DAVID R. MARTIN MAYOR

CITY OF STAMFORD, CONNECTICUT



TEL: 203 977 4150 FAX: 203 977 5845

E-MAIL: DMARTIN@STAMFORDCT.GOV

March 15, 2016

To:

Board of Representatives

Board of Finance Planning Board

From: David R. Martin, Mayor



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Mayor's Report on Proposed Discontinuance of Portion of Division Street West of **Clinton Avenue**

Pursuant to Section C8-60-1 of the City Charter, and City Code section 214-40 et seq., after reviewing the report of the Office of Operations and the estimate of the Director of Administration as well as the supporting documents submitted by RBS Americas Property Corp. ("RBS") in connection with the above-referenced proposal, I am submitting this report in support of the discontinuance of the portion of Division Street between Clinton Avenue and the Rippowam River (the "Division Street Discontinuance").

RBS owns all of the properties adjacent to the Division Street Discontinuance except for 0 Division Street (the "City Parcel"), which is owned by the City. RBS also owns most of an assemblage of properties on both sides of Clinton Avenue between Richmond Hill and Division Street as well as 41 Main Street, which is currently used by Midas Mufflers (the "Midas Parcel").

The Mill River Collaborative is finalizing plans to extend the river walk from Main Street to Richmond Hill Avenue on the east side of the river, and Main Street to the cemetery south of Richmond Hill on the west side of the river. Approximately half of the cost for this project is being funded by a \$3.75 million grant awarded under the Hurricane Sandy Coastal Resiliency Competitive Grant program. However, in order to utilize this funding, the work must be completed by June 15, 2017, and in order to begin work, an easement along the western side of the RBS properties adjacent to the river must be obtained.

RBS is agreeable to providing this easement as well as a significant portion of the funding necessary to complete the work. In addition, RBS would either convey or provide an easement for a portion of its property which is adjacent to Clinton Court Condominiums. The conveyed/encumbered property will then be used to relocate the condominium parking from its current location adjacent to the river and permit the river walk expansion in its place. Lastly, RBS is willing to convey the Midas Parcel to the City which I deem important to ensure it is not used as a muffler shop indefinitely. In the short term, the muffler shop produces approximately \$90,000 in net rent and may be increased. In exchange, RBS seeks to acquire the Division Street Discontinuance and the City Parcel to complete its development site on the west side of Clinton Avenue. RBS will also seek land use entitlements to develop its property. The value of all of these components has been analyzed in connection with the

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BOARD OF REPRESENTATIVES

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Division Street Discontinuance, and all components will be memorialized by a separate completion agreement which will ensure each component is contingent on the completion of the others.

Summary of Proposed Action

The discontinuance involves the portion of Division Street between Clinton Avenue and the mean high water line Rippowam River. Division Street originates at the intersection of Washington Boulevard and continues in a westerly direction until it terminates at the Rippowam River. Division Street is controlled by a traffic signal at the Washington Boulevard intersection and stop sign controlled at the Clinton Avenue intersection. Division Street has a width of approximately 32 feet from curb to curb and has a total length of approximately 272 feet. The existing City Right of Way (ROW) which is proposed for discontinuance varies with an approximate width of 46.5 feet and an area totaling approximately 12,707 square feet from the intersection of Clinton Avenue to the end of Division Street. A 5 foot wide concrete sidewalks run along both sides of the street providing pedestrian access within the R.O.W. The area of Division Street proposed to be discontinued originates at the intersection of Clinton Avenue and terminates at the mean high water line of the Rippowam River. The total discontinued area is approximately 13,738 square feet. However, a public access easement must also be obtained for the western portion of the discontinued right-of-way for purposes of accommodating the Mill River Park expansion. RBS and the City collectively own all properties abutting the proposed portion of Division Street to be discontinued.

Utilities

Existing utilities within Division Street include a water line, gas line, storm drainage and sanitary sewer line. The underground gas service, water line and sanitary sewer line should be abandoned for the length of the discontinued ROW at RBS's expense. All overhead poles and associated electric, telephone and cable lines should be removed at RBS's expense. The existing drainage system which consists of a 36" storm water pipe and appurtenant features should be relocated prior to construction activities. It may also be necessary to raise the catch basin grates to be flush with finished grade in connection with any filling of the site. Until such time as the drainage pipe is relocated, an easement in favor of the City for use, inspection, maintenance, repair and/or replacement should be maintained. An additional easement will be required for the relocated pipe.

Value Estimate

As part of the discontinuance process the City arranged for third party appraisals of the applicable properties by Wellspeak Dugas & Kane, L.L.C. which were completed in July 2015. One appraisal was prepared in connection with the proposed "land swap" and included:

- 0 Division Street (to go to RBS)
- Division Street Discontinuance (to go to RBS)
- Portions of 4, 6 & 10 Division Street (to go to City)
- Portion of 75 Clinton Avenue (to go to City)

The second appraisal provided the value of:

• 41 Main Street (to go to City)

Collectively, the appraisals found a net gain in favor of the City in the amount of \$200,000.

An analysis of the property tax and revenue implications of this proposal was also conducted and found the following:

- The conveyance of portions of 4, 6 & 10 Division Street and 75 Clinton Avenue from RBS to Clinton Court Condominiums for parking is tax neutral.
- The discontinuance of the western portion of Division Street in favor of RBS will result in a tax benefit to the City of approximately \$5,040.99 per year as a vacant lot.
- The conveyance of 0 Division Street from the City to RBS will result in a tax benefit to the City of approximately \$3,679.21 per year as a vacant lot.
- The conveyance of 41 Main Street from RBS to the City will result in a reduction in taxes payable to the City of approximately \$29,017.92 per year. However, it will also result in additional revenue of approximately \$93,446.64 per year based on the current lease terms. It is noted that this is a triple net lease so the elimination of the tax burden should result in an increase in monthly rent in an amount that meets or exceeds the lost tax revenue.

The cost for the relocation of the drainage pipe is estimated at approximately \$350,000. The City and RBS should split the cost and expense for completing this work.

The net result of the entire transaction is in favor of the City. However, taking all pertinent factors into consideration, it is my recommendation that RBS agree to forego any collection of funds from the City.

File Available for Public Inspection

Pursuant to Section C8-60-3 of the Charter of the City of Stamford, I am designating the Office of the Town and City Clerk, 1st Floor, Stamford Government Center, 888 Washington Boulevard, Stamford, Connecticut as the location where this Mayor's Report, which I am required to issue in connection with the proposed partial discontinuance, will be filed for public inspection.

The following numbered attachments are to be incorporated into and made a part of this Mayor's Report:

- 1. Exhibit depicting the Division Street Discontinuance titled "Right of Way Survey Depicting Discontinuance of a Portion of Division Street" prepared by Redniss & Mead dated July 7, 2015;
- 2. Division Street Utility Exhibit prepared by Redniss & Mead dated February 8, 2016;
- 3. Existing Ownership Exhibit prepared by Redniss & Mead dated August 20, 2015;
- 4. Potential Ownership Exhibit prepared by Redniss & Mead dated August 18, 2015;
- 5. The Director of Operations' report dated March 15, 2016 incorporating the City Engineer's memorandum;
- 6. The Director of Administration's report dated March 14, 2016 incorporating the Tax Assessor's memorandum; and

7. Board of Representatives Resolution No. 3754, Notice of Intent to Discontinue a Portion of Division Street, Stamford, CT, dated August 4, 2015.

Conclusion

I recognize that significant public good will come of the expansion of the river walk and development of new quality housing in the Mill River Corridor. I encourage the Planning Board, the Boards of Finance and Representatives and the general public to support this proposed discontinuance, conditioned upon approval of the larger project, of which it is an important part.

Any persons interested in any property which will be affected by the proposed action may appear before the Director of Administration at a time specified in a forthcoming public notice, if they choose.



DIRECTOR OF OPERATIONS ERNIE ORGERA

Tel. (203) 977-4141
Fax: (203) 977-4723
Email: eorgera@stamfordct.gov

CITY OF STAMFORD OFFICE OF OPERATIONS 888 WASHINGTON BOULEVARD P.O. BOX 10152 STAMFORD, CT 06904 - 2152

TO:

Michael Handler, Director of Administration

FROM:

Ernie Orgera, Director of Operations

DATE:

March 15, 2016

RE:

Director of Operations Report on Discontinuance of a Portion of

Division Street

Please accept this memorandum along with its attachments, as my report pursuant to City Code Section 214-40 et.seq.

Enclosed please find the report from City Engineer, Lou Casolo regarding utilities (water and gas). There is also a 36" storm line which must be abandoned and relocated.

EO/ma

Enclosure

MAYOR **DAVID MARTIN**

DIRECTOR OF OPERATIONS

ERNIE ORGERA

Email: emgra@ntamfond.t.gov



CITY ENGINEER
LOUIS CASOLO, JR., P.E.
Email kasolo@stamfordet.gov

OFFICE OF

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OPERATIONS

OFFICE OF OPERATIONS ENGINEERING BUREAU

INTEROFFICE MEMORANDUM

February 5, 2016

To:

Emie Orgera - Director of Operation

From:

Lou Casolo- City Engineer

RE:

Discontinuous of Division Street Yrom Clinton Avenue West to Terminus.

In response to your 2/5/16 request for an assessment report, I am providing you a preliminary engineering report in regards to the discontinuance of Division Street from Clinton Avenue West to terminus.

The Engineering Bureau has reviewed the Pre-Application Documents provided by Land Use in connection with the project necessitating the discontinuous of street noted herein.

Based on the information provided in the letter prepared by Redniss and Mead dated November 10, 2015, a utility exhibit dated 11/9/15 (copy attached), indicates existing utilities are located within the right of way. In response to the review of the pre-application documents on November 24, 2015, the Engineering Bureau indicated that the site plan includes buildings and structures over Division Street and the Engineering Bureau does not endorse buildings and structures over utilities.

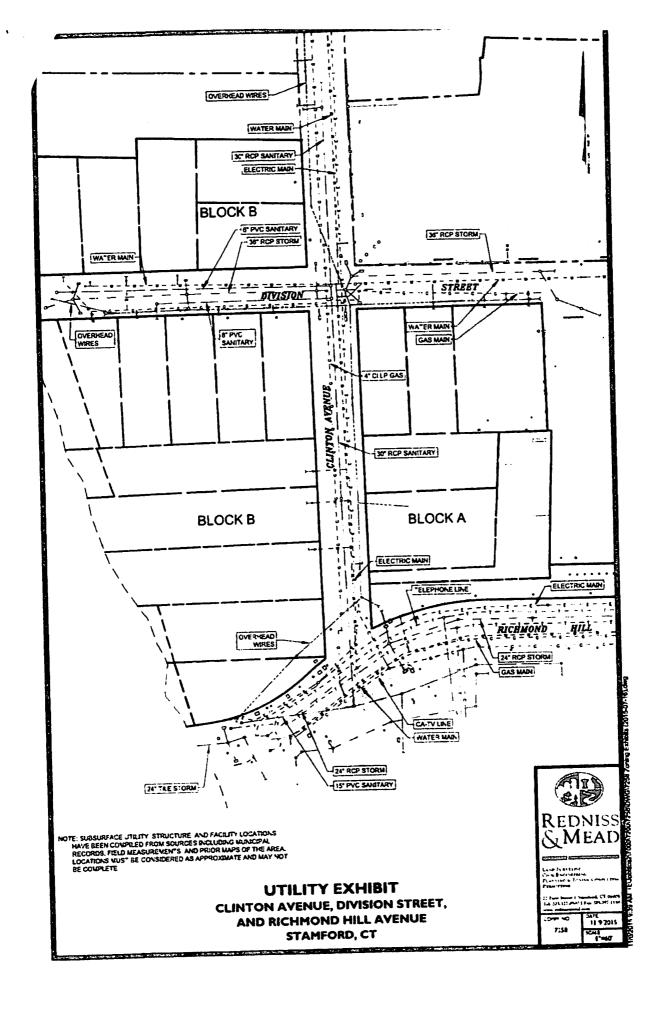
Based on the above, the Engineer shall prepare a utility impact statement which shall indicate the location of and disposition of how the existing utilities shall be decommissioned or relocated in the areas of discontinuance including identification of any proposed utility easements if required.

As we discussed at the stake holders meeting on 2/4/16, the City requested the 36" RCP drain line be relocated from within the right of way of Division Street from Clinton Avenue west to terminus to an area outside the proposed building. The cost of this relocation shall be furnished by the design engineer for consideration in the discontinuous process.

Prior to the issuance of the general development plan and an issuance of a building permit for final plans for any development which includes the right of way for this portion of Division Street, a complete site development plans shall be submitted for review and approval by the Engineering Bureau. The plans shall ensure there will be no adverse impacts to the streets, street drainage and adjoining properties.

If you have any questions or comments please contact me.

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DIRECTOR OF OPERATIONS
ERNIE ORGERA

Tel. (203) 977-4141 Fax: (203) 977-4723 Email. eorgera@stamfordct.gov

CITY OF STAMFORD OFFICE OF OPERATIONS 888 WASHINGTON BOULEVARD P.O. BOX 10152 STAMFORD, CT 06904 - 2152

TO:

Lou Casolo, City Engineer

FROM:

Ernie Orgera, Director of Operations

DATE:

February 5, 2016

RE:

Division Street from Clinton Avenue West to Terminus

Attached please find Resolution by the Board of Representatives and property description of the Discontinuance of Division Street from Clinton Avenue west to terminus.

Please accept this memo as a formal request for you to prepare a report on the assessment.

EO/ma

Attachment

CC:

David R. Martin, Mayor

Mike Handler, Director of Administration

Michael Pollard, Chief of Staff

29th Board of Representatives City of Stamford

President
RANDALL M. SKIGEN
Clerk of the Board
ANNIE M., SUMMERVILLE

Msionty Leader ELAINE MITCHELL Minorty Leader MARY L. FEDELI

RESOLUTION NO. 3754 NOTICE OF INTENT TO DISCONTINUE A PORTION OF DIVISION STREET STAMFORD, CONNECTICUT

WHEREAS, the Board of Representatives of the City of Stamford is contemplating the discontinuance of a portion of Division Street, Stamford, Connecticut, more specifically depicted in the attached plan titled "Right of Way Survey Depicting Discontinuance of a Portion of Division Street" prepared by Redniss and Mead, Inc. and dated July 7, 2015 and marked "Exhibit A", and in the corresponding legal descriptions attached hereto as "Exhibit B;" and

WHEREAS, the portion of Division Street proposed to be discontinued begins at its intersection with Clinton Avenue and continues west to the river and is more particularly described on Exhibits A and B.

NOW THEREFORE, BE IT RESOLVED BY THE 29TH BOARD OFREPRESENTATIVES OF THE CITY OF STAMFORD THAT:

The public health, safety and welfare, convenience and necessity may require the discontinuance of a portion of Division Street as shown on Exhibits A and B;

Pursuant to the provisions of Section C8-60-3 of the Charter of said City of Stamford, the Mayor is hereby requested to cause a report to be made on the contemplated discontinuance of a portion of Division Street, as is more particularly described hereinabove and shown on Exhibit A and described on Exhibit B.

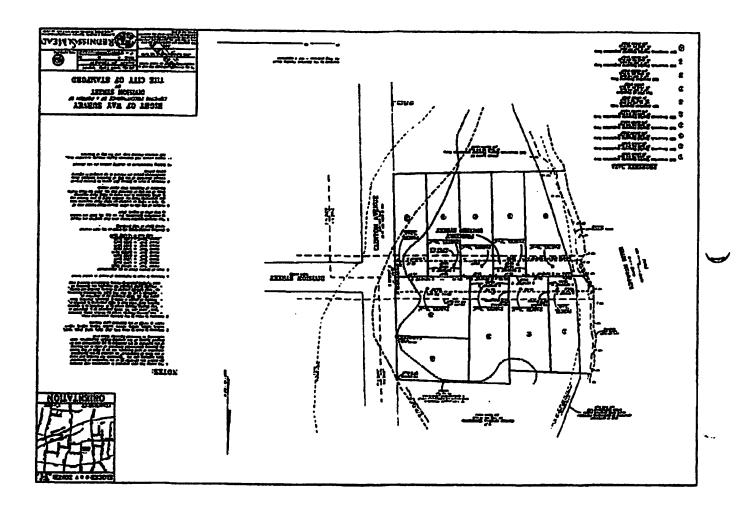
This resolution was approved on the Consent Agenda at the Regular Meeting of the 29th Board of Representatives held on Monday, August 4, 2015.

Randall M. Skigen, President 29th Board of Representatives

Annie M. Summerville, Clerk 29th Board of Representatives

cc: Mayor David Martin

Michael Handler, Director of Administration Ernie Orgera, Chair, WPCA & Director of Operations Thomas Madden, Director of Economic Development Ted Jankowski, Director of Public Safety Kathryn Emmett, Esq., Director of Legal Affairs Donna Loglisci, Town and City Clerk Lee Berta. Assistant Director of OPM



Division Street Discontinuance Perimeter Description

Beginning at a point on the westerly side of Clinton Avenue at its intersection with the northerly side of Lot 6 as depicted on Map 114 of the Stamford Land Records (S.L.R.);

running thence in a westerly direction along the northerly side of Lots 6, 7, 8, 9 and 10, on said Map 114 S.L.R., S 89° 40' 00" W a distance of 200.68 feet; and S 89° 22' 48" W a distance of 84.8 feet more or less to the Mean High Water (MHW) line of the Rippowam River;

running thence generally northerly along said MHW 51.6 feet more or less to land of RBS Greenwich Capital Property Acquisition Corp described in Bk. 9393 on Page 214 S.L.R;

running thence in an easterly direction along lands of RBS Greenwich Capital Property Acquisition Corp described in Bk. 9393 on Pages 206, 210, 214 and 216 S.L.R; N 89° 40′ 60° E a distance of 304.4 feet more or less to the aforesaid westerly side of Clinton Avenue;

running thence in a southerly direction along the aforesaid southerly side of Clinton Avenue S 01° 19° 17° E a distance of 46.51 feet to the Point of Beginning

Mayor DAVID R. MARTIN



DIRECTOR OF ADMINISTRATION MICHAEL E. HANDLER

Phone: (203) 977-4182 FAX: (203) 977-5657 Email: mhandler@stamfordct.gov

MEMORANDUM

DATE: March 14, 2016

TO: David R. Martin, Mayor

FROM: Michael E. Handler, Director of Administration

RE: <u>Discontinuance of Portion of Division Street West of Clinton Avenue</u>

In accordance with the City Charter (C8-60-3) Article IV of the Code of Ordinances and Board of Representatives Resolution No. 3754, I have directed the Tax Assessor to analyze the financial impact of the proposed discontinuance of the western portion of Division Street. This discontinuance is being undertaken in connection with a development plan proposed by RBS Americas Property Corp and the expansion of Mill River Park by the Mill River Park Collaborative. After reviewing the proposed discontinuance, the Tax Assessor has determined that it will have no adverse impact on the City's grand list*. The Tax Assessor also notes that any future development of the discontinued street will result in an increase in applicable property tax.

An analysis of the property tax, revenue implications and infrastructure improvements related to the complete proposal as outlined in your letter to the Board of Representatives dated July 8, 2015 was also conducted and suggests the following according to the Tax Assessor:

- The conveyance of portions of 4, 6 & 10 Division Street and 75 Clinton Avenue from RBS to Clinton Court Condominiums for parking is tax neutral.
- The discontinuance of the western portion of Division Street in favor of RBS will result in a tax benefit to the City of approximately \$5,040.99 per year as a vacant lot.
- The conveyance of 0 Division Street from the City to RBS will result in a tax benefit to the City of approximately \$3,679.21 per year as a vacant lot.
- The conveyance of 41 Main Street from RBS to the City will result in a reduction in taxes payable to the City of approximately \$29,017.92 per year.

I have attached the Tax Assessor's statements to this effect.

This analysis also included third party appraisals of the applicable properties by Wellspeak Dugas & Kane, L.L.C. which were completed in July 2015. One appraisal was prepared in connection with the proposed "land swap" and included:

^{*}Tax impacts are calculated on basis of the 2014 grand list, the last list which has a mill rate. The 2015 grand list and mill rate are not expected to change the projections in any meaningful way.

- 0 Division Street
- Division Street Discontinuance
- Portions of 4, 6 & 10 Division Street
- Portion of 75 Clinton Avenue

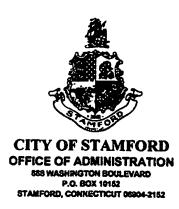
The second appraisal provided the value of:

• 41 Main Street (Midas Parcel)

Collectively, the appraisals found a net gain in favor of the City in the amount of \$200,000. The conveyance of 41 Main Street from RBS to the City will also result in additional revenue of approximately \$93,446.64 per year based on the current lease terms. However, this is a triple net lease so the elimination of the tax burden should result in an increase in monthly rent by the tenant to the City in an amount that meets or exceeds the lost tax revenue.

In addition, I understand that the cost for the relocation of the drainage pipe currently located beneath Division Street is estimated at approximately \$350,000. The City and RBS should split the cost and expense for completing this work, and the City should perform the work.

Mayor DAVID R. MARTIN



DIRECTOR OF ADMINISTRATION MICHAEL E. HANDLER

Phone: (203) 977-4182 FAX: (203) 977-6657 Email: mhandler@stamfordct.gov

MEMORANDUM

DATE: March 14, 2016

TO: Michael E. Handler, Director of Administration

FROM: Greg Stackpole, Tax Assessor

RE: <u>Discontinuance of Portion of Division Street West of Clinton Avenue</u>

The proposed discontinuance of the portion of Division Street located west of Clinton Avenue, described in Board of Representatives Resolution No. 3754, will have no adverse impact on the City's Grand List of 2014.*

An analysis of the property tax implications of this proposal as outlined in your letter to the Board of Representatives dated July 8, 2015 suggests the following:

- The conveyance of portions of 4, 6 & 10 Division Street and 75 Clinton Avenue from RBS to Clinton Court Condominiums for parking is tax neutral.
- The discontinuance of the western portion of Division Street in favor of RBS will result in a tax benefit to the City of approximately \$5,040.99 per year as vacant lots.
- The conveyance of 0 Division Street from the City to RBS will result in a tax benefit to the City of approximately \$3,679.21 per year as a vacant lot.
- The conveyance of 41 Main Street from RBS to the City will result in a reduction in taxes payable to the City of approximately \$29,017.92 per year.

It is expected that the discontinued portion of Division Street and 0 Division Street will be developed in the near future, at which time, the associated property tax will increase in keeping with the applicable mill rate.

^{*}Tax impacts are calculated on basis of the 2014 grand list, the last list which has a mill rate. The 2015 grand list and mill rate are not expected to change the projections in any meaningful way.