

**Finance Committee Members Present:**

Christos Arsondiadis, Rob Barker, Dan Cole, Cynthia Holcombe, Emilio Mauro, Tim McKenna, Cindy Thomas, and Wai Wong.

**Finance Committee Members Absent:** Barbara Saint André.

**Guests Present:**

Charlie Aspinwall, Town Administrator

Yael Magen, Esq., Thomas A. Mullen, P.C. (representing James & Beatrice Salah Charitable Trust) (Articles 31 & 32)

Gene Manning, Economic Development Committee

Margaret Murphy, Chestnut Hill Realty (CHR) (Article 26)

Mark Porter, Chairman, Board of Selectmen

Michael Rak, Vice President, Spear Street Capital (Article 21)

Jim Murgia, Finance Director

Ellen Jones, Finance Committee Secretary

**Opening:** A meeting of the Canton Finance Committee was called to order by Chairman Barker at 7:03 p.m. on Monday, March 13, 2019, in the Salah Meeting Room of Town Hall.

**A. Approval of Agenda**

Chairman Barker reviewed the items on the agenda.

**B. Announcements**

There were no announcements.

**C. New Business**

Chairman Barker stated the Finance Committee would take Articles 31, 32 and 21 out of order, so that they could have a discussion with representatives of articles.

**Article 31 – Acceptance of Cedarcrest Road Extension as a Town Way &**

**Article 32 – Acceptance of Beatrice Way as a Town Way**

Attorney Magen provided the following overview of the street acceptances for Cedarcrest Road Extension & Beatrice Way:

- This project has been going on for the past two years. She is hopeful that it will be completed this year.
- An expensive new water pipe has been completed as required by the Town's Engineering Department. This water pipe was connected to Shawmut Road.
- An easement for this water pipe through 120 Shawmut Road for an additional five feet was also completed. This was another requirement by the Engineering Department. They have received a signed easement agreement and this revised-as-built plan and acceptance plan were submitted to the Town's Engineering Department.
- There were minor modifications to the as-built plans that was submitted to Engineering.
- Ms. Magen stated that she has been in contact with Ms. Grega of the Engineering Department who would inform the Finance Committee of the final approval on the plans.

The Finance Committee will vote on Articles 31 and 32 at a future meeting.

**Article 21 – Special Tax Agreement (STA) with Spear Street Capital**

Mr. Manning provided the following information regarding the former Reebok site:

- Spear Street Capital purchased the site in March 2018.
- The Town has a 20-year Tax Incremental Financing Plan (TIF) with the former owner (Adidas/Reebok) which is due to expire soon. This TIF is on the entire property – buildings and land.
- Spear Street Capital is requesting a five-year tax abatement plan.
- There are two parcels to the site.
- The parcel has been assessed at a total value of \$74.5 million. The land has been valued at \$32.9 million while the buildings have been valued at \$41.5 million. Spear Street is looking for an abatement on the value of the buildings only, not on the land.
- The STA agreement will be subject to review by the Massachusetts Department of Revenue.
- Both the Board of Assessors and Board of Selectmen have agreed to the five-year TIF.
- The assessment will be structured for each fiscal year as follows: Fiscal Year 1 – 50% tax abatement on the buildings; Year 2 – 40%; Year 3- 30%; Year 4 -20% and Year 5 – 10%.
- No additional abatements will be given during this five-year period.
- If the annual value of the buildings increase over 5%, Spear Street Capital may appeal the valuation with the Board of Assessors.
- The proposed agreement shall expire in 2025.
- There is no clawback provision because Spear Street Capital is the holding company (owner) not the leasing company.
- If Spear Street Capital sells the properties the STA becomes null and void.

Mr. Manning turned the discussion over to Mr. Rak.

Mr. Rak provided a brief overview of Spear Street Capital (see meeting documents) and their interest in the Canton site:

- Spear Street Capital is headquartered in San Francisco with ten employees located on the east coast and ten employees located on the west coast.
- They are focused on rebranding the facility to reintroduce the asset to the market to compete with the Back Bay area and downtown Boston facilities.
- The facility has been renamed “The Block”.

Mr. Murgia stated that the additional tax revenue to the Town for FY20 would be approximately \$174,497. There could be approximately 1,000 additional jobs at the facility with the opportunity for employment with local residents.

A Finance Committee member inquired about the use of the fields. Field use is currently being used by various groups in the community on a good will basis. Long term commitment to allow community use would be determined once the buildings are leased by tenants.

Mr. Mauro spoke in favor of the land being exempt from the special tax assessment. He praised the balance between encouraging redevelopment of the complex through an STA while remaining prudent on the taxation of the land.

## Article 26 – Granting and Accepting of Easements at the Canton Aquatic Center and Waterfall Hills at Canton

Ms. Murphy of Chestnut Hill Realty (CHR) provided the following information with regard to the easement being proposed by the Town to allow CHR to move its entrance to their Waterfall Hills apartments. If the Town provides the easement to CHR, CHR will provide the following (see meeting documents):

- CHR will gift approximately \$200,000 of landscaping at the entrance. Design to be approved by the Town of Canton.
- CHR will give the Town an easement for walking trails on CHR property. The Town will be responsible for the building and maintenance of the walking trails. Signage will be allowed on the CHR property for the trails.
- A memorandum of understanding will be executed with the Board of Selectmen.
- CHR will maintain the landscaping at a cost of \$10,000 per year.

In response to Mr. Mauro's question regarding whether the easement swap might have an impact on the pool replacement project, Mr. Aspinwall noted that the pool project would take precedence over the easement.

The discussion with Ms. Murphy from CHR ended at approximately 7:50 p.m.

Mr. Porter gave a fast-paced explanation of all of the Town Meeting articles in which the Board of Selectmen has an interest in, stopping when Finance Committee members requested answers to specific questions about articles.

The following are brief comments that were made about the articles:

- Article 21 – BOS supports the Special Tax Agreement that the Board of Assessors is proposing.
- Article 24 – Speed limits – The purpose of this allows the BOS to have more flexibility setting speed limits. If approved at Town Meeting, the BOS would hold a public hearing when there are proposed speed limit changes and it would need to be voted at a BOS meeting.
- Article 26 – BOS deferred to Annual Town Meeting (ATM) regarding the proposed easement swap at the Canton Aquatic Center and Waterfall Hills at Canton. There is no final document for the BOS to sign.
- Article 27 – Fines for business owners not implementing the plastic bag by-law have yet to be determined. The Finance Committee has not yet received a final version of the proposed by-law.
- Article 20 – Bolivar Pool – The BOS have voted to defer to Town Meeting. The BOS is expecting to have final numbers on the project cost of the pool sometime around March 27.
- Article 28 – BOS supports the short-term rentals article. The BOS looked into other Towns (Newton, Brookline & Somerville) for examples of language for the article.
- Article 27 – Plastic Bag Reduction – The Building Commissioner would give the BOS the authority to delegate beyond the Board of Health the responsibility for implementing the plastic bag reduction by-law. Fines for business owners not implementing the plastic bag by-law have yet to be determined. The Finance Committee has not yet received a final version of the proposed by-law.
- Article 31 – The BOS will most likely vote on these street acceptances prior to Town Meeting. By accepting streets as town ways, it allows the Town the ability to get additional Ch. 90 funds from the Commonwealth of Massachusetts. Mr. Porter stated that accepting additional streets was not in the best financial interest of the Town, but that "it is the right thing to do for equity".
- Article 43 – Veteran's Tax Program – This is in line with the Senior Tax Rebate Program.
- Article 44 – Pleasant Street Dam Project – The settlement with Canton Holdings on this was \$275,000.
- Article 45 – BOS is seeking a \$100,000 transfer from free cash to the Solar Stabilization Fund because it is possible that the revenue from lease payments and energy credits will no longer be enough to cover the cost of any rate increases/payments that the Town will have to pay for electric power in the future related to this solar power facility.
- BOS is in support of an approximately 4% budget increase for municipal budgets.

- Municipal Capital Requests – Mr. Porter spent a bit of time discussing the capital request for a traffic light at the intersection of Randolph Street and Washington Street. Estimated cost would be approximately \$500,000. Traffic studies (Washington Street Corridor) would need to be done but it would be more beneficial for the Town to wait until a few years after traffic lights have been installed and used and other currently pending development projects along Washington Street are completed. With regard to the 175 Dedham Street drainage, this \$115,000 request is being made through the capital process and is being requested for safety reasons.
- Mr. Porter invited members to a Traffic Committee meeting on Tuesday, March 12.
- With regard to a resident’s (Mr. Shane) attendance at a recent Finance Committee meeting regarding the testing of Canton water, Mr. Porter stated that the Town is doing everything that is required by the state and Massachusetts Department of Environmental Protection (DEP) and within the schedule set by the DEP.
- Article 11 – 2 new Revolving Funds – #152 Paul Revere Heritage Site Museum and #142 Paul Revere Heritage Site Rolling Mill and Open Space – Town Counsel suggested removing “Fees related to development, development and mitigation payments” from both of the motions.

The discussion with Mr. Porter and Mr. Aspinwall ended at approximately 8:50 p.m.

The Finance Committee discussed and voted on the following ATM articles:

**Vote – Article 5 – Collective Bargaining Agreements under the Board of Selectmen**

A motion made by Mr. McKenna to recommend that the sum of One Hundred Eleven Thousand Eighty Five Dollars (\$111,085) be raised and appropriated from the fiscal year 2020 tax levy and other revenues of the Town in order to fund cost items, not included in departmental budgets appropriated for fiscal year 2020, to Department #910’s budget for collective bargaining agreements entered into by the Board of Selectmen as may be reached after the conclusion of this town meeting between the Town of Canton and bargaining units, such sums to be allocated to pay for the relevant departments’ payroll expenses from budget classification Department #910 as determined by the Finance Director was seconded by Ms. Holcombe. **Vote: 8-0-0.**

**Vote – Article 6 – Personal Service Contracts under the Board of Selectmen**

A motion made by Mr. McKenna to recommend Article 6 as written was seconded by Ms. Holcombe.

Mr. Murgia recommended that the Committee indefinitely postpone Article 6. He stated that there was no impact on the budget for next year. State law requires towns to approve contracts that are collectively bargained and that this article is unnecessary. The raises for personal service contract employees have already been built into the FY20 budget requests.

Mr. McKenna withdrew his motion. **A motion made by Mr. McKenna that the subject matter of Article 6 be indefinitely postponed was seconded by Ms. Holcombe. Vote: 8-0-0.**

**Vote – Article 9 – Adjust Fiscal ’19 Accounts** – The Finance Committee had been presented with a draft motion for Article 9, Motion 4. The motion contained the following language:

**MOVED: That the sum of Five Hundred Thousand Dollars (\$500,000) be appropriated to the Water Enterprise Fund (#640) by transfer from water enterprise surplus (retained earnings) thereby increasing the appropriation voted in Article 64 of the 2018 Annual Town Meeting from Six Million Six Hundred Sixty Six Thousand Six Hundred Seventy Four Dollars (\$6,666,674) to Seven Million One Hundred Sixty Six Thousand Six Hundred Seventy Four Dollars (\$7,166,674) with the intent that said funds shall be available in FY19.**

The Finance Committee decided to delay action on Article 9 Motion #4 until a future Finance Committee meeting.

**Vote - Article 11 – Authorize Certain Revolving Funds – 2 New Funds** – The Finance Committee was presented with draft motions for Article 11, Motions 1 through 3. These motions had been prepared by the BOS office.

**Article 11 – Motion 1**

A motion made by Mr. McKenna that Article 11 Motion 1 be accepted as presented was seconded by Ms. Holcombe. Town Counsel recommended that some of the language in motions 1 and 2 be removed.

Mr. McKenna withdrew his original motion. A motion made by Ms. Holcombe to reopen Article 11 Motion 1 was seconded by Mr. McKenna. **Vote: 8-0-0.**

A motion made by Mr. McKenna that Article 11 Motion 1 be accepted as amended was seconded by Ms. Holcombe. **Vote: 8-0-0.**

That the General By Laws Article VIII Section 16 be amended by adding a new revolving fund for the Paul Revere Heritage Site Museum as follows:

Revolving Fund	Department Board, Committee, Agency or Officer Authorized to Spend from Fund	Fees, Charges of Other Receipts Credited to Fund	Program of Activity Expenses Payable from Fund	Fiscal Years
#152 -- Paul Revere Heritage Site Museum Fund	Paul Revere Heritage Committee	Fees related to development, development mitigation payments, grants, gifts, endowments, contributions, donations, reimbursements, museum rentals, other allocations from reserve fund, mitigation fund.	Providing additional funding for museum expenses, building expenses, event fees.	Fiscal Year 2020 and subsequent years

**Article 11 – Motion 2**

A motion made by Mr. McKenna that Article 11 Motion 2 be accepted as amended was seconded by Ms. Holcombe. **Vote: 8-0-0.**

That the General By Laws Article VIII Section 16 be amended by adding a new revolving fund for Paul Revere Heritage Rolling Mill and Open Space as follows:

Revolving Fund	Department Board, Committee, Agency or Officer Authorized to Spend from Fund	Fees, Charges of Other Receipts Credited to Fund	Program of Activity Expenses Payable from Fund	Fiscal Years
#142 – Paul Revere Heritage Site Rolling Mill and Open Space Fund	Board of Selectmen	Fees related to development, development mitigation payments, grants, gifts, endowments, contributions, donations, reimbursements, Rolling Mill rentals, grounds rentals, grounds use, other allocations from reserve fund, mitigation fund.	Providing additional funding relative to the Rolling Mill, Grounds and Museum for maintenance expenses, operating expenses, capital expenses, repair expenses building expenses, event fees.	Fiscal Year 2020 and subsequent years

**Article 11 – Motion 3 - A motion made by Mr. McKenna that Article 11 Motion 3 be accepted as written was seconded by Ms. Thomas. Vote: 8-0-0.**

That the spending limits for the revolving funds established pursuant to General By-Laws Article VIII, Section 16 pursuant to the provisions of MGL chapter 44, section 53 E ½ for the 2020 fiscal year beginning July 1, 2019 through June 30, 2020 and that each Revolving Fund shall be credited with the balance remaining in such fund at the end of the FY 2019 as set forth below:

Revolving Fund #	Name of Revolving Fund	FY20 Spending Limit
110	Veteran's Services Special Revenues	\$100,000 annually
119	Library Revolving Fund	\$75,000 annually
130	Recreation Revolving Fund	\$500,000 annually
132	Student Parking Fees	\$100,000 annually
134	Pequitside Farm Rentals	\$50,000 annually
135	Greenlodge Street Parking Fees	\$100,000 annually
136	Beautification Fund	\$10,000 annually

137	Animal Control Special Revenues	\$50,000 annually
138	Library Building Rentals	\$50,000 annually
140	COA Revolving Fund	\$50,000 annually
141	Board of Health Special Revenue	\$50,000 annually
142	Paul Revere Heritage Site Rolling Mill and Open Space fund	\$120,000 annually
145	Traffic Mitigation Fund	\$50,000 annually
152	Paul Revere Heritage Site Museum Fund	\$100,000 annually

**Vote - Article 13 – Accept General or Session Laws enacted by the General Court** – There are no laws to accept.

A motion made by Ms. Holcombe that the subject matter of Article 13 be indefinitely postponed was seconded by Mr. McKenna. Vote: 8-0-0.

**Article 21 – Special Tax Agreement with Spear Street Capital** – The Finance Committee decided to wait for additional information (the final version of the special tax agreement). They will take action on Article 21 at a future meeting.

**Vote - Article 22 – Amend General By-Law Relative to the Composition of the Mapping Commission**

Mr. Arsondiadis read the text of the article as follows:

That General By-law Article 16 Section 17(b) be amended by changing the wording regarding the composition as follows:

By striking ~~“The Mapping Commission shall consist of the Superintendent of Public Works, the head of the engineering division within the Department of Public Works, the Town Planner and the Information Systems Manager who shall serve by virtue of their office as members of the Mapping Commission.”~~

And adding “The Mapping Commission shall consist of Town Engineer within the Department of Public Works, the Town Planner, the GIS Coordinator, and the Information Systems Manager who shall serve by virtue of their office as members of the Mapping Commission.”

A motion made by Mr. McKenna to recommend Article 22 as written in the warrant was seconded by Ms. Thomas. Vote: 8-0-0.

**Vote - Article 23 – Authorize a Five (5) Year Lease for Fire Department Equipment Storage** – The Fire Department is in need of storage space. This lease would be paid annually from the ambulance fund.

A motion made by Ms. Holcombe that the Board of Selectmen enter into a lease for a term of up to five (5) years for rental of a storage facility to be used to store Fire Department Equipment and that the Town vote to appropriate Fifty Thousand Dollars (\$50,000) from the Ambulance Fund (Fund #170) in the Treasury of the Town was seconded by Mr. McKenna. Vote: 8-0-0.

**Vote - Article 24 – Adopt Municipal Modernization Act Pertaining to the Establishment of Speed Limits and Safety Zones**

A motion made by Mr. McKenna to recommend Article 24 as written in the warrant was seconded by Ms. Holcombe. Vote: 8-0-0.

**Vote - Article 25 – Amend By-Law Regarding Fines and Penalties for Violating Dog Licensing**

A motion made by Ms. Thomas that the Town amend the Town of Canton By-Law Article 14 Section 39 Sub-section 9 regarding dog licensing regulations as follows: (a) Failure to License a Dog in a timely manner by striking \$25 and adding \$50 was seconded by Ms. Holcombe. Vote: 8-0-0.

**Vote - Article 26 – Granting and Accepting of Easements at the Canton Aquatic Center and Waterfall Hills at Canton**

A motion made by Mr. McKenna to recommend Article 26 as written in the warrant was seconded by Ms. Holcombe. Vote: 8-0-0.

**Article 27 – Acceptance of Proposed New By-Law Regarding Plastic Shopping Bag Reduction** – The Finance Committee decided to delay action on Article 27 until they have received the final language for the motion.

**Vote - Article 28 – Adopt Chapter 337 of the Acts of 2018 (The “Act”), The Short-Term Rental Bill**

A motion made by Ms. Holcombe to recommend Article 28 as written in the warrant was seconded by Mr. McKenna. Vote: 8-0-0.

**Article 31 – Acceptance of Cedarcrest Road Extension as a Town Way & Article 32 – Acceptance of Beatrice Way as a Town Way**

The Finance Committee will wait until final approvals have been made for Cedarcrest Road Extension and the BOS has voted their approval of these street acceptances.

**Vote - Article 43 – Amend Veteran’s Tax Program**

A motion made by Mr. McKenna that the town vote to amend the motion voted by the Town pursuant to Article 28 at the 2014 annual town meeting and to amend the references therein to One Thousand Dollars (\$1,000) by deleting the number One Thousand Dollars (\$1,000) and replacing same with the new number One Thousand Five Hundred Dollars (\$1,500), pursuant to chapter 281 of the acts of 2018 was seconded by Ms. Holcombe. Vote: 8-0-0.

**Vote - Article 44 – Amend Borrowing for Pleasant Street Dam Project** – Mr. Murgia explained that the \$275,000 settlement would be deposited into the general fund and then could be appropriated as free cash towards the Pleasant Street dam project.

A motion made by Ms. Holcombe that the sum of Two Hundred Seventy Five Thousand Dollars (\$275,000) be transferred for the Fiscal Year ending June 30, 2019 from Free Cash (Undesignated Fund Balance) of the Town to the Town Pleasant Street Dam project was seconded by Mr. McKenna. Vote: 8-0-0.

**Vote - Article 45 – Vote to Transfer Funds to the Solar Facility Stabilization Fund**

A motion made by Ms. Holcombe that the sum of One Hundred Thousand Dollars (\$100,000) be transferred for the Fiscal Year ending June 30, 2019 from Free Cash (Undesignated Fund Balance) of the Town to the Town Solar Facility Stabilization Fund was seconded by Ms. Thomas. Vote: 8-0-0.

**D. Other Business/Open Issues**

The Finance Committee received information in their meeting documents regarding the School Department FY20 budget request. The BOS does not take action or a vote on the School Department budget.

**E. Approval of Minutes**

There were no minutes for the Finance Committee to approve.

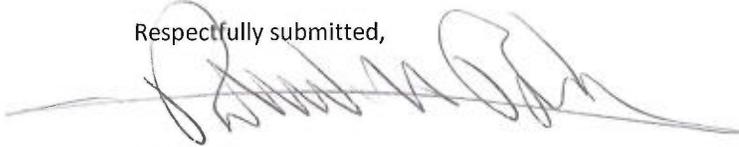
**F. Next Meeting Date:**

The next Finance Committee meeting will take place on Wednesday, March 13, 2019.

**Adjournment: A motion made by Ms. Holcombe to adjourn the meeting at 9:25 p.m. was seconded by Mr. McKenna. Vote: 8-0-0.**

Minutes reviewed by: Emilio Mauro and Cynthia Holcombe

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Rob Barker', written over a horizontal line.

Rob Barker  
Chairman, Canton Finance Committee

**Canton Finance Committee Meeting  
Monday, March 11, 2019  
Meeting Documents**

**Please note: Some meeting documents may be found on the Town's website under the Posted Minutes section (Laser Fiche).**

**Some of the Municipal and School Department budgets or Annual Town Meeting documents referred to in Finance Committee meetings may be found on the Finance Committee page of the Town's website.**

Agenda for March 11, 2019. (1 page).

Article 9 Motion 4 draft motion (2 pages).

The Block, information provided by Spear Street Capital

Article Information provided by the BOS office:

Board of Selectmen Positions on 2019 ATM articles (document not dated) (1 page).

Article 5 – Collective Bargaining Agreements under the Board of Selectmen (2 pages).

Article 6 – Personal Service Contracts under the Board of Selectmen (2 pages).

Article 11 – Authorize Certain Revolving Funds – 2 New Funds (3 pages).

Article 21 – Special Tax Agreement with Spear Street Capital (10 pages).

Article 22 – Amend General By-Law Relative to the Composition of the Mapping Commission (3 pages).

Article 23 – Authorize a Five (5) Year Lease for Fire Department Equipment Storage (2 pages).

Article 24 – Adopt Municipal Modernization Act Pertaining to the Establishment of Speed Limits and Safety Zones (12 pages).

Article 25 – Amend By-Law Regarding Fines and Penalties for Violating Dog Licensing (4 pages).

Article 26 – Granting and Accepting of Easements at the Canton Aquatic Center and Waterfall Hills at Canton (15 pages).

Article 27 – Acceptance of Proposed New By-Law Regarding Plastic Shopping Bag Reduction (14 pages).

Article 28 – Adopt Chapter 337 of the Acts of 2018 (The "Act"), The Short-Term Rental Bill (4 pages).

Article 31 – Acceptance of Cedarcrest Road Extension as a Town Way & Article 32 – Acceptance of Beatrice Way as a Town Way (12 pages).

Article 43 – Amend Veteran's Tax Program (4 pages).

Article 44 – Amend Borrowing for Pleasant Street Dam Project (2 pages).

Article 45 – Vote to Transfer Funds to the Solar Facility Stabilization Fund (5 pages).