

Investing in Our Future:

The Community Preservation Act for New Bedford

Overview

Every one of New Bedford's leaders and citizens cares deeply about making sound investments with our hard earned dollars that yield a good return. It is a desire that has its roots in our whalers making long and often dangerous voyages so they only return with vessels that have every barrel filled with oil. One such wise investment opportunity is the Community Preservation Act.

The Community Preservation Act (CPA) enables cities and towns in Massachusetts to create a dedicated fund for outdoor recreation, open space, historic preservation and community housing - and receive matching state funds for these purposes. Over a decade of work went into the creation of the CPA; ultimately signed into law by Governor Paul Cellucci and Lieutenant Governor Jane Swift on September 14, 2000.

The CPA statute also creates a Statewide Community Preservation Trust Fund, administered by the Department of Revenue, which provides distributions each year to communities that have adopted CPA. The Trust Fund's revenues are derived from fees collected at the Registry of Deeds and State budget surplus funds. These annual disbursements serve as an incentive for communities to pass CPA; this past year the matching contribution to CPA communities was 52%. So far, the state has distributed \$470 million from the Trust Fund.

Since its creation as a tool for smart growth, CPA has been adopted by 155 communities including Fall River, Acushnet, Brockton and Dartmouth.

The passage of the CPA referendum for New Bedford could generate more than \$1 million annually and would represent a clear and definitive statement that the people of New Bedford want to invest, they want to compete, they want to build, and they want their city to promote a reputation that welcomes investment and growth, and strong, safe neighborhoods.

Our neighbors in Fall River passed CPA last year with unanimous support of City Council. This has inspired the following coalition of community-minded organizations to band together to do the same for New Bedford:

- Buttonwood Zoological Society
- Buzzards Bay Coalition
- Cape Verde Association
- Friends of Buttonwood Park
- Martha Briggs Educational Club
- Neighborhoods United
- New Bedford Historical Society
- New Bedford Preservation Society
- Operation Clean Sweep
- Orpheum Theatre
- Rotch-Jones-Duff House and Garden Museum
- Schooner Ernestina
- The Trustees of Reservations
- The Trust for Public Land
- WHALE

How Does the CPA Work?

1. The City Council votes to put CPA on the ballot this November 4th.
2. New Bedford citizens vote to adopt CPA – a majority vote wins.
3. After adopting CPA, New Bedford forms a local Community Preservation Committee made up of up to nine New Bedford citizens. The Committee reviews and recommends projects to the City Council. The City Council has final approval of CPA funding in a public process.
4. Under CPA, 90% of the funds can be used for open space, historic preservation and to create and rehabilitate parks, playgrounds, ball fields and trails. Only 10% of the funds are required to be spent on community housing.
5. CPA funds can be used on projects citywide. Everyone benefits!

The Dollars and Sense of CPA

\$470 million. The amount distributed from the State’s CPA Trust Fund to communities like Acushnet, Brockton, Cambridge, Fall River and Somerville.

\$0. The amount New Bedford has received from the State’s CPA Trust Fund.

\$1.15 million. The amount New Bedford would have generated last year alone through CPA.

Why CPA is a Wise Investment for New Bedford

- CPA projects create construction jobs and new investment that eliminate blight and help maintain and increase value of neighboring properties.
- CPA brings in significant state matching funds. In 2013, cities and towns that passed CPA received a 52% match from the state CPA Trust Fund.
- CPA funds may cover the required match for grants, leveraging additional private, state and federal investments in projects throughout New Bedford. Future CPA revenues may be used to issue bonds for large capital projects.
- CPA creates reliable, annual funding for projects and neighborhoods most vulnerable to cuts, such as parks, ball fields and historic preservation.

What are the Numbers on CPA for New Bedford?

New Bedford CPA dollars would come from the state CPA Trust Fund and a surcharge on local property tax bills. This surcharge is on the amount of the tax bill and not the value of the property. Communities select a surcharge of up to 3%. If we adopt the same 1.5% surcharge as Fall River and other nearby communities, the average New Bedford homeowner would pay \$1.50 per month or \$18 per year. The average small business property owner would pay about \$5 per month. Together, we would raise \$756,000 annually, plus we would receive a distribution from the State CPA Trust Fund each year. These funds could leverage other private and public dollars, easily generating over \$1 million annually.

Assessed Property Value	Annual Surcharge
\$100,000	\$0
\$150,000	\$11.37
\$200,000	\$22.74
\$250,000	\$34.48
\$300,000	\$45.48

Who is Exempt from Paying?

- First \$100,000 of property value for ALL residential and commercial property owners.
- Low to moderate income senior citizen property owners.
- Low-income property owners.
- Anyone who rents.
- Any property owner with a current property tax exemption.