

Guide to Selected Annual Town Meeting Articles - 2019

The following guide serves as the Essex Board of Selectmen's explanation and justification of selected Annual Town Meeting articles. We have selected these particular articles since they are not routine and Town Meeting participants may benefit from having more background on them prior to the meeting.

ARTICLE 15 – Public Safety Facility

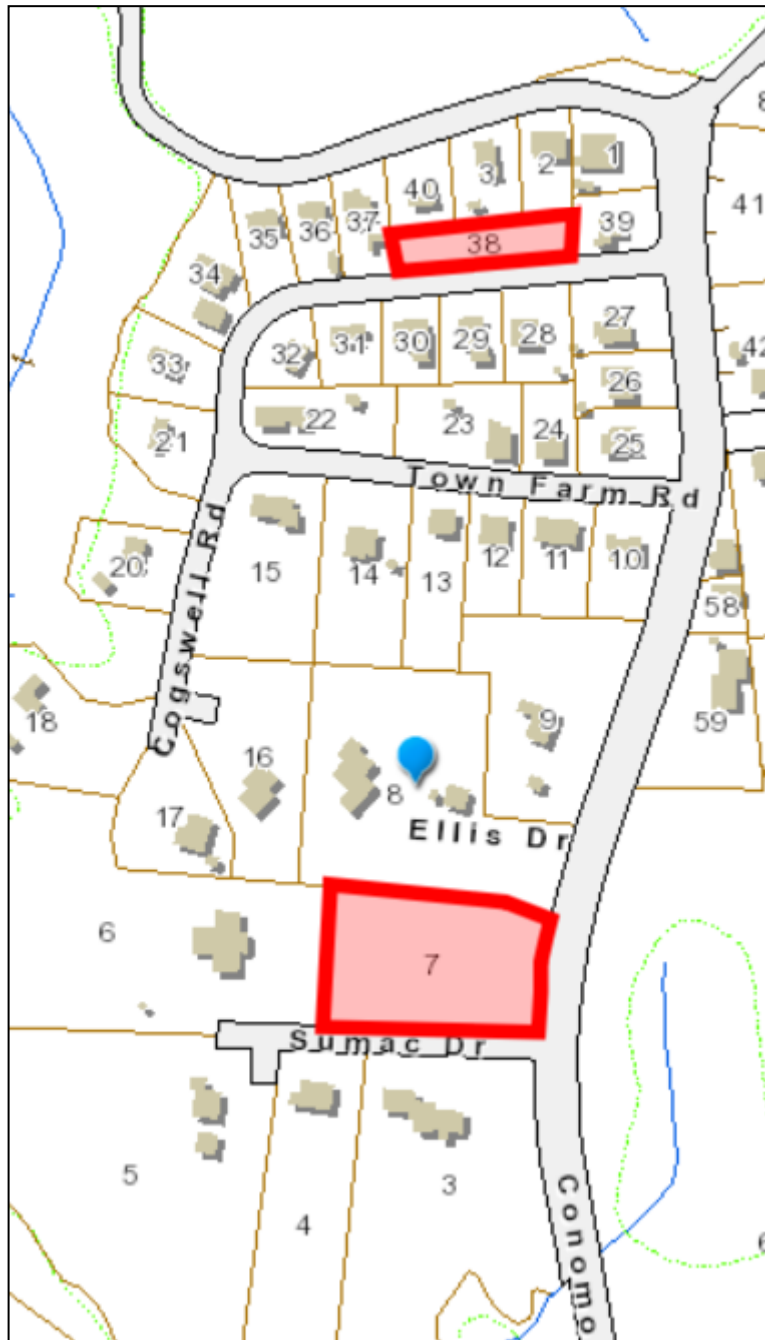
Over the past ten years, the Town Building Committee has review various scenarios for the necessary replacement of the Town existing police and fire headquarters building at 24 Martin Street. Last year at this time, a proposal to purchase the Village Restaurant property for a new fire station was narrowly defeated at Town Meeting. Since that time, the Town Building Committee has been hard at work, with assistance from project management firm NV5 and architectural firm Johnson Roberts Associates, to conduct a final, comprehensive review of the various site and building options. A Special Town Meeting this past February agreed that private property at 11 John Wise Avenue, adjacent to a portion of the Spring Street Cemetery that abuts John Wise Avenue, should be purchased and added to the Town property for the project. The Town will own the private portion at 11 John Wise Avenue on or before June 1, 2019 and our design team has assured us that a new, combined facility is feasible at the combined site. Article 15 asks for funding to complete the design process, construct and furnish the new facility, and provide for construction oversight. \$3,500,000 of the total cost is proposed to come from the Town's Sale of Real Estate Fund and the remainder is proposed to be borrowed, as debt excluded from the Proposition 2 ½ levy limit. A preliminary project cost estimate of \$17.5M was recently completed and requires refinement. As such the Selectmen and the Town Building Committee have decided to ask the Town Meeting for enough design and oversight funding to get through the final design, cost estimation and bid phase. A subsequent Town Meeting will vote on the construction cost, when a final cost, which may be lower, is made available.

Tax impact: While no definite scenario has been chosen, as discussed above, some sample tax rate impact calculation information has been offered and may be found [here](#).

Justification: The existing public safety facility is antiquated, inadequate, and incapable of being renovated. Any hope of putting a new facility at 24 Martin Street would require the complete removal of the existing building, translating to an expensive need for temporary quarters for both the fire and police departments. Even the prospect of putting a new fire station at the corner of Memorial Park, between the existing public safety facility and Town Hall will set up a variety of difficult issues. We encourage you to review the [Town Building Committee's web page](#) to review the careful analysis that has been undertaken over the past year. Justification for the Committee's present recommendation is quite evident in those materials.

ARTICLE 16 – Sale of Property at Conomo Point

During the subdivision of property at southern Conomo Point, in preparation for the sale of property to long-time tenants, the Town reserved two lots for possible future municipal use (see map on following page). Since that time, it has become evident that improvements and parking at the Point aimed at improving access for all Town residents will be focused from Beach Circle northward. As such, the two southern lots will likely not serve a meaningful municipal purpose and the Board of Selectmen, acting in its capacity as the Conomo Point Commissioners, desires to sell the property to realize revenue that may be used to improve the portion of the Point that the Town desires to focus on.



Location of lots to potentially be offered for sale.

Tax impact: No impact. This action will result in revenue for the Town.

Justification: Sale of property that will not likely be utilized by the Town to generate revenue to improve other Town property at Conomo Point will effectively transfer unused asset value into improving other assets.

ARTICLE 17 – Elderly Tax Deferral Threshold Increase

The General Laws of the Commonwealth presently allow a qualifying elderly resident to defer taxation, but the threshold under which the resident's total annual income must be, is very low (presently \$20,000). In order for more residents to be able to consider using this tool to afford to continue to live the community, this article would increase that threshold to \$58,000. It is important to realize that anyone who seeks and receives a deferral, accrues interest on the deferred tax balance at the rate of eight percent (8%). Since seeking a deferral is optional, this article simply makes it more available, at the same interest rate required at the lower threshold.

Tax impact: Results in a deferral of real estate taxes for a qualifying resident who seeks and receives a deferral.

Justification: This article just makes an optional financial planning tool available to more residents.

ARTICLE 19 – Adoption of Retail Marijuana Local Tax

As of July 1, 2019, the temporary moratorium on retail marijuana establishments in Essex expires. Although no particular establishment has approached the Town to locate here, establishments that can meet the State's regulations may attempt to open in Essex in the future. This article simply prepares the Town to collect a three percent (3%) local tax on gross sales, should such an establishment open here.

ARTICLE 22 – Seawall Replacement Grant Matching Funds

The seawall system at Conomo Point was patched by the DPW after the series of storms in early 2018. While this work made the area safe, future storms will likely erode the seawall system further and engineered solutions are likely necessary. The Town received a State grant to have the seawall system assessed by an engineering firm, so that steady progress can be made toward resilient solutions for the future. The design process for the seawall system replacement is nearing its completion and the Town will apply for construction funding soon. The State grant program will fund 75% of the cost of construction, leaving the Town to pay the remainder. The project may cost as much as \$2,215,200, requiring the Town to fund approximately \$553,800, \$16,500 of which has already been appropriated by a past town meeting for this purpose.

Tax impact: No direct impact since the Sale of Real Estate Fund is being proposed as the funding source. The more grant money that the Town receives to defray the cost of a well-designed, durable replacement seawall system, the less the impact will be to the taxpayer.

Justification: Not acting will only result in the further degradation of the infrastructure and, eventually, the road behind it, which is important for taxpayer recreational access and for emergency response capabilities.

ARTICLE 23 – Pavement Marking and Wayfinding Signage in Downtown Essex

In the past, the Town received grant funding to review how parking improvements in the downtown area could translate to economic development within the Town. A strong private economic situation translates to additional Town revenue, which may come in the form of meals tax, lodging tax, business inventory tax, and the like. The Town's new Economic Development Committee reviewed the grant report and agreed that more clearly marked parking spaces along the State Highway and improved wayfinding signage to related areas, such as the municipal parking lot, will serve as enticements to visitors and will help evenly spread out parking, to eliminate confusion and congestion.

Tax impact: No direct impact since Free Cash is being proposed as the funding source. Although the \$84,000 initial cost may seem high, it includes one-time allowances for design, permitting, and the initial oversight of pavement marking and signage placement. In the future, the cost of re-stripping pavement markings will be inconsequential and signage has a very long useful lifespan.

Justification: This project will improve the Town's overall engine for economic development while providing order for both residents and visitors alike, especially during the busy summer months.