CITY OF BRIDGEPORT CONTRACTS COMMITTEE REGULAR MEETING MARCH 9, 2021

ATTENDANCE: Matthew McCarthy, Co-chair; Jeanette Herron, Co-chair; Alfredo Castillo,

Jorge Cruz, Michael DeFilippo, Ernest Newton, Samia Suliman

OTHERS: Council Member(s): M. Lyons, M. McBride-Lee, M. Pereira, R. Roman-

Christy, A. Silva & D. Taylor-Moye; M. Anastasi, Esq., City Attorney's Office; V. Jones, Tax Collector; C. Vickers, Director, Legislative Office;

Barbara, iPad

CALL TO ORDER

Co-chair McCarthy called the meeting to order at 6:05 p.m. A quorum was present.

APPROVAL OF COMMITTEE MINUTES:

January 12, 2021 (Regular Meeting)

- ** COUNCIL MEMBER NEWTON MOVED THE MINUTES OF JANUARY 12, 2021.
- ** COUNCIL MEMBER HERRON SECONDED.

Council Member Castillo stated that he had arrived at the January 12th meeting at 6:25 p.m.

- ** COUNCIL MEMBER HERRON MOVED TO AMEND THE MINUTES TO ADD COUNCIL MEMBER CASTILLO (6:25 P.M.) TO THE ATTENDANCE.
- ** COUNCIL MEMBER HERRON SECONDED.
- ** THE MOTION PASSED UNANIMOUSLY.
- ** THE MOTION TO APPROVE THE MINUTES OF JANUARY 12. 2021 AS AMENDED PASSED UNANIMOUSLY.
- 22-20 Proposed Assignment of Tax Liens for Fiscal Year 2021.

Ms. Jones said that the liens were never placed on the properties before April 1st and they don't assign new liens until June. She said that she was asking for the Council Members' approval to assign the liens.

Council Member Pereira said that the Council Rules require an Executive Summary. There was new documentation. She had questions about the liens being re-assigned. They do not know what the dollar values will be or what the new liens.

Ms. Jones said that there was a fourth billing quarter sent out to the property owners. The lien notices are mailed to the property owners and the owners have until March 31st to pay the delinquent amount. On April 1st, the liens are assigned. In May they go out to bid. In June, the liens are finalized.

Council Member Pereira said that she did not understand why they were voting on this before they had any dollar amount and did not know what properties would be involved. Council Member Pereira also spoke about an orphan lien in her district.

Ms. Jones said that they had a process that they were required to follow. She reiterated the process.

Council Member Pereira said that she wanted an explanation on the orphan lien that was sold in her District without going to bid. Ms. Jones gave a brief summary of the process for parcels that were not won in a bid. If the buyers don't want a particular property, they can remove it from the bid package.

Council Member Newton said that they had been following this lien process for years. Once Ms. Jones has the approval, she can give out a list of delinquent properties.

Council Member Brantley concurred and then thanked Ms. Jones for her hard work.

Council Member Pereira then asked the details about the orphan lien she mentioned earlier and stated that because it was not going out to bid, it was in violation of the Connecticut State Statutes.

Council Member Pereira said that she keeps hearing that they have been doing this process for years but that doesn't make it right.

Atty. Anastasi said that the concerns would be addressed in the original contract if the contract allows for substitutions.

Council Member Newton asked Atty. Anastasi if they had ever been sanctioned by the State about this practice. Atty. Anastasi said that he had not been aware of anything. Ms. Jones said that she was not aware of any issues.

Council Member McBride-Lee said that this is how the City has handled the liens for many years. She suggested that they review the origin of the process. Someone that comes into a job can't tell the boss it is wrong.

Council Member Castillo said that they were not in the business of catching people who owe taxes which is why they give the liens to a third party company. The City needs the money and this has been in practice for many years. Ms. Jones presents her request so that she can do her job.

City of Bridgeport Contracts Committee Regular Meeting March 9, 2021 Council Member Pereira said that when a parcel goes out to bid, the highest bidder takes the property.

Council Member Pereira wished to confirm that the profit was 18% and that is what Bridgeport gets. She was told they sell the liens at 100% as much as possible.

Council Member McCarthy asked whether once something goes out to bid, whether that contract comes back to the Contracts Committee. Ms. Jones said that the final contract does not come back to the Committee.

Council Member Herron said that when the bid is accepted, she would like to see the list of the three bidders. Ms. Jones said that once the Tax Collector has approved, they move forward automatically.

Council Member Herron said that when this process is done in June, they ask for a list of the bidders.

Council Member Cruz said that he finds it troubling that the Departments come to the Committees for approval but do not come back to present the information about who the bidders were, the costs, how much they were sold for and where the money is going.

Council Member McCarthy said that he is tired of hearing that this is the way it has been done in the past. He also doesn't like the fact that they don't have a delinquent list and a list of who is bidding.

Council Member McBride-Lee asked for clarification on whether Council Member McCarthy wanted to know who the liens were being placed on or who was purchasing the liens. Council Member McCarthy said that he wanted to know which properties were about to have a lien placed on them. Council Member McBride-Lee said that she did not think the names of the property owners should be released because sometimes people use that information in a negative manner.

Council Member McCarthy asked when the information would be made public. Ms. Jones said that it would be on April 1st when the liens were placed.

** COUNCIL MEMBER DEFILIPPO MOVED TO DENY AGENDA ITEM 22-20 PROPOSED ASSIGNMENT OF TAX LIENS FOR FISCAL YEAR 2021.

** THE MOTION TO DENY AGENDA ITEM 22-20 PROPOSED ASSIGNMENT OF TAX LIENS FOR FISCAL YEAR 2021 FAILED DUE TO LACK OF A SECOND.

Council Member Taylor-Moye asked if these liens involved properties that were affected by COVID-19. Ms. Jones said that she has a delinquent list but the liens are not put on until April 1st.

Council Member Taylor-Moye asked about the properties on the delinquency list and whether there was anything that the City does before the lien is placed. Ms. Jones said that the only thing that is set up is that they have 2.5% interest, but once they reach March 31st, only the Governor can stop the process.

Council Member Lyons said that they can't continue to follow this process.

Council Member Newton reminded everyone that the Budget that is before the Council anticipates these tax liens being served. If this is not approved, then the Budget will have a shortfall. The Council Members who have been on the Council for years know that this is how it is done.

** COUNCIL MEMBER CRUZ MOVED TO APPROVE AGENDA ITEM 22-20 PROPOSED ASSIGNMENT OF TAX LIENS FOR FISCAL YEAR 2021. ** COUNCIL MEMBER CASTILLO SECONDED.

Council Member Pereira said that April 1st was 22 days away and would not affect the July 1st budget. This is all public record, which is how she knew there was a property that was \$2 million in arrears. Council Member Pereira asked whether they could come back during the first week in April with the lien list and know which properties were orphan liens. She said that she did not understand how this would affect the budget. That would be more prudent. Last year they authorized this for \$7.5 million without a shred of documentation.

Council Member Roman-Christy said that in the past she had worked with liens. She asked if the property owners were notified by mail. Ms. Jones said that was correct. Council Member Roman-Christy said that if the property owner pays the liens before it's assigned, the money goes to the City. Council Member Roman-Christy said that the properties that have liens assigned, the payment goes to the lien holder.

Council Member Newton said that the budget had been sent out to everyone. In the Mayor's budget, there are figures that include tax collection rates.

Council Member McCarthy said that the process needs to be reviewed because the process doesn't fly with him.

** THE MOTION TO APPROVE AGENDA ITEM 22-20 PROPOSED ASSIGNMENT OF TAX LIENS FOR FISCAL YEAR 2021 PASSED WITH FIVE (5) IN FAVOR (CRUZ, CASTILLO, DEFILIPPO, HERRON, AND NEWTON) AND ONE (1) OPPOSED (SULIMAN).

ADJOURNMENT

- ** COUNCIL MEMBER NEWTON MOVED TO ADJOURN.
- ** COUNCIL MEMBER CASTILLO SECONDED.
- ** THE MOTION PASSED UNANIMOUSLY.

The meeting adjourned at 6:50 p.m.

Respectfully submitted,

Telesco Secretarial Services