



May 4th, 2023



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## Important Dates & Information

### FY2024 Preliminary Cherry Sheet Estimates

On Wednesday, April 12th the House Ways & Means Committee (HWM) released their version of the FY2024 budget proposal. The Division has posted updated preliminary cherry sheets on the DLS website.

Click [here](#) for Preliminary Municipal Cherry Sheet Estimates or [here](#) for Preliminary Regional Cherry Sheet Estimates.

Cherry sheet estimates for charter school tuition and reimbursements are based on estimated tuition rates and projected enrollments under charters previously issued by the Board of Elementary and Secondary Education. Please be advised that charter school assessments and reimbursements will change as updated tuition rates and enrollments become available. Estimates for the school choice assessments may also change significantly when updated to reflect final tuition rates and enrollments.

It is important for local officials to remember that these estimates are preliminary and are subject to

## Ask DLS: Linkage Fees

This month's *Ask DLS* features frequently asked questions concerning special act linkage fees. Please let us know if you have other areas of interest or send a question to [cityandtown@dor.state.ma.us](mailto:cityandtown@dor.state.ma.us). We would like to hear from you.

### What is a linkage fee?

A linkage fee is generally a fee, often permitted through special legislation, charged by a local government on certain developments to raise funds to offset the impacts of the development. Many communities have sought special legislation to reserve the fees in a special revenue fund to be expended for affordable housing related purposes. Some communities have also allowed expenditures for job training and readiness, and for the support of social services, education, youth recreational activities and public space enhancements like traffic and transportation improvements and capital construction projects. Sometimes, prior to pursuing special legislation, a community will conduct a nexus study to demonstrate the relationship between the impact of the development and the spending purpose of the fee.

### What are some examples of communities that have sought linkage fees through special legislation?

Examples of such communities are: Chelsea, Boston, Cambridge, Somerville, Everett, Watertown, Gloucester and Concord.

change as the legislative process unfolds.

If you have any questions about the preliminary estimates, please contact the Data Analytics and Resources Bureau at [databank@dor.state.ma.us](mailto:databank@dor.state.ma.us).

### **Farm Value Advisory Commission FY2024 Recommended Chapter Land Values**

The Division of Local Services has posted the Farmland Valuation Advisory Commission adopted range of recommended agricultural, horticultural, and forest land use values for the various categories of land classified under *Chapter 61 and 61A* for Fiscal Year 2024.

Please see below for the land rates and related information:

[Click here for more information on the FY 2024 Chapter Land 61 and 61A Valuations](#)

Communities questioning the FY 2024 chapter land rates should contact the Bureau of Local Assessment at [bladata@dor.state.ma.us](mailto:bladata@dor.state.ma.us).

### **OSD Climate Action Survey: Meeting Your Electric Vehicle Needs**

The Operational Services Division consistently reviews the marketplace, buyer purchasing trends, and our Statewide Contract portfolio to determine if there are gaps in our offerings. The Local Government Enablement team at OSD is reaching out to our municipal partners to understand your goals with respect to Climate Action Initiatives, with a focus on Vehicles, Vehicle Infrastructure, and Grants. Your feedback will inform our Statewide Contract procurement activities going forward and ultimately assist municipal organizations in meeting their short- and long-term purchasing goals.

[Take the survey.](#)

### **Latest Issue of *Buy the Way* Now Available**

Don't miss Issue #20 of [Buy the Way](#), the official magazine of the Operational Services Division (OSD).

This issue includes our feature article, Climate Action in Action, other Earth Week-related stories, plus standard features such as Statewide Contract Updates,

### **How does a municipality implement linkage fees?**

Generally, once a community's special legislation is approved, the community will implement an ordinance or by-law to carry out its purposes.

### **What size and type of development is this fee usually imposed on?**

Each community has approached this differently. Chelsea has imposed the fee on commercial development, as well as industrial and residential. Boston has a 100,000 square foot exemption, which was recently lowered to 50,000 with a delayed two-year start. Watertown has implemented linkage fees only on commercial development of 30,000 square feet or more. These distinctions are made by each community.

### **Do municipalities have the authority to impose these fees?**

As DLS has noted whenever similar legislation has been proposed, cities and towns already have broad authority under their home rule powers to impose fees not otherwise inconsistent with state law. See *Silva v. Attleboro*, 354 Mass. 165 (2009); *Emerson College v. Boston*, 391 Mass. 415 (1984). However, those fees must meet the three-prong test established under *Emerson College* to determine whether it is an allowable fee or an unauthorized tax: (1) Is the charge for a particularized service? (2) Is the charge designed to compensate the government for its costs in providing the service and not to raise revenue generally? and (3) Is receipt of the service and payment of the charge voluntary? See also *Greater Franklin Developers' Association, Inc. v. Town of Franklin*, 49 Mass. App. Ct. 500 (2000), where the appeals court expressly rejected a "rational nexus" justification for the imposition of the development impact fees for the capital cost of additional school facilities. The court's holding was based not merely on the absence of statutory authorization for Franklin's fee, but on constitutional considerations, relying upon the Court's decision in *Emerson*. It remains to be seen whether the Supreme Judicial Court would uphold linkage fees authorized by the

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### DCR Lifeguarding Program Seeks Applicants

The Department of Conservation and Recreation continues to seek lifeguards at agency-managed waterfronts and pools across the state for the summer season. Pay starts at \$22/hour; and positions are available five days per week, 40 hours per week, weekends included. Interested candidates 16 years and older can find additional information by visiting the [DCR lifeguard webpage](#). To apply to be a lifeguard, please visit the [application webpage](#). To assist DCR in safeguarding local swimming destinations in your area, please share with any interested applicants seeking summer employment.

### Proposed FY2024 State-Owned Land Valuation under MGL C. 58 § 13-17

The Division of Local Services has posted on its website proposed FY2024 state-owned land values based on the fair cash value of certain state owned lands (SOL) pursuant to [MGL Ch. 58, §§ 13-17](#). These lands are reimbursed for loss of local tax revenue on the Cherry Sheet's State-Owned Land line.

Click [here](#) to display the proposed municipal state-owned land values and their share of the total state-owned land. In addition, please see the DLS [Frequently Asked Questions](#) about this [program](#).

The Bureau of Local Assessment (BLA) is notified of acquisitions, deletions and agency transfers by the Department of Capital Asset Management & Maintenance (DCAMM). In preparation for the FY2024 final numbers, if your community has newly reported and outstanding acquisitions from calendar year 2021 and 2022, you will be notified by mid-February by BLA for processing in the Gateway system by March 1, 2023.

It is imperative you respond to any request for information within fifteen (15) days to have the additional acreage included in your FY 2024 valuation issued on June 1, 2024.

### BULLETIN 2023-1: Summary of 2022 Municipal Finance Law Changes

The DLS Municipal Finance Law

legislature under a “rational nexus” analysis or under other constitutional considerations.

## Register Now for the DLS Completing the Tax Rate Recap Forms Webinar

### DLS Municipal Finance Training and Resource Center

Please join the Division of Local Services (DLS) for *Completing the Tax Rate Recap Forms* webinar on June 6, 2023 from 10am-12:30pm. DLS staff will go over each of the forms of the tax rate recap, discuss how to complete them and who is responsible for their submittal, where the information comes from, and what the Bureau's expectations are when we review each form. DLS staff will be available to answer your questions following the presentation. A recording of the webinar will be available on the [DLS YouTube](#) channel for those unable to attend the live presentation.

Click [here](#) to register. If you have any questions about this webinar, please email us at [dlsregistration@dor.state.ma.us](mailto:dlsregistration@dor.state.ma.us). A confirmation with login details for the webinar will be shared once you have registered. Be sure to review and bookmark the [Municipal Finance Training & Resource Center](#) and subscribe to the [DLS YouTube](#) channel.

## Fiscal Stress Series Summary

### Tony Rassias - Deputy Director of Accounts

This following “Fiscal Stress” piece recaps the subject matter found in each part of the Fiscal Stress series where we analyzed how stress in municipal finances may be seen through community data submitted to the Division of Local Services (DLS). Identifying potential financial issues using the following indicators and coupling them with best practice guidance can help communities better understand and address their existing and future fiscal landscape.

Our “[Identifying Fiscal Stress Using the DLS Municipal Finance Trend Dashboard](#)” piece defined areas of fiscal stress and its

Bureau has issued a new Bulletin. To keep local officials informed of legislative developments, DLS periodically publishes a Bulletin summarizing new laws that affect municipal budgets and local tax assessment, administration and collection. Each issue contains a cumulative summary of session laws enacted to that time and indicates whether the Division has issued any further implementation guidelines. This edition of the LEGISLATIVE BULLETIN includes any legislative changes affecting municipal finance found in Chapters 1 - 448 of the Acts of 2022.

#### [BUL-2023-1](#) – Summary of 2022 Municipal Finance Law Changes

To access IGRs, LFOs and Bulletins, please visit this [webpage](#).

#### **MBI Municipal Digital Equity Planning Program is Live**

The Massachusetts Broadband Institute (MBI) is accepting applications for the [Municipal Digital Equity Planning Program](#)!

The ability to engage in digital equity planning activities will be a critical step for municipal leaders and staff to build a broad understanding of how internet access, or lack thereof, affects residents of their community, and to develop actionable solutions to bridge the digital divide.

Specifically, the Municipal Digital Equity Planning activities will support municipalities in:

- Decision-making and investments related to services and infrastructure that will increase access, adoption, and usage of the internet for the populations most impacted by the COVID-19 pandemic.
- Preparing to submit grant proposals to existing or forthcoming state or federal opportunities related to solving the digital divide.

Municipalities participating in this program will receive expert advisement from a network of prequalified consultants identified by the MBI.

[Click here to find full program details, eligibility requirements, and apply!](#) For questions or additional information, please reach out via email at [eichen@masstech.org](mailto:eichen@masstech.org).

potential consequences to government financial operations, highlighted how the [Municipal Finance Trend Dashboard's](#) six categories can help identify areas of fiscal stress, and advised that future fiscal stress articles would include guidance for distressed communities on gaining back fiscal health.

Spotlighting Dashboard [Category One](#), "[Identifying Fiscal Stress: Diminishing Reserves](#)" focused on fiscal stress resulting from reduced free cash and/or general stabilization fund positions, identified strategies to build or replenish these reserves for improved overall community fiscal health, discussed the importance of written reserve policies and offered additional reserve policy resources.

Spotlighting Dashboard [Category Two](#), "[Area of Fiscal Stress: Pension Assessments](#)" focused on fiscal stress in pension funding and legislation that addressed the matter, described the four common metrics used to assess a retirement system's fiscal health, offered advice from peers on how to achieve full funding, and gave additional resources and suggestions.

Spotlighting Dashboard [Category Three](#), "[Area of Fiscal Stress: Statutory Property Tax Limits](#)" focused on fiscal stress caused by constraints placed on the annual property tax levy by Proposition 2½, advised how to achieve relief from those constraints by applying the law's own provisions, offered a cautionary note regarding the public's financial capability to pay additional tax, and suggested the basis of a roadmap to safety.

Spotlighting Dashboard [Category Four](#), "[Area of Fiscal Stress – Revenue Uncertainties](#)" focused on fiscal stress when certain budgeted and actual revenue components are uncertain, determined whether and how these components were affected during the pandemic from FY2020 to FY2021, provided some relevant FY2022 statistics, and recommended ways to manage these components during uncertain economic times.

Spotlighting Dashboard [Categories Five](#) and [Six](#), "[Fiscal Stress – The Debt Burden](#)" focused on fiscal stress from a rising level of debt outstanding both in terms of financing the debt and colliding with the

## DLS Links:

[COVID-19 Resources and Guidance for Municipal Officials](#)

[Events & Training Calendar](#)

[Municipal Finance Training and Resource Center](#)

[Local Officials Directory](#)

[Municipal Databank](#)

[Informational Guideline Releases \(IGRs\)](#)

[Bulletins](#)

[Tools and Financial Calculators](#)



debt authorization limit, presented resources to compare communities using three common metrics, and concluded with information regarding capital planning or borrowing advice.

We hope that you found the Fiscal Stress series useful and relevant. If you have any suggestions for future topics, please contact us at [city&town@dor.state.ma.us](mailto:city&town@dor.state.ma.us).

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**Editorial Board:** Kasey Bik, Sean Cronin, Emily Izzo, Paula King, Lisa Krzywicki and Tony Rassias

Contact *City & Town* with questions, comments and feedback by emailing us at [cityandtown@dor.state.ma.us](mailto:cityandtown@dor.state.ma.us). To view previous editions, please [click here](#).

To unsubscribe to *City & Town* and all DLS alerts, email [dls\\_alerts@dor.state.ma.us](mailto:dls_alerts@dor.state.ma.us).

