Report of the Belmont Community Preservation Act Study Committee

October 6, 2008

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Executive Summary

The Community Preservation Act (CPA), Mass. Gen. Laws Chapter 44B, which originally took effect in 2001, allows communities to adopt a property tax surcharge with some level of state matching funds to be used to support open space, affordable housing, historic preservation and some recreational purposes, all within certain parameters.

While the CPA would involve a tax surcharge, the Belmont CPA Study Committee feels that the significant state matching funds, the ability to undertake projects which the Town has been unable to undertake in the past, and the large amount of local control over project funding make the CPA attractive for Belmont. The committee also feels that two exemptions should be adopted to prevent the CPA from becoming a financial burden to those in the community who can least afford it.

The state matching funds are raised by a recording fee surcharge at the Registry of Deeds. In that way, Belmont residents have been paying into the state's community preservation fund since 2001 but have seen that money go to other municipalities to fund their CPA projects. The Committee felt that Belmont residents should receive the benefits from the CPA funds they pay anyway, while also leveraging matching state funds.

The CPA Study Committee interviewed or met with thirteen different Town committees, boards, commissions, and officials, as well as persons from three other municipalities.

After careful study, the CPA Study Committee recommends that:

1) ***Belmont adopt the CPA;***
2) ***The surcharge be in the amount of 1.5%; and***
3) ***Exemptions for the first $100,000 in property value and for low-income persons be adopted.***

The Committee recommends that the Selectmen consider placing a CPA adoption measure on the warrant for the next Town Meeting. If Town Meeting approves the ballot question, the voters would decide whether to adopt the CPA.

For Fiscal Year 2010 (the earliest year for which Belmont could obtain CPA funds), the Committee estimates that the burden would be $118.58 per year to the average Belmont taxpayer while bringing into the Town between $1,150,075 and $1,355,446 yearly, of which between $328,593 and $533,964 would be from state matching funds, assuming a state match rate of between 40% and 65%.

Introduction

On August 6, 2007, the Belmont Board of Selectmen voted to create the temporary Community Preservation Act Study Committee to study the feasibility and desirability of implementing the CPA in Belmont. The Committee was to report back to the Selectmen after 6 months with a report, and optionally with a revision of their mandate. The membership of the Committee was to consist of not more than 9 members. The members of the Committee were appointed by the Board of Selectmen on September 24, 2007, and the Committee held its first meeting on November 6, 2007. While the Committee was created for six months, that period of time was extended by mutual agreement of the Board of Selectmen and the Committee to provide adequate time for the Committee to accomplish its purpose.

Overview of the Community Preservation Act (CPA)

The CPA provides municipalities with an opportunity to leverage state funds for community preservation.

"The Community Preservation Act (CPA) is an innovative tool for communities to address important community needs."[1] The CPA allows municipalities to receive funds from the Commonwealth to support open space, historic preservation, and affordable housing. The municipalities have great flexibility in the spending of these funds within these areas. Comprehensive information, including the CPA statute, may be found on the Mass.gov webpage (http://commpres.env.state.ma.us/content/cpa.asp#) and at the website of the Community Preservation Coalition, which is an alliance of open space, affordable housing, and historic preservation organizations that works with municipalities to help them understand, adopt, and implement the CPA (http://www.communitypreservation.org/index.cfm).

For a municipality to receive the state funds, its voters must approve a local contribution to support these areas in the form of a surcharge on their real estate property tax. The surcharge percentage (up to 3%) is determined by the voters. Each year, the Commonwealth matches the amount raised by said surcharge up to a certain percentage determined by the Massachusetts Department of Revenue (DOR), Division of Local Services (DLS).

All CPA funds must be used for open space preservation, recreational space, historical preservation, and affordable community housing.

More specifically, CPA funds may be used for

- The acquisition, creation, and preservation of open space;
- The acquisition, preservation, rehabilitation, and restoration of historic resources; and
- The acquisition, creation, preservation, and support of affordable community housing.
- The acquisition, creation, and preservation of recreational space;

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[1] Mass.gov webpage http://commpres.env.state.ma.us/content/cpa.asp#.

A minimum of 10% of these funds must be used or saved for each of the first three designated areas (open space, historic preservation, affordable housing). Once the 10% minimum requirements are met, the remaining 70% may be used for any of the three categories or to support recreational facilities. A wide range of uses is allowed, but maintenance activities cannot be funded, nor may CPA funds supplant previously allocated funds in a municipality's budget. Up to 5% may be used for administrative costs associated with the operating expenses of the local Community Preservation Committee to field applications for the funds and to vet those applications.

CPA funds do not need to be used in the year they are collected; they can be set aside for future uses. CPA funds may be combined with those from other municipalities for regional projects. In general, projects (e.g., acquisitions) may be undertaken outside the municipality. CPA funds may be used to pay bond obligations, and a municipality may borrow against the local surcharge revenue. CPA funds (including the state match) count as the local contribution when applying for other state and federal grants and loans.

The following is a summary of the CPA's provisions and the types of uses which are allowed thereunder. Please see the APPENDICES for greater detail.

HISTORIC PRESERVATION – Allowed Uses

The statute defines "historic resources" as a building, structure, vessel, or other real property that is either:

- Listed or eligible for listing on the State Register of Historic Places; or
- Determined by the local Historic Commission to be significant in the history, archeology, architecture, or culture of the city or town.

CPA funds can be used to rehabilitate and restore municipally owned historic sites that were purchased prior to a community's adoption of the CPA and for the acquisition, preservation, rehabilitation and restoration of historic resources…" <u>Rehabilitation includes handicapped access and other capital improvements that may be necessary for historic properties to meet federal and local building codes, or to make those sites functional for the intended use of the facility</u>. As summarized by the Community Preservation Coalition, eligible activities include:

<u>Acquisition</u>

- Acquire a historic site or landscape
- Provide a match for federal or state grants

<u>Preservation</u>

- Purchase a preservation easement to protect façade or other historical features
- Restore historic buildings to reverse inappropriate alterations
- Establish or expand signage or markers at historic sites
- Conduct historical or archeological surveys necessary for a preservation project or to create a new historic district
- Restore archival documents

- Provide grants to acquire or preserve a historic property in private non profit ownership (subject to a preservation restriction)

Rehabilitation and Restoration

- Restore or upgrade municipal historic resources such as town halls, libraries, town commons, parks, or cemeteries
- Adaptively reuse historic sites such as the upgrade and rehabilitation of fire houses, churches, mills, police stations, town halls, or schools for community housing or another municipal use
- Capital improvements to historic resources that are necessary to comply with state building codes
- Provide new utilities and other site work necessary for a preservation project
- Mitigate environmental contamination at historic sites
- Provide accessibility at historic sites, such as elevators, ramps, restrooms, etc
- Restore historic landscapes

OPEN SPACE – Allowed Uses

The statute defines open space as including but not limited to the following:

- Agricultural land
- Well fields, aquifers, recharge areas, and other watershed lands
- Grasslands, fields, or forest lands
- Fresh and salt water marshes and other wetlands
- Ocean, river, stream, lake and pond frontage
- Beaches, dunes, and other coastal lands
- Scenic vistas
- Land for wildlife habitat or biodiversity or nature preserves

Allowed activities allowed include *"... the acquisition, creation, and preservation of open space...and... rehabilitation or restoration of such open space...that is acquired under the CPA."* Examples of eligible activities under this definition, as provided by the Community Preservation Coalition, include:

Open Space Creation

- Raze aging, vacant, municipally-owned building to create an open field
- Reconstruct a road to create a median strip with grass and trees
- Rehabilitate and/or redevelop brownfields by capping a landfill and converting to open space

Open Space Preservation

- Purchase permanent conservation or agricultural preservation restrictions to protect open space or farmland from future development.
- Remove invasive plant species from ponds and wetlands to protect existing open space environment and wildlife habitats from harm or injury

- Purchase of easements to protect water supplies such recharge areas and other watershed lands

Rehabilitation and Restoration

- Restore natural areas (e.g. wetlands, marshlands) acquired using CPA funds to their original state
- Seed, plant trees, landscape an open space created by the removal of buildings on site.

PUBLIC RECREATION

Eligible recreation uses include but are not limited to:

- Community gardens
- Trails
- Noncommercial youth and adult sports
- Parks, playgrounds, and athletic fields

Funds can be used to acquire, create and preserve land for recreation use and " … for rehabilitation or restoration of … land for recreational use …that is acquired or created" under the CPA. Examples of eligible activities include the following.

Acquisition

- Purchase land to create new athletic fields for noncommercial youth and adult sports
- Purchase existing, privately owned recreation facilities for municipal use (e.g. a tennis court)

Creation

- Convert existing structures such as a railroad bed to recreational use (e.g. walking, bike trails)
- *Convert an underutilized municipal lot* to community gardens
- Clean contaminated industrial site or cap landfill to create new soccer, baseball fields, playgrounds

Preservation

- Install an irrigation system at a public park to prevent the grass from dying or being harmed
- Install new drainage at an existing athletic field that has severely deteriorated or to prevent flooding and water damage (monies can NOT be used for routine maintenance or capital improvement for which municipal funding has been already been committed)

Rehabilitation and Restoration of Recreational Lands Acquired Using CPA Funds

- Creating recreational opportunities through brownfields rehabilitation and/or redevelopment such as capping a landfill and establishing a new park, tennis courts or other athletic facilities on site
- Restore unused walking trails in forest land acquired with CPA funds to usable condition
- Resurface tennis courts created on municipally owned property

Note: The Act prohibits CPA funds from being used to acquire land for a stadium, gymnasium, or similar structure.

COMMUNITY HOUSING (Affordable Housing)

The statute defines affordable housing (called "community housing" under the statute) as housing for persons or families earning up to 100% or less of the area-wide median income adjusted for household size, using limits set annually by the United States Department of Housing and Urban Development (HUD). In a mixed-income development, CPA funds can only be used to support the affordable units. Many communities use CPA funds primarily to create units reserved for households earning no more than 80% of the area median income so that those units count toward the community's subsidized housing inventory count under Chapter 40B.

CPA funds can be used to create, preserve and support affordable housing and to rehabilitate or restore affordable housing that is acquired or created with CPA funds. The statute also requires that wherever possible, preference be given to "... the adaptive reuse of existing buildings or construction of new buildings on previously developed sites."

Because direct municipal ownership can make it difficult to develop affordable housing by limiting the availability of financing from certain federal and state housing assistance programs, most communities use CPA for purposes other than acquisition and avoid municipal ownership. Examples of eligible activities include:

<u>Creation</u>

- Convert non-residential properties to community housing (schools, churches, offices, etc)
- Create in-law apartments and other ancillary housing
- Acquire land and/or buildings for new housing development, both rental and homeownership
- Provide grants or loans to non-profit or for-profit developers to create affordable housing.
- Restore "brownfields" sites or mitigate contaminated sites for housing development

<u>Preservation</u>

- Acquire a preservation restriction to limit the occupancy of certain units in a privately owned rental building to persons of low or moderate income housing

<u>Support</u>

- Modify existing homes, including accessibility improvements that allow the disabled or senior citizens to continue to live in their homes; provide a match for the state Home Modification loan program
- Assist the local housing authority to support its low income rental properties.
- Assist residents to meet homeownership costs, including grants or "soft second" loans to reduce mortgage interest rates, provide a down payment, assist with closing costs, security deposits, utility assistance, or to subsidize interest rates.

- Underwrite a revolving loan fund or guarantee fund for tenants who cannot afford first month, last month, and security deposit
- Fund a housing trust or a housing authority to support a specific affordable housing initiative; income from an endowment for local affordable housing can be applied directly or matched with state or federal funding
- Provide matching funds for various state and federal housing programs

<u>Rehabilitation and Restoration of Community Housing Created Using CPA Funds</u>

- Make site improvements such as water/sewer connections, well installation, septic installation or repair, or other underground utilities associated with the creation of affordable housing
- Rehabilitate or restore existing public or private property being converted to affordable housing units in a mixed income residential environment

Each municipality decides whether to adopt the CPA, sets the surcharge percentage, and decides on any exemptions.

The municipality adopts CPA by an *election ballot*. There are two ways the CPA can be placed on a ballot. First, approval at a Town Meeting can place the CPA on a ballot. Second, a petition of 5% of the town's registered voters can place the CPA on a ballot. In either case, the CPA is then voted on at the next regularly-scheduled election.

Each municipality also may adopt exemptions from the surcharge for the first $100,000 of the value of a property and for low income persons. There is also an allowed exemption for commercial property for municipalities with different rates for commercial and residential property. (Belmont does not have different rates.)

The state matches the amount raised by the CPA surcharge.

The CPA ballot, if passed, adopts the CPA for the municipality, establishes the surcharge percentage, and specifies any exemptions from the surcharge. Funds collected from the surcharge are placed in the Community Preservation Fund established by the municipality, which is separate from the rest of the budget and which can only be used for CPA purposes. The state contributes to this fund in the amount of the match for that particular year.

The municipality would appoint the Community Preservation Committee. The legislative body (in Belmont, this is Town Meeting) would then vote on the applications forwarded by the Committee as to whether they should receive the funds.

The amount of the match each year depends on the funds available in the state's Community Preservation Trust Fund and the number of municipalities who have adopted the CPA. From inception in 2001 to 2007, the match was 100%. In FY2009, the match is anticipated to be 65% by the Department of Revenue (DOR), Division of Local Services (DLS), because of the increased number of participating municipalities and the current size of the trust fund.

The state match money comes out of the Massachusetts Community Preservation Trust Fund, which is funded by certain fees paid at the Registry of Deeds.

The Community Preservation Trust Fund receives revenue mainly by charging a surcharge on fees at the Registry of Deeds. It is estimated that Belmont residents have paid $598,410 in such registry fees in the period of 2002-2007.[2]

The CPA surcharge does not increase the Proposition 2½ tax base.

The CPA statute specifically excludes it from provisions of the Proposition 2½ state law governing property taxes. Specifically,

- The surcharge does not add to the tax base for calculating the following year's levy limit, which may increase by a maximum of a 2½ percent under Proposition 2½.
- The funds collected by the surcharge are not limited by the levy limit.
- The surcharge for each property owner is calculated after all adjustments have been made – approved overrides, abatements, exemptions, etc.

At any regular election, the town may change the surcharge percentage and/or the exemption status.

The CPA law allows a municipality to change the percentage of the surcharge or the exemptions at any regular election. The process for making such a change is the same as for adopting the CPA: First the change is put on a ballot by town meeting or petition; then, the change is voted on at the subsequent election.

After 5 years, the municipality may revoke the CPA.

After five years, the municipality may revoke the CPA using the same process provided for approving it (placement on the ballot by the legislative body or petition, then a referendum). The municipality must, however, honor any ongoing bond obligations funded by CPA funds.

The Massachusetts legislature continues to consider amendments to the CPA.

The provisions of the CPA may change in each legislative session as amendments are passed. In the most recent legislative session (185th session, January 2007 - July 2008), House Bill 4820 was filed and reported favorably out of committee but was not voted on. Among other provisions, House Bill 4820 would have set a floor of 75% on the state match. Fees collected by the Registry of Deeds would have been increased to provide the needed funds. It is likely that a similar bill will be filed in the next session.

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[2] Sherman, Robin, and David Luberoff. "The Massachusetts Community Preservation Act: Who Benefits, Who Pays?" Rappaport Institute for Greater Boston, Kennedy School of Government, Harvard University, July 2007, pg. 25, http://www.hks.harvard.edu/rappaport/downloads/cpa/cpa_final.pdf.

Information Gathering and Outreach by Our Committee

To research the CPA, our committee gathered information and feedback from a broad range of sources. We consulted the following Town of Belmont departments, boards, committees, and officials for feedback:

- Board of Assessors
- Department of Public Works
- Town Accountant
- Town Treasurer
- Recreational Commission
- Planning Board
- Conservation Commission
- Land Trust
- Housing Trust
- Housing Authority
- Historical District Commission

In addition, we consulted the Belmont Capital Projects Overview Committee written report (dated October 11, 2007).

One of our members attended the Southeastern Massachusetts Conference on the CPA (November 10, 2007, Bridgewater, MA).[3] We also spoke to Massachusetts organizations such as the Massachusetts Association of Realtors.

We heard from the following guest speakers at our meetings:

- Katherine Roth, Associate Director of the Community Preservation Coalition
- Susan Stott of Andover (Andover had a failed town meeting vote in 2002 and a successful town meeting vote in 2007; the referendum which occurred after we met with Ms. Stott on January 17, 2008, ultimately failed on March 25, 2008)
- Jody Kablack, Planning Director of Sudbury (adopted CPA in 2002)
- Mark Rudnick, Waltham (involved in failed CPA campaign in 2002 and successful CPA campaign in 2006)

To share our findings and solicit feedback from the Belmont community, we made presentations at the following open meetings:

- Conservation Commission (January 8, 2008)
- League of Women Voters (May 2, 2008)
- Warrant Committee (May 14, 2008)

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[3] Slides from the conference may be found at http://www.communitypreservation.org/ConferenceNov2007.cfm.

- Public Hearing (June 17, 2008)

Examples of CPA Projects from Other Municipalities

Communities have used CPA for a wide range of activities. A selection of recently approved projects (2007, 2008) in other municipalities provide an illustration. For additional approved projects in other municipalities, please see the APPENDICES to this report.

Historic Preservation	
Archive Record Management and Conservation	$150,000
Town Office Complex Bldg. Envelope (restore copper gutters, storm windows)	$95,000
Town Office Complex ADA Accessible bathrooms, signs	$70,000
Buckman Tavern Boiler	$10,685
Affordable Housing	
Parker School Condominium (purchase 3 units, make affordable rentals)	$652,800
Greeley Village Window Replacements (housing authority property)	$228,404
Muzzey Condominium (building, accessibility study; 50%=historic preservation)	$53,500
Recreation	
Walking/bike trail master plan (also Open Space)	$125,000
Center Playfield- drainage engineering study	$40,000
Harrington School – wheelchair accessible preschool playground	$75,000
Open Space	
Belfrey Hill Tree Restoration	$9,850
Administrative expenses (including part-time administrative assistant)	$50,000

Potential CPA Projects in Belmont

We contacted Belmont departments, boards, committees, and officials with an interest in open space, historic preservation, affordable housing, recreation and capital planning and asked them to identify projects and activities they might wish to explore if Belmont adopted the CPA. Suggestions received are listed briefly below. Please see the APPENDICES to this report for further possibilities.

Historic Preservation

- Rehabilitate the Underwood Swimming Pool and make accessible
- Restore the brick barn at Rock Meadow – use as a nature or arts center
- Adaptive re-use of the former Municipal Light Building and Police Station (also a potential affordable housing activity)
- Town-wide survey of historic resources
- Clean the Concord Avenue 1907 Railroad Bridge (on National Register)

- Restoration of the stoop and interior doors at the Benton Branch library

Open Space

- Acquisition of open space (e.g., Uplands)
- Purchase of conservation restrictions

Affordable Housing

- Acquire existing housing units and convert to affordable ownership or rental units
- Help finance affordable housing units in the Oakley Neighborhood Overlay District
- Help finance affordable housing units in mixed use overlay districts (Cushing Square, Belmont Center) or projects subject to inclusionary zoning.
- Help finance improvements at Belmont Housing Authority properties (e.g., elevator at elderly development)
- Housing consultant assistance for planning, site assessment and other incidental costs
- Legal research on charitable donation program or affordability commitments
- Purchase of affordable housing restrictions

Recreation

- Local funding of Wayside Rail Trail design and construction (10% local, 10% State, 80% federal)
- Local funding of other shared use trails within Belmont (e.g. Brighton Street bike path)
- New athletic fields (acquisition of Purecoat North site, redevelopment of transfer station site)

Certain projects which the Town has undertaken in the past possibly could have been paid for with CPA funds had the Town adopted the CPA, such as:

- Roof repairs to the Benton Branch library
- Restoration of Town Hall exterior doors
- Purchase of McLean land for open space
- Purchase of all or part of the Uplands property when it was available

Administrative and Financial Impact on Belmont

Administrative Impact

The administrative requirements of the CPA are manageable. In a meeting with CPA Study Committee members, the Board of Assessors said there would be additional work if the CPA were adopted with the low income exemption, but they couldn't estimate how much. It is unknown how many residents would be eligible for the low-income exemption, nor how many would apply for it. Although Belmont does not yet have a mechanism in place to determine low-income status, the Board of Assessors felt that the issue could be successfully addressed. The Commonwealth has a form (CP-4, a copy of which is attached to this report in the APPENDICES) for persons applying for a low income exemption to the CPA surcharge, so the Town would not have to create one. The Town Treasurer's Office said there would be a one-time cost to add the CPA line to the printed property tax bills, but that the additional work would be minimal. The Town Accountant's Office said there would be a substantial amount of annual work to maintain CPA financial accounts. (Note that the CPA allows use of up to 5% of the funds to offset administrative costs.)

Reporting requirements are modest. Three forms must be filed: the Community Preservation Surcharge Report (Form CP-1, a short form certifying the amount of surcharge received signed by the Board of Assessors and Town Accountant), the Community Preservation Fund Annual Report (Form CP-2, overseen by the Town Accountant), and the list of all CPA projects approved by a community (CP-3, prepared by the Community Preservation Committee).[4]

Financial Impact

Tables 1 though 5 illustrate the estimated financial impact of adopting the CPA on the owner of the average value single-family home in Belmont in fiscal year 2009 (FY09), the current fiscal year. The surcharge is estimated considering various percentage levels and with and without the exemption of the first $100,000 of the home's value. To calculate the total revenue to Belmont, the MA Division of Local Services (DLS, a division of the MA Department of Revenue) estimate of a 65% state match for FY09 is used. Please note that all figures are estimated.

For FY10 (the earliest year for which Belmont could obtain CPA funds), the Committee estimates that the burden would be $118.58 per year to the average Belmont taxpayer while bringing into the Town between $1,150,075 and $1,355,446 yearly, of which between $328,593 and $533,964 would be from state matching funds, assuming a state match rate of between 40% and 65%. Details of these estimates and estimates given other scenarios can be found in the APPENDICES.

Table 1 Assumptions used to estimate the average CPA surcharge and total revenue for FY09.

Average value of single –family home:	$767,676[5] (assume unchanged from FY08)
Estimated FY09 tax rate:	$11.55/thousand (2.5% over last official tax rate, FY08 $11.27/thousand[6])
Estimated FY09 tax on average value home:	$8,866.66
Estimated Total FY09 property tax collected (assuming FY09 tax rate of $11.55/thousand):	$62,421,407 (with estimated additions to tax base)

[4] Massachusetts Municipal Association http://www.mma.org/index.php?Itemid=88&id=3036&option=com_content&task=view.

[5] At A Glance Report for Belmont, MA Department of Revenue, Division of Local Services, http://www.mass.gov/?pageID=dorterminal&L=3&L0=Home&L1=Local+Officials&L2=Municipal+Data+and+Financial+Management&sid=Ador&b=terminalcontent&f=dls_mdmstuf_aag_aagindex&csid=Ador).

[6] Belmont Board of Assessors 2007 Annual Report http://www.town.belmont.ma.us/public_documents/BelmontMA_WebDocs/townreports/2007/finance/boa.

Table 2 Estimated FY09 CPA surcharge for the average value Belmont single-family home; example calculation for surcharge w/ exemption: At surcharge level of 0.5%, surcharge w/ exemption is ($767,676 - $100,000) x 11.55/1000 x 0.005 = $38.56.

Surcharge level	Surcharge w/o $100,000 exemption	Surcharge w/ $100,000 exemption
0.5%	$44.33	$38.56
1.0%	$88.67	$77.12
1.5%	$133.00	$115.67
2.0%	$177.33	$154.23
3.0%	$266.00	$231.35

Table 3 Estimated FY09 CPA revenue for Belmont with and without first $100,000 exemption; exemption amounts estimated as number of real property accounts, 8031[7], times $100,000, divided by total value of taxable real property, $5.29 billion[8] which is roughly 15.2% of the total. So CPA tax collected is also decreased by 15.2%.

Surcharge level	Revenue from surcharge	State match at 65%	Total CPA revenue for Belmont
Without first $100,000 exemption			
0.5%	$312,107.04	$202,869.57	$514,976.61
1.0%	$624,214.07	$405,739.15	$1,029,953.22
1.5%	$936,321.11	$608,608.72	$1,544,929.82
2.0%	$1,248,428.14	$811,478.29	$2,059,906.43
3.0%	$1,872,642.21	$1,217,217.44	$3,089,859.65
With first $100,000 exemption			
0.5%	$264,666.77	$172,033.40	$436,700.16
1.0%	$529,333.53	$344,066.80	$873,400.33
1.5%	$794,000.30	$516,100.19	$1,310,100.49
2.0%	$1,058,667.06	$688,133.59	$1,746,800.65
3.0%	$1,588,000.59	$1,032,200.39	$2,620,200.98

7 Belmont Board of Assessors 2007 Annual Report http://www.town.belmont.ma.us/public_documents/BelmontMA_WebDocs/townreports/2007/finance/boa.

8 At A Glance Report for Belmont, MA Department of Revenue, Division of Local Services, http://www.mass.gov/?pageID=dorterminal&L=3&L0=Home&L1=Local+Officials&L2=Municipal+Data+and+Financial+Management&sid=Ador&b=terminalcontent&f=dls_mdmstuf_aag_aagindex&csid=Ador).

Table 4 Estimated CPA funds that would be raised in Belmont in FY09 at different surcharge and state match levels, based on level assessments from FY08 to FY09, with estimated additions to tax base, estimated FY09 tax rate of $11.55 per $1,000, first $100,000 of assessed value exempt.

State match level	@1% surcharge	@2% surcharge	@3% surcharge
0%	$529,333.53	$1,058,667.06	$1,588,000.59
30%	$688,133.59	$1,376,267.18	$2,064,400.77
40%	$741,066.94	$1,482,133.89	$2,223,200.83
50%	$794,000.30	$1,588,000.59	$2,382,000.89
75%	$926,333.68	$1,852,667.36	$2,779,001.04
100%	$1,058,667.06	$2,117,334.13	$3,176,001.19

Table 5 Estimated Taxpayer Impacts – added annual tax at different surcharge levels, based on level assessments from FY08 to FY09, with estimated additions to tax base, estimated FY09 tax rate of $11.55 per $1,000, first $100,000 of assessed value exempt.

Assessed value	@1%	@2%	@3%
$400,000	$34.65	$69.30	$103.95
$600,000	$57.75	$115.50	$173.25
$800,000	$80.85	$161.70	$242.55
$1,000,000	$103.95	$207.90	$311.85
$1,500,000	$161.70	$323.40	$485.10
$2,000,000	$219.45	$438.90	$658.35

Benefits and Drawbacks for Belmont of Adopting the CPA

BENEFITS

In researching the CPA, we found that there are a large number of potential advantages for Belmont. These are listed in categories below.

Local control

- The surcharge level and exemptions are chosen by the voters.
- A locally-appointed committee (Community Preservation Committee) evaluates and recommends projects.
- Town Meeting makes the final decision as to which projects are funded.
- The surcharge level and exemptions can be changed by voters each year.
- The CPA can be repealed by voters after five years.

Financial

- Belmont residents would receive back some of the money we are currently paying into the Commonwealth's CPA trust fund through Registry of Deeds fees (estimated to be about $600,000 from 2002-2007). Our payments now go entirely to other municipalities.
- State matching funds are received for three areas which receive little in the way of Town funding: open space and recreation, historic preservation, and affordable housing.
- Funds can be held over year to year.
- CPA funds (including the state match) can be used to satisfy the local match requirements for state and federal grants and loans such as Dept. of Housing and Community Development programs, Forest Legacy, LAND (formerly Self Help), PARC (formerly Urban Self-Help), Agricultural Preservation Restrictions, and Chapter 61 purchases.
- Adopting the CPA would raise Belmont's Commonwealth Capital score, which would improve our standing when applying for some of the state grants mentioned above.[9]
- Funds may be borrowed in anticipation of the CPA surcharge portion.

Town tax issues

- Revenue from CPA does not increase the tax levy limit as determined by Proposition 2 ½.

Flexible

- There is wide latitude in types of projects.
- There is an optional low-income exemption and first $100,000 exemption.
- The surcharge level can be changed by Town Meeting and ballot vote
- Exemptions can be changed by Town Meeting and ballot vote
- 5% of CPA funds may be used for administrative purposes

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[9] The Commonwealth Capital Policy "coordinates state capital spending programs in order to invest in projects that are consistent with the Commonwealth's Sustainable Development Principles" (http://www.mass.gov/?pageID=gov3subtopic&L=5&L0=Home&L1=Key+Priorities&L2=Job+Creation+%26+Economic+Growth&L3=Clean+Energy+%26+Smart+Growth-Smart+Energy&L4=Commonwealth+Capital&sid=Agov3 and http://www.mass.gov/Agov3/docs/smart_growth/commcap_guidance_fy09.rtf).

DRAWBACKS

There are also disadvantages which must be considered carefully.

- Property tax bills would increase through a surcharge; the increase would depend on the surcharge level adopted (up to 3%) and any exemptions.
- The funds would not be available for general use but must be used to support open space, historic preservation, and affordable housing.
- If the low-income exemption is adopted, assessors would have to process requests.
- An additional permanent Town committee would have to be created.
- Although money would be allocated to known categories of use, specific projects would not be known at the time of the surcharge collection.
- Once adopted, an election is required to alter or repeal the CPA.
- There is no guarantee of the state match level, which could be reduced under the CPA statute to as low as 5%.

Recommendations

Our committee carefully considered the feedback from town officials and the public, information from materials we gathered regarding the implementation of the CPA, and discussions with members of other communities who have considered adopting the CPA.

On one hand, the surcharge is an additional amount to be paid in lean financial times. On the other hand, by adopting the CPA, we could obtain state money to help address Belmont's unfunded needs. The Underwood Pool is in danger of collapse. Our low percentage of certified affordable housing allows developers to disregard our zoning under 40B. We possess historical records from the last two centuries which will be lost if not properly preserved.

The Committee believes that a 1.5% surcharge is the right amount to raise sufficient funds to make Belmont an even better place to live while not overburdening taxpayers.
At a level of 1.5%, the amount of the surcharge for the owner of the average value single-family house in Belmont would be under $120 for FY09 (less than $10 per month). With the DLS estimate of a 65% state match for FY09, the total revenue for Belmont would be well over $1 million.

The percentage of the state match fluctuates and may decrease further if the housing market continues to decline; however, when the economic cycle turns upward again, the percentage is expected to rise with increased Registry of Deeds filings. Without adopting the CPA, Belmont receives 0% in matching funds, while our residents continue to pay into the state CPA trust fund.

The CPA Study Committee weighed the additional administrative cost against the need to prevent the CPA from being a burden to the most financially vulnerable among us. In the end, we decided that the two exemptions should be adopted as a matter of fairness.

The CPA Study Committee recommends that:

1) ***Belmont adopt the CPA*; *and***
2) ***The surcharge be in the amount of 1.5%; and***
3) ***Exemptions for the first $100,000 in property value and for low-income persons be adopted.***

The Committee recommends that the Selectmen consider placing a CPA adoption measure on the warrant for the next Town Meeting. If Town Meeting approves the ballot question, the voters would decide whether to adopt the CPA.

The Committee wishes to thank the Board of Selectmen for the opportunity to make this report and thanks Assistant Town Administrator Jeffrey Conti for his tireless work in supporting our efforts.

Respectfully,

The Community Preservation Act Study Committee

Adam Dash, Chairman
John Dieckmann, Vice-Chairman
Peter Gunness
Caroline Huang
Delores Keefe
Mark Paolillo
Joseph Scali
Ann Verrilli

APPENDICES

A. Massachusetts General Laws Chapter 44B, The Community Preservation Act

B. CPA Overview Details

C. Income Eligibility Guidelines for Low/Moderate Income Exemption

D. Other Municipalities' CPA Projects

E. Financial Spreadsheets

F. CP-4 Form

G. Lexington CPA Taxpayer Information Guide

APPENDIX A

MASSACHUSETTS GENERAL LAWS CHAPTER 44B
The Community Preservation Act

§ 1. Title

This chapter shall be known and may be cited as the Massachusetts Community Preservation Act.

§ 2. Definitions

As used in this chapter, the following words shall, unless the context clearly indicates a different meaning, have the following meanings:--

"Acquire", obtain by gift, purchase, devise, grant, rental, rental purchase, lease or otherwise. "Acquire" shall not include a taking by eminent domain, except as provided in this chapter.

"Annual income", a family's or person's gross annual income less such reasonable allowances for dependents, other than a spouse, and for medical expenses as the housing authority or, in the event that there is no housing authority, the department of housing and community development, determines.

"Community housing", low and moderate income housing for individuals and families, including low or moderate income senior housing.

"Community preservation", the acquisition, creation and preservation of open space, the acquisition, creation and preservation of historic resources and the creation and preservation of community housing.

"Community preservation committee", the committee established by the legislative body of a city or town to make recommendations for community preservation, as provided in section 5.

"Community Preservation Fund", the municipal fund established under section 7.

"CP", community preservation.

"Historic resources", a building, structure, vessel real property, document or artifact that is listed or eligible for listing on the state register of historic places or has been determined by the local historic preservation commission to be significant in the history, archeology, architecture or culture of a city or town.

"Legislative body", the agency of municipal government which is empowered to enact ordinances or by-laws, adopt an annual budget and other spending authorizations, loan orders, bond authorizations and other financial matters and whether styled as a city council, board of aldermen, town council, town meeting or by any other title.

"Low income housing", housing for those persons and families whose annual income is less than 80 per cent of the areawide median income. The areawide median income shall be the areawide median income as determined by the United States Department of Housing and Urban Development.

"Low or moderate income senior housing", housing for those persons having reached the age of 60 or over who would qualify for low or moderate income housing.

"Maintenance", the upkeep of real or personal property.

"Moderate income housing", housing for those persons and families whose annual income is less than 100 per cent of the areawide median income. The areawide median income shall be the areawide median income as determined by the United States Department of Housing and Urban Development.

"Open space", shall include, but not be limited to, land to protect existing and future well fields, aquifers and recharge areas, watershed land, agricultural land, grasslands, fields, forest land, fresh and salt water marshes and other wetlands, ocean, river, stream, lake and pond frontage, beaches, dunes and other coastal lands, lands to protect scenic vistas, land for wildlife or nature preserve and land for recreational use.

"Preservation", protection of personal or real property from injury, harm or destruction, but not including maintenance.

"Real property", land, buildings, appurtenant structures and fixtures attached to buildings or land, including, where applicable, real property interests.

"Real property interest", a present or future legal or equitable interest in or to real property, including easements and restrictions, and any beneficial interest therein, including the interest of a beneficiary in a trust which holds a legal or equitable interest in real property, but shall not include an interest which is limited to the following: an estate at will or at sufferance and any estate for years having a term of less than 30 years; the reversionary right, condition or right of entry for condition broken; the interest of a mortgagee or other secured party in a mortgage or security agreement.

"Recreational use", active or passive recreational use including, but not limited to, the use of land for community gardens, trails, and noncommercial youth and adult sports, and the use of land as a park, playground or athletic field. "Recreational use" shall not include horse or dog racing or the use of land for a stadium, gymnasium or similar structure.

"Rehabilitation", the remodeling, reconstruction and making of extraordinary repairs to historic resources, open spaces, lands for recreational use and community housing for the purpose of making such historic resources, open spaces, lands for recreational use and community housing functional for their intended use, including but not limited to improvements to comply with the Americans with Disabilities Act and other federal, state or local building or access codes. With respect to historic resources, rehabilitation shall have the additional meaning of work to comply with the Standards for Rehabilitation stated in the United States Secretary of the Interior's Standards for the Treatment of Historic Properties codified in 36 C.F.R. Part 68.

§ 3. Acceptance of Secs. 3 to 7

(a) Sections 3 to 7, inclusive, shall take effect in any city or town upon the approval by the legislative body and their acceptance by the voters of a ballot question as set forth in this section.

(b) Notwithstanding the provisions of chapter 59 or any other general or special law to the contrary, the legislative body may vote to accept sections 3 to 7, inclusive, by approving a surcharge on real property of not more than 3 per cent of the real estate tax levy against real property, as determined annually by the board of assessors. The amount of the surcharge shall not be included in a calculation of total taxes assessed for purposes of section 21C of said chapter 59.

(c) All exemptions and abatements of real property authorized by said chapter 59 or any other law for which a taxpayer qualifies as eligible shall not be affected by this chapter. A taxpayer receiving an exemption of real property authorized by said chapter 59 or any other law shall be exempt from any surcharge on real property established under this section. The surcharge to be paid by a taxpayer receiving an abatement of real property authorized by said chapter 59 or any other law shall be reduced in proportion to the amount of such abatement.

(d) Any amount of the surcharge not paid by the due date shall bear interest at the rate per annum provided in section 57 of said chapter 59.

(e) The legislative body may also vote to accept one or more of the following exemptions:

(1) for property owned and occupied as a domicile by a person who would qualify for low income housing or low or moderate income senior housing in the city or town;

(2) for class three, commercial, and class four, industrial, properties as defined in section 2A of said chapter 59, in cities or towns with classified tax rates; or

(3) for $100,000 of the value of each taxable parcel of residential real property.

(f) Upon approval by the legislative body, the actions of the body shall be submitted for acceptance to the voters of a city or town at the next regular municipal or state election. The city or town clerk or the state secretary shall place it on the ballot in the form of the following question: "Shall this (city or town) accept sections 3 to 7, inclusive of chapter 44B of the General Laws, as approved by its legislative body, a summary of which appears below"

(Set forth here a fair, concise summary and purpose of the law to be acted upon, as determined by the city solicitor or town counsel, including in said summary the percentage of the surcharge to be imposed.)

If a majority of the voters voting on said question vote in the affirmative, then its provisions shall take effect in the city or town, but not otherwise.

(g) The final date for notifying or filing a petition with the city or town clerk or the state secretary to place such a question on the ballot shall be 35 days before the city or town election or 60 days before the state election.

(h) If the legislative body does not vote to accept sections 3 to 7, inclusive, at least 90 days before a regular city or town election or 120 days before a state election, then a question seeking said acceptance through approval of a particular surcharge rate with exemption or exemptions, may be so placed on the ballot when a petition signed by at least 5 per cent of the registered voters of the city or town requesting such action is filed with the registrars, who shall have seven days after receipt of such petition to certify its signatures. Upon certification of the signatures, the city or town clerk or the state secretary shall cause the question to be placed on the ballot at the next regular city or town election held more than 35 days after such certification or at the next regular state election held more than 60 days after such certification.

(i) With respect to real property owned by a cooperative corporation, as defined in section 4 of chapter 157B, that portion which is occupied by a member under a proprietary lease as the member's domicile shall be considered real property owned by that member for the purposes of exemptions provided under this section. The member's portion of the real estate shall be represented by the member's share or shares of stock in the cooperative corporation, and the percentage of that portion to the whole shall be determined by the percentage of the member's shares to the total outstanding stock of the corporation, including shares owned by the corporation. This portion of the real property shall be eligible for any exemption provided in this section if the member meets all requirements for the exemption. Any exemption so provided shall reduce the taxable valuation of the real property owned by the cooperative corporation, and the reduction in taxes realized by this exemption shall be credited by the cooperative corporation against the amount of the taxes otherwise payable by or chargeable to the member. Nothing in this subsection shall be construed to affect the tax status of any manufactured home or mobile home under this chapter, but this subsection shall apply to the land on which the manufactured home or mobile home is located if all other requirements of this clause are met. This subsection shall take effect in a city or town upon its acceptance by the city or town.

§ 4. Surcharge on real property; collection

(a) Upon acceptance of sections 3 to 7, inclusive, and upon the assessors' warrant to the tax collector, the accepted surcharge shall be imposed.

(b) After receipt of the warrant, the tax collector shall collect the surcharge in the amount and according to the computation specified in the warrant and shall pay the amounts so collected, quarterly or semi-annually, according to the schedule for collection of property taxes for the tax on real property, to the city's or town's treasurer. The tax collector shall cause appropriate books and accounts to be kept with respect to such surcharge, which shall be subject to public examination upon reasonable request from time to time.

(c) The remedies provided by chapter 60 for the collection of taxes upon real estate shall apply to the surcharge on real property pursuant to this chapter.

§ 5. Community preservation committee; members; recommendations

(a) A city or town that accepts sections 3 to 7, inclusive, shall establish by ordinance or by-law a community preservation committee. The committee shall consist of not less than five nor more than nine members. The ordinance or by-law shall determine the composition of the committee, the length of its term and the method of selecting its members, whether by election or appointment or by a combination thereof. The committee shall include, but not be limited to, one member of the conservation commission established under section 8C of chapter 40 as designated by the commission, one member of the historical commission established under section 8D of said chapter 40 as designated by the commission, one member of the planning board established under section 81A of chapter 41 as designated by the board, one member of the board of park commissioners established under section 2 of chapter 45 as designated by the board and one member of the housing authority established under section 3 of chapter 121B as designated by the authority, or persons, as determined by the ordinance or by-law, acting in the capacity of or performing like duties of the commissions, board or authority if they have not been established in the city or town. If there are no persons acting in the capacity of or performing like duties of any such commission, board or authority, the ordinance or by-law shall designate those persons.

(b)(1) The community preservation committee shall study the needs, possibilities and resources of the city or town regarding community preservation. The committee shall consult with existing municipal boards, including the conservation commission, the historical commission, the planning board, the board of park commissioners and the housing authority, or persons acting in those capacities or performing like duties, in conducting such studies. As part of its study, the committee shall hold one or more public informational hearings on the needs, possibilities and resources of the city or town regarding community preservation possibilities and resources, notice of which shall be posted publicly and published for each of two weeks preceding a hearing in a newspaper of general circulation in the city or town.

(2) The community preservation committee shall make recommendations to the legislative body for the acquisition, creation and preservation of open space; for the acquisition, preservation, rehabilitation and restoration of historic resources; for the acquisition, creation and preservation of land for recreational use; for the acquisition, creation, preservation and support of community housing; and for the rehabilitation or restoration of open space, land for recreational use and community housing that is acquired or created as provided in this section. With respect to community housing, the community preservation committee shall recommend, wherever possible, the reuse of existing buildings or construction of new buildings on previously developed sites.

(3) The community preservation committee may include in its recommendation to the legislative body a recommendation to set aside for later spending funds for specific purposes that are consistent with community preservation but for which sufficient revenues are not then available in the Community Preservation Fund to accomplish that specific purpose or to set aside for later spending funds for general purposes that are consistent with community preservation.

(c) The community preservation committee shall not meet or conduct business without the presence of a quorum. A majority of the members of the community preservation committee shall constitute a quorum. The community preservation committee shall approve its actions by majority vote. Recommendations to the legislative body shall include their anticipated costs.

(d) After receiving such recommendations from the community preservation committee, the legislative body shall then take such action and approve such appropriations from the Community Preservation Fund as set forth in section 8, and such additional appropriations as it deems appropriate to carry out the recommendations of the community preservation committee.

(e) For the purposes of community preservation and upon the recommendation of the community preservation committee, a city or town may take by eminent domain under chapter 79, the fee or any lesser interest in real property or waters located in such city or town if such taking has first been approved by a two-thirds vote of the legislative body. Upon a like recommendation and vote, a city or town may expend monies in the Community Preservation Fund, if any, for the purpose of paying, in whole or in part, any damages for which a city or town may be liable by reason of a taking for the purposes of community preservation.

(f) Section 16 of chapter 30B shall not apply to the acquisition by a city or town, of real property or an interest therein, as authorized by this chapter for the purposes of community preservation and upon recommendation of the community preservation committee and, notwithstanding section 14 of chapter 40, for purposes of this chapter, no such real property, or interest therein, shall be acquired by any city or town for a price exceeding the value of the property as determined by such city or town through procedures customarily accepted by the appraising profession as valid.

A city or town may appropriate money in any year from the Community Preservation Fund to an affordable housing trust fund.

§ 6. Annual revenues; open space, historic resources and community housing

In every fiscal year and upon the recommendation of the community preservation committee, the legislative body shall spend, or set aside for later spending, not less than 10 per cent of the annual revenues in the Community Preservation Fund for open space, but not including land for recreational use, not less than 10 per cent of the annual revenues for historic resources and not less than 10 per cent of the annual revenues for community housing. In each fiscal year, the legislative body shall make such appropriations from the Community Preservation Fund as it deems necessary for the administrative and operating expenses of the community preservation committee, but the appropriations shall not exceed 5 per cent of the annual revenues in the Community Preservation Fund. Funds that are set aside shall be held in the Community Preservation Fund and spent in that year or later years, but funds set aside for a specific purpose shall be spent only for the specific purpose. Any funds set aside may be expended in any city or town in the commonwealth. The community preservation funds shall not replace existing operating funds, only augment them.

§ 7. Community preservation fund

Notwithstanding the provisions of section 53 of chapter 44 or any other general or special law to the contrary, a city or town that accepts sections 3 to 7, inclusive, shall establish a separate account to be known as the Community Preservation Fund of which the municipal treasurer shall be the custodian. The authority to approve expenditures from the fund shall be limited to the legislative body and the municipal treasurer shall pay such expenses in accordance with chapter 41.

The following monies shall be deposited in the fund: (a) all funds collected from the real property surcharge or bond proceeds in anticipation of revenue pursuant to sections 4 and 11; (b) all funds received from the commonwealth or any other source for such purposes; and (c) proceeds from the disposal of real property acquired with funds from the Community Preservation Fund. The treasurer may deposit or invest the proceeds of the fund in savings banks, trust companies incorporated under the laws of the commonwealth, banking companies incorporated under the laws of the commonwealth which are members of the Federal Deposit Insurance Corporation or national banks, or may invest the proceeds in paid up shares and accounts of and in co-operative banks or in shares of savings and loan associations or in shares of federal savings and loan associations doing business in the commonwealth or in the manner authorized by section 54 of chapter 44, and any income therefrom shall be credited to the fund. The expenditure of revenues from the fund shall be limited to implementing the recommendations of the community preservation committee and providing administrative and operating expenses to the committee.

§ 8. Surcharges; fees of registers of deeds; fees of assistant recorder

<[Subsection (a) effective until March 5, 2003. For text effective March 5, 2003, see below.]>

(a) The fees of the registers of deeds, except as otherwise provided, to be paid when the instrument is left for recording, filing or deposit shall be subject to a surcharge of $20. The fees for so recording, filing or depositing a municipal lien certificate shall be subject to a surcharge of $10. The surcharges shall be imposed for the purposes of community preservation. No surcharge shall apply to a declaration of homestead under chapter 188. No surcharge shall apply to the fees charged for additional pages, photostatic copies, abstract cards, additional square feet for the filing and recording of plans or for additional or required marginal references.

<[Subsection (a) as amended by 2008, 182, Sec. 13 effective March 5, 2003. See 2008, 182, Sec. 116. For text effective until March 5, 2003, see above.]>

(a) Except as otherwise provided, the fees of the registers of deeds to be paid when a document or instrument is recorded shall be subject to a surcharge of $20; provided, however, that if the document or instrument to be filed includes multiple references to a document or instrument intending or attempting to assign, discharge, release, partially release, subordinate or notice any other document or instrument, each reference shall be separately indexed and separately assessed an additional $20 surcharge. The fee for recording a municipal lien certificate shall be subject to a surcharge of $10; provided, however, that if the certificate includes multiple references to a document or instrument intending or attempting to assign, discharge, release, partially release, subordinate or notice any other document or instrument, each reference shall be separately indexed and separately assessed an additional $10 surcharge. The surcharges imposed shall be used for community preservation purposes. No surcharge shall apply to a declaration of homestead under chapter 188. No surcharge shall apply to the fees charged for additional pages, photostatic copies, abstract cards or additional square feet for the recording of plans.

(b) The fees of the assistant recorder, except as otherwise provided, to be paid when the instrument is left for registering, filing or entering with respect to registered land shall be subject to a surcharge of $20. The fees for so registering, filing or entering a municipal lien certificate shall be subject to a surcharge of $10. The surcharges shall be imposed for the purposes of community preservation. No surcharge shall apply to a declaration of homestead of chapter 188. No surcharge shall apply to the fees charged for additional lots shown on plans, for indexing instruments recorded while a petition for registering is pending, for additional certificates of sewer assessments, for old age assistance liens, for duplicates and for photocopies.

(c) All surcharges on fees collected pursuant to this section shall be forwarded to the Massachusetts Community Preservation Trust Fund, established in section 9.

§ 9. Massachusetts community preservation trust fund

(a) There shall be established and set up on the books of the commonwealth a separate fund, to be known as the Massachusetts Community Preservation Trust Fund, for the benefit of cities and towns that have accepted sections 3 to 7, inclusive, and pursuant to said sections 3 to 7, inclusive, have imposed a surcharge on their real property tax levy, subject to any exemptions adopted by a municipality. The fund shall consist of all revenues received by the commonwealth: (1) under the provisions of section 8; (2) from public and private sources as gifts, grants and donations to further community preservation programs; (3) from damages, penalties, costs or interest received on account of litigation or settlement thereof for a violation of section 15; or (4) all other monies credited to or transferred to from any other fund or source pursuant to law.

(b) The state treasurer shall deposit the fund in accordance with the provisions of section 10 in such manner as will secure the highest interest rate available consistent with the safety of the fund and with the requirement that all amounts on deposit be available for withdrawal without penalty for such withdrawal at any time. All interest accrued and earnings shall be deposited into the fund. The fund shall be expended solely for the administration and implementation of this chapter. Any unexpended balances shall be redeposited for future use consistent with the provisions of this chapter.

(c) The state treasurer shall make all disbursements and expenditures from the fund without further appropriation, as directed by the commissioner of revenue in accordance with said section 10. The department of revenue shall report by source all amounts credited to said fund and all expenditures from said fund. The commissioner of revenue shall assign personnel of the department as it may need to administer and manage the fund disbursements and any expense incurred by the department shall be deemed an operating and administrative expense of the program. The operating and administrative expenses shall not exceed 5 per cent of the annual total revenue received under the provisions of said section 10.

§ 10. Annual distributions of monies in trust fund

(a) The commissioner of revenue shall annually on October 15 disburse monies from the fund established in section 10 to cities and towns that have accepted sections 3 to 7, inclusive, and notified the commissioner of their acceptance. The community shall notify the commissioner of the date and terms on which the voters accepted said sections 3 to 7, inclusive. The municipal tax collecting authority shall certify to the commissioner the amount the municipality has raised through June 30 by imposing a surcharge on its real property levy and shall certify the percentage of the surcharge applied.

(b) The commissioner shall multiply the amount in the fund by 80 per cent. This amount distributed in the first round distribution shall be known as the match distribution. The first round total shall be distributed to each city or town accepting said sections 3 to 7, inclusive, in an amount not less than 5 per cent but not greater than 100 per cent of the total amount raised by the additional surcharge on real property by each city or town. The percentage shall be the same for each city and town and shall be determined by the commissioner annually in a manner that distributes the maximum amount available to each participating city or town.

(c) The commissioner shall further divide the remaining 20 per cent of the fund in a second round distribution, known as the equity distribution. The commissioner shall determine the equity distribution in several steps. The first step shall be to divide the remaining 20 per cent of the fund by the number of cities and towns that have accepted said sections 3 to 7, inclusive. This dividend shall be known as the base figure for equity distribution. This base figure shall be determined solely for purposes of performing the calculation for equity distribution and shall not be added to the amount received by a participant.

(d) Each city and town in the commonwealth shall be assigned a community preservation rank for purposes of the equity distribution. The commissioner shall determine each community's rank by first determining the municipality's equalized property valuation per capita ranking, ranking municipalities from highest to lowest valuation. The commissioner shall also determine the population of each municipality and rank each from largest to smallest in population. The commissioner shall add each equalized property valuation rank and population rank, and divide the sum by two. The dividend is the community preservation raw score for that municipality.

(e) The commissioner shall then order each municipality by CP raw score, from the lowest raw score to the highest raw score. This order shall be the CP rank for each municipality. If more than one municipality has the same CP raw score, the municipality with the higher equalized valuation rank shall receive the higher CP rank.

<[There are two subsections (f).]>
(f) After determining the CP rank for each municipality in the commonwealth, the commissioner shall divide all municipalities into deciles according to their CP ranking, with approximately the same number of municipalities in each decile, and with the municipalities with the highest CP rank shall be placed in the lowest decile category, starting with decile 10. Percentages shall be assigned to each decile as follows:--

decile 1	140 per cent of the base figure.
decile 2	130 per cent of the base figure.
decile 3	120 per cent of the base figure.
decile 4	110 per cent of the base figure.
decile 5	100 per cent of the base figure.
decile 6	90 per cent of the base figure.
decile 7	80 per cent of the base figure.
decile 8	70 per cent of the base figure.
decile 9	60 per cent of the base figure.
decile 10	50 per cent of the base figure.

After assigning each municipality to a decile according to their CP rank, the commissioner shall multiply the percentage assigned to that decile by the base figure to determine the second round equity distribution for each participant.

<[There are two subsections (f).]>

(f) Notwithstanding any other provision of this section, the total state contribution for each city or town shall not exceed the amount raised by the municipality's surcharge on its real property levy.

(g) When there are monies remaining in the trust fund after the first and second round distributions, and any necessary administrative expenses have been paid in accordance with section 6, the commissioner may conduct a third round surplus distribution. Any remaining surplus in the fund may be distributed by dividing the amount of the surplus by the number of cities and towns that have accepted this chapter. The resulting dividend shall be the surplus base figure. The commissioner shall then use the decile categories and percentages as defined in this section to determine a surplus equity distribution for each participant.

(h) The commissioner shall determine each participant's total state grant by adding the amount received in the first round distribution with the amounts received in any later round or rounds of distributions, with the exception of a city or town that has already received a grant equal to 100 per cent of the amount the community raised by its surcharge on its real property levy.

(1) Only those cities and towns that adopt the maximum surcharge allowed by this chapter shall be eligible to receive additional state monies through the equity and surplus distributions.

(2) If less than 10 per cent of the cities and towns in the commonwealth have accepted sections 3 to 7, inclusive, and imposed and collected a surcharge on their real property levy, the commissioner may calculate the state grant with only one round of distributions, or in any other equitable manner.

<[There is no subsection (i).]>

(j) After distributing the trust fund in accordance with this section, the commissioner may keep any remaining funds in the trust for distribution in the following year.

§ 11. General obligation bonds or notes

A city or town that accepts sections 3 to 7, inclusive, may issue, from time to time, general obligation bonds or notes in anticipation of revenues to be raised pursuant to section 3, the proceeds of which shall be deposited in the Community Preservation Fund. Bonds or notes so issued may be at such rates of interest as shall be necessary and shall be repaid as soon after such revenues are collected as is expedient. Cities or towns that choose to issue bonds pursuant to this section shall make every effort to limit the administrative costs of issuing such bonds by cooperating among each other using methods including, but not limited to, common issuance of bonds or common retention of bond counsel. Except as otherwise provided in this chapter, bonds or notes issued pursuant to this section shall be subject to the applicable provisions of chapter 44. The maturities of each issue of bonds or notes issued under this chapter may be arranged so that for each issue the amounts payable in the several years for principal and interest combined shall be as nearly equal as practicable in the opinion of the officers authorized to issue bonds or notes or, in the alternative, in accordance with a schedule providing for a more rapid amortization of principal.

§ 12. Real property interest; deed restriction; management

(a) A real property interest that is purchased with monies from the Community Preservation Fund shall be bound by a permanent deed restriction that meets the requirements of chapter 184, limiting the use of the interest to the purpose for which it was acquired. The deed restriction shall run with the land and shall be enforceable by the city or town or the commonwealth. The deed restriction may also run to the benefit of a nonprofit, charitable corporation or foundation selected by the city or town with the right to enforce the restriction.

(b) Real property interests acquired under this chapter shall be owned and managed by the city or town, but the legislative body may delegate management of such property to the conservation commission, the historical commission, the board of park commissioners or the housing authority, or, in the case of interests to acquire sites for future wellhead development by a water district, a water supply district or a fire district. The legislative body may also delegate management of such property to a nonprofit organization created under chapter 180 or chapter 203.

§ 13. Accurate account of recommendations and actions; records of appropriations and expenditures and of real property interests

The community preservation committee shall keep a full and accurate account of all of its actions, including its recommendations and the action taken on them and records of all appropriations or expenditures made from the Community Preservation Fund. The committee shall also keep records of any real property interests acquired, disposed of or improved by the city or town upon its recommendation, including the names and addresses of the grantors or grantees and the nature of the consideration. The records and accounts shall be public records.

§ 14. State grants

Notwithstanding the provisions of any general or special law to the contrary, every city and town may accept sections 3 to 7, inclusive, and may thereupon receive state grants under section 10. A city or town that accepts said sections 3 to 7, inclusive, shall not be precluded from participating in state grant programs.

State grant programs may include local adoption of this chapter among the criteria for selection of grant recipients. Funds in the Community Preservation Fund may be made available and used by the city or town as the local share for state or federal grants upon recommendation of the community preservation committee and the legislative body, as provided for in section 5, if such grants and such local share are used in a manner consistent with the recommendations of the community preservation committee.

§ 15. Tort liability for destruction of real property purchased with funds from chapter

(a) A person who, without permission, knowingly carries away or steals, mutilates, destroys, damages, causes to be damaged or cuts any tree, shrub, grass or any other portion of real property purchased by a city or town with funds derived from this chapter shall be liable to the city or town in tort for such actions.

(b) Damages, including punitive damages for willful or wanton violation of this chapter or any rule or regulation issued or adopted hereunder, may be recovered in a civil action brought by the city or town or, upon request of the city or town, by the attorney general. The city or town or, upon request of the city or town, the attorney general, may bring an action for injunctive relief against any person violating this chapter or any rule or regulation issued hereunder. The superior court shall have jurisdiction to enjoin violations, to award damages and to grant such further relief as it may deem appropriate.

(c) Any damages, penalties, costs or interest thereon recovered pursuant to this section shall be deposited into the Community Preservation Fund of the city or town in which the violation occurred.

§ 16. Amendments to amount and computation of surcharge; revocation of Secs. 3 to 7

(a) At any time after imposition of the surcharge, the legislative body may approve and the voters may accept an amendment to the amount and computation of the surcharge, or to the amount of exemption or exemptions, in the same manner and within the limitations set forth in this chapter.

(b) At any time after the expiration of five years after the date on which sections 3 to 7, inclusive, have been accepted in a city or town, said sections may be revoked in the same manner as they were accepted by such city or town, but the surcharge imposed under section 3 shall remain in effect in any such city or town, with respect to unpaid taxes on past transactions and with respect to taxes due on future transactions, until all contractual obligations incurred by the city or town prior to such termination shall have been fully discharged.

§ 17. Rules and regulations

The commissioner of revenue shall have the authority to promulgate rules and regulations to effect the purposes of this chapter.

APPENDIX B

CPA OVERVIEW DETAILS

Overview The CPA statute is flexible regarding the types of projects that can be funded but does have some specific requirements. It is useful to understand both when considering the types of projects CPA funds could support in Belmont.

Minimum Spending Requirements The statute requires that communities spend, or set aside for future spending, a minimum of 10% of annual CPA receipts on each of the following types of activities:

- open space (excluding recreational purposes)
- historic preservation, and
- community housing.

The remaining 70% may be allocated to any one or a combination of the three main uses, including public recreational purposes, at the discretion of the community preservation committee and subject to the approval of Town Meeting.

Other Spending Rules, Options

Certain general conditions apply to CPA expenditures. As summarized by the Community Preservation Coalition, these include the following:

CPA Fund. Communities must establish a separate fund into which community preservation funds are deposited each year with three reserve accounts, one for each of the three CPA uses: Community Preservation Fund Open Space Reserve, Community Preservation Fund Historic Resources Reserve, and Community Preservation Fund Community Housing Reserve. Funds not allocated to one of the reserved funds remain in the general CPA fund.

If the minimum 10% of CPA funds are not spent in the current year for a given category, the funds must be "banked" for use only in that same category in a subsequent year. The Community Preservation Committee (CPC) is responsible for accounting for all CPA monies, including funds expended in the current year and any funds "banked" for use in future years. After the mandatory 30% of CPA funds is spent or set aside for future spending, the remaining 70% may be reserved in one of the three reserve accounts or returned to the general CPA fund, to be appropriated to one of the three uses at a future date.

Bonding. Communities can borrow against the local CPA surcharge revenue they expect to receive under the CPA in subsequent years (not against the state matching funds) if they want to undertake a more costly project. Any bonds issued under the CPA are payable from future CPA revenues, and such expenditures will count toward the 10% minimum expenditure required for the relevant category. However, bonds issued under the CPA are general obligation bonds of the city/ town, and if CPA revenues are not enough to pay off the principal and interest, payments must be met with other funds of the city/ town.

No Maintenance. CPA funds cannot be used for routine maintenance of existing facilities. For example, CPA funds cannot be used to maintain a municipal park (e.g. mowing the lawn, emptying trash barrels, etc.) or historic town hall (e.g. cleaning common areas).

No Supplanting. CPA funds cannot be used to replace existing funding. This means they can't be appropriated to pay for project costs that have already been appropriated from another source. However, CPA funds can be used for CPA eligible costs for a project identified in a town's capital improvement program if the town has not made a prior funding commitment to pay for such costs.

Committee Costs Up to 5% of the annual CPA funds may be spent on Community Preservation Committee operation and administration costs. This includes overhead such as stationary, telephone calls, and transportation to sites and legal fees or technical reviews in connection with decision making.

Incidental Project Costs CPA funds may be used for site surveys, environmental assessments, historic or housing consultants, architectural and engineering fees, permit processing fees, construction consultants, financing consultants, legal and accounting fees, and similar costs associated with and incidental to the development of a CPA project. Such expenditures should be made from the appropriation for the particular project and, as project costs, they do not constitute operation or administration expenses of the committee subject to the 5% limitation.

Projects in Other Communities. Communities can spend funds for eligible activities outside their jurisdiction, as well as inside. This means, for example, a town can use CPA funds to purchase land surrounding its water supply even if located in another city or town or cooperate on regional housing needs (e.g. supporting development that spans borders or shared development in one community that serves several towns). Near Belmont, several towns are working together to establish a bikeway.

Leveraging. CPA funds may be used as a town's matching monies for state and federal grant programs that require a local match or give preference to communities providing a local match.

Partnerships. A city or town may partner with other public entities and, in certain circumstances, with private entities, including for-profit and non-profit entities, to undertake allowable uses.

Multiple Purpose Projects. Communities can combine allowed uses when spending CPA funds. For example, land can be acquired for open space protection while reserving part of the parcel for the development of community housing. Similarly, CPA funds can support adaptive re-use of an historic structure to convert a building to a residential or non-residential CPA-related use.

Deed/Use Restrictions Any "real property interest" (e.g. land or buildings) acquired using CPA funds must have a permanent deed restriction placed upon it to ensure that the property continues to be used for the applicable CPA purpose. [The definition of "real property interests" however, excludes interests with a term of less than 30 years or which represent only a security interest arising under a loan agreement.] If that interest is later sold, any proceeds from the sale must be deposited in the local CPA fund. In addition, the sale of property acquired for open space or recreational purposes may require a two-thirds vote of the Legislature.

Ownership and Management Any "real property interest" with a term longer than 30 years acquired with CPA funds must be owned and managed by the municipality (management may be delegated to certain municipal agencies and to certain types of non-profit organizations). However, CPA funds can be structured to allow an acquisition in the name of a third party provided there is a short-term holding period and/or the form of the funding is a loan.

APPENDIX C

INCOME ELIGIBILITY GUIDELINES FOR LOW/MODERATE INCOME EXEMPTION

Exemption Eligibility Requirements

1. **Applicant must own the property as of January 1.**
   May be (1) sole owner, (2) co-owner, (3) life tenant or (4) trustee with sufficient beneficial interest in property under terms of trust.

2. **Applicant must occupy the property as domicile as of January 1.**

3. **Applicant and each co-owner must have household income for the calendar year before January 1 at or below the limit for that owner's household type and size** (see next page).
   For property subject to trust, each co-trustee must meet income standard.

Calculation of Each Owner's Household Income

1. **Household Annual Gross Income from all sources.**
   - Includes wages, salaries and bonuses, public and private pensions, retirement income, Social Security, alimony, child support, interest and dividend income, net income from business, public assistance, disability and unemployment insurance, regular contributions/gifts from party outside the household.
   - Includes income of all household members who were 18 or older and not full time students during calendar year.

2. **<u>Deduct</u> Dependents Allowance.**
   - Number dependents on January 1 (not spouse) x $ DCHD allowance.*

3. **<u>Deduct</u> Medical Expenses Exclusion.**
   - Total out of pocket medical expenses of all household members for calendar year exceeding 3% of household annual gross income (from line 1 above).
   - Out of pocket medical expenses include health insurance premiums, payments to doctors, hospitals and other health care providers, diagnostic tests, prescription drugs, medical equipment or other expenses not paid or reimbursed by employers, public/private insurers or other third parties.

4. **Equals Household Annual Income for CPA Exemption.**
   - Cannot exceed Annual Income Limit for Household Type and Size.

* Currently $300. From 760 Code of Massachusetts Regulations 6.05(4), available online at www.state.ma.us/dhcd/regulations. Click on Chief Counsel, then on Index of Effective DHCD Regulations.

INCOME LIMITS FOR LOW/MODERATE INCOME EXEMPTION

Annual Income Limit by Household Type and Size

Under the statute, the income limit (after deductions described above) is based on the U.S. Department of Housing and Urban Development (HUD) Area wide median income (AWMI) which is published each year in about February before FY begins.

- The statute uses a higher income limit for seniors (age 60 or over) than for younger households. The income limit for senior owners is 100% of the HUD areawide median income, adjusted for household size, while the limit for younger owners is 80% of the AWMI adjusted for household size.
- The adjustments for household size are also from HUD and are shown in the table below (i.e. the income limit for a one-person household is 70% of the area median, for a two-person household it is 80%, etc.).
- The final figure is rounded to nearest $50.00.
- The 2008 AWMI is $85,800, resulting in the below income limits for FY2009.

Household Type: Property owned by senior (60 or older)

Household Size	**2008 Area** wide median family income	% of AWDI	Household size Adjustment	Income Limit for exemption
1	85,800	100%	70%	**60,050**
2	85800	100%	80%	**68,650**
3	85800	100%	90%	77,200
4	85800	100%	100%	85,800
5	85800	100%	108%	92,650
6	85800	100%	116%	99,550
7	85800	100%	124%	106,400
8	85800	100%	132%	113,250

Household Type: Property owned by non-senior (under 60)

1	85800	80%	70%	**48,050**
2	85800	80%	80%	**54,900**
3	85800	80%	90%	**61,800**
4	85800	80%	100%	**68,650**
5	85800	80%	108%	74,150
6	85800	80%	116%	79,600
7	85800	80%	124%	85,100
8	85800	80%	132%	90,600

APPENDIX D

OTHER MUNICIPALITIES' CPA PROJECTS

	Town	CPA amount	Comment
Open Space/Recreation			
Appraisal, purchase of Case Estate land (29.6 acres) for conservation	Weston	$9 million	Includes $6M financed by bond
Construction of playing field between middle, high school	Weston	$600,000	
Minuteman Bikeway extension – feasibility studies	Bedford	$5,000 $15,000	
Altmann Conservation Area (purchase)	Bedford	$300,000	Rec'd state grant for $535,000 balance of purchase price
Spring Brook Pond/Park redesign/upgrade: feasibility and design studies, improvements	Bedford	$1.497 million	Town Rec. Dept Revolving Fund also put in $25K for studies
Skate Park (create)	Acton	$85,000	
Rail Trail feasibility, preliminary design studies	many communities	$30,000	
Install irrigation for playing fields	many communities		
Historic Preservation			
Purchase of historic preservation restrictions (5 sites)	Weston	$830,000	
Exterior renovation and boiler repair Josiah Smith tavern	Weston	$360,000	
Town-wide Archaeological Reconnaissance Survey	Bedford	$10,000	Rec'd $15K matching grant from Mass. Historical Commission
Preservation and rehabilitation of Old Town Hall	Bedford	$2 million+	Bond-financed
Preserve (and in some cases, digitize) historic town documents	Many towns	$30-$40k	
Community Housing			
Add 13 units to existing affordable development (Brook School)	Weston	$2.85M (bond)	Project also added 11 market units
Install elevators in senior Housing	Ayer	$376,661	

	Town	CPA amount	Comment
Authority building (2)			
Buy, Convert Duplex to two affordable condominium units	Bedford	$131,940	
Condominium Buy-down Program: used to purchase condos, write down sale price to affordable condo	Bedford	$161,200	1 condo to date - $145K remains unspent
Part-time affordable housing consultant	Bedford	$25,000/ year	
Create Community Housing Fund to help Acton Community Housing Corp finance creation of affordable housing through acquisition and rehab or new construction.	Acton	$160,000	
Study of feasibility of creating mixed income housing on housing authority site	Acton	$136,000	

APPENDIX E

FINANCIAL SPREADSHEETS

CPA TAX IMPACT ON Average SF HOME **$767,676 FY09 Tax Rate=$11.55/thousand**

Average SF Home with $100,000 Exemption **$667,676**

FY09 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$8,866.66	$8,910.99	$44.33	$8,955.32	$88.67	$8,999.66	$133.00	$9,043.99	$177.33	$9,132.66	$266.00

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY09 Tax	0.5%		1%		1.5%		2%		3%	
$8,866.66	$8,905.22	$38.56	$8,943.77	$77.12	$8,982.33	$115.67	$9,020.89	$154.23	$9,098.01	$231.35
Savings:		$5.77		$11.55		$17.33		$23.10		$34.65

CPA REVENUE GENERATED

Total FY09 Property Tax Collected = **$62,421,407**

CPA Surcharge Level	Tax Collected	State Match @ 100%	Total
0.5% surcharge w/o exemption	$312,107.04	$312,107.04	$624,214.07
1% surcharge w/o exemption	$624,214.07	$624,214.07	$1,248,428.14
1.5% surcharge w/o exemption	$936,321.11	$936,321.11	$1,872,642.21
2% surcharge w/o exemption	$1,248,428.14	$1,248,428.14	$2,496,856.28
2.5% surcharge w/o exemption	$1,560,535.18	$1,560,535.18	$3,121,070.35
3% surcharge w/o exemption	$1,872,642.21	$1,872,642.21	$3,745,284.42
0.5% surcharge w/ exemption	$264,666.77	$264,666.77	$529,333.53
1% surcharge w/ exemption	$529,333.53	$529,333.53	$1,058,667.06
1.5% surcharge w/ exemption	$794,000.30	$794,000.30	$1,588,000.59
2% surcharge w/ exemption	$1,058,667.06	$1,058,667.06	$2,117,334.13
2.5% surcharge w/e exemption	$1,323,333.83	$1,323,333.83	$2,646,667.66
3% surcharge w/e exemption	$1,588,000.59	$1,588,000.59	$3,176,001.19

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion), = roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON Average SF HOME **$767,676 FY09 Tax Rate=$11.55/thousand**

Average SF Home with $100,000 Exemption **$667,676**

FY09 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$8,866.66	$8,910.99	$44.33	$8,955.32	$88.67	$8,999.66	$133.00	$9,043.99	$177.33	$9,132.66	$266.00

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY09 Tax	0.5%		1%		1.5%		2%		3%	
$8,866.66	$8,905.22	$38.56	$8,943.77	$77.12	$8,982.33	$115.67	$9,020.89	$154.23	$9,098.01	$231.35
Savings:		$5.77		$11.55		$17.33		$23.10		$34.65

CPA REVENUE GENERATED

Total FY09 Property Tax Collected = $62,421,407

CPA Surcharge Level	Tax Collected	State Match @ 75%	Total
0.5% surcharge w/o exemption	$312,107.04	$234,080.28	$546,187.31
1% surcharge w/o exemption	$624,214.07	$468,160.55	$1,092,374.62
1.5% surcharge w/o exemption	$936,321.11	$702,240.83	$1,638,561.93
2% surcharge w/o exemption	$1,248,428.14	$936,321.11	$2,184,749.25
2.5% surcharge w/o exemption	$1,560,535.18	$1,170,401.38	$2,730,936.56
3% surcharge w/o exemption	$1,872,642.21	$1,404,481.66	$3,277,123.87
0.5% surcharge w/ exemption	$264,666.77	$198,500.07	$463,166.84
1% surcharge w/ exemption	$529,333.53	$397,000.15	$926,333.68
1.5% surcharge w/ exemption	$794,000.30	$595,500.22	$1,389,500.52
2% surcharge w/ exemption	$1,058,667.06	$794,000.30	$1,852,667.36
2.5% surcharge w/e exemption	$1,323,333.83	$992,500.37	$2,315,834.20
3% surcharge w/e exemption	$1,588,000.59	$1,191,000.45	$2,779,001.04

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion),
= roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON Average SF HOME $767,676 **FY09 Tax Rate=$11.55/thousand**

Average SF Home with $100,000 Exemption $667,676

FY09 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$8,866.66	$8,910.99	$44.33	$8,955.32	$88.67	$8,999.66	$133.00	$9,043.99	$177.33	$9,132.66	$266.00

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY09 Tax	0.5%		1%		1.5%		2%		3%	
$8,866.66	$8,905.22	$38.56	$8,943.77	$77.12	$8,982.33	$115.67	$9,020.89	$154.23	$9,098.01	$231.35
Savings:		$5.77		$11.55		$17.33		$23.10		$34.65

CPA REVENUE GENERATED

Total FY09 Property Tax Collected = **$62,421,407**

CPA Surcharge Level	Tax Collected	State Match @ 65%	Total
0.5% surcharge w/o exemption	$312,107.04	$202,869.57	$514,976.61
1% surcharge w/o exemption	$624,214.07	$405,739.15	$1,029,953.22
1.5% surcharge w/o exemption	$936,321.11	$608,608.72	$1,544,929.82
2% surcharge w/o exemption	$1,248,428.14	$811,478.29	$2,059,906.43
2.5% surcharge w/o exemption	$1,560,535.18	$1,014,347.86	$2,574,883.04
3% surcharge w/o exemption	$1,872,642.21	$1,217,217.44	$3,089,859.65
0.5% surcharge w/ exemption	$264,666.77	$172,033.40	$436,700.16
1% surcharge w/ exemption	$529,333.53	$344,066.80	$873,400.33
1.5% surcharge w/ exemption	$794,000.30	$516,100.19	$1,310,100.49
2% surcharge w/ exemption	$1,058,667.06	$688,133.59	$1,746,800.65
2.5% surcharge w/e exemption	$1,323,333.83	$860,166.99	$2,183,500.82
3% surcharge w/e exemption	$1,588,000.59	$1,032,200.39	$2,620,200.98

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion), = roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON Average SF HOME $767,676 FY09 Tax Rate=$11.55/thousand

Average SF Home with $100,000 Exemption $667,676

FY09 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$8,866.66	$8,910.99	$44.33	$8,955.32	$88.67	$8,999.66	$133.00	$9,043.99	$177.33	$9,132.66	$266.00

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY09 Tax	0.5%		1%		1.5%		2%		3%	
$8,866.66	$8,905.22	$38.56	$8,943.77	$77.12	$8,982.33	$115.67	$9,020.89	$154.23	$9,098.01	$231.35
Savings:		$5.77		$11.55		$17.33		$23.10		$34.65

CPA REVENUE GENERATED

Total FY09 Property Tax Collected = **$62,421,407**

CPA Surcharge Level	Tax Collected	State Match @ 40%	Total
0.5% surcharge w/o exemption	$312,107.04	$124,842.81	$436,949.85
1% surcharge w/o exemption	$624,214.07	$249,685.63	$873,899.70
1.5% surcharge w/o exemption	$936,321.11	$374,528.44	$1,310,849.55
2% surcharge w/o exemption	$1,248,428.14	$499,371.26	$1,747,799.40
2.5% surcharge w/o exemption	$1,560,535.18	$624,214.07	$2,184,749.25
3% surcharge w/o exemption	$1,872,642.21	$749,056.88	$2,621,699.09
0.5% surcharge w/ exemption	$264,666.77	$105,866.71	$370,533.47
1% surcharge w/ exemption	$529,333.53	$211,733.41	$741,066.94
1.5% surcharge w/ exemption	$794,000.30	$317,600.12	$1,111,600.42
2% surcharge w/ exemption	$1,058,667.06	$423,466.83	$1,482,133.89
2.5% surcharge w/e exemption	$1,323,333.83	$529,333.53	$1,852,667.36
3% surcharge w/e exemption	$1,588,000.59	$635,200.24	$2,223,200.83

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion),
= roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON Average SF HOME **$767,676 FY10 Tax Rate=$11.84/thousand**

Average SF Home with $100,000 Exemption **$667,676**

FY10 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$9,089.28	$9,134.73	$45.45	$9,180.18	$90.89	$9,225.62	$136.34	$9,271.07	$181.79	$9,361.96	$272.68

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY10 Tax	0.5%		1%		1.5%		2%		3%	
$9,089.28	$9,128.81	$39.53	$9,168.34	$79.05	$9,207.86	$118.58	$9,247.39	$158.11	$9,326.44	$237.16
Savings:		$5.92		$11.84		$17.76		$23.68		$35.52

CPA REVENUE GENERATED

Total FY10 Property Tax Collected = $64,581,942

CPA Surcharge Level	Tax Collected	State Match @ 100%	Total
0.5% surcharge w/o exemption	$322,909.71	$322,909.71	$645,819.42
1% surcharge w/o exemption	$645,819.42	$645,819.42	$1,291,638.84
1.5% surcharge w/o exemption	$968,729.13	$968,729.13	$1,937,458.26
2% surcharge w/o exemption	$1,291,638.84	$1,291,638.84	$2,583,277.68
2.5% surcharge w/o exemption	$1,614,548.55	$1,614,548.55	$3,229,097.10
3% surcharge w/o exemption	$1,937,458.26	$1,937,458.26	$3,874,916.52
0.5% surcharge w/ exemption	$273,827.43	$273,827.43	$547,654.87
1% surcharge w/ exemption	$547,654.87	$547,654.87	$1,095,309.74
1.5% surcharge w/ exemption	$821,482.30	$821,482.30	$1,642,964.60
2% surcharge w/ exemption	$1,095,309.74	$1,095,309.74	$2,190,619.47
2.5% surcharge w/e exemption	$1,369,137.17	$1,369,137.17	$2,738,274.34
3% surcharge w/e exemption	$1,642,964.60	$1,642,964.60	$3,285,929.21

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion),
= roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON Average SF HOME **$767,676** **FY10 Tax Rate=$11.84/thousand**

Average SF Home with $100,000 Exemption **$667,676**

FY10 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$9,089.28	$9,134.73	$45.45	$9,180.18	$90.89	$9,225.62	$136.34	$9,271.07	$181.79	$9,361.96	$272.68

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY10 Tax	0.5%		1%		1.5%		2%		3%	
$9,089.28	$9,128.81	$39.53	$9,168.34	$79.05	$9,207.86	$118.58	$9,247.39	$158.11	$9,326.44	$237.16
Savings:		$5.92		$11.84		$17.76		$23.68		$35.52

CPA REVENUE GENERATED

Total FY10 Property Tax Collected = **$64,581,942**

CPA Surcharge Level	Tax Collected	State Match @ 75%	Total
0.5% surcharge w/o exemption	$322,909.71	$242,182.28	$565,091.99
1% surcharge w/o exemption	$645,819.42	$484,364.57	$1,130,183.99
1.5% surcharge w/o exemption	$968,729.13	$726,546.85	$1,695,275.98
2% surcharge w/o exemption	$1,291,638.84	$968,729.13	$2,260,367.97
2.5% surcharge w/o exemption	$1,614,548.55	$1,210,911.41	$2,825,459.96
3% surcharge w/o exemption	$1,937,458.26	$1,453,093.70	$3,390,551.96
0.5% surcharge w/ exemption	$273,827.43	$205,370.58	$479,198.01
1% surcharge w/ exemption	$547,654.87	$410,741.15	$958,396.02
1.5% surcharge w/ exemption	$821,482.30	$616,111.73	$1,437,594.03
2% surcharge w/ exemption	$1,095,309.74	$821,482.30	$1,916,792.04
2.5% surcharge w/e exemption	$1,369,137.17	$1,026,852.88	$2,395,990.05
3% surcharge w/e exemption	$1,642,964.60	$1,232,223.45	$2,875,188.06

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion),
= roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON Average SF HOME — **$767,676** **FY10 Tax Rate=$11.84/thousand**

Average SF Home with $100,000 Exemption — **$667,676**

FY10 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$9,089.28	$9,134.73	$45.45	$9,180.18	$90.89	$9,225.62	$136.34	$9,271.07	$181.79	$9,361.96	$272.68

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY10 Tax	0.5%		1%		1.5%		2%		3%	
$9,089.28	$9,128.81	$39.53	$9,168.34	$79.05	$9,207.86	$118.58	$9,247.39	$158.11	$9,326.44	$237.16
Savings:		$5.92		$11.84		$17.76		$23.68		$35.52

CPA REVENUE GENERATED

Total FY10 Property Tax Collected = $64,581,942

CPA Surcharge Level	Tax Collected	State Match @ 65%	Total
0.5% surcharge w/o exemption	$322,909.71	$209,891.31	$532,801.02
1% surcharge w/o exemption	$645,819.42	$419,782.62	$1,065,602.04
1.5% surcharge w/o exemption	$968,729.13	$629,673.93	$1,598,403.06
2% surcharge w/o exemption	$1,291,638.84	$839,565.25	$2,131,204.09
2.5% surcharge w/o exemption	$1,614,548.55	$1,049,456.56	$2,664,005.11
3% surcharge w/o exemption	$1,937,458.26	$1,259,347.87	$3,196,806.13
0.5% surcharge w/ exemption	$273,827.43	$177,987.83	$451,815.27
1% surcharge w/ exemption	$547,654.87	$355,975.66	$903,630.53
1.5% surcharge w/ exemption	$821,482.30	$533,963.50	$1,355,445.80
2% surcharge w/ exemption	$1,095,309.74	$711,951.33	$1,807,261.06
2.5% surcharge w/e exemption	$1,369,137.17	$889,939.16	$2,259,076.33
3% surcharge w/e exemption	$1,642,964.60	$1,067,926.99	$2,710,891.60

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion), = roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON Average SF HOME **$767,676 FY10 Tax Rate=$11.84/thousand**

Average SF Home with $100,000 Exemption **$667,676**

FY10 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$9,089.28	$9,134.73	$45.45	$9,180.18	$90.89	$9,225.62	$136.34	$9,271.07	$181.79	$9,361.96	$272.68

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY10 Tax	0.5%		1%		1.5%		2%		3%	
$9,089.28	$9,128.81	$39.53	$9,168.34	$79.05	$9,207.86	$118.58	$9,247.39	$158.11	$9,326.44	$237.16
Savings:		$5.92		$11.84		$17.76		$23.68		$35.52

CPA REVENUE GENERATED

Total FY10 Property Tax Collected = **$64,581,942**

CPA Surcharge Level	Tax Collected	State Match @ 40%	Total
0.5% surcharge w/o exemption	$322,909.71	$129,163.88	$452,073.59
1% surcharge w/o exemption	$645,819.42	$258,327.77	$904,147.19
1.5% surcharge w/o exemption	$968,729.13	$387,491.65	$1,356,220.78
2% surcharge w/o exemption	$1,291,638.84	$516,655.54	$1,808,294.38
2.5% surcharge w/o exemption	$1,614,548.55	$645,819.42	$2,260,367.97
3% surcharge w/o exemption	$1,937,458.26	$774,983.30	$2,712,441.56
0.5% surcharge w/ exemption	$273,827.43	$109,530.97	$383,358.41
1% surcharge w/ exemption	$547,654.87	$219,061.95	$766,716.82
1.5% surcharge w/ exemption	$821,482.30	$328,592.92	$1,150,075.22
2% surcharge w/ exemption	$1,095,309.74	$438,123.89	$1,533,433.63
2.5% surcharge w/e exemption	$1,369,137.17	$547,654.87	$1,916,792.04
3% surcharge w/e exemption	$1,642,964.60	$657,185.84	$2,300,150.45

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion), = roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON MEDIAN SF HOME $677,000 FY09 Tax Rate=$11.55/thousand

Median SF Home with $100,000 Exemption $577,000

FY09 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$7,819.35	$7,858.45	$39.10	$7,897.54	$78.19	$7,936.64	$117.29	$7,975.74	$156.39	$8,053.93	$234.58

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY09 Tax	0.5%		1%		1.5%		2%		3%	
$7,819.35	$7,852.67	$33.32	$7,885.99	$66.64	$7,919.32	$99.97	$7,952.64	$133.29	$8,019.28	$199.93
Savings:		$5.77		$11.55		$17.32		$23.10		$34.65

CPA REVENUE GENERATED

Total FY09 Property Tax Collected = $62,421,407

CPA Surcharge Level	Tax Collected	State Match @ 100%	Total
0.5% surcharge w/o exemption	$312,107.04	$312,107.04	$624,214.07
1% surcharge w/o exemption	$624,214.07	$624,214.07	$1,248,428.14
1.5% surcharge w/o exemption	$936,321.11	$936,321.11	$1,872,642.21
2% surcharge w/o exemption	$1,248,428.14	$1,248,428.14	$2,496,856.28
2.5% surcharge w/o exemption	$1,560,535.18	$1,560,535.18	$3,121,070.35
3% surcharge w/o exemption	$1,872,642.21	$1,872,642.21	$3,745,284.42
0.5% surcharge w/ exemption	$264,666.77	$264,666.77	$529,333.53
1% surcharge w/ exemption	$529,333.53	$529,333.53	$1,058,667.06
1.5% surcharge w/ exemption	$794,000.30	$794,000.30	$1,588,000.59
2% surcharge w/ exemption	$1,058,667.06	$1,058,667.06	$2,117,334.13
2.5% surcharge w/e exemption	$1,323,333.83	$1,323,333.83	$2,646,667.66
3% surcharge w/e exemption	$1,588,000.59	$1,588,000.59	$3,176,001.19

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion),
= roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON MEDIAN SF HOME $677,000 FY09 Tax Rate=$11.55/thousand

Median SF Home with $100,000 Exemption $577,000

FY09 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$7,819.35	$7,858.45	$39.10	$7,897.54	$78.19	$7,936.64	$117.29	$7,975.74	$156.39	$8,053.93	$234.58

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY09 Tax	0.5%		1%		1.5%		2%		3%	
$7,819.35	$7,852.67	$33.32	$7,885.99	$66.64	$7,919.32	$99.97	$7,952.64	$133.29	$8,019.28	$199.93
Savings:		$5.77		$11.55		$17.32		$23.10		$34.65

CPA REVENUE GENERATED

Total FY09 Property Tax Collected = $62,421,407

CPA Surcharge Level	Tax Collected	State Match @ 75%	Total
0.5% surcharge w/o exemption	$312,107.04	$234,080.28	$546,187.31
1% surcharge w/o exemption	$624,214.07	$468,160.55	$1,092,374.62
1.5% surcharge w/o exemption	$936,321.11	$702,240.83	$1,638,561.93
2% surcharge w/o exemption	$1,248,428.14	$936,321.11	$2,184,749.25
2.5% surcharge w/o exemption	$1,560,535.18	$1,170,401.38	$2,730,936.56
3% surcharge w/o exemption	$1,872,642.21	$1,404,481.66	$3,277,123.87
0.5% surcharge w/ exemption	$264,666.77	$198,500.07	$463,166.84
1% surcharge w/ exemption	$529,333.53	$397,000.15	$926,333.68
1.5% surcharge w/ exemption	$794,000.30	$595,500.22	$1,389,500.52
2% surcharge w/ exemption	$1,058,667.06	$794,000.30	$1,852,667.36
2.5% surcharge w/e exemption	$1,323,333.83	$992,500.37	$2,315,834.20
3% surcharge w/e exemption	$1,588,000.59	$1,191,000.45	$2,779,001.04

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion),
= roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON MEDIAN SF HOME **$677,000 FY09 Tax Rate=$11.55/thousand**

Median SF Home with $100,000 Exemption **$577,000**

FY09 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$7,819.35	$7,858.45	$39.10	$7,897.54	$78.19	$7,936.64	$117.29	$7,975.74	$156.39	$8,053.93	$234.58

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY09 Tax	0.5%		1%		1.5%		2%		3%	
$7,819.35	$7,852.67	$33.32	$7,885.99	$66.64	$7,919.32	$99.97	$7,952.64	$133.29	$8,019.28	$199.93
Savings:		$5.77		$11.55		$17.32		$23.10		$34.65

CPA REVENUE GENERATED

Total FY09 Property Tax Collected = **$62,421,407**

CPA Surcharge Level	Tax Collected	State Match @ 65%	Total
0.5% surcharge w/o exemption	$312,107.04	$202,869.57	$514,976.61
1% surcharge w/o exemption	$624,214.07	$405,739.15	$1,029,953.22
1.5% surcharge w/o exemption	$936,321.11	$608,608.72	$1,544,929.82
2% surcharge w/o exemption	$1,248,428.14	$811,478.29	$2,059,906.43
2.5% surcharge w/o exemption	$1,560,535.18	$1,014,347.86	$2,574,883.04
3% surcharge w/o exemption	$1,872,642.21	$1,217,217.44	$3,089,859.65
0.5% surcharge w/ exemption	$264,666.77	$172,033.40	$436,700.16
1% surcharge w/ exemption	$529,333.53	$344,066.80	$873,400.33
1.5% surcharge w/ exemption	$794,000.30	$516,100.19	$1,310,100.49
2% surcharge w/ exemption	$1,058,667.06	$688,133.59	$1,746,800.65
2.5% surcharge w/e exemption	$1,323,333.83	$860,166.99	$2,183,500.82
3% surcharge w/e exemption	$1,588,000.59	$1,032,200.39	$2,620,200.98

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion), = roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON MEDIAN SF HOME $677,000 **FY09 Tax Rate=$11.55/thousand**

Median SF Home with $100,000 Exemption $577,000

FY09 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$7,819.35	$7,858.45	$39.10	$7,897.54	$78.19	$7,936.64	$117.29	$7,975.74	$156.39	$8,053.93	$234.58

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY09 Tax	0.5%		1%		1.5%		2%		3%	
$7,819.35	$7,852.67	$33.32	$7,885.99	$66.64	$7,919.32	$99.97	$7,952.64	$133.29	$8,019.28	$199.93
Savings:		$5.77		$11.55		$17.32		$23.10		$34.65

CPA REVENUE GENERATED

Total FY09 Property Tax Collected = **$62,421,407**

CPA Surcharge Level	Tax Collected	State Match @ 40%	Total
0.5% surcharge w/o exemption	$312,107.04	$124,842.81	$436,949.85
1% surcharge w/o exemption	$624,214.07	$249,685.63	$873,899.70
1.5% surcharge w/o exemption	$936,321.11	$374,528.44	$1,310,849.55
2% surcharge w/o exemption	$1,248,428.14	$499,371.26	$1,747,799.40
2.5% surcharge w/o exemption	$1,560,535.18	$624,214.07	$2,184,749.25
3% surcharge w/o exemption	$1,872,642.21	$749,056.88	$2,621,699.09
0.5% surcharge w/ exemption	$264,666.77	$105,866.71	$370,533.47
1% surcharge w/ exemption	$529,333.53	$211,733.41	$741,066.94
1.5% surcharge w/ exemption	$794,000.30	$317,600.12	$1,111,600.42
2% surcharge w/ exemption	$1,058,667.06	$423,466.83	$1,482,133.89
2.5% surcharge w/e exemption	$1,323,333.83	$529,333.53	$1,852,667.36
3% surcharge w/e exemption	$1,588,000.59	$635,200.24	$2,223,200.83

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion),
= roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON MEDIAN SF HOME $677,000 FY10 Tax Rate=$11.84/thousand

Median SF Home with $100,000 Exemption $577,000

FY10 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$8,015.68	$8,055.76	$40.08	$8,095.84	$80.16	$8,135.92	$120.24	$8,175.99	$160.31	$8,256.15	$240.47

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY10 Tax	0.5%		1%		1.5%		2%		3%	
$8,015.68	$8,049.84	$34.16	$8,084.00	$68.32	$8,118.16	$102.48	$8,152.31	$136.63	$8,220.63	$204.95
Savings:		$5.92		$11.84		$17.76		$23.68		$35.52

CPA REVENUE GENERATED

Total FY10 Property Tax Collected = $64,581,942

CPA Surcharge Level	Tax Collected	State Match @ 100%	Total
0.5% surcharge w/o exemption	$322,909.71	$322,909.71	$645,819.42
1% surcharge w/o exemption	$645,819.42	$645,819.42	$1,291,638.84
1.5% surcharge w/o exemption	$968,729.13	$968,729.13	$1,937,458.26
2% surcharge w/o exemption	$1,291,638.84	$1,291,638.84	$2,583,277.68
2.5% surcharge w/o exemption	$1,614,548.55	$1,614,548.55	$3,229,097.10
3% surcharge w/o exemption	$1,937,458.26	$1,937,458.26	$3,874,916.52
0.5% surcharge w/ exemption	$273,827.43	$273,827.43	$547,654.87
1% surcharge w/ exemption	$547,654.87	$547,654.87	$1,095,309.74
1.5% surcharge w/ exemption	$821,482.30	$821,482.30	$1,642,964.60
2% surcharge w/ exemption	$1,095,309.74	$1,095,309.74	$2,190,619.47
2.5% surcharge w/e exemption	$1,369,137.17	$1,369,137.17	$2,738,274.34
3% surcharge w/e exemption	$1,642,964.60	$1,642,964.60	$3,285,929.21

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion), = roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON MEDIAN SF HOME **$677,000 FY10 Tax Rate=$11.84/thousand**

Median SF Home with $100,000 Exemption **$577,000**

FY10 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$8,015.68	$8,055.76	$40.08	$8,095.84	$80.16	$8,135.92	$120.24	$8,175.99	$160.31	$8,256.15	$240.47

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY10 Tax	0.5%		1%		1.5%		2%		3%	
$8,015.68	$8,049.84	$34.16	$8,084.00	$68.32	$8,118.16	$102.48	$8,152.31	$136.63	$8,220.63	$204.95
Savings:		$5.92		$11.84		$17.76		$23.68		$35.52

CPA REVENUE GENERATED

Total FY10 Property Tax Collected = $64,581,942

CPA Surcharge Level	Tax Collected	State Match @ 75%	Total
0.5% surcharge w/o exemption	$322,909.71	$242,182.28	$565,091.99
1% surcharge w/o exemption	$645,819.42	$484,364.57	$1,130,183.99
1.5% surcharge w/o exemption	$968,729.13	$726,546.85	$1,695,275.98
2% surcharge w/o exemption	$1,291,638.84	$968,729.13	$2,260,367.97
2.5% surcharge w/o exemption	$1,614,548.55	$1,210,911.41	$2,825,459.96
3% surcharge w/o exemption	$1,937,458.26	$1,453,093.70	$3,390,551.96
0.5% surcharge w/ exemption	$273,827.43	$205,370.58	$479,198.01
1% surcharge w/ exemption	$547,654.87	$410,741.15	$958,396.02
1.5% surcharge w/ exemption	$821,482.30	$616,111.73	$1,437,594.03
2% surcharge w/ exemption	$1,095,309.74	$821,482.30	$1,916,792.04
2.5% surcharge w/e exemption	$1,369,137.17	$1,026,852.88	$2,395,990.05
3% surcharge w/e exemption	$1,642,964.60	$1,232,223.45	$2,875,188.06

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion), = roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON MEDIAN SF HOME **$677,000 FY10 Tax Rate=$11.84/thousand**

Median SF Home with $100,000 Exemption **$577,000**

FY10 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$8,015.68	$8,055.76	$40.08	$8,095.84	$80.16	$8,135.92	$120.24	$8,175.99	$160.31	$8,256.15	$240.47

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY10 Tax	0.5%		1%		1.5%		2%		3%	
$8,015.68	$8,049.84	$34.16	$8,084.00	$68.32	$8,118.16	$102.48	$8,152.31	$136.63	$8,220.63	$204.95
Savings:		$5.92		$11.84		$17.76		$23.68		$35.52

CPA REVENUE GENERATED

Total FY10 Property Tax Collected = $64,581,942

CPA Surcharge Level	Tax Collected	State Match @ 65%	Total
0.5% surcharge w/o exemption	$322,909.71	$209,891.31	$532,801.02
1% surcharge w/o exemption	$645,819.42	$419,782.62	$1,065,602.04
1.5% surcharge w/o exemption	$968,729.13	$629,673.93	$1,598,403.06
2% surcharge w/o exemption	$1,291,638.84	$839,565.25	$2,131,204.09
2.5% surcharge w/o exemption	$1,614,548.55	$1,049,456.56	$2,664,005.11
3% surcharge w/o exemption	$1,937,458.26	$1,259,347.87	$3,196,806.13
0.5% surcharge w/ exemption	$273,827.43	$177,987.83	$451,815.27
1% surcharge w/ exemption	$547,654.87	$355,975.66	$903,630.53
1.5% surcharge w/ exemption	$821,482.30	$533,963.50	$1,355,445.80
2% surcharge w/ exemption	$1,095,309.74	$711,951.33	$1,807,261.06
2.5% surcharge w/e exemption	$1,369,137.17	$889,939.16	$2,259,076.33
3% surcharge w/e exemption	$1,642,964.60	$1,067,926.99	$2,710,891.60

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion),
= roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

CPA TAX IMPACT ON MEDIAN SF HOME $677,000 **FY10 Tax Rate=$11.84/thousand**

Median SF Home with $100,000 Exemption $577,000

FY10 Tax	0.5% w/o exemption		1% w/o exemption		1.5% w/o exemption		2% w/o exemption		3% w/o exemption	
$8,015.68	$8,055.76	$40.08	$8,095.84	$80.16	$8,135.92	$120.24	$8,175.99	$160.31	$8,256.15	$240.47

With exemption of first $100,000 of valuation: First $100K at original tax rate, remaining $577,000 at 1.0x times original tax rate

FY10 Tax	0.5%		1%		1.5%		2%		3%	
$8,015.68	$8,049.84	$34.16	$8,084.00	$68.32	$8,118.16	$102.48	$8,152.31	$136.63	$8,220.63	$204.95
Savings:		$5.92		$11.84		$17.76		$23.68		$35.52

CPA REVENUE GENERATED

Total FY10 Property Tax Collected = **$64,581,942**

CPA Surcharge Level	Tax Collected	State Match @ 40%	Total
0.5% surcharge w/o exemption	$322,909.71	$129,163.88	$452,073.59
1% surcharge w/o exemption	$645,819.42	$258,327.77	$904,147.19
1.5% surcharge w/o exemption	$968,729.13	$387,491.65	$1,356,220.78
2% surcharge w/o exemption	$1,291,638.84	$516,655.54	$1,808,294.38
2.5% surcharge w/o exemption	$1,614,548.55	$645,819.42	$2,260,367.97
3% surcharge w/o exemption	$1,937,458.26	$774,983.30	$2,712,441.56
0.5% surcharge w/ exemption	$273,827.43	$109,530.97	$383,358.41
1% surcharge w/ exemption	$547,654.87	$219,061.95	$766,716.82
1.5% surcharge w/ exemption	$821,482.30	$328,592.92	$1,150,075.22
2% surcharge w/ exemption	$1,095,309.74	$438,123.89	$1,533,433.63
2.5% surcharge w/e exemption	$1,369,137.17	$547,654.87	$1,916,792.04
3% surcharge w/e exemption	$1,642,964.60	$657,185.84	$2,300,150.45

Exemption amounts estimated as total parcels (8,031) times $100,000, divided by total value of taxable property ($5.29 billion), = roughly 15.2% of total. So CPA tax collected is also decreased by 15.2%.

APPENDIX F

CP-4 FORM

CP-4
2/2006

The Commonwealth of Massachusetts

____
Name of City or Town

Assessors' Use only
Date Received
Application No.
Parcel Id.

LOW INCOME PERSONS - LOW OR MODERATE INCOME SENIORS
FISCAL YEAR _______ APPLICATION FOR COMMUNITY PRESERVATION ACT EXEMPTION
General Laws Chapter 44B

Return to: **Board of Assessors**

INSTRUCTIONS: Complete all sections. Please print or type.

A. IDENTIFICATION. Complete this section fully.

Name of Applicant ______________________ Telephone Number ______________

Social Security No. ______________________ (optional) Marital Status ______________

Were you 60 years or older on January 1, _______? Yes ☐ No ☐

If yes and first year of application, please attach copy of birth certificate.

Legal residence (domicile) on January 1, _____

____
No. Street City/Town Zip Code

Mailing address (if different) ____
No. Street City/Town Zip Code

Location of property: ______________________ No. of dwelling units: 1☐ 2☐ 3☐ 4☐ Other ____

Did you own the property on January 1, _____? Yes ☐ No ☐

If yes, were you: Sole owner ☐ Co-owner with spouse only ☐ Co-owner with others ☐

Was the property subject to a trust as of January 1, _____? Yes ☐ No ☐

If yes, please attach trust instrument including all schedules.

Have you been granted any exemption in any other city or town (MA or other) for this fiscal year?
Yes ☐ No ☐

If yes, name of city or town ______________________ *Type of exemption* ______________________

B. SIGNATURE. Sign here to complete the application.

This application has been prepared or examined by me. Under the pains and penalties of perjury, I declare that to the best of my knowledge and belief, the application and all accompanying documents and statements are true, correct and complete.

____
Signature Date

If signed by agent, attach copy of written authorization to sign on behalf of taxpayer.

YOU MUST ALSO COMPLETE SCHEDULES C - F ON FOLLOWING PAGES

FILING THIS APPLICATION DOES NOT STAY THE COLLECTION OF YOUR SURCHARGE.
TO AVOID INTEREST AND COLLECTION CHARGES, YOU MUST PAY SURCHARGE AS BILLED BY DUE DATE.
IF EXEMPTION IS GRANTED AND SURCHARGE IS PAID IN FULL, REFUND WILL BE MADE.
THIS FORM APPROVED BY THE COMMISSIONER OF REVENUE

C. HOUSEHOLD MEMBERS. List all members of your household on January 1 and provide requested information. Please list any members who are 18 and older and not full time students last.

	Full Name (First, Middle, Last)	Relationship to Applicant	Date of Birth	Occupation or School Grade	Social Security No. (for verification)
1.					
2.					
3.					
4.					
5.					
6.					

Continue list on attachment, in same format, as necessary.

D. HOUSEHOLD OUT OF POCKET MEDICAL EXPENSES DURING PRECEDING CALENDAR YEAR. List total medical expenses incurred by all household members during calendar year before January 1 that were not paid by or reimbursed by employer, public or private health insurance or other third party. Includes amounts paid in health insurance premiums, co-payments, deductibles and other out of pocket expenses. Documentation may be requested to verify expenses claimed.

TYPE OF EXPENSE	Total Out of Pocket for Preceding Calendar Year
Health insurance premiums	$ ______
Doctors	$ ______
Hospitals	$ ______
Diagnostic tests	$ ______
Prescription drugs	$ ______
Medical equipment	$ ______
Other	$ ______
TOTAL OUT OF POCKET	$ ______

E. HOUSEHOLD GROSS INCOME DURING PRECEDING CALENDAR YEAR. List income received from all sources for each member of household 18 and older and not full time student during calendar before January 1. Please list members in same order as shown in Schedule B above. Copies of federal and state income tax returns may be requested to verify income reported for each household member.

TYPE OF INCOME	Applicant Name ______	Member 1 Name ______	Member 2 Name ______	Member 3 Name ______
Wages, salaries, other compensation	$	$	$	$
Social Security				
Other pension/retirement benefits				
Interest/dividends				
Net profits from business or profession				
Net profits from property rental				
Capital gains				
Alimony				
Child support				
Public assistance				
Unemployment compensation				
Disability compensation				
Other (specify):				
TOTAL GROSS INCOME - MEMBERS	$	$	$	$
TOTAL GROSS INCOME - HOUSEHOLD				$

Continue list on attachment, in same format, as necessary.

F. CO-OWNERS' HOUSEHOLD GROSS INCOME DURING PRECEDING CALENDAR YEAR.

Does Schedule E above include the gross income of all co-owners of the property as of January 1, _____? Yes☐ No☐

If no, a Schedule C, D and E must be attached for each co-owner not included.

DISPOSITION OF APPLICATION (ASSESSORS' USE ONLY)

Age ☐
Ownership ☐
Occupancy ☐

Applicant's Gross Income $ ____________

Dependent Deduction $ ____________

Medical Deduction $ ____________

Applicant's CPA Income $ ____________

Co-owner 1 Gross Income $ ____________

Dependent Deduction $ ____________

Medical Deduction $ ____________

Co-owner 1 CPA Income $ ____________

Co-owner 2 Gross Income $ ____________

Dependent Deduction $ ____________

Medical Deduction $ ____________

Co-owner 2 CPA Income $ ____________

GRANTED ☐
DENIED ☐

Assessed surcharge $ ____________

Exempted surcharge $ ____________

Adjusted surcharge $ ____________

BOARD OF ASSESSORS

Date voted ____________ ____________________

Certificate number ____________ ____________________

Date certificate/Notice sent ____________ ____________________

Date:

APPENDIX G

LEXINGTON CPA TAXPAYER INFORMATION GUIDE

Who pays the surcharge?

The owners of residential and commercial property pay the Community Preservation Act (CPA) surcharge.

How does the surcharge calculation work?

For residential property owners, the surcharge is calculated as 3% of the product of the net assessed property value and the tax rate. The net assessed property value is the total property value annually established by the Board of Assessors less the $100,000 exemption in value adopted by the Town. Commercial properties are not eligible for the $100,000 exemption.

An example of a tax bill and surcharge calculation is shown below using Lexington's fiscal year 2008 (FY2008) median single family home assessed value and the FY2008 tax rate. Your FY2009 tax bill and surcharge will be based on FY2009 tax rate and FY2009 values.

Tax Bill Calculation		
(a)	FY08 median single family home assessed value	**$620,000**
(b)	FY08 tax rate	**$12.52 per $1,000 of assessed value**
(c)	FY08 property tax **(a) x (b)**	**$7,967.00**
CPA Surcharge Calculation		
(d)	CPA Residential Exemption	**$100,000**
(e)	CPA Taxable Value **(a) - (d)**	**$520,000**
(f)	CPA Tax Basis **(b) x (e)**	**$ 6,510.40**
(g)	CPA. Surcharge Percentage	**3%**
(h)	CPA Surcharge **(f) x (g)**	**$195.31**
Total Tax Bill with CPA (c) + (h)		**$8,162.31**

When will I see the surcharge on my tax bill?

The surcharge will be shown on each quarterly tax bill. The amount shown for the 1st and 2nd quarters (issued 7/01/08 and 10/01/08 respectively) will be estimated and will be based on a preliminary FY2009 tax bill. The 3rd and 4th quarter bills (issued 1/01/09 and 4/01/09 respectively) will reflect your actual surcharge net of estimated 1st and 2nd quarter payments. The actual surcharge will be based on the FY2009 tax rate and FY2009 assessed values to be established in the fall, 2008.

Are there exemptions to the surcharge?

- The first $100,000 of taxable residential value is exempt.
- An application-based full CPA exemption is available to moderate-income seniors and low-income residents, as explained below.
- Because the CPA surcharge is calculated as 3% of your property tax, any reduction in your FY2009 property tax due to an abatement or exemption approved by the Board of Assessors will result in a recalculation of your surcharge and a credit against the subsequent quarter's tax bill.

What are the requirements for full CPA exemption?

To qualify for this exemption in FY2009, you must meet certain income thresholds as prescribed by state law. The thresholds for FY2009 are based on 2007 income. An application must be completed and filed with the Assessors' Office.

Supporting documentation is required which will help the Board of Assessors make a determination of your eligibility for this exemption. A birth certificate or current driver's license must be included with your application. Copies of 2007 federal and state income tax returns may be requested to verify income for each household member.

Age and residence requirements must be met as of **January 1, 2008.** The income limits for FY2009 for those 60 years and older and those under 60 years are shown below.

Eligibility: under 60 years of age

Household Size	*Annual Income Limit*
1	**$ 48,050**
2	**$ 54,900**
3	**$ 61,800**
4	**$ 68,650**
5	**$ 74,150**
6	**$ 79,600**
7	**$ 85,100**
8	**$ 90,600**

Eligibility: 60 years of age or older

Household Size	*Annual Income Limit*
1	**$ 60,050**
2	**$ 68,650**
3	**$ 77,200**
4	**$ 85,800**
5	**$ 92,650**
6	**$ 99,550**
7	**$106,400**
8	**$113,250**

Income limits will be revised each year based on the Area-Wide Median Income determined by the U.S. Department of Housing and Urban Development.

Did you know?

http://ci.lexington.ma.us

On the Town's website you can:

- View construction details and assessed value of your house in the Assessors' online database of property records;
- Pay real estate taxes and water/sewer bills online;
- Find dates and times for scheduled public meetings and community events;
- Confirm holiday trash pickup schedules, consult recycling guidelines, and find operating hours for the Hartwell Avenue composting facility;
- View warrants for upcoming elections and see results after votes are counted;
- Read municipal announcements of current events.

Community Preservation Act (CPA) Surcharge Exemptions

An application for exemption from the CPA Surcharge based on income **must be filed annually with the Board of Assessors**.

If you believe you are eligible, please contact the Assessors' Office at:

Town Hall
1625 Massachusetts Avenue
Lexington, MA 02420
781-862-0500 ext. 203
http://ci.lexington.ma.us/Finance/Assessor.htm

The Assessors' Office is open Monday through Friday: 8:30am – 4:30pm

Note: the filing of an exemption application does not relieve a taxpayer from paying the surcharge while the application is being reviewed. If an application is approved, you will be refunded amounts already paid.

TOWN OF LEXINGTON
BOARD OF ASSESSORS

http://ci.lexington.ma.us/Finance/Assessor.htm

Taxpayer Information Guide

Fiscal Year 2009 Community Preservation Act

The Community Preservation Act (CPA) was adopted by Lexington voters on March 6, 2006. The Act establishes a Community Preservation Fund financed by property tax surcharges and matching revenues from the Commonwealth of Massachusetts. All funds must be used to:

- **Acquire, create and preserve open space;**
- **Acquire, preserve, rehabilitate and restore historic resources;**
- **Acquire, create and preserve land for recreational use;**
- **Create, preserve and support community housing; and**
- **Rehabilitate and restore open space and land for recreational use and community housing acquired with CPA funds.**