



# STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION



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**Public Hearing – May 14, 2021**  
**Government Administration and Elections Committee**

**Testimony Submitted by Commissioner Joseph Giulietti**  
**Department of Transportation**

**Raised H.B. 6676 - AN ACT CONCERNING THE REPEAL OF THE CONVEYANCE OF A PARCEL OF STATE LAND TO THE TOWN OF FARMINGTON.**

**Raised H.B. 6678 - AN ACT CONCERNING THE CONVEYANCE OF A PARCEL OF STATE LAND IN THE TOWN OF WOLCOTT.**

**Raised H.B. 6680 - AN ACT CONCERNING THE CONVEYANCE OF A PARCEL OF STATE LAND IN THE TOWN OF WINDSOR TO THE TOWN OF WINDSOR.**

**Raised H.B. 6684 - AN ACT CONCERNING THE CONVEYANCE OF A PARCEL OF STATE LAND IN THE TOWN OF WILTON.**

**Raised S.B. 1109 - AN ACT CONCERNING THE CONVEYANCE OF A PARCEL OF STATE LAND IN THE TOWN OF SOUTH WINDSOR.**

**Raised S.B. 1110 - AN ACT AMENDING THE CONVEYANCE OF PARCELS OF STATE LAND TO THE NEW HAVEN PORT AUTHORITY.**

**Raised S.B. 1111 - AN ACT AMENDING A CONVEYANCE OF A PARCEL OF STATE LAND IN THE TOWN OF FAIRFIELD.**

**Raised S.B. 1112 - AN ACT AMENDING THE CONVEYANCE OF PARCELS OF STATE LAND TO THE CITY OF NEW HAVEN.**

**Raised S.B. 1116 - AN ACT CONCERNING THE CONVEYANCE OF A PARCEL OF STATE LAND IN THE TOWN OF ROCKY HILL.**

### **Raised H.B. 6676 – Farmington**

The Department supports Raised H.B. 6676. After several discussions with the Town of Farmington last fall, it was determined that conveyance language in Special Act 15-1 (sec. 3) was no longer needed and recommended for repeal during the 2021 session.

### **Raised H.B. 6678 – Wolcott**

CTDOT is opposed to the conveyance proposed in Raised H.B. 6678. As written, the bill requires the Department to transfer property to Daniel Wallas for \$6,000 plus administrative costs, which is less than the fair market value of the property.

In 2019, Mr. Wallas approached the Department to purchase the property outlined in bill for parking required for his business and the Department approved the sale. The Department prepared an appraisal report in accordance with CGS 13a-80 which determined the value of the property to be \$27,000. The State's appraiser valued the property in assemblage to the adjacent property owned by Mr. Wallas which conforms to industry standard. Mr. Wallas submitted his own appraisal report which estimated the value to be between \$7,000 - \$11,000 which valued the parcel as a stand-alone nonconforming parcel of land. Mr. Wallas offered to pay \$15,000 for the property, however, the Department did not believe that it could support this value to the Office of Policy and Management and the State Property Review Board as required by statute. As such, negotiations failed, and Mr. Wallas decided to enter into a lease agreement for the property and currently pays \$245.00 per month in rent.

CTDOT believes this property transaction should not circumvent the fair market value requirements prescribed under CGS 13a-80.

### **Raised H.B. 6680 - Windsor**

The Department is opposed to the conveyance outlined in Raised H.B. 6680 as written.

The Department does not take issue with the Town of Windsor (Town) requesting this parcel. However, the Town plans to sell this parcel for economic development and as such, the State should be paid fair market for all parcels that will be utilized for economic development. In addition, the current language contains a reverter clause that states that if the Town sells or leases the property or uses it for another purpose it will revert to the state. This appears to contradict the purpose of the legislation. If the town develops the site and sells or leases it, it then reverts back to the State.

If the Town plans to use the property for economic development purposes, CTDOT recommends the following revisions to the bill:

“Section 1. (Effective from passage) (a) Notwithstanding any provision of the general statutes, the Commissioner of Transportation shall convey to the town of Windsor a parcel of land located in the town of Windsor, **at a cost equal to the fair market value of the property**. Said parcel of land has an area of approximately .6 acre and is identified as the irregular rectangular shaped parcel labeled "Upper Broad Street" depicted on a map entitled "Land to be Conveyed to Mastriani Realty, 8LLC, Routes 75 and 159, Scale 1"= 30', March 30, 2021, Dubiel Associates East Hartford, Connecticut, Project No. 2875". The precise area of the parcel to be conveyed shall be determined by the Department of Transportation. The conveyance shall be subject to the approval of the State Properties Review Board.”

Section (b) can then be eliminated.

If the language in section (a) remains for administrative costs, then section (b) should be revised as follows:

“(b) The town of Windsor shall sell said parcels of land for economic development purposes. If the town does not sell said parcels for economic development purposes within five years after the conveyance, the parcels shall revert to the State of Connecticut. Any sale of said parcels shall be made at a cost equal to the fair market value of said parcels, as determined by the average of the appraisals of two independent appraisers selected by the commissioner. Such appraisals shall be completed not later than six months after such conveyance and shall be updated as necessary. Any funds received by the town of Windsor from a sale in accordance with this subsection shall be transferred to the State Treasurer for deposit in the Special Transportation Fund.”

#### **Raised H.B. 6684 - Wilton**

The Department supports the language in Raised H.B. 6684.

#### **Raised S.B. 1109 – South Windsor**

The Department is opposed to Raised S.B. 1109 as written

An abutting property owner approached the Department to purchase this property in 2019 to assemble to the adjacent property for development and the Department approved of the sale in accordance with CGS 13a-80. A map was prepared, and the Department prepared an appraisal report in accordance with CGS 13-80 which determined the value of the property to be \$265,000. The property is considered a non-conforming parcel and can only be sold to an abutter. An abutter bid was held which elicited a high bid of \$72,500. The Department rejected this offer as it was not within a reasonable range of the appraised value.

The Department does not take issue with the Town of South Windsor (Town) requesting this parcel. However, the Town plans to sell this parcel for economic development, and as such, the State should be paid fair market for all parcels that will be utilized for economic development. In addition, the current language contains a reverter clause that states that if the Town sells or leases the property or uses it for another purpose it will revert to the state. This appears to contradict the purpose of the legislation. If the town develops the site and sells or leases it, it then reverts back to the State.

If the Town plans to use the property for economic development, CTDOT recommends the following revisions to the bill:

“Section 1. (Effective from passage) (a) Notwithstanding any provision of the general statutes, the Commissioner of Transportation shall convey to the town of South Windsor a parcel of land located in the town of South Windsor, **at a cost equal to the fair market value of the property,** as determined by the average of the appraisals of two independent appraisers selected by the commissioner, plus the administrative costs of making such conveyance. **Said parcel of land has an area of approximately 7.08 acres and is identified on a map entitled "Compilation Plan; Town of South Windsor; Map Showing Land released to \_\_\_\_\_ by the State of Connecticut**

**Department of Transportation; Vietnam Veterans Memorial Highway ( I-291 Westbound) @ Ellington Road ( CT Route 30), scale 1"= 40', April 2019", as is designated by the Department of Transportation as File No. 132-97-25B. The conveyance shall be subject to the approval of the State Properties Review Board."**

Section (b) can then be eliminated.

If the language in section (a) remains for administrative costs, then section (b) should be revised as follows:

“(b) The town of South Windsor shall sell said parcels of land for economic development purposes. If the town does not sell said parcels for economic development purposes within five years after the conveyance, the parcels shall revert to the State of Connecticut. Any sale of said parcels shall be made at a cost equal to the fair market value of said parcels, as determined by the average of the appraisals of two independent appraisers selected by the commissioner. Such appraisals shall be completed not later than six months after such conveyance and shall be updated as necessary. Any funds received by the town of South Windsor from a sale in accordance with this subsection shall be transferred to the State Treasurer for deposit in the Special Transportation Fund.”

**Raised S.B 1110 – New Haven Port Authority**

The Department is opposed to Raised S.B. 1110 and offers the following comments.

Section 6 of Public Act 18-154 requires that this property be sold to the New Haven Port Authority (NHPA) for fair market value based upon the average of two appraisals. As written, the bill requires the cost of environmental testing and remediation be deducted from the sale price.

The Department appraised the property in 2018 and sent a letter to NHPA on August 27, 2018 with a sales price of \$245,000.00. Environmental Reports from the removal of underground storage tanks were provided to NHPA. In December of 2018, NHPA indicated that they wanted to conduct additional environmental testing, but never responded or followed through on the testing. The Department reached out via email and voicemail on numerous occasions with no return contact from January 2019 until September 2020.

Recently, on May 2, 2021, NHPA inquired about obtaining access to the site to perform testing and CTDOT staff reached out to coordinate that effort. At this stage, the appraisal reports prepared in 2018 are outdated, and the Department will be required to expend funds for two new appraisals if the NHPA moves forward with the transaction. Proposal of this legislation is the first time the Department became aware that NHPA would like to deduct the cost of testing and remediation from the sales price.

The Department does not believe that the property outlined in the bill is an Establishment pursuant to the Connecticut Transfer Act. There is no Required Remediation Orders issued from the Department of Energy and Environmental Protection (DEEP) and there are no significant environmental hazards present at the site. Standard appraisal practice does not deduct remediation costs from the property value unless there are remediation orders issued by DEEP. In addition, environmental testing is part of the due diligence of a purchaser (NHPA) and is not paid for by the seller (CTDOT). It is estimated that preliminary testing would cost approximately \$20,000. While the legislation mandates remediation, it does not

mention the required level of remediation, which is not only dependent on the future use of the parcel, but under control of the purchaser. This opens the Department, and ultimately state taxpayers, to an unknown cost. As written, the bill would require the Department to participate in the remediation costs that the NHPA deems necessary.

This property was purchased with federal funding. An agreement with the Federal Highway Administration (FHWA) dictates that upon sale, all properties acquired with federal funding, revenues generated must be deposited in the Special Transportation Fund and used as a match toward other federally participating projects. A conveyance for no monetary consideration or less than fair market value must be approved by FHWA. A conveyance for less than fair market value not approved by FHWA would require the state to reimburse FHWA the federal share of the value of the property. If passed, additional funding will be needed to reimburse FHWA.

### **Raised S.B. 1111 – Fairfield**

The Department is opposed to Raised S.B. 1111 as written and offers the following revisions.

If the Town plans to use the property for economic development purposes, CTDOT recommends the following revisions to the bill:

“Section 1. Section 23 of special act 01-6 is amended to read as follows (Effective from passage): (a) Notwithstanding any provision of the general statutes, the Commissioner of Transportation shall convey to the town of Fairfield a parcel of land located in the town of Fairfield, ~~at a cost equal to the administrative costs of making such conveyance~~ **at a cost equal to the fair market value of the property.** Said parcel of land has an area of approximately 1.3 acres and is identified as 488-512 Tunxis Road. The conveyance shall be subject to the approval of the State Properties Review Board.”

Section (b) can then be eliminated.

If the language in section (a) remains for administrative costs, then section (b) should be revised as follows:

“(b) The town of Fairfield shall use said parcel of land for economic development and housing purposes. If the town does not sell said parcels for economic development and housing purposes within five years after the conveyance, the parcels shall revert to the State of Connecticut. Any sale of said parcels shall be made at a cost equal to the fair market value of said parcels, as determined by the average of the appraisals of two independent appraisers selected by the commissioner. Such appraisals shall be completed not later than six months after such conveyance and shall be updated as necessary. Any funds received by the town of Fairfield from a sale in accordance with this subsection shall be transferred to the State Treasurer for deposit in the Special Transportation Fund.”

### **Raised S.B. 1112 – New Haven Parcels**

The Department supports Raised S.B. 1112 to clarify conveyance language for several parcels in the City of New Haven.

As originally drafted under section 6 of Public Act 17-238, the State was to convey 11 parcels to the City of New Haven for “open space purposes”. Once the maps were prepared by the Department’s Central Surveys Group, it was determined that two of the parcels in the act could not be identified by the State nor the City Assessor. Additionally, one parcel was not included in the mapping as it is to be conveyed separately to the City of New Haven for Highway purposes, thus making the special act technically incorrect. The proposed change in this section corrects this misrepresentation with new language referencing the survey map prepared by the Department rather than the assessor’s maps.

### **Raised S.B. 1116 - Rocky Hill**

The Department is opposed to Raised S.B. 1116 as written. CTDOT approves a release of a portion of this property, however, a section of land to the rear of the property must be retained for Department use.

The Department recommends Lines 5-9 of the bill be amended as follows:

“Said parcel of land is identified **as a portion of the parcel** of land located at 1090 Maple Street and is further identified as Lot 526 on town of Rocky Hill Assessor's Map 08. **The precise size and area of said parcels to be conveyed shall be determined by the commissioner.** The conveyance shall be subject to the approval of the State Properties Review Board.”

For further information or questions, please contact Anne Kleza ([anne.kleza@ct.gov](mailto:anne.kleza@ct.gov)) or Pam Sucato ([pamela.sucato@ct.gov](mailto:pamela.sucato@ct.gov)) at the Department of Transportation, (860) 594-3013.