

EDC Minutes – 2 April 2015

These are the meeting minutes from the Economic Development Committee (EDC) of the Town of Acton, Massachusetts. The meeting took place on 2 April 2015 at the Acton Town Hall in Room 126.

The meeting was called to order shortly after 7:30 by Nancy Dinkel.

Present: Ann Chang, Allan Gulliver, David Foley, Derrick Chin, Franny Osman, Larry Kenah, Nancy Dinkel

Not present: Bharat Shah, Dick Calandrella, Doug Tindal

Janet Adachi, from the Town of Acton Board of Selectmen, joined our meeting to address agenda item #2, Local Options Meals Tax.

Once again, Josh Fischel joined our meeting. Josh is in the final stages of joining the EDC as a full-time member.

Summary

There was no public participation.

Local Options Meals Tax (2)

We spent most of the meeting on this topic.

Janet presented a set of slides that would form the basis for her presentation to be following Monday.

Meals Tax Itself

We will summarize the slides with a set of bullet points.

- The Massachusetts Legislature, in 2009, allowed municipalities to levy a 0.75% tax on sales of restaurant meals originating in the municipality.
- This is a source of revenue that does not rely entirely on residents.
- The state itself already levies a meals tax of 6.25%.
- Based on existing levies paid directly to the state, we can estimate how much revenue the town will realize each year.
 - Janet listed numbers for each fiscal year from when the law was enacted through November 2014.
 - Based on these numbers, Acton stands to see annual revenue of more than \$250,000.
 - Despite earlier rumors, these funds are not earmarked.
- Acton discussed imposing this tax before but chose not to. Most nearby communities have since enacted the meals tax.
 - These towns have seen little to no impact on business following enactment of the local options meals tax.
- Nearby towns that have not enacted the local options meals tax include Stow, Boxborough, Carlisle, Billerica, Lincoln, and Weston.

- With the exception of Billerica, most of these towns have a very small number of restaurants and so will realize little additional revenue if they enacted the tax.

Janet wanted to impress on us (and members of town meeting the following week) on the small incremental increase in a restaurant tab. Here is a simple example showing the tax impact on a tab for \$100.

- Under the existing state meals tax, the bill delivered to the customer is \$106.26.
- If Acton votes to implement the local option, the customer's bill will increase to \$107.00.

In the discussion that followed Janet's presentation, two members were opposed to enacting the local meals tax. They stressed that Acton should look to reduce spending rather than looking for ways to increase revenue. Four members voiced support for the measure. A fifth was undecided.

We put the measure to a formal vote. There were 5 YEAs and 2 NAYs recorded.

Other Observations

During the discussion, Janet indicated that she expected that the EDC could provide information on how many restaurants and other businesses that delivered prepared food exist in Acton. The EDC does not have up-to-date information about businesses like this but we cite such information as one of several reasons why we (the Town of Acton) need a database business of businesses that is both comprehensive and current.

Meeting Minutes (3)

The minutes from the EDC meeting from 19 March 2015, recorded by Allan Gulliver, were approved. Larry Kenah will post the final version of the minutes.

Board of Selectmen Report (4)

Franny Osman gave a brief update on what else to expect at town meeting. She herself would be presenting the article about transportation.

Ann Chang indicated that she would make a motion at the start of town meeting to move Article 27, the zoning article dealing with Brookside Shops (Staples, Trader Joe's, etc) to "time certain" on the second night of town meeting. Specifically, Article 27 would be the first article taken up my town meeting on Tuesday, 7 April 2015.

Rest of Agenda (5..11)

Following the brief discussion of town meeting, we decided to postpone remaining agenda items until the following meeting.

In Closing

The meeting adjourned at 9:30 pm.

These minutes were recorded by Lawrence J Kenah, EDC Clerk.