

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On August 4, 2022 – 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 August 4, 2022 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:

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 August 1, 2022 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

<i>PRB #:</i>	22-115
<i>Transaction/Contract Type:</i>	RE – Voucher
<i>Origin/Client:</i>	DOT/DOT
<i>DOT Project #:</i>	8134-001-007
<i>Grantor:</i>	Kasturi D. Shenoy
<i>Property:</i>	Stafford, Furnace Ave (133)
<i>Project Purpose:</i>	Reconstruction of Furnace Avenue
<i>Item Purpose:</i>	Voucher

DAMAGES: \$25,000

SITE DESCRIPTION:

The subject site consists of a 1.55± acre (67,518± square feet) parcel with approximately 407 feet of frontage on the western side of Furnace Avenue. The site has frontage on Glenville Pond. The surrounding land consists of rolling topography and is heavily wooded.

The parcel is improved with a cape style single family dwelling that was built in 1984. The dwelling contains a total of 1,503± square feet of gross living area. The dwelling includes 7 rooms, 3 bedrooms and 2.5 full baths. Additional features include a large patio in rear, covered porch, and a 2-car attached garage. The overall condition of the subject is considered average based on an exterior inspection.

The parcel is located in the AA residential zone and is a conforming lot of record.



Highest and Best Use – As Improved: Continued residential use.



VALUATION: The DOT appraisal was completed on April 28, 2022 by DOT Appraiser James P. Mansfield.

The valuation of the subject property is subject to the following Extraordinary Assumptions and Hypothetical Conditions:

EXTRAORDINARY ASSUMPTIONS:

The appraiser did not gain access to the interior of the single-family dwelling that is the subject of this report and instead, carried out an exterior-only inspection. The appraiser has, therefore, made the Extraordinary Assumption that the subject dwelling is in an average overall condition with no deferred maintenance. If this should turn out not to be the case, the appraiser reserves the right to alter the report value and conclusions.

The subject property is identified by Connecticut Foundation Solutions Indemnity Company,

Inc., (CFSIC) as a property impacted by a crumbling foundation, a condition found in dwellings in certain regions of northern Connecticut. CFSIC was created in 2017 through the Department of Housing with the Capitol Region Council of Governments (CRCOG) as the administrator. The program was set up to assess claims and award grants to affected homeowners to help repair and replace foundations that were crumbling due to a mineral called pyrrhotite, which causes concrete to swell and crack. According to an engineer's report on file in the Stafford Assessors, Dept., the subject property is impacted by this crumbling foundation condition. The report classifies the subject as a "Severity Code Class 3" property, which means that the property is eligible for State financial assistance to cure this deferred maintenance. Due to the subject's eligibility for this program, the appraiser has given no consideration to the existing crumbling foundation in concluding a market value. For the purposes of this report, the appraiser has made the extraordinary assumption that the subject's crumbling foundation is cured with the financial assistance of the CFSIC program. If this should turn out not to be the case the appraiser reserves the right to alter the value conclusions.

Although the Stafford assessor reports that the subject parcel contains a total of 3 acres, the appraiser has estimated that the usable land area is 1.55+/- acres, or approximately 50% of the assessor reported land size. This estimation is determined using the measurement tool of the Stafford GIS online mapping system. The appraiser has utilized this estimated lot size of 1.55+/- acres, or 67,500+/- square feet (rounded) throughout the report. If this estimated usable lot size should turn out to be incorrect, the appraiser reserves the right to alter the report's value conclusions.

The appraiser has made the extraordinary assumption that there is 1 fireplace present. If this should turn out not to be the case, the appraiser reserves the right to alter the value conclusions.

HYPOTHETICAL CONDITIONS:

The methodology used in this report is in the form of a Standard State Partial Take Uniform Residential Appraisal Report (URAR) valuation appraisal format used for eminent domain purposes. The appraisal considers that there is a willing seller in an acquisition by eminent domain and has disregarded any effect on the market value brought on by the States project. The appraisal report was based on the hypothetical condition that the proposed road project will be completed as currently proposed in the Department of Transportation construction plans, on the day after the "as of" date. No other conditions were necessary to arrive at a value.

Land Valuation: Based on the sales comparison approach, the appraiser considered three sales (2021-2022) of similarly zoned residential land, with a similar highest and best use, and concluded a value of \$1.00/sq.ft. (as appraised), calculated as follows:

Item	Calculation	Value
Land Valuation (Fee Simple)	67,500 sf x \$1.00/sf	\$67,500

Site improvements including asphalt pavement, native trees and vegetation had an estimated contributory \$3,500 value.

Dwelling Valuation

Sales Comparison Approach: The appraiser analyzed three sales of similar dwellings, as follows:

traffic along Furnace Avenue to be visible from the subject dwelling.

The damages associated with the fee taking and easement to slope and place riprap for the support of the highway acquired are based on the supporting land sales data. The established per square foot value was applied to the fee taking and easement areas. The impacted site improvements to include trees and native vegetation were valued based on their contributory value to the entire property. The damages to the remainder associated with the loss of screening were estimated at 5% of the overall “Before” property value. See page 5 of review for damage calculations.

AFTER VALUATION:

After Land Valuation: Based on the sales comparison approach, the appraiser considered the same sales as in the Before Valuation and concluded that the fair market value of the subject land was unchanged at \$1.00/sf.

The Appraiser then calculated the permanent damages to the site due to the taking, as follows:

Item	Calculation	Value
Land Valuation (Fee Simple)	5,923 sf x \$1.00/sf	\$5,923
Easement to Slope	1,287 sf x \$1.00/sf x 50%	\$644
Contributory Value of Site Improvement	Lump Sum	\$3,500
	Total	\$10,067
	Rounded	\$10,100

After Dwelling Valuation

After Sales Comparison Approach: The appraiser analyzed the same sales as in the Before Valuation and concluded that the fair market value of the subject property, after accounting for the impacts to the site (-\$10,100) and 5% loss for severance (-\$14,750) to the remainder due to loss of screening was \$270,000.

Reconciliation and Value Conclusion - Before

Approach	Opinion of Market Value
Income Capitalization Approach – Dwelling	N/A
Sales Comparison Approach – Dwelling	\$270,000
Conclusion of Market Value	\$270,000

Calculation of Permanent Damages

Item	Value
Before Valuation	\$295,000
After Valuation	\$270,000
Permanent Damages	\$25,000

RECOMMENDATION: Staff recommend the Board approval this proposal in the amount of \$25,000 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 is supported by the DOT appraisal report.

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER – NEW BUSINESS

7. OTHER BUSINESS

8. VOTES ON PRB FILE:

PRB FILE #22-115 – Mr. Halpert moved and Mr. Berger seconded a motion to approve PRB FILE #22-115. The motion passed unanimously.

9. NEXT MEETING – Monday, August 8, 2022.

The meeting adjourned.

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