

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On October 15, 2013 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on October 15, 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 A. Dillon, Director
Mary Goodhouse, Real Estate Examiner

Chairman Greenberg called the meeting to order.

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

OPEN SESSION

ACCEPTANCE OF MINUTES OF OCTOBER 7, 2013. Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of October 7, 2013. The motion passed unanimously.

COMMUNICATIONS

REAL ESTATE- UNFINISHED BUSINESS

REAL ESTATE- NEW BUSINESS

PRB #	13-210	Transaction/Contract Type:	RE / Voucher
Origin/Client:	DOT / DOT		
Project Number:	170-3155-006		
Grantor:	Meriden Young Men's Association, Inc.		
Property:	88 State Street, Meriden		
Project Purpose:	Hartford – Springfield Rail Corridor Project		
Item Purpose:	Acquisition of 0.79+/- acres of land improved with a 12,240+/- SF office building situated thereon, a "total take".		

As a part of the New Haven-Hartford-Springfield (NHHS) Rail Program, the Meriden Railroad Station will be reconstructed in its present location.

The project proposes construction of a state-of-the-art passenger railroad station that includes two (2) 500' covered high level platforms to allow for level boarding. The proposed project also includes constructing a pedestrian bridge (walkway) and elevator towers in order to allow for safe pedestrian access across the tracks. Brook Street between State Street and the Railroad Crossing will be closed as a part of the project in order to accommodate surface parking (79 spaces). The remaining section of Brook

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Street between North Colony Street and the Railroad Crossing will remain open for business and municipal access. A second parking lot along North Colony and Church Street is proposed and will include 74 parking spaces. Sidewalk access to the proposed Station will be provided from North Colony Street and State Street.

Work is scheduled to begin in 2014 and be complete in 2016. The approximate cost is \$24,000,000 funded through the Federal Rail Administration and with State of Connecticut matching funds. The US-DOT, Federal Railroad Administration has awarded the DOT \$120,900,000 (46%) of the total projecting cost of \$262,801,520 (estimated as of 9/2012).

Chairman Greenberg and Mr. Valengavich conducted a site inspection on October 11, 2013. Two representatives from the YMCA, Mr. John Benigni and Mr. Joel Jekubovich met the SPRB members and showed them the property that is the subject of the taking. PRB #13-210 concerns a 0.79 acre parcel improved with a Class C one story, masonry block office building originally used as a branch bank with drive-up window, next occupied by an insurance company, and currently owned and occupied by the Meriden YMCA's as a health club and day care center. DOT commissioned to reports from independent fee appraisers Walter Kloss of Middlebury and Robert Galullo of Waterbury. Both appraisers relied primarily on the Sales Comparison Approach, although Galullo also developed the Cost Approach and the Income Approach to value. Appraiser Kloss concluded \$673,000; Appraiser Galullo concluded \$675,000.

The Chairman recommended Board approval of the DOT proposal to purchase of 0.79 acres at 88 State Street, Meriden for \$675,000 because the purchase price is well supported by the real estate appraisal reports. 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. The acquisition value of \$675,000 is supported by both appraisal reports commissioned by the DOT.

PRB #	13-211	Transaction/Contract Type:	RE / Lease-Out
Origin/Client:	DOT / DOT		
Project Number:	152-70-14A		
Grantee:	Tolan Nguyen		
Property:	Easterly side of Lorenzo St. adjacent to 766 Broad Street Ext., Waterford		
Project Purpose:	Lease of vacant land, DOT Agreement No. 5.14-01(12)		
Item Purpose:	Five-year lease with two-five year renewal options for 2,047± SF of vacant land for five parking spaces.		

PRB #13-211 is a new 5 year lease agreement with the Lessee for a parking lot located along the easterly side of Lorenzo Street and the southerly side of Route 85 (Broad Street), near the I-95 Exit Ramp, Waterford. The 5 parking spaces are solely for the use of the Lessee for a 5 year term.

The Lessee owns an abutting property where two businesses (a hair salon at #762 and All-State Insurance at #766 Broad Street Extension) are located. The 5 parking spaces are located along the westerly side of the building located at #766. The leased area is paved and curbed.

The lease agreement is a standard DOT agreement. The rental rate was established by a land lease valuation prepared by DOT Appraiser Michael J. Corazzelli, as of March 2012. The highest and best use of the parcel is assemblage to provide additional parking for the abutting property at #762 & #766 Broad Street Extension, which is 0.30 acres (13,256 SF). Based on commercial sales located in the subject's

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market area, the appraiser valued the site at \$5.00/SF, and applied a rate of return of 8%: \$5.00/SF x 2,047 SF = \$10,235 X 8%/year = \$818.00 ÷ 12 months = \$68.23, say \$70.00/month.

Staff recommended Board approval of the Lease Agreement between DOT and the Lessee. The rate of \$70.00/month is based on current commercial land value in the Waterford market. The DOT can terminate the agreement if the site is needed for another purpose.

PRB #	13-212	Transaction/Contract Type:	RE / Lease-Out
Origin/Client:	DOT / DOT		
Project Number:	015-31-098D		
Grantee:	City of Bridgeport		
Property:	Three parcels underneath or adjacent to I-95 at various locations, Bridgeport		
Project Purpose:	Lease of vacant land and a lease pursuant to PA 10-1 Section 10		
Item Purpose:	Five-year lease with two-five year renewal options for a total of 2.42± acres of vacant land. The lease includes two parcels which are located at Park Avenue and Railroad Avenue (0.76-acres) and South Frontage Road and Park Avenue (0.41-acres) respectively. As well as a third parcel located at Railroad Avenue and South Avenue (1.25-acres) which is subject to the provisions of PA 10-1 (June Special Session). All parcels are to be used for parking.		

This Agreement results from Section 10, P.A. 10-1 (June Special Session), which specified that DOT should lease a 1.25 acre tract located beneath I-95 to the City of Bridgeport for public parking. The Act specified that the City could sublease a portion for parking purposes to the Mercy Learning Center. No revenue is to be generated from the lease or sublease agreements. The Act also specifies that in the event the land is needed by the Department of Transportation for transportation needs, the Department of Transportation shall provide thirty days' written notice to the city of Bridgeport. After such thirty-day period, the lease shall be terminated.

Also as is typical of the “conveyance bill” there is a reverter terminating the lease if the City of Bridgeport does not use the property as required by the Act.

The file includes a resolution dated June 6, 2005 directing that the Mayor lease rights of way properties from DOT as they become available along or beneath state roads and highways throughout the city for the purposes of neighborhood parking in order to improve the city’s neighborhoods and foster economic activity.

Staff recommended Board approval of the Lease Agreement between DOT and the City of Bridgeport. It appears that Parcel 2 is the 1.25 acres mandated for public parking use by Section 10, Public Act 10-1, June Special Session and the lease agreement is consistent with the requirements of the public act. DOT has authority to lease parcels 1 and 3 under CGS Sections 13a-80 and 13a-80a.

ARCHITECT-ENGINEER - UNFINISHED BUSINESS

ARCHITECT-ENGINEER – NEW BUSINESS

OTHER BUSINESS

Reimbursement of mileage and meeting fees. Mr. Norman moved and Mr. Josephy seconded a motion

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to reimburse Chairman Greenberg and Mr. Valengavich for mileage and meeting fees in connection with the Meriden site inspection (PRB #13-210). The motion passed unanimously.

The Board took the following votes in Open Session:

PRB FILE #13-210 – Mr. Norman moved and Mr. Millstein seconded a motion to approve PRB File #13-210. The motion passed unanimously.

PRB FILE #13-211 – Mr. Valengavich moved and Mr. Norman seconded a motion to approve PRB File #13-211. The motion passed unanimously.

PRB FILE #13-212 – Mr. Norman moved and Mr. Valengavich seconded a motion to approve PRB File #13-212. The motion passed unanimously.

The meeting adjourned.

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