OCTOBER 28, 2025

Watertown City Council

Administration Building
149 Main Street
Watertown, MA 02472
Phone: 617-972-6470

CITY COUNCIL MEETING
TUESDAY, OCTOBER 28 2025, 6:00 P.M.
RICHARD E. MASTRANGELO COUNCIL CHAMBER
ADMINISTRATION BUILIDING, 149 MAIN STREET

MINUTES

ACCESS INFORMATION:
A. This meeting will be held on October 28, 2025 at 6:00 PM in the Richard E. Mastrangelo Council Chamber
B. The meeting will be televised through WCATV (Watertown Cable Access Television): http://vodwcatv.org/CablecastPublicSite/?channel=3
C. The Public may join the virtual meeting online: https://watertown-ma.zoom.us/j/92991331344
D. Public may join the virtual meeting audio only by phone: (877) 853-5257 or (888) 475-4499 (Toll Free) and enter Webinar ID: 929 9133 1344
E. Public may comment through email: vpiccirilli@watertown-ma.gov
F. Please Visit the City Council Website here: https://www.watertown-ma.gov/350/City-Council

1. ROLL CALL

Council President Sideris called to order a regular meeting of the City Council at 6:00 p.m. in the Richard E. Mastrangelo Chamber, Administration Building. Those present were Councilors John M. Airasian, Caroline Bays, Lisa J. Feltner, John G. Gannon, Nicole Gardner, Emily Izzo, Anthony Palomba, Vice President Vincent J. Piccirilli, Jr., and Council President Mark S. Sideris. Also present were George Proakis, City Manager, Mark Reich, City Attorney, Brendan T. McCarthy, Council Clerk, and Doug Newton, Municipal Policy Analyst.

2. PLEDGE OF ALLEGIANCE

3. PUBLIC FORUM

There were no participants in Public Forum.

4. EXAMINATION OF RECORDS OF PREVIOUS MINUTES

A. Minutes from City Council Meeting October 14, 2025

Councilor Piccirilli moved to adopt the minutes from the meeting of October 14, 2025 and Councilor Feltner seconded.

The motion carried unanimously in a Voice Vote.

5. PRESIDENT'S REPORT

President Sideris stated that the School Committee has a recent report on MCAS scores in town, and that that information is available on the school website.

6. DISCUSSION ON SPECIAL MATTERS

A. Discussion on Options for the Watertown Middle School

President Sideris invited Christy Murphy of Vertex to the podium for a presentation of information regarding the Middle School (presentation attached).

Christy Murphy – Vertex – Presented slides on the feasibility study for the Watertown Middle School. What was studied was a base repair option (bringing the school up to all codes at $87.8 million option), a comprehensive renovation (all of the base repair with reconfiguration of teaching cluster models on the second floor - $133 million option), an addition and renovation project for $121.4 million, and a new construction model for $124.5 million. They were asked to address the latter two options to get them to a tighter figure as the approved original budget was $84.7 million. Ultimately the smallest those figures could get with feasible cuts would be $116 and $112 respectively. After those numbers were articulated, the City Manager and Council President asked for figures for another scenario that represented prioritized upgrades. That ranged from $13.9 million to $27.7 million, and the reason for the range relates to being conscious of improvements relative to assessed value of the property, and formula that could trigger ADA overhaul requirements that would cost in the $80 million range.

City Manager Proakis remarked that previous new growth years have allowed Watertown to absorb inflationary costs of construction, but now that new growth has slowed down and other factors like interest rates and tariffs presenting unclear circumstances, it becomes challenging to be able to address Watertown Middle School the way they had hoped to. It isn't impossible to build a new school, but the city would lose flexibility in the budget and cast doubt on other endeavors. He then remarked on the delicate threshold concerning ADA requirements, as well the "rush" to decide on the school being due to the current modulars that the high schoolers use being part of the budgeted projections for middle school renovations.

Councilor Gannon asked what the education benefits from the proposed limited updates were.

President Sideris replied that many of the upgrades will not be noticed by the students, such as a new roof and solar panels.

Christy Murphy replied that HVAC in the auditorium and gym, an improved ADA vestibule, and outdoor space improvements would be felt by students, but the majority of the updates would be maintenance for the building.

Councilor Gannon asked what the debt service would be for the original plan of the school.

City Manager Proakis replied that with the $70 million of borrowing that was originally projected, the top year of debt service was FY29 at $5,408,00, which brings total debt service number up to $98 million.

Councilor Gannon asked what the average of last five years of free case certified was and asked if the project could be funded by free cash.

City Manager Proakis replied that the average was about $30 million. There is nothing illegal about rebalancing the use of free cash for the operating budget and debt services, but it isn't necessarily prudent to use more and more free cash to fund the operating budget as the goal is for free cash plus general stabilization to equal between 8-15% of the entire city budget.

Councilor Gannon noted that Watertown is paying down OPEB liability until 2031, and asked if those funds would be available after that time.

City Manager Proakis stated that the numbers are in the 3-4 million per year, and that while those funds would probably be available in operating costs, the estimates for the middle school are timely and current. By going forward with the school, they would have to reduce OPEB contributions, senior center contributions, as well as open space and affordable housing.

Councilor Palomba asked what the monthly cost of the modulars are.

Christy Murphy replied that they are roughly $136,000 a month in lease value after the cost of building them.

Councilor Gardner asked for clarification on timing of triggering the 30% of improvements to assessed value threshold.

Christy Murphy replied that it is a continuous 36 months.

Councilor Gardner asked for an explanation as to how the original scope of $84.5 million turned into well over $100 million.

President Sideris replied that the original price did not include modulars and soft construction costs. He continued to explain that they originally hired an architect to present a pitch, but that presentation lacked harder numbers that the feasibility study would prove.

Councilor Gardner asked what the forecast of inflation will look like in the near future compared to the recent past.

Christy Murphy replied that recent years have been off the charts, but that they are hopeful that escalation will go forward with a typical 3.5% annually.

Councilor Izzo asked for clarification of the cost for proposed updates without meeting the 30% assessed value threshold.

Christy Murphy replied that the value of updates would be $13.9 million, and the full all-in figure is $27.7 million.

Councilor Izzo asked how many years the CIP update proposal would buy the school before needing a band new school.

Christy Murphy replied that it will do a good deal of help in terms of the condition of the building, but that there are still concerns with classroom sizes going into the future.

Councilor Feltner asked for the assessed value of the building.

Christy Murphy replied that the assessed value is a little over $24 million.

City Manager Proakis added that assessments on public buildings aren't always up to date, and that the assessor's office will be asked to re-evaluate prior to any work being done.

Councilor Feltner recognized the importance of emphasizing ADA requirements, but also expressed that the function of the school will still be significantly lacking without having a full rebuild that addresses educational needs.

Councilor Piccirilli asked if the proposed $112 million number for a proposal of a new school is still an accurate number.

Christy Murphy replied that it is still good, but that they have lost a couple of months in terms of planning which will add to that price.

Councilor Piccirilli noted that the number isn't firm and recalled that the price of High School continued to rise about $20 million even after the MSBA process. He remark that the City had not planned on building a new Watertown Middle School, but rather went into a feasibility study to see if it was possible. Per the 2017 Building for the Future Plan, what was promised to the community were updates for the school for the near future, or a bridge until they could build a new one. He stated that it is not a question of "if" they should build a new school, but "when". Considering a rise in school population over recent years, and a strong potential for that figure to continue to grow, we may need an even larger school than the current proposal. He suggested that perhaps they should see what happens over the next few years and build a school that will better suit the needs of the community.

Councilor Bays asked if there is a known percentage of building materials that are sourced outside the country, and also asked when the Home Rule Petition is likely to get passed by the state.

Christy Murphy replied that she didn’t have an answer for foreign materials, and that that percentage would vary greatly depending on the plan.

City Manager Proakis replied that it is difficult to predict when the state will address Watertown’s Home Rule Petition, but he has expressed to our delegation that he needs to know what is going to happen by February or March of ’26.

Councilor Palomba asked if opting for the CIP improvement proposal will add any storage space for the school, which it is currently lacking.

Christy Murphy replied that there will be a reallocated space for storage.

Councilor Gannon stated that he has served in communities that have achieved building schools or large renovations in leaner fiscal times, and asked how we can reengineer the plan to give the most to the community now. He inquired about possibilities for finding options somewhere in between CIP updates and a full new building now, and stated that prices will only go up in the future.

School Superintendent Dr.Galdston replied that the model for how schools were built 100 years ago was a factory model, whereas now the model is a cluster or grouping model. It is not possible to achieve the cluster model in the 1922 portion of the middle school. There are also several special needs programs that are restricted with the building itself. While they are hampered by the building itself, the punch list of CIP updates does include improved landscaping of outdoor spaces that would be a great benefit for the students. In short, she believes that, while she can’t control when a new school is built, the building itself has reached a point of no return, and that there plainly needs to be a new structure to achieve the educational goals that the community deserves.

Councilor Izzo repeated her question of how much time the CIP updates would buy.

School Superintendent Dr Galdston replied that it is a bit of crystal ball question. She said that it’s her opinion that they need a new school regardless, but it updates will be helpful in the short term.

Councilor Gardner stated that she doesn’t want to settle for a smaller or less innovative plan, and asked if there is even any value in a “settling” type plan.

Dr. Galdston replied that she does not believe there is value in a “settling” type plan, that she is advocating for a new building, and that if Watertown cannot afford it now, that they should wait until they can produce the full package.

Councilor Gardner asked if Dr. Galdston feels comfortable with the size of the proposals considering the growing population.

Dr. Galdston replied that she does anticipate a rising student population, though that may vary, but that new buildings are built for flexibility to house more students than factory models.

Councilor Feltner remarked on the scale of aspects to consider with this project, but noted that current circumstances for the students are not close to the standards they have for the other schools in town.

Councilor Palomba asked for clarification of cost disparity of each proposal from their original numbers.

President Sideris remarked that it is mostly related to the modulars.

City Manager Proakis added that there will also be some escalation costs in the MSBA improvement grants that would have to be paid back if they decided to tear down and start a new before the depreciation of those improvements. He estimated that the most palatable $112 million proposal would likely slip up to $115 million.

Councilor Piccirilli asked how they could make up the $25 million dollar gap from the preferred proposal's original incorrect figure to what it is now if the City Council were to pursue it.

City Manager Proakis replied that they would have to take $95 million in borrowing which would have significant impacts on the fiscal year budget through 2033.

Councilor Gardner remarked that there should be continued economic growth from the development of Watertown Square, including additional housing projects, and the quicker those projects are done, perhaps the quicker funds may be available to build a full project school.

Councilor Gannon asked if differing building a new school would incur an issue with accreditation.

Dr. Galdston responded that accreditation only applies to the high school levels.

President Sideris stated his concerns of spending $27 million of tax money, and asking for waivers, to put into a school that would still be clearly lacking of necessary improvements. He credited the teachers and Dr. Galdston's administration for making it work in the current buildings as is. He also remarked on concerns about other projects that are planned for the community. He then stated that he will not be asking for a vote on this tonight as it is a huge decision. He concluded by saying that the challenge will be to balance the needs of the school with the other needs of the community within the CIP.

7. MOTIONS, ORDINANCES, ORDERS, AND RESOLUTIONS

A. First Reading on a Proposed Loan Order that the sum of $2,200,000 is appropriated to pay the costs of construction and oversight of roadway, sidewalk and utility reconstruction of Fifth Avenue, as more fully described in the City's Fiscal Year 2025 through 2029 Capital Improvement Plan, including all other costs incidental and related thereto; and that to meet this appropriation, the Treasurer, with the approval of the City Manager, is authorized to borrow said amount under and pursuant to M.G.L. c.44, §7(1), or pursuant to any other enabling authority, and to issue bonds or notes of the City therefore.

City Manager Proakis remarked that this item aligns with line 323 of the CIP and thanked the DPW for getting it to this point.

B. Resolution Authorizing a Transfer of Funds in the amount of $175,470 from the Fiscal Year 2026 City Council Reserve to the Fiscal Year 2026 Transfer to Capital Projects - Public Buildings account

City Manager Proakis stated that this transfer represents replacing mechanical equipment on the DPW roof.

Councilor Piccirilli moved to approve the transfer and Councilor Feltner seconded.

The motion carried unanimously in a Roll Call Vote.

C. Frist Reading on a Proposed Order Allocating the Property Tax Levy Among of Between Property Classes for Fiscal Year 2026

City Manger Proakis presented the first reading which illustrates a maximum split of commercial to residential tax to 175%.

8. COMMUNICATIONS FROM THE CITY MANAGER

City Manager Proakis announced the early voting for the upcoming election and the final swap shop day on November 1st .

9. REQUESTS FOR INFORMATION/REVIEW OF LIST OF PENDING MATTERS

Councilor Feltner asked when the City Annual Reports for 2023 and 2024 can be expected, and what the punch lists is for remaining projects at Arsenal Park.

10. ANNOUNCEMENTS

President Sideris noted that the next City Council Meeting will take place on Wednesday, November 12th.

11. PUBLIC FORUM

There were no participants in Public Forum.

12. RECESS OR ADJOURNMENT

Councilor Piccirilli made a motion to adjourn and Councilor Feltner seconded.

The motion was adopted unanimously in a Roll Call Vote.

The meeting adjourned at 8:20 p.m.

I hereby certify that at a regular meeting of the City Council for which a quorum was present, the above minutes were adopted by a vote of 8 for, 0 against, and 0 present on November 12, 2025.

Mark S. Sideris, Council President
s:/BTM

ELECTED OFFICIALS

Mark S. Sideris,
Council President

Vincent J. Piccirilli, Jr.,
Vice President &
District C Councilor

John M. Airasian,
Councilor At Large

Caroline Bays,
Councilor At Large

John G. Gannon,
Councilor At Large

Anthony Palomba,
Councilor At Large

Nicole Gardner,
District A Councilor

Lisa J. Feltner,
District B Councilor

Emily Izzo,
District D Councilor

City Council Meeting

Tuesday, October 28, 2025 at 6:00 PM

Richard E. Mastrangelo Council Chamber

Administration Building, 149 Main Street

List of Documents

1. Vertex Presentation – Item 6A
2. Loan Order – 5th Ave – Item 7A
3. Transfer of Funds – DPW Roof – Item 7B
4. Tax Classification – Item 7C

ADDENDUM TO THE MINUTES OF THE OCTOBER 28, 2025 CITY COUNCIL MEETING

City Council Meeting
Tuesday, October 28, 2025 at 6:00 PM
Richard E. Mastrangelo Council Chamber

Agenda

ACCESS INFORMATION:

A. This meeting will be held on October 28, 2025 at 6:00 P.M.. Location: Richard E. Mastrangelo Council Chamber

B. This is an in-person meeting - any remote access is provided solely as a courtesy and may not be relied upon as alternative access. Therefore, any interruption in remote access technology shall not interrupt the meeting, and the meeting will proceed accordingly in person. In the event of such interruption, in-person attendance is available and encouraged.

C. The in-person meeting will also be televised through WCATV (Watertown Cable Access Television): http://vodwcatv.org/CablecastPublicSite/watch-now?site=3

D. The public may join the in-person meeting online: https://watertown-ma.zoom.us/j/92991331344

E. The public may join the in-person meeting audio only by phone: (877) 853-5257 or (888) 475-4499 (Toll Free) and enter Webinar ID: 929 9133 1344

F. Public may comment through email: vpiccirilli@watertown-ma.gov

G. Please Visit the City Coucnil Website here: https://www.watertown-ma.gov/350/City-Council

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1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. PUBLIC FORUM
4. EXAMINATION OF RECORDS OF PREVIOUS MEETINGS
   A. Minutes from City Council meeting October 14, 2025
5. PRESIDENT’S REPORT
6. DISCUSSION ON SPECIAL MATTERS
   A. Discussion on Options for the Watertown Middle School
7. MOTIONS, ORDINANCES, ORDER, AND RESOLUTIONS
   A. First Reading on a Proposed Loan Order that the sum of $2,200,000 is appropriated to pay the costs of construction and oversight of roadway, sidewalk and utility reconstruction of Fifth Avenue, as more fully described in the City's Fiscal Year 2025 through 2029 Capital Improvement Plan, including all other costs incidental and related thereto; and that to meet this appropriation, the Treasurer, with the approval of the City Manager, is authorized to borrow said amount under and pursuant to M.G.L. c.44, §7(1), or pursuant to any other enabling authority, and to issue bonds

or notes of the City therefor.

B. Resolution Authorizing a Transfer of Funds in the amount of $175,470 from the Fiscal Year 2026 City Council Reserve to the Fiscal Year 2026 Transfer to Capital Projects - Public Buildings account

C. First Reading on a Proposed Order Allocating the Property Tax Levy Among of Between Property Classes for Fiscal Year 2026

8. COMMUNICATIONS FROM THE CITY MANAGER
9. REQUESTS FOR INFORMATION/REVIEW OF LIST OF PENDING MATTERS
10. ANNOUNCEMENTS
11. PUBLIC FORUM
12. RECESS OR ADJOURNMENT

ELECTED OFFICIALS

Mark S. Sideris, Council President	Vincent J. Piccirilli, Jr., Vice President & District C Councilor	John M. Airasian, Councilor At Large
Caroline Bays, Councilor At Large	John G. Gannon, Councilor At Large	Anthony Palomba, Councilor At Large
Nicole Gardner, District A Councilor	Lisa J. Feltner, District B Councilor	Emily Izzo, District D Councilor

CITY COUNCIL ATTENDANCE
MEETING DATE: OCTOBER 28, 2025

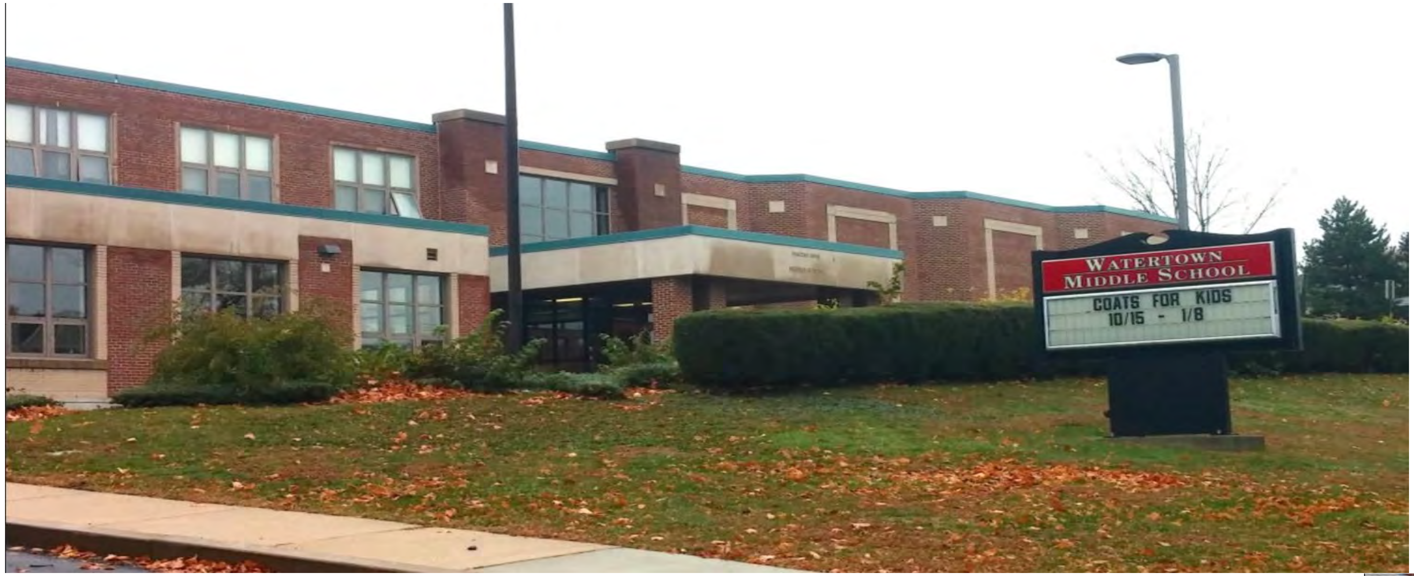
	YES	NO	PRESENT
JOHN M. AIRASIAN	X		
CAROLINE BAYS	X		
LISA J. FELTNER	X		
JOHN G. GANNON	X		
NICOLE GARDNER	X		
EMILY IZZO	X		
ANTHONY PALOMBA	X		
VINCENT J. PICCIRILLI JR.	X		
MARK S. SIDERIS, COUNCIL PRESIDENT	X		

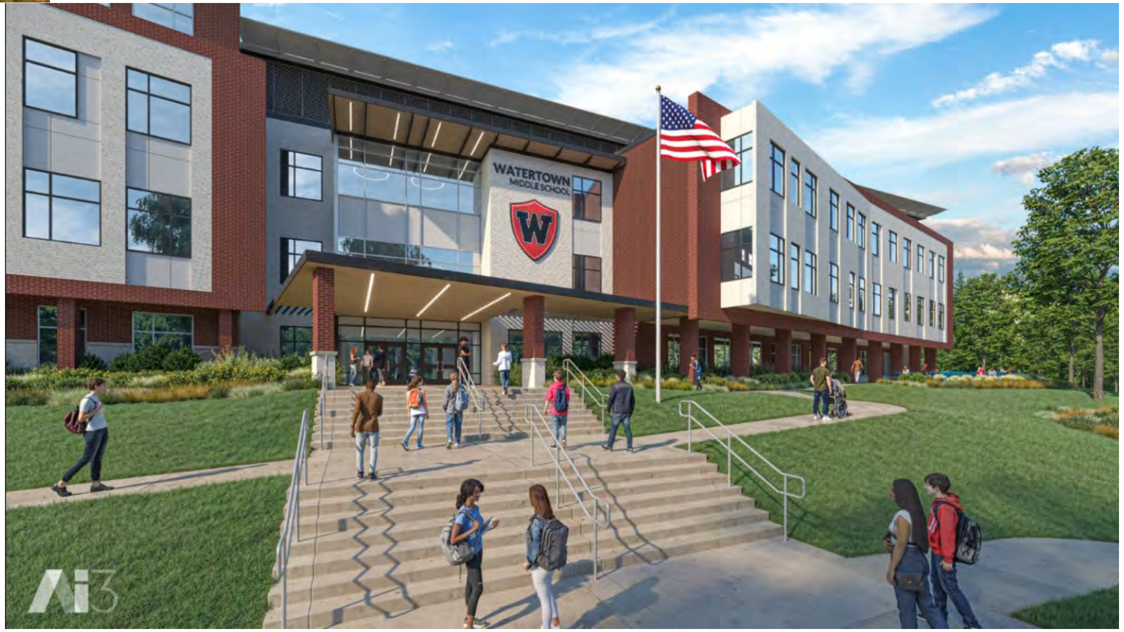
CITY COUNCIL ROLL CALL VOTE
MEETING DATE: OCTOBER 28, 2025

	YES	NO	PRESENT
JOHN M. AIRASIAN	X		
CAROLINE BAYS	X		
LISA J. FELTNER	X		
JOHN G. GANNON	X		
NICOLE GARDNER	X		
EMILY IZZO	X		
ANTHONY PALOMBA	X		
VINCENT J. PICCIRILLI JR.	X		
MARK S. SIDERIS, COUNCIL PRESIDENT	X		

Motion to adopt the minutes from City Council Meeting October 14, 2025

Watertown Middle School – Presentation to City Council 10/28/25





VERTEX

Watertown Middle School – Feasibility Study Results

Preliminary Cost Range Estimates

06.17.2025

			ADD/RENO	ADD/RENO		NEW CONSTRUCTION	
	Option BR	**Option CR**	**Option 1** Original Budget Concept 600 Students	**Option 1A** 630 Students	**Option 1C** 630 Students	**Option 2B** 630 Students	**Option 2E** 630 Students
	Base Repair ONLY	Comp. Reno	Add / Reno	Add / Reno	Add / Reno	New Construction	New Construction
Estimated Duration	±18 months	±40 months	±18 months	±26 months	±48months	±26 months	±26 months
Estimates based on a Net Zero Ready building. Ref add-alternates for cost with on-site renewable power.	Add/New SF 0 SF Renovated SF 130,535 SF	Add/New SF 0 SF Renovated SF 130,535 SF	Add/New SF 66,325 SF Renovated SF 49,675 SF	Add/New SF 85,361 SF Renovated SF 44,689 SF	Add/New SF 46,191 SF Renovated SF 82,809 SF	Add/New SF 125,105 SF Renovated SF 0 SF	Add/New SF 125,105 SF Renovated SF 0 SF
Building Construction Cost	$49,603,300	$62,656,800	$48,740,038	$60,207,309	$59,835,528	$63,062,165	$64,212,887
Site, Demo, Haz. Mat., Temporary Construction	$1,250,000	$5,050,000	$5,798,083	$5,769,253	$5,388,053	$6,285,697	$6,295,362
General Conditions & Req's, Insurance, Estimating Contingency & Escalation	$15,409,416	$23,005,677	$16,323,490	$20,402,965	$23,631,677	$21,239,266	$21,527,118
Est. Construction Cost	$66,262,716	$90,712,477	$70,861,611	$86,379,527	$88,855,258	$90,587,128	$92,035,367
Project Soft Costs: FF&E, Tech, A/E/OPM fees, contingencies	$18,553,560	$31,788,331	$16,608,105	$26,245,524	$29,616,769	$23,322,177	$23,662,304
+ Moxley Modulars Rental	$4,978,473	$8,800,181	$2,963,500	$6,368,185	$10,189,893	$6,368,185	$6,368,185
Est. Total Project Cost[1]	**$89,794,749**	**$131,300,988**	**$90,433,216**	**$118,993,237**	**$128,661,920**	**$120,277,490**	**$122,065,855**
+ ADD Alts: PV + PV BBS	$0	$4,661,225	$0	$4,522,084	$4,522,084	$4,522,084	$4,522,084
+ ADD Alts: MEP + BMS Repl.	$0	$0	$0	$0	$0	$0	$0
+ ADD Alts: Bemis Imprvmts	$0	$0	$0	$176,850	$176,850	$307,080	$202,322
- DEDUCT Alt: Mod. Kitchen	($2,014,973)	($2,833,681)	($0)	($2,312,685)	($3,131,393)	($2,132,685)	($2,312,685)
Est. Total Project Cost[1]	$87,779,776	$133,128,531	$90,433,216	$121,379,486	$130,229,461	$122,973,969	$124,477,576
** Est. 1-Year Delay	$1,987,881	$2,721,374	$2,125,848	$2,591,386	$2,665,658	$2,717,614	$2,761,061
				Preferred Add/Reno			*Preferred New Construction*

**Construction Escalation for 1-year delay: Start of Construction Summer 2027 (construction cost only)

Vertex

Watertown Middle School – Preferred Options Refinement

	Updated Orig. $84.7M Budget	Presented 6/18	Revised	Delta	Presented 6/18	Revised	Delta
Option	1	1A	1A	1A	2E	2E	2E
Type of Construction	Add/Reno	Add/Reno	Add/Reno		New	New	
Delivery Method	DBB	DBB	CMR		DBB	CMR	
Square Footage	116,000	130,050	123,152	(6,898)	125,105	113,373	(11,732)
Number of Students	600	630	630	0	630	630	0
Number of Months of Construction	24	26	29	3	26	22	(4)
Construction Cost	$71,793,111	$86,379,527	$81,707,048	($4,672,479)	$92,035,063	$81,978,096	($10,056,967)
Soft Cost	$25,148,078	$30,301,024	$29,636,307	($664,718)	$27,717,764	$25,536,924	($2,180,840)
Alternates	$6,206,944	$4,698,934	$4,698,934	$0	$4,724,406	$4,724,406	$0
Project Cost	$103,148,134	$121,379,486	$116,042,289	($5,337,197)	$124,477,233	$112,239,426	($12,237,807)

Watertown Middle School – Capital Improvements Approach

CIP Tier 1 Items	
Roofing Upgrades & Solar	$3,500,000
Design & modernize/replace elevators	$1,200,000
Audit. & Gym HVAC units	$1,000,000
Security Vestibule New Addition	$2,000,000
Resurface parking & add EV charging stations	$500,000
Building masonry repointing	$250,000
Audit. Sound system & lighting upgrades	$600,000
Cafeteria upgrades	$300,000
Remove CR closets & blackboards / install shelving	$300,000
Full interior painting	$1,044,280
Replacing doors (security upgrade)	$783,210
Refresh stairs (treads)	$72,000
Lower level backfill projects after swing spaces removed	$875,000
Repurpose lower lockerooms to storage /free up other spaces	$100,000
Outdoor learning and landscaping/recess area	$500,000
Courtyard Enclosure / New Solution	$1,000,000
Bemis Street/Parking Improvements	$200,000
Total Construction Cost of Tier 1	**$14,224,490**

Notes:

- We prepared budget options with different scenarios including use of the modular school at Moxley
- Total Project Cost range from $13.9M to $27.7M
- This does not bring WMS up to current codes for building, life safety, or accessibility (ADA)
- This option will require significant coordination between the City's Building Department, Assessor, Disabilities Commission, and the Massachusetts Architectural Access Board

George J. Proakis
City Manager

CITY OF WATERTOWN

Office of the City Manager

Administration Building
149 Main Street
Watertown, MA 02472
Phone: 617-972-6465
www.watertown-ma.gov
citymgr@watertown-ma.gov

To: Honorable City Council

From: George J. Proakis, City Manager

Date: October 23, 2025

RE: Agenda Item – Proposed Loan Order

Attached is a request from Thomas D. Brady, Director of Public Works, seeking authorization for the Treasurer to borrow $2,200,000 for the reconstruction of Fifth Avenue. This aligns with Line 323 of the FY2025–2029 Capital Improvement Program (CIP).

While the City Council previously approved the long streets and connectors program for Riverside Street on November 26, 2024, Fifth Avenue was identified as design-complete and ready for bidding. During final bid preparations, the Department of Public Works identified necessary water utility upgrades, which have since been incorporated by the Engineering Division.

DPW now requests a modification to the original recommendation: to allocate Line 323 funding per CIP Recommendation #27 toward the reconstruction of Fifth Avenue.

I respectfully request the attached proposed Loan Order be placed on the October 28, 2025 City Council Agenda as a First Reading.

Thank you for your attention to this matter.

HINCKLEY ALLEN

28 State Street
Boston, MA 02109-1775
p: 617-345-9000 f: 617-345-9020
hinckleyallen.com

Chelsea A. Tryder
(617) 378-4209
ctryder@hinckleyallen.com

October 21, 2025

George J. Proakis
City Manager
Administration Building
149 Main Street
Watertown, Massachusetts 02472

RE: Draft Loan Order – Fifth Avenue Roadway Bonds

Dear George:

As requested, I suggest the following form of loan order to approve the borrowing of funds to pay costs of construction and oversight of roadway, sidewalk and utility reconstruction of Fifth Avenue:

> ORDERED: That the sum of $2,200,000 is appropriated to pay the costs of construction and oversight of roadway, sidewalk and utility reconstruction of Fifth Avenue, as more fully described in the City's Fiscal Year 2025 through 2029 Capital Improvement Plan, including all other costs incidental and related thereto; and that to meet this appropriation, the Treasurer, with the approval of the City Manager, is authorized to borrow said amount under and pursuant to M.G.L. c.44, §7(1), or pursuant to any other enabling authority, and to issue bonds or notes of the City therefor.

The order must be published at least five days prior to the holding of a public hearing with respect to the order and its final passage and requires the affirmative vote of at least two-thirds of all members of the City Council, as in the case of any other loan order for bonds.

Please call me if there are any questions about the suggested proceedings.

Sincerely,

/s/ Chelsea A. Tryder

Chelsea A. Tryder

CITY OF WATERTOWN
DEPARTMENT OF PUBLIC WORKS
124 ORCHARD STREET
WATERTOWN MA 02472

(P) 617-972-6420
(F) 617-972-6402

Thomas D. Brady
Director of Public Works

TO: Mr. George Proakis, City Manager

FROM: Mr. Thomas D. Brady, Director of Public Works TB

DATE: October 20, 2025

RE: Public Works Dept. – Fifth Avenue Funding Request

The Department of Public Works ("DPW") respectfully requests that the necessary actions be taken to authorize the Treasurer to borrow $2,200,000.00 for the construction and oversight of roadway, sidewalk and utility reconstruction of Fifth Avenue which is approximately 550 linear feet in length.

This request corresponds with Lines 323 of the Fiscal Year 2025-2029 Capital Improvement Program (CIP). The City Council reviewed and approved the long streets and connectors program for Riverside Street on November 26, 2024, pursuant to the Public Works Sub-committee's recommendation.

Upon review of three projects on the long streets and connector program; Forest Street and Springfield Street, Riverside Street and Fifth Avenue, Fifth Avenue design was complete and ready to proceed to bidding and construction.

In finalizing the bid package and performing additional due diligence, DPW determined that additional water utility improvements were required. The additional design improvements have been made by the engineering division and the project is ready for bid. DPW respectfully requests to modify the original recommendation to construct Riverside Street with funding from Line 323 per CIP recommendation #27 and proceed with the reconstruction of Fifth Avenue.

All goods and services related to these projects will be procured consistent with Massachusetts law. Thank you in advance for your consideration of this request.

CITY COUNCIL ROLL CALL VOTE
MEETING DATE: OCTOBER 28, 2025

	YES	NO	PRESENT
JOHN M. AIRASIAN	X		
CAROLINE BAYS	X		
LISA J. FELTNER	X		
JOHN G. GANNON	X		
NICOLE GARDNER	X		
EMILY IZZO	X		
ANTHONY PALOMBA	X		
VINCENT J. PICCIRILLI JR.	X		
MARK S. SIDERIS, COUNCIL PRESIDENT	X		

Motion to approve the transfer of funds in the amount of $175,470 from the Fiscal Year 2026 City Council reserve to the Fiscal Year 2026 Transfer to Capital Projects – Public Buildings account

Watertown City Council

Administration Building
149 Main Street
Watertown, MA 02472
Phone: 617-972-6470

RESOLUTION # 108 **2025 – R –** 108

RESOLUTION APPROVING A TRANSFER OF FUNDS FROM THE FISCAL YEAR 2026 CITY COUNCIL RESERVE TO THE FISCAL YEAR 2026 TRANSFER TO CAPITAL PROJECTS – PUBLIC BUILDINGS ACCOUNT

BE IT RESOLVED: That the City Council of Watertown hereby approves the transfer of funds in the amount of $175,470 from the Fiscal Year 2026 City Council Reserve to be transferred to the Fiscal Year 2026 Transfer to Capital Projects – Public Buildings account.

BE IT FURTHER RESOLVED: That a copy of said transfer is forwarded to the City Auditor and City Treasurer/Collector.

Council Member

I hereby certify that at a meeting of the City Council for which a quorum was present, the above resolution was adopted by a vote of 9 for, 0 against, and 0 present on October 28, 2025.

Brendan T. McCarthy, Council Clerk

Mark S. Sideris, Council President

CITY OF
WATERTOWN
Office of the City Manager

George J. Proakis
City Manager

Administration Building
149 Main Street
Watertown, MA 02472
Phone: 617-972-6465
www.watertown-ma.gov
citymgr@watertown-ma.gov

To: Honorable City Council

From: George J. Proakis, City Manager

Date: October 22, 2025

RE: Agenda Item – Transfer of Funds Request

The Public Buildings Department is requesting $175,470 to support the replacement of mechanical equipment on the Department of Public Works roof. Enclosed is a proposal from Inovis to replace four rooftop units at a cost of $159,519.

This project qualifies as a Chapter 25A energy improvement initiative and, as such, is exempt from public bidding requirements for energy-related projects under $300,000.

I respectfully request that this transfer be placed on the agenda for the City Council meeting scheduled for October 28, 2025.

Thank you for your consideration.

CITY OF WATERTOWN

Department of Public Buildings

Denise Moroney
Director of Public Buildings
124 Watertown Street, Suite 3F - Watertown, MA - 02472
Phone: 617- 686-3184
dmoroney@watertown-ma.gov

October 20, 2025

Dear Mr. Proakis,

The Department of Public Buildings is requesting $175,470 to support the replacement of the mechanical equipment on the DPW roof. We have the attached proposal from Inovis to replace the four units at a cost of $159,519. This project can be completed as a Ch25A energy improvement project which does not require bidding for up to $300,000 per energy project. The cost proposal does include a utility rebate incentive as outlined below:

Office Area 4 ASHPs	$195,344
Less: Utility Incentive	($35,825)
Total	$159,519
10% Contingency	$ 15,951
Total Funding Request	$175,470

If you could please support this request and forward it to City Council for approval at the October 28, 2025 meeting.

Thank you,

Denise Moroney
Director of Public Buildings

94 Reservoir Park Drive
Rockland, MA 02370
(617)-544-3200

10/22/2025

Solution: Install (4) ASHPs for Office Area

Site: DPW

Presented To:
Silas Fyler
TOWN OF WATERTOWN
Silas.Fyler@watertown.k12.ma.us

Prepared By:
Tony Castro
Solutions Consultant
tcastro@inovisenergy.com

Inovis Energy, Inc, is a turn-key implementer of energy efficiency measures. We provide our clients with a streamlined approach to energy conservation projects that makes the process efficient, clear, and successful.

We have included the necessary information for review of the above-mentioned project in this report. We hope you find our analysis clear and concise. If there are any specific questions, or additional information requested, please let us know.

Tony Castro

Tony Castro
Solutions Consultant
Inovis Energy, Inc.

94 Reservoir Park Drive
Rockland, MA 02370
(617)-544-3200

Solution: Install (4) ASHPs for Office Area

Proposed Scope of Work:

Inovis Energy is pleased to offer our proposal to replace the (4) existing standard gas-fired RTUs that serve the office area with (4) RTU ASHPs.

A general description of work is as follows:

SCOPE to Include:

Permits
Cut and make all equipment safe to be demolished
Disconnect and make safe gas piping
Crane and rigging
Disposal for (4) existing standard Gas-Fired RTUs

Furnish and install (2) model 50GEQM06A3A6-0A0A0 Carrier WeatherMaster Heat Pump

Furnish and install (1) model 50GEQM07A3A6-0A0A0 Carrier WeatherMaster Heat Pump

Furnish and install (1) model 50GEQM09A2A6-0A0A0 Carrier WeatherMaster Heat Pump

Furnish and install (4) equipment curbs
Electrical disconnect/reconnect
Reusing existing electrical disconnects
Reusing existing electrical feeds
One-year warranties on labor and materials
Prevailing Wage
Equipment start up
5 year factory warranty on electric heater
5 year factory warranty on compressor

Clarifications, Omissions, and Assumptions:

Exclusions:
Temporary utilities, heating and cooling
Sales Tax
Any wiring upgrades
Any new electrical disconnects
Any new circuit breakers
Any electrical panel up grades
Dielectric Breaks on Stainless Steel
Fire Protection
Duct Cleaning
Deductible for Owner/GC provided risk policy Gap Insurance
Miscellaneous Metals
Site Security

94 Reservoir Park Drive
Rockland, MA 02370
(617)-544-3200

Concrete Equipment Bases
Any Painting
Following Permits- Manual J report, D report and, Com check report
Any relocation of existing mechanical equipment
Fire alarm or fire protection work or relocation
No control work relating to the fire alarm system
No control work relating to the lighting control, security system
No warranty on equipment not purchased by Fraser Engineering
Lighting work
Backdraft dampers or dampers not shown
No seismic
Video Taping
Liquidated Damages
Natural gas piping
Any structural work
Any surface preparation, priming or painting
No third-party commissioning
Test and Balancing
Controls or BMS system
Any hazardous material removal (asbestos abatement, lead paint, etc.)
Freight
Quick ship fees
No structural engineered or stamped drawings
No overtime work
No bonds
No roof cutting, sealing, flashing, or patching
Increases in equipment or material prices

Financials:

Measure	Description	Total Cost	Incentive *	Net Cost	Therm Savings	kWh Usage	Cost Savings **
ECM #1	Install ASHPs, Office Area	$195,344	$35,825	$159,519	5,412	-12,831	$4,910
	TOTALS	$195,344	$35,825	$159,519	5,412	-12,831	$4,910

* Prescriptive Incentive. Utility to confirm incentive.
** Fuel savings based on a fuel cost of $1.50/therm, Electric expense based on $0.25/kWh

94 Reservoir Park Drive
Rockland, MA 02370
(617)-544-3200

AGREEMENT TO PROCEED

Customer: TOWN OF WATERTOWN

Site Address: 124 Orchard Street
Watertown, MA 2472

Solution: Install (4) ASHPs for Office Area

Terms & Conditions:
This is a turn-key proposal unless otherwise agreed upon by the customer and Inovis Energy, Inc. Labor, materials, and waste disposal are included in the project cost. The total installed cost is based on the included 'Scope of Work'. Any fixtures not included in the 'Scope of Work', or uncounted fixtures or areas that the customer would like to add to the contract are treated as a Change Order. Change Orders must be approved by the customer prior to installation. Any available rebates/incentives will be paid to Inovis Energy, Inc. unless otherwise noted, and will be considered partial payment for the project as outlined below.

Upon acceptance of this proposal (unless financing), the customer shall pay a deposit of 50% of the contract price. The customer understands that Inovis will incur certain mobilization expenses as a result of its undertaking this project. If the customer seeks to cancel the contract, Inovis will be entitled to 10% of the contract price to cover these mobilization expenses. If the customer cancels the project within three (3) days of signature, Inovis shall waive said mobilization expenses.

Due to supply chain volatility, this proposal is valid for a term of 30 days from the date listed below

Economics:

Total Project Cost	Est. Utility Incentive	Cost less Incentive
$195,344	**$35,825**	**$159,519**

Acceptance of Terms:
TOWN OF WATERTOWN approved the terms & conditions outlined above as well as the scope of work as provided. Unless financing, TOWN OF WATERTOWN . agrees to the following payment terms and amounts outlined below. Any unpaid invoices that exceed 30-day terms will accrue late fees of 2% per month. See Appendix A for potential financing options.

Payment Terms: $79,759 due upon contract execution (due upon receipt)
$79,759 due upon project completion (Net 30)

Client Accepted By:

Name:____________________

Title:____________________

Signature:____________________

Date:____________________

Inovis Energy, Inc Accepted By:

Name:____________________

Title:____________________

Signature:____________________

Date:____________________

CITY OF WATERTOWN
Auditor
Administration Building
149 Main Street
Watertown, MA 02472-4410

Megan Langan
City Auditor

Telephone: (617) 972-6460
Facsimile: (617) 972-6563

TO: GEORGE PROAKIS, CITY MANAGER

FROM: MEGAN LANGAN, CITY AUDITOR ML

DATE: OCTOBER 22, 2025

RE: AGENDA ITEM – TRANSFER OF FUNDS REQUEST

Per your request, please find attached a Transfer of Funds request in the amount of $175,470 from City Council Reserve to Transfer to Capital Projects, Public Buildings for the purpose of funding the replacement of the mechanical equipment on the DPW roof.

Thank you for your consideration in this matter.

TRANSFER AMOUNT $175,470

FROM:	FY 2026 CITY COUNCIL RESERVE 0111152-570780	$	175,470
TO:	FY 2026 TRANSFER TO CAP PRJ - PUB. BLDG 0193059-596509	$	175,470

I hereby certify to the availability, authority of funding source, mathematical accuracy and appropriate fiscal year.

10/22/25
DATE

CITY AUDITOR

Watertown Tax Classification Hearing
Fiscal Year 2026 - November 12, 2025

Classification

Massachusetts Law permits cities and towns to classify property according to use or property type, and to establish separate tax rates for the different classes. One hundred fourteen cities and towns in the Commonwealth have chosen to split or “shift” the single rate into two rates: a residential rate and a commercial/industrial/personal property (CIP) rate*. The shift in the tax rates is intended to help alleviate residential tax rates by “shifting” more of the tax burden onto the CIP class.

Watertown has adopted Chapter 200 of the Acts of 1988 amended M.G.L. c. 58, § 1A to allow cities and towns to give Residential property taxpayers greater tax relief by adopting a shift up to 175% of the property tax burden from Residential taxpayers to the Commercial, Industrial and Personal Property taxpayers, provided certain parameters are not exceeded.

Under Chapter 200,

- Commercial/Industrial/Personal Property taxpayers cannot pay more than 175% of their full and fair cash value share of the tax levy.
- Residential taxpayers must pay the *greater* of:
  - 50% of their full and fair cash value share of the levy, or
  - The lowest percentage share of the tax levy they have paid since classification began.
    - Watertown’s lowest residential percentage share of the levy, since classification began, is 61.2420%.

From Fiscal Year 2004 – Fiscal Year 2021, the Council has voted to adopt a 175% shift of the tax burden from Residential taxpayers to the Commercial, Industrial and Personal Property (CIP) taxpayers. In Fiscal Year 2022, the increasing CIP percentage triggered the lowest residential percentage resulting in the maximum allowable shift of 159.1528%. CIP continued to increase in Fiscal Year 2023, and the maximum allowable shift was 150%.

The Honorable City Council passed a resolution enabling Watertown to file special legislation seeking ability to lower the minimum allowable residential burden from 61.6240% to 50% provided the shift doesn't exceed 175%. In October of 2023, Chapter 58 of the Acts of 2023 passed in the Legislature and was signed by the Governor. This special legislation is in effect for Fiscal Years 2024, 2025 and 2026.

If the Council shifts the maximum allowed by law in Fiscal Year 2026, the shift will save the Residential taxpayers ***$37,039,146***. Further details to follow.

***Nearby communities with split tax rates include Boston, Brookline, Burlington, Cambridge, Canton, Dedham, Framingham, Lexington, Lincoln, Marlborough, Medford, Needham, Newton, Norwood, Quincy, Randolph, Somerville, Waltham, Westwood, Wilmington, and Woburn.**

Watertown Historic Assessments/Classification Report
Ten Year Lookback

Fiscal Year	Total Value	Residential Value	Residential Percentage	CIP Value	CIP Percentage
2026	**$13,113,904,400**	**$9,440,846,013**	**71.99%**	**$3,673,058,387**	**28.01%**
2025	$12,883,303,540	$9,192,796,208	71.35%	$3,690,507,332	28.65%
2024	$11,931,304,624	$8,502,470,850	71.26%	$3,428,833,774	28.74%
2023	$10,950,885,858	$8,100,534,759	73.97%	$2,850,351,099	26.03%
2022	$10,049,624,325	$7,602,271,296	75.65%	$2,447,353,029	24.35%
2021	$9,398,370,344	$7,342,750,000	78.13%	$2,055,620,344	21.87%
2020	$9,098,604,508	$7,209,091,371	79.23%	$1,889,513,137	20.77%
2019	$7,998,921,648	$6,382,738,095	79.79%	$1,616,183,553	20.21%
2018	$7,193,842,933	$5,808,343,439	80.74%	$1,385,499,494	19.26%
2017	$6,615,124,690	$5,387,245,133	81.44%	$1,227,879,557	18.56%
2016	$6,272,536,699	$5,088,998,429	81.13%	$1,183,538,270	18.87%

New Growth Fiscal Year 2026

	Historic	Historic	Historic	3 Year Avg.	Current
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Three-Year Average	Fiscal Year 2026
1-Family	$54,166	$78,240	$77,835	$70,080	$158,672
Condominium	$270,610	$279,604	$211,068	$253,761	$295,086
Multifamily	$152,720	$203,080	$95,658	$150,486	$101,763
Commercial	$966,561	$1,149,340	$0	$705,300	$0
Industrial	$4,202,589	$7,827,667	$2,735,035	$4,921,764	$1,370,447
Personal Property	$708,029	$1,062,095	$3,161,278	$1,643,801	$1,604,652
Total	**$6,354,675**	**$10,600,026**	**$6,280,874**	**$7,745,192**	**$3,530,622**

LEVY LIMIT, SINGLE TAX RATE

Calculating the Levy Limit

FY26 Levy Limit	**$168,575,918**
Plus 2.5%	**$4,214,398**
Plus, FY26 New Growth	**<u>$3,530,622</u>**
FY26 Levy Limit	**$176,320,938***

*4.59% increase over last year

Calculating a Single Tax Rate

Total Tax Levy/	**$176,320,938**
Total Assessed Value	**<u>$13,113,904,400</u>**
Single Tax Rate	**$13.45**

Comparison Shift Options: No Shift - Shift 175

CIP Shift	Res Share %	CIP Share %	Res Levy Amount	CIP Levy Amount	Res. Rate	CIP Rate	Residential Class Savings
1.00	71.99%	28.01%	126,935,409	49,385,529	$17.24	$13.45	0
1.10	69.19%	30.81%	121,996,857	54,324,082	$16.57	$14.79	$4,938,552
1.20	66.39%	33.61%	117,058,304	59,262,634	$15.90	$16.13	$9,877,105
1.30	63.59%	36.41%	112,119,751	64,201,187	$15.23	$17.48	$14,815,658
1.40	60.79%	39.21%	107,181,198	69,139,740	$14.56	$18.82	$19,754,211
1.50	57.99%	42.01%	102,242,645	74,078,292	$13.89	$20.17	$24,692,764
1.55	56.59%	43.41%	99,773,369	76,547,569	$13.55	$20.84	$27,162,040
1.60	55.19%	44.81%	97,304,092	79,016,846	$13.22	$21.51	$29,631,317
1.65	53.79%	46.21%	94,834,816	81,486,122	$12.88	$22.18	$32,100,593
1.70	52.38%	47.62%	92,365,539	83,955,399	$12.55	$22.86	$34,569,870
1.75	50.98%	49.02%	89,896,263	86,424,675	$12.21	$23.53	$37,039,146

SHIFT: 1.75 versus 1.5

	1.75 SHIFT	
Total Res Class Savings	Residential Parcels	Average Savings Per Parcel
$37,039,146	10,176	$3,640

	1.5 SHIFT	
Total Res Class Savings	Residential Parcels	Average Savings Per Parcel
$24,692,764	10,176	$2,427

	DIFFERENCE	
Savings Difference 1.75 v 1.5	Residential Parcels	Cost Difference Per Parcel
$12,346,382	10176	$1,213

COMMUNITY COMPARISON

When considering the impact of tax rates and shifts, it is useful to look beyond our borders to discover how nearby communities deal with similar issues. The next page provides a view of the tax structure of other nearby cities and towns for Fiscal Year 2025. Some of our neighbors have split tax rates while others do not. Generally, the smaller the commercial/industrial/personal property (CIP) share is of the total assessed value, the less benefit there is to shifting the tax rate. Arlington and Belmont both have very low CIP shares while Boston and Cambridge have high CIP shares. Boston and Cambridge also offer a large residential exemption percentage, which coupled with large commercial tax bases, serves to push down the average residential tax bill. While Newton does have a commercial shift, they have chosen not to utilize the residential exemption and consequently the average residential tax bill is higher. Waltham, which is most like Watertown in its socio-economic structure, has a much larger commercial tax base which results in a lower residential tax rate.

Taxpayers often cite that other nearby cities and towns have lower tax rates, but they fail to realize that the average residential assessments in those municipalities may be considerably higher. For example, Newton and Belmont have a lower rate, a taxpayer might conclude that taxes are lower than in Watertown. Newton and Belmont have much higher average residential values resulting in the average tax bill being much higher than Watertown's.

COMMUNITY COMPARISON FISCAL YEAR 2025

CITY/TOWN	RES. TAX RATE	CIP TAX RATE	RES %	CIP %	2021 SHIFT	2022 SHIFT	2023 SHIFT	2024 SHIFT	2025 SHIFT	AVG. RES. VALUE	RES. EX.	RES. EX. SAVINGS	AVG RES. R.E. TAX
BELMONT	**$11.39**	**$11.39**	**94.64**	**5.36**	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**	**$1,339,507**	**No**	**$-**	**$ 15,257**
NEWTON	**$9.80**	**$18.34**	**85.87**	**14.13**	**1.72**	**1.75**	**1.74**	**1.75**	**1.75**	**$1,441,127**	**No**	**$-**	**$ 14,123**
ARLINGTON	**$10.77**	**$10.77**	**94.73**	**5.27**	**1.00**	**1.00**	**1.00**	**1.00**	**1.00**	**$981,643**	**No**	**$-**	**$ 10,572**
BOSTON	**$11.58**	**$25.96**	**44.07**	**55.93**	**1.75**	**1.75**	**1.75**	**1.75**	**1.75**	**$983,027**	**35%**	**$3,984**	**$ 7,399**
CAMBRIDGE	**$6.35**	**$11.52**	**33.80**	**66.20**	**1.51**	**1.45**	**1.39**	**1.38**	**1.40**	**$1,664,210**	**30%**	**$3,170**	**$ 7,397**
WATERTOWN	**$11.68**	**$22.83**	**50.01**	**49.99**	**1.75**	**1.59**	**1.5**	**1.73**	**1.75**	**$907,023**	**35%**	**$3,708**	**$ 6,886**
WALTHAM	**$9.82**	**$21.04**	**38.67**	**61.33**	**1.75**	**1.75**	**1.75**	**1.75**	**1.75**	**$862,820**	**35%**	**$2,966**	**$ 5,507**

Lookback at Average Residential Value Taxes

Fiscal Year	Shift	Res. Tax Rate	Avg. Res. Assessment	Avg. Bill No Res. Ex.	Res. Ex. % Exclusion	Tax Dollar Deduction	Avg. Bill with Res. Ex.	% Change
2026	1.75	12.21	$927,756	$11,328	35	$3,965	$7,363	6.93%
2025	1.745	11.68	$907,035	$10,594	35	$3,708	$6,886	4.54%
2024	1.739	11.7	$840,331	$9,832	33	$3,245	$6,587	-9.84%
2023	1.5	13.58	$802,987	$10,905	33	$3,598	$7,307	4.00%
2022	1.59	13.25	$757,802	$10,041	30	$3,012	$7,029	4.28%
2021	1.75	12.25	$733,688	$8,988	25	$2,247	$6,741	0.98%
2020	1.75	12.14	$723,586	$8,784	24	$2,108	$6,676	4.58%
2019	1.75	12.88	$643,680	$8,291	23	$1,907	$6,384	4.78%
2018	1.75	13.47	$587,413	$7,912	23	$1,820	$6,093	2.71%
2017	1.75	13.89	$547,540	$7,605	22	$1,673	$5,932	4.70%
2016	1.75	13.68	$517,701	$7,082	20	$1,416	$5,666	4.33%

What is the Residential Exemption?

- Residential Exemption is a reduction of a fixed assessment amount off every qualified taxpayer's assessment.
- To qualify, you must apply, and you must own and occupy your home as your primary residence (domicile) as of January 1^{st}, 2025. Once approved, you do not need to apply every year. Recording a new deed with changes in ownership may require reapplying.
- The exemption is the same fixed amount for everyone that receives the exemption; lower assessed properties reap more of the benefit by having a larger percentage of their taxes reduced.
- The Residential Exemption is revenue neutral within the residential class. Investor-owned properties, apartment buildings, and higher-valued properties pay for the exemption.

Board of Assessors' thoughts on Residential Exemption.

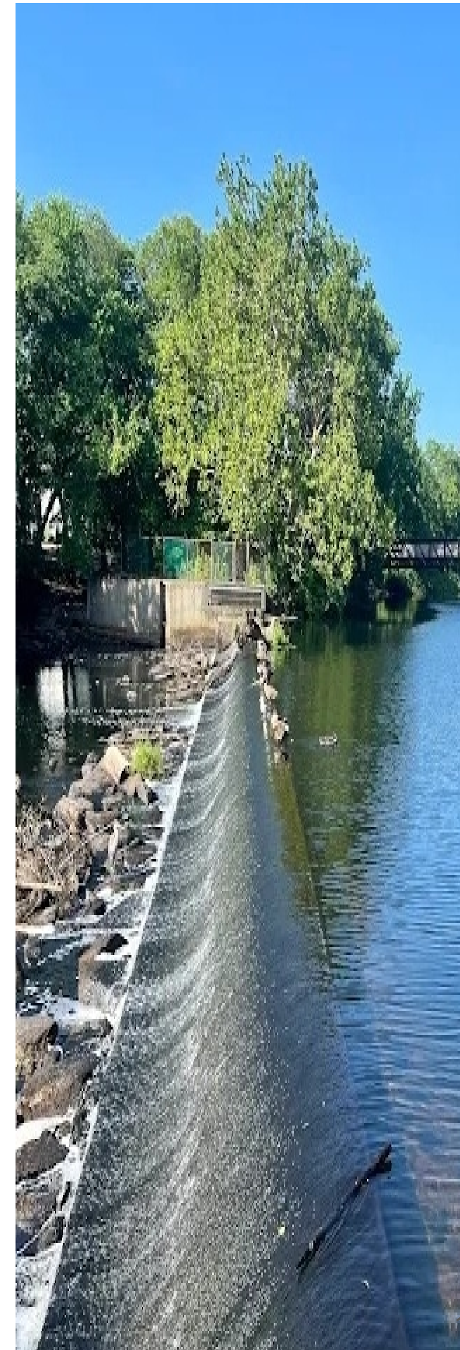
The Board of Assessors recommends maintaining the residential exemption at 35%.

That would be a value exclusion of $324,715 equating to a tax savings of $3965.

Summary

Item	FY25	FY26
Average Residential Assessment	$907,035	$927,756
Residential Tax Rate	$11.68	$12.21*
Average Tax Bill	$10,594	$11,328*
Residential Exemption (Tax Dollars)	-$3,707	-$3,965*
Average Residential Tax Bill with Residential Exemption	$6,887	$7363*
Total Residential Value	$9,192,796,208	$9,440,846,013
Total CIP Value	$3,690,507,332	$3,673,058,387
Total Real and Personal Property Value	$12,833,303,540	$13,113,904,400

*Projected Tax Rate and Residential Exemption. Contingent on Council maintaining maximum shift allowed by law and maintaining maximum Residential Exemption exclusion at 35%.



Recommendations:

Council adopt the maximum shift allowed by law which is 175%.

Council accepts the provisions of Chapter 59, section 5C approving a residential exemption and 35% value exclusion from the average residential property value.