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Testimony on Behalf of
The Mayor of the City of Bridgeport

Regarding

**HB 5293, AN ACT CONCERNING PAYMENTS IN LIEU OF TAXES FOR PROPERTY OF
NONPROFIT ORGANIZATIONS**

Good Afternoon Senator Coleman, Representative Feltman and members of the Planning and Development Committee, my name is Michele Mount and I am here on behalf of the Mayor of the City of Bridgeport to testify on **HB 5293, AN ACT CONCERNING PAYMENTS IN LIEU OF TAXES FOR PROPERTY OF NONPROFIT ORGANIZATIONS**

PILOT payments are critical to municipalities when revenue is lost due to exempting certain property from the tax roles. Most PILOTs reimburse for tax-exempt entities such as hospitals and Universities. This is an enormous aid to New Haven and several other large cities. In Bridgeport, we have two hospitals, a University and a Community College, however we have many other non-profit entities that are also tax-exempt. Without amending the current statute to allow for reimbursement of those properties, we barely cover the costs of the hospitals and universities.

In Bridgeport, much of the property owned by non-profits, uses City services such as garbage removal, water, sewers road maintenance, and snow removal etc. The City must be able to collect a PILOT if the City is providing services and not taxing those entities. Bridgeport's area is only 16 1/2 sq miles and the vast majority of it is residential. Unfortunately, we must rely on our over-burdened property owners to run the day-to-day operations of our city. Providing a PILOT for property that is tax-exempt help eases the onerous property tax on our citizens.

Bridgeport is putting forth every effort to grow its tax base through economic development. However, development takes time and we need relief now. When the state chooses to convey a benefit to one portion of the population, which creates a burden to others in the municipality, the state must make the City whole again. Unfunded mandates are the driving forces of escalating property taxes, which remain one of the few ways the municipality can create revenue.

Please refer to the attached flip chart, which is incorporated into this testimony, As I take you through the larger flip chart you can see that approximately one-third of Bridgeport's property is tax exempt. The total exempt figure is \$2,449,423,412.00 leaving only \$4.5 million as taxable property. Our city has one of the highest property tax burdens in the state and our residents are being pushed to the breaking point. PILOTS for non-profit tax-exempt property are the only way Bridgeport can generate revenue on much of our non-paying property without raising taxes on homes or business.

The concepts of fair play and justice are also at work here. I ask you, is it fair to shift the burden of tax relief for non-profit entities to other taxpayers? As non-profits' work tends to be for public service and for the good of all, it is fair that they should have a break. Yet, relieving them of their tax responsibilities creates inequities by causing a corresponding tension with the escalating property taxes of others. Homeowners must pay their rising tax responsibility to provide these non-profit entities with their relief, while maintaining the entities' ability to access public services.

The State must engage in a balancing of the equities to rectify this situation. I strongly urge this committee, on behalf of the financially strained residents of Bridgeport, and relieve the burden on their shoulders. Give municipalities PILOTs to compensate them from the state granted tax relief to non-profits, please support this bill, HB 5293.



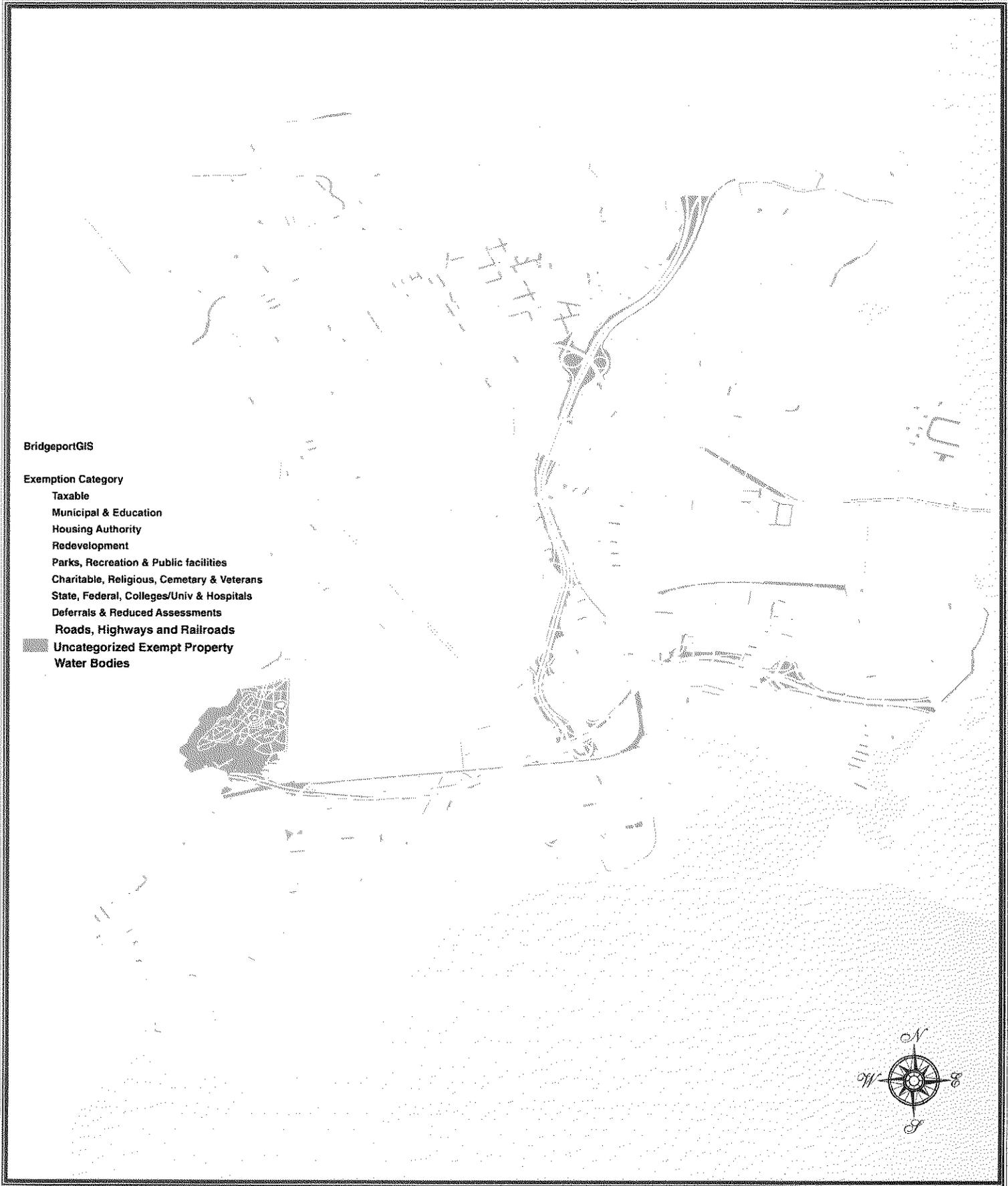
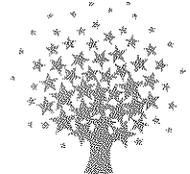
2006 Real Estate Grand List

Total Real Estate..... 6,971,638,908
Exempt Real Estate 2,449,423,412

Taxable 4,522,215,496



City of Bridgeport Map of Totally Exempt Property



BridgeportGIS

Exemption Category

- Taxable
- Municipal & Education
- Housing Authority
- Redevelopment
- Parks, Recreation & Public facilities
- Charitable, Religious, Cemetery & Veterans
- State, Federal, Colleges/Univ & Hospitals
- Deferrals & Reduced Assessments
- Roads, Highways and Railroads
- Uncategorized Exempt Property
- Water Bodies

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