

New York Office
40 Rector Street, 5th Floor
New York, NY 10006
T 212.965.2200
F 212.226.7592



Washington, D.C. Office
700 14th Street, NW, Suite 600
Washington, D.C. 20005
T 202.682.1300
F 202.682.1312

www.naacpldf.org

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Connecticut State Comptroller Sean Scanlon
Office of the State Comptroller
165 Capitol Avenue
Hartford, Connecticut 06106

Mayor Luke Bronin
Hartford City Hall
2nd Floor, Room 200
550 Main Street Hartford, CT 06103

Dear Comptroller Sean Scanlon & Mayor Luke Bronin:

We are writing to you about the new Hartford Flood Compensation (HFC) Program, which will be overseen by the Connecticut Office of the State Comptroller. For years, aging wastewater infrastructure and inadequate stormwater systems have led to frequent flooding in Hartford, CT, causing sewage overflows and property damage. These issues primarily affect Hartford's North End, a predominantly Black and Brown section of Hartford.¹ We are hopeful that the HFC will offer relief to Hartford residents who need it the most. We are concerned, however, that prior assistance programs have unfairly excluded Hartford residents of color by requiring residents to pay all outstanding property taxes, motor vehicle taxes, and parking tickets before they can even apply for the programs. This policy is not required by federal or state law and is a major deterrent for the exact population the program is supposed to be helping. Fines and fees can disproportionately harm families of color due to discriminatory practices in issuing fines and fees and in the systemic issues of wealth inequities that make it more difficult for these families to pay.² Other forms of unpaid debt is also likely to disproportionately exclude Black people from these programs because they are more likely to struggle with debt due to historical economic disparities. We urge you not to impose similar restrictions on the new HFC program, and to discontinue using this requirement for other Hartford-administered financial assistance programs, to help ensure that Black Hartford residents qualify for this much needed assistance.

¹Maricarmen Cajahuaringa, *Sewage and Flooding Issues Affect Hartford's North End. Residents Say it's Environmental Racism*, Connecticut Public Radio, January 19, 2023, <https://www.ctpublic.org/news/2023-01-19/sewage-and-flooding-issues-affect-hartfords-north-end-residents-say-its-environmental-racism>

² Courtney Sanders & Michael Leachman, *Step One to an Antiracist State Revenue Policy: Eliminate Criminal Justice Fees and Reform Fines*, Center on Budget and Policy Priorities, September 17, 2012, <https://www.cbpp.org/research/state-budget-and-tax/step-one-to-an-antiracist-state-revenue-policy-eliminate-criminal>

Hartford residents, particularly in North Hartford, have experienced repeated floods causing thousands of dollars in flood damage to homes and businesses.³ These communities are in desperate need of relief and mitigation to prevent further flood damage. As a result of years of advocacy by local residents, the state recently allocated \$175 million in funding for infrastructure improvements to the city's water and sewer system, including \$170 million in improvements to city wastewater and stormwater infrastructure and \$5 million in assistance to affected homeowners through the HFC Program. The HFC Program offers Hartford residents an opportunity to renovate their homes and businesses to repair damage caused by past flooding events and protect them from future disasters.

We are concerned, however, that Hartford's prior financial assistance programs may have unfairly excluded residents of color from participating. For example, in 2021, Hartford announced that it was providing \$500,000 in funding to property owners affected by flooding through its Flood Mitigation Assistance (FMA) Program. Like the HFC, Hartford's FMA Program was created in response to extreme rainfall to the City of Hartford, causing widespread street and basement flooding⁴ and was meant for low-income Hartford residents.⁵ In order to apply for the FMA program, the city required residents to be current on property taxes, motor vehicle taxes, and outstanding parking tickets. The city currently imposes similar requirements on its Housing Preservation Loan Fund (HPLF) Program, which was designed to help low-income and moderate-income households renovate their properties and is supported by Community Development Block Grants funds from the U.S. Department of Housing and Urban Development (HUD). There are no HUD regulations that require that recipients of these funds must be current on property taxes, motor vehicle taxes, and outstanding parking tickets to participate in the program. Local advocates have noted that many low-income residents did not apply for the FMA program due to this policy, and that low-income residents were denied because they had unpaid parking tickets and property taxes.

If a similar policy is a part of the new HFC program, many low-income Hartford residents may be completely shut out of this program which provides critical assistance. Such a policy is likely to exclude Black people from the participation of the HFC program because people of color are disproportionately impacted by fines and fees, including traffic and parking tickets. In 2015, a study that included parts of East Hartford found that Black automobile drivers in Connecticut were stopped by police at far higher rates than white drivers.⁶ A 2022 study that included parts of West Hartford showed that these discriminatory practices of stopping and targeting Black Hartford

³ Dave Alitmari, *Hartford's North End floods a week after \$170M project announced*, CT MIRROR (Jul. 5, 2023), <https://ctmirror.org/2023/07/05/hartford-ct-north-end-floods-july-project-fund/>.

⁴ City of Hartford, *Flood Mitigation Assistance Program For Homeowners*, November 29, 2021, [file:///C:/Users/dwheaton/Downloads/FMAP-Residential-Brochure%20\(3\).pdf](file:///C:/Users/dwheaton/Downloads/FMAP-Residential-Brochure%20(3).pdf)

⁵ Id.

⁶ Richard Weizel, *Connecticut Study Finds Black Drivers Stopped More than Whites*, Reuters, April 7, 2015, <https://www.reuters.com/article/us-usa-police-connecticut/connecticut-study-finds-black-drivers-stopped-more-than-whites-idUSKBN0MZ02B20150408>

residents makes it more likely that Black Hartford residents would have traffic and parking tickets and would be unable to participate in the critical HFC program.⁷

Such a policy is also likely to disproportionately exclude Black people from these programs because they are more likely to struggle with debt. Connecticut has among the nation's biggest wealth gaps.⁸ The average income of a white Hartford resident is \$67,500 compared to the average Black Hartford resident income which is \$45,000.⁹ Fifty-one percent of Hartford's Black households are cost-burdened, meaning they spend at least 30 percent of their total income on housing costs, and another 30 percent of Black households are severely cost-burdened, meaning they spend at least 50 percent of their total income on housing cost.¹⁰ Residents who are severely cost-burdened are facing the option of paying for parking tickets and paying their rent. The 06120 zip code, a predominately Black area in Hartford's North End, is the 2nd poorest zip code in Connecticut with a median income of only \$25,154.¹¹ These economic struggles can make it extremely difficult for Black Hartford residents to always fulfill their obligation to pay parking tickets and property taxes. Moreover, research from the Brookings Institute shows that the average Black homeowner faces a disproportionally higher property tax burden than the average white homeowner.¹² Black homeowners' property tax burden is 10% to 13% higher than for white homeowners, yet their homes are undervalued by an average of 21% to 23%.¹³ There are clear systemic economic inequities that would bar many low-income Black Hartford residents access to the new HFC program if the program adopts exclusionary criteria similar to the ones Hartford has used for other relief programs.¹⁴

Because it is likely to disproportionately bar people of color, policies prohibiting people with unpaid property taxes, motor vehicle taxes, and fines and fees from accessing these programs may violate federal law. All grantees of federal funds, including from HUD, must abide by Title VI of the Civil Rights Act and must ensure that they do not discriminate on the basis of race in their programs and activities.¹⁵ Furthermore, HUD requires that all program recipients

⁷ Press Release, U.S. Department of Justice, *Justice Department Issues Dear Colleague Letter to Courts Regarding Fines and Fees for Youth and Adults*, (April 20, 2023), <https://www.justice.gov/opa/pr/justice-department-issues-dear-colleague-letter-courts-regarding-fines-and-fees-youth-and>

⁸ Connecticut by the Numbers, *Connecticut Has Among Nation's Largest Wealth Gap by Race and Ethnicity*, January 25, 2022, <https://ctbythenumbers.news/ctnews/connecticut-has-among-nations-largest-wealth-gap-by-race-and-ethnicity#:~:text=In%20Connecticut%2C%20the%20largest%20wealth,educational%20attainment%20and%20home%20ownership>.

⁹ Id.

¹⁰ DataHaven, *Hartford 2021 Equity Profile*, August 2021, https://www.ctdatahaven.org/sites/ctdatahaven/files/hartford_profile_v1.pdf

¹¹ Tyler Sizemore, *Report: CT Zip Codes with the Highest, lowest Household Income*, Connecticut Post, (September 24, 2019), <https://www.ctpost.com/news/article/Report-CT-Zip-codes-with-the-highest-lowest-14464479.php>

¹² Jordan Fields, Andre Perry, & Manaan Donoghoe, *How the Property Tax System Harms Black Homeowners and Widens the Racial Wealth Gap*, Brookings Institute, August 22, 2023, https://www.brookings.edu/articles/how-the-property-tax-system-harms-black-homeowners-and-widens-the-racial-wealth-gap/?utm_campaign=Brookings%20Brief&utm_medium=email&utm_content=271374392&utm_source=hs_email

¹³ Id.

¹⁴ Angela Hanks, Danyelle Solomon, & Christian E. Weller, *Systematic Inequality How America's Structural Racism Helped Create the Black-White Wealth Gap*, Center for American Progress (February 12, 2023), <https://www.americanprogress.org/article/systematic-inequality/>

¹⁵ Id.

affirmatively further fair housing which require program participants take meaningful actions that overcome patterns of segregation and do not restrict access to opportunities based on protected characteristics, such as race.¹⁶ Given the economic inequities that exist in Hartford, forcing low-income residents to be current on parking tickets or property taxes before applying to a program that targets low-income communities to help them stay in their homes and curb gentrification, is the opposite of affirmatively furthering fair housing.

As the Comptroller's Office launches its new HFC program, it should not impose a similar requirement that residents must pay outstanding parking tickets, property taxes, or motor vehicle taxes in order to be eligible for the funds. In a statement announcing the rollout of the program, the Comptroller stated that he wanted to make sure the funds were going to be spent equitably.¹⁷ Deploying a policy that blocks Black low-income Hartford residents from getting access to critical resources is not equitable and will result in vulnerable populations not getting access to a program that was specifically designed for them. Hartford residents who were denied or did not fill out the city of Hartford's FMA program application because of unpaid parking or property taxes should also be given a chance to re-apply for funds from the HFC program. Finally, we urge the mayor's office to reconsider other policies prohibiting low-income property owners who have not fully paid their fines and property taxes from participating in city programs.

We would like to schedule a meeting with your offices to speak on this topic more in depth. To schedule a meeting, please contact David Wheaton, Economic Justice Policy Fellow, at dwheaton@naacpldf.org, or Amalea Smirniotopoulos, Senior Policy Counsel, at asmirniotopoulos@naacpldf.org. We look forward to hearing from your office soon.

Thank you for your time and attention to these matters.

Sincerely,

David Wheaton

David Wheaton, Economic Justice Policy Fellow
Amalea Smirniotopoulos, Senior Policy Counsel
NAACP Legal Defense and Educational Fund, Inc. (LDF)
700 14th Street NW, Suite 600
Washington, D.C. 20005

CC: Connecticut Governor Ned Lamont, governor.lamont@ct.gov
Connecticut Speaker of the House Matthew Ritter, matthew.ritter@cga.ct.gov

¹⁶ 88 FR 8516, 8519

¹⁷ Press Release, Connecticut Office of the Comptroller, *Comptroller Sean Scanlon Announces Application Process For Hartford Flood Compensation Program*, August 10, 2023, <https://osc.ct.gov/osc-transitional/news/application-process-for-hartford-flood-compensation-program.php>