

THE COMMUNITY PRESERVATION ACT

The Community Preservation Act (CPA) is a state law that enables cities and towns to create a dedicated fund for local open space, affordable housing, historic preservation, and recreation projects.

How it works:

- * The CPA enacts a surcharge of up to 3% on property tax bills. The money raised locally is matched by the state to create a Community Preservation Fund. Ten percent (10%) of this fund must be dedicated to each of three core areas (open space, affordable housing, historic preservation) each year. The remaining seventy percent (70%) can be spent or reserved for future spending in any of the three areas as well as an additional area, public recreation.
- * A local Community Preservation Committee makes recommendations for spending the funds, but each project must be approved by the Town Meeting or City Council, but not by any state agency.
- * The municipality can choose to include 3 possible exemptions to reduce the financial burden: (1) Low-income families and moderate-income senior citizens can be totally exempted from the surcharge, (2) The first \$100,000 of every residential property can be removed from the surcharge calculation (3) Commercial and industrial property can be totally exempted from the surcharge (communities must have a split tax rate).
- * The CPA must be voted on at a regularly scheduled election. To be placed on the election ballot, the CPA must be approved by a majority of Town Meeting or by a petition signed by 5% of registered voters. There must be 35 days between these two events, which can delay the final vote by a full year in some cases.
- * The source of the state matching funds is increased fees at the Registry of Deeds, which are not subject to legislative allocation or approval, making the matching funds much more reliable than other sources of state aid. The state has provided a 100% match to every community that has adopted the CPA so far, but is predicted to decrease in 2008.
- * Once adopted the CPA is in place for 5 years, but the property tax surcharge can be raised or lowered at any time through the same process of adopting the CPA (town meeting vote or petition followed by a ballot vote).
- * Currently, 127 cities and towns have adopted the CPA, from Cambridge and Quincy to Aquinnah and Goshen.
- * CPA funds are very flexible and can be used to restore town halls, build ballfields, repair cemetery stones, protect farmland, install handicap ramps, and much more.

Contact The Trustees of Reservations at 413.268.8219 for more information.

