

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On December 11, 2023

– solely by means of electronic equipment - via telephone conference –

Pursuant to CGS §1-225a, the State Properties Review Board conducted a Regular Meeting at 9:30AM on December 11, 2023. Pursuant to the statute, this Meeting was held solely by means of electronic equipment, with Participants connecting via telephone conference at (860)-840-2075 and used passcode 284890492#.

The Notice provided designated this Regular Meeting as open to the public. Call in instruction were provided as: Dial toll free (860)-840-2075 and use passcode 284890492#. If you have any questions or need assistance to attend these Meetings, you can contact SPRB Director Dimple Desai at dimple.desai@ct.gov to make appropriate arrangements.

Members Present – solely by means of electronic equipment:

Bruce R. Josephy, Chairman
Jeffrey Berger, Vice Chairman
John P. Valengavich, Secretary
Edwin S. Greenberg
Jack Halpert
William Cianci

Members Absent:

Staff Present – solely by means of electronic equipment:

Dimple Desai
Thomas Jerram

Guests Present – solely by means of electronic equipment:

Shane Mallory, DAS Leasing
Brian Dillon, JUD Facilities

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. Josephy seconded a motion to approve the minutes of the December 7, 2023 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

3. REAL ESTATE- UNFINISHED BUSINESS

4. REAL ESTATE – NEW BUSINESS

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session and into Executive Session at 9:46. The motion passed unanimously. Mr. Mallory of DAS and Mr. Dillon of JUD were invited to participate in the Board's discussion of this Proposal.

EXECUTIVE SESSION

PRB #: 23-205
Transaction/Contract Type: RE / Lease Purchase
Origin/Client: DAS / JUD

Statutory Disclosure Exemptions: 1-210(b)(24)

Upon completion of the Board's review of this Proposal, Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Executive Session and into Open Session at 10:20. The motion passed unanimously.

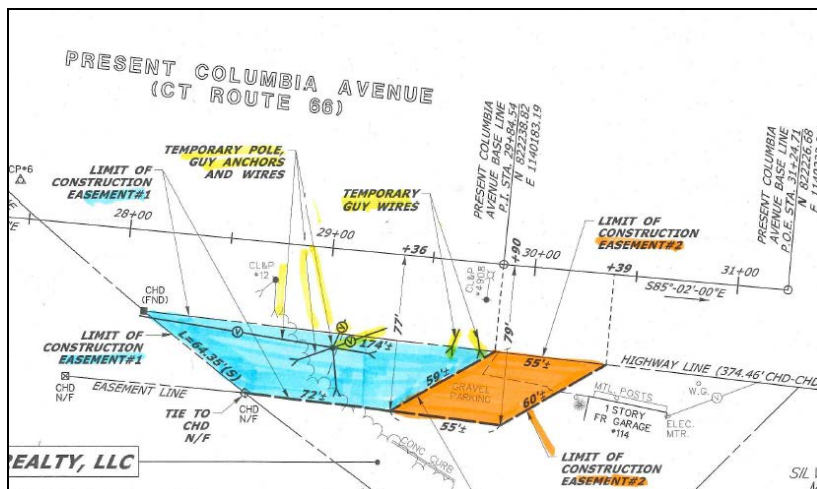
OPEN SESSION

PRB # 23-206
Transaction/Contract Type: RE – Administrative Settlement
Origin/Client: DOT/DOT
DOT Project #: 163-196-004
Grantor: Connor Rt. 66 Realty, LLC
Property: Windham, Columbia Ave (114)
Project Purpose: Rehabilitation of Bridge No. 00488 & 00489 Rt 66 over P&W & NECR Railroad Bridges
Item Purpose: Administrative Settlement

Damages: \$17,850

At its meeting held on February 13, 2020 the State Properties Review Board voted, under PRB #20-011, to approve DOT's acquisition of the following:

1. Construction Easement Area 1 containing 4,273± square feet of land for the purpose of access to Bridge No. 00489, clearing and installation of temporary utility pole, guy anchors and overhead wires; and
2. Construction Easement Area 2 containing 1,949± square feet of land for the purpose of access to Construction Easement #1 (limited to travel only).



The two construction easements were for a period of two years. Total damages were then Temporary Damages plus Temporary Severance Damages, or $\$7,800 + \$16,000 = \$23,800$. DOT formally acquired the Temporary Easements on March 10, 2020, as recorded in an Easement Deed beginning on page 19 of Volume 1346 of the Windham Land Records.

DOT informed the SPRB that DOT contractors had initiated the Project on April 1, 2020 and construction had extended beyond the two-year construction period for which the owner was compensated due to COVID related issues.

Under this Proposal (PRB #23-206), DOT is seeking SPRB approval of payment to the Owner of \$17,850 for Damages due to the Temporary Easements extending 18 months beyond the conclusion of the two-year construction period.

DOT provided the following narrative in support of this Administrative Settlement.

In November 2022, Mr. Connor contacted this office as the use of his property had continued, at that time, for 7 months more than the 2 years he was informed of during negotiations. He submitted a written request for additional damages dated November 25, 2022, citing the delays associated with moving forward with his previously approved site plan. At that time, the Chief Inspector for the project confirmed that the contractor began using the subject property on April 1, 2020, and would continue to use the construction easement areas for approximately another year. He explained that the delays were a direct result of the Covid-19 pandemic and the contractor's difficulty in securing the appropriate materials in a timely manner as well as a lack of available staff.

Pursuant to negotiations it was determined that additional compensation would be based on the original amount of compensation. As the compensation of \$23,800.00 was based on the construction easements being in use for 2 years (the temporary use of the areas and temporary severance due to that use), this value was divided by 24 months to set a monthly value of \$991.67. It was proposed that this monthly value be multiplied by the number of months the easements continue to be in use for the project after April 2022. Mr. Connor concurred with the valuation approach and agreed to wait until construction was completed on his property to ensure the appropriate amount would be calculated.

On October 18, 2023, the Chief Inspector confirmed that as of October 1, 2023, the contractor has completed the use of the construction easements, removed all equipment, and has restored the related areas. As such, the additional timeframe for the use construction easements equates to 18 months for a total of \$17,850.00 in additional compensation (see below).

$$\$991.67 \times 18 \text{ months} = \$17,850.06 \text{ rounded to } \$17,850.00$$

While it is recognized that the calculation for damages related to construction easements consider timeframes that may be longer or shorter than what is utilized, the inordinate delays in construction activities caused by the Covid-19 pandemic present unique circumstances that warrant consideration.

Had this office been aware the use of the subject property would take an additional 18 months to complete, the timeframe would have been factored in the appraiser's calculations. By providing an additional payment of \$17,850.00, the Department will be providing just compensation for the damages realized by the property owner.

Recommendation – Staff recommend approval of this Administrative Settlement approving payment of \$17,850 additional Damages due the Owner for the 18-month extension of the Temporary Easements 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 damages are supported by the original DOT Valuation.

From PRB #20-011

DAMAGES: \$23,800



Subject Property Description, Before the Taking: The subject property consists of a 0.46 acre (20,116 sf), triangularly-shaped, lot with 327.74 feet of frontage on the southerly side of Columbia Ave (Route 66). The site is improved with a one story masonry and frame construction automotive garage containing 1,520 square feet of gross building area, constructed in 1954.



Valuation: An appraisal was done by DOT appraiser Michael Aletta, as of 08/26/2019.

Land Valuation - Before: Based on the sales data comparison approach, the appraiser analyzed three sales of similarly zoned parcels of land in Windham and concluded that the fair market value of the subject lot was \$6.25/sf of land area, or

Item	Calculation	Value
Fee Simple	20,116 sf x \$6.25/sf =	\$125,725
	Rounded	\$126,000

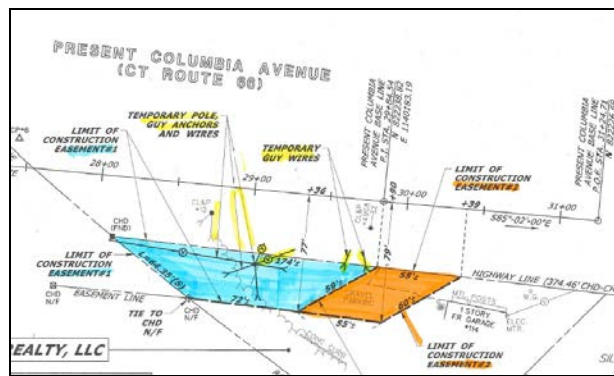
Improvements Valuation - Before: Based on the sales data comparison approach, the appraiser analyzed three sales of similarly utilized buildings in Columbia and Windham and concluded that the fair market value of the subject building was \$132/sf of gross building area, or

Item	Calculation	Value
Fee Simple	1,520 sf x \$132/sf =	\$200,640
	Rounded	\$200,000

Value Conclusion: \$200,000

The Taking: DOT will acquire the following:

1. Construction Easement Area 1 containing 4,273± square feet of land for the purpose of access to Bridge No. 00489, clearing and installation of temporary utility pole, guy anchors and overhead wires; and
2. Construction Easement Area 2 containing 1,949± square feet of land for the purpose of access to Construction Easement #1 (limited to travel only).



Land Valuation - After: Based on the sales data comparison approach, the appraiser analyzed three sales of similarly zoned parcels of land in Windham and concluded that the fair market value of the subject lot was \$6.25/sf of land area, or

Item	Calculation	Value
Fee Simple	20,116 sf x \$6.25/sf =	\$125,725
	Rounded	\$126,000

Improvements Valuation - Before: Based on the sales data comparison approach, the appraiser analyzed three sales of similarly utilized buildings in Columbia and Windham and concluded that the fair market value of the subject building was \$132/sf of gross building area, or

Item	Calculation	Value
Fee Simple	1,520 sf x \$132/sf =	\$200,640
	Rounded	\$200,000

Value Conclusion: \$200,000

Calculation of Temporary Damages

Temporary Damages due to the Temporary Construction Easement are calculated as follows:

<i>Item</i>	<i>Calculation</i>	<i>Damag</i>
Construction Easement #1	4,273± SF @ \$6.25/SF x 10% x 2 years	\$5,341
Construction Easement #2	1,949± SF @ \$6.25/SF x 10% x 2 years	\$2,436
	Total:	\$7,777
	Rounded	\$7,800

Calculation of Temporary Severance Damages

In addition to the Temporary Damages, the DOT opined that due to the location and length of the construction easements there was temporary severance to the property as follows:

Temporary Severance Damages due to the location and nature of construction easement #1 and construction easement #2.
 Total Property Value \$200,000
 Total Severance Percentage estimated 40% (if damages were permanent)
 Property's Estimated Holding Period – 10 years
 Total Duration of the temporary construction easement (s) = 2 years
 Therefore: \$200,000 x 40% = \$80,000 x 20% (2yr/10yrs) = \$16,000

Total damages are then Temporary Damages plus Temporary Severance Damages, or \$7,800 + \$16,000 = \$23,800.

Staff acknowledge the impact to the property due to the location and length of the two construction easement areas. The DOT Appraiser did not provide any support for his 40% estimate of damages. Staff performed an analysis of different rates of severance in 2.5% increments and determined that for each reduction of 2.5% in temporary severance, damages were reduced by \$1,000, as shown in the following table:

\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
40.00%	37.50%	35.00%	32.50%	30.00%	27.50%	25.00%	22.50%	20.00%
\$80,000	\$75,000	\$70,000	\$65,000	\$60,000	\$55,000	\$50,000	\$45,000	\$40,000
20%	20%	20%	20%	20%	20%	20%	20%	20%
\$16,000	\$15,000	\$14,000	\$13,000	\$12,000	\$11,000	\$10,000	\$9,000	\$8,000

Staff have notified DOT that the property owner appears to be utilizing the State ROW for commercial purposes and that DOT should initiate a review of this land with respect to either a future sale or lease of the land.

RECOMMENDATION: Board approval of damages in the amount of \$23,800 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 damages are supported by the DOT Valuation.



5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER - NEW BUSINESS

7. OTHER BUSINESS:

8. VOTES ON PRB FILE:

PRB FILE #23-205 – Mr. Valengavich moved and Mr. Halpert seconded a motion to approve FILE #23-205. The motion passed unanimously.

PRB FILE #23-206 – Mr. Halpert moved and Mr. Valengavich seconded a motion to approve FILE #23-206. The motion passed unanimously.

9. NEXT MEETING – Thursday, December 14, 2023 – will be held solely by means of electronic equipment.

The meeting adjourned.

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