



**ARLINGTON FINANCE COMMITTEE**  
**MINUTES OF MEETING**  
**3/17/21 7:30 PM**  
**Conducted by Remote Participation - Zoom Meeting**

**ATTENDEES:**

Gibian	p	Padaria		Pokress	p	Kellar	p	McKenna	p
Blundell	p	Wallach	p	Harmer		Tosti	p		
Ellis	l	Foskett	p	Deyst	p	Kocur	p		
White		Beck	p	Jones	p	Deshler	p		
Franclemont	p	Howard	p	LaCourt	p	Carman	l	Diggins	p

p Indicates present, l indicates late

**VISITORS:** Erin Zwirko, Jenny Raitt, Elizabeth Carr-Jones, Karen Kelleher, Michaiah Healy

1. **INTRODUCTION:** Foskett read the rules for the meeting as formulated by Town Counsel based on the Governor's authorization. An important rule is that all votes be by role call. Attendance was taken by roll call.

Note: A vote of "unanimous" means "unanimous vote by all present". The Chair votes only when there is a tie.

2. **MINUTES** of 3/10/21 and 3/15/21 each approved unanimously.

3. **ART 28 REAL ESTATE TRANSFER FEE:** Zwirko, supported by Raitt, discussed this proposed home rule petition addressed to the State Legislature requesting authority to tax real estate sales. ( Ref 1 is a draft petition). The fee would go to the Affordable Housing Trust Fund. The fee, less than 2% and set by the SB, would be paid by buyer or seller or both. There would be exemptions. The Trustees of the Affordable Housing Trust Fund would be required to use the fees for affordable housing. The process would require approval by the voters would be governed by Town bylaws. Depending on assumptions, the annual amount raised could be several million dollars.

Zwirko answered many questions. Last fall's special town meeting trust fund vote has not yet been approved by the State thus no trustees have been appointed. Use of fees to pay for Arlington's contribution to the Somerville Homeless Corporation is possible depending on the trustees Action Plan. The approval process would take at least 2 years. Application to sale of business properties needs more work. Transfer tax funds could leverage much larger funds. Such fees could also be banked and allowed to accumulate. The action plan developed by the trustees would define the impact on neighborhoods. The money could be used for rent subsidies. The SB could adjust the rates annually. The possibility of legal challenge to a novel tax deserves more

consideration though similar taxes are in effect in other states. Liens could be used to collect the tax.

#### BUDGETS

4. PARKING Fin SubCom Beck recommended the budget as printed. The printing budget pays for printing parking tickets. Contractual services are related to readout of meters.

VOTED \$50,056 Unanimous.

5. ART 59 PARKING DISTRICT EXPENDITURES Beck presented the Parking District Expenses & Revenues (Ref 2) He recommended endorsement of the budget with \$20,000 for plantings in the center.

VOTED Endorsement of Expenses 324,673, Revenue \$556,000 (no covide), \$459,000 (9 months covid), Benefits \$20,000. Unanimous

#### DPW

6. ENGINEERING: PubWks SubCom Deshler recommended this budget as printed. A new hire at lower pay explains the salary reduction. Mobility Improvements are for a Planning Department ADA consultant traceable to a SB 2019 override promise.

VOTED \$163,873 Unanimous

7. ADMIN: PubWks SubCom Deshler recommended this budget as printed.

VOTED \$221,364 Unanimous

8. HIGHWAY: PubWks SubCom Deshler recommended this budget as printed. 5270 Marking Highways is not an increased expense but has been partly funded by State grants. This budgets has had vacancies in previous years.

VOTED \$1,806,749 Unanimous

9. SNOW & ICE: PubWks SubCom Deshler recommended this budget as printed.

Most of the FY21 budget was spent by the end of February.

VOTED \$1,173,013 Unanimous

10. SOLID WASTE: PubWks SubCom Deshler recommended this budget as printed

The disposal contract has been renewed for 5 yr w/ a 3%/yr increase. The collection contract ends in 2023. It will probably increase since we will pay to recycle. Food Scrap composting may help.

VOTED 4,011,675 Unanimous.

11. MOTOR EQUIPMENT REPAIR: PubWks SubCom Deshler recommended this budget as printed.

VOTED \$443,866 Unanimous

12. CEMETERY: PubWks SubCom Deshler recommended this budget as printed.

There is a new hire. Part of the offset is from the Capital Budget.

VOTED: \$284,680 Unanimous

13. STREET LIGHTING: PubWks SubCom Deshler recommended this budget as printed.

VOTED 115,000 Unanimously

14. TRAFFIC SIGNALS: PubWks SubCom Deshler recommended this budget as printed.

VOTED:\$115,000 Unanimously

15 ART 18 SCHOOL COMMITTEE STIPENDS: School SubCom Dean recommended \$3000 per member. All other elected officials receive a stipend. He considers this a sign of respect. Members observed that there are real expenses that go along with the position. This would not qualify them for retirement health insurance because they would not qualify them for retirement pay that in turn is required for retirement health insurance. They would not qualify for health insurance while on the School Committee because the SB has set a policy forbidding part time elected positions from receiving health insurance. The FinCom approved this last year but was dropped from the Regular Town Meeting and it was left off the Special TM Warrant.

VOTED \$3000 stipend for each School Committee member.

16. EF RECREATION EF SubCom Franclemont recommended the budget as printed. Retained earnings are \$\$378,446. After school recreation programs are underway. 80% of the Director's salary is in this account. The General Fund is not subsidizing this account.

VOTED \$1,720,892Rev=\$1,720,892Exp Unanimous

17, EF Rink: SubCom Franclemont recommended the budget as printed. Retained earnings are \$16,020. The General Fund subsidy is \$16,000. The rink is used for more than skating.

VOTED \$793,004 Unanimous

18. RESERVE FUND BALANCE: \$1,556,724

COMMITTEE: No meeting on 3/24 Candidates Night. After discussion with the Moderator as Appointing Authority, Foskett announced that FinCom members could support candidates for Arlington Housing Authority since this is effectively a branch of State government.

The meeting adjourned at 9:58 PM.

Peter Howard  
3/18/21  
Revised 3/22/21

Ref 1 Draft Petition for a real estate transfer fee  
Ref 2 Parking District Budget

**ARTICLE 27****HOME RULE LEGISLATION/ REAL ESTATE TRANSFER FEE**

To see if the Town will vote to authorize and request the Select Board to file Home Rule Legislation or other Special Legislation which would permit the Town to impose a real estate transfer fee or tax for the purposes of acquiring, creating, preserving, rehabilitating, restoring and supporting affordable housing in the Town; said fee or tax to be levied on the buyer, seller, or both on the purchase price of qualifying real estate, the proceeds of which are to be deposited in an Arlington Affordable Housing Trust Fund established pursuant to section 55C of chapter 44 of the General Laws; to set forth the rate, the qualifications for applicable transfers, and exemptions of and to such a tax or fee; and to authorize the procedures and requirements necessary for the collection of such fee; or take any action related thereto.

---

WHEREAS Arlington is one of the Commonwealth's wealthiest towns with a median household income, of \$108,389<sup>1</sup>, one of the highest in Boston's inner-core, and the median for married couples with dependent children is approximately \$159,375<sup>2</sup>.

WHEREAS Arlington has one of the highest median single-family home price of any community in the Commonwealth, at \$860,000<sup>3</sup> and the average market rent is approximately \$1,730<sup>4</sup>.

WHEREAS affordable housing is further compounded and complicated by a combination of regional housing demand and constrained supply.

WHEREAS in view of limits on Arlington revenue growth, there is likely insufficient funding from existing sources for affordable housing purposes after meeting the Town's existing operational and infrastructure maintenance commitments.

WHEREAS the Town of Arlington's Housing Plan Implementation Committee has explored a real estate transfer fee to expand Arlington affordable housing, among the possible purposes. While the State House and Senate will be considering a local option bill in 2021 and many home rule petitions are still pending, the Town should file its petition for the next legislative session so that Arlington may benefit and join any legislative hearings.

WHEREAS the Real Estate Transfer Fee, as recommended, would fund an Arlington Affordable Housing Trust Fund is equitable, very low impact, and inexpensive to administer.

WHEREAS a Real Estate Transfer Fee would be in line with the direction of neighboring communities including Concord, Cambridge, and Somerville moving to employ such fees to create affordable housing.

WHEREAS this type of fee is appropriate to fund housing and is clearly defined, nonrecurring purposes.

---

<sup>1</sup> 2015-2019 American Community Survey

<sup>2</sup> 2015-2019 American Community Survey

<sup>3</sup> Banker and Tradesman for calendar year 2020

<sup>4</sup> 2015-2019 American Community Survey

WHEREAS a real estate transfer fee earmarked for the Arlington Affordable Housing Trust Fund is well suited to operate within the Town's organizational structure and financial policies, and is specifically adapted to and compatible with the unique combination of long established neighborhoods and commercial districts in Arlington.

THEREFORE, the Town of Arlington hereby requests that the Legislature grant the Town of Arlington authority to levy a real estate transfer fee on the purchase price exceeding a threshold set by the Select Board for the last 12 months, but not less than 100% of the statewide median sale price of a single family home as determined by the Department of Housing and Community Development for that same time period, to range between 0.05% and 2.0% as set by the Select Board upon the transfer of any real property interest or the transfer of a controlling interest in a trust, limited liability company, or other entity that directly or indirectly holds an interest, in any real property situated in the Town of Arlington. The Town shall have the authority to designate by bylaw whether the fee shall be borne by the buyer, the seller, or how it will be allocated between the two. The Town may define by bylaw what constitutes a controlling interest and the calculation of the fee.

And that the Town shall authorize certain transfers of real property interests be exempt from the fee including: transfers for less than 100% of the state median sale price of a single family home as determined by the Department of Housing and Community Development; transfers made as gifts with consideration less than \$100 if the seller shall have been at the time of the transfer the spouse, lineal descendant, or the lineal ancestor of the purchaser, by blood, marriage, or adoption; transfers to the federal government, the Commonwealth, and any of their instrumentalities, agencies or subdivisions, including the Town and the Arlington Housing Authority; transfers of residential property that include one or more units governed by affordable housing restrictions provided that the fee imposed shall be proportionately reduced based on the percentage of residential units with affordable housing restrictions, as compared to the total number of residential units; transfers made without additional consideration to confirm, correct, modify or supplement a transfer previously made; transfers by operation of law without actual consideration, including but not limited to transfers occurring by virtue of death or bankruptcy of the owner of real property interest; transfers made in partition of land and improvements thereto, under chapter 241 of the General Laws; transfers to a charitable organization, as defined in clause Third of section 5 of chapter 59 of the General Laws, or a religious organization, provided, however, that the real property interests so transferred will be held solely for affordable-housing related uses that are consistent with the uses allowed by the Arlington Affordable Housing Trust Fund; transfers for a mortgagee in foreclosure of the mortgage held by the mortgagee, and transfers of the property subject to a mortgage to the mortgagee in consideration of the forbearance of the mortgagee from closing such mortgage; and transfers consisting of the division of marital assets under the provisions of Section 34 of chapter 208 of the General Laws or other provisions of law.

And the Town may not, by bylaw or otherwise, eliminate or reduce any exemption set forth in this in this law.

And that the Town may use existing methods for collection and liening of any outstanding transfer fee. The fee shall be paid to the Town. The Town shall have such remedies to collect the fee as provided by

law with respect to the collection of real property taxes. The Town may, by bylaw, adopt additional requirements, exemptions, waivers, and regulations to implement or enforce said fee, consistent with this act.

And that the Town shall require a copy of the deed or other instrument evidencing such transfer and shall be accompanied by: (i) an affidavit signed under oath or under the pains and penalties of perjury by the purchaser and seller attesting to the purchase price; (ii) the applicable fee owed or, if applicable, an affidavit of intent to seek one of the permissible exemptions, as described above for that property by the purchaser; and (iii) the basis, if any, upon which the transfer is claimed to be exempt in whole or in part from said fees. Upon receipt of the transfer fee or satisfactory evidence of exemption, the Town or its designee shall promptly thereafter issue a certificate indicating that the fee has been paid or that the transfer is exempt from the fee. The South Middlesex Registry of Deeds shall not record or register a deed unless the deed is accompanied by such certificate.

And that the Town's appropriation of funds into the Arlington Affordable Housing Trust Fund under the provisions of MGL Chapter 44 Section 55 C, shall be limited to financing affordable housing and reasonable amounts for personnel and other costs.

And that the Town shall prepare and issue an annual report that: (i) identifies fee receipts; (ii) quantifies affordable housing programs funded, including type and purpose; and (iii) evaluates the impact of said affordable housing programs, including but not limited to, to the extent reasonably possible and permitted by applicable law, the number and demographics of individuals and families served as well as measures of housing stability and wealth generation in the community.

And that this Act shall only become effective by a majority vote for a question on a Town election ballot or act on anything relative thereto.

Ref 2

**Arlington Parking Fund and Arlington Center Parking Benefit District Statement of Revenues & Expenditures**

**Expenditures**

	<b>Projected FY22 Exp.</b>
IPS (CC, Gateway, System)	\$42,400.00
Elavon CC Fee	\$58,000.00
Coin Collection	\$32,052.00
First Parish Lease	\$6,000.00
Lease Payments	\$46,561.00
Share of Parking Enforcement	\$67,384.00
Share of Parking Admin.	\$37,276.00
Single Space Modem Upgrade	\$15,000.00
Parking Benefit District	\$20,000.00
<b>Total</b>	<b>\$324,673.00</b>

**Revenues**

	<b>FY20 Actual</b>	<b>FY21 (2/15/21)</b>	<b>FY22 Revenue Projection (12 months parking w/o Covid)</b>	<b>FY22 Revenue Projection (9 months w/o Covid)</b>
Single Space Meters	\$259,798.57	\$20,829.95	\$345,000.00	\$276,000.00
Multi-Space Meters	\$139,985.67	\$9,472.95	\$175,000.00	\$147,000.00
Charging Station	\$5,317.92	\$3,231.12	\$9,000.00	\$9,000.00
Pay by Phone	N/A	\$6,062.95	\$24,000.00	\$24,000.00
Interest	\$11,824.39	\$7,870.84	\$3,000.00	\$3,000.00
<b>Total</b>	<b>\$416,926.55</b>	<b>\$47,467.81</b>	<b>\$556,000.00</b>	<b>\$459,000.00</b>

**Proposed FY22 Parking Benefit District Budget**

Arlington Center Sidewalk and Broadway Plaza Improvements	
Russell Common Lot Improvements	
Snow Removal	
Seasonal Planting in Center	\$20,000
Planter and Tree Watering	
Sidewalk Cleaning	
<b>Total</b>	<b>\$20,000</b>