

MAYOR'S UPDATE
November 28, 2022
Mayor Sean R. Reardon

Fire Department

I want to thank by sending my sincere thanks to the Newburyport Fire Department for their quick work to contain a fire that began in the basement of 6 Dove Street. Thanks to their work, no one was hurt and the fire did not spread beyond the house. Thank you to our Building Department and others who have worked with the homeowners in the aftermath of this event, and we are thinking of the family at this time.

Information Technology

New IT Director James Pope has gotten off to a quick start and is working with department heads to understand their tech needs and assets. We got some exciting news that the City will be receiving a Community Compact Grant to upgrade our Voice over Internet Protocol (VoIP) phone systems in City buildings. In a competitive year for grant applications, we were selected because this project met the program goals of driving innovation and transformation at the local level via investments in technology. We look forward to this project resulting in a much-improved phone system.

Tax Rate

As you all know, you are voting on the City's tax rate this evening. I am recommending a Commercial, Industrial, and Personal (CIP) Property tax shift for the first time since 1986, and it is a common tool used by many municipalities to even out the tax increases seen through residential property assessment rises. Without a shift this year, the average commercial property owner would see their tax bill fall by 8.4%, and the average industrial property owner would see a 6.7% decrease. This would all occur as the average residential property holder would see an increase of \$530, or 6.3% on their tax bill. We want our businesses to be successful and would never want to push an undue burden onto them, but a tax cut for businesses when residences will see unprecedented increases is not advantageous for the city as a whole.

At the City Council's Budget and Finance Committee meeting on Thursday, November 17th, Councillors decided to add further free cash that would reduce the amount needed to levy, and the current amount of free cash proposed is just over \$550,000. At the end of the discussion, the Council agreed to move forward with the proposed CIP shift.

This decision was not taken lightly and I believe this offers the most balanced approach. It limits the increases for residents, while only raising the average commercial property's taxes by .6% and industrial by 2.5% over last year. While the CIP shift may raise concerns about precedent-setting for those in the business community, this is not something we intend to do annually. We

are reacting to a specific and hopefully transitory occurrence, as we saw significant jumps in residential assessments that were not mirrored in commercial assessments.

This plan results in very small tax increases for the business community, versus the increases seen by residents. We believe this is a fair solution, and we will continue to look for ways to make this situation easier for all.

Health Department

We held a successful Covid and Flu Vaccine clinic at City Hall on November 22nd, and are looking to hold another clinic soon. There will be a blood drive on November 30th from 12-5pm at the Senior Community Center, and spots are still available to volunteer to give blood.

Energy and Sustainability

We have held two public meetings so far on the City's Community Choice Power Supply program and have been able to answer many questions about the program. As a reminder, this is an opt-out program, and if you are on National Grid's basic service, you will be automatically enrolled. The last info session is Thursday, December 15th at 6pm at the Senior Community Center.

Commendation

I am very happy to congratulate the State Champion Newburyport High School Boys Soccer Team. Well done on a fantastic season, and it is an honor to join the City Council in a formal commendation.

Mayor Sean Reardon