

Mayor
DAVID R. MARTIN



CITY OF STAMFORD
OFFICE OF ADMINISTRATION
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DIRECTOR OF ADMINISTRATION
MICHAEL E. HANDLER

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MEMORANDUM

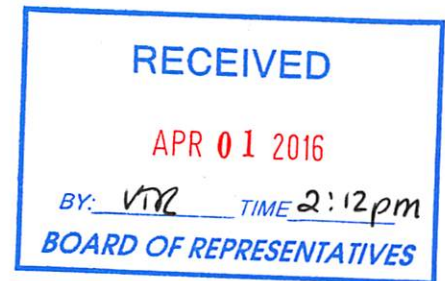
DATE: April 1, 2016

TO: Board of Representatives

FROM: Michael E. Handler, Director of Administration *MEH*

CC: Planning Board -
Board of Finance
David R. Martin, Mayor

RE: Final Report – Discontinuance of a Portion of Division Street West of Clinton Avenue



As required under Section C8-60-4 of the Charter, I conducted a public hearing on March 31, 2016 at 2:00 p.m. in connection with the discontinuance of a portion of Division Street West of Clinton Avenue. Subsequent to the public hearing the Director of Administration is required to make a report, in writing, to the Board of Representatives of the probable cost of the discontinuance and the damages and benefits which should be assessed in favor of, or against any affected properties.

Present at the hearing were:

Michael E. Handler, Director of Administration
Ernie Orgera, Director of Operations
David W. Woods, Principal Planner
Thomas M. Cassone, Meister Seelig & Fein LLP
Lisa L. Feinberg, Carmody Torrance Sandak & Hennessey LLP
Richard Redniss, Redniss & Mead

Notice of said hearing had been published in the Stamford Advocate on March 22, 2016; March 23, 2016 and March 24, 2016. Specific notice of said public hearing had been provided to affected parties. None of the specifically noticed entities attended the public hearing, nor did any other member of the public.

Following the hearing, I conducted a final review of the proposed discontinuance and land swap and conclude that no changes were warranted to my March 14, 2016 report to the Mayor regarding the above-referenced proposed discontinuance. I am satisfied that the assessment of benefits as originally proposed is appropriate and fair to the City.

Attachment: March 14, 2016 Director of Administration Report

Mayor
DAVID R. MARTIN



DIRECTOR OF ADMINISTRATION
MICHAEL E. HANDLER

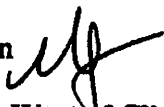
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MEMORANDUM

DATE: March 14, 2016

TO: David R. Martin, Mayor

FROM: Michael E. Handler, Director of Administration 

RE: Discontinuance of Portion of Division Street West of Clinton Avenue

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.

*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.

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:

- 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.

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MEMORANDUM

DATE: March 14, 2016

TO: Michael E. Handler, Director of Administration

FROM: Greg Stackpole, Tax Assessor

RE: **Discontinuance of Portion of Division Street West of Clinton Avenue**

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.