

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On August 8, 2019 450 Columbus Boulevard, Hartford, Connecticut

The State Properties Review Board held a Regular Meeting on August 8, 2019 in Suite 2035, 450 Columbus Boulevard, Hartford, Connecticut.

### Members Present:

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

### Members Absent:

### Staff Present:

Dimple Desai  
Thomas Jerram

### Guests Present

Bryan Hurlburt, Commissioner, DoAG (9:39-9:50)  
Cameron Weimar, Director DoAG Farmland Preservation (9:39-9:50)  
Jonathan Harris, Governor's Office (9:53-10:35)  
Paul Hinsch, Policy Director of Asset Management, OPM (9:53-10:35)

Chairman Greenberg called the meeting to order.

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. Halpert seconded a motion to approve the minutes of the August 5, 2019 meeting. The motion passed unanimously.

#### 2. COMMUNICATIONS

#### 3. REAL ESTATE- UNFINISHED BUSINESS

#### 4. REAL ESTATE – NEW BUSINESS

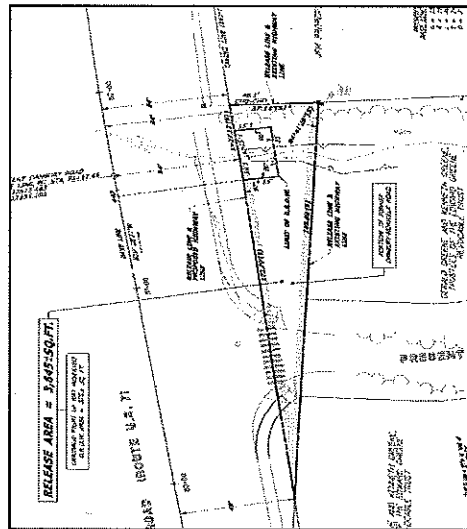
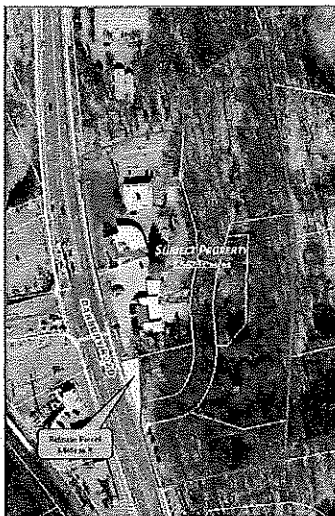
<b>PRB #</b>	<b>19-148</b>
<b>Transaction/Contract Type:</b>	RE/ Sale by Sole Abutter Bid
<b>Origin/Client:</b>	DOT/DOT
<b>Project Number:</b>	161-000-124
<b>Grantee:</b>	Edward Greene Revocable Trust
<b>Property:</b>	Wilton, Danbury Rd (3,645 sf land)
<b>Project Purpose:</b>	Sale by Sole Abutter Bid
<b>Item Purpose:</b>	Quit Claim Deed

**Sale Price:** \$125,000

**Background:** The Buyer owns five lots on Whitewood Lane, of which 3 are improved with single family dwellings. This land, along with two other properties at 11 Whitewood Lane and 300 Danbury Road, both owned by JFM Properties II, LLC, are part of a mixed commercial and residential development proposal known as Wilton Heights. This proposed development was approved by the Wilton Zoning Commission at their February 25, 2018 meeting (SP#449).

Under this proposal, DOT will release a triangularly-shaped, 3,645 square foot remnant parcel of land, via a sale by Sole Abutter Bid, as the parcel is surrounded on three sides by the proposed Grantee. DOT will retain a Drainage Right of Way over a 375 square foot portion of the release parcel.

This Release Parcel has been incorporated into the approved development (SP#449) known as Wilton Heights. The Requestor made their initial request to DOT on December 19, 2017.



**Valuation** – The appraisal was completed by DOT Staff Appraiser Kenneth Goldberg as of October 31, 2018. His analysis was under the Extraordinary Assumption that the seven individual parcels were merged into a single parcel, and valued the property in both the Before and After the assemblage of the DOT parcel.

An analysis of three comparable sales is as follows:

**Before Valuation**

MARKET DATA ANALYSIS	NOTE	SUBJECT PROPERTY	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
	Address	300 Danbury Rd Wilton, CT 06897	211 Danbury Rd Wilton, CT 06897	249 Danbury Rd Wilton, CT 06897	372 Danbury Rd Wilton, CT 06897			
	Proximity to Subject		0.79 miles SE	0.36 miles SE	0.77 miles N			
	Sales Price	\$ per sq. ft.	\$ 29.81	\$ 26.72	\$ 33.93			
	Price	\$	\$ 5,000,000	\$ 7,449,000	\$ 8,794,800			
	Date of Sale/Time Adj	10/31/2018	09/28/2017	09/06/2016	01/07/2014			
	Location	VGood/23,250 ± vpd	VGood/23,950 ± vpd	VGood/22,650 ± vpd	VGood/21,100 ± vpd			
	Size/View	7.5673 acres	3.8503 ± acres	1.463,9542 ± acres	1.0615.95 ± acres			
	Highest & Best Use	Commercial Develop.	Commercial Develop.	Commercial Develop.	Commercial Develop.			
	Best Description	None	3,150 ± sq. ft. of Bldgs	+0.13 None	None			
	State of Financing	N/A	Refer to Sales Sheet	Refer to Sales Sheet	Refer to Sales Sheet			
	Cost Adj. (Total)		\$ 2.55	\$ 2.33	\$ 4.79			
	Estimated Value of Subject		\$ 32.36	\$ 31.05	\$ 38.72			

The unadjusted sale price per/sf was in the range of \$28.72 to \$33.93/sf. After adjusting for market conditions, size and demolition, the sales indicated a value range of \$31.05 to \$38.72/sf. He concluded \$33.40/sf indicating a value of \$11,000,000 + x (value of improvements not affected).

The Town of Wilton valued the commercial land at 300 Danbury Road at \$33.59/sf and the residentially-zoned land on Whitewood Lane in the range of \$3-\$27/sf.

### After Valuation

DOT Appraiser Goldberg utilized the same three sales in the After Valuation.

Item	SUBJECT PROPERTY	COMPARABLE NO. 4	COMPARABLE NO. 5	COMPARABLE NO. 6
Address	300 Danbury Rd Wilton, CT 06897	211 Danbury Rd Wilton, CT 06897	249 Danbury Rd Wilton, CT 06897	372 Danbury Rd Wilton, CT 06897
Proximity to Subject		0.76 miles SE	0.36 miles SE	0.77 miles N
Sale Price	\$ 29,810,000	\$ 29,810,000	\$ 28,720,000	\$ 33,930,000
Price	\$ 29,810,000	\$ 29,810,000	\$ 28,720,000	\$ 33,930,000
Data Source(s)	Inspection/Records	Town Land Records	Town Land Records	Town Land Records
DESCRIPTOR	DESCRIPTOR	DESCRIPTOR	DESCRIPTOR	DESCRIPTOR
Date of Sale/Time Adj	10/31/2013	09/20/2017	06/06/2016	01/07/2014
Location	VGood/23,250 ± vpd	VGood/23,950 ± vpd	VGood/22,550 ± vpd	VGood/21,100 ± vpd
Size/View	7.6460 acres	3.8605 ± acres	1.4653542 ± acres	5.95 ± acres
Highest & Best Use	Commercial Develop.	Commercial Develop.	Commercial Develop.	Commercial Develop.
Blvd Demolition	None	3.150 ± sf of Blvd	+0.13 None	None
Sales as Fee Simple	N/A	Refer to Sales Sheet	Refer to Sales Sheet	Refer to Sales Sheet
Net Adj. (Good)		2.53	2.33	4.79
Adjusted Value of Subject		32.36	31.05	38.72

The unadjusted sale price per/sf was in the range of \$28.72 to \$33.93/sf. After adjusting for market conditions, size and demolition, the sales indicated a value range of \$31.05 to \$38.72/sf. He concluded \$33.40/sf and calculated the market value as follows (+ x -value of improvements not affected):

<i>Land Valuation</i>	<i>Market</i>
332,684 sf – Fee Simple x \$33.40/sf =	\$11,112,0
375 sf – DROW x \$33.40/sf x 25% =	\$3,000(R)
<b>Market Value Rounded</b>	<b>\$11,115,0</b>

### Value of the Release

The Value of the Release is then arrived by deducting the Before Value from the After Value as follows:

<i>Valuation of the Release</i>	<i>Market</i>
After =	\$11,115,0
Before =	-
<b>Value of the Release</b>	<b>\$115,000</b>

Staff asked DOT to clarify the following:

- Please clarify if reference to a Source Deed should be incorporated into the Quit Claim Deed.
  - DOT responded that this remnant parcel was a portion of the original right-of-way and was not part of an acquisition, thus no source deed. As this portion was outside of the general highway line and this sale will keep the highway line uniform and general revenue to the highway fund.

**Recommendation** – Staff recommends Board approval of the sale of the 3,675 square foot remnant parcel of land to the abutter, Edward Greene Revocable Trust for \$125,000.

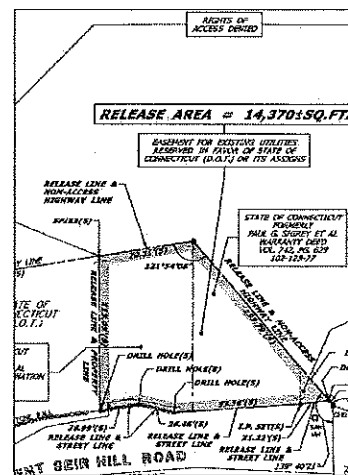
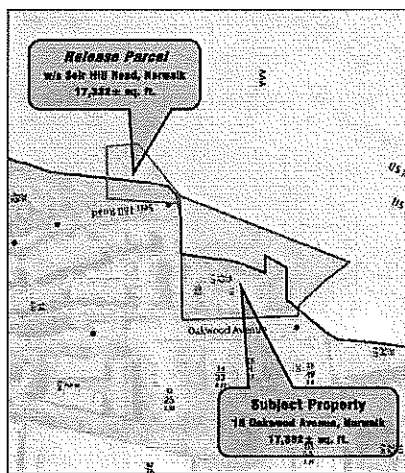
- The proposed sale complies with Sections 4b-21, 3-14b, and 13a-80 of the CGS in that the Town of Wilton declined to purchase and the legislative delegation received the required notification on June 19, 2018.
- The release value of \$125,000 is reasonable in that it represents 109% of the appraised value and it will return the property to the Wilton tax rolls and relieve the State of all future expenses.
- The description in the Quit Claim Deed is consistent with the compilation plan to be filed in the Wilton Land Records.

<b>PRB #</b>	<b>19-149</b>
<b>Transaction/Contract Type:</b>	RE/ Sale by Public Bid
<b>Origin/Client:</b>	DOT/DOT
<b>Project Number:</b>	102-129-76A
<b>Grantee:</b>	Stone Realty Associates, LLC
<b>Property:</b>	Norwalk, Seir Hill Rd (14,370 sf land)
<b>Project Purpose:</b>	Sale by Public Bid
<b>Item Purpose:</b>	Quit Claim Deed

**Sale Price:** \$311,000

**Background:** The Buyer owns a commercial property located at 15 Oakwood Avenue and was one of the Petitioners, along with 34 Oakwood Avenue Associates, LLC in the acquisition of 2.11 acres from the State DOT for \$420,000, approved by the Board under PRB #12-187. The buyers then subdivided the land with Stone Realty retaining a 0.93 acre portion.

Under this proposal, DOT will release an irregularly-shaped, 14,370 square foot parcel of land originally acquired for the construction of US Route 7. The parcel is located at the end of Seir Hill Road. The property is located in both the AAA Residential Zone and the B2 Commercial Zone. DOT will retain an easement for existing utilities over the release parcel.



**Valuation** – The appraisal was completed by DOT Staff Appraiser Kenneth Goldberg as of October 3, 2018. His analysis was under the Extraordinary Assumption that “the City of Norwalk will re-zone a portion of the Release Parcel and Abutter from Residential (AAA) to Business No. 2

(B-2) Zone and access to the two parcels via Seir Hill Road will be granted.” His valuation method was a ‘Before’ and ‘After’ valuation of the property located at 15&29 Oakwood Road.

An analysis of three comparable sales is as follows:

#### Before Valuation

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	29 Oakwood Ave Norwalk, CT 06850	129 Glover Ave Norwalk, CT 06850		230 East Ave Norwalk, CT 06855		587 (Lot 'B') Connecticut Ave Norwalk, CT 06854	
Proximity to Subject		0.15 miles NE		3.42 miles SE		3.74 miles S	
Sales Price	\$ N/A	\$ 35.27		\$ 34.68		\$ 34.60	
Price \$/Sq. Ft.		\$ 4,962,000		\$ 5,227,000		\$ 2,300,000	
Data Source(s)	Inspection/Recs	Town Land Records		Town Land Records		Town Land Records	
ITEM	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.
Date of Sale/Time Adj.	10/03/2018	08/15/2016	+1.76	06/06/2018		01/29/2015	+2.60
Location	Avg(-)/<3,000± vpd	Avg/3,900± vpd	-1.76	Good/11,900± vpd	-3.47	VGood/26,000± vpd	-5.54
Site View	1.752 ac/Comc'l	3.23± ac/Comc'l	-3.53	3.46± ac/Comc'l	-3.47	1.53± ac/Comc'l	
Present Use	Office Development	Office Development		Office Development		Multi-family Develop.	
Highest & Best Use	Commercial Development	Commercial Development		Commercial Development		Commercial Development	
Access/Traffic	V Good/Min. Traffic	V Good/Min. Traffic		Good/1 way Traffic		Good/No Sgnl-Hi Traf	+1.73
Zone	Commercial (B-2)	Commercial (B-2)		Bus (NB)/Ind (I-1)	+2.60	Business (B-1)	
Sales or Financing	N/A	Refer to Sales Sheet		Refer to Sales Sheet		Refer to Sales Sheet	
Concessions	N/A						
Net Adj. (Total)		11+ 11- \$	-3.53	11+ 11- \$	-2.61	11+ 11- \$	-1.21
Indicated Value of Subject		\$ 31.74		\$ 32.07		\$ 33.39	

The unadjusted sale price per/sf was in the range of \$34.60 to \$35.27/sf. After adjusting for market conditions, location, size, access and zoning, the sales indicated a value range of \$31.74 to \$33.39/sf. He concluded \$32.30/sf indicating a value of \$2,465,000 + x (value of improvements not affected).

The City of Norwalk valued the commercial land at 15&29 Oakwood Road at \$19.16/sf.

#### After Valuation

DOT Appraiser Goldberg utilized the same three sales in the After Valuation.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address	29 Oakwood Ave Norwalk, CT 06850	129 Glover Ave Norwalk, CT 06850		230 East Ave Norwalk, CT 06855		587 (Lot 'B') Connecticut Ave Norwalk, CT 06854	
Proximity to Subject		0.15 miles NE		3.42 miles SE		3.74 miles S	
Sales Price	\$ N/A	\$ 35.27		\$ 34.68		\$ 34.60	
Price \$/Sq. Ft.		\$ 4,962,000		\$ 5,227,000		\$ 2,300,000	
Data Source(s)	Inspection/Recs	Town Land Records		Town Land Records		Town Land Records	
ITEM	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.
Date of Sale/Time Adj.	10/03/2018	08/15/2016	+1.76	06/06/2018		01/29/2015	+2.60
Location	Avg(-)/<3,000± vpd	Avg/3,900± vpd	-1.76	Good/11,900± vpd	-3.47	VGood/26,000± vpd	-5.54
Site View	2.150 ac/Comc'l	3.23± ac/Comc'l	-3.53	3.46± ac/Comc'l	-3.47	1.53± ac/Comc'l	
Present Use	Office Development	Office Development		Office Development		Multi-family Develop.	0
Highest & Best Use	Commercial Development	Commercial Development		Commercial Development		Commercial Development	
Access/Traffic	V Good/Min. Traffic	V Good/Min. Traffic		Good/1 way Traffic	+1.73	Good/No Sgnl-Hi Traf	+1.73
Zone	Commercial (B-2)	Commercial (B-2)		Bus (NB)/Ind (I-1)	+2.60	Business (B-1)	
Sales or Financing	N/A	Refer to Sales Sheet		Refer to Sales Sheet		Refer to Sales Sheet	
Concessions	Topo Issue/Dev Costs	None	-2.49	None	-2.32	None	-5.25
Net Adj. (Total)		11+ 11- \$	-6.02	11+ 11- \$	-4.93	11+ 11- \$	-6.46
Indicated Value of Subject		\$ 29.25		\$ 29.75		\$ 28.14	

The unadjusted sale price per/sf was in the range of \$34.60 to \$35.27/sf. After adjusting for market conditions, location, size, access and zoning, the sales indicated a value range of \$28.14 to \$29.75/sf. He concluded \$29.00/sf indicating a value of \$2,716,000 + x (value of improvements not affected).

#### Value of the Release

The Value of the Release is then arrived by deducting the Before Value from the After Value as follows:

<i>Valuation of the Release</i>	<i>Market</i>
After =	\$2,716,000
Before =	-
Value of the Release	\$251,000

**Public Bid & Negotiations** – The Public Bid was held 2/13/2019 with an asking price of \$300,000. One bid was received: \$310,000 from Stone Realty Associates, LLC, which DOT accepted.

DOT notes that subsequent to the Public Bid the Petitioner provided DOT with a Class A-2 Survey that DOT utilized to revise the Taking Map and the revisions reduced the size of the Release Parcel to 14,370 sf, from the 17,332 sf utilized in the Appraisal. The Petitioner agreed to proceed with the acquisition for \$310,000 (+\$1,000 Admin Fee).

Staff asked DOT to clarify the following:

1. Please clarify why the Appraiser utilized a 'Before and After' valuation of the abutter in light of the following two factors: #1. The Release Parcel conforms to zoning and can have its own highest and best use; and #2. If DOT is utilizing a 'Public Bid' should the valuation be reflective of the stand-alone parcel?
  - At the onset of this assignment, an extraordinary assumption was made whereby the Release Parcel, which is partially situated in the City's Residential AAA zone and partially in the Business B-2 zone, was considered to be reclassified as a parcel of land that is all in the B-2 zone. As a B-2 zoned parcel it can be considered a 'stand-alone' parcel (Minimum Lot Size – 12,500 sf); however, as a multi-zoned parcel the Release Parcel cannot stand-alone. Additionally, as is stated in the appraisal report "upon a cursory review of the financial viability it appears that the assemblage with the Subject Property is the best option available." It should be noted that the existing easements, in favor of the State, remain on the Release Parcel to further limit the feasibility of improving the property as a 'stand-alone' development. In addition, due to the existing topography of the release parcel, any development would be extremely challenging. Section 13a-80 of the Connecticut General Statutes does not preclude the Department from selling a non-conforming parcel via public bid. In this case, several entities expressed interest in the parcel so the Department made the business decision to sell the property via public bid in an effort to broaden the market in an effort to generate maximum income to the State. This decision to sell as a "Public Bid" has no bearing on what the appraiser determines to be the highest and best use of the property. It should be noted that the sales price generated from the bid was higher than both the appraised value and the asking price
2. Please clarify if the Appraiser considered within the Highest and Best Use, or in any other portion of the Appraisal report, an analysis if the value of the Release Parcel is greater as a stand-alone parcel, or as assembled to the abutter.
  - Based on a review of the highest and best use for the Release Parcel, it is the appraiser's opinion that an assemblage of the Release Parcel to the Subject Property provides the highest return to the State. Subsequent to the Public Bid, Stone Realty Associates, LLC provided the Department with a survey of the proposed release parcel. Given the validity of an A-2 survey, the Department made some revisions to the release map to depict a more accurate release area that changed from 17,332± square feet to 14,370± square feet of vacant land. The recalculation of the Release Parcel to a smaller parcel size further impacts the viability of developing the Release Parcel as a 'stand-alone' property to develop.

3. Please reconcile the valuation of the Release Parcel at \$32.30/sf in the Before Valuation with the valuation of land in Norwalk on Glover Ave (DOT Project 302-014-001A-G) valuing that commercial land at \$52.50/sf.
  - The \$52.50/psf value utilized the acquisition file mentioned was property that was appraised by a different appraiser. However, these properties were located directly on Glover Avenue. In the opinion of the appraiser, both the location and topography were superior to the property on Seir Hill Road, warranting a lower unit value.

**Recommendation** – Staff recommend approval of the sale for \$311,000 for the following reasons:

- The proposed sale complies with Sections 4b-21, 3-14b, and 13a-80 of the CGS in that the City of Norwalk declined to purchase and the legislative delegation received the required notification on June 27, 2018.
- The release value of \$311,000 is reasonable in that it represents 124% of the appraised value and it will return the property to the Norwalk tax rolls and relieve the State of all future expenses.
- The description in the Quit Claim Deed is consistent with the compilation plan to be filed in the Norwalk Land Records.

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

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

**7. OTHER BUSINESS**

Department of Agriculture Commissioner, Bryan Hurlburt and his Director of Farmland Preservation, Cameron Weimar, attended the meeting at the invitation of the Board. After initial introductions a general discussion followed regarding the interactions of DoAG with the Board regarding farmland preservation and other agricultural-related issues.

Jonathan Harris, of the Governor's Office and Paul Hinsch, from Office of Policy and Management, also attended the meeting at the invitation of the Board. After initial introductions a general discussion followed regarding the Board's history, interactions with certain agencies, OPM, and it's role in reviewing Agency's contract proposals pursuant to state statute.

**8. VOTES ON PRB FILES:**

**PRB FILE #19-148** – Mr. Berger moved and Mr. Halpert seconded a motion to return PRB FILE #19-148. The motion passed unanimously.

**PRB FILE #19-149** – Mr. Berger moved and Mr. Halpert seconded a motion to approve PRB FILE #19-149. The motion passed unanimously.

**9. NEXT MEETING** – Monday, August 12, 2019

The meeting adjourned.

APPROVED:  Date: 8/12/19  
John Valengavich, Secretary

