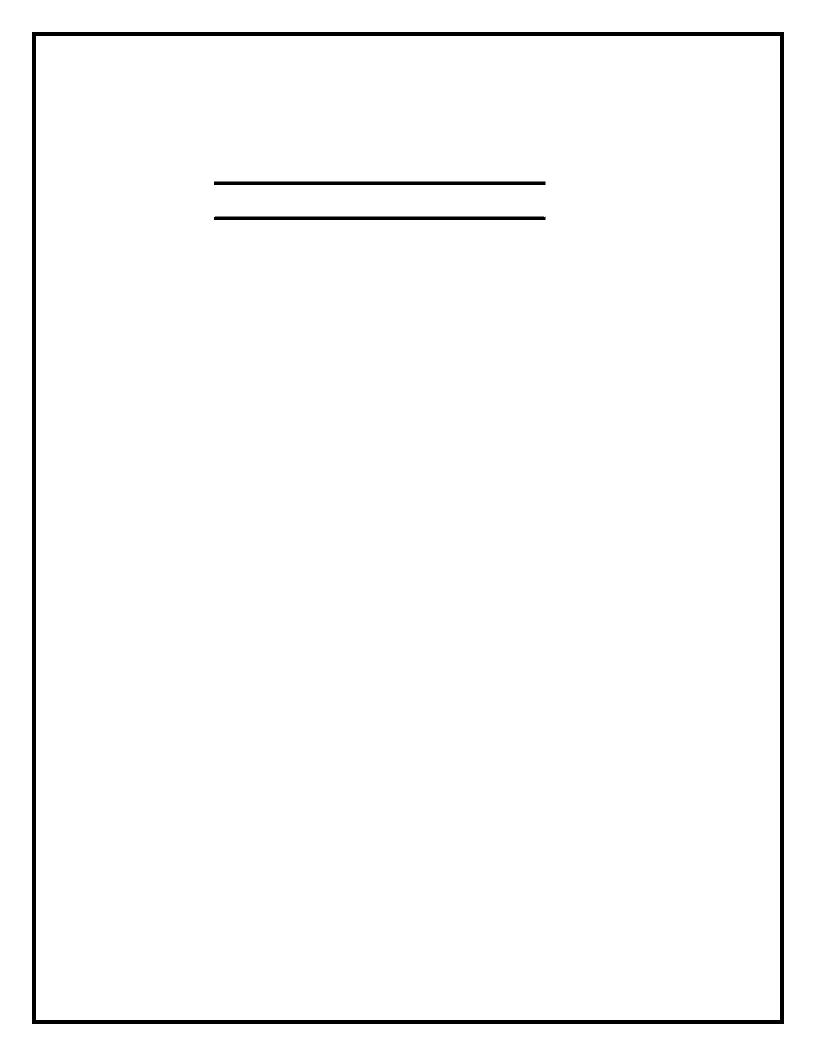
TOWN OF ARLINGTON MASSACHUSETTS

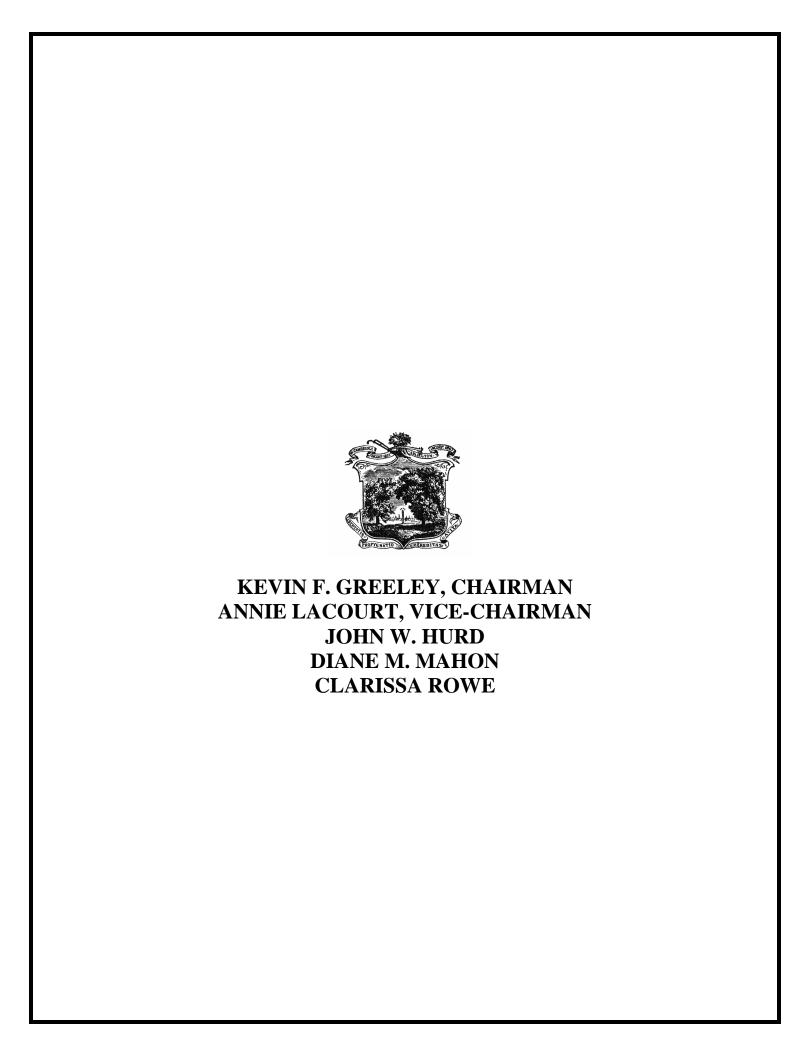
SUPPLEMENTAL REPORT OF THE

BOARD OF SELECTMEN



TO THE
2006 ANNUAL TOWN MEETING





SUPPLEMENTAL REPORT OF THE BOARD OF SELECTMEN TO THE 2006 ANNUAL TOWN MEETING

The Board commends to the consideration of Town Meeting main motions under the above-referenced articles as provided below:

A. Article 15 – Bylaw Amendment/Board of Assessors' Report

VOTED: "Whereas all Arlington property owners have a mutual and shared interest in the tax assessment process, and

Whereas Title 1 Article 15 of the Town Bylaws states in part 'We value Arlington's efficient delivery of public services providing for the common good. The benefits from these services and the responsibility of taxation will be equitably distributed among us. We will be known for our sound financial planning and for the thoughtful, open process by which realistic choices are made in our Town,' as one of the Town's goals, and

Whereas the Board of Assessors has made some pertinent information about assessment available in the Annual Report and on the Town's website, and

Whereas we believe that assessment criteria and process information should be readily available to all Arlington property owners,

Therefore, be it resolved by the Arlington Town Meeting that the Board of Assessors should report annually to the Town in a medium readily available to all. This report should include but not be limited to the following:

- 1. A general narrative description of the assessment process including the influence of neighborhood, property type, property description, property condition, and property market conditions.
- 2. Statistics and trend analysis on assessments as they pertain to the various property classes and/or neighborhoods."

COMMENT: The Board has met with the Board of Assessors and representatives of the Fiscal Resource Task Force of Vision 2020 and supports the above-referenced resolution which requests that the Board of Assessors gather the above-referenced information to educate townspeople and in particular Town Meeting members about the assessment practices of the Town.

B. Article 28 – Home-Rule Legislation/Tax Exemption

VOTED:

- "(a) That pursuant to the provisions of Clause 41B, Section 5 of Massachusetts General Laws Chapter 59 the Town hereby reduces the interest rate accrued on tax deferrals for those individuals 65 years of age or older from 8 percent to 6 percent and raises from \$20,000 the maximum income qualification to \$30,000 effective July 1, 2006.
- (b) That the Town increases the statutory exemption amounts by 30 percent, which includes the 20 percent voted under Article 3 of the Special Town Meeting held on October 15, 2003, to taxpayers qualified for exemptions under Massachusetts General Laws Chapter 59 Section 5 for those clauses of Section 5 currently utilized and accepted by the Town in accordance with Chapter 73 Section 4 as amended by Chapter 126 of the Acts of 1988 or any other applicable legislation to be effective July 1, 2006."

COMMENT: With regard to Section (a) above the Board has had an opportunity after consulting with the Chairman of the Finance Committee, Board of Assessors and Town Treasurer to reconsider its previous vote under this article. It now believes that a more prudent approach, at least for the next fiscal year, is to reduce the rate of interest accruing on deferred tax bills for elderly homeowners from 8 percent to 6 percent. The Board shares the concerns of the Finance Committee that if the interest rate is too low, it might become so attractive as to cause a sharp reduction in tax receipts. Certain other information has come to the attention of the Board on the number of taxpayers 65 years of age or older whose income falls within the \$20,000 to \$40,000 range, which might also prompt a sharp increase of the number of individuals who avail themselves of this opportunity. The Board, therefore, recommends that this more measured approach which can be revisited in future years depending upon how many taxpayers sign up for this program.

Section (b) above relates to a proposed increase in the statutory limits for exemptions by 30% period of years. These exemptions were last increased by 20 percent in 2003 and the Board supports the Board of Assessors' proposal to increase these exemptions by an additional 10 percent. These exemptions apply to certain veterans, blind persons, individuals over 70 years of age and widows and widowers. An increase of an additional 10 percent would cost the Town about \$30,000. The Board of Assessors will be present at Town Meeting to provide additional information.

C. <u>Article 55 – Appropriation/Geographic Information System</u>

VOTED: "That the Town should comply with the Department of Housing and Community Development (DHCD) recommendation of using the Geographic Information

System to accurately determine the Town's status as to its 1.5% land area exemption for M.G.L. c. 40B implications. The study and involved pertinent data will be overseen and validated by a committee of seven representatives, one from each of the following: Housing Authority, Board of Assessors, and Redevelopment Board chosen by each of said boards, and the Director of Planning and Community Development or his designee, and three individual representatives selected by the Town Moderator, one of which shall have database experience."

COMMENT: The Board generally supports the above-referenced vote which will hopefully aid in a definitive determination as to the Town's standing vis-à-vis the provisions of Chapter 40B of the General Laws that provide that cities and towns who have 1.5 percent of their land area devoted to affordable housing are exempt from the provisions of this law. The Board would like to point out, however, that the Planning Department does use the GIS system for making this calculation.