



AGENDA PACKET

**SPECIAL MEETING OF THE CITY COUNCIL
MONDAY, NOVEMBER 25, 2024 6:00 PM**

**EVERETT CITY HALL, 484 BROADWAY, CITY COUNCIL CHAMBERS, 3RD FLOOR
EVERETT, MA 02149**



AGENDA

SPECIAL MEETING OF THE CITY COUNCIL MONDAY, NOVEMBER 25, 2024 6:00 PM

EVERETT CITY HALL, 484 BROADWAY, CITY COUNCIL CHAMBERS, 3RD FLOOR
EVERETT, MA 02149

ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC HEARINGS

1. **C0366-24** Order/s/ Councilor Robert J. Van Campen, as President

An order requesting approval of the adoption of a Minimum Residential Factor of 0.765982 in setting the city's FY 2025 Tax Rates

NEW BUSINESS

2. **C0367-24** Order/s/ Councilor Robert J. Van Campen, as President

An order requesting approval of the adoption of a Residential Homeowner's Tax Exemption of 25% in setting the city's FY 2025 Residential Tax Rate

3. **C0388-24** Order/s/ Councilor Robert J. Van Campen, as President

An order requesting approval of an appropriation of \$10,000,000.00 from the Budgetary Fund Balance (Free Cash) to reduce the FY2025 tax levy

4. **C0389-24** Order/s/ Councilor Robert J. Van Campen, as President

An order requesting approval of an appropriation of \$1,100,000.00 from the Water/Sewer Budgetary Fund Balance (W/S Free Cash) to offset FY2025 water/sewer rates.

5. **C0390-24** Order/s/ Councilor Robert J. Van Campen, as President

An order requesting approval of an appropriation of \$146,000.00 from the ECTV

Budgetary Fund Balance (ECTV Free Cash) to offset the FY2025 ECTV budget.

ADJOURNMENT

www.cityofeverett.com

(All agendas and reports can be obtained on City of Everett Website)

Respectfully submitted:

Michael J. Mangan

Legislative Aide
Everett City Council Office



C0366-24

To: Mayor and City Council
From: Councilor Robert J. Van Campen
Date: November 25, 2024

Agenda Item:

An order requesting approval of the adoption of a Minimum Residential Factor of 0.XXXXXX in setting the city's FY 2025 Tax Rates

Background and Explanation:

Attachments:

Classification Hearing FY2025

Purpose of Classification Hearing

- MGL Ch. 40 Sec. 56 – Allows a shift in the tax burden between property classes from Residential to Commercial/Industrial/Personal Property
- “The city council together with the mayor’s approval in each city, which has been certified by the Commissioner of Revenue to be assessing property at full and fair cash valuation, shall annually first determine the percentages of the local tax levy to be borne by each class of real property as defined in section 2A of chapter 59 and personal property for the next fiscal year..”
- This does not change the total tax levy for the community; it simply determines the share of the levy to be borne by each class.

What happens after values are Certified by Dept. of Revenue

- Once properties have been classified and certified, the City Council holds a public hearing.
- The Board of Assessors present information to the City Council, who then vote whether to establish different rates, **OR** to tax all classes of property at the same rate.

What Happens At the Classification Hearing

- The City Council votes on two different issues:
 1. Selection of the Minimum Residential Factor in order to shift the maximum allowable percentage of the levy onto the commercial, industrial & personal property classes
 2. Adoption of the Residential Exemption

1. Selecting the Minimum Residential Factor

- Approximately 30% of cities and towns have split rates.
- If Everett chooses a single rate, it would be \$13.14 for FY25
- If Everett adopts a split rate at the maximum shift (1.75) this would reduce the tax burden on the residential properties from 76% to 58% of the tax levy and increase the C/I/P share from 24% to 42%

The Four Classes of Property

- Residential
- Commercial
- Industrial
- Personal Property

Levy Limit

- Levy Limit - The Maximum amount the City can levy in a given year. The levy limit can grow each year by 2.5% of the prior year's levy limit plus new growth and any Proposition 2 ½ overrides. When the City Council signs the LA5 form after the classification hearing they also acknowledge that they have been advised of any excess levy capacity for that fiscal year.
- Maximum Allowable Levy - This is the Levy Limit plus Debt Exclusions or other allowable adjustments.
- Override capacity - The difference between the levy limit and the levy ceiling.

LEVY

- The levy for FY2025 approved budget is \$117,262,518
The FY2024 approved budget levy was \$110,509,988
- Able to raise up to (Levy Limit) \$ 183,889,953
- Leaves Excess Levy Capacity of \$66,627,434.60. Again this year the majority of the increased growth in the tax base was the result of new multifamily construction and personal property from Encore Boston Harbor

Fiscal Year 2025 Levy Limit Calculations

• Fiscal Year 2024 Levy Limit	\$ 172,197,362
• Amended FY 2024 Growth	\$ 3,016,377
• 2.5% Allowable Levy Increase	\$ 4,380,343
• FY2025 New Growth	<u>\$ 4,295,871</u>
• FY2025 Levy Limit	\$ 183,889,953
• FY2025 Levy Ceiling	\$ 223,044,471
• FY2025 Budgeted Levy	\$ 117,262,518

Residential Summary at a 1.75%

Shift (MRF = .765982) Rates would be \$11.39 Res. & \$23.00 CIP

Property	FY24 Val	FY24Tax	FY25 Val	FY25 Tax	Difference
Avg Condo	332,744	\$ 1,849	363,118	\$ 1,913	\$ 64
Avg 1 Fam	531,922	\$ 4,131	581,965	\$ 4,405	\$ 274
Avg 2 Fam	710,096	\$ 6,173	775,912	\$ 6,615	\$ 441
Avg 3 Fam	853,662	\$ 7,819	931,555	\$ 8,387	\$ 568

WITHOUT RESIDENTIAL EXEMPTION

Property	FY24 Val	FY24Tax	FY25 Val	FY 25 Tax	Difference
Avg Condo	332,744	\$ 3,813	363,118	\$ 4,136	\$ 323
Avg 1 Fam	531,922	\$ 6,096	581,965	\$ 6,629	\$ 533
Avg 2 Fam	710,096	\$ 8,138	775,912	\$ 8,838	\$ 700
Avg 3 Fam	853,662	\$ 9,783	931,555	\$ 10,610	\$ 827

Com/Ind/Pers Property Impact

Type	FY24 Tax	FY25 Tax	Tax Change
Convenience	\$ 25,488	\$ 27,066	\$ 1578
Assessment	\$ 1,062,000	\$ 1,176,800	
Fast Food	\$ 52,795	\$ 54,499	\$ 1703
Assessment	\$ 2,199,800	\$2,369,500	
Warehouse	\$ 71,515	\$ 73,405	\$ 1889
Assessment	\$ 2,979,800	\$3,191,500	

2. Vote on the Residential Exemption

Mass. General Laws Ch.59 Sec. 5C allows up to a 35% discount (of the average residential value) to owner occupied residential properties:

Exclusions to this exemption are:

- Vacant Land
- Residential properties not occupied as a primary residence by the owner.

The Residential Exemption Calculation

What is the average value of a residential property?

Total Residential Value	\$ 6,800,019,241
Total # of res. parcels	8,710
Average Value of all Res. Property (Includes all Residential improved properties)	\$ 780,714
Value at 25%	\$ 195,179
Total # of qualifying parcels	4044
Break-Even Value	\$ 1,681,508

Res. Exemption Calculation (Con't)

Total value of Residential Exemptions =

$$\$ 195,179 \times 4044^* = \$ 789,303,876$$

Subtract the Res. Ex. Value from the total Residential

$$\text{Value} = 6,800,019,241 - 789,303,876 = 6,010,715,365$$

Divide the residential levy amount (68,459,969) by the revised residential value = \$ 11.39 Res Tax Rate

* number of qualifying residential properties to date

Vote

- Two votes are needed:

1. For a 1.75% shift, a vote for a minimum residential factor of 0.765982 is needed

This would reduce the residential sectors tax burden from 76% of the levy to 58% of the levy and raise the C/I/P sector from 24% to 42 %

2. 25% Residential Exemption



CITY COUNCIL No. C0366-24

IN THE YEAR TWO THOUSAND AND TWENTY-FOUR

AN ORDER REQUESTING APPROVAL OF THE ADOPTION OF A MINIMUM RESIDENTIAL FACTOR OF 0.765982 IN SETTING THE CITY'S FY 2025 TAX RATES

/s/Robert J. Van Campen, as President

Be it Ordered: By the City Council of the City of Everett, Massachusetts, as follows:

That, in accordance with the requirements of Chapter 40, Section 56 of the Massachusetts General Laws, as amended by Chapter 369 of the Acts of 1982, the City of Everett hereby considers approving the adoption of the lowest minimum residential factor (MRF) of 0.765982 as determined by the Commonwealth of Massachusetts' Commissioner of Revenue for Fiscal Year 2025 that began on July 1, 2024 and ends on June 30, 2025. Said requirements include a public hearing.

A true copy attest



Sergio Cornelio

Sergio Cornelio, City Clerk



C0367-24

To: Mayor and City Council
From: Councilor Robert J. Van Campen
Date: November 25, 2024

Agenda Item:

An order requesting approval of the adoption of a Residential Homeowner's Tax Exemption of xx% in setting the city's FY 2025 Residential Tax Rate

Background and Explanation:

Attachments:



CITY COUNCIL No. C0367-24

IN THE YEAR TWO THOUSAND AND TWENTY-FOUR

**AN ORDER RECOMMENDING THE ADOPTION OF A RESIDENTIAL
HOMEOWNER'S TAX EXEMPTION OF 25% IN SETTING THE CITY'S FY 2025
RESIDENTIAL TAX RATE**

/s/Robert J. Van Campen, as President

Be it Ordered: By the City Council of the City of Everett, Massachusetts, as follows:

That, in accordance with the provisions of Chapter 59, Section 5C of the Massachusetts General laws, the City of Everett hereby considers adopting a residential homeowner's tax exemption of 25% for Fiscal Year 2025 that began on July 1, 2024 and ends on June 30, 2025.

A true copy attest



Sergio Cornelio, City Clerk



C0388-24

To: Mayor and City Council
From: Councilor Robert J. Van Campen
Date: November 25, 2024

Agenda Item:

An order requesting approval of an appropriation of \$10,000,000.00 from the Budgetary Fund Balance (Free Cash) to reduce the FY2025 tax levy

Background and Explanation:

Attachments:



CARLO DeMARIA
MAYOR

CITY OF EVERETT - OFFICE OF THE MAYOR
484 Broadway Everett, Massachusetts 02149

☎ 617-394-2270

✉ mayorcarlo.demaria@ci.everett.ma.us

November 20, 2024

The Honorable City Council
City Hall
484 Broadway
Everett, Massachusetts 02149

Dear Honorable Members:

I hereby submit for your consideration an order to appropriate \$10,000,000 from Budgetary Fund Balance (Free Cash) to reduce the FY2025 tax levy.

I recommend your favorable passage of this order.

Respectfully submitted,

Carlo DeMaria
Mayor



November 20, 2024

City of Everett, Massachusetts CITY COUNCIL

Offered By: _____
Councilor Robert VanCampen, as President

Bill Number:
Bill Type: Order

Be it
Ordered: BY City Council OF THE CITY OF EVERETT, as
follows:

That the sum of \$10,000,000 be appropriated from the General Fund Budgetary Fund Balance (Free Cash) to reduce the FY2025 tax levy.



CITY COUNCILNo. C0388-24

IN THE YEAR TWO THOUSAND AND TWENTY-FOUR

AN ORDER REQUESTING APPROVAL OF AN APPROPRIATION OF \$10,000,000.00 FROM THE BUDGETARY FUND BALANCE (FREE CASH) TO REDUCE THE FY2025 TAX LEVY

/s/Councilor Robert J. Van Campen, as President

Be it Ordered by the City Council of the City of Everett, Massachusetts, as follows:

That the Everett City Council hereby grants approval of an appropriation of \$10,000,000.00 from the Budgetary Fund Balance (Free Cash) to reduce the FY2025 tax levy.

A true copy attest



Sergio Cornelio, City Clerk



C0389-24

To: Mayor and City Council
From: Councilor Robert J. Van Campen
Date: November 25, 2024

Agenda Item:

An order requesting approval of an appropriation of \$1,100,000.00 from the Water/Sewer Budgetary Fund Balance (W/S Free Cash) to offset FY2025 water/sewer rates.

Background and Explanation:

Attachments:



CARLO DeMARIA
MAYOR

CITY OF EVERETT - OFFICE OF THE MAYOR
484 Broadway Everett, Massachusetts 02149

☎ 617-394-2270

✉ mayorcarlo.demaria@ci.everett.ma.us

November 20, 2024

The Honorable City Council
City Hall
484 Broadway
Everett, Massachusetts 02149

Dear Honorable Members:

I hereby submit for your consideration an order to appropriate \$1,100,000 from Water/Sewer Budgetary Fund Balance (W/S Free Cash) to offset the FY2025 water/sewer rates.

I recommend your favorable passage of this order.

Respectfully submitted,

Carlo DeMaria
Mayor



November 20, 2024

City of Everett, Massachusetts CITY COUNCIL

Offered By: _____
Councilor Robert VanCampen, as President

Bill Number:
Bill Type: Order

Be it
Ordered: BY City Council OF THE CITY OF EVERETT, as
follows:

That the sum of \$1,100,000 be appropriated from Water/Sewer
Budgetary Fund Balance (W/S Free Cash) to offset the FY2025
water/sewer rates



CITY COUNCILNo. C0389-24

IN THE YEAR TWO THOUSAND AND TWENTY-FOUR

AN ORDER REQUESTING APPROVAL OF AN APPROPRIATION OF \$1,100,000.00 FROM THE WATER/SEWER BUDGETARY FUND BALANCE (W/S FREE CASH) TO OFFSET FY2025 WATER/SEWER RATES

/s/Councilor Robert J. Van Campen, as President

Be it Ordered by the City Council of the City of Everett, Massachusetts, as follows:

That the Everett City Council hereby grants approval of an appropriation of \$1,100,000.00 from the Water/Sewer Budgetary Fund Balance (W/S Free Cash) to offset FY2025 water/sewer rates.

A true copy attest



Sergio Cornelio, City Clerk



C0390-24

To: Mayor and City Council
From: Councilor Robert J. Van Campen
Date: November 25, 2024

Agenda Item:

An order requesting approval of an appropriation of \$146,000.00 from the ECTV Budgetary Fund Balance (ECTV Free Cash) to offset the FY2025 ECTV budget.

Background and Explanation:

Attachments:



CARLO DeMARIA
MAYOR

CITY OF EVERETT - OFFICE OF THE MAYOR
484 Broadway Everett, Massachusetts 02149

☎ 617-394-2270

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November 20, 2024

The Honorable City Council
City Hall
484 Broadway
Everett, Massachusetts 02149

Dear Honorable Members:

I hereby submit for your consideration an order to appropriate \$146,000 from ECTV Budgetary Fund Balance (ECTV Free Cash) to offset the FY2024 ECTV budget.

I recommend your favorable passage of this order.

Respectfully submitted,

Carlo DeMaria
Mayor



November 20, 2024
City of Everett, Massachusetts
CITY COUNCIL

Offered By: _____
Councilor Robert VanCampen, as President

Bill Number:
Bill Type: Order

Be it
Ordered: BY City Council OF THE CITY OF EVERETT, as
follows:

That the sum of \$146,00 be appropriated from ECTV Budgetary
Fund Balance (ECTV Free Cash) to offset the FY2025 ECTV
budget.



CITY COUNCILNo. C0390-24

IN THE YEAR TWO THOUSAND AND TWENTY-FOUR

AN ORDER REQUESTING APPROVAL OF AN APPROPRIATION OF \$146,000.00 FROM THE ECTV BUDGETARY FUND BALANCE (ECTV FREE CASH) TO OFFSET THE FY2025 ECTV BUDGET.

/s/Councilor Robert J. Van Campen, as President

Be it Ordered by the City Council of the City of Everett, Massachusetts, as follows:

That the Everett City Council hereby grants approval of an appropriation of \$146,000.00 from the ECTV Budgetary Fund Balance (ECTV Free Cash) to offset the FY2025 ECTV budget.

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Sergio Cornelio, City Clerk