

DRAFT: Not yet approved  
Town of Longmeadow, Tax Ceiling Task Force  
Thursday, October 28, 2021 7:00 PM  
Meeting with Remote participation via ZOOM

**Present:**

Task Force members: Mark Gold, Peter Landon, Robert O’Connell, Dr. Marty O’Shea, Robin Frechette, Tom Mazza, Vern Bullock, Town Manager Lyn Simmons, Jamie Hensch  
Visitors; Tom Shea

The meeting was called to order at 7:00 pm by Committee Chair Mark Gold

**Review and debrief of May, 2020 Annual Town Meeting: Article 14**

Committee members offered their observations and opinions of why the Article 14 proposal at the 2020 ATM failed to receive the needed majority vote. There was a general consensus that the meeting was held under unusual circumstances (outdoors, social distancing, unavailable presentation systems) due to COVID-19, and that representation may have been limited due to the pandemic. Other observations made by committee members of note are:

Robin Frechette: Ms. Frechette opined that residents did not distinguish between the proposal that would raise the tax ceiling and the annual limitation on tax increases (2.5%) of proposition 2-1/2. This confusion could be better addressed by more complete education of voters. She also noted that people were afraid that that raising the tax ceiling would allow for the unlimited increase in taxes.

Tom Shea: Mr. Shea commented on the unusual circumstances and low turn-out of residents at the meeting. He also noted that there individuals who opposed the measure who did not appear to be fully informed as to the impact of the town hitting the tax ceiling. Mr. Shea also commented on tax rate vs. average tax bill and the need to educate residents to better differentiate between Longmeadow’s highest tax rate in the state and our lower standing in average tax rate.

Lyn Simmons: Town manager Simmons reiterated the comments by Ms. Frechette that there needs to be improved education about the difference between the allowable annual tax increase of 2-1/2% and the maximum tax rate of \$25 allowed under Proposition 2-1/2. D

Mark Gold: Mr. Gold noted the overall low attendance at the Town Meeting as well as the lack of marketing done to promote the article.

**Review of current Tax status:**

Town Manager Simmons noted that both the Finance Committee and the CFO project that the town will reach the \$25 tax ceiling within this decade. The Finance Committee, using a “new growth” tax revenue projection of \$125K per year believes the tax ceiling will be reached in Fiscal Year 2029. Jennifer Leydon, Longmeadow CFO, projects annual new growth tax revenue of \$150K per year resulting in the tax ceiling being reached in FY 2030. Both scenarios are based on (the same) conservative changes in property values. Property assessments being used for the tax rate calculation are based on 2019 values. Any change (increase) in property values due to COVID-19 demand over the past 18 months will not be formalized until the 2024 tax base is published. In response to a question, it was noted that “new growth” revenue is the increased tax revenue to the town and not the increase in property values. \$150K in new revenue represents approximately \$6.1 million in additional property value (new homes, home improvements, etc.).

**Where do we go from here:**

Mark Gold asked the committee members their opinion on whether we should renew the effort toward the approval of legislative relief from the proposition 2-1/2 tax ceiling or if another approach should be taken. The discussion supported another effort at seeking legislative relief through an article at the 2022 Annual Town Meeting. With the following comments being noted:

Peter Landon noted his concerns about formula based state aid and suggested that efforts be spent in changing the formula based distribution systems and/or qualifying Longmeadow for greater state aid. He noted his concern that the town consistently looks to real estate tax revenue to fill our financing gaps and recommended that we look elsewhere. Mr. Landon also commented on the opportunity for new revenue through the increased real estate development of the land parcel at the corner of Williams St. and Redfern Dr.

Dr. O’Shea stated his opinion that the task force should again work on the passage of approval to seek legislative relief, taking care to focus on improving our communications and education leading into the town meeting.

Robin Frechette supported the renewal of a legislative effort noting that there has been a change in the State House leadership since 2020 (new Speaker of the House) that may represent a different view of proposition 2-1/2 issues.

Jamie Hensch expressed support for a renewed effort to pass a town meeting warrant that would seek legislative relief. He noted his concern that the meeting be held at a time that would maximize participation by individuals who would most be impacted by the freeze in town government spending that would occur if the tax ceiling were reached.

Mark Gold, responding to Mr. Landon's comments, noted that the development of the Williams/Redfern parcel would provide a net increased tax revenue of approximately \$150K, but that with the town's \$44 million in annual real estate tax revenue, this \$150K income represents 1/6 of the \$888K increased tax revenue for one year. This development, although additive, will not solve the tax ceiling dilemma. He also commented that the judicious communication of the impact of reaching the tax ceiling (what would be cut and whose services would be reduced or eliminated) might help bring voters to the Town Meeting who would support legislative action to eliminate the Proposition 2-1/2 tax ceiling. In response to comments about the need to provide data on tax rate and spending history of the town, Mr. Gold noted that this data had previously been generated and would be redistributed to committee members. Mr. Gold also shared his opinion that the town should pursue alternative revenue streams (i.e. leasing of town land for solar farms or wireless internet services) that might provide non-property tax revenue to the town.

Robert O'Connell noted the need for improved education of residents prior to the town meeting. He recommended the development of a series of short messages (video or other) that would be communicated to town residents through social media and other outlets. These comments were supported by Mr. Hensch who advised for VERY SHORT messages.

Lyn Simmons also supported a renewed effort at the passage of Article 14, but cautioned that even if successful at the town level there is no guarantee that it will get traction and be approved in the legislature. To that end she also recommended that we work on making this a regional effort, noting that there are seven towns in Western Mass who are within a decade of hitting the Proposition 2-1/2 tax ceiling – several already having a tax rate over \$21 per \$1000 valuation. She also noted the need to negotiate (or in some cases renegotiate) PILOT (payment in lieu of taxes) agreements with the entities in town who own property for which they do not pay taxes. She suggested legislative support for PILOT agreements may be an action we want to pursue.

#### **Summary and next steps:**

There is consensus that **the committee should again seek the approval by Longmeadow Town Meeting to pursue legislative relief from the \$25 tax ceiling imposed by Proposition 2-1/2.** This consensus comes with the recommendation that additional avenues be followed as outlined by Town Manager Simmons. The need to expand and improve the education of and communication to town residents became quite clear, and **future meetings of the task force will focus on developing and disseminating information about the Proposition 2-1/2 tax ceiling and the impact that reaching that ceiling will have on the town's ability to provide services to residents.** Task force members were asked to bring to the next meeting recommendations about the educational process and resources (people and organizations) that can be brought to the educational effort that will need to begin months in advance of the 2022 Annual Town Meeting.

**Next Meeting:** The Next meeting of the Task Force will be **December 8, 2021 at 7:00 PM**

The meeting was adjourned at 8:00 PM

Submitted,  
Mark Gold  
Task Force Chair

Documents to be considered part of these notes: Graphical Comparison of Towns