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# **TOWN OF IPSWICH**

## **WARRANT ARTICLE SYNOPSIS**

**SPECIAL TOWN MEETING  
October 20, 2008**

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**SPECIAL TOWN MEETING SYNOPSES**  
**October 20, 2008**

**ARTICLE 1****FY 2008 UNPAID BILLS**

This article will raise and appropriate **\$3,365.39** to pay unpaid bills incurred at the end of FY'08.

<u>ACCOUNT</u>	<u>VENDOR</u>	<u>AMOUNT</u>	<u>TOTAL</u>
Consolidated Maintenance	Verizon Wireless	50.01	
	David Horwitz Associates	180.00	230.01
Fire Dept./Emergency Mgt	RanMark Unlimited	300.00	300.00
Veterans' Services	Beacon Family Medicine	25.08	
	Dept. of Veterans' Affairs	16.00	
	Lahey Clinic	11.00	
	"	10.00	
	"	16.00	
	"	18.82	
	Northeast Hospital Corp. North Shore Urological Inc.	33.48	
	The Ipswich Center	100.00	245.38
Town Manager	Vermont Tennis Court Surfacing	2,249.00	2,249.00
Purchasing/Risk Mgt	Community Newspapers	91.00	91.00
Police	North Shore Magnetic Imaging	250.00	<u>250.00</u>
	<b>GRAND TOTAL</b>		<b>\$3,365.39</b>

**Fiscal Impact:** These funds will be transferred from free cash. There will be no effect on the FY'09 tax rate.

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**ARTICLE 2**

**FY 2009 TOWN BUDGET AMENDMENTS**

**Summary:** The Board of Selectmen proposes the following amendments to the FY'09 budget:

- 1) appropriate **\$100,000** to the snow and ice account of the Department of Public Works; and
- 2) transfer **\$30,564** from the Waterways Improvement Account into the General Fund to fund the operations of the Harbormaster; and
- 3) transfer **\$2,875** from free cash to the Tax Title Custodian; and
- 4) transfer **\$50,000** from free cash to the Town Manger consultant account to pay for design for the town wide signage initiative.
- 5) transfer **\$10,000** from free cash to the Recreation Gift Account to continue the five year funding program to replace the wooden play structure at Bialek Park

The snow and ice account is funded at **\$232,564**. In Fiscal 2008, the Town spent **\$630,830** for snow and ice operations. In the Fiscal 2009 budget, **\$100,000** was reserved under the levy limit to fund any deficit in the snow account. Since snow and ice shortfall was covered by end of year transfers within the FY'08 budget, there was no deficit. Appropriating the **\$100,000** and moving it to the snow and ice account will reduce the likelihood of a big snow and ice deficit in FY 2009. This would be included with the budgeted appropriation bringing the snow and ice budget for FY 2009 to **\$332,564**.

The Town decided in May to fund the Harbormaster budget from the Waterways Improvement Account instead of the General Fund. This transfer of **\$30,564** would complete that decision.

The Tax Title Custodian held an auction this year bringing **\$287,500** in proceeds into the treasury and restoring four properties to the tax rolls. This was the first auction of foreclosed properties in Ipswich in many years. There is considerable work involved in preparing foreclosed properties for auction, and it is customary in other communities to provide a stipend to the Tax Title Custodian following an auction. The Town Manager recommends a stipend of **\$2,875** for the Tax Title Custodian.

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The Town has embarked upon a new initiative to develop a coordinated “gateways” and “wayfinding” signage program. A request for proposals produced submissions from eight firms interested in doing the design work. This transfer of **\$50,000** from FY 2009 free cash will fund design and a partial implementation of the program.

The Town has undertaken a five year program of contributing **\$10,000** per year in public funds for the replacement of the wooden play structure at Bialek Park. In addition to public funds, the Town has received an annual **\$10,000** contribution from the Friends of Ipswich Athletics. The cost of replacing the play structure will exceed **\$100,000**.

**Fiscal Impact:** These changes in the FY’09 municipal budget will have a modest effect on the Fiscal 2009 tax rate with the additional appropriation of **\$100,000** into the snow and ice account.

The Town expects to have approximately **\$600,000** in free cash certified for Fiscal 2009. Transferring **\$50,000** for signage, **\$2,875** for the Tax Title Custodian, **\$10,000** for Bialek Park and **\$56,315** for School Medicaid will leave **\$480,810** remaining and unallocated in free cash. If the Town Meeting approves Article 7 to fund the 375<sup>th</sup> Anniversary celebration, free cash would be further reduced to **\$410,810**

The Selectmen and Town Manager have agreed to a policy of reducing reliance upon free cash in the operating budget. In FY’09, **\$200,000** was used; in May 2009, the Town Manager proposes to use **\$100,000** for the operating budget. If this is successful, the Town will be able to send **\$310,810** to stabilization, or these funds can be used to build up the undesignated fund balance.

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**ARTICLE 3**

**SCHOOL BUDGET AMENDMENTS**

**Summary:** Transfer **\$56,315.29** from free cash to reimburse the School Department for Medicaid funds deposited into the General Fund during Fiscal 2008. This is a routine transfer. Medicaid funds are deposited into the General Fund each year and transferred from free cash to the School Department in the following fiscal year.

**Fiscal Impact:** There is no impact on the Fiscal 2009 tax rate.

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**ARTICLE 4**

**CHAPTER 90 ACCEPTANCE**

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**Summary:** Chapter 90 funds are provided annually to cities and towns via a formula grant from the Commonwealth of Massachusetts. These funds become available to the Ipswich Department of Public Works for improvements to streets and infrastructure.

No new Chapter 90 funds have been allocated at this time. This article will permit an adjustment to the estimates of Chapter 90 funds approved at the 2006 and 2007 Annual Town Meetings to reflect the actual amounts contributed by the Commonwealth.

The amount voted at the April 2006 Annual Town Meeting should be amended from **\$392,000** to **\$262,413**. The amount voted at the April 2007 Annual Town Meeting should be reduced from **\$328,017** to **\$327,836**.

**Fiscal Impact:** These are grant monies from the state; there is no impact on the local tax rate.

**SPECIAL TOWN MEETING SYNOPSES**  
**October 20, 2008**

**ARTICLE 5**

**CITIZENS' PETITION**

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**Summary:** This article is intended to prohibit the Board of Selectmen from making private grants of one acre each to individual clam license holders for shellfish aquaculture. The Selectmen have permitted two aquaculture grants on a shellfish flat that was considered unproductive, allowing the grantee to seed and cultivate the flat and harvest all the shellfish that are produced.

A number of commercial clammers oppose this practice since the holders of a grant may harvest shellfish from the grant which they have cultivated and are entitled to harvest the daily limit from public shellfish flats that are open to commercial and recreational license holders.

**Fiscal Impact:** The decision on this citizens' petition will not affect the FY'09 tax rate.



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**ARTICLE 6 SAFETY IMPROVEMENTS AT MBTA GRADE CROSSINGS**

**Summary:** This article will authorize the Treasurer to borrow approximately **\$68,700** to design the safety improvements at the Topsfield Road and other grade crossings required by the Federal Railroad Administration and Massachusetts Bay Transportation Authority in order to retain the Ipswich quiet zone. Funding for the construction of four quadrant gates and other safety measures will be requested at the Annual Town Meeting in May 2009.

Under Federal regulations, the Town must complete the required safety improvements by June 24, 2010 in order to retain the quiet zone.

**Fiscal Impact:** The Treasurer will issues short term notes to fund the design. No cost estimates for the construction phase will be available until the design work is completed.

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**ARTICLE 7**

**375<sup>th</sup> ANNIVERSARY CELEBRATION**

**Summary:** In the past, the Town's anniversary celebrations have been supported in part from public funds and in part from private donations. This article will provide **\$70,000** from free cash to be contributed to the Ipswich Partnership as the Town's portion of the funding for the 375<sup>th</sup> anniversary celebration of the founding of the Town of Ipswich. All public and private funds for the 375<sup>th</sup> will be disbursed through the Ipswich Partnership, a 501 (c) 3 nonprofit corporation.

**Fiscal Impact:** There will be no direct impact upon the 2009 tax rate.

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**ARTICLE 8****STORM WATER BYLAW**

SUMMARY: This bylaw is proposed to address significant environmental, economic and legal concerns of Ipswich. Dominant is the need to protect and enhance the quality and quantity of our surface and ground waters for water supply and to benefit our streams and wetlands. Our shell fishing industry is dependent on clean water for its survival. While great strides have been made over the past decade, closing of the clam flats following rainstorms is a significant problem that would, over time, be addressed through control of contamination of storm water runoff. Minimizing storm water runoff in Ipswich from precipitation events will help to abate flooding impacts and costs, particularly those associated with our smaller streams. Legally, passage of this bylaw is necessary to help bring us into compliance with our Federal National Pollutant Discharge Elimination System permit allowing the town to temporarily continue to discharge storm waters into the streams ponds and wetlands within Ipswich.

Following the "Indefinite Postponement" last fall of the Storm Water Management Bylaw the Storm Water Management Advisory Committee has been working to understand and address expressed concerns and objections. Early in 2008, the town began participation in the MAPC pilot program to assist selected municipalities in the development of an appropriate storm water management bylaw, drafting of regulations, and development or enhancement of a "Low Impact Development" program, all aimed at minimizing the adverse impacts of storm water runoff on water resources. An MAPC Working Group was formed. Several members of the Advisory Committee, other town employees, Finance Committee members, MAPC staff, and other citizens make up the Working Group. Working through the spring and summer months, the Working Group has drafted a proposed Ipswich Storm Water Management Bylaw for inclusion in the Warrant for the 2007 Special Town Meeting.

The purpose of this Bylaw is to protect, maintain and enhance the public health, safety, water supply, environment and general welfare by controlling discharges to the municipal storm drain system into waters of the Commonwealth in the town of Ipswich. The objectives of the Bylaw include a number of specific pollution prevention, public health and water supply protection, restoration, and waste control measures, in addition to achieving compliance with state and federal statutes and regulations.

The Bylaw would establish a storm water management program to be effective throughout the town; requirements and procedures to control adverse effects of storm water runoff and pollution, targeting new development and redevelopment; and would prohibit non-storm-water discharges into waters and the municipal storm drain system. The Board of Selectmen would be authorized to adopt regulations implementing the Bylaw. *These regulations will be necessary, are very important, and will be adopted in an open public process affording ample opportunity for comment and input.*

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The Storm Water Management Program is designed to enable us over time to attain those objectives in an efficient and economic manner. The program will utilize existing programs and staff resources, thereby avoiding duplication and creation of new programs. "Illicit" (non-stormwater) discharges to the storm drain system must be eliminated, and new non-stormwater connections to and discharges into that system prevented. This should be the responsibility of the Public Works Department. Excessive or contaminated runoff from development or redevelopment projects must be controlled. A Stormwater Management Permit (SMP) program applicable to projects that could create land disturbance in excess of the thresholds set forth in the Bylaw is to be adopted by the Board of Selectmen and should be implemented by the Office of Code Enforcement. The Conservation Commission will continue to solely regulate storm water impacts associated with any project falling within its jurisdiction. The Planning Board will regulate storm water impacts potentially associated with projects requiring Planning Board Special Permits, Definitive Subdivision Approvals or Site Plan Reviews. That Commission and that Board will apply standards as are set forth in regulations of the MA DEP.

There are a large number of definitions important to the understanding, management and implementation of the Bylaw. The Board of Selectmen is designating as the "Permitting Authority" for "the implementation of all actions in procedures authorized by the Bylaw". This authority may be delegated, after formal procedures by the Board. The "municipal separate stormwater system (MS4)", following the Federal/state regulation as required, is defined as including not simply pipes in the ground but gutters, drainage ditches, detention ponds and other features owned or used by the Town to manage the flow and disposition of stormwater.

With respect to land alteration activities, the Bylaw applies to activities exceeding certain thresholds and not subject to Planning Board or Conservation Commission jurisdiction. The proposed threshold of applicability is a land disturbance or creation of impervious surface in excess of 10,000 square feet or in excess of 50% of the parcel area (whichever is less). Such activities will require a Storm Water Management Permit.

Any direct connection or discharge to the Ipswich storm drain system will require a Connection and Discharge Permit.

A number of activities are exempted from the provisions of the Bylaw, including those activities subject to jurisdiction of the Planning Board and Conservation Commission. The provisions of the Wetlands Protection Act exempting certain agricultural and aquacultural maintenance activities are incorporated into the Bylaw. Emergency repairs to utilities, construction of utilities that would have minimal impacts, maintenance of landscaping and minor enhancements on single-family lots are all exempt, as are replacement of existing domestic wells or septic systems. (This recitation is not exhaustive.)

A number of non-stormwater discharges (by type or source of discharge) that are not directly discharged to the stormwater system will not be required to obtain a Connection and Discharge Permit. This list is intended to include those which are essentially "unregulatable", or are unlikely to be contaminated, or occur rarely and randomly.

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Significantly, fire-fighting flows, which are characterized as essential, unpredictable, uncontrollable, and not amenable to any rational permitting scheme even though likely to be contaminated and have the potential to create environmental problems, are necessarily exempt.

There is a waiver provision allowing the Permitting Authority to waive certain requirements of the Bylaw or regulations adopted thereunder. This provision is broad and entirely discretionary with the Permitting Authority, provided it is made pursuant to written request containing the necessary documentation and demonstration.

“Low-Impact Development” and “Better Site Design practices are encouraged.

The Bylaw includes an enforcement section, covering civil relief, issuance and enforcement of orders, remediation and cost recovery in the event of non-compliance, fines for violations, use of the non-criminal disposition procedure, and entry onto properties.

**FISCAL IMPACT:** The stormwater management system envisioned by this bylaw will be permit-based and there will be no impact upon the tax rate beyond the need for a few thousand dollars for training of staff.



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hazardous materials, the Planning Board may require additional reporting or monitoring restrictions as a condition of approval, if they seem warranted.

The revised zoning regulation, as does the current one, applies to all permitted uses in Town, and specifically exempts heating fuel from any reporting or special permit requirement.

**Fiscal Impact:** No direct cost to the Town.

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**ARTICLE 10** **GREEN SPACE PRESERVATION DEVELOPMENT**

**Summary:** The Town's Great Estates Preservation Development (GEPD) bylaw has been used twice to build creative developments that are more compatible with their surroundings than conventional development. However, only two other parcels in Town are eligible for GEPD, and only one owner is likely to have any interest in using the provision. To build on the success of the GEPD bylaw, and in accordance with recommendations H2-3 and E1-6 of the Ipswich Community Development Plan, this article proposes a similar provision that applies to additional land in Ipswich.

The Green Space Preservation Development District (GSPDD) is an overlay district intended to expand the Town's economic base by allowing limited non-residential uses on certain large properties in the RRA and RRC Districts. This overlay district, which the article applies to three large parcels, preserves the allowed uses of the underlying districts while allowing specified non-residential uses only if designed in ways that protect the Town's natural features, rural character and vistas, preserve open space, and provide an alternative to subdivision of large parcels for residences.

The GSPDD generally follows the content of the GEPD bylaw, but its form is significantly different. The GEPD bylaw was written as a use allowed by special permit in only four parcels in town, based on very specific dimensional requirements. While the type of development allowed in the GSPDD is similar to that of the GEPD, as an overlay district it can be applied to parcels based on a variety of factors in addition to size. Parcels can be added or removed from the overlay district as necessary, and all changes require amendments to the official zoning map for the Town of Ipswich. Of the three parcels currently included in the overlay, two have frontage on High Street, and one is on Paradise Road.

Like the GEPD, a GSPDD allows some non-residential uses, limited to offices, research establishments, and light manufacturing related to a principal research use. While the GSPDD preserves the residential uses allowed in the underlying districts, no additional residential use is allowed by right or by special permit. The allowable base density for a GSPDD is established in the same manner as it is for a GEPD (i.e., 3,000 square feet for every house lot that could be built under one-acre zoning), but the bonus density is based on the provision of additional open space rather than the preservation of architecturally or historically significant structures. A minimum of 50% of the land area of a GSPDD must be set aside as open space, and the total floor area of the permitted uses may not exceed 10% of the lot area. Any permitted use in a GSPDD requires special permit and site plan approval from the Planning Board, and must have a landscaped setback of at least 100 feet along streets and abutting properties, and a minimum 250 foot building setback from any public way.



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A similar article was included in the warrant for Special Town Meeting in 2004 but was indefinitely postponed for further review and revision. The Planning Board has introduced this updated version at the urging of the Board of Selectmen and the Town Manager. A key part of Town's economic development strategy is to attract certain types of low-impact commercial or light industrial development for which there is inadequate land available in the districts already zoned for these uses.

In addition to creating the GSPDD, this article also modifies the GEPD provision allowing biotech processing associated with research & development uses to include non-biotech processing as well.

**Fiscal Impact:** No direct cost to Town. By encouraging non-residential development, could have favorable impact, because single-family residential developments can sometimes cost a Town more in services than what is gained in tax revenue.

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**ARTICLE 11** \_\_\_\_\_ **GREEN BUILDING INCENTIVES**

**Summary:** Earlier this year the Planning Board amended the Ipswich Community Development Plan to incorporate a greater emphasis on sustainability, green design, and energy efficiency. This proposed bylaw is one step towards that goal by encouraging the construction of buildings in town that comply with the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system for green buildings. LEED is widely accepted as the industry standard for green construction.

This article proposes a new subsection IX.P to the zoning bylaw which establishes an incentive that a Special Permit Granting Authority (SPGA) may approve for projects that comply with LEED standards. Eligible projects include any non-residential use that requires special permit approval or site plan review, any multi-family dwelling or multi-family residential development, and any building constructed or substantially renovated within a Great Estates Preservation Development.

The incentive, available to any eligible use, is a reduced building permit fee. The SPGA may authorize the Building Inspector to grant up to a 50% rebate in the building permit fee for any project that complies with the criteria for LEED Silver certification. The purpose of this incentive is to minimize the increased costs that developers typically incur when constructing green buildings.

Official LEED certification from the U.S. Green Building Council can be a costly and time consuming process for developers. Although this bylaw encourages applicants to obtain official LEED certification, it is not required. As an alternative, applicants may submit documentation to the SPGA that explains in detail how the project complies with LEED Silver or Gold ratings. This documentation must be certified by an architect or engineer with expertise in LEED standards.

**Fiscal Impact:** The reduced building permit fee incentive may result in a modest decrease in this source of revenue for the Building Department.

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**ARTICLE 12**

**MISCELLANEOUS CHANGES**

**Summary:** As the building inspector and the planner work with the zoning bylaw, they occasionally discover ambiguities, omissions, or inadequacies. The situations addressed by this article include:

- Time period for reconstruction of nonconforming structures destroyed by catastrophe does not account for properties subject to demolition delay
- Definition of “Lot Area” conflicts with Section VI.C. of zoning bylaw
- Bylaw does not explicitly state that Assisted Living Facilities are subject to inclusionary housing requirement
- Reference to town engineer review on farm stand use is outdated and unnecessary
- Research & development facilities are allowed too broadly in residential districts
- Footnote on nursing/funeral homes is confusing and unnecessary
- Outdoor wood boilers are currently unregulated and possibly prohibited
- No criteria for ZBA when granting special permits for accessory buildings over 750 square feet.
- Language on lot width cites requirement for district that was never established
- Parking requirement for accessory apartments is inconsistent with parking table
- Accessory apartment regulations include archaic references to “in-law” apartments and need clarification relative to unit configuration and residency requirements

This article addresses these deficiencies as follows:

(1) amends “II. APPLICABILITY” by allowing extension of time period for reconstruction of structures subject to demolition delay;

(2) amends “III. DEFINITIONS” by revising definition of “Lot Area” to remove exclusion of private ways;

(3) amends “V. USE REGULATIONS” by:

- clarifying that Assisted Living Facilities are subject to affordability requirements
- deletes requirement that Town Engineer review access for farm stands
- allows r & d facilities in residential districts as accessory uses only
- deletes condition imposed on funeral/nursing homes
- allows wood boilers in all districts by special permit from ZBA;

(4) amends “VI. DIMENSIONAL AND DENSITY REGULATIONS” by:

- establishing criteria for ZBA to apply when considering special permit requests for large accessory buildings
- eliminating lot width requirement inserted for proposed but never adopted Neartown Residence District;

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(5) amends “II. OFF-STREET PARKING AND LOADING” by authorizing ZBA to allow reduced parking requirement for accessory apartments; and

(6) amends “IX. SPECIAL REGULATIONS, J. Accessory Apartments” by correcting inconsistency in residency requirement, defining subordination of accessory apartment within principal dwelling, and deleting archaic references to “in-law” apartments.

**Fiscal Impact:** None.

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**ARTICLE 13**

**DISPOSITION OF PARCELS**

**Summary:** This article takes several actions relative to land in the Town of Ipswich:

- 1) accepts an 11.1+/- acre parcel of land located in the Marsh Hundreds(Cross Banks), as a gift of land;
- 2) conveys a 3.4+/- acre parcel of land located at Rear Argilla Road (behind Russell Orchards) from the Town to the Essex County Greenbelt Association;
- 3) transfers care, custody and control of a 2.3+/- acre Town-owned parcel located at 90 Paradise Road to the Conservation Commission;
- 4) transfers care, custody and control of 2.4 acre parcel of land located near the Dow Brook Reservoir on High Street to the Water Commissioners/Utilities Department.

All of the above actions were recommended by the Town's Gift and Disposition of Land Committee this past spring and accepted by the Board of Selectmen. The Committee, which was established pursuant to a policy adopted by the Board of Selectmen on August 31, 1998, and which consists of the Directors of Planning, Utilities, Public Works and Finance, the Conservation Agent, the Treasurer, and the Town Assessor, made the recommendations after a careful review of each parcel.

The land in Cross Banks that would be accepted as a gift is located in the Marsh Hundreds in the northeastern part of Ipswich, has no land access, and is adjacent to Town land. The Town-owned parcel that would be conveyed to the Greenbelt is marshland located on the Castle Neck River headwaters on the Town of Essex line, has no direct road access, and is abutted by land owned by the Greenbelt. The Town-owned parcel that would be transferred to the care, custody and control of the Conservation Commission lacks road frontage, is comprised of a mix of wetlands and forested upland, and has good habitat value. The Town-owned parcel that would be transferred to the care, custody and control of the Utilities Department is located within 400 feet of the Town's surface water drinking supply and is surrounded by Town-owned property.

**Fiscal Impact:** *De minimus.* The most recent tax bill for the Cross Banks parcel based on an assessed value of **\$1,300**, was **\$11.99**. The Town will no longer collect this annual revenue if the parcel is accepted by the Town.

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**ARTICLE 14** TAX INCREMENT FINANCING: MERCURY BREWING

**Summary:** Mercury Brewing Inc. (MB) is a manufacturer which processes both alcoholic and non-alcoholic beverages. Mercury Brewing is currently rents space at 23 Hayward Street in Ipswich, is planning to relocate its entire operation into the former Soffron Brothers property at 2 Soffron Lane by spring of 2009. Because the property is located within the Downtown Ipswich EOA, MB is entitled to seek tax relief from the Town and the Commonwealth in accordance with the Municipal Economic Development Incentive Program established by the Commonwealth in 1994.

To be eligible for these tax incentives, MB must be classified as a "certified project"; this certification requires approval of both Town Meeting and the Commonwealth. MB has submitted an application requesting project certification, which will, if approved, entitle it to a 5% state tax credit and a reduction of local property taxes on the increased value of their property resulting from MB's capital investment in the property. MB has indicated its intentions to undertake approximately **\$1.4** million in capital improvements to the property over the next two years.

By approving this tax incentive the Town will benefit by:

(1) insuring the retention and expansion of a successful manufacturing firm that has strong ties and identification with the Ipswich community; (2) attracting approximately six full-time additional jobs into Ipswich by 2009, with an expected further increase of another nine full-time jobs over the next five years; (3) generating revenue for Ipswich businesses as a result of employee spending in town stores and restaurants; and (4) securing a commitment by MB to: (a) undertake efforts to hire Ipswich residents; (b) repave Soffron Lane; (c) fund the construction of a sidewalk on the easterly leg of Brown Square; (d) market downtown Ipswich as part of business advertising; (e) offer regular brewery tours; (f) fund a portion of the cost of designing and installing wayfinding signs within or directing traffic to downtown Ipswich; and (g) contribute portion of proceeds from participation in community sponsored events to high school scholarships.

**Fiscal Impact:** The TIF agreement between the Town and MB would result in the Town forgoing approximately **\$47,000** in revenue over a six year period, beginning in FY10. This is not a loss in current revenue, but rather a reduction of revenue that would accrue from MB's capital investment into the property.

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**ARTICLE 15** **SPECIAL ACT: FUNDING OF ACCRUED LIABILITY**  
**FOR POST- EMPLOYMENT BENEFITS (GASB 45)**

**Summary:** This article will enable the Town to begin a funding program for the Town cost of health insurance for retired employees, their spouses, dependents and surviving spouses and dependents. An actuarial study mandated by the Government Accounting Standards Board conducted in 2007 showed that Ipswich has a future unfunded obligation of **\$21,888,000** for post-employment health benefits.

Through a Special Act of the legislature, this article would authorize a Health Insurance Liability Fund and enable the Town to develop a funding schedule and appropriate funds to offset the liability. The Town Manager recommends that we begin by appropriating Medicare reimbursement funds (**\$16,000** from FY'08; **\$39,000** anticipated in FY'09) into the Health Insurance Liability Fund.

**Fiscal Impact:** There will be no impact on the FY'09 tax rate. However, with this Special Act, the Town will embark on a long term program of funding its health insurance for retirees obligation. Based upon the funding schedule for pension obligations, full funding of the accrued health benefit will most likely require 30-40 years.

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**ARTICLE 16**

**VEHICLE REPLACEMENT PROGRAM**

**Summary:** This Article would authorize the Treasurer to borrow approximately **\$160,000** to finance the retirement of large and highly inefficient municipal vehicles. In FY'07, the Town spent **\$62,000** for gasoline; in FY'09, the cost of gas was estimated at **\$3.25** per gallon and **\$110,000** was budgeted. Diesel fuel has increased from **\$33,000** in FY'07 to **\$71,000** in FY'09.

The Town has been making across-the-board changes in order to cope with rising prices for fuel. Retiring the largest, oldest and least fuel efficient passenger vehicles, SUVs and Ford F250 series trucks will help prepare for the era of permanently high energy costs and communicate to the taxpayers that we are all serious about saving energy.

The proposed vehicle replacement program will borrow **\$160,000** to replace three Tauruses with three Toyota Priuses; three large SUVs with Ford Escape hybrids and one Ford F250 truck with a Chevrolet Silverado hybrid one-half ton truck.

This borrowing will be accomplished without additional taxes through a debt exclusion and without an appreciable increase in debt service within the operating budget. Because of retiring, nonexempt Town debt, total debt service will be reduced from **\$208,460** in FY'09 to **\$177,478** in FY'10 to **\$112,130** in FY 2011

**Fiscal Impact:** This program would be funded inside the operating budget and without a tax increase.



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**ARTICLE 17** **CEMETERY AND PARKS VEHICLE PURCHASE**

**Summary:** The Cemetery and Parks Division of the DPW typically finances capital purchases from independent trust funds under control of the Board of Cemetery and Parks. The Division proposes to purchase a new dump truck costing **\$52,000** by transferring funds from the "Sale of Lots Fund." This new vehicle will be available for snow and ice operations during the 2008-09 winter season.

**Fiscal Impact:** There will be no impact on the tax rate.

10/9/2008

**SPECIAL TOWN MEETING SYNOPSES**  
**October 20, 2008**

**ARTICLE 18**

**RECONSIDERATION**

This article will permit the Town Meeting to reconsider any and all previous articles raising and appropriating money which have a direct impact on the tax levy for the next fiscal year. The purpose is to finalize a budget which is balanced and in compliance with the levy limit provisions of Proposition 2½, so that certification of the FY 2009 tax rate can be completed successfully.