

## STATE PROPERTIES REVIEW BOARD

### Minutes of Meeting Held On March 21, 2013 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on March 21, 2013 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 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 MARCH 14, 2013.** Mr. Norman moved and Mr. Millstein seconded a motion to approve the minutes of March 14, 2013. The motion passed unanimously.

#### REAL ESTATE- UNFINISHED BUSINESS

<b>PRB #</b>	<b>13-044</b>	<b>Transaction/Contract Type:</b>	RE / License Agreement
<b>Origin/Client:</b>	DAS/DECD		
<b>Licensee:</b>	Connecticut Convention and Sports Bureau, Inc.		
<b>Property:</b>	1 Constitution Plaza, Hartford		
<b>Project Purpose:</b>	License Agreement for office space and parking		
<b>Item Purpose:</b>	One- year license agreement with four one-year options for the Connecticut Convention and Sports Bureau, Inc. to utilize 6 work stations, one private office and file/storage areas on the second floor of the building in addition to being provided six parking spots.		

DAS is requesting SPRB approval to house the Connecticut Convention & Sports Bureau, Inc. ("CCSB") at leased space occupied by the Connecticut Office of Culture and Tourism, now an agency within the Department of Economic and Community Development ("DECD").

The proposed License Agreement will provide office space for the CCSB which was created to market the State of Connecticut as a venue for meetings, conventions and sporting events. The private nonprofit agency is a partnership between the DECD and the Greater Hartford Convention & Visitors Bureau. According to press reports, the CCSB has a \$1.3 million marketing contract with DECD. Through the CCSB, convention center, hotel bookings and other convention services are provided to groups seeking convention or sporting event sites. CCSB manages the Connecticut Sports Commission, which is also

# STATE PROPERTIES REVIEW BOARD

Minutes of Meeting, March 21, 2013

Page 2

housed at One Constitution Plaza. CCSB is currently located in leased space at 31 Pratt Street at annual cost of \$31,200. Staff recommended approval of the item.

## REAL ESTATE- NEW BUSINESS

<b>PRB #</b>	<b>13-045</b>	<b>Transaction/Contract Type:</b>	RE / Voucher
<b>Origin/Client:</b>	DOT / DOT		
<b>Project Number:</b>	167-106-002		
<b>Grantor:</b>	Liu Yi Hong & Liu Qiao Lun		
<b>Property:</b>	1667 Litchfield Turnpike, Woodbridge		
<b>Project Purpose:</b>	Reconstruction of Bridge No. 04920 Merritt Avenue over West River Project		
<b>Item Purpose:</b>	Acquisition of a 1,170 ± SF defined easement area, a 60± SF temporary work easement area, the right to remove a structure and severance for the loss of the structure all for highway purposes.		

Staff reported that according to DOT, the referenced bridge replacement is necessary due to the bridge's classification as "scour critical." The project estimate of \$259,200 for rights of way acquisition involves four easements, with total project estimate of \$2.64 million. Funding is through the Federal Local Bridge Program which is 80% federal; 20% municipal.

The subject property at 1667 Litchfield Turnpike, Woodbridge is 4,356 SF of business/industrial-zoned land improved with a 2,016 SF two-family dwelling. The property is located at the intersection of Merritt Avenue and Litchfield Turnpike (Route 69). The highest and best use of the property is for continued residential use as improved.

DOT will pay compensation for the taking of a defined easement for highway purposes of 1,170 SF; and an easement for a temporary work area of 660 SF. There is a garage located in the temporary work area which will be removed. DOT Appraiser Kenneth Goldberg completed a "before" and "after" appraisal report (10/3/2012). The appraiser concluded \$200,000 as the value before the DOT takings. The "after" value was developed by analyzing the same three sales, and the appraiser concluded that the removal of the garage and the imposition of the defined easement for highway purposes reduced market value to \$185,000, which is \$15,000 in damages. The appraiser also developed a lot value of \$52,000 (\$12.00/SF) based on commercial land sales data. The temporary work area was value derived as follows: 660 SF x \$12.00/SF x 8% x 2 years = \$1,300 (rounded), making the total compensation \$16,300.

Staff recommended approval of the item.

<b>PRB #</b>	<b>13-047</b>	<b>Transaction/Contract Type:</b>	RE / Sale
<b>Origin/Client:</b>	DOT / DOT		
<b>Project Number:</b>	117-112-126A		
<b>Grantee:</b>	D & L CT, LLC		
<b>Property:</b>	12 Hickory Lane, Ridgefield		
<b>Project Purpose:</b>	DOT Sale of Excess Property		
<b>Item Purpose:</b>	Sale of approximately 1.22+/- acres of land improved with a 3,212 SF residential structure to Grantee as the result of a public bid.		

Chairman Greenberg inspected this site on March 20, 2013. The subject is located in a suburban setting of wooded hills in a neighborhood of similar homes, and is a legal conforming lot in an RAA Residential

## STATE PROPERTIES REVIEW BOARD

Minutes of Meeting, March 21, 2013

Page 3

zone. The residence is 3,212 SF with 9 rooms, 4 bedrooms, 2.5 baths with a two-car garage, under. There is a well and septic system. The rear of the property is subject to a 100' wide right of way in favor of CL&P.

After the 2009 & 2011 public bids were unsuccessful, DOT eventually appraised the property for \$445,000 (as of May 2012, by Anthony John DeLucco) based on analysis of three Ridgefield sales that indicated a value range from \$440,500 to \$453,800. In comparison to other properties, the subject's lot is smaller and its condition poorer. The market conditions indicated a price decline of ½% per month from July 2011 to the date of the appraisal in May 2012. The release price of \$300,000 is 67% of appraised value. Staff provided additional information on residential lot sales in the RAA zone.

The property has been exposed to the market for several years, and the public bid process was conducted twice resulting in one bid of \$276,189 which was rejected (8/2011). The prospective purchasers live in the neighborhood and contacted DOT in June 2012 and were shown the property. They subsequently bid \$200,000 (rejected); \$245,000 (rejected); \$280,000 (rejected); and \$300,000 (accepted by DOT, August 30, 2012).

Based on the results of his site inspection, Mr. Greenberg recommended approval of the item because the property is conveyed as is with all faults and defects; with no warranties as to the condition or suitability of present or future environmental conditions or functionality of any heating, air conditioning, plumbing, electrical, sewage, drainage or other systems. The sale would return the property to the Ridgefield Grand List and end the state's requirement to maintain the property. The house has been vacant now for 2 years. Between March 2011 and September 2012 DOT expended approximately \$15,300 on utilities (including oil heat) and maintenance. This does not include the costs incurred for the period from September to March 2013. DOT estimates up to \$20,700 will be required for "cosmetic" improvements to make the house more marketable. Additionally, 4 areas have been identified as having mold levels requiring remediation.

### ARCHITECT-ENGINEER - UNFINISHED BUSINESS

### ARCHITECT-ENGINEER – NEW BUSINESS

<b>PRB#</b>	<b>13-046</b>	<b>Transaction/Contract Type:</b>	AE / Commission Letter
<b>Project Number:</b>	BI-CTC-426	<b>Origin/Client:</b>	DCS/CTC
<b>Contract:</b>	BI-CTC-426-CAC		Commission Letter #1
<b>Consultant:</b>	Downes Construction Company, LLC		
<b>Property:</b>	Tunxis Community College, Farmington		
<b>Project Purpose:</b>	Phase II Campus Development Project		
<b>Item Purpose:</b>	Commission Letter #1 to compensate the Construction Administrator for cost estimating, negotiating and bid review services required for additional renovations on the 3 <sup>rd</sup> Floor of Building 600.		

Mr. Dillon reported that this project consists of an academic program focused on Building 600 at the Tunxis Community College Campus. The project will involve the construction of approximately 56,000 SF of new classroom and office space inclusive of selective demolition, associated site work and miscellaneous building additions. The overall construction will involve the development of a 3-story

## STATE PROPERTIES REIVEW BOARD

Minutes of Meeting, March 21, 2013

Page 4

structure and improvements to adjacent buildings which will require the use of phasing components and swing space to minimize disruptions during the construction program.

Contract BI-CTC-426-CAC is for Construction Administration Services during the construction phase of the project. The compensation rate for this basic service is \$516,960 plus an additional \$46,987 for commissioning consulting services. The current construction budget for the project is \$11,829,000 and as such the basic service fee is equivalent to 4.37% of the construction budget. This contract was approved by the Board in December 2011 under PRB #11-234.

Commission Letter #1 will compensate Downes Construction Company, LLC for additional services required to complete a review of the schematic and design documents, develop a probable cost estimate and assist DCS in the negotiations for a construction change order. This scope of work will be accomplished as part of the planned renovations to the 3<sup>rd</sup> Floor of the 600 Building. The overall fee of \$6,000 is considered a basic service fee.

Mr. Dillon recommended that SPRB approve Commission Letter #1 for Downes Construction Company, LLC to provide additional CA consulting services for the Phase II Tunxis Community College Project. The overall fee has been evaluated and is within the DCS established guideline rate of 5% for CA services.

### OTHER BUSINESS

**Reimbursement for meeting and mileage fees.** Mr. Norman moved and Mr. Josephy seconded a motion to reimbursement Chairman Greenberg for meeting and mileage fees in connection with site inspection of property at Hickory Lane, Ridgefield (PRB #13-047). The motion passed unanimously.

The Board took the following votes in Open Session:

**PRB FILE #13-044** - Mr. Pepe moved and Mr. Norman seconded a motion to approve PRB File #13-044. The motion passed unanimously.

**PRB FILE #13-045** - Mr. Pepe moved and Mr. Norman seconded a motion to approve PRB File #13-045. The motion passed unanimously.

**PRB FILE #13-046** - Mr. Norman moved and Mr. Josephy seconded a motion to approve PRB File #13-046. The motion passed unanimously.

**PRB FILE #13-047** - Mr. Norman moved and Mr. Millstein seconded a motion to approve PRB File #13-047. The motion passed unanimously.

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
Bruce Josephy, Secretary