

A Special Meeting of the City Council was held on Monday December 2, 2019 in the Basement level of City Hall, 45 School St., Brockton, MA. Councilor Sullivan presiding. The meeting was called to order at 6:35pm with ten members present. Councilor Derenoncourt absent.

Councilor Cruise asked for a moment of silence for four valued past city employees who recently passed: former Plumbing Inspector Fred Canducci, former Police Captain Eric Nordeen, Jack Borges and Betty Cesarini.

Councilor Sullivan explained that the meeting was held in the Basement of City Hall due to a circuit issue with the new elevator. The repairs have been expedited. Brockton City Hall will be closed on Tuesday, December 3, 2019 as well as Brockton Public Schools, due to the impending snow storm. Thanks to everyone who works for the City along with the City Clerk to help accommodate this move.

**SPECIAL MEETING OF THE BROCKTON CITY COUNCIL  
MINUTES**

Basement Level, City Hall,  
45 School St., Brockton, MA  
Monday December 2, 2019  
6:30pm

Call of the meeting

Accepted and Placed on file.

Officer's return of notice

Accepted and Placed on file.

**HEARING**

Ordered: That the City Council hereby determines the percentages of the local tax levy for FY2020 in accordance with the provisions of M.G.L., Ch. 40, Section 56, to be borne by each class of real property, as defined in Section 2A of Chapter 59, and personal property.

Written and oral arguments will be taken at this time.

All other related matters

Accepted and Placed on file.

The Public Hearing was opened by the Council President. Councilor Sullivan asked if anyone was in favor to come forward.

City Assessor John O'Donnell made a statement concerning FY2020 tax rate classification hearing. Thanked entire Assessor's office staff for their assistance and support all year. The assessed values for FY2020 represents the estimated market value as of January 1, 2019 using verified sales data from calendar year 2018. Assessors are required to fairly assess 27,552 parcels in the city, 24,277 residential, 1737 commercial and industrial and 1558 personal property accounts. The total taxable value of all real and personal property in the City for FY2020 is \$8,426,282,008, which is a 7.43% increase from FY2019 and the highest taxable value ever for the City. This year, the City added \$1,769,849 in new growth tax dollars. The median single family assessed value in FY2020 has increased 7.24% from \$261,200 to \$280,100, two family has increased 2.34% from \$331,450 to

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**HEARING (cont'd)**

\$339,200, and three family has increased 5.76% from \$383,700 to \$405,800. The median commercial assessed value has increased 5% from \$240,750 to \$252,786 and median industrial value has increased by 5% from \$254,300 to \$267,015. People often associate rising assessments with rising taxes. This is not the case. Rising budgets cause rising taxes. The purpose of tonight's hearing is to adopt a residential factor. The City Council will decide how much the owners of residential properties will pay and the amount commercial, industrial and personal property will pay. This decision is what creates two tax rates or a split rate in the City. The split tax rate taxes commercial, industrial and personal property at a higher rate than residential. If there is no shift, there would be one rate and based upon this year's levy a single rate for the City would \$17.69. If the Council decided on a single rate, the median single family tax bill would increase \$895, two family by \$849, three family by \$1,268, commercial would decrease by \$3,152, industrial would decrease by \$3535. Last year, The City Council voted to set the FY2019 shift factor at 1.73. This meant that commercial, industrial and personal property, while representing 17.17% of the total taxable value paid 29.7% of the total taxes. Brockton continues to have the lowest average single family of all surrounding towns, based upon FY2019 data. The average single family bill was \$4,204 which was a \$284 increase from FY2018. The average tax bill in the City was \$1,051 lower than the surrounding towns.

Councilor Eaniri arrived at 6:45 PM.

Chris Cooney from Metro South Chamber of Commerce spoke on behalf of the business community. Mr. Cooney complimented the Assessor for the comprehensive and timely information which tells a story. This has been great until the last 7-8 years where Brockton's residential tax burden has stayed pretty low, while commercial has risen higher than other gateway cities south of Boston and higher than nine towns in this region that do not have a split tax rate. The burden on the business community has risen, but the demand has not. The valuations aren't as high but they are paying a larger percentage. Mr. Cooney asked the Council to focus efforts on using the resources in the City to attract more businesses because every time you attract a new business, it offsets the taxation on the residents.

Councilor Sullivan closed this part of the hearing.

Councilor Sullivan asked if you are opposed to come forward.

Euclides Gonzalez of 14 Market St. spoke regarding residential taxation with concerns regarding senior citizens paying above their means. Made mention of a \$50 break available to seniors. Also stated that if there were tax benefits to businesses that hired from the city that the City would also benefit.

Councilor Monahan arrived at 6:50PM.

Councilor Sullivan made a point of information regarding the ordinance for volunteer work program for veterans and seniors to volunteer time at city establishments and if qualified receive a price reduction for real estate taxes. Stated not familiar with \$50 break that was referenced.

Councilor Beauregard made reference to newsletter for Council of Aging which can provide more information for seniors.

Councilor Sullivan closed this part of the hearing bringing the matter before full council.

Councilor Cruise stated the Council is dangerously close to the limit to where the tax factor can be changed in favor of the homeowner. Expressed concern that if

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**HEARING (cont'd)**

there is a year with a cataclysmic event for the City, there is not much room to grow. Attraction of businesses will help the homeowners in the long term. Has been trying for years to get the factor back down around 1.50 and if started years ago would have been less painful for the homeowner. Hopes to get to a factor of 1.72 or 1.71. The public doesn't understand when businesses leave; the tax levy remains and needs to be replaced, falling to the homeowners. When businesses are attracted and stay, this helps all. Would like tax rate to be reduced by 1-2 points to help attract new businesses. Acknowledged that most of the City businesses are small businesses and the tax burden is a problem for them.

Councilor Farwell asked a question of Assessor O'Donnell. Where is the City in respect to granting either tax increment exemptions or tax increment financing? Assessor O'Donnell confirmed Brockton is the only community in the area with tax increment exemptions.

Councilor Farwell asked a question of CFO Troy Clarkson. Realistically, you would need hundreds of millions worth of businesses to reduce below the 2.5 levy because everything we pay for is rising faster than 2.5%?

CFO Clarkson responded that the issue is more related to the value of commercial property and not to the budget and spending. In documentation shows residential values at over \$ 6 billion and commercial at \$1.6 billion. Residential properties make up 83% of total properties. In adopting a factor of 1.73, residential paid for 71.2% of tax. That is the shift been talking about. If commercial values increased significantly, that percentage shifts giving relief to tax payers. Increasing commercial value is the best was of changing the tax burden.

Councilor Farwell asked if hard to define precisely how much of a value to make any kind of difference?

CFO answered yes, but analysis could be done.

Councilor Farwell commented that the other thing that hurts is that some of the City's largest employers pay absolutely no taxes, including Brockton Hospital, VA Hospital and YMCA. The City provides all services, including police and fire, yet homeowners, commercial and industrial taxpayers subsidize these businesses. Should be investigated by the legislature to create some type of pilot payment in lieu of taxes to be made by these large non-profits, with CEOs making \$300,000-\$600,000 a year. Believes rate needs to stay at 1.73.

Councilor Sullivan asked for any further comments. Councilor Cruise followed up with his understanding for Councilor Farwell's frustration regarding pilot programs, but that is a national or state problem that Council does not have the ability to address. By moving even one percentage point, we can help make the commercial property attractive against our competition which will bring in more business. This is not only regarding commercial tax, but also personal property tax.

Councilor Cruise made a motion that the Council goes to 1.72 for the tax factor. The motion was properly seconded. Adopted by a roll call vote taken by "yeas" and "nays"; ten members present with seven votes in the affirmative. Councilors Asack, Farwell and Sullivan voted in the negative. Councilor Cruise motioned to file for reconsideration with the wish that it not prevail and was properly seconded.

A two minute recess taken at 7:05 PM.

Council called back in session at 7:15PM

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**HEARING (cont'd)**

The City Clerk read the order. That the City Council hereby determines the percentages of the local tax levy for FY2020 in accordance with the provisions of M.G.L., Ch. 40, Section 56, to be borne by each class of real property, as defined in Section 2A of Chapter 59, and personal property.

Residential	71.5049%
Commercial	9.7040%
Industrial	3.4766%
Personal Property	5.3145%
Total	100%

The facts of such classification shall be 1.72.

Adopted by a roll call vote taken by “yeas” and “nays”; ten members present with eight votes in the affirmative. Councilors Farwell and Sullivan voted in the negative. Councillor Derenoncourt absent. Councilor Cruise motioned to file for reconsideration with the wish that it not prevail and was properly seconded. Reconsideration failed by a hand vote.

Adjourned at 7:20 PM