

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On August 9, 2021 – 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 9, 2021 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:

Dimple Desai  
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 6, 2021 Meeting. The motion passed unanimously.

### 2. COMMUNICATIONS

Chairman Greenberg informed Board Members of an inquiry from Vice Chairman Josephy regarding a DOT Concession Agreement reviewed under PRB #09-272 regarding Service Plazas along Interstate 95. Vice Chairman Josephy noted the last DOT update provided to the Board was in 2017 and requested a new update from DOT. The inquiry was related to financial impacts to the State of EV charging stations at the service plazas.

### 3. REAL ESTATE- UNFINISHED BUSINESS

### 4. REAL ESTATE – NEW BUSINESS

<i>PRB #</i>	21-110
<i>Transaction/Contract Type:</i>	RE – Sale by Public Bid
<i>Origin/Client:</i>	DOT/DOT
<i>Project Number:</i>	320-001-051B
<i>Grantee:</i>	Michael D. Cecchi
<i>Property:</i>	Guilford, Boston Post Rd (Assessor's Parcel ID 049026)
<i>Project Purpose:</i>	Sale by Public Bid
<i>Item Purpose:</i>	Quit Claim Deed

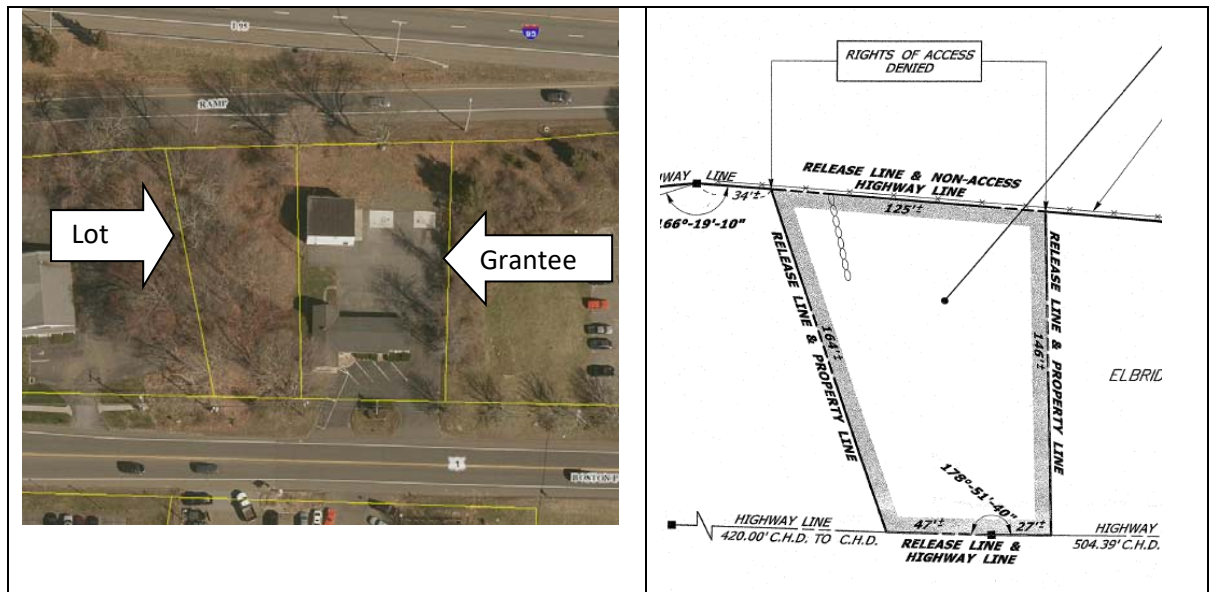
Sale Price: \$110,000 plus \$1,000 Admin Fee

At its meeting held on March 5, 2019 the Board reviewed this Proposal under PRB #19-038 and voted to reject this proposal and return this item to DOT to renegotiate the sale price. The Board members believe that the sale price of \$75,000 is below market value for commercial land in Guilford as estimated by the DOT appraisal report.

Under this Proposal (PRB #21-110), DOT is now seeking SPRB approval to convey this property to Michael D. Cecchi for \$110,000.

**Description** – This DOT sale consists of a 14,841 sq.ft. (0.341 acre) commercially zoned lot, determined to be excess property, with 74 feet of frontage on the northerly side of Boston Post Road (US Route 1). The property is bounded to the north by I-95 northbound ramp at interchange 59, and commercial uses to the east and west. It is the remnant of an original, 3.6 acre lot, acquired in 1955 for \$3,400, for the construction of Interstate 95.

The site is wooded and gently slopes upward to the rear of the site. It is located in the TS Transition Services zone, with a 20,000 sf minimum lot size, with 100 linear feet of frontage required. Public utilities include electric, natural gas and water. Public sewer is not available, requiring installation of a sanitary septic system. The land is pre-existing non-conforming regarding zoning requirements and was confirmed with local zoning officials to be a developable lot.





The Appraiser opined the Highest and Best Use of the property, as vacant, is for commercial development, subject to local zoning regulations, set back requirements and local area health district requirements for a septic system.

The valuation of the subject property is subject to the following Extraordinary Assumptions and Hypothetical Conditions: None.

**Valuation** – With the release of this parcel via a Sale by Public Bid, DOT Appraiser James Mansfield appraised the property, as of November 9, 2020. Based on the sales comparison approach, the Appraiser utilized three commercially-zoned sale of land in Guilford, Clinton and Branford (2019-2020). The unadjusted sale price per/sf was \$3.60, \$8.98 and \$10.01 and concluded the fair market value of the property was \$7.00/sq.ft. of land x 14,841 sf = \$103,887, rounded to \$105,000.

Three previous appraisals were prepared during the process of disposing of this DOT property. The first was a 2011 appraisal indicating a value of \$195,000 and the second was a 2016 appraisal indicating a value of \$135,000 and the last was \$110,000 in 2018.

**Public Bid & Negotiations** – The public bid was held with responses due February 17, 2021, with an asking price of \$110,000. One bid was received: #1. \$110,000 from Michael D. Cecchi, which was accepted by DOT.

<https://portal.ct.gov/DOT/Properties/Active-Public-Bids/320-001-051B-Guilford-Item-No-810>

Notably, the Buyer, Mr. Cecchi is the Member of Cecchi Group, LLC that acquired the easterly abutter at 415 Boston Post Road for \$525,000, as recorded in a Quit Claim Deed in volume 955, page 1084, of the local land records. This property was not listed in the Multiple Listing Service (MLS) identifying the property as for sale. It is currently listed in the MLS for rent (retail only). The Realtor listing the rental identified the owner as Seaboard, not Cecchi Group.

The Grantor was Seaboard Investments, LLC, an entity controlled by East River Energy, the last bidder on this property that DOT presented to the Board under PRB #19-038, which was ultimately rejected. A search of East River Energy revealed it is located at 401 Soundview Road in Guilford.

Notably, the property located at 393 Soundview Road is owned by Soundview Group, LLC, an entity controlled by Michael D. Cecchi. Other than being neighbors, it does not appear that the different entities are related.

**Recommendation** – Staff recommend approval of the proposed Sale by Public Bid in the amount of \$110,000 (plus \$1,000 Admin Fee = \$111,000 in QC Deed) for the following reasons:

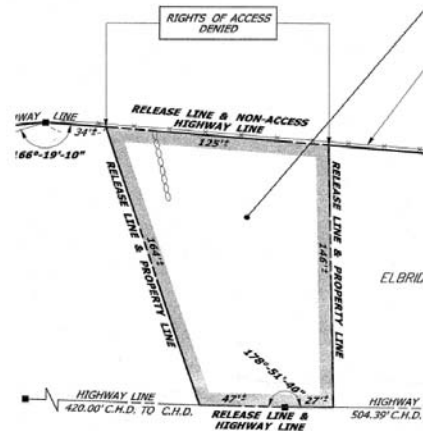
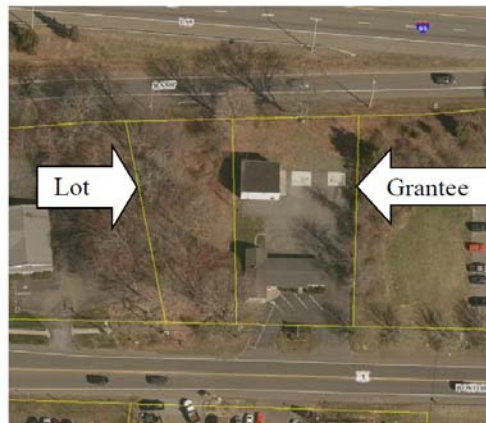
- The proposed sale complies with Sections §3-14b, and §13a-80 of the CGS in that the Town of Guilford declined to purchase (elapsed time) and the legislative delegation received the required notification on December 28, 2020.
- The release value of \$110,000 is reasonable in that it represents 104.8% of the appraised value and it will return the property to the Guilford tax rolls and relieve the State of all future expenses.
- The description in the Quit Claim Deed is consistent with the survey map filed in the Guilford Records.
- This represents savings to the State of \$35,000, as the prior \$75,000 sale price under PRB #19-038 was rejected by the Board below market value for commercial land in Guilford as estimated by the 2018 DOT appraisal report.

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From PRB #19-038

**Description** – This DOT sale consists of a 14,841 sq.ft. (0.341 acre) commercially zoned lot, determined to be excess property, with 74 feet of frontage on the northerly side of Boston Post Road (US Route 1). The property is bounded to the north by I-95 northbound ramp at interchange 59, and commercial uses to the east and west. It is the remnant of an original, 3.6 acre lot, acquired in 1955 for \$3,400, for the construction of Interstate 95.

The site is wooded and gently slopes upward to the rear of the site. It is located in the TS Transition Services zone, with a 20,000 sf minimum lot size, with 100 linear feet of frontage required. Public utilities include electric, natural gas and water. Public sewer is not available, requiring installation of a sanitary septic system. The land is pre-existing non-conforming regarding zoning requirements and was confirmed with local zoning officials to be a developable lot.



**Valuation** – The appraisal was completed by DOT Staff Appraiser Elizabeth R. Mainello as of January 8, 2018. Her analysis concluded the highest and best use was development with a retail/office building, estimating the site can accommodate a 3,500 sq.ft. building with parking.

The table below shows the analysis of three comparable sales. Given the limited data in the local area, the search for comparable sales was extended up to 15 miles, in West Haven.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	Boston Post Road Guilford	10 Cedar St Branford, CT 06405	938 Boston Post Rd West Haven, CT 06516	1003 Boston Post Rd West Haven, CT 06516
Proximity to Subject		6.13 miles W	14.51 miles W	14.80 miles W
Sales Price	\$ SPISF(Rd)	\$ 7.08	\$ 8.83	\$ 14.82
Price	\$ Sale Price	\$ 160,000	\$ 50,000	\$ 575,000
Data Source	Inspection/Records	Town Land Records/Town Planne	Town Land Records/Town Planne	Town Land Records/Inspection
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION +(-)\$ Adjust.	DESCRIPTION +(-)\$ Adjust.	DESCRIPTION +(-)\$ Adjust.
	N/A	2/14/2017	12/02/2015	09/10/2015
Location	Good	Good	Good	Good
Site/View	14,841±-sf/Mixed	22,585±-sf/Mixed	5,662±-sf/Mixed	38,812±-sf/Mixed
Highest & B/Use	Commercial	Commercial	Commercial	Intense Comm/Ret
Easements/FF	NKTAV174	NKTAV09.36	NKTAV140	NKTAV190
Utilities	Water/Septic/Elec.	Water/Sewer/Elec.	Water/Sewer/Elec.	Water/Sewer/Elec.
Zone/Conforming	TS/No	BR/Yes	RB/No	RB/Yes
Sales or Financing Concessions	None	Refer to Sale Sheet	Refer to Sale Sheet	Refer to Sale Sheet
Net Adj. (Total)		+ - \$ -1.42	+ - \$ -0.88	+ - \$ -5.92
Indicated Value of Subject		\$ 5.66	\$ 7.95	\$ 8.9

The unadjusted sale price per/sf was \$7.08, \$8.83 and \$14.82. After adjusting for use, frontage and utilities, the sales indicated a value range of \$5.66, \$7.95 and \$8.90. She concluded \$7.50/sf indicating a value of \$110,000.

Two previous appraisals were prepared during the process of disposing of this DOT property. The first was a 2011 appraisal indicating a value of \$195,000 and the second was a 2016 appraisal indicating a value of \$135,000. The two subsequent Sale by Public Bid did not yield offers acceptable to DOT.

**Public Bid & Negotiations** – The public bid was held 4/25/2018 with an asking price of \$125,000. Two bids were received: #1. \$50,000 from East River Energy, Inc; and #2. \$25,000 from Casey Hoban. Neither offer was accepted. DOT returned to East River Energy and provided them the opportunity to provide their highest and best offer, which was increased to \$75,000. The Grantee later requested the parcel be conveyed to Seaboard Investments, LLC, an entity controlled by East River Energy. Seaboard Investments is the ownership entity abutting the subject lot to the east.

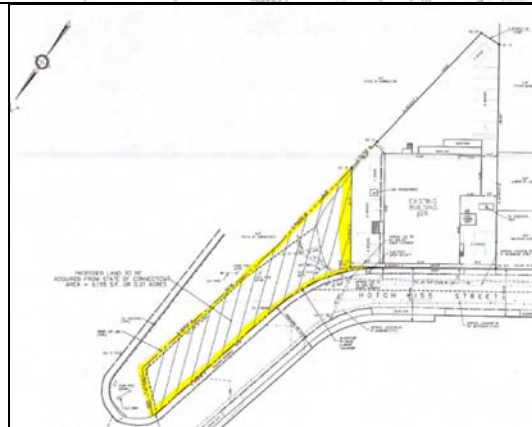
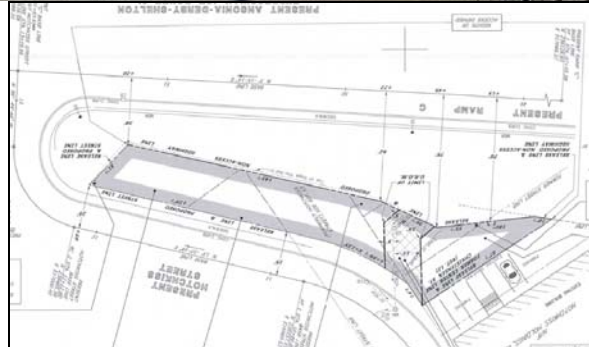
**Recommendation** – Staff recommends Board **REJECTION** of the sale of the 14,841 sq.ft. (0.341 acre), commercially-zoned vacant lot for \$75,000, or \$5.05/sf of land area. It is recommended that DOT renegotiate the sale price.

**PRB #** 21-111  
**Transaction/Contract Type:** RE – Sale by Sole Abutter Bid  
**Origin/Client:** DOT/DOT  
**DOT Project #:** 087-067-064B  
**Grantee/Grantor:** Hotchkiss Holdings, Inc.  
**Property:** Naugatuck, Hotchkiss St (7,030 sf)  
**Project Purpose:** Sale by Sole Abutter Bid  
**Item Purpose:** Quit Claim Deed

**Sale Price:** \$30,000 (plus \$1,000 Admin Fee)

Under this Proposal (PRB #21-111) DOT is seeking SPRB approval to this Sale by Sole Abutter Bid to release this irregularly-shaped parcel of land totaling 7,030± sf square feet of land to the Abutter located at 26 Hotckkiss Street, Naugatuck.

The Release Area is comprised of an irregularly-shaped 7,030± square feet) parcel with 202± of frontage along Hotchkiss Street. Rights of Access to Ramp C are denied. The parcel is not located within a flood zone and or affected by inland wetlands. The property is located in the B2 commercial zone and is non-conforming regarding site requirements and cannot be developed.



The Appraiser opined the highest and best use of the release parcel would be to assemble to the sole abutter.

The sole abutter located at 26 Hotchkiss Street totals 16,553 square feet with approximately 94 feet of frontage on the southerly side of Hotchkiss Street, located in the Business 2 (B2) district. The site is generally level with road grade and is mostly cleared of trees and vegetation. There are no indications of wetland soils, however, the parcel is near the Naugatuck River and is along a flood zone demarcation. The site has a triangle shape. The site is improved with an older mill building (renovated) and parking for approximately 10 vehicles (not appraised & assigned an "X" value).

Upon assemblage the property will consist of 23,583± sq. ft. with 296'± of frontage on Hotchkiss Street.

The valuation of the subject property is subject to the following Extraordinary Assumptions and Hypothetical Conditions: None.

**Valuation** – With the release of this parcel via a Sale by Sole Abutter Bid, DOT Appraiser Steven C. Miller appraised the property, as of November 4, 2020, in both the Before and After assemblage. Based on the sales comparison approach, the Appraiser utilized three sales of similarly-zoned land in Naugatuck, Derby and Prospect that sold in 2019-2020 and concluded the fair market value of the Larger Parcel was  $\$3.75/\text{sq. ft.} \times 16,553 \text{ sq. ft.} = \$62,074$ , rounded to \$62,000.

In the After Valuation, the Appraiser utilized the same three sales and concluded the fair market value of the subject property, as assembled, was  $\$3.75/\text{sq.ft.} \times 23,583 \text{ sq.ft.} = \$88,436$ , rounded to \$88,000.

### Value of the Release

After Valuation	\$88,000
Before Valuation	\$62,000
Value of Release	\$26,000

### Sale by Abutter Bid & Negotiations –

On November 24, 2020, the property owner that abuts the State parcel was informed that the asking price for the State parcel is \$39,000, plus the Administrative Fee of \$1,000. After negotiations, on December 14, 2020, the parties agreed upon the sale price of \$30,000, plus the \$1,000 Administrative Fee.

Staff inquired with DOT regarding the following.

- Should the first page of the QC Deed be corrected to correct the scrivener's error?  
(\$31,00.00), does hereby give, grant, bargain, sell and convey to **Hotchkiss Holdings, Inc.**  
**DOT Response:** Yes, the first page should be corrected to have the "0" zero added and we should be able to change that and get OPM's approval on that.  
**Staff Response:** OK. Will wait for corrected page.
- The Grantee had a survey of the Release Parcel prepared in 2010 (Meyers Associates). Please clarify when the Grantee approached DOT regarding the acquisition of the Release Parcel.  
**DOT Response:** David Bisceglia, esq. requested property November 20, 2019 on behalf of Hotchkiss Holdings, Inc.  
**Staff Response:** OK.
- A DOT Lease for land was referenced in the appraisal report.
  - a) Please clarify if this was a lease of the Release Parcel, or land formerly known as Christensen Street to access the rear portion of the Grantee's property.
  - b) If Christensen Street, was there a Lease for use of the Release Parcel, identified in the 2010 survey?  
**DOT Response:** The lease area was smaller than the release...as there was old roadway in between, which was formerly abandoned as noted on NOTE 13 ON release map.  
**Staff Response:** OK.



2016 imagery showing parking on Release Parcel.

**Recommendation** – Staff recommend approval of the proposed Sale by Sole Abutter Bid in the amount of \$30,000 (plus \$1,000 Admin Fee) for the following reasons:

- The proposed sale complies with Sections §3-14b, and §13a-80 of the CGS in that the Borough of Naugatuck declined the purchase on 12/30/20 and the legislative delegation received the required notification on July 1, 2020.
- The release value of \$30,000 is reasonable in that it represents 115% of the appraised value and it will return the property to the Naugatuck tax rolls and relieve the State of all future expenses.
- The description in the Quit Claim Deed is consistent with the compilation map to be filed in the Naugatuck Land Records.

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session and into Executive Session at 10:03. The motion passed unanimously.

**EXECUTIVE SESSION**

**PRB #:** 21-112  
**Transaction/Contract Type:** RE/ Lease  
**Origin/Client:** DAS/ CSL

**Statutory Disclosure Exemptions: 4b-23(e), 1-200(6)(D) & 1-210(b)(24)**

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Executive Session and into Open Session at 10:29. The motion passed unanimously.

**5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS**

**6. ARCHITECT-ENGINEER - NEW BUSINESS**

**7. OTHER BUSINESS**

**8. VOTES ON PRB FILE:**

**PRB FILE #21-110** – Mr. Halpert moved and Mr. Valengavich seconded a motion to approve PRB FILE #21-110. The motion passed unanimously.

**PRB FILE #21-111** – Mr. Valengavich moved and Mr. Berger seconded a motion to approve PRB FILE #21-111. The motion passed unanimously.

**PRB FILE #21-112** – Mr. Halpert moved and Mr. Berger seconded a motion to suspend PRB FILE #21-112. The motion passed unanimously.

**9. NEXT MEETING** – Thursday, August 12, 2021.

The meeting adjourned.

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
John Valengavich, Secretary