

**CITY OF WOBURN  
DECEMBER 9, 2014 – 6:30 P.M.  
COUNCIL CHAMBERS, WOBURN CITY HALL  
SPECIAL MEETING OF THE CITY COUNCIL**

Roll Call

Anderson	Gaffney
Concannon	Gately
DiTucci	Mercer-Bruen
Drapeau	Raymond

Haggerty

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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.

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**COMMITTEE REPORTS:**

**FINANCE:**

On the Order for a supplemental appropriation in the sum of \$300,000.00 to Reserve Fund Account, committee report was received “ought to pass.” Motion made and 2<sup>nd</sup> that the COMMITTEE REPORT be ADOPTED, all in favor, 9-0.

**Presented to the Mayor: December 11, 2014**                      **s/Scott D. Galvin December 11, 2014**

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On the Order to transfer the sum of \$2,900.00 from Election Workers Account to City Clerk Equipment Account, committee report was received “ought to pass.” Motion made and 2<sup>nd</sup> that the COMMITTEE REPORT be ADOPTED, all in favor, 9-0.

**Presented to the Mayor: December 11, 2014**                      **s/Scott D. Galvin December 11, 2014**

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**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 he submitted letters to the City Council by email, that residential property values have increased by 7% and commercial property values have increased by 5%, that there were five or six large personal property accounts, that the city lost a large personal property account which is reflected in the tax rate, that the residential property tax rate is decreasing from \$10.44 to \$10.17 and the commercial/industrial/personal property tax rate is decreasing from \$27.41 to \$26.30, that the

average residential property tax bill will increase by \$158.00, that the city has not used all of its tax levy, that the city has used \$1,700,000.00 of the levy and has a levy limit of \$2,500,000.00, and that the average residential property value is \$366,000.00. Appearing was Andrew Creen, Chief Appraiser, Board of Assessors, and he offered a communication dated December 9, 2014 with a series of charts entitled Analysis of Levy Limit, Analysis of Levy Limit Increase, Fiscal 2015 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 2015 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, 2014 is \$6.167 billion. This represents an increase from the prior fiscal year's total of \$5.820 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 \$15.03 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 ".67" means that the residential class of property would pay 67% 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 2<sup>nd</sup> that the documents be received and made part of the record, all in favor, 9-0. Mr. Creen stated that the maximum allowable FY2015 tax levy is \$103,272,344.00, that this consists of the prior year levy of \$98,387,383.00 plus a 2.5% increase of \$2,459,685.00 plus new growth of \$2,425,276.00, that there is a total levy limit increase of \$4,884,961.00 over FY2014, that new growth consists of 60% personal property, 22% residential and 18% commercial/industrial, that a 100% factor would result in a \$15.02 tax rate as to all classes of property, that the maximum shift of 175% results in a shift to the lowest factor of 67.6624% results in a \$10.17 residential tax rate and a \$26.30 commercial/industrial/personal property tax rate, that this compares to the FY2014 residential tax rate of \$10.44 and a commercial/industrial/personal property tax rate of \$27.41, that the projected average residential real estate tax bill in FY2015 is \$3,728.00, that the city completed the triennial certification, that property values have increased, that the total assessed valuation is \$6.167 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 70% of the valuation base, that the remaining 30% of valuation is a combination of commercial, industrial and personal property, that the personal property of a company Level 3 was assessed for \$17,000,000.00 last year and for only \$20,000.00 this year, that the reporting to the Department of Revenue by Level 3 was incorrect and property attributed to being in Woburn was actually distributed among many communities, that the median value of single family homes in the city is currently higher than in the Boston Metropolitan Area, that homes consistently are going under agreement within thirty days of going on the market and often in much less time, that the average residential tax bill remains lower than in Billerica, Burlington, Stoneham, Reading, Lexington, Wilmington and Winchester, that there is no liability for the city due to the Level 3 miscalculation, that the town of Burlington has a commercial base that has expanded dramatically, that commercial growth in Woburn is in a few properties, that a building as Unicorn Park was repurposed which resulted in the greatest new growth, and that the proposed redevelopment of the W.R. Grace property will result in an additional \$1,000,000.00 in new tax revenue each year. PUBLIC COMMENTS: Michael Meaney, Executive Director, Woburn Business Association, Ten Tower Office Park stated that when setting the factor he asks the City Council to keep in mind the small business owner taxpayer, and that if the city loses its small businesses this effects personal property collections. Motion made and 2<sup>nd</sup> that the public hearing be closed, all in favor, 9-0. PUBLIC HEARING CLOSED. Motion made and 2<sup>nd</sup> that a TAX CLASSIFICATION SHIFT OF 175% RESULTING IN A FACTOR OF 67.6624% AND A RESIDENTIAL TAX RATE OF \$10.17 AND A COMMERCIAL/INDUSTRIAL/PERSONAL PROPRETY TAX RATE OF \$26.30 be ADOPTED, ROLL CALL: Anderson – Yes, Concannon - Yes, DiTucci – Yes, Drapeau – Yes, Gaffney – Yes, Gately – Yes, Mercer-Bruen - Yes, Raymond – Yes, Haggerty - Yes, MOTION ADOPTED.

**Presented to the Mayor: December 11, 2014**

**s/Scott D. Galvin December 11, 2014**

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Motion made and 2<sup>nd</sup> to ADJOURN, all in favor, 9-0. Meeting adjourned at 7:01 p.m.

A TRUE RECORD ATTEST:

William C. Campbell  
City Clerk and Clerk of the City Council