Implementing the Community Preservation Act
About the Coalition

Representatives from 4 member communities and 4 at-large members
Coalition Services

• Technical assistance
• Website
• Email newsletter & bulletins
• CPA advocacy and legislation
• Ballot measures (adoption, changes)
• Training conferences, webinars, presentations, publications, workshops

Supported by membership dues from CPA communities
(Example: Dues for CPA revenue between $100k and $250k are $875)
Coalition Website
www.communitypreservation.org

The Community Preservation Act has protected over 29,000 acres of open space in Massachusetts.

"Eighteen years is a long time. It’s obvious that there needs to be an adjustment made [to CPA].

We would support that mechanism being increased... We would support it and we would sign it."
- Governor Charlie Baker, 10/20/2018
The State of CPA Today

Total of 175 Cities and Towns

50% of the cities and towns
60% of Massachusetts residents
0 communities have revoked
CPA by the Numbers
(through FY2018)

HISTORIC PRESERVATION: 5,100 appropriations made

OPEN SPACE: 29,289 acres preserved

OUTDOOR RECREATION: 2,200 projects funded

AFFORDABLE HOUSING: 15,500 units created or supported

- Over 10,000 projects approved & $2.1 billion raised -
175 CPA Communities

CPA Adoption
- Green: Towns that have adopted CPA
- Orange: Cities that have adopted CPA
The CPA Trust Fund

• Administered by the Department of Revenue (DOR)

• Funds come from $10 and $20 fees charged at the Registries of Deeds

• That was enough for a 13.8% base match last year

• We were successful in obtaining $10 million extra to bring base match to 19%

• DOR estimates an 11.5% match for November 2019
Coalition Focus for 2019

Passage of permanent adjustment to CPA Trust Fund revenue source to obtain a 30% match in fall of 2020

www.SaveCPA.org
Coalition Focus for 2019

131 Co-Sponsors for "An Act to Preserve Community Preservation"

Sponsors:
Senator Cynthia Stone Creem (S.1618)
Representative Ann-Margaret Ferrante (H. 2463)
Coalition Focus for 2019

FY2020 Budget

House Budget:
Passed with Increase to CPA Trust Fund Included & $10 million in surplus funds

Senate Budget:
Amendments filed for Increase to CPA Trust Fund & $20 million in surplus funds
(Debate later this month)
CPC – First Year Responsibilities

- Assess Community Preservation needs of your town (Review Master Plan, Open Space Plan, Housing Plan, etc.)
- Meet with other committees and boards
- Hold public hearing to get input on CPA priorities
- Prepare *Community Preservation Plan*
CPC Ongoing Requirements

- Hold at least one public hearing per year
- Update Community Preservation Plan
- Review CPA account balances & spending to ensure compliance with the Act allowable uses
- Prepare CPA budget for legislative body
- Make project recommendations to legislative body
CPA Annual Budget

• Usually done at same time as town budget

• Requires CPC recommendation to legislative body

• Total budget is based on:
  Estimated local surcharge revenue
  \textit{plus}
  Estimated Trust Fund Distribution (November)
CPA Annual Spending/Set-aside Requirements

- Housing: 65%
- Open Space & Recreation: 10%
- Historic: 10%
- Optional Administrative: 5%
- Flexible: 10%
CPA Annual Budget (FY20 on)

- Required minimum spending (or reserve):
  - 10% of total revenue for housing projects
  - 10% for historic projects
  - 10% for open space & recreation projects

- Optional:
  - Up to 5% for administrative expenses
  - Appropriations for new CPA projects
    (probably not this year)
  - Balance goes in a “budgeted reserve”
Required Reserves (based on local revenue only – no state distribution in FY19):

10% each for housing reserve, historic reserve and open space reserve

Town financial staff can do above by special permission of DOR (in first year of CPA only based on Bulletin 2002-12b)

Funding source for this transfer should be the CPA Fund Balance as certified on Northbridge’s CP-2 on 6-30-19

Note: Interest earned should be credited to CPA Fund at the end of FY19 (and every fiscal year)
CPC Administrative Account

- CPC can request up to 5% of estimated revenues for expenses to run CPC beginning in FY20

- Unspent balance returned to undesignated fund at end of FY

- For CPC expenses only, not reimbursements to other municipal departments or to pay other municipal staff
Administrative Account
Common Uses

• Hire administrative assistance

• Professional help: Appraisals, consultants, legal assistance, general studies

• Due diligence on project recommendations

• Newspaper ads for public hearing

• Misc. expenses
## Determining Project Eligibility
It’s all about the VERBS!

<table>
<thead>
<tr>
<th></th>
<th>Open Space</th>
<th>Historic</th>
<th>Recreation</th>
<th>Housing</th>
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<tr>
<td>Acquire</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Create</td>
<td>Yes</td>
<td>-</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Preserve</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Support</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Yes</td>
</tr>
<tr>
<td>Rehabilitate and/or Restore</td>
<td>Yes – if acquired or created w/CPA $$</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes – if acquired or created w/CPA $$</td>
</tr>
</tbody>
</table>
Borrowing Permitted under CPA

- Can only bond against local surcharge, not state match
- Two-thirds vote needed to pass bonded projects at Legislative Body
- Cannot pay debt service on non-CPA bonds
How do CPA Projects Happen?

- Project proponents submit applications to Community Preservation Committee (CPC)
- CPC reviews projects, gets input
- CPC recommends list of projects to Legislative Body
- Majority vote of Legislative Body required for each project to get CPA $$$
Legislative Body Actions Are Limited

- Approve recommendations of CPC
- Reject recommendations of CPC
- Reduce amount recommended by CPC
- Reserve amount recommended by CPC to applicable reserve account, rather than approving the project (rarely used)
Basic Tenets of CPA Spending

- No supplanting general municipal revenue
- No maintenance or operating expenses
- Recreation – Outdoor projects only
- Asset Purchases – Must file permanent restriction with the state, held by 3rd party
- Projects may not be voted on at Legislative Body unless CPC has first issued a positive recommendation
Budget and Project Planning

Town Budget
100%

CPA Funds
1%
Potential Uses of CPA Funds
CPA and Historic Preservation

Restoration of historic municipal buildings
CPA and Historic Preservation

Adaptive Reuse of Historic Buildings
Grants to non-profit community groups (typically with a preservation easement)
Historic Municipal Document Preservation
CPA and Open Space/Recreation

Athletic Fields
CPA and Open Space/Recreation

Hiking and Biking Trails
CPA and Open Space/Recreation

Parks
Community Gardens
CPA and Affordable Housing

For families & individuals earning up to 100% of areawide median income:

- $68,390 for 1 person
- $78,160 for a couple
- $97,700 for a family of 4

- All local zoning and bylaws apply
- Council approval required
- Permanently affordable
CPA and Affordable Housing

Housing for Veterans
Adaptive Reuse of Existing Buildings

CPA and Affordable Housing
CPA and Affordable Housing

Meeting
Specialized
Community Needs
Community Involvement and Non-profit Partnerships
The Coalition is here to help you!

Technical Assistance Hotline
617-367-8998

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Questions?