

## What is CPA?

A State Law passed in 2000 to help towns retain the character of their community by setting up dedicated funds for 3 core areas

- Open Space
- Historic Preservation
- Community Housing
- Plus recreation(after 10% is spent on each of three core areas)

## Basics of the Act

- Local Adoption required. Must be approved by ballot at town election via TM or petition
- Establishes up to a 3% surcharge on local property taxes(minus exemptions) **that is matched at up to 100% by the state by fees on certain RE transactions at the registry of deeds**
- Requires 10% of monies to be spent on each of the 3 core categories(open space, historic preservation, community housing)
- Allows flexibility for the remaining 70% in each of the 3 core categories plus recreation
- Establishes a Community Preservation Committee of 5-9 members with 1 member from Historic, Open Space, Parks, Conservation, Planning, Housing, and optionally 3 mere mortals. The committee recommends projects that must be approved at TM

## Why

- We get free money for things we do anyway(Gibbs property, Pratt Farm, Soule Homestead)
- Save money because we won't have to borrow to buy open space like we usually do – money that could be used to improve/fund existing services
- Buying open space prevents development and the strain on schools and services that come with it.
- Proper community housing done right can prevent unwanted 40B development
- Improve/preserve our quality of life and home values

## Leveraging other money

- Marion – spent \$525K on senior housing project and got a \$7.5M grant
- Peabody - \$162K on rail trail + \$1.36M grant
- Newton - \$850K on senior housing + \$3.167M grant
- Grafton - \$250K on open space + \$1.85M in state, federal and private sources
- Hamden - \$100K on open space + \$400K from state and private sources

## Cost to the average homeowner

CPA surcharge for the average Middelboro home valued at \$326K with a \$10.10 tax rate, and less a \$100K exemption:

$$\text{CPA surcharge} = (\text{Home Value} - \$100\text{K}) \times \text{TaxRate} \times \text{CPA \%}$$
$$(\$326\text{K} - \$100\text{K}) \times .0101 \times .03 = \$68.478 \text{ or } \$1.32 \text{ per week}$$

**This would provide around \$595K per year plus a state match of \$446K based on the 75% match that towns received in 2008 for a total of just over \$1M.**

## Links

<http://commpres.env.state.ma.us/content/cpa.asp>  
<http://www.communitypreservation.org>  
<http://cpanow.org>