

**CITY OF BRIDGEPORT  
ORDINANCE COMMITTEE  
REGULAR MEETING  
MARCH 22, 2016**

**ATTENDANCE:** Eneida Martinez, Co-Chair; Jose Casco, Co-Chair; Kathryn Bukovsky; Michelle Lyons; Jack Banta

**OTHERS:** Anthony Paoletto; Tom McCarthy, Council President; M. Evette Brantley; Angel dePara, CAO Dept.; Ken Flatto, Finance Director; Richard Salter; Russell Liskov, City Attorney's Office; Steve Walker, WPCA; Veronica Jones, Tax Collector; Tom Gaudett, Mayor's Office; Mark Anastasi, City Attorney's Office; Milta Feliciano; Jeanette Herron

**CALL TO ORDER**

Co-Chair Martinez called the meeting to order at 6:10 PM. A quorum was present.

**APPROVAL OF COMMITTEE MINUTES**

**January 26, 2016 (Regular Meeting)**

- \*\* COUNCIL MEMBER BUKOVSKY MOVED TO APPROVE THE COMMITTEE MINUTES OF JANUARY 26, 2016.**
- \*\* COUNCIL MEMBER CASCO SECONDED THE MOTION.**
- \*\* MOTION PASSED UNANIMOUSLY.**

**February 1, 2016 (Public Hearing)**

- \*\* COUNCIL MEMBER BANTA MOVED TO APPROVE THE COMMITTEE MINUTES OF FEBRUARY 1, 2016. Banta**
- \*\* COUNCIL MEMBER BUKOVSKY SECONDED THE MOTION.**
- \*\* MOTION PASSED UNANIMOUSLY.**

**PROPOSED REQUESTS & AMENDMENTS**

**13-15: Proposed request that liening or the taking of Homes by Foreclosure Action by the WPCA or the City of Bridgeport must only be employed after consultation and approval of said action by the Common Council, first through appropriate committee and then as a Whole Council.**

Co-Chair Martinez read the resolution into the record:

*WHEREAS, most residents of the city of Bridgeport have significant assets listed under automotive registration which are subject to high property taxes due to our significantly high mill rate; and*

*WHEREAS, many residents of the city are dependent on those vehicles for transportation between their homes and their work as well as for errands as a part of their personal lives; and*

*WHEREAS, it is highly understood that our high property tax represents the state's most regressive tax on automobiles; and*

*WHEREAS, the city of Bridgeport has one of the state's highest unemployment rates; and*

*NOW, THEREFORE, BE IT RESOLVED, that taking of vehicles and the action of "booting" must only be employed after multiple offenses and that a certified letter submitted to the owners of said vehicle describing the action to be taken and notice provided to the appropriate City Council Committee for their approval of said action.*

Atty. Anastasi handed distributed copies of an opinion he wrote regarding the resolution. He stated that the interest rate is determined by statute, and is not changeable. He stated that Atty. Liskov has been successfully collecting these assessments for a number of years.

Co-Chair Martinez announced a break in order to allow the committee to read the opinion.

Atty. Liskov reiterated that the interest rate is mandated by statute and cannot be changed. He stated that one loses their lien rights from the WPCA by not collecting on the property, as real estate tax foreclosures are paramount to the other varieties of foreclosure. He stated that they are mandated by statute to lien within 2 years or they lose mortgage rights to the property. Atty. Liskov stated that before anyone is sued, three letters are sent, and the 4th letter is geared towards collection. He stated that no one is sued before they are \$500 delinquent and more than 500 days past due. He stated that the bills are sent quarterly, and that there are 2 quarters. He stated that once an individual hits \$1600, they receive a pre-foreclosure letter every month that states they will begin foreclosure procedures once the amount hits \$2000. Atty. Liskov stated that they are not a malevolent force, and that last year they collected \$10 million in back WPCA bills. With the budget at around \$40 million a year, curbing this would produce a substantial increase in taxes. He further stated that this is a disservice to those individuals who pay their bills on time. Atty. Liskov stated that there are a plethora of reasons individuals offer in terms of non-payment, which range from unemployment to illness. He stated that collection aides are at their offices all week, on the first floor of 499 Broad Street, and when he began his tenure there was almost \$24 million in receivables, compared to the \$1.2 million now. Atty. Liskov stated, by conservative estimate, that rates would spike by a third. He stated that if there are any questions he is happy to take them, and that the WPCA staff takes calls prior to collections, doing everything possible not to send individuals into foreclosure. He stated that payment arrangements are made, and despite past allegations that the WPCA is illegal, they must do what the federal government directs them to or they are fined \$1 million a day. Atty. Liskov stated that

the WPCA is working exceptionally well, with 30,000 total accounts, 29,000 of which are current.

Atty. Anastasi stated that anyone in arrears who is interested in entering into a reasonable payment plan is welcomed by the WPCA. He stated that they have been with the City for decades, and at one point in time about 15 years ago, the arrears amount exceeded \$22 million. He stated that with their new effective, aggressive process, the amounts have been consistently below \$1 million for the past few years. Atty. Liskov stated that the WPCA does everything possible to get people to pay their bill, and that they don't want to punish those people who pay on time due to the actions of those who do not.

Council Member Brantley asked if individuals can get on a payment plan similar to that of those employed by the gas or light company. Atty. Liskov answered in the affirmative, stating that they try and create plans that will allow people to be off the plans within a year, as the 18% interest every quarter is what gets them. Council Member Brantley asked how they assess these individuals, and Atty. Liskov stated that they use their quarterly bill, based off of their use from the water company. Council Member Brantley asked, if her bill were theoretically \$100, what her bill would be. Atty. Liskov stated that the bill is calculated by CCF, which is 750 cubic gallons, and if she used 1 CCF, he bill would amount to \$5.95. Council Member Brantley asked if there were any measures in place for seniors to help them pay their bills, and Atty. Liskov answered in the negative. Council Member Brantley asked if there was any way to assist the seniors, as they are on fixed incomes and not gainfully employed. Atty. Liskov stated that while this could happen, there is no statute in place that distinguishes between different types of people. Atty. Anastasi stated, statutorily, from a policy perspective, abatements based on category aren't given as it is consumption based. Atty. Anastasi further stated that this is not a bad idea, but that it isn't the process utilized. Atty. Liskov stated that he frequently sees seniors having problems due to the fact that they have family occupying the other levels of their house who consume more water, and who do not contribute to the utility bills. In cases where it is a single senior, there isn't an instance of high water bills. Council Member Brantley asked what would need to happen in order to put something of this nature into practice, and Atty. Liskov stated that if Hartford passed a statute, then Bridgeport could pass an ordinance, but at present they have no policy that supports this. Atty. Anastasi stated that, to an extent, this would involve subsidizing one group and making some constituents pay more, which would likely have legality issues.

Co-Chair Martinez stated that any change is possible through hard work, then asked what role the City plays with the WPCA. Atty. Anastasi stated that the WPCA is a separate enterprise fund, and that the role of the City Council was to establish the WPCA through ordinance, and once it was granted, it allowed the organization to run separately and be funded separately, not subsidized by tax dollars. Co-Chair Martinez asked how the City benefits from this arrangement. Atty. Anastasi stated that they have someone providing a sewage service, and the taxpayers aren't paying for it. Atty. Anastasi stated, with the user fee, all tax exempt properties like churches must now pay their fair share, where in the past 45% of the sewage bills were not paid as the properties were tax exempt. He further stated that the WPCA was also established because the City was sued for polluting Long Island Sound, and the federal courts mandated they have a

self-sustaining body that would address that issue. Co-Chair Martinez asked if there is a jurisdictional conflict, and Atty. Anastasi stated that the Council has no say over the user fee, assessment or collection methodology, and that the organization is self-sustaining, self-funded, and self-operation. The Council's only jurisdiction was to create the organization, at imposed on the City by Judge Daly and the Department of Environmental Protection. Co-Chair Martinez asked if it would be possible to change things. Atty. Anastasi stated that the Council cannot deprive the WPCA of their statutory rights, and that they are bound by two things- powers granted in said statutes and the consent decree entered into during the organization's creation.

Mr. Flatto came forward and stated that he serves on the Board of the WPCA. He made the following points regarding the organization:

- A. The structure of the WPCA serves both Bridgeport and Trumbull. There are aspects of the WPCA that transcend the local situation, including outstanding litigation between Bridgeport and Trumbull regarding the different rates in each city.
- B. The WPCA was established, but there are always options for the future as to how it can be structured. Down the road, if the Mayor or City Council wishes to explore this, it is possible to do so.
- C. The City receives \$475,000 a year into the City's general fund as reimbursement for the overhead incurred through purchasing process, insurance, and other necessary things for the WPCA.
- D. The WPCA Board reviews all the finances and potential issues on a monthly basis. If the Council Members have concerns they would like passed onto the board, Mr. Flatto is happy to act as intermediary and bring those concerns to the meeting, and return with information.

Council Member Feliciano asked why the WPCA occupies space in a government building if they are a separate entity from the City. Atty. Anastasi stated that their office is on Seaview, and that their location in the Annex is a collection office run through Atty. Liskov. He stated that the people who work for the City are charged to the WPCA, in addition to the \$475,000 they collect in overhead. Council Member Feliciano asked how much goes into the general fund in total, and Mr. Walker stated that every month, whatever the WPCA spends is wired back to the City, in addition to a twelfth of the previously discussed amount to cover overhead. Atty. Liskov stated that part of his salary is charged to the WPCA. Council Member Feliciano asked who those individuals at the Annex Office work for, and Mr. Walker stated that 1 employee is exclusively for the WPCA, while the others are half-paid by the WPCA. Atty. Anastasi clarified that the City is reimbursed for any work that the employees do on behalf of the WPCA. Council Member Feliciano asked how many employees they have in total, and Atty. Liskov stated that there is 1 employee who works exclusively for the WPCA, 2 employees who work on a partial basis for the WPCA, and Atty. Liskov who also works half of the time for the WPCA. Council Member Feliciano asked if the City charges them rent for their offices, and it was clarified that the City does not house them. Atty. Liskov stated that the last administration moved the employees downstairs, which he personally contested, and that they used to be housed in their office. Council Member Feliciano suggested they condense the offices, and Atty. Anastasi there may be security issues related to this.

Council Member Feliciano asked Mr. Flatto for more information regarding the conflict between Trumbull and Bridgeport regarding the WPCA. Atty. Anastasi stated, as litigation is pending, they are not at liberty to discuss the matter in detail. Council President McCarthy stated, as there are a number of new Council members, it would be advisable to hold a meeting in which significant issues that have not been detailed for some time are addressed. Atty. Meyer stated that they would likely have new information and would brief the Council members soon.

Council Member Brantley asked if the employees in the collection office are able to take bill payments. Atty. Liskov stated that they are able to take payments, and that the WPCA sends over a courier to collect those payments 4 to 5 times a week. Council Member Brantley asked if they can issue a current bill statement, and Atty. Liskov stated that they can print a short history, including interest, liens, and the date of last payments. Council Member Brantley stated that one constituent approached her with an issue she had procuring a billing statement, and Atty. Liskov stated that the employees can print off a screenshot, but cannot print a long history.

Co-Chair Martinez stated that the committee members should be receiving reports, per ordinance 13-04-420. Atty. Anastasi stated that some reports may have ceased because there is no one assigned to monitor them, and Mr. Walker stated that there will be a preliminary budget in short order. Co-Chair Martinez stated that they would like this put in place before the next meeting. She stated that the purpose of this resolution was to address the concern of seniors losing their homes to the WPCA, and asked what could be put in place to support them in light of the high rates. Atty. Anastasi stated that the rate was actually average and asked Mr. Walker for an idea of the average cost. Mr. Walker stated that the average cost is \$46. Atty. Anastasi stated that this amounts to under \$200 a year, and in his experience, a lot of the foreclosures are investment or rental properties. Atty. Liskov stated that the the problems he tends to see when seniors have exorbitant WPCA bills result from multiple generations living under one roof, with only one individual paying. Atty. Liskov stated that they try to get these individuals in for payments arrangements, and that 95% are successful in paying this amount out. Co-Chair Martinez inquired about the percentage of foreclosures and asked if Judah Epstein played any role in the WPCA liens. Atty. Liskov stated that Mr. Epstein doesn't have any part in the liens, though some files are referred out to him, and that they are computer driven and generated every 6 months. Atty. Liskov further stated that he is the one who selects those individuals to be liened, procures their short histories, and that no one is liened for a minor amount. Co-Chair Martinez asked when the committee members could come and view said files, and Atty. Liskov stated that they were welcome at any time.

Council Member Lyons stated that she believes part of the issues regarding the WPCA is the lack of information, and that having an active liaison to keep the Council abreast of the goings on would be both helpful and educational.

Mr. Walker stated, in a year, that the WPCA only had around 24 foreclosures, and Atty. Liskov stated that they had probably filed more than that, but that they don't take property very often. Atty. Liskov further stated that it does not benefit them to foreclose, as real estate does nothing to help them.

Council Member Casco asked if the WPCA does collection for Trumbull as well. Mr. Walker stated that they bill the town of Trumbull and receive a check from the town, and that it is then the town's responsibility to collect the amount owed from their residents. Mr. Walker stated that they divide the town's projected annual CCF usage by 12, and send them a bill of \$520,000 a month. The WPCA then adjusts and balances the amount at the end of the year to ensure they didn't collect too much or too little.

**\*\* COUNCIL MEMBER BUKOVSKY MOVED TO WITHDRAW ITEM 13-15 RE: PROPOSED REQUEST THAT LIENING OR THE TAKING OF HOMES BY FORECLOSURE ACTION BY THE WPCA OR THE CITY OF BRIDGEPORT MUST ONLY BE EMPLOYED AFTER CONSULTATION AND APPROVAL OF SAID ACTION BY THE COMMON COUNCIL, FIRST THROUGH APPROPRIATE COMMITTEE AND THEN AS A WHOLE COUNCIL.**

**\*\* COUNCIL PRESIDENT MCCARTHY SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

**14-15: Proposed request that a Two-Year Pilot Program be introduced concerning WPCA liens.**

**\*\* COUNCIL MEMBER LYONS MOVED TO WITHDRAW ITEM 14-15 RE: PROPOSED REQUEST THAT A TWO-YEAR PILOT PROGRAM BE INTRODUCED CONCERNING WPCA LIENS.**

**\*\* COUNCIL MEMBER BUKOVSKY SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

Council President McCarthy noted that the committee members needed to enter Atty. Anastasi's opinion on item #13-15 into the record.

**13-15: Proposed request that liening or the taking of Homes by Foreclosure Action by the WPCA or the City of Bridgeport must only be employed after consultation and approval of said action by the Common Council, first through appropriate committee and then as a Whole Council.**

**\*\* COUNCIL MEMBER BANTA MOVED TO ENTER ATTY. ANASTASI'S OPINION RE: ITEM #13-15 AS EXHIBIT #1-1315.**

**\*\* COUNCIL MEMBER LYONS SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

**69-15: Proposed Amendment to the Municipal Code of Ordinances, Title 2 Administration and Personnel, amend to add New Chapter 2.125 – Commission and Office of Governmental Accountability.**

**\*\* COUNCIL MEMBER LYONS MOVED TO ENTER INTO THE RECORD THE DOCUMENT TITLED 'COMMON QUESTIONS' AS EXHIBIT #1-6915 AND THE DOCUMENT TITLED '225-COMMISSION' AS EXHIBIT #2-615.**

**\*\* COUNCIL MEMBER BUKOVSKY SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

Mr. Gaudett stated that the ordinance has been updated to change the size of the proposed commission, as multiple sources stated that 3 was too small. The number has been changed to 5 individuals, with 2 selected by the Mayor (and subject to City Council approval), 2 selected by the city Council and 1 nominated by the presidents of the local universities, including Fairfield University. Mr. Gaudett stated that they would be amenable to a table, should the committee want to change some aspects of the amendment.

Mr. Gaudett stated that they have provided a document of commonly asked questions regarding how the office would be structured, and why it works. Also in the packet are 2 charts- one detailing the way in which the office will deal with and process info, such as criminal issues to Police or misconduct to Ethics. He stated that this is not an attempt to create an Office of Public Integrity, as they didn't want to usurp the duties of the Ethics Commission as it exists. This office is being created to establish an office to deal with issues of governmental accountability outside of the purview of the Ethics Commission. Mr. Gaudett stated that they deal with issues such as FOIs, delivery of services, audits, procurement procedures, and other key interests and questions that have yet to be addressed in current statutes.

Council President McCarthy thanked Mr. Gaudett and his department for ensuring the independence of this entity from the Commission. He stated that he was the individual who offered the idea of utilizing the local university presidents, in the interest of selecting people who would be above boards, but that there are a number of potential candidates, and many good ideas to be explored in terms of selection.

**\*\* COUNCIL MEMBER LYONS MOVED TO TABLE ITEM 69-15 RE: PROPOSED AMENDMENT TO THE MUNICIPAL CODE OF ORDINANCES, TITLE 2 ADMINISTRATION AND PERSONNEL, AMEND TO ADD NEW CHAPTER 2.125-COMMISSION AND OFFICE OF GOVERNMENTAL ACCOUNTABILITY.**

**\*\* COUNCIL MEMBER BANTA SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

**68-15: Proposed Amendments to the Municipal Code of Ordinances, Chapter 2.38 Code of Ethics amend Section 2.38.020 – Definitions and Section 2.38.040C – Commission on ethics.**

**\*\* COUNCIL MEMBER LYONS MOVED TO TABLE ITEM 68-15 RE: PROPOSED AMENDMENTS TO THE MUNICIPAL CODE OF ORDINANCES, CHAPTER 2.38 CODE OF ETHICS AMEND SECTION 2.38.040C- COMMISSION ON ETHICS.**

**\*\* COUNCIL PRESIDENT MCCARTHY SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

**12-15: Proposed request that the taking of vehicles and the action of “Booting” must only be employed after multiple offenses and that a Certified Letter be submitted to the owners**

**of vehicle and that Notice is provided to the appropriate City Council Committee for their Approval of said action.**

Co-Chair Martinez read the resolution into the record as follows:

*WHEREAS, most residents of the city of Bridgeport have significant assets listed under automotive registration which are subject to high property taxes due to our significantly high mill rate; and*

*WHEREAS, many residents of the city are dependent on those vehicles for transportation between their homes and their work, as well as for errands as a part of their personal lives; and*

*WHEREAS, it is highly understood that our high property tax represents the state's most regressive tax on automobiles; and*

*WHEREAS, the city of Bridgeport has one of the state's highest unemployment rates; and*

*NOW, THEREFORE, BE IT RESOLVED, that taking of vehicles and the action of "booting" must only be employed after multiple offenses and that a certified letter submitted to the owners of said vehicle describing the actions to be taken and notice provided to the appropriate City Council Committee for their approval of said action.*

**\*\* COUNCIL MEMBER BUKOVSKY MOVED TO SUBMIT ATTY. ANASTASI'S OPINION INTO THE RECORD AS #12-15A.**

**\*\* COUNCIL MEMBER BANTA SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

Atty. Anastasi stated that, in the previous Council, there were conversations regarding the appropriate threshold for amounts owed before a car would be booted. He stated that this would have to be a meeting of the minds, rather than an attempt to usurp the duties of an elected official. He further stated that Mr. Flatto and his predecessors may be willing to have such conversations.

Council President McCarthy stated that, while they cannot do certain things legally, the last Council got fairly far down the road with securing a higher dollar amount before action, but that they ran out of time. He stated that they should get a baseline regarding what they do for dollar amounts, and then determining where they are comfortable as a Council regarding the number.

Att. Liskov stated that, as of this year, auto tax rates have been capped at \$29. He stated that this is not as high as the general mill rate for real estate or personal property taxes, and that this will generally lower auto taxes.

Mr. Flatto commended the City's tax collector, Ms. Jones, for doing superb work. He stated that there has been discussion over the last few months regarding policy and threshold, and that the previous outstanding amount that made an individual subject to booting was \$100. He stated that last month they decided to raise the amount to \$150 administratively. He stated that they are

comfortable with this because the boot mechanism tends to get people in the door and quickly, and that 1000s of people don't pay their tickets on time. Mr. Flatto stated that people receive 4 mailings in total before anyone gets to the point where a boot is allowed on the car, and that he believes the slightly higher number to be fair.

Ms. Jones stated that around 70% of taxpayers in the City are delinquent on their motor vehicles, and that the booting is a way of enforcement that drives them in. She stated that should a person's payments go delinquent in July they will receive notice that month, then receive notification in September, January, and finally the fourth letter in February or March, which will be the demand/warrant.

Mr. Flatto stated that while certified mail had been discussed as a method of notification, this would take away a lot of generated revenue if they need to send these notifications to 70% of the people in the City. He stated that a number of people come in when the DMV stalls their registration, and that they are trying to develop the balance between enforcement and fairness.

Council Member Lyons asked if the booting is specifically mentioned in the letters. Ms. Jones stated that it is not mentioned explicitly, but that they are told the City will begin collection procedures. Council Member Lyons suggested they explicitly put the term booting in the 4th letter, as it makes the consequence of the delinquent payment clear. Atty. Liskov suggested the letters be bolded, and seconded Council Members Lyons' suggestion. Council Member Lyons also addressed those individuals whose cars are registered out of town. Mr. Flatto stated that they recently met with a company that handles delinquent collections and authorized them to seek to collect on those cars, which has never been done before. Mr. Flatto stated that, while this is a difficult task, the company gets paid a small percentage of the savings in addition to a small finder's fee. Mr. Gaudett stated that Chief Perez is also returning to certain scofflaws. Mr. Flatto stated that they are working more with Public Safety in order to trade information, so if there are out of state or unregistered cars parked at residences on a daily basis, they can investigate. Council Member Lyons stated that when people who rent come to town, they typically don't register their cars as they should, and that they should be receiving payments. Atty. Meyer stated that there are companies who can determine how long a car has been in your City, how many times previously, and with what level of frequency. Mr. Flatto stated that they are moving towards a comprehensive plan to address these issues.

Co-Chair Martinez stated that her concern regarding the booting issue is due to the fact that the former \$100 booting threshold seemed excessive for those individuals living from paycheck to paycheck, though she believes the \$50 increase is too high. Mr. Flatto stated that he would be happy to bring the number back down and form a subcommittee to discuss the number. Council Member Martinez stated that she hadn't known about the change.

Council Member Brantley asked who handles the booting. Ms. Jones stated that Vital Alert handles booting procedures. Ms. Jones further stated that they don't boot during tax collection season, as they have money coming in, so it is feasible that a person could be standing in line to pay their auto taxes. Atty. Liskov stated that their bill comes out in January, and in a month Veronica generates a letter, and eventually time runs out. He stated, should an individual be

booted during tax season, this would result from a much earlier problem. Mr. Flatto stated that he thought the ideas discussed were valuable, and that he believes the establishment of a subcommittee is a move in the correct direction.

Council Member Brantley asked if they no longer tow cars, and Ms. Jones stated that they allow people 12-24 hours before the vehicle is towed. Council Member Brantley asked if they are able to go one people's property, and Ms. Jones answered in the affirmative. Atty. Liskov stated that they can go anywhere within the jurisdiction, and in some cases do inter-jurisdictional pickups as well, so long as no property is damaged and there is no break in.

Co-Chair Martinez asked if they have done comparisons to programs in other cities, and Mr. Flatto stated that he could research and compare the other programs and thresholds with their own. Atty. Liskov stated that they could draw from cities such as New Haven, Hartford or Danbury.

Atty. Anastasi stated that the amount is something the Council Members can discuss with Mr. Flatto, though it is ultimately his decision. Mr. Flatto stated that he would be happy to look further into their options, and that they can adjust the amount next year. Council President McCarthy stated that the best idea would be to get a sense of what they want, and then provide Mr. Flatto with some direction, rather than using an ordinance.

Council Member Lyons suggested they table the matter in order to allow Mr. Flatto to research the other municipalities, and allow Ms. Jones to consider the changes to the 4th letter of notice.

**\*\* COUNCIL MEMBER LYONS MOVED TO TABLE ITEM 12-15 RE: PROPOSED REQUEST THAT THE TAKING OF VEHICLES AND THE ACTION OF "BOOTING" MUST ONLY BE EMPLOYED AFTER MULTIPLE OFFENSES AND THAT A CERTIFIED LETTER BE SUBMITTED TO THE OWNERS OF VEHICLE AND THAT NOTICE IS PROVIDED TO THE APPROPRIATE CITY COUNCIL COMMITTEE FOR THEIR APPROVAL OF SAID ACTION.**

**\*\* COUNCIL MEMBER CASCO SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

**15-15: Proposed request that a Two-Year Pilot Program be introduced for the Sale of City Tax Liens.**

Co-Chair Martinez read the resolution into the record:

*WHEREAS, collecting Taxes is necessary to the operation of the city of Bridgeport; and*

*WHEREAS, it is critically and equally understood the taking of private property be an action rarely if ever used by the city or its agents;*

*WHEREAS, it is well recognized that many Bridgeport residents are hampered by a poor local economy, joblessness and high taxation which renders them, at times, incapable of paying their taxes in a timely manner; and*

*WHEREAS, it is the habit of the City Attorney's office to lien properties for non-payment of property taxes, to package all liens and sell them in bulk to generally out-of-Bridgeport companies, and*

*WHEREAS, the City of Bridgeport generates revenue from the sale of liens for non-payment of property taxes and WPCA services, and*

*WHEREAS, this employed current method results in immediate and exorbitant attorney fees for the tax delinquent property owners; and*

*WHEREAS, this employed current method precludes the participation of local entrepreneurs who wish to buy these liens due to the high cost of entry for the packaged liens; and*

*NOW THEREFORE, be it resolved that a two year pilot program be introduced for the sale of city tax liens and that it include the following elements:*

- 1. Tax liens on properties be listed for sale individually and immediately after the lien is placed by the City Attorney on the currently used method of bidding (BidSync) and not packaged for sale in large groups by the City Attorney's office.*
- 2. That as part of the sale agreement of said liens, the current property owners are granted a two year payment arrangement so as to repay the amount of the lien with all legally incurred interest from the date of the sale of said lien.*
- 3. That no attorney fees be incurred by the property owner for one year after the date of the sale of the lien and no attorney fees be incurred at all so long as the payment agreement is valid.*

Atty. Anastasi stated, respectfully, that this resolution is not legally feasible. Council President McCarthy stated that they needed to enter Atty. Anastasi's opinion into the record.

**\*\* COUNCIL MEMBER BUKOVSKY MOVED TO ENTER ATTY. ANASTASI'S OPINION INTO THE RECORD AS EXHIBIT #1515-A.**

**\*\* COUNCIL MEMBER CASCO SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

Atty. Anastasi stated that bulk lien sales go through the City Council for approval, so the Council Members do have a say in that regard. Atty. Liskov stated that the statute says the Council Members have to approve that variety or a sale, and Mr. Flatto stated that the sales also go before Contracts. Atty. Anastasi stated that the City Administration can only engage in brokering tax sales with the Council's approval and that bulk lien tax sales are an invaluable tool for the collection of taxes. Atty. Liskov stated that the tax lien sale is 7-8% on the principal, and Atty. Anastasi stated that it is a massively efficient way to bring revenue in and keep the mill rate in.

Atty. Liskov stated that the City then no longer owns the property, they receive the money, and then the government continues onward to do their job.

Council Member Martinez asked for an example of the process. Atty. Liskov offered the following example:

Ms. Jones, the City Tax Collector, receives the delinquent list and determines that 1,000 people haven't paid. The grand total owed is \$7 million, which consists of properties like apartment buildings and industrial structures. A company buys the tax liens, and the people on the delinquent list now owe the company rather than the City. Companies are interested in purchasing the liens because the interest rate is 18%. While they pay more for face value, and run the risk of being in the hole for 6 to 8 months, they then recoup. It can be a windfall in the City, and is all done in one day. It also spares the City the process of having to hire a marshal, do a title search and pay a court entry fee.

Council Member Brantley asked who purchases the liens. Atty. Liskov stated that the liens are bidded out, typically to large corporations like Chase, hedge funds or investment banks. He stated that this is common practice in Hartford, Stratfield, and Fairfield. He stated that chasing those on the delinquent list is both time consuming and expensive, and that in the current City's financial state, bulk sales help fill in where there is a deficit. Atty. Anastasi stated that the liens aren't being sold at a discount, and that they tend to bring in more than they would have if someone paid on time.

Council Member Feliciano asked who has historically won the auctions to purchase the bulk sales. Atty. Liskov stated that 8 different lien companies have won in the past years, and that they also receive priority in future bids. Council Member Feliciano asked how long the current process has been in place, and Atty. Liskov stated that the statute was passed during the first Ganim administration, around 15 years ago.

Council Member Brantley asked if people are notified that their liens are sold. Atty. Liskov answered in the affirmative, stating that once the liens are sold, the bid company must send a letter to the individual informing them of this; the letters tell them their lien is sold, who it is sold to and how much they owe. Atty. Liskov stated that before this provision was in place, companies would sit on the liens without giving notice, and wait for the interest to add up.

**\*\* COUNCIL MEMBER BUKOVSKY MOVED TO WITHDRAW ITEM 15-15 RE: PROPOSED REQUEST THAT A TWO-YEAR PILOT PROGRAM BE INTRODUCED FOR THE SALE OF CITY TAX LIENS.**

**\*\* COUNCIL PRESIDENT MCCARTHY SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

**01-15: Proposed Amendments to the Municipal Code of Ordinances, Chapter 15.12 Housing Code, amend Sections: 15.12.250 and 15.12.320.**

Atty. Anastasi stated that CAO requests the item be tabled. Council Member Lyons stated that the only reason this item will be tabled is because a representative from Housing is not present.

She formally requested that a representative from the Housing Department be present at the next Ordinance Committee meeting in order to discuss the situation, as the item is preventing work from being done. Atty. Anastasi stated that he will pass this request along.

**\*\* COUNCIL PRESIDENT MCCARTHY MOVED TO TABLE ITEM 01-15 RE: PROPOSED AMENDMENTS TO THE MUNICIPAL CODE OF ORDINANCES, CHAPTER 15.12 HOUSING CODE, AMEND SECTIONS: 15.12.250 AND 15.12.320.**

**\*\* COUNCIL MEMBER CASCO SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

### **ADJOURNMENT**

**\*\* COUNCIL PRESIDENT MCCARTHY MOVED TO ADJOURN.**

**\*\* COUNCIL MEMBER BUKOVSKY SECONDED THE MOTION.**

**\*\* MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:05 PM.

Respectfully submitted,

Catherine Ramos  
Telesco Secretarial Services