

**CITY OF BRIDGEPORT
BUDGET & APPROPRIATION
COMMITTEE
SPECIAL MEETING
APRIL 25, 2016**

ATTENDANCE: Denese Taylor-Moye, Co-chair; Scott Burns, Co-chair; Jose Casco, M. Evette Brantley, Aidee Nieves, AmyMarie Vizzo-Paniccia (5:52 p.m.)

STAFF: Nestor Nkwo, OPM Director; Ken Flatto, Finance Director, Bill Coleman OPED

OTHERS: Council Member Jack Banta, Council Member Kathryn Bukovsky, Council Member John Olson, Council Member Richard Salter, Council Member Nessah Smith

CALL TO ORDER

Council Member Burns called the meeting to order at 5:46 p.m. A quorum was present.

Council Member Burns explained that the item has been passed by ECDCE and now is before the Budget & Appropriations Committee for approval.

90-15 (Ref. #55-14 & 29-15) Resolution Authorizing Capital Improvements and Allocation of Bond Proceeds for the Crescent Crossing Phase 1B.

Mr. Flatto said that the proposal was to use City Capital Funds to allow the affordable housing project to move forward. Previously, there was a request to subsidize the project via a tax abatement. This has been restructured so that the City is making a Capital contribution.

Mr. Flatto said that there were two errors in the resolution and the wording needs to be modified. The “Whereas” clauses spell out the identities involved in the project and the goal of the project, which is affordable housing. Mr. Flatto reviewed the details of the financial portion of the project. The developers has requested the City for an investment of 1,950,000. This request would amend the Capital Plan for 15-16.

When the resolution was written, Mr. Flatto said that the first bond would allocate \$1,250,000 for the project. The next time that the City goes out for bonding, there will be a request from \$700,000.

Council Member Vizzo-Paniccia & Council Member Olson joined the meeting at 5:52 p.m.

Council Member Brantley said that she did not have a copy. She asked if Mr. Flatto had brought extra copies. Mr. Flatto said that the resolution has been emailed to everyone in advance. Mr. Coleman said that he would make additional copies.

Mr. Flatto said that this was the second portion of a private development and that Phase 1A had already been approved and was under construction. He distributed copies of the projected Capital debt services vs. abatement.

Council Member Vizzo-Paniccia said that the Committee needs to receive the copies of the documents first and then the remaining Council Members and finally, the public can have some copies of the document if they need them.

**** COUNCIL MEMBER VIZZO-PANICCIA MOVED TO ENTER THE DOCUMENT TITLED CRESCENT CROSSING PHASE 1B, CAPITAL DEBT SERVICE AS EXHIBIT 4-25-16-1.**

**** COUNCIL MEMBER CASCO SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Mr. Flatto then gave an overview of the project, the number of units, the breakout on the number of bedrooms and the other details.

Council Member Salter joined the meeting at 6:05 p.m.

He said that the Capital debt service would net the City more than \$10 million than an abatement would. He added that even with the capital assistance and the tax credits, the project will just about break even. He added that the Committee members should remember that the housing project will be leased from the Bridgeport Housing Authority. Mr. Flatto said that the lease with the Housing Authority is for approximately 50 years. The developer has not sold any of the affordable projects that they have done in the State. Council Member Brantley asked if there was a time limit for the developer to sell the project. Mr. Flatto said that he did not believe there was.

Council Member Vizzo-Paniccia asked why the Bond Council wasn't present to explain the changes. She said that this was not done in the manner that the Committee members were used to and the document included handwritten changes. Mr. Flatto said that the idea was to approve the document via substitution.

Council Member Smith joined the meeting at 6:13 p.m.

Mr. Flatto said that if the Committee was uncomfortable with the modification, they could pass it as is and then modify the Fiscal Capital Plan for 2017 to include \$700,000.

Council Member Brantley asked about the wording changes. Mr. Flatto said that the first change was on page 1 and that the language was legally solid, but the change would clarify the wording that this was not an investment.

Council Member Taylor-Moye said that she was in agreement with Council Member Brantley. She said that it is helpful when there is someone present from the Bond Counsel to explain things. She also asked if this was time sensitive. Mr. Flatto said that the State would like to move this forward. Council Member Vizzo-Paniccia said that she would like to wait on this

because it is a legal contract and needs to be explained to the Committee in full with the City Attorney present.

Council Member Burns said that the overall consensus was to hold off on approving the resolution until the bond counsel was present. Mr. Flatto said that the Council could authorize the full \$1,950,000 in this year's capital plan or they could authorize the two resolutions.

Council Member Burns said that there was a clause about potentially using a TAN for this. Mr. Flatto said that it was standard bond language.

Council Member Nieves suggested that the full project amount be done in one bond.

Council Member Banta asked if the \$700,000 was a firm number. Mr. Flatto said that it was.

**** COUNCIL MEMBER VIZZO-PANICCIA MOVED TO TABLE AGENDA ITEM 90-15 (REF. #55-14 & 29-15) RESOLUTION AUTHORIZING CAPITAL IMPROVEMENTS AND ALLOCATION OF BOND PROCEEDS FOR THE CRESCENT CROSSING PHASE 1B.**

**** COUNCIL MEMBER BRANTLEY SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

ADJOURNMENT

**** COUNCIL MEMBER BRANTLEY MOVED TO ADJOURN**

**** COUNCIL MEMBER TAYLOR-MOYE SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 6:25 p.m.

Respectfully submitted,

S. L. Soltes
Telesco Secretarial Services