BOARD OF ESTIMATE AND TAXATION
SPECIAL MEETING
MARCH 20, 2024
COMMON COUNCIL CHAMBERS
PUBLIC HEARING

To allow public access, anyone may access a meeting by telephone, Zoom, and/or the City of Norwalk YouTube channel. Specific instructions and links can be found at norwalkct.gov/meetings.

Members of the public who are unable to attend the meeting in person may call in to participate. Callers will not be able to see the meeting participants. All participants will be muted upon entering the meeting. To speak, dial *9 on the phone and you will be called on by the host of the meeting during the public comment section. All speakers must state their name and address. Comments must be on a topic on the agenda, and are limited to three minutes. Anyone disrupting the orderly conduct of the meeting, including by using threatening, hateful, or sexually-explicit language, will be removed. Please find the information using the link above.

Members of the public who are unable to attend the meeting in person and wish to provide "live comments" may also use the Zoom meeting platform. All participants will be muted upon entering the meeting. To speak, click the “raise your hand indicator” and you will be called by the host of the meeting during the public comment section. All speakers must state their name and address. Comments must be on a topic on the agenda, and are limited to three minutes. Anyone disrupting the orderly conduct of the meeting, including by using threatening, hateful, or sexually-explicit language, will be removed. Please find the information using the link above.

Members of the public who wish to provide public comment are encouraged to submit those via email in advance of the meeting. For these comments to be included into the record, they must be submitted by 12:00 p.m. the day of the meeting. Please email Tom Ellis at tellis@norwalkct.gov with the subject line “Public Comment” to provide written public comment prior to the meeting.

ATTENDANCE: Ed Abrams; Mayor Harry Rilling; Edwin Camacho; Kendrick Constant; Troy Jellerette; Artie Kassimis; Anne Yang

STAFF: Henry Dachowitz, Chief Financial Officer; Irene Dixon, City Clerk; Thomas Ellis, Director Management and Budgets

I. **CALL TO ORDER**

Mr. Abrams called the meeting to order at 6:30 p.m.

II. **ROLL CALL**

Ms. Dixon called the Roll as indicated above.

III. **PUBLIC HEARING ON THE FY 2024-2025 OPERATING BUDGET**

Mr. Abrams invited Mayor Rilling to make opening remarks. Mayor Rilling expressed his thanks to the members of the Board of Estimate and Taxation who worked hard to bring this budget season to a conclusion. He also expressed his thanks to the department heads. He noted this is still a work in progress.

Mr. Abrams said the job of the Board of Estimate and Taxation tonight is to listen to feedback from the public and consider those comments as part of their deliberations.

Public participation comments are not verbatim and represent a summarization of statements unless otherwise noted. Speakers are Norwalk residents unless otherwise noted.

Mr. Aaron Karp noted that his district will see a 36% increase. He asked the members of the Board of Estimate and Taxation to look deeper at how to minimize such a hit. He said he is grasping with whether or not he can stay in Norwalk. He asked to have the budget cut 5% across the board. He said that a 36% increase is not acceptable.

Ms. Nora Niedzielski Eichner said a 5% budget cut will not result in a meaningful decrease in taxes and will cause taxpayers to see a decrease in services. She asked the members of the Board of Estimate and Taxation to think strategically, such as by funding a grant writer and IT staff.

Mr. Vinny Sacchitano said the burden of the tax increase will be on the residents. He said people are having a hard time and the spending has to slow down. People are leaving Norwalk and the City is not doing well by the residential property owners. People in the community are frustrated especially when they see expenses for parties and $40,000 to rent a Christmas tree. Spending needs to be reevaluated. He added they need to think about the residential property owners and go back to pre covid spending.

Mr. Bryan Meek Suggested cutting $7.5 million from the budget which would still provide a 3% increase. He said there are several factor driving the budget, such as the Common Council approving a garbage can for $1,350. He said they need to stop spending on frivolous items. Mr. Meek said the elephant in the room is the debt service that has grown out of control. The $300 million project the City has to pick up is outrageous.

Ms. Lisa Briton, said there are three areas impacting the budget, housing, immigration impact on the schools and the historically inadequate school funding from Hartford. She said Norwalk reinvents the wheel with each new superintendent of schools. Ms. Briton shared census data for the City and asked the Board of Estimate and Taxation to lower the cap and implement a flat budget and integrate duplicate functions with the Board of Education.

Ms. Lynette Jones expressed support for a 5% across the board cut in expenses and to address the growing Board of Education expenses. She said it is stated that Norwalk spends $20,000 per student, but if you add in kind expenses, the true cost is $40,00 per student. She said that Norwalk has between $150 - $200 million in approved projects that have not been funded or the budget; in addition Norwalk is on the verge of losing its AAA bond rating. Ms. Jones said that to hear that the new apartments will increase car tax revenue is misdirected because the families bring children into the school system who do not speak English and are not at grade level. She asked about revenues and questioned why companies are leaving Norwalk. She asked what the Department of Economic and Community Development was doing for Norwalk.

Ms. Barbara Smyth advocated on behalf of funding the Family Navigator positions. She expressed thanks to Mayor Rilling for his commitment to funding these positions. She provided background information about the program and said that over the last three years, the Family Navigators served several thousand residents.

Ms. Diane Keefe said she is getting a big property tax increase, but will not protest it because Norwalk is a great place to live. She said Norwalk is in a good position and agrees about investing in IT but does not agree with across the board cuts. She proposed looking at ways to get access to the Inflation Reduction Grant money through a grant writer. She also suggested looking at food waste management and putting solar panels up on buildings. She said these investments will pay off and create stability in the buildings.

Ms. Heather Dunn said not all departments are equal and asked the Board of Estimate and Taxation to approve the request for a fire truck. She said they also need to look at the org chart to see about combining positions.

Mr. Jack Waserleck said he is facing a 20% tax increase and added that his insurance also went up 20%. He said that jobs are stagnant and laying off. He asked how people can afford to live here. He said interest rates are high, and it is harder to buy and sell properties, plus the level of property values have gone down.

Ms. Diane Cece said that in December and January when the assessments came out there was panic over those increases. At that time the consultants and Mayor said not to worry, because it may not have a direct impact on taxes. She said at this point she feels that was a breach of public trust; the impact is shocking. Ms. Cece said she was saddened and discouraged by the scare tactics used during last week's debate suggesting that further cuts to the budget would result in layoffs of teachers Police officers and Fire Fighters. The potential tax increases are devastating to people who have to live within their means.

Ms. Cece said this budget now becomes the baseline for future budgets; she urged the Common Council to course correct and slash non-essential services.

Mr. DaJuan Wiggins said the impact of the tax increase may result in him not being able to stay in Norwalk. He said they need to see where tax cuts can be made because this budget will be the baseline going forward, which means they will continue to push people out, particularly People of Color. He suggested looking at making cuts in departments that may not be bringing value to the City. He asked what people are getting if they have to pay more in taxes and rent. Ultimately the City is a business, and the customers are the taxpayers.

Ms. Marissa Mangone said she wanted to shine a light on the youth in the community and asked this group to continue to look at services that make an impact.

Mr. Mark Lindwall spoke about the debt service and said it is increasing substantially. He said Norwalk is a wonderful town and they have to make it so the people coming to Norwalk can contribute to Norwalk. He suggested taking out some of the wants from the budget, but added you can't just cut 5% from the budget. He expressed concern about where the budget is going in the next few years.

Mr. John Pagler said the consternation seems to be around the increase in property taxes where residential property owners will pay more than the business property owners. He said there is at least one geography in the State that has a biforecasted system for residential and business properties and strongly encouraged the members of the Board of Estimate and Taxation to look at that.

Ms. Donna Smirniotopoulos, said the City is closing in on a half billion dollar budget and asked where the money is going. She said the one quarter of one billion dollars in the superintendent's budget can never go down. She asked if the children are learning. The Superintendent did not discuss student performance during her State of the Schools address; too many students are not performing at or above grade level. She added that they can't keep blaming the pandemic. On the City side, the Department of Economic and Community Development did not exist before the Mayor's reorganization. The department is closing in on $7million and businesses are leaving town.

Ms. Smirniotopoulos said the debt service should be kept top of mind. She said the Mayor warned that budget cuts could mean reduced services and layoffs of teachers, fire fighters and police officers. She instead suggested cutting the bloat and reducing non essential services. She asked why ARPA funds were not used to draw down the debt service. She asked the Board of Estimate and Taxation to stop the bleeding and cut the budget.

Ms. Roberta Biseglie said this year her home was valued at 46% increase and now she is being his with a huge mill rate increase. She said expecting residents to foot the bill is irresponsible. She urged the Board of Estimate and Taxation to cut unnecessary expenses from City Hall rather than essential services. She asked them to take care of the needs and adjust the wants.

Ms. Diane Lauricella said each department has done good things, but the issues remain. She said when the reorganization was proposed, she asked the Mayor to rethink the reorganization. She said she was not sure the City was capturing funds through grants or cutting enough through optimizing certain divisions. She gave a shout out to Sunshine Week. She asked if the City was being sustainably run and talked about a zero based budget. Ms. Lauricella said the Department of Public Works, waste management program is not being sustainably run. In addition, all City buildings including the schools are not effectively reducing the use of electricity. She asked if they looked at ways to optimize revenues. She suggested scraping the DEAI position. Ms. Lauricella suggested having public participation at least quarterly at the Board of Estimate and Taxation meetings. Ms. Lauricella asked for one or two other women to be appointed to the Board of Estimate and Taxation.

Ms. Moina Noor advocated for reinstating funding, though the part time budget, for the part time Passport Agent and two part time custodians for the Library.

Mr. Constantine Straina said this is not an equitable outcome between commercial and residential properties. This is a crisis and means the Board of Estimate and Taxation needs to find a way to make it more equitable and urged them to use all the tools at their disposal. He also encouraged them to work with the legislators to make the taxes more equitable. He said a reduction of 5% is the minimum and suggested starting from scratch so the City is sustainable and thriving.

Mr. Scott Goodwin said there is an inequity in the budgets. He said he can live in a similar home in Westport and pay less in taxes. He asked what he was getting from a 30-35% increase. He said the increase does not match inflation and this increase is unacceptable.

There were no other speakers.

Mayor Rilling expressed his thanks to all the speakers for coming out this evening. He told them they were heard and what they said was important. He noted this is a work in progress and he shares their concerns.

IV. **ADJOURNMENT**

****	MS. YANG MOVED TO ADJOURN**
****	MOTION PASSED UNANIMOUSLY**

There was no further business and the meeting was unanimously adjourned at 7:42 p.m.
Respectfully submitted,

Rosemarie Lombardi
Telesco Secretarial Services

Ellis, Tom

From: Jennifer Barahona <jbarahona@norwalkacts.org>
Sent: Wednesday, March 20, 2024 12:03 AM
To: Ellis, Tom
Cc: Daniels, Lamond
Subject: Public Comment (BET)

Dear Members of the Board of Estimation and Taxation,
I am writing to urge your inclusion of the family navigator program in the City budget. I have spent nearly 20 years working in the Norwalk community, the last 5 as the CEO of Norwalk ACTS, the city's collective impact partnership working to achieve equitable outcomes for children and youth from cradle to career. Our foundational pillar is using data to drive decision making at all levels of the community. The data in this case could not be more clear. The family navigator program is supporting families in every corner of Norwalk. I applaud Mayor Rilling for restructuring several years ago and bringing a community service department to the city. The gap in services that existed after the closure of many state resources in Norwalk such as the Dept. of Social Services, cannot be overstated. And that is evident by the thousands of people who have been helped through the family navigator program in recent years.

Nothing is more important than the care of our fellow citizens. A look at any of the data dashboards on the Norwalk ACTS website will highlight some of the challenges experienced by many of our residents. 42% of Norwalk households are classified as 'ALICE' (Asset Limited, Income Constrained, Employed) which is a far more accurate representation of low-income households than the national poverty level. Over 200 young people graduate from Norwalk Public Schools each year without enrolling in 2 or 4 year degree programs and without a baton hand-off for support connecting them with pathways to liveable wage employment. 11% of students in grades 7-12 reported considering suicide last year and 6% reported an attempted suicide. Nearly 1 in 4 students reported symptoms of depression. These are just a few of the data points that we track and work on in partnership with the Community Services Department and the family navigators.

While Norwalk is fortunate to have strong philanthropic support by a small number of local foundations, this does not absolve the city from its responsibility to care for its people. Non-profit organizations in the community have been bearing the brunt of supporting community residents and are perpetually under-resourced and over capacity to meet all of the needs that exist. We urge the City to continue its commitment to playing a role in partnership with our non-profit providers in serving our most valuable resource, the residents of Norwalk.

Thank you.

Jennifer D. Barahona, LCSW
Chief Executive Officer

Dear neighbors –

I would like to bring to your attention a planned Norwalk city budget increase that I think is very unequitable and potentially financially detrimental to many Norwalk residents, especially in Districts 1, 2, 3, 6 (Downtown Norwalk, South Norwalk, East Norwalk, Rowyaton). Below table shows the planned tax increases: ~2,000 tax bill increases for Districts 1, 2, and 3 and ~$3,700k for Rowyaton. Motor Vehicle taxes will also be increased to the maximum allowed in spite of declining motor vehicle assessments.

4% Inc BOE, 4% Inc City; $8mm draw from Rainy Day; PP @ 27 mils; MV @ 32.46 mils

	1st Dist	2nd Dist	3rd Dist	4th Dist	5th Dist	6th Dist
FY25 Recomm Median Tax Bill	**$7,854**	**$7,795**	**$9,572**	**$8,029**	**$10,321**	**$21,975**
FY2024 Approved Median Tax Bill	$6,025	$5,705	$7,647	$6,933	$9,383	$18,296
FY2025 $ Change in Tax Bill	$1,829	$2,090	$1,925	$1,096	$938	$3,679
FY2025 % Change in Tax Bill	30.36%	36.63%	25.17%	15.81%	9.99%	20.11%

Source: https://www.norwalkct.gov/DocumentCenter/View/32656/FY-2024-25-Recommended-Operating-Budget-Presentation-2

Per above, all residents would lose, but especially the ones in Downtown Norwalk, South Norwalk, East Norwalk, and Rowyaton. Some of their residents might have to move, unfortunately impacting their lowest income residents the most.

And who are the winners:

- Commercial (businesses) whose taxes would decline by 13%, driven by flat assessments and decreased mill rate. While some businesses might struggle, the vast majority should be fine in this economy making a 13% reduction in taxes unwarranted.
- City Hall whose budget assumes a 4% increase including hiring new people, i.e. City Hall employees are not sharing the pain City Hall would be inflicting on its own residents (even if unintentionally, which I assume is the case)
- Within Residential, residents of Districts 4 and 5 (more suburban / rural) would see median increases of ~$1,000 - still very high but much better than the residents of the more urban districts. District 5 (the most rural) in particular shows a 28% increase in Total Assessed Value, yet their median tax bill goes up "only" 9.9% (still very high, but much lower than other districts which also have lower increases in assessed values)

So Commercial and City Hall win whereas residents suffer, particularly the more urban ones in Downtown Norwalk, South Norwalk, East Norwalk as well as Rowyaton.

Given the above seemingly inequitable budget, what can be done? Below are four points that I recommend:

- Keep budget flat, or essentially 3.5% to 4.0% lower than the current plan. We trust we have elected officials capable enough to manage such a situation.
- Keep taxes flat for Commercial and each Residential district by changing the mill rates on Commercial vs Residential and for each district too. Hartford has such a system, i.e. it's feasible and something our representatives should be able to do.
- Do not take money from the Rainy Day fund or borrow additional funds. These are for extreme situations, which generally mean a recession or some big city project that residents have approved.

- Address the school system which takes ~60% of the budget (and has deteriorated in English proficiency and absenteeism in recent years).

	FY 2019			FY 2023				
	Norwalk District	State	Norwalk / State	Norwalk District	State	Norwalk / State	Worsening % vs State	Comment
Absenteeism rate	12.4	12.2	101.6%	21.1	20.0	105.5%	3.8%	Worse than State and worsening vs State
Eglish Proficiency: Literacy	63.3%	60.4%	104.8%	52.3%	55.3%	94.6%	-9.8%	Was better than State. Now worse and worse vs State
Eglish Proficiency: Oral	58.9%	57.6%	102.3%	54.6%	56.1%	97.3%	-4.8%	Was better than State. Now worse and worse vs State
Expednitures / pupil	18,488	17,629	104.9%	21,597	20,165	107.1%	2.1%	Worse than State and worsening vs State

Source: Edsight.ct.gov

Above is only my personal view and I understand there might be other views and potential solutions, all of which should be respected. If anyone wants to find out more or express their views to City Hall, I suggest attending the Board of Estimate & Taxation Public Hearing meeting - 3/20/24 at 6:30 pm (instructions at https://www.norwalkct.gov/Calendar.aspx?EID=14640&month=3&year=2024&day=19&calType=0)

Best regards,

Konstantin, East Norwalk

Ellis, Tom

From: Garrett V. Friedrichsen <friedrichsen@yahoo.com>
Sent: Wednesday, March 20, 2024 11:04 AM
To: Ellis, Tom
Subject: Public Comment

BET, writing to encourage all of you to bravely do what our elected leaders could not, control or put a stop to out of control spending.

Others have done the math to demonstrate the hardships. I'll not repeat that.

Predicted tax increases for the residents of Norwalk are not sustainable.

I fear the trickle down effects of the tax increases when families are forced to decide what to cut. Family outings to Overtons, new car tires at Curries, a new fishing rod at Fishermans World or even filling the car with gas. Just a few small yet not inconsequential expenditures for residents quality of life and our local small businesses.

Making hard yet rational decisions are why you are there and after this is all decided, the town will thank you if you are able swim against the rising tide of poor planning hoisted upon you by the CC and Mayor.

Thank you,

Garrett Friedrichsen

Ellis, Tom

From: Rudy Torrijos III <rudytorrijos@yahoo.com>
Sent: Wednesday, March 20, 2024 11:10 AM
To: Ellis, Tom
Cc: rudytorrijos@yahoo.com
Subject: Public Comment

To the Board of Estimate & Taxation of the City of Norwalk,

According to data sources widely available online, the average commercial rent in Fairfield County is up 12% since 2018. Norwalk is not Greenwich, Darien, New Canaan, Westport, Ridgefield, or Fairfield. Wealthier towns have had better vacancy rates and therefore enjoy commercial property values.

In this same period median house values in Norwalk are up 40%.

Commercial property values are based on cash flows from rent. If rents are only up 12% in 5 years, and according to the same data are flat for the last 3 years, commercial values (to be conservative) should have been modeled +0% to + 5% in Norwalk.

Since residential values are well known, it would have been conservative to model up 30-35% over the same period.

The relative split between Commercial and Residential is clearly analyzable and forecastable.

For this board to be unaware of the vast difference between price appreciation between Commercial and Residential during the current budget cycle is incomprehensible. For planning purposes this board should have known that a sizeable shortfall would have been forecasted on the residential side of the budget.

Knowing that the mill rate is set by the city to close budget gaps, and knowing that Residential and Commercial can have two different mill rates, and the ratio between the two dictates each mill rate, it is clear that this board did not plan properly and is entirely responsible for limiting the public's exposure to this shortfall.

This board needs to reverse additional budget expenditures set for 2024, maintain mill flat rates for Commercial, reduce city service costs through process efficiencies, keep personal property (car) tax flat, and possibly initiate layoffs for nonessential personnel.

The situation we are in today could have been avoided during the budget process through proper financial analysis and strategic planning. I ask the Board to implement a 5% reduction to the planned budget to keep residential taxes flat to up modestly.

The future of Norwalk is worth our investment, but the proposed increases in residential mill rates and personal property mill rates are a result of poor analysis, not worthy goals we can agree to.

Rudy D. Torrijos III
3 Osborne Avenue
Norwalk, CT 06855

Ellis, Tom

From: Edmund Ryan <edmundjryan@gmail.com>
Sent: Wednesday, March 20, 2024 11:54 AM
To: Ellis, Tom
Subject: Public Comment

You don't often get email from edmundjryan@gmail.com. Learn why this is important

CAUTION: EXTERNAL Email: Don't open links or attachments from untrusted senders

Please keep the city budget flat, and don't raise taxes.

Edmund Ryan
Norwalk, CT