

**CITY OF NORWALK
FINANCE CLAIMS COMMITTEE
JANUARY 10, 2013**

ATTENDANCE: Carvin Hilliard, Chair; John Igneri; Douglas Hempstead (7:50 p.m.); Nicholas Kydes (7:50 p.m.); David McCarthy (7:50 p.m.); Matthew Miklave (7:50 p.m.); Warren Pena (7:50 p.m.); David Watts (7:50 p.m.)

STAFF: Thomas Hamilton, Finance Director; Fred Gilden, Comptroller; Lisa Biagiarelli, Tax Collector; Karen DelVecchio, IT Director; Elio Longo, Board of Education

OTHERS: Bruce Kimmel, Common Council member; Alan Mathis, Frank Ferea, Liberation Programs; Anika Singh Lemar, Wiggin & Dana; Jeff Ziplow; Dominic Barone, Blum, Shapiro & Company

Mr. Hilliard opened the meeting at 7:41 p.m. A quorum was not present.

CLAIMS COMMITTEE: RECEIVE THE MONTHLY CLAIMS REPORT; REVIEW AND APPROVE CLAIMS AS REQUIRED FOR CLAIMS REPORT DATED: JANUARY 10, 2013.

Ms. Biagiarelli explained that there were no claims to approve this evening. The report was for information only.

NARRATIVE ON TAX COLLECTIONS DATED JANUARY 10, 2013 ☐ RECEIVE REPORT AND DISCUSS.

MONTHLY TAX COLLECTOR'S REPORT DATED DECEMBER 31, 2012 ☐ RECEIVE REPORTS AND DISCUSS.

Ms. Biagiarelli reviewed her written report. She said that they are half way through the fiscal year and are slightly ahead of last year in collections. The report at the end of February will reflect the actual numbers. She said that they are doing enforcement.

The Tax Sale redemption period expires next week.

Mr. Miklave, Mr. Pena, Mr. McCarthy, Mr. Kydes, Mr. Watts and Mr. Hempstead joined the meeting at 7:50 p.m.

A quorum was now present.

**** MR. MCCARTHY MOVED TO APPROVE THE MINUTES OF THE FOLLOWING FINANCE COMMITTEE MEETING: DECEMBER 13, 2012
** MOTION PASSED UNANIMOUSLY**

**** MR. KYDES MOVED TO AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS TO THE BUSINESS NETWORK GROUP FOR TWO DELL SERVERS WITH FIVE YEAR WARRANTIES AND VSPHERE SOFTWARE AND SUPPORT FOR AN AMOUNT NOT TO EXCEED \$23,639.12, ACCOUNT 09100600-5777-C0375 (BUDGETED IT CAPITAL EXPENSE, NO SPECIAL APPROPRIATION REQUIRED)**

Ms. DelVecchio summarized the memo in the packet. She said that they are replacing servers with technology that will save energy costs. This is a process that started at City Hall and the Police Station. The award recommendation was unanimously approved by the ITT Committee.

Mr. Kimmel asked about the plan going forward. Ms. DelVecchio said that typically they get 5-7 years on a server. There are two data centers in the City; City Hall and the Police Station.

**** MOTION PASSED UNANIMOUSLY**

**** MR. HEMPSTEAD MOVED TO AUTHORIZE THE PURCHASING AGENT TO ISSUE PURCHASE ORDERS TO KASEYA US SALES, LLC FOR KASEYA SYSTEMS MANAGEMENT SOFTWARE FOR AN AMOUNT NOT TO EXCEED \$29,299.60, ACCOUNT 09080600-5777-C0375 (BUDGETED IT CAPITAL PROJECT, NO SPECIAL APPROPRIATION REQUIRED).**

Ms. DelVecchio explained the item. She said that the software can better manage the automation of recurring tasks. The award recommendation was unanimously approved by the ITT Committee.

**** MOTION PASSED UNANIMOUSLY**

Mr. Hempstead said that there has been some talk that people can't hear in the Common Council chambers. Ms. DelVecchio explained that the design work has been done; the bids came back over \$100,000. They had to go back out to bid for prevailing wages. Those bids were due today. They will be interviewing the lowest bidder next week.

Installation will take two weeks. They are trying to identify a time to schedule the work. Mr. Hilliard suggested adding this to a future agenda.

**** MR. MIKLAVE MOVED TO AUTHORIZE THE MAYOR, RICHARD A. MOCCIA, TO EXECUTE A TAX ABATEMENT AGREEMENT WITH ELMCREST TERRACE LIMITED PARTNERSHIP FOR PROPERTY LOCATED AT 4 ELMCREST TERRACE, NORWALK, CT**

Mr. Hamilton described the program. He said that the property is currently exempt from tax. The proposal that the Liberation Program brought forward is to redevelop the property with two components. The application that is filed with the State is using housing tax credits as their funding source.

Elmcrest Terrace Limited Partnership is looking to transfer ownership of 18 apartment units to a for-profit entity, which will make those apartment units taxable. They are requesting that the Common Council execute a tax abatement agreement so that the units are not taxable.

Currently the City does not collect tax on the property. Based on information from the Tax Assessor, the property would be taxed within the range of \$83,000 per year.

Mr. Hamilton said that the Law Department and counsel for the Liberation program have been working diligently, with continuing negotiations between them.

Mr. Mathis described the programs. He said that the funding mechanism has been used in other cities. They will be funded by tax credits and will bring \$5 million in tax credits to the City of Norwalk. In addition, they are bringing new commerce into Norwalk. Mr. Mathis said that he has worked with the State to secure vouchers to help folks find decent, affordable housing. He said that time is of the essence. They work with children and their parents.

Mr. Hempstead asked if these are deed restricted stock. Ms. Lemar said that the deed restriction is for 50 years. She added that there are layers of protection for the City. She said that the rent will pay for supportive services for the residents.

Mr. Kydes asked if they are asking the tax payers of Norwalk to chip in \$83,000 in taxes to support this program. Mr. Mathis explained that in order to receive tax credits, they must be a for-profit entity, but they are not going to generate a profit. He said that he would be happy to open their books to show that this is not a taxpayer subsidy. All of the money will go back to the building and to ensure they are doing what they are required to do by their funding sources. Mr. Mathis said that this project will not work without the abatement and the charitable services will not occur.

Mr. Kydes asked about Zoning. Mr. Mathis said that the one issue is whether the City will provide a tax abatement on this project.

Mr. Hamilton said that item six in the agreement requires the partnership keep full, accurate records. If the question is raised, the City has the right to go in and look at the books to be sure the criteria is being met.

Mr. McCarthy congratulated them for using an innovative funding mechanism and for bringing this to Norwalk. He said that he is comfortable and support the mission.

Mr. Miklave asked if this project will provide more affordable housing for Norwalk. Mr. Mathis said that it will.

**** MR. KYDES MOVED TO AMEND THE MOTION TO READ AS FOLLOWS:**

AUTHORIZE THE MAYOR, RICHARD A. MOCCIA, TO EXECUTE A TAX ABATEMENT AGREEMENT WITH ELMCREST TERRACE LIMITED PARTNERSHIP FOR PROPERTY LOCATED AT 4 ELMCREST TERRACE, NORWALK, CT SUBJECT TO THE APPROVAL OF THE CORPORATION COUNSEL

**** THE MOTION AS AMENDED PASSED UNANIMOUSLY**

REVIEW THE STATUS OF THE ONGOING FOCUSED OPERATIONAL REVIEW OF SELECTED AREAS OF THE NORWALK PUBLIC SCHOOLS WITH BLUM, SHAPIRO & COMPANY, PC WHICH IS CONDUCTING THE REVIEW.

Mr. Ziplow provided an update to the Committee. He said that they collected a lot of information and will now go through the analysis phase. They need to validate the information they gathered to be sure it ties out to the financial transactions. He said that people have been very helpful.

They plan to meet in February and provide a draft report with some recommendations. Following a discussion, it was agreed that Mr. Hilliard will reach out to the full Common Council and invite them to attend the meeting. Mr. Hilliard asked Mr. Ziplow when the final draft will be completed. Mr. Hamilton said that he will try to include it in the next meeting packet.

**** MR. HEMPSTEAD MOVED TO RECEIVE BOARD OF ESTIMATE AND TAXATION APPROPRIATIONS DATED JANUARY 7, 2013.**

Mr. Hamilton reported that there were two requests:

Fiscal Year 2011-2012:

\$10,532 from Increased Estimated Revenues to the Police Department to cover training expenses.

Fiscal Year 2012-2013:

\$128,146 from Contingency to the Recreation and Parks Department to cover current and projected deficits due to additional security personnel at the Parks.

Mr. Hempstead asked who determines the level of Police presence at the Beach. He added that if the Police determine that a level of service is needed, why is that cost charged to Recreation and Parks. Mr. Hamilton explained that this is extra duty because it is not part of the regular patrol.

Mr. Pena said that he did not understand why parks are not part of the regular beat. Mr. Hilliard said that this issue came up years ago; it is part of the Union agreement. Mr. Kydes said that he agreed with Mr. Pena. He said that Recreation and Parks gets stuck with providing a lot of services that come out of their budget and they do not have a mechanism to charge back to the Board of Education.

Mr. Kimmel said that it has to do with the size of the Police force and how many they can deploy at a time. He said that in some areas between Recreation and Parks and DPW there is some redundancy. There are ways to deal with this but it is complicated.

Mr. Miklave asked who made the decision to increase the Police presence at the Beach and who made the decision to decrease the police presence at the Beach. Mr. Hamilton said that when Mayor Moccia requested that the budget be reduced, they decreased the presence at the Beach; however, after the problem last Memorial Day, their presence was increased.

**** MOTION PASSED WITH ONE (1) ABSTENTION (MR. MIKLAVE)**

DETERMINE FEBRUARY 2013 FINANCE COMMITTEE MEETING SCHEDULE TO REVIEW AND RECOMMEND 2013-2014 OPERATING CAP TO THE FULL COMMON COUNCIL.

**** MR. MIKLAVE MOVED THAT THE CHAIRMAN SCHEDULE THE MEETING
BASED ON HIS REVIEW
** MOTION PASSED UNANIMOUSLY**

**** MR. MCCARTHY MOVED TO ADJOURN
** MOTION PASSED UNANIMOUSLY**

There was no further business and the meeting was unanimously adjourned at 9:25 p.m.

Respectfully submitted,

Rosemarie Lombardi
Telesco Secretarial Services