

# Community Preservation Act:

## Historical Background

The Community Preservation Act (CPA) was adopted by the Commonwealth in 2000 to help Massachusetts communities preserve open space and historic sites, and to create affordable housing and recreational facilities. Concord's Town Meeting adopted the state enabling legislation in 2004, voting to assess a 1.5% surcharge, which was affirmed by the voters at the polls in November 2004. The first \$100,000 of assessed value of each property's assessment is exempt from the surcharge. In addition, those taxpayers whose incomes are eligible for low- and moderate-income housing and qualified seniors may obtain exemptions to the tax surcharge.

Community Preservation funds are derived from both local and State sources. At present State funds represent a 100% match with Town surcharge revenues. These State funds are disbursed from the State Community Preservation Trust Fund and are derived from Registry of Deeds fees on property transactions and mortgage refinancing. CPA funds can only be used to acquire, create, and preserve open space and land for recreational purposes, to acquire, preserve, rehabilitate and restore historic resources and to create, preserve and support affordable housing. Under the law, a minimum of 10% of revenues must be appropriated or reserved each year for each of the three interests

of open space, community housing and historic preservation.

In 2005, the Board of Selectmen established the Community Preservation Committee (CPC), which by law is charged with the task of "studying the needs, possibilities, and resources of the town regarding community preservation." The first task of the Committee was to write a Plan, which was completed early in the summer of 2005 and updated in summer of 2006. In writing the Plan, the Committee received opinions from the Town's boards, commissions and officials, as well as information from the Comprehensive Long Range Plan, the Open Space and Recreation Plan and the Playground Study.

The CPC Plan includes the following sections: 1) The CPA in Concord; 2) How CPA Funds can be Used; 3) Needs Assessment, Community Housing, Historic Preservation, Open Space, Recreation; 4) General Selection Criteria; 5) Application Process; 6) Guidelines for Submission; 7) Application Requirements; 8) Application; 9) Funding Process and ten Appendices. The Plan is available on the Town of Concord website [www.concordnet.org](http://www.concordnet.org), at the Town libraries, and the Planning Department, 141 Keyes Road.

At the 2006 Annual Town Meeting, a total of \$2.1 million was available for CPA purposes. Thirteen applications were received requesting a total of \$2.3 million. The CPC

recommended and Town Meeting approved \$1,635,000 across nine projects, and \$30,000 to cover CPA-related administrative costs.

## Recommendations for 2007

2007 will be the second year that the CPC has funds to recommend to Town Meeting for allocation to specific projects. A total of \$2,931,383 is available, when all revenue sources are included (surcharge revenue, state matching funds, and investment earnings). In 2007, 11 applications were received requesting a total of \$4,845,408. After pre-application sessions, site visits to each proposed project, and comprehensive review, the CPC is recommending appropriation for nine projects, two reserves for future projects, and \$30,000 to cover CPA-related administrative costs. Many of the recommended projects will generate matching revenues derived from town, state, foundation and/or other private funds. Several are multi-year projects, combining funds from 2006 and 2007. The projects are varied and located throughout the Town.

For each project recommended by the CPC, Town Meeting may affirm, reject, or reduce the recommended funding level. State law does not allow Town Meeting to increase the recommended funding level of any CPA project.

Because of the unusually large scale of the Playing Fields project, Article 32 of the Warrant is devoted

entirely to Playing Fields. Article 33 contains the remainder of the recommended CPA appropriations. Article 32: \$1,500,000 Town of Concord for playing fields to be located on lands owned by the Concord-Carlisle Regional School District.

**Article 33:** \$1,431,383 The CPC recommends the following appropriations:

- a) \$60,000 *Concord Housing Authority*, for elderly housing on a portion of the Ammendolia Land (addition to 2006 funding)
- b) \$40,000 *Town of Concord*, for the repair of the clock tower of the Harvey Wheeler Community Center
- c) \$100,000 *Concord Housing Development Corporation* to preserve and create affordable housing in Concord
- d) \$60,000 *Friends of the Performing Arts* for stage renovations at 51 Walden Street (addition to 2006 funding)
- e) \$15,000 *Concord Scout House* for structural repairs
- f) \$220,000 *Friends of the West Concord Depot* for exterior renovation of the West Concord Depot
- g) \$200,000 *Thoreau Farm Trust* for the renovation of the Henry David Thoreau birth house
- h) \$200,000 *Save Our Heritage* for renovation of Col. Bar-

rett Farm House (addition to 2006 funding)

i) \$30,000 *Community Preservation Committee for CPA* administrative expenses

j) \$213,245 *Reserve for undesignated Community Housing* proposals, to be voted at subsequent Town Meetings for specific purposes within this category

k) \$293,138 *Reserve for undesignated Open Space* proposals, to be voted at subsequent Town meetings for specific purposes within this category.

Altogether, \$1,500,000 (51%) is recommended for recreational playing fields, \$735,000 (25%) for historic preservation projects, \$373,245 (13%) for community housing projects, \$293,138 (10%) for future open space acquisitions, and \$30,000 (1%) for administrative costs.

**Article 34** addresses a change in the designated recipient of funds voted last year, from the Affordable Housing Committee to the newly created Concord Housing Development Corporation. This new entity is the result of a home rule petition submitted by the Town to the State legislature and enacted as Chapter 275 of the Acts of 2006.

The Finance Committee recommends affirmative action on Ar-

ticles 32, 33 and 34.

## Looking Toward the Future

Land acquisition and housing development are expensive propositions that often require multi-year funding. In addition, the opportunities for the Town to act come at unpredictable times. If funds are set aside ahead of time for these purposes, the Town will not lose valuable future opportunities to invest in open space and housing. Town Meeting must still appropriate undesignated CPA reserve funds at a future time when specific projects are ultimately proposed for the use of these monies.

The Finance Committee applauds the foresight of the CPC to proactively set up these reserves (items J and K of Article 33) and strongly recommends an affirmative vote for our future.

# Community Preservation Fund

## *financial status*

	Actual		Estimated	Estimated
	FY05	FY06	FY07	FY08
<b>Fund Resources</b>				
1.5% surcharge collections	\$646,129	\$696,920	\$724,800	\$756,462
State match of surcharge committed	0	652,084 <sup>a</sup>	697,794 <sup>a</sup>	725,000 <sup>a</sup>
Earnings on available cash balance	5,444	63,417	100,000	37,500
<b>TOTAL FUND REVENUE</b>	<b>\$ 651,573</b>	<b>\$ 1,412,421</b>	<b>\$ 1,522,594</b>	<b>\$ 1,518,962</b>
<b>Fund Disbursements</b>	<b>0</b>	<b>0</b>	<b>1,665,000<sup>b</sup></b>	<b>2,931,384<sup>b</sup></b>
Beginning cash balance	\$ 0	\$ 651,573	\$ 2,063,994	\$1,921,589
Ending cash balance	<b>\$ 651,573</b>	<b>\$ 2,063,994</b>	<b>\$ 1,921,589</b>	<b>\$ 509,167</b>

### Notes

- (a) State match is based upon the net levied surcharge of the prior fiscal year. It is paid in October.  
 (b) For the purpose of forecasting investment earnings, it is assumed that all appropriations voted at the prior Annual Town Meeting will be expended by the following June 30

### APPROPRIATIONS (by Fund Year):

#### @ 2006 Annual Town Meeting

(total appropriated: \$1,665,000)

	FY05 Fund Year	FY07 Fund Year
Housing	\$265,000	\$386,000
Historic Preservation	200,000	374,000
Open Space	80,000	200,000
Recreation	80,000	50,000
Administration	26,573	3,427
<b>TOTAL</b>	<b>\$651,573</b>	<b>\$1,013,427</b>
<b>10% of fund revenues</b>	<b>\$65,157</b>	<b>\$152,259</b>

*(minimum amount that must be allocated to Housing, Historic Preservation, Open Space)*

At the 2006 Annual Town Meeting, \$509,167 of estimated FY07 Fund Revenue was not allocated.

At June 30, 2006, **\$1,412,421 of the cash balance was uncommitted** (cash balance of \$2,063,994 less \$651,573 appropriated from the fund balance). This balance plus the estimated Fund Revenue forecasted for FY08 is available for appropriation at the 2007 Annual Town Meeting.

### 2007 Annual Town Meeting

Available for appropriation:

**\$2,931,383**

Uncommitted balance of June 30, 2006 (\$1,412,421)  
 plus estimated Fund Revenue of FY08 (\$1,518,962)