

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On May 11, 2023

– 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 May 11, 2023 remotely via telephone conference at (860)-840-2075 and use passcode 284890492#.

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

Nacho Casal, DAS-CS

Mr. Halpert moved and Mr. Berger seconded a motion to enter into Open Session. The motion passed unanimously.

OPEN SESSION

1. ACCEPTANCE OF MINUTES

Mr. Halpert moved and Mr. Berger seconded a motion to approve the minutes of the May 8, 2023 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

Mr. Berger provided an update with respect to proposed Legislation that may impact the Board.

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

<i>PRB #</i>	23-060
<i>Transaction/Contract Type:</i>	RE – Voucher
<i>Origin/Client:</i>	DOT/DOT
<i>DOT Project #:</i>	060-160-003
<i>Grantor:</i>	Donald Smith, et al
<i>Property:</i>	Haddam, Saybrook Rd (1583) & Old Chester Rd
<i>Project Purpose:</i>	Modern Roundabouts at Route 82 and Route 154
<i>Item Purpose:</i>	Voucher

DAMAGES: \$28,500

PROJECT BACKGROUND

This project is located in the Town of Haddam at the northern and southern intersections of Route 82 and Route 154, and includes the overlapping section of Route 82 and 154 between these two intersections. The northern intersection is located at Route 82 (Bridge Road) and Route 154 (Saybrook Road), and the southern intersection is located at Route 82 (Route 9 Connector) and Route 154 (Saybrook Road).

The purpose of this project is to reduce congestion while improving vehicular, bicyclist, and pedestrian safety within the corridor. This project proposes to replace both existing T-type intersections with single-lane modern roundabouts. In addition, Bridge No. 00622, Saybrook Road over Clark Creek, will be replaced as part of this project.



SITE DESCRIPTION:

The subject property consists of two separate abutting tax parcels: 1583 Saybrook Road is an L-shaped parcel containing 4.27 acres (per assessor) with 629' frontage on the western side of RT 82 and 46' feet on Old Chester Road North; and Old Chester Road North, a 6-acre lot with 481' feet on the western side of Old Chester Road North (frontage estimates per GIS Mapping). Collectively, the subject property contains 10.27 acres; or 447,361 square feet.

The topography slopes upward from front to back. State forestry land (DEEP) abuts the subject to the south and west. There are no inland wetlands soils and the site is not within a flood zone.

A 2019 CT DOT traffic survey reports that approximately 4,400 vehicles pass the subject property daily on Saybrook Road. Old Chester Road North, a cul-de-sac street, has not been surveyed. The same DOT traffic survey reports that 10,000 vehicles pass daily at the Saybrook Road/Bridge Street intersection, which is directly in front of the subject property.

1583 Saybrook Road is improved with a two-story commercial (retail) building that contains 7,470 square feet. Originally built in 1810 and known locally as The Merchant House, the building is in use as a retail furniture store.

A portion of the 6.0± acre parcel known as Old Chester Road North is encumbered by a ground lease agreement with Homeland Towers, LLC. This is a 10 year ground lease term commencing November 16, 2016 with nine five-year options to renew. The access to the ground lease area is over the abutting subject lot at 1583 Saybrook Road. The ground lease agreement also provides the lessee a right of first refusal in the event of a sale or lease of the

portion of the subject property on which the telecommunication facilities are to be located. The assessor reported that there are currently no telecommunications facility improvements on site. This was confirmed by the property owner during inspection.

The subject property is located within the Tylerville Village District zone and is pre-existing non-conforming regarding use.

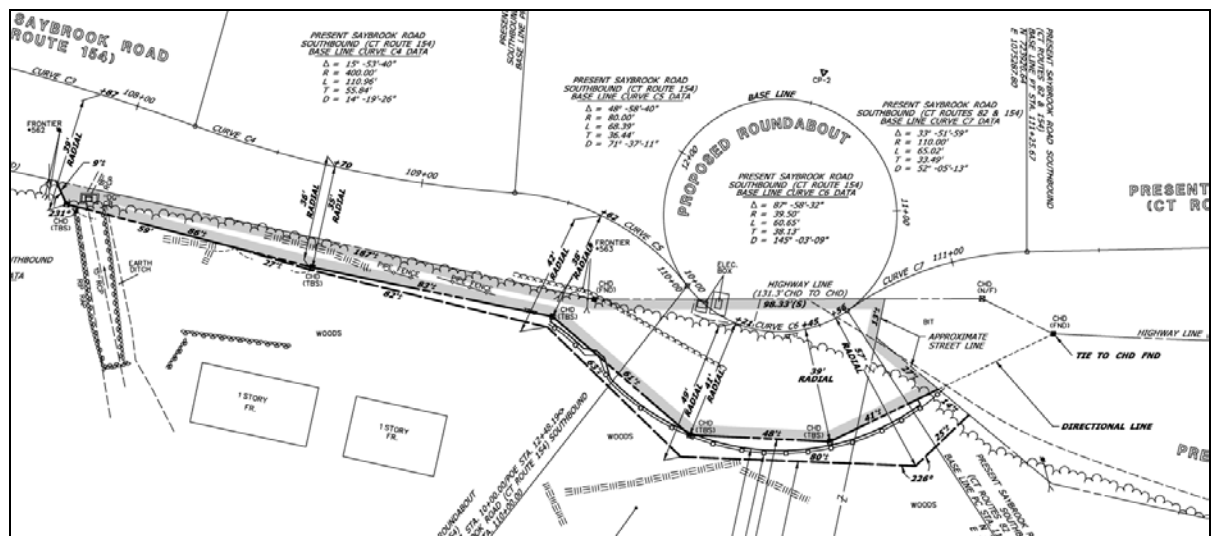


Courtesy: Google Maps

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

The Taking: DOT will acquire the following:

1. Taking area in fee simple of 5,991± SF acquired;
2. An Easement to slope for the support of the highway acquired over an area of 326± SF; and
3. A Construction easement for the purpose of access and installation of temporary sedimentation control system during modern roundabouts at Route 82 and Route 154 acquired over an area of 1,280± SF.



The taking area is an irregular-shaping strip of land that runs 285± linear feet along the

western side of Saybrook Road and 40± linear feet along the western side of Old Chester Road North. At its widest point, which is in close proximity to the Saybrook Road/Old Chester Road North intersection, the taking piece is approximately 48± linear feet in depth. The taking area narrows to a point at its northernmost point along Saybrook Road. The topography of the taking area slopes upward from the eastern property line. Impacted site improvements include natural trees and vegetation, a section of rock ledge, some bituminous surface along Old Chester Road North, a section of stone wall, some pipe fencing, guy wires associated with Frontier pole # 563, two advertising signs, a catch basin with reinforced concrete piping, and electric junction boxes.

The appraiser understands that the two signs and the electric junction boxes will be relocated by the DOT and, therefore, are not considered for damages. In speaking with the project coordinator, the appraiser understands that the catch basin is not being impacted by the proposed DOT work and will remain as is. The reinforced concrete piping, which leads from the catch basin, is to be connected to the proposed DOT drainage work within the right of way. Although not impacted by the DOT project, the appraiser considers it appropriate to consider contributory damages for the catch basin and associated piping as they are within the taking area. Other impacted site improvements providing a contributory value include a section of the bituminous road surface, a section of the stone wall, some natural trees and vegetation and a section of pipe fencing.

The easement to slope for the support of the highway abuts the western side of the taking area. Impacted site improvements within the easement to slope area include mature trees and natural vegetation.

The construction easement area abuts the easement to slope area and a section of the taking area. Impacted site improvements within the construction easement area include mature trees and natural vegetation. The appraiser understands that the estimated timeframe for the temporary construction easement is 3 months. In determining damages associated with this temporary construction easement, the appraiser chose a rental rate of 12%. This rate was chosen because the 3-month temporary easement construction work may occur at any stage over the 2-construction-season life cycle of the DOT project.

The appraiser has considered that the contributory value of all impacted site improvements is \$6,500.

Restricted Use/Short Form Value Finding - The DOT appraisal was completed December 8, 2022 by DOT Appraiser James Mansfield.

1. The subject property consists of 2 parcels. The larger parcel is a 6.0± acre lot known as Old Chester Road North. The appraisal report makes the extraordinary assumption that access to this larger lot will not be impacted or denied as a result of the DOT acquisition. If this should turn out not to be the case, the appraiser reserves the right to alter the appraisal report conclusions.
2. The appraiser makes the extraordinary assumption that the DOT acquisition will not impact any future potential development of either the smaller subject parcel at 1583 Saybrook Road or the larger subject parcel at Old Chester Road North. If this should turn out not to be the case, the appraiser reserves the right to alter the appraisal report conclusions and damages.
3. The larger parcel is heavily wooded and there are no site or building improvements present to the appraiser's knowledge. A section of the larger parcel is encumbered by a ground lease in favor of Homeland Towers, LLC. The appraiser has determined that the market value of the larger parcel at Old Chester Road North (including both the ground leased area and the remainder land) is not impacted by the

DOT acquisition. As a result, the appraiser has assigned an “X” component to the market value of the larger parcel. The appraiser also considers it appropriate to include the contributory value of all unimpacted structural and site improvements on the smaller parcel at 1583 Saybrook Road within the aforementioned “X” component. If the “X” component were to be valued, the value of the property rights to be acquired within the Scope of Appraisal would result in the same conclusion.

4. The DOT acquisition area consists of 5,991± square feet, of which the appraiser estimates approximately 5,611± square feet is situated on 1583 Saybrook Road and the remaining 380± square feet is on the abutting Old Chester Road North parcel. For the purposes of this report, the appraiser makes the extraordinary assumption that the market unit value of the 380± square feet piece of land on the Old Chester Road North parcel is the same as the concluded market unit value of the land at 1583 Saybrook Road. The appraiser considers this reasonable given 1) the minimal size of the taking land area at Old Chester Road North and 2) the supporting data within the report.

Land Valuation: Based on the sales comparison approach, the Appraiser considered three sales in Haddam and East Haddam (2020-2022) with similar zoning and after adjusting for transactional, locational and physical characteristics concluded the fair market value of the subject land (smaller lot only – larger lot “X”) was \$3.50/sf.

The Appraiser then calculated the Permanent Damages, as follows:

<i>Item</i>	<i>Calculation</i>	<i>Damages</i>
Partial Take in Fee Simple	5,991 SF @ \$3.50/SF	\$20,969
Slope Easement	326 SF @ \$3.50/SF x 70%	\$799
Contributory Value of Affected Trees	Lump sum	\$6,500
Temporary Damages		
Construction Easement	1,280 SF @ \$3.50/SF x 12% x 3 mo.	\$134
	Total:	\$28,402
	Rounded	\$28,500

RECOMMENDATION: Board approval of damages in the amount of \$28,500 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 is supported by the DOT appraisal report.

PRB # 23-080
Transaction/Contract Type: RE – Lease
Origin/Client: DOT/DOT
DOT Project #: 43-000-189C
Lessee: Town of East Haven
Property: East Haven, North High St (507)
Project Purpose: Continued Municipal Use
Item Purpose: New 5-Year Lease

Lease Price: \$0

Project Background:

Town of East Haven (Town) has an active lease agreement with the Department of Transportation (Department), the subject state land (Parcel 1 on Exhibit A) situated on the easterly side of CT Route 100 (North High Street), adjacent the Town’s property of the Town’s Police Station. The purpose of the subject lease agreement is for storing of sand and other roadway construction material for the Town’s use. The active lease agreement will expire on 3/31/2027.

Under this Proposal (PRB #23-080) DOT is seeking SPRB approval of a new Lease (Lease Out) for the Town of East Haven’s continued use for storage purposes and to add a second parcel for placement of a metal storage container to store non-liquid materials, parking and the installation of a guide rail along Route 100.

DOT states their statutory authority to Lease this land is pursuant to CGS §13a-80. SPRB review is required pursuant to CGS §13a-80(a).



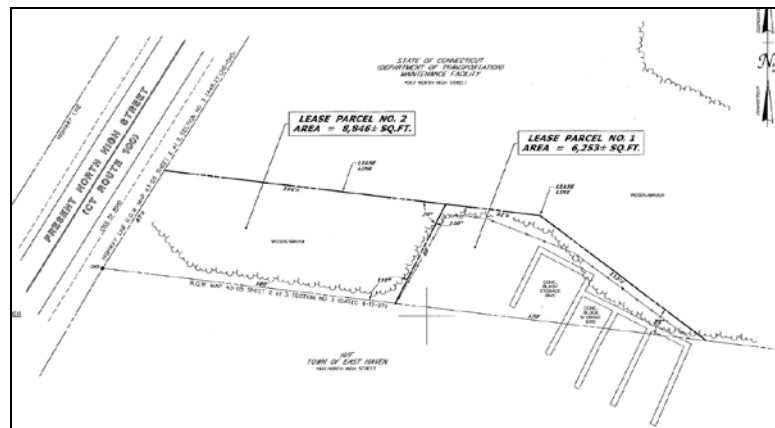
The terms of the lease are as follows:

Lessee	Town of East Haven
Premises	East Haven, North High St (507)
Use	Parcel #1 (6,253 sf) shall be used and occupied by Lessee for the purposes of a concrete block storage bin for sand and other roadway construction materials, and equipment needed for the operation of the East Haven Department of Public Works. Parcel #2 (8,846 sf) shall be used and occupied by the Lessee for the purposes of police vehicles and employee parking. A metal storage container to store non-liquid materials, new tires and fencing for offsite use, and install guide rail along Route 100.
Term	Five years commencing upon AG approval, two (2), five-year options to extend
Termination	Either party can terminate with 30 days’ notice, with or without cause
Rent	\$0.00/month.
Utilities, costs	All by tenant, if available (no electric, gas, sewer or water currently at site)
Other	Lease includes specifications as contained in “Standard Highway Lease Specifications & Covenants: Governmental, under \$50,000” dated 7/1/2022, which are attached to the lease. The specifications include insurance and indemnification requirements.

The Lessee executed the Lease on December 22, 2022. The Lessor executed the Lease on January 11, 2023. OPM approved the Lease agreement on February 27, 2023.

RECOMMENDATION: Board approval of the Lease (lease-out) agreement to Town of East Haven is recommended for the following reasons:

- The Commissioner of Transportation has the authority under CGS §13a-80 to enter into lease agreements, subject to the approval of OPM (received 2-27-23), the SPRB & the AG.
- The two parcels with a combined 15,099 square feet will continue to be used solely for the Town's with Parcel #1 restricted for concrete block storage bins for storage of highway materials and Parcel #2 restricted to improvement with a metal building and guide rails, as well as police/employee parking.
- The Lessee pays no rent. The term of the lease is for 5 years, commencing upon approval of the AG. The lease includes two (2) additional five-year options, subject to a review and update of the rental fee. The State reserves the right to terminate the lease with 30 days' notice.



5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS
6. ARCHITECT-ENGINEER – NEW BUSINESS
7. OTHER BUSINESS

The Board welcomed Nacho Casal, from DAS-CS. Mr. Casal stated that he wanted to learn and become familiar with the Board processes as his projects will be coming to the Board for action.

8. VOTES ON PRB FILE:

PRB FILE #23-060 – Mr. Halpert moved and Mr. Valengavich seconded a motion to approve PRB FILE #23-060. The motion passed unanimously.

PRB FILE #23-080 – Mr. Berger moved and Mr. Valengavich seconded a motion to approve PRB FILE #23-080. The motion passed unanimously.

9. NEXT MEETING – Monday, May 15, 2023.

The meeting adjourned.

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