

SELECT BOARD
6:00 p.m. December 8, 2020
Needham Town Hall
Agenda

Under Governor Baker's emergency "Order Suspending Certain Provisions of the Open Meeting Law G.L. c. 30A, S20", issued March 12, 2020 and in effect until termination of the emergency, meetings of public bodies may be conducted virtually provided that adequate access is provided to the public.

To listen and view this virtual meeting on a phone, computer, laptop, or tablet, download the "Zoom Cloud Meeting" app in any app store or at www.zoom.us. At the above date and time, click on "Join a Meeting" and enter the meeting 83012497485 or click the link below to join the webinar: <https://us02web.zoom.us/j/83012497485>.

	5:45	Informal Meeting with Citizens <i>One or more members of the Select Board will be available between 5:45 and 6:00 p.m. for informal discussion with citizens. Because of planning constraints during the COVID emergency, residents wishing to speak during that time should call the Select Board Office at (781)-455-7500, extension 204, not later than 3PM on the business day before the meeting to request an appointment. This enables the Board to better assure opportunities for participation and respond to citizen concerns.</i>
1.	6:00	Tax Property Classification Hearing • Walter McDonough, Board of Assessors • Stanley Winston, Board of Assessors • Arthur Tzouros, Board of Assessors • Chip Davis, Director of Assessing
2.	6:45	Approve Sale of Notes • David Davison, Assistant Town Manager/Director of Finance • Evelyn Poness, Town Treasurer
3.	7:00	Director of Public Works • Sign Notice of Traffic Regulation Revision – Chestnut Street at Oak Street • Sign Notice of Traffic Regulation Revision – Central Avenue at Great Plain Avenue • Public Works Snow & Ice Preparation Update
4.	7:15	Town Manager • Proposed Snow Removal & Snow Hauling Exemption Legislation • Heather Lane Definitive Subdivision & Heather Lane

		Extension Residential Compound and Definitive Subdivision • Preliminary FY2022 – FY2026 Capital Improvement Plan • Town Manager's Report
5.	7:30	Board Discussion • 40B Housing Guidelines & General Housing Policy • Committee Reports – Needham Unite Against Racism Initiative

APPOINTMENTS

1.	Needham Cultural Council	Joni Schockett (term expires 6/30/2023)
2.	Needham Cultural Council	Bala Muthukaruppan (term expires 6/30/2023)
3.	MBTA Advisory Board	Duncan Allen (term expires 6/30/2023)

CONSENT AGENDA *=Backup attached

1.	Approve for calendar year 2021 requests for license renewals of Restaurant – All Alcoholic Licenses for each of the following establishments (subject to receipt of required completed paperwork): • Zucchini Gold, LLC d/b/a The Rice Barn • Bertucci's Restaurants, LLC d/b/a Bertucci's • Henry Hospitality Inc. d/b/a The James • Mount Blue Two, LLC d/b/a Blue on Highland • New Garden, Inc. d/b/a New Garden Restaurant • TDRG Needham, Inc. d/b/a Cook Needham • Fusion Cuisine, Inc. d/b/a Gari • Sol Soul Family Foods, LLC d/b/a Hearth Pizzeria • SAI Restaurants, Inc. d/b/a Masala Art • Fu Yuan, Inc. d/b/a Fuji Steak House • Low and Zhang Co. d/b/a Mandarin Cuisine Locus • Eat Farmhouse LLC d/b/a The Farmhouse • Needham Food and Beverage LLC d/b/a The Heights • Capella LLC d/b/a Cappella • Spiga, LLC d/b/a Spiga • Latin-A Group LLC d/b/a Latina Kitchen and Bar • Poet King Restaurant Group LLC. d/b/a Hungry Coyote • Pancho's Taqueria Needham, LLC d/b/a Pancho's Taqueria
2.	Approve for calendar year 2021 request for license renewal of Restaurant – Wine and Malt Beverage License for the following establishment (subject to receipt of required completed paperwork): • French Press LLC d/b/a French Press Bakery & Café
3.	Approve for calendar year 2021 requests for license renewals of Package Stores- All Alcoholic Beverages for the following establishments (subject to receipt of required completed paperwork): • Innovative Distributing Concepts, LLC d/b/a Bin Ends

	• Lianos Liquors, LLC d/b/a Needham Center Wine & Spirits • Needham Wine & Spirits, LLC d/b/a Needham Wine & Spirits • Reveler Beverage Company, LLC d/b/a Reveler Beverage • vinodivino 3, LLC d/b/a vinodivino
4.	Approve for calendar year 2021 requests for license renewals of Package Stores- Wine and Malt Beverages for the following establishment: • Volante Farms
5.	Approve for calendar year 2021 request for Innholder – All Alcoholic License Renewal for the following establishments: • Needham 365 Bev, LLC. d/b/a Residence Inn • Needham Cabot Concessions, LLC d/b/a Sheraton Needham Hotel
6.	Approve for calendar year 2021 requests for license renewals of Club – All Alcoholic Beverage Licenses for the following establishments (subject to receipt of required completed paperwork): • The Needham Golf Club • Village Club Building Assoc. Inc. • Lt. Manson Carter Post #2498 V.F.W. of U.S.
7.	Approve for calendar year 2021 requests for license renewals of Common Victualler Licenses for the following establishments (subject to receipt of required completed paperwork): • Bagels' Best, Inc. d/b/a Bagels' Best Café • Bertucci's Restaurants, LLC d/b/a Bertucci's • Beth Israel Deaconess – Glover Café • Mount Blue Two, LLC d/b/a Blue on Highland • C & D Management, Inc. d/b/a Brothers Pizza & Restaurant • Coffee and Fresh Bagels Inc. d/b/a Café Fresh Bagel • Capella LLC d/b/a Cappella • Chef Mike's LLC d/b/a Chef Mike's • North Hill Needham, Inc. d/b/a Central Avenue Café • LPM Holding Co., Inc. d/b/a Epicurean Feast - Cutler Lake • 1095, LLC d/b/a Comella's Restaurant • TDRG Needham, Inc. d/b/a Cook Needham • Your Other Oven, Inc. d/b/a Domino's Pizza • Lin and Xie Corp. d/b/a Dragon Chef Restaurant • ND Donuts d/b/a Dunkin' • ND Donuts d/b/a Dunkin' • ND Donuts d/b/a Dunkin' • Eat Farmhouse, LLC d/b/a The Farmhouse • French Press LLC d/b/a French Press Bakery & Café • Select Group, Inc. d/b/a Fresco Restaurant • Fu Yuan, Inc. d/b/a Fuji Steak House • Fusion Cuisine d/b/a Gari • 1056 Gyro and Kebab House Corp d/b/a Gyro and Kebab House • Needham Food and Beverage LLC d/b/a The Heights • Poet King Restaurant Group LLC. d/b/a Hungry Coyote • Henry Hospitality Inc. d/b/a The James • Three Sons, Inc. d/b/a Kosta's Pizza & Seafood

	• Latin-A Group LLC d/b/a Latina Kitchen and Bar • Low and Zhang Co. d/b/a Mandarin Cuisine Locus • SAI Restaurants, Inc. d/b/a Masala Art • McDonald's Restaurant – Needham • D & L Enterprises, Inc. d/b/a Mighty Subs • The Needham Golf Club, Inc. • International Needham House of Pizza d/b/a Needham House of Pizza • A New Leaf • New Garden Inc. d/b/a New Garden Restaurant • Select Pizza d/b/a Nicholas' Pizza • PAN LLC. d/b/a Panella's Market & Deli • Boston Bread LLC d/b/a Panera • Pancho's Taqueria Needham, LLC d/b/a Pancho's Taqueria • Needham 365 Bev. LLC d/b/a Residence Inn • Zucchini Gold, LLC d/b/a The Rice Barn • Needham Cabot Concessions, LLC d/b/a Sheraton Needham Hotel • Servente Bakery & Café Inc. d/b/a Servente Bakery & Café • Spiga, LLC • Starbucks Coffee Company • Sol Soul Family Foods LLC d/b/a Hearth Pizzeria • Subway of Needham LLC d/b/a Subway • Yeat Inc. d/b/a Sweet Basil • H & B Pizza, Inc. d/b/a Sweet Tomatoes Pizza • Niki Corp. d/b/a Town House of Pizza • Treat LLC d/b/a Treat Cupcake Bar • Lt. Manson Carter Post 2498 V.F.W. of U.S. • Village Club Building Assoc. Inc. • Volante Farms
8.	Approve for calendar year 2021 requests for various license renewals as detailed below for the following establishments (subject to receipt of required completed paperwork): • Needham 365 Bev. LLC d/b/a Residence Inn - Innkeeper • Needham Cabot Concessions, LLC d/b/a Sheraton Needham Hotel – Innkeeper • Olin College – Lodging License • Babson College – Lodging License • 7-Eleven – Special Permit (24 hr. retail sale of food) • Yeat Inc. d/b/a Sweet Basil – Special Permit (Carry In Beer/Wine) • Needham Cabot Concessions, LLC d/b/a Sheraton Needham Hotel – Sunday Entertainment • Needham Cabot Concessions, LLC d/b/a Sheraton Needham Hotel – Weekday Entertainment • SAI Restaurants, Inc. d/b/a Masala Art – Weekday Entertainment • SAI Restaurants, Inc. d/b/a Masala Art- Sunday Entertainment • Mount Blue Two, LLC d/b/a Blue on Highland – Weekday Entertainment • Mount Blue Two, LLC d/b/a Blue on Highland – Sunday Entertainment

	• New Garden Inc. d/b/a New Garden- Weekday Entertainment • Henry Hospitality Inc. d/b/a The James- Weekday Entertainment • Henry Hospitality Inc. d/b/a The James- Sunday Entertainment
9.	Approve for calendar year 2021 the following requests for Class I & Class II Used Car Dealer Licenses (subject to receipt of required completed paperwork): • Auto International Ltd.- Class II • Beth L Auto Sales – Class II • Center Automotive – Class II • Chestnut Motors - Class II • Copley Motorcars – Class II • Needham Service Center – Class II • Muzi Chevrolet – Class I • Muzi Motors, Inc. – Class I
10.	Accept the following donations made to the Needham Community Revitalization Trust Fund: \$1000 from Bradley White, \$500 from Edward & Carol De Lemos, \$500 from Heffernan Associates, \$250 from Copley Motorcars, \$250 from Maryruth Perras, \$250 from Needham Florist, \$100 from Karen Beth Hoffman, \$100 from Kate Carter, \$100 from Marianne Cooley, \$100 from Pura Vido, \$50 from Elizabeth Ann Ritvo, \$50 from Ipsit Vahia, \$50 from Jennifer Quinn, \$50 from Patricia Ahern, \$25 from Barbara Levitov, \$25 from Beth Marcus, \$25 from Donna Vello, \$25 from Jean Higgins, \$25 from Jennifer Byrne, \$25 from Maura Casey, \$25 from Patricia Carey, \$20 from Lisa Tran, and \$10 from Joan Schockett.
11.*	Water and Sewer Abatement Order #1300
12.	Accept a \$1,000 donation made to the Needham Health Division's Traveling Meals Program from the Darshana Thakore Family Fund.
13.	Approve name change for the Needham Cultural Council to the Needham Council for Arts and Culture.
14.	Extend expiration of Spring Licenses from August 31, 2020 to April 30, 2021.



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/08/2020

Agenda Item	Public Hearing Tax Classification
Presenter(s)	Board of Assessors Chip Davis, Director of Assessing

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Board will conduct a public hearing regarding the allocation of the fiscal year 2021 tax levy among the various classes of property in Town. Mr. Davis and the Board of Assessors will make a presentation about the certified valuation of property, and the public will have an opportunity to comment.	
2.	VOTE REQUIRED BY BOARD
The motion to retain the same shift as last year: Move that the Select Board establish a residential factor of 0.8861 for the purposes of setting the Fiscal Year 2021 tax rates.	
3.	BACK UP INFORMATION ATTACHED
a. Hearing Notice b. FY2021 Classification Hearing Package	

PROPERTY TAX CLASSIFICATION HEARING

LEGAL NOTICE

Town of Needham

Property Tax Classification Hearing

The Select Board will hold a Public Hearing via **ZOOM** on Tuesday December 8, 2020 at 6:00 P.M. regarding the allocation of the fiscal year 2021 tax levy among the various classes of property in Needham. This hearing, which is required by state law, will give interested citizens and taxpayers the opportunity to comment on local property tax policy as it will be applied for fiscal year 2021. All real estate is classified according to use. The allocation of the burden of the tax levy may be adjusted between the Residential and Commercial/Industrial classes, within certain limits, by the Select Board. Relevant data and information will be provided at this hearing by the Assessors. All interested parties, and/or parties wishing to be heard will be afforded an opportunity to comment at this time. In addition, written comments to both Boards may be sent, by e-mail by 3:30 p.m. on 12/8 or postal mail c/o Needham Select Board, Town Hall, 1471 Highland Avenue, Needham, MA 02492 by email at selectboard@needhamma.gov. The link to the ZOOM meeting is <https://us02web.zoom.us/j/83012497485>.

AD#13927226

Needham Times 11/26, 12/3/20

CLASSIFICATION
HEARING



FY - 2021
TUESDAY
DECEMBER 8, 2020

[illegible]

Needham, MA - Median Sales Price - Year to Date

2

Year	Period	1-Fam	Condo	All
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Needham, MA - Median Sales Price - Year to Date

Year	Period	1-Fam	Condo	All
2020	Jan - Oct	\$1,177,000	\$855,000	\$1,108,500
2019	Jan - Oct	\$1,105,000	\$830,000	\$1,053,500
2018	Jan - Oct	\$1,011,000	\$771,000	\$936,750
2017	Jan - Oct	\$981,000	\$745,625	\$924,000
2016	Jan - Oct	\$847,000	\$460,000	\$829,000
2015	Jan - Oct	\$842,500	\$638,000	\$808,638
2014	Jan - Oct	\$804,750	\$525,000	\$777,500
2013	Jan - Oct	\$755,000	\$480,000	\$724,500
2012	Jan - Oct	\$670,500	\$450,000	\$653,000
2011	Jan - Oct	\$656,500	\$332,000	\$638,000
2010	Jan - Oct	\$630,000	\$375,000	\$625,000
2009	Jan - Oct	\$643,750	\$285,000	\$615,000
2008	Jan - Oct	\$650,000	\$569,000	\$645,000
2007	Jan - Oct	\$615,000	\$502,500	\$609,500
2006	Jan - Oct	\$655,000	\$457,500	\$637,000
2005	Jan - Oct	\$650,000	\$611,250	\$650,000
2004	Jan - Oct	\$616,000	\$380,000	\$599,950
2003	Jan - Oct	\$565,000	\$403,500	\$549,000
2002	Jan - Oct	\$523,350	\$328,000	\$500,000
2001	Jan - Oct	\$492,500	\$289,500	\$468,900
2000	Jan - Oct	\$437,500	\$226,000	\$425,000
1999	Jan - Oct	\$361,000	\$205,000	\$350,000
1998	Jan - Oct	\$329,500	\$190,000	\$317,500
1997	Jan - Oct	\$309,500	\$175,000	\$294,500
1996	Jan - Oct	\$300,000	\$175,750	\$290,000
1995	Jan - Oct	\$269,900	\$161,875	\$265,000

Needham, MA - % Change Median Sales Price - Year to Date

3

Year	Period	1-Fam % Change Prior Year	Condo % Change Prior Year	All % Change Prior Year
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Year	Period	1-Fam % Change Prior Year	Condo % Change Prior Year	All % Change Prior Year
2020	Jan - Oct	6.52%	3.01%	5.22%
2019	Jan - Oct	9.30%	7.65%	12.46%
2018	Jan - Oct	3.06%	3.40%	1.38%
2017	Jan - Oct	15.82%	62.09%	11.46%
2016	Jan - Oct	0.53%	-27.90%	2.52%
2015	Jan - Oct	4.69%	21.52%	4.00%
2014	Jan - Oct	6.59%	9.38%	7.32%
2013	Jan - Oct	12.60%	6.67%	10.95%
2012	Jan - Oct	2.13%	35.54%	2.35%
2011	Jan - Oct	4.21%	-11.47%	2.08%
2010	Jan - Oct	-2.14%	31.58%	1.63%
2009	Jan - Oct	-0.96%	-49.91%	-4.65%
2008	Jan - Oct	5.69%	13.23%	5.82%
2007	Jan - Oct	-6.11%	9.84%	-4.32%
2006	Jan - Oct	0.77%	-25.15%	-2.00%
2005	Jan - Oct	5.52%	60.86%	8.34%
2004	Jan - Oct	9.03%	-5.82%	9.28%
2003	Jan - Oct	7.96%	23.02%	9.80%
2002	Jan - Oct	6.26%	13.30%	6.63%
2001	Jan - Oct	12.57%	28.10%	10.33%
2000	Jan - Oct	21.19%	10.24%	21.43%
1999	Jan - Oct	9.56%	7.89%	10.24%
1998	Jan - Oct	6.46%	8.57%	7.81%
1997	Jan - Oct	3.17%	-0.43%	1.55%
1996	Jan - Oct	11.15%	8.57%	9.43%
1995	Jan - Oct	5.84%	6.15%	6.85%

Year	Period	1-Fam	Condo	All
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Year	Period	1-Fam	Condo	All
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2020	Jan - Oct	288	45	358
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2019	Jan - Oct	337	58	420
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2018	Jan - Oct	331	59	422
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2017	Jan - Oct	361	46	428
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2016	Jan - Oct	373	44	443
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2015	Jan - Oct	364	66	462
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2014	Jan - Oct	324	67	422
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2013	Jan - Oct	363	53	454
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2012	Jan - Oct	321	40	400
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2011	Jan - Oct	308	32	371
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2010	Jan - Oct	341	39	398
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2009	Jan - Oct	264	47	331
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2008	Jan - Oct	284	44	354
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2007	Jan - Oct	394	46	466
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2006	Jan - Oct	319	42	389
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2005	Jan - Oct	316	54	397
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2004	Jan - Oct	389	59	490
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2003	Jan - Oct	351	35	416
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2002	Jan - Oct	378	55	466
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2001	Jan - Oct	320	46	399
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2000	Jan - Oct	365	34	445
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1999	Jan - Oct	386	49	482
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1998	Jan - Oct	397	49	476
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1997	Jan - Oct	336	56	422
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1996	Jan - Oct	307	38	384
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1995	Jan - Oct	275	28	338
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Tax Base Growth

FY 2021

TAX \$12.49 \$24.55

RATES Residential Commercial

Allowable Valuation Tax Levy Growth

<u>Residential</u>	Single Family (101)	\$131,021,000	\$1,636,452
	Condominium (102)	\$5,558,063	\$69,420
	Two & Three Family (104 & 105)	\$7,897,300	\$98,637
	Multi Family (111-125)	\$9,958,400	\$124,380
	Vacant Land	\$533,600	\$6,665
	Others (Mixed Use, 103, 109)	\$1,657,700	\$20,705

Total Residential 156,626,063 \$1,956,260

<u>Commercial</u>		\$67,825,600	\$1,665,118
	Chapter 61, 61A, 61B	\$9,250	\$227

Total Commercial \$67,834,850.00 1,665,346

Industrial \$360,000 \$8,838

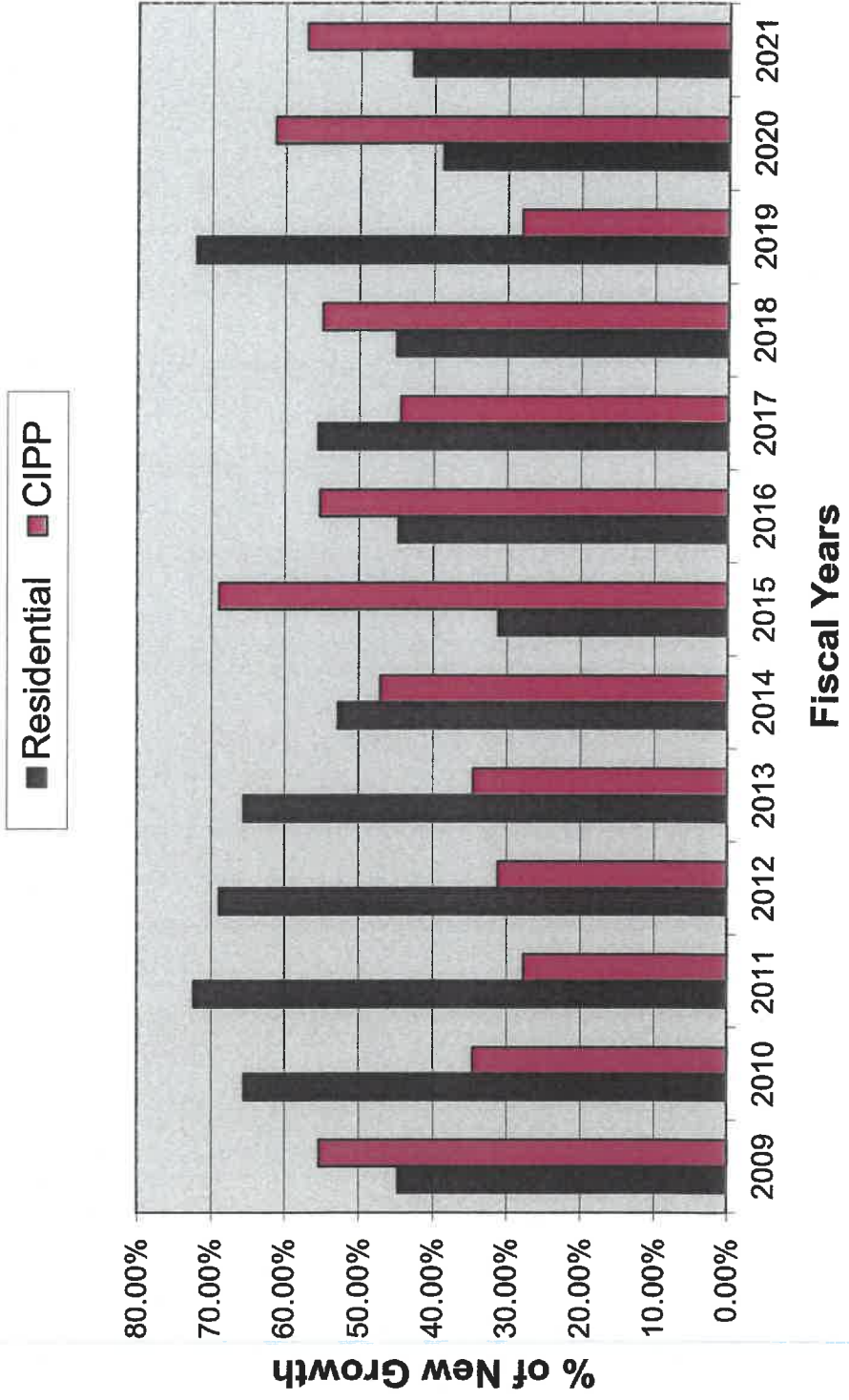
Personal Property \$37,530,030 \$921,362

Total C.I.P.P. \$105,724,880 \$2,595,546

Total New Growth \$262,350,943 \$4,551,805

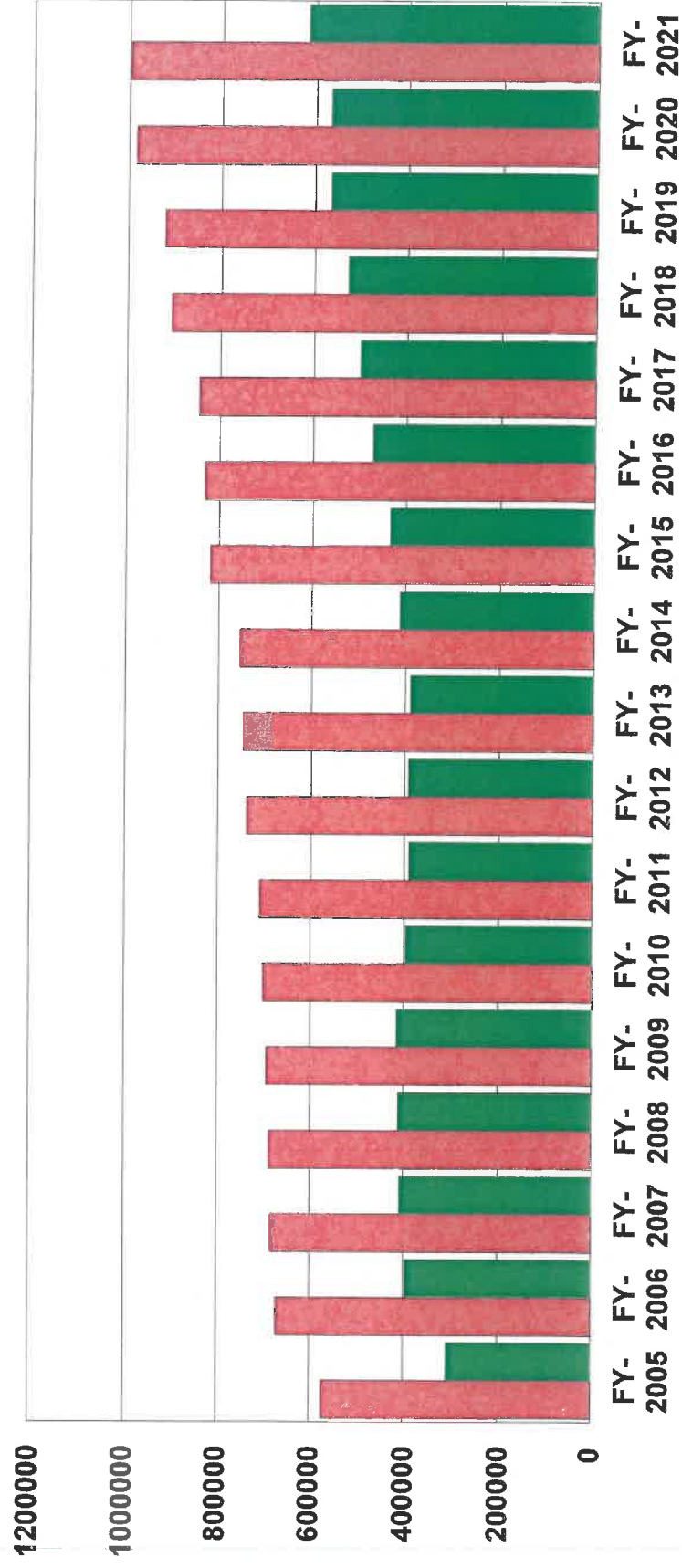
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Residential vs.CIPP Growth FY 21

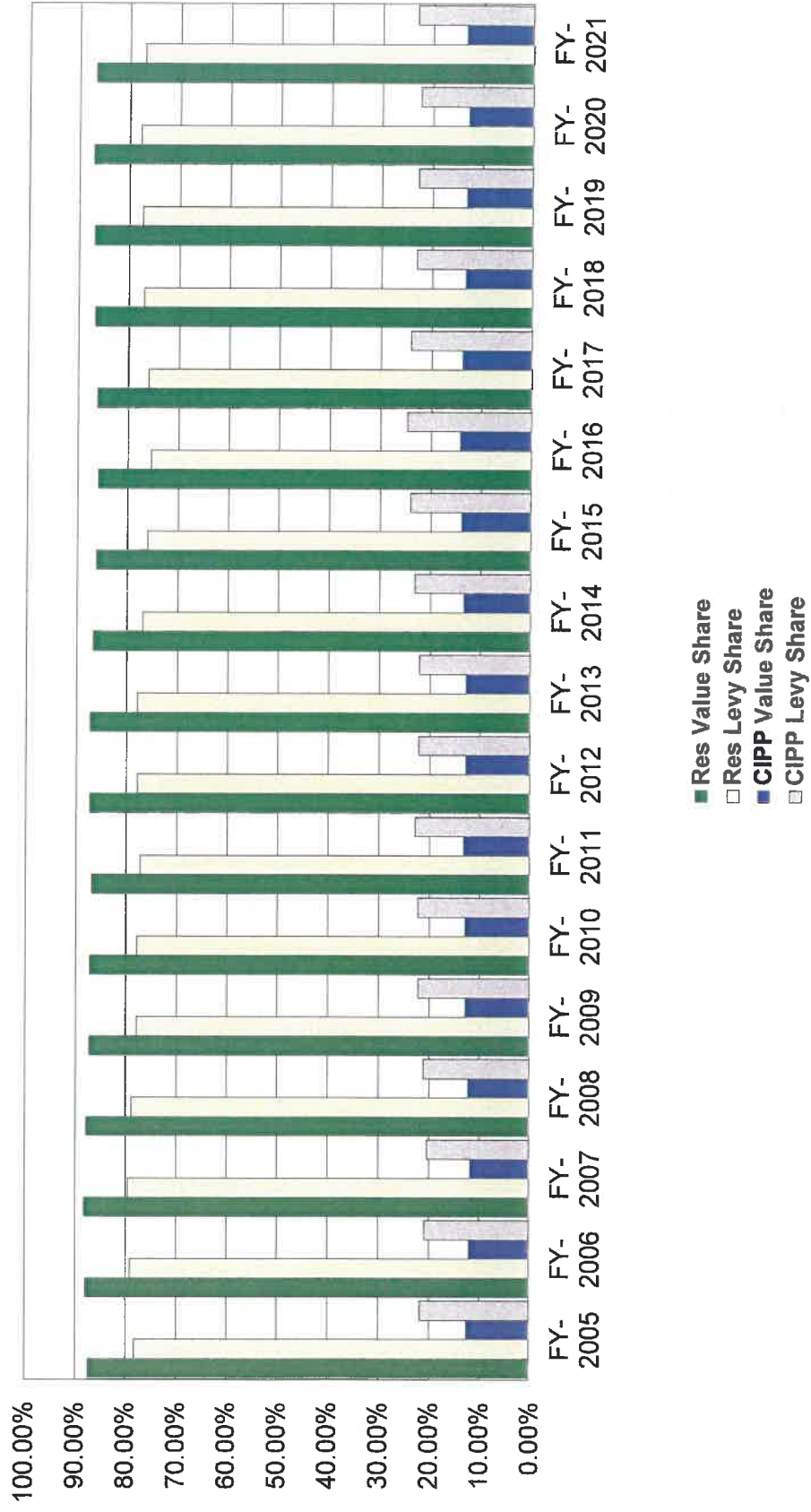


Average Valuation History

■ 1 FAMILY
■ CONDO



Value vs Levy Share



Value Distribution FY 21



Exempt Property Report			FY 2021
Class	Property Type	#	Total Exempt Value
039	Mixed Use with Partial Exemption	1	\$312,000
900's	Federal Property	9	\$7,399,400
920's	State Property	12	\$15,581,300
930's	Town Property	156	\$336,829,800
940's	Schools----Private	36	\$220,901,500
950's	Charitable Organizations	27	\$73,260,900
960's	Churches/Religious	28	\$80,870,500
970's	Housing Authority	77	\$58,736,700.00
Totals			\$793,892,100.00

COMPUTATION OF FY 20 TAX RATE USING 175% CLASSIFICATION

Total Valuation	\$11,045,730,479	
Residential	\$9,589,166,123	86.8133%
C.I.P.P.	1,456,564,356	13.1867%
TOTAL	\$11,045,730,479	100.0000%

Tax Levy FY-2021 \$162,446,566.00

Tax Rate -- No Classification

Single Rate \$14.71

Tax Rate -- 175% Classification

13.1867

23.0767%	C.I.P.P.
76.9233%	RESIDENTIAL
100.0000%	TOTAL
\$37,487,270	C.I.P.P. Levy
\$124,959,296	RESIDENTIAL Levy
\$162,446,566.00	Total

Commercial/Industrial	\$25.74
Residential	\$13.03

Estimated Residential Factor:

0.8860773

88.60773

Fiscal Year	Shift	Res	\$ Chg	C/I	Effect of Tax Rates on "Average		Taxpayer"	Res	\$ Chg	C/I	\$ Chg
					Fiscal Year	Shift					
FY-2021	175.00%				FY-2015	175.00%					
Average Valuation		\$996,844		\$1,200,000	Average Valuation		\$818,442		\$1,200,000		
Change in VALUE over previous		1.45%		N/A	Change in VALUE over previous		8.69%		N/A		
Tax Rate <i>provisional</i>		\$13.03		\$25.74	Tax Rate		\$11.29		\$22.44		
Taxes Paid		\$12,988.88	\$717	\$30,888.00	Taxes Paid		\$9,240.21	\$475	\$26,928.00		-\$672
Increase over		5.84%		4.89%	Increase over		5.42%		-2.43%		
FY-2020	175.00%				FY-2014	175.00%					
Average Valuation		\$982,564		\$1,200,000	Average Valuation		\$753,020		\$1,200,000		
Change in VALUE over previous		6.77%		N/A	Change in VALUE over previous		1.11%		N/A		
Tax Rate		\$12.49		\$24.54	Tax Rate		11.64		\$23.00		
Taxes Paid		\$12,272.22	\$870	\$29,448.00	Taxes Paid		\$8,765.15	\$349	\$27,600.00		\$972
Increase over		7.63%		0.49%	Increase over	FY 2013	4.15%		3.65%		
FY-2019	175.00%				FY-2013	175.00%					
Average Valuation		\$920,256		\$1,200,000	Average Valuation		\$744,764		\$1,200,000		
Change in VALUE over previous		1.71%		N/A	Change in VALUE over previous		0.99%		N/A		
Tax Rate		\$12.39		\$24.42	Tax Rate		\$11.30		\$22.19		
Taxes Paid		\$11,401.97	\$653	\$29,304.00	Taxes Paid		\$8,415.83	\$334	\$26,628.00		\$816
Increase over		6.07%		4.05%	Increase over	FY 2012	4.13%		3.16%		
FY-2018	175.00%				FY-2012	175.00%					
Average Valuation		\$904,827		\$1,200,000	Average Valuation		\$737,436		\$1,200,000		
Change in VALUE over previous		7.22%		N/A	Change in VALUE over previous		4.13%		N/A		
Tax Rate		\$11.88		\$23.47	Tax Rate		\$10.96		\$21.51		
Taxes Paid		\$10,749.34	\$715	\$28,164.00	Taxes Paid		\$8,082.30	\$363	\$25,812.00		\$12
Increase over		7.13%		-0.72%	Increase over	FY 2011	4.70%		0.05%		
FY-2017	175.00%				FY-2011	175.00%					
Average Valuation		\$843,912		\$1,200,000	Average Valuation		\$708,194		\$1,200,000		
Change in VALUE over previous		1.58%		N/A	Change in VALUE over previous		1.06%		N/A		
Tax Rate		\$11.89		\$23.64	Tax Rate		\$10.90		\$21.50		
Taxes Paid		\$10,034.11	\$447	\$28,368.00	Taxes Paid		\$7,719.31	\$341	\$25,800.00		\$972
Increase over		4.66%		2.69%	Increase over	FY 2010	4.62%		3.91%		
FY-2016	175.00%				FY-2010	175.00%					
Average Valuation		\$830,791		1200000	Average Valuation		\$700,738		\$1,200,000		
Change in VALUE over previous		1.50%		N/A	Change in VALUE over previous		1.05%		N/A		
Tax Rate		11.54		23.02	Tax Rate		\$10.53		\$20.69		
Taxes Paid		\$9,587.33	\$347	\$27,624.00	Taxes Paid		\$7,378.77	\$472	\$24,828.00		\$1,356
Increase over		3.76%		2.58%	Increase over	FY 2009	6.83%		5.78%		

Fiscal Year	Shift	Res	\$ Chg	C/I	\$ Chg	Fiscal Year	Shift	Res	\$ Chg	C/I	\$ Chg
FY-2009	175.00%					FY-2003	175.00%				
Average Valuation		\$693,458		\$1,200,000		Average Valuation		\$518,500		\$1,200,000	
Change in VALUE over previous		0.94%		N/A		Change in VALUE over previous		22.00%		13.21%	
Tax Rate		\$9.96		\$19.56		Tax Rate		\$9.21		\$18.18	
Taxes Paid		\$6,906.84	\$243	\$23,472.00	\$768	Taxes paid		4,775.39	\$279	21,816.00	#####
Increase over	FY-2008	3.65%		3.38%		Increase over	FY-2002	6.20%		7.92%	
FY-2008	175.00%					FY-2002	161.00%				
Average Valuation		\$686,971		\$1,200,000		Average Valuation		\$425,000		\$1,060,000	
Change in VALUE over previous		0.73%		N/A		Change in VALUE over previous		34.88%		6.00%	
Tax Rate		\$9.70		\$18.92		Tax Rate		\$10.58		\$19.07	
Taxes Paid		\$6,663.62	\$287	\$22,704.00		Taxes paid		4,496.50	\$703	20,214.20	\$874.20
Increase over	FY-2007	4.50%		4.13%	\$900	Increase over	FY-2001	18.52%		4.52%	
FY-2007	175.00%					FY-2001	146.00%				
Average Valuation		\$682,019		\$1,200,000		Average Valuation		\$315,100		\$1,000,000	
Change in VALUE over previous		1.43%		N/A		Change in VALUE over previous		1.19%		N/A	
Tax Rate		\$9.35		\$18.17		Tax Rate		\$12.04		\$19.34	
Taxes Paid		\$6,376.88	\$453	\$21,804.00	\$1,212	Taxes paid		3,793.80	\$132	19,340.00	\$460.00
Increase over	FY-2006	7.65%		5.89%		Increase over	FY-2000	3.60%		2.44%	
FY-2006	175.00%					FY-2000	146.00%				
Average Valuation		\$672,401		\$1,200,000		Average Valuation		\$311,400		\$1,000,000	
Change in VALUE over previous		17.12%		N/A		Change in VALUE over previous		4.66%		N/A	
Tax Rate		\$8.81		\$17.16		Tax Rate		\$11.76		\$18.88	
Taxes Paid		\$5,923.85	\$407	20,592.00	-\$2,448	Taxes paid		3,662.06	-\$170	18,880.00	-\$1,920
Increase over	FY-2005	7.37%		-8.87%		Increase over	FY-99	-4.44%		-9.23%	
FY-2005	175.00%					FY-1999	147.00%				
Average Valuation		\$574,088		\$1,200,000		Average Valuation		\$297,535		\$1,000,000	
Change in VALUE over previous		3.50%		N/A		Change in VALUE over previous		5.02%		N/A	
Tax Rate		\$9.61		\$18.83		Tax Rate		\$12.88		\$20.80	
Taxes Paid		\$5,516.99	\$488	22,596.00	\$324	Taxes paid		3,832.25	\$78	20,800.00	-\$650
Increase over	FY-2004	9.71%		1.45%		Increase over	FY-98	2.09%		-3.03%	
FY-2004	175.00%					FY-98	147.00%				
Average Valuation		\$532,128		\$1,200,000		Average Valuation		\$283,306		\$1,000,000	
Change in VALUE over previous		2.63%		N/A		Change in VALUE over previous		1.18%		N/A	
Tax Rate		\$9.45		\$18.56		Tax Rate		\$13.25		\$21.45	
Taxes Paid		5,028.61	\$253	22,272.00	\$456.00	Taxes paid		3,753.80	\$136	21,450.00	\$20
Increase over	FY-2003	5.30%		2.09%		Increase over	FY-97	3.77%		0.09%	

1.4300	0.9347	81.1430	0.0000	13.3363	1.5933	3.9274	100.0000	131.814,070	21.664,399	2.588,271	6.379,848	162,446,588	13.75	0.00	21.03	21.03	21.03	21.03
1.4400	0.9332	81.0112	0.0000	13.4296	1.6044	3.9548	100.0000	131.599,857	21.815,898	2.606,371	6.424,463	162,446,588	13.72	0.00	21.18	21.18	21.18	21.18
1.4500	0.9316	80.8793	0.0000	13.5228	1.6156	3.9823	100.0000	131.385,644	21.967,397	2.624,470	6.469,077	162,446,589	13.70	0.00	21.32	21.32	21.32	21.32
1.4600	0.9301	80.7474	0.0000	13.6161	1.6267	4.0097	100.0000	131.171,431	22.118,897	2.642,570	6.513,691	162,446,589	13.68	0.00	21.47	21.47	21.47	21.47
1.4700	0.9286	80.6156	0.0000	13.7094	1.6379	4.0372	100.0000	130.957,218	22.270,396	2.660,670	6.558,306	162,446,590	13.66	0.00	21.62	21.62	21.62	21.62
1.4800	0.9271	80.4837	0.0000	13.8026	1.6490	4.0647	100.0000	130.743,005	22.421,895	2.678,770	6.602,920	162,446,591	13.63	0.00	21.77	21.77	21.77	21.77
1.4900	0.9256	80.3518	0.0000	13.8959	1.6602	4.0921	100.0000	130.528,792	22.573,394	2.696,870	6.647,534	162,446,591	13.61	0.00	21.91	21.91	21.91	21.91
1.5000	0.9241	80.2200	0.0000	13.9892	1.6713	4.1196	100.0000	130.314,579	22.724,894	2.714,969	6.692,149	162,446,591	13.59	0.00	22.06	22.06	22.06	22.06
1.5100	0.9225	80.0881	0.0000	14.0824	1.6824	4.1471	100.0000	130.100,366	22.876,393	2.733,069	6.736,763	162,446,592	13.57	0.00	22.21	22.21	22.21	22.21
1.5200	0.9210	79.9562	0.0000	14.1757	1.6936	4.1745	100.0000	129.886,153	23.027,892	2.751,169	6.781,377	162,446,592	13.55	0.00	22.35	22.35	22.35	22.35
1.5300	0.9195	79.8244	0.0000	14.2689	1.7047	4.2020	100.0000	129.671,941	23.179,392	2.769,269	6.825,992	162,446,593	13.52	0.00	22.50	22.50	22.50	22.50
1.5400	0.9180	79.6925	0.0000	14.3622	1.7159	4.2295	100.0000	129.457,728	23.330,891	2.787,369	6.870,606	162,446,593	13.50	0.00	22.65	22.65	22.65	22.65
1.5500	0.9165	79.5606	0.0000	14.4555	1.7270	4.2569	100.0000	129.243,515	23.482,390	2.805,468	6.915,220	162,446,594	13.48	0.00	22.80	22.80	22.80	22.80
1.5600	0.9149	79.4288	0.0000	14.5487	1.7382	4.2844	100.0000	129.029,302	23.633,890	2.823,568	6.959,835	162,446,594	13.46	0.00	22.94	22.94	22.94	22.94
1.5700	0.9134	79.2969	0.0000	14.6420	1.7493	4.3118	100.0000	128.815,089	23.785,389	2.841,668	7.004,449	162,446,595	13.43	0.00	23.09	23.09	23.09	23.09
1.5800	0.9119	79.1650	0.0000	14.7352	1.7604	4.3393	100.0000	128.600,876	23.936,888	2.859,768	7.049,063	162,446,595	13.41	0.00	23.24	23.24	23.24	23.24
1.5900	0.9104	79.0332	0.0000	14.8285	1.7716	4.3668	100.0000	128.386,663	24.088,387	2.877,868	7.093,678	162,446,596	13.39	0.00	23.38	23.38	23.38	23.38
1.6000	0.9089	78.9013	0.0000	14.9218	1.7827	4.3942	100.0000	128.172,450	24.239,887	2.895,967	7.138,292	162,446,597	13.37	0.00	23.53	23.53	23.53	23.53
1.6100	0.9073	78.7694	0.0000	15.0150	1.7939	4.4217	100.0000	127.958,237	24.391,386	2.914,067	7.182,906	162,446,597	13.34	0.00	23.68	23.68	23.68	23.68
1.6200	0.9058	78.6376	0.0000	15.1083	1.8050	4.4492	100.0000	127.744,024	24.542,885	2.932,167	7.227,521	162,446,597	13.32	0.00	23.83	23.83	23.83	23.83
1.6300	0.9043	78.5057	0.0000	15.2015	1.8161	4.4766	100.0000	127.529,812	24.694,385	2.950,267	7.272,135	162,446,598	13.30	0.00	23.97	23.97	23.97	23.97
1.6400	0.9028	78.3738	0.0000	15.2948	1.8273	4.5041	100.0000	127.315,599	24.845,884	2.968,367	7.316,749	162,446,598	13.28	0.00	24.12	24.12	24.12	24.12
1.6500	0.9013	78.2420	0.0000	15.3881	1.8384	4.5316	100.0000	127.101,386	24.997,383	2.986,466	7.361,364	162,446,599	13.25	0.00	24.27	24.27	24.27	24.27
1.6600	0.8997	78.1101	0.0000	15.4813	1.8496	4.5590	100.0000	126.887,173	25.148,882	3.004,566	7.405,978	162,446,599	13.23	0.00	24.41	24.41	24.41	24.41
1.6700	0.8982	77.9782	0.0000	15.5746	1.8607	4.5865	100.0000	126.672,960	25.300,382	3.022,666	7.450,592	162,446,600	13.21	0.00	24.56	24.56	24.56	24.56
1.6800	0.8967	77.8464	0.0000	15.6678	1.8719	4.6140	100.0000	126.458,747	25.451,881	3.040,766	7.495,207	162,446,600	13.19	0.00	24.71	24.71	24.71	24.71
1.6900	0.8952	77.7145	0.0000	15.7611	1.8830	4.6414	100.0000	126.244,534	25.603,380	3.058,866	7.539,821	162,446,601	13.17	0.00	24.85	24.85	24.85	24.85
1.7000	0.8937	77.5826	0.0000	15.8544	1.8941	4.6689	100.0000	126.030,321	25.754,880	3.076,965	7.584,435	162,446,601	13.14	0.00	25.00	25.00	25.00	25.00
1.7100	0.8922	77.4508	0.0000	15.9476	1.9053	4.6963	100.0000	125.816,108	25.906,379	3.095,065	7.629,050	162,446,602	13.12	0.00	25.15	25.15	25.15	25.15
1.7200	0.8906	77.3189	0.0000	16.0409	1.9164	4.7238	100.0000	125.601,895	26.057,878	3.113,165	7.673,664	162,446,602	13.10	0.00	25.30	25.30	25.30	25.30
1.7300	0.8891	77.1870	0.0000	16.1342	1.9276	4.7513	100.0000	125.387,682	26.209,378	3.131,265	7.718,278	162,446,603	13.08	0.00	25.44	25.44	25.44	25.44
1.7400	0.8876	77.0552	0.0000	16.2274	1.9387	4.7787	100.0000	125.173,470	26.360,877	3.149,365	7.762,893	162,446,603	13.05	0.00	25.59	25.59	25.59	25.59
1.7500	0.8861	76.9233	0.0000	16.3207	1.9499	4.8062	100.0000	124.959,257	26.512,376	3.167,464	7.807,507	162,446,604	13.03	0.00	25.74	25.74	25.74	25.74

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**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/08/2020

Agenda Item	Approval of the Sale of Notes
Presenter(s)	David Davison, Assistant Town Manager/Finance Evelyn Poness, Town Treasurer/Collector
1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
We will review the results of the bond anticipation note sale and discuss upcoming borrowings with the Board.	
2.	VOTE REQUIRED BY BOARD OF SELECTMEN
Suggested Motions: (please note there are six (6) motions to be acted upon by the Board)	
Motion A Move that the Board approve the sale of a \$2,800,000 1.75 percent General Obligation Bond Anticipation Notes (the "Notes") of the Town dated December 18, 2020, and payable April 15, 2021, to Piper Sandler Co. at par and accrued interest, if any, plus a premium of \$11,396.00.	
Motion B Move that in connection with the marketing and sale of the Notes, the preparation and distribution of a Notice of Sale and Preliminary Official Statement dated November 19, 2020, as revised December 1, 2020, and a final Official Statement dated December 3, 2020, each in such form as may be approved by the Town Treasurer, be and hereby are ratified, confirmed, approved and adopted.	
Motion C Move that the Town Treasurer and the Select Board be, and hereby are, authorized to execute and deliver a significant events disclosure undertaking in compliance with SEC Rule 15c2-12 in such form as may be approved by bond counsel to the Town, which undertaking shall be incorporated by reference in the Notes for the benefit of the holders of the Notes from time to time.	
Motion D Move that we authorize and direct the Town Treasurer to establish post issuance federal tax compliance procedures and continuing disclosure procedures in such forms as the Town Treasurer and bond counsel deem sufficient, or if such procedures are currently in place, to review and update said procedures, in order to monitor and maintain the tax-exempt status of the Notes and to comply with relevant securities laws.	
(Continues Next Page)	



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

Motion E

Move that any certificates or documents relating to the Notes (collectively, the "Documents"), may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document; delivery of an executed counterpart of a signature page to a Document by electronic mail in a ".pdf" file or by other electronic transmission shall be as effective as delivery of a manually executed counterpart signature page to such Document; and electronic signatures on any of the Documents shall be deemed original signatures for the purposes of the Documents and all matters relating thereto, having the same legal effect as original signatures.

Motion F

Move that each member of the Select Board, the Town Clerk and the Town Treasurer be and hereby are, authorized to take any and all such actions, and execute and deliver such certificates, receipts or other documents as may be determined by them, or any of them, to be necessary or convenient to carry into effect the provisions of the foregoing votes.

	BACK UP INFORMATION ATTACHED
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- | | |
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| | <ul style="list-style-type: none">a. Cover Memo Dated December 4, 2020 (3 pages)b. Notes (5 pages)c. Vote of the Select Board (2 pages)d. Signature, No Litigation and Official Statement Certificate for the Note (5 pages)e. Tax Certificate (29 pages)f. Significant Events Disclosure Certificate (5 pages)g. Official Statement (53 pages) |
|--|---|

Memorandum

To: Select Board
From: David Davison, Assistant Town Manager/Director of Finance
CC: Kate Fitzpatrick, Town Manager; Evelyn Poness, Treasurer/Collector;
Michelle Vaillancourt, Town Accountant
Date: December 4, 2020
Re: Bond Anticipation Note Sale

The Town received four bids on its \$2,800,000 four-month Bond Anticipation Note (BAN). The lowest bidder, Piper Sandler and Company offered a coupon rate of 1.75%, with a premium of \$11,396.00 which results in a net interest cost (NIC) of 0.4977% which is the basis for award. The net interest cost on the BAN is the lowest the Town has incurred since 2015. The Town issued a Note in April of 2015 which had a NIC of 0.4000% (see table). The gross interest expense on this BAN is \$15,925.00. Attached is a summary of the bids received on the sale.

Recent Bond Anticipation Note History

Description	Issue Date	Maturity	Amount	Rate	NIC
2015 BAN - 1	15-Apr-15	15-Jun-15	\$795,000	0.40%	0.40%
2016 BAN - 1	16-Jun-16	30-Jun-16	\$1,153,860	0.75%	0.75%
2016 BAN - 2	16-Jun-16	17-Jan-17	\$9,285,000	2.00%	0.70%
2017 BAN - 1	1-Jun-17	15-Jun-17	\$470,000	1.20%	1.20%
2017 BAN - 2	30-Jun-17	1-Nov-17	\$4,929,120	2.00%	1.02%
2018 BAN - 1	1-Nov-17	1-Aug-18	\$3,425,000	1.05%	1.13%
2018 BAN - 2	18-Jun-18	28-Jun-18	\$580,000	3.50%	3.50%
2018 BAN - 3	18-Jun-18	1-Aug-18	\$28,560,000	2.00%	1.39%
2018 BAN - 4	1-Aug-18	15-Jul-19	\$1,500,000	2.50%	1.87%
2019 BAN - 1	17-Jun-19	27-Jun-19	\$288,000	2.30%	2.30%
2019 BAN - 2	27-Jun-19	1-Oct-19	\$34,820,000	2.00%	1.49%
2020 BAN - 1	25-Jun-20	18-Dec-20	\$1,200,000	1.30%	0.68%
2020 BAN - 2	18-Dec-20	15-Apr-21	\$2,800,000	1.75%	0.50%

The proceeds will retire the \$1.2 million BAN which matures on December 18, 2020 and finance the ongoing construction expense for the public safety building projects. We anticipate that the BAN will be paid in full when it matures on April 15, 2021 from budgeted funds. The Town is waiting for the Massachusetts School Building

Authority (MSBA) to complete its audit of the Williams Elementary School project to determine what remaining portion of the project costs, if any, will be paid by the MSBA. Any portion of the debt that is paid by the MSBA will free funds to paid down more of the debt related to the public safety building projects.

The Board will be asked to approve the sale of the BAN and to authorize various actions that have been or may need to be done. Your signatures have been applied electronically to the various documents, but the signatures are not valid until the Board approves the award and the members sign the Certificate Authorizing Use of Facsimile Signature form. Please do not hesitate to contact me if you have any questions prior to the meeting.

Town of Needham
Note Sale
\$2,800,000

Date of Sale 12/3/2020
Date of Board Action 12/9/2020
Settlement 12/18/2020
Maturity 4/15/2021

Bidder	Amount	Rate	Interest	Premium	Net Interest	NIC
Piper Sandler & Company	\$2,800,000	1.750%	\$15,925.00	\$11,396.00	\$4,529.00	0.497700%
Century Bank	\$2,800,000	0.540%	\$4,914.00	\$0.00	\$4,914.00	0.540000%
Oppenheimer & Company Inc	\$2,800,000	1.250%	\$11,375.00	\$5,355.00	\$6,020.00	0.661500%
BNY Mellon Capital Markets	\$2,800,000	2.000%	\$18,200.00	\$11,721.08	\$6,478.92	0.712000%

Prepared by Asst Town Manager/Director of Finance December 3, 2020

Registered
Number 1

Registered
\$2,800,000

United States of America

The Commonwealth of Massachusetts

TOWN OF NEEDHAM

GENERAL OBLIGATION
BOND ANTICIPATION NOTE
(Municipal Purpose Loan of 2020)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Registration and Original Issue Date</u>	<u>CUSIP</u>
1.75%	April 15, 2021	December 18, 2020	639846 5G5

PRINCIPAL AMOUNT: TWO MILLION EIGHT HUNDRED THOUSAND DOLLARS

REGISTERED OWNER: CEDE & CO.

REGISTRAR AND
PAYING AGENT: U.S. BANK NATIONAL ASSOCIATION

The Town of Needham, Massachusetts (the "Town") for value received, promises to pay to the Registered Owner of this note or registered assigns the Principal Amount specified above in lawful money of the United States of America on the Maturity Date upon presentation and surrender hereof, with interest (calculated on the basis of a 30-day month and a 360-day year) at the Interest Rate per annum, payable on the Maturity Date. This note will bear interest from the Original Issue Date.

This note certificate is the only instrument representing an issue of \$2,800,000 aggregate principal amount of notes issued by the Town pursuant to Chapters 44 and 70B of the General Laws as amended in anticipation of bonds authorized for school and public safety building improvement purposes.

The notes are general obligations of the Town and the full faith and credit of the Town is pledged for the payment of principal of and interest on the notes as the same shall become due.

The notes are being issued by means of a book entry system, with a note certificate immobilized at The Depository Trust Company, New York, New York ("DTC") evidencing ownership of the notes in principal amounts of \$1,000 or integral multiples thereof, and with transfers of beneficial ownership effected on

the records of DTC and its participants pursuant to rules and procedures established by DTC. Note certificates are not available for distribution to the public. The principal of and interest on this note are payable by U.S. Bank National Association, or its successor as paying agent (the "Paying Agent") for the Town, in immediately available funds to the Registered Owner of this note, as nominee of DTC. Transfer of principal and interest payments to participants of DTC is the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Unless this note certificate is presented by an authorized representative of The Depository Trust Company to the Paying Agent for registration of transfer, exchange or payment, and any note certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

In the event that (a) DTC determines not to continue to act as securities depository for the notes or (b) the Town determines that continuation of the book entry system of evidence and transfer of ownership would adversely affect the interests of the beneficial owners of the notes, the Town will discontinue the book entry system with DTC. If the Town fails to identify another qualified securities depository to replace DTC, the Paying Agent will authenticate and deliver replacement notes in the form of fully registered certificates.

This note is transferable only upon the registration books kept by the Paying Agent as registrar, but only in a manner which will maintain immobilization of note certificates at one or more securities depositories. This note may not be transferred or exchanged in a manner which would involve the delivery of note certificates to the beneficial owners unless the book entry system has been discontinued by the Town in accordance with the terms of this note, in which case replacement notes may be issued in accordance with law and such procedures as the Town shall deem appropriate.

The Town hereby covenants that it will take all lawful action necessary to comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the notes in order that interest on the notes be and continue to be excluded from gross income for federal income tax purposes and it will refrain from taking any action that would cause interest on the notes to become included in gross income for federal income tax purposes.

In connection with the offering of the notes the Town has executed a Significant Events Disclosure Certificate dated as of the date hereof (as it may be

amended from time to time, the "Certificate"). The Town hereby covenants to comply with the provisions of the Certificate, and reference is made to the Certificate for a description of the nature and extent of the obligations of the Town and the rights of the owners of the notes under the Certificate. The Certificate is described in the Official Statement relating to the notes. A copy of the Certificate is available from the Town Paying Agent upon request.

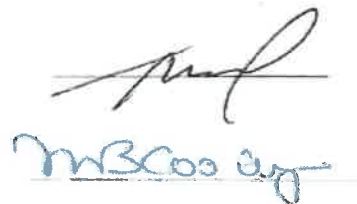
TOWN OF NEEDHAM,
MASSACHUSETTS

By: _____
Treasurer

Countersigned:



Matthew Bonelli



Select Board

(Town Seal)

LEGAL OPINION

The following opinion is based on facts and the law existing on the date of original delivery of the notes described therein.

LOCKE LORD LLP
111 Huntington Avenue
Boston, Massachusetts

Evelyn M. Poness, Treasurer
Town of Needham
Needham, Massachusetts

\$2,800,000
Town of Needham, Massachusetts
General Obligation Bond Anticipation Notes

We have acted as bond counsel to the Town of Needham, Massachusetts (the “Town”) in connection with the issuance by the Town of the above-referenced notes (the “Notes”) dated December 18, 2020 and payable April 15, 2021. In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon representations and covenants of the Town contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination, we are of the opinion, under existing law, as follows:

1. The Notes are valid and binding general obligations of the Town and, except to the extent they are paid from the proceeds of the bonds in anticipation of which they are issued or from any other available moneys, the principal of and interest on the Notes are payable from taxes which may be levied upon all taxable property in the Town without limitation as to rate or amount, except as provided under Chapter 44, Section 20 of the General Laws.
2. Interest on the Notes is excluded from the gross income of the owners of the Notes for federal income tax purposes. In addition, interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. In rendering the opinions set forth in this paragraph, we have assumed compliance by the Town with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The Town has covenanted to comply with all such requirements. Failure by the Town to comply with certain of such

requirements may cause interest on the Notes to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. We express no opinion regarding any other federal tax consequences arising with respect to the Notes.

3. Interest on the Notes is exempt from Massachusetts personal income taxes and the Notes are exempt from Massachusetts personal property taxes. We express no opinion regarding any other Massachusetts tax consequences arising with respect to the Notes or any tax consequences arising with respect to the Notes under the laws of any state other than Massachusetts.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the holders of the Notes and the enforceability of the Notes may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

/S/ LOCKE LORD LLP

VOTE OF THE SELECT BOARD

I, the Clerk of the Select Board of the Town of Needham, Massachusetts, certify that at a meeting of the board held December 8, 2020, of which meeting all members of the board were duly notified and at which a quorum was present, the following votes were unanimously passed, all of which appear upon the official record of the board in my custody:

Voted: to approve the sale of a \$2,800,000 1.75 percent General Obligation Bond Anticipation Notes (the "Notes") of the Town dated December 18, 2020, and payable April 15, 2021, to Piper Sandler Co. at par and accrued interest, if any, plus a premium of \$11,396.00.

Further Voted: that in connection with the marketing and sale of the Notes, the preparation and distribution of a Notice of Sale and Preliminary Official Statement dated November 19, 2020, as revised December 1, 2020, and a final Official Statement dated December 3, 2020, each in such form as may be approved by the Town Treasurer, be and hereby are ratified, confirmed, approved and adopted.

Further Voted: that the Town Treasurer and the Select Board be, and hereby are, authorized to execute and deliver a significant events disclosure undertaking in compliance with SEC Rule 15c2-12 in such form as may be approved by bond counsel to the Town, which undertaking shall be incorporated by reference in the Notes for the benefit of the holders of the Notes from time to time.

Further Voted: that we authorize and direct the Town Treasurer to establish post issuance federal tax compliance procedures and continuing disclosure procedures in such forms as the Town Treasurer and bond counsel deem sufficient, or if such procedures are currently in place, to review and update said procedures, in order to monitor and maintain the tax-exempt status of the Notes and to comply with relevant securities laws.

Further Voted: that any certificates or documents relating to the Notes (collectively, the "Documents"), may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document; delivery of an executed counterpart of a signature page to a Document by electronic mail in a ".pdf" file or by other electronic transmission shall be as effective as delivery of a manually executed counterpart signature page to such Document; and electronic signatures on any of the Documents shall be deemed original signatures for the purposes of the Documents and all matters relating thereto, having the same legal effect as original signatures.

Further Voted: that each member of the Select Board, the Town Clerk and the Town Treasurer be and hereby are, authorized to take any and all such actions, and execute and deliver such certificates, receipts or other documents as may be determined by them, or any of them, to be necessary or convenient to carry into effect the provisions of the foregoing votes.

I further certify that the votes were taken at a meeting open to the public, that no vote was taken by secret ballot, that a notice stating the place, date, time and agenda for the meeting (which agenda included the adoption of the above votes) was filed with the Town Clerk and a copy thereof posted in a manner conspicuously visible to the public at all hours in or on the municipal building that the office of the Town Clerk is located or, if applicable, in accordance with an alternative method of notice prescribed or approved by the Attorney General as set forth in 940 CMR 29.03(2)(b), at least 48 hours, not including Saturdays, Sundays and legal holidays, prior to the time of the meeting and remained so posted at the time of the meeting, that no deliberations or decision in connection with the sale of the Notes were taken in executive session, all in accordance with G.L. c.30A, §§18-25 as amended, further suspended, supplemented or modified by the Executive Order of the Governor of The Commonwealth of Massachusetts Suspending Certain Provisions of the Open Meeting Law, Chapter 30A, §20 dated March 12, 2020.

Dated: December 8, 2020

Clerk of the Select Board

90934780v.1

(Please Note: The following statements are an essential part of the permanent record. Read them carefully before signing this certificate. Advise Locke Lord LLP of any inaccuracy.)

Town of Needham, Massachusetts
\$2,800,000 General Obligation Bond Anticipation Notes
dated December 18, 2020

SIGNATURE, NO LITIGATION AND OFFICIAL STATEMENT CERTIFICATE

A. Certificate of Authorized Officers. We, the Treasurer and Select Board of the Town of Needham, Massachusetts (the "Town"), certify that we have signed the \$2,800,000 1.75 percent General Obligation Bond Anticipation Note (the "Notes") of the Town dated December 18, 2020 and payable April 15, 2021. A book entry system is being used to evidence ownership and transfer of the Notes on the records of The Depository Trust Company ("DTC"). The Notes are issued in the form of a single Note for the full principal amount, registered in the name of "CEDE & CO." as nominee for DTC and immobilized in the custody of DTC. The Note bears the Town seal which is also affixed to this certificate.

We, the Select Board of the Town, certify that we have authorized the use of any facsimiles of our signatures that may be printed on the Notes.

We, the said officers, also certify as follows:

1. Authority. The Notes are issued in the respective amounts set forth below in anticipation of the sale of bonds authorized pursuant to the following statutes and votes of the Town and a vote of the Select Board duly adopted on December 9, 2020:

- (a) \$1,600,000 - \$66,245,000 Public Safety Building Bonds and Fire Station #2 Design and Construction Bonds under G.L. c.44, §7(1) and a vote of the Town passed on October 10, 2018 (Article 10), excluded from the limitations or Proposition 2 ½, so-called, on November 6, 2018 (Ballot Question 4); and
- (b) \$1,200,000 - \$57,542,500 School Construction (Hillside School) Bonds under G.L. c.70B and a vote of the Town passed on October 5, 2016 (Article 2), excluded from the limitations of Proposition 2 ½, so-called, on November 8, 2016 (Question 5).

2. Description and Purpose of Notes. The Town is issuing and delivering the Notes simultaneously with the delivery of this certificate. The following amounts of the issue are for the following purposes including the payment of \$1,200,000 bond anticipation notes:

<u>Amount</u>	<u>Purpose</u>
(a) \$1,600,000	- construction and/or reconstruction of the Public Safety Building and Fire Station #2
(b) \$1,200,000	- architectural design, engineering, and construction of Hillside School

3. Other Debt. No other debt has been incurred under those votes except for the following bonds and bond anticipation notes:

- (a) \$12,000,000 bonds and premium dated October 10, 2019 (and notes issued in anticipation thereof); and \$20,000,000 bonds and premium dated June 25, 2020; and
- (b) \$575,000 was paid from revenue funds of the Town on November 17, 2017; \$2,865,000 was paid with revenue funds of the Town on August 1, 2018; \$19,745,331 bonds and premium dated July 31, 2018 (and notes issued in anticipation thereof); \$7,400,000 bonds and premium dated October 1, 2019 (and notes issued in anticipation thereof); \$2,600,000 was paid with revenue funds of the Town and \$1,100,000 was paid with unspent proceeds, each on October 1, 2019; \$216,000 Bonds and premium dated June 25, 2020; and \$1,200,000 notes dated June 25, 2020 and payable December 18, 2020*.

* To be renewed with a portion of the proceeds of this issue.

4. Consolidated Issue. The Notes constitute a consolidated issue for purposes of G.L. c.44, §16.

5. School Building Assistance Grant. On or before the date hereof, the Town received grant monies in the aggregate amount of \$12,062,262 from the Massachusetts School Building Authority for the Hillside School Construction project being financed in part with the proceeds of the \$1,200,000 portion of the Notes referred to in Paragraph (A)(1)(b) above.

6. Approval of Sale. We approve the sale of the Notes to Piper Sandler & Co. (the "Purchaser") at par and accrued interest, if any, plus a premium of \$11,396.00.

B. Delivery and Receipt. I, the Treasurer, further certify that the Notes were delivered on this date and that the full purchase price including accrued interest for the period, if any, from the date of the Notes to this date was received from the Purchaser on or before this date.

C. Certification Regarding Official Statement. I, the Treasurer, certify as follows:

- (a) I have reviewed the Preliminary Official Statement dated November 19, 2020, as revised on December 1, 2020 (the "Preliminary Official Statement") and the Official Statement dated December 3, 2020 (the "Official Statement") relating to the sale of the Notes.

(b) To the best of my knowledge and belief, the Preliminary Official Statement did not, as of its date and as of the date of sale of the Notes, and the Official Statement (excluding the price or yield on the cover page, as to which no view is expressed) did not as of its date and does not as of this date (which is the date of delivery of the Notes), contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(c) Since the date of the Official Statement there has been no material adverse change in the financial condition or affairs of the Town except as set forth in or contemplated by the Official Statement.

D. Debt Limit. I, the Treasurer, certify that at the time of their authorization, the Notes and the bonds in anticipation of which they are issued were and on the date hereof are within every applicable debt and other limit prescribed by law or otherwise.

E. Certificate of Town Clerk. I, the Town Clerk, certify as follows:

(a) Signatures and Incumbency. The signatures of the Treasurer and Select Board as appearing below are the genuine, electronic, or facsimile signatures of the persons who executed the Notes and who held those offices when the Notes were signed and when the Notes were delivered.

(b) Open Meeting Law. Except for the town meetings called pursuant to G.L. c.39, §10, all proceedings essential to the issue of the Notes and the authorization of the bonds and deliberations of a quorum relating thereto have been taken at a meeting or meetings open to the public; notice of each such meeting was filed in my office and publicly posted in the time and manner set forth in the General Laws, as amended, in effect at the time of each such meeting (Chapter 39, §23B for proceedings occurring prior to July 1, 2010 and Chapter 30A, §§18-25 for proceedings occurring on or after July 1, 2010) and as further suspended, supplemented, amended or modified by the Executive Order of the Governor of The Commonwealth of Massachusetts Suspending Certain Provisions of the Open Meeting Law, Chapter 30A, §20 dated March 12, 2020 (the "Executive Order"), or, if applicable, in accordance with an alternative method of notice prescribed or approved by the Attorney General as set forth in 940 CMR 29.03(2)(b); no deliberations, decision or vote in connection with the Notes or bonds were taken in executive session and no vote was taken by secret ballot; and the official record of each such meeting was made available to the public and remains available to the public as set forth in G.L. c.39, §23B or c.30A, §§18-25, as further suspended, supplemented, amended or modified by the Executive Order, as applicable.

(c) Proceedings. No proceeding essential to the issue of the Notes or bonds has been repealed or amended except as stated in paragraph (1) above and no proceedings have been taken relating to the Notes or bonds other than those certified to Locke Lord LLP.

(d) Bylaws. The bylaws described below are the only bylaws or standing votes of the Town affecting the authorization, sale or issue of the Note or bonds, including the calling and conduct of town meetings, or the use of assessments or other charges imposed to pay for any project financed by the Note, and there has been no change therein affecting those matters in any way except as may be indicated below:

Town of Needham, General By-Laws July 2013 Compilation, as amended through November 2, 2015, as certified to Locke Lord LLP on May 6, 2019.

(e) Home Rule. The Town has not amended its home rule charter (Chapter 403 of the Acts of 1971) accepted March 6, 1972, effective April 1, 1972 except for the amendments by Chapter 9 of the Acts of 1975, Chapter 217 of the Acts of 1995, Chapter 202 of the Acts of 2001, Chapter 176 of the Acts of 2004 and Chapter 114 of the Acts of 2015, as certified to Locke Lord LLP on April 22, 2019 and the Town has not amended or repealed any special law relating to the Town through the use of home rule procedures except by adoption of the charter.

(f) No Referendum. No petition for a referendum has been filed with respect to any of the proceedings essential to the issue of the Notes or the bonds.

(g) Development Districts. The Town has not established any development districts pursuant to G.L. c.40Q.

F. Execution of Counterparts and Delivery by Electronic Means. This certificate, as well as any other certificates or documents relating to the Notes (collectively, the "Documents"), may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. Delivery of an executed counterpart of a signature page to a Document by electronic mail in a ".pdf" file or by other electronic transmission shall be as effective as delivery of a manually executed counterpart signature page to such Document. Electronic signatures on any of the Documents shall be deemed original signatures for the purposes of the Documents and all matters relating thereto, having the same legal effect as original signatures.

G. No Litigation; No Financial Interest. All of the undersigned certify that there has been no litigation affecting the validity of the Notes or bonds or the power of the Town to levy and collect taxes to pay them; that none is pending or to our knowledge threatened; that neither the corporate existence nor boundaries of the Town nor the title of any of us to our respective

offices is being contested; and that none of us and, to the best of our knowledge, no other official of the Town has any direct or indirect financial interest in or relationship with the Purchaser.

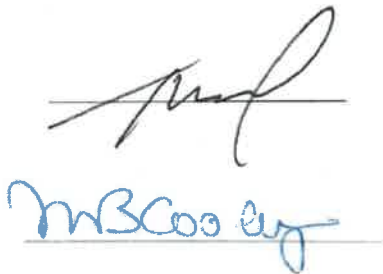
Date: December 18, 2020
(Date of delivery of and
payment for the Notes)



Matthew Borrelli

Treasurer

Town Clerk



Select Board

(Town Seal)

(Please Note: The following statements are an essential part of the permanent bond record. Read them carefully before signing this certificate. Advise Locke Lord LLP of any inaccuracy.)

TAX CERTIFICATE

This Tax Certificate is executed and delivered by the Town of Needham, Massachusetts (“Issuer”), in connection with the issuance of \$2,800,000 stated principal amount of its General Obligation Bond Anticipation Notes dated the Issue Date (“Issue”). The Issue is issued pursuant to Votes duly adopted by the Issuer and the Massachusetts General Laws. Pursuant to Reg §§ 1.141-2(d)(1) and 1.148-2(b)(2)(i), the Issuer certifies, covenants, warrants and represents as follows in connection with the issuance of the Issue:

ARTICLE I. IN GENERAL

1.1 Delivery of the Notes of the Issue. On the Issue Date, in exchange for receipt of good funds, the Issuer is delivering the notes of the Issue to the Successful Bidder, for resale to the Public.

1.2 Purpose of Tax Certificate. The Issuer is delivering this Tax Certificate to Bond Counsel, with the understanding that Bond Counsel will rely in part upon this Tax Certificate in rendering its opinion that interest on the Issue is excluded from gross income for federal income tax purposes under Section 103.

1.3 Definitions and References. All capitalized terms used in this Tax Certificate include either the singular or the plural. All terms used in this Tax Certificate, including terms specifically defined, shall be interpreted in a manner consistent with Sections 103 and 141-150 and the applicable Regulations thereunder except as otherwise specified. Capitalized terms used and not otherwise defined herein and in the exhibits hereto and in the schedules and attachments to those exhibits shall have the respective meanings set forth in Appendix A and Appendix B hereto. Reference to a Section means a section of the Code. Reference by number only (for example, “2.10”) means that numbered paragraph of this Tax Certificate.

1.4 Purpose of Financing. The Issue is being issued to provide funds (i) to finance on a “new money” basis the capital costs of certain municipal projects as more fully described in the Signature Certificate relating to the Issue, including the payment of Capitalized Interest, if any (“New Money Projects”), and Funded Interest, if any, (ii) to refund on a current basis the Refunded Notes, which were originally issued to finance and/or refinance the capital costs of certain municipal projects as more fully described in the Signature Certificate relating to the Issue, including the payment of Capitalized Interest, if any (“Refinanced Projects” and together with the New Money Projects, “Projects”), and Funded Interest, if any, and (iii) to pay Issuance Costs and other common costs of the Issue.

1.5 Single Issue. The notes of the Issue were sold to the Successful Bidder on the Sale Date. No other governmental obligations of the Issuer which are expected to be paid out of

substantially the same source of funds as the Issue have been or will be sold less than 15 days apart from the Sale Date pursuant to the same plan of financing as the Issue.

1.6 Reliance. With respect to certain matters contained in this Tax Certificate, the Issuer specifically relies upon the certifications of the Successful Bidder set forth in Exhibit A, the certifications of the Municipal Advisor set forth in Exhibit B, and upon the certifications set forth in the other exhibits attached hereto or as otherwise described herein. The Issuer is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in this Tax Certificate including the exhibits hereto.

ARTICLE II. GENERAL TAX LIMITATIONS

2.1 Application of Sale Proceeds and Certain Other Moneys. On the Issue Date, the Sale Proceeds, \$2,813,272.00, less an underwriter's discount of \$1,876.00, will be deposited to the General Fund and applied as follows:

New Money Projects	\$1,600,000.00
Payment of Refunded Notes	1,200,000.00
Issuance Costs	6,645.00
Payment of a portion of the interest on the Issue due April 15, 2021	<u>4,751.00</u>
TOTAL:	\$2,811,396.00

Investment Proceeds earned on the amounts in the General Fund will be commingled with substantial tax and other revenues of the Issuer, and are expected to be expended for operating or other expenses of the Issuer within six months after deposit of the Investment Proceeds therein. Pursuant to Reg § 1.148-6(d)(6), all such Investment Proceeds will be treated as expended when so commingled.

2.2 Expenditure of Gross Proceeds. For purposes of this Tax Certificate, Sale Proceeds and, to the extent not deemed expended as described in 2.1, Investment Proceeds allocable to the Nonrefunding Portion will be treated as spent when they are used to pay or reimburse disbursements by the Issuer that are (i) capital expenditures, including any Capitalized Interest, if any and to the extent allowable, (ii) Issuance Costs with respect to the Nonrefunding Portion, (iii) Funded Interest, (iv) initial operating expenses directly associated with the New Money Projects (in aggregate amount not exceeding 5% of the Sale Proceeds), or (v) other miscellaneous expenditures described in Reg § 1.148-6(d)(3)(ii).

The Issuer hereby certifies that no disbursement to be paid or reimbursed from Gross Proceeds allocable to the Nonrefunding Portion shall have been previously paid or reimbursed from the proceeds of any other obligation, whether issued by the Issuer or any other party.

To the extent that Sale Proceeds allocable to the Nonrefunding Portion will be applied to reimburse expenditures made by the Issuer prior to the Issue Date, the Issuer hereby certifies that such expenditures either (i) constitute capital expenditures incurred not earlier than 60 days prior to the applicable Vote, which Votes constitute the Issuer's declarations of official intent to issue

debt to finance the costs of the New Money Projects, or (ii) constitute Preliminary Expenditures to the extent permitted by Massachusetts law.

The Issuer further certifies that any such reimbursement described in clause (i) of the preceding sentence shall be made no later than the later of 18 months after the date of the expenditure or the date on which the New Money Project component to which such expenditure relates is placed in service, but in no event later than 3 years after the date of such expenditure.

2.3 Governmental Bond Status. Absent an Opinion of Bond Counsel, the Issuer will not loan more than 5% of the Proceeds to one or more Nongovernmental Persons. Absent an Opinion of Bond Counsel, the Issuer has not allowed and will not allow more than 10% of the Proceeds, any of the Prior Issues, or the Projects to be used directly or indirectly by any Nongovernmental Person in any trade or business, other than as a member of the general public, and has not allowed and will not allow more than 5% of the Proceeds, any of the Prior Issues, or the Projects to be so used to the extent such use is unrelated or disproportionate to the governmental uses thereof. Absent an Opinion of Bond Counsel, for purposes of this 2.3, a Nongovernmental Person will be treated as “using” Proceeds, proceeds of the Prior Issues or the Projects to the extent the Nongovernmental Person:

- (i) borrows Proceeds of the Issue or any Prior Issues;
- (ii) uses any portion of the Projects as owner, lessee, service provider, operator, or manager;
- (iii) acquires the output of the Projects; or
- (iv) enters into any other arrangement that provides a special legal entitlement or special economic benefit to a Nongovernmental Person.

As of the Issue Date, the Issuer certifies that there are no contracts or other arrangements for any such use of any component of the Projects by any party other than a Governmental Unit. Absent an Opinion of Bond Counsel, the Issuer will not enter into any contract or other arrangement after the Issue Date for any such use of any component of the Projects by any party other than a Governmental Unit.

2.4 Qualified Equity. The Issuer reasonably expects that a portion of the cost of the Projects being financed and/or refinanced in part with the Sale Proceeds may be paid from Qualified Equity. In this regard, the Issuer (i) expects to receive a grant in the amount of \$12,825,487 from the Massachusetts School Building Authority (“MSBA”) for the design and construction of the Hillside School project and (ii) has received \$12,062,262 in MSBA grant payments to date for such projects. The Issuer intends that the undivided portion or portions of any of the Projects paid with Qualified Equity may be used for Private Business Use without restriction. Qualified Equity will be allocated to any Private Business Use of the Projects before any Proceeds are allocated to any such Private Business Use. To the extent that Private Business Use of the Projects ever exceeds the applicable limitation under the “private business tests” imposed pursuant to Section 141(b), the Issuer hereby allocates Qualified Equity to the Projects.

In addition, the Issuer reserves the right to allocate this Qualified Equity to the Projects if and as needed in the future.

2.5 Change in Use. The Issuer reasonably expects to use all Proceeds and all facilities that are financed and refinanced therewith as set forth in 2.3 for the entire stated term to maturity of the Issue. Absent an Opinion of Bond Counsel, the Issuer in fact will use all Proceeds and each facility financed and refinanced therewith as set forth in 2.3.

2.6 Registered Form. The notes of the Issue are being issued in registered form.

2.7 Federal Guarantee. The Issuer will not directly or indirectly use or permit the use of any Proceeds or any other funds of the Issuer or any Related Party or take or omit to take any action that would cause the notes of the Issue to be obligations that are “federally guaranteed.” In furtherance of this covenant, the Issuer will not allow the payment of principal or interest with respect to the Issue to be guaranteed (directly or indirectly) in whole or in part by the United States or any agency or instrumentality thereof. Except as provided in the next sentence, the Issuer will not use 5% or more of the Proceeds to make or finance loans the payment of principal or interest with respect to which is guaranteed in whole or in part by the United States or any agency or instrumentality thereof, nor will it invest 5% or more of the Proceeds in federally insured deposits or accounts. The preceding sentence shall not apply to (i) investments in the portions of the General Fund described in 3.5 and 3.6 during the temporary period described therein, (ii) investments in the Bona Fide Debt Service Fund, and (iii) investments in obligations issued by the United States Department of Treasury.

2.8 Information Reporting. The Issuer will cause a properly completed and executed IRS Form 8038-G to be filed with respect to the Issue no later than the 15th day of the second month of the calendar quarter immediately following the calendar quarter of the Issue Date.

2.9 Partial Current Refunding. The Issuer will use Sale Proceeds allocable to the Refunding Portion in the amount of \$1,200,000.00 to pay the Refunded Notes on the Issue Date of the Issue. Proceeds will not be used directly or indirectly to make principal, interest or redemption premium payments with respect to any governmental obligation other than the Refunded Notes and, to the extent described in 2.1, the Issue.

2.10 No Unexpended Proceeds. No Proceeds of the Refunded Notes remain unspent as of the Issue Date of the Issue.

2.11 No Pooling. The Issuer will not use any Proceeds directly or indirectly to make or finance loans to two or more ultimate borrowers.

2.12 No Hedge Bonds. As of the respective issue dates of each issue comprising the Original Issues, the Issuer reasonably expected to expend more than 85% of the Net Sale Proceeds of each such issue within three years of original issuance for the governmental purposes of such Original Issues. Not more than 50% of the Proceeds of each such issue was invested at a substantially guaranteed yield for four years or more. The Issuer reasonably expects that more than 85% of Net Sale Proceeds of the Nonrefunding Portion of the Issue will be expended for the

governmental purposes thereof within three years after the Issue Date. Not more than 50% of the Nonrefunding Portion of the Proceeds will be invested at a substantially guaranteed yield for four years or more.

2.13 Useful Life. The weighted average maturity of the Issue is 0.325 years, which does not exceed 120% of the remaining average reasonably expected economic life of the assets comprising the Projects.

ARTICLE III. ARBITRAGE GENERAL

3.1 Reasonable Expectations. This Article III states the Issuer's reasonable expectations with respect to the amounts and uses of Proceeds and certain other moneys.

3.2 Issue Price of the Issue. On the Issue Date, the Issuer is delivering the notes of the Issue to the Successful Bidder in exchange for an aggregate payment of \$2,811,396.00 (which represents the total amount of Sale Proceeds, \$2,813,272.00, less an underwriter's discount of \$1,876.00). As reflected in Exhibit B, the Municipal Advisor has certified that the competitive sale requirements (as defined in the Notice of Sale) were met with respect to the notes of the Issue. Accordingly, based on the advice of the Successful Bidder as set forth in Exhibit A, the Issue Price of the Issue is \$2,813,272.00, which is the reasonably expected initial offering price to the Public for the notes of the Issue.

3.3 Funds and Accounts. The Issuer will use certain portions of its General Fund (or accounts or subaccounts within the General Fund) to hold certain of the Proceeds, as more particularly described in this Article III. The Issuer does not expect that either it or any other Person benefiting from the issuance of the Issue will use any moneys in any fund or account other than the Bona Fide Debt Service Fund to pay debt service on the Issue; nor is any other fund or account so pledged as security for the Issue that there is a reasonable assurance that amounts held in such other fund or account will be available if needed to pay debt service on the Issue.

3.4 Bona Fide Debt Service Fund.

3.4.1 Payment of the Issue. The notes of the Issue are general obligations of the Issuer payable from revenues available therefor pursuant to the Massachusetts General Laws, from a portion of the Sale Proceeds and Investment Proceeds, and from the proceeds of future issues of bond anticipation notes or longer-term obligations.

3.4.2 Revenues. Except for the debt service to be paid from a portion of the Sale Proceeds, Investment Proceeds, and the proceeds of future issues of bond anticipation notes or longer-term obligations, payments of debt service on the Issue are expected to be derived from current revenues of the Issuer and current revenues are expected to equal or exceed such amount of debt service on the Issue during the payment period.

3.4.3 Match Between Revenues and Debt Service. The portions of the Issuer's General Fund that are reasonably expected to be used to pay debt service on the Issue (such portions of the Issuer's General Fund being referred to herein as the "Debt Service Fund") will be

allocated to the payment of debt service on the Issue on a “first in, first out” (FiFo) basis. Accordingly, the Debt Service Fund will be used primarily to achieve a proper matching of revenues and debt service within the Bond Year. Amounts in the Debt Service Fund will be invested without regard to yield.

3.5 Three-Year Temporary Period. A portion of the Sale Proceeds allocable to the Nonrefunding Portion in the amount of \$1,600,000.00, will be deposited in the General Fund for the purpose of paying costs of the New Money Projects. The Issuer’s expenditure expectations with respect to the Proceeds allocable to the New Money Projects are reflected in Exhibit C. The Issuer reasonably expects that at least 85% of the Net Sale Proceeds will be spent to pay costs of the New Money Projects within three years from the Issue Date. The Issuer heretofore has incurred or within six months hereafter will incur a binding obligation to one or more unrelated parties involving an expenditure of not less than 5% of Net Sale Proceeds. Completion of the New Money Projects and allocations of Net Sale Proceeds and Investment Proceeds to costs of the New Money Projects will proceed with due diligence. Net Sale Proceeds allocable to paying costs of the New Money Projects held in the General Fund, and Investment Proceeds earned thereon, will be invested without regard to yield during the period ending on the third anniversary of the Issue Date.

3.6 90-Day Temporary Period. As reflected in 2.1 and 2.9, (i) a portion of Sale Proceeds allocable to the Refunding Portion in the amount of \$1,200,000.00 will be deposited in the General Fund and used to retire the Refunded Notes on the Issue Date of the Issue and (ii) a portion of Sale Proceeds in the amount of \$6,645.00 will be deposited to the General Fund pending its expenditure for Issuance Costs. Such portions of the Sale Proceeds may be invested without regard to yield during the period that ends 90 days after the Issue Date of the Issue.

3.7 No Overissuance. Taking into account anticipated Investment Proceeds, the Sale Proceeds do not exceed the amount necessary to pay (i) costs of the New Money Projects, (ii) the Refunded Notes, (iii) Funded Interest, if applicable, and (iv) Issuance Costs and other common costs of the Issue.

3.8 No Other Replacement Proceeds. Neither the Issuer nor any Related Party will use any Gross Proceeds directly or indirectly to replace funds of the Issuer or any Related Party, which funds are or will be used directly or indirectly to acquire Investment Property reasonably expected to produce a yield that is materially higher than the Yield on the Issue.

3.9 No Expected Sale. It is not expected that the Projects or any part thereof financed and/or refinanced in whole or in part by the Issue will be sold or otherwise disposed of before April 15, 2021, the scheduled final maturity date of the Issue, except for minor portions due to normal wear or obsolescence.

ARTICLE IV. ARBITRAGE - YIELD AND YIELD RESTRICTION

4.1 Yield. The Yield on the Issue, adjusted as may be required for substantial original issue premium or discount, has been calculated by the Municipal Advisor to be 0.2902367%, as reflected in Exhibit B.

4.2 No Qualified Hedges. No Qualified Hedge has been, and (absent an Opinion of Bond Counsel) no Qualified Hedge will be, entered into such that failure to take the Qualified Hedge into account would distort the Yield on the Issue or otherwise would fail clearly to reflect the economic substance of the transaction.

4.3 Yield Restriction. Absent an Opinion of Bond Counsel, if the sum of (A) any Proceeds allocable to the payment of the Projects held in the General Fund after the third anniversary of the Issue Date, or, if applicable, the Issue Date of any Original Issue, plus (B) any amounts held in the Bona Fide Debt Service Fund and remaining unexpended after 13 months from the date of accumulation in such fund (excluding any amounts held for Capitalized Interest and Funded Interest), plus, if applicable, (C) any Proceeds allocable to the retirement of any Refunded Bonds and Refunded Notes held in the General Fund after 90 days from the Issue Date, plus, if applicable, (D) any Transferred Proceeds held in the General Fund after the third anniversary of any Original Issue, plus (E) any Proceeds held in the Issuer's General Fund to pay Issuance Costs after 90 days from the Issue Date, at any time in the aggregate exceeds \$100,000, the excess will be invested as follows: (i) in Investment Property with a yield not exceeding the Yield on the Issue, or such other issue of Tax-Exempt Bonds to which such amounts are then allocated as proceeds, (ii) in assets that are not treated as Investment Property (e.g., Tax-Exempt Bonds), or (iii) in assets that satisfy the requirements for Yield Reduction Payments.

ARTICLE V. REBATE

5.1 Undertakings. The Issuer hereby covenants to comply with requirements of the Code pertaining to the Rebate Requirement. The Issuer acknowledges that the United States Department of the Treasury has issued Regulations with respect to certain of these undertakings, including the proper method for computing whether any rebate amount is due the federal government under Section 148(f). (Reg §§ 1.148-1 through 1.148-11A, 1.150-1, and 1.150-2.) The Issuer further acknowledges that the United States Department of the Treasury may yet issue additional Regulations with respect to certain of these undertakings. The Issuer covenants that it will undertake to determine what is required with respect to the rebate provisions contained in Section 148(f) and said Regulations from time to time and will comply with any requirements that may apply to the Issue.

5.2 Recordkeeping. The Issuer shall maintain or cause to be maintained detailed records with respect to each Nonpurpose Investment allocable to Gross Proceeds, including: (a) purchase date; (b) purchase price; (c) information establishing fair market value on the date such investment became a Nonpurpose Investment; (d) any accrued interest paid; (e) face amount; (f) coupon rate; (g) periodicity of interest payments; (h) disposition price; (i) any accrued interest received; and (j) disposition date. Such detailed recordkeeping is required to facilitate the calculation of the Rebate Requirement.

5.3 Exceptions to the Rebate Requirement.

5.3.1 Bona Fide Debt Service Fund Exception. Based on the representations set forth in 3.4.3 and this 5.3.1, no rebate calculations need be made in respect of amounts in the Bona Fide Debt Service Fund (i) if (a) the weighted average maturity of the Issue is longer than 5

years and (b) the Issue is a Fixed Yield Issue or (ii) if clause (i) does not apply, to the extent the earnings thereon in the Bond Year are less than \$100,000.

5.3.2 Six-Month Expenditure Exception. If applicable, no rebate calculations will be required to be made with respect to the Adjusted Gross Proceeds allocable to the Refunding Portion if all such Adjusted Gross Proceeds are expended within six months of the Issue Date.

5.3.3 Eighteen Month Spending Exception. In general, when applicable, no rebate calculations will be required with respect to Adjusted Gross Proceeds of the Nonrefunding Portion if the Eighteen Month Spending Exception is met. The Issuer's spending expectations with respect to the Adjusted Gross Proceeds are included in Exhibit C.

5.3.4 Two Year Spending Exception. The Issuer reasonably expects that at least 75% of Available Construction Proceeds will be expended for Construction Expenditures with respect to the Projects. The Issuer's spending expectations with respect to the Proceeds allocable to the New Money Projects or the Projects, as applicable, are reflected in Exhibit C. In general, when applicable, no rebate calculations will be required with respect to Available Construction Proceeds if Available Construction Proceeds are spent in accordance with the Two Year Spending Exception. Additionally, Proceeds of the Issue that are used to pay Issuance Costs will be treated, together with all Investment Proceeds thereon, as satisfying the Rebate Requirement if the Two Year Spending Exception is satisfied and all such Issuance Costs are paid within twenty-four months after the Issue Date.

5.4 Rebate Requirement with Respect to the Prior Issues. The Issuer covenants to, and will, pay any Rebate Requirement or Yield Reduction Payments due with respect to the Prior Issues within 60 days from the maturity date of the respective obligations or, if later, within 60 days of missing one of the relevant spending milestones set forth in 5.3, as required by Section 148(f)(3).

5.5 Rebate Requirement or Yield Reduction Payments with Respect to the Issue. The Issuer covenants to, and will, pay any Rebate Requirement or Yield Reduction Payments due with respect to the Issue within 60 days from the maturity date of the Issue or, if later, within 60 days of missing one of the spending milestones set forth in 5.3, as required by Section 148(f)(3).

ARTICLE VI. OTHER MATTERS

6.1 Expectations. The undersigned are authorized representatives of the Issuer acting for and on behalf of the Issuer in executing this Tax Certificate. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable.

6.2 Covenant to Comply. The Issuer hereby covenants that it will not take or permit to be taken on its behalf any action or actions that would adversely affect the exclusion from federal income taxation of interest on the Issue and will take or require to be taken such acts as may reasonably be within its ability and as may from time to time be required under applicable law to maintain the exclusion from federal income taxation of interest on the Issue.

6.3 Post Issuance Compliance Procedures. The Issuer has written procedures to monitor compliance with the arbitrage Yield restriction and rebate requirements of Section 148 after the Issue Date. The Issuer also has written procedures to ensure that all Nonqualified Bonds are remediated in accordance with Reg § 1.141-12. Such procedures are substantially in the form attached hereto as Appendix C. The Issuer will monitor the expenditure of Gross Proceeds and the use of facilities financed and/or refinanced by the Issue, and will undertake, if necessary, any available measures under Reg § 1.141-12 to ensure compliance after the Issue Date with the applicable covenants contained herein.

6.4 Record Retention. In order to ensure that interest on the Issue continues to be excluded from gross income for federal tax law purposes, the Issuer acknowledges that records should be maintained to support the representations, certifications, and expectations set forth in this Tax Certificate (including the exhibits hereto) at least until the date three (3) years after the later of (a) the date on which the Issue is retired, or (b) the date on which the last of the Refunding Obligations is retired. In addition to the items described in 5.2, records to be retained include, but are not limited to:

(i) basic records and documents relating to the Issue, and, when applicable, the Prior Issues and any Qualified Equity relating to the Projects;

(ii) documentation evidencing the expenditure of the Proceeds and, when applicable, Proceeds of the Prior Issues;

(iii) documentation evidencing the use of the Projects or any component thereof by public and private sources (i.e., copies of management contracts, research agreements, leases, etc.);

(iv) documentation evidencing all sources of payment or security for the Issue and, when applicable, the Prior Issues;

(v) documentation evidencing compliance with the timing and allocation of expenditures of the Proceeds, and, when applicable, Proceeds of the Prior Issues and any Qualified Equity relating to the Projects; and

(vi) records of all amounts paid to the United States in satisfaction of the Rebate Requirement for the Issue and IRS Forms 8038-T (or successor forms thereto) related to such payments or to Yield Reduction Payments.

6.5 Amendments. Notwithstanding any other provision of this Tax Certificate, the Issuer may amend this Tax Certificate and thereby alter any actions allowed or required by this Tax Certificate if such amendment is signed by an authorized officer and is supported by an Opinion of Bond Counsel.

[Remainder of page intentionally left blank; signature page follows.]

6.6 Survival of Payment or Defeasance. Notwithstanding any provision in this Tax Certificate or in any other agreement or instrument relating to the Issue to the contrary, the obligation to remit the Rebate Requirement, if any, to the United States Department of the Treasury and to comply with all other requirements contained in this Tax Certificate shall survive payment or defeasance of the Issue.

6.7 Execution of Counterparts and Delivery by Electronic Means. This Certificate, as well as any other certificates or documents relating to the Issue (collectively, the "Documents"), may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. Delivery of an executed counterpart of a signature page to a Document by electronic mail in a ".pdf" file or by other electronic transmission shall be as effective as delivery of a manually executed counterpart signature page to such Document. Electronic signatures on any of the Documents shall be deemed original signatures for the purposes of the Documents and all matters relating thereto, having the same legal effect as original signatures.

Dated: December 18, 2020

TOWN OF NEEDHAM, MASSACHUSETTS

By: _____
Treasurer

By:



REPLAID -

Matthew Borrelli




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Select Board

APPENDIX A GENERAL DEFINITIONS

For purposes of the Tax Certificate to which this Appendix A is attached, and the exhibits to the Tax Certificate and any schedules or attachments to those exhibits, the following capitalized terms have the following meanings:

501(c)(3) Organization means any entity described in Section 501(c)(3).

Adjusted Gross Proceeds generally means Gross Proceeds, less amounts held in the Bona Fide Debt Service Fund.

Available Construction Proceeds has the meaning set forth in Reg § 1.148-7(i) and generally means all Sale Proceeds reduced by Issuance Costs or, if applicable, all Sale Proceeds allocable to the Nonrefunding Portion, reduced by Issuance Costs allocable to the Nonrefunding Portion financed with Sale Proceeds, plus all Investment Proceeds earned thereon before the earlier of two years after the Issue Date or substantial completion of the New Money Projects or Projects, as applicable. In determining the amount of Available Construction Proceeds as of any date, there shall be included the amount of investment earnings reasonably expected after such date, together with investment earnings actually received or accrued as of such date.

Bona Fide Debt Service Fund has the meaning set forth in Reg § 1.148-1(b) and generally means the Debt Service Fund identified in 3.4.3.

Bond Counsel means Locke Lord LLP or, if applicable, another law firm with a nationally recognized public finance practice.

Bond Notice of Sale means, when applicable, the separate Notice of Sale for the bonds of the Issue.

Bond Purchaser means, when applicable, an entity that purchases the bonds of the Issue, or, when applicable, a Prior Issue, for its own account without a present intent to resell.

Capitalized Interest means interest on the Issue, or, when applicable, a Prior Issue, from the Issue Date to the placed in service date of the Projects, that is properly capitalized in the cost of the Projects under general federal income tax principles.

Code means the Internal Revenue Code of 1986, as amended.

Construction Expenditures has the meaning set forth in Reg § 1.148-7(g)(1) and generally means capital expenditures that are allocable to the cost of real property or constructed personal property and includes costs of reconstruction and rehabilitation, but does not include costs of acquiring any interest in land or other existing real or personal property.

Controlled Group has the meaning set forth in Reg § 1.150-1(c) and generally means a group of entities controlled directly or indirectly by the same entity or group of entities.

Debt Service Fund means the Debt Service Fund described in Article III.

Deliberate Action has the meaning set forth in Reg § 1.141-2(d)(3) and generally means any action taken by the Issuer that is within its control, but excludes (i) an involuntary or compulsory conversion under Section 1033 or (ii) an action taken in response to a regulatory directive made by the federal government.

Eighteen Month Spending Exception has the meaning set forth in Reg § 1.148-7(d) and generally means Adjusted Gross Proceeds are spent at least as quickly as follows:

15% within six months after the Issue Date

60% within twelve months after the Issue Date

100% within eighteen months after the Issue Date

The requirement that 100% of Adjusted Gross Proceeds be spent within eighteen months after the Issue Date will be met if at least 95% of Adjusted Gross Proceeds is spent within eighteen months and the remainder is held as a Reasonable Retainage, as permitted by contracts with the Issuer's contractors, and such remainder is spent within thirty months after the Issue Date.

Fixed Yield Bond has the meaning set forth in Reg § 1.148-1(b) and generally means any bond whose yield is fixed and determinable on its Issue Date.

Fixed Yield Issue has the meaning set forth in Reg § 1.148-1(b) and generally means any issue of which each bond of the issue is a Fixed Yield Bond.

Funded Interest means interest on the Issue, or, when applicable, a Prior Issue, other than Capitalized Interest, through the later of three years after the Issue Date or one year after the first component of the Projects is placed in service as set forth in Reg § 1.148-6(d)(3)(ii)(A)(3).

General Rule Maturities means, when applicable, those Maturities listed as the general rule maturities in Schedule A to the attached Issue Price Certificate for the Bonds of the Issue or the Notes of the Issue, as applicable.

Governmental Person has the meaning set forth in Reg § 1.141-1(b) and generally means a Governmental Unit.

Governmental Unit means a State or Local Governmental Unit.

Gross Proceeds has the meaning set forth in Reg § 1.148-1(b) and generally means all proceeds derived from or relating to the Issue, or, when applicable, a Prior Issue, including Proceeds and Replacement Proceeds.

Guidelines means Reg § 1.141-3(b)(4) and Revenue Procedure 2017-13 or any applicable predecessor or successor thereto.

Hold-the-Offering-Price Maturities means, when applicable, those Maturities listed as the hold-the-offering-price maturities in Schedule A to the attached Issue Price Certificate for the Bonds of the Issue or the Notes of the Issue, as applicable.

Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Successful Bidder/Successful Bond Bidder/Successful Note Bidder sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the initial offering price for such Hold-the-Offering-Price Maturity.

Investment Proceeds has the meaning set forth in Reg § 1.148-1(b) and generally means earnings received from investing and reinvesting Proceeds and from investing and reinvesting such earnings.

Investment Property has the meaning set forth in Section 148(b)(2) and generally means any security or obligation, any annuity contract, or any other investment-type property, but does not include any Tax-Exempt Bond.

Issuance Costs has the meaning set forth in Reg § 1.150-1(b) and generally means costs, to the extent incurred in connection with, and allocable to, the issuance of the Issue within the meaning of Section 147(g), and includes: underwriters' spread; counsel fees; financial advisory fees; credit rating fees; trustee fees; paying agent fees; bond registrar, certification, and authentication fees; accounting fees; printing costs; public approval process costs; engineering and feasibility study costs; and similar costs.

Issue Date has the meaning set forth in Reg § 1.150-1(b) and generally means the date the Issue, or, when applicable, a Prior Issue, was delivered to the Underwriter or Purchaser thereof and payment was received therefor.

Issue Price has the meaning set forth in Reg § 1.148-1(f) and generally means (i) the Expected Offering Price of a Successful Bidder/Successful Bond Bidder/Successful Note Bidder, (ii) the amount paid by the Purchaser for the Issue, the notes of the Issue, and/or the bonds of the Issue, and/or (iii) the price at which at least 10% of each maturity of the General Rule Maturities were sold by the Successful Bidder/Successful Bond Bidder/Successful Note Bidder, all as set forth in Exhibit A, or, when applicable, the sum of the applicable clauses above.

Maturity means bonds and/or notes of the Issue with the same credit and payment terms. Bonds and/or notes of the Issue with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate maturities.

Minor Portion has the meaning set forth in Section 148(e) and generally means any amount of Gross Proceeds that does not exceed the lesser of (i) 5% of the Proceeds or (ii) \$100,000.

Net Sale Proceeds has the meaning set forth in Reg § 1.148-1(b) and generally means the Sale Proceeds allocable to the Nonrefunding Portion, less the portion of those Sale Proceeds invested in a reasonably required reserve or replacement fund pursuant to Section 148(d) or as part of the Minor Portion.

Nongovernmental Person means any Person other than a Governmental Person. Nongovernmental Person includes the United States and any agency or instrumentality of the United States.

Nonpurpose Investment means any Investment Property in which Gross Proceeds are invested that is not a Purpose Investment.

Nonqualified Bonds has the meaning set forth in Reg § 1.141-12(j) and generally means the portion of outstanding bonds of an Issue that, as of the date of a Deliberate Action, would not meet the private business use test in Section 141(b) or the private loan financing test in Section 141(c).

Nonrefunding Portion means, when applicable, the portion of the Issue or the Prior Issue, as applicable, that is not allocable to the Refunding Portion.

Note Notice of Sale means, when applicable, the separate Notice of Sale for the notes of the Issue.

Note Purchaser means, when applicable, an entity that purchases the notes of the Issue, or, when applicable, a Prior Issue, for its own account without a present intent to resell.

Notice of Sale means the Notice of Sale, or, when applicable, collectively the Bond Notice of Sale and Note Notice of Sale, attached as Attachment 1 to Exhibit B.

Opinion of Bond Counsel means a written opinion of nationally recognized bond counsel, delivered to the Issuer, to the effect that the exclusion from gross income for federal income tax purposes of interest on the Issue will not be adversely affected.

Original Issues means, when applicable, collectively, the portions of the Refunded Bonds and/or Refunded Notes and the issues that were issued to finance the Projects on a “new money” basis and any other obligations all or a portion of which were issued to finance the Projects on a new money basis which have been ultimately refinanced by this Issue.

Person has the meaning set forth in Section 7701(a)(1) and generally includes an individual, trust, estate, partnership, association, company or corporation.

Preliminary Expenditures has the meaning set forth in Reg § 1.150-2(f)(2) and generally means architectural, engineering, surveying, soil testing, Issuance Costs, including, when applicable, Issuance Costs allocable to the Nonrefunding Portion, and similar costs paid with respect to the Projects in an aggregate amount not exceeding 20% of the Issue Price of the Issue, or, when applicable, the Issue Price of the Issue allocable to the Nonrefunding Portion. However, Preliminary Expenditures do not include land acquisition, site preparation or similar costs incident to the commencement of construction.

Prior Issue(s) means, when applicable, individually or collectively, the Original Issues and each series of exclusively current refunding obligations all or a portion of which were thereafter issued to refinance the Original Issues.

Private Business Use has the meaning set forth in Reg § 1.141-3(a) and generally means use (directly or indirectly) in a trade or business carried on by any Nongovernmental Person other than use (i) as a member of, and on the same basis as, the general public or (ii) pursuant to the Guidelines or the Research Guidelines. Any activity carried on by a Nongovernmental Person (other than a natural Person) shall be treated as a trade or business.

Proceeds has the meaning set forth in Reg § 1.148-1(b) and generally means Sale Proceeds, Investment Proceeds and Transferred Proceeds of the Issue or, when applicable, a Prior Issue.

Public has the meaning set forth in Reg § 1.148-1(f)(3)(ii) and generally means any Person other than an Underwriter or a Related Party to an Underwriter.

Purchaser means, when applicable, an entity, including a Successful Bidder, that purchases the Issue, or, when applicable, a Prior Issue, for its own account without a present intent to resell.

Purpose Investment has the meaning set forth in Reg § 1.148-1(b) and generally means an investment that is acquired by the Issuer to carry out the governmental purpose of the Issue.

Qualified Equity has the meaning set forth in Reg § 1.141-6(b)(3) and generally means funds that are not derived from proceeds of a Tax-Advantaged Bond.

Qualified Guarantee has the meaning set forth in Reg § 1.148-4(f) and generally means an arrangement that imposes a secondary liability that unconditionally shifts substantially all of the credit risk for all or part of the payments on the Issue to the guarantor under that arrangement.

Qualified Hedge has the meaning set forth in Reg § 1.148-4(h) and generally means a contract entered into by the Issuer with a hedge provider primarily to modify the Issuer's risk of interest rate changes with respect to all or a part of the Issue.

Reasonable Retainage has the meaning set forth in Reg § 1.148-7(h) and generally means an amount, not to exceed 5% of Available Construction Proceeds or Adjustable Gross Proceeds, as applicable, on the date 24 months, or 18 months, as applicable, after the Issue Date, that is retained for reasonable business purposes relating to the Projects, including to ensure or promote compliance with a construction contract.

Rebate Requirement means the amount of rebatable arbitrage with respect to the Issue, computed as of the last day of any Bond Year pursuant to Reg § 1.148-3.

Refunded Bonds means, when applicable, all or the portion of each of the series of bonds being refunded by the Issue, as identified in Appendix B.

Refunded Notes means, when applicable, all or the portion of each of the series of notes being refunded by the Issue, as identified in Appendix B.

Refunding Obligations means a Tax-Advantaged Bond issued to refund any portion of the Issue, including any subsequent Tax-Advantaged Bond in a series of refundings thereof.

Refunding Portion means, when applicable, the portion of the Issue allocable to the refunding of the Refunded Bonds and/or Refunded Notes, together with the portion of the Issue allocable to the financing of a ratable share of Issuance Costs and other common costs of the Issue.

Regulations or Reg means the applicable Treasury Regulations promulgated by the Secretary of the Treasury of the United States under the Code.

Related Party has the meaning set forth in Reg § 1.150-1(b) and generally means, in reference to a Governmental Unit or a 501(c)(3) Organization, any member of the same Controlled Group, and in any reference to any other Person, any two or more Persons who have more than fifty percent (50%) common ownership, directly or indirectly.

Replacement Proceeds has the meaning set forth in Reg § 1.148-1(c) and generally means amounts that have a sufficiently direct nexus to the Issue or to the governmental purpose of the Issue to conclude that the amounts would have been used for that governmental purpose if the Proceeds of the Issue were not used, and includes a sinking fund, a pledged fund, and other replacement proceeds, each as defined in Reg § 1.148-1(c).

Research Guidelines means Reg § 1.141-3(b)(6) and Revenue Procedure 2007-47 or any applicable successor thereto.

Sale Date has the meaning set forth in Reg § 1.150-1(c)(6) and generally means the first day on which there is a binding contract in writing for the sale of a Maturity.

Sale Proceeds has the meaning set forth in Reg § 1.148-1(b) and generally means amounts actually or constructively received from the sale of the Issue, or, when applicable, a Prior Issue.

Signature Certificate means the Signature, No Litigation and Official Statement Certificate or similar certificate prepared by Bond Counsel relating to the Issue or, when applicable, a Prior Issue.

Small Issuer Exception has the meaning set forth in Reg § 1.148-8(a) and generally means that, as of the Issue Date, the Issuer reasonably expects that the aggregate Issue Price of tax-exempt bonds (other than (a) current refunding bonds to the extent the amount thereof does not exceed the outstanding amount of the obligations to be refunded thereby and (b) qualified private activity bonds) issued and to be issued by or on behalf of the Issuer during the current calendar year will not exceed \$5,000,000 except by the lesser of (i) \$10,000,000 or (ii) the aggregate face amount of bonds, in either case attributable to financing the construction of public school facilities, as provided in Section 148(f)(4)(D)(vii). In addition, the Issuer must have the power to impose or to cause the imposition of taxes of general applicability which, when collected, may be used for the general purposes of the Issuer. The Issuer's power to impose or cause the imposition of such taxes cannot be contingent on approval by any other Governmental Unit. The Issuer cannot form or avail itself of an entity for the purpose of avoiding the volume limitation described above.

State or Local Governmental Unit has the meaning set forth in Reg § 1.103-1(a) and is generally a state or any political subdivision of a state, but excludes the United States and its agencies or instrumentalities.

Successful Bidder(s) means, when applicable, the Successful Bidder(s) set forth in Appendix B.

Successful Bond Bidder means, when applicable, the Successful Bond Bidder set forth in Appendix B.

Successful Note Bidder means, when applicable, the Successful Note Bidder set forth in Appendix B.

Tax-Advantaged Bond has the meaning set forth in Reg § 1.150-1(b) and generally means a tax-exempt bond or a taxable bond that provides a federal tax benefit that reduces the Issuer's borrowing costs.

Tax Certificate means the Tax Certificate to which this Appendix A is attached.

Tax-Exempt Bond means any obligation the interest on which is excluded from gross income for federal income tax purposes pursuant to Section 103, other than a "specified private activity bond" within the meaning of Section 57(a)(5)(C), as well as (i) stock in a "regulated investment company" (within the meaning of Section 852) to the extent at least 95 percent of income to the stockholder is treated as interest on Tax-Exempt Bonds and (ii) any demand deposit obligation issued by the United States Department of the Treasury pursuant to Subpart C of 31 CFR Part 344.

Transferred Proceeds has the meaning set forth in Reg § 1.148-9(b) and generally means Proceeds of a Prior Issue that become Proceeds of the Issue under the transferred proceeds allocation rule in Reg § 1.148-9(b).

Two Year Spending Exception has the meaning set forth in Reg § 1.148-7(e) and generally means Available Construction Proceeds are expended at least as quickly as follows:

10% within six months after the Issue Date

45% within twelve months after the Issue Date

75% within eighteen months after the Issue Date

100% within twenty-four months after the Issue Date

The requirement that 100% of Available Construction Proceeds be spent within twenty-four months after the Issue Date will be met if at least 95% of Available Construction Proceeds is spent within twenty-four months and the remainder is held as Reasonable Retainage, as permitted by contracts with the Issuer's contractors, and such remainder is spent within thirty-six months after the Issue Date.

Underwriter means (i) any Person, including, when applicable, a Successful Bidder/Successful Bond Bidder/Successful Note Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the bonds and/or notes of the Issue, or, when applicable, a Prior Issue, to the

Public, and (ii) any Person that agrees pursuant to a written contract directly or indirectly with a Person described in clause (i) of this paragraph to participate in the initial sale of such bonds and/or notes of the Issue, or, when applicable, a Prior Issue, to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of such bonds and/or notes of the Issue, or, when applicable, a Prior Issue, to the Public).

Votes means the authorizations for the Issue specified in the Signature Certificate.

Yield has the meaning set forth in Reg § 1.148-4 for an issue and Reg § 1.148-5 for investments, and generally means, as to the Issue, or, when applicable, a Prior Issue, or Investment Property, as applicable, that discount rate which, when used in computing the present value of all unconditionally payable payments representing (i) principal, adjusted, as required, for any substantial discounts or premiums, (ii) interest, including costs of Qualified Guarantees, and (iii) payments or receipts on Qualified Hedges, produces an amount equal to the Issue Price of the Issue, or, when applicable, a Prior Issue, or the purchase price of Investment Property, as appropriate.

Yield Reduction Payment means a “qualified yield reduction payment” to the United States Department of the Treasury that reduces the yield on Investment Property, as set forth in Reg § 1.148-5(c).

APPENDIX B ISSUE SPECIFIC DEFINITIONS

For purposes of the Tax Certificate to which this Appendix B is attached, and the exhibits to the Tax Certificate and any schedules or attachments to those exhibits, the following capitalized terms have the following meanings:

Bond Year means the period beginning on the Issue Date and ending on April 15, 2021, which is the last day on which any notes of the Issue will remain outstanding for federal tax purposes.

Issue Date means, as to the Issue, the date of this Tax Certificate, December 18, 2020.

Municipal Advisor means Hilltop Securities Inc., as municipal advisor to the Issuer in connection with the Issue.

Refunded Notes means the \$1,200,000 General Obligation Bond Anticipation Notes, issued on June 25, 2020 and maturing on December 18, 2020.

Sale Date of the Issue is December 3, 2020.

Sale Proceeds means as to the Issue, the amount of \$2,813,272.00, comprising the stated principal amount of the Issue (\$2,800,000), plus original issue premium thereon in the amount of \$13,272.00.

Successful Bidder means Piper Sandler & Co.

APPENDIX C
POST-ISSUANCE TAX COMPLIANCE PROCEDURES
TAX-EXEMPT OBLIGATIONS AND OTHER TAX-BENEFITED OBLIGATIONS

I. Introduction

These post-issuance compliance procedures of the Issuer are designed to provide for the effective management of the Issuer's post issuance compliance program for tax-exempt and other tax-benefited obligations in a manner consistent with state and federal laws applicable to such obligations.

II. Post-Issuance Tax Compliance

The Treasurer of the Issuer, or such other designated officer (the "Compliance Officer") shall be the primary bond compliance officer responsible for each issuance by the Issuer of tax-exempt (or otherwise tax-benefited) bonds, notes, financing leases, or other obligations (herein, collectively referred to as "bonds"). All information related to each bond issue and the facilities, equipment and other assets financed by such issue shall be maintained by or on behalf of the Compliance Officer and the actions taken under subsections A through C of this Section II shall be taken by the Compliance Officer or on behalf of the Compliance Officer by such other officers or employees of the Issuer as appropriate.

A. Tax Certificate and Continuing Education

- 1. Tax Certificate** – A Tax Certificate is prepared for each issuance of bonds. Immediately upon issuing any bonds, the Compliance Officer, in conjunction with the Issuer's bond counsel and financial advisor, shall review the Tax Certificate and make notes regarding specific compliance issues for such bond issue on the Post-Issuance Compliance Notes form at Exhibit A. The Tax Certificate and Notes shall clearly define the roles and responsibilities relating to the ongoing compliance activities for each bond issue and will identify specific compliance requirements.
- 2. Continuing Education** – The Compliance Officer will actively seek out advice of bond counsel on any matters that appear to raise ongoing compliance concerns and may attend or participate in seminars, teleconferences, etc. sponsored by organizations such as the Massachusetts Collector-Treasurer Association and the Massachusetts Government Finance Officers Association that address compliance issues and developments in the public finance bond arena. In addition, national organizations such as the Securities Industry and Financial Markets Association (SIFMA) and the National Association of Bond Lawyers (NABL) offer numerous training opportunities and materials which may be useful to the Compliance Officer.

B. Tax-Exempt Bonds Compliance Monitoring

1. Restrictions against Private Use – The Compliance Officer will continuously monitor the expenditure of bond proceeds and the use of facilities or equipment financed or refinanced with bonds to ensure compliance with Section 141 of the Internal Revenue Code (the “Code”) which generally establishes limitations on the use of bond-financed facilities by non-state or local governmental entities, such as individuals using bond-financed assets on a basis other than as a member of the general public, corporations and the federal government and its agencies and instrumentalities.

a. Use of Bond Proceeds – The Compliance Officer will monitor and maintain records with respect to expenditures to ensure that bond proceeds are being used on capital expenditures for governmental purposes in accordance with the bond documents and document the allocation of all bond proceeds. Such monitoring is required not only for tax-exempt bonds, but also for tax credit bonds.

b. Use of the Bond-Financed Facility or Equipment

i. Equipment assets financed with bonds will be listed in a schedule for each bond issue, which schedule may be included in the Tax Certificate. Equipment assets generally are not to be disposed of prior to the earlier of (a) the date the bonds and all subsequent refundings of such bonds are fully paid, or (b) the end of the useful life of such equipment. The Compliance Officer will maintain the list of all bond-financed equipment for each bond issue, together with the equipment’s expected useful life.

ii. Constructed or acquired assets financed with bonds – In order to ensure that assets constructed or acquired using bond proceeds, such as infrastructure assets, are not leased, sold or disposed of prior to the end of the term of the bonds and of all subsequent refundings of such bonds:

- Any asset constructed or acquired with bond proceeds shall be flagged in the Issuer’s records, and
- These projects will be monitored by the Compliance Officer.

iii. If there is any proposal to change the use of a bond-financed facility from a governmental purpose to a use in which a private entity may have the use or benefit of such a facility on a basis that is different from the rest of the general public, the Compliance Officer will consult with bond counsel prior to the occurrence of the proposed change in use.

2. Qualification for Initial Temporary Periods and Compliance with Restrictions against Hedge Bonds

a. Expectations as to Expenditure of “New Money” Bond Proceeds

i. In order to qualify under the arbitrage rules for an initial temporary period of 3 years for “new money” issues during which bond proceeds can be invested without regard to yield (but potentially subject to rebate), the Issuer must

reasonably expect to spend at least 85% of “spendable proceeds” by the end of the temporary period. In general under Code Section 149, in order to avoid classification of an issue of bonds as “hedge bonds,” the Issuer must both (x) reasonably expect to spend 85% of the “spendable proceeds” of the bond issue within the 3 year period beginning on the date the bonds are issued and (y) invest not more than 50% of the proceeds of the issue in investments having a substantially guaranteed yield for 4 years or more. These expectations have been documented for the Issuer’s outstanding bond issues in the tax certificates executed in connection with each bond issue.

- ii. If, for any reason, the Issuer’s expectations concerning the period over which the bond proceeds are to be expended change from what was documented in the applicable tax certificate, the Compliance Officer will consult with bond counsel.

b. Project Draw Schedule Compliance Monitoring – While there are unspent proceeds of a bond issue, the Compliance Officer will compare and analyze the original anticipated project draw schedule and the actual expenditure payouts and reimbursements on each bond-financed project on an annual or more frequent basis. The purpose of this analysis is to determine the variances from the original expected draw schedule for each project and to document the reasons for these variances to provide a continual record on the spending progress of each bond-financed project. Factors relevant to the analysis include unexpected delays in the project timelines, extreme weather, contract time extensions due to unexpected events, supplemental agreements and any other factor with a potential to impact the progress or completion of the projects. Generally, there should be no effect on the tax-exempt status of the bonds under either the temporary period rules or the hedge bond rules if the actual disbursements do not meet the original project draw schedule, unless circumstances surrounding the actual events cast doubt on the reasonableness of the stated expectations on the issuance date. Therefore, it is important for the Compliance Officer to update the progress of each project at least annually, and consult with bond counsel as to any variance from the original schedule.

c. Bond Proceeds Expenditure Schedule Compliance Monitoring – While there are unspent proceeds of bonds, the Compliance Officer will compare and analyze the bond proceeds expenditure schedule and the actual investment earnings on each project on an annual or more frequent basis. The purpose of this analysis is to determine any variances from the expected expenditure schedule and to document the reasons for these variances.

3. Arbitrage Rebate Compliance

- a. Bonds may lose their tax-favored status, retroactive to the date of issuance, if they do not comply with the arbitrage restrictions of section 148 of the Code. Two general sets of requirements under the Code must be applied in order to determine whether

governmental bonds are arbitrage bonds: the yield restriction requirements of section 148(a) and the rebate requirements of section 148(f).

- b. Yield Restriction Requirements** – The yield restriction requirements provide, in general terms, that gross proceeds of a bond issue may not be invested in investments earning a yield higher than the yield of the bond issue, except for investments (i) during one of the temporary periods permitted under the regulations (including the initial three year temporary period described above), (ii) in a reasonably required reserve or replacement fund or (iii) in an amount not in excess of the lesser of 5% of the sale proceeds of the issue or \$100,000 (the “minor portion”). Under limited circumstances, the yield on investments subject to yield restriction can be reduced through payments to the IRS known as “yield reduction payments.” The Tax Certificate will identify those funds and accounts associated with a particular issue of bonds known, as of the date of issuance, to be subject to yield restriction.

c. Rebate Requirements

- i.** If, consistent with the yield restriction requirements, amounts treated as bond proceeds are permitted to be invested at a yield in excess of the yield on the bonds (pursuant to one of the exceptions to yield restriction referred to above), rebate payments may be required to be made to the U.S. Treasury. Under the applicable regulations, the aggregate rebate amount is the excess of the future value of all the receipts from bond funded investments over the future value of all the payments to acquire such investments. The future value is computed as of the computation date using the bond yield as the interest factor. At least 90% of the rebate amount calculated for the first computation period must be paid no later than 60 days after the end of the first computation period. The amount of rebate payments required for subsequent computation periods (other than the final period) is that amount which, when added to the future value of prior rebate payments, equals at least 90% of the rebate amount. For the final computation period, 100% of the calculated amount must be paid. Rebate exceptions and expectations are documented for each bond issue in the tax certificate executed at the time of such bond issue.
- ii.** **While there are unspent proceeds of bonds, the Issuer will engage an experienced independent rebate analyst to annually calculate any rebate that may result for that year and annually provide a rebate report to the Compliance Officer. Bond counsel can assist with referrals to qualified rebate analysts.**

d. Timing of Rebate Payments

The Compliance Officer will work with the rebate analyst to ensure the proper calculation and payment of any rebate payment and/or yield-reduction payment at the required time:

- i. First installment due no later than 60 days after the end of the fifth anniversary of each bond issuance;
- ii. Succeeding installments at least every five years;
- iii. Final installment no later than 60 days after retirement of last bond in the issue.¹

4. Refunding Requirements

- a. **Refunded Projects** – The Compliance Officer will maintain records of all bond financed assets for each bond issue, including assets originally financed with a refunded bond issue.
- b. **Yield Restriction** – The Compliance Officer will work with its financial advisor and bond counsel to maintain records of allocation of bond proceeds for current and advance refundings of prior bond issues to ensure that such bond proceeds are expended as set forth in the applicable tax certificate executed at the time the refunding bonds are issued. Any yield restricted escrows will be monitored for ongoing compliance.

C. Record Retention

- 1. Section 6001 of the Code provides the general rule for the proper retention of records for federal tax purposes. The IRS regularly advises taxpayers to maintain sufficient records to support their tax deductions, credits and exclusions. In the case of a tax-exempt bond transaction, the primary taxpayers are the bondholders. In the case of other tax benefited bonds, such as “build America bonds” or “recovery zone economic development bonds”, the Issuer will be treated as the taxpayer. In order to ensure the continued exclusion of interest to such bondholders, it is important that the Issuer retain sufficient records to support such exclusion.

2. In General

- a. All records associated with any bond issue shall be stored electronically or in hard copy form at the Issuer’s offices or at another location conveniently accessible to the Issuer.
- b. The Compliance Officer will ensure that the Issuer provides for appropriate storage of these records.
- c. If storing documents electronically, the Issuer shall conform with Rev. Proc. 97-22, 1997-1 C.B. 652 (as the same may be amended, supplemented or superseded), which provides guidance on maintaining books and records by using an electronic storage system. Bond counsel can furnish a copy of this Revenue Procedure if needed.

¹ Generally, rebate payments must be paid not later than 60 days after retirement of the last bond in the issue.

3. **Bonds** – Unless a longer period of time is required by state law, the Issuer shall maintain the bond record as defined in this section for the longer of the life of the bonds plus 3 years or the life of refunding bonds (or series of refunding bonds) which refunded the bonds plus 3 years. The bond record shall include the following documents:

a. Pre-Issuance Documents

- i. **Guaranteed Investment Contracts (“GICs”) and Investments (other than Treasury’s State and Local Government Series Securities, “SLGs”)** – If applicable, the Compliance Officer shall retain all documentation regarding the procurement of each GIC or other investment acquired on or before the date of bond issuance, including as applicable the request for bids, bid sheets, documentation of procurement method (i.e., competitive vs. negotiated), etc. If investments other than SLGs are used for a defeasance escrow, the documentation should include an explanation of the reason for the purchase of open market securities and documentation establishing the fair value of the securities and compliance with safe harbor bidding rules. If SLGs are purchased, a copy of the final subscription shall be maintained.
- ii. **Project Draw Schedule** – The Compliance Officer shall retain all documentation and calculations relating to the draw schedule used to meet the “reasonable expectations” test and use of proceeds tests (including copies of contracts with general and sub-contractors or summaries thereof).
- iii. **Issue Sizing** – The Compliance Officer shall maintain a copy of all financial advisor’s or underwriter’s structuring information.
- iv. **Bond Insurance** – If procured by the Issuer, the Compliance Officer shall maintain a copy of insurance quotes and calculations supporting the cost benefit of bond insurance, if any.
- v. **Costs of Issuance documentation** – The Compliance Officer shall retain all invoices, payments and certificates related to costs of issuance of the bonds.

- b. **Issuance Documents** – The Compliance Officer shall retain the bound bond transcript delivered from bond counsel.

c. Post-Issuance Documents

- i. **Post-Issuance Guaranteed Investment Contracts and Investments (Other than SLGs)** – the Compliance Officer shall retain all documentation regarding the procurement of any GIC or other investment acquired after bond issuance, including as applicable the

request for bids, bid sheets, documentation of procurement method (i.e., competitive vs. negotiated), etc. If investments other than SLGs are used for a defeasance escrow, the documentation should include an explanation of the reason for the purchase of open market securities and documentation establishing the fair value of the securities and compliance with safe harbor bidding rules.

- ii. **Records of Investments** shall be retained by the Compliance Officer.
- iii. **Investment Activity Statements** shall be retained by the Compliance Officer.
- iv. **Records of Expenditures** – The Compliance Officer shall maintain or shall cause to be maintained all invoices, etc. relating to equipment purchases and constructed or acquired projects, either electronically or in hard copy.
- v. **Records of Compliance**
 - **Qualification for Initial Temporary Periods and Compliance with Restrictions against Hedge Bond Documentation** – The Compliance Officer shall prepare the annual analysis described in Section II(B)(2) above and maintain these records.
 - **Arbitrage Rebate Reports** may be prepared by the Compliance Officer or a third party as described in section II (B)(3) of this document and retained by the Compliance Officer.
 - **Returns and Payment** – Shall be prepared at the direction of the Compliance Officer and filed as described in Section II(B)(3) of this document.
 - **Contracts under which any bond proceeds are spent (consulting engineering, acquisition, construction, etc.)** – The Compliance Officer shall obtain copies of these contracts and retain them for the bond record.

d. General

- i. **Audited Financial Statements** – The Compliance Officer will maintain copies of the Issuer’s annual audited Financial Statements.
- ii. **Reports of any prior IRS Examinations** – The Compliance Officer will maintain copies of any written materials pertaining to any IRS examination of the Issuer’s bonds.

III. Voluntarily Correcting Failures to Comply with Post-Issuance Compliance Activities

If, in the effort to exercise due diligence in complying with applicable federal tax laws, a potential violation is discovered, the Issuer may address the violation through the applicable method listed below. The Issuer should work with its bond counsel to determine the appropriate way to proceed.

A. Taking remedial actions as described in Section 141 of the Internal Revenue Code

B. Utilizing the Voluntary Closing Agreement Program (VCAP) – Section 7.2.3 of the Internal Revenue Manual establishes the voluntary closing agreement program for tax-exempt bonds (TEB VCAP) whereby issuers of tax-exempt bonds can resolve violations of the Internal Revenue Code through closing agreements with the Internal Revenue Service.

IV. Post Issuance Tax Compliance Procedures Review

The Compliance Officer shall review these procedures at least annually, and implement revisions or updates as deemed appropriate, in consultation with bond counsel.

Exhibit A

POST ISSUANCE COMPLIANCE NOTES

[Name of Bond]

Transaction Parties

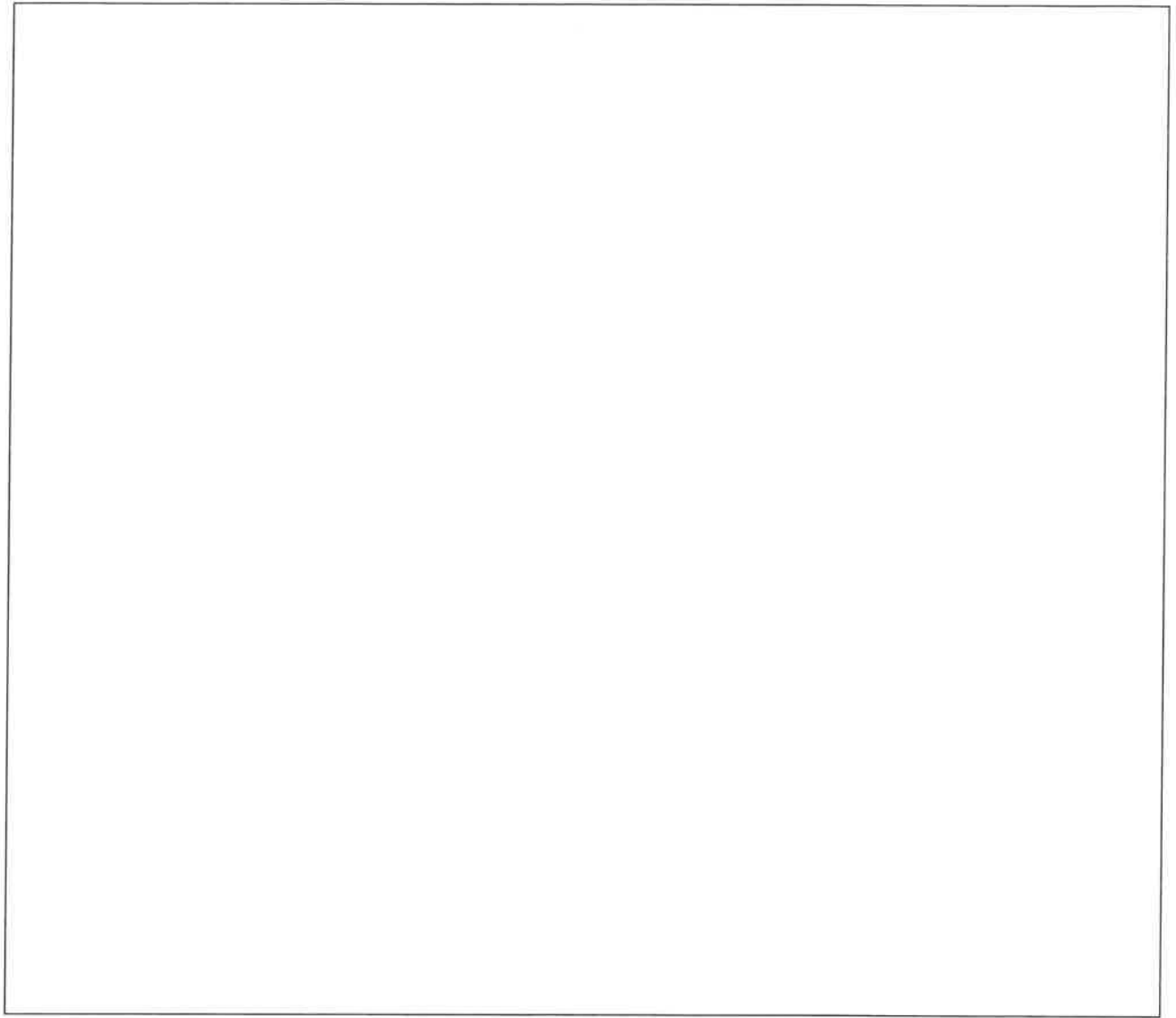
Overall Responsible Party for Debt Management Activities

Bond Counsel

Paying Agent

Rebate Specialist

Other



(Please Note: The following certificate is an essential part of the permanent record and creates ongoing obligations of the Issuer. Please read it carefully before signing. Advise Locke Lord LLP of any inaccuracy.)

SIGNIFICANT EVENTS DISCLOSURE CERTIFICATE

This Significant Events Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Town of Needham, Massachusetts (the “Issuer”) in connection with the issuance of \$2,800,000 General Obligation Bond Anticipation Notes dated December 18, 2020

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Owners of the Notes and in order to assist the Participating Underwriter in complying with the Rule.

SECTION 2. Definitions. For purposes of this Disclosure Certificate the following capitalized terms shall have the following meanings:

“Listed Events” shall mean any of the events listed in Section 3(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board as established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Certificate. Filing information relating to the MSRB is set forth in Exhibit A attached hereto.

“Obligated Person” shall mean the Issuer.

“Owners of the Notes” shall mean the registered owners, including beneficial owners, of the Notes.

“Participating Underwriter” shall mean any of the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Reporting of Significant Events.

(a) The Issuer shall give notice, in accordance with the provisions of this Section 3, of the occurrence of any of the following events with respect to the Notes:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.

5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes.
7. Modifications to rights of the Owners of the Notes, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution or sale of property securing repayment of the Notes, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person.*
13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
15. Incurrence of a financial obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Obligated Person, any of which affect Owners of the Notes, if material.†

* As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

† For purposes of event numbers 15 and 16 in Section 3(a) of this Disclosure Certificate, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” excludes municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule.

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Obligated Person, any of which reflect financial difficulties.[†]

(b) Upon the occurrence of a Listed Event, the Issuer shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file a notice of such occurrence with the MSRB.

SECTION 4. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 5. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance or payment in full of all of the Notes.

SECTION 6. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate the sole remedy under this Disclosure Certificate shall be an action for specific performance of the Issuer's obligations hereunder and not for money damages in any amount. Any failure by the Issuer to comply with any provision of this Disclosure Certificate shall not constitute a default with respect to the Notes.

SECTION 7. Amendment. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is permitted by the Rule, as evidenced by an opinion of counsel expert in federal securities law (which may also include bond counsel to the Issuer) to the effect that such amendment or waiver would not cause this Disclosure Certificate to violate the Rule.

SECTION 8. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Owners of the Notes from time to time, and shall create no rights in any other person or entity.

Date: December 18, 2020

TOWN OF NEEDHAM,
MASSACHUSETTS

By: _____
Treasurer




Matthew Borrelli



Select Board

EXHIBIT A

Filing information relating to the Municipal Securities Rulemaking Board is as follows:

Municipal Securities Rulemaking Board

<http://emma.msrb.org>

90935243v.1

REVISED AS TO PAR AMOUNT AND SALE DATE

PRELIMINARY OFFICIAL STATEMENT AND NOTICE OF SALE DATED DECEMBER 1, 2020

In the opinion of Locke Lord LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Notes will not be included in computing the alternative minimum taxable income of individuals. Under existing law, interest on the Notes is exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes. The Notes will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. See "Tax Exemption" herein.

**TOWN OF NEEDHAM, MASSACHUSETTS
\$2,800,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES
UNLIMITED TAX**

The Town of Needham, Massachusetts (the "Town"), will receive telephone and electronic bids at Hilltop Securities Inc. (617-619-4400) in the case of telephone bids and via PARITY in the case of electronic bids until 11:00 a.m. eastern daylight time, Thursday, December 3, 2020 for the purchase of the following described General Obligation Bond Anticipation Notes (the "Notes").

\$2,800,000 General Obligation Bond Anticipation Notes (new money and renewal). The Notes will be dated December 18, 2020 and will be payable April 15, 2021. Interest will be computed on a 30-day-month/360-day-year basis (117/360). The Notes will not be subject to redemption prior to their stated maturity date.

Bids may be submitted electronically via PARITY pursuant to this Notice of Sale until 11:00 a.m. eastern daylight time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY, potential bidders may contact Hilltop Securities Inc. (617) 619-4400 or PARITY at (212) 404-8102.

The Notes will be issued by means of a book-entry system, evidencing ownership of the Notes in principal amounts of \$1,000 or integral multiples thereof, with transfers of ownership effected on the records of The Depository Trust Company (DTC) and its participants pursuant to rules and procedures adopted by DTC (see "Book-Entry Transfer System"), unless the issuance of a fully registered note certificate is requested by a successful bidder and the issuance of such certificate is approved by the Town. Principal and interest will be payable upon maturity in federal reserve funds at U.S. Bank National Association, Boston, Massachusetts. **Bidders may elect to denominate the Notes as physical registered securities rather than "Book-Entry" securities to be held by DTC, subject to the approval of the Town.**

Bids for the Notes may be submitted for all or part of the Notes at a single rate of interest in a multiple of one-hundredth (1/100) of one percent (1%). No bid of less than par and accrued interest to the date of delivery will be considered and **no coupon greater than 3.0% will be accepted.** The right is reserved to reject any and all bids not complying with this Notice of Sale and, so far as permitted by law, to waive any irregularity with respect to any bid. The Notes will be awarded on the basis of lowest net interest cost to the Town after deduction of premium, if any. Such cost will be determined by computing the total amount of interest payable on the Notes, at the rate or rates stated, from December 18, 2020 until the maturity of the Notes and deducting therefrom the sum, if any, by which the amount bid for the Notes exceeds the aggregate principal amount of the Notes. In the event two or more bidders submit the same lowest net interest cost for the Notes, the Town Treasurer shall determine the winning bidder(s) by lot from among all such bidders.

An electronic bid made in accordance with this Notice of Sale shall be deemed an offer to purchase the Notes in accordance with the terms provided in this Notice of Sale and shall be binding upon the bidder as if made by a signed and sealed written bid delivered to the Town.

Any bidder who submits a successful bid by telephone in accordance with this Notice of Sale shall be required to provide written confirmation of the terms of the bid by faxing or e-mailing a completed, signed bid form to Hilltop Securities Inc., by not later than 12:00 Noon, eastern daylight time, on the date of sale.

The award of the Notes to the successful bidder will not be effective until the bid has been approved by the Treasurer and the Select Board of the Town. In the event that two or more bidders submit the same lowest true interest cost for the Bonds, the Treasurer shall determine the winning bidder by lot from among all such proposals.

A successful bidder for the Notes may request that all or a portion of the Notes be issued in the form of one fully registered physical certificate, rather than in book-entry form through the facilities of DTC. The successful bidder seeking the issuance of the Notes in this manner shall bear any and all costs of any re-registration or transfer of Notes from time to time. Any bidder seeking to have the Notes issued in the form of a fully registered physical certificate or certificates, rather than in book-entry form, shall indicate this preference to the Town at the time of the submission of the winning bid. The Town reserves the right to decline any request to issue the Notes in non-book entry form if it should determine, in its sole discretion, that issuing the Notes in this manner is not in its best interests.

It shall be the condition of the successful bidder's obligation to accept delivery of and pay for the Notes that, contemporaneously with or before accepting the Notes and paying therefor, it shall be furnished, without cost, with (a) the approving opinion of the firm of Locke Lord LLP, Boston, Massachusetts, Bond Counsel to the Town, with respect to the Notes, (b) a certificate in form satisfactory to said firm, dated as of the date of delivery of the Notes and receipt of payment therefor, to the effect that there is no litigation pending, or to the knowledge of the signer or signers thereof, threatened affecting the validity of the Notes or the power of the Town to levy and collect taxes to pay them, (c) a certificate of the Town's Treasurer to the effect that, to the best of her knowledge and belief, both the Preliminary Official Statement as of its date and as of the date of sale and the Final Official Statement as of its date and as of the date of delivery of such Notes, do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and (d) a significant events disclosure certificate in the form described in the Preliminary Official Statement.

Payment of the principal of and interest on the Notes is not limited to a particular fund or source of revenue nor is any lien or pledge for such payment created with respect to any such fund or source.

Establishment of Issue Price. The following applies to each successful bidder with respect to the portion of the Notes awarded to such successful bidder.

A successful bidder for the Notes shall assist the Town in establishing the issue price of the Notes and shall execute and deliver to the Town on the Closing Date an "issue price" or similar certificate, substantially in the applicable form set forth in Exhibit 1 to this Notice of Sale, setting forth the reasonably expected initial offering price to the public or the actual sale price of the Notes, together with the supporting pricing wires or equivalent communications, or, if applicable, the amount bid, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the Town and Bond Counsel. All actions to be taken by the Town under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the Town by Hilltop Securities Inc. ("Financial Advisor") and any notice or report to be provided to the Town may be provided to the Financial Advisor.

Competitive Sale Requirements. If the competitive sale requirements ("competitive sale requirements") set forth in Treasury Regulation § 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) have been satisfied, the Town will furnish to the successful bidder on the Closing Date a certificate of the Financial Advisor, which will certify each of the following conditions to be true:

1. the Town has disseminated this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
2. all bidders had an equal opportunity to bid;
3. the Town received bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
4. the Town awarded the sale of the Notes to the bidder who submitted a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid. Unless a bidder notifies the Town prior to submitting its bid to the Financial Advisor by telephone at (617) 619-4400, or in its bid submitted via Parity, that it will not be an "underwriter" (as defined below) of the Notes, by submitting its bid, each bidder shall be deemed to confirm that it has an established industry reputation for underwriting new issuances of municipal bonds. Unless the bidder has notified the Town that it will not be an "underwriter" (as defined below) of the Notes, in submitting a bid, each bidder is deemed to acknowledge that it is an "underwriter" that intends to reoffer the Notes to the public.

In the event that the competitive sale requirements are not satisfied, the Town shall so advise the successful bidder.

Failure to Meet the Competitive Sale Requirements – Option A – The Successful Bidder Intends to Reoffer the Notes to the Public and the 10% Test to Apply. If the competitive sale requirements are not satisfied and the successful bidder intends to reoffer the Notes to the public, the Successful Bidder may, at its option use the first price at which 10% of the Notes (the “10% test”) is sold to the public as the issue price of the Notes. The successful bidder shall advise the Financial Advisor if the 10% test is satisfied as of the date and time of the award of the Notes. The Town will not require bidders to comply with the “hold-the-offering-price rule” set forth in the applicable Treasury Regulations and therefore does not intend to use the initial offering price to the public as of the Sale Date as the issue price of the Notes if the competitive sale requirements are not met and this option is chosen.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to Notes or all of the Notes are sold to the public, the successful bidder agrees to promptly report to the Financial Advisor the prices at which the unsold Notes have been sold to the public, which reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied for the Notes or until all the Notes have been sold. The successful bidder shall be obligated to report each sale of Notes to the Financial Advisor until notified in writing by the Town or the Financial Advisor that it no longer needs to do so.

By submitting a bid and if the competitive sale requirements are not met, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Notes or all of the Notes have been sold to the public, if and for so long as directed by the successful bidder and as set forth in the related pricing wires and (ii) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the Notes or that all of the Notes have been sold to the public if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

1. “public” means any person other than an underwriter or a related party,
2. “underwriter” means (A) any person, including the successful bidder, that agrees pursuant to a written contract with the Town (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public), and
3. a purchaser of any of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

Failure to Meet the Competitive Sale Requirements — Option B — The Successful Bidder Intends to Reoffer the Notes to the Public and Agrees to Hold the Price of Maturities of Notes for Which the 10% Test in Option A Is Not Met as of the Sale Date. The successful bidder may, at its option, notify the Financial Advisor in writing, which may be by email (the “Hold the Price Notice”), not later than 4:00 p.m. on the Sale Date, that it has not sold 10% of the Notes listed in the Hold the Price Notice (the “Unsold Maturities”) and that the successful bidder will not offer the Unsold Maturities to any person at a price that is higher than the initial offering price to the public during the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date or (ii) the date on which the successful bidder has sold at least 10% of the applicable Unsold Maturity to the public at a price that is no higher than the initial offering price to the public. If the successful bidder delivers a Hold the Price Notice to the Financial Advisor, the successful bidder must provide to the Town on or before the Closing Date, in addition to the certification described in

Option A above, evidence that each underwriter of the Notes, including underwriters in an underwriting syndicate or selling group, has agreed in writing to hold the price of the Unsold Maturities in the manner described in the preceding sentence.

Failure to Meet the Competitive Sale Requirements and/or the Successful Bidder Does Not Intend to Reoffer the Notes to the Public – Option C. If the successful bidder has purchased the Notes for its own account and will not distribute or resell the Notes to the public, then, whether or not the competitive sale requirements were met, the offering price certificate will recite such facts and identify the price or prices at which the purchase of the Notes was made.

The purchaser(s) of the Notes will be furnished, without cost, the opinion of Locke Lord LLP, Boston, Massachusetts approving the legality of the Notes. The opinion will also indicate that the Notes and the enforceability thereof may be subject to bankruptcy and other laws affecting creditor's rights and that their enforceability may be subject to the exercise of judicial discretion in appropriate cases. The Notes will be valid general obligations of the Town of Needham, Massachusetts, and unless paid from the bond proceeds in anticipation of which they are issued or from any other available moneys, the principal of and interest on the Notes are payable from taxes which may be levied upon all taxable property in the Town, subject to the limit imposed by Chapter 59, Section 21C of the General Laws.

It is anticipated that CUSIP identification numbers will be printed on the Notes. The Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

In order to assist bidders in complying with the requirements of paragraph (b)(5)(i)(C) of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will undertake to provide notices of certain significant events. A description of this undertaking is set forth in the Preliminary Official Statement.

THE NOTES WILL NOT BE DESIGNATED AS “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR PURPOSES OF SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

Additional information concerning the Town and the Notes is contained in the Preliminary Official Statement dated December 1, 2020 to which prospective bidders are directed. The Preliminary Official Statement is provided for informational purposes and is not a part of this Notice of Sale. The Preliminary Official Statement has been deemed final by the Town except for the omission of the reoffering prices, interest rates, and other terms of the Notes depending on such matters, and the identity of the underwriters, but is subject to change without notice and to completion or amendment in a Final Official Statement. Copies of the Preliminary Official Statement may be obtained from Hilltop Securities Inc., 54 Canal Street, Boston, Massachusetts, 02114 telephone (617-619-4400). Within seven (7) business days following the award of the Notes and receipt of necessary information from the successful bidder(s), five (5) copies of the Final Official Statement will be made available to the successful bidder(s). Upon request, additional copies will be provided at the expense of the requester.

The Notes, in definitive form, will be delivered to DTC or the office of its custodial agent, or to the registered owner if a fully registered certificate or certificates is requested by a successful bidder and approved by the Town, on or about December 18, 2020 for credit to the Town in federal reserve funds.

TOWN OF NEEDHAM, MASSACHUSETTS
/s/ Evelyn M. Poness, Treasurer

December 1, 2020

[Issue Price Certificate for Use If the Competitive Sale Requirements Are Met]

Town of Needham, Massachusetts
\$2,800,000 General Obligation Bond Anticipation Notes dated December 18, 2020

ISSUE PRICE CERTIFICATE AND RECEIPT

The undersigned, on behalf of _____ (the "Successful Bidder"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Notes") of the Town of Needham, Massachusetts (the "Issuer").

1. Reasonably Expected Initial Offering Prices.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Notes to the Public by the Successful Bidder are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Notes used by the Successful Bidder in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by the Successful Bidder to purchase the Notes.

(b) The Successful Bidder was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Successful Bidder constituted a firm offer to purchase the Notes.

2. Defined Terms.

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is December 3, 2020.

(d) *Underwriter* means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

3. Receipt. The Successful Bidder hereby acknowledges receipt of the Notes and further acknowledges receipt of all certificates, opinions, and other documents required to be delivered to the Successful Bidder, before or simultaneously with the Notes, which certificates, opinions, and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidders interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Locke Lord LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Dated: _____, 2020

[NAME OF SUCCESSFUL BIDDER]

By: _____
 Name:
 Title:

SCHEDULE A
EXPECTED OFFERING PRICES
(To Be Attached)

SCHEDULE B
COPY OF SUCCESSFUL BIDDER'S BID
(To Be Attached)

**[Issue Price Certificate for Use If the Competitive Sale Requirements Are
Not Met and the 10% Test to Apply]**

**Town of Needham, Massachusetts
\$2,800,000 General Obligation Bond Anticipation Notes dated December 18, 2020
Unlimited Tax**

ISSUE PRICE CERTIFICATE AND RECEIPT

The undersigned, on behalf of _____, (the “[Successful Bidder][Representative]”), on behalf of itself [and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Notes”) of the Town of Needham, Massachusetts (the “Issuer”).

1. Sale of the Notes. As of the date of this certificate, [except as set forth in the following paragraph,] for each Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% test has not been met or all of the Notes have not been sold for one or more Maturities of Notes as of the Closing Date.]

For each Maturity of the Notes as to which no price is listed in Schedule A, as set forth in the Notice of Sale for the Notes, until at least 10% of each such Maturity of the Notes is sold to the Public (the “10% test”) or all of the Notes are sold to the Public, the [Successful Bidder][Representative] agrees to promptly report to the Issuer’s financial advisor, Hilltop Securities Inc. (the “Financial Advisor”) the prices at which the unsold Notes of each Maturity have been sold to the Public, which reporting obligation shall continue after the date hereof until the 10% test has been satisfied for each Maturity of the Notes or until all the Notes of a Maturity have been sold. The [Successful Bidder][Representative] shall continue to report each sale of Notes to the Financial Advisor until notified by email or in writing by the Issuer or the Financial Advisor that it no longer needs to do so.

2. Defined Terms.

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person, including the [Successful Bidder][Representative], that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

3. Receipt. The [Successful Bidder][Representative] hereby acknowledges receipt of the Notes and further acknowledges receipt of all certificates, opinions, and other documents required to be delivered to the [Successful Bidder][Representative], before or simultaneously with the Notes, which certificates, opinions, and other documents are satisfactory to the [Successful Bidder][Representative].

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the [Successful Bidder][Representative]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Locke Lord LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Dated: _____, 2020

[SUCCESSFUL BIDDER][REPRESENTATIVE]

By: _____
Name:
Title:

**SALE PRICES
(To be Attached)**

**[Issue Price Certificate for Use If the Competitive Sale Requirements Are
Not Met and the Hold the Price Rule Is Used]**

**Town of Needham, Massachusetts
\$2,800,000 General Obligation Bond Anticipation Notes dated December 18, 2020
Unlimited Tax**

ISSUE PRICE CERTIFICATE AND RECEIPT

The undersigned, on behalf of _____ (the “[Successful Bidder][Representative]”), on behalf of itself [and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Notes”) of the Town of Needham, Massachusetts (the “Issuer”).

1. Sale of the Notes. As of the date of this certificate, [except as set forth in following paragraph,] for each Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% test has not been met as of the Sale Date.]

For each Maturity of the Notes as to which no price is listed in Schedule A (the “Unsold Maturities”), as set forth in the Notice of Sale for the Notes, the [Successful Bidder][Representative] and any other Underwriter did not [and will not] reoffer the Unsold Maturities at a price that is higher than the initial offering price to the Public until the earlier of (i) _____, 2020 or (ii) the date on which the [Successful Bidder][Representative] or any other Underwriter sold at least 10% of each Unsold Maturity at a price that is no higher than the initial offering price to the Public.

2. Defined Terms.

(a) *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person, including the [Successful Bidder][Representative], that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

3. Receipt. The [Successful Bidder][Representative] hereby acknowledges receipt of the Notes and further acknowledges receipt of all certificates, opinions and other documents required to be delivered to the [Successful Bidder][Representative], before or simultaneously with the delivery of the Notes, which certificates, opinions and other documents are satisfactory to the [Successful Bidder][Representative].

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the [Successful Bidder’s][Representative’s] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Locke Lord LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

Dated: _____, 2020

[SUCCESSFUL BIDDER][REPRESENTATIVE]

By: _____
Name:
Title:

SCHEDULE A
SALE PRICES
(To be Attached)

**PRELIMINARY OFFICIAL STATEMENT
TOWN OF NEEDHAM, MASSACHUSETTS
\$2,800,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES
UNLIMITED TAX**

This Preliminary Official Statement is provided for the purpose of presenting certain information relating to the Town of Needham, Massachusetts (the "Town") in connection with the sale of \$2,800,000 principal amount of its General Obligation Bond Anticipation Notes (the "Notes"). The information contained herein has been furnished by the Town except information attributed to another source.

Description of the Notes

The Notes will be dated December 18, 2020 and will be payable by U.S. Bank National Association, Boston, Massachusetts, or its successor, as Paying Agent, on April 15, 2021. The Notes are not subject to redemption prior to their stated maturity date. The Notes will bear interest payable at maturity, calculated on a 30 day-month/360 day-year basis (117/360), at the rate determined upon their sale in accordance with the Notice of Sale dated December 1, 2020. The Notes will be issued by means of a book-entry system evidencing ownership of the Notes in principal amounts of \$1,000, or integral multiples thereof, with transfers of ownership effected on the records of The Depository Trust Company (DTC) and its participants pursuant to the rules and procedures adopted by DTC, unless the delivery of a fully registered note certificate is requested by the winning bidder and the issuance of such certificate is approved by the Town. See "Book-Entry Transfer System" herein.

Authorization of the Notes and Use of Proceeds

The following table sets forth the purpose, principal amount, total original authorization, bond anticipation notes outstanding, statutory reference, and date of approval for the current issue of Notes.

Purpose	This Issue	Original Bond Authorization	Bond Anticipation Notes Outstanding (2)	Statutory Reference M.G.L.	Dates of Approval	Article No.
Central Avenue Elementary School (Hillside School) (1)	\$ 1,200,000	\$ 57,542,500	\$ 1,200,000	C. 70B	10/5/2016 & 11/8/2016	2
Public Safety Building & Fire Station #2 Construction (1)	1,600,000	\$ 66,245,000	\$ -	C. 44, 7(1)	10/10/2018	10
	<u>\$ 2,800,000</u>		<u>\$ 1,200,000</u>			

(1) Exempt from the limits of Proposition 2 ½.

(2) Payable December 18, 2020. The outstanding notes will be retired with the Note proceeds.

Tax Exemption

In the opinion of Locke Lord LLP, Bond Counsel to the Town ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is of the further opinion that interest on the Notes will not be included in computing the alternative minimum taxable income of Noteholders who are individuals. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on the Notes. The Notes will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. Failure to comply with these requirements may result in interest on the Notes being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Notes. The Town has covenanted to comply with such requirements to ensure that interest on the Notes will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these requirements.

Bond Counsel is also of the opinion that, under existing law, interest on the Notes is exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to other Massachusetts tax consequences arising with respect to the Notes. Prospective Noteholders should be aware, however, that the Notes are included in the measure of Massachusetts estate and inheritance taxes, and the Notes and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel

expresses no opinion as to the taxability of the Notes or the income therefrom or any other tax consequences arising with respect to the Notes under the laws of any state other than Massachusetts.

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is either the reasonably expected initial offering price to the public, or the first price at which a substantial amount of such maturity of the Notes is sold to the public, as applicable. The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Noteholders should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of purchasers who do not purchase such Notes in the original offering to the public at the reasonably expected initial offering price or, if applicable, the first price at which a substantial amount of such Notes is sold to the public.

Notes purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Notes, or, in some cases, at the earlier redemption date of such Notes ("Premium Notes"), will be treated as having amortizable note premium for federal income tax purposes and Massachusetts personal income tax purposes. No deduction is allowable for the amortizable note premium in the case of obligations, such as the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, a Noteholder's basis in a Premium Note will be reduced by the amount of amortizable note premium properly allocable to such Noteholder. Holders of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable note premium in their particular circumstances.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Notes may otherwise affect the federal or state tax liability of a Noteholder. Among other possible consequences of ownership or disposition of, or the accrual or receipt of interest on, the Notes, the Code requires recipients of certain social security and certain railroad retirement benefits to take into account receipts or accruals of interest on the Notes in determining the portion of such benefits that are included in gross income. The nature and extent of all such other tax consequences will depend upon the particular tax status of the Noteholder or the Noteholder's other items of income, deduction, or exclusion. Bond Counsel expresses no opinion regarding any such other tax consequences, and Noteholders should consult with their own tax advisors with respect to such consequences.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the Massachusetts legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Notes will not have an adverse effect on the tax status of interest on the Notes or the market value or marketability of the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Notes from gross income for federal or state income tax purposes for all or certain taxpayers. Additionally, Noteholders should be aware that future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Notes for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Notes may be affected and the ability of Noteholders to sell their Notes in the secondary market may be reduced. The Notes are not subject to special mandatory redemption, and the interest rate on the Notes is not subject to adjustment, in the event of any such change in the tax treatment of interest on the Notes.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

Book-Entry Transfer System

This section shall apply to Notes issued in book-entry form through the facilities of The Depository Trust Company, New York, NY ("DTC").

DTC will act as securities depository for the Notes. The Notes will be issued in fully-registered form registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Note certificate will be issued for each interest rate, each in the aggregate principal amount bearing such interest rate, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating of AA+ from S&P Global Ratings. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of securities deposited with DTC must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each security deposited with DTC ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the securities deposited with DTC are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the securities deposited with DTC, except in the event that use of the book-entry system for such securities is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities deposited with it; DTC's records reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Town or

the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to Beneficial Owners.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

Security and Remedies

Full Faith and Credit. General obligation bonds and notes of a Massachusetts city or town constitute a pledge of its full faith and credit. Payment is not limited to a particular fund or revenue source. Except for "qualified bonds" as described below (see "*Serial Bonds and Notes*" under "TYPES OF OBLIGATIONS") and setoffs of state distributions as described below (see "*State Distributions*" below), no provision is made by the Massachusetts statutes for priorities among bonds and notes and other general obligations, although the use of certain moneys may be restricted.

Tax Levy. The Massachusetts statutes direct the municipal assessors to include annually in the tax levy for the next fiscal year "all debt and interest charges matured and maturing during the next fiscal year and not otherwise provided for [and] all amounts necessary to satisfy final judgments". Specific provision is also made for including in the next tax levy payments of rebate amounts not otherwise provided for and payment of notes in anticipation of federal or state aid, if the aid is no longer forthcoming.

The total amount of a tax levy is limited by statute. However, the voters in each municipality may vote to exclude from the limitation any amounts required to pay debt service on indebtedness incurred before November 4, 1980. Local voters may also vote to exempt specific subsequent bond issues from the limitation. (See "*Tax Limitations*" Under "PROPERTY TAXATION" below.) In addition, obligations incurred before November 4, 1980 may be constitutionally entitled to payment from taxes in excess of the statutory limit.

No Lien. Except for taxes on the increased value of certain property in designated development districts which may be pledged for the payment of debt service on bonds issued to finance economic development projects within such districts, no provision is made for a lien on any portion of the tax levy or any other moneys to secure particular bonds or notes or bonds and notes generally (or judgments on bonds or notes) in priority to other claims. Provision is made, however, for borrowing to pay judgments, subject to the General Debt Limit. (See "DEBT LIMITS" below.) Subject to the approval of the State Director of Accounts for judgments above \$10,000, judgments may also be paid from available funds without appropriation and included in the next tax levy unless other provision is made.

Court Proceedings. Massachusetts cities and towns are subject to suit on their general obligation bonds and notes and courts of competent jurisdiction have power in appropriate proceedings to order payment of a judgment on the bonds or notes from lawfully available funds or, if necessary, to order the city or town to take lawful action to obtain the required money, including the raising of it in the next annual tax levy, within the limits prescribed by law. (See "*Tax Limitations*" under "PROPERTY TAXATION" below.) In exercising their discretion as to whether to enter such an order, the courts could take into account all relevant factors including the current operating needs of the city or town and the availability and adequacy of other remedies. The Massachusetts Supreme Judicial Court has stated in the past that a judgment against a municipality can be enforced by the taking and sale of the property of any inhabitant. However, there has been no judicial determination as to whether this remedy is constitutional under current due process and equal protection standards.

Restricted Funds. Massachusetts statutes also provide that certain water, gas and electric, community antenna television system, telecommunications, sewer, parking meter and passenger ferry fee, community preservation and affordable housing receipts may be used only for water, gas and electric, community antenna television system, telecommunications, sewer, parking, mitigation of ferry service impacts, community preservation and affordable housing and related purposes, respectively; accordingly, moneys derived from these sources may be unavailable to pay general obligation bonds and notes issued for other purposes. A city or town that accepts certain other statutory provisions may establish an enterprise fund for a utility, health care, solid waste, recreational or transportation facility and for police or fire services; under those provisions any surplus in the fund is restricted to use for capital expenditures or reduction of user charges. In addition, subject to certain limits, a city or town may annually authorize the establishment of one or more revolving funds in connection with use of certain revenues for programs

that produce those revenues; interest earned on a revolving fund is treated as general fund revenue. A city or town may also establish an energy revolving loan fund to provide loans to owners of privately held property in the city or town for certain energy conservation and renewable energy projects and may borrow to establish such fund. The loan repayments and interest earned on the investment of amounts in the fund shall be credited to the fund. Also, the annual allowance for depreciation of a gas and electric plant or a community antenna television and telecommunications system is restricted to use for plant or system renewals and improvements, for nuclear decommissioning costs, and costs of contractual commitments, or, with the approval of the State Department of Telecommunications and Energy, to pay debt incurred for plant or system reconstruction or renewals. Revenue bonds and notes issued in anticipation of them may be secured by a prior lien on specific revenues. Receipts from industrial users in connection with industrial revenue financings are also not available for general municipal purposes.

State Distributions. State grants and distributions may in some circumstances be unavailable to pay general obligation bonds and notes of a city or town in that the State Treasurer is empowered to deduct from such grants and distributions the amount of any debt service paid on “qualified bonds” (See “*Serial Bonds and Notes*” under “TYPES OF OBLIGATIONS” below) and any other sums due and payable by the city or town to the Commonwealth or certain other public entities, including any unpaid assessments for costs of any public transportation authority (such as the Massachusetts Bay Transportation Authority or a regional transit authority) of which it is a member, for costs of the Massachusetts Water Resources Authority if the city or town is within the territory served by the Authority, or for charges necessary to meet obligations under the Commonwealth’s Clean Water and Drinking Water Revolving Loan Programs, including such charges imposed by another local governmental unit that provides wastewater collection or treatment services or drinking water services to the city or town.

If a city or town is (or is likely to be) unable to pay principal or interest on its bonds or notes when due, it is required to notify the State Commissioner of Revenue. The Commissioner shall in turn, after verifying the inability, certify the inability to the State Treasurer. The State Treasurer shall pay the due or overdue amount to the paying agent for the bonds or notes, in trust, within three days after the certification or one business day prior to the due date (whichever is later). This payment is limited, however, to the estimated amount otherwise distributable by the Commonwealth to the city or town during the remainder of the fiscal year (after the deductions mentioned in the foregoing paragraph). If for any reason any portion of the certified sum has not been paid at the end of the fiscal year, the State Treasurer shall pay it as soon as practicable in the next fiscal year to the extent of the estimated distributions for that fiscal year. The sums so paid shall be charged (with interest and administrative costs) against the distributions to the city or town.

The foregoing does not constitute a pledge of the faith and credit of the Commonwealth. The Commonwealth has not agreed to maintain existing levels of state distributions, and the direction to use estimated distributions to pay debt service may be subject to repeal by future legislation. Moreover, adoption of the annual appropriation act has sometimes been delayed beyond the beginning of the fiscal year and estimated distributions which are subject to appropriation may be unavailable to pay local debt service until they are appropriated.

Bankruptcy. Enforcement of a claim for payment of principal or interest on general obligation bonds or notes would be subject to the applicable provisions of federal bankruptcy laws and to the provisions of other statutes, if any, hereafter enacted by the Congress or the State legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Massachusetts municipalities are not generally authorized by the Massachusetts General Laws to file a petition for bankruptcy under federal bankruptcy laws. In cases involving significant financial difficulties faced by a single city, town or regional school district, however, the Commonwealth has enacted special legislation to permit the appointment of a fiscal overseer, finance control board or, in the most extreme cases, a state receiver. In a limited number of these situations, such special legislation has also authorized the filing of federal bankruptcy proceedings, with the prior approval of the Commonwealth. In each case where such authority was granted, it expired at the termination of the Commonwealth’s oversight of the financially distressed city, town or regional school district. To date, no such filings have been approved or made.

Bank Eligibility

The Notes will not be designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Opinion of Bond Counsel

The purchaser will be furnished the legal opinion of the firm of Locke Lord LLP, Bond Counsel to the Town. The opinion will be dated and given on and will speak only as of the date of original delivery of the Notes to the successful bidder.

Other than as to matters expressly set forth herein as the opinion of Bond Counsel, Bond Counsel is not passing upon and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that they have independently verified the same.

Financial Advisory Services of Hilltop Securities Inc.

Hilltop Securities Inc., Boston, Massachusetts, serves as financial advisor to the Town.

Disclosure of Significant Events

In order to assist underwriters in complying with the requirements of paragraph (b)(5)(i)(C) of Rule 15c2-12 promulgated by the Securities and Exchange Commission (as amended, the "Rule") applicable to municipal securities having a stated maturity of 18 months or less, the Town will covenant for the benefit of the owners of the Notes to file with the Municipal Securities Rulemaking Board (the "MSRB"), notices of the occurrence of any of the following events with respect to the Notes within ten business days of such occurrence: (a) principal and interest payment delinquencies; (b) non-payment related defaults, if material; (c) unscheduled draws on debt service reserves reflecting financial difficulties; (d) unscheduled draws on credit enhancements reflecting financial difficulties; (e) substitution of credit or liquidity providers, or their failure to perform; (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determination of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (g) modifications to rights of owners of the Notes, if material; (h) bond calls, if material, and tender offers; (i) defeasances; (j) release, substitution or sale of property securing the repayment of the Notes, if material; (k) ratings changes on the Notes; (l) bankruptcy, insolvency, receivership or similar event of the Town; (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (n) appointment of a successor or additional trustee or the change of name of a trustee, if material; (o) incurrence of a financial obligation of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or similar terms of a financial obligation of the Town, any of which affect the owners of the Notes, if material; and (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

The covenant will be included in a Significant Events Disclosure Certificate to be executed by the signers of the Notes and incorporated by reference in the Notes. The sole remedy available to the owners of the Notes for the failure of the Town to comply with any provision of the certificate shall be an action for specific performance of the Town's obligations under the certificate and not for money damages; no other person shall have any right to enforce any provision of the certificate.

In the past five years, the Town believes it has complied, in all material respects, with its previous undertakings to provide annual reports or notices of significant events in accordance with the Rule.

TOWN OF NEEDHAM, MASSACHUSETTS

General

The Town of Needham, Massachusetts is located in Norfolk County, 10 miles southwest of Boston. It is bordered on the west and northwest by the Town of Wellesley, on the north and northeast by the City of Newton, on the east by the West Roxbury section of the City of Boston, on the southeast by the Town of Dedham, and on the south by the Towns of Westwood and Dover. Needham has a population of approximately 28,886 and occupies a land area of 12.6 square miles. Established as a town in 1711, Needham is governed by a representative form of town meeting and by a five-member Select Board. School affairs are administered by a seven-member School Committee and a Superintendent of Schools.

PRINCIPAL TOWN OFFICIALS

Title	Name	Selection/Term	Term Expires
Select Board, Chair	Maurice P. Handel	Elected	2021
Select Board, Vice Chair	Matthew D. Borrelli	Elected	2023
Select Board, Clerk	Marianne B. Cooley	Elected	2023
Select Board	John A. Bulian	Elected	2021
Select Board	Daniel P. Matthews	Elected	2022
Town Manager	Kate Fitzpatrick	Appointed	2022
Director of Finance	David Davison	Appointed	Indefinite
Treasurer/Collector	Evelyn M. Poness	Appointed	Indefinite
Town Accountant	Michelle Vaillancourt	Appointed	Indefinite
Town Clerk	Theodora K. Eaton	Elected	2022
Town Counsel	Miyares and Harrington	Appointed	Indefinite
Superintendent of Schools	Daniel E. Gutekanst	Appointed	2021

Corona Virus (COVID-19) Disclosure

COVID-19 is a new respiratory disease caused by a novel coronavirus that has not previously been seen in humans. On March 10, 2020, the Governor of The Commonwealth of Massachusetts declared a state of emergency to support the Commonwealth's response to the outbreak of the virus. On March 11, 2020 the World Health Organization declared COVID-19 a pandemic. On March 13, 2020, the President declared a national emergency due to the outbreak, which has enabled disaster funds to be made available to states to fight the pandemic. On March 15, 2020, the Governor announced emergency actions to help address the spread of the virus, and as a result the Town closed all municipal buildings to the public as of the date of this Official Statement, except by appointment. The Town is adhering to these actions by strictly following the public health recommendations of social distancing guidelines and limiting public gatherings to 10 people or less. Town employees are currently reporting to work as directed and under the discretion of management. Many Town services are available by appointment. The school system is operating on a hybrid basis, one week on and one week off. The Town continues to and expects to continue to maintain all essential functions and services.

Pursuant to M.G.L. Chapter 44, Section 31, the Town can set up a fund specifically related to COVID-19 expenses. This fund can be used to capture all unbudgeted costs related to the COVID-19 pandemic and deficit spending for these costs, including but not limited to, overtime, cleaning and medical supplies, and IT equipment would be allowed, with the approval of the Commonwealth's Department of Revenue. The Town hasn't created a special fund for COVID-19, but rather is working with existing resources to fund expenses. The Town is also seeking reimbursements for certain COVID-19 related expenses from the State and Federal governments.

The virus and the resulting actions by national, state and local governments is altering the behavior of businesses and people in a manner that will have negative impacts on global and local economies. There can be no assurances regarding the extent to which COVID-19 will impact the national and state economies and, accordingly, how it will adversely impact municipalities, including the Town. These negative impacts are likely to include reduced collections of property taxes and other revenues, including local meals and rooms tax revenue, motor vehicle excise taxes and other fees and charges collected by the Town. Additionally, state aid payments to the Town, which are dependent upon collections by the Commonwealth of income, sales, capital gains and other similar taxes, may be adversely impacted by reduced or delayed collections of those revenue streams. The Town adjusted its FY2021 revenue estimate prior to enacting the Town Budget. The Town reduced its state aid assumption for the year by 6%. Based on the Governor's revised FY2021 budget submission state aid is not expected to be reduced in FY2021. The Town revised its local receipts estimate for FY2021 by 17%. The Town is continuing to monitor for possible revenue shortfalls and is reviewing expenditure requests to determine which could be deferred.

Potential purchasers are advised that the rapid economic changes associated with the COVID-19 pandemic are likely to have negatively impacted the most recent employment, income, and related statistics presented herein.

Municipal Services

The Town provides general governmental services for the territory within its boundaries, including police and fire protection, collection, disposal, and recycling of solid waste, public education in grades kindergarten through twelve, water, sewers, streets and recreation. Technical education in grades 9 through 12 is provided by the Minuteman Regional Vocational Technical School District.

The Town has implemented a mandatory recycling program in accordance with Section 8H of Chapter 40 of the Massachusetts General Laws. Under this program, begun in fiscal 1991, the Town recycles newspaper, mixed paper, glass, corrugated cardboard, aluminum and steel cans, returnable bottles, clothing, used motor oil, plastic containers and yard waste. The Town's practice has been to introduce new items to the recycling program each year in order to reduce the flow of solid waste tonnage.

Gas and electric services are provided by established private utilities.

The Town's Public Works Department provides water supply, treatment and distribution and sewage collection, to substantially all commercial, industrial and residential users in the Town. In addition certain water and sewer services are provided by the MWRA. See "INDEBTEDNESS - Overlapping Debt".

The principal services provided by Norfolk County are a jail and house of correction and registry of deeds. For additional information on Counties see "INDEBTEDNESS - Overlapping Debt".

Education

The Town operates one pre-school, five elementary schools, two middle schools (High Rock and Pollard), and a senior high school. The Town began constructing a new elementary school in the late fall of 2017 which opened in September 2019. The new building replaces one of the existing elementary schools. The debt for the new elementary school is excluded from the limits of Proposition 2 ½ and a portion of the project will be paid by the Massachusetts School Building Authority.

PUBLIC SCHOOL ENROLLMENTS - OCTOBER 1,

	2015	2016	Actual 2017	2018	2019	Preliminary 2020
Elementary (Pre-K and K-5)	2,627	2,552	2,676	2,722	2,658	2,470
Middle/Junior High(6-8)	1,290	1,297	1,304	1,283	1,390	1,297
Senior High(9-12)	1,665	1,659	1,686	1,716	1,658	1,678
Totals	<u>5,582</u>	<u>5,508</u>	<u>5,666</u>	<u>5,721</u>	<u>5,706</u>	<u>5,445</u>

The Town is a member of the Minuteman Regional Vocational Technical School District, which is located in Lexington, and includes 10 member towns. A new school for the District was recently completed and opened.

Industry and Commerce

Needham is a residential suburb of Boston, located within the Boston Standard Metropolitan Statistical Area. As the table below indicates, the Town's economy has a diverse mix of manufacturing, services, and commercial trades.

Due to the reclassification the U.S. Department of Labor now uses the North American Industry Classification System (NAICS) as the basis for the assignment and tabulation of economic data by industry.

Industry	Calendar Year Average				
	2014	2015	2016	2017	2018
Construction	730	732	691	737	816
Manufacturing	1,030	986	993	994	925
Trade, Transportation and Utilities	2,227	2,297	2,254	2,138	2,223
Information	1,161	1,040	1,099	1,374	1,060
Financial Activities	1,395	1,607	1,618	1,631	1,549
Professional and Business Services	5,794	5,773	6,118	6,083	6,147
Education and Health Services	6,170	6,724	7,032	7,002	7,261
Leisure and Hospitality	1,207	1,265	1,534	1,584	1,483
Other Services	916	749	823	837	785
Total Employment	<u>20,630</u>	<u>21,173</u>	<u>22,162</u>	<u>22,380</u>	<u>22,249</u>
Number of Establishments	1,433	1,488	1,515	1,503	1,473
Average Weekly Wages	<u>\$ 1,607</u>	<u>\$ 1,702</u>	<u>\$ 1,740</u>	<u>\$ 1,829</u>	<u>\$ 1,947</u>
Total Wages	<u>\$ 1,756,869,740</u>	<u>\$ 1,907,073,900</u>	<u>\$ 2,041,358,586</u>	<u>\$ 2,166,747,180</u>	<u>\$ 2,292,193,273</u>

Source: Massachusetts Department of Education and Training. Data based upon place of employment, not place of residence.

Transportation

The principal highways serving the Town are State Routes 9, 135 and 128 (I-95). There are four exits off Interstate 95 that provide direct access to Needham. A project to widen Route 128 through Needham was completed in 2019. The MBTA provides commuter rail service on a regular basis to Boston. There are four commuter rails stops physically located in Needham: Needham Heights, Needham Center, Needham Junction and Hersey. The MBTA also provides bus service between Needham and Watertown Square. Established trucking lines provide competitive service locally and to long distance points. The Town is within commuting distance of the airport facilities of Boston's Logan International Airport, the Norwood Municipal Airport, and Hanscom Field in Bedford, Massachusetts.

The following table sets forth the largest employers in Needham, exclusive of the Town itself.

LARGEST EMPLOYERS		
Name	Product/Function	No. of Employees Approximate
Trip Advisor	Travel Agency	800+
Coca Cola Bottling	Beverage Distribution	250-499
Dialogic Inc.	Wireless Communication	250-499
North Hill Living Center	Retirement Center	250-499
SharkNinja	Household Appliances	250-499
WCVB Channel 5	Television	250-499
Charles River Center	Assisted Living	250-499
Beth Israel Deaconess Hospital	Health Care	250-499
Briarwood Healthcare	Health Care	100-250
Olin College of Engineering	Education	100-250
VNA Care Network	Ambulatory Health Care	100-250
Walker Home & School	Mental Health	100-250

SOURCE: Individual Employers listed.

Needham Crossing is a multi-million dollar business park located approximately 3 miles northeast of downtown Needham. The business park offers proximity to both State Routes 9 and 128 (Interstate 95) as well as the natural resources such as Cutler Lake Park and the Charles River. A state highway project to widen Route 95/128 from three lanes to four lanes through Needham was completed in 2019. A new and additional exit ramp from the highway fully opened in late 2017. This exit ramp provides an additional access point to Needham Crossing. The Town anticipates these roadway improvements will have an overall positive economic benefit for Needham Crossing. The business park originally contained primarily warehouses and offices and now, over 30 years later, through land use zoning changes, Needham Crossing is unique in its mix of residential, office and other commercial uses that has generated much interest from businesses to locate there.

The Needham Crossing area boasts long term occupants such as Coca Cola, the Sheraton Hotel, and Trip Advisor which built its new world headquarters in the park, and life science companies such as Verastem. The Marriott Residence Inn hotel opened in the park a few years ago, and Homewood Suites by Hilton opened in 2018. BigBelly Solar Inc., a maker of "green" trash cans has doubled the size of its headquarters since moving to the park a few years ago. Euro-Pro, known for its Shark vacuums and Ninja blenders, has recently located to the park near Trip Advisor's new complex. NBC Universal has opened a \$125 million regional headquarters in the Needham Crossing office park.

Labor Force, Employment and Unemployment

According to the Massachusetts Department of Employment and Training preliminary data, in September 2020, the Town had a total labor force of 15,882 of which 14,852 were employed and 1,030 or 6.5% were unemployed as compared with 9.5% for the Commonwealth. The following table sets forth the Town's average labor force and unemployment rates for each of the last five calendar years.

UNEMPLOYMENT RATES			
Calendar Year	Town of Needham		
	Labor Force	Employment	Unemployment Rate
2019	16,614	16,273	2.1 %
2018	16,507	16,096	2.5
2017	15,797	15,360	2.8
2016	15,323	14,929	2.6
2015	15,125	14,616	3.4

SOURCE: Mass. Department of Employment and Training, Federal Reserve Bank of Boston and U.S. Bureau of Labor Statistics. Data based upon place of residence, not place of employment. Monthly data for Town are unadjusted.

Building Permits

The following table sets forth the number of building permits issued and the estimated dollar value of new construction and alterations for calendar years 2015 through 2019. Potential purchasers are advised that the rapid economic changes associated with the COVID-19 pandemic are likely to negatively impact the number and values of building permits applied for and issued in fiscal years 2020 and 2021. Permits are filed for both private construction as well as for Town projects.

BUILDING PERMITS

Calendar Year	New Construction				Additions/Alterations				Totals	
	Residential		Non-Residential		Residential		Non-Residential		No.	Value
	No.	Value	No.	Value	No.	Value	No.	Value		
2020 (2)	57	\$ 38,750,400	3	\$ 24,578,350	601	\$ 33,671,730	54	\$ 20,563,959	715	\$ 117,564,439
2019	98	75,913,992	3	40,002,650	691	46,154,265	81	66,296,134	873	228,367,041
2018	93	68,599,710	1	24,141,632	734	51,309,734	108	61,735,191	936	205,786,267
2017	73	123,921,579	1	16,764,964	829	41,865,375	98	52,686,816	1,001	235,238,734 (1)
2016	123	115,587,947	2	11,459,830	1,140	53,170,114	177	54,230,096	1,442	234,447,987
2015	96	49,102,984	4	40,797,038	1,261	49,792,473	157	20,565,226	1,518	160,257,721

SOURCE: Report of the Building Inspector.

(1) Excludes 89 permits for demolitions with an aggregate value of \$905,000.

(2) Through November 8, 2020.

Population and Income

The table below illustrates the Town's changes in median age, median family income, and per capita income and that of the Commonwealth and the Country as a whole for the same period according to the federal census.

POPULATION AND INCOME

	Needham	Massachusetts	United States
Median Age:			
2010	43.0	39.1	37.2
2000	40.8	36.5	35.3
1990	38.6	33.6	32.9
1980	35.1	31.2	30.9
Median Family Income:			
2010	\$114,365	\$81,165	\$51,144
2000	107,570	61,664	50,046
1990	69,515	44,367	35,225
1980	31,793	21,166	19,908
Per Capita Income:			
2010	\$57,716	\$33,966	\$27,334
2000	44,549	25,952	21,587
1990	27,935	17,224	14,420
1980	11,580	7,459	7,313

SOURCE: Federal Bureau of the Census.

On the basis of the 2010 Federal Census, the Town has a population density of approximately 2,290 persons per square mile.

POPULATION TRENDS

<u>2010</u>	<u>2000</u>	<u>1990</u>	<u>1980</u>	<u>1970</u>
28,886	28,911	27,557	27,901	29,748

SOURCE: Federal Census.

PROPERTY TAXATION

Tax Levy Computation

The principal tax of Massachusetts cities and towns is the tax on real and personal property. The amount to be levied in each year is the amount appropriated or required by law to be raised for municipal expenditures less estimated receipts from other sources and less appropriations voted from funds on hand. The total amount levied is subject to certain limits prescribed by law; for a description of those limits see "Tax Limitations" below.

The estimated receipts for a fiscal year from sources other than the property tax may not exceed the actual receipts during the preceding fiscal year from the same sources unless approved by the State Commissioner of Revenue. Excepting special funds the use of which is otherwise provided for by law, the deduction for appropriations voted from funds on hand for a fiscal year cannot exceed the "free cash" as of the beginning of the prior fiscal year as certified by the State Director of Accounts plus up to nine months' collections and receipts on account of earlier years' taxes after that date. Subject to certain adjustments, free cash is surplus revenue less uncollected overdue property taxes from earlier years.

Although an allowance is made in the tax levy for abatements (see "Abatements and Overlay" below) no reserve is generally provided for uncollectible real property taxes. Because some of the levy is inevitably not collected, this creates a cash deficiency which may or may not be offset by other items (see "Taxation to Meet Deficits" below).

The table below illustrates the manner in which the tax levy was determined for the following fiscal years.

TAX LEVY COMPUTATION

	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020
Total Appropriations(1)	\$ 164,302,914	\$ 169,950,342	\$ 190,693,472	\$ 206,353,302	\$ 209,348,682
Additions:					
State & County Assessments	1,291,397	1,299,850	1,351,898	1,408,970	1,444,320
Overlay Reserve	3,009,775	1,855,476	2,811,893	1,968,110	2,292,140
Other Additions	122,519	49,085	290,284	357,264	209,276
Total Additions	4,423,691	3,204,411	4,454,075	3,734,344	3,945,736
Gross Amount to be Raised	168,726,605	173,154,753	195,147,547	210,087,646	213,294,417
Deductions:					
Local Estimated Receipts: (2)	30,755,183	29,430,576	34,357,315	39,127,045	34,391,865
State Aid:					
Current Year	10,811,766	11,163,358	11,720,547	12,509,090	13,135,749
Available Funds (3)	7,867,793	7,771,029	16,531,797	16,557,525	14,217,067
Total Deductions	49,434,742	48,364,963	62,609,659	68,193,660	61,744,681
Net Amount to be Raised	\$ 119,291,863	\$ 124,789,790	\$ 132,537,888	\$ 141,893,986	\$ 151,549,737

(1) Includes additional appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting of the tax rate.

(2) Includes CPA surcharge tax and state matching funds.

(3) Transfers from other available funds, generally made as an offset to a particular appropriation item.

Assessed Valuations and Tax Levies

Property is classified for the purpose of taxation according to its use. The legislature has in substance created three classes of taxable property: (1) residential real property, (2) open space land, and (3) all other (commercial, industrial and personal property). Within limits, cities and towns are given the option of determining the share of the annual levy to be borne by each of the three categories. The share required to be borne by residential real property is at least 50 per cent of its share of the total taxable valuation; the effective rate for open space must be at least 75 per cent of the effective rate for residential real property; and the share of commercial, industrial and personal property must not exceed 175 percent of their share of the total valuation. A city or town may also exempt up to 20 percent of the valuation of residential real property (where used as the taxpayer's principal residence) and up to 10 percent of the valuation of commercial real property (where occupied by certain small businesses). Property may not be classified in a city or town until the State Commissioner of Revenue certifies that all property in the city or town has been assessed at its fair cash value. Such certification must take place every three years, or pursuant to a revised schedule as may be issued by the Commissioner.

Related statutes provide that certain forest land, agricultural or horticultural land (assessed at the value it has for these purposes) and recreational land (assessed on the basis of its use at a maximum of 25 percent of its fair cash value) are all to be taxed at the rate applicable to commercial property. Land classified as forest land is valued for this purpose at five percent of fair cash value but not less than ten dollars per acre.

A revaluation of all real and personal property in the Town to full and fair cash value was completed for use in fiscal year 2020.

The following table sets forth the trend in the Town's assessed valuations, tax levies, and tax levies per capita.

Fiscal Year	Real Estate Valuation	Personal Property Valuation	Total Assessed Valuation	Tax Levy	Tax Levy Per Capita(1)
2020 (2)	\$ 10,513,875,793	\$ 289,887,680	\$ 10,803,763,473	\$ 151,549,737	\$ 5,246
2019	9,942,091,341	226,725,850	10,168,817,191	141,893,986	4,912
2018	9,657,562,659	228,092,990	9,885,655,649	132,537,888	4,588
2017	9,006,087,416	234,987,080	9,241,074,496	124,789,790	4,320
2016	8,825,776,592	242,412,230	9,068,188,822	119,291,863	4,130

(1) 2010 Federal Census.

(2) Revaluation year.

The table below sets forth the trend of the Town's tax rates for different classes of property for the following fiscal years:

Fiscal Year	Tax Rate per \$1,000 Valuation	
	Residential Property	Commercial, Industrial & Personal Property
2020	\$12.49	\$24.55
2019	12.39	24.42
2018	11.88	23.46
2017	11.89	23.63
2016	11.54	23.02

Classification of Property

The following is a breakdown of the Town's assessed valuation in fiscal years 2018, 2019 and 2020.

Property Type	2018		2019		2020 (1)	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Residential	\$8,582,002,936	86.8 %	\$8,846,926,822	87.0 %	\$9,426,422,597	87.3 %
Commercial	946,808,441	9.6	966,634,621	9.5	960,182,252	8.9
Industrial	128,751,282	1.3	128,529,898	1.3	127,270,944	1.2
Personal	228,092,990	2.3	226,725,850	2.2	289,887,680	2.7
Total Real Estate	<u>\$9,885,655,649</u>	<u>100.0 %</u>	<u>\$10,168,817,191</u>	<u>100.0 %</u>	<u>\$10,803,763,473</u>	<u>100.0 %</u>

(1) Revaluation year.

LARGEST TAXPAYERS

The following table lists the eleven largest taxpayers in the Town based upon assessed valuation for fiscal 2020. All of the largest taxpayers are current in their tax payments to the Town, except as noted below.

Name	Nature of Business	Total Assessed Valuation for Fiscal 2020	% of Total Assessed Value
Digital 128 First Avenue, LLC	Data Storage Facility	\$100,306,290	0.93 %
Babson College	Assisted Living	92,418,400	0.86
Lofts at Charles River Landing	Residential Apartments Complex	89,615,900	0.83
Needham Residential LLC	Apartments	64,538,600	0.60
MCPF Needham LLC	Real Estate Developer	51,023,200	0.47
BP 140 Kendrick Street Property	Software Design	50,912,500	0.47
WCP Needham Cabot LLC (1)	Hotel	41,471,500	0.38
NBCBoston Real Estate LLC	Real Estate	37,629,600	0.35
MCREF Needham LLC	Apartments	36,767,400	0.34
Digital Cabot, LLC	Data Storage Facility	35,437,500	0.33
WHC Needham I, LP	Assisted Living and Nursing Home Facility	33,668,700	0.31
Total		<u>\$633,789,590</u>	<u>5.87 %</u>

(1) Formerly Starwood Needham CMBS. In arrears 5 months with tax payments to the Town as of October 31, 2020. This is not expected to impact the Town's immediate financial flexibility and is likely to be resolved within the year.

State Equalized Valuation

In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the Commissioner of Revenue biennially makes a redetermination of the fair cash value of the taxable property in each municipality. This is known as the "equalized value".

The following table sets forth the trend in equalized valuations of the Town of Needham.

January 1,	State Equalized Valuation	% Change
2018	\$10,352,941,600	7.0 %
2016	9,675,551,500	16.7
2014	8,293,426,000	1.9
2012	8,141,495,500	5.3
2010	7,730,432,400	1.2
2008	7,637,636,300	4.5

Abatements and Overlay

The Town is authorized to increase each tax levy by an amount approved by the State Commissioner of Revenue as an "overlay" to provide for tax abatements. If abatements are granted in excess of the applicable overlay, the resultant "overlay deficit" is required to be added to the next tax levy. An abatement granted after a tax payment has been made is accounted for as a refund on the books of the Town. Abatements are granted where exempt real or personal property has been assessed or where taxable real or personal property has been overvalued or disproportionately valued. The assessors may also abate uncollectible personal property taxes. They may abate real and personal property taxes on broad grounds (including inability to pay) with the approval of the State Commissioner of Revenue. But uncollected real property taxes are ordinarily not written off until they become municipal "tax titles" by purchase at the public sale or by taking, at which time the tax is written off in full by reserving the amount of the tax and charging surplus.

The following table sets forth the amount of the overlay reserve for the last five fiscal years and the amounts of abatements and exemptions granted as of June 30, 2019.

Fiscal Year	Net Tax Levy (1)	Overlay Reserve		Abatements and Exemptions Granted As of June 30, 2020
		Dollar Amount	As a % of Net Levy	
2020	\$ 149,257,597	\$ 2,292,140	1.54 %	\$ 261,884
2019	139,925,876	1,968,110	1.41	325,641
2018	129,725,995	2,811,893	2.17	304,434
2017	122,944,314	1,855,476	1.51	409,887
2016	116,282,088	3,009,775	2.59	698,254

(1) Tax levy prior to addition of overlay reserve.

Tax Collections

The Town has accepted a statute providing for quarterly tax payments. Under that statute, preliminary tax payments are due on August 1 and November 1 with payment of the actual tax bill (after credit is given for the preliminary payments) installments on February 1 and May 1 if actual tax bills are mailed by December 31. Interest accrues on delinquent taxes at the rate of 14 percent per annum. Real property (land and buildings) is subject to a lien for the taxes assessed upon it, subject to any paramount federal lien and subject to bankruptcy and insolvency laws. (In addition, real property is subject to a lien for certain unpaid municipal charges or fees.) If the property has been transferred, an unenforced lien expires on the fourth December 31 after the end of the fiscal year to which the tax relates. If the property has not been transferred by the fourth December 31, an unenforced lien expires upon a later transfer of the property. Provision is made, however, for continuation of the lien where it could not be enforced because of a legal impediment. The persons against whom real or personal property taxes are assessed are personally liable for the tax (subject to bankruptcy and insolvency laws). In the case of real property, this personal liability is effectively extinguished by sale or taking of the property as described below.

The following table compares the Town's net tax collections with its net (gross tax levy less overlay reserve for abatements) tax levies for the current and each of the previous five fiscal years, exclusive of the surcharge of property tax levied under the CPA.

Fiscal Year	Gross Tax Levy (2)	Overlay Reserve for Abatements	Net Tax Levy	Collections During Fiscal Year Payable (1)		Collections as of 6/30/2020 (2)(3)	
				Dollar Amount	% of Net Levy	Dollar Amount	% of Net Levy
2020	\$ 151,549,737	\$ 2,292,140	\$ 149,257,597	\$ 148,734,319	99.6 %	\$ 148,734,319	99.6 %
2019	141,893,986	1,968,110	139,925,876	140,275,654	100.2	141,202,736	100.9
2018	132,537,888	2,811,893	129,725,995	126,073,429	97.2	132,051,524	101.8
2017	124,799,790	1,855,476	122,944,314	123,406,240	100.4	124,045,661	100.9
2016	119,291,863	3,009,775	116,282,088	117,554,391	101.1	118,156,281	101.6

(1) Actual dollar collections, net of refunds. Does not include abatements, proceeds of tax titles or tax possessions attributable to each levy or other non-cash credits.

(2) Exclusive of the property tax levied under the Community Preservation Act.

(3) Collections for current fiscal year are comparable to prior fiscal years.

Tax Titles and Possessions

Massachusetts law permits a municipality either to sell by public sale (at which the municipality may become the purchaser) or to take real property for non-payment of taxes. In either case the property owner can redeem the property by paying the unpaid taxes, with interest and other charges, but if the right of redemption is not exercised within six months (which may be extended an additional year in the case of certain installment payments) it can be foreclosed by petition to the Land Court.

Upon foreclosure, a tax title purchased or taken by the municipality becomes a "tax possession" and may be held and disposed of in the same manner as other land held for municipal purposes. Uncollectible real property taxes are ordinarily not written off until they become municipal tax titles by purchase at the public sale or by taking, at which time the tax is written off in full by reserving the amount of tax and charging surplus.

The table below sets forth the amount of tax titles and possessions and deferred taxes outstanding at the end of the following fiscal years.

<u>Fiscal Year</u>	<u>Total Tax Titles and Possessions</u>	<u>Deferred Taxes</u>
2020	\$ 1,229,531	\$ 546,673
2019	971,141	505,512
2018	955,160	439,572
2018	984,558	464,599
2017	1,208,475	470,642

Sale of Tax Receivables

Cities and towns are authorized to sell delinquent property tax receivables by public sale or auction, either individually or in bulk. The Town does not expect to utilize this option at the present time.

Taxation to Meet Deficits

As noted elsewhere (see "Abatements and Overlay" above) overlay deficits, i.e. tax abatements in excess of the overlay included in the tax levy to cover abatements, are required to be added to the next tax levy. It is generally understood that revenue deficits, i.e. those resulting from non-property tax revenues being less than anticipated, are also required to be added to the tax levy (at least to the extent not covered by surplus revenue).

Amounts lawfully expended since the prior tax levy and not included therein are also required to be included in the annual tax levy. The circumstances under which this can arise are limited since municipal departments are generally prohibited from incurring liabilities in excess of appropriations except for major disasters, mandated items, contracts in aid of housing and renewal projects and other long-term contracts. In addition, utilities must be paid at established rates and certain established salaries, e.g. civil service, must legally be paid for work actually performed, whether or not covered by appropriations.

Cities and towns are authorized to appropriate sums, and thus to levy taxes, to cover deficits arising from other causes, such as "free cash" deficits arising from a failure to collect taxes. This is not generally understood, however, and it has not been the practice to levy taxes to cover free cash deficits. Except to the extent that such deficits have been reduced or eliminated by subsequent collections of uncollected taxes (including sales of tax titles and tax possessions), lapsed appropriations, non-property tax revenues in excess of estimates, other miscellaneous items or funding loans authorized by special act, they remain in existence.

Tax Limitations

Chapter 59, Section 21C of the General Laws, also known as "Proposition 2½", imposes two separate limits on the annual tax levy of a city or town.

The primary limitation is that the tax levy cannot exceed 2½ percent of the full and fair cash value. If a city or town exceeds the primary limitation, it must reduce its tax levy by at least 15 percent annually until it is in compliance, provided that the reduction can be reduced in any year to not less than 7½ percent by majority vote of the voters, or to less than 7½ percent by two-thirds vote of the voters.

For cities and towns at or below the primary limit, a secondary limitation is that the tax levy cannot exceed the maximum levy limit for the preceding fiscal year as determined by the State Commissioner of Revenue by more than 2½ percent, subject to exceptions for property added to the tax rolls or property which has had an increase, other than as part of a general revaluation, in its assessed valuation over the prior year's valuation.

This "growth" limit on the tax levy may be exceeded in any year by a majority vote of the voters, but an increase in the secondary or growth limit under this procedure does not permit a tax levy in excess of the primary limitation, since the two limitations apply independently. In addition, if the voters vote to approve taxes in excess of the "growth" limit for the purpose of funding a stabilization fund, such increased amount may only be taken into account for purposes of calculating the maximum levy limit in each subsequent year if the board of selectmen of a town or the city council of a city votes by a two-thirds vote to appropriate such increased amount in such subsequent year to the stabilization fund.

The applicable tax limits may also be reduced in any year by a majority vote of the voters.

The State Commissioner of Revenue may adjust any tax limit "to counterbalance the effects of extraordinary, non-recurring events which occurred during the base year".

The statute further provides that the voters may exclude from the taxes subject to the tax limits and from the calculation of the maximum tax levy (a) the amount required to pay debt service on bonds and notes issued before November 4, 1980, if the exclusion is approved by a majority vote of the voters, and (b) the amount required to pay debt service on any specific subsequent issue for which similar approval is obtained. Even with voter approval, the holders of the obligations for which unlimited taxes may be assessed do not have a statutory priority or security interest in the portion of the tax levy attributable to such obligations. It should be noted that Massachusetts General Laws Chapter 44, Section 20 requires that the taxes excluded from the levy limit to pay debt service on any such bonds and notes be calculated based on the true interest cost of the issue. Accordingly, the Department of Revenue limits the amount of taxes which may be levied in each year to pay debt service on any such bonds and notes to the amount of such debt service, less a pro rata portion of any original issue premium received by the city or town that was not applied to pay costs of issuance.

Voters may also exclude from the Proposition 2½ limits the amount required to pay specified capital outlay expenditures or for the city or town's apportioned share for certain capital outlay expenditures by a regional governmental unit. In addition, the city council of a city, with the approval of the mayor if required, or the board of selectmen or the town council of a town may vote to exclude from the Proposition 2½ limits taxes raised in lieu of sewer or water charges to pay debt service on bonds or notes issued by the municipality (or by an independent authority, commission or district) for water or sewer purposes, provided that the municipality's sewer or water charges are reduced accordingly.

In addition, Proposition 2½ limits the annual increase in the total assessments on cities and towns by any county, district, authority, the Commonwealth or any other governmental entity (except regional school districts, the MWRA and certain districts for which special legislation provides otherwise) to the sum of (a) 2½ percent of the prior year's assessments and (b) "any increases in costs, charges or fees for services customarily provided locally or for services subscribed to at local option". Regional water districts, regional sewerage districts and regional veterans districts may exceed these limitations under statutory procedures requiring a two-thirds vote of the district's governing body and either approval of the local appropriating authorities (by two-thirds vote in districts with more than two members or by majority vote in two-member districts) or approval of the registered voters in a local election (in the case of two-member districts). Under Proposition 2½ any State law to take effect on or after January 1, 1981 imposing a direct service or cost obligation on a city or town will become effective only if accepted or voluntarily funded by the city or town or if State funding is provided. Similarly, State rules or regulations imposing additional costs on a city or town or laws granting or increasing local tax exemptions are to take effect only if adequate State appropriations are provided. These statutory provisions do not apply to costs resulting from judicial decisions.

The Town of Needham has been in full compliance with Proposition 2½ since its inception. The Town has voted to override Proposition 2½ for operating purposes and to exclude debt service on several occasions for capital projects. Most recently, the Town approved general overrides in 2003 (\$2,459,318), 2006 (\$597,370), 2007 (\$1,128,670) and 2009 (\$1,887,929). In addition, the Town voted to exclude \$15,700,000 principal and the interest thereon for library renovation and expansion, \$62,000,000 principal and the interest thereon for high school renovation and expansion, \$21,000,000 principal and the interest thereon for the High Rock and Pollard School projects, \$27,412,128 principal and the interest thereon for the Newman School renovation project and \$762,500, \$7,000,000 and \$57,542,500 principal and the interest thereon for site acquisition and construction of the Hillside School project (less any MSBA grants).

Unused Levy Capacity (1)

	Fiscal Year				
	2020	2019	2018	2017	2016
Primary Levy Limit (2)	\$ 270,094,087	\$ 254,220,430	\$ 247,141,391	\$ 231,026,862	\$ 226,704,721
Prior Fiscal Year Levy Limit	134,365,725	126,800,315	118,982,082	113,229,253	106,870,366
2.5% Levy Growth	3,359,252	3,170,022	2,974,599	2,830,797	2,671,812
New Growth (3)	4,697,667	4,394,835	4,841,774	2,919,417	3,684,955
Amended New Growth	4,350	553	1,860	2,615	-
Overrides	-	-	-	-	-
Growth Levy Limit	142,426,994	134,365,725	126,800,315	118,982,082	113,227,133
Debt Exclusions	12,122,344	9,057,029	7,019,086	5,886,862	6,075,283
Capital Expenditure Exclusions	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Tax Levy Limit	154,549,338	143,422,754	133,819,401	124,868,944	119,302,416
Tax Levy	151,549,737	141,893,986	132,537,888	124,789,790	119,291,863
Unused Levy Capacity (4)	2,999,601	1,528,768	1,281,513	79,154	10,553
Unused Primary Levy Capacity (5)	\$ 127,667,093	\$ 119,854,705	\$ 120,341,076	\$ 112,044,780	\$ 113,477,588

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation.

(3) Allowed increase for new valuations (or required reduction) - certified by the Department of Revenue.

(4) Tax Levy Limit less Tax Levy.

(5) Primary Levy Limit less Growth Levy Limit.

Community Preservation Act

The Massachusetts Community Preservation Act (the "CPA") permits cities and towns that accept its provisions to levy a surcharge on its real property tax levy, dedicate revenue (other than state or federal funds), and to receive state matching funds for (i) the acquisition, creation, preservation, rehabilitation and restoration of land for recreational use, open space, and affordable housing and (ii) the acquisition, preservation, rehabilitation and restoration of historic resources. The provisions of the CPA must be accepted by the voters of the city or town at an election after such provisions have first been accepted by either a vote of the legislative body of the city or town or an initiative petition signed by 5% of its registered voters.

A city or town may approve a surcharge of up to 3% (but not less than 1% under certain circumstances) and may make an additional commitment of funds by dedicating revenue other than state or federal funds, provided that the total funds collected do not exceed 3% of the real property tax levy, less any exemptions adopted (such as an exemption for low-income individuals and families and for low and moderate-income senior citizens, an exemption for \$100,000 of the value of each taxable parcel of residential real property or \$100,000 of the value of each taxable parcel of class three, commercial property, and class four, industrial property as defined in Chapter 59, Section 2A of the General Laws, and an exemption for commercial and industrial properties in cities and towns with classified tax rates). In the event that the municipality shall no longer dedicate all or part of the additional funds to community preservation, the surcharge on the real property tax levy of not less than 1% shall remain in effect, provided that any such change must be approved pursuant to the same process as acceptance of the CPA. The surcharge is not counted in the total taxes assessed for the purpose of determining the permitted levy amount under Proposition 2½ (see "*Tax Limitations*" under "PROPERTY TAXATION" above). A city or town may revoke its acceptance of the provisions of the CPA at any time after 5 years from the date of such acceptance and may change the amount of the surcharge or the exemptions to the surcharge at any time, including reducing the surcharge to 1% and committing additional municipal funds as outlined above, provided that any such revocation or change must be approved pursuant to the same process as acceptance of the CPA.

Any city or town that accepts the provisions of the CPA will receive annual state matching grants to supplement amounts raised by its surcharge and dedication of revenue. The state matching funds are raised from certain recording and filing fees of the registers of deeds. Those amounts are deposited into a state trust fund and are distributed to cities and towns that have accepted the provisions of the CPA, which distributions are not subject to annual appropriation by the state legislature. The amount distributed to each city and town is based on a statutory formula and the total state distribution made to any city or town may not exceed 100% of the amount raised locally by the surcharge on the real property tax levy.

The amounts raised by the surcharge on taxes, the dedication of revenue and received in state matching funds are required to be deposited in a dedicated community preservation fund. Each city or town that accepts the provisions of the CPA is required to establish a community preservation committee to study the community preservation needs of the community and to make recommendations to the legislative body of the city or town regarding the community preservation projects that

should be funded from the community preservation fund. Upon the recommendations of the committee, the legislative body of the city or town may appropriate amounts from the fund for permitted community preservation purposes or may reserve amounts for spending in future fiscal years, provided that at least 10% of the total annual revenues to the fund must be spent or set aside for open space purposes, 10% for historic resource purposes and 10% for affordable housing purposes.

The CPA authorizes cities and towns that accept its provisions to issue bonds and notes in anticipation of the receipt of surcharge and dedicated revenues to finance community preservation projects approved under the provisions of the CPA. Bonds and notes issued under the CPA are general obligations of the city or town and are payable from amounts on deposit in the community preservation fund. In the event that a city or town revokes its acceptance of the provisions of the CPA, the surcharge shall remain in effect until all contractual obligations incurred by the city or town prior to such revocation, including the payment of bonds or notes issued under the CPA, have been fully discharged.

The Town has accepted the Act and set the surcharge rate at 2%. The Town implemented the program in fiscal year 2006 and is utilizing revenues to pay for a variety of municipal projects.

Community Preservation Fund Revenues

Fiscal Year	Property Tax (1)	State Contribution	Total
2020	\$ 2,609,353	\$ 592,379	\$ 3,201,732
2019	2,468,833	438,305	2,907,138
2018	2,300,322	368,739	2,669,061
2017	2,136,893	417,408	2,554,301
2016	2,028,800	579,514	2,608,314

(1) Reflects actual collections.

The CPA Fund had a balance of \$8,588,915 as of June 30, 2020.

Pledged Taxes

Taxes on the increased value certain property in designated development districts may be pledged for the payment of costs of economic development projects within such districts and may therefore be unavailable for other municipal purposes. (See "Tax Increment Financing for Development Districts" under "TOWN FINANCES" below).

TOWN FINANCES

Budget and Appropriation Process

Town Meeting: The annual appropriations of the Town are ordinarily made at the annual meeting, which takes place in May. Appropriations may also be voted at special meetings. The Town has a finance committee, which submits reports and recommendations on proposed expenditures at town meetings.

The school budget is limited to the total amount appropriated by the city council or town meeting, but the school committee retains full power to allocate the funds appropriated. State legislation known as the Education Reform Act of 1993, as amended, imposes certain minimum expenditure requirements on municipalities with respect to funding for education. The requirements are determined on the basis of formulas affected by various measures of wealth and income, enrollments, prior levels of local spending and state aid, and other factors. In each fiscal year, the Town has appropriated at least the minimum expenditure requirement imposed by the Act.

The Town meeting may at any time vote to transfer any amount previously appropriated to any other authorized use by law, and, under certain circumstances and subject to certain limits and requirements, the selectmen of a town, with the concurrence of the finance committee, may transfer amounts appropriated for the use of any department to any other appropriation for the same department or to any other department.

Water and sewer department expenditures are generally included in the budgets adopted by city councils and town meetings but electric and gas department funds may be appropriated by the municipal light boards. Under certain legislation any city or town which accepts the legislation may provide that the appropriation for the operating costs of any department may be offset, in whole or in part, by estimated receipts from fees charged for services provided by the department. It is assumed that this general provision does not alter the pre-existing power of an electric or gas department to appropriate its own receipts.

Enterprises: Beginning with the fiscal 1996 budget, water and sewer operations are accounted for in separate enterprise accounts. Beginning with the fiscal 1999 budget solid waste operations are accounted for in a separate enterprise account. Effective for FY2020, the Solid Waste Disposal and Recycling Operations changed from an Enterprise Fund to General Fund appropriation.

Mandatory Items: Mandatory items, such as state and county assessments, the overlay for abatements, abatements in excess of overlays, principal and interest not otherwise provided for and final judgments are included in the tax levy whether or not included in the budget.

Revenues: Revenues are not required to be set forth in the budget but estimated non-tax revenues are taken into account by the assessors in fixing the tax levy. (See "PROPERTY TAXATION--Tax Levy Computation".)

Budget Trends

The following table sets forth the trend in operating budgets for fiscal years 2016 through 2020, as voted at the town meeting. As such, said budgets reflect neither revenues nor certain mandatory items.

BUDGET COMPARISON (1)

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020 (5)	Fiscal 2021
General Government	\$4,294,265	\$4,449,845	\$4,758,257	\$4,966,498	\$5,400,737
Land Use and Development	515,350	541,943	561,423	587,795	616,651
Public Safety	14,493,710	15,295,908	15,736,737	16,495,226	17,047,491
Education(2)	65,952,600	69,156,335	72,020,179	77,090,548	81,835,024
Public Works & Facilities	15,274,299	16,056,178	16,667,383	20,198,110	21,417,143
Health & Human Services	1,493,315	1,698,993	1,863,784	2,050,632	2,299,203
Culture & Recreation	2,193,270	2,148,976	2,417,641	2,653,814	2,935,790
Employee Benefits(3)	25,491,114	28,053,212	30,776,911	31,835,123	33,586,497
Other Operating Expenses	1,816,490	866,200	1,153,880	1,462,290	1,920,795
Debt Service(4)	11,161,839	12,573,958	14,904,503	19,038,470	21,111,388
Reserve Fund	1,541,875	1,862,600	1,859,891	1,881,500	2,077,091
Total Expenditures	<u>\$144,228,127</u>	<u>\$152,704,148</u>	<u>\$162,720,589</u>	<u>\$178,260,006</u>	<u>\$190,247,810</u>

- (1) Budgets reflect only the amount appropriated by Town Meeting and thus do not include county and state assessments and overlay reserve.
- (2) Includes regional vocational school assessment.
- (3) Includes pension and OPEB funding.
- (4) Includes debt excluded from Proposition 2½ as well as estimated debt service on authorized and unissued debt.
- (5) Effective for FY2020, the Solid Waste Disposal and Recycling Operations changed from an Enterprise Fund to General Fund appropriation.

Revenues

Property Taxes: Property taxes are the major source of revenue for the Town. The total amount levied is subject to certain limits prescribed by law; for a description of those limits see "PROPERTY TAXATION-- Tax Limitations" above. The table below sets forth the amount of property tax revenue for the following fiscal years:

<u>Fiscal Year</u>	<u>Property Taxes</u>
2020	\$ 150,192,994
2019	141,090,907
2018	132,578,018
2017	124,311,726
2016	118,981,810

State Aid: The Town's state aid entitlement is based upon a number of different formulas, and while such formulas might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature. The state annually estimates state aid but actual payments may vary from the estimate. The table below sets forth the amount of state aid revenue for the following fiscal years:

<u>Fiscal Year</u>	<u>State Aid</u>
2020	\$13,088,243
2019	11,813,475
2018	11,081,996
2017	10,475,985
2016	10,065,389

Motor Vehicle Excise: An excise is imposed on the registration of motor vehicles (subject to exemptions) at the rate of \$25 per \$1,000 of valuation. The excise is collected by and for the benefit of the municipality in which the motor vehicle is customarily kept. Valuations are determined by a statutory formula based on manufacturer's list price and year of manufacture. Bills not paid when due bear interest at 12 percent per annum. Provision is also made after notice to the owner, for suspension of the owner's operating license or registration by the registrar of motor vehicles. The state annually estimates state aid but actual payments may vary from the estimate. The table below sets forth the amount of motor vehicle excise revenue for the following fiscal years:

<u>Fiscal Year</u>	<u>Motor Vehicle Excise</u>
2020	\$ 5,679,213
2019	6,138,951
2018	5,910,555
2017	5,701,557
2016	5,627,887

Water and Sewer Rates and Services: The Town's Public Works Department provides water and sewer services, accounted for as enterprise funds, to all commercial, industrial and residential users within the Town and charges them on the basis of metered consumption. Water and sewer rates are set by the Select Board. The Town has an ascending block rate schedule ranging from \$3.18 to \$5.24 per 100 cubic feet for water and from \$9.08 to \$11.79 per 100 cubic feet for sewer. Water irrigation rates range from \$5.24 to \$8.32 per 100 cubic feet for water. The rates were effective July 1, 2019.

In fiscal year 2019, water and sewer revenues totaled \$16,127,754 which included \$504,750 in general fund receipts, and expenditures totaled \$14,449,876 including debt service, retirement costs and overhead.

In fiscal year 2020, water and sewer revenues totaled \$15,893,809 which included \$530,467 in general fund receipts, and expenditures totaled \$14,840,568 including debt service, retirement costs and overhead.

Local Options Meals Tax: On November 2, 2009, the Town adopted the local meals excise tax to be effective January 1, 2010. The local meals excise tax is a 0.75% tax on the gross receipts of a vendor from the sale of restaurant meals. The tax is paid by the vendor to the State Commissioner of Revenue, who in turn pays the tax to the municipality in which the meal was sold. The table below sets forth the amount of local option meals tax revenue for the following fiscal years:

Fiscal Year	Local Option Meals Tax
2020	\$ 499,167
2019	543,389
2018	497,446
2017	492,329
2016	490,317

As a result the reduction in economic activity associated with the COVID-19 pandemic, it is likely that revenues from this source will decline in fiscal years 2020 and 2021

Room Occupancy Tax: Under this tax, local governments may tax the provision of hotel, motel lodging house rooms and bed and breakfast rooms at a rate not to exceed six percent (6%) of the cost of renting such rooms. The tax is paid by the operator of each establishment to the State Commissioner of Revenue, who in turn pays the tax back to the municipality in which the rooms are located in quarterly distributions. On November 2, 2009, the Town adopted an increase in the room occupancy tax to 6% to be effective January 1, 2010. The table below sets forth the amount of room occupancy tax revenue for the following fiscal years:

Fiscal Year	Room Occupancy Tax
2020	\$ 1,185,706
2019	1,357,713
2018	1,045,862
2017	1,079,169
2016	1,118,325

As a result the reduction in economic activity associated with the COVID-19 pandemic, it is likely that revenues from this source will decline in fiscal years 2020 and 2021.

Interest and Dividends: The table below sets forth the amount of interest and dividends revenue for the following fiscal years:

Fiscal Year	Interest & Dividends
2020 (1)	\$ 272,719
2019	979,649
2018	434,319
2017	278,831
2016	111,638

(1) Due to the COVID-19 pandemic the governor signed legislation delaying the fourth quarter Real Estate tax due date from May 1, 2020 to June 1, 2020. In addition, no penalties or interest were to be charged on bills due after March 11, 2020 and paid on or before June 29, 2020. If paid on June 30, the interest charged would be retroactive to the actual due date.

State Distributions

In addition to grants for specified capital purposes (some of which are payable over the life of the bonds issued for the projects), the Commonwealth provides financial assistance to cities and towns for current purposes. Payments to cities and towns are derived primarily from a percentage of the State's personal income, sales and use, and corporate excise tax receipts, together with the net receipts from the State Lottery. A municipality's state aid entitlement is based on a number of different formulas, of which the "schools" and "lottery" formulas are the most important. Both of the major formulas tend to provide more state aid to poorer communities. The formulas for determining a municipality's state aid entitlement are subject to amendment by the state legislature and, while a formula might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature. The state annually estimates state aid, but the actual state aid payments may vary from the estimate.

In the fall of 1986, both the State Legislature (by statute, repealed as of July 1, 1999) and the voters (by initiative petition) placed limits on the growth of state tax revenues. Although somewhat different in detail, each measure essentially limited the annual growth in state tax revenues to an average rate of growth in wages and salaries in the Commonwealth over the three previous calendar years. If not amended, the remaining law could restrict the amount of state revenues available for state aid to local communities.

As a result the reduction in economic activity associated with the COVID-19 pandemic, it is likely that revenues from this source will decline in fiscal year 2021.

State School Building Assistance Program

Under its school building assistance program, the Commonwealth of Massachusetts provides grants to cities, towns and regional school districts for school construction projects. Until July 26, 2004, the State Board of Education was responsible for approving grants for school projects and otherwise administering the program. Grant amounts ranged from 50% to 90% of approved project costs. Municipalities generally issued bonds to finance the entire project cost, and the Commonwealth disbursed the grants in equal annual installments over the term of the related bonds.

Pursuant to legislation which became effective on July 26, 2004, the state legislature created the MSBA to finance and administer the school building assistance program. The MSBA assumed all powers and obligations of the Board of Education with respect to the program. In addition to certain other amounts, the legislation dedicates a portion of Commonwealth sales tax receipts to the MSBA to finance the program.

Projects previously approved for grants by the State Board of Education are entitled to receive grant payments from the MSBA based on the approved project cost and reimbursement rate applicable under the prior law. The MSBA has paid and is expected to continue to pay the remaining amounts of the grants for such projects either in annual installments to reimburse debt service on bonds issued by the municipalities to finance such projects, or as lump sum payments to contribute to the defeasance of such bonds.

Projects on the priority waiting list as of July 1, 2004 are also entitled to receive grant payments from the MSBA based on the eligible project costs and reimbursement rates applicable under the prior law. With limited exceptions, the MSBA is required to fund the grants for such projects in the order in which they appeared on the waiting list. Grants for any such projects that have been completed or substantially completed have been paid and are expected to continue to be paid by the MSBA in lump sum payments, thereby eliminating the need for the MSBA to reimburse interest expenses that would otherwise be incurred by the municipalities to permanently finance the MSBA's share of such project costs. Interest on debt issued by municipalities prior to July 1, 2004 to finance such project costs, and interest on temporary debt until receipt of the grant, is included in the approved costs of such projects. Grants for any such projects that have not yet commenced or that are underway have been and are expected to continue to be paid by the MSBA as project costs are incurred by the municipality pursuant to a project funding agreement between the MSBA and the municipality, eliminating the need for the municipality to borrow even on a temporary basis to finance the MSBA's share of the project costs in most cases.

The maximum of reimbursement rate for new project grant applications submitted to the MSBA on or after July 1, 2007 is 80% of approved project costs. The MSBA promulgated regulations with respect to the application and approval process for projects submitted after July 1, 2007. The MSBA pays grants for such projects as project costs are incurred pursuant to project funding agreements between the MSBA and the municipalities. None of the interest expense incurred on debt issued by municipalities to finance their portion of the costs of new projects are included in the approved project costs eligible for reimbursement.

Investment of Town Funds

Investments of funds of cities and towns, except for trust funds, are generally restricted by Massachusetts General Laws Chapter 44, §55. That statute permits investments of available revenue funds and bond and note proceeds in 1.) term deposits and certificates of deposits of banks and trust companies with a maturity date from date of purchase of up to three years; 2.) obligations issued or unconditionally guaranteed by the federal government or an agency thereof with a maturity of not more than one year; 3.) repurchase agreements with a maturity of not more than 90 days secured by federal or federal agency securities; 4.) participation units in the Massachusetts Municipal Depository Trust ("MMDT"), or; 5) shares in SEC-registered money market funds with the highest possible rating from at least one nationally recognized rating organization.

MMDT is an investment pool created by the Commonwealth. The State Treasurer is the sole trustee, and the funds are managed under contract by an investment firm under the supervision of the State Treasurer's office. According to the State Treasurer the MMDT's investment policy is designed to maintain an average weighted maturity of 90 days or less and is limited to high-quality, readily marketable fixed income instruments, including U.S. Government obligations and highly-rated corporate securities with maturities of one year or less.

MMDT funds, unless otherwise provided by the donor, may be invested in accordance with §54 of Chapter 44, which permits a broader range of investments than §55, including any bonds or notes that are legal investments for savings banks in the Commonwealth. The restrictions imposed by §54 and §55 do not apply to city and town retirement systems.

A breakdown of the Town's investments may be obtained from the Town Treasurer.

Annual Audits

The Town's financial statements have been audited annually. Copies of audit reports are available at the office of the Town Accountant of the Town of Needham. The Town's financial statements for the fiscal year ended June 30, 2019 are set forth as Appendix A and have been audited by the firm of Melanson, Heath & Company, P.C., Nashua, New Hampshire.

The attached report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Financial Statements

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal years ended June 30, 2019, June 30, 2018 and June 30, 2017 and the Statement of Revenues, Expenditures and Changes in Fund Balance for the fiscal year ended June 30, 2019, 2018, 2017, 2016, and 2015. All said financial statements have been extracted from the Town's audited financial statements.

**TOWN OF NEEDHAM, MA
GOVERNMENTAL FUNDS BALANCE SHEET
AS OF JUNE 30, 2019 (1)**

	<u>General</u>	<u>Community Preservation</u>	<u>Sunita L. Williams School</u>	<u>Public Safety Building</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and short-term investments	\$ 41,606,429	\$ -	\$ 4,583,142	\$ 7,435,741	\$ 16,024,864	\$ 69,650,176
Investments	9,670,699	7,697,896	-	-	2,712,926	20,081,521
Receivables:						
Property taxes	3,294,447	17,395	-	-	-	3,311,842
Excises	943,373	-	-	-	-	943,373
Departmental	612,668	-	-	-	23,110	635,778
Intergovernmental	2,780,592	-	-	-	391,821	3,172,413
Other	10,476	-	-	-	-	10,476
Deposits	-	-	-	-	182,226	182,226
TOTAL ASSETS	\$ 58,918,684	\$ 7,715,291	\$ 4,583,142	\$ 7,435,741	\$ 19,334,947	\$ 97,987,805
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Warrants and accounts payable	\$ 906,255	\$ 119,294	\$ 1,666,688	\$ 1,315,493	\$ 2,509,840	\$ 6,517,570
Unearned revenue	-	-	-	-	1,245,683	1,245,683
Accrued liabilities	3,174,950	-	-	-	42,009	3,216,959
Anticipation notes payable	-	-	11,100,000	12,000,000	12,860,000	35,960,000
Refunds payable	371,711	-	-	-	-	371,711
Other liabilities	169,017	-	-	-	1,615	170,632
TOTAL LIABILITIES	4,621,933	119,294	12,766,688	13,315,493	16,659,147	47,482,555
Deferred Inflows of Resources:						
Unavailable revenues	7,112,334	17,395	-	-	597,157	7,726,886
Taxes paid in advance	143,509	-	-	-	-	143,509
TOTAL DEFERRED INFLOWS OF RESOURCES	7,255,843	17,395	-	-	597,157	7,870,395
Fund Balances:						
Nonspendable	-	-	-	-	160,152	160,152
Restricted	897,985	7,578,602	-	-	7,994,743	16,471,330
Committed	13,600,723	-	-	-	7,401,706	21,002,429
Assigned	13,139,002	-	-	-	-	13,139,002
Unassigned	19,403,198	-	(8,183,546)	(5,879,752)	(13,477,958)	(8,138,058)
TOTAL FUND BALANCES	47,040,908	7,578,602	(8,183,546)	(5,879,752)	2,078,643	42,634,855
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 58,918,684	\$ 7,715,291	\$ 4,583,142	\$ 7,435,741	\$ 19,334,947	\$ 97,987,805

(1) Extracted from the audited Financial Statements of the Town.

**TOWN OF NEEDHAM, MA
GOVERNMENTAL FUNDS BALANCE SHEET
AS OF JUNE 30, 2018 (1)**

	<u>General</u>	<u>Community Preservation</u>	<u>Sunita L. Williams School</u>	<u>Rosemary Recreation Complex</u>	<u>Needham High School Expansion</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash and short-term investments	\$ 23,289,029	\$ -	\$ 7,164,308	\$ 224,196	\$ 6,230,019	\$ 11,572,106	\$ 48,479,658
Investments	28,988,972	5,661,761	-	-	-	2,821,622	37,472,355
Receivables:							
Property taxes	2,906,442	13,677	-	-	-	-	2,920,119
Excises	985,260	-	-	-	-	-	985,260
Departmental	1,696,211	-	-	-	-	25,736	1,721,947
Intergovernmental	3,475,740	-	-	-	-	1,042,678	4,518,418
Other	18,684	-	-	-	-	-	18,684
Deposits	-	-	-	-	-	134,884	134,884
TOTAL ASSETS	\$ 61,360,338	\$ 5,675,438	\$ 7,164,308	\$ 224,196	\$ 6,230,019	\$ 15,597,026	\$ 96,251,325
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Warrants and accounts payable	\$ 2,511,800	\$ 45,912	\$ 1,567,462	\$ -	\$ 1,031,272	\$ 1,685,457	\$ 6,841,903
Unearned revenue	-	-	-	-	-	1,255,055	1,255,055
Accrued liabilities	1,273,977	-	-	-	-	37,362	1,311,339
Anticipation notes payable	-	-	16,150,000	7,000,000	7,010,000	1,820,000	31,980,000
Refunds payable	541,984	-	-	-	-	-	541,984
Other liabilities	134,548	-	-	-	-	1,615	136,163
TOTAL LIABILITIES	4,462,309	45,912	17,717,462	7,000,000	8,041,272	4,799,489	42,066,444
Deferred Inflows of Resources:							
Unavailable revenues	8,729,719	13,677	-	-	-	1,203,298	9,946,694
Taxes paid in advance	115,222	-	-	-	-	-	115,222
TOTAL DEFERRED INFLOWS OF RESOURCES	8,844,941	13,677	-	-	-	1,203,298	10,061,916
Fund Balances:							
Nonspendable	-	-	-	-	-	188,478	188,478
Restricted	1,013,132	5,615,849	-	-	-	8,131,191	14,760,172
Committed	12,763,756	-	-	-	-	4,261,084	17,024,840
Assigned	16,459,089	-	-	-	-	-	16,459,089
Unassigned	17,817,111	-	(10,553,154)	(6,775,804)	(1,811,253)	(2,986,514)	(4,309,614)
TOTAL FUND BALANCES	48,053,088	5,615,849	(10,553,154)	(6,775,804)	(1,811,253)	9,594,239	44,122,965
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 61,360,338	\$ 5,675,438	\$ 7,164,308	\$ 224,196	\$ 6,230,019	\$ 15,597,026	\$ 96,251,325

(1) Extracted from the audited Financial Statements of the Town.

**TOWN OF NEEDHAM, MA
GOVERNMENTAL FUNDS BALANCE SHEET
AS OF JUNE 30, 2017 (1)**

	<u>General</u>	<u>Community Preservation Fund</u>	<u>Sunita L. Williams School</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and short-term investments	\$ 24,435,754	\$ -	\$ 2,330,594	\$ 16,654,115	\$ 43,420,463
Investments	26,051,587	5,477,234	-	2,462,211	33,991,032
Receivables:					
Property taxes	3,052,733	14,610	-	-	3,067,343
Excises	978,655	-	-	-	978,655
Departmental	1,508,395	-	-	27,981	1,536,376
Intergovernmental	4,170,888	-	-	1,805,974	5,976,862
Other	119,889	-	-	-	119,889
TOTAL ASSETS	\$ 60,317,901	\$ 5,491,844	\$ 2,330,594	\$ 20,950,281	\$ 89,090,620
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Warrants and accounts payable	\$ 1,337,341	\$ -	\$ 235,010	\$ 1,198,202	\$ 2,770,553
Unearned revenue	-	-	-	1,232,689	1,232,689
Accrued liabilities	3,582,464	-	-	66,128	3,648,592
Anticipation notes payable	-	-	4,000,000	810,000	4,810,000
Refunds payable	396,499	-	-	-	396,499
Other liabilities	248,392	-	-	1,615	250,007
TOTAL LIABILITIES	5,564,696	-	4,235,010	3,308,634	13,108,340
Deferred Inflows of Resources:					
Unavailable revenues	9,453,148	14,609	-	426,282	9,894,039
Fund Balances:					
Nonspendable	-	-	-	188,478	188,478
Restricted	572,835	5,477,235	-	9,794,373	15,844,443
Committed	12,788,994	-	-	8,149,196	20,938,190
Assigned	12,503,894	-	-	-	12,503,894
Unassigned	19,434,334	-	(1,904,416)	(916,682)	16,613,236
TOTAL FUND BALANCES	45,300,057	5,477,235	(1,904,416)	17,215,365	66,088,241
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 60,317,901	\$ 5,491,844	\$ 2,330,594	\$ 20,950,281	\$ 89,090,620

(1) Extracted from the audited Financial Statements of the Town.

**TOWN OF NEEDHAM, MA
GOVERNMENTAL FUNDS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
AS OF JUNE 30, 2019 (1)**

	<u>General</u>	<u>Community Preservation</u>	<u>Sunita L. Williams School</u>	<u>Public Safety Building</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 141,476,623	\$ 2,468,833	\$ -	\$ -	\$ -	\$ 143,945,456
Excise taxes	6,138,951	-	-	-	-	6,138,951
Penalties, interest, and other taxes	2,408,784	3,189	-	-	-	2,411,973
Charges for services	1,684,919	-	-	-	7,475,916	9,160,835
Departmental	2,052,584	-	-	-	-	2,052,584
Licenses and permits	2,587,095	-	-	-	-	2,587,095
Intergovernmental	21,724,476	438,305	7,252,591	-	6,405,203	35,820,575
Investment income (loss)	1,223,466	384,021	-	-	174,032	1,781,519
Fines and forfeitures	209,162	-	-	-	-	209,162
Contributions	-	-	-	-	472,767	472,767
Other	<u>356,613</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,589</u>	<u>393,202</u>
Total Revenues	179,862,673	3,294,348	7,252,591	-	14,564,507	204,974,119
Expenditures:						
Current:						
General government	6,830,257	2,115	-	-	109,819	6,942,191
Public safety	20,033,593	-	-	-	354,416	20,388,009
Education	98,145,562	-	-	-	12,271,053	110,416,615
Public works	19,923,360	-	-	-	457,303	20,380,663
Building design and construction	645,481	-	-	-	-	645,481
Health and human services	2,461,346	-	-	-	569,605	3,030,951
Culture and recreation	2,987,961	3,480	-	-	548,663	3,540,104
Employee benefits	790,238	-	-	-	-	790,238
Other	556,798	-	-	-	-	556,798
Capital outlay	-	384,506	27,493,314	5,879,752	29,835,802	63,593,374
Debt service:						
Principal	7,722,526	-	-	-	-	7,722,526
Interest	2,282,765	-	-	-	-	2,282,765
Intergovernmental	<u>1,389,486</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,389,486</u>
Total Expenditures	<u>163,769,373</u>	<u>390,101</u>	<u>27,493,314</u>	<u>5,879,752</u>	<u>44,146,661</u>	<u>241,679,201</u>
Excess (deficiency) of revenues over expenditures	16,093,300	2,904,247	(20,240,723)	(5,879,752)	(29,582,154)	(36,705,082)
Other Financing Sources (Uses):						
Issuance of bonds	-	-	18,000,000	-	13,000,000	31,000,000
Bond premium	-	-	1,745,331	-	13,221	1,758,552
Transfers in	2,214,458	-	2,865,000	-	18,050,979	23,130,437
Transfers out	<u>(19,319,938)</u>	<u>(941,494)</u>	<u>-</u>	<u>-</u>	<u>(410,585)</u>	<u>(20,672,017)</u>
Total Other Financing Sources (Uses)	<u>(17,105,480)</u>	<u>(941,494)</u>	<u>22,610,331</u>	<u>-</u>	<u>30,653,615</u>	<u>35,216,972</u>
Net change in fund balances	(1,012,180)	1,962,753	2,369,608	(5,879,752)	1,071,461	(1,488,110)
Fund Balances, at beginning of year, as reclassified	<u>48,053,088</u>	<u>5,615,849</u>	<u>(10,553,154)</u>	<u>-</u>	<u>1,007,182</u>	<u>44,122,965</u>
Fund Balances, at end of year	<u>\$ 47,040,908</u>	<u>\$ 7,578,602</u>	<u>\$ (8,183,546)</u>	<u>\$ (5,879,752)</u>	<u>\$ 2,078,643</u>	<u>\$ 42,634,855</u>

(1) Extracted from the audited Financial Statements of the Town.

**TOWN OF NEEDHAM, MA
GOVERNMENTAL FUNDS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
AS OF JUNE 30, 2018 (1)**

	General	Community Preservation	Sunita L. Williams School	Rosemary Recreation Complex	Needham High School Expansion	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Property taxes	\$ 132,578,018	\$ 2,300,322	\$ -	\$ -	\$ -	\$ -	\$ 134,878,340
Excise taxes	5,910,555	-	-	-	-	-	5,910,555
Penalties, interest, and other taxes	2,132,175	2,453	-	-	-	-	2,134,628
Charges for services	1,528,075	-	-	-	-	6,967,230	8,495,305
Departmental	1,852,700	-	-	-	-	-	1,852,700
Licenses and permits	2,598,567	-	-	-	-	-	2,598,567
Intergovernmental	20,403,002	368,739	2,017,071	-	-	7,130,486	29,919,298
Investment income (loss)	682,322	(176,907)	-	-	-	154,872	660,287
Fines and forfeitures	192,010	-	-	-	-	-	192,010
Contributions	-	-	-	-	-	429,729	429,729
Other	313,342	-	-	-	-	31,347	344,689
Total Revenues	168,190,766	2,494,607	2,017,071	-	-	14,713,664	187,416,108
Expenditures:							
Current:							
General government	5,617,952	5,182	-	-	-	119,117	5,742,251
Public safety	16,842,201	-	-	-	-	1,180,774	18,022,975
Education	86,532,516	-	-	-	-	11,508,817	98,041,333
Public works	8,860,429	-	-	-	-	1,749,368	10,609,797
Maintenance	9,077,653	-	-	-	-	-	9,077,653
Health and human services	1,837,753	-	-	-	-	557,542	2,395,295
Culture and recreation	2,342,237	-	-	-	-	366,142	2,708,379
Employee benefits	12,616,631	-	-	-	-	-	12,616,631
Other	521,244	-	-	-	-	-	521,244
Capital outlay	-	946,647	11,249,083	11,060,244	4,445,253	9,642,658	37,343,885
Debt service:							
Principal	8,139,526	-	-	-	-	-	8,139,526
Interest	2,461,942	-	-	-	-	-	2,461,942
Intergovernmental	1,333,038	-	-	-	-	-	1,333,038
Total Expenditures	156,183,122	951,829	11,249,083	11,060,244	4,445,253	25,124,418	209,013,949
Excess (deficiency) of revenues over expenditures	12,007,644	1,542,778	(9,232,012)	(11,060,244)	(4,445,253)	(10,410,754)	(21,597,841)
Other Financing Sources (Uses):							
Bond premium	-	-	-	-	-	6,400	6,400
Transfers in	2,007,530	75,000	575,000	1,030,000	2,634,000	6,420,894	12,742,424
Transfers out	(11,262,143)	(1,479,164)	-	-	-	(374,952)	(13,116,259)
Total Other Financing Sources (Uses)	(9,254,613)	(1,404,164)	575,000	1,030,000	2,634,000	6,052,342	(367,435)
Net change in fund balances	2,753,031	138,614	(8,657,012)	(10,030,244)	(1,811,253)	(4,358,412)	(21,965,276)
Fund Balances, at beginning of year, as reclassified	45,300,057	5,477,235	(1,896,142)	3,254,440	-	13,952,651	66,088,241
Fund Balances, at end of year	\$ 48,053,088	\$ 5,615,849	\$ (10,553,154)	\$ (6,775,804)	\$ (1,811,253)	\$ 9,594,239	\$ 44,122,965

(1) Extracted from the audited Financial Statements of the Town.

**TOWN OF NEEDHAM, MA
GOVERNMENTAL FUNDS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
AS OF JUNE 30, 2017 (1)**

	<u>General</u>	<u>Community Preservation Fund</u>	<u>Sunita L. Williams School</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 124,517,284	\$ 2,136,893	\$ -	\$ -	\$ 126,654,177
Excise taxes	5,701,527	-	-	-	5,701,527
Penalties, interest, and other taxes	2,156,902	2,307	-	-	2,159,209
Charges for services	1,094,057	-	-	6,228,684	7,322,741
Departmental	1,674,120	-	-	-	1,674,120
Licenses and permits	4,477,430	-	-	-	4,477,430
Intergovernmental	26,506,734	417,108	-	9,360,566	36,284,408
Investment income	389,769	111,618	-	163,439	664,826
Fines and forfeitures	188,756	-	-	-	188,756
Contributions	-	-	355,277	2,704,043	3,059,320
Other	41,949	-	-	37,035	78,984
Total Revenues	166,748,528	2,667,926	355,277	18,493,767	188,265,498
Expenditures:					
Current:					
General government	5,160,845	6,729	-	137,722	5,305,296
Public safety	16,006,396	-	-	251,212	16,257,608
Education	89,570,046	-	-	10,497,497	100,067,543
Public works	8,044,770	-	-	13,004	8,057,774
Maintenance	9,509,897	-	-	-	9,509,897
Health and human services	1,678,736	-	-	444,252	2,122,988
Culture and recreation	2,270,267	81,435	-	778,792	3,130,494
Employee benefits	11,572,484	-	-	-	11,572,484
Other	532,195	-	-	-	532,195
Capital outlay	-	413,073	2,259,693	11,454,082	14,126,848
Debt service:					
Principal	8,102,006	-	-	-	8,102,006
Interest	2,259,034	-	-	-	2,259,034
Intergovernmental	1,309,161	-	-	-	1,309,161
Total Expenditures	156,015,837	501,237	2,259,693	23,576,561	182,353,328
Excess (deficiency) of revenues over expenditures	10,732,691	2,166,689	(1,904,416)	(5,082,794)	5,912,170
Other Financing Sources (Uses):					
Issuance of bonds	-	-	-	10,480,000	10,480,000
Bond premium	-	-	-	654,769	654,769
Transfers in	2,383,365	-	-	6,017,269	8,400,634
Transfers out	(4,775,217)	(3,426,313)	-	(642,416)	(8,843,946)
Total Other Financing Sources (Uses)	(2,391,852)	(3,426,313)	-	16,509,622	10,691,457
Net change in fund balances	8,340,839	(1,259,624)	(1,904,416)	11,426,828	16,603,627
Fund Balances, at beginning of year, as restated	36,959,218	6,736,859	-	5,788,537	49,484,614
Fund Balances, at end of year	\$ 45,300,057	\$ 5,477,235	\$ (1,904,416)	\$ 17,215,365	\$ 66,088,241

(1) Extracted from the audited Financial Statements of the Town.

TOWN OF NEEDHAM, MASSACHUSETTS
STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES
AS OF JUNE 30, 2016 (1)

	General	Community Preservation	Owens Farm Property Acquisition	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 119,108,696	\$ 2,028,800	\$ -	\$ -	\$ 121,137,496
Excise taxes	5,627,887	-	-	-	5,627,887
Penalties, interest, and other taxes	2,410,193	2,379	-	-	2,412,572
Charges for services	985,609	-	-	5,936,113	6,921,722
Departmental	1,038,922	-	-	-	1,038,922
Licenses and permits	2,314,222	-	-	-	2,314,222
Intergovernmental	10,901,975	579,514	-	5,868,297	17,349,786
Investment Income	197,107	60,537	-	29,325	286,969
Fines and forfeitures	186,517	-	-	-	186,517
Contributions	-	-	-	444,166	444,166
Other	69,941	-	-	29,395	99,336
TOTAL REVENUES	\$ 142,841,069	\$ 2,671,230	\$ -	\$ 12,307,296	\$ 157,819,595
EXPENDITURES					
Current:					
General government	\$ 4,970,776	\$ 40,078	\$ -	\$ 291,004	\$ 5,301,858
Public safety	14,812,811	-	-	83,958	14,896,769
Education	69,073,634	-	-	10,991,245	80,064,879
Public works	7,216,857	-	-	288,061	7,504,918
Maintenance	9,019,331	-	-	-	9,019,331
Health and human services	1,569,348	-	-	472,616	2,041,964
Culture and recreation	2,249,111	19,754	-	872,467	3,141,332
Employee benefits	10,754,691	-	-	-	10,754,691
Other	518,998	-	-	-	518,998
Capital Outlay	-	3,549,305	6,612,955	5,376,915	15,539,175
Debt Service:					
Principal	8,232,133	-	-	-	8,232,133
Interest	2,635,519	-	-	-	2,635,519
Intergovernmental	1,281,985	-	-	-	1,281,985
TOTAL EXPENDITURES	132,335,194	3,609,137	6,612,955	18,376,266	160,933,552
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,505,875	(937,907)	(6,612,955)	(6,068,970)	(3,113,957)
OTHER FINANCING SOURCES (USES)					
Issuance of refunded debt	6,645,000	-	-	-	6,645,000
Bond premium	1,069,480	-	-	-	1,069,480
Transfers in	2,211,732	-	-	4,114,562	6,326,294
Deposit to refunding escrow	(7,607,593)	-	-	-	(7,607,593)
Transfers out	(5,400,996)	(1,132,438)	-	(440,477)	(6,973,911)
TOTAL OTHER FINANCING SOURCES (USES)	(3,082,377)	(1,132,438)	-	3,674,085	(540,730)
NET CHANGE IN FUND BALANCES	7,423,498	(2,070,345)	(6,612,955)	(2,394,885)	(3,654,687)
FUND BALANCES - BEGINNING OF YEAR	29,535,720	8,807,204	-	14,796,377	53,139,301
FUND BALANCES - END OF YEAR	\$ 36,959,218	\$ 6,736,859	\$ (6,612,955)	\$ 12,401,492	\$ 49,484,614

(1) Extracted from the audited Financial Statements of the Town.

TOWN OF NEEDHAM, MASSACHUSETTS
STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES
AS OF JUNE 30, 2015 (1)

	General	Community Preservation	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 112,329,687	\$ 1,950,156	\$ -	\$ 114,279,843
Excise taxes	5,242,444	-	-	5,242,444
Penalties, interest, and other taxes	1,852,862	2,456	-	1,855,318
Charges for services	987,849	-	6,123,560	7,111,409
Departmental	654,516	-	-	654,516
Licenses and permits	1,702,030	-	-	1,702,030
Intergovernmental	10,799,610	566,099	5,380,602	16,746,311
Investment Income	168,567	154,529	42,332	365,428
Fines and forfeitures	204,198	-	-	204,198
Contributions	-	20,518	1,455,025	1,475,543
Other	345,471	-	15,240	360,711
TOTAL REVENUES	\$ 134,287,234	\$ 2,693,758	\$ 13,016,759	\$ 149,997,751
EXPENDITURES				
Current:				
General government	\$ 4,673,887	\$ 455,295	\$ 106,259	\$ 5,235,441
Public safety	14,829,123	-	149,027	14,978,150
Education	65,814,871	-	10,686,070	76,500,941
Public works	7,678,186	-	215,243	7,893,429
Maintenance	8,660,730	-	4,423,569	13,084,299
Health and human services	1,453,707	-	238,976	1,692,683
Culture and recreation	2,156,905	-	417,795	2,574,700
Employee benefits	10,084,343	-	-	10,084,343
Other	518,182	-	-	518,182
Debt Service:				
Principal	8,374,612	-	-	8,374,612
Interest	2,632,650	-	-	2,632,650
Intergovernmental	1,272,800	-	-	1,272,800
TOTAL EXPENDITURES	128,149,996	455,295	16,236,939	144,842,230
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,137,238	2,238,463	(3,220,180)	5,155,521
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	-	-	2,850,000	2,850,000
Issuance of refunded debt	7,337,000	-	-	7,337,000
Bond premium	1,225,361	-	-	1,225,361
Transfers in	2,301,520	-	5,837,871	8,139,391
Deposit to refunding escrow	(8,325,359)	-	-	(8,325,359)
Transfers out	(7,704,812)	(475,763)	(465,348)	(8,645,923)
TOTAL OTHER FINANCING SOURCES (USES)	(5,166,290)	(475,763)	8,222,523	2,580,470
NET CHANGE IN FUND BALANCES	970,948	1,762,700	5,002,343	7,735,991
FUND BALANCES - BEGINNING OF YEAR	28,564,772	7,044,504	9,794,034	45,403,310
FUND BALANCES - END OF YEAR	\$ 29,535,720	\$ 8,807,204	\$ 14,796,377	\$ 53,139,301

(1) Extracted from the audited Financial Statements of the Town.

Free Cash and Unassigned General Fund Balances

Under Massachusetts law an amount known as "free cash" is certified as of the beginning of each fiscal year by the State Bureau of Accounts and this, together with certain subsequent tax receipts, is used as the basis for subsequent appropriations from available funds, which are not required to be included in the annual tax levy. Subject to certain adjustments, free cash is surplus revenue (or, in the Town's case, Unreserved Fund Balance) less uncollected and overdue property taxes from prior years.

The following table sets forth the trend in free cash as certified by the Bureau of Accounts as well as the Unassigned General Fund balance.

Fiscal Year	Free Cash (July 1)	Unassigned General Fund Balance
2019	\$ 12,369,898	\$ 19,403,198
2018	10,387,871	17,817,111
2017	13,518,622	19,434,334
2016	13,849,687	20,764,847
2015	6,890,372	15,247,969

Stabilization Fund

The Town maintains a stabilization fund, which is accounted for in the Trust Funds. Funded by an appropriation, the Stabilization Fund plus interest income may be appropriated at an annual or special town meeting for any purpose. The following table sets forth the trend in Stabilization Fund balance.

Fiscal Year	Stabilization Fund Balance (June 30)
2020	\$ 4,635,010
2019	4,187,517
2018	4,128,628
2017	4,001,401
2016	3,946,174

Capital Improvement Fund

The Town continues to provide additional funding to its capital improvement fund, which helps ensure the replacement of capital equipment, however there were no draws on the Town's Stabilization Fund to support any operating or capital expenditures. The following table sets forth the trend in Capital Improvement Fund balance.

Fiscal Year	Capital Improvement Fund Balance (June 30)
2020	\$ 1,095,016
2019	910,577
2018	747,227
2017	707,506
2016	701,081

Capital Facility Fund

The Capital Facilities Fund exists primarily to fund building improvements. The following table sets forth the trend in Capital Facility Fund balance at June 30.

<u>Fiscal Year</u>	<u>Capital Facility Fund Balance</u>
2020	\$ 1,918,088
2019	1,886,376
2018 (1)	26,767
2017	1,829,877
2016	1,312,275

(1) During fiscal year 2018, \$1,817,000 was drawn from the Capital Facility Fund for the High School Expansion project. At the 2018 Annual Town Meeting a transfer of \$1,817,000 back into the Fund was approved. The transfer was comprised of \$1,386,000 from Free Cash and \$431,000 from the fiscal 2019 tax levy.

Athletic Facility Fund

In fiscal year 2013, the Town created a stabilization fund to cover the costs of the eventual replacement of the Town's artificial turf fields. The following table sets forth the trend in Athletic Facility Fund balance at June 30.

<u>Fiscal Year</u>	<u>Athletic Facility Fund Balance</u>
2020 (1)	\$ 269,698
2019	2,686,229
2018 (2)	4,409,021
2017	3,051,708
2016	2,643,429

(1) In fiscal 2020 \$2.5 million was appropriated from the Athletic facilities fund to fund synthetic field replacement and related work to various fields throughout Town (Article #38 of the 2019 Annual Town Meeting). \$75,000 was appropriated to the Athletic Facilities Fund from the General Fund (Article # 42 of the 2019 Annual Town Meeting).

(2) In fiscal 2018 \$1.8 million was appropriated from the Athletic Facility Fund for the Memorial Park building construction (article 30 of the 2018 Annual Town Meeting) and \$550,000 for Athletic Facilities improvement (turf field replacement).

Debt Service Stabilization Fund

In fiscal year 2016, the Town created a stabilization fund the purpose of which is to allow the Town by appropriation to reserve funds to pay the debt service for engineering and design, renovation, reconstruction or construction of Town facilities. The following table sets forth the trend in Debt Service Stabilization Fund balance at June 30.

<u>Fiscal Year</u>	<u>Debt Service Stabilization Fund Balance</u>
2020	\$ 2,150,062
2019	2,114,506
2018	2,062,952
2017	1,091,874
2016	320,186

Tax Increment Financing for Development Districts

Under recent legislation, cities and towns are authorized to establish development districts to encourage increased residential, industrial and commercial activity. All or a portion of the taxes on growth in assessed value in such districts may be pledged and used solely to finance economic development projects pursuant to the city or town's development program for the district. This includes pledging such "tax increments" for the payment of bonds issued to finance such projects. As a result of any such pledge, tax increments raised from new growth properties in development districts are not available for other municipal purposes. Tax increments are taken into account in determining the total taxes assessed for the purpose of calculating the maximum permitted tax levy under Proposition 2 ½, (see "Tax Limitations" under "PROPERTY TAXATION" above.) The Town has not established any such district.

The Town has a TIF agreement with TripAdvisor, 13 years in total, currently at a 76% exemption that will decline to a 1% exemption effective 2021. The Town also has a TIF agreement with NBC Universal, 10 years in total, with a 70% exemption for the first 4 years that declines to 5% in year 5, and then 1% for years 6 through 10. The exemptions apply only on the new growth value.

INDEBTEDNESS

Authorization Procedure and Limitations

Serial bonds and notes are authorized by a two-thirds vote of the town meeting. Provision is made for a referendum on the borrowing authorization if there is a timely filing of a petition bearing the requisite number of signatures. Refunding bonds and notes are authorized by the selectmen. Borrowings for some purposes require State administrative approval.

When serial bonds or notes have been authorized, bond anticipation notes may be issued by the officers authorized to issue the serial bonds or notes. Temporary debt in anticipation of the revenue of the fiscal year in which the debt is incurred or in anticipation of authorized federal and state aid generally may be incurred by the treasurer with the approval of the selectmen.

Debt Limits

General Debt Limit. The General Debt Limit of a city or town consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is 5 percent of the valuation of taxable property as last equalized by the State Department of Revenue. A city or town can authorize debt up to this amount without state approval. It can authorize debt up to twice this amount (the Double Debt Limit) with the approval of the state Municipal Finance Oversight Board ("MFOB") composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes; emergency loans; loans exempted by special laws; certain school bonds, sewer bonds, bonds for water, gas, electric and telecommunication systems, solid waste disposal facility bonds and economic development bonds supported by tax increment financing; and subject to special debt limits, bonds for housing, urban renewal and economic development (subject to various debt limits). Revenue bonds are not subject to these debt limits. The General Debt Limit applies at the time the debt is authorized. The other special debt limits generally apply at the time the debt is incurred.

Revenue Anticipation Notes. The amount borrowed in each fiscal year by the issue of revenue anticipation notes is limited to the tax levy of the prior fiscal year, together with the net receipts in the prior fiscal year from the motor vehicle excise and certain payments made by the Commonwealth in lieu of taxes. The fiscal year ends on June 30. Notes may mature in the following fiscal year, and notes may be refunded into the following fiscal year to the extent of the uncollected, unabated current tax levy and certain other items, including revenue deficits, overlay deficits, final judgments and lawful unappropriated expenditures, which are to be added to the next tax levy, but excluding deficits arising from a failure to collect taxes of earlier years. (See "Taxation to Meet Deficits" under "PROPERTY TAXATION" above.) In any event, the period from an original borrowing to its final maturity cannot exceed one year.

Types of Obligations

General Obligations. Massachusetts cities and towns are authorized to issue general obligation indebtedness of these types:

Serial Bonds and Notes. These are generally required to be payable in annual principal amounts beginning no later than the end of the next fiscal year commencing after the date of issue and ending within the terms permitted by law. A level debt service schedule, or a schedule that provides for a more rapid amortization of principal than level debt service, is permitted. The principal amounts of certain economic development bonds supported by tax increment financing may be payable in equal, diminishing or increasing amounts beginning within 5 years after the date of issue. The maximum terms of serial bonds and notes vary from one year to 40 years, depending on the purpose of the issue. The maximum terms permitted are set forth in the statutes. In addition, for many projects, the maximum term may be determined in accordance with useful life guidelines promulgated by the State Department of Revenue. Serial bonds and notes may be issued for the purposes set forth in the statutes. In addition, serial bonds and notes may be issued for any other public work improvement or asset not specifically listed in the Statutes that has a useful life of at least 5 years. Bonds or notes may be made callable and redeemed prior to their maturity, and a redemption premium may be paid. Refunding bonds or notes may be issued subject to the maximum applicable term measured from the date of the original bonds or notes and must produce present value savings over the debt service of the refunded bonds. Generally, the first required annual payment of principal of the refunding bonds cannot be later than the first principal payment of any of the bonds or notes being refunded thereby, however, principal payments made before the first principal payment of any of the bonds or notes being refunded thereby may be in any amount.

Serial bonds may be issued as "qualified bonds" with the approval of the state MFOB, subject to such conditions and limitations (including restrictions on future indebtedness) as may be required by the MFOB. Qualified bonds may mature not less than 10 nor more than 30 years from their dates and are not subject to the amortization requirements described above. The State Treasurer is required to pay the debt service on qualified bonds and thereafter to withhold the amount of the debt service paid

by the State from state aid or other state payments; administrative costs and any loss of interest income to the State are to be assessed upon the city or town.

Tax Credit Bonds or Notes. Subject to certain provisions and conditions, the officers authorized to issue bonds or notes may designate any duly authorized issue of bonds or notes as “tax credit bonds” to the extent such bonds and notes are otherwise permitted to be issued with federal tax credits or other similar subsidies for all or a portion of the borrowing costs. Tax credit bonds may be made payable without regard to the annual installments required by any other law, and a sinking fund may be established for the payment of such bonds. Any investment that is part of such a sinking fund may mature not later than the date fixed for payment or redemption of the applicable bonds.

Bond Anticipation Notes. These generally must mature within two years of their original dates of issuance but may be refunded from time to time for a period not to exceed ten years from their original dates of issuance, provided that for each year that the notes are refunded beyond the second year they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bonds had been issued at the end of the second year. For certain school projects, however, notes may be refunded from time to time for a period not to exceed seven years without having to pay any portion of the principal of the notes from revenue funds. The maximum term of bonds issued to refund bond anticipation notes is measured (except for certain school projects) from the date of the original issue of the notes.

Revenue Anticipation Notes. These are issued to meet current expenses in anticipation of taxes and other revenues. They must mature within one year but, if payable in less than one year, may be refunded from time to time up to one year from the original date of issue. The Town has not issued revenue anticipation notes during the past twenty fiscal years.

Grant Anticipation Notes. These are issued for temporary financing in anticipation of federal grants and state and county reimbursements. Generally, they must mature within two years but may be refunded from time to time as long as the municipality remains entitled to the grant or reimbursement.

Revenue Bonds. Cities and towns may issue revenue bonds for solid waste disposal facilities, for projects financed under the Commonwealth’s Water Pollution Abatement or Drinking Water Revolving Loan Programs and for certain economic development projects supported by tax increment financing. In addition, cities and towns having electric departments may issue electric revenue bonds, and notes in anticipation of such bonds, subject to the approval of the State Department of Telecommunications and Energy.

DIRECT DEBT SUMMARY **As of June 30, 2020 (1)**

Long-Term Debt Outstanding:

Within the General Debt Limit:

Schools	\$ 34,628,000
Sewers & Drains	4,471,108
Other Inside General	69,266,000

Total Within the General Debt Limit	\$ 108,365,108	
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Outside the General Debt Limit:

Schools	\$ 17,280,000
Water	5,512,925
Sewer	618,729
Other Outside General	4,004,000

Total Outside the General Debt Limit	27,415,654	
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Total Long-Term Debt Outstanding	135,780,762	
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Short-Term Debt Outstanding:

Bond Anticipation Notes Outstanding (2)	1,200,000	-
New Money Bond Anticipation Notes to be dated December 18, 2020 (3)	1,600,000	
Total Bond Anticipation Notes Outstanding after this issue		2,800,000

Total Direct Debt:	\$ 138,580,762	
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(1) Principal amount only. Excludes lease and installment purchase obligations, overlapping debt, unfunded pension liability and other post-employment benefits liability.

(2) Payable December 18, 2020.

Debt Ratios

The following table sets forth debt as a percentage of assessed valuation and per capita debt at the end of the following fiscal years. The table considers the principal amount of general obligation bonds of the Town. The table does not deduct anticipated state grant payments applicable to the principal amount of outstanding bonds or debt that may be supported in whole, or part, by non-tax revenues.

Fiscal Year End	General Obligation Bonds Outstanding	Population (2010 Federal Census)	Local Assessed Valuation	Per Capita Debt	Debt as a % of Assessed Valuation
2020	\$ 135,780,762	28,886	\$ 10,803,763,473	\$ 4,701	1.26 %
2019	99,468,508	28,886	10,168,817,191	3,443	0.98
2018	78,242,389	28,886	9,885,655,649	2,709	0.79
2017	86,146,163	28,886	9,241,074,496	2,982	0.93
2016	85,544,217	28,886	9,068,188,822	2,961	0.94

Principal Payments by Purpose

The following table sets forth the principal payments by purpose for the Town's outstanding bonds as of June 30, 2020.

GENERAL OBLIGATION BONDS As of June 30, 2020

Year	General	School	Water	Sewer	Total (1)
2021	\$ 7,821,000	\$ 5,553,000	\$ 632,379	\$ 543,649	\$ 14,550,028
2022	4,789,000	5,435,000	628,169	509,816	11,361,985
2023	4,478,000	5,032,000	623,974	495,117	10,629,091
2024	4,463,000	4,942,000	509,795	395,644	10,310,439
2025	4,228,000	4,302,000	510,633	402,222	9,442,855
2026	3,952,000	3,563,000	446,488	320,942	8,282,430
2027	3,942,000	3,103,000	447,359	327,809	7,820,168
2028	3,587,000	2,693,000	448,248	334,825	7,063,073
2029	3,577,000	2,313,000	236,029	336,993	6,463,022
2030	3,232,000	1,603,000	236,953	344,317	5,416,270
2031	3,162,000	1,603,000	237,898	351,800	5,354,698
2032	3,107,000	1,598,000	190,000	359,446	5,254,446
2033	3,107,000	1,598,000	185,000	367,258	5,257,258
2034	2,935,000	1,045,000	180,000	-	4,160,000
2035	2,565,000	1,045,000	-	-	3,610,000
2036	2,315,000	720,000	-	-	3,035,000
2037	2,315,000	720,000	-	-	3,035,000
2038	2,290,000	720,000	-	-	3,010,000
2039	2,125,000	720,000	-	-	2,845,000
2040	1,895,000	720,000	-	-	2,615,000
2041	1,005,000	720,000	-	-	1,725,000
2042	1,000,000	720,000	-	-	1,720,000
2043	460,000	720,000	-	-	1,180,000
2044	460,000	720,000	-	-	1,180,000
2045	460,000	-	-	-	460,000
TOTAL	\$ 73,270,000	\$ 51,908,000	\$ 5,512,925	\$ 5,089,837	\$ 135,780,762

(1) \$65,252,500 of principal and \$19,128,047 of interest has been voted exempt from Proposition 2½, subject to the limits imposed by Chapter 44, Section 20 of the General Laws.

Debt Service Requirements

The following table sets forth the required principal and interest payments on the outstanding general obligation bonds of the Town as of June 30, 2020, including debt service subsidies expected to be received from the MSBA.

GENERAL OBLIGATION DEBT As of June 30, 2020 (1)

Fiscal Year	Outstanding		Less MSBA	Total Net Debt	Cumulative % Retired
	Principal	Interest	Subsidies	Service	
2021	\$ 14,550,028	\$ 4,775,316	\$ (695,148)	\$ 18,630,196	10.7 %
2022	11,361,985	4,241,678	(695,148)	14,908,515	19.1
2023	10,629,091	3,793,368	(695,148)	13,727,311	26.9
2024	10,310,439	3,365,375	-	13,675,815	34.5
2025	9,442,855	2,958,812	-	12,401,666	41.5
2026	8,282,430	2,596,437	-	10,878,867	47.6
2027	7,820,168	2,284,789	-	10,104,958	53.3
2028	7,063,073	1,986,640	-	9,049,712	58.5
2029	6,463,022	1,716,363	-	8,179,385	63.3
2030	5,416,270	1,479,078	-	6,895,348	67.3
2031	5,354,698	1,290,374	-	6,645,072	71.2
2032	5,254,446	1,110,872	-	6,365,318	75.1
2033	5,257,258	930,226	-	6,187,484	79.0
2034	4,160,000	778,003	-	4,938,003	82.0
2035	3,610,000	669,859	-	4,279,859	84.7
2036	3,035,000	581,319	-	3,616,319	86.9
2037	3,035,000	499,406	-	3,534,406	89.1
2038	3,010,000	414,894	-	3,424,894	91.4
2039	2,845,000	332,334	-	3,177,334	93.5
2040	2,615,000	256,003	-	2,871,003	95.4
2041	1,725,000	182,975	-	1,907,975	96.7
2042	1,720,000	125,650	-	1,845,650	97.9
2043	1,180,000	72,300	-	1,252,300	98.8
2044	1,180,000	33,300	-	1,213,300	99.7
2045	460,000	6,900	-	466,900	100.0 %
Total	<u>\$ 135,780,762</u>	<u>\$ 36,482,273</u>	<u>\$ (2,085,444)</u>	<u>\$ 170,177,591</u>	

(1) \$65,864,000 of principal and \$19,136,322 of interest has been voted exempt from Proposition 2½, subject to the limits imposed by Chapter 44, Section 20 of the General Laws.

Authorized Unissued Debt and Prospective Financing

Currently, the Town has the following authorized unissued debt:

Amount	Purpose		Original Authorization
\$ 12,000	Water System Rehabilitation	(1)	\$ 635,000
11,084,492	School Construction	(2)	57,542,500
35,735	Water Distribution System Improvements	(1)	1,300,000
107,500	Recreation Complex		11,000,000
9,500	High School Engineering		950,000
7,550	Sewer Pump Station Improvements	(1)	600,000
32,000	Public Safety Building & Fire Station #2	(3)	3,750,000
84,000	Needham High School Reconstruction & Expansion		11,125,000
128,000	Memorial Park Fieldhouse Construction		2,918,000
155,000	Infrastructure Improvements and Repairs		250,000
2,478,000	Public Works Storage Facility Design & Construction		3,503,000
585,000	RTS Property Repairs		645,000
34,245,000	Public Safety Building & Fire Station #2 Construction	(3)	66,245,000
4,500,000	Water Distribution Improvements		4,500,000
<u>\$ 53,463,777</u>			

- (1) Debt service on water and sewer authorizations is expected to be paid entirely from the Water and Sewer Enterprise Fund.
- (2) The Town voted to exclude debt service on bonds and notes for the Hillside School project, including site acquisition, from the limitations of Proposition 2 ½.
- (3) The Town voted to exclude debt service on bonds and notes for the Public Safety Building and Fire Station #2 construction projects from the limitations of Proposition 2 ½.

Overlapping Debt

The Town is a member of the MWRA, the MBTA and the Minuteman Regional Vocational Technical School District. The following table sets forth the outstanding bonded debt, exclusive of temporary loans in anticipation of bonds or current revenue, of Norfolk County, the MWRA, the MBTA and the Minuteman Regional Vocational Technical School District, and the Town's estimated gross share of such debt and the estimated fiscal year 2020 dollar assessment for each (except as noted below).

Overlapping Entity	Outstanding Debt	Needham's Estimated Share (1)	Fiscal 2021 Dollar Assessment (2)
Norfolk County (3)	\$ 16,130,000	7.000 %	\$ 450,557
Massachusetts Water Resources Authority (4)			
Water	1,982,967,000	0.419	660,552
Sewer	3,227,492,000	1.312	4,171,288
Massachusetts Bay Transportation Authority (5)	5,475,549,153	0.420	699,904
Minuteman Regional Vocational Technical School District (6)	93,985,000	N/A	1,099,935

- (1) Estimated share based on debt service only.
- (2) Estimated dollar assessment based upon total net operating expenses, inclusive (where applicable) of debt service.
- (3) SOURCE: Norfolk County Treasurer. Debt as of June 30, 2019. County expenses including debt service on county bonds are assessed upon the cities and towns within the county in proportion to their taxable valuation as last equalized by the State Commissioner of Revenue. Amounts shown are based on the most recent equalized valuations. Legislation was enacted in 1997 abolishing the county governments of Franklin and Middlesex Counties as of July 1, 1997, with their assets, functions, debts and other obligations being assumed by the Commonwealth. The legislation also abolished the county governments of Hampden and Worcester counties as of July 1, 1998. Legislation enacted in 1998 abolished the county governments of Hampshire, Essex and Berkshire counties as of January 1, 1999, July 1, 1999 and July 1, 2000, respectively. The legislation also requires the state secretary for administration and finance to establish a plan to recover the Commonwealth's expenditures for the liabilities and other debts assumed and paid by the Commonwealth on behalf of an abolished county. Unless these provisions are changed by further legislation, the state treasurer shall assess upon each city and town within the jurisdiction of an abolished county an amount not exceeding or equal to the county tax paid by each such city and town for the fiscal year immediately prior to the abolishment of the county until such expenditures by the Commonwealth are recovered. It is possible that similar legislation will be sought to provide for the abolishment of county government in all the remaining counties.

- (4) SOURCE: MWRA. Debt as of June 30, 2020. The MWRA provides wholesale drinking water services in whole or in part to 48 cities, towns and special purpose entities and provides wastewater, collection and treatment services to 43 cities, towns and special purpose entities. Under its enabling legislation, as amended, the MWRA may borrow up to \$6.1 billion for its corporate purposes. Its obligations are secured by revenues of the MWRA. The MWRA assesses member cities, towns and special purpose entities, which continue to provide direct retail water and sewer services to users. The cities, towns and special purpose entities collect fees from the users to pay all or part of the assessments; some municipalities levy property taxes to pay part of the amounts assessed upon them.
- (5) SOURCE: MBTA. Debt as of June 30, 2020. The MBTA was created in 1964 to finance and operate mass transportation facilities within the greater Boston metropolitan area. Under its enabling act, the MBTA is authorized to issue bonds for capital purposes, other than refunding bonds, and for certain specified purposes to an outstanding amount, which does not exceed the aggregate principal amount of \$3,556,300,000. In addition, pursuant to certain of the Commonwealth's transportation bond bills, the MBTA is authorized to issue additional bonds for particular capital projects. The MBTA also is authorized to issue bonds of the purpose of refunding bonds. Under the MBTA's enabling act debt service, as well as other operating expenses of the MBTA, are to be financed by a dedicated revenue stream consisting of the amounts assessed on the cities and towns of the MBTA and a dedicated portion of the statewide sales tax. The amount assessed to each city and town is based on its weighted percentage of the total population of the authority as provided in the enabling act. The aggregate amount of such assessments is generally not permitted to increase by more than 2.5 percent per year.
- (6) SOURCE: Minuteman Regional Vocational Technical School District. Debt as of June 30, 2020. Towns may organize regional school districts to carry out general or specialized educational functions. Pursuant to special laws a number of cities may also participate in regional school districts, primarily for vocational education. The operating expenses and debt service of regional school districts are apportioned among the member municipalities in accordance with the agreements establishing the districts subject to the provisions of the Education Reform Act of 1993.

Contractual Obligations

Municipal contracts are generally limited to currently available appropriations. A city or town generally has authority to enter into contracts for the exercise of any of its corporate powers for any period of time deemed to serve its best interest, but generally only when funds are available for the first fiscal year; obligations for succeeding fiscal years generally are expressly subject to availability and appropriation of funds. Municipalities have specific authority in relatively few cases to enter long-term contractual obligations that are not subject to annual appropriation, including contracts for refuse disposal and sewage treatment and disposal. Municipalities may also enter into long-term contracts in aid of housing and renewal projects. There may be implied authority to make other long-term contracts required to carry out authorized municipal functions, such as contracts to purchase water from private water companies.

Municipal contracts relating to solid waste disposal facilities may contain provisions requiring the delivery of minimum amounts of waste and payments based thereon and requiring payments in certain circumstances without regard to the operational status of the facilities.

Municipal electric departments have statutory power to enter into long-term contracts for joint ownership and operation of generating and transmission facilities and for the purchase or sale of capacity, including contracts requiring payments without regard to the operational status of the facilities. The Town does not have an electric light department.

Pursuant to the Home Rule Amendment to the Massachusetts Constitution, cities and towns may also be empowered to make other contracts and leases.

The Town currently has a twenty year contract expiring June 30, 2028 for transportation and disposal of solid waste. The tipping fee rate is \$69.82 per ton for fiscal year 2020. The cost of this contract was \$617,515 in fiscal 2020 and the Town budgeted \$671,697 for fiscal 2021.

RETIREMENT PLAN

The Massachusetts General Laws provide for the establishment of contributory retirement systems for state employees, for teachers and for county, city and town employees other than teachers. Teachers are assigned to a separate statewide teachers' system and not to the city and town systems. For all employees other than teachers, this law is subject to acceptance in each city and town. Substantially all employees of an accepting city or town are covered. If a town has a population of less than 10,000 when it accepts the statute, its non-teacher employees participate through the county system and its share of the county cost is proportionate to the aggregate annual rate of regular compensation of its covered employees. In addition to the contributory systems, cities and towns provide non-contributory pensions to a limited number of employees, primarily persons who entered service prior to July 1, 1937 and their dependents. The Public Employee Retirement Administration Commission ("PERAC") provides oversight and guidance for and regulates all state and local retirement systems.

The obligations of a city or town, whether direct or through a county system, are contractual legal obligations and are required to be included in the annual tax levy. If a city or town, or the county system of which it is a member, has not established a retirement system funding schedule as described below, the city or town is required to provide for the payment of the portion of its current pension obligations which is not otherwise covered by employee contributions and investment income. "Excess earnings," or earnings on individual employees' retirement accounts in excess of a predetermined rate, are required to be set aside in a pension reserve fund for future, not current, pension liabilities. Cities and towns may voluntarily appropriate to their system's pension reserve fund in any given year up to five percent of the preceding year's tax levy. The aggregate amount in the fund may not exceed ten percent of the equalized valuation of the city or town.

If a city or town, or each member city and town of a county retirement system, has accepted the applicable law, it is required to annually appropriate an amount sufficient to pay not only its current pension obligations, but also a portion of its future pension liability. The portion of each such annual payment allocable to future pension obligations is required to be deposited in the pension reserve fund. The amount of the annual city or town appropriation for each such system is prescribed by a retirement system funding schedule which is periodically reviewed and approved by PERAC. Each system's retirement funding schedule is designed to reduce the unfunded actuarial pension liability of the system to zero by not later than June 30, 2030, with annual increases in the scheduled payment amounts of not more than 4.5 percent. The funding schedule must provide that the payment in any year of the schedule is not less than 95 percent of the amount appropriated in the previous fiscal year. City, town and county systems which have an approved retirement funding schedule receive annual pension funding grants from the Commonwealth for the first 16 years of such funding schedule.

Pursuant to recent legislation, a system (other than the state employees' retirement system and the teachers' retirement system) which conducts an actuarial valuation as of January 1, 2009, or later, may establish a revised schedule which reduces the unfunded actuarial liability to zero by not later than June 30, 2040, subject to certain conditions. If the schedule is so extended under such provisions and a later updated valuation allows for the development of a revised schedule with reduced payments, the revised schedule shall be adjusted to provide that the appropriation for each year shall not be less than that for such year under the prior schedule, thus providing for a shorter schedule rather than reduced payments.

City, town and county systems may choose to participate in the Pension Reserves Investment Trust Fund (the "PRIT Fund"), which receives additional state funds to offset future pension costs of participating state and local systems. If a local system participates in the PRIT Fund, it must transfer ownership and control of all assets of its system to the Pension Reserves Investment Management Board, which manages the investment and reinvestment of the PRIT Fund. Cities and towns with systems participating in the PRIT Fund continue to be obligated to fund their pension obligations in the manner described above. The additional state appropriations to offset future pension liabilities of state and local systems participating in the PRIT Fund are required to total at least 1.3 percent of state payroll. Such additional state appropriations are deposited in the PRIT Fund and shared by all participating systems in proportion to their interests in the assets of the PRIT Fund as of July 1 for each fiscal year.

Cost-of-living increases for each local retirement system may be granted and funded only by the local system, and only if it has established a funding schedule. Those statutory provisions are subject to acceptance by the local retirement board and approval by the local legislative body, which acceptance may not be revoked.

The Town has its own retirement system, the Needham Contributory Retirement System ("NCRS"), a cost-sharing, multi-employer defined benefit public employee retirement system. The pension plan provides pension benefits, deferred allowances, and death and disability benefits. Substantially all employees of the Town are members of the NCRS, except teachers and administrators under contract employed by the school department, who are members of the Commonwealth of Massachusetts Teachers Contributory Retirement System, to which the Town does not contribute.

The following table sets forth the trend in the Town's pension appropriations to NCRS:

Year Ending	Contributory	Non-Contributory
June 30, 2021 (budgeted)	\$ 9,513,643	\$ -
June 30, 2020	8,688,258	-
June 30, 2019	7,934,482	-
June 30, 2018	7,332,277	-
June 30, 2017	6,706,800	17,700
June 30, 2016	7,314,235	18,042

The unfunded actuarial accrued liability of the System as of January 1, 2018 was approximately \$71,661,841. The System is currently 68.80% funded according to the last actuarial study. The Town's current funding schedule amortizes the unfunded actuarial accrued liability to zero by 2030 as shown below.

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of Unfunded Actuarial Accrued Liability (with interest)	(4) Actuarially Determined Contribution (2) + (3)	(5) Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(6) Percent Increase in Contribution from Prior Year
2019	\$ 2,369,250	\$ 5,565,232	\$ 7,934,482	\$ 74,214,132	-
2020	2,461,368	6,226,890	8,688,258	73,625,945	9.50 %
2021	2,557,046	6,956,597	9,513,643	72,285,486	9.50
2022	2,656,420	7,761,019	10,417,439	70,065,233	9.50
2023	2,759,634	8,647,462	11,407,096	66,821,270	9.50
2024	2,866,835	9,623,935	12,490,770	62,391,409	9.50
2025	2,978,176	10,055,129	13,033,305	56,593,116	4.34
2026	3,093,815	10,507,609	13,601,424	49,911,991	4.36
2027	3,213,919	10,980,452	14,194,371	42,261,199	4.36
2028	3,338,659	11,474,572	14,813,231	33,548,601	4.36
2029	3,468,212	11,990,928	15,459,140	23,674,396	4.36
2030	3,602,764	12,530,520	16,133,284	12,530,520	4.36
2031	3,742,507	-	3,742,507	-	(76.80)

Notes:

- Actuarially determined contributions are assumed to be paid on July 1.
- Actuarially determined contribution for fiscal 2019 is set equal to the budgeted amount determined with prior valuation.
- Item (2) reflects 3.5% growth in payroll and a 0.15% adjustment to total normal cost to reflect the effects of mortality improvement due to the generational mortality assumption.
- Projected normal cost does not reflect the impact of pension reform for future hires.
- Amortization payments of unfunded actuarial accrued liability calculated to increase at 4.50% per year after phase-in.
- Projected unfunded actuarial accrued liability does not reflect deferred investment gains.

The foregoing data do not include the retirement system costs or liabilities of any larger entity, such as the county.

For additional information see Appendix A.

Other Post-Employment Benefits (OPEB)

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis. For the last twelve years, the Town has been appropriating its Annual Required Cost (ARC) to the OPEB fund and pays the annual healthcare costs from the fund.

The following table sets forth the trend in OPEB appropriations.

Fiscal Year	OPEB Contribution
June 30, 2021 (budgeted)	\$ 7,197,713
June 30, 2020	6,906,705
June 30, 2019	6,906,705
June 30, 2018	6,115,455
June 30, 2017	5,568,923
June 30, 2016	5,336,302

The Governmental Accounting Standards Board ("GASB") Statement Nos. 74 and 75 require public sector entities to report the future costs of non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The Town was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2009. The Town has hired an outside firm which has completed the actuarial valuation of its post-employment benefit liability. The unfunded actuarial accrued liability (UAAL) for the Town was \$66,648,482 as of June 30, 2018 (net of the balance in the OPEB Trust Fund). The actuarial assumptions reflect a 7.0% investment rate of return. In fiscal year 2002 the Town began funding its post-retirement health insurance liability. The Town's Actuarially Determined Contribution (ADC) for fiscal year 2020 is \$6,906,705, at an assumed 7.0% discount rate. The balance in the OPEB Trust Fund as of June 30, 2020 was \$42,740,645.

EMPLOYEE RELATIONS

The Town employs approximately 1,354 full-time equivalent employees (FTE), 945 FTE's employed by the School Department, 145 by the Public Works Department, 61 by the Police Department, 80 by the Fire Department, and the balance by various other Town Departments. Town employees (other than managerial and confidential employees) are entitled to join unions and bargain collectively on questions of wages, hours and other terms and conditions of employment. Approximately 1,233 (full and part time) Town employees are represented by unions including public works, general government, police, fire, teachers, and school administrators.

The Building Custodian Tradesman Independent Association (Building Maintenance Division) contract expires on June 30, 2022. The Needham Independent Public Employees Association (Public Works) contract expires June 30, 2021. The contracts with the Needham Firefighters Local 1706 (all units) expired on June 30, 2020. The Needham Police Union contract expired June 30, 2020, and the Needham Police Superior Officers Association contract expired on June 30, 2020. The Needham Independent Town Workers Association (various administrative, professional and technical positions) contract expires June 30, 2021.

The Needham Public Schools have contracts in place with the Needham Education Association Unit A (teachers) through August 31, 2022, with the Needham Education Association Unit B (administrators) through June 30, 2022, with the Needham Education Association Unit C (Non DESE licensed staff) through June 30, 2020, and with the Needham Education Association Unit E (food service workers) through June 30, 2020. The contract with the Needham Education Association Unit D (clerical, secretarial and technical positions) expired June 30, 2020.

LITIGATION

At present there are various cases pending in various courts throughout the Commonwealth in which the Town is a defendant. In the opinion of the Town, there is no litigation either pending or threatened, that is likely to result, either individually or in the aggregate, in final judgments against the Town that would materially affect its financial position or its ability to pay its obligations.

TOWN OF NEEDHAM, MASSACHUSETTS
/s/ Ms. Evelyn M. Poness, Town Treasurer

December 1, 2020



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/08/2020

Agenda Item	Sign Notice of Traffic Regulation Revision – Chestnut Street at Oak Street
Presenter(s)	Carys Lustig, Interim DPW Director

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
	The Department of Public Works received a request from the Traffic Management Advisory Committee (TMAC) asking that the existing Traffic Signal Regulation for the intersection of Chestnut Street and Oak Street be amended by revising the signal timing by eliminating the lag green phase for Chestnut Street northbound.
2.	VOTE REQUIRED BY SELECT BOARD
	<u><i>Suggested Motion:</i></u> <i>“That the Board vote to approve and sign the Notice of Traffic Regulation Permit #TS20-12-08 for the amendment of existing Traffic Signal Regulation Permit #B-1500a Chestnut Street at Oak Street by eliminating the lag green phase for Chestnut Street northbound.”</i>
3.	BACK UP INFORMATION ATTACHED
	<i>Copy of Traffic Regulation TS20-12-08</i> <i>Copy of revised Chestnut Street at Oak Street sequence and timing chart</i>

TOWN OF NEEDHAM
SELECT BOARD

NOTICE OF TRAFFIC REGULATION

CHESTNUT STREET AT OAK STREET

By virtue of the authority vested in the Select Board of the Town of
Needham, it is hereby

VOTED: In accordance with the provisions of Chapter 89, Section 8 of the General
Laws, the existing Traffic Signal Regulation Permit #B-1500a be amended
as follows:

Elimination of the left turn lag signal timing phase for the
CHESTNUT STREET Northbound approach at OAK STREET

SELECT BOARD

Permit No. SS20-12-08

Date of Passage_____

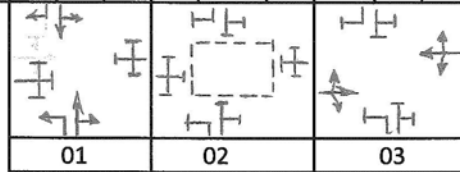
Attest of Town Clerk_____

REVISED SEQUENCE AND TIMING FOR SEMI-ACTUATED TRAFFIC SIGNAL CONTROL											
	1	2	3	4	5	6	7	8	9	FLASH. OPER.	
INITIAL INTERVAL	30			6	9		20			EMERGENCY ONLY	
VEHICLE INTERVAL											
MAXIMUM											
YELLOW CLEARANCE		4						4			
ALL RED CLEARANCE			1						1		
STREET	DIRECT.	HOUS'G.			W	FDW					
CHESTNUT ST.	NB		G	Y	R	R	R		R	R	FY
CHESTNUT ST.	SB		G	Y	R	R	R		R	R	FY
OAK ST.	EB		R	R	R	R	R		G	Y	FR
OAK ST.	WB		R	R	R	R	R		G	Y	FR

* REVISED TIMING -
ELIMINATE LAG GREEN
NORTHBOUND ON
CHESTNUT STREET AT
OAK STREET

LOCATION:

CHESTNUT STREET AT OAK STREET



SELECT BOARD

TOWN OF NEEDHAM MA TRAFFIC SIGNAL TIMING FOR AUTOMATIC OPERATION		
SCALE: NONE	DATE: 11-10-20	SHEET: 1 OF 1



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/08/2020

Agenda Item	Sign Notice of Traffic Regulation Revision – Central Avenue at Great Plain Avenue
Presenter(s)	Carys Lustig, Interim DPW Director

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
	The Department of Public Works received a request from the Traffic Management Advisory Committee (TMAC) asking that the existing Traffic Signal Regulation for the intersection of Central Avenue and Great Plain Avenue be amended by revising the signal timing of the Central Avenue northbound and southbound approach phases and exclusive pedestrian phase.
2.	VOTE REQUIRED BY SELECT BOARD
	<u><i>Suggested Motion:</i></u> <i>“That the Board vote to approve and sign the Notice of Traffic Regulation Permit #TS20-12-08a for the amendment of existing Traffic Signal Regulation Permit #B-1652 Central Avenue at Great Plain Avenue by revising the signal timing of the Central Avenue northbound and southbound approach phases and exclusive pedestrian phase.”</i>
3.	BACK UP INFORMATION ATTACHED
	1. Copy of Traffic Regulation TS20-12-08a 2. Copy of revised Central Avenue at Great Plain Avenue sequence and timing chart

TOWN OF NEEDHAM
SELECT BOARD

NOTICE OF TRAFFIC REGULATION

CENTRAL AVENUE AT GREAT PLAIN AVENUE

By virtue of the authority vested in the Select Board of the Town of
Needham, it is hereby

VOTED: In accordance with the provisions of Chapter 89, Section 8 of the General
Laws, the existing Traffic Signal Regulation Permit #B-1652 be amended
as follows:

Revision of the signal timings for the CENTRAL AVENUE
Northbound and Southbound approach phases and exclusive
pedestrian phase.

SELECT BOARD

Permit No. SS20-12-08a

Date of Passage_____

Attest of Town Clerk_____

REVISED SEQUENCE AND TIMING FOR ACTUATED
TRAFFIC SIGNAL CONTROL

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	FLASH. OPER.
INITIAL INTERVAL	6			10						6			6			10			
VEHICLE INTERVAL	5			3						5			2			3			
MAXIMUM 1 (6AM-3PM, 6:30PM-11PM)	30			25						30			6			45			
MAXIMUM 2 (3PM-6:30PM)	30			25						30			6			25			
DYNAMIC MAX STEP	10									10									
DYNAMIC MAX LIMIT	70									70									
YELLOW CLEARANCE		3			4						3			3			4		
ALL RED CLEARANCE			3.5			1					3.5				2		1		
PEDESTRIAN CROSSING INTERVAL							7	11	4										
STREET	DIRECT.	HOUS'G.					W	FDW											
GREAT PLAIN AVENUE	EB		R	R	R	R	R	R	R	R	R	R	G/G	Y	R	R	R	R	FY
GREAT PLAIN AVENUE	EBL		R	R	R	G	Y	R	R	R	R	R	G/G	Y/Y	R	R	R	R	FY
GREAT PLAIN AVENUE	WB		R	R	R	R	R	R	R	R	R	R	R	R	R	G	Y	R	FY
CENTRAL AVENUE	NB		G	Y	R	R	R	R	R	R	R	R	R	R	R	R	R	R	FR
CENTRAL AVENUE	SB		R	R	R	R	R	R	R	G	Y	R	R	R	R	R	R	R	FR

EMERGENCY ONLY

TIMING REVISIONS IN RED

LOCATION: CENTRAL AVENUE AT GREAT PLAIN AVENUE

BOARD OF SELECTMEN



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/08/2020

Agenda Item	Public Works Snow & Ice Preparation Update
Presenter(s)	Carys Lustig, Interim Director of Public Works

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
Ms. Lustig will provide an update of the Public Works Department's preparation for the upcoming snow season.	
2.	VOTE REQUIRED BY SELECT BOARD
<i>Discussion Only</i>	
3.	BACK UP INFORMATION ATTACHED
a. None	



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/8/2020

Agenda Item	Proposed Snow Removal & Snow Hauling Exemption Legislation
Presenter(s)	Kate Fitzpatrick, Town Manager

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Town Manager will recommend that the Select Board authorize the submission of a proposal to exempt snow removal and snow hauling services from the provisions of M.G.L. c. 30B – the Uniform Procurement Act – to the Town’s legislative delegation.	
2.	VOTE REQUIRED BY SELECT BOARD
<i>Suggested Motion:</i> that the Board authorize the Town Manager to contact the Town’s legislative delegation and propose an amendment to M.G.L. c. 30B to include “snow removal and snow hauling” in the exceptions listed under Section 1 (b) (17).	
3.	BACK UP INFORMATION ATTACHED
a. M.G.L. c. 30B excerpt. b. Draft Act to Exempt Snow Removal and Snow Hauling from the Uniform Procurement Act c. Office of the Inspector General Advisory – Conducting Snow-Related Procurements, dated 10/3/2018	

Part I ADMINISTRATION OF THE GOVERNMENT**Title III** LAWS RELATING TO STATE OFFICERS**Chapter** UNIFORM PROCUREMENT ACT
30B**Section 1** APPLICATION OF CHAPTER

Section 1. (a) This chapter shall apply to every contract for the procurement of supplies, services or real property and for disposing of supplies or real property by a governmental body as defined herein.

(b) This chapter shall not apply to:

(1) a contract subject to the provisions of section thirty-nine M of chapter thirty, section 11C or section 11I of chapter 25A or sections forty-four A to forty-four J, inclusive, of chapter one hundred and forty-nine;

(2) a contract subject to the provisions of sections thirty-eight A^{1/2} to thirty-eight O, inclusive, of chapter seven;

(3) an intergovernmental agreement subject to the provisions of section four A of chapter forty;

(4) a transaction with the commonwealth, except as pertains to subsection (i) of section 16;

- (5) a contract for the purchase of materials, under specifications of the state department of highways, and at prices established by the department, pursuant to advertising and bidding for such purpose, in connection with work to be performed under the provisions of chapter eighty-one or chapter ninety;
- (6) a contract for the advertising of required notices;
- (7) an agreement between agencies, boards, commissions, authorities, departments or public instrumentalities of one city or town;
- (8) an agreement for the provision of special education pursuant to chapter seventy-one B and regulations promulgated pursuant thereto;
- (9) a contract to purchase supplies or services from, or to dispose of supplies to, any agency or instrumentality of the federal government, the commonwealth or any of its political subdivisions or any other state or political subdivision thereof;
- (10) the issuance of bonds, notes or securities in accordance with procedures established by law;
- (11) contracts and investments made in accordance with sections fifty-seven or fifty-seven A of chapter thirty-five or sections sixty-seven or sixty-seven A of chapter forty-four;
- (12) a contract for the procurement of insurance or surety bonds, including an agreement subject to the provisions of sections one to sixteen, inclusive, of chapter forty M or the provisions of sections twenty-five E to twenty-five U, inclusive, of chapter one hundred and fifty-two;
- (13) contracts for the services of expert witnesses for use in an adjudicatory proceeding or litigation or in anticipation thereof;

(14) any contracts or agreements entered into by a municipal gas or electric department governed by a municipal light board, as defined by section fifty-five of chapter one hundred and sixty-four or by a municipal light commission, as defined by section fifty-six A of said chapter one hundred and sixty-four; provided, however, that any such board or commission may accept the provisions of this chapter by a majority vote of its members;

(15) contracts with labor relations representatives, lawyers, or certified public accountants;

(16) contracts with physicians, dentists, and other health care individuals or persons including nurses, nurses' assistants, medical and laboratory technicians, health care providers including diagnosticians, social workers, psychiatric workers, and veterinarians;

(17) a contract for snow plowing by a governmental body;

(18) a contract or lease by a governmental body of its boat slips, berths, or moorings;

(19) a contract for retirement board services; provided, however, that the procurements shall take place under section 23B of chapter 32;

(20) a contract which is funded by proceeds derived from a gift to a governmental body or a trust established for the benefit of a governmental body;

(21) a contract for the towing and storage for motor vehicles;

(22) a contract to provide job-related training, educational or career development services to the employees of a governmental body;

[There is no clause (23).]

AN ACT TO EXEMPT SNOW REMOVAL AND SNOW HAULING FROM THE UNIFORM
PROCUREMENT ACT

SECTION 1. Chapter 30B of the General Laws, as appearing in the 2018 Official Edition, is hereby amended by inserting in Section 1(b)(17) after the word “plowing” in line __, the following: “, snow removal and snow hauling”.



Office of the Inspector General The Commonwealth of Massachusetts

ADVISORY

Advisory Number: 2018.01

Advisory Released: October 3, 2018

CONDUCTING SNOW-RELATED PROCUREMENTS

Objective:

To clarify the applicability of M.G.L. c. 30B, the Uniform Procurement Act (“Chapter 30B”), for the procurement of snow-related supplies and services, including snow plowing, snow hauling, and ice- and snow-control supplies such as road salt and sand.¹

Key Takeaways:

- ✓ Snow **plowing** is exempt from Chapter 30B, but other snow-related services – such as snow **hauling** – are not.
- ✓ Chapter 30B exempts ice- and snow-control supplies from the so-called 25 percent rule. Section 13 of Chapter 30B allows a jurisdiction to increase the quantity of supplies or services specified in a contract if the cost of the increase does not exceed 25 percent of the original contract price. However, this is a limited exemption and the pricing and documentation requirements of Section 13 of Chapter 30B apply.
- ✓ As a best practice, your jurisdiction should use a Chapter 30B process to the extent possible for exempt services like snow plowing to ensure a fair, open and competitive process for these services.
- ✓ To avoid potential conflicts of interests, check with the State Ethics Commission if planning to use employees, their family members or an employee-affiliated business for your snow-related contracting needs.

¹ Chapter 30B establishes uniform procedures for local governments to use when buying or disposing of supplies, services or real property.

Issues:

- (1) Whether a contract for snow **hauling** is exempt from Chapter 30B under the snow **plowing** exemption;
- (2) How to procure ice- and snow-control supplies when the exact amount of supplies may vary from year to year based on weather conditions; and
- (3) Which best practices should jurisdictions use when planning for and purchasing ice- and snow-related supplies and services.

Discussion:

1. Procuring Snow Plowing and Snow Hauling Services

Under Section 1(b)(17) of Chapter 30B, “a contract for snow plowing by a governmental body” is exempt from the procurement procedures set out in Chapter 30B. Snow plowing is generally defined as the use of devices to clear away snow from a roadway, sidewalk or driveway.² Chapter 30B specifically exempts **only** snow plowing services. See M.G.L. c. 30B, § 1(b)(17).

Snow hauling services are not exempt from Chapter 30B and must, therefore, be competitively procured. Snow hauling is the process of removing snow from an area and transporting the snow to a new location.³ Often, snow hauling is required to clear accumulated snow from public property, including streets and roadways, after the completion of snow plowing operations particularly after large storms when snow accumulation may affect public safety and create disposal concerns.

In rare instances, a storm may be so large that your jurisdiction may need to supplement a snow hauling contract with extra help. Under these circumstances, a jurisdiction may be able to procure hauling services under the sound business practices or quote process, the sole-source process or the emergency procurement provision of Section 8 of Chapter 30B. However, emergency procurements are limited to only those supplies or services needed to meet the emergency. Keep in mind that during an emergency your jurisdiction is still required to conform to the requirements of Chapter 30B to the extent practicable under the circumstances. Further, your jurisdiction must document the emergency procurement as soon after the emergency as possible. See M.G.L. c. 30B, § 8. See also the Office’s [Chapter 30B Manual: Procuring Supplies, Services and Real Property](#).

Also, note that a lack of planning does not constitute an emergency. You are obligated to act in the best interest of your jurisdiction and adequately plan for snow events. This ensures that snow accumulation does not become an emergency during and after every

² See Merriam Webster Dictionary, available at <https://www.merriam-webster.com/dictionary/snowplow>.

³ See Merriam Webster Dictionary, available at <https://www.merriam-webster.com/dictionary/snow>; and Merriam Webster Dictionary, available at <https://www.merriam-webster.com/dictionary/removal> (last viewed September 19, 2018).

storm. The emergency provisions of Chapter 30B are meant to deal with events urgently when “the time required to comply with a requirement of this chapter would endanger the health or safety of the people or their property. . . .” *See* M.G.L. c. 30B, § 8. The Office interprets this to mean that emergency provisions are intended to apply to unexpected or unanticipated events. As a result, Massachusetts communities cannot claim that winter snow accumulation is an unanticipated event.

2. Procuring Ice- and Snow-Control Supplies

In addition to plowing and hauling services, your jurisdiction may need to purchase ice- and snow-control supplies. Under Chapter 30B, the dollar value of the supplies you identify for purchase will determine whether you need to use a quote or bid process. The procurement of supplies under \$10,000 requires the use of sound business practices. “Sound business practices” entail ensuring the receipt of favorable prices by periodically soliciting price lists or quotes. *See* M.G.L. c. 30B, § 2. For the procurement of supplies in the amount of \$10,000 and greater, but not more than \$50,000, you are required to use a written purchase description to solicit written quotations from no fewer than three persons customarily providing the supply. *See* M.G.L. c. 30B, § 4. The procurement of supplies in excess of \$50,000 requires a formal, sealed bid process. *See* M.G.L. c. 30B, §§ 5, 6.

A common challenge for jurisdictions is estimating supply quantities – such as road salt – that will be needed during the winter season. The Office recommends estimating quantities by reviewing actual usage in prior years, checking weather and climate predictions for the upcoming season, and consulting with other jurisdictions or agencies, including the Massachusetts Department of Transportation. You may also include contract terms expressly notifying vendors that you may require additional supplies depending on weather conditions. Ensure your quantity estimates are fair and reasonable to allow you to obtain appropriate vendor pricing. Providing accurate information allows vendors to accurately price and plan for the quantities you may need.

Another common challenge is competitively and quickly procuring supplies when your jurisdiction’s inventory runs low. Based on the amount or value of the supplies needed, your jurisdiction may use a quote or bid process to obtain the supplies. Another option is to purchase additional supplies using your existing contract. Generally, when increasing the amount of a service or quantity of a supply in a contract, Section 13 of Chapter 30B imposes a restriction that the total contract price may not increase more than 25%. *See* M.G.L. c. 30B, § 13(4). However, contracts for the purchase of road salt and other ice- and snow-control supplies are not subject to this 25% limitation.

Chapter 30B exempts road salt and other ice- and snow-control supplies from the 25% limitation. *See* M.G.L. c. 30B, § 13(4).⁴ However, despite this exemption, you must still

⁴ M.G.L. c. 30B, § 13 (4) states: “the increase in the total contract price does not exceed 25 per cent but a contract for the purchase of gasoline, special fuel, fuel oil, road salt or other ice and snow control supplies shall not be subject to this limit.”

meet the following three conditions before procuring additional supplies that exceed the original contract amount:

- a. The unit price must be the same as or less than the price in the original contract;
- b. Your jurisdiction's procurement officer must document in writing that an increase is necessary to fulfill the actual needs of the jurisdiction and that it is more economical and practical than awarding another contract; and
- c. Both parties must agree to the price and the additional quantity in writing.

If your jurisdiction meets all three of the required conditions, then it may increase the quantity of road salt and other ice- and snow-control supplies under the existing contract even if the total contract price increases more than 25%. For additional information regarding contract increases, review Chapter 6 of the Office's [Chapter 30B Manual: Procuring Supplies, Services and Real Property](#).

3. Best Practices for Planning and Purchasing Ice- and Snow-Related Supplies and Services

The Office of the Inspector General recommends your jurisdiction consider the following when procuring ice- and snow-control supplies and services:

a. Anticipate Your Needs

To the extent possible, anticipate your needs well in advance of the winter season. For example, although snow amounts vary from year to year, your jurisdiction can procure a snow hauling contract based upon a reasonable expectation of needs. Look, for example, at how much road salt your jurisdiction has used each year over the past five years; this will help you evaluate how much to purchase next year. It is better to plan ahead and have contracts in place than to rely on a last-minute search.

b. Verify All Contract Options

Before purchasing road salt and sand for your jurisdiction, remember to check [COMMBUYS](#), the Operational Services Division's procurement website, for available state contracts. The state contracts may offer the supplies or services you need at a competitive price. As long as you comply with the applicable contract's User Guide, you will also meet the requirements of Chapter 30B. For example, see the User Guide for State Contract VEH95: Sodium Chloride [Road Salt] on [COMMBUYS](#).

c. Check with Your Legal Counsel or Insurance Provider

Before procuring a contract for snow plowing or snow hauling, check with your legal counsel or insurance provider to determine the amount and type(s) of liability insurance coverage contractors or drivers are required to carry. When hiring snow plow drivers, for example, personal automobile insurance may not cover the commercial use of the vehicle. Therefore, your jurisdiction should require drivers to have sufficient commercial insurance coverage in the event they damage property or someone is injured during plowing or hauling services.

d. Check with the State Ethics Commission

Generally, a municipal employee may not have a financial interest, directly or indirectly, in another municipal contract with the same municipality. See M.G.L. c. 268A, § 20. For example, some jurisdictions contract with off-duty firefighters or other municipal employees to perform snow plowing and snow hauling services. Depending on the specific circumstances, state law may place some restrictions on – or completely prohibit – such an arrangement.

Similarly, a municipal employee may not participate as a municipal employee in a particular matter in which, to their knowledge, their immediate family or partner, or their business has a financial interest. *Id.* at § 19. For instance, a municipal employee responsible for contracting for snow removal cannot hire a spouse's company to remove snow for the municipality.

For additional information, you should contact the [State Ethics Commission](#) for guidance on the application of the ethics law to specific circumstances.

e. Think about Competition

Although snow plowing services are exempt from Chapter 30B, your jurisdiction should consider using a fair and open competitive process to ensure your jurisdiction gets the best price from a responsible and responsive vendor. Competitive practices not only lead to better prices and more transparency, they also help you gain more information regarding the vendor's past experience and facilitates making the vendor's responsibility determination.

Conclusion

While snow plowing services are exempt from Chapter 30B, snow hauling services must be competitively procured under Chapter 30B. And although snow plowing is exempt, your jurisdiction should still consider conducting an open, fair and competitive procurement. Further, when procuring ice- and snow-control supplies, try to anticipate what your local jurisdiction will need over the entire winter season. If your jurisdiction needs to increase the contracted amount of snow-control supplies, then make sure to comply with Section 13 of Chapter 30B.

Additional Resources

M.G.L. c. 30B, § 1(b)(17).

M.G.L. c. 268A.

The Chapter 30B Manual: Procuring Supplies, Services and Real Property, Office of the Inspector General. (2016).

Procurement Bulletin, Office of the Inspector General, Vol. 21, Issue # 1, (Apr. 2015), available at <https://www.mass.gov/files/documents/2016/08/rb/nlapr15.pdf>.

Procurement Bulletin, Office of the Inspector General, Vol. 22, Issue # 1, (Jan. 2016), available at <https://www.mass.gov/files/documents/2017/01/ok/nljan16.pdf>.

Procurement Bulletin, Office of the Inspector General, Vol. 23, Issue # 1, (Jan. 2017), available at <https://www.mass.gov/files/documents/2016/08/rb/nlapr15.pdf>.

Guides by Type of Conflict of Interest – Gifts, self-dealing, misuse of position, etc., State Ethics Commission, available at <https://www.mass.gov/service-details/guides-by-type-of-conflict-of-interest-gifts-self-dealing-misuse-of-position-etc>.

Summary of the Conflict-of-Interest Law for Municipal Employees, State Ethics Commission, available at <https://www.mass.gov/service-details/summary-of-the-conflict-of-interest-law-for-municipal-employees>.

For additional information, technical assistance, or to report fraud, waste or abuse, please contact the Office of the Inspector General through the contact telephone numbers, email addresses or mailing addresses outlined below:

Main Telephone Number:	(617) 727-9140
Fax:	(617) 723-2334
Email:	MA-IGO-General-Mail@state.ma.us
Website:	www.mass.gov/ig
Mailing Address:	Office of the Inspector General One Ashburton Place, Room 1311 Boston, MA 02108
For Chapter 30B Technical Assistance:	
Telephone:	(617) 722-8838
Email:	30BHotline@state.ma.us
For the MCPPO Program:	
Telephone:	(617) 727-9140
Email:	MA-IGO-Training@state.ma.us
To report fraud, waste, or abuse:	
Telephone:	(800) 322-1323 confidential hotline
Email:	IGO-FightFraud@state.ma.us



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/8/2020

Agenda Item	Heather Lane Definitive Subdivision & Heather Lane Extension Residential Compound and Definitive Subdivision
Presenter(s)	Kate Fitzpatrick, Town Manager

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Planning Board required two declaration of restrictive covenants and a conservation restriction as a condition of the Board's approval of the Heather Lane Definitive Subdivision Plan and the Heather Lane Extension Residential Compound and Definitive Subdivision Plan. Select Board approval and execution of these items is required for them to be operative. The documents have been reviewed and approved by Town Counsel.	
2.	VOTE REQUIRED BY SELECT BOARD
<i>Suggested Motion:</i> that the Board approve and sign the Heather Lane Declaration of Restrictive Covenants dated December 1, 2020; the Heather Lane Extension Declaration of Restrictive Covenants dated December 1, 2020; and the Heather Lane Conservation Restriction to Town of Needham, Massachusetts dated December 1, 2020.	
3.	BACK UP INFORMATION ATTACHED
a. Letter from Lee Newman, Director of Planning & Community Development dated December 3, 2020. b. Heather Lane Declaration of Restrictive Covenants dated December 1, 2020. c. Heather Lane Extension Declaration of Restrictive Covenants dated December 1, 2020 d. Heather Lane Conservation Restriction to Town of Needham, Massachusetts dated December 1, 2020.	



December 3, 2020

Ms. Kate Fitzpatrick
Town Manager
1471 Highland Avenue
Needham, MA 02492

Re: Heather Lane Definitive Subdivision
Heather Lane Extension Residential Compound and Definitive Subdivision

Dear Ms. Fitzpatrick:

Enclosed please find copies of the following documents:

1. Heather Lane Declaration of Restrictive Covenants dated December 1, 2020.
2. Heather Lane Extension Declaration of Restrictive Covenants dated December 1, 2020; and
3. Heather Lane Conservation Restriction to Town of Needham, Massachusetts dated December 1, 2020.

The above-named documents were required by the Needham Planning Board as a condition of the Board's approval of the Heather Lane Definitive Subdivision Plan and the Heather Lane Extension Residential Compound and Definitive Subdivision Plan. Please have the Board of Selectmen accept and execute items 1, 2 and 3 noted above at their next meeting of Tuesday, December 8, 2020. The original documents will be delivered to your office next week in advance of the December 8, 2020 after the Conservation Commission acts on the Conservation Restriction. Chris Heep has reviewed and approved the documents. Chris Heep will also need to sign the documents as Town Counsel.

Please contact me following execution of the documents, and I will arrange for a member of my staff to pick-up the signed originals. Should you have any questions regarding this matter, please feel free to contact me directly. Thank you for your assistance.

Very truly yours,

NEEDHAM PLANNING BOARD

Lee Newman

Lee Newman
Director of Planning and Community Development

cc: Chris Heep
Carys Lustig
Tony Del Gaizo
Robert T. Smart

HEATHER LANE DECLARATION OF RESTRICTIVE COVENANTS

KNOW ALL MEN BY THESE PRESENTS that **William J. Piersiak, Trustee of the 768B Chestnut Street Realty Trust**, owner of 764 and 768B Chestnut Street, Needham, MA 02492, **Koby Kempel, Manager of 766 Chestnut LLC**, owner of 766 Chestnut Street, Needham, MA 02492, and **William John Piersiak**, owner of 768 and 768A Chestnut Street, Needham, MA 02492, (hereinafter, collectively “**Declarants**”), being the owners of record of certain real estate situated in Needham, Norfolk County, Massachusetts, described on Exhibit A.

The Declarant’s titles, see: for 766 Chestnut LLC, Book 36038, Page 67, for William John Piersiak, Book 26628, Page 469, and for 768B Chestnut Realty Trust, Book 26628, Page 469, Book 38112, Page 280, and Book 38112, Page 577, all at the Norfolk Registry of Deeds.

The Declarants hereby impose upon said premises the restrictions listed below in accordance with the Decision of the Planning Board of the Town of Needham dated August 11, 2020 entitled Definitive Subdivision Decision, Heather Lane (the “Decision”), in which the Planning Board approved the subdivision as shown on the plan to be recorded herewith subject to the conditions and waivers therein set forth for construction of the private way known as Heather Lane.

The subdivision approval is based on the plans entitled “Definitive Subdivision Plans for Heather Lane, 764, 766, 768-768A & 768B Chestnut Street, Needham, MA”, prepared by Kelly Engineering Group, Inc., 0 Campanelli Drive, Braintree, MA 02184 and consisting of 13 Sheets; Sheet 1, No. 1, “Definitive Subdivision Plans for Heather Lane, 764, 766, 768-768A & 768B Chestnut Street, Needham, MA”, dated March 3, 2020, revised September 1, 2020; Sheet 2, No. 2, “Key Sheet”, dated March 3, 2020, revised July 7, 2020, July 22, 2020 and September 1, 2020; Sheet 3, No. 3A “Existing Conditions Plan,” dated March 3, 2020; Sheet 4, No. 3B, “Existing Conditions Plan”, dated March 3, 2020; Sheet 5, No. 3C, “Existing Conditions Plan”, dated March 3, 2020; Sheet 6, No. 4A, “Lotting Plan”, dated March 3, 2020, revised July 7, 2020 and July 22, 2020; Sheet 7, No. 4B, “Lotting Plan”, dated March 3, 2020, revised July 7, 2020, July 22, 2020, and September 1, 2020; Sheet 8, No. 4C, “Lotting Plan”, dated March 3, 2020, revised July 7, 2020, July 22, 2020, and September 1, 2020; Sheet 9, No. 5, “Plan & Profile Heather Lane”, dated March 3, 2020, revised July 7, 2020 and July 22, 2020; Sheet 10, No. 6, “Grading Plan”, dated March 3, 2020, revised July 7, 2020, July 22, 2020 and September 1, 2020; Sheet 11, No. 7, “Utility Plan,” dated March 3, 2020, revised July 7, 2020 and July 22, 2020; Sheet 12, No. 8, “Detail Plan,” dated March 3, 2020; Sheet 13, No. 9, “Detail Sheet,” dated March 3, 2020 (the “Plan”). Plan Sheets 4A, 4B and 4C are being recorded herewith.

Said premises are shown on said Plan as Lot 1, Lot 2, Lot 3, Lot 4, Lot 5 and Lot 6 **Heather Lane**, a private way. The Declarants hereby impose the restrictions on said Lots 1 through 6 and the private way (Private Way” or “Heather Lane”), for the benefit of the Town of Needham and each other record owner or owners of Lots 1 through 6 on said Plan, their successors and assigns, said restrictions and covenants to be covenants running with said Lots 1 through 6 and the Private Way, and to be binding on the record owners, their successors and assigns, in perpetuity.

1. The waiver of street construction requirements, as fully set forth in Paragraphs 1.a, 1.b, 1.c, 1.d, 1.e and 1.f of the Decision is expressly conditioned upon and subject to the restriction that neither the owner nor any successor owner or owners of Lot 1, Lot 2, Lot 3, Lot 4, Lot 5, Lot 6 and the Private Way as shown on the Plan (hereinafter in paragraphs 1 through 10 inclusive referred to individually as a Lot or collectively as the Lots) shall use the Lots for any purpose other than single-family residential use, as shown on the Plan, as approved by the Board and recorded herewith, and there shall be no further division of Lot 1, Lot 2, Lot 3, Lot 5 or Lot 6 as shown thereon without the prior written approval of the Planning Board. Lot 4 is intended to be subdivided into five Residential Compound lots pursuant to the Board's "Definitive Subdivision Decision, Heather Lane Extension 768-768A Chestnut Street, Needham, MA", dated August 11, 2020.

2. Each and every owner or owners of any Lot served by the Private Way shall be jointly and severally responsible and liable through the **Heather Lane Homeowners Association Trust** ("Trust") for the costs of the maintenance, repair and reconstruction of the Private Way shown on the Plan and designated thereon and all services the installation of which is required in connection with this subdivision approval, or which may be installed at any time, including, without limitation, maintenance, repair and reconstruction of roadways, water, sewer and drainage facilities and other utilities and related equipment, curbs, monuments, landscaping and street signs, as and whenever necessary, and including all actions of any kind or nature necessary or appropriate in order to maintain the Private Way in a good, safe, and passable condition, including snow plowing, providing access from each Lot to a public way, as shown on the Plan, and to provide adequate services to each Lot, all in accordance with these conditions. For purposes hereof, Owner shall mean the record owner of the Lot or Lots, as of the date that the maintenance, repair, or reconstruction work, as the case may be, is begun.

3. Each owner of a Lot through the Heather Lane Association Trust shall perform all maintenance, repairs and reconstruction required for or on the Private Way in compliance with and in conformity with requirements of the Town of Needham and other requirements imposed by law or governmental authority. The within requirement shall be included in all deeds of the Lots.

4. The respective owner or owners of any Lot, and/or the Trustees under the Heather Lane Association Trust, shall not use or permit use of the Private Way for any purpose other than ingress and egress from the lots by the residents of the Lots and their guests and invitees, such use to be limited to pedestrian and private passenger vehicular traffic, and such other vehicular traffic as are necessary from time to time in cases of emergency, delivery of customary and usual household services and equipment or in connection with the maintenance, repair or reconstruction of the Private Way and services installed thereon, or thereunder. No owner or owners of any Lot shall park or cause to be parked any motor vehicle on the Private Way in such a way as to impede or obstruct the passage of pedestrian or vehicular traffic on the Private Way.

5. Any and all maintenance, repair or reconstruction work performed on or to the Private Way or in connection with services installed thereon or thereunder by or at the direction of any owner or owners of any Lot as provided herein shall be carried out so as to ensure that no fill material nor any products or excavation or erosion resulting from or arising in connection with such work shall be discharged into any storm drainage system, and soil and other material or debris shall be removed from the site only to the extent necessary in connection with such work.

6. Neither the Declarants nor any successor owner or owners of any Lot shall at any time request that the Private Way be laid out or accepted as a public way in the Town of Needham unless such owner or owners at its or their sole expense, perform and complete such work as is necessary to cause the Private Way to comply with all standards and regulations of the Town of Needham, and obtain all permits and approvals required by law in connection therewith. If the Private Way is accepted by the Town of Needham as a public way at any time, then the provisions hereof applicable to ownership and maintenance of the Private Way shall thereupon terminate.

7. Neither the Declarants nor any successor owner or owners of any Lot shall at any time request or petition that any drainage system, water or sewer pipes or related equipment of any other improvement within the subdivision, for which design or improvement requirements have been waived by the Board as provided in the Board's subdivision approval, be accepted or maintained by the Town of Needham.

8. The Town of Needham and its designees shall have the right to enter upon the Private Way for all appropriate purposes for which public ways are used in the Town of Needham.

9. In any sale or transfer by the owners or any successor owner or owners of any of the Lots, the deed or other instrument shall refer to and incorporate conditions 1 through 13 inclusive, and any conveyance shall include transfer of a fee interest or the perpetual right and easement to use the Private Way in common with others lawfully entitled thereto for all purposes for which public ways in the Town of Needham may now or hereafter be used consistent with the provisions hereof, and the subsurface areas, equipment, and facilities, used and maintained in connection with the provision of water, sewer, drainage and other utility services provided to the conveyed premises. Any deed or other instrument purporting to transfer or convey any interest in any Lot or Lots which does not expressly refer to and incorporate these conditions shall, nevertheless, be deemed to contain the same and all events shall be subject thereto.

10. Lots 1 through 6 inclusive as shown on the Plan shall be accessed solely from Heather Lane. Vehicular access to Heather Lane shall be limited to said Lots 1, 2, 3, 4 (and the five residential compound lots being created therefrom), 5, 6, and to existing Lot A (770 Chestnut Street) and existing Lot 2A (776 Chestnut Street), as presently shown on the Plan.

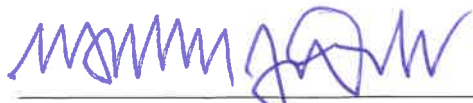
11. Street lighting shall be provided in the subdivision. The light sources shall be on posts at least 10 feet high and shall be controlled by photovoltaic switches. Maintenance and electricity shall be supplied by the abutting lots. Post lighting shall be supplied for each lot in the Subdivision.

12. The island in the center of the Heather Lane cul-de-sac shall be landscaped and maintained in accordance with the Plan. The island landscaping shall be maintained by the record owners of Lots 1 through 6 through the Heather Lane Homeowners Trust Agreement.

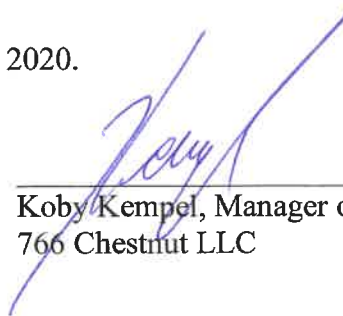
13. The existing and proposed houses within the six-lot subdivision are each required to have dry wells. The dry wells for each house shall have volumetric capacity sufficient to store 1 inch of roof runoff. Each record owner, whether one or more persons or entities, of title to Lots 1 through 6, as shown on the Plan, shall maintain and keep operational their respective roof drainage system in accordance with the Plan and the above-noted standard.

14. This Restrictive Covenant incorporating the conditions of the Decision will be recorded in the Registry of Deeds and shall run with the land and shall be enforceable by the Town of Needham. This Restrictive Covenant shall be referenced on the Plan and shall be recorded therewith. This Restrictive Covenant shall be enforceable in perpetuity or for the longest period permitted by law and in any event for 100 years.

Executed this 1ST day of December, 2020.



William J. Piersiak, Trustee of the
768B Chestnut Street Realty Trust



Koby Kempel, Manager of
766 Chestnut LLC



William John Piersiak, individually
and as Trustee of Heather Lane
Homeowners Association Trust

COMMONWEALTH OF MASSACHUSETTS

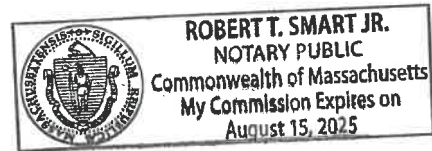
Norfolk County, ss

On this 1ST day of December, 2020, before me, the undersigned notary public, personally appeared William J. Piersiak, also known as William John Piersiak, and Koby Kempel, proved to me through satisfactory evidence of identification, which was my personal knowledge of their identities, to be the persons whose names are signed on the preceding or attached document, and acknowledged to me that they signed it voluntarily for its stated purpose, individually and their representative capacities.



Robert T. Smart, Jr., Notary Public
My Commission Expires: 8/15/25

Approved as to Form
By Town Counsel



ACKNOWLEDGEMENT AND ASSENT OF MORTGAGEE

The present holder of a mortgage (the "Mortgage") upon Lots 1 and 2 of the Heather Lane Subdivision property is the Village Bank, of 320 Needham Street, Suite 200, Newton, MA 02464. The mortgage is dated February 7, 2020 and is recorded at the Norfolk Registry of Deeds in Book 37595, Page 512. The Mortgagee agrees that the terms and conditions set forth in the attached Declaration of Restrictive Covenants shall have the same status, force and effect as though executed and recorded before Mortgagee's acceptance of the Mortgage and further agrees that the Mortgage shall be subordinate to the above Declaration of Restrictive Covenants.

IN WITNESS WHEREOF, the said Village Bank has caused its corporate seal to be affixed and these presents to be signed and acknowledged and delivered in its name and on its behalf by Andrew S. Franklin, Senior Vice President, who is duly authorized to sign on the Bank's behalf, this 3rd day of December, 2020.

VILLAGE BANK, by:



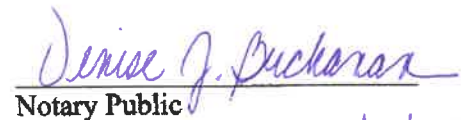
Andrew S. Franklin
Senior Vice President

COMMONWEALTH OF MASSACHUSETTS

Norfolk, ss

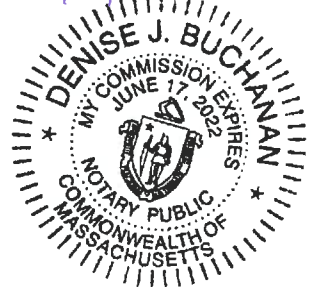
December 3, 2020

Then personally appeared the above-named Andrew S. Franklin, and he acknowledged the foregoing to be his free act and deed and the free act and deed of Village Bank, before me.



Notary Public

My Commission Expires: 6/17/2022



ACCEPTANCE BY THE TOWN OF NEEDHAM

The foregoing Declaration of Restrictive Covenants hereby is accepted by the Town of Needham, subject to the terms and conditions set forth therein.

TOWN OF NEEDHAM
By Its Select Board

By: _____
Name:
Title:

COMMONWEALTH OF MASSACHUSETTS

_____ County, ss

On this ____ day of _____, 2020, before me, the undersigned notary public, personally appeared _____, Select Board member of the Town of Needham, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public:
My Commission Expires:

EXHIBIT A: HEATHER LANE SUBDIVISION PROPERTY

The 26.904 acre parcel of land described in the second paragraph of the Definitive Subdivision Decision, Heather Lane, dated August 11, 2020 which reads as follows:

Beginning at a point on the easterly side of Chestnut Street, at the northwesterly corner of the herein described premises, thence; Running S36° 23' 52"E a distance of 38.05' to a point; Thence turning and running S 87° 02' 45"E a distance of 703.32' to a point; Thence turning and running N82° 55' 00"E a distance of 428.45' to a point; Thence turning and running S19° 23' 30"E a distance of 230.30' to a point; Thence turning and running S18° 57' 00"E a distance of 625', more or less to the Charles River; Thence turning and running southerly and westerly by the Charles River a distance of 1,564', more or less, to a point; Thence turning and running N14° 09' 11"E a distance of 679.53' to a point; Thence running along a curve to the right having a radius of 1,917.51' and an arc length of 144.78' to a point; Thence running along a curve to the left having a radius of 115.80' and an arc length of 49.25' to a point; Thence turning and running N73° 13' 00"W a distance of 42.86' to a point; Thence running along a curve to the right having a radius of 192.40' and an arc length of 59.52' to a point; Thence turning and running N55° 29' 32"W a distance of 100.92' to a point; Thence running along a curve to the left having a radius of 276.96' and an arc length of 62.36' to a point; Thence running along a curve to the left having a radius of 720.00' and an arc length of 92.46' to a point; Thence turning and running N75° 45' 00"W a distance of 85.00' to a point on the easterly side of Chestnut Street; Thence turning and running by the easterly side of Chestnut Street N14° 15' 00"E a distance of 150.00' to the point and place of beginning. The described area contains 26.904 acres.

HEATHER LANE EXTENSION
DECLARATION OF RESTRICTIVE COVENANTS

KNOW ALL MEN BY THESE PRESENTS that **William John Piersiak**, owner of 768 and 768A Chestnut Street, Needham, MA 02492, (hereinafter, the “**Declarant**”), being the owner of record of certain real estate situated in Needham, Norfolk County, Massachusetts, described on Exhibit A (hereinafter the “premises”).

For the Declarant’s title to the premises, see Book 26628, Page 469, at the Norfolk County Registry of Deeds.

The Declarant hereby imposes upon said premises the restrictions listed below in accordance with the Decision of the Planning Board of the Town of Needham dated august 13, 2020, entitled Definitive Subdivision Decision, Heather Lane Extension (the “Decision”), in which the Planning Board approved the subdivision and residential compound application as shown on the plans to be recorded herewith, subject to the conditions and waivers therein set forth for construction of the private way known as Heather Lane Extension.

The subdivision and residential compound approval is based on the plans entitled “Definitive Subdivision Plans and Residential Compound Special Permit, 768-768A Chestnut Street, Lot 4 Heather Lane, Needham, MA”, prepared by Kelly Engineering Group, Inc., 0 Campanelli Drive, Braintree, MA 02184 and consisting of 7 Sheets; Sheet 1, No. 1, “Definitive Subdivision Plans and Residential Compound Special Permit for Heather Lane, 768-768A Chestnut Street, Needham, MA ”, dated March 3, 2020, revised September 1, 2020; Sheet 2, No. 2, “Existing Conditions Plan,” dated March 3, 2020; Sheet 3, No. 3, “Lotting Plan”, dated March 3, 2020, revised July 7, 2020, July 22, 2020 and September 1, 2020; Sheet 4, No. 4, “Grading Plan”, dated March 3, 2020, revised July 7, 2020; Sheet 5, No. 5, “Sewer& Drain Plan”, dated March 3, 2020, revised July 7, 2020; Sheet 6, No. 6, “Utility Plan”, dated March 3, 2020, revised July 7, 2020, July 22, 2020 and September 1, 2020; Sheet 7, No. 7, “Detail Sheet”, dated March 3, 2020, revised July 7, 2020, July 22, 2020 and September 1, 2020 (the “Plan”). Plan Sheet 3 is being recorded herewith.

Said premises are shown on said Residential Compound Plan as **RC-Lot 1, RC-Lot 2, RC-Lot 3, RC-Lot 4, and RC-Lot 5** on Heather Lane Extension, a private way.

In consideration of the waivers of street construction requirements set forth in Paragraphs 1.a, 1.b, 1.c, 1.d, 1.e ,1.f, 1.g, 1.h, 1.i of the Decision, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, and further in compliance with the conditions set forth in the Decision, the Declarants hereby impose the restrictions on said five Lots and the private way (Private Way” or “Heather Lane Extension”), for the benefit of the Town of Needham and each other record owner or owners of each of said five Lots on said Plan, their successors and assigns, said restrictions and covenants to be covenants running with said Lots and the Private Way, and to be binding on the record owners, their successors and assigns, in perpetuity.

1. Neither the owner nor any successor owner or owners of any of said Lots and the Private Way as shown on the Plan (hereinafter in paragraphs 1 through 10 inclusive referred to individually as a Lot or collectively as the Lots) shall use the Lots for any purpose other than single-family residential use, as shown on the Plan, as approved by the Board and recorded herewith, and there shall be no further division of the Lots as shown thereon without the prior written approval of the Planning Board.

2. Each and every owner or owners of any Lot served by the Private Way shall be jointly and severally responsible and liable through the **Heather Lane Extension Homeowners Association Trust** ("Trust") for the costs of the maintenance, repair and reconstruction of the Private Way known as Heather Lane Extension, which is shown on the Plan and designated thereon, and all services the installation of which is required in connection with this subdivision approval, or which may be installed at any time, including, without limitation, maintenance, repair and reconstruction of roadways, water, sewer and drainage facilities and other utilities and related equipment, curbs, monuments, landscaping and street signs, as and whenever necessary, and including all actions of any kind or nature necessary or appropriate in order to maintain the Private Way in a good, safe, and passable condition, including snow plowing, providing access from each Lot to a public way, as shown on the Plan, and to provide adequate services to each Lot, all in accordance with these conditions. For purposes hereof, Owner shall mean the record owner of the Lot or Lots, as of the date that the maintenance, repair, or reconstruction work, as the case may be, is begun.

3. Each owner of a Lot through the Trust shall perform all maintenance, repairs and reconstruction required for or on the Private Way in compliance with and in conformity with requirements of the Town of Needham and other requirements imposed by law or governmental authority. The within requirement shall be included in all deeds of the Lots.

4. The respective owner or owners of any Lot, and/or the Trustees under the Trust, shall not use or permit use of the Private Way for any purpose other than ingress and egress from the lots by the residents of the Lots and their guests and invitees, such use to be limited to pedestrian and private passenger vehicular traffic, and such other vehicular traffic as are necessary from time to time in cases of emergency, delivery of customary and usual household services and equipment or in connection with the maintenance, repair or reconstruction of the Private Way and services installed thereon, or thereunder. No owner or owners of any Lot shall park or cause to be parked any motor vehicle on the Private Way in such a way as to impede or obstruct the passage of pedestrian or vehicular traffic on the Private Way.

5. Any and all maintenance, repair or reconstruction work performed on or to the Private Way or in connection with services installed thereon or thereunder by or at the direction of any owner or owners of any Lot as provided herein shall be carried out so as to ensure that no fill material nor any products or excavation or erosion resulting from or arising in connection with such work shall be discharged into any storm drainage system, and soil and other material or debris shall be removed from the site only to the extent necessary in connection with such work.

6. Neither the Declarant nor any successor owner or owners of any Lot shall at any time request that the Private Way be laid out or accepted as a public way in the Town of Needham unless such owner or owners at its or their sole expense, perform and complete such work as is necessary to cause the Private Way to comply with all standards and regulations of the Town of Needham, and obtain all permits and approvals required by law in connection therewith. If the Private Way is accepted by the Town of Needham as a public way at any time, then the provisions hereof applicable to ownership and maintenance of the Private Way shall thereupon terminate.

7. Neither the Declarant nor any successor owner or owners of any Lot shall at any time request or petition that any drainage system, water or sewer pipes or related equipment of any other improvement within the subdivision, for which design or improvement requirements have been waived by the Board as provided in the Board's subdivision approval, be accepted or maintained by the Town of Needham.

8. The Town of Needham and its designees shall have the right to enter upon the Private Way for all appropriate purposes for which public ways are used in the Town of Needham.

9. In any sale or transfer by the owners or any successor owner or owners of any of the Lots, the deed or other instrument shall refer to and incorporate conditions 1 through 12 of the Decision, inclusive, and any conveyance shall include transfer of a fee interest or the perpetual right and easement to use the Private Way in common with others lawfully entitled thereto for all purposes for which public ways in the Town of Needham may now or hereafter be used consistent with the provisions hereof, and the subsurface areas, equipment, and facilities, used and maintained in connection with the provision of water, sewer, drainage and other utility services provided to the conveyed premises. Any deed or other instrument purporting to transfer or convey any interest in any Lot or Lots which does not expressly refer to and incorporate these conditions shall, nevertheless, be deemed to contain the same and all events shall be subject thereto.

10. Each of the Lots as shown on the Plan shall be accessed solely from Heather Lane and Heather Lane Extension.

11. Street lighting shall be provided in the subdivision in accordance with the Plan. The light sources shall be on posts at least 8 feet high and shall be controlled by photovoltaic switches. Post lighting shall be supplied as shown on the Plan. The lighting system shall be maintained, and the electricity shall be supplied through the Heather Lane Extension Homeowners Trust Agreement.

12. The existing and proposed houses within the five-lot subdivision are each required to have dry wells. The dry wells for each house shall have volumetric capacity sufficient to store 1 inch of roof runoff. Each record owner, whether one or more persons or entities, of title to Lots 1 through 5, as shown on the Plan, shall maintain and keep operational their respective roof drainage system in accordance with the Plan and the above-noted standard.

13. This Restrictive Covenant incorporating the conditions of the Decision will be recorded in the Registry of Deeds and shall run with the land and shall be enforceable by the Town of Needham. This Restrictive Covenant shall be referenced on the Plan and shall be recorded therewith. This Restrictive Covenant shall be enforceable in perpetuity or for the longest period permitted by law and in any event for 100 years.

14. There are no mortgages on the Property.

WITNESS the execution hereof under seal this 1st day of December, 2020.



William John Piersiak, individually
and as Trustee of Heather Lane
Extension Homeowners Association
Trust

COMMONWEALTH OF MASSACHUSETTS

Norfolk County, ss

On this 1st day of December, 2020, before me, the undersigned notary public, personally appeared William John Piersiak, proved to me through satisfactory evidence of identification, which was my personal knowledge of his identity, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose, individually and as Trustee.



Robert T. Smart, Jr., Notary Public
My Commission Expires 8/15/25

Approved as to Form
By Town Counsel

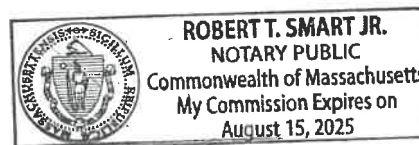


EXHIBIT A: HEATHER LANE EXTENSION SUBDIVISION PROPERTY

The 13.26 acre parcel of land described in the second paragraph of the Definitive Subdivision Decision, Heather Lane Extension, dated August 11, 2020 which reads as follows:

Beginning at a point on the northerly side of Proposed Heather Lane, at the northwesterly corner of the herein described premises, thence; Running N55° 23' 56"E a distance of 64.53' to a point; Thence turning and running N 68° 05' 00"E a distance of 17.20' to a point; Thence turning and running N67° 01' 35"E a distance of 180.99' to a point; Thence turning and running N46° 24' 47"E a distance of 73.49' to a point; Thence turning and running N15° 06' 04"W a distance of 75.07' to a point; Thence turning and running N82° 58' 00"E a distance of 512.27' to a point; Thence turning and running S18° 57' 00"E a distance of 625', more or less to the Charles River; Thence turning and running southerly and westerly by the Charles River a distance of 1,107', more or less, to a point; Thence turning and running N14° 09' 11"E a distance of 636', more or less to a point; Thence turning and running N25° 16' 26"W a distance of 93.40' to a point on the easterly side of the Proposed Heather Lane; Thence running along a curve to the left having a radius of 60.00'' and an arc length of 184.88' to a point; Thence running along a curve to the right having a radius of 25.00' and an arc length of 25.32' to a point; Thence turning and running N53° 47' 08"W a distance of 21.84' to the point and place of beginning. The described area contains 13.26 acres, more or less.

ACCEPTANCE BY THE TOWN OF NEEDHAM

The foregoing Declaration of Restrictive Covenants hereby is accepted by the Town of Needham, subject to the terms and conditions set forth therein.

TOWN OF NEEDHAM
By Its Select Board

By: _____
Name:
Title:

COMMONWEALTH OF MASSACHUSETTS

_____ County, ss

On this ____ day of _____, 2020, before me, the undersigned notary public, personally appeared _____, Select Board member of the Town of Needham, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

Notary Public:
My Commission Expires:

GRANTOR: William John Piersiak
GRANTEE: Town of Needham, acting by and
through its Conservation Commission
ADDRESS OF PREMISES: 768-768A Chestnut Street,
Needham, MA
FOR GRANTOR'S TITLE SEE: Norfolk County Registry
of Deeds at Book 36756, page 532.

CONSERVATION RESTRICTION

William John Piersiak, of 768 Chestnut Street, Needham, Norfolk County, Massachusetts 02492, constituting all of the owner(s), for my successors and assigns ("Grantor"), acting pursuant to Sections 31, 32, and 33 of Chapter 184 of the Massachusetts General Laws, grant with QUITCLAIM COVENANTS to Town of Needham, a municipal corporation with an address of 500 Dedham Avenue, Needham, Massachusetts 02492, acting by and through its Conservation Commission by authority of Section 8C of Chapter 40 of the Massachusetts General Laws, their permitted successors and assigns ("Grantee"), for nominal consideration, IN PERPETUITY AND EXCLUSIVELY FOR CONSERVATION PURPOSES, the following Conservation Restriction on an area of land located in the Town of Needham marked as "Conservation Restriction" on a Plan entitled "Heather Lane, Needham, MA Conservation Restriction Plan", dated November 18, 2020, prepared by Kelly Engineering Group ("Plan"). The restricted land is hereinafter referred to as the "Premises". The Premises are located within Lot 4, as shown on the Plan, and also within RC-Lot 3, RC-Lot 4, and RC-Lot 5 on a plan entitled "Definitive Subdivision Plans and Residential Compound Special Permit, 768-768A Chestnut Street, Lot 4 Heather Lane, Needham, MA", dated March 3, 2020, last revised September 1, 2020, prepared by Kelly Engineering Group, recorded herewith, and shown in the reduced copy of a survey plan of land in Exhibit A incorporated herein and attached hereto.

For Grantor's title to said land, see deed dated April 23, 2019, recorded with the Norfolk Registry of Deeds in Book 36756, Page 532.

This Conservation Restriction does not affect or limit the rights of the Massachusetts Water Resources Authority (MWRA) as set forth in a Sewer Easement shown on Exhibit A.

I. PURPOSES:

This Conservation Restriction is defined in and authorized by Sections 31, 32, and 33 of Chapter 184 of the Massachusetts General Laws and otherwise by law. The purpose of this Conservation Restriction is to ensure that the Premises will be maintained in perpetuity for conservation purposes, in a natural, scenic and undeveloped condition, and to prevent any use or change that would impair or interfere with its conservation and preservation values ("conservation values").

This Conservation Restriction is required by the Heather Lane Subdivision Decision, and the Heather Lane Extension Subdivision Decision, both issued by the Needham Planning Board on August 11, 2020.

The Premises provide protection of significant scenic, aesthetic, and ecological values, comprised of wildlife habitat, groundwater supply, storm and flood prevention, and pollution attenuation. The Premises also contain wetland areas, including isolated vegetated wetlands bordering vegetated wetlands, bank, and a Riverfront Area. The Premises border the Charles River and will protect the water quality of the Charles River, and Priority Habitat for Rare Species and Estimated Habitat, as identified by The Natural Heritage and Endangered Species Program (NHESP). The Grantor and Grantee share the common purpose of conserving the natural values of the Premises for the present generation and future generations.

II. PROHIBITED ACTS AND USES, EXCEPTIONS THERETO, AND PERMITTED USES

A. Prohibited Acts and Uses

Subject to the exceptions set forth herein, the Grantor will not perform or allow others to perform the following acts and uses which are prohibited on, above, and below the Premises:

- (1) Constructing, placing or allowing to remain any temporary or permanent building, tennis court, landing strip, mobile home, swimming pool, asphalt or concrete pavement, sign, fence, billboard or other advertising display, antenna, utility pole, tower, solar panel, solar array, conduit, line or other temporary or permanent structure or facility on, above or under the Premises;
- (2) Mining, excavating, dredging or removing from the Premises of soil, loam, peat, gravel, sand, rock or other mineral resource or natural deposit or otherwise making topographical changes to the area;
- (3) Placing, filling, storing or dumping of soil, refuse, trash, vehicle bodies or parts, rubbish, debris, junk, tree and other vegetation cuttings generated off-site, waste or other substance or material whatsoever or the installation of underground storage tanks;
- (4) Cutting, removing or otherwise destroying trees, grasses or other vegetation, except as allowed in the Reserved Rights and Exceptions set forth in subsection B hereof;

- (5) Activities detrimental to drainage, flood control, water conservation, water quality, erosion control, soil conservation, wildlife habitat, or archaeological conservation;
- (6) Use, parking or storage of vehicles including motorcycles, mopeds, all-terrain vehicles, trail bikes, or any other motorized vehicles on the Premises except for vehicles necessary for public safety (i.e., fire, police, ambulance, other government officials) in carrying out their official duties or as necessary for the mobility impaired;
- (7) The use of the Premises for business, industrial use, or for more than *de minimis* commercial recreation;
- (8) The disruption, removal, or destruction of the stone walls or granite fence posts on the Premises;
- (9) Any other use of the Premises or activity which is inconsistent with the purpose of this Conservation Restriction or which would impair its conservation values.

B. Reserved Rights and Exceptions

The Grantor reserves the right to conduct or permit the following activities and uses on the Premises, but only if such uses and activities do not impair the conservation values or purposes of this Conservation Restriction.

- (1) Vegetation Management. The selective minimal removing of brush, pruning and cutting to prevent, control or remove hazards, disease, insect or fire damage, or to preserve the present condition of the Premises;
- (2) Non-native or nuisance species. The removal of non-native or invasive species, the interplanting of native species, and the control of species in a manner that minimizes damage to surrounding, non-target species and preserves water quality; and the planting of new native trees, shrubs and vegetation to further enhance the purposes of this Conservation Restriction;
- (3) Fertilizers, pesticides, and herbicides. The selective use or application applied directly to targeted areas (not a generalized application) of any fertilizer, herbicide or pesticide or other mechanical or chemical means designed to affect only the offending target area, not the general area for the control of noxious, nuisance or invasive plant or animal species, that will not impair the habitat or water quality, in accordance with a plan approved in writing by Grantee; _
- (4) Composting. The stockpiling and composting of stumps, trees, brush, limbs, and similar biodegradable materials originating on the Premises, provided that such stockpiling and composting is in locations where the presence of such activities will not impair the conservation values (including scenic values) of this Conservation Restriction. No such activities will take place closer than one hundred (100) feet from any wetland, waterbody

or stream. All exercise of this reserved right shall take into account sensitive areas and avoid harm to nesting species during nesting season;

- (5) Trails. The marking, clearing and maintenance of existing trails. With prior approval of the Grantee, the construction of new trails or the relocation or alteration of existing trails, provided that any construction, relocation, or alteration results in trails that are no wider than 10 feet;
- (6) Signs. The erection, maintenance and replacement of signs with respect to trespass, trail access, identity and address of the occupants, sale of the Premises, the Grantee's interest in the Premises, any gift, grant, or other applicable source of support for the conservation of the Premises, the Reserved Rights, and the protected conservation values;
- (7) Outdoor Passive Recreational Activities. Walking, bird-watching, photography, picnicking, and other passive, non-motorized outdoor recreational activities that do not materially alter the landscape, do not degrade environmental quality, and do not involve more than minimal use for commercial recreational activities;
- (8) Structures. The placement of picnic tables consistent with the passive recreational use of the Premises;
- (9) Site Restoration. Any work undertaken in conjunction with the Reserved Rights described in this Paragraph II(B) shall seek to minimize disturbance to the Conservation Values and other natural features within the Premises and the Charles River or any other connected waterways that may be impacted as a result of exercising of any of the Reserved Rights described herein. Upon completion of any site work performed in conjunction with the Reserved Rights described in this Paragraph II(B), any disturbed areas shall be restored substantially to the conditions with respect to soil material, grade, and vegetated ground cover that existed prior to said work.
- (10) Permits, Regulations, Laws. The exercise of any right reserved by Grantor under this Paragraph II(B) shall be in compliance with zoning, the Wetlands Protection Act, and all other applicable federal, state and local laws, rules, regulations, and permits. The inclusion of any reserved right requiring a permit from a public agency does not imply that the Grantee or the Commonwealth takes any position whether such permit should be issued.
- (11) Best Management Practices. The exercise of any right reserved by Grantor under this Paragraph II(B) shall follow, when available and if applicable, established, up to date, and regionally-applicable Best Management Practices or similar standards developed by a governmental agency or other entity with known expertise in the area of practice and designed to protect the natural features potentially affected by the action(s).
- (12) Signs. Posting of signs prohibiting trespass where appropriate, and prohibiting public access consistent with the public access prohibitions herein set forth.

All acts and uses not prohibited herein, are permissible, provided they do not materially impair the purposes or conservation values of this Conservation Restriction.

C. Notice and Approval.

Whenever notice to or approval by Grantee is required, Grantor shall notify Grantee, by a method requiring proof of receipt, in writing not less than 60 days prior to the date Grantor intends to undertake the activity in question. The notice shall describe the nature, scope, design, location, timetable and any other material aspect of the proposed activity in sufficient detail to permit the Grantee to make an informed judgment as to its consistency with the purposes of this Conservation Restriction. Where Grantee's approval is required, Grantee shall grant or withhold approval in writing within 60 days of receipt of Grantor's request. Grantee's approval shall not be unreasonably withheld, but shall only be granted upon a showing that the proposed activity shall not impair the purposes of this Conservation Restriction.

Subject to any applicable law or regulation, failure of Grantee to respond in writing within 60 days shall be deemed to constitute approval by Grantee of the request as submitted, so long as the request sets forth the provisions of this section relating to deemed approval after 60 days in the notice, the requested activity is not prohibited herein, and the activity will not impair the conservation values or purposes of this Conservation Restriction.

III. LEGAL REMEDIES OF THE GRANTEE

A. Legal and Injunctive Relief.

The rights hereby granted shall include the right to enforce this Conservation Restriction by appropriate legal proceedings and to obtain injunctive and other equitable relief against any violations, including, without limitation, relief requiring restoration of the Premises to their condition prior to the time of the injury complained of (it being agreed that the Grantee will have no adequate remedy at law). The rights hereby granted shall be in addition to, and not in limitation of, any other rights and remedies available to the Grantee for the enforcement of this Conservation Restriction. Grantee agrees to cooperate with Grantor, and Grantor's successors and assigns, for a reasonable period of time prior to resorting to legal means in resolving issues concerning violations provided Grantor ceases objectionable actions and Grantee determines there is no ongoing diminution of the conservation values of the Conservation Restriction.

Grantor covenants and agrees to reimburse to Grantee all reasonable costs and expenses (including reasonable counsel fees) incurred in enforcing this Conservation Restriction or in taking reasonable measures to remedy, abate or correct any violation thereof, provided that a violation of this Conservation Restriction is acknowledged by Grantor or determined by a court of competent jurisdiction to have occurred. In the event of a dispute over the boundaries of the Conservation Restriction, Grantor shall pay for a survey and to have the boundaries permanently marked.

B. Non-Waiver.

Enforcement of the terms of this Conservation Restriction shall be at the discretion of Grantee. Any election by the Grantee as to the manner and timing of its right to enforce this Conservation Restriction or otherwise exercise its rights hereunder shall not be deemed or construed to be a waiver of such rights.

C. Disclaimer of Liability

By acceptance of this Conservation Restriction, the Grantee does not undertake any liability or obligation relating to the condition of the Premises pertaining to compliance with and including, but not limited to, hazardous materials, zoning, environmental laws and regulations, or acts not caused by the Grantee or its agents.

D. Acts Beyond the Grantor's Control

Nothing contained in this Conservation Restriction shall be construed to entitle the Grantee to bring any actions against the Grantor for any injury to or change in the Premises resulting from causes beyond the Grantor's control, including but not limited to fire, flood, storm and earth movement, or from any prudent action taken by the Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Premises resulting from such causes. In the event of any such occurrence, the Grantor and Grantee will cooperate in the restoration of the Premises, if desirable and feasible.

IV. ACCESS

The Grantor hereby grants to the Grantee, or its duly authorized agents or representatives, the right to enter the Premises upon reasonable written notice and at reasonable times, for the purpose of inspecting the Premises to determine compliance with or to enforce this Conservation Restriction. A representative of the Grantor shall be entitled to be present during said inspection. The Grantee is also granted, subject to the notice provisions terms and conditions of this Section IV, an easement over Heather Lane Extension for the purpose of accessing the Premises for inspecting the same to determine compliance with this Conservation Restriction.

The Grantor also grants to the Grantee, after notice of a violation and failure of the Grantor to cure said violation, the right to enter the Premises for the purpose of taking any and all actions with respect to the Premises as may be necessary or appropriate to remedy or abate any violation hereof, including but not limited to the right to perform a survey of boundary lines.

This Conservation Restriction does not grant to the general public, or to any other person not otherwise specified in this Section IV, any right to enter the Premises.

V. EXTINGUISHMENT

A. If circumstances arise in the future such as render the purpose of this Conservation Restriction impossible to accomplish, this restriction can only be terminated or extinguished, whether in whole or in part, by a court of competent jurisdiction under applicable law after review and approval by the Massachusetts Secretary of Energy and Environmental Affairs. If

any change in conditions ever gives rise to extinguishment or other release of the Conservation Restriction under applicable law, then Grantee, on a subsequent sale, exchange, or involuntary conversion of the Premises, shall be entitled to a portion of the proceeds in accordance with Paragraph V(B), subject, however, to any applicable law which expressly provides for a different disposition of the proceeds and after complying with the terms of any gift, grant, or funding requirements. Grantee shall use its share of the proceeds in a manner consistent with the conservation purpose set forth herein.

VI. DURATION & ASSIGNABILITY

A. Running of the Burden. The burdens of this Conservation Restriction shall run with the Premises in perpetuity, and shall be enforceable against the Grantor and the successors and assigns of the Grantor holding any interest in the Premises.

B. Running of the Benefit. The benefits of this Conservation Restriction shall run to the Grantee, shall be in gross and shall not be assignable by the Grantee, except in the following instances:

As a condition of any assignment, the Grantee shall require that the purpose of this Conservation Restriction continues to be carried out; that the Assignee is not an owner of the fee in the Property, and the Assignee, at the time of the assignment, qualifies under Section 170(h) of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder, and is a donee eligible to receive this Conservation Restriction under Section 32 of Chapter 184 of the Massachusetts General Laws. Any assignment will comply with Article 97 of the Amendments to the Constitution of the Commonwealth of Massachusetts, if applicable.

VII. SUBSEQUENT TRANSFERS

The Grantor agrees to incorporate by reference the terms of this Conservation Restriction in any deed or other legal instrument which grants any interest in all or a portion of the Premises, including a leasehold interest. Failure to do any of the above shall not impair the validity or enforceability of this Conservation Restriction. Any transfer will comply with Article 97 of the Amendments to the Constitution of the Commonwealth of Massachusetts, if applicable.

The Grantor shall not be liable for violations occurring after their ownership. Liability for any acts or omissions occurring prior to any transfer and liability for any transfer if in violation of this Conservation Restriction shall survive the transfer. Any new owner shall cooperate in the restoration of the Premises or removal of violations caused by prior owner(s) and may be held responsible for any continuing violations.

VIII. ESTOPPEL CERTIFICATES

Upon request by the Grantor, the Grantee shall, within sixty (60) days execute and deliver to the Grantor any document, including an estoppel certificate, which certifies the Grantor's compliance or non-compliance with any obligation of the Grantor contained in this Conservation Restriction.

IX. NON MERGER

The parties intend that any future acquisition of the Premises shall not result in a merger of the Conservation Restriction into the fee. The Grantor agrees that it will not grant, and the Grantee agrees that it will not take title, to any part of the Premises without having first assigned this Conservation Restriction to a non-fee owner that is qualified under Section 170(h) of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder and is eligible to receive this Conservation Restriction under Section 32 of Chapter 184 of the Massachusetts General Laws in order to ensure that merger does not occur and that this Conservation Restriction continues to be enforceable by a non-fee owner.

X. AMENDMENT

If circumstances arise under which an amendment to or modification of this Conservation Restriction would be appropriate, Grantor and Grantee may jointly amend this Conservation Restriction; provided that no amendment shall be allowed that will affect the qualification of this Conservation Restriction or the status of Grantee under any applicable laws, including Section 170(h) of the Internal Revenue Code of 1986, as amended, or Sections 31, 32, and 33 of Chapter 184 of the Massachusetts General Laws. Any amendments to this conservation restriction shall occur only in exceptional circumstances. The Grantee will consider amendments only to correct an error or oversight, to clarify an ambiguity, or where there is a net gain in conservation value. All expenses of all parties in considering and/or implementing an amendment shall be borne by the persons or entity seeking the amendment. Any amendment shall be consistent with the purposes of this Conservation Restriction, shall not affect its perpetual duration, shall be approved by the Secretary of Energy and Environmental Affairs and if applicable, shall comply with the provisions of Art. 97 of the Amendments to the Massachusetts Constitution, and any gifts, grants or funding requirements. Any amendment shall be recorded in the Norfolk County Registry of Deeds.

XI. EFFECTIVE DATE

This Conservation Restriction shall be effective when the Grantor and the Grantee have executed it, the administrative approvals required by Section 32 of Chapter 184 of the Massachusetts General Laws have been obtained, and it has been recorded in a timely manner in the Norfolk County Registry of Deeds.

XII. NOTICES

Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage pre-paid, addressed as follows:

To Grantor: William John Piersiak
768 Chestnut Street
Needham, MA 02492

To Grantee: Town of Needham, Conservation Commission
Public Services Administration Building
500 Dedham Avenue
Needham, MA 02492

or to such other address as any of the above parties shall designate from time to time by written notice to the other or, if notice is returned to sender, to an address that is reasonably ascertainable by the parties.

XIII. GENERAL PROVISIONS

A. Controlling Law. The interpretation and performance of this Conservation Restriction shall be governed by the laws of the Commonwealth of Massachusetts.

B. Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Conservation Restriction shall be liberally construed in favor of the grant to effect the purpose of this Conservation Restriction and the policy and purposes of Sections 31, 32, and 33 of Chapter 184 of the Massachusetts General Laws. If any provision in this instrument is found to be ambiguous, any interpretation consistent with the purpose of this Conservation Restriction that would render the provision valid shall be favored over any interpretation that would render it invalid.

C. Severability. If any provision of this Conservation Restriction or the application thereof to any person or circumstance is found to be invalid, the remainder of the provision of this Conservation Restriction shall not be affected thereby.

D. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to this Conservation Restriction and supersedes all prior discussions, negotiations, understandings or agreements relating to the Conservation Restriction, all of which are merged herein.

XIV. MISCELLANEOUS

A. Pre-existing Public Rights. Approval of this Conservation Restriction pursuant to Section 32 of Chapter 184 of the Massachusetts General Laws by any municipal officials and by the Secretary of Energy and Environmental Affairs is not to be construed as representing the existence or non-existence of any pre-existing rights of the public, if any, in and to the Premises, and any such pre-existing rights of the public, if any, are not affected by the granting of this Conservation Restriction.

B. Homestead. The Grantor has no homestead rights in the Premises.

C. Recordation. The Grantor shall record this instrument in timely fashion in the Norfolk Country Registry of Deeds.

D. Counterparts. This Conservation Restriction, and the Acceptances and Approvals hereof, may be executed, acknowledged, and delivered in one or more counterparts which, together, shall constitute one and the same agreement.

E. No Surety Interest. The Grantor attests that there is no mortgage, promissory note, loan, lien, equity credit line, refinance assignment of mortgage, lease, financing statement or any other agreement which gives rise to a surety interest affecting the Premises.

F. Attached hereto and incorporated herein by reference are the following:

Signature pages:

- a. Grantor: William John Piersiak
- b. Grantee Acceptance: Conservation Commission, Town of Needham
- c. Approval by Select Board
- d. Approval of the Secretary of Energy and Environmental Affairs.

Exhibits:

Exhibit A: Reduced size copy of "Heather Lane, Needham, MA, Conservation Restriction Plan", dated November 18, 2020, prepared by Kelly Engineering Group.

WITNESS my hand and seal this 1ST day of December, 2020,

[Signature]

William John Piersiak, Grantor

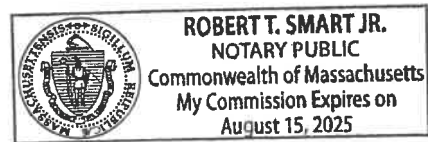
COMMONWEALTH OF MASSACHUSETTS

Norfolk County, ss:

On this 1ST day of December, 2020, before me, the undersigned notary public, personally appeared William John Piersiak, and proved to me through satisfactory evidence of identification which was my personal knowledge to be the person whose name is signed on the proceeding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

[Signature]

Notary Public
My Commission Expires:



**ACCEPTANCE OF GRANT BY TOWN OF NEEDHAM CONSERVATION
COMMISSION**

We, the undersigned, being a majority of the Conservation Commission of the Town of Needham, Massachusetts, hereby certify that at a public meeting duly held on _____, 2020, the Conservation Commission voted to approve and accept the foregoing Conservation Restriction from William John Piersiak pursuant to Section 32 of Chapter 184 and Section 8C of Chapter 40 of the Massachusetts General Laws and do hereby accept the foregoing Conservation Restriction.

CONSERVATION COMMISSION

By: _____
Janet Carter Bernardo

By: _____
Sue Barber

By: _____
Artie Crocker

By: _____
Stephen Farr

By: _____
William Murphy

By: _____
Peter Oehlkers

By: _____
Alison Richardson

COMMONWEALTH OF MASSACHUSETTS

Norfolk, ss:

On this _____ day of _____, 2020, before me, the undersigned notary public, personally appeared _____, and proved to me through satisfactory evidence of identification which was _____ to be the person whose name is signed on the proceeding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

Notary Public
My Commission Expires:

APPROVAL OF SELECT BOARD OF TOWN OF NEEDHAM

We, the undersigned, being a majority of the Select Board of the Town of Needham, hereby certify that at a public meeting duly held on _____, 2020, the Select Board voted to approve the foregoing Conservation Restriction from William John Piersiak to Town of Needham, acting by and through its Conservation Commission, in the public interest pursuant to Section 32 of Chapter 184 of the Massachusetts General Laws.

SELECT BOARD

Maurice P. Handel, Chair

Matthew Borrelli, Vice Chair

Marianne B. Cooley

Daniel P. Matthews

John A. Bulian

COMMONWEALTH OF MASSACHUSETTS

Norfolk County, ss:

On this _____ day of _____, 2020, before me, the undersigned notary public, personally appeared _____, and proved to me through satisfactory evidence of identification which was _____ to be the person whose name is signed on the proceeding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

Notary Public
My Commission Expires:

**APPROVAL BY SECRETARY OF ENERGY AND ENVIRONMENTAL AFFAIRS
COMMONWEALTH OF MASSACHUSETTS**

The undersigned, Secretary of Energy and Environmental Affairs of the Commonwealth of Massachusetts, hereby certifies that the foregoing Conservation Restriction from William John Piersiak to Town of Needham, acting by and through its Conservation Commission, has been approved in the public interest pursuant to Section 32 of Chapter 184 of the Massachusetts General Laws.

Dated: _____, 2020

Kathleen A. Theoharides
Secretary of Energy and Environmental Affairs

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss:

On this _____ day of _____, 2020, before me, the undersigned notary public, personally appeared Kathleen A. Theoharides, and proved to me through satisfactory evidence of identification which was _____ to be the person whose name is signed on the proceeding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose.

Notary Public
My Commission Expires:

EXHIBIT A

[Reduced size copy of “Heather Lane, Needham, MA, Conservation Restriction Plan”, dated
November 18, 2020, prepared by Kelly Engineering Group]

Legal Description
Conservation Restriction
Heather Lane Extension Needham, MA

That certain area of land shown as Conservation Restriction, shown as being part of Lot 4 on a plan entitled, "Heather Lane Needham MA - Conservation Restriction Plan entitled 11/18/2020, prepared by Kelly Engineering Group, Inc.

Being further described as follows:

Beginning at the northerly most corner of Conservation Restriction area, said point being S 18°57'00" E, 386.16 feet from a stone bound at the northeasterly corner of Lot 4 on said plan;

Thence running S 18°57'00" E a distance of 239' +/- feet to a point of the northerly side of the Charles River;

Thence turning and running along the Charles River a distance of 1138' +/- to a point;

Thence turning and running N 14°09'11" E a distance of 231' +/- feet to a point;

Thence turning and running S 47°40'03" E a distance of 178.96 feet to a point;

Thence turning and running N 38°39'24" E a distance of 193.24 feet to a point;

Thence turning and running N 34°46'19" E a distance of 155.78 feet to a point;

Thence turning and running N 39°43'27" E a distance of 392.95 feet to a point;

Thence turning and running N 45°06'17" E a distance of 67.79 feet to the point of beginning;

The Conservation Restriction area contains 223,056 +/- s.f. or 5.12 acres, more or less.



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/8/2020

Agenda Item	Preliminary FY2022 – FY2026 Capital Improvement Plan
Presenter(s)	Kate Fitzpatrick, Town Manager David Davison, Assistant Town Manager/Finance

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Town Manager and Assistant Town Manager/Finance will discuss with the Board the preliminary FY2022 – 2026 Capital Improvement Plan. A vote on the final plan is scheduled for December 22nd.	
2.	VOTE REQUIRED BY SELEC BOARD
Discussion only.	
3.	BACK UP INFORMATION ATTACHED
a. Preliminary Funding Recommendations FY2022 Revised b. Public Safety Building Project Contingency Supplement c. FY2022 – FY2026 Preliminary Tier I recommendations d. Capital Project Requests for Fiscal Years 2022 – 2026 provided previously	

FY2022 - FY2026 Capital Requests

FY2022 Capital Budget

Preliminary Funding Recommendations (Revised December 1, 2020)

Title	Code*	Function	Cat*	2022 Department Request	Cash	Debt	Other	Deferred/Not Recommended	Note	Page
Public Safety Mobile Devices	P	Public Safety	1	50,000	50,000					005
Town Internet Control, Analysis and Reporting	P	General	1	75,000	75,000					006
LIFEPAK 15 V4 Monitor/Defibrillator	NU	Public Safety	1	30,577	30,577			New request but a high priority item		020
Self Contained Breathing Apparatus	NU	Public Safety	1	192,120	192,120			New request but a high priority item		022
Personal Protective Equipment	M	Public Safety	1	43,358	43,358					024
School Copiers	RM	Schools	1	61,264	61,264					030
School Furniture	R	Schools	1	25,000			25,000	Recommended as Tier II		036
School Technology	RM	Schools	1	479,650	479,650					042
Library Technology	M	Community	1	48,500			48,500	Recommended as Tier II		053
Fleet Refurbishment	PB	Public Works	1	150,000			150,000	Funding request does not qualify as capital; is recommended as a FWA		057
Permanent Message Boards	P	Community	1	56,000			56,000	Recommended as Tier II		060
Specialty Equipment - Unit 334 Specialty Mower (PF)	P	Public Works	1	38,000	38,000					066
Broadmeadow School Technology Room Conversion	M	Schools	2	213,100	213,100					067
Renovate/Reconstruct Emery Grover Building at Highland Avenue Location	M	Schools	5	1,475,130				1,475,130	Board discussions pending, no recommendation at this time.	070
Auditorium Theatrical Sound and Lighting Systems Needs Assessment (High School, Newman School, and Pollard School)	P	Schools	2	60,000			60,000	Recommended as Tier II		075

FY2022 - FY2026 Capital Requests

FY2022 Capital Budget

Preliminary Funding Recommendations (Revised December 1, 2020)

Title	Code*	Function	Cat*	2022 Department Request	Cash	Debt	Other	Deferred/Not Recommended	Note	Page
Pollard School Feasibility Study	N	Schools	2	280,000	280,000				New request but is an urgent request in light of the substantial building capital requests.	080
Pollard School Renovation/Expansion as 6-8 Middle School	M	Schools	5	3,500,000				3,500,000	Board discussions pending, no recommendation at this time.	083
Mitchell Elementary School	M	Schools	5	1,250,000				1,250,000	Board discussions pending, no recommendation at this time.	088
Library Space Planning	P	Community	2	60,000			60,000		Recommended as Tier II	093
Library Materials Handler	PS	Community	2	100,000				100,000	On hold until a space study is funded and completed.	095
Energy Efficiency Upgrade Improvements	P	Utilities	2	100,000	100,000				Ongoing program which seeks to improve building systems and reduce cost.	109
Public Works Facilities Improvements	N	Public Works	5	60,000				60,000	Board discussions pending, no recommendation at this time.	123
Ridge Hill Building Demolition	GMU	General	2	885,000	746,891			138,109	Revised cost estimate for the project.	127
Recycling and Transfer Station Property Improvements	M	Public Works	3	480,000	480,000				Required stormwater area 2 improvements	128
Hillside School Boiler Installation	M	General	2	16,000	16,000				Design only estimated construction cost is \$235,000	135
Open Space Acquisitions	PI	Community	5	1,000,000				1,000,000	No parcel identified	149
NPDES Support Projects	M	Stormwater	3	666,000			666,000		Prior funding was based on adoption of a stormwater fee.	165
Public Works Infrastructure Program	M	Transportation Network	3	2,639,000	2,203,000		436,000		\$436,000 recommended as Tier II	179
Unit 10 replace with a class 8 dump truck	L	Public Works	4	284,119			284,119		Recommended as Tier II	228
Unit 32 replace with a class 3 heavy duty truck	C	Public Works	4	61,916	61,916					228
Unit 39 replace with a class 5 dump truck	L	Public Works	4	94,210			94,210		Recommended as Tier II	228

FY2022 - FY2026 Capital Requests

FY2022 Capital Budget

Preliminary Funding Recommendations (Revised December 1, 2020)

Title	Code*	Function	Cat*	2022 Department Request	Cash	Debt	Other	Deferred/Not Recommended	Note	Page
Unit 45 replace with a utility van	C	Public Works	4	54,973	54,973					228
Unit 404 replace with a 14 passenger va	C	Community	4	90,050			90,050		Recommended as Tier II	228
Unit 712 replace with a class 2 utility van	C	Public Works	4	69,831	69,831					228
Unit 756 replace with a hybrid SUV	C	Public Works	4	50,814	50,814					228
Unit C-02 replace with a large public safety response vehicle	C	Public Safety	4	62,540	62,540					228
Unit R-03 Ambulance	L	Public Safety	4	353,843	353,843					228
Van 10 replacement passenger van	C	Schools	4	51,419	51,419					228
Van 9 replacement passenger van	C	Schools	4	51,419	51,419					228
Public Safety Building Project (Updated Submission)	NPU	Public Safety	5	1,700,000		1,700,000			Current project, request results from site conditions, Covid19 related expenses, and supplemental contingency. Current funding source debt within the levy limit.	238
General Fund				16,958,833	5,765,715	1,700,000	1,969,879	7,523,239		

FY2022 - FY2026 Capital Requests

FY2022 Capital Budget

Preliminary Funding Recommendations (Revised December 1, 2020)

Title	Code*	Function	Cat*	2022 Department Request	Cash	Debt	Other	Deferred/Not Recommended	Note	Page
Town Hall Clock Repairs	N	General	2	83,000	83,000				Historic designation	134
Athletic Facility Improvements (DeFazio Synthetic Track)	M	Community	3	166,000	166,000				Recreation designation	156
Athletic Facility Improvements (McCloud Field renovation design)	P	Community	3	45,000	45,000				Recreation designation	156
Town Common Historic Redesign and Beautification	M	Community	3	1,364,000	1,364,000				Historic designation	190
Walker Pond Improvements	N	Community	3	125,000	125,000				Open Space designation	197
Town Reservoir Sediment Removal	P	Stormwater	3	262,000	262,000				Open Space designation	204
Community Preservation Fund				2,045,000	2,045,000					
Sewer Main Greendale/Rte. 128 (Cheney to GPA)	M	Utilities	3	363,000	363,000					207
Unit 17 replace with a class 5 dump truck	L	Utilities	4	94,210	94,210					228
Unit 19 replace with a class 8 dump truck	L	Utilities	4	284,119	284,119					228
Unit 29 replace with a class 8 dump truck	L	Utilities	4	332,531	332,531					228
Sewer Enterprise Fund				1,073,860	1,073,860					

FY2022 - FY2026 Capital Requests

FY2022 Capital Budget

Preliminary Funding Recommendations (Revised December 1, 2020)

Title	Code*	Function	Cat*	2022 Department Request	Cash	Debt	Other	Deferred/Not Recommended	Note	Page
Water Distribution System Improvements (Rosemary)	M	Utilities	3	460,000	460,000				Design was funded in FY2020	217
Water Distribution System Improvements (South Street/Charles River to Chestnut)	M	Utilities	3	250,000	250,000				Design only, construction estimate is \$2.9M	217
Water Service Connections	MR	Utilities	3	1,000,000		1,000,000			Possible State Financing	222
Unit 25 replace with a class 4 work truck	L	Utilities	4	92,437	92,437					228
Unit 30 replace with a class 5 dump truck	L	Utilities	4	135,452	135,452					228
Unit 40 replace with a class 3 heavy duty truck	C	Utilities	4	78,745	78,745					228
Water Enterprise Fund				2,016,634	1,016,634	1,000,000				
Grand Total				22,094,327	9,901,209	2,700,000	1,969,879	7,523,239		

FY2022 - FY2026 Capital Requests

FY2022 Capital Budget

Preliminary Funding Recommendations (Revised December 1, 2020)

Title	Code*	Function	Cat*	2022 Department Request	Cash	Debt	Other	Deferred/Not Recommended	Note	Page
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Code

B = Funding may be considered under the operating budget/special warrant article
 C = Core Fleet
 D = Recommendation is deferred or on hold pending other actions
 E = Emergency approval
 F = Funded appropriation outside the capital plan
 G = Request may not qualify as capital submission
 L = Specialized Fleet Equipment
 I = Project submission is incomplete or waiting additional information
 M = Submission has been modified from previous submission
 N = New submission with this CIP
 P = Project request has appeared in previous CIP's
 Q = Request does not qualify as a capital submission
 R = Request is a regularly occurring capital expense
 S = No recommendation; under study
 U = Urgent request based on identified conditions

Cat (Category)

1 = Equipment or Technology
 2 = Building or Facility
 3 = Infrastructure
 4 = Fleet
 5 = Extraordinary

Truck Classification

Class 1 = Smallest Pick-up Trucks 6,000 lbs.
 Class 2 = Full Size or 1/2 Ton Pick-up Trucks 6K to 10K lbs. (ex Ford F150 and F250)
 Class 3 = Heavy Duty Pick-up Trucks 10K to 14K lbs. (ex Ford F350)
 Class 4 = Medium Size Work Trucks 14K to 16K lbs. (ex Ford F450)
 Class 5 = Medium Job Trucks 16K to 19.5K lbs. (ex Ford F550)
 Class 6 = Medium to Large Trucks 19.5K to 26K (ex Ford F650)
 Class 7 = Heavy Duty Trucks 26K to 33K (ex Ford F750) Requires Class B Commercial
 Class 8 = Largest Heavy Duty Trucks 33K lbs. or more (specialized equipment)

FY2022 - FY2026 Capital Requests

Capital Funding Request							
Title	Public Safety Building Project Contingency Adjustment			Submitted by	Fire Department		
Request Type	Standalone Funding Request	Capital Type	Building	Funding Request	\$1,700,000	Funding Year	2022
Description							
Additional costs to the Public Safety project to account primarily for unforeseen COVID related expenses incurred so as to allow work to proceed on the project and soil contamination that was found at FS#2 while excavating for foundations.							

FY2022 - FY2026 Capital Requests

Capital Request Detail							
Project Title	Public Safety Building Project			Fiscal Year	2022	Request Status	Existing
Project Phase	Construction	Planning/Design	\$0	Construction	\$1,700,000	FF&E	\$0
Useful Life	More than 30 Years	Land	\$0	Construction Management	\$0	Technology	\$0
Primary Function	Public Safety	Site Preparation	\$0	Equipment	\$0	Other Expenses	\$0
Budget Impact	May increase annual operating expenses by more than \$100,000		Project Cost Source		Industry References		Project Cost \$1,700,000
Parameters				Response			
1. Are there any costs to bid, design, construct, purchase, install, implement, or otherwise complete the project which are NOT included in this request?							No
2. Are there recommendations or costs identified by other departments which are NOT factored into the request?							No
3. Does this project require any permitting by any Town or State agency?							Yes
4. If funded, will this project require ongoing assistance from vendors at an additional expense to the Town which is NOT already budgeted?							No
5. Is specialized training or annual licensing required that the Town will need to pay in order to use the asset?							No
6. Is this a project for which an Initial Eligibility Project Application can be filed with the Community Preservation Committee (CPC)?							No
7. Is this a request in response to a Court, Federal, or State order?							No
8. Is this a request in response to a documented public health or safety condition?							No
9. Is this a request to improve or make repairs to extend the useful life of a building?							No
10. Is this a request to purchase apparatus/equipment that is intended to be permanently installed at the location of its use?							No
11. Is this a request to repair or otherwise improve public property which is NOT a building or infrastructure?							No
12. Will any other department be required to provide assistance in order to complete the project?							Yes
13. If funded, will this project increase the operating expense for any other department?							Yes
14. If funded, will additional permanent staff be required, and if so what is the total number of FTE's?					Total New FTE's		No
Project Description and Considerations							

This capital request is for additional costs to the Public Safety project to account primarily for unforeseen COVID-19 related expenses incurred to enable continuation of work to proceed, keeping the project within established timetables. In addition soil contamination was found at Fire Station 2 while excavating foundations. In order to mitigate this situation and meet current environmental standards and regulations unforeseen costs were incurred. These costs were outside of predictability at the time of budget estimates and were not carried within the contingency line item that was identified for the project at that time.

Below is a breakdown of costs allocated to the original contingency and the affect of extraordinary unanticipated costs. The second chart illustrates additional expenditures as related to the project's contingency.

FY2022 - FY2026 Capital Requests

Capital Request Detail				
Project Title	Public Safety Building Project	Fiscal Year	2022	Request Status Existing
Additional Description and Considerations				

DRAFT Aug 3rd 2020

CONTINGENCY LOG	TOTAL	DESIGN	SCOPE	DIFF CONDITIONS	EXTRA ORDINARY
ORIGINAL CONTINGENCY	\$3,955,000				
Change Orders TO-DATE	\$2,791,147	\$1,244,936	\$1,328,466	\$217,746	
Hillside Restoration & Tariffs	\$214,000	\$164,000		\$50,000	
FS2 Soils & HQ Soil	\$838,886				\$838,886
COVID	\$376,000				\$376,000
Remaining Contingency needed at \$80,000/month x 18 months *	\$1,440,000				
FUNDING REQUEST	(\$1,705,033)				

Change Orders	TOTAL	DESIGN	SCOPE	DIFF CONDITIONS	EXTRA ORDINARY	RECON	Gap
HQ&FS2	\$1,988,529	\$958,630	\$852,755	\$177,145	\$0	\$1,988,529	\$0
Other Scope Changes	\$283,420	\$0	\$283,420	\$0	\$0	\$283,420	\$0
Value Engineering	(\$313,298)	\$0	(\$313,298)	\$0	\$0	(\$313,298)	\$0
Temporary Facilities	\$617,638	\$265,411	\$350,312	\$1,915	\$0	\$617,638	\$0
Communication System	\$214,858	\$20,895	\$155,277	\$38,686	\$0	\$214,858	\$0
FS2 Soils	\$838,886	\$0	\$0	\$0	\$838,886	\$838,886	\$0
COVID	\$376,000	\$0	\$0	\$0	\$376,000	\$376,000	\$0
TOTALS	\$4,006,033	\$1,244,936	\$1,328,466	\$217,746	\$1,214,886	\$4,006,033	\$0

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Title	Code*	Dep	Function	Cat*	FY2022 Department Request	FY2022 Recommended Tier 1	FY2023 Department Request	FY2023 Recommended Tier 1	FY2024 Department Request	FY2024 Recommended Tier 1	FY2025 Department Request	FY2025 Recommended Tier 1	FY2026 Department Request	FY2026 Recommended Tier 1	Recommended	Cash	Debt	Other	Page
Town Offices Replacement Furniture	P	Manager	General	1			25,000	25,000							25,000	25,000			P001
Town Offices Replacement Furniture	P	Manager	General	1							25,000	25,000			25,000	25,000			P003
Public Safety Mobile Devices	P	Police	Public Safety	1	50,000	50,000									50,000	50,000			P005
Town Internet Control, Analysis and Reporting	P	ITC	General	1	75,000	75,000									75,000	75,000			P006
GIS Technology Systems	P	ITC	General	1			120,000	120,000							120,000	120,000			P007
Public Safety Mobile Devices	P	Police	Public Safety	1			50,000	50,000							50,000	50,000			P008
Public Works Mobile Devices	P	Admin	Public Works	1			50,000	50,000							50,000	50,000			P009
Town Building Switchings	M	ITC	General	1					90,000	90,000					90,000	90,000			P010
Video Projection Equipment Rosemary Recreation Complex	P	HHS	Community	1					55,000	55,000					55,000	55,000			P011
Wireless Hardware Infrastructure	P	ITC	General	1					175,000	175,000					175,000	175,000			P012
Data Center Servers	M	ITC	General	1							600,000	600,000	750,000	750,000	1,350,000	1,350,000			P013
Town Building Security and Traffic Cameras	PIS	Police	General	1							350,000								P018
Taser Replacement	N	Police	Public Safety	1							35,000	35,000			35,000	35,000			P019
LIFEPAK 15 V4 Monitor/Defibrillator	N	Fire	Public Safety	1	30,577	30,577									30,577	30,577			P020
Personal Protective Equipment	M	Fire	Public Safety	1	43,358	43,358	45,525	45,525	47,802	47,802	50,192	50,192	52,701	52,701	239,578	239,578			P024
Self Contained Breathing Apparatus	N	Fire	Public Safety	1	192,120	192,120									192,120	192,120			P022
School Copiers	RM	Schools	Schools	1	61,264	61,264	50,738	50,738	34,656	34,656	71,722	71,722	82,787	82,787	301,167	301,167			P030
School Furniture	R	Schools	Schools	1	25,000		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	100,000	100,000			P036
School Technology	RM	Schools	Schools	1	479,650	479,650	437,000	437,000	460,750	460,750	581,150	581,150	577,875	577,875	2,536,425	2,536,425			P042
Permanent Message Boards	P	Engineering	Community	1	56,000		58,000	58,000	60,000	60,000	62,000	62,000	64,000	64,000	244,000	244,000			P060
Fleet Refurbishment	PB	Fleet	Public Works	1	150,000				150,000										P057
Specialty Equipment - Unit 334 Specialty Mower (PF)	P	Parks	Public Works	1	38,000	38,000									38,000	38,000			P066
Library Technology	M	Library	Community	1	48,500		26,280	26,280	36,500	36,500					62,780	62,780			P053
Equipment & Technology					1	1,249,469	969,969	887,543	887,543	1,134,708	984,708	1,800,064	1,450,064	1,552,363	1,552,363	5,844,647	5,844,647		

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Broadmeadow School Technology Room Conversion	M	Schools	Schools	2	213,100	213,100									213,100	213,100			P067
Needs Assessment of Pollard, Newman and NHS Auditorium Theatrical Sound and Lighting Systems	P	Schools	Schools	2	60,000														P075
Pollard School Feasibility Study	N	Schools	Schools	2	280,000	280,000									280,000	280,000			P080
Energy Efficiency Upgrade Improvements	P	Various	Utilities	2	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000	500,000			P109
Hillside School Boiler Installation	M	Bldg Maint	General	2	16,000	16,000	235,000	235,000							251,000	251,000			P135
Ridge Hill Building Demolition	GMU	Town Manager	General	2	885,000	746,891									746,891	746,891			P127
Town Hall Clock Repairs	N	Town Manager	General	2	83,000	83,000									83,000			83,000	P134
Center at the Heights Generator Installation	MS	COA	Community	2			37,500	37,500	250,000	250,000					287,500	287,500			P099
Center at the Heights Space Utilization Study	PB	COA	Community	2			75,000	75,000							75,000	75,000			P102
Emery Grover Roof Replacement	MS	Schools	Schools	2			19,000		239,000										P106
Emery Grover Window Replacement	MS	Schools	Schools	2			34,200		394,000										P103
Pollard School Air Conditioning Upgrade	M	Schools	Schools	2			107,000	1,311,000	1,204,000						1,311,000		1,311,000		P118
Pollard School Locker Room Retrofit	M	Schools	Schools	2			653,000	653,000							653,000	653,000			P121
Facility Assessment for Sustainable Building Management	P	Schools	Schools	2					50,000	50,000	50,000	50,000			100,000	100,000			P115
Cricket Field Building Improvements	PS	Recreation	Community	2					180,000		1,000,000								P096
Library Materials Handler	PS	Library	Community	2	100,000														P095
Library Space Planning	P	Library	Community	2	60,000														P093
Buildings & Facilities				2	1,797,100	1,438,991	1,260,700	2,411,500	2,417,000	400,000	1,150,000	150,000	100,000	100,000	4,500,491	3,106,491	1,311,000	83,000	
NPDES Support Projects	M	Engineering	Stormwater	3	666,000														P165
Traffic Improvements	P	Engineering	Transportation Network	3			50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	200,000	200,000			P192
NPDES Support Projects	M	Engineering	Stormwater	3			688,000	688,000							688,000			688,000	P168
NPDES Support Projects	M	Engineering	Stormwater	3					712,000	712,000					712,000			712,000	P180

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Title	Code*	Dep	Function	Cat*	FY2022 Department Request	FY2022 Recommended Tier 1	FY2023 Department Request	FY2023 Recommended Tier 1	FY2024 Department Request	FY2024 Recommended Tier 1	FY2025 Department Request	FY2025 Recommended Tier 1	FY2026 Department Request	FY2026 Recommended Tier 1	Recommended	Cash	Debt	Other	Page
NPDES Support Projects	M	Engineerin g	Stormwater	3							735,000	735,000			735,000			735,000	P172
NPDES Support Projects	N	Engineerin g	Stormwater	3									760,000	760,000	760,000			760,000	P174
Public Works Infrastructure Program	M	Highway	Transportat ion Network	3	2,639,000	2,203,000									2,203,000	2,203,000			P179
Public Works Infrastructure Program	M	Highway	Transportat ion Network	3			3,233,000	2,655,000							2,655,000	2,655,000			P182
Public Works Infrastructure Program	M	Highway	Transportat ion Network	3					3,445,000	3,186,000					3,186,000	3,186,000			P184
Public Works Infrastructure Program	M	Highway	Transportat ion Network	3							3,448,000	3,448,000			3,448,000	3,448,000			P186
Public Works Infrastructure Program	N	Highway	Transportat ion Network	3									2,103,000	3,448,000	3,448,000	3,448,000			P188
Athletic Facility Improvements (DeFazio Synthetic Track)	M	Parks	Community	3	166,000	166,000									166,000			166,000	P156
Athletic Facility Improvements (McCloud Field renovation design)	P	Parks	Community	3	45,000	45,000									45,000			45,000	P156
Town Common Historic Redesign and Beautification	M	Parks	Community	3	1,364,000	1,364,000									1,364,000			1,364,000	P190
Walker Pond Improvements	N	Parks	Community	3	125,000	125,000	356,000	356,000							481,000			481,000	P197
Athletic Facility Improvements (Broadmeadow & Eliot Fields renovation designs)	P	Parks	Community	3			107,000	107,000							107,000			107,000	P159
Athletic Facility Improvements (Claxton Field Lighting Installation)	M	Parks	Community	3			758,000	758,000							758,000			758,000	P158
Athletic Facility Improvements (Claxton Softball Field Skin construction)	M	Parks	Community	3			250,000	250,000							250,000			250,000	P158
Passive Recreation Improvements (Dwight Field/Charles River Center)	M	Parks	Community	3			39,000		389,000										P176
Athletic Facility Improvements (Fencing)	P	Parks	Community	3					290,000	290,000					290,000	290,000			P160
Athletic Facility Improvements (McCloud Field renovation construction)	M	Parks	Community	3					466,000	466,000					466,000			466,000	P160
Athletic Facility Improvements (Broadmeadow & Eliot School Fields renovations)	M	Parks	Community	3							1,121,000	1,121,000			1,121,000			1,121,000	P162
Athletic Facility Improvements (Asa Small Field Rnovations)	N	Parks	Community	3															P164
Recycling and Transfer Station Property Improvements	M	Solid Waste	Public Works	3	480,000	480,000	124,500	124,500	129,000	129,000					733,500	733,500			P128
Boat Launch on Charles River	I	Recreation	Community	3															P138

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Public Playgrounds	M	Recreation	Community	3					25,000		250,000								P146
Outdoor Basketball Courts	M	Recreation	Community	3			50,000	50,000	250,000	250,000	50,000		550,000	550,000	850,000	850,000			P141
Athletic Fields Master Plan	G	Recreation	Community	3							75,000								P139
Infrastructure & Land				3	5,485,000	4,383,000	5,655,500	5,038,500	5,756,000	5,083,000	5,729,000	5,354,000	3,463,000	4,808,000	24,666,500	17,013,500		7,653,000	
Replace Unit 3 2012 Ford F450	L	Fleet	Public Works	4			75,910	75,910							75,910	75,910			P230
Replace Unit 5 2011 International 7400 Dump Truck	L	Solid Waste	Public Works	4			230,918	230,918							230,918	230,918			P230
Replace Unit 8 2014 International 7400	L	Highway	Public Works	4									242,381	242,381	242,381	242,381			P236
Replace Unit 9 2012 INTERNATIONAL 7400 Dump Truck	L	Highway	Public Works	4					268,830	268,830					268,830	268,830			P232
Replace Unit 10 2010 International 7400 Dump Truck	L	Highway	Public Works	4	284,119														P228
Replace Unit 32 2012 Ford F350	C	Highway	Public Works	4	61,916	61,916									61,916	61,916			P228
Replace Unit 39 2012 Ford F550 Dump Truck	L	Highway	Public Works	4	94,210														P228
Replace Unit 41 2016 Ford F250 Truck	C	Parks	Public Works	4									46,524	46,524	46,524	46,524			P236
Replace Unit 42 2014 International 7400	L	Solid Waste	Public Works	4									256,023	256,023	256,023	256,023			P236
Replace Unit 45 2012 FORD E150 VAN	C	Engineerin g	Public Works	4	54,973	54,973									54,973	54,973			P228
Replace Unit 50 2016 Ford F250 Truck	C	Parks	Public Works	4									48,943	48,943	48,943	48,943			P236
Replace Unit 53 2013 International Paystar 5600 Roll-off	L	Solid Waste	Public Works	4															P4
Replace Unit 61 2013 Genie Forklift	L	Solid Waste	Public Works	4							90,754	90,754			90,754	90,754			P234
Replace Unit 66 Ford F550	L	Highway	Public Works	4							100,793	100,793			100,793	100,793			P234
Replace Unit 72 2015 Ford F550 Chip Box	L	Parks	Public Works	4							92,390	92,390			92,390	92,390			P234
Replace Unit 73 2016 Ford F450 Truck	L	Parks	Public Works	4									78,424	78,424	78,424	78,424			P236
Replace Unit 74 2016 Ford F450 Dump	L	Parks	Public Works	4									129,197	129,197	129,197	129,197			P236
Replace Unit 75 2016 Ford F450 Truck	L	Parks	Public Works	4									78,424	78,424	78,424	78,424			P236
Replace Unit 91 2000 CONSTRUCTION SCALP TRUCK	L	Solid Waste	Public Works	4			138,301	138,301							138,301	138,301			P230
Replace Unit 93 2015 McCloskey Brothers Trommel Screener	L	Solid Waste	Public Works	4							138,841	138,841			138,841	138,841			P234

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Replace Unit 104 2016 Volvo Front End Loader	L	Solid Waste	Public Works	4									302,274	302,274	302,274	302,274			P236
Replace Unit 108 2011 Trackless Tractor	LS	Highway	Public Works	4			184,821	184,821							184,821	184,821			P230
Replace Unit 111 2013 Trackless Sidewalk Plow Tractor	LS	Highway	Public Works	4							192,456	192,456			192,456	192,456			P234
Replace Unit 112 2011 Prinoth (Sidewalk Tractor)	LS	Highway	Public Works	4			229,613	229,613							229,613	229,613			P230
Replace Unit 116 2014 Prinoth Sidewalk Plow	LS	Highway	Public Works	4									199,631	199,631	199,631	199,631			P236
Replace Unit 254 2013 Bandit Brush Chipper	L	Parks	Public Works	4			68,317	68,317							68,317	68,317			P230
Replace Unit 350 2010 John Deere Loader	L	Parks	Public Works	4			64,971	64,971							64,971	64,971			P230
Replace Unit 400 2005 Ford Taurus	C	Building	Public Safety	4															P4
Replace Unit 404 2012 Ford E350 VAN (14 Passengers)	C	COA	Community	4	90,050														P228
Replace Unit 440 2017 Ford Explorer	L	ITC	General	4							38,305	38,305			38,305	38,305			P234
Replace Unit 452 2013 Ford Taurus	C	Assessing	General	4			35,758	35,758							35,758	35,758			P230
Replace Unit 453 2016 Ford Focus	C	Building	Public Safety	4					35,441	35,441					35,441	35,441			P232
Replace Unit 454 2014 Ford Fusion	C	Building	Public Safety	4					35,441	35,441					35,441	35,441			P232
Replace Unit 455 2016 Ford Focus	C	Building	Public Safety	4					35,441	35,441					35,441	35,441			P232
Replace Unit 456 1014 Ford Fusion	C	Building	Public Safety	4					35,441	35,441					35,441	35,441			P232
Replace Unit 700 2012 Ford Econ Van E250	C	Bldg Maint	Public Works	4			45,239	45,239							45,239	45,239			P230
Replace Unit 701 2014 Ford F250	C	Bldg Maint	Public Works	4							44,950	44,950			44,950	44,950			P234
Replace Unit 703 2015 Ford Transit Van	C	Bldg Maint	Public Works	4									31,572	31,572	31,572	31,572			P236
Replace Unit 708 2016 Ford Transit Vam	C	Bldg Maint	Public Works	4									35,828	35,828	35,828	35,828			P236
Replace Unit 712 2011 Ford Econ Van E250	C	Bldg Maint	Public Works	4	69,831	69,831									69,831	69,831			P228
Replace Unit 713 2012 Ford F450 Dump Truck	L	Bldg Maint	Public Works	4					78,567	78,567					78,567	78,567			P232
Replace Unit 756 2010 Ford F150	C	Bldg Maint	Public Works	4	50,814	50,814									50,814	50,814			P228
Replace Unit Bus 1 2017 Blue Bird 202 School Bus	C	Schools	Schools	4					103,277	103,277					103,277	103,277			P232
Replace Unit Bus 2 2017 Blue Bird 202 School Bus	L	Schools	Schools	4			99,785	99,785							99,785	99,785			P230
Replace Unit C-01 2017 Ford Explorer	C	Fire	Public Safety	4							62,924	62,924			62,924	62,924			P234

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Replace Unit C-02 2016 Chevrolet Tahoe	C	Fire	Public Safety	4	62,540	62,540									62,540	62,540			P228
Replace Unit C-06 2015 Ford F350	C	Fire	Public Safety	4			68,750	68,750							68,750	68,750			P230
Replace Unit C-43 2017 Ford Escape	C	Fire	Public Safety	4							51,234	51,234			51,234	51,234			P234
Replace Unit E-04 2005 E-One Cyclone II fire Truck	L	Fire	Public Safety	4							900,004	900,004			900,004		900,004		P234
Replace Unit L-01 2004 Sutphen Quint Ladder Truck	L	Fire	Public Safety	4					1,839,671	1,839,671					1,839,671		1,839,671		P232
Replace Unit R-01 2016 Ford E450 Ambulance	L	Fire	Public Safety	4							392,312	392,312			392,312	392,312			P234
Replace Unit R-02 2017 Ford E450 Ambulance	L	Fire	Public Safety	4									406,043	406,043	406,043	406,043			P236
Replace Unit R-03 2008 Ford E450 Ambulance	L	Fire	Public Safety	4	353,843	353,843									353,843	353,843			P228
Replace Unit Van 10 2015 Toyota Sienna Van	C	Schools	Schools	4	51,419	51,419									51,419	51,419			P228
Replace Unit Van 11 2018 Ford Transit Passenger Van	C	Schools	Schools	4							57,009	57,009			57,009	57,009			P234
Replace Unit Van 12 2018 Ford Transit Passenger Van	C	Schools	Schools	4							57,009	57,009			57,009	57,009			P234
Replace Unit Van 4 2019 Ford E150 Van	C	Schools	Schools	4									59,004	59,004	59,004	59,004			P236
Replace Unit Van 5 2019 Ford E150 Van	C	Schools	Schools	4									59,004	59,004	59,004	59,004			P236
Replace Unit Van 9 2014 Toyota Sienna Van	C	Schools	Schools	4	51,419	51,419									51,419	51,419			P228
Fleet				4	1,225,134	756,755	1,242,383	1,242,383	2,432,109	2,432,109	2,218,981	2,218,981	1,973,272	1,973,272	8,623,500	5,883,825	2,739,675		
Mitchell Elementary School (new building)	M	Schools	Schools	5	1,250,000				74,596,900										P088
Pollard School Renovation/Expansion as 6-8 Middle School	M	Schools	Schools	5	3,500,000				172,300,300										P083
Renovate/Reconstruct Emery Grover Building at Highland Avenue Location (Option #3)	M	Schools	Schools	5	1,475,130		25,620,128												P070
High Rock Reconfigure as K-5 Elementy School	N	Schools	Schools	5					315,500										P077
Public Works Facilities Improvements (Year 1)	N	All	Public Works	5	60,000														P123
Public Works Facilities Improvements (Year 2)	N	All	Public Works	5															P125
Public Safety Building Project (Updated Submission)	NPU	Fire/Police	Public Safety	5	1,700,000	1,700,000									1,700,000		1,700,000		P238
Public Works Facilities Improvements (Year 3)	N	All	Public Works	5															P126
Open Space Acquisitions	PI	Recreation	Community	5	1,000,000		1,000,000		1,000,000		1,000,000		1,000,000						P149

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Other				5	8,985,130	1,700,000	26,620,128		248,212,700		1,000,000		1,000,000		1,700,000		1,700,000		
TOTAL					18,741,833	9,248,715	35,666,254	9,579,926	259,952,517	8,899,817	11,898,045	9,173,045	8,088,635	8,433,635	45,335,138	31,848,463	5,750,675	7,736,000	
General Fund Cash						5,765,715		6,109,926		5,882,146		6,417,041		7,673,635	31,848,463				
Other Available Funds						1,783,000		2,159,000		1,178,000		1,856,000		760,000	7,736,000				
Debt						1,700,000		1,311,000		1,839,671		900,004			5,750,675				
TOTAL						9,248,715		9,579,926		8,899,817		9,173,045		8,433,635	45,335,138				

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Title	Code*	Dep	Function	Cat*	FY2022 Department Request	FY2022 Recommended Tier 1	FY2023 Department Request	FY2023 Recommended Tier 1	FY2024 Department Request	FY2024 Recommended Tier 1	FY2025 Department Request	FY2025 Recommended Tier 1	FY2026 Department Request	FY2026 Recommended Tier 1	Recommended	Cash	Debt	Other	Page
Sewer Enterprise																			
Drain System Improvements	P	Sewer	Stormwater	3	262,000	262,000	2,070,000	2,070,000							2,332,000			2,332,000	P204
Sewer Main Greendale/Rte. 128 (Cheney to GPA)	M	Sewer	Utilities	3	363,000	363,000	2,018,250	2,018,250			9,315,000	9,315,000			11,696,250	2,696,250	9,000,000		P207
Cooks Bridge Sewer Pump Station	M	Sewer	Utilities	3			357,000				3,606,500								P201
Inflow Feasibility Study	I	Sewer	Utilities	3															P211
Infrastructure & Land				3	625,000	625,000	4,445,250	4,088,250			12,921,500	9,315,000			14,028,250	2,696,250	9,000,000	2,332,000	
Replace Unit 11 2013 Ford Explorer	C	Sewer	Utilities	4			38,851	38,851							38,851	38,851			P230
Replace Unit 16 2014 Freightliner Box Truck	L	Sewer	Utilities	4									243,478	243,478	243,478	243,478			P236
Replace Unit 17 2012 Ford F550 Dump Truck	L	Sewer	Utilities	4	94,210	94,210									94,210	94,210			P228
Replace Unit 19 2010 International 7400 Dump Truck	L	Sewer	Utilities	4	284,119	284,119									284,119	284,119			P228
Replace Unit 29 2008 International 7400	L	Sewer	Utilities	4	332,531	332,531									332,531	332,531			P228
Replace Unit 37 2010 International 7500 Vactor	L	Sewer	Utilities	4			398,030	398,030							398,030	398,030			P230
Replace Unit 103 2012 John Deere Backhoe	L	Sewer	Utilities	4					139,768	139,768					139,768	139,768			P232
Fleet				4	710,860	710,860	436,881	436,881	139,768	139,768			243,478	243,478	1,530,987	1,530,987			
TOTAL					1,335,860	1,335,860	4,882,131	4,525,131	139,768	139,768	12,921,500	9,315,000	243,478	243,478	15,559,237	4,227,237	9,000,000	2,332,000	
Enterprise Fund Cash						1,073,860		1,455,131		139,768		1,315,000		243,478		4,227,237			
Other Available Funds						262,000		2,070,000								2,332,000			
Debt								1,000,000				8,000,000				9,000,000			
TOTAL						1,335,860		4,525,131		139,768		9,315,000		243,478		15,559,237			

FY2022 - FY2026 Capital Requests

Five Year Capital Improvement Plan
Preliminary Tier One Recommendations
FY2022 - FY2026

Title	Code*	Dep	Function	Cat*	FY2022 Department Request	FY2022 Recommended Tier 1	FY2023 Department Request	FY2023 Recommended Tier 1	FY2024 Department Request	FY2024 Recommended Tier 1	FY2025 Department Request	FY2025 Recommended Tier 1	FY2026 Department Request	FY2026 Recommended Tier 1	Recommended	Cash	Debt	Other	Page
Water Enterprise																			
Water Distribution System Improvements (Rosemary)	M	Water	Utilities	3	460,000	460,000									460,000	460,000			P217
Water Distribution System Improvements (South Street (Charles River to Chestnut))	M	Water	Utilities	3	250,000	250,000									250,000	250,000			P217
Water Service Connections	MR	Water	Utilities	3	1,000,000	1,000,000									1,000,000		1,000,000		P222
Water Distribution System Improvements (South Street - CR to Chestnut)	M	Water	Utilities	3			2,900,000	2,900,000							2,900,000	2,900,000			P218
Water Supply Development	M	Water	Utilities	3			464,000		1,350,000										P224
Charles River Water Treatment Plant HVAC Upgrade	I	Water	Utilities	3															P213
Water Distribution System Improvements (Mills/Sachem) (Mayo Ave - Harris Ave to GPA)	M	Water	Utilities	3					45,000	45,000					45,000	45,000			P219
Water Distribution System Improvements (Kingsbury Street - Oakland Aveune to Webster)	M	Water	Utilities	3							112,500	112,500			112,500	112,500			P220
Water Distribution System Improvements (Mills/Sachem) (Mayo Ave - Harris Ave to GPA)	M	Water	Utilities	3							434,000	434,000			434,000	434,000			P220
Water Distribution System Improvements (Kingsbury Street - Oakland Avne to Webster)	N	Water	Utilities	3									508,500	508,500	508,500	508,500			P221
Water Distribution System Improvements (Oakland Ave - May Street to Highland)	N	Water	Utilities	3									350,000	350,000	350,000	350,000			P221
Infrastructure & Land					3	1,710,000	1,710,000	3,364,000	2,900,000	1,395,000	45,000	546,500	546,500	858,500	858,500	6,060,000	5,060,000	1,000,000	
Replace Unit 21 2016 Ford F250 Truck					C								43,942	43,942	43,942	43,942			P236
Replace Unit 25 2012 Ford F450 Utility Truck	L	Water	Utilities	4	92,437	92,437									92,437	92,437			P228
Replace Unit 30 2012 Ford F550 Dump Truck	L	Water	Utilities	4	135,452	135,452									135,452	135,452			P228
Replace Unit 40 Ford F350	C	Water	Utilities	4	78,745	78,745									78,745	78,745			P228
Replace Unit 156 2011 Baker Robinson 10" Water Pump	L	Water	Utilities	4									101,518	101,518	101,518	101,518			P236
Replace Unit 160 2013 Wach Utility Trailer Vac	L	Water	Utilities	4							67,654	67,654			67,654	67,654			P234
Replace Unit 164 2008 Atlas Copco Trailer (Generator)	L	Water	Utilities	4			34,592	34,592							34,592	34,592			P230
Fleet					4	306,634	306,634	34,592	34,592		67,654	67,654	145,460	145,460	554,340	554,340			
TOTAL						2,016,634	2,016,634	3,398,592	2,934,592	1,395,000	45,000	614,154	614,154	1,003,960	1,003,960	6,614,340	5,614,340	1,000,000	
Enterprise Fund Cash						1,016,634		2,934,592		45,000		614,154		1,003,960	5,614,340				
Other Available Funds																			
Debt						1,000,000											1,000,000		
TOTAL						2,016,634		2,934,592		45,000		614,154		1,003,960	6,614,340				

FY2022 - FY2026 Capital Requests

Five Year Capital Improvement Plan
Preliminary Tier One Recommendations
FY2022 - FY2026

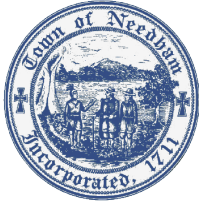
Title	Code*	Dep	Function	Cat*	FY2022 Department Request	FY2022 Recommended Tier 1	FY2023 Department Request	FY2023 Recommended Tier 1	FY2024 Department Request	FY2024 Recommended Tier 1	FY2025 Department Request	FY2025 Recommended Tier 1	FY2026 Department Request	FY2026 Recommended Tier 1	Recommended	Cash	Debt	Other	Page
Equipment & Technology				1	1,249,469	969,969	887,543	887,543	1,134,708	984,708	1,800,064	1,450,064	1,552,363	1,552,363	5,844,647	5,844,647			
Buildings & Facilities				2	1,797,100	1,438,991	1,260,700	2,411,500	2,417,000	400,000	1,150,000	150,000	100,000	100,000	4,500,491	3,106,491	1,311,000	83,000	
Infrastructure & Land				3	7,820,000	6,718,000	13,464,750	12,026,750	7,151,000	5,128,000	19,197,000	15,215,500	4,321,500	5,666,500	44,754,750	24,769,750	10,000,000	9,985,000	
Fleet				4	2,242,628	1,774,249	1,713,856	1,713,856	2,571,877	2,571,877	2,286,635	2,286,635	2,362,210	2,362,210	10,708,827	7,969,152	2,739,675		
Other				5	8,985,130	1,700,000	26,620,128		248,212,700		1,000,000		1,000,000		1,700,000		1,700,000		
GRAND TOTAL					22,094,327	12,601,209	43,946,977	17,039,649	261,487,285	9,084,585	25,433,699	19,102,199	9,336,073	9,681,073	67,508,715	41,690,040	15,750,675	10,068,000	
Equipment & Technology				1	1,249,469	969,969	887,543	887,543	1,134,708	984,708	1,800,064	1,450,064	1,552,363	1,552,363	5,844,647	5,844,647			
Buildings & Facilities				2	1,797,100	1,438,991	1,260,700	2,411,500	2,417,000	400,000	1,150,000	150,000	100,000	100,000	4,500,491	3,106,491	1,311,000	83,000	
Infrastructure & Land				3	5,485,000	4,383,000	5,655,500	5,038,500	5,756,000	5,083,000	5,729,000	5,354,000	3,463,000	4,808,000	24,666,500	17,013,500		7,653,000	
Fleet				4	1,225,134	756,755	1,242,383	1,242,383	2,432,109	2,432,109	2,218,981	2,218,981	1,973,272	1,973,272	8,623,500	5,883,825	2,739,675		
Other				5	8,985,130	1,700,000	26,620,128		248,212,700		1,000,000		1,000,000		1,700,000		1,700,000		
General Fund					18,741,833	9,248,715	35,666,254	9,579,926	259,952,517	8,899,817	11,898,045	9,173,045	8,088,635	8,433,635	45,335,138	31,848,463	5,750,675	7,736,000	
Equipment & Technology				1															
Buildings & Facilities				2															
Infrastructure & Land				3	625,000	625,000	4,445,250	4,088,250			12,921,500	9,315,000			14,028,250	2,696,250	9,000,000	2,332,000	
Fleet				4	710,860	710,860	436,881	436,881	139,768	139,768			243,478	243,478	1,530,987	1,530,987			
Other				5															
Sewer Fund					1,335,860	1,335,860	4,882,131	4,525,131	139,768	139,768	12,921,500	9,315,000	243,478	243,478	15,559,237	4,227,237	9,000,000	2,332,000	
Equipment & Technology				1															
Buildings & Facilities				2															
Infrastructure & Land				3	1,710,000	1,710,000	3,364,000	2,900,000	1,395,000	45,000	546,500	546,500	858,500	858,500	6,060,000	5,060,000	1,000,000		
Fleet				4	306,634	306,634	34,592	34,592			67,654	67,654	145,460	145,460	554,340	554,340			
Other				5															
Water Fund					2,016,634	2,016,634	3,398,592	2,934,592	1,395,000	45,000	614,154	614,154	1,003,960	1,003,960	6,614,340	5,614,340	1,000,000		
Grand Total					22,094,327	12,601,209	43,946,977	17,039,649	261,487,285	9,084,585	25,433,699	19,102,199	9,336,073	9,681,073	67,508,715	41,690,040	15,750,675	10,068,000	

FY2022 - FY2026 Capital Requests

Five Year Capital Improvement Plan
Preliminary Tier One Recommendations
FY2022 - FY2026

Title	Code*	Dep	Function	Cat*	FY2022 Department Request	FY2022 Recommended Tier 1	FY2023 Department Request	FY2023 Recommended Tier 1	FY2024 Department Request	FY2024 Recommended Tier 1	FY2025 Department Request	FY2025 Recommended Tier 1	FY2026 Department Request	FY2026 Recommended Tier 1	Recommended	Cash	Debt	Other	Page
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Code
B = Funding may be considered under the operating budget/special warrant article
C = Core Fleet
D = Recommendation is deferred or on hold pending other actions
E = Emergency approval
F = Funded appropriation outside the capital plan
G = Request may not qualify as capital submission
L = Specialized Fleet Equipment
I = Project submission is incomplete or waiting additional information
M = Submission has been modified from previous submission
N = New submission with this CIP
P = Project request has appeared in previous CIP's
Q = Request does not qualify as a capital submission
R = This is a regularly reoccurring capital request
S = No recommendation; under study
U = Urgent request based on identified conditions
Orange highlighted amounts indicate that all or a portion of the funding recommendation may be funded by CPA funds
Pink highlighted amounts indicate that all or a portion of the funding recommendation may be funded by debt.



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/08/2020

Agenda Item	Town Manager's Report
Presenter(s)	Kate Fitzpatrick, Town Manager

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Town Manager will update the Board on issues not covered on the agenda.	
2.	VOTE REQUIRED BY SELECT BOARD
3.	BACK UP INFORMATION ATTACHED
none	



**Board of Selectmen
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/8/2020

Agenda Item	40B Housing Guidelines & General Housing Policy
Presenter(s)	Board Discussion

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
The Board will discuss local and regional housing issues and policy, including a draft update to the Town's 40B guidelines circulated in September, comments, and related materials.	
2.	VOTE REQUIRED BY BOARD OF SELECTMEN
Discussion Only.	
3.	BACK UP INFORMATION ATTACHED
a. Draft 40B Housing Guidelines Review Draft Dated 9/15/2020 b. Memo 9/15/20 - 40B Guidelines – Specific Initial Review Items c. Memo 9/15/20 -Housing Policy Issues Outside of 40B Guidelines	

Town of Needham Chapter 40B Guidelines

Approved By

[Recommended approving authorities for these guidelines: Select Board, Planning Board, Zoning Board of Appeals, School Committee, Needham Housing Authority, Council on Aging, Conservation Commission, Design Review Board]

_____ **2020**

Town of Needham Chapter 40B Guidelines

I. INTRODUCTION

These Guidelines provide information about the Town of Needham's policies, procedures, and requirements for comprehensive permits under G.L. c. 40B, §§ 20-23 ("**Chapter 40B**"). In addition, the Guidelines are intended to advise the Zoning Board of Appeals (**ZBA**) and other Town boards and departments with a role in the development review process. Applicants planning to apply for a Chapter 40B comprehensive permit in Needham should review these Guidelines and meet with the Director of Planning and Community Development as early as possible *before* submitting a Project Eligibility (Site Approval) application to a housing subsidy program.

Note: the Town's guidelines are not a substitute for the statute, the Department of Housing and Community Development's (**DHCD**) Chapter 40B regulations (760 CMR 56.00), or the requirements and policies of affordable housing subsidy programs. It is the applicant's responsibility to comply with these and other applicable state requirements.

A. CHAPTER 40B

Chapter 40B was enacted in 1969 to encourage the construction of low- and moderate-income housing in Massachusetts. The principal vehicle within Chapter 40B to accomplish that goal is authority for the municipal Zoning Board of Appeal (ZBA) to grant comprehensive permits for housing developments that meet the requirements of the statute and qualify for funding from a state or federal housing subsidy program. The 40B process simplifies the local permitting process, including bypassing many otherwise applicable zoning and regulatory controls which might delay or prevent development.

40B has become a central element of Massachusetts' affordable housing policy. In these guidelines "Affordable Housing," refers, in summary, to housing units meeting all applicable requirements for inclusion in the State's Chapter 40B Subsidized Housing Inventory (SHI). When other meanings for the terms "affordable" and "affordable housing" are intended, such as moderately priced non-SHI housing available on the open market, that meaning should clear from the context.

A mixed-income 40B development is considered eligible for a comprehensive permit if at least twenty-five percent of the units in it are affordable for households at 80% of the Area

Median Income (AMI) as determined by the federal Department of Housing and Urban Development (HUD). Developments may also be eligible for a comprehensive permit if at least twenty percent of the apartments are affordable to households at or below 50% AMI.

When less than ten percent of a community's housing is affordable as defined by Chapter 40B, the statute effectively supersedes many local regulations that would make it difficult for developers to build affordable housing. In such communities, affordable housing developers may file a single comprehensive permit application with the ZBA in lieu of separate applications to other local boards. The ZBA may grant, grant with conditions, or deny the comprehensive permit. If the ZBA denies an application or grants a comprehensive permit with conditions that make the development uneconomic, the applicant may appeal to the State's Housing Appeals Committee (**HAC**), which has authority to overrule the ZBA. HAC decisions may be appealed to Superior Court.

Needham's affordable housing percentage for purposes of Chapter 40B is over the ten percent minimum goal. The Town therefore has a greater degree of control in the 40B process. In the event that a developer files a comprehensive permit application, the ZBA may, within fifteen days after opening the public hearing, notify the developer and the Massachusetts Department of Housing and Community Development (DHCD) that the application may be denied because the Town has achieved the ten percent statutory minimum. The ZBA may then deny the comprehensive permit application on this basis alone. Alternatively, the ZBA may elect to consider the application and proceed with the public hearing, but it is no longer legally obligated to do so.

B. HOUSING CONDITIONS IN NEEDHAM

Needham is a developed suburb of Boston. Its 2018 population was 31,329 according to Town Clerk's census. The current population reflects an increase from the 2010 US census count of 28,886, in part as a result of new multifamily housing developed consonant to intentional town policies. Needham's Census 2010 housing stock included 11,047 year round units, of which approximately 17% were apartments, and the majority were owner occupied single family homes. At least some additional population increase is expected in the 2020 US Census.

Prior to 2010, Needham experienced several decades of relative population stability. Even during those years, however, there were significant demographic changes, both in terms of age and economic distribution.

There was a dramatic decline in school enrollment following the end of the Baby Boom, and more recently a recovery in school enrollments, and a significant increase in the number of senior

residents. Benefiting from a favorable location, excellent schools, a strong tax base, and other advantages, Needham has achieved steady economic improvement in recent decades, even by comparison with the success of metropolitan area communities generally. The town is seen as a desirable place to live, with high relative household incomes and property values.

A disadvantage of that success is that Needham has become a difficult place for low and moderate income households to find housing at a market affordable price. Most buildable lots are developed, and land values have increased significantly. Smaller single family houses have been replaced with larger, more expensive new construction, and that process is ongoing. Conversion of two-family home to singles or condominiums has reduced that form of rental option. Many of the newer apartments are characterized as luxury units with rents at the high end of the area market.

According to American Community Survey (**ACS**) data (2012-2016), over one-third of all renters in Needham spend more on housing costs than the benchmark standard of 30 percent of monthly gross income.

With limited vacant, developable land and high buildable lot values, it is unlikely that market economics alone will provide material numbers of new units priced for low and moderate income households. There is a role for the town government and policy makers to improve economic diversity and housing options for low and modern income households in the town.

A goal of the Select Board is for Needham to continue to have over ten percent its housing units eligible for and counted on the Chapter 40B Subsidized Housing Inventory (SHI), consistent with the best interests of the Town. Purposes of this policy include advancing economic diversity of community and protecting the Town's control of its own zoning. Needham's 2019 DHCD (Department of Housing and Community Development) Inventory included 1,394 SHI countable units, or 12.62 percent of the 11,047 total.

The majority of Needham's SHI units are in apartment developments built pursuant to Chapter 40B. Within those developments, approximately one-quarter are rent-restricted, means-tested units; the remainder within those developments are market rentals qualified as SHI countable under state regulations.

Needham's SHI inventory also includes somewhat over 300 low income units owned and managed by the Needham Housing Authority and approximately 50 owner-occupied condominiums built pursuant to Chapter 40B.

A substantial portion of Needham's SHI countable units are market rental apartments in 40B

developments. Availability of those units is an important option for moderate income households, and those units effectively subsidize the rent-restricted units in their developments under the 40B system. But with recent non-restricted unit rents (September, 2019) in the range of \$3,500 monthly for a two-bedroom unit (equal to 37% of the then Boston AMI of \$113,300 for a family of four), it is clear that adding additional units to the town's housing inventory at a lower price point will improve options for lower income households.

Additional considered development pursuant to Chapter 40B may contribute to that effort.

II. POLICY STATEMENT

It is a goal of the Select Board that at least ten percent of Needham's housing units continue to be eligible for and counted in the State Chapter 40B Subsidized Housing Inventory. This policy is intended to protect the Town's control of its own zoning and contribute to the economic diversity of the community. It is the policy of the Select Board that additional affordable housing options be considered consistent with the best interests of the Town.

All 40B applications will be addressed individually according to applicable laws and regulations, the facts and circumstances of the individual case, input from public participation, and the sound exercise of discretion by the Town and other public agencies. Developers and other affected parties are all encouraged to consider the factors set forth in these guidelines in planning, review, development, and management of 40B properties.

III. REVIEW CONSIDERATIONS

A. PERMANENT AFFORDABILITY

Affordable housing in Needham should be permanently affordable, i.e., the affordability restriction should not lapse with the passage of time. Except in unique circumstances, all parties should expect this principle to apply to all Chapter 40B development in Needham.

B. PREFERENCE FOR RENTAL DEVELOPMENTS

The Town prefers rental over homeownership affordable developments. Under current state policies, the market units in mixed-income 40B rental developments count towards the Town's Subsidized Housing Inventory, and the Town believes that rental housing provides greater affordability and flexibility than ownership units even when not specifically regulated as means-tested housing. Nevertheless, the town will consider projects consistent with these guidelines which provide for moderate income condominium ownership

C. PROPERTY MANAGEMENT AND COMPLIANCE WITH AFFORDABILITY RESTRICTION

Rental housing developers must provide qualified experienced property management personnel, on-site in the case of large projects. In addition, developers must demonstrate adequate capacity to comply with the project's affordable housing restriction, e.g., the income eligibility of tenants and monthly rent and utility charges consistent with limits imposed by the applicable housing subsidy program.

D. PERCENTAGE OF AFFORDABILITY

At least 25 percent and not more than 50 percent of the units in a comprehensive permit should be affordable. However, the Town will consider comprehensive permit rental development projects with 20 percent of the units affordable if those are affordable to low-income (at or below 50 percent of AMI) tenants.

E. INCOME TARGETS

Rental developments may utilize a continuum of affordability, such as units at 30 percent, 50 percent, 80 percent, and 110 percent of Area Median Income (AMI).

F. LOCATION: GENERAL

In general, the Town prefers that affordable housing be located near public transportation and retail services. Location near elementary schools is positive for family units, workforce housing in Needham Crossing, and units near the Center at the Heights for seniors. No section of Needham is precluded from affordable housing development.

G. LOCATION: SPECIFIC AREAS

The Town encourages affordable housing development in:

- Needham Crossing in the Highland Commercial – 128 District, Mixed Use – 128 District, and adjacent Industrial District, located in the area North of Kendrick Street bounded by Kendrick Street, the Charles River, Central Avenue, and the Route 128 right of way.
- Areas near Avery Square, shown in the Priority Areas Map, specifically the Hillside Avenue Business District, Avery Square Business District and the adjacent Industrial District, and
- the Center Business District and Chestnut Street Business District, as shown in the Priority Areas Map.

H. DESIGN

The Town recognizes that many factors determine appropriate design. The following points are general guidance for developers in designing projects. The Town understands that each

project is different and that some of the following points may not apply in particular cases.

- **Make every reasonable effort to comply with existing regulations.** Minimize the number and extent of waivers required for height, setback, or other requirements. Under Chapter 40B, waivers of local rules and regulations are not “automatic.” Rather, the Town’s responsibility is to consider waiving requirements that would make a project uneconomic to build. It is the applicant’s burden to demonstrate the need for each requested waiver.
- **Orient buildings toward the street wherever possible.** A portion of the project should continue the neighborhood street front. Orientation for other considerations such as solar access should also consider general site orientation to the street. Developers should choose design solutions that serve the interests of the site, sustainability, and preservation of the character of the neighborhood.
- **Pay attention to design elements found in the neighborhood, and make use of them where possible to help developments fit with the neighborhood.** The design should be as consistent as possible with the existing building frontage in scale and character. Use existing topography where possible to minimize the impacts of the massing of the new construction on adjacent properties.
- **Locate off-street parking to the side and rear of buildings.** This will help to ensure that buildings and landscaping, not parking, define views from the road.

I. DENSITY

In single residence districts, the Town generally seeks to limit affordable housing development to a density of eight to ten units per acre. In other zones, greater densities may be considered on a case by case basis, including instances such as apartment housing in Needham Crossing, mixed-use development in commercial zones proximate to public transportation, and special uses such as elder services and renovation of preexisting buildings.

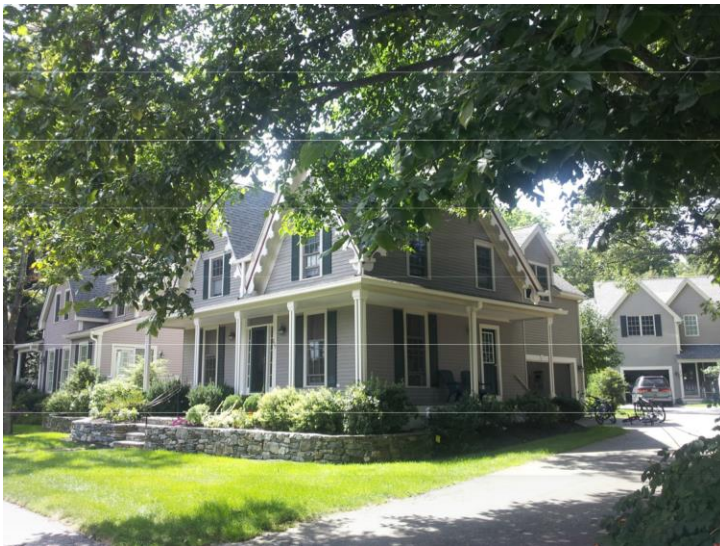
Density of Permitted Chapter 40B Developments in Needham (Examples)

Project name	Address	Zoning	Total Units	Total Acres	Units/Acre
Rental Projects					
The Kendrick	275 Second Avenue	NE Bus Cntr	390	5.13	76
Modera Needham	700 Greendale Avenue	SRA	136	6.02	16.7
Needham Place	50 Dedham Avenue	CntrBus/Overlay	10 + commercial	.23	40.0
One Wingate Way	235 Gould Street	Elder Services	52	3.42	41.8

The Residences of Wingate		Elder Services	91 Total: 12 independent living, 42 assisted living, 37 memory care		
Charles River Landing	300 Second Avenue	NE Bus Cntr	350	7.94	44.1
Nehoiden Glen	1035, 45 & 55 Central	SRB	61	4.6	13.3
Condominium					
Greendale Village	900 Greendale Avenue	SRA	20	2.55	7.8
Webster Street Green	30, 34 and 38 Webster Street	SRB	10	1.02	10.0
Suites of Needham	797 Highland	SRB	8	0.61	13.1
Craftsman Village	21 High Street	SRB	6	0.61	9.8
High Cliff Estates	199 St. Mary Street	SRB	12	1.46	8.2
Browne - Whitney Place	207-213 Garden St.	SRB	6	0.62	9.7
Junction Place	32 Junction Street	ChsntBus/Overlay	5	0.26	19.2

J. HISTORIC PRESERVATION

Preserve historically significant buildings and features. Buildings listed in the State Register of Historic Places or the Massachusetts Cultural Resources Inventory System (**MACRIS**) are presumed to be significant, but other buildings may be significant as well. Developers should consult with the Needham Historical Commission if their site includes an existing older building *before* submitting a Project Eligibility application to MassHousing or another Subsidizing Agency.



K. MIXED USE/VILLAGE DEVELOPMENT

Developers are encouraged to:

- Provide housing that is oriented to encourage and take advantage of public transportation.
- Reuse and redevelop existing buildings, e.g., older commercial, industrial, or institutional facilities, and
- Provide housing in mixed-use buildings, provided the location is zoned for compatible business uses.

L. ENVIRONMENTAL CONSIDERATIONS

- Use **environmentally responsible design**, whether Leadership in Energy and Environmental Design (LEED) certification or other generally accepted standards, taking steps to minimize adverse impacts on natural resources, conserve water and energy, use native plants, and use green building construction materials.
- **Incorporate landscaping treatments** that will help to blend the project with surrounding area, including retaining mature trees and existing vegetation where possible.
- **Take active steps to protect nearby wetlands and other open space**, including resource areas covered by the local wetlands bylaw even if not required by the Massachusetts Wetlands Protection Act.
- **Minimize impervious surfaces.**

M. NEIGHBORHOOD SUPPORT

Developers are encouraged to work with residents of affected neighborhoods. It is a favorable consideration for developers to address reasonable neighborhood concerns.

N. LOCAL PREFERENCE

To the maximum extent allowed by law, the Town wants local preference observed in tenant and buyer selection, including affordable housing lotteries. Local preference means:

- At least one member of the household currently lives in Needham;
- At least one member of the household works for the Town of Needham, or for a business or non-profit organization located in Needham; or
- The household includes at least one student attending the Needham Public Schools through the METCO Program.

State policies or other requirements may limit or preclude local preference for a specific development. However, the Town expects developers to advocate and make reasonable efforts

to secure applicability of local preference for their projects.

O. OTHER PUBLIC BENEFITS

Provide other public benefits in addition to affordable housing, e.g., 1) pass-through easements to adjacent public properties and open space; 2) streetscape improvements; or 3) pedestrian linkages.

IV. PROCEDURES

A. PRE-APPLICATION PHASE

When planning to apply for a comprehensive permit, an applicant should meet with Town staff and relevant Town boards at the earliest possible point in the planning process. These discussions should occur **before filing a Project Eligibility application** with MassHousing or another subsidizing agency. Many problems that occur during the permitting process can be reduced or avoided altogether if applicants take the time to consult with local officials and accommodate reasonable requests while a project is still at the conceptual stage. Furthermore, early consultation can help make local review of Project Eligibility applications much smoother.

Key Steps and considerations include:

- **Meet with the Director of Planning and Community Development** to discuss plans for the site. Ask about the site's history, the neighborhood, other projects or changes in planning or development nearby, and issues that might cause concern for Town boards.
- **Meet with the Town's Development Review Team (DRT)**, and be open to input and guidance from Town staff. DRT members have technical information that the applicant will need in order to plan the site and prepare for the meetings with Town boards. In addition to the Director of Planning and Community Development, the DRT includes the Assistant Town Manager/Operations, Building Commissioner, Director of Conservation, Director of Economic Development, Director of Public Works, Town Engineer, Highway Superintendent, Water and Sewer Superintendent, Chief of Police, Fire Chief, and Director of Public Health. A meeting with the DRT is an efficient way to obtain feedback about many aspects of the project without having to attend individual appointments with department heads.
- **Have a preliminary meeting with the Design Review Board (DRB)**. The degree to which

proposed buildings fit with surrounding development will weigh heavily in how a comprehensive permit application is received in Needham. The DRB can help applicants explore possibilities for building design, landscaping treatments, exterior lighting, and other elements, depending on the site and the types of housing the applicant intends to construct.

- **Have a preliminary meeting with the Conservation Commission** if the project will require approval under the state Wetlands Protection Act, G.L. c. 131, s. 40 and/or any waivers under the Needham Wetlands Bylaw. Chapter 40B developments that affect wetland resource areas usually require an Order of Conditions under G.L. c. 131, s. 40, but the local wetlands bylaw, like other local regulations, falls under the purview of the ZBA. It is in the applicant's interest to comply with the local wetlands bylaw because doing so may reduce the number of waivers needed for the project. Applicants should not assume the ZBA will grant local wetlands bylaw waivers simply because the applicant asks for them.
- **Meet with the Needham Historical Commission** if the project involves substantial alterations to or demolition of a historically significant building. (See Section III, Historic Preservation)
- The Town's elected and appointed policy making committees, including the Select Board, Planning Board, DRB, the Conservation Commission, Historical Commission, and others are governmental bodies under the State Open Meeting Law, and applicants should understand that meetings held with such committees are subject to that statute.
- The Town cannot require applicants to discuss the project with neighbors, but it is to the developer's advantage to do so as soon as possible - including before applying for a Project Eligibility letter.
- Pre-application consultations are not to create binding decisions. The purpose of the meetings is to give the applicant a chance to present the proposal for the property and to obtain information from the Town, and to give the Town a chance to learn about the proposed plans. If the ZBA is represented at any of these meetings, the ZBA member who participates will speak only as an individual, not in an official capacity as a ZBA member.

B. ELIGIBILITY TO APPLY FOR A COMPREHENSIVE PERMIT

The following prerequisites must be met by anyone applying for a Chapter 40B comprehensive permit:

- The applicant must have site control, such as a deed, purchase and sale agreement, or option to purchase;
- The applicant must be a public agency, non-profit organization, or limited dividend organization; and
- A housing subsidy program must have determined that the proposed project is fundable.

This third requirement means that developers have to obtain a pre-application eligibility letter from an agency that subsidizes low- or moderate-income housing. Doing so requires filing an application to a housing subsidy program. In most cases, MassHousing will be the housing subsidy agency that issues a **Project Eligibility** determination, but DHCD, the Massachusetts Housing Partnership (**MHP**), and MassDevelopment also subsidize low- or moderate-income housing and issue project eligibility letters. Developers wishing to build under a Local Initiative Program (**LIP**) comprehensive permit must obtain a project eligibility determination from DHCD, with approval of the Select Board.

Once an applicant submits a Project Eligibility application to MassHousing, the Select Board will be formally notified. MassHousing will request local comments within 30 days. In Needham, the Select Board seeks comments from Town departments and other Town boards, and compiles all comments received into a single submission to MassHousing.

In some instances, the Select Board may convene a meeting with representatives of other Town departments and committees in order to facilitate a conversation about the proposed development. Applicants will be afforded an opportunity to be heard, and may be invited to make a presentation and respond to questions.

C. APPLICATION, REVIEW, AND DECISION PROCEDURES

This section of the Guidelines summarizes the key features of Needham's comprehensive permit process. In accordance with Chapter 40B, however, the ZBA has adopted **Comprehensive Permit Rules**, which applicants should review. If there is a conflict between these Guidelines and the ZBA's Rules, the latter will control. An application will not be deemed received until all the information required by the ZBA Rules is provided and the required fee is paid.

WHAT DOES "7/14/30/15/15/30/180/40/20" MEAN?

- Within **7 days** of the receipt of the comprehensive permit application, the ZBA must distribute copies of the application to all Town departments, boards, and committees with

a role in the review process. In Needham, this means the Planning Board, Design Review Board, Conservation Commission, Board of Health, Public Works Department, and Select Board. (This is why pre-application meetings may be helpful both to the applicant and the participating Town officials.)

- Within **14 days** of receipt of the comprehensive permit application, the public hearing must be advertised, with proper legal notice and proper notice to abutters. (Applicants will be responsible for the cost of publishing the legal notice and mailing the notice to abutters.)
- Within **30 days** of receipt of a complete comprehensive application, the ZBA must open the public hearing unless the applicant grants permission in writing to hold the hearing at a later date.
- Within **15 days** of opening the public hearing, the ZBA must determine whether it wants to deny an application on one or more of the grounds identified in DHCD's Chapter 40B regulations at 760 CMR 56.03(1), following procedures under 760 CMR 56.03(8). The ZBA must provide written notice to the applicant and to DHCD.
- Within **15 days** of receiving the ZBA's notice, the applicant must file a written response with DHCD if she/he wants to challenge the ZBA's assertion that it can deny the application. The applicant must provide a copy of that response to the ZBA.
- Within **30 days** of receiving the applicant's appeal, DHCD must issue a decision. DHCD's failure to issue a timely decision will result in a determination in favor of the ZBA.
- Unless the applicant provides written consent, the ZBA cannot extend the public hearing beyond **180 days** of the initial hearing date. The 180 day limit assumes that the applicant will make timely submissions of materials reasonably requested by the ZBA.
- The ZBA must render a decision - a denial, approval, or approval with conditions - within **40 days** of the closing of the public hearing, unless the applicant agrees in writing to an extension.
- If the ZBA denies the permit or approves the permit with unacceptable conditions or requirements, the applicant has the right to appeal to the Housing Appeals Committee within **20 days** after the written decision has been filed with the Town Clerk. Similarly, any person aggrieved by the ZBA's issuance of a comprehensive permit may appeal in court within **20 days** of the date that the decision is filed with the Town Clerk.

MANAGING THE PROCESS

- The ZBA requires enough information to understand the physical characteristics of the site, the health, safety, and welfare impacts of the project, and the impact on the neighborhood.

The ZBA's minimum application requirements are designed to provide this information at the outset. A **complete comprehensive permit application** will help to minimize delays in the permitting process.

- The ZBA strongly encourages that applicants meet with the neighbors in advance of the first public hearing to explain the proposed project and receive input that will make the project more acceptable to the neighbors.
- In addition to considering the contents of an application, the ZBA may conduct a **site visit** in order to understand the site and neighborhood conditions, the proposed site plan and building design, and the location of abutters who will be most affected by the proposed development.
- Depending on the issues involved with the site or the proposed development plan, the ZBA may hire qualified **peer review consultants** to assist with the review process. The applicant will be responsible for paying the reasonable cost of these services. Needham has adopted the provisions of G.L. c. 44, s. 53G, so the applicant will be asked to deposit funds in an escrow account that the ZBA can use to pay the peer review consultants.
 - The ZBA may ask the applicant to participate in **work sessions** in order to examine specific issues in a setting less formal than that of a public hearing. Work sessions are advisory; they do not constitute an extension of the public hearing. The sessions will be announced at the public hearing and posted as public meetings under the Open Meeting Law so that interested people can attend and observe. No substantive decisions can be made at work sessions, however. At the next public hearing, one of the attendees will provide the full ZBA with a report about matters discussed at the work sessions. The ZBA has the discretion to hire a third party mediator to facilitate work sessions, to be paid for by the Applicant, or through the use of a consultant with experience in Chapter 40B at no cost through the Massachusetts Housing Partnership program.
- In its discretion, the ZBA may defer to the Town Manager to assemble a **mitigation team** or committee to negotiate with the applicant for mitigation to address the impacts of the project on traffic, infrastructure, public facilities, or public services. At the conclusion of its work, the mitigation team will make recommendations to the ZBA for conditions to be incorporated in the comprehensive permit decision.
- If the applicant and the ZBA cannot reach agreement about project changes the ZBA has requested, the applicant will be asked to prove that the requested changes will make the project uneconomic. This means the applicant will need to submit a **development pro forma** for the ZBA's review, and the ZBA may decide to hire a peer review consultant to examine the pro forma and its assumptions.

THE ZBA'S DECISION

- The ZBA will close the public hearing when all relevant information has been received and all parties have had opportunity to present their issues. After closing the hearing, the ZBA will deliberate and reach a decision.
- The ZBA has three members and two associate members. One or more of the associate members may participate in the public hearing. The affirmative vote of two persons of a three person panel is required to render a decision. The panel to render a decision will normally be the three members of the ZBA. If any regular member has not attended all sessions of the public hearing or is otherwise unavailable, the Chairman will designate an associate member to serve on the panel to render a decision.
- The ZBA will review the waivers the applicant has requested in the application. The ZBA will normally grant waivers needed to allow an affordable housing development to go forward, assuming the project's impacts can be mitigated in a manner that protects the Town and surrounding neighborhood. However, applicants should not assume that all of the requested waivers will be granted. The applicant has the burden to demonstrate that the waivers are essential for constructing the project.

To: Town Manager and Select Board Members
From: Dan Matthews
Re: 40B Guidelines – Specific Initial Review Items
September 15, 2020

This memo follows on the draft update for the town's 2012 Chapter 40B Guidelines submitted today.

Its purpose is to specifically note some initial areas within the Guidelines which require further attention from the Select Board, ZBA, staff, and other stakeholders.

1. Most importantly, now that the town is over ten percent SHI, the legal requirements and project path for 40B development are different than when the town was below 10% SHI. The draft includes summary language provided by counsel about this difference (see fifth para of section I-A). But it would seem that the guidelines need more detail and complete plain-language explanations of the "over ten percent" process for Needham 40B's going forward.

2. Stakeholders should review the ZBA Process description (section IV-C) to assure it conforms with current practice and procedure, and changes, if any, related to the "over 10%" process.

3. The 2012 list of areas preferred by the Town for 40B development (see: Sec III-G) should be reviewed and updated, and a new map showing the preference areas included as an exhibit.

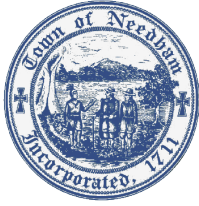
4. Similarly, the draft language (Section III-I) regarding density goals should be reviewed.

To: Town Manager and Select Board Members
From: Dan Matthews
Re: Housing Policy Issues Outside of 40B Guidelines
September 15, 2020

Increasing affordable housing options (both SHI housing and market-affordable housing) will contribute to economic diversity and other goals in Needham.

As the Board addresses updating the Town's 40B guidelines, this is a partial list of housing topics beyond the scope of those guidelines which may benefit from review, now or in future goals.

1. Review downtown village zoning and related conditions. Substantial zoning changes were enacted circa 2008 to encourage downtown apartment construction, but development has been minimal. It would be worth study to understand the obstacles to village development, and whether additional zoning changes or other actions would be helpful.
2. Identify and support strategies for the Needham Housing Authority to move forward with its 2018 facilities master plan or other efforts to renovate, improve, or add additional SHI units at the NHA's properties.
3. Consider whether the town should add to its multifamily housing-zoned areas, whether general residence, mixed use, apartments, or other.
4. Monitor experience with the new accessory apartment bylaw, with a view toward improvements at a future time based on that experience.



**Select Board
TOWN OF NEEDHAM
AGENDA FACT SHEET**

MEETING DATE: 12/08/2020

Agenda Item	Committee Reports
Presenter(s)	Board Discussion

1.	BRIEF DESCRIPTION OF TOPIC TO BE DISCUSSED
<i>Board members will report on the progress and / or activities of their Committee assignments.</i>	
2.	VOTE REQUIRED BY SELECT BOARD
3.	BACK UP INFORMATION ATTACHED
(Describe backup below)	
None	

Town of Needham
Water Sewer Billing System
Adjustment Form

DEPARTMENT OF PUBLIC WORKS

TO: TOWN TREASURER AND COLLECTOR
cc: TOWN ACCOUNTANT, WATER AND SEWER SUPERINTENDENT

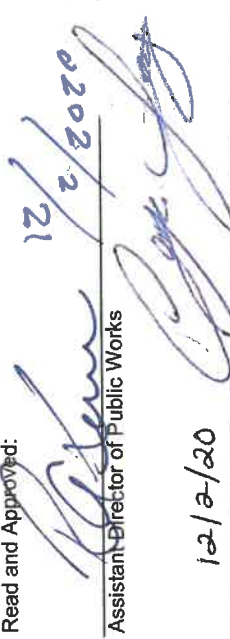
WHEREAS the appropriate divisions of the Department of Public Works have submitted to you the following commitment(s) on the dates listed below for the collection of water, sewer revenue and

WHEREAS certain inadvertent error(s) were made in said commitment(s), it is hereby requested that you abate these particular account(s) in the amount(s) stated below.

Water Sales:	-\$148.95
Water Irrigation:	-\$301.32
Water Admin Fees	\$0.00
Sewer Sales:	-\$140.39
Transfer Station Charges:	\$0.00
Total Abatement:	-\$590.66

Order #: 1300

Read and Approved:


Assistant Director of Public Works
12/2/2020

12/2/20

Interim Director of Public Works

For the Select Board

12/8/20

**Town of Needham
Water Sewer Billing System
Adjustment Form**

Prepared By:	Last Name	First Name	Customer ID#	Location ID#	Street Number	Street Name	Irrigation Water	Domestic Water	Sewer	Total	Reason	Corrected Last Read Y/N
DB	RILEY	ROBERT G & HALLIE	43893	3434	4	Ellicott Street	-\$35.85	\$0.00	\$0.00	-\$35.85	ACC	N
DB	SCRANTON	RICHARD J	13379	1706	11	Kenney Street	\$0.00	-\$24.15	-\$22.47	-\$46.62	ACC	N
DB	MCKEIGUE	PATRICK J	27263	1418	55	Dawson Drive	\$0.00	-\$17.40	-\$15.80	-\$33.20	ACC	N
DB	SCHOR	CHEN	32681	2934	94	Arch Street	\$0.00	-\$107.40	-\$102.12	-\$209.52	ACC	N
DB	SCHOLL	CRAIG	33639	6624	115	Fair Oaks Park	-\$265.47	\$0.00	\$0.00	-\$265.47	ACC	N
Total:										-\$590.66		

ALSO, LET THIS SERVE AS AUTHORIZATION TO ABATE ANY PENALTY OR INTEREST WHICH HAS ACCRUED DUE TO THE NON-PAYMENT OF AMOUNTS AS STATED ABOVE.

Legend:

O.I. = O.I. reading slower than inside meter causing large bill when inside meter is read.

TWN = Town Project caused damage to private property

EC = Extenuating Circumstances

Equip = Equipment Malfunction

UEW = Unexplained water loss

ACC = Accidental Water Loss

BP = Billing Period beyond 100 days

COA = Council on Aging