



A Summary of SB 90 ***An Act to Sustain Community Preservation***





Summary of SB 90

In addition to a number of technical corrections, this bill has three main components:

1. Ensure Lasting Success of the Community Preservation Act (CPA)

This bill would increase the annual minimum CPA trust fund match to 75%. The trust fund derives its revenue from fees collected at the Registries of Deeds statewide. From 2001 to 2007, each CPA community received a match from the trust fund equal to 100% of its locally raised revenue. Beginning in October 2008 however, the CPA trust could not sustain the 100% match due to the popularity of the program and reduced real estate activity. The match rate fell to 67% for many communities in 2008 and the Department of Revenue projects it to further decline to 30% in 2009.

2. Broaden CPA Participation

This bill will help cities and less affluent communities, many of whom have yet to adopt CPA. It would allow communities to combine a traditional 1% CPA property tax surcharge with up to 2% of other municipal revenue in order to fund their local Community Preservation account. This alternate method of adoption relies less on the local property tax surcharge to raise revenue and provides a higher level of matching funds from the statewide CPA Trust, which will spur more CPA adoption in urban communities.

Furthermore, the bill adds a new optional commercial exemption for the first \$100,000 of property value for commercial and industrial properties to mirror the current \$100,000 residential exemption. This new exemption is especially beneficial to small businesses.

3. Clarify Allowable Uses to Promote Sustainable Communities

This bill would clarify the allowable uses for CPA funds so that communities can rehabilitate existing outdoor parks and other recreational resources. Currently, rehabilitation projects are restricted to recreational resources that were acquired or created with CPA funds. This has been extremely limiting in many communities, including larger, urban communities with less open space to protect but many older parks in need of capital rehabilitation. In addition, it has forced some communities to create needed playing fields on land used for passive open space instead of rehabilitating existing fields. This change would mirror a legislative amendment made in 2002 allowing CPA funds to be devoted to rehabilitation of historic assets not acquired under CPA.



Supporters of SB 90

Lead Sponsors:

Senator Cynthia Stone Creem and Representative Stephen Kulik

Senate Co-Sponsors:

Stephen Brewer	Benjamin Downing	Patricia Jehlen	James Timilty
Scott Brown	James Eldridge	Thomas Kennedy	Susan Tucker
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Harriette Chandler	Anthony Galluccio	Marc Pacheco	
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House Co-Sponsors:

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James Cantwell	Jay Kaufman	Jeffrey Perry	Cleon Turner
Cheryl Coakley-Rivera	John Keenan	John Quinn	James Vallee
Thomas Conroy	Kay Khan	Robert Rice	James Welch
Geraldine Creedon	Peter Kocot	Michael Rodrigues	Alice Wolf

Endorsing Organizations (partial list):

Citizens Housing and Planning Association	Massachusetts Recreation and Park Assoc.
Environmental League of Massachusetts	Massachusetts Smart Growth Alliance
Mass Audubon	Metropolitan Area Planning Council
Massachusetts Affordable Housing Alliance	National Trust for Historic Preservation
Massachusetts Association of Community Development Corporations	Preservation Massachusetts
Massachusetts Municipal Association	Trust for Public Land
	The Trustees of Reservations

Note: See www.communitypreservation.org for complete, updated sponsor list.

The Community Preservation Act (CPA)

CPA is a state law passed in 2000 that allows an adopting community to establish a dedicated local fund to support affordable housing, develop new parks, playgrounds, and recreational fields, protect open space, and preserve historic buildings and resources.

Adopting communities add a surcharge of up to 3% to local property taxes to raise money locally; a statewide, dedicated CPA Trust Fund provides annual matching funds of up to 100% of what is raised locally. Fees on real estate transactions at the state Registries of Deeds fund the CPA Trust Fund.

The local legislative body must vote to adopt the CPA, followed by a majority vote at a local ballot election. An alternate route is through the initiative petition process (certified signatures of 5% of the registered voters are required to put the measure on the ballot.)

Since being signed into law in late 2000, CPA has been adopted by 142 communities, representing 40% of the Commonwealth's cities and towns. Using CPA funds, municipalities have preserved more than 10,000 acres of open space, including important wetland resources such as lakes, rivers, and saltwater ponds; created or rehabilitated more than 2,300 affordable housing units and developed hundreds of innovative affordable housing programs; and approved funding for more than 1,300 historic preservation projects and over 500 recreation projects.

The Community Preservation Coalition is a non-profit, membership organization that provides technical assistance and guidance to communities adopting or implementing CPA.



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