

Revaluation Process, 2006

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See below for an article on the politics of the process involved in lobbying for the new law.

The Perez Problem

By Daniel D'Ambrosio, Hartford Advocate, May 10 2007

At the kickoff for Hartford Mayor Eddie Perez's campaign for re-election last month, a rousing anthem from the Black Eyed Peas — "Let's get it started!" — boomed over the JBL loudspeakers in the Rawson School auditorium, whipping the audience into a sign-waving frenzy.

Looking over the cheering, clapping crowd, campaign advisor Lew Brown strode to the podium to address the "beautiful nobodies in this town, who are somebodies to this mayor."

"Check the facts out," Brown told the receptive audience. "As the first strong mayor in 70 years, (Perez) took on the mantle and said, 'I'll make decisions.'"

Hartford residents voted in 2002 to change the town charter to a strong mayor form of government. The consensus was that Hartford's long-standing form of government dominated by a town council was ineffective.

Perhaps making the mayor the chief executive officer of the city, with the power to hire and fire department heads, could turn things around for Hartford, which had sunk to near the bottom of American cities in terms of poverty and crime.

And it's true that hardly a week goes by that Perez's press office doesn't release news of the mayor's latest initiative. But in addition to making decisions, Perez has made enemies, and has created substantial opposition within his own party.

No fewer than six candidates are running against Perez in the Democratic primary, two of them — state representatives Minnie Gonzalez and Art Feltman — having been former allies.

"We cannot follow this man because when we follow him we go over the cliff and end up on the rocks," Feltman said recently.

He was referring to the debacle surrounding the city's attempts, beginning in 2004, to deal with revaluation, mandated by state law every five years to update property values. Last done in 1999, revaluation was likely to bring a crippling tax increase to Hartford in 2004.

"Every time we revalue there's a huge shift of the tax burden to residents, because residential homes appreciate faster than commercial property," said Feltman.

Feltman said that faced with a 60 percent increase in property taxes, Perez wanted to enact a homestead exemption that would result in little or no tax increase for owner-occupied homes, shifting more of the tax burden to commercial and rental property.

"Homeowners loved it, but business hated it," said Feltman.

Perez gave Hartford legislators an ultimatum to support the plan or else, according to Feltman. But Feltman said the plan never had a chance in the legislature because of business opposition.

After the proposal was defeated, Feltman says he “suggested to Eddie in a long private meeting that he work with others more experienced in property tax issues.” He gave Perez three or four names of so-called “wise men” of revaluation, but Perez declined to meet with them.

Instead, says Feltman, Perez and his chief of staff, Matt Hennessey, came up with a second plan, placing a ceiling on property taxes based on a homeowner’s income. Again, the plan was opposed by the business community. Again, it was DOA in the legislature.

This time Perez forbade the Hartford delegation from even negotiating with business leaders, according to Feltman. But surreptitious meetings between the legislators and business leaders continued in the Capitol.

The Hartford delegation arranged a meeting with House Speaker James A. Amann, local business leaders like Oz Griebel, president and chief executive officer of the chamber of commerce, and Perez.

Some progress was made in the first meeting, but the next morning, all concerned were met with a press release issued by Perez, berating the legislature and business leaders for opposing his plans to address the property tax issue.

That was it for Amann, who threw up his hands in disgust.

Perez’s handling of the property tax issue convinced the members of the Hartford delegation they could no longer work with the mayor, Feltman says, although there was never a formal agreement to withdraw their support.

“We understood we were crossing the Rubicon by going against him and the implications were clear to all,” said Feltman.

Perez has always shown a willingness to strike back at those who defy him, outflanking four Democratic city council members who opposed him early in his administration by forming an alliance with minority party members.

He has also consolidated power by naming himself chairman of the school board and school building committee, and has established a firm grip on the Democratic town committee, which determines who runs for office in Hartford.

The legislators kept working with business leaders and reached a deal to limit property tax increases to 3 ½ percent per year over five years for residential properties, along with a 50 percent reduction in the 15 percent surcharge businesses pay in addition to their property taxes.

Feltman said Perez applauded the deal after it was done, but said it needed “tweaks.”

The architect of the deal eventually reached by the legislature on revaluation is a long-time resident of the city, stockbroker Tim Sullivan, who was involved in a citizen’s lobby that solved a similar crisis in the late 1970s with a similar solution.

Sullivan did meet with Perez to explain the plan that would ultimately be adopted, and he thought the meeting went well. But the mayor opted to push for his income-based plan instead. After that plan failed, Sullivan admits he went around the mayor, directly to legislators and business leaders, who substituted his plan for the mayor’s.

“Once that happened the mayor reluctantly had to support it,” Sullivan said.

But that doesn’t mean Perez was happy about the situation, says Sullivan, who succinctly summarizes his first-hand experience with the mayor’s style of governing.

“What’s the opposite of inclusive? Exclusive?” Sullivan said.

Sullivan is the campaign coordinator in the West End for one of Perez’s opponents in the election, former deputy mayor I. Charles Mathews.

Perez tells quite a different story of events surrounding revaluation. He acknowledges that the Connecticut Business and Industry Association, a powerful lobby, defeated the homestead exemption proposal, but says it was because it was such a good idea it was gaining traction all over the state.

“CBIA decided to kill it because it might be real property tax reform,” Perez said. “That’s the reason they went way out against it.”

Flashing some of his famous humor, Perez said he missed meeting with the wise men of revaluation because they were “on camels.” Whatever that means.

As for the infamous press release, Perez characterized it as a “letter to the voters of the city” urging them to call their legislators because Hartford would be in big trouble if it didn’t get either a solution to the revaluation problem, or an extension on its implementation.

Perez says the ideas he advanced along with his chief of staff were not way out, or unreasonable, and that both the homestead exemption and income-based ceiling are strategies used in states throughout the region. He also says he was at the table for the deal that was eventually struck.

“We were putting options out there because we’re responsible for the administration of the city,” Perez said. “I constantly am suggesting legislation that helps Hartford. The fact is the compromise was reached with everybody talking.”

As for the tweaks required, Perez said the city is going to have to figure out a way to cover the loss in revenue resulting from the reduction in the business surcharge.

City Council member Bob Painter considers himself an ally of Perez, even though Painter is a Republican.

“He has a lot of ideas, knows the city well and has done a lot of stuff,” says Painter of the mayor.

But Painter agrees that Perez’s management style “provides weaknesses for those who would like to run against him.”

“He has tended to make his decisions about where he wants to go by himself with the close support of those around him like Matt Hennessey,” Painter said. “Once he’s made his decision and feels he’s outlined his proper course, he finds other people’s arguments about alternatives don’t budge him.”

Painter points to Perez’s sense of humor as a further liability.

“The mayor has a sense of humor that leads him to say things in a way he thinks is funny but is often disturbing or upsetting to other people,” Painter said. “They feel like they’ve been dismissed too easily.”

Painter says the often dismissive attitude of Hennessey — whom he calls “Eddie’s Dick Cheney” — adds to the problem.

“For something as serious as (property) tax policy, for example, (Perez) didn’t cast his net widely enough to include a lot of people who had worked seriously on it,” Painter said. “He did not sit down early enough with enough people to give people the feeling they were being taken seriously, offering their wisdom, expertise and experience free because they care about the city.”

Then there’s the “Abe Giles parking thing,” an “easy target” for those trying to bring down Perez, says Painter.

“For a guy who is a former gang member, he didn’t follow the style of keeping his backside covered,” Painter said.

Giles is a former state representative who still wields political power in the North End. One of Perez’s strongest opponents in the election is Mathews, who is expecting to run very well in the North End.

“It’s going to be a tight election,” Painter said. “Eddie is going to do politically what he can to get support from Abe Giles.”

Unfortunately, what Perez did was offer Giles a sweetheart deal on running a parking lot downtown, without the knowledge of either the City Council or the parking authority. He also allegedly pressured a developer to pay off Giles with \$100,000 for the loss of another parking lot Giles operates near the Butt Ugly building (1161 Main Street) north of downtown. Both stories were broken by the *Hartford Courant*.

"The Abe Giles thing, that was a huge mistake," said Painter. "Has (Perez) done a lot of sleazebag stuff? If he has I haven't been able to detect it. I've asked him."

Feltman's relationship with Perez extends back 26 years, to when the two of them trained together with United Connecticut Action for Neighborhoods in preparation for careers in community activism.

"We were allies for a very long time," said Feltman.

In 2000, Perez and Feltman, elected a state representative in 1996, were involved in the first attempt to change the charter to a strong mayor form of government.

"We needed someone to run to be that strong mayor," Feltman said. "Eddie wanted to do it, so we backed him."

Gonzalez, elected to the legislature in 1995, was another key Perez supporter, given her base of voters in the Hispanic community.

"When he decided to run he asked me, 'I need your base and support or I won't run,'" Gonzalez said. "Now I regret it. I thought he would take care of residents, but he doesn't care. He has his own agenda."

Gonzalez said her relationship with Mayor Perez was good at first, "until I noticed a few things."

What Gonzalez says she noticed was that Perez didn't ask, he demanded.

"I told my husband we made a mistake," said Gonzalez.

While Mathews supports the switch to a strong mayor, he says the pendulum has swung too far away from the town council, leaving it without a voice. If elected, one of his first orders of business will be to establish a charter revision committee to strengthen the hand of the council, by having some members who answer directly to neighborhoods rather than the party machinery, for example.

Mathews said he would have "no problem" with a strong council if he becomes the next strong mayor.

"(Hartford) is one of the most diverse cities in Connecticut," Mathews said. "We have a whole range of ethnic groups, not just blacks and Puerto Ricans. The mayor is still going to be powerful, but a strong council will force any mayor to do this thing I call consensus building. That's the way you govern when you have a diverse city with different interests."

Perez insists that's exactly the way he does govern. He points to his years spent as a community organizer as the key to understanding his approach to being mayor.

"I made a living not only being responsible for building a bridge, but also making sure people get across it," Perez said.

If you want proof, says Perez, look at his initiatives to improve Hartford neighborhoods — Pride Blocks and Rising Star Clusters — where improvements are funded by the city but administered by the residents.

"Again it's listening to people and giving them the resources," said Perez.

Painter gives Perez credit for increasing home ownership by some 1,100 residents during his five-and-a-half year tenure, and for doubling and perhaps even tripling the number of people who live downtown — a critical factor in bringing life back to Hartford's heart.

But none of that changes the reality of the challenge Perez is facing in this election.

"It's taken him a while to understand the threat to his mayorship is real," Painter said. "He thought he understood the situation, but he got into the brambles without realizing it. Not that people haven't tried to tell him. I've tried."