

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On April 1, 2021 – 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 1, 2021 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

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 March 29, 2021 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

Mr. Berger provided Board Members with an update on his ongoing conversations and review about certain proposed legislation that affects the State Properties Review Board.

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session and into Executive Session at 9:43. The motion passed unanimously.

EXECUTIVE SESSION

PRB #:	21-029
Transaction/Contract Type:	RE/ Purchase and Sale Agreement
Origin/Client:	DAS/ DAS

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

Mr. Valengavich moved and Mr. Berger seconded a motion to go out of Executive Session and into Open Session at 10:02. The motion passed unanimously.

PRB #	#21-030
Transaction/Contract Type:	RE – Administrative Settlement
Origin/Client:	DOT/DOT
Project #:	110-136-001
Grantor:	Estate of Joseph F. Colette
Property:	Plymouth, Main St (212)
Project Purpose:	Major Intersection Improvements on Route 6 at North Main Street & Agney Avenue
Item Purpose:	Administrative Settlement for Total Take

DAMAGES: \$150,000

DOT PROJECT: The purpose of the project is to correct operational and safety deficiencies at the intersections of Route 6 with South Main Street, North Main Street, and Agney Avenue. The proposed improvements will include realignment of North Main Street to form a normalized four-legged intersection with Main Street opposite Agney Avenue. This new intersection will be signalized. In addition, left-turn lanes will be provided in both directions of Route 6 at the new North Main-Agney Avenue intersection; and on Route 6 westbound at South Main Street and eastbound at the Woods Court driveway. On-street parking will be provided along Route 6 on various locations.

There are right-of-way impacts associated with the proposed improvements. It is anticipated that approximately five sliver acquisitions and one total acquisition will be required to accommodate widening and sidewalk construction along Route 6, North Main Street and Agney Avenue. In addition, several slope and construction easements will be required.

Construction is anticipated to begin in spring 2022 based on the availability of funding, acquisition of rights of way and approval of permit(s). The estimated construction cost for this project is approximately \$ 5.3 million. This project is anticipated to be undertaken with eighty percent (80%) federal funds and twenty percent (20%) state funds.

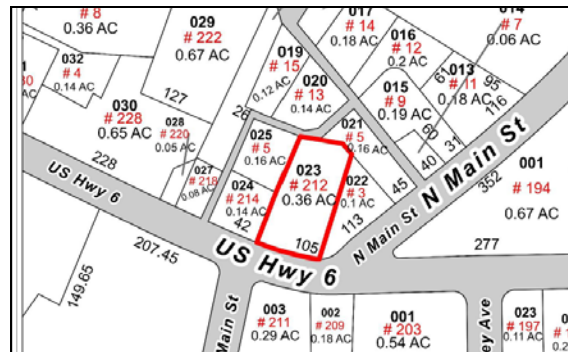
SITE & TAKING DESCRIPTION: The subject site consists of a 16,312± square foot (0.37447± acre) parcel of land with 106'± frontage on the north side of Main Street (Route 6), with an additional 11'± frontage on the western side of North Main Street. While the site technically offers frontage on two streets, the utility of the frontage on North Main Street is extremely limited. The parcel has a generally rectangular shape with a gently upward sloping topography. An easement for three unspecified parking spaces is in favor of the westerly abutting property owner encumbers the subject's rear paved parking area. The site is located in the C-Village zone and conforms to zoning requirements.

The site is improved with an antique mixed-use structure known locally as the 'Austin House,' constructed in 1920, containing 5,166± square feet of area above-grade area and with a walk-out level basement (having partial commercial utility) totaling an additional 2,583± square feet of area. The exterior of the building consists of residential style vinyl siding and older asbestos shingle, with an open porch structure along the front, updated residential style and older single pane glass windows, and an asphalt shingle roof that is estimated to be 20 to 30 years old and in fair condition. The interior has been vacant for many years, with the first floor most recently utilized as a restaurant/bar/banquet hall and offers commensurate, dated finish quality with plaster/sheetrock, older carpet, a bar area, commercial kitchen in poor condition, two single-occupancy restroom and an additional water closet. The second floor of the improvements was most recently utilized as a boarding house with 13 rooms and three common-area, single-occupancy restrooms. However, the building (specifically the second floor and roof) suffered from a fire between 20 and 30 years ago. The interior was considerably damaged and was not renovated thereafter, with only the roof reconstructed. The basement level has two rooms which have been previously used for commercial purposes, as it is at grade with the road frontage and sidewalk. The remainder of the basement is used for storage (older walk-in cooler noted), with two water closets noted. Mechanicals appears in poor and unusable condition, with what appears to be asbestos insulation

surrounding a boiler and some nearby pipes.

The Appraiser opines the highest and best use of the site, as vacant, is for commercial development. The highest and best use, as improved is as follows:

As such, it is the opinion of your appraiser that the Highest and Best Use of the subject property "As-Improved" would be for its usage for cold storage purposes as an interim use for the remainder of its limited remaining economic life, and razing and redevelopment for commercial purposes at a future point in time, and is one that is allowable via current zoning regulations, and is one that is legally permissible, physically possible, financially feasible, and one that maximizes profitability.



VALUATION: The DOT appraisal was completed July 8, 2020 by DOT Staff Appraiser Steven C. Miller.

Land Valuation: Based on the sales comparison approach, the Appraiser considered four sales, including one in Plymouth, Wolcott and two sales in Bristol (2018-2020) of similarly-zoned land with similar highest and best use and concluded that the fair market value of the subject land was \$98,000, or \$6.00/square foot (16,312 sf x \$6/sf = \$97,872).

The town assessment records indicate the value of the land is \$86,000 (100% value) based on a 2016 town-wide revaluation.

Building Valuation:

Cost Approach: The appraiser utilized the Marshall & Swift Valuation Service to develop an opinion of value as to the building and land. He estimated the replacement cost new of the building, deducted depreciation, and added the depreciated value of the site improvements. The estimated value of the land is then added to the depreciated value of the improvements to arrive at the market value of the subject property as indicated by the cost approach.

<i>Depreciated Value of Existing Structural Improvements</i>	
Cost of Construction	\$ 526,506
Less: Total Depreciation	<u>\$ 500,181</u>
<i>Total Depreciated Value (Structure Only)</i>	<i>= \$ 26,325</i>
<i>Plus: Features, Amenities, & Utilities:</i>	
Paved Parking (11,000± Sq.Ft. @ \$2.66 x 75% Dep.)	= \$ 7,315
Concrete Retaining Wall (Interpolated, In Place)	= \$ 5,000
Electrical Connection (Interpolated, In Place)	= \$ 1,500
City Water Connection (Interpolated, In Place)	= \$ 1,500
City Sewer Connection (Interpolated, In Place)	= \$ 2,500
Natural Gas Connection (Interpolated, In Place)	= <u>\$ 1,500</u>
<i>Total Site Improvements</i>	<i>= \$ 19,315</i>
<i>Value of Commercial Land</i>	
16,312± Square Feet x \$6.00 per Sq.Ft.	= <i>\$ 98,000 (rd)</i>
<i>Reconciliation of Value Via Cost Approach</i>	
Value of Existing Structural Improvements	\$ 26,325
Value of Site Improvements	\$ 19,315
Value of Commercial Land (Totaling 0.37447± Acre)	<u>\$ 98,000</u>
<i>Total Value of Improvements & Land</i>	<i>\$ 143,640</i>
Or, Say \$ 144,000	

Sales Comparison Approach: The appraiser analyzed three sales of mixed use properties, two in Thomaston and one in Bristol (2019). Sale prices ranged from \$220,000 to \$445,000, and after adjustments, concluded that the fair market value of the subject property was, \$25/sf x 5,206 sf = \$130,150, rounded to \$130,000.

The property was last listed for sale in the Multiple Listing Service on June 20, 2006, for \$295,000. The listing was withdrawn on January 23, 2007.

Reconciliation and Value Conclusion

Approach	Opinion of Market Value
Sales Comparison Approach - Land	\$98,000
Cost Approach – Building	\$144,000
Sales Comparison Approach – Building	\$130,000
Conclusion of Market Value	\$135,000

From the Administrative Settlement:

The State's formal offer was tendered on September 11, 2020 to the Estate of Joseph F. Colette. Negotiations ensued with Craig Colette and Attorney Richard Gilland, co-executors for the estate. They felt the State's offer was too low and referenced the Town's assessment value of \$200,000.00 for the property. In response, they submitted an appraisal prepared by Mr. Walter Kloss estimating damages in the amount of \$160,000.00 as of December 1, 2020. Mr. Kloss utilized the sales comparison approach and established a unit value of \$27.50 per square foot.

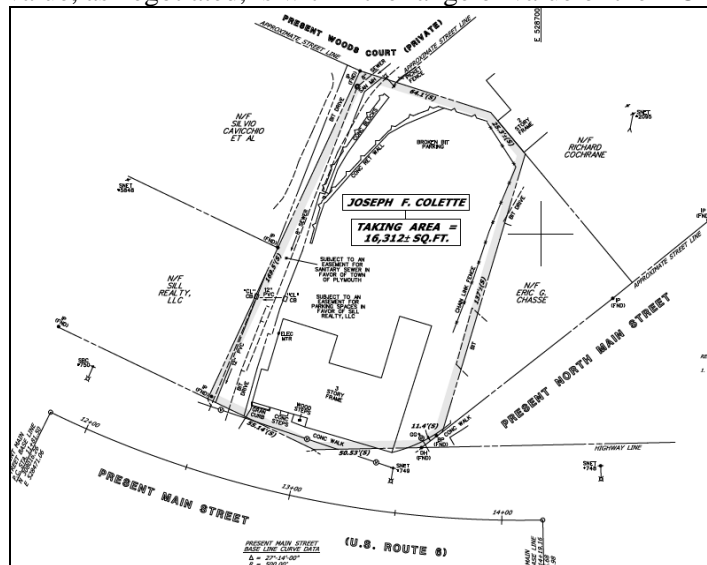
The Estate argued that Mr. Kloss's report more accurately depicts the value of the subject property as it includes an additional 600 square feet of street level retail space that was not acknowledged by the Town Assessor's records. While Mr. Miller acknowledges this space in his report, he valued it as part of the unfinished basement area. The additional 600 square feet is comprised of two separate 300 square foot retail spaces that, when the building was occupied, had been in use for quite some time. The Estate maintained that this retail space has been grandfathered, making it a legally non-conforming use. Although this square footage is not listed on the Assessor's field card, the historical use of this space was verified by this office with the Town of Plymouth's past and present assessors.

Negotiations concluded with an agreement in the amount of \$150,000.00 for proposed acquisition, an increase of \$15,000.00 from the State's initial offer. This increase is based on a slightly higher unit value of \$26.00 per square foot which is well within Mr. Miller's adjusted unit value range (\$21.42/sq. ft. - \$28.29/sq. ft.) while taking into consideration the additional square footage of retail space originally not considered in the Department's valuation.

Given the above, it submitted that a settlement in the amount of \$150,000.00 is fair, reasonable and in the best interest of the State.

RECOMMENDATION: Board **APPROVAL** of damages in the amount of \$150,000 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, as negotiated, is within the range of value of the DOT appraisal report.



5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS
6. ARCHITECT-ENGINEER - NEW BUSINESS

7. OTHER BUSINESS

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session and into Executive Session at 10:15. The motion passed unanimously.

EXECUTIVE SESSION

Statutory Disclosure Exemptions: 1-200(6)(A)

Mr. Valengavich moved and Mr. Berger seconded a motion to go out of Executive Session and into Open Session at 10:19. The motion passed unanimously.

8. VOTES ON PRB FILE:

PRB FILE #21-029 – Mr. Valengavich moved and Mr. Berger seconded a motion to suspend PRB FILE #21-029. The motion passed unanimously.

PRB FILE #21-030 – Mr. Halpert moved and Mr. Berger seconded a motion to approve PRB FILE #21-030. The motion passed unanimously.

9. NEXT MEETING – Monday, April 5, 2021.

The meeting adjourned.

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