

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On April 25, 2024

– 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 April 25, 2024. 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 Conference ID 917724280#.

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 Conference ID 917724280#. If you have any questions or need assistance to attend these Meetings, or for some reason the Call-In Numbers do not work, please contact SPRB Director Thomas Jerram, immediately, at thomas.jerram@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:

Thomas Jerram

Guests Present – solely by means of electronic equipment:

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 April 22, 2024 Meeting. The motion passed unanimously.

2. COMMUNICATIONS

Members were reminded of the May 1, 2024 deadline to file their Statement of Financial Interest with the Office of State Ethics.

Members were also reminded of the Site Visit scheduled for Friday, April 25, 2024, at 10:30 for a Proposal being reviewed under PRB #24-060-A.

3. REAL ESTATE- UNFINISHED BUSINESS

EXECUTIVE SESSION

Mr. Valengavich moved and Mr. Halpert seconded a motion to go out of Open Session and into Executive Session at 9:36. The motion passed unanimously.

For Discussion Purposes Only

PRB #: 24-060-A
Transaction/Contract Type: AG / PDR
Origin/Client: DoAG/DoAG

Statutory Disclosure Exemptions: 1-200(6) & 1-210(b)(7)

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 9:41. The motion passed unanimously.

OPEN SESSION

4. REAL ESTATE – NEW BUSINESS

PRB File #: 24-052
Transaction/Contract Type: RE – Sale by Abutter Bid
Origin/Client: DOT/DOT
DOT Project #: 88-160-1C
Grantee: HEC Arch/Whiting S Development, LLC
Property: New Britain, Whiting St @ Webster (2,839 sf)
Project Purpose: Sale by Abutter Bid
Item Purpose: Quit Claim Deed

Sale Price: \$12,000 plus \$1,000 Admin Fee

From 2004 to 2006 DOT acquired approximately 1.41 acres of land from 10 individual property owners for the Project known as **Reconstruction of Hart Street Extension.**

Under PRB #19-053, the Board approved the Release of four separate parcels comprising a total of 26,556± sq.ft. (0.6096 sf) of land area, along with slope easements and easements to maintain metal beams and easements for traffic appurtenances acquired for this Project to the City of New Britain for highway purposes.

Under PRB #22-025, the Board approved a Sale by Public Bid (\$10,000 + \$1,000 admin fee) for the sale of a 3,194± sf lot, with approximately 51 feet of frontage on the east side of Arch Street and an additional 47 feet of frontage on the north side of Whiting Street. A slope easement in favor of the City of New Britain encompasses 1,794 square feet of the site.

Under PRB #23-084, the Board approved a Sale by Public Bid (\$7,500 + \$1,000 admin fee) for the sale of a 7,852± square foot lot, with approximately 28 feet of frontage on the east side of Arch Street and an additional 165 feet of frontage on the south side of Whiting Street.

Under this Proposal (PRB #24-052) DOT seeks Board approval of a Sale by Sole Abutter Deed conveying approximately 2,389 sf of land to the Sole Abutter for \$12,000, plus a \$1,000 administrative fee.



Description – The release parcel is an irregular shaped parcel that consists of approximately 0.05+/- Acres or 2,839 +/- Sq. Ft. of land. The release parcel is identified in the Assessor’s records as 22 Whiting Street. The release parcel has 112+/-L.F. of road frontage along the southeasterly boundary of Whiting Street and 101 +/- L.F of road frontage along Webster Street.

The release parcel is located in a B-3 Zone (Secondary Business District) and is considered a non-buildable parcel that can’t stand alone. In conclusion, the release parcel is not a buildable lot, therefore must be assembled to the sole abutting property to be utilized.

The subject property (aka as the sole abutter) is currently a vacant lot that was previously improved with a dilapidated retail/apartment building that is located on approximately 8,712+/-Sq. Ft. or 0.20+/-acres. The subject parcel currently has 171 +/- L.F of road frontage along Arch Street and Webster Street.

The subject site topography is slopes downward from Arch Street and irregular in shape. All public utilities are available. Portion of the stone foundation still remain on the site along the front portion of the parcel along Arch Street.

As assembled, the sole abutting property will now consist of approximately 0.25+/-Acres or 10,890+/- SF with superior road frontage as the before valuation. The site will now have additional land area located along the easterly boundary of the sole abutting property along both Whiting and Webster Streets.

The highest & best use in both the before and after valuations would be for commercial development such as a mix use property within the CBD Zoning (Commercial Business District). This proposed development would be consistent to what was there prior and would clearly represent the highest & best use of the subject property.

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

Before Valuation – With the release of this parcel via a Sale by Abutter Bid, DOT Appraiser Anthony John Delucco appraised the property, as of May 4, 2023. Based on the sales comparison approach, the Appraiser utilized three similarly-zoned sales of land in New Britain that sold

between 2021 and 2022. After adjusting for transactional, locational and physical characteristics the appraiser concluded the fair market value of the subject land was \$3.00/square foot x 8,712 sf = or \$26,136, rounded to \$26,000.

After Valuation – Based on the sales comparison approach, the Appraiser considered the same three sales of land as in the Before Valuation and after adjusting for transactional, locational and physical characteristics concluded the fair market value of the subject land was \$3.00/sf x 10,890 sf = \$32,670, rounded to \$33,000.

Release Value

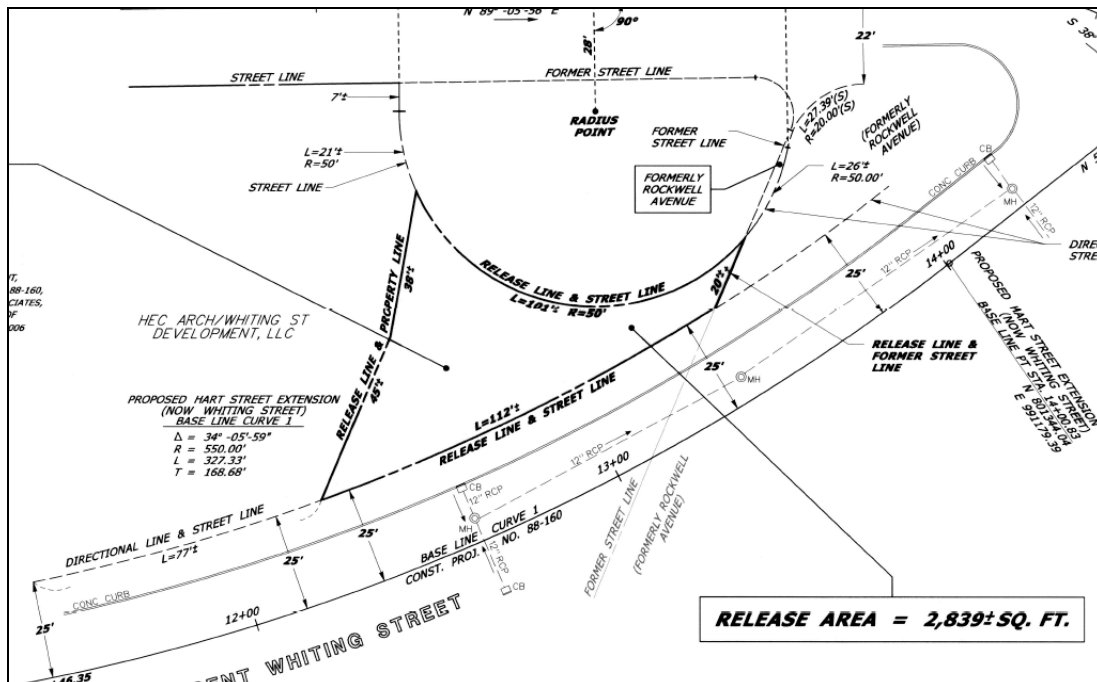
Item	Value
After Valuation	\$33,000
Before Valuation	\$26,000
Release Value	\$7,000

It should be noted that due to the time elapsed since the original appraisal, in February 2022, DOT recertified the Release Value and concluded it was consistent with the original appraisal estimate.

DOT provided the following narrative in support of this Proposal:

Attached is the deed and pertinent mapping for the proposed conveyance of 2,839± s.f. of land to HEC ARCH/WHITING ST DEVELOPMENT, LLC. The parcel is located on the northern side of Whiting Street at Webster Street, in the city of New Britain.

The property was appraised on May 4, 2023 by staff appraiser Anthony DeLuco who determined the value to be \$7,000.00. On Wednesday August 30, 2023, the sole abutter, HEC ARCH/WHITING ST DEVELOPMENT, LLC, owner of 414 Arch Street, contacted the Department expressing interest in purchasing the remnant parcel located on Whiting Street at Webster Street. On September 2, 2023 the Department offered to sell the parcel to the sole abutter for \$12,000.00. On October 2, 2023, the sole abutter accepted the Department's offer to purchase the parcel for \$12,000.00 plus a \$1,000.00 administrative fee.



Recommendation – Staff recommend approval of this Proposal - Sale by Abutter Bid - in the amount of \$12,000 (plus \$1,000 Admin Fee = \$13,000 in QC Deed).

- The proposed sale complies with Sections §3-14b, and §13a-80 of the CGS in that the City of New Britain declined to purchase and the legislative delegation received the required notification on January 2, 2020.
- The release value of \$12,000 is 171% of the appraised value, and it will return the property to the New Britain 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 New Britain Land Records.

PRB File #: 24-053
Transaction/Contract Type: RE – Abutter Easement
Origin/Client: DOT/DOT
DOT Project #: 068-099-049B
Grantee: KCE CT 1, LLC
Property: Killingly, Old Perry Rd (40)
Project Purpose: Overhead Power Line Easement
Item Purpose: Easement Deed

CONVEYANCE FEE: \$11,000 (+Administrative Fee = \$1,000)

Background

At the State Properties Review Board held on September 11, 2023, the Board approved an Easement Agreement between the State of Connecticut and KCE CT 1, LLC for the granting of an Overhead Powerline Easement to the abutter at 40 Old Perry Rd, Killingly. The agreed upon price for the Easement was \$11,000, plus a \$1,000 Administrative Fee.

DOT informs the Board that Subsequent to you signing and receiving statutory approval for the attached easement, the requester, KCE CT 1, LLC, requested revisions to the easement language to include overhead and underground communication lines, which they determined to be necessary to ensure the proposed overhead power lines operate efficiently.

Under this Proposal (PRB #24-053), DOT now seeks approval of a new Easement Deed to permit the Grantee to include overhead and underground communication lines. There is no additional monetary consideration.

New Easement Language

A defined easement to install and maintain overhead power lines, and overhead and underground communication lines, and appurtenances thereto, located on the westerly side of land now or formerly of Providence & Worcester RR Co., within an area of 43,300 square feet, more or less:

Original Easement Language

A defined easement to install and maintain overhead power lines and appurtenances, located on the westerly side of land now or formerly of Providence & Worcester RR Co., within an area of 43,300 square feet, more or less:

The corresponding Release Map was updated to reflect the expanded language.

There are no other changes to the previously approved Easement Agreement.

Recommendation – Staff recommend approval of the proposed Easement in the amount of \$11,000 (plus \$1,000 Admin Fee) for the following reasons:

- The proposed sale complies with Section §13a-80 of the CGS in that the legislative delegation received the required notification on June 5, 2023;
- The release value of \$11,000 is reasonable in that it represents 126% of the appraised value; and
- The description in the Easement Deed is consistent with the compilation map to be filed in the Town of Killingly Land Records.

From PRB #23-139

CONVEYANCE FEE: \$11,000 (+Administrative Fee = \$1,000)

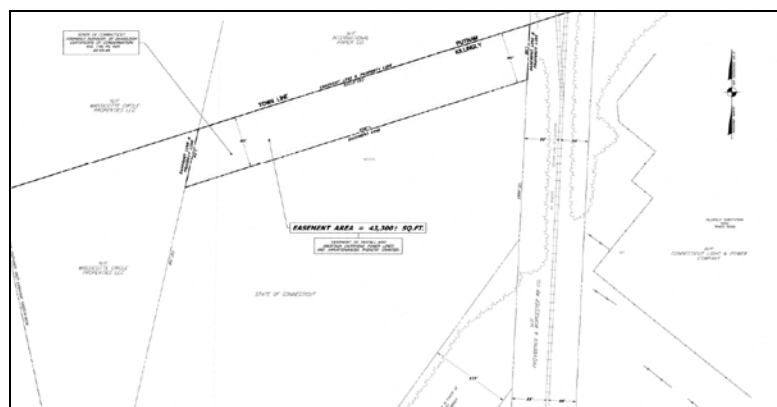
Project Background

This 22.7 acre property was acquired by the Department of Transportation in 1965 for the relocation of Route 12. It is bordered to the east by Providence & Worcester rail line, to the north by International Paper and to the west by Massicotte Circle Properties and Interstate 395. The site is encumbered by a 125' wide overhead power line easement to CL&P leading to a CL&P substation on the east side of the railway line.

Under this Proposal (PRB #23-139), DOT is seeking SPRB approval of an Easement Deed for an easement to install and maintain overhead power lines and appurtenances thereto over a 43,300 square foot portion of this state-owned land KCE CT 1, LLC, an option-holder to acquire the sole abutter at 253 Park Road, Putnam. The subject easement will be conveyed for \$11,000 plus an administrative fee of \$1,000.

The Grantee, KCE CT 1, LLC, is part of Key Capture Energy, an Albany, NY based energy storage development company with a focus on utility-scale battery storage projects in the United States. (<https://www.keycaptureenergy.com>). KCE has two Petitions before the CT Siting Council, one for a 5.0 megawatt AC battery storage facility in Windsor Locks and a 4.9 megawatt AC battery storage facility in East Hampton.

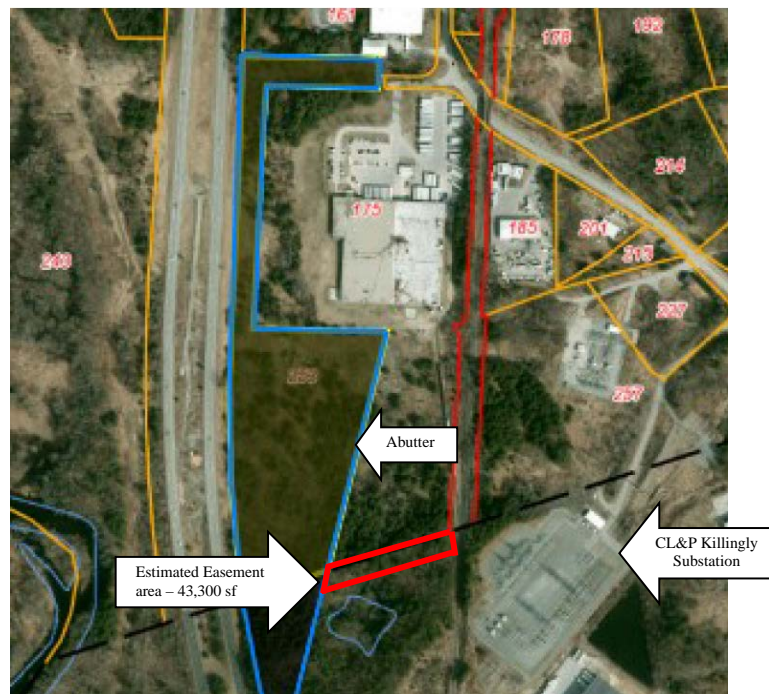
The proposed Easement covers an area of 43,300± square feet over the northerly-most portion of the state-owned land. The easement area measures 80'± wide and ranges from 532.5' to 550' in length. It has level topography and is lightly wooded with common vegetation.



General Location of proposed Easement area



Courtesy: Google Earth



The Highest and Best Use of the Release Parcel is to install and maintain overhead power lines and appurtenances thereto via the assemblage to the Logical Abutter Property.

The Logical Abutter Property consists of approximately 18.9 acres (823,284+/- square feet) located off of the westerly side of Park Road in the town of Putnam. The property consists of vacant land in the towns of Putnam and Killingly. While the Killingly GIS map does not show the Logical Abutter property, maps from the Connecticut Department of Transportation's Office of Central Surveys clearly show the portion of the Logical Abutter Property that is located in the town of Killingly. To estimate the lot size of the Logical Abutter Property, the outline of the property based on the Central Surveys maps was drawn on the Putnam GIS map to include the portion of the property in the town of Killingly, resulting in a total of 18.9 acres for the Logical Abutter Property's land area. The property's land ranges from lightly wooded in its northerly sections to more densely wooded in its southerly sections. The property consists entirely of vacant land. The Logical Abutter Property is located in the Town of Putnam's Industrial zoning district and the Town of Killingly's Industrial zoning district.

It is an Extraordinary Assumption that the Logical Abutter’s land area as determined by the Putnam GIS map to include the land in Killingly is accurate. If this Extraordinary Assumption is proven to be different, the appraiser reserves the right to change the value.

Note: The current owner of the Logical Abutter Property, Massicotte Circle Properties, LLC, has entered a Purchase Option with KCE CT 1, LLC dated August 10, 2022 and running until August 10, 2026 which states KCE CT 1, LLC can purchase all or a part of the subject property under the terms of an Agreement to purchase the property. A copy of the Purchase Option is included in this report.

After the assemblage, the Logical Abutter Property’s lot size will remain the same at 18.9 acres, however the owners of the Logical Abutter property will be granted an easement over the State of Connecticut property to be able to install and maintain overhead power lines and appurtenances thereto over the 43,300+/- easement area located along the northernmost portion of the property known as 40 Old Perry Road in the town of Killingly. It should be noted that the Logical Abutter Property will not gain any road frontage after the assemblage.

Direct Valuation – With the release of this Easement, DOT Appraiser Matthew Malia appraised the Sole Abutter property, as of January 11, 2023.

The Appraiser considered three sales in the greater market area and after adjusting for transactional, locational and physical characteristics the appraiser concluded the fair market value of the Sole Abutter land was \$17,500/acre.

Item	Calculation	Value
Land Valuation (Fee Simple)	18.9 acres x \$17,500/acre =	\$330,750
	Rounded	\$330,800

The appraiser elected to do a direct damages calculation to estimate the value of the easement over the 40 Old Perry Road parcel. The calculation is as follows: 43,300+/- square feet = 0.994+/- acre. 0.994+/- acre x \$17,500 x 50% = \$8,698, rounded to \$8,700

After adding the value of the Release Parcel to the value Before the Assemblage, the appraiser concludes an After Release lot value of \$339,500

Item	Value
After Valuation	\$339,500
Before Valuation	\$330,800
Release Value	\$8,700

On March 2, 2023, KCE CT 1, LLC was presented with a sale price of \$12,000.00 (including a \$1,000.00 administrative fee) which was accepted on March 22, 2023.

Recommendation – Staff recommend approval of the proposed Easement in the amount of \$11,000 (plus \$1,000 Admin Fee) for the following reasons:

- The proposed sale complies with Section §13a-80 of the CGS in that the legislative delegation received the required notification on June 5, 2023;
- The release value of \$11,000 is reasonable in that it represents 126% of the appraised value; and
- The description in the Easement Deed is consistent with the compilation map to be filed in the Town of Killingly Land Records.

5. ARCHITECT-ENGINEER - UNFINISHED BUSINESS

6. ARCHITECT-ENGINEER - NEW BUSINESS

7. OTHER BUSINESS:

Chairman Josephy requested a motion to approve Board Fees reimbursement for the Members attending the April 24th Personnel Subcommittee Meeting to discuss Personnel Matters before the Board, including Mr. Josephy, Mr. Berger and Mr. Greenberg. Mr. Berger made the motion, seconded by Mr. Halpert. The motion passed unanimously.

8. VOTES ON PRB FILE:

PRB FILE #24-052 – Mr. Halpert moved and Mr. Berger seconded a motion to approve PRB FILE #24-052. The motion passed unanimously.

PRB FILE #24-053 – Mr. Berger moved and Mr. Halpert seconded a motion to approve PRB FILE #24-053. The motion passed unanimously.

9. NEXT MEETING – Special Meeting, Friday, April 25, 2024.

The meeting adjourned.

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