

# STATE PROPERTIES REVIEW BOARD

## Minutes of Meeting Held On January 25, 2016 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regular meeting on January 25, 2016 in the State Office Building.

**Members Present:** Edwin S. Greenberg, Chairman  
Bennett Millstein, Vice Chairman  
Bruce Josephy, Secretary  
Mark A. Norman  
John P. Valengavich

**Members Absent:** Pasquale A. Pepe

**Staff Present:** Brian A. Dillon, Director  
Mary Goodhouse, Real Estate Examiner

Chairman Greenberg called the meeting to order.

Mr. Josephy moved and Mr. Norman seconded a motion to enter into Open Session. The motion passed unanimously.

### OPEN SESSION

**ACCEPTANCE OF MINUTES OF JANUARY 19, 2016.** Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of January 19, 2016. The motion passed unanimously.

### REAL ESTATE- UNFINISHED BUSINESS

#### REAL ESTATE – NEW BUSINESS

**PRB #** 16-006 **Transaction/Contract Type:** RE / Assignment  
**Origin/Client:** DAS / DDS  
**Lessor:** Turkington, LLC  
**Property:** 90 South Park Street, Willimantic, CT  
**Project Purpose:** Consent for Assignment to Paul Lin and Mei-Jung Tien  
**Item Purpose:** Consent for Assignment as required under Section 17.09 and Exhibit G of the base lease as amended and most recently approved by the Board in January 2015 under PRB #15-091.

As a result of the sale of the premises on September 25, 2015, Turkington LLC is assigning its rights and obligations as Lessor to the new owners, being Paul Lin, also known as Lin Kuo Lung, and Mei-Jung Tien. The property at 90 South Park Street, Willimantic is 120,000 SF brick facility located on a 7.4 acre site. The sale price was \$3,060,000 (\$25.50/SF/GBA). DAS leases 8,693 SF for the DDS regional office under a lease approved by the Board in 2009, and amended for renewal in 2015 (PRB #15-091). The

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lease term as amended expires 1/20/2020. Consistent with Exhibit G in the base lease, the parties have executed a Consent to Assignment that requires Board approval.

Staff recommends Board approval of the Consent to the Assignment of the Lease from Turkington, LLC to Paul Lin et al. The Consent to Assignment is consistent with the requirements of Exhibit G in the 2009 standard lease agreement; and has been executed by the former Lessor, Mark Turkington, Co-Manager of Turkington, LLC (duly authorized) and by the current owners. A current Statement of Financial Interest (11/2/15) lists Pau Lin and Mei-Jung Tien as the only persons with a financial interest in the premises. The new Lessors have certified to OPM Ethics Form 1 regarding gifts and campaign contributions; and Form A regarding non-discrimination requirements. DAS has consented to the assignment, which was approved by DAS Commissioner Currey on 1/7/16.

<b>PRB #</b>	<b>16-009</b>	<b>Transaction/Contract Type:</b>	RE / Assignment
<b>Origin/Client:</b>	DAS/DCF/DOB		
<b>Property:</b>	38 Wellington Road, Milford		
<b>Project Purpose:</b>	Assignment of Agencies to State Facilities		
<b>Item Purpose:</b>	Approval for the assignment of two work stations and general use of common space to the Department of Banking at the Department of Children and Families Regional Office in Milford pursuant to a Memorandum of Understanding and CGS 4b-29.		

The Department of Administrative Services (“DAS”) is requesting Board approval pursuant to CGS 4b-29 for the Department of Banking (“DOB”) to use office space at the Department of Children and Families (“DCF”) Regional Office located at 38 Wellington Road, Milford. The space is currently occupied by DCF under an approved lease with Wellington Road, LLC. The total lease area is 39,907 NUSF and was approved by the Board in March 2008 under PRB File #08-088.

DOB has made this request to DAS due to a desire to hold meetings off site and conduct Fairfield County related agency matters in a more efficient approach. DCF has agreed to allow DOB access to two (2) workstations on the 1<sup>st</sup> floor identified as C-1033 and C-1034. DCF will also allow DOB access to its meeting rooms, copiers, fax machines provided DOB employees follow State of Connecticut and DCF policies and procedures. DCF will not charge DOB any additional rent for the space and provide 2 unreserved parking spaces. DOB, DCF and DAS have executed a Memorandum of Understanding regarding the above, to stay in effect until terminated by either agency with 60 days’ notice.

Staff recommended approval of the item.

<b>PRB #</b>	<b>16-010</b>	<b>Transaction/Contract Type:</b>	RE / New Lease
<b>Origin/Client:</b>	DOL/DOL		
<b>Property:</b>	350 Fairfield Avenue, Bridgeport, CT		
<b>Lessor:</b>	Forstone 350, LLC		
<b>Project Purpose:</b>	Lease for the Department of Labor		
<b>Item Purpose:</b>	New 10-Year lease for approximately 16,285 GSF of first and second floor office space as well as 45 unreserved parking spaces for the Department of Labor Employment Security Division.		

The Department of Labor (“DOL”) has authority to enter into leases under C. G. S. § 31-250(c), subject to Board approval. The Board’s approval or disapproval “shall be based solely upon whether the proposed location and rent are reasonable when compared to available space and prevailing rents in the same geographic area.” The proposed lease of 16,285 NUSF at 350 Fairfield Avenue in Bridgeport has a base

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rental rate of \$19.50/NUSF for year 1-5; and \$22.50/NUSF for years 6-10; for a 10 year average rate of \$21.00/NUSF. Additional rent includes electricity, and the pro-rata share of any increase in the real estate taxes that occurs after October 31, 2016.

Constructed in 1985 and renovated in 2010, 350 Fairfield Avenue is a 7-story, Class B office building with 128,610 square feet of usable area, and about 135,835 SF of GBA, according to the City of Bridgeport assessment field cards. The usable area is 94.7% of the gross area. Jones Lang LaSalle (“JLL”) has published office statistics for Fairfield County, Quarter 3 2015. Based on Bridgeport Class B office inventory of 357,201 SF, JLL reports an average asking rent of \$19.00/RSF. Converting the DOL rate of \$21.00/net “usable” square feet to “rentable” square feet results in \$19.88/RSF for the subject property’s 10 year average rate.

On a rentable square foot basis, comparable Bridgeport office listings that appear online range from \$15.00 at 211 State Street, to \$23.00/RSF for a 50,000 SF CBD property identified as “newly renovated.” DAS State of Connecticut leases for similar space range from \$16.00/NUSF (WCC lease renewal #15-065 at 350 Fairfield Avenue) to \$22.77/NUSF (2011 rate for DCF at 100 Fairfield Avenue). 350 Fairfield is currently advertised online as rate “negotiable”.

Consequently, Staff concluded that the 10 year average rate equivalent to \$19.88/RSF are reasonable when compared to available space and prevailing rents in the same geographic area. Staff recommended approval of the item.

**ARCHITECT-ENGINEER - UNFINISHED BUSINESS**

**ARCHITECT-ENGINEER – NEW BUSINESS**

**OTHER BUSINESS**

The Board took the following votes in Open Session:

**PRB FILE #16-006** – Mr. Valengavich moved and Mr. Norman seconded a motion to approve PRB File #16-006. The motion passed unanimously.

**PRB FILE #16-009** – Mr. Norman moved and Mr. Valengavich seconded a motion to approve PRB File #16-009. The motion passed unanimously.

**PRB FILE #16-010** – Mr. Valengavich moved and Mr. Millstein seconded a motion to approve PRB File #16-010. The motion passed unanimously.

The meeting adjourned.

**APPROVED:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Bruce Josephy, Secretary