#### UNDERSTANDING

# Community Preservation Act



CPA funds were used for the protection of Echodale Farm in Easthampton. Photo courtesy of the Easthampton Master Plan Committee

#### What are the objectives of the Community Preservation Act?

To help communities preserve open space and historic sites, and create affordable housing and recreational facilities through a reliable funding source.

#### Why should we adopt the Community Preservation Act?

Passed in 2000, the Community Preservation Act (CPA) is a critical tool to enable communities to protect open space, protect historic resources, and provide affordable housing for low and moderate income individuals and families, including low or moderate income senior housing. The CPA has been heralded by the Trust for Public Land and other organizations, as one of the most important environmental protection tools in the country.

#### How does the Community Preservation Act work?

The Community Preservation Act (CPA) enables communities to establish, through a ballot referendum, a local Community Preservation Fund dedicated to historic preservation, low and moderate income housing, and open space including active and passive recreational uses. Revenue for the fund is generated through a surcharge of 0.1 to 3% of the local property tax. While local adoption of the Act is optional, the Commonwealth is providing, as an adoption incentive, state matching funds totaling approximately \$26 million annually. This funding incentive will match up to 100% of the money raised annually by a community through its surcharge.



Passage of the Act on the community level is a two step process. First, a community must place the CPA on the ballot by obtaining approval of Town Meeting or City Council. Alternatively, a petition of 5% of registered voters can place the CPA on the ballot. Second, once on the ballot, a majority of voters is required to make the CPA law. The CPA is designed to maximize spending flexibility to enable each community to meet its unique needs. A minimum of 10% of annual funds must be spent for each category of historic preservation, affordable housing, and open space. The remaining 70% of funds may be spent in any category. A community may reserve funds to be spent in later years. Additionally, funds may not be used to supplant existing operating funds already dedicated to similar purposes.

#### DID YOU KNOW...

In 2006, the state distributed \$58.6 million to 102 communities in matching funds. Since 2002, the state has distributed a total of \$180.6 million.

## **EXAMPLES FROM THE PIONEER VALLEY**

#### **City of Easthampton**

The City of Easthampton adopted the CPA in 2001, at a 3% surcharge and an exemption for the first \$100,000 of the assessed value of a residential home. Since 2001, the city has spent a total of \$1.5 million dollars on fourteen (14) projects using local and state match CPA funds, on historic preservation projects, affordable housing, open space protection, and recreation.

#### Communities that have adopted the Community Preservation Act

Agawam / Amherst / Belchertown / East Longmeadow / Easthampton / Goshen / Hadley / Hampden / Hatfield / Longmeadow / Monson / Northampton / Southampton / Southwick / Westfield / Wilbraham

The greatest percentage of funds (66%) have been used for open space protection, particularly the acquisition of Echodale Farm, a 164 acres of pristine farmland and open space within the Park Hill region of the city. The Echodale Farm acquisition utilized \$650,000 in CPA funds to match APR and private donations. The CPA also provided \$300,000 in funds for dredging of Nashawannuck Pond, a mill pond located within the center of the city. The city is making great efforts to revitalize this water body and restore environmental quality to the pond.

The CPA has also funded in Easthampton:

- » Five historic preservation projects, including the repairs and improvements to many historic structures throughout the city. (\$244,000)
- » Three recreation projects, including restoration of ball fields and the creation of Lower Mill Pond Park. (\$152,130)



» Three affordable housing projects. (\$120,000)

Project recommendations are made by the Community Preservation Committee to City Council. The committee is nine members as established by local ordinance. The six core committees represented are the Planning Board, Conservation Commission, Parks and Recreation Commission, Housing Authority, City Council Finance Committee, and Historic Commission. The remaining members are appointed by the City Council President, and Mayor. Final appropriations are made by the City Council.

A model bylaw or strategy is included in the Pioneer Valley Sustainability Toolkit.

### FOR MORE INFORMATION, PLEASE CONTACT

Pioneer Valley Planning Commission 413-781-6045

60 Congress Street, Floor 1 Springfield, MA 01104-3419

www.pvpc.org

