

# City of Somerville FY2025 Classification Hearing

November 26, 2024

Adoption of Tax Levy percentages for FY 2025

Somerville Board of Assessors

Francis J. Golden, MAA  
Chief Assessor  
& Chairman

Michael Flynn, MAA  
Richard Scanlon, MAA

Katjana Ballantyne  
Mayor



# Recommendations

1. A motion that the City Council adopts a minimum residential factor of 82.35, the legal minimum for the City of Somerville for FY 2025.
2. A motion that the City Council accepts the provisions of Chapter 59, section 5C approving a residential exemption of 35% of average assessed value for owner occupied properties for FY 2025.

# Comparison of State Form LA-4

## FY24 & FY25

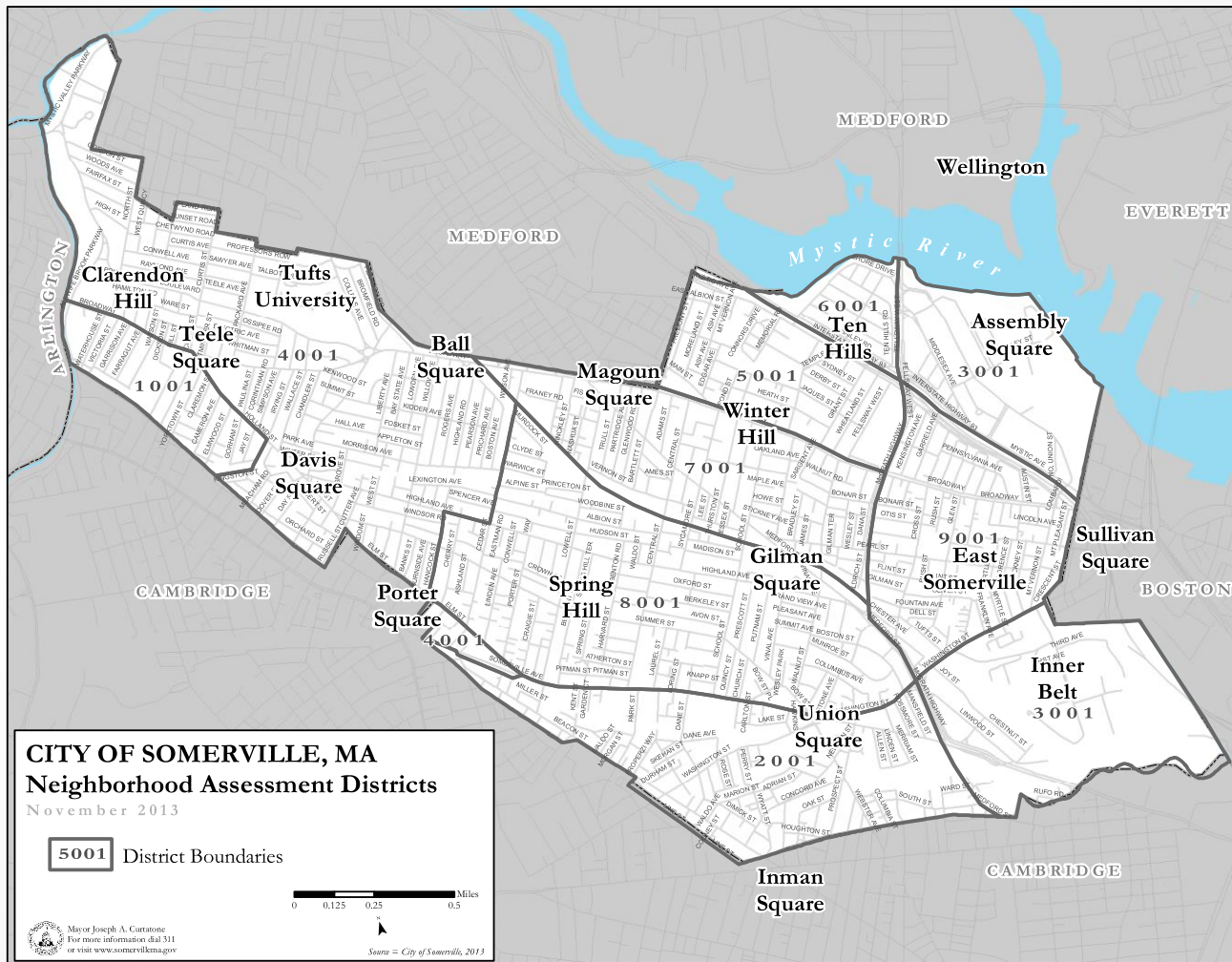
USE CODE	DESCRIPTION	FY 2024 PARCEL COUNT	FY 2025 PARCEL COUNT	FY 2024 ASSESSED VALUE	FY 2025 ASSESSED VALUE
101	SINGLE FAMILY	2,303	2,312	\$2,473,878,700	\$2,575,856,500
102	CONDOMINIUM	6,888	7,086	\$5,002,905,362	\$5,326,788,805
104	TWO FAMILY	4,829	4,775	\$5,327,284,990	\$5,408,943,390
105	THREE FAMILY	2,200	2,188	\$2,928,138,675	\$2,995,605,475
109	2 OR MORE RES. BUILDINGS/1 LOT	66	67	\$114,358,300	\$119,766,700
111-125	APARTMENTS 4+	665	664	\$2,432,480,606	\$2,533,893,917
130-132,106	VACANT RES. LAND	167	173	\$18,553,700	\$20,659,700
300-393	COMMERCIAL	595	590	\$3,261,575,051	\$3,502,218,672
400-452	INDUSTRIAL	90	89	\$433,862,500	\$429,666,600
012-043	MIXED USE RESIDENTIAL	250	252	\$792,294,696	\$855,936,542
	MIXED USE COMMERCIAL			\$179,445,485	\$185,866,065
501-508	PERSONAL PROPERTY	658	697	\$549,882,130	\$551,609,270
TOTAL REAL & PERSONAL PROPERTY VALUE		18,711	18,893	\$23,544,660,195	\$24,506,811,636
900-990	EXEMPT REAL ESTATE	388	394	\$2,430,889,468	\$2,427,288,768

## Parcel Count Changes FY24-FY25:

- Added 198 residential condo units (64 conversions)
- 54 fewer two-family properties
- 12 fewer three-family properties

## Average Valuation Changes FY24-FY25

	Market & Growth	Growth Only
Single family	4.1%	0.992%
Condominiums	6.5%	1.190%
Two & Three family	1.4%	0.606%
Multi – Family 4+ Units	4.2%	8.118%
Commercial	7.4%	15.298%
Industrial	-1.0%	0.920%



## Average Assessment Changes By Neighborhood: Single Family

	FY24 Value	FY25 Value	% Change 24-25
1001 West Somerville South & Cambridge Line	1,202,045	1,231,248	2.43
2001 Ward 2 Union Square South	1,090,748	1,116,329	2.35
3001 Ward 2 Cobble Hill			
4001 West Somerville	1,432,541	1,488,055	3.88
5001 Winter Hill North	788,284	801,812	1.72
6001 Ten Hills	896,159	925,472	3.27
7001 Winter Hill & Magoun Square	921,137	956,195	3.81
8001 Central, Spring & Prospect Hill	1,100,553	1,141,881	3.76
9001 East Somerville	805,730	830,640	3.09
<b>City Average</b>	<b>1,074,798</b>	<b>1,114,125</b>	<b>3.72</b>

## Average Assessment Changes By Neighborhood: Two Family

	FY24 Value	FY25 Value	% Change 24-25
1001 West Somerville South & Cambridge Line	1,180,510	1,196,183	1.33
2001 Ward 2 Union Square South	1,132,842	1,152,367	1.72
3001 Ward 2 Cobble Hill			
4001 West Somerville	1,252,524	1,273,811	1.70
5001 Winter Hill North	830,011	860,580	3.68
6001 Ten Hills	897,622	925,841	3.14
7001 Winter Hill & Magoun Square	954,615	979,928	2.65
8001 Central, Spring & Prospect Hill	1,109,038	1,136,335	2.46
9001 East Somerville	901,988	920,634	2.07
<b>City Average</b>	<b>1,109,398</b>	<b>1,132,763</b>	<b>2.11</b>

## Average Assessment Changes By Neighborhood: Three Family

	FY24 Value	FY25 Value	% Change 24-25
1001 West Somerville South & Cambridge Line	1,484,369	1,510,302	1.75
2001 Ward 2 Union Square South	1,457,169	1,499,817	2.93
3001 Ward 2 Cobble Hill			
4001 West Somerville	1,439,682	1,477,702	2.64
5001 Winter Hill North	1,163,149	1,205,237	3.62
6001 Ten Hills	1,010,460	1,038,040	2.73
7001 Winter Hill & Magoun Square	1,172,170	1,208,267	3.08
8001 Central, Spring & Prospect Hill	1,338,270	1,374,435	2.70
9001 East Somerville	1,127,750	1,164,456	3.25
<b>City Average</b>	<b>1,330,972</b>	<b>1,369,107</b>	<b>2.87</b>



## Average Assessment Changes By Neighborhood: Condominium

	FY24 Value	FY25 Value	% Change 24-25
1001 West Somerville South & Cambridge Line	830,837	868,472	4.53
2001 Ward 2 Union Square South	741,849	765,277	3.16
3001 Ward 2 Cobble Hill	661,136	682,081	3.17
4001 West Somerville	836,975	860,642	2.83
5001 Winter Hill North	597,667	623,675	4.35
6001 Ten Hills	655,618	703,599	7.32
7001 Winter Hill & Magoun Square	601,295	620,544	3.20
8001 Central, Spring & Prospect Hill	750,104	781,226	4.15
9001 East Somerville	621,909	638,672	2.70
<b>City Average</b>	<b>726,322</b>	<b>751,734</b>	<b>3.50</b>

# FY25 Growth

Use Type	New Growth Valuation	Tax Levy Growth
Single Family	24,548,900	
Condominium	59,510,280	
Two & Three Family	50,236,270	
Four+ Units	197,478,893	
Mixed-Use Residential & Other	795,700	
<b>Total Residential</b>	<b>333,026,583</b>	<b>3,503,440</b>
Commercial	498,943,467	
Industrial	3,989,700	
Personal Property	81,484,200	
<b>Total Commercial, Industrial &amp; Personal Property</b>	<b>584,417,987</b>	<b>10,636,408</b>
<b>Total Real &amp; Personal Property</b>	<b>917,444,570</b>	<b>14,139,848</b>

# Major Contributors to New Growth Valuation

		<b>New Growth Valuation</b>	<b>FY25 Tax (Estimate)</b>
250 Water St.	Lab Cambridge Crossing	75,381,800	1,371,949
153 South St. aka 808 Windsor St.	Lab Boynton Yards	84,104,400	1,530,700
188 Assembly Prk Dr	Lab Assembly Sq	104,257,800	1,182,125
20-50 Prospect St.	Apt bldg. union sq	70,319,900	739,765
301 Assembly Row	Apt bldg. & retail	25,815,205	271,576
		1,358,695	24,728



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# Fiscal Year 2026

## Life Science New Growth Forecast

### Points of Interest

- 16 Million SF Vacant in Greater Boston Area
- 2 Million SF is the annual demand
- Life Science FY 2025 market depreciated 25% from FY 2024 to FY 2025
- New growth with exception of 100 Chestnut St, 599 Somerville Ave and 495 Columbia St will not be captured
- The Life Science market depreciation will absorb the new growth captured as our building values fall.
- The FY 2026 new growth estimate has been reduced to 9 million due to falling life science market

Location	6/30/2024 % Complete	6/30/2025 Potential Growth	Tenant Status	Rentable Area
222 Jacobs St	100%	-	Stabilized	426,869
101 South St	100%	-	Stabilized	287,959
250 Water St	95%	5%	Stabilized	479,004
100 Chestnut St	72%	28%	Stabilized	208,616
Life Science Properties Capped at 60% - No Tenants				
10 Prospect St	57%	3%	Vacant	196,495
808 Windsor St	55%	5%	Vacant	370,000
188 Assembly Prk Dr	50%	10%	Vacant	495,000
74 Middlesex Ave	49%	11%	Vacant	467,952
599 Somerville Ave	45%	15%	Vacant	42,780
495 Columbia St	43%	17%	Vacant	338,603

<b>Rentable Area</b>	3,313,278
<b>Vacant</b>	1,910,830

# FY25 Tax Levy & Classification

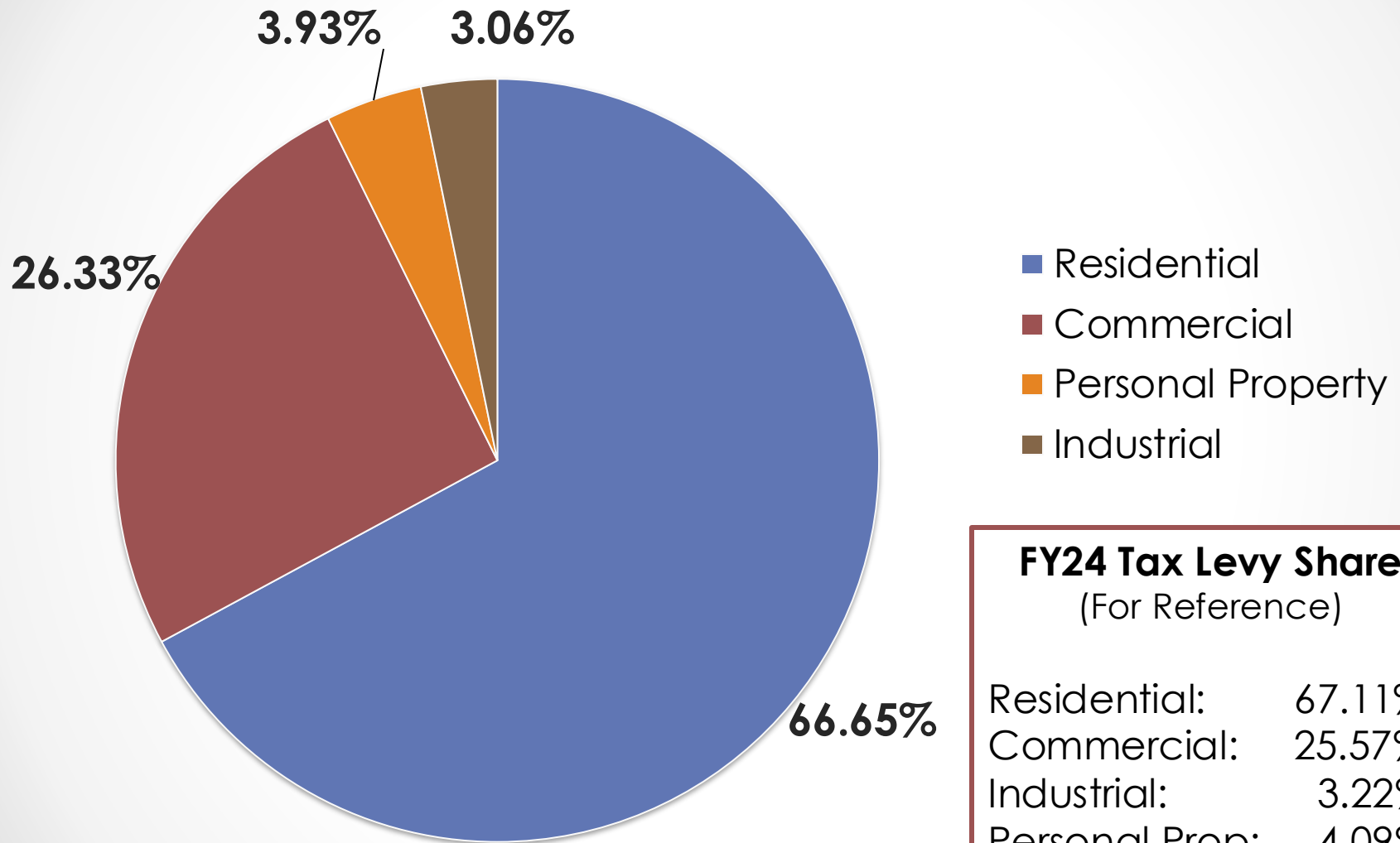
FY24 Levy Limit:	\$238,463,940
FY25 Add 2.5%:	\$ 5,961,599
FY25 New Growth	\$ 14,139,848
FY25 Levy Limit:	\$258,565,387
FY25 Debt Exclusion	\$ 6,625,681
FY25 Max Allowable Levy	\$265,191,068
FY25 Estimated Tax Levy	\$265,191,068
Excess Levy Capacity:	\$ 0

FY25 Change:  
8.17%

	As Assessed	With 175% Classification
Commercial Value %	19%	33%
Residential Value %	81%	67%

Commercial Levy: \$ 88,423,468  
Residential Levy: \$176,767,600

# Tax Levy Share: FY25



# Option 1: No Classification & No ResX

- Single Tax Rate: \$ 10.82

**NOT RECOMMENDED**

Use Type	FY24 Average Value	FY25 Average Value	FY24 Average Tax	FY25 Average Tax	Tax Change FY24-FY25
CONDO	726,322	751,734	\$7,546	\$8,134	\$588
1 FAMILY	1,074,198	1,114,125	\$11,161	\$12,055	\$894
2 FAMILY	1,109,398	1,132,763	\$11,527	\$12,256	\$729
3 FAMILY	1,330,972	1,369,107	\$13,829	\$14,814	\$985
4-8 FAMILY	1,876,932	1,881,919	\$19,501	\$20,362	\$861
COM	5,481,639	5,935,964	\$56,954	\$64,227	\$7,273

# Option 2: With Classification & No ResX

- Residential Rate: \$8.91
- Commercial Rate: \$18.94

**NOT RECOMMENDED**

Use Type	FY24 Average Value	FY25 Average Value	FY24 Average Tax	FY25 Average Tax	Tax Change FY24-FY25
CONDO	726,322	751,734	\$6,239	\$6,698	\$459
1 FAMILY	1,074,198	1,114,125	\$9,227	\$9,927	\$700
2 FAMILY	1,109,398	1,132,763	\$9,530	\$10,093	\$563
3 FAMILY	1,330,972	1,369,107	\$11,433	\$12,199	\$766
4-8 FAMILY	1,876,932	1,881,919	\$16,123	\$16,768	\$645
COM	5,481,639	5,935,964	\$99,711	\$112,427	\$12,716



# Option 3: With Classification & ResX

- Residential Rate: \$10.92
- Commercial Rate: \$18.94

**ResX Value Reduction: \$396,364**  
**Tax Savings of \$4,328**

**RECOMMENDED**

(ResX included for condo, 1, 2, 3 & 4-8 family)

Use Type	FY24 Average Value	FY25 Average Value	FY24 Average Tax	FY25 Average Tax	Tax Change FY24-FY25
CONDO	726,322	751,734	\$3,587	\$3,881	\$294
1 FAMILY	1,074,198	1,114,125	\$7,247	\$7,838	\$591
2 FAMILY	1,109,398	1,132,763	\$7,617	\$8,041	\$424
3 FAMILY	1,330,972	1,369,107	\$9,948	\$10,622	\$674
4-8 FAMILY	1,876,932	1,881,919	\$15,692	\$16,222	\$530

# FY25 TAX IMPACT

## Somerville High School Debt Exclusion with the Residential Exemption

Actual Taxes multiplied by ratio equals impact debt exclusion on your taxes.	
Debt Excl impact per use	
High School Debt Excl	6,625,681
Max Levy	265,191,068
Ratio	0.024984

Debt Exclusion impact per use	FY 2025	FY 2024	FY 2023
CONDOMINIUM	\$ 97	\$ 98	\$104
1 FAMILY	\$196	\$198	\$201
2 FAMILY	\$201	\$208	\$220
3 FAMILY	\$265	\$272	\$296
4 TO 8 UNIT	\$405	\$429	\$459

# Residential Tax Community Comparison

Municipality	FY 24 Residential Tax Rate	FY 24 Comm/Ind/ PP Levy Share	FY 24 Average Res Value	FY 24 ResX Percentage	FY 24 ResX Savings	FY 24 Average Residential Tax Bill
Boston	10.90	58.33%	946,404	35%	\$3,611	\$6,705
Cambridge	5.92	66.21%	1,664,211	30%	\$2,919	\$6,933
Somerville	10.52	32.89%	1,100,869	35%	\$4,053	\$7,527
Waltham	9.64	61.36%	814,422	35%	\$2,748	\$5,103
Watertown	11.70	50.00%	840,331	33%	\$3,245	\$6,587

# Exemptions & other options to Reduce RE taxes:

- Other than ResX
- Reside at property
- City allows double the allowed amount for exemptions depending how much their tax bill increased from previous year

Exemption	Requirements	Income limits	Asset limits	Exemption amount	Other requirements	#FY24 granted
Elderly 17D	Over 70	--	\$76,744	\$334 25% water	--	50
Elderly 41C	Over 65	\$26,853 (S) \$40,277(M)	\$53,704 (S) \$73,854(M)	\$1000 25% water	--	37
Blind 37A	Blind certificate	--	--	500	--	12
Veterans 22	VA disability cert over 10%	--	--	\$400 up to 100%	Amount depends on disability	91
Deferral 41A	Over 65 Constitutes lien payable upon transfer/death	\$86,000	--	100% gaining 2.5% interest	Consent other lien holders (mortgage)	7
Senior work off	Over 60	--	--	Up to \$1500	Contact council on aging	9