

VISION 2020 FISCAL RESOURCES TASK GROUP
Meeting Minutes 2/19/15
Senior Center Ground Floor

ATTENDEES: Gordon Jamieson (Co-Chair), David Garbarino (Co-Chair), Brian Hasbrouck, Heather Remoff, Pete Howard (Secretary)

WARRANT ARTICLE ORDER UPDATE: Gordon met w/ Town Manager and discussed this topic. Manager agreed that the next steps would be to reach out to the Board of Selectmen. Chatted with Steve Bryne the other day, but did not get to this topic. [Note: Gordon followed up with Steve B. and Joe Curro regarding this issue]. All appears to be set in stone already, so this will be something for the group to continue to work on over the coming years. Pete had reported during the meeting that the draft warrant does put the 10 registered voter articles first. Apparently that is not the case, as the order is the same as in previous years. The Master Plan endorsement article is, however. NOT in the front. It is the last article appearing as a resolution.

ASSESSMENT PROJECT: Gordon provided his edit (Ref 1) of Pete's draft. Members offered several text changes. There was much friendly and energetic discussion. Gordon will make these changes, supply Fig 1, and circulate for final comment. He will supply final to Pete to email & mail.

REQUEST FOR FORMAL REPORT FROM RETIREMENT BOARD (CRB) TO TOWN MEETING: Gordon provided a draft letter (Ref 2) making this request to John Bilafer, Chair of the CRB. More gregarious discussion ensued. Members offered suggestions which Gordon will incorporate & circulate for comment. He will supply final to Pete to email & mail.

NEXT MEETING: Mar 19 - Meetings held monthly - 3rd Thursdays 7:30 PM - Senior Ctr Ground Floor

Ref 1 Letter FRTG to Director of Assessments (revised) Feb 2015

Ref 2 Letter FRTG to Chair CRB (draft) Feb 2015

Fiscal Resources Task Group
February 2015

Mr. Paul Tierney
Director of Assessments
730 Massachusetts Avenue
Arlington, MA 02476

Dear Paul,

Thank you for providing us with a file containing the public assessment information for properties abutting Mass Ave and Broadway, including your kind conversion from acreage to square footage therein.

Our original interest in these materials developed when we considered the disproportionate increase in residential assessments compared to commercial assessments over recent years (*black* Figure 1). Since our task group is chartered to review and monitor the Town Goals of financial equity and financial transparency, we thought perhaps this disproportionate increase for residential properties might indicate inequity in assessment process and/or procedures.

We are not only concerned with possibility that commercial properties are undervalued, but further that such undervaluation might provide owners with a disincentive to develop property to its best use, highest value; thereby depriving our community of both badly needed services and the associated tax revenues.

The following series of charts show what we have found during our examination of the data you kindly provided.

Figure 2 shows land value per square foot (Specific Land Value, SLV) for both commercial and residential parcels on Mass Ave and Broadway. There seems to be no significant difference between the two sets of data.

Figure 2 has 12 parcels with no street number. Where are they located?

Figure 2 does not include the 37 parcels that have no land value listed. Most of these are condos. We understand that the value of the land is included in the value of the apartment. This would appear to lack transparency and we wonder whether this is appropriate. Clarification is requested.

Figure 3 shows that the average SLV has no obvious trend from one end to the other. However the SLV shows large variations between neighboring parcels. One would expect SLV to depend mostly on location. What accounts for these variations?

Figure 3 would also appear to indicate a common maximum of 75 \$/sq ft land valuation. Can you explain where this comes from and why there is a limit?

Figure 4 is a frequency distribution of the SLVs. This analysis reveals a bimodal distribution. At face value this appears to be incongruent with the 'fair and equal assessment at full market value' principles which are supposed to guide the valuation/assessment of land. Clarification is requested.

Figure 5 shows parcel land value vs parcel area. As we would expect, this is mostly a straight line. But there is something else going on with the smaller parcels and a number of parcels that are off the curve. Clarification is requested.

Finally, Figure 6 shows SLV vs parcel area. The 75 \$/sq ft limit is associated with the smallest parcels followed by a curving decrease that becomes a constant value of \$25/sq ft. Our interpretation is that this means that SLV is a function of land area. Clarification is requested.

We look forward to hearing ~~back~~ ^{in person} from you and if you ~~wish~~ ^{are able} attending our next meeting on Thursday March 19th to discuss these matters and our concerns in greater detail as that might provide the best and easiest way toward resolving our concerns.

Thank you again for your kind assistance with these matters.

Sincerely yours,

Gordon Jamieson
Co-Chair

David Garbarino
Co-Chair

CC
Kevin Feeley
Bob Greeley
Mary Winstanley-O'Connor
Town Manager?
Town Counsel?

Julie

Please provide

Figure 1

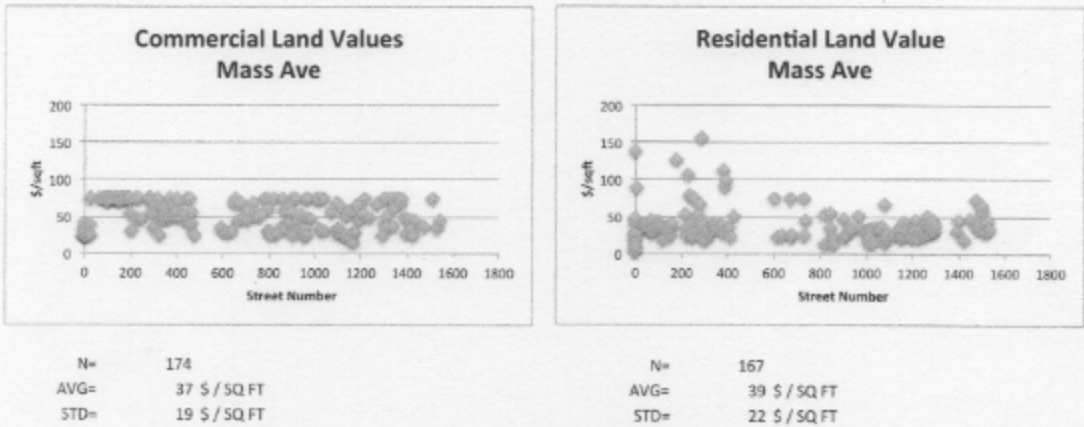


Figure 2

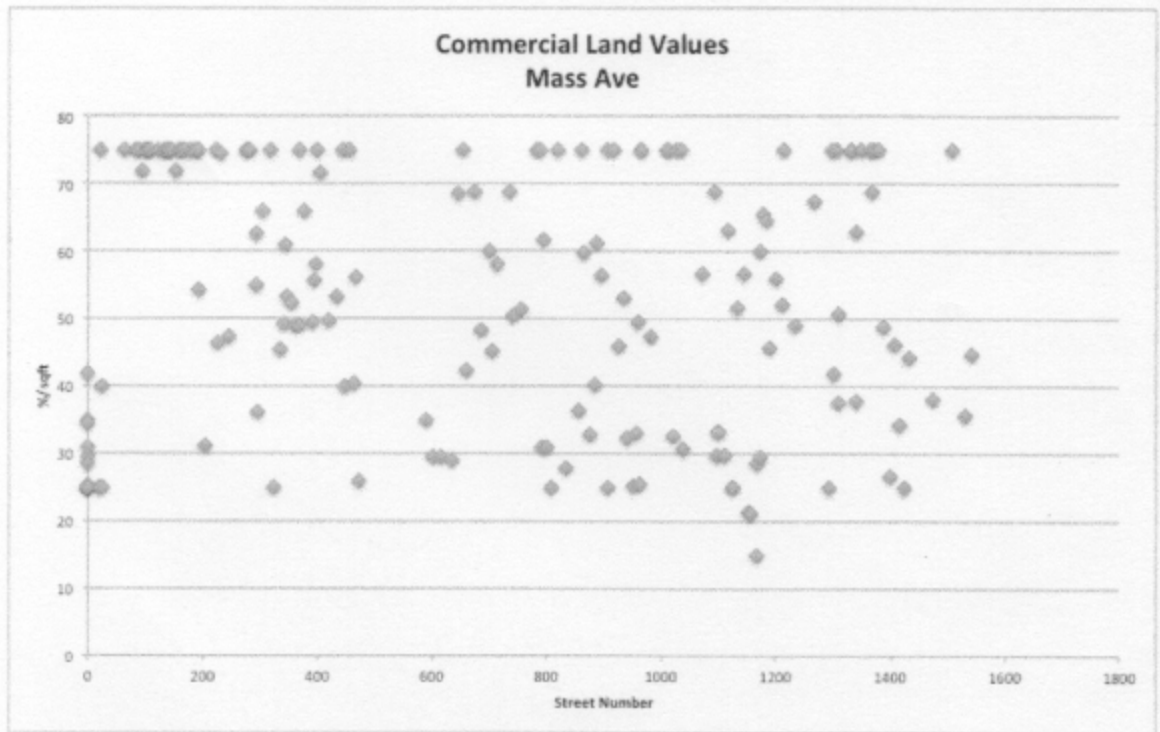


Figure 3

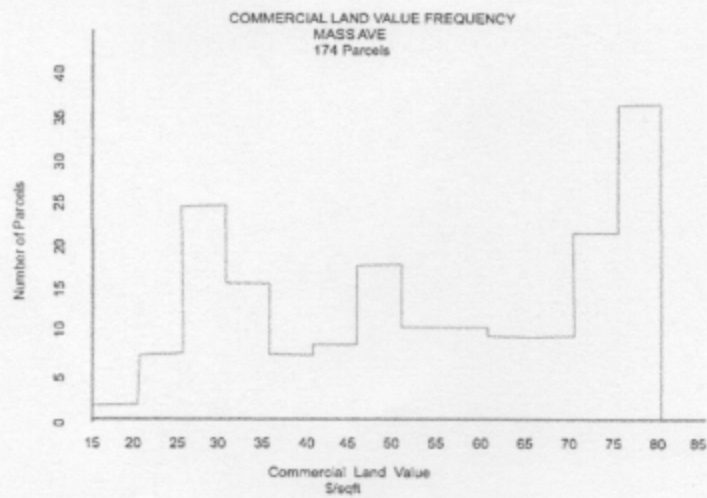


Figure 4

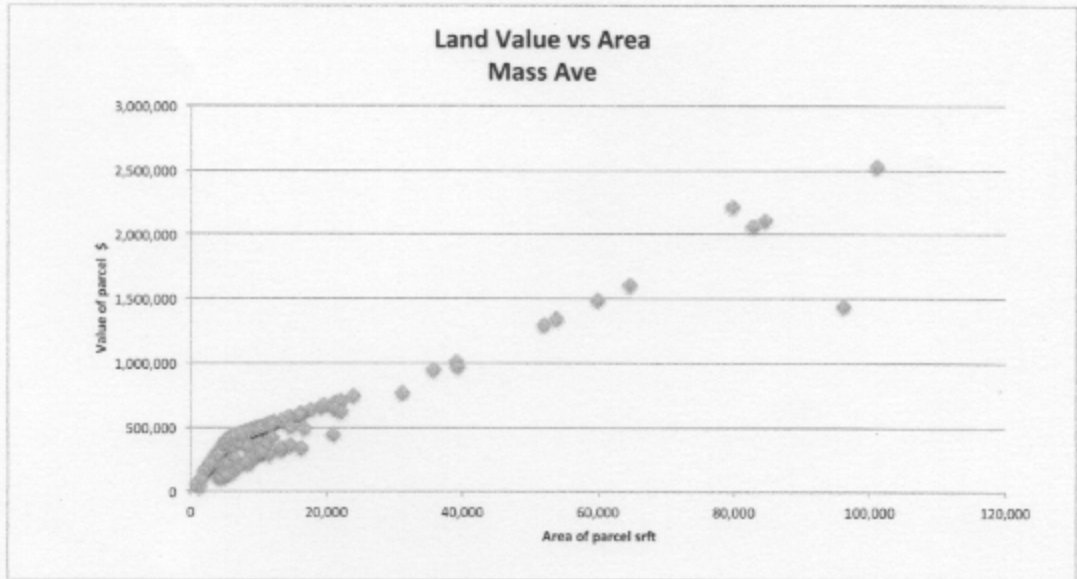


Figure 5

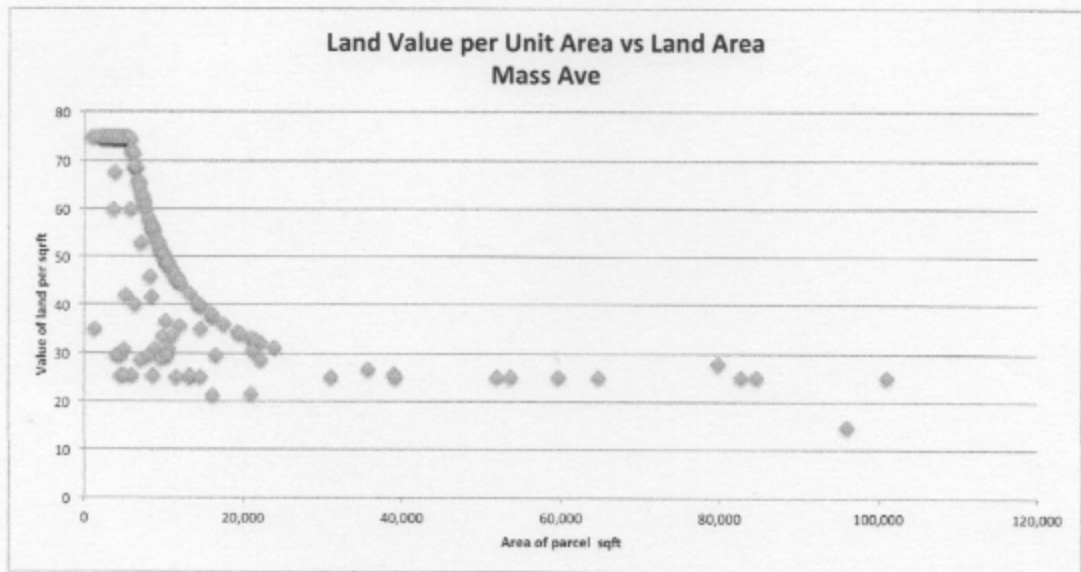


Figure 6

Fig

Question Summary

1	Where are the 12 parcels that do not have street numbers located?
2	Is listing a condo without land legal? If so, why?
3	Why do the SLVs vary so much between neighboring parcels?
4	Where does the \$75/sqft maximum value of SLV come from?
5	Why are there large peaks in the SLC frequency distribution?
6	Please explain the non-linear relation between land value and land area?
7	Why is SLV a complicated function of land area?

Figure 7



Fiscal Resources Task Group
February 2015

Mr. John Bilafer, Chair
Arlington Contributory Retirement Board
XXX Massachusetts Avenue
Arlington, MA 02476

Dear John,

Spring training will soon be here. So too will be Annual Town Meeting.

In our capacity as members of the V2020 Fiscal Resources Task Group, we are tasked by the Town Goals, as specified in the Town Bylaws, to work to insure the fullest transparency and equity in financial matters.

Accordingly, we write to suggest that you, in your capacity as the Chair of the Arlington Contributory Retirement Board (or your designee), present a full report of the Arlington Contributory Board's financial situation/outlook to Town Meeting.

We believe this to be important not only because of the size of the budget allocation which the ACRB will receive by the vote of Town Meeting.

But also because the ACRB serves as the financial stewards of OPEB funds.

Combine

We realize that such a reporting is not required by your charter, but hope that you will see and understand the value of providing such a report to Town Meeting and to the Town as a whole.

Thank you for your kind consideration of this matter.

Sincerely yours,

No apology

Gordon Jamieson
Co-Chair

David Garbarino
Co-Chair

CC
BoS, Chair
Fincom, Chair
Town Manager
Rich Russo

Board Administrator