

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On May 7, 2012 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on May 7, 2012 in the State Office Building.

Members Present: Edwin S. Greenberg, Chairman
Bennett Millstein, Vice-Chairman
Bruce Josephy, Secretary
Mark A. Norman
Pasquale A. Pepe
John P. Valengavich

Staff Present: Brian A. Dillon, Director
Mary Goodhouse, Real Estate Examiner

Chairman Greenberg called the meeting to order.

Mr. Josephy moved and Mr. Norman seconded a motion to enter into Open Session. The motion passed unanimously.

OPEN SESSION

ACCEPTANCE OF MINUTES OF APRIL 30, 2012. Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of April 30, 2012. The motion passed unanimously.

REAL ESTATE- UNFINISHED BUSINESS

PRB # 12-117 -A **Transaction/Contract Type:** AG / Purchase of Develop. Rights
Origin/Client: DOA / DOA
Statutory Disclosure Exemptions: 1-200(6) & 1-210(b)(7)

The Board commenced its discussion of the agenda item at 9:50 a.m. and concluded at 9:56 a.m.

Mr. Josephy moved and Mr. Norman seconded a motion to go out of Executive Session into Open Session. The motion passed unanimously.

OPEN SESSION

PRB # 12-115 **Transaction/Contract Type:** RE / Sale
Origin/Client: DOT / DOT
Project Number: 83-156-1A
Grantee: Leonard S. Wisniewski Grantor Retained Annuity Trust
Property: 1080 Bridgeport Avenue, Milford
Project Purpose: DOT sale of excess property
Item Purpose: DOT sale of approximately 20,191 SF of commercial property improved with a 1,728 SF building via a public bid.

Ms. Goodhouse reported that the release parcel is portions of two properties originally acquired in 1979 & 1980 in connection with a DOT project along State Route 162, Bridgeport Avenue, Milford.

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Its northerly boundary is the Metro-North Commuter Railroad. The property has 83 feet of frontage on Bridgeport Avenue, and 243 feet on Clark Street. The commercial building is a brick/masonry constructed auto repair garage (1,728 SF) with 3 bays. All public utilities are available to the site. The zone is Corridor Design Development -3, and the lot conforms to the requirements of the zone.

The site was a gasoline service station between 1965 and 1982. DOT then leased out the property for a business that sold and installed tires. In 1997, five underground storage tanks and a dry well were removed. During this work, approximately 7,000 gallons of a product/water mixture, and 450 tons of impacted soil were removed and disposed of.

DOT had Diversified Technology Consultants, Inc., conduct a review of state and federal databases and the consultant reported that there is no evidence that the property would be considered an establishment as defined in CGS Section 22a-134, the Connecticut Transfer Act. In the proposed Quit-Claim Deed, the State makes no warranty or representation as to the condition or suitability of the premises, including but not limited to any past, present or future environmental conditions or the availability of any heating, air conditioning, plumbing, electrical, sewage, drainage, water or other building, utility or like systems.

DOT appraised the property in October 2008 for \$485,000. A second appraisal (independent) commissioned in April 2009 concluded \$390,000. An update of the DOT appraisal in March 2010 estimated value at \$410,000 indicating a 20% decline in value between 10/2008 and 3/2010. This is a downward adjustment of -1.18% per month over this 17 month period, or annual rate of -14%. If the -1.18%/month adjustment for market conditions were applied to the 20 month period between the appraisal update in 3/2010 to 11/2011 public bid, the appraised value would be receive a negative adjustment from \$410,000 to \$313,000.

For sale signs were on the property for one year prior to the public bid, and the property was listed on the DOT website. Although 37 bid packages were requested, only 5 parties responded: \$80,000; \$110,000; \$125,000; \$250,000; and \$285,000 from this Grantee.

Ms. Goodhouse recommended Board approval to Quit- Claim the subject 20,191 sq. ft. of land improved with a 1,728 SF commercial building at the sale price of \$285,000. The proposed sale complies with Sections 4b-21, 3-14b, and 13a-80 of the CGS. In order, DPW, OPM, DDS, DECD and DEP declined an offer to acquire custody & control. The Town of Milford declined to purchase. The legislative delegation was notified of the sale. The sale would end the state's requirement to maintain the property and the Town of Milford would gain property tax income.

PRB #	12-116	Transaction/Contract Type:	RE / Voucher
Origin/Client:	DOT / DOT		
Project Number:	135-297-004		
Grantor:	Springdale Center Associates		
Property:	1058, 1068, 1074, 1076, & 1094 Hope Street, Stamford, CT		
Project Purpose:	Hope Street Improvement Project		
Item Purpose:	Acquisition of approximately 476 SF, 144 SF defined traffic easement, the right to install 224 SF of driveway, the right to construct 102 SF of concrete pavement and various other rights for highway purposes and additional compensation for the contributory value of site improvements.		

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Ms. Goodhouse said that this project will reconstruct Hope Street from Northhill Street to Weed Hill Avenue, a distance of 2,100 feet. The roadway will be widened to accommodate separate through and left turn traffic lanes from Knapp Street to Weed Hill Avenue. Three traffic signals will be replaced, new sidewalks installed, new granite curbing, and improvements made to the storm sewer system. The radii at intersecting streets will be improved where possible. As of 8/2009 the total project cost was \$8,433,000, including \$2,000,000 for rights of way acquisition. The funding is 80% federal, 10% state and 10% municipal.

The subject property is known as the Springdale Shopping Center comprised of 2 non-contiguous parcels of 1.44 acres and 1.38 acres. The project will impact a sign base, landscaping and planters. Since no other improvements will be affected by the project, the appraiser, Thomas L. Fox, did not value the buildings.

The Grantor will be compensated for 476 SF of land along Hope Street; a defined traffic easement area containing 144 SF where a traffic signal control will be installed; a sign base, landscaping and planters are within the taking area. DOT will modify (1) an existing planter, (2) the curbing, (3) bituminous concrete islands, and (4) install steel bollards and pavement markings.

SITE & AFFECTED IMPROVEMENTS VALUATION

Item	Before	After	Damages
Land	122,839 SF X \$70/SF = \$8,598,730	122,219 SF X \$70/SF = \$ 8,555,330	
Easement		144 SF x \$70/SF x 20% = \$2,016	
Sign Base	\$500		
Landscaping	\$500		
Planters	\$750		
Total	\$8,600,500 (rounded)	\$8,557,250 (rounded)	\$43,250

The appraiser relied on three sales, two in Stamford and one in Greenwich. The raw data range was from \$66.63/SF to \$208.90/SF, with the most comparable being a sale at 22 Long Ridge Road, Stamford where 0.41 acres of commercial land (improvements appear to be at end of economic life) sold in November 2011 for \$1,190,000 (\$66.63/SF). The table on the following page provides additional raw data from Stamford on sales in the commercial/industrial zone. Ms. Goodhouse recommended approval of the item.

ARCHITECT-ENGINEER - UNFINISHED BUSINESS

ARCHITECT-ENGINEER – NEW BUSINESS

At the request of the Chairman, Mr. Josephy moved and Mr. Millstein seconded a motion to recess. The motion passed unanimously, and the Board recessed at 10:00 a.m. At 10:20 Chairman Greenberg called the meeting back to order. At 10:22 a.m. Mr. Josephy moved and Mr. Millstein seconded a motion to end the recess and return to Open Session. The motion passed unanimously.

OPEN SESSION

OTHER BUSINESS

The Board took the following votes in Open Session:

PRB FILE #12-115 – Mr. Valengavich moved and Mr. Norman seconded a motion to approve PRB File #12-

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115. The motion passed unanimously.

PRB FILE #12-116 - Mr. Pepe moved and Mr. Norman seconded a motion to approve PRB File #12-116. The motion passed unanimously.

PRB FILE #12-117- A – Mr. Norman moved and Mr. Pepe seconded a motion to approve PRB File #12- 117 – A. The motion passed unanimously.

REAL ESTATE- NEW BUSINESS

Department of Administrative Services Commissioner Donald J. DeFronzo and Attorney Erin Choquette joined the meeting at 10:25. Mr. Norman moved and Mr. Valengavich seconded a motion to go out of Open Session into Executive Session. The motion passed unanimously.

EXECUTIVE SESSION

PRB # 12-1000 **Transaction/Contract Type:** RE / Purchase & Sale
Origin/Client: DAS / DAS
Statutory Disclosure Exemptions: 4b-23(e); 1-200(6) & 1-210(b)(7)

The Board commenced its discussion of the agenda item at 10:25 a.m in Executive Session. Commissioner DeFronzo and Attorney Choquette joined the Board in Executive Session. The Board concluded its Executive Session at 10:55.

Mr. Josephy moved and Mr. Millstein seconded a motion to go out of Executive Session and into Open Session. The motion passed unanimously.

OPEN SESSION

The meeting adjourned at 10:57.

APPROVED: _____ **Date:** _____
Bruce Josephy, Secretary