

**CITY OF BRIDGEPORT
CONTRACTS COMMITTEE
REGULAR MEETING
APRIL 12, 2022**

ATTENDANCE: Matthew McCarthy, Co-chair; Jeanette Herron Co-chair; Jorge Cruz, Ernest Newton, Maria Pereira

OTHERS: Council Member(s): A. Boyd, R. Smith, S. Burns, T. Mack & M. McBride-Lee; Tom Gaudett, Mayor's Office, Ken Flatto, Finance Director; Veronica Jones, Tax Collector; Call in User-1; iPhoneF2LFW3FA0D43

CALL TO ORDER

Co-chair McCarthy called the meeting to order at 6:04 p.m. A quorum was present.

34-21 Proposed Assignment of Tax Liens for Fiscal Year 2022.

Ms. Jones requested that they authorize the Tax Collector's Office to sell the tax liens. A RFP will then be issued. Currently, the list is approximately \$4 million, but tax payers will come in to pay their outstanding taxes, so it will decrease.

Mr. Flatto said that they could display the list.

Council Member Pereira asked what the last day under the Connecticut General Statute that a tax payer could make a payment. Ms. Jones said that it was a year and a day after the Grand List is established.

Council Member Pereira said that she had not received a copy of the tax liens. Council Member McCarthy said that he had forwarded the list earlier in the day.

Mr. Flatto said that it would be the end of January 2022, since the Grand List is certified in January 2021. Every tax payer is notified twice before the list is compiled. He then gave the details and said that they give the tax payers every chance they can to pay.

Council Member Pereira said that the list was sent out today. She asked why Mr. Flatto wanted to hold on to selling the liens until next year in order to help next year's budget. Mr. Flatto reminded everyone that there were thousands of tax payers and payments come in every day, so the list changes every day.

Ms. Jones said that the lien is placed on the property to protect the City's debt. This allows the City's debt to be secured first if the property is sold.

Council Member Pereira said that they were just told that they were not going to sell this until next year, but they want approval now. Mr. Flatto said that there was a bidding process that takes about six weeks and a culling process before the RFP goes out.

Council Member Newton asked who were the entities were that would be enforcing the liens. Ms. Jones said that once it goes out to bid on Bid Sink if a company meets the requirements, they can bid on it.

Ms. Jones said that some of the bidders in the past were American Tax Funding, Benchmark, Tower, Expand and a few other bid companies.

Council Member Newton said that there had been some problems with Benchmark and Tower in the past. Ms. Jones said that once the company wins the bid, the company has rights to the property if the tax payer has not paid the outstanding taxes.

Mr. Flatto said that the company was chosen in the best interest of the City. He said that to his knowledge, all the companies have followed the requirements.

Council Member Newton said that the City Attorney had come up with some rules and regulations about this. Discussion followed. Council Member Newton said that he would check with the City Attorney about the safeguards.

Council Member Herron said that the companies have to sign a contract saying that they will not exceed a set ceiling for fees.

Council Member McCarthy asked about the last entry on the list for \$353,000. Ms. Jones said that it was for Sound Education LLC at 84 Iranistan Avenue. Mr. Flatto said that this may be a former parcel used by UB and is now being used by Paier College.

Council Member McCarthy asked about the parcel with the outstanding balance of \$157,000. Ms. Jones said that it may have been paid since she ran the list off.

Council Member Pereira asked what the total amount was right now. Ms. Jones said that the current total was \$3,437,299.72. Council Member Pereira asked if they could get a final list. Ms. Jones said that the list was posted on Bid Sink with the addresses.

Mr. Flatto said that they didn't want to bring it up at a public meeting. The discussion moved to the details of the bidding process and how the bidders can place bids on packages and what happens to those properties that are not bid on. Ms. Jones said that 99% of the time, she and Mr. Flatto will select the bidder who is willing to take the entire lot of liens rather than breaking them up into parcels.

Council Member Newton asked if notifications are sent out to the property owners. Ms. Jones said that in March, they send out a letter notifying the owner that their property is subject to having a lien placed on it. When they extend the time between the lien and the bid, the owners

have additional time to pay. Discussion followed about the process. The company has to give the owner up to two years before they can foreclose on the lien. They cannot go in and announce that they are going to take the property.

Council Member Newton asked if the City follows up to ensure that the companies follow the letter of the law. Ms. Jones said that there were three companies that send her letters to verify they are billing the owners and payments are being made. Council Member Newton said that he would like the Co-chairs to see if this could be monitored. Council Member Herron said that the City Attorney's Office has been following up on this.

Council Member McCarthy asked about the \$100 threshold. Ms. Jones said that there were some people who were on the list for years but their balances were under \$100 every year.

Council Member Pereira said that there was a facility on Bond Street that closed down and owed over \$2 million in back taxes. She then gave the details and said that there had been a company in California that bought the lien. She said that the orphan liens have to go back out to bid.

Mr. Flatto said that he did not think they were able to sell it because of the bankruptcy. Ms. Jones said that orphan liens do not have to go out for re-bid.

Council Member Pereira said that she was not supporting this because she could not get straight answers.

**** COUNCIL MEMBER NEWTON MOVED TO APPROVE AGENDA ITEM 34-21 PROPOSED ASSIGNMENT OF TAX LIENS FOR FISCAL YEAR 2022.**

**** COUNCIL MEMBER HERRON SECONDED.**

**** THE MOTION TO APPROVE PASSED WITH IN FAVOR (NEWTON, HERRON, CRUZ) AND ONE (1) OPPOSED (PEREIRA).**

APPROVAL OF COMMITTEE MINUTES

• December 14, 2021 (Regular Meeting)

**** COUNCIL MEMBER NEWTON MOVED THE MINUTES OF THE DECEMBER 14, 2021 REGULAR MEETING.**

**** COUNCIL MEMBER CRUZ SECONDED.**

**** THE MOTION TO APPROVE THE MINUTES OF THE DECEMBER 14, 2021 REGULAR MEETING AS SUBMITTED PASSED UNANIMOUSLY.**

ADJOURNMENT

**** COUNCIL MEMBER HERRON MOVED TO ADJOURN.**

**** COUNCIL MEMBER NEWTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 6:51 p.m.

Respectfully submitted,

Telesco Secretarial Services