CITY OF WOBURN
DECEMBER 8, 2015 – 6:00 P.M.
COUNCIL CHAMBERS, WOBURN CITY HALL
SPECIAL MEETING OF THE CITY COUNCIL

Roll Call

Anderson	Gaffney
Concannon	Gately
DiTucci (Absent)	Mercer-Bruen
Drapeau	Raymond
Haggerty	

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I, Joyce M. Gray, accept the office of Clerk of the Council, Pro Tem, subject to the statutes and ordinances, and do solemnly swear to perform the duties of said office to the best of my ability and understanding. So help me, God.

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Joyce M. Gray

I hereby certify that the oath of office was subscribed and sworn before me on this date.

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Richard M. Haggerty, President

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Pursuant to Title III, Section 12 of the Charter of the City of Woburn, His Honor the Mayor has called a Special Meeting of the City Council for the purpose of tax classification, and for action on any financial matters including transfers and appropriations pending in Committee on Finance and/or reports from the Committee on Finance.

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COMMITTEE REPORTS:

FINANCE:

On the Order for an appropriation to transfer the sum of $2,231,990.63 from Debt Reserve Acct to Debt Principal Acct and Debt Interest Acct for debt service for High School and White Elementary School, committee report was received "ought to pass." Motion made and 2nd that the COMMITTEE REPORT be ADOPTED, 8 in favor, 0 opposed, 1 absent (DiTucci Absent).
Presented to the Mayor: December 10, 2015 s/Scott D. Galvin December 10, 2015

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On the Order for a supplemental appropriation in the sum of $288,000.00 to Veteran's Department Cash Aid Acct, committee report was received "ought to pass." Motion made and 2nd that the COMMITTEE REPORT be ADOPTED, 8 in favor, 0 opposed, 1 absent (DiTucci Absent).

Presented to the Mayor: December 10, 2015 s/Scott D. Galvin December 10, 2015

PUBLIC HEARINGS:

On the matter relative to Tax Classification for the City of Woburn. PUBLIC HEARING OPENED. Appearing was His Honor the Mayor Scott D. Galvin and he stated that the residential property values increased by 5.5% and the commercial/Industrial/Personal Property values increased by 4%, that the residential property tax rate decreased from $10.17 to $10.05 and the Commercial/Industrial/Personal Property tax rate decreased from $26.30 to $25.79, that based on an average single family home value of $386,000.00 property taxes will increase approximately $150.00, that commercial taxes have decreased, that the City has $16,000,000.00 in Free Cash, that he is currently preparing a list of capital projects to submit to the City Council of about $2,000,000.00, that with values increasing and all the services that the city offers Woburn is now a more desirable place to live. Appearing was Andrew Creen, Chief Appraiser, Board of Assessors and he stated that 2016 total assessed values have been finalized $6.48 billion dollars. Mr. Creen he offered a communication dated December 8, 2015 with a series of charts entitled Analysis of Levy Limit, Analysis of Levy Limit Increase, Fiscal 2016 New Growth, Valuation by Class of Property, Classification Options, Tax Rate History, Median Sales Price of Single Family Homes, and Analysis of Competitive Communities attached thereto, as follows:

Dear President Haggerty and Council Members:

The Board of Assessors is pleased to report that the valuation roll for fiscal 2016 has been finalized after a reappraisal of all taxable properties was conducted by this office. The total assessed valuation for all real and personal property in the City effective January 1, 2015 is $6.486 billion. This represents an increase from the prior fiscal year's total of $6.168 billion. This increase in taxable valuation is attributable to the appreciation experienced by all classes of property.

The City Council must now determine the relative tax burden to be borne by each class of property by selecting a "residential factor". To assist the Council in its deliberations, several charts have been prepared and are attached to this correspondence. These charts illustrate relevant valuation and tax levy data and the impact of your vote this evening.

By selecting a residential factor of "1" a single tax rate of $14.74 results. Choosing a factor less than "1" results in a portion of the tax levy shifting from residential properties to commercial, industrial and personal property taxpayers. For example, adopting a residential factor of ".68" means that the residential class of property would pay 68% of the levy they would pay if there were no classification. Under this scenario, the levy increases for the other classes of property by a factor of 175 percent. The chart entitled "Classification Options" best illustrates the various scenarios available to you.

Woburn Board of Assessors,
s/Robert E. Maguire, Jr., Chairman, s/Lori Medeiros, s/David J. Rufo

Motion made and 2nd that the documents be received and made part of the record, 8 in favor, 0 opposed, 1 absent (DiTucci Absent). Mr. Creen stated that the maximum allowable FY2016 tax levy is $108,244,066.00, that this consists of the prior year levy of $103,272,336.00 plus a 2.5% increase of $2,581,808.00 plus new growth of $2,389,922.00, that there is a total levy limit increase of $4,971,730.00 over FY2015, that new growth consists of 60% personal property, 20% residential and 20% commercial/industrial, that a 100% factor would result in a $14.74 tax rate as to all classes of property, that the maximum shift of 175% results in a shift to the lowest factor of 68.2018% results in a $10.05 residential tax rate and a $25.79 commercial/industrial/personal property tax rate, that this compares to the FY2015 residential tax rate of $10.17 and a commercial/industrial/personal property tax rate of $26.30, that the projected average residential real estate tax bill in FY2016 is $3,880.00, that the total assessed valuation is $6.486 billion, that the amount of new growth can vary depending upon conditions in the economy and new properties being brought on line for assessment, that residential properties are 60% of the valuation base, that the remaining 40% of valuation is a combination of commercial, industrial and personal property, that market is on an upswing, that median sales of single family homes in the city currently has a similar trend with the Boston Metro area, that in 2013 Woburn exceeded the Boston Metro Area in sales, that the average tax bill still remains lower than the surrounding cities of Billerica, Burlington, Stoneham, Reading, Lexington, Wilmington and Winchester, that commercial industry in Burlington is skyrocketing with new construction, that the new growth in Woburn is mainly with the personal property, that the commercial building at Dave & Buster's was only 10% complete as of January 1, 2015, that the Dave & Buster's building was the largest commercial/industrial project in the city, that the development at 855 Main Street was 50% complete with the front building being complete and the buildings in the rear only 10% to 15% complete, that the project at 855 Main Street was the biggest residential project in the city, that the commercial values have increased about 7.7%, that mixed use and industrial property values only increased about 1%, that all new properties requiring a building permit, subject to a special permit or any that are not completed from the prior year are all inspected the first of the year until completion, that all commercial/industrial property owners are sent a form as required to by the state that is used to compile information on all the business in the city, that utilities were reporting $17,000,000.00 in assets as being in Woburn when they were not, that solar panels are not currently assessed, that solar panels are recorded in the assessors data base for future assessment, that abatements this year were low, that there were nineteen residential abatement applications with sixteen granted and forty-three commercial/industrial abatement application with twelve granted. PUBLIC COMMENTS: None. Motion made and 2nd that the public hearing be closed, 8 in favor, 0 opposed, 1 absent (DiTucci Absent). PUBLIC HEARING CLOSED. Motion made and 2nd that a TAX CLASSIFICATION SHIFT OF 175% RESULTING IN A FACTOR OF 68.2018% AND A RESIDENTIAL TAX RATE OF $10.05 AND A COMMERCIAL/INDUSTRIAL/PERSONAL PROPERTY TAX RATE OF $25.79 be ADOPTED, ROLL CALL: Anderson – Yes, Concannon - Yes, Drapeau – Yes, Gaffney – Yes, Gately – Yes, Mercer-Bruen - Yes, Raymond – Yes, Haggerty - Yes, (DiTucci Absent) MOTION ADOPTED.

Presented to the Mayor: December 10, 2015 s/Scott D. Galvin December 10, 2015

Motion made and 2nd to ADJOURN, 8 in favor, 0 opposed, 1 absent (DiTucci Absent). Meeting adjourned at 6:50 p.m.

A TRUE RECORD ATTEST:

Joyce M. Gray
Assistant City Clerk and
Clerk of the City Council, Pro Tem