

From: [Sherwood, Nina](#)
To: [Rosenson, Valerie](#)
Subject: Information Regarding LR31.024
Date: Wednesday, July 20, 2022 11:12:46 PM

Dear Valerie,

Please share the following correspondence with the Legislative and Rules committee and add it to the legislative history for item LR31.024.

Thank you,

Nina

From: J. R. McMullen <jrmcmullen.stamfordbof@gmail.com>
Sent: Wednesday, July 20, 2022 4:17 PM
To: Freedman, Richard
Cc: Donoghue, Tracy; Mahoney, Dennis; Curtis, Jeff; Fedeli, Mary Lisa; Sherwood, Nina
Subject: Re: addition to Item 4 of 6/9/22 minutes

Hi Richard,

I gave you the reference to the video time stamps in my June 29th email. However I did listen to the videos again and picked up something I missed the second time. Early in their April 13 presentation, the administration told us that what I am asking for was included in the RFP and then the administration doubled down repeatedly telling us the selected bidder did not request a property tax waiver when others did. If the administration is going to provide our board with information (including a lot of misinformation in the April 13th meeting) in their presentations then we have to hold them accountable in both the contracts we approve and the minutes we publish.

No-one listening to both our April 13th and June 9th meeting could walk away without understanding the Board of Finance's positive recommendation to the Board of Representatives is predicated on the City collecting property taxes, without any abatement, based on the assessed value of 35 Crescent Street. There was way too much discussion about the property taxes to reach any other conclusion.

I am copying the Board of Representatives because, as you indicated in another note, if they approve this item without modifying the contract then we are done. It is in their court for now unless they hold it at their August meeting. To help put some of this discussion in context, the BOR members on copy should know, if they don't already, that you were involved in the RFP process and that you helped select the winning bidder.

1. At minute 6 in the April meeting Sandy said the restriction on the tax abatement was

included in the RFP.

2. I already did this work once (see my earlier note from June 29th) but in April we had a big discussion around the value of the property tax because it was identified as a difference maker among the selection criteria. You brought the April 13th discussion into the June 9 meeting when you referred back to it in the June 9th meeting (video clip). In the April 13th meeting you told us you were on the selection committee and at 19.27 in the video you gave a property tax estimate of \$150-200K. This is one of the reasons it needs to be in the written minutes... because if you don't remember and it isn't captured in the "transcript" it will ultimately look like we paid the bidder to take the property. I understand the administration needs our approval, initially bent the facts and then publicly flogged a member of our board to get it, and now wants everyone to forget what our approvals were based on. I know it makes it easier for the Administration to do what it wants to do but that defeats the purpose of our board.

Hope this helps jog your memory.
thanks. J.R.

On Wed, Jul 20, 2022 at 10:56 AM Freedman, Richard <RFreedman@stamfordct.gov> wrote:

Hi J.R. - It is a big deal, both the substance and the process. In terms of process, you directed Sandy to add a deed restriction requiring payment of taxes. That's how this whole issue started. The board never discussed that and never voted on it. You can't unilaterally make decisions for the board. That's a big deal.

In terms of substance, you want the minutes for both April and June amended in way that, unless you show me otherwise, doesn't accurately reflect our discussion. That's also a big deal. You say below that I estimated the taxes at \$150K - \$200K/year in April. I didn't remember saying that. I reviewed the transcript from April, neither Sandy nor I said that. So I didn't put it in the minutes. If you can give me the time stamp from April when either of us said it, I'm happy to put it in. I said nothing regarding taxes in April and my amendment below reflects exactly what Sandy said: They won't be asking for an abatement, they were chosen in part because of this, and taxes will be paid on the assessed value with no abatement. I found no mention of what you state below, a specific tax amount the board was assuming prior to taking a vote.

For the June meeting, Greg Stackpole gave us numbers that estimated the assessed value of the proposed building at \$3.7m and taxes of \$101,280 at the 2021-22 mill rate. Those numbers were part of the public record, I will amend the minutes to reference them. But \$101K isn't \$150K - \$200K, as you state below. I don't know where that number came from because I can't find any reference to it. Again, unless you can show me otherwise, the board assumed taxes would be paid based on the assessed value, not your numbers. I don't

have the transcript from June, I will get it from Tracy. Whatever was discussed regarding payment of taxes, I will put in the minutes - a specific number, just generally that taxes will be paid based on the assessed value, or both. If no one said anything about taxes of \$150K - \$200K, then that number was never communicated to the board. If it wasn't communicated, it doesn't go in the minutes.

Tracy - When you have a chance, please send me the relevant transcript from the June meeting.

thanks
Richard

From: J. R. McMullen <jrmcmullen.stamfordbof@gmail.com>

Sent: Tuesday, July 19, 2022 11:45 PM

To: Freedman, Richard

Cc: Donoghue, Tracy; Mahoney, Dennis

Subject: Re: addition to Item 4 of 6/9/22 minutes

Hi Richard,

I don't understand why this is such a big deal. In the April meeting Sandy said (timestamp 6:20) that the RFP included a condition that the sale would not include a tax abatement agreement by the city. That information was communicated multiple times in the April meeting and again in June. In the April meeting you even estimated the value of the property tax we will be collecting at \$150-200K a year.

What was communicated in both meetings was that the city would be collecting property taxes and that it was part of the selection criteria used to identify the winning bid. It doesn't matter that it was communicated by saying this bidder did not request a property tax waiver. Questioning what was communicated in the April meeting (by you), we went to the Assessor to understand the actual value of those property taxes since they were included as part of the financial justification for the sale. When you referenced the same information in the June meeting, in response to Dennis' comments, you didn't need to reiterate the whole conversation, the abbreviated comment was enough. Especially after Sandy reiterated that there wouldn't be a tax abatement in this same meeting. From both of your comments, in the June 9 meeting, we all understood the basis for the recommendation included the collection of property taxes. What was communicated is what is supposed to be captured in the minutes. If you would like, we can ask the other members present what they understood about the property taxes when they voted on this item.

When I spoke with Dennis today, he understood what you communicated in the June meeting the same way I did. I have copied Dennis if you would like to include him in this conversation.

Thanks. J.R.

On Tue, Jul 19, 2022 at 12:56 PM Freedman, Richard <RFreedman@stamfordct.gov> wrote:

J.R. - As I've stated a few times, I agree the buyer should pay taxes and I'm fine with amending both April's and June's minutes. My objection is that what you've been representing was said is different from what was actually said. Minutes reflect what was said, not what one wishes was said or additional commentary to what was said.

I attach the transcript for this item in April. I been through the whole thing, you're welcome to do the same. Taxes were mentioned three times by Sandy, never by me, see my highlights on pgs. 4, 14 & 17. She says essentially the same thing three times, I propose to add these two sentences to the minutes to reflect her comments precisely:

Director Dennies stated that the proposed project would not require a tax abatement agreement from the city. She stated that one of the reasons this bidder was selected was that they did not request a tax abatement and that taxes will be assessed on the property without an abatement.

From the video you just sent, I propose to add the following sentence to the June minutes:

Chairman Freedman said that under state law, affordable housing is eligible for a complete tax abatement, which the developer did not request.

Please let me know if you agree with my edits. I believe they reflect exactly what was said, nothing more, nothing less. thanks

From: J. R. McMullen <jrmcmullen.stamfordbof@gmail.com>

Sent: Tuesday, July 19, 2022 12:00 PM

To: Donoghue, Tracy

Cc: Mannis, David; Alswanger, Geoff; Mahoney, Dennis; Rinaldi, Michael; Freedman, Richard; Curtis, Jeff; Fedeli, Mary Lisa; Sherwood, Nina

Subject: Re: addition to Item 4 of 6/9/22 minutes

Hi Tracy,

Richard absolutely reiterated the property tax justification presented at the April meeting at the June 9 meeting and Sandy agreed with his position. The financials are the primary reason this deal was voted down in April.

. I have attached a recording of Richard's comments and you can hear and see Sandy agreeing in the background.

I don't know why adding this information to the minutes is such a big deal; not unless

the administration's intent all along has been to secure the vote by including the property tax and then shortchange the taxpayers by letting the property tax go.

Hopefully with this video excerpt we can put to rest whether or not Richard said what he is recorded as saying.

Thanks. J.R.

On Tue, Jul 19, 2022 at 9:29 AM Donoghue, Tracy <TDonoghue@stamfordct.gov> wrote:

Good Morning J.R.,

I understand your request, but as I said, that conversation, statement, declaration, etc. did not occur at the June meeting. A version of it occurred at the **April** meeting. I forwarded the written transcript of the April meeting that addresses item 4 to Richard for review. He is planning to amend the April minutes after reviewing the detail.

Best,

Tracy

From: J. R. McMullen <jrmcmullen.stamfordbof@gmail.com>

Sent: Monday, July 18, 2022 6:47 PM

To: Donoghue, Tracy <TDonoghue@StamfordCT.gov>

Cc: McMullen, J.R. <JMcMullen@StamfordCT.gov>; Freedman, Richard <RFreedman@StamfordCT.gov>

Subject: Re: addition to Item 4 of 6/9/22 minutes

Hi Tracy,

I still want to amend the June minutes to reflect the comment as it implies the city will collect property taxes and the anticipated tax revenue has a significant impact on the financials of the deal. Even if it only says "Member Freedman, who was a member of the selection committee, confirmed the bidder chosen did not request a waiver of the property tax even though they were entitled to do so." Since we are the Board of Finance, it is reasonable to believe that an annual payment of somewhere between \$100K and \$200K influenced the vote. The present value of the tax revenue is at least 4-6 times the \$700K Stamford is being paid for the property.

Thanks. J.R.

On Fri, Jul 15, 2022 at 1:09 PM Donoghue, Tracy <TDonoghue@stamfordct.gov> wrote:

Yes, I saw that in the April meeting video, but last night you wanted to amend June minutes. April minutes were already approved. I'm not sure of next step. Please advise.

Thanks.

Tracy

From: J. R. McMullen <jrmcmullen.stamfordbof@gmail.com>

Sent: Friday, July 15, 2022 12:59 PM

To: Donoghue, Tracy <TDonoghue@StamfordCT.gov>
Cc: McMullen, J.R. <JMcMullen@StamfordCT.gov>; Freedman, Richard <RFreedman@StamfordCT.gov>
Subject: Re: addition to Item 4 of 6/9/22 minutes

Hi Tracy,

In the April 13th meeting both Richard and Sandy said the bidder paying property taxes was a deciding factor in the choice of builders. At 1:01:00 Richard reiterates, in response Dennis Mahoney, that this bidder did not request a waiver of the property taxes even though they had a right to do so under state law.

Thanks. J.R.

On Fri, Jul 15, 2022 at 9:13 AM Donoghue, Tracy <TDonoghue@stamfordct.gov> wrote:

Good Morning J.R.,

After reviewing the 06092022 BOF Regular Monthly Meeting video tape content for Item #4 (in its entirety), I did not find any discussion to corroborate your suggested change below for those minutes.

As you are aware and also mentioned, a discussion did take place at the 04132022 meeting related to property taxes. Maybe you would like to amend those minutes? Please advise at your convenience.

Best,
Tracy

From: J. R. McMullen <jrmcmullen.stamfordbof@gmail.com>
Sent: Thursday, July 14, 2022 7:06 PM
To: Donoghue, Tracy <TDonoghue@StamfordCT.gov>
Subject: addition to Item 4 of 6/9/22 minutes

The City, specifically Sandy Dennies and Richard Freedman, indicated justification for the bidder selected included the bidder paying property tax based on the assessed value. The Assessor estimated the value to be \$3,727,647 with annual property tax at least \$103,000 per year.