

Spoken
3/25/13

RE: House Bill # 6672, Section 10
which states only that "Section 8 of special act 11-16 is repealed"

Good afternoon chairs and members of the GAE committee. My name is Steve Rocco and I am one of the partners of The Riverhouse Banquet and Conference Center in Haddam. I am here to ask you to please delete Section 10 of Bill #6672, known as the "Conveyance Bill".

Section 10 of this year's Conveyance Bill asks to repeal Section 8 of Special Act 11-16, the 2011 Conveyance Bill, which authorized the property exchange between Riverhouse and the State of Connecticut, aka the "Haddam Land Swap". I am the person who has been most involved with this proposal from the start, and after 6 years of work, thousands of hours of time spent, many thousands of dollars spent, and close examination and approval by the Legislature, I do not want to see this arbitrarily repealed. Section 10 doesn't mention what it is repealing, nor who submitted it, nor is there anything in the committee clerk's file as to why it should be repealed. It should not be. This has been thoroughly vetted and debated through three legislative sessions, and then duly approved in overwhelming numbers. Because of all the attention, the Governor drove to Haddam to inspect the two properties personally before signing the bill and declared that the deal seemed fair to him. And the fact is that this was first proposed to us by the DEP Deputy Commissioner in 2005 as a way for the State to improve the quality of its holdings. That began a 6 year odyssey which culminated in the approval in 2011. All of this effort should not just suddenly be made to disappear by one anonymous line in a bill two years later.

I won't take you through all of the details of this proposal, unless you ask me to. But the Land Swap was the subject of much discussion and a great deal of misleading, factually incorrect publicity. There were lengthy public hearings during which much testimony offered. There was an in-depth review of maps and photos of the properties in both the House and the Senate. In the end, the measure was supported overwhelmingly, across party lines. It was approved because the state property is a former sand pit adjacent to the Riverhouse, overrun with invasive plants, surrounded by commercial and industrial development, isolated and far removed from any other open space corridors. The 87 acre parcel is pristine forest land, which would add to and strategically connect Cockaponsett State Forest with Route 81 in Higganum. It would also connect Haddam Land Trust property to this 16,000 acre greenbelt, which is why the Land Trust supported it. If you want to get a sense of the conclusion the supportive legislators came to after looking into the matter in depth, I invite you to watch the video of Senate President Don

Williams' remarks to open the discussion in 2011. He questioned why "his friends in the environmental community" had misled him about the facts of this matter, and he gave detailed reasons for his strong support for it.

After the bill was signed by the Governor, we began working with DEEP staff to complete the exchange. Appraisals were ordered by DEEP of the two properties and in early 2012 the DEEP informed us that the values were unexpectedly far apart. I say unexpectedly because the properties were appraised in 2009 when Commissioner McCarthy was in office and supported the exchange. At that time our property was valued slightly higher than the State's 17 acres. But in the new appraisals, the value of our property was cut in half, largely based on erroneous information, while the State's property inexplicably went up by 60 percent, during the worst real estate market since the Great Depression. Without the benefit of being able to review the appraisals, we were given a one week deadline by DEEP staff to inform them if we were going to make up this new 1.3 million dollar difference in cash or additional property. We had no choice to decline, but we reserved our right to challenge the appraisals after we saw them.

We reviewed the appraisals and found they contained errors regarding important facts and highly questionable comparable properties, such as properties on I95 in Waterford, 30 miles away, with zoning approvals for large projects already in place. Our attorney sent a 255 page document to DEEP outlining the problems with the appraisals, but in the end the appraisers declined to revise them. Subsequently, we hired the original appraiser from 2009 to review these appraisals, and his conclusion was that the values should have been within \$200,000 of each other. I have a copy of his analysis for the committee.

At this point my partners and I have not come to an agreement as to whether or not to pursue the exchange again. Our business is holding celebrations and conferences, generally a happy and upbeat endeavor. But this process has been anything but that. Still, the 17 acres surround the Riverhouse on three sides, and as DEEP has no money to care for the property, it is becoming a forest of weed trees. So for that reason alone, it is still important to pursue this. Beyond that it is impossible to say without a lot of work what the economy and the area will support. So, to reiterate, I respectfully request that you remove Section 10 from House Bill 6672. Thank you for your time and consideration.