

FRAYED COMMUNITY PRESERVATION PARTNERSHIP IN DANGER OF COLLAPSING

By Colin A. Young
STATE HOUSE NEWS SERVICE

STATE HOUSE, BOSTON, APRIL 10, 2017.....As the state's contribution rate continues to decline to record low levels, supporters of the Community Preservation Act touted legislation they say is necessary to preserve the open space protection partnership.

When Gov. Paul Cellucci signed the Community Preservation Act (CPA) into law in 2000, it was with the promise of state matching funds from a CPA Trust Fund to preserve open space, renovate historic buildings and parks and to build new playgrounds and athletic fields.

But that partnership, during the first six years of which the state matched 100 percent of what each municipality raised by its property tax surcharge, has become more one-sided in the last decade, with state matching funds falling or remaining flat in eight of the last nine years.

"Unfortunately, that distribution has steadily declined -- it was down about a third last year to a record low of 20 percent and the Department of Revenue just informed us last week that they estimate this year's match will fall to another record low of 15 percent," Stuart Saginor, executive director of the Community Preservation Coalition, said. "And it will fall again in 2018 when Boston and nine other mostly large cities and towns get their first CPA Trust Fund distribution."

He added, "It's really not exaggerating to say that the future of the program hinges on this legislation and as the match has dropped existing communities are increasingly asking if the program still makes sense and the low match is giving new communities pause."

Saginor was among about a dozen of people who testified Monday before the Joint Committee on Revenue in support of legislation (H 2615 and S 1504) that would raise the Registry of Deeds filing fees that feed the trust fund to a level sufficient to ensure all CPA communities will receive state match of at least 50 percent in their first round distribution each year.

State matching funds are currently provided through a \$20 fee assessed on certain real estate transactions through registries of deeds. The fee structure and match rate formula have not been changed since the CPA went into law in 2000.

The bill -- filed in the House by Reps. Stephen Kulik and Kevin Honan, and in the Senate by Sen. Cynthia Creem -- attracted 124 legislators to sign on as co-sponsors, including about a dozen Republicans. A similar bill won a favorable report from the Revenue Committee last session but never made it out of the House Ways and Means Committee.

Also Monday, the bill's sponsors sent a letter signed by a bipartisan group of 81 lawmakers to the Revenue Committee, urging another favorable report.

"In order to continue to allow the CPA program to continue to be used as a smart growth and job creation tool for our communities around the Commonwealth, it is critical that we move quickly on this legislation," the letter said.

Since the CPA first took effect, 172 cities and towns have adopted it (49 percent of municipalities and 60 percent of the state's population), raising \$1.75 billion to create and support more than 10,600 affordable housing units, 4,440 historic preservation projects, almost 1,750 local parks and recreation projects, and conservation of 26,200 acres of open space, according to the Community Preservation Coalition.

"In my district I've had the joy of watching how that kind of investment by the state and local community has transformed some of the neighboring towns," Rep. Joan Meschino, of Hull, told the committee Monday. "So I wanted to make sure you understood that certain small towns haven't always been able to make that commitment ... and remind you in person how important even a small contribution from the state is; it's important and meaningful."

Saginor said it is imperative that the Legislature move swiftly to adjust how the CPA Trust Fund is supported because the 10 of the 11 communities where voters opted into the CPA in November -- including Boston -- could claim their first state match in 2018 and the state will need about a year to collect the additional money before it can be distributed.

The Legislature, in recent years, has allocated surplus funding to the CPA Trust Fund as the state match rate has dropped below 50 percent in all but one of the last seven years.

"We think everyone would agree that state budget surplus funding is not a long-term answer to the continued pressure on the CPA Trust Fund," Saginor said. "We know that lawmakers appreciate the good work CPA is doing in their districts, and we are looking forward to working with them, as well as all the new CPA communities, existing CPA cities and towns, and other stakeholders across the state, to enact a permanent solution."

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