corporation	Southeastern Connecticut Enterprise Region Corporation
Office #4, Building #7	Office #4, Building #7
132 SF	132 SF
Offices use 7:00 a.m. to 8:00 p.m. Monday thru Saturday	Offices use 7:00 a.m. to 8:00 p.m. Monday thru Saturday
1 year commencing upon AG approval	1 year commencing upon AG approval
\$891 (\$6.75/SF)	\$9.50 (\$7.20/SF)
5 year extension at \$950/year (\$7.20/SF)	5 year extension at \$950/year (\$7.20/SF)
5 year extension at \$1,000/year (\$7.57/SF)	5 year extension at \$1,000/year (\$7.57/SF)
T-Comm/Data services; task lighting; housekeeping. In addition lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees	T-Comm/Data services; task lighting; housekeeping. In addition lessee is responsible for routine maintenance & repairs; insurance, property taxes (if any) & any repairs due to the negligence of Lessee, its employees, clients or invitees
Lessor is responsible for maintenance of building exterior and structural portions of the premises, public portions of the building, and the plumbing, electrical, heating and ventilating systems, and parking lot maintenance.	Lessor is responsible for maintenance of building exterior and structural portions of the premises, public portions of the building, and the plumbing, electrical, heating and ventilating systems, and parking lot maintenance.
Lessee will maintain liability insurance \$1,000,000 occurrence/\$2,000,000 aggregate; and insurance against all risk or loss to any tenant improvement, betterment, personal property, trade fixture. Workers Compensation and Employers Liability coverage shall be maintained in compliance with state law. Minimum level of Employers Liability coverage is \$100,000 each accident, \$300,000 Disease-Policy Limit, \$100,000 each employee.	Lessee will maintain liability insurance \$1,000,000 occurrence/\$2,000,000 aggregate; and insurance against all risk or loss to any tenant improvement, betterment, personal property, trade fixture. Workers Compensation and Employers Liability coverage shall be maintained in compliance with state law. Minimum level of Employers Liability coverage is \$100,000 each accident, \$300,000 Disease-Policy Limit, \$100,000 each employee.
Requires prior written consent of Lessor	Requires prior written consent of Lessor
Lessor may terminate in the event of Lessee's default or at any time with 90 days notice	Lessor may terminate in the event of Lessee's default or at any time with 90 days notice

The Lessee will run continue to run a program called PTAP, which stands for **Procurement Technical Assistance Program**. The program mission is help Vet-owned small businesses navigate local, state and federal procurement processes (red tape) in order to help them obtain government contracts. PTAP is funded by Department of Defense/Defense Logistics Agency, and DECD.

Lessee has signed non-discrimination certificates complying with CGS Sec. 4a-60(a)(1) and 4a-60a(a)(1). Because the contract is less than \$50,000 gift and campaign contribution affidavits are not required.

PRB #

20-213

Transaction/Contract Type: RE – Amendment
Origin/Client: DAS/DVA

Assignee: University of Connecticut (UCONN)
Property: Rocky Hill, West St (287)
Project Purpose: Relocate Tenant
Item Purpose: First Amendment to MOU

At the September 7, 2017 SPRB Meeting, under PRB #17-247, the SPRB approved a MOU is to allow UCONN the opportunity to utilize Office #2 within Building #7 as a Veterans Outreach Center for the Connecticut Small Business Development Center (“CSBDC”). The space will be utilized during normal business hours so that there will not be any impact on standard DVA operations. UCONN will also be entitled to the use of the adjoining common spaces such as restrooms and waiting areas and use of two (2) unreserved parking spots. The term of the MOU is one-year with automatic renewals and the right for either party to terminate the agreement with 60-days advance notice. DVA is providing the space at no cost to UCONN.

Under this Proposal (PRB #20-213), DAS and DVA are now seeking SPRB approval to amend the terms of the MOU to relocate UCONN to one office in Building #50 at 287 West Street in Rocky Hill under the same terms of the original MOU.

RECOMMENDATION: Staff recommend approval for the First Amendment to MOU to relocate UCONN to Building #50 to continue as a Veterans Outreach Center for the Connecticut Small Business Development Center (“CSBDC”).

Re: PRB# 17-247 – State Agency – Assignment of State Owned Space
Department of Veterans Affairs – Building #7 –Office #2
UCONN Small Business Development Center – Memorandum of Understanding

The Department of Administrative Services (“DAS”) is requesting SPRB approval pursuant to CGS 4b-29 for a Memorandum of Understanding (“MOU”) between the Department of Veterans Affairs (“DVA”) and the University of Connecticut (“UCONN”). The purpose of the MOU is to allow UCONN the opportunity to utilize Office #2 within Building #7 as a Veterans Outreach Center for the Connecticut Small Business Development Center (“CSBDC”). The space will be utilized during normal business hours so that there will not be any impact on standard DVA operations. UCONN will also be entitled to the use of the adjoining common spaces such as restrooms and waiting areas. UCONN will also be entitled to two (2) unreserved parking spots.

The goal of the CSBDC is to work with the Federal Small Business Administration (“SBA”) to focus efforts on Veteran-Owned Companies. CSBDC will work with the SBA to highlight targeted veteran programs such as “Boots to Business” and other targeted loan programs with a focus on increasing the number of start-up veteran-owned enterprises in Connecticut. All parties agreed that locating this operation at a central location along with existing offices for the CT Procurement Technical Assistance Program, VFW Office and regional American Legion Office is an ideal situation for these targeted outreach efforts.

DAS and DVA have concurred with this agreement to provide this space to UCONN at no charge. The term of the license agreement is one-year with automatic renewals and the right for either party with 60-days advance notice.

The MOU has been signed by Commissioner Currey, DAS, Sean Connolly, DVA Commissioner and Emily Carter, UCONN CSBDC Director. OPM has also approved the MOU.

RECOMMENDATION: Board approval is recommended.

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER - NEW BUSINESS

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILE #20-210 – Mr. Halpert moved and Mr. Valengavich seconded a motion to approve PRB FILE #20-210. The motion passed unanimously.

PRB FILE #20-211 – Mr. Valengavich moved and Mr. Berger seconded a motion to approve PRB FILE #20-211. The motion passed unanimously.

PRB FILE #20-212 – Mr. Valengavich moved and Mr. Berger seconded a motion to approve PRB FILE #20-212. The motion passed unanimously.

PRB FILE #20-213 – Mr. Halpert moved and Mr. Valengavich seconded a motion to approve PRB FILE #20-213. The motion passed unanimously.

9. NEXT MEETING – Thursday, November 5, 2020

The meeting adjourned.

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