

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On August 21, 2014 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on August 21, 2014 in the State Office Building.

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

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 AUGUST 14, 2014. Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of August 14, 2014. The motion passed unanimously.

REAL ESTATE- UNFINISHED BUSINESS

REAL ESTATE- NEW BUSINESS

Mr. Josephy moved and Mr. Norman seconded a motion to go out of Open Session into Executive Session. The motion passed unanimously.

EXECUTIVE SESSION

PRB # 14-213 **Transaction/Contract Type:** RE / Lease Amendment
Origin/Client: DAS/ JUD

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

The Board commenced its discussion of the proposal at 9:31 a.m. and concluded at 9:36 a.m.

Mr. Josephy moved and Mr. Norman seconded a motion to go out of Executive Session into Open Session. The motion passed unanimously.

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OPEN SESSION

PRB #	14-214	Transaction/Contract Type:	RE / Release
Origin/Client:	DOT / DOT		
Project Number:	025-075-003C		
Grantee:	Miller, Napolitano, Wolff, LLC		
Property:	Westerly side of Milldale Road (Route 10), Cheshire		
Project Purpose:	DOT Release of Deed Restriction		
Item Purpose:	Release of deed restriction for property comprising approximately 3.3-acres of vacant land located along the Ten Mile River and on the westerly side of Milldale Road. This release is being requested as part of a proposed development project currently known as "The Shoppes at Cheshire" and is anticipated for the construction of bridge access between the North and South areas of the development parcel.		

In 1987, DOT released 24.173 acres in four parcels of land to John A. Errichetti. The State received \$925,000. The Second Parcel, located westerly of Route 10, Milldale Road, contained 3.3 acres and was deeded subject to the restriction that the parcel "be used for inland wetlands or open space purposes only, and that development will not be allowed within the limits of said Second Parcel."

The property became part of an assemblage totaling 107 acres owned by Miller, Napolitano, Wolff, LLC. In January 2008, the Town of Cheshire granted a zone change for property (including the subject 3.3 acres) located at 1953 & 2037 Highland Avenue, I-691 & Dickerman Road. The site had been designed as a development called "The Shoppes at Cheshire" including 585,000 SF of commercial development and 255,700 SF of 146 residential townhouses. The 107 acres site is opposite Exit 3 off I-691.

The Ten Mile River bisects the site into an east parcel (56.8 acres) and a west parcel (50.2 acres), and in 2008 the Town of Cheshire permitted a river crossing (bridge) at the subject 3.3 acre site. The Town's review included coordination with DEP Wildlife Division regarding species habitat along the river, and the permit required inspections during construction and biological/wildlife surveys to verify that the development will have no discernible effects on adjacent habitats.

In 2008, DOT had agreed to release the 1987 deed restriction that had limited the use of the 3.3 acre site to inland wetlands or open space, and allow development within the limits of the parcel. However, due to the poor economy, the project stalled. The Grantee is now ready to proceed with a new development application, and has again petitioned for the release of the deed restriction. DOT will receive \$81,000 in payment for the release.

In order to estimate the value of the release of deed restriction, Independent Fee Appraiser Barbara J. Pape completed a "before and after" appraisal report (5/15/2013). Before the release, the 107 acre site has a highest and best use for commercial and residential development; however, within the limits of the 3.3 acre parcel, no development is allowed. After the release, the highest and best use remains the same, and the entire parcel can be used for development, including a river crossing at the most favorable section for connecting the east and west parcels.

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Three sales of vacant land in Newtown, Danbury and Middlebury were considered in the Comparable Sales Approach. The adjustment for the 3.3 acres of open space/restricted land was determined based on the amount of restricted acreage compared to the total, or $3.3 \text{ acres} \div 107 \text{ acres} = 3\%$. The appraiser made an adjustment of -3% to each sale when estimating the indicated value of the subject to reach the following conclusion:

Before: 107 acres = 4,660,920 SF @ \$3.50/SF = \$16,350,000¹

After: 107 acres = 4,660,920 SF @ \$3.53/SF = \$16,430,000

The difference of \$80,000 is the value of the release. DOT will also receive \$1,000 administrative fee.

Staff recommended approval of the item. The commissioner of transportation has authority under CGS §13a-80 to release the deed restriction. OPM approved the release on 7/30/2014. The appraisal report gives a reasonable basis for the release value of \$80,000 plus \$1,000 administrative fee.

ARCHITECT-ENGINEER - UNFINISHED BUSINESS

ARCHITECT-ENGINEER – NEW BUSINESS

OTHER BUSINESS

PRB FILE #14-213 – Mr. Pepe moved and Mr. Norman seconded a motion to approve PRB File #14-213. The motion passed unanimously.

PRB FILE #14-214 – Mr. Norman moved and Mr. Millstein seconded a motion to approve PRB File #14-214. The motion passed unanimously.

The meeting adjourned.

APPROVED: _____ **Date:** _____

Bruce Josephy, Secretary

¹ Rounded