CITY OF BRIDGEPORT ECONOMIC AND COMMUNITY DEVELOPMENT AND ENVIRONMENT COMMITTEE SPECIAL MEETING FEBRUARY 5, 2024

Note: January 17, 2024 was RECESSED and RECONVENED ON FEBRUARY 5, 2024

ATTENDANCE: *Mary McBride-Lee* (5:36); Scott Burns; Jazmarie Melendez;

Eneida Martinez; Jorge Cruz Sr.

OTHERS: Council Member(s): Ernest Newton, Dasha Spell & Richard Ortiz;

Jillian Baldwin, Park City Communities CEO;

Alan Cashmore, CFO & Deputy Director of Housing Authority;

Cowlis Andrew, Park City Communities Commissioner; Guillermo Gonzalez, Housing Development Consultant; David Hoope, General Housing Authority (dial in);

Tracy Morris, PCC Attorney; Bill Coleman, Deputy Director, OPED

Jonathan Delgado, OPED; Ron Pacacha, Esq. (dial in).

** COUNCILMEMBER JORGE CRUZ SR. MOTIONED TO ELECT SCOTT BURNS AS THE TEMPORARY ACTING CO-CHAIR.

**COUNCILMEMBER ENEIDA MARTINEZ SECONDED THE MOTION.

**THE MOTION WAS PASSED UNANIMOUSLY.

CALL TO ORDER

Temporary acting Co-chair, Scott Burns called the meeting at 5:12p.m. There was a quorum present at the time of the roll call.

27-23 Proposed Resolution Authorizing a Tax PILOT Agreement ("PILOT")

with the Bridgeport Housing Authority d/b/a Park City Communities ("PCC") to Facilitate the Substantial Renovation of the Harborview Apartments, Which Provide Housing to Elderly and Disabled Residents,

located at 376 East Washington Avenue.

Councilmember Burns said they did have some questions from the last meeting and appreciated all the answers from the housing authority. For the record, they didn't receive the responses until this meeting to go over them.

Ms. Baldwin added for the record, the housing authority did submit the responses last week. As a general overview of the proposal, they are looking to renovate the building located at 376 East Washington Avenue and they would like to clarify any more questions in front of the committee.

Councilmember asked Ms. Baldwin to present some more information to the committee regarding the proposal before the committee asks questions. They understand they are looking to renovate a park city community building.

Ms. Baldwin responded this isn't just a renovation, it is a substantial rehabilitation project for the public housing residents of Bridgeport. She assumes the committee is aware of the issues at their properties and this is an attempt for the Bridgeport Housing Authority to be proactive in the redevelopment, as they should be repositioning their portfolio. They have many issues with the elevators in their properties and apartments in the Harborview Apartments are functionally obsolete, no longer servicing the needs of a growing dynamic population. This is why they are presenting the project in front of the city council to seek approval in the hope of maintaining their portfolio. As they may have read, there are sub-properties in their housing authority portfolio that are too far from being preserved as they would like to. This is their attempt to be more proactive than they have been in the past.

Councilmember Cruz Sr. thanked Ms. Baldwin for the outstanding job she has done. There is no way, shape or form the committee is there to stop it, they want to support her 100%. As far as he is concerned, everything she has implemented has been a success to the citizens of Bridgeport and Housing Authority. He was recently at a meeting at the ______. As the new concept was being started, he fell in love with it. As she should know, he went up to her to say thank you. At the time, he asked to make sure there was no conflict because of the names on it, just to give a clarification.

Ms. Baldwin responded they were happy to be invited to speak with the council. For quite some time with the housing authority and her team, it took three years to try to establish new credibility amongst the leadership of Bridgeport. They know they have a lot of work to do in terms of relationship building but they hope to turn a new corner by bringing in new resources. She added this side note, last year the housing authority did bring in \$7.5 million dollars this year alone to do upgrades like this. Just in terms of addressing issues the current issues at fireside and try to plan for the redevelopment for the home of the braves, and they are well on there way to rehabbing to the tune of \$70 million dollars at Harborview Towers. They have impressive _____ and really working for Bridgeport.

Councilmember Cruz Sr. replied saying absolutely, one of the most important things for the high-rise buildings are the elevators. Ms. Baldwin agreed. Council member Cruz Sr. continued, he knows that is a top priority for Ms. Baldwin, her team and as well as the residents. With this pilot closing , that is one of the things you can zero in on. I don't think it's a problem

to have seniors who live on high level floors. He repeated he is with the proposal 100%. Ms. Baldwin said thank you.

Councilmember Melendez added she has done a lot of research from their last meeting. She would like to see these renovations. She did a lot of research into RAD and understands how it is a necessity for the funding to come in. Her worry is, sometimes - which they have seen and you have to name it, is the accountability after. She believes this is good, this is important and they need it. But the question is the after effect, what will end up happening. Her second question is, making sure the residents who are going under the pilot have an understanding of everything that will occur and educating them on their rights. Her concern is their rights as tenants. She believes the program is beneficial if it's done the right way. She will support it but she wants to make a way where they can be accountable for what happens after. She doesn't want it to sound like this then down the line it is something completely different.

Ms. Baldwin said right, she will try to answer this in two ways. To say that whenever you are doing substantial renovations on a property, there is always a bit of inconvenience for the residents but they are working towards long term sustainability of public housing. She cannot say this enough, what a loss it has been to Bridgeport and the larger Fairfield County to have 15,000 units disappear. The housing authority brings in approximately \$65 billion dollars in subsidy and if they don't start now to work to preserve the asset, it will disappear because the property will become beyond repair. One of the requirements that she will have Mr. Gonzalez to elaborate more on is the resident rights. There is a built-in mandatory requirement for communication to residents. Besides the fact that HUD shouldn't make them communicate with our residents, there is a built-in protection by HUD to give a certain amount of notices, host a certain amount of public meetings, they must educate the residents through the location process, and they have to abide by the uniform relocation act. There are protections and money built in so they have coordinators and service providers that are involved in this. The housing Authority internal staff that has been involved; she has heard from the market and neighboring communities that Park City Communities has done a good job in relocation. Although she has heard some negative feedback about not being as communicative as they should have been from Marina village and Father Panik village, this is a new team. They still have older stars on the team who have worked through relocation that the residents do trust, and they do have their best interest at heart. They do work on behalf of the residents. She continued with adding, just in terms of resident rights she will allow Mr. Gonzalez to speak on that.

Mr. Gonzalez added they are working under the RAD program so they have to observe all the regulations and of course housing authority goes beyond that communication. This is a program that allows the residents to maintain the same basic rights that they have under public housing but they also get enhanced and choice mobility. After one year of living in a project that has been converted under RAD, the resident has the choice to request a tenant-based voucher to live somewhere else and rent under the private sector.

City of Bridgeport ECD & E Committee February 5, 2024 Ms. Baldwin added in terms of the choice housing voucher program, as they may be aware, tenants can either shrink the program and lose subsidy or expand the program. Historically and unfortunately, the housing authority has been turning back about one million dollars in subsidy through the housing voucher program. She sees a lot of the council members who she talks to on a regular basis regarding homelessness, who are working hard to make sure they bring in more resources. She continued on saying RAD is a tool to expand the housing voucher program because if they go back into a RAD unit for one year and decide they want a tenant-based voucher, the housing authority can increase the utilization of vouchers and they will get allocated more. She ended with saying the RAD program is very mobile and will increase funds as they are being utilized.

Mr. Gonzalez added in terms of the required communication with the tenants, the residents are not subject to any rescreening as part of the process because they would have to sign a new lease. Right now, the residents of the public housing project will be converted to a section 8 project that will require a new lease with the new program. Signing that new lease will require rescreening and the residents have the absolute right to a unit in the project if they were temporarily relocated or if they want to return to their original unit they can also do so; which is protected by the RAD program.

Ms. Baldwin added in relation to residents' right to return, she has heard by some of the council members that gentrification is a big concern. It is not only a concern for them but her team as well. The housing authority would not like to see community members scattered to the wind to move cross country or other communities if they choose not to, of course it is their right but they want to retain their residents and provide quality housing as well. This program offers them a right to do that.

Councilmember Newton first thanked Park City Communities as he had seen the changes and understood Ms. Baldwin had inherited a mess. In the short period of time he has seen the change, they are finally weeding out people that should have been weeded out 20 years ago and now bringing in capable people. He would like to know what the abatement is and is this the first abatement that they have done for the housing authority because he doesn't remember them ever doing an abatement for the housing project. He added Council member Martinez and himself get the complaints every day, the property on Smith Street is terrible.

Councilmember Martinez added they should stick to what's on the agenda for tonight.

Councilmember Newton continued with saying he understands that, but as a councilman something should be done with that because number one: you wouldn't want to look out your window and see that everyday so he needs to bring that up. Council member Martinez interjected, saying Ms. Baldwin already took care of that. Council member Newton continued

City of Bridgeport ECD & E Committee February 5, 2024 with saying I'm sorry but I haven't seen that yet but if you can please tell me about the abatement and how much they are asking for.

Mr. Coleman replied, the only reason why council member Newton wouldn't remember something like that is because it was predated, he doesn't fail to remember much. There was a predated pilot agreement that was broad in place. Historically it goes back even before me relating to public housing properties. He believes the technical motivation to coming before the committee and the council with this particular matter is to be sure and transparent. It is better to acknowledge this pilot has been in place and although there will be changes in the structure, different development entities, and the kinds of issues that are involved when explained to all of us. The pilot would still remain in place so it is not that they are doing anything new, they are just acknowledging it is in place and will continue to remain.

Councilmember Newton asked if they were asking to abate, like most companies who come forward ask for abatement. Whether it is housing, whether or not they have to pay taxes later down the road, even though she is not asking for that.

Mr. Coleman replied no because they are operating as the housing authority. There have been some instances that the housing authority has chosen to work with private developers, JHM is the one they are probably most familiar with and crescent crossing. For example, As a private developer- as a partner, they come forward looking to create new value on the grand list and ask for it to be phased into the council. This pilot is different as it falls under the housing authority patrol. He doesn't believe the housing authority necessarily has to pay taxes of any sort to the city so it is a voluntary thing.

Mr. Hoope added as housing authority property is exempt from taxes it is not really a questionable _____, the pilots are paid in lieu of taxes.

Councilmember Burns asked, based as to what is in front of them, should the pilot pay 10% of the shelter rent that is actually collected.

Ms. Baldwin replied yes that is correct, they have been paying the pilot payment all long. Mr. Cashmore added that is correct, shelter rent is rent minus utilities multiplied by ten percent. For example, the last two years on average they have paid \$342 thousand dollars per year to the city for all their properties. For Harborview itself, they have paid approximately \$23,400 dollars on average per year. Under this plan, with the rents going up and utilities going down, the city should actually be receiving more in pilot than they are currently paying.

Ms. Baldwin added to make the distinction, as they also appreciate their co-developer partners, they are an important tool in the housing authority's toolbox to partner with us for

redevelopment. The housing authority does offer a bang for your buck to the city, where the housing authority is the city of Bridgeport just in terms of tax returns.

Councilmember Cruz Sr. added, for some buildings, for instance 515 West Avenue, they have Wi-Fi for the tenants. He asked if there is anything in the future where they will be pursuing something like that for the tenants in the housing authority.

Ms. Baldwin responded there is, they have had several meetings under the connect home program with Altice to figure out where the funding would come from and if they have identified any rebates they can roll to the housing authority. HUD itself wants the public housing authority to focus on closing that technological gap so they are in the process of identifying funds to fund those activities. She believes over the course of the 2-3 years the council is aware that her team has received the Ross grant which allowed them to fund service coordinators, whose job is to identify these types of resources that they can go in and apply for.

Councilmember Herron asked if the RAD program had to do with scattered housing. Ms. Baldwin replied no, this particular program is a tool that can be added to any particular program. Right now, it is being considered in the making for Harborview Housing but it is not being considered for the scattered housing. In the long run they are hoping to convert everyone to project based vouchers. Tenants will get a little more bang for their buck, the housing authority will get a little more revenue generation from the project-based voucher program.

Councilmember Herron replied okay, when you have a moment tomorrow can you give me a call. I have a few situations that are regarding the scatter program. Ms. Baldwin said yes, okay.

Councilmember Spell asked how many units will be a part of this pilot program and are there particular amenities going to be encompassed in this.

Ms. Baldwin said she will have Mr. Gonzalez to speak on the scope of work and she can answer the first part of her question. She continued to answer by saying they currently have 240 units but they are increasing the count by two so it will be 242 units. There will be no loss of units but actually an increase. Councilmember Spell asked how many bedrooms are in each unit. Ms. Baldwin replied they will all be one-bedroom units at Harborview. She wanted to point out their one-bedroom waitlist is the longest standing waitlist that they have. With the tear down of Marina and Father Panik village, they lost about 75 one-bedroom units. The single household tenants are literally waiting for an unreasonable amount of time after filling out an application. Their reasonable accommodations and those looking for transfers because they need accessible units, they do not have the one-bedroom units that they need; if they were to lose Harborview, it would severely reduce the one-bedroom count that they just cannot afford to happen.

Mr. Gonzalez added the building already has a community room that they will also improve. There is a laundry room on site, parking lot, off street parking, and the property offers 24-hour security. As well as the housing authority will offer the residents social services for the delicate population, the senior citizens who live there. Other improvements will be under the energy efficiency aspect of the property, they will be replacing the entire façade because the system is failing. They will also be adding insulation that will help with energy conservation, and each unit will be provided with heating and cooling like a heat pump system. There will also be a few ____ generation systems that are part of the green technology program. Along with new windows and new water timing systems as well. That will enhance the operations of the programs of the property and the payments they receive for the pilot.

Co-chair McBride-Lee joined the meeting at 5:36 pm.

Ms. Baldwin said ultimately, the better they run the property the more money they will be able to transfer over.

Councilmember Burns said, just for clarity on paper the investment says \$38 million dollars but Ms. Baldwin, you just mentioned \$70 million dollars. Ms. Baldwin said yes, that is the total cost, they invested that into the hard upgrades. Mr. Gonzalez added the \$38 million dollars is for the new construction cost, the total is \$78 million dollars and the housing authority is investing \$750 thousand dollars and is leveraging the rest of the money. With that little money, the housing authority is making a lot. Ms. Baldwin added with the structure of these deals, there are soft costs and fees associated so that is part of this. Mr. Gonzalez added you can see there are soft costs like structural engineering, financing cost, attorney and console cost. Ms. Baldwin added it does cost a lot to redevelop. Mr. Gonzalez also added they need to put 1.6 million dollars in operating reserves.

Councilmember Burns asked if life tech is an application and what is the likelihood of getting that. Ms. Baldwin said yes. Mr. Andrew added 4%. Mr. Gonzalez elaborated saying this is the bond and tax credit transaction so the housing authority will issue the bond. As of right, it will get a tax credit collecting 4% which will not be subject to the competitive process, which is at 9%. Mr. Gonzalez closed off by saying what is important is that the bond must submit an application by _____ or they will have to wait for the next period as the bonds _____ and cost go up.

Councilmember Martinez thanked them for a job well done. She added she isn't new to the involvement of the housing authority, she's been around since 1996 with issues to the housing authority and she must say that since Ms. Baldwin has been in office, she has done a phenomenal job. The building at one point was very drug infested, prostitution, so fourth, and so fourth. Councilmember Martinez now sees the improvements, not only with security but heavy security.

She explains you can't even get past security there. She thanks Ms. Baldwin for the dedication along with her team.

- ** COUNCILMEMBER MARTINEZ MOTIONED TO APPROVE ITEM 27-23.
- **COUNCILMEMBER CRUZ SR. SECONDED THE MOTION.
- **THE MOTION PASSED UNANIMOUSLY.
- **COUNCILMEMBER CRUZ SR. MOTIONED TO DOCUMENT ITEM 27-23 AS EXHIBIT 02-05-2024-A.
- **COUNCILMEMBER MARTINEZ SECONDED THE MOTION.
- **THE MOTION PASSED UNANIMOUSLY.

ADJOURNMENT

- **COUNCILMEMBER CRUZ SR. MOTIONED TO ADJOURN.
- **COUNCILMEMBER MARTINEZ SECONDED THE MOTION.

The meeting was adjourned at 5:41pm.

Respectfully submitted by,

Vianca Rivera

Telesco Secretarial Services