

**REPORT OF
COMMUNITY PRESERVATION ACT (CPA)
STUDY GROUP
TO
FRAMINGHAM CITY COUNCIL**

**FINDINGS AND RECOMMENDATIONS
REGARDING
CPA ADOPTION BY
CITY OF FRAMINGHAM**

MAY 28, 2020

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EXECUTIVE SUMMARY

The CPA Study Group believes that Framingham should adopt CPA as soon as possible, joining the 176 Massachusetts cities and towns that already have done so.

To that end, the Study Group recommends that City Council place a referendum on CPA adoption on the November 2020 ballot for voters to consider. Residents should have an opportunity to vote on whether CPA is right for Framingham. The anticipated voter turnout for the November election will ensure that the largest numbers of voters are able to express their preference.

COMMUNITY PRESERVATION ACT OVERVIEW

The Community Preservation Act (CPA), MGL Chapter 44B, is enabling legislation that was passed by the Massachusetts Legislature in 2000 and took effect in 2001. It allows a community that adopts CPA by voter referendum to institute a small annual surcharge on property taxes with, if it chooses, exemptions for specific classes of property taxpayers, consistent with limits and guidelines set out in the Community Preservation Act.

- These revenues can only be used to fund local quality-of-life enhancing projects: open space protection, historic preservation, outdoor recreation, and community housing development.
- A municipality must place collected proceeds in a restricted local Community Preservation Fund
- A Community Preservation Committee, created by local ordinance, is responsible for recommending projects and their funding levels to the local legislative entity (i.e. City Council in Framingham), which makes project appropriations based on these recommendations.
- The CPA legislation also created a Community Preservation Trust Fund that the state uses to match surcharge revenues that CPA cities and towns collect.

STATEWIDE CPA RESULTS SINCE 2001

Framingham attempted unsuccessfully to pass a CPA referendum in 2001 and has never tried again to do so. Since 2001, 176 other cities and towns have passed local ballot questions adopting CPA.

- These CPA municipalities have raised and placed over \$2.3 billion in their CP Funds for qualifying local projects. This amount includes more than \$670 million in state matching funds.
- Community Preservation Funds have supported 12,000 local projects through 2019.
- In excess of 31,000 acres of local open space have been protected; 2,500 outdoor recreation projects are complete or in process; more than 5,500 local historic preservation projects have been approved; and 17,500 units of community housing have been created or supported.

FRAMINGHAM'S CPA STUDY GROUP

In October 2019, at the urging of residents, City Council voted unanimously to appoint a Community Preservation Act Study Group (Study Group) to investigate and make recommendations regarding adoption of the Community Preservation Act by the City of Framingham. If, based on its findings, the Study Group recommended local CPA adoption, it also was to recommend specific CPA provisions and language for City Council to consider, adopt, endorse, and include in a ballot

question it could put before voters in November 2020. The Study Group was asked to report back to City Council in Spring 2020.

WHAT THE CPA STUDY GROUP FOUND

1. There has been a significant cost to Framingham from not adopting CPA in 2001.

- Had Framingham adopted CPA in 2001 as proposed, it likely would have received state matching funds totaling in excess of \$20 million, a very significant return on investment. Instead, all these matching funds went to other cities and towns.
- Not adopting CPA has cost the City numerous opportunities for open space protection, historic preservation, outdoor recreation, and community housing improvement. Some were lost altogether; others were delayed and, as a result, made more expensive for taxpayers.

2. Today, securing City budget funding for such projects is increasingly difficult and the consequences of not doing so are increasingly damaging.

- Like many other communities across the Commonwealth, Framingham is reluctant to use its municipal budget for “quality-of-life” projects. This is due primarily to competing demands for limited City funds, coupled with a desire to keep property taxes as low as possible.
- Such projects are often considered to be “discretionary” when compared to other budget items and are put off until an unspecified future time when budget space will be available.
- Meanwhile, the City’s irreplaceable and limited open spaces and natural and historic resources face growing development pressures and could soon be lost to future generations.
- Further, at a time when residents are seeking new and additional opportunities for outdoor recreation, existing opportunities are disappearing.
- Finally, while many continue to believe that all residents have a basic right to safe and affordable housing, housing costs are increasing beyond the means of many seniors and families, and affordable housing is increasingly difficult to find.
- Framingham’s latest Master Plan, Open Space and Recreation Plan, and Long Range [Historic] Preservation Plan all say that CPA adoption should be a City priority.

3. The cost of CPA adoption for Framingham’s residents would be quite modest.

- If all property owners paid a 1% surcharge on their property taxes, with existing abatements and with special CPA exemptions, Framingham could raise nearly \$2 million annually for its Community Preservation Fund, including state matching funds.
- The average annual cost of the surcharge to Residential homeowners would be less than \$50; their average surcharge amount, billed quarterly, would be less than \$12.50.
- Because of the greater numbers of smaller vs. larger Residential owners, 67% of Residential owners will pay less than \$50 annually.
- In recognition of the financial stress being caused by COVID-19, it is important to note that a CPA surcharge will not appear on tax bills until July 2021 (FY2022).

4. The benefits of CPA adoption to Framingham would be very significant.

- CPA adoption now will help Framingham satisfy diverse Master Plan goals, address unmet local needs, and respond to emerging opportunities that would otherwise have difficulty competing with the many other demands on annual City budgets.

- It will permit Framingham to provide near-term and long-term quality-of-life benefits to residents through projects that preserve, protect, renew, and support open space, outdoor recreation, historic resources, and community housing.
- CP Fund monies can supplement and support other funding sources for projects, such as state grants, City appropriations, and private funds, making multi-source initiatives possible.
- CP Fund income and balances not spent in any year are reserved for use in future years. This will create a rolling and growing CP Fund for future investment in eligible projects.
- CP Fund monies can be committed and reserved to pay the debt service on long-term borrowing for large qualifying expenditures. This will allow the City to use anticipated future CP Fund revenues to backstop borrowing needed to finance large qualifying projects.
- Local CPA revenue will be matched from the State’s Community Preservation Trust Fund, which is capitalized by fees collected by the Registry of Deeds. The annual state match must be at least 5% under CPA legislation. Recent matches have been in the range of 15 – 25%.
- Adopting CPA will raise the quality-of-life of Framingham residents. While there is no evidence that being a CPA community will increase Framingham property values, projects funded through CPA will make Framingham an even better place to live.

STUDY GROUP RECOMMENDATIONS TO CITY COUNCIL

The Study Group’s focus, as it has developed its recommendations, has been to achieve a balance between: 1) collecting sufficient CPA revenue to address identified City needs and anticipated opportunities; and 2) limiting the impact of surcharges on individual taxpayers. Ultimately, the Study Group has been able to achieve this balance by recommending that all taxpayer classes make surcharge payments, by opting for a lower across-the-board surcharge level, and by easing off the target for total surcharge revenue collected.

1. The Community Preservation Act (CPA) Study Group is recommending that City Council place a CPA referendum on the November 2020 ballot for voters to consider.
2. The Study Group further recommends that City Council, as the City’s legislative arm, adopt the following specific CPA provisions to include in the referendum ballot question:
 - The CPA surcharge level shall be one percent (1%).
 - All property classes that pay property taxes shall be subject to this CPA surcharge.
 - Residential properties shall receive a CPA exemption for the first \$100,000 of assessed property value.
 - Qualifying seniors and income-eligible residents shall be exempt from surcharge payment.
 - Commercial and Industrial properties shall receive an exemption for the first \$100,000 of assessed property value¹.
 - Surcharge assessment and collection shall begin in FY2022.

¹ Properties classified as Mixed Use would receive an exemption on the first \$100,000 of assessed value of both the Residential and Commercial and Industrial portions of a property.

**Annual Total CP Fund Revenues and Average Property Tax Surcharge Payments
With 1% Surcharge and \$100,000 Exemptions for All Property Uses**

CITY-WIDE CPA ANALYSIS OF FY20 TAX DATA	Total Parcels	Total Citywide Real Estate Valuation	Net Total Valuation after \$100K CPA Exemptions	Net RE Tax on "CPA" Valuation	1% Surcharge on Net "CPA" RE Taxes
Residential	18,784	\$8,087,784,840	\$6,251,164,600	\$93,642,446	\$936,424
Commercial & Industrial	939	\$1,922,726,000	\$1,835,217,200	\$59,277,516	\$592,775
Mixed Use	152	\$173,337,730	\$127,944,364	\$2,259,426	\$22,594
TOTALS	19,875	\$10,183,848,570	\$8,214,326,164	\$155,179,387	\$1,551,794
State CPA Match @20%					\$310,359
Total Revenue w 20% State Match					\$1,862,153

AVERAGE CPA IMPACTS	Total Parcels	Average Real Estate Valuation per Parcel	Average "CPA" Net Valuation w CPA Exemptions	Average RE Tax on "CPA" Valuation	Average 1% CPA Surcharge on RE Tax
Residential	18,784	\$430,568	\$332,792	\$4,985	\$49.85
Commercial & Industrial	939	\$2,047,632	\$1,954,438	\$63,128	\$631.28
Mixed Use	152	\$1,140,380	\$841,739	\$14,865	\$148.65

Source: Framingham Board of Assessors FY2020 property valuation data

NOTES:

Analysis includes all Residential, Commercial, and Industrial properties paying property taxes

FY2020 tax rates: \$14.98/\$1000 (Residential) & \$32.30/\$1000 (both Commercial & Industrial)

Mixed Use properties receive \$100K CPA exemption on valuation of each use

Mixed Use properties taxed at Residential or Commercial tax rate on net allocated valuations of uses

State CPA match varies depending on total Registry of Deeds collections each fiscal year and total CPA funds collected by participating communities. 20% State Match is estimated, based on state matches from 2011 – 2019 which averaged over 25%

ACKNOWLEDGEMENTS

The Study Group has completed this report with the assistance, support, and input of individuals associated with Framingham city government, local and statewide non-profit organizations, and cities and towns that have adopted CPA:

Framingham City Council members and Jeanette Galliardt, City Council Executive Assistant

Members, representatives, and staff of City of Framingham departments, commissions, and boards:

- Assessors Department and Board of Assessors
- Conservation Commission
- Conservation Department
- Parks, Recreation and Cultural Affairs Department
- Parks and Recreation Commission
- Historical Commission
- Historic Districts Commission
- Planning and Community Development Department Deputy Director
- Planning Board and Planning Board Administrator
- Framingham Housing Authority
- Council on Aging

Other cities and towns:

- City of Waltham Community Preservation Committee
- Town of Lexington Community Preservation Committee

Local, regional, and statewide non-profit organizations

- Framingham Youth Sports organizations
- Framingham History Center
- Friends of Saxonville
- Downtown Framingham, Inc.
- Sudbury Valley Trustees
- Family Promise MetroWest
- Community Preservation Coalition

I. INTRODUCTION

The purpose of this report to City Council by Framingham's Community Preservation Act Study Group (Study Group) is to provide information and make recommendations as City Council considers placing a referendum question on the November 2020 ballot asking voters if the City should adopt MGL Chapter 44B, the Community Preservation Act. City Council had appointed the volunteer CPA Study Group to advise it on the merits of CPA adoption by Framingham.

COMMUNITY PRESERVATION ACT OVERVIEW

MGL Chapter 44B, the Community Preservation Act (CPA or the Act), is State enabling legislation that was passed by the Legislature in 2000 and took effect in 2001. It allows a Massachusetts community that adopts CPA by referendum to institute an annual property tax surcharge with, if it chooses, exemptions for specific classes of property taxpayers, consistent with limits and guidelines set out in the Community Preservation Act. The community must put all collected proceeds in a restricted Community Preservation Fund (CP Fund) to be used solely for open space protection, historic preservation, outdoor recreation, and community housing creation and support.

Each fiscal year, City Council must appropriate, or reserve for future appropriation, at least ten percent (10%) of annual fund revenues for projects in each of three community preservation categories: open space (including outdoor recreation), historic resources, and community housing. All appropriations and reserves require a City Council vote on the specific dollar amount. CP Fund balances at the end of a fiscal year remain in the CP Fund and roll over to be spent or continue to be reserved in the next year. Project appropriations can also borrow against future CP Fund revenues, and CP Fund monies can be used for long-term borrowing and to match state and federal grants. City Council can also appropriate up to 5% of annual revenues for program administration.

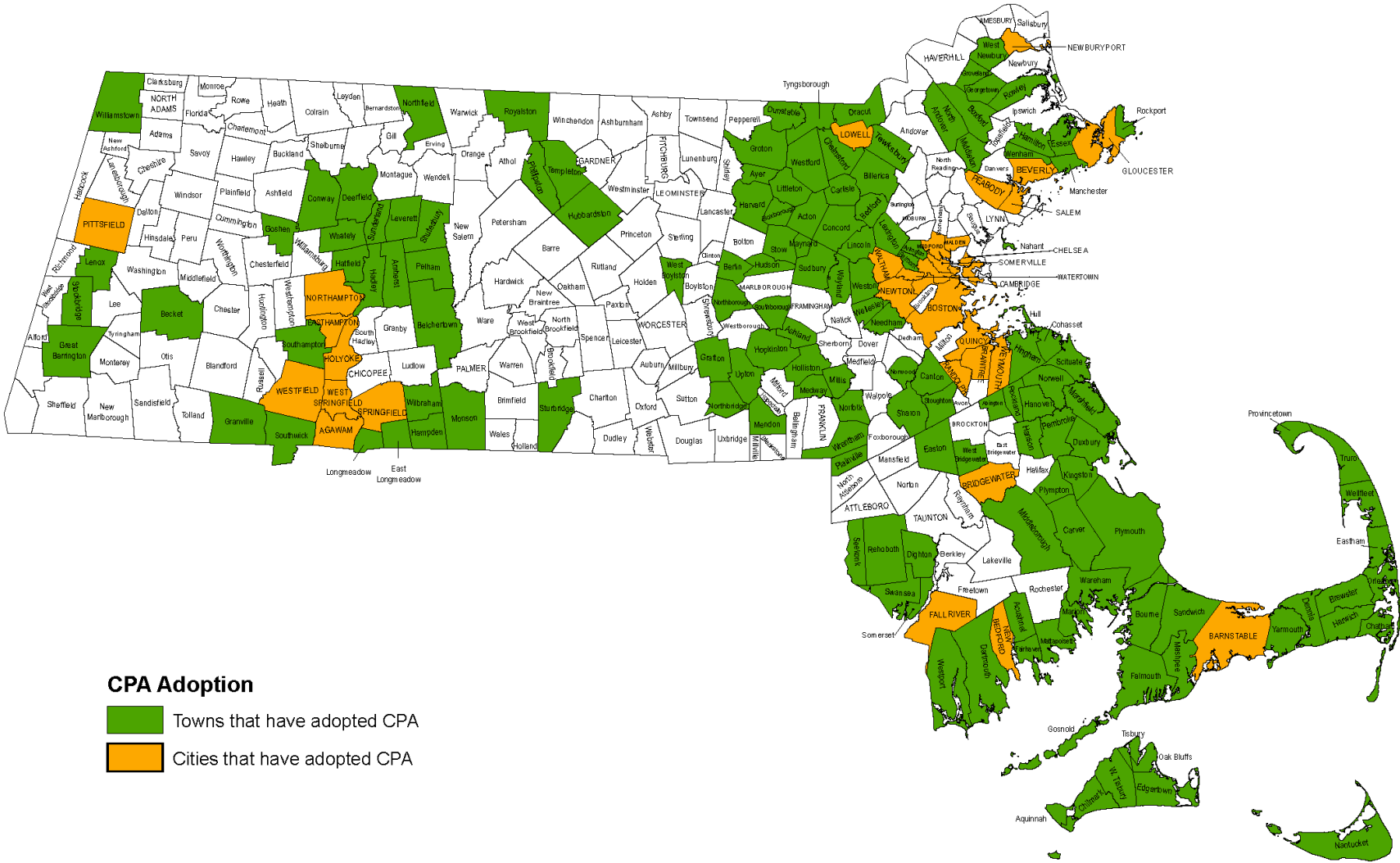
The Act also creates a state Community Preservation Trust Fund, capitalized by surcharges on fees collected by Registries of Deeds, to match locally raised CPA funds.

STATEWIDE RESULTS SINCE CPA'S INCEPTION

Framingham attempted to adopt CPA by referendum in 2001, but voters did not approve the ballot question. Framingham has not tried to adopt CPA in the nearly 20 years since then. Meanwhile, 176 other Massachusetts municipalities have adopted CPA by voter referendum.

The establishment of local Community Preservation Funds and availability of matching State funding over the past two decades has enabled those cities and towns adopting CPA to invest in a wide range of open space protection, outdoor recreation, historic preservation, and community housing projects that otherwise would have been out of reach due to competing municipal budget demands.

176 CPA Cities and Towns in 2019



Statewide CPA Revenues And Project Totals Since 2001

Community Preservation Coalition (CPC), a non-profit organization supported by and representing Massachusetts' municipalities that have adopted CPA, has provided the following statistics.

- Since 2001, participating cities and towns have raised more than \$2,300,000,000 for CPA projects, including over \$600,000,000 in matching funds received from the State.
- 12,000 total CPA projects were approved statewide through FY2019.
- Initially, after CPA passage in 2000, a majority of projects were historic preservation.
- There was an increase in outdoor recreation projects after 2012, when the changes made to the CPA legislation broadened project eligibility.

The 12,000 Statewide CPA Projects By Category

- Open Space 31,000 acres protected
- Outdoor Recreation 2,500 projects
- Historic Resources 5,500 projects
- Community Housing 17,500 units created or supported

The Appendix to this report includes a list of representative CPA projects. The Community Preservation Coalition website www.communitypreservation.org has additional project details.

CITY COUNCIL'S ROLE IN CPA ADOPTION AND IMPLEMENTATION

1. City Council creates the CPA voter referendum question and places it on the ballot.

CPA adoption requires the passage of a voter referendum by a simple majority. The Community Preservation Act gives City Council, as the City of Framingham's legislative arm under the City Charter, the authority to craft a CPA ballot referendum for voter consideration. City Council develops and adopts CPA referendum language to submit to Secretary of the Commonwealth in time for inclusion on the ballot. City Council sets a proposed property tax surcharge level and exemptions in the ballot referendum, which also sets the timeline for initiating the annual surcharge on property taxes to capitalize the local Community Preservation Fund.

2. City Council establishes the Community Preservation Committee.

If voters approve the referendum, City Council creates an independent, up to nine-person, Community Preservation Committee (CPC) to administer the CP Fund. This is done through adoption of an ordinance. The Act requires that the CPC includes representatives from five local boards, commissions, or authorities: Planning, Historic Preservation, Outdoor Recreation, Conservation, Housing. CPA allows four additional resident CPC members, if authorized by the local CPC ordinance. Framingham's Home Rule Charter stipulates in Article III that the Mayor appoints the members of such multiple-member bodies, subject to review of the appointments by City Council under the Charter's Article II, when the Charter provides no other method of appointment or selection.

3. City Council reviews recommended projects and approves project appropriations

The CPC, supported by City departments, solicits applications for projects from sponsors and recommends projects and funding levels to City Council. City Council decides which CPC-

recommended projects will be funded. Only CPC recommended projects are eligible for funding, though City Council can reduce funding levels for recommended projects.

CPA STUDY GROUP RESPONSIBILITIES

At the urging of local residents who met with City Council on October 15, 2019, City Council voted unanimously to appoint a volunteer CPA Study Group to advise it on the merits of CPA adoption by Framingham. The Study Group would be composed of residents with relevant skills and experience. It would evaluate the benefits and costs of Framingham's potential adoption of CPA, compare options, and complete a report recommending a course of action to City Council in Spring 2020. A call for applicants for seats on the Study Group was posted in late October and successful applicants were sworn in on November 21, 2019.

The specific mission of the CPA Study Group set out by City Council was to:

- Work with City Assessor to:
 - Analyze citywide property valuation and tax data for all property classes
 - Develop financial analyses of alternative surcharge and exemption scenarios
- Meet with City boards, commissions, & other stakeholders to:
 - Determine city-wide needs that could be mitigated by CPA-eligible projects
 - Identify recent projects and lost opportunities that CPA adoption might have enabled
 - Describe potential opportunities city-wide for future CPA-eligible projects
- Report on findings and make recommendations in Spring 2020:
 - Inform City Council and residents about CPA and experiences of CPA municipalities
 - Identify potential city-wide CPA projects
 - Evaluate alternative surcharge and exemption options
 - Provide draft referendum language for City Council to consider.

STUDY GROUP ACTIVITIES CONTRIBUTING TO THIS REPORT

The Study Group organized itself into task teams to investigate the needs, opportunities, benefits and costs that CPA adoption by Framingham would address and create. Individual teams focused on: open space, outdoor recreation, historic resources, and community housing, the four target areas eligible for funding under the Act. Teams researched Framingham's recent accomplishments and current goals with respect to the four target areas, documenting citywide needs and anticipated opportunities for investment and projects for each of these.

In addition, a fifth team focused on analyzing Framingham property tax data and on modeling alternative surcharge levels and exemptions and their impacts on annual CPA revenues and surcharge payments by different classes of property owners. The Study Group met with the City Assessor to discuss and secure property assessment and tax payment data, which it reviewed and analyzed. Using this data as the basis for calculations, it completed a financial impact analysis of CPA adoption by Framingham, modeling a range of alternative surcharge and exemption scenarios.

The Study Group hosted a December 2019 public presentation by Stuart Saginor, Executive Director of the statewide Community Preservation Coalition, to learn about other communities that have adopted CPA and to share this information with the community. Study Group members met with

many local organizations, commissions, boards, and government officials to inform them about CPA and get their input regarding local needs and opportunities.

Finally, in formal meetings averaging two times a month and weekly in April and May, the Study Group deliberated about needs, opportunities, benefits, costs, and options, all leading to the findings and recommendations incorporated into this report.

ORGANIZATION OF THIS REPORT

The report includes the following sections:

- CPA Procedures and Guidelines
- Framingham Needs and Opportunities
- CPA Surcharge and Exemption Options and Impacts
- Benefits and Drawbacks from CPA Adoption
- Recommendations to City Council
- Appendices:
 - Framingham’s CPA Study Group
 - Massachusetts Community Preservation Act
 - CPA Informational Guidelines Release (IGR) by Massachusetts Department of Revenue
[Link provided to website]
 - 176 City and Towns that Adopted CPA 2001 through 2019
 - Representative Statewide CPA projects
 - Recent Framingham Projects that could have Benefited from CPA
 - Surcharge Estimator for Residential and Commercial & Industrial Properties
 - Financial Analysis Supplement
 - Draft CPA Ballot Question for November 2020 Voter Referendum
 - Draft Ordinance to Create a Community Preservation Committee

II. CPA PROCEDURES AND GUIDELINES

The Study Group has prepared this overview of key provisions of the Community Preservation Act to provide context to City Council as it considers how to proceed. A more detailed perspective on these provisions, as well as information regarding provisions not described here, can be found in the most recent Department of Revenue Information Guideline Release (IGR) on the Community Preservation Act (IGR No. 19-14 dated December 2019). A link to the IGR is provided in the Appendix of this report.

PROCESS FOR LOCAL CPA ADOPTION

City Council approval

[For purposes of clarity, this report substitutes “City Council” for the term “legislative body” used in the Act, in acknowledgement of City Council’s legislative responsibilities under Framingham’s City Charter to approve budgets, authorize debt, and adopt by-laws or ordinances for the community.]

CPA adoption by Framingham will first require the approval of CPA provisions by City Council and then by the electorate at the next regular municipal or state election.

A majority of City Council must first approve a specific proposal to present to the electorate in the form of a voter referendum. The approved proposal must explicitly accept G.L. c. 44B, §§ 3-7, which cover: Acceptance and adoption of all specific CPA requirements by a municipality [section 3]; Collection of the surcharge amount by the tax collector [section 4]; Community Preservation Committee membership and responsibilities [section 5]; Treatment and appropriation of annual revenues for projects and administrative expenses [section 6]; and Creation and management of a separate Community Preservation Fund [section 7].

The CPA voter referendum drafted and approved by City Council must include the following information:

- Surcharge percentage approved by City Council
- Any surcharge exemptions adopted by City Council
- Effective fiscal year of the acceptance and any other relevant information

Establishing the CPA surcharge

A CPA surcharge of up to three percent (3%) can be assessed on the municipality’s real estate taxes. The surcharge is not assessed on personal property taxes, or by water, sewer, or other tax levying districts within the municipality. The surcharge is calculated by multiplying the adopted percentage by a parcel’s real estate tax, less any property tax exemptions or abatements authorized by any law. Therefore, the surcharge paid by a taxpayer receiving an exemption or abatement on real estate taxes is levied on the revised amount.

The surcharge is imposed on every type of real estate tax assessed by the City, subject to exemptions approved by City Council and voters. The surcharge must be displayed as a separate item on tax bills.

MA Department of Revenue suggests including a “bill stuffer” with the first tax bill that has a CPA surcharge to explain the purpose and calculation of the surcharge, when the surcharge will ordinarily be billed and due, and procedures for seeking any local option surcharge exemptions.

Selecting CPA surcharge exemptions

The CPA describes four allowed surcharge exemptions. City Council may, at its discretion, adopt and include any or all of the following surcharge exemptions for property owners in the proposal presented to the voters.

Real estate parcels that are fully exempt from property taxes are not subject to any surcharge. Parcels that pay property taxes may be fully or partially exempt from the calculated surcharge if the community adopts any of the CPA surcharge exemptions. These are:

Residential exemptions

Two Residential property tax surcharge exemptions are available for inclusion in a local CPA program. City Council has the option to adopt one, both, or neither.

- 1) Exemption on the first \$100,000 in assessed valuation. The Residential exemption applies to the real estate tax assessed on the first \$100,000 in assessed valuation of all properties classified as Residential (Class One). If the property is classified as Mixed Use, this exemption applies to the real estate tax assessed on the first \$100,000 of any portion of the assessed valuation allocated to Class One.
- 2) Total low-income and low- or moderate-income senior exemption. An applicant for the low-income or low- or moderate-income senior exemption must be a person who owns and occupies the property as a primary residence. To qualify as a Senior, the applicant must be 60 or older. The exemption does not apply to Residential property owned in whole or in part by a corporation or other business entity. All co-owners of the residence must meet a household annual income standard for the low-income or low- or moderate-income senior exemption to be granted. Annual household income is the income received from all sources regardless of income tax status under federal or state law during the calendar year by all members of the household 18 or older who are not full-time students, less deductions for dependents other than a spouse and certain medical expenses. That amount must be at or below the allowable income limit for the household type (senior or non-senior) and size. The income standard is based on the area-wide median income determined by the U.S. Department of Housing and Urban Development annually. Assessors re-establish limits each year based on the most recent determination.

Commercial/Industrial exemptions

Two potential surcharge exemptions apply to properties classified either as Commercial (Class Three) or Industrial (Class Four). City Council can decide to offer either one or the other of these exemptions to both Commercial and Industrial property owners. Alternatively, City Council can choose to offer neither exemption.

- 1) Total Commercial/Industrial exemption from the surcharge. This is available to a municipality only if the tax rate is split and the community adopts a higher tax rate for these classes. Framingham has a split rate and could elect to allow this exemption. If a property is classified as Mixed Use, the surcharge exemption would only apply to the real estate tax assessed on any portion of the assessed valuation allocated to Commercial or Industrial.

- 2) Exemption on the first \$100,000 in assessed valuation. Alternatively, a second available Commercial/Industrial exemption applies to the real estate tax assessed on the first \$100,000 in assessed valuation of all Commercial and Industrial properties. If the property is classified as Mixed Use, this exemption applies to the tax surcharge on the first \$100,000 of any portion of the assessed valuation allocated to Commercial or Industrial.

Holding a voter referendum on City Council's proposal

The electorate must vote on a City Council-approved referendum question at the next regularly scheduled municipal or state election held more than 35 days after the City Council approval. A voter referendum is “approved” and the statute accepted if a majority of the voters voting on the referendum question vote “yes.”

The referendum Question presented to Framingham voters must read as follows:

Shall this City 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?

The City Solicitor must prepare a summary that appears underneath the question on the ballot. The summary must satisfy the following requirements:

- It must be a fair and concise description of CPA provisions that are the subject of the referendum and their purpose.
- It must include the surcharge percentage approved by City Council.²
- It must include any surcharge exemptions adopted by City Council.
- It should also state the effective fiscal year of the acceptance and any other relevant information.

The Secretary of the Commonwealth Elections Division website has additional information on the ballot question and a sample “fair and concise summary.” The Appendix to this document also includes a Sample Fair and Concise Summary.

COMMUNITY PRESERVATION COMMITTEE

Every city or town that adopts CPA must enact a by-law or ordinance establishing a Community Preservation Committee (CPC). The ordinance would be written and adopted by City Council after the November election.

The by-law or ordinance adopted by City Council must address, at a minimum, the following:

- Composition of the Committee, member selection method (i.e., election or appointment), and term members will serve
- Mechanisms under which City Council may approve or veto community preservation appropriations, consistent with the City Charter

² Per the Act, the ballot question must indicate whether the CPA is adopted pursuant to G.L. c 44B, § 3(b) or G.L. c 44B, § 3(b 1/2). If § 3(b 1/2), it must include the maximum percentage of additional municipal revenues that may be appropriated to the CP Fund pursuant to § 3(b 1/2). Additional detail on this requirement is in the CPA legislation and Information Guidelines Release (IGR) No. 19-14 by the Massachusetts Department of Revenue.

- Whether, if voters revoke the CPA, the Community Preservation Committee will continue to provide spending recommendations for any remaining CP Fund monies that are not required for the satisfaction of outstanding obligations.

Committee membership

The Act prescribes that a CPC must consist of five to nine members. Members must, at a minimum, include a designee from each of the following boards, commissions or authorities: Conservation Commission, Historic Commission, Planning Board, Park Commissioners, and Housing Authority. Up to four additional resident members may be seated using criteria and the selection method described in the ordinance or by-law. A majority of the total membership of the CPC will constitute a quorum, and the majority of the quorum may act on CPC matters.

Committee role and responsibilities

The CPC is responsible for evaluating the community preservation needs of the city or town and making recommendations for appropriations from the CP Fund to City Council as part of the annual budget process.

The CPC also has responsibility for organizing and managing a project application process that helps identify potential new projects each year that the CPC evaluates for potential recommendation to City Council for annual appropriations.

Community Needs Assessment

The CPC must produce an initial Community Preservation Program Needs Assessment. The Assessment will document Framingham's community preservation needs, possibilities, and resources.

Community Preservation Program and Financial Plan, with annual updates

The CPC will then develop a Community Preservation Program and Financial Plan for Framingham. The Program should identify long-term and short-term goals and needs, set criteria for evaluating proposed acquisitions and initiatives, prioritize projects and estimate their costs. The financial plan should include a multi-year revenue and expenditure forecast and should identify the fund or other municipal financing source for each proposed project.

The program and financial plan should be reviewed and updated annually to reflect changes in Framingham's needs, priorities and resources. The CPC must hold at least one public, informational hearing as part of the initial study and the annual review process.

Annual Community Preservation Budget

The CPC also prepares annual appropriation recommendations to City Council. These include recommendations for 1) specific projects with appropriations, 2) any appropriations to reserve funds, and 3) annual appropriations for administrative budgets.

COMMUNITY PRESERVATION FUND

The primary goal of adoption of CPA is the creation of a Community Preservation Fund (CP Fund). The CP Fund is a special revenue fund. The accounting officer must establish and maintain it as a separate account. Any appropriations from a local CP Fund must be used for: (1) eligible community preservation projects; or (2) the Community Preservation Committee's administrative budget.

Specific allocation requirements and limitations are described below.

Sources of CP Fund Income

The following municipal receipts must be credited to the CP Fund:

- 1) All monies collected from the Community Preservation surcharge adopted by voters;
- 2) The additional funds from allowable municipal sources appropriated to the CP Fund;
- 3) All proceeds from borrowings made under the community preservation program;
- 4) All funds received from the Commonwealth for community preservation purposes, including matching fund distributions from the Massachusetts Community Preservation Trust Fund;
- 5) All funds received from any other source for community preservation purposes;
- 6) Proceeds from the disposal of real property acquired with the CP Fund;
- 7) Damages and penalties from persons who damage properties acquired using the CP Fund;
- 8) All income and interest earned on CP Fund monies.

Investments

The City treasurer may invest monies in the CP Fund in banks, Massachusetts trust companies, Massachusetts FDIC banking companies, savings and loan associations, or in the same manner authorized for the investment of trust funds. The City may pool or establish a separate bank account for community preservation cash. A treasurer who pools cash must allocate interest earned on community preservation cash to the CP Fund.

Appropriations

A recommendation by the Community Preservation Committee and an appropriation by City Council are both required for using monies belonging to the CP Fund. A community may appropriate from the estimated annual CP Fund revenues for allowable community preservation expenditure purposes. It may also reserve those revenues for future appropriation. Appropriations and reservations must state a specific dollar amount.

Appropriations are by majority vote, except in the case of borrowing, described below, and eminent domain, which both require a two-thirds vote.

Annual CPC recommendations and budget

In determining its recommendations to City Council, the CPC must first determine whether a project is eligible for CPA funding. However, the CPC is not obligated to recommend that City Council approve funding for a project simply because the project is eligible for CPA funding. If a project is eligible for CPA funding, the CPC then considers if and how the project fits into its community preservation program and financial plan (described above). The CPC will also look at other projects

competing for CPA funding and any other relevant information in making a final determination as to whether or not to recommend the project to City Council.

All CPC recommendations are included in the Annual Community Preservation Budget, normally presented as part of the City's annual budget process. The Budget would also include recommendations for funding of debt service and any other existing or ongoing obligations. If, alternatively, debt service, committee administration, and other expenses to be financed with annual CP Fund revenues are included in the City's omnibus budget, the Annual Community Preservation Budget should also account for commitment of funds for these expenditures.

City Council appropriations from the CP Fund

After receiving the CPC's funding recommendations, City Council has the option to either: 1) Make appropriations from or reservations of CP Fund monies in the dollar amount recommended by the CPC; or 2) Reject a CPC recommendation or, if consistent with the City Charter, local by-laws (including the by-law establishing the CPC) and procedures, reduce any recommended amount.

City Council may not increase any recommended appropriation or reservation, and it may not change the CPC's funding source recommendation. In addition, City Council may not appropriate or reserve any CP Fund monies on its own initiative without the CPC's prior recommendation. That said, there are four specific situations when City Council can make appropriations from the CP Fund without a prior CPC recommendation. These are described in the CPA legislation included in the Appendix to this report.

Borrowing

Framingham may issue general obligation bonds or notes to fund community preservation acquisitions and projects subject to the applicable provisions of G.L. c. 44, which govern the issuance of municipal debt. Bond proceeds are to be deposited into the CP Fund. Although debt issued under c. 44B is general obligation debt, the CPA limits community borrowing to an amount where the debt service can be paid (together with debt service on any previously authorized borrowings) from annual community preservation revenues that Framingham reasonably expects to raise over the term of the borrowing.

COMMUNITY PRESERVATION FUND EXPENDITURES

Eligible Project Expenditures

Project expenditures must be used for the following project categories: 1) Open space; 2) Outdoor recreation; 3) Historic resources; and 4) Community housing.

Each fiscal year, City Council must either reserve or appropriate at least ten percent (10%) of annual fund revenues for projects in each of three community preservation categories: open space (including outdoor recreation), historic resources, and community housing. Appropriations or a transfer to a reserve account both require a City Council vote on the specific dollar amount.

Open Space

Definition: "Open Space" is defined broadly by the statute as: 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 diversity or biodiversity or nature preserves.

Allowed activities:

- (a) Acquisition, creation, and preservation of open space.
- (b) Rehabilitation or restoration of open space, if the open space was acquired or created with community preservation funds.

Examples of allowed activities:

Acquisition and Creation

- Acquire private property as permanent open space
- Rehabilitate brownfields by converting to open space
- Raze vacant, municipally-owned building to create permanent open field
- Purchase permanent conservation or agricultural preservation restrictions to protect open space or farmland from future development
- Purchase easements to protect water supply recharge areas and other watershed lands

Preservation

- Remove invasive plant species from ponds and wetlands to protect wildlife habitats and open space from harm

Rehabilitation

- Restore natural areas acquired with CPA funds to their natural state
- Seed, plant trees, landscape a permanent open space created by removal of building

Outdoor Recreation

Definition: “Outdoor Recreation” uses are defined as including, but not limited to: community gardens; trails; non-commercial youth and adult sports; and parks, playgrounds, and athletic fields.

Allowed activities:

As with Open Space, allowed activities include acquisition, creation, and preservation of land for recreational use, as well as rehabilitation and restoration of land for recreational use

Examples of allowed activities:

Acquisition

- Purchase privately-owned outdoor recreation facility for municipal use (e.g. golf course)

Creation

- Convert existing structures such as railroad bed to recreational use (e.g. walking; bike trail)
- Convert underutilized municipal land to community gardens
- Clean contaminated Industrial land and convert to municipal ball fields or playgrounds

Preservation

- Install an irrigation system in a public park to prevent grass from dying
- Install new drainage in existing athletic field to prevent deterioration from flooding

Rehabilitation and restoration of recreation lands acquired with CPA funds

- Restore unused walking trails to usable condition in forest land acquired with CPA funds

- Create recreational opportunities through brownfield restoration and/or redevelopment

Historic Resources

Definition: 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, archaeology, architecture, or culture of the city or town.

Allowed activities: Acquisition, preservation, rehabilitation and restoration of *historic resources* are all allowed activities. Specifically, funds can be used to rehabilitate or restore municipally owned historic properties that were acquired prior to Framingham’s adoption of the CPA. Rehabilitation can include ADA-compliance measures and other capital improvements needed for properties to meet building codes or functionally perform of the intended use of the property.

Examples of allowed activities:

Acquisition

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

Preservation

- Purchase a preservation easement to protect building façade or other historic features
- Restore historic buildings to reverse inappropriate alterations
- Restore archival documents
- Conduct historical or archeological surveys necessary for preservation projects
- Provide grants to acquire or preserve a historic property in private non-profit ownership (with a preservation restriction)

Rehabilitation and restoration

- Restore historic landscapes
- Restore municipal historic structures such as town halls, libraries, town commons, parks, or cemeteries
- Rehabilitate signage or markers at historic sites
- Adaptively reuse historic sites such as fire houses, town halls, mills, police stations, or schools for community housing or another municipal use through rehabilitation
- Capital improvements to historic resources necessary to comply with 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.

Community Housing

Definition: “Community Housing” is defined by the Act 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.

Allowed activities: Activities allowed for Community Housing, sometimes referred to as “affordable housing,” include

- (a) The acquisition, creation, preservation and support of community housing.
- (b) The rehabilitation or restoration of community housing, provided the housing was acquired or created with CP Fund monies.
- (c) Appropriations to a municipal Affordable Housing Trust Fund created by Framingham pursuant to G.L. c. 44, § 55C; however, the Affordable Housing Trust Fund must expend monies from the CP Fund only for community housing purposes described in sections (a) and (b) above.

Whenever possible, recommended Community Housing projects should reuse existing buildings or construct new building on previously developed sites.

Examples of allowed activities:

Creation

- Convert non-residential properties to community housing
- Acquire land and/or buildings for new housing development, either rental or owned
- Provide grants or loans to non-profit or for-profit developers to create affordable housing
- Restore brownfields or mitigate contaminated sites for qualified housing development

Preservation

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

Support

- Assist residents to meet homeownership costs, including, but not limited to down payments, assist with closing costs,
- 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
- Provide matching funds for various state and federal housing programs

Rehabilitation and restoration of Community Housing created using CPA funds

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

COMMUNITY PRESERVATION FUND ALLOWABLE SPENDING PURPOSES (G.L. c. 44B, § 5)

	OPEN SPACE	HISTORIC RESOURCES	RECREATIONAL LAND	COMMUNITY HOUSING
DEFINITIONS (G.L. c. 44B, § 2)	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	Building, structure, vessel, real property, document or artifact listed on the state register of historic places or determined by the local historic preservation commission to be significant in the history, archeology, architecture or culture of the city or town	Land for 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. Does <u>not</u> include horse or dog racing or the use of land for a stadium, gymnasium or similar structure.	Housing for low and moderate income individuals and families, including low or moderate income seniors Moderate income is less than 100%, and low income is less than 80%, of US HUD Area Wide Median Income
ACQUISITION Obtain property interest by gift, purchase, devise, grant, rental, purchase, lease or otherwise. Only includes eminent domain taking as provided by G.L. c. 44B	Yes	Yes	Yes	Yes
CREATION To bring into being or cause to exist. <i>Seideman v. City of Newton</i> , 452 Mass. 472 (2008)	Yes		Yes	Yes
PRESERVATION Protect personal or real property from injury, harm or destruction	Yes	Yes	Yes	Yes
SUPPORT Provide grants, loans, rental assistance, security deposits, interest-rate write downs or other forms of assistance directly to individuals and families who are eligible for community housing, or to entity that owns, operates or manages such housing, for the purpose of making housing affordable				Yes, includes funding for community's affordable housing trust
REHABILITATION AND RESTORATION Make capital improvements, or extraordinary repairs to make assets functional for intended use, including improvements to comply with federal, state or local building or access codes or federal standards for rehabilitation of historic properties	Yes if acquired or created with CP funds	Yes	Yes	Yes if acquired or created with CP funds

Allowed project-related expenditures

Fund monies may also be appropriated for the following project-related expenditures undertaken for allowable community preservation purposes:

- Principal and interest payments on bonds and notes issued.
- Damages payable to property owners for real estate interests taken by eminent domain.
- Matching funds for state and federal grants. (Participation in the CPA does not affect the eligibility of Framingham to receive funds from any other state grant programs.)
- Property acquisition-related expenses, such as appraisal costs and expenses for title searches, closing fees, and preparation, issuance and marketing costs for bonds or notes for borrowings.
- Payments to a nonprofit organization to hold, monitor and enforce usage restrictions on real property acquired with community preservation funds.

Prohibited project expenditures

CP Fund monies may not be spent to:

- Supplant funds used for existing expenses, even if they serve community preservation purposes. The CP Fund is a supplementary funding source intended to increase available resources for community preservation acquisitions and initiatives;
- Pay for maintenance of any real or personal property;
- Acquire artificial turf for athletic fields;
- Support horse or dog racing or for use of land for a stadium, gymnasium or similar structure;
- Found, aid, or maintain any institution or charitable or religious undertaking that is not publicly owned and under the exclusive control, order, and supervision of public officers or public agents authorized by the Commonwealth or federal authority or both.

Eligible annual administrative and operating expenses

CP Fund monies may pay for the administrative expenses of the Community Preservation Committee (CPC). Annual appropriations for these expenses may not exceed five percent (5%) of the year's estimated annual CP Fund revenues.

Eligible CPC administrative expenses are limited to those expenses necessary to support the CPC's statutory responsibilities. These can include: Costs for tax billing software changes and vendors necessary to integrate such software for the implementation of the CPA (during the first year only); Wages or salary for direct administrative support services to the CPC; Office supplies; Advertising for CPC public hearings; Certain contractual or consulting services expenses; and Funding for inventories and plans of local needs, etc., or to make spending recommendations to City Council. A more complete list of these eligible expenses is included in the Appendix.

Ineligible administrative and operating expenses

Ineligible administrative expenses include, but are not limited to: Salaries, wages or benefits, or other indirect costs incurred by other government departments; Costs of a study to determine if a particular property is a historic resource or related to the designation of a historic district; Costs of feasibility studies, assessments, appraisals or plans unrelated to the CPC's statutory duties or related

to a project not eligible for CPA funding; Supplemental costs of a project approved by City Council, i.e. transfer of funds from the CPC administrative budget to a CP project budget without a prior CPC recommendations; Use of CPC administrative budgets for contracted services (such as legal services for land acquisition) associated with a particular project appropriation by City Council, where the project's appropriation should rightly pay such costs.

STATE MATCHING FUNDS FOR COMMUNITY PRESERVATION

The Community Preservation Act guarantees cities and towns participating in the community preservation program a state match of at least five percent (5%) of what communities raise annually. The Commonwealth established a Community Preservation Trust Fund for this purpose. On or before November 15 of each year, distributions are made from this Trust Fund to each city or town that imposed a surcharge for the fiscal year that ended on the preceding June 30.

Monies distributed from the Trust Fund come primarily from surcharges on fees charged for recording various documents with the Registry of Deeds or Land Court. In other words, it is a redistribution of funds paid by residents across Massachusetts recording deeds and related documents. The Trust Fund can also be credited with public or private gifts, grants or donations to the state for community preservation purposes, and other monies transferred to the Trust Fund by the state legislature.

It is not unreasonable today for a community to anticipate an annual State match of local funds raised through CPA surcharges on property taxes in the vicinity of 20% or more. Historically, these matches have ranged from 100% in the first years (34 communities received distributions in 2002) to as low as 17.20% in 2017 when 162 communities received distributions. In 2018 and 2019, the state supplemented the Trust Fund monies with state budget surplus funds, raising the distribution in those years to 19.01% and 23.90% respectively. The distribution from 2002 to 2019 averaged 54.29%. From 2011 to 2019, it averaged 27.50%.

Effective December 31, 2019, the Legislature adjusted the fees upward that fund the Community Preservation Trust Fund. The surcharge for most documents filed at the Registries is now \$50, up from \$20 in the original legislation. Municipal lien certificates are now subject to a \$25 surcharge, up from the original \$10. Both surcharges are immediately transferred to the Trust Fund. The Community Preservation Coalition estimates that, depending on how robust the real estate market is, the new \$50/\$25 fees will add up to around \$60 million deposited into the CPA Trust Fund annually.

III. FRAMINGHAM NEEDS AND OPPORTUNITIES

The CPA Study Group has concluded that, given increasing needs to protect and support the quality-of-life of City of Framingham residents, and also because of the difficulty the City budget has addressing these quality-of-life needs in a timely manner, Framingham should adopt the CPA as soon as possible.

As described below, adopting CPA will better enable Framingham to capture current, anticipated, and emerging opportunities to preserve, protect, renew, and support open space, outdoor recreation, historic resources, and community housing for the long-term benefit of its residents.

WHY FRAMINGHAM SHOULD ADOPT CPA NOW

Like many other communities across the Commonwealth, Framingham often has been reluctant to use municipal budgets for “quality-of-life” projects that protect open space, increase outdoor recreation, preserve historic resources, and support community housing. This is due to a combination of factors, but primarily competing demands for limited City funds, coupled with a desire to keep property taxes as low as possible.

Such projects are often viewed as “discretionary” when compared to other potential budget items. Every year, they compete for budget dollars with ongoing public services (e.g. education; public works operations; roadway maintenance and snow removal; building maintenance and repairs; and public safety, among others). In addition, budgets must allocate funds for emergency needs and infrastructure upgrades such as school and municipal building construction, roadway improvement, end-of-service-life equipment replacement, and new equipment purchases.

Framingham’s residents hope that all that is good and treasured in our neighborhoods, downtown, and villages will not change. However, Framingham, as it always has, is changing as development and redevelopment pressures are accelerating.

- Valued, irreplaceable open spaces and natural and historical resources that bolster the physical and mental health of residents today could soon be lost to future generations.
- Further, as residents seek new and additional opportunities for outdoor recreation, existing opportunities are disappearing.
- Finally, while we believe that all residents should have safe and affordable housing, housing costs are increasing beyond the means of many seniors, young adults, and families, and affordable housing is increasingly difficult to find.

Adopting the Community Preservation Act now can provide Framingham with a new source of funding to address these issues in a timely manner.

HOW CPA WILL MAKE A DIFFERENCE IN FRAMINGHAM

In 2000, as local funding for these quality-of-life projects was becoming more elusive in Framingham and across much of Massachusetts, state legislators, recognizing the critical importance of such under-funded projects to the quality-of-life of residents statewide, as well as recognizing the

importance of maintaining local control, passed the Community Preservation Act. As a result, cities and towns that adopt CPA can establish and capitalize a restricted Community Preservation Fund, specifically to support these types of projects. As noted earlier, 176 Massachusetts cities and towns subsequently adopted CPA by local referendum.

In 2001, a ballot referendum sponsored by Town Meeting gave Framingham residents the opportunity to adopt CPA. But proponents were ambitious, requesting a 3% surcharge with no exemptions, and Framingham residents said “no” to CPA in 2001.

Over the two decades that have since passed, there has not been another referendum on CPA adoption proposed or considered. This has left the City’s annual budget, laborious crowd funding efforts, competing for limited state and federal grants, and cash-strapped non-profit organizations to fund these local projects.

What would be different now if Framingham had said yes to a 1% CPA surcharge in 2001?

- Framingham would have a dedicated Community Preservation Fund (CP Fund) for open space protection, outdoor recreation, historic preservation, and community housing support.
- These projects would not always be competing with other requests for a piece of City budgets.
- The City would have collected an estimated \$30,000,000 for the CP Fund over nearly two decades, including state matching funds totaling \$6,000,000 or more.
- The City’s Community Preservation Committee (CPC) would have a long-term plan identifying needs, goals, and strategies for projects and, near-term, would be seeking and tracking targets for acquisition, preservation, restoration, and support.
- CP Fund monies would be available for both small and large projects. CP Fund monies could be combined with funds appropriated in the City budget, used to match state and federal grants, or borrowed against over time.
- The CPC could recommend using the existing CP Fund to address new, emerging preservation opportunities or recommend borrowing against anticipated future CP Fund revenues.

NEEDS AND OPPORTUNITIES THAT CPA CAN ADDRESS

Over a four-month period, Study Group members met with City Councilors, representatives of City departments, City Commissions and Authorities, and local not-for-profit organizations to better understand local needs and identify opportunities that CPA adoption could address in Framingham for each of the four CPA-eligible project categories.

The Study Group engaged them in discussions about: Framingham’s unmet needs and goals; investments by City and Town of Framingham on CPA-eligible projects since 2000; recent missed opportunities; current potential CPA projects; and potential future projects.

Based on those meetings and additional research, the Study Group has developed the following descriptions of local needs and opportunities with respect to open space, outdoor recreation, historic preservation, and community housing that CPA adoption by Framingham could address.

Open Space

Study Group members consulted and met with the Conservation Commission Administrator, the Planning Board Administrator, the Deputy Director of the City’s Planning and Community

Development Department, and the Director of Land Protection for the Sudbury Valley Trustees, to determine local Open Space needs and opportunities.

Unmet needs and goals

Open Space is an integral part of Framingham's physical fabric. It is woven throughout the City's most recent Master Land Use Plan, as well as the new Open Space and Recreation Plan. But in the face of increasing residential and commercial development pressures, both Framingham's Master Plan and its Open Space and Recreation Plan call on the City to protect, increase, and improve its current inventory of conservation, open space and recreational parcels.

The City's Master Plan urges CPA adoption to protect Areas of Critical Planning Concern (ACPC):

The ACPCs are considered as properties that may change from their current use to an alternative use and have the potential to create substantial impacts on that area and potentially on the City as a whole. These impacts could be changes to traffic circulation, degradation of critical environmental resources, and demands on municipal services, as well as impacts to the quality-of-life. ... The City should adopt policies such as the Community Preservation Act (CPA) as a tool to preserve ACPC [emphasis added].

Framingham could use Community Preservation Fund dollars matched with state monies and other funds to secure large and small open space parcels throughout the City of Framingham. Parcels protected could include neighborhood pocket parks, larger tracts with public access walking trails, scenic vistas, and critical wildlife habitat areas citywide, north and south, east and west.

Adopting CPA would enable the City to achieve the following goals:

- Provide diverse recreation opportunities for individuals of all ages, socioeconomic levels, and physical abilities;
- Conserve and protect rivers and streams, lakes and ponds, and aquifers, wildlife habitats, and horticultural, agricultural and sylvan resources;
- Undertake citywide efforts that increase and improve active and passive outdoor recreation;
- Establish protected connections between fragmented open spaces to preserve, expand and enhance wildlife habitats; and
- Protect Framingham's precious scenic resources and landscapes, including its open meadows, woodlands, and farmlands visible from roadsides, trail ways, and other viewing points, through a variety of strategies, including securing conservation restrictions.

Framingham's Open Space and Recreation Plan, like the City's Master Plan, identifies City adoption of the Community Preservation Act as an Essential Action if the City is to accomplish these goals.

Recent missed opportunities where a local CP Fund could have made a difference

From time to time, parcels become available that Framingham tries to preserve as public open space. While Framingham has had some recent open space protection successes (e.g., Eastleigh Farm, the Irving Street Pocket Park now in construction, and the Cochituate Rail Trail, as well a few Framingham properties preserved by the Sudbury Valley Trustees), there have been other significant open space parcels that, for one reason or another, Framingham was not able to protect.

Had the CPA been in place, the following noteworthy parcels might also have become part of Framingham's open space inventory:

- **Millwood Golf Course.** This 64-acre privately held golf course near Callahan State Park that had been a Chapter 61B property. The Open Space and Recreation Plan identified Millwood as a priority parcel to acquire or protect. The Town/City had right of first refusal to purchase the parcel, which could have been used for open space, recreation, or even community housing. Nevertheless, a developer purchased it in 2018 for Adult Restricted housing, with only a small parcel alongside Millwood Street designed as Open Space.
- **Marist Fathers of Boston.** This 28-acre parcel on Pleasant Street that included an athletic field, farmland, and older residential buildings, could have been preserved as open space, for outdoor recreation, and even repurposed as community housing. Instead, it too was sold to a developer of Adult Restricted housing.

Future opportunities and potential targets for a Framingham CP Fund

There remain numerous and varied large parcels of significant open space in the City. As land use continues to change in Framingham and some owners of larger institutional properties consider the future use and possible disposition of their holdings, the City could have abundant, new opportunities and targets for open space preservation. This is not to say that all of these can and should be preserved or that each should be preserved in its entirety. But together, they represent a significant part of the remaining opportunity the City has to protect open space for the future benefit, enjoyment, and appreciation of residents.

If Framingham adopts CPA, its Community Preservation Committee should have long term plans in place for dealing with potential loss of significant targeted open spaces, tracking their status, and, if appropriate, applying a variety of approaches for open space protection, perhaps in concert with other organizations. Strategies could include simple land acquisition and conservation restrictions (including for tax-title land) as well as projects that involve partnerships with abutting town conservation commissions, the State, and/or non-profit land conservation organizations such as Sudbury Valley Trustees, Mass Audubon, and The Trustees, to name a few.

The Open Space and Recreation Plan identifies several large targets for possible preservation. Among them are:

- **Congregation of Sisters.** This 73-acre nursing home property on Bethany Road includes 50 acres of undeveloped land.
- **Sons of Mary Missionary Society.** This is a 29-acre parcel bounded by Gates Road, Country Club Lane, and Salem End Road in South Framingham.
- **MCI for Women.** Commonwealth of Massachusetts has announced plans to close this 500-acre property, which could be de-accessioned in much the same way that state hospitals have been. Other host cities and towns have taken ownership of portions of such properties, and Framingham may want to do the same, perhaps using the CP Fund to make improvements.
- **Nobscot Boy Scout Reservation of the Knox Trail Council.** This 150-acre property with an extensive trail network straddles the Framingham/Sudbury town line. It connects to Framingham conservation land and abuts other open spaces that are already protected.
- **Edgell Road Parcel.** This is a privately owned 29-acre parcel adjacent to Nobscot Reservation and City of Framingham Conservation Land.
- **Miscellaneous small lots and/or parcels.** These parcels are scattered throughout the City and could be acquired for open space, “pocket” parks, recreation, etc.

- **Additional agricultural properties.** While Eastleigh Farms has been preserved for the time being, the remainder of Framingham’s surviving agricultural lands, open fields, and farms are also important scenic and agricultural resources that could soon be threatened and lost to development. To combat such losses, Framingham has changed zoning requirements to allow alternative configurations for residential lots and has adopted an Agricultural by-law, transfer of development rights, etc. One remaining need is adoption of the CPA. The CP Fund may be able to help purchase development rights and support other strategies to keep these properties in agricultural use.

Outdoor Recreation

In order to determine local outdoor recreation needs for the community, Study Group members consulted and met with the Conservation Department, Park & Recreation Commission, staff members from the Park, Recreation and Cultural Affairs Department, as well as local youth sports and community organizations and City Council members.

Unmet needs and goals

Framingham currently has outdoor recreation opportunities through the City’s Park, Recreation, and Cultural Affairs Department and its Conservation Department, as well as through local youth sports organizations and other local groups. Framingham has long supported outdoor recreation. There are currently parks and/or playgrounds in all districts of the City.

The Study Group found that the distribution of these resources is uneven, leaving some districts with fewer opportunities. Conservation areas where hiking, walking, skiing, and bicycling are permitted are even less evenly distributed, with most City-owned properties on the generally less urban north side of the City.

While responsibility for the many active outdoor recreation facilities is clearly demarcated between the Parks and Recreation and School departments, for passive recreational resources and facilities, the split of responsibilities is less clear. Both Parks & Recreation and Conservation manage passive recreation areas, but with significant differences in maintenance capacity.

Funding for playground equipment and park improvements comes from the City budget through the Parks and Recreation and Cultural Affairs Department. With growing demand for and use of outdoor recreation facilities, the City budget has not been sufficient to keep up with a growing need. Outdoor Recreation projects were made eligible for CPA funds in 2012. Projects approved by other municipalities since that time include restoration and preservation of gardens, splash parks, track resurfacing, basketball courts, dog parks and much more.

Goals for outdoor recreation include:

- Ensuring that diverse recreational opportunities are available in every district of the city that meet the needs and interests of district residents
- Ensuring equitable access to outdoor recreation
- Adding new active outdoor recreation facilities such as splash parks and pickleball courts and new passive outdoor recreation facilities such as single and multi-use trails, boat launches and landings, and community garden plots.

- Improving existing recreational facilities by adding lighting, expanding and improving fields, and updating bathrooms
- Providing new equipment on city and school playgrounds
- Adding turf-based fields that allow for outdoor on-field play throughout the year. (Note: Purchase of turf for playing fields is not an approved use of CPA funds, however installation of turf fields can be covered through approval of a CPA project.)
- Providing funding for non-profit organizations such as youth sports groups to rehabilitate and expand facilities

Recent missed opportunities that CPA adoption might have avoided

Although the City has had recent success adding a number of outdoor recreation facilities for its residents (most notably the skate park at Farm Pond, improvements at Cushing Park, and public access to the MWRA aqueducts), it has also has missed several opportunities to add to its outdoor recreation portfolio due to Framingham's lack of resources to pursue them.

These have included, but are not limited to:

- **Marist Fathers of Boston** property on Pleasant Street, described above, where the developer demolished a full-sized football field at a time when youth sports organizations are finding it difficult to locate playing space. This field would have been an ideal location for lacrosse, soccer, frisbee and football.
- **Millwood Golf Course** (68 acres), described above, and **Bethany School** (12 acres), both lost to development, also would have been excellent locations for outdoor recreational activities.

The availability of a Framingham Community Preservation Fund could have made a difference.

Potential future targets for Community Preservation funding

Outdoor recreation needs that a Framingham CP Fund could support include:

- Farm Pond would be a perfect location for additional outdoor recreation opportunities, including a recreational walking/biking trail, new launch sites and facilities improvements for kayaking and canoeing, upgraded family picnicking areas, and more;
- Extending the Sudbury aqueduct trail at Farm Pond through South Framingham would provide a major passive recreation asset for the most densely populated area of Framingham.
- A new dog park, which many residents have been requesting;
- Upgrading softball fields behind Walsh/Dunning and elsewhere with fencing and lighting;
- Splash parks, as well as new outdoor tennis and basketball courts and playing fields and playgrounds throughout the City;
- A much-needed upgrade at the Framingham Housing Authority's Pusan Road playground;
- Renovations to Waushakum Pond bathhouse;
- Improving existing community gardens and adding new community gardens that can be sponsored and supported by neighborhood associations;
- Developing City-owned lands bordering Natick as a walking trail system;
- Off-road bike paths throughout the City; and
- Accessibility improvements at all outdoor recreation locations.

Historic Preservation

The Study Group met and spoke with the following groups and individuals to develop this report: Framingham's Historical Commission and Historic District Commission; Friends of Saxonville; Framingham Historical Society; staff of Framingham's Community and Economic Development Department; City of Waltham's CPC; and Town of Lexington's CPC. Framingham's 2016 *Long Range Preservation Plan* was also a major source of information.

Unmet needs and goals

Framingham's Town Meeting was often reluctant to make financial commitments to preserve, support, and honor either City-owned or privately owned historic resources. Older City properties had been routinely vacated and closed in favor of new facilities, with minimal attention to protecting their future physical or structural integrity. Further, there was limited willingness to support and enforce Framingham's stated policy of encouraging adaptive reuse of historic structures and protecting historic features. Mostly, as described below, Framingham's track record in historic preservation has been a series of death sentences and last-minute commutations.

Historic preservation in Framingham is the responsibility of the Historical Commission and Historic District Commission. A part-time Historic Preservation Planner attached to the Community and Economic Development Department has supported the two history-oriented commissions. The non-profit Framingham History Center has been the leading advocate for preservation activities. Friends of Saxonville, a non-profit neighborhood improvement organization, is also committed to historic preservation in and around Saxonville's village center, which was Framingham's first settlement and first industrial center.

Framingham's goals for historic preservation are embodied in its *Long Range Preservation Plan*, developed by the Historical Commission and Historic District Commission with guidance and input from Framingham's Community and Economic Development Department, Planning Board, and the Historic Preservation Planner.

Last updated in 2016, Preservation Plan declares: "The goal of the Historical Commission and the Historic District Commission is to preserve, protect, and develop the historical and archeological assets of the City of Framingham." The Preservation Plan's "Issues and Opportunities" and "Recommendations" sections are summarized below:

- Pursue the adoption of the Community Preservation Act for the City
- Continue to develop Framingham's Cultural Resource Inventory through survey grants from the National historic preservation program
- Expand public outreach to raise awareness of benefits of historic preservation to quality-of-life
- Create additional Historic Districts and Architectural Districts, where appropriate
- Resist encroachment by State-owned facilities, such as Framingham State University and Massachusetts Water Resources Authority facilities (e.g. reservoirs, dams, aqueducts) into adjoining historically significant neighborhoods
- Strengthen the city's Demolition Delay Ordinance, which empowers the Historical Commission to impose a "cooling off period" of up to one year upon a demolition application for a structure deemed "*historically or architecturally significant*" to allow the applicant and the Commission to negotiate alternatives to demolition. [City Council action on this request is pending.]

Recent reprieves and properties lost where CPA funding could have made a difference

The City has, since 2000, been able to save a number of historic properties that were unoccupied, in a deteriorating condition, or threatened (e.g., Edgell Memorial Library, Village Hall, Hollis Street Fire Station, Old Danforth Street Bridge, and the John Fisk House owned by Framingham State University). But even for these projects, the availability of a CP Fund could have enabled the City to act more quickly and comprehensively and at a lower total cost.

On the other hand, other historic properties have been lost forever.

- **Marist Fathers of Boston (ca. 1935)**. As described earlier, it is likely that with a CP Fund in place, the City could have easily acquired this large Pleasant Street tract that included open space and farmland, as well as 75-year old residential buildings that perhaps could have been repurposed as community housing. Instead, it was sold to a real estate developer.
- **Rugg Gates House (ca. 1785)**. One of the few 18th century homesteads surviving in Framingham, MassDOT had taken the Rugg Gates house property for Mass Turnpike Exit 12 on the Framingham/Southborough border. After it languished unattended and deteriorating for many years, the state demolished the house to widen the exit. Again, a Framingham CP Fund could have been a resource for saving and repurposing this local historic structure.

Threatened today and having an uncertain future

Framingham has a number of additional important historic properties, which have an uncertain future, are threatened, or could soon be beyond saving and lost. These include:

- **Athenaeum Hall (1847)** and **Watson Place Fire Station (1901)**. Located on adjacent lots on Watson Place, these structures are the City's only historic buildings in Saxonville. The former Saxonville Firehouse on Watson Place was vacated in 2019 when a new fire station came on line, and there is no plan in place for its future. The Athenaeum, similar in design to Village Hall, is likely the City's most endangered historic structure. It was built as a Town Hall for the Village of Saxonville in the mid-1800s and served in many public capacities over its lifetime until it was vacated and closed by the City. It last was occupied, as the meeting place for a war veterans' organization, in the early 1990s. Since then, the Athenaeum has been empty and unused and has deteriorated significantly despite volunteer efforts to maintain it. Friends of Saxonville petitioned the Town for nearly 20 years to preserve this building, invested sweat equity in maintenance and repairs, and ultimately helped develop a plan endorsed by Town Meeting to connect the two buildings and establish a repurposed Athenaeum Community Hall for Framingham. Detailed design specifications for the Community Hall were funded by Town Meeting and completed in 2014. The Town also reserved \$1,000,000 in Saxonville betterment funds for the project. But since then, Framingham has been unwilling to commit the remainder of construction funding needed to proceed with adaptive reuse and renewal. Meanwhile, the cost for reconstruction has increased, and the building continues to deteriorate. Perhaps, the availability of CP Fund dollars can rescue and revive this City treasure.
- **Hemenway Homestead, 613 Pleasant Street (ca. 1740)**. One of a handful of prerevolutionary homes still standing in Framingham, it was built by one of the City's "founding fathers." The building is currently privately owned, in very poor condition, but could be restored. There is a preservation restriction on the property. Support from the CP Fund could make the difference.

- **Postal Mile Markers (1768)**. There were once five of these roadside markers in Framingham, erected prior to the Revolutionary War to set postage rates. Today, four remain, one having been stolen a few years ago. These markers are still unprotected and subject to damage from automobiles, snow plows, etc. They need protective fencing. The Historical Commission obtained funding for repairs to one. Preserving such artifacts is an eligible CP Fund expenditure.
- **Farm Pond Gatehouses (1877)**. The Gatehouses are the head of the historic Sudbury Aqueduct. In 1872 the State Legislature authorized the City of Boston to take water from the Sudbury River and Stony Brook in Framingham for its public water supply. Over the next seven years, a network of reservoirs, dams, and gates were built to connect to Boston's reservoirs. These gatehouses, built at Farm Pond, mark the beginning of the aqueduct. They have fallen into severe disrepair and been defaced. Currently, the MA DCR (Department of Conservation and Recreation) is responsible for them. Framingham has been considering creating a scenic walk around Farm Pond, and these Gatehouses should be an integral part of that plan.
- **Framingham High School, aka Danforth Museum Building (1907)**. Around 1900, the center of power in Framingham shifted from the old Centre (along what is now Rte. 9) to the new commercial center in South Framingham. Construction of a new High School building downtown was a symbol of this change, and the old wooden school at the Centre was abandoned. By the 1960s, the "new" downtown high school had been closed, replaced by Framingham North and Framingham South High Schools, reflecting Framingham's suburbanization. Repurposed in the 1980s as the Danforth Museum of Art, the downtown high school served the community for many years. Now, it is empty again as its aging condition, antiquated steam heating plant, and need for asbestos remediation required its closure. Perhaps, with CPA, it can be renovated and live another life.
- **Memorial Building (1926)**. 150 Union Avenue has long been the seat of city government. The front of this downtown building is a memorial to Framingham men and women who served in this nation's wars. Its large auditorium, designed to hold over two thousand people, was well suited to Framingham's Town Meeting form of government. This building has suffered from a severe lack of maintenance and repair over many years. Today, it is not large enough to house all City operations, and its archaic design is badly out of date in terms of accessibility. Study commissions have recommended it be torn down. However, the Memorial has importance in Framingham's history, and its preservation is worthy of consideration. Again, a CP Fund could be part of a solution.
- **MCI for Women (1877)**. This Department of Corrections facility is the oldest remaining Women's correctional institution in the United States. First opened as the Sherborn Reformatory for Women, it was founded during an age of social reform to protect female inmates from men. Clara Barton, American Red Cross founder, briefly served as superintendent in the late nineteenth century. The Superintendent's House is historically important, and two beautiful chapels, in what was the original administrative building, remain. The state recently announced it plans to relocate inmates to other MCI facilities and close this 500-acre property, which could then be de-accessioned. Elsewhere, host municipalities have taken ownership of portions of such properties, as Waltham did with the former Fernald School, and Framingham may want to do the same. Waltham used their CP Fund at Fernald for open space and community housing.

- **Edgell Grove Cemetery (1848).** Edgell Grove, owned by the City, was laid out as a “garden cemetery.” It is listed on the National Register of Historic Places. Modeled after Mt. Auburn Cemetery in Cambridge (1831), Edgell Grove was designed by General Henry A.S. Dearborn, founder of the Massachusetts Horticultural Society and a pioneer of the rural or garden cemetery, who also designed Mt. Auburn. Garden cemeteries were lavishly landscaped and designed to provide a peaceful resting place for the dead, as well as a contemplative setting for mourners. Its chapel is an architectural masterpiece. But for all its charm, Edgell Grove needs a funding infusion to pay for a historically-appropriate landscape renewal plan, road work, planting and landscaping upgrades, and updating of buildings. Framingham’s CP Fund could make a big difference here.

Community Housing

Study Group members consulted and met with representatives from Planning & Community Development, Framingham Housing Authority, Council on Aging, and Family Promise MetroWest to determine local Community Housing needs and opportunities. Also consulted were the City’s Master Land Use Plan; Zoning Bylaw; Housing Plan; 2016 Needs Assessment Survey Results; Community Development Annual Action Plans; the South Middlesex Opportunity Council (SMOC) Community Assessment & Strategic Plan, FY2018-2020; 2019 Census data and 2019 American Community Survey data.

Needs and goals

Forty-six percent of Framingham’s housing stock is rental housing. Recent data puts Framingham’s median annual household income at \$79,136, with an average family size of 3.1. Like many MetroWest communities, the affordability barrier for both first-time homebuyers and current residents who wish to downsize or age in place is significant; however, the affordability gap for renter households is greater.

Data compiled in 2019 by the Institute for Community Health indicate that 32% of owner-occupied households and 51% of renter-occupied households in Framingham spend more than 30% of household income on housing. Such households are described as housing cost-burdened.

Respondents to the City’s 2016 Needs Assessment Survey identified affordable rental housing and housing for special populations such as veterans among the highest priority needs. Moreover, 86% of MetroWest area service providers surveyed by SMOC for its FY18-20 Strategic Plan ranked affordable housing needs as a high priority among its clients.

CPA funding has the potential to help better serve the needs of residents by augmenting funding restricted to support housing for those at or below 80% of the Area Median Income (AMI), currently equal to \$86,650 for a household of three. Further, it can expand the income range in support of housing for those earning up to 100% of the AMI, currently \$107,100 for a household of three. Moreover, CPA funds may fulfill the requirement for a local match for other funding opportunities that require it.

While not reflective of the actual local need for affordable housing (defined as serving those at or below 80% AMI), since 2004, Framingham’s Subsidized Housing Inventory (SHI) has remained in compliance with the Comprehensive Permit Act, Chapter 40B, just above the 10% mandated. However, as updated census information becomes available, it will be critical for the City to review

its longer-range plan in order to accommodate the current actual housing needs of residents and to preserve its options for maintaining c. 40B compliance.

Housing goals outlined in the City of Framingham planning documents, as well as the City's existing infrastructure, are aligned to support community housing efforts that qualify for CPA funding. The 2019 draft of the Master Land Use Plan emphasizes:

- Preserving the character of existing residential neighborhoods;
- Preserving the City's existing affordable housing inventory; establishing an inventory of workforce housing;
- Fostering retention of residents and providing opportunities to age in place;
- Expanding and maintaining a diverse housing stock;
- Maintaining Framingham's status as an affordable option in the MetroWest Boston area;
- Re-use and rehabilitation of existing buildings and developed land, encouraging adaptive re-use of historic buildings, and supporting infill housing development where appropriate;
- Exploring options to create an Affordable Housing Trust.

Framingham's current Zoning Bylaw (2019) comprises several special regulations that address Framingham's existing and future housing profile to encourage location-appropriate development. Representative special regulations that might support modest community housing development, in some instances by incentive and/or in concert with such desired outcomes as historic and open-space preservation or revitalization of commercial areas, include the following:

- | | |
|-----------------------------------|---|
| ➤ Inclusionary Housing | ➤ Mixed-Use |
| ➤ Historic Re-Use | ➤ Neighborhood Cluster |
| ➤ Adult Housing | ➤ Open Space Cluster |
| ➤ Geriatric Care/Elderly Housing; | ➤ Agricultural Preservation Development |
| ➤ Assisted & Congregate Housing | |

Opportunities

The City's Housing Plan (2014) describes existing housing initiatives and programs that could be expanded by the availability of CPA funds. Current funding sources for Framingham's existing housing initiatives include: Federal Community Development Block Grants (CDBG); Federal HOME funds (as part of membership in the WestMetro HOME Consortium); and development funds (as part of permitting other development).

CPA funds utilized to support proactive, locally initiated activities such as have been successfully executed utilizing HOME and CDBG funds will enable the City to fulfill its stated interest and goals to preserve, develop, and support both community and affordable housing, as well as the character of existing neighborhoods.

Potential CPA fund-eligible initiatives already supported by the City and/or local stakeholders include:

- **Development of affordable home-ownership opportunities** (purchase & rehabilitation of existing properties) (City of Framingham Neighborhood Stabilization Program in partnership with Framingham Housing Authority/Framingham Community Development Corporation);

- **Development of affordable rental opportunities** (Framingham Community Development Corporation II/Framingham Housing Authority; SMOC);
- **Preservation of current affordability** through extending affordable deed restrictions (City of Framingham, project owners, DHCD, HUD);
- **Provision of rental assistance** (City of Framingham Security Deposit Assistance Program; SMOC rental assistance; Framingham Housing Authority).

Additional allowable uses of CPA funds in support of community housing include:

- Capacity building (*e.g.*, Housing Coordinator);
- Planning & support activities (*e.g.*, Housing Production Plan; Housing Plan; housing needs assessment; establishment of an Affordable Housing Trust);
- Pre-development activities (*e.g.*, feasibility, site testing, planning, demolition);
- Regional housing initiatives (*e.g.*, housing assistance programs, housing services).

With respect to rehabilitation and code compliance efforts, the particular focus of CDBG funding has been the South Framingham/Southeast Framingham and Downtown neighborhoods. In addition to South Framingham, the Master Land Use Plan references infill housing and mixed-use projects for the Saxonville neighborhood.

While more study is needed of specific opportunities for Community Housing support to address Framingham's needs, the following examples from City of Waltham's CPA-funded housing initiatives comparable to existing programs in Framingham are instructive.

-- Physical Preservation, Pre-development (>\$2M)	Waltham Housing Authority
-- Rental Subsidy Program (\$2M)	Waltham Alliance for Teaching, Community Organizing and Housing (WATCH) (CDC) & Waltham Housing Authority
-- Senior Living Voucher Program (\$830K)	Leland Home (not-for-profit)
-- Emergency Housing Relief (\$1M)	City of Waltham (added to existing rent relief program)

Other CPA-funded housing projects related to Framingham special zoning regulations:

Special Housing Regulations from Framingham Zoning	CPA Context	CPA Examples with an affordable or community housing component
Historic Re-Use	<ul style="list-style-type: none"> • Historic Preservation (\$300K) • Community Housing (\$677.7K) under adaptive re-use 	<p>236 Auburn Street (Community Development Corporation), Newton, MA (2017)</p> <p>http://www.newtoncando.org/properties/newprojects.html</p>
Mixed-Use	<ul style="list-style-type: none"> • Conversion of MBTA trolley yard Affordable homeownership & rental with retail & open space (\$3.4M) 	<p>City of Cambridge/Cambridge Affordable Housing Trust (2004)</p> <p>https://www.cambridgema.gov/CDD/Projects/Planning/trolleyssquarestudy</p> <p>https://www.homeownersrehab.org/58-seventh-street</p>
Assisted & Congregate Housing	<ul style="list-style-type: none"> • Affordability Covenant/Income-restricted housing Historic Preservation (\$300K); • Community Housing (\$677.7K) 	<p>236 Auburn Street (CDC), Newton, MA (2017)</p> <p>http://www.newtoncando.org/properties/newprojects.html</p>
Geriatric Care/Elderly Housing	<ul style="list-style-type: none"> • Creation of 4 Elderly Affordable Housing Units (\$700K) 	<p>Northborough Housing Authority/Northborough Affordable Housing Corporation (2014)</p> <p>www.communitypreservation.org/success-stories/news/northboroughs-vacant-senior-center-becomes-housing-senior-citizens.</p>

IV. CPA SURCHARGE AND EXEMPTION OPTIONS AND IMPACTS

The Study Group conducted financial analysis from two perspectives: ensuring adequate funding to support projects important to the community, while also tempering the burden on the taxpayer and protecting the most vulnerable.

Ultimately, the Study Group has been able to achieve a balance between these perspectives by recommending that all taxpayer classes be subject to surcharge assessments, by opting for a lower across-the-board surcharge level, and by easing off the target for total surcharge revenue collected.

The optimal mix of surcharge level and exemptions, in the Study Group's opinion, is a property tax surcharge of 1%; \$100,000 property valuation exemptions for the Residential, Commercial, and Industrial property classes; and a full exemption for qualifying income-eligible Residential property owners.

Chapter V details these recommendations.

STUDY GROUP'S PROCESS

The Study Group evaluated the financial implications of the City's adoption of CPA by:

- Considering Framingham's options for CPA surcharge levels and exemptions;
- Analyzing their impacts on individual taxpayers and how they would affect the total annual revenues that the City would collect for its Community Preservation Fund; and
- Developing findings and recommendations to City Council regarding the surcharge level and exemptions that it should adopt and include in a CPA ballot referendum in November 2020.

The Study Group's analysis was a multi-step process.

- First, the Study Group reviewed and analyzed City property value assessments and taxes paid by property class (Residential, Commercial & Industrial, and Mixed Use) using data for FY2020 supplied by the City Assessor.
- The Study Group also established trial goals for total annual surcharge revenue and for average annual payment per residential taxpayer as guideposts for its deliberation.
- Next, the Study Group used that tax base segmentation to analyze and quantify property tax surcharge revenues that the City could collect under different scenarios if Framingham adopts the Community Preservation Act. This included evaluating impacts of possible CPA exemptions on total annual CPA revenues.
- Finally, the Study Group considered what the average annual cost would be to owners of various categories and sub-categories of properties under the different surcharge exemption scenarios. This included segmentation of property ownership by assessed values to understand the range of impacts on lower and higher valued properties.

Major findings from this analysis are summarized below. The Appendix to this report includes an extended discussion of the Study Group's analysis and modeling.

REVIEW OF SURCHARGE AND EXEMPTION OPTIONS

The Community Preservation Act allows cities and towns that adopt CPA to create a Community Preservation Fund by assessing a surcharge on property taxes paid by some or all property owners.

Surcharges

Property tax surcharges under CPA can be up to 3% of property tax payments. The surcharge level selected determines how much individual property owners pay and, therefore, the aggregate revenue amount collected for the local Community Preservation Fund. Looking at the 176 municipalities that have adopted CPA from 2001 through 2019, the Study Group found that the surcharges they elected ranged from 0.5% to 3%, with higher surcharges being more common in the early years of CPA adoption and surcharges of 1% to 1.5% more common in later years.

Exemptions

CPA also specifies exemption alternatives that cities and towns can choose from to mitigate the effects of surcharges on taxpayers. Exemptions fall into two groups: full exemptions that excuse certain taxpayers or classes of taxpayers from paying a surcharge; and partial exemptions that reduce the amount of a property's valuation that is subject to a tax surcharge assessment.

Full exemptions

- If a municipality has a split property tax rate for Residential and Commercial & Industrial properties, it can choose to exempt all Commercial & Industrial properties from surcharge payments to the Community Preservation Fund. With this exemption, Residential properties only would pay CPA tax surcharges.

The Study Group's review of the 176 CPA cities and towns found that very few had offered full exemptions to Commercial and Industrial properties.

- CPA legislation also allows a municipality to exempt low- and moderate-income seniors and other low-income residents that own and occupy Residential properties from paying surcharges. An application for this exemption is required; exemptions are granted to owners that meet federal income guidelines.

The Study Group's review of communities who had adopted CPA found that nearly all allow this exemption.

Partial exemptions

Partial exemptions are straightforward reductions in the amount of a property's total valuation that is subject to a property tax surcharge. It is provided to all owners of an exempted property class. Property owners do not have to apply for this CPA partial exemption if a community allows it; the assessor automatically includes it in a property's surcharge calculation.

CPA permits a community to grant a partial exemption for all Residential properties, for all Commercial & Industrial properties, or for both Residential and Commercial & Industrial property classes. This would exempt the first \$100,000 of a property's valuation for property tax purposes from the CPA surcharge assessment. If a property were valued at \$100,000 or less, it would have no surcharge payment. For properties with valuations over \$100,000, the surcharge would be calculated on the net valuation after the allowed exemption.

Looking at the 176 communities who have adopted CPA to date, the Study Group found that most communities granted the Residential \$100,000 exemption and many granted exemptions for both Residential and Commercial & Industrial properties.

VALUATIONS AND PROPERTY TAXES FOR ALL PROPERTIES

The following table organizes tax-paying properties as Residential, Commercial & Industrial, and Mixed Use³, using Assessor data for FY2020, and provides valuations and total real property⁴ tax payments for each.

Valuations and Property Taxes for All Taxable Properties

Property Class	Number of Taxable Parcels	Total Assessed Value	Average Assessed Value	Total Property Taxes	Average Property Taxes
Residential	18,784	\$8,087,784,840	\$430,568	\$121,155,017	\$6,450
Commercial & Industrial	939	\$1,922,726,000	\$2,047,632	\$62,104,050	\$66,138
Mixed Use	152	\$173,337,730	\$1,140,380	\$3,865,737	\$25,432
All Classes	19,875	\$10,183,848,570	\$512,395	\$187,124,804	\$9,415

Residential properties, and, by extension, Residential property owners, are far and away the largest taxpayer group, receiving almost 95% of all property tax bills. Residential properties account for 79% of the total assessed value of all taxed real properties. Residential properties pay 65% of real property tax collections, and Commercial & Industrial properties pay almost 35% of taxes collected under Framingham's split tax rate.

TRIAL GOALS TO BENCHMARK ANALYSIS RESULTS

To benchmark the results of the Study Group's surcharge and exemption analysis, the Study Group established "trial goals" for annual CPA surcharge payments by owners and total annual revenues.⁵

- After extensive discussion, and supported by data provided by the Community Preservation Coalition, the Study Group's consensus was to establish a benchmark of \$50 for the average annual payment by Residential property owners.
- The Study Group chose \$2,000,000 as the "trial goal" for annual revenue, based on identified needs and anticipated opportunities described in the previous chapter of this report.

The Study Group's focus during its deliberations has been to achieve a balance between: 1) collecting sufficient CPA revenue to address identified needs and anticipated opportunities; and 2) limiting the impact of surcharges on individual taxpayers.

³ Mixed Use parcels include a combination of property types and pay a split tax rate, the proportion of which varies across parcels. For the analysis, most were classified as 50% Residential and 50% Commercial/Industrial, but not all. Mixed Use are not included in the Residential or Commercial/Industrial calculations, but rather were treated as a separate category.

⁴ CPA surcharges apply to real property values; all references to property valuations and taxes in this report reflect this.

⁵ A more detailed discussion of "Trial Goals" can be found in Chapter VI Recommendations.

Ultimately, the Study Group has been able to achieve this balance by recommending that all taxpayer classes make surcharge payments, by opting for a lower across-the-board surcharge level, and by easing off the \$2,000,000 target for total surcharge revenue collected.

EXEMPTIONS ANALYSIS FINDINGS

1) If No Exemptions Allowed:

- A property tax surcharge as low as 1% would generate annual CPA revenues that approach the \$2,000,000 revenue “trial goal.”
- The average annual cost to Residential owners at the same 1% surcharge would be \$64, exceeding the \$50 “trial goal” for payments by 25%.

The following table calculates the total revenues that would be collected and the average payments that owners would make at surcharge levels from 1% up to the maximum 3% allowed by CPA legislation.

This analysis below assumes that NO EXEMPTIONS, full or partial, are offered. The combined surcharge revenue at 1% under this scenario totals \$1,871,248. However, the average annual payment for residential owners under this scenario would be \$64 with no exemptions.

Annual Surcharge Revenues and Average Surcharge with No Exemptions

Property Class	Annual Revenue at 1%	Annual Revenue at 1.5%	Annual Revenue at 2%	Annual Revenue at 2.5%	Annual Revenue at 3%
Residential	\$1,211,550	\$1,817,325	\$2,423,100	\$3,028,875	\$3,634,651
Commercial & Industrial	\$621,040	\$931,561	\$1,242,081	\$1,552,601	\$1,863,121
Mixed Use	\$38,657	\$57,986	\$77,315	\$96,643	\$115,972
All Classes	\$1,871,248	\$2,806,872	\$3,742,496	\$4,678,120	\$5,613,744
Property Class	Average Surcharge at 1%	Average Surcharge at 1.5%	Average Surcharge at 2%	Average Surcharge at 2.5%	Average Surcharge at 3%
Residential	\$64	\$97	\$129	\$161	\$193
Commercial & Industrial	\$661	\$992	\$1,323	\$1,653	\$1,984
Mixed Use	\$254	\$381	\$509	\$636	\$763
All Classes	\$94	\$141	\$188	\$235	\$282

2) If Commercial & Industrial Properties are Fully Exempt from Surcharges:

- **The full surcharge burden would shift to Residential property owners.**
- **It would require a significant increase in Residential surcharge payments to achieve the same revenue goal.**

A total surcharge exemption for Commercial & Industrial properties would require increasing the CPA surcharge level from 1% to 1.5% for Residential properties to achieve the same annual revenue. At 1.5%, with a total Commercial & Industrial exemption, the average annual Residential payment would increase to \$97, raising a total just over \$1.8 million.

Study Group review of exemptions that the 176 CPA communities approved found that very few cities and towns have fully exempted Commercial & Industrial properties.

3) If Income-eligible Residential Owners Can Apply for a Full Exemption:

- **This would allow the City to grant hardship exemptions for Residential owners that meet CPA guidelines and pass federal income eligibility tests.**
- **Exemption of these properties would likely have little impact on total revenues collected.**

While there is limited data available on how many Residential property owners could qualify as income-eligible, the assessor indicated that he anticipated this would be a small number, given the application process and tax abatements currently allowed based on need. That said, this exemption would provide relief for taxpayers that apply to receive it and qualify, particularly seniors, and would likely have a relatively small impact on total surcharge revenues collected.

4) If Partial Exemptions are allowed for All Property Classes:

- **With a surcharge exemption for the first \$100,000 of valuations for both Residential and Commercial/Industrial properties, a 1% surcharge on all properties would still generate a significant annual revenue stream for the Community Preservation Fund**
- **This would lessen the surcharge burden on all taxpayers.**

Annual collections from a 1% surcharge on property taxes, with a \$100,000 exemption for both Residential and Commercial & Industrial properties, would be just over \$1.5 million annually. This 1% surcharge combined with \$100,000 property value exemptions on Residential and Commercial & Industrial properties would result in the following tax payments:

- The average annual surcharge payment for Residential owners would be \$50. Residential property owners would pay \$5 for every \$500 in property taxes over \$1,500 (assuming the current \$14.98/\$1,000 Residential tax rate). For example, a property tax bill of \$6,500 would be assessed an annual surcharge of \$50, or \$12.50 quarterly.
- Commercial & Industrial property owners would pay \$5 for each \$500 in property taxes over \$3,200 (assuming the current \$32.30/\$1,000 Commercial & Industrial tax rate). For example, a property tax bill of \$13,200 would be assessed an annual surcharge of \$100, or \$25 quarterly.

Additional state matching funds, based on a percentage of the local surcharge revenues, would further increase annual CP Fund revenue and help Framingham reach the \$2,000,000 “trial goal.”

Surcharge Revenues at 1% Surcharge; \$100,000 Exemption for All Property Classes

Property Class	Average Net Valuation after \$100K Exemptions	Average Property Tax on "CPA" Valuation	Average Surcharge at 1%	Total Annual Surcharge Revenue at 1%
Residential	\$332,792	\$4,985	\$50	\$936,424
Commercial & Industrial	\$1,954,438	\$63,128	\$631	\$592,775
Mixed Use	\$841,739	\$14,865	\$149	\$22,594
All Classes	\$413,299	\$7,808	\$78	\$1,551,794

DISTRIBUTION OF TAXPAYER SURCHARGE COSTS AT 1%

All taxpayers would not pay the “average annual surcharge.” Actual payments would be based on individual property values. The Study Group’s analysis made clear that the distribution among taxpayers of payment amounts would be uneven due to the uneven proportion of lower to higher valued properties. Also, the “average payment” is skewed by the extremes of actual valuations within each property class.

To clarify the numbers of taxpayers paying different amounts, the Study Group calculated the distribution of surcharge costs for all properties, assuming a 1% surcharge and a surcharge exemption on the first \$100,000 of total assessed value.

75% of Residential properties will pay less than \$14 each quarter.

Residential properties have a wide range of assessed values. While the average is \$430,568, 75% of properties have valuations below \$470,000. While the average annual payment would be \$50 at 1%, the 75% of properties, with tax bills under roughly \$7,000, would pay approximately \$55 or less.

Quartiles for Residential Properties With 1% Surcharge and \$100,000 Exemptions for All Property Classes

Residential Quartiles	Assessed Value	Property Taxes	Annual Surcharge at 1%	Quarterly Surcharge at 1%
Minimum Value	\$100	\$1	\$0	\$0.00
First Quartile - 25%	\$309,000	\$4,629	\$31	\$7.83
Second Quartile - 50%	\$379,950	\$5,692	\$42	\$10.48
Third Quartile - 75%	\$468,525	\$7,019	\$55	\$13.80
Maximum Value	\$66,555,800	\$997,006	\$9,955	\$2,488.77

75% of Commercial & Industrial properties will pay less than \$93 each quarter

Assessed values of Commercial & Industrial properties also have a wide range. While the average value is \$2,047,632, 75% of properties have valuations below \$1,250,000. While the average annual surcharge payment would be \$631, 75% of these properties, with tax bills of under roughly \$40,000, would pay approximately \$370 or less.

**Quartiles for Commercial and Industrial Properties
With 1% Surcharge and \$100,000 Exemptions for All Property Classes**

Commercial & Industrial Quartiles	Assessed Value	Property Taxes	Annual Surcharge at 1%	Quarterly Surcharge at 1%
Minimum Value	\$100	\$3	\$0	\$0.00
First Quartile - 25%	\$206,000	\$6,654	\$34	\$8.56
Second Quartile - 50%	\$465,600	\$15,039	\$118	\$29.52
Third Quartile - 75%	\$1,243,650	\$40,170	\$369	\$92.35
Maximum Value	\$126,282,400	\$4,078,922	\$40,757	\$10,189.23

THE BOTTOM LINE

Based on its financial analysis, the Study Group is recommending that City Council adopt the Community Preservation Act with a 1% property tax surcharge, the \$100,000 property valuation exemptions for both Residential and Commercial & Industrial property classes, and a full exemption for qualifying income-eligible residential properties. Study Group recommendations are detailed in the Recommendations chapter of this report.

The Study Group has prepared the table on the following page to describe anticipated revenues and average surcharge payments using FY2020 data from the 1% surcharge on property taxes with a \$100,000 CPA exemption for all property owners it is recommending. This table does not include the potential revenue reductions from the exemption of income-eligible Residential owners.

The upper section of the table shows:

- Total real estate valuation for each property owner class (Residential, Commercial & Industrial, Mixed Use);
- Total net real estate valuation after application of \$100,000 exemptions; and
- Total effective real estate tax for each class using the applicable tax rates.

The Study Group then calculated annual revenues that would be generated by a 1% surcharge from each class of owners, the combined total surcharge revenues that would be generated, the calculated contribution of a potential 20% state match of surcharge revenues, and the resultant total of combined local revenue with the state match.

The lower section shows:

- Average real estate valuations for each property owner class;
- Average net property valuation after application of \$100,000 exemptions; and
- Average property tax payment for each class of owners.

The Study Group then calculated the average annual payment by each class of property owners with a 1% surcharge.

**Annual Total CP Fund Revenues and Average Property Tax Surcharge Payments
With 1% Surcharge and \$100,000 Exemptions for All Property Uses⁶**

CITY-WIDE CPA ANALYSIS OF FY20 TAX DATA	Total Parcels	Total Citywide Real Estate Valuation	Net Total Valuation after \$100K CPA Exemptions	Net RE Tax on "CPA" Valuation	1% Surcharge on Net "CPA" RE Taxes
Residential	18,784	\$8,087,784,840	\$6,251,164,600	\$93,642,446	\$936,424
Commercial & Industrial	939	\$1,922,726,000	\$1,835,217,200	\$59,277,516	\$592,775
Mixed Use	152	\$173,337,730	\$127,944,364	\$2,259,426	\$22,594
TOTALS	19,875	\$10,183,848,570	\$8,214,326,164	\$155,179,387	\$1,551,794
Estimated State CPA Match @20% *					\$310,359
Total Revenue w 20% State Match					\$1,862,153

AVERAGE CPA IMPACTS	Total Parcels	Average Real Estate Valuation per Parcel	Average "CPA" Net Valuation w CPA Exemptions	Average RE Tax on "CPA" Valuation	Average 1% CPA Surcharge on RE Tax
Residential	18,784	\$430,568	\$332,792	\$4,985	\$49.85
Commercial & Industrial	939	\$2,047,632	\$1,954,438	\$63,128	\$631.28
Mixed Use	152	\$1,140,380	\$841,739	\$14,865	\$148.65

⁶ NOTES:

- Data source: Framingham Board of Assessors, January 2020
- Analysis includes all Residential, Commercial & Industrial, and Mixed Use properties that are assessed property taxes.
- FY2020 tax rates: \$14.98/\$1000 (Residential) and \$32.30/\$1000 (Commercial & Industrial)
- Mixed Use properties receive \$100K CPA exemption on valuation of each use.
- Mixed Use properties taxed at residential or commercial tax rate on net allocated valuations of uses.
- After applying a \$100,000 exemption, some properties have no value on which to apply CPA, but are counted as taxpayers.
- Analysis does not account for taxpayers who have filed and qualify for tax exemption, abatement, or deferral.

* State CPA match varies depending on total Registry of Deeds collections each fiscal year and total CPA funds collected by participating communities. 20% State Match is estimated, based on state matches from 2011 – 2019 which averaged over 25%

V. BENEFITS AND DRAWBACKS OF CPA ADOPTION

The Study Group reviewed the benefits that CPA has brought to the 176 communities that have adopted CPA and considered Framingham's own needs and opportunities. It has concluded that the total benefits of CPA adoption to Framingham residents will far exceed the modest cost to individual taxpayers.

BENEFITS

1. **Framingham will have a dedicated Community Preservation Fund to support local open space protection, historic preservation, outdoor recreation, and community housing.**

Planned projects and emerging opportunities will not need to compete with other City needs.

2. **Funds will be allocated to each of the CPA project categories every year.**

The CPA requires that a minimum of 10% of annual revenues be reserved or spent for open space (including outdoor recreation), historic resources, and community housing. This leaves the remaining 65-70% of total revenues each year to be used or reserved for projects in any category.

3. **A new City ordinance will create an independent Community Preservation Committee (CPC) and will specify CPC composition, terms, member selection, and responsibilities.**

CPA requires that the CPC, at a minimum, include five representatives from relevant City boards and commissions. It can also include up to four additional residents, appointed by the Mayor and approved by City Council pursuant to Framingham's Home Rule Charter. The independent CPC will undertake a needs assessment for Framingham that takes into account the priorities of City Boards, commissions, and citizens and will develop a long-term plan for CPA-eligible project funding that is updated each year.

4. **The CPC long-term plan for CPA spending will inform and support the City's Land Use Master Plan.**

This should increase the likelihood that Master Plan goals with respect to open space, outdoor recreation, historic resources, and community housing can be brought to fruition.

5. **Up to 5% of annual CPA revenue may be budgeted for CPC administrative purposes.**

Annual CPC operating costs will not impact the City's operating budget.

6. **The CPC will use a formal process to solicit project applications from community organizations, government, and individuals.**

The CPC will evaluate project applications and recommend to City Council how Community Preservation Fund monies will be appropriated each year. This will help ensure that project selection and funding is a community-led process where: applications serve as the pool for potential projects each year; potential projects are evaluated and recommended through a transparent process conducted by the Committee; and final appropriations are made by the elected City Council. City Council appropriations must be consistent with CPC project recommendations, though individual projects may receive lesser amounts than recommended, at City Council's discretion.

7. **Community Preservation Fund income and balances not spent in any year are reserved for use in future years.**

This would create a rolling and growing CP Fund for future investment in eligible projects.

8. **Community Preservation Fund monies can be committed and reserved to pay the debt service on long-term borrowing for large qualifying expenditures.**

This will allow the CP Fund to use anticipated future revenues to backstop borrowing needed to finance large capital projects.

9. **Fund monies can supplement and support other funding sources for projects.**

CPA funds can leverage grants, City appropriations, and private funds, making multi-source initiatives possible.

10. **Revenues from CPA surcharges do not affect tax levy limits imposed by Proposition 2 ½.**

CPA increases the City's ability to raise and allocate funds for public purposes.

11. **The State's Community Preservation Trust Fund, capitalized by fees paid to Registry of Deeds, will match local CPA revenues.**

The annual state match must be at least 5% under the legislation. Recent annual matches have been in the range of 15 - 25%. With CPA's approval by voters, Registry fees that residents pay will come back to Framingham after going to other CPA communities for almost two decades.

12. **Adopting CPA will preserve and enhance Framingham's quality-of-life.**

While there is no evidence that being a CPA community will increase Framingham property values, projects funded through CPA will make Framingham a better place to live.

DRAWBACKS

1. **There will be a CPA surcharge imposed on quarterly property tax bills.**

Property owners not qualifying for complete CPA exemptions must pay a modest CPA surcharge on each bill.

2. **There would be some administrative burden for the Assessors office in calculating surcharges and processing requests for income-based CPA exemptions.**

However, the City can moderate this administrative work by combining this process with income-based tax abatements. Further, the CP Fund Administrative budget can be used to pay for necessary software upgrades to facilitate this additional administrative work in Year One.

3. **Once voters adopt CPA, its terms can only be altered or repealed by ballot referendum.**

That said, either City Council or 5% of registered voters could place a referendum question on a future ballot to change CPA surcharge levels and/or exemptions.

4. **CPA adoption cannot be repealed for five years, and, again, that can only be accomplished by a ballot referendum.**

To date, over nearly two decades, no city or town that adopted CPA has repealed it, indicating that residents of adopting communities seem satisfied with CPA's relative benefits and costs.

VI. STUDY GROUP RECOMMENDATIONS TO CITY COUNCIL

The Study Group has concluded that Framingham needs a Community Preservation Fund and the sooner it is adopted the better. After extensive research and deliberation, it recommends that Framingham City Council place a CPA ballot referendum on the November 2020 ballot for voters to consider. To do so will require that City Council adopt the following specific CPA provisions recommended by the Study Group and include them in the referendum ballot question.

1. The CPA surcharge level shall be one percent.
2. All property classes that pay property taxes shall be subject to the CPA surcharge.
3. Residential property owners shall receive a CPA surcharge exemption for the first \$100,000 of assessed property value.
4. Qualifying seniors and income-eligible residents shall be fully exempt from CPA surcharge payments.
5. Commercial and Industrial property owners shall receive a CPA surcharge exemption for the first \$100,000 of assessed property value.
6. Surcharge assessment and collection shall begin in FY2022.

BENCHMARKS FOR STUDY GROUP RECOMMENDATIONS

Surcharges and exemptions approved by other cities and towns

To help frame our discussion about potential recommendations to City Council, the Study Group reviewed the surcharge levels and exemptions approved by voter referendum in the 176 cities and towns that adopted CPA from 2001 through 2019, using information provided by the Community Preservation Coalition.

The Study Group found that, over this nearly two decades, municipalities adopting CPA approved surcharges ranging from 0.5% to 3%. Further, exemptions offered to property owners varied from “No Exemptions” to offering all permitted exemptions for Residential and Commercial/Industrial property owners. That being said, in the last decade, the trend has been to: (1) approve surcharges in the 1% to 1.50% range; and (2) offer the total exemption allowed under CPA to income eligible residents and exempt the first \$100,000 of assessed value from the surcharge calculation for both Residential and Commercial/Industrial property owners.

The Appendix includes a table listing all 176 cities and towns in chronological order that have adopted CPA with the exemptions and surcharge levels approved by each municipality.

Using “Trial Goals” to benchmark the City’s options

To further facilitate evaluation of alternative surcharge levels and exemptions, the Study Group established “trial goals” to use as benchmarks for annual revenues and for average surcharge on property taxes in its financial analysis.

Annual CP Fund revenue benchmark. The Study Group tested the feasibility of raising a combined \$2,000,000 each year from City collections of surcharges on property taxes and state matching funds. In setting this benchmark, the Study Group was attentive to City needs and opportunities uncovered by Study Group research, projects that other cities and towns have supported, and continuing competing demands on the City budget that would likely reduce funds available for open space, outdoor recreation, historic resources, and community housing.

The Study Group felt that \$2,000,000 in annual revenue would provide sufficient funds for large and small projects across the City and for all target project categories, as well as for some long-term commitments.

Surcharge payment benchmark. The Study Group was particularly sensitive to the impact of CPA surcharges on residential property owners. The majority of Framingham's residential properties (95%) are single-family homes, condominiums, two-family, and three-family properties, and these have an average property valuation of \$398,933. Multi-unit properties larger than three units are often owned as businesses and by real estate partnerships, and these have an average valuation exceeding \$3 million. Owners of larger residential properties with the highest property valuations pay higher average property taxes.

Information provided to the Study Group by the Community Preservation Coalition confirmed that residents of other CPA cities and towns were comfortable with average surcharge payments in the \$50 range. The Study Group adopted this \$50 amount, equal to 12.50 per quarter, as a benchmark for evaluating the average annual surcharge on residential property taxes that resulted from different Framingham surcharge/exemption scenarios.

DISCUSSION OF RECOMMENDATIONS

City Council shall adopt a ballot question for a November 2020 voter referendum

The upcoming State and Federal election in November is anticipated to have a very large turnout, and this will result in a large number of voters being able to express their views on CPA adoption by Framingham. The Study Group recommends that City Council adopt the following CPA provisions for inclusion in a ballot referendum to be presented to voters in November 2020.

A draft Ballot Question that incorporates these recommendations is included in the Appendix.

The CPA surcharge level shall be one percent (1%)

The Study Group had set an average \$50 as the "trial goal" for residential surcharge payments.

- A surcharge of 1% of property tax bill amounts, subject to the exemptions recommended below, would result in an average annual residential CPA surcharge payment of less than \$50 (\$49.85).
- The Study Group has calculated that with a 1% surcharge and allowing all eligible residential property exemptions, **67%** of Framingham's residential condominium and single-family, two-family, and three-family property owners would pay less than \$50 a year.
- Surcharge assessments on quarterly residential tax bills would average less than \$12.50.

All property classes that pay property taxes shall be subject to the CPA surcharge.

- The Study Group is recommending that all Residential and Commercial/Industrial property owners that pay property taxes be subject to a CPA surcharge on tax bills, with the exemptions recommended below, to fairly share the cost burden.
- The Study Group had set \$2 million as the trial goal for total annual CP Fund revenues. Financial analyses completed by the Study Group and reviewed by the City Assessor confirm that total annual revenues from a 1% surcharge on all tax paying property classes, coupled with a 20% state match⁷, will be approximately \$1,862,153, very close to the straw goal of \$2,000,000.
- Exempting all Commercial and Industrial property owners from CPA surcharge payments would result in a 1.5% surcharge on Residential taxpayers to achieve the same \$2,000,000 goal.

Certain exemptions to surcharge payment shall be available to owners

The City shall impose CPA surcharges on all owners of Framingham property that pay property taxes, with the following exemptions available:

1. Residential property owners (Class 1) shall receive a CPA surcharge exemption for the first \$100,000 of assessed property value.

The net assessed property value after the \$100,000 exemption will be used to calculate the property tax that will serve as the basis for the CPA quarterly surcharge (though this exemption does not affect the property tax payment itself). This exemption will be calculated automatically by the Assessor each year and will not require an application.

To estimate the annual surcharge payment, Residential property owners should assume they pay a \$5 surcharge on every \$500 of property taxes (i.e., 1%) above the first \$1,500 of their current property tax bill (the amount equal to property taxes on the CPA-exempted first \$100,000 of evaluation at the FY2020 tax rate of \$14.97/\$1,000).

Owners of Mixed Use properties should proportionately apply the calculations described above to the portion of properties that is Residential.

2. Qualifying income-eligible seniors and other income-eligible residents shall be fully exempt from CPA surcharge payments.

Low- and moderate-income seniors and other low-income residential property owners residing in Framingham that satisfy CPA-specified income guidelines will receive a total exemption to CPA surcharges. Owners seeking this exemption must submit an application each year to the City requesting the exemption.

3. Commercial and Industrial property owners (Class 3 and Class 4) shall receive a CPA surcharge exemption for the first \$100,000 of assessed property value.

The net assessed property value after the \$100,000 exemption will be used to calculate the property tax that will serve as the basis for the CPA quarterly surcharge (though this exemption does not affect the property tax payment itself). This exemption will be calculated automatically by the Assessor each year and will not require an application.

⁷ This estimated state match is based on the state match from 2011 to 2019, which averaged over 25%.

To estimate the annual surcharge payment, Commercial and Industrial property owners should assume they will pay a \$5 surcharge on every \$500 of property taxes (i.e., 1%) above the first \$3,200 of their current property tax bill (the amount equal to property taxes on the CPA-exempted first \$100,000 of evaluation at the FY2020 tax rate of \$32.30/\$1,000).

Owners of Mixed Use properties should proportionately apply the calculations described above to the portion of properties that is Commercial.

Surcharge assessment and collection shall begin in FY2022

The ballot question shall stipulate that the City begins to assess and collect surcharge payments in July 2021 for the Community Preservation Fund. This timeline would enable the City, through the Community Preservation Committee and City Council, to begin to appropriate monies from the CP Fund in tandem with the City's FY2023 budget development cycle in Spring 2022.

NEXT STEPS AND TIMELINE FOR CPA IMPLEMENTATION

City Council shall pass an Ordinance to create Community Preservation Committee

As soon as is possible after voters approve Framingham's CPA ballot question, City Council needs to prepare and adopt an Ordinance to establish the local Community Preservation Committee (CPC). The Ordinance would define the Committee's timing for establishment, size, composition, member selection process, duties, and other requirements.

At its February 4, 2020 meeting with the Study Group, City Council requested that the CPA Study Group draft a CPC ordinance as part of its investigation and analysis of the Community Preservation Act. The Study Group has provided draft language for such an Ordinance in the Appendix to this report for City Council's consideration.

The Study Group has reviewed the following sources to draft the ordinance requested by the City Council:

- CPC Ordinances from Beverly, Chelsea, Lowell, Somerville, Waltham
- Framingham Capital Budget Bylaw
- Framingham Police Advisory Committee Ordinance
- The Community Preservation Coalition website
- DLS Bureau of Municipal Finance Law IGR #19-14, December 2019

The Study Group recommends that the CPC be constituted of nine (9) members serving (after the initial appointments) staggered three-year terms. The CPA specifies that five of the members be affiliated with Boards and Commissions, which will assign them to the CPC. Under the provisions of Framingham's Home Rule Charter, the Mayor would appoint four additional resident CPC members. The draft ordinance provided by the Study Group suggests qualifications for these members.

The CPC would best be appointed and convened in January 2021 following voter passage of the CPA ballot question and City Council adoption of the CPC ordinance. This would enable the CPC to begin its work and develop protocols, procedures, and plans before Framingham begins collecting CPA funds. The CPC should definitely be in place and engaged in its work by the beginning of FY 2022.

Timeline for Framingham CPA adoption and implementation

If City Council accepts the Study Group's recommendation to place a CPA referendum on the November 2020 ballot for voter consideration, the following timeline should be adhered to.

June to July 2020	City Council considers Study Group findings and recommendations, securing any additional input required from members of the Study Group and the public as necessary. Study Group members are also available to confer with City Council subcommittees as necessary and participate in Public Meetings that City Council may convene.
August 2020	City Council adopts CPA provisions that Study Group recommends no later than mid-August if possible and incorporates them into a ballot referendum that meets requirements set out in the Community Preservation Act. The Study Group has prepared a draft ballot referendum, in the Appendix to this report, for City Council to consider.
August 2020	City Council submits the Ballot Question to the Secretary of the Commonwealth for approval no later than September 4, 2020, to have it on Framingham's November 2020 ballot.
July to November 2020	Leading up to the November election, City Council supports community education and outreach necessary to inform the electorate about benefits and cost associated with CPA adoption.
November 4, 2020	Voters adopt CPA for Framingham, approving Ballot referendum.
December 2020	City Council drafts and approves an Ordinance that governs the selection and responsibilities of a local Community Preservation Committee. [The Study Group has prepared a draft Ordinance, included in the Appendix to this report, for City Council consideration.]
January 2021	Per the CPC Ordinance approved by City Council, CPC members are selected and seated and the CPC begins its work.
July 2021	Surcharge assessments and collections begin for fiscal year 2022

VII. APPENDICES

- A. Framingham's CPA Study Group
- B. Massachusetts Community Preservation Act
- C. Informational Guideline Release (IGR) No. 19-14, December 2019, by Massachusetts Department of Revenue [Link provided to website]
- D. 176 City and Towns that adopted CPA 2001 through 2019
- E. Representative statewide CPA projects
- F. Recent Framingham projects that could have benefited from CPA
- G. Surcharge Estimator for Residential and Commercial & Industrial Properties
- H. Financial Analysis Supplement
- I. Draft CPA Ballot Question for November 2020 voter referendum
- J. Draft Ordinance to create a Community Preservation Committee

A. Framingham's Community Preservation Act Study Group

STUDY GROUP HISTORY

At the urging of Framingham residents, City Council established and appointed the Community Preservation Act Study Group in November 2019 to investigate and make recommendations regarding adoption of the Community Preservation Act by the City of Framingham. If, based on its findings, the Study Group recommended local CPA adoption, it also was to recommend specific CPA guidelines and language for City Council to consider, adopt, endorse, and include in a ballot question it could put before voters in November 2020.

The Study Group was formally seated and sworn in on November 21, 2019. At this first meeting, officers were elected, and the Study Group considered its mission and set a course for completing its report of findings and recommendations by the end of April 2020.

The Study Group generally met two times per month, increasing the frequency of meetings in April 2020 to finalize its recommendations and prepare and review its report. A list of Study Group meetings is provided at the end of this section.

The Study Group organized itself into four teams that each focused on one of the four project categories defined in the CPA legislation: Open Space, Outdoor Recreation, Historic Resources, and Community Housing. A fifth team analyzed City Assessor data regarding property valuations and taxes, and it considered the financial implications of the City establishing alternative surcharge levels and granting the various surcharge exemptions allowed by CPA legislation.

The advent of the COVID-19 pandemic in late winter and into spring added both complexity and urgency to our effort. The Study Group was unable to hold meetings in person and made do with video teleconferencing for its formal meetings. Further, Group members' contacts with each other and with City board and commission members it needed to speak with for research purposes were constrained. Nevertheless, the Study Group worked hard to maintain its schedule and has been able to complete its assignment within a few weeks of its original deadline.

STUDY GROUP APPOINTEES

City Council appointed the following 12 individuals to the Study Group. Officers are identified first.

Steven Weisman, Chair
 Patrick Dunne, Vice Chair
 Amy Weader, Clerk
 Robert Berman
 Sheila M. Cusolito
 Eve Lewinger
 Thomas Mahoney
 Stephen Meltzer
 Elizabeth Roy
 Richard Shapiro
 Doug Stephan
 Frederic Wallace

Note: Mr. Shapiro did not participate in the preparation of this report.

STUDY GROUP MEETINGS

November 21, 2019	Organizing meeting: members sworn in; officers elected; meeting schedule.
December 5, 2019	Detailed review of CPA legislation; Discussion of Belmont CPA Study Committee report as a model for Framingham; Creation of teams to collect information from City departments, commissions, and authorities on local needs and opportunities.
December 19, 2019	Presentation by Stuart Saginor, Executive Director of the Community Preservation Coalition, on first 20 years of CPA and local success stories.
January 9, 2020	Discussion of Group takeaways from Saginor presentation; Review of MA DOR Division of Local Services Information Guidelines (IGR) re CPA; First progress reports from teams on results of research
January 30 2020	Additional progress reports; Draft outline of Study Group report format and content; Invitation to address City Council on 2-4-20
February 4, 2020	Presentation to City Council on Study Group status and request for meetings with City Councilors to discuss District needs
February 27, 2020	Report on City Council presentation; Discussion of follow-up meetings held w City Councilors; Consideration of City Master Plan updates; Progress reports on research and analysis; Status of draft report.
March 5, 2020	Reports on additional meetings with City Councilors; Progress reports from teams; Review initial analysis of property tax data and financial impacts of alternative surcharge and exemption scenarios; Draft report discussion.
March 26, 2020	Review draft findings of Needs and Opportunities; Critique latest draft final report; Vote to not recommend full Commercial & Industrial exemption.
April 9, 2020	Report on update to Councilor King; Team reports on status of deliverables; Discussion of Ordinance to be drafted for City Council to create CPC; review of latest draft final report.
April 16, 2020	Discuss status of final report draft; Financial presentation by Elizabeth Roy; Vote to recommend 1% surcharge, exemption for first \$100,000 of assessed value for both Residential and Commercial & Industrial properties, and full exemption for qualified income-eligible owners.
April 24, 2020	Review of latest final report draft; additional work items; and timeline.
April 30, 2020	Review of latest final report draft; additional work items; and timeline.
May 7, 2020	Review of latest final report draft; additional work items; and timeline.
May 14, 2020	Review of critique of latest final report draft provided by Community Preservation Coalition; additional work items; and timeline.
May 21, 2020	Vote to accept final report and send to City Council

B. Massachusetts Community Preservation Act

Source: www.communitypreservation.org

COMMUNITY PRESERVATION ACT General Laws Chapter 44B (including all amendments through July 2019)

Section 1. This chapter shall be known and may be cited as the Massachusetts Community Preservation Act.

Section 2. 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.

“Capital improvement”, reconstruction or alteration of real property that: (1) materially adds to the value of the real property, or appreciably prolongs the useful life of the real property; (2) becomes part of the real property or is permanently affixed to the real property so that removal would cause material damage to the property or article itself; and (3) is intended to become a permanent installation or is intended to remain there for an indefinite period of time.

“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 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”, incidental repairs which neither materially add to the value of the property nor appreciably prolong the property’s life, but keep the property in a condition of fitness, efficiency or readiness.

“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.

“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 non-commercial 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", capital improvements, or the 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 uses, including, but not limited to, improvements to comply with the Americans with Disabilities Act and other federal, state or local building or access codes; provided, that with respect to historic resources, "rehabilitation" shall 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; and provided further, that with respect to land for recreational use, "rehabilitation" shall include the replacement of playground equipment and other capital improvements to the land or the facilities thereon which make the land or the related facilities more functional for the intended recreational use.

"Support of Community housing", shall include, but not be limited to, programs that provide grants, loans, rental assistance, security deposits, interest-rate write downs or other forms of assistance directly to individuals and families who are eligible for community housing, or to an entity that owns, operates or manages such housing, for the purpose of making housing affordable.

Section 3. (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.

(b½) Notwithstanding chapter 59 or any other general or special law to the contrary, as an alternative to subsection (b), the legislative body may vote to accept sections 3 to 7, inclusive, by approving a surcharge on real property of not less than 1 per cent of the real estate tax levy against real property, and making an additional commitment of funds by dedicating revenue not greater than 2 per cent of the real estate tax levy against real property; provided, however, that additional funds so committed shall come from other sources of municipal revenue, including, but not limited to, hotel excises pursuant to chapter 64G, linkage fees and inclusionary zoning payments, however authorized, the sale of municipal property pursuant to section 3 of chapter 40, parking fines and surcharges pursuant to sections 20, 20A, and 20A½ of chapter 90, existing dedicated housing, open space and historic preservation funds, however authorized, and gifts received from private sources for community preservation purposes; and provided further that additional funds so committed shall not include any federal or state funds. The total funds committed to purposes authorized under this chapter by means of this subsection shall not exceed 3 per cent of the real estate tax levy against real property, less exemptions, adopted. In the event that the municipality shall no longer dedicate all or part of the additional funds to community preservation, the surcharge of not less than 1 per cent shall remain in effect, but may be reduced pursuant to section 16.

(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. The surcharge to be paid by a taxpayer receiving an exemption or abatement of real property authorized by said chapter 59 or any other law shall be reduced in proportion to the amount of such exemption or 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;

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

(4) for \$100,000 of the value of each taxable parcel of class three, commercial property, and class four, industrial property as defined in section 2A of said chapter 59.

A person claiming an exemption provided under this subsection may apply to the board of assessors, in writing, on a form approved by the commissioner of revenue, on or before the deadline for an application for exemption under section 59 of chapter 59. Any person aggrieved by the decision of the assessors, or by their failure to act, upon such application, may appeal as provided in sections 64 to 65B, inclusive, of chapter 59. Applications for exemption under this chapter shall be open for inspection only as provided in section 60 of chapter 59.

(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.

Section 4. (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.

Section 5. (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, including the consideration of regional projects for 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, preservation, rehabilitation and restoration of land for recreational use; for the acquisition, creation, preservation and support of community housing; and for rehabilitation or restoration of open space and community housing that is acquired or created as provided in this section; provided, however, that funds expended pursuant to this chapter shall not be used for maintenance. 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. With respect to recreational use, the acquisition of artificial turf for athletic fields shall be prohibited.

(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 recommendations from the community preservation committee, the legislative body shall take such action and approve such appropriations from the Community Preservation Fund as set forth in section 7, and such additional non-Community Preservation Fund appropriations as it deems appropriate to carry out the recommendations of the community preservation committee. In the case of a city, the ordinance shall provide for the

mechanisms under which the legislative body may approve and veto appropriations made pursuant to this chapter, in accordance with the city charter.

(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.

Section 6. In each 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, 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 appropriations from the Community Preservation Fund as it deems necessary for the administrative and operating expenses of the community preservation committee and such appropriations shall not exceed 5 per cent of the annual revenues in the Community Preservation Fund. The legislative body may also make appropriations from the Community Preservation Fund as it deems necessary for costs associated with tax billing software and outside vendors necessary to integrate such software for the first year that a city or town implements this chapter; provided, however, that the total of any administrative and operating expenses of the community preservation committee and the first year implementation expenses do 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; provided, however, that 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. The community preservation funds shall not replace existing operating funds, only augment them.

Section 7. 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: (i) all funds collected from the real property surcharge or bond proceeds in anticipation of revenue pursuant to sections 4 and 11; (ii) additional funds appropriated or dedicated from allowable municipal sources pursuant to subsection (b½) of section 3, if applicable; (iii) all funds received from the commonwealth or any other source for such purposes; and (iv) 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.

Section 8. (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 \$50; 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 \$50 surcharge. The fee for recording a municipal lien certificate shall be subject to a surcharge of \$25; 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 \$25 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 \$50. The fees for so registering, filing or entering a municipal lien certificate shall be subject to a surcharge of \$25. 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.

Section 9. (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.

Section 10. (a) The commissioner of revenue shall annually on or before November 15 disburse monies from the fund established in section 9 to a city or town that has accepted sections 3 to 7, inclusive, and notified the commissioner of its 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 city or town has raised through June 30 by imposing a surcharge on its real property levy and shall certify the percentage of the surcharge applied. In the event a city or town accepts said sections 3 to 7, inclusive, pursuant to subsection (b½) of section 3 the municipal tax collecting authority shall certify to the commissioner by October 30, the maximum additional funds the city or town intends to transfer to the Community Preservation Fund from allowable municipal sources for the following fiscal year. Once certified, the city or town may choose to transfer less than the certified amount during the following fiscal year.

(b) The commissioner shall multiply the amount remaining in the fund after any disbursements for operating and administrative expenses pursuant to subsection (c) of section 9 by 80 percent. 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 and if applicable, the additional funds committed from allowable municipal sources pursuant to subsection (b½) of section 3. 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 city or town's equalized property valuation per capita ranking, ranking cities and towns from highest to lowest valuation. The commissioner shall also determine the population of each city or town 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 2. The dividend is the community preservation raw score for that city or town.

(e) The commissioner shall then order each city or town by community preservation raw score, from the lowest raw score to the highest raw score. This order shall be the community preservation rank for each city or town. If more than 1 city or town has the same community preservation raw score, the city or town with the higher equalized valuation rank shall receive the higher community preservation rank.

(f) After determining the community preservation rank for each city and town, the commissioner shall divide all cities or towns into deciles according to their community preservation ranking, with approximately the same number of cities and towns in each decile, and the cities or towns with the highest community preservation 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 city and town to a decile according to their community preservation 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.

(g) Notwithstanding any other provision of this section, the total state contribution for each city and town shall not exceed the actual amount raised by the city or town's surcharge on its real property levy and, if applicable, additional funds committed from allowable municipal sources pursuant to subsection (b½) of section 3.

(h) When there are monies remaining in the Massachusetts Community Preservation Trust Fund after the first and second round distributions and any necessary administrative expenses have been paid in accordance with section 9 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 sections 3 to 7, inclusive. 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.

(i) 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 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 pursuant to subsection (b) of section 3 and those cities and towns that adopt the maximum surcharge and additional funds committed from allowable municipal sources such that the total funds are the equivalent of 3 percent of the real estate tax levy against real property pursuant to subsection (b½) of said section 3 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 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 1 round of distributions, or in any other equitable manner.

(j) After distributing the Massachusetts Community Preservation Trust Fund in accordance with this section, the commissioner shall keep any remaining funds in the trust for distribution in the following year.

Section 11. 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.

Section 12. (a) A real property interest that is acquired with monies from the Community Preservation Fund shall be bound by a permanent restriction, recorded as a separate instrument, that meets the requirements of sections 31 to 33, inclusive, of chapter 184 limiting the use of the interest to the purpose for which it was acquired. The permanent restriction shall run with the land and shall be enforceable by the city or town or the commonwealth. The permanent restriction may also run to the benefit of a nonprofit organization, charitable corporation or foundation selected by the city or town with the right to enforce the restriction. The legislative body may appropriate monies from the Community Preservation Fund to pay a non-profit organization created pursuant to chapter 180 to hold, monitor and enforce the deed restriction on the property.

(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.

Section 13. 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 grantor's or grantees and the nature of the consideration. The records and accounts shall be public records.

Section 14. 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.

Section 15. (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.

Section 16. (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, including reducing the surcharge to 1 per cent and committing additional municipal funds pursuant to subsection (b½) of section 3.

(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.

Section 17. The commissioner of revenue shall have the authority to promulgate rules and regulations to effect the purposes of this chapter.

C. MA DOR Information Guideline Release (IGR) No. 19-14

DECEMBER 2019

This document, prepared by the MA DOR Division of Local Services Bureau of Municipal Finance Law, is intended for local officials and explains procedures and requirements for establishing a special fund, as permitted by General Laws c. 44B, that may be appropriated and spent for certain open space, recreational, historic resource and affordable housing purposes.

The full 75-page document is available for download at the following link:
<https://www.mass.gov/doc/igr-2019-14-community-preservation-fund/download>



DLS
 DIVISION OF LOCAL SERVICES
 MA DEPARTMENT OF REVENUE

Christopher C. Harding
 Commissioner of Revenue

Sean R. Cronin
 Senior Deputy Commissioner

Informational Guideline Release

Bureau of Municipal Finance Law
 Informational Guideline Release (IGR) No. 19-14
 December, 2019

(Supersedes IGR No. 00-209, IGR 01-207, IGR 02-208
 And Prior Inconsistent Written Statements)

COMMUNITY PRESERVATION FUND

(General Laws c. 44B)

This Informational Guideline Release (IGR) explains to local officials the procedures and requirements for establishing a special fund that may be appropriated and spent for certain open space, recreational, historic resource and affordable housing purposes.

Topical Index Key:

Borrowing
 Collection Procedures
 Special Funds
 Tax Bills

Distribution:

Assessors
 Collectors
 Treasurers
 Clerks
 Accountants and Auditors
 Mayors/Selectmen
 City/Town Managers/Exec. Secretaries
 Finance Directors
 City/Town Councils
 City Solicitors/Town Counsels

Supporting a Commonwealth of Communities

mass.gov/DLS
 P.O. Box 9569 Boston, MA 02114-9569
 (617) 626-2300

D. Cities And Towns That Have Adopted CPA 2001 Through 2019

City/Town	Election Date	Exemptions	Surcharge
North Andover	3/6/01	Low income; First \$100,000 residential	3%
Bedford	3/10/01	Low income; First \$100,000 residential	3%
Duxbury	3/24/01	None	3%
Amherst	4/3/01	Low income; First \$100,000 residential	1%
Chelmsford	4/3/01	First \$100,000 residential	0.50%
Harvard	4/3/01	None	1.10%
Nantucket	4/3/01	Low income; First \$100,000 residential; All commercial	3%
Cohasset	4/7/01	Low income; First \$100,000 residential	1.50%
Sturbridge	4/19/01	First \$100,000 residential	3%
Ayer	4/23/01	Low income	3%
Easton	4/24/01	Low income; First \$100,000 residential	3%
Wayland	4/24/01	Low income; First \$100,000 residential	1.50%
Chilmark	4/25/01	Low income; First \$100,000 residential	3%
Hingham	4/28/01	Low income; First \$100,000 residential	1.50%
Marshfield	4/28/01	Low income; First \$100,000 residential	3%
Norfolk	5/1/01	Low income; First \$100,000 residential	3%
Westford	5/1/01	Low income; First \$100,000 residential	3%
Weston	5/5/01	Low income; First \$100,000 residential	3%
Dracut	5/7/01	Low income	2%
Hampden	5/7/01	First \$100,000 residential	1%
Medway	5/7/01	Low income; First \$100,000 residential	3%
Southampton	5/7/01	First \$100,000 residential	3%
Rowley	5/8/01	Low income	3%
Tyngsborough	5/8/01	Low income; First \$100,000 residential	3%
Aquinnah	5/9/01	First \$100,000 residential	3%
Georgetown	5/14/01	Low income; First \$100,000 residential	3%
Boxford	5/15/01	Low income; First \$100,000 residential	3%
Stow	5/15/01	Low income; First \$100,000 residential	3%
Hopkinton	5/21/01	Low income; First \$100,000 residential	2%
Carlisle	5/22/01	Low income; First \$100,000 residential	2%
Holliston	5/22/01	Low income; First \$100,000 residential	1.50%
Agawam	11/6/01	Low income	1%
Cambridge	11/6/01	Low income; First \$100,000 residential	3%
Easthampton	11/6/01	First \$100,000 residential	3%
Newton	11/6/01	None	1%
Peabody	11/6/01	None	1%
Westport	3/11/02	None	2%
Norwell	3/16/02	Low income; First \$100,000 residential	3%
Sudbury	3/25/02	Low income; First \$100,000 residential; All commercial	3%
Scituate	3/30/02	Low income; First \$100,000 residential	3%
Dartmouth	4/1/02	First \$100,000 residential	1.50%
Braintree	4/2/02	Low income; First \$100,000 residential	1%
Wareham	4/2/02	First \$100,000 residential	3%
Rockport	4/16/02	Low income; First \$100,000 residential	3%
Leverett	4/28/02	Low income; First \$100,000 residential	3%

City/Town	Election Date	Exemptions	Surcharge
Grafton	5/6/02	Low income; First \$100,000 residential	1.50%
Ashland	5/7/02	First \$100,000 residential	3%
Plymouth	5/11/02	None	1.50%
Williamstown	5/14/02	First \$100,000 residential	2%
Chatham	5/16/02	Low income; First \$100,000 residential	3%
Stockbridge	5/20/02	First \$100,000 residential	3%
Acton	11/5/02	Low income; First \$100,000 residential	1.50%
Lincoln	11/5/02	Low income; First \$100,000 residential	1.50%
Mendon	11/5/02	First \$100,000 residential	3%
Newburyport	11/5/02	Low income; First \$100,000 residential	2%
Southwick	11/5/02	Low income; First \$100,000 residential	3%
Wellesley	11/5/02	Low income; First \$100,000 residential	1%
Westfield	11/5/02	First \$100,000 residential	1%
Acushnet	4/7/03	First \$100,000 residential	1.50%
Upton	5/5/03	Low income; First \$100,000 residential	3%
Southborough	5/12/03	Low income; First \$100,000 residential	1%
Conway	4/15/04	Low income	1.50%
Nahant	4/24/04	Low income; First \$100,000 residential	3%
Groveland	5/3/04	Low income; First \$100,000 residential	3%
Provincetown	5/5/04	Low income; First \$100,000 residential	3%
Barnstable	11/2/04	None	3%
Concord	11/2/04	Low income; First \$100,000 residential	1.50%
Groton	11/2/04	Low income; First \$100,000 residential	3%
Hadley	11/2/04	Low income; First \$100,000 residential	3%
Hanover	11/2/04	Low income; First \$100,000 residential	3%
Middleton	11/2/04	First \$100,000 residential	1%
Needham	11/2/04	Low income; First \$100,000 residential	2%
Northborough	11/2/04	Low income; First \$100,000 residential	1.50%
Sharon	11/2/04	Low income; First \$100,000 residential	1%
Wilbraham	11/2/04	Low income; First \$100,000 residential	1.50%
Fairhaven	4/4/05	Low income; First \$100,000 residential	2%
Randolph	4/5/05	Low income; First \$100,000 residential	2%
Bourne	4/6/05	None	3%
Edgartown	4/14/05	Low income; First \$100,000 residential	3%
Oak Bluffs	4/14/05	Low income; First \$100,000 residential	3%
West Tisbury	4/14/05	Low income; First \$100,000 residential	3%
Tisbury	4/19/05	Low income; First \$100,000 residential	3%
Bridgewater	4/23/05	Low income; First \$100,000 residential	2%
Kingston	4/23/05	Low income; First \$100,000 residential	3%
Wellfleet	5/2/05	None	3%
Yarmouth	5/2/05	None	3%
Sandwich	5/5/05	None	3%
Mashpee	5/7/05	None	3%
Wenham	5/7/05	Low income; First \$100,000 residential	3%
Dennis	5/10/05	None	3%

City/Town	Election Date	Exemptions	Surcharge
Truro	5/10/05	None	3%
Hamilton	5/12/05	Low income; First \$100,000 residential	2%
Belchertown	5/16/05	Low income; First \$100,000 residential	1.50%
Brewster	5/17/05	None	3%
Eastham	5/17/05	None	3%
Falmouth	5/17/05	None	3%
Harwich	5/17/05	None	3%
Manchester	5/17/05	Low income; First \$100,000 residential	0.50%
Orleans	5/17/05	None	3%
Marion	5/31/05	Low income; First \$100,000 residential	2%
Northampton	11/8/05	Low income; First \$100,000 residential	3%
Waltham	11/8/05	Low income; First \$100,000 residential	2%
Weymouth	11/8/05	Low income; First \$100,000 residential	1%
Lexington	3/6/06	Low income; First \$100,000 residential	3%
Tewksbury	4/1/06	Low income; First \$100,000 residential	1.50%
East Longmeadow	4/11/06	Low income; First \$100,000 residential	1%
Carver	4/22/06	Low income; First \$100,000 residential	3%
Maynard	5/1/06	Low income; First \$100,000 residential; All commercial	1.50%
West Newbury	5/1/06	Low income; First \$100,000 residential	3%
Dunstable	5/15/06	Low income	3%
Longmeadow	6/6/06	Low income; First \$100,000 residential	1%
Hatfield	11/7/06	Low income; First \$100,000 residential	3%
Hubbardston	11/7/06	Low income; First \$100,000 residential	1.50%
Lenox	11/7/06	Low income; First \$100,000 residential	3%
Mattapoisett	11/7/06	First \$100,000 residential	1%
Millis	11/7/06	Low income	1%
Monson	11/7/06	Low income; First \$100,000 residential	3%
Pembroke	11/7/06	Low income; First \$100,000 residential	1%
Quincy	11/7/06	Low income; First \$100,000 residential	1%
West Boylston	4/3/07	Low income; First \$100,000 residential	2%
Goshen	5/5/07	Low income	3%
Deerfield	5/7/07	Low income; First \$100,000 residential	3%
Phillipston	5/7/07	Low income; First \$100,000 residential	3%
Templeton	5/7/07	Low income; First \$100,000 residential	3%
Littleton	5/12/07	Low income; First \$100,000 residential; All commercial	1%
Essex	5/14/07	Low income; First \$100,000 residential	0.50%
Hudson	5/14/07	None	1%
West Bridgewater	4/5/08	Low income; First \$100,000 residential	1%
Stoughton	4/8/08	Low income; First \$100,000 residential	1.50%
Granville	4/14/08	First \$100,000 residential	1.50%
Becket	5/17/08	Low income; First \$100,000 residential	1.50%
Hanson	5/17/08	Low income; First \$100,000 residential	1.50%
Plympton	5/17/08	Low income; First \$100,000 residential	1.50%
Gloucester	11/4/08	Low income; First \$100,000 residential	1%
Northfield	11/4/08	Low income; First \$100,000 residential	3%

City/Town	Election Date	Exemptions	Surcharge
Royalston	11/4/08	Low income; First \$100,000 residential	3%
Shutesbury	11/4/08	Low income; First \$100,000 residential	1.50%
Swansea	11/4/08	Low income; First \$100,000 residential	1.50%
West Springfield	11/4/08	Low income, commercial	1%
Whately	11/4/08	Low income; First \$100,000 residential	3%
Rehoboth	4/6/09	Low income	1%
Seekonk	4/6/09	Low income; First \$100,000 residential	1.25%
Dighton	4/10/10	Low income; First \$100,000 residential	1%
Belmont	11/2/10	Low income; First \$100,000 residential	1.50%
Gosnold	11/2/10	Low income; First \$100,000 residential	1.50%
Middleborough	11/2/10	Low income; First \$100,000 residential	1%
Sunderland	11/2/10	Low income; First \$100,000 residential	3%
Pelham	5/7/11	Low income; First \$100,000 residential	3%
Beverly	11/6/12	Low income; First \$100,000 residential	1%
Canton	11/6/12	Low income; First \$100,000 residential	1%
Fall River	11/6/12	Low income; First \$100,000 residential	1.50%
Great Barrington	11/6/12	Low income; First \$100,000 residential	3%
Salem	11/6/12	Low income; First \$100,000 residential & commercial	1%
Somerset	11/6/12	Low income; First \$100,000 residential	1%
Somerville	11/6/12	Low income; First \$100,000 residential & commercial	1.50%
Arlington	11/4/14	Low income; First \$100,000 residential & commercial	1.50%
Boxborough	11/4/14	Low income	1%
New Bedford	11/4/14	Low income; First \$100,000 residential & commercial	1.50%
Malden	11/3/15	Low income; First \$100,000 residential & commercial	1%
Medford	11/3/15	Low income; First \$100,000 residential & commercial	1.50%
Abington	4/30/16	Low income; First \$100,000 residential & commercial	1.50%
Billerica	11/8/16	Low income; First \$100,000 residential & commercial	1%
Boston	11/8/16	Low income; First \$100,000 residential & commercial	1%
Chelsea	11/8/16	Low income; First \$100,000 residential & commercial	1.50%
Holyoke	11/8/16	Low income; First \$100,000 residential & commercial	1.50%
Hull	11/8/16	Low income	1.50%
Norwood	11/8/16	Low income; First \$100,000 residential & commercial	1%
Pittsfield	11/8/16	Low income; First \$100,000 residential & commercial	1%
Rockland	11/8/16	Low income; First \$100,000 residential & commercial	1.50%
Springfield	11/8/16	Low income; First \$100,000 residential & commercial	1.50%
Watertown	11/8/16	Low income	2%
Wrentham	11/8/16	First \$100,000 residential	1%
Northbridge	5/15/18	First \$100,000 residential	1%
Berlin	11/6/18	Low income; First \$100,000 residential & commercial	3%
Plainville	11/6/18	Low income; First \$100,000 residential & commercial	1%
Lowell	11/5/19	Low income; First \$100,000 residential; All commercial	1%

E. Representative Statewide CPA Projects Through 2019

Through 2019, Massachusetts cities and towns approved 12,000 CPA projects. The following listings, by CPA project category, are representative and include projects that may be of particular interest to Framingham as it considers whether to adopt CPA. We also include a list of benchmark communities to provide a sense of their respective Community Preservation Funds, budgets, and surcharge levels.

PROJECTS BY CATEGORY

Open Space **31,000 total acres protected**

Representative projects:

1. Wayland (2017) secured permanent conservation restriction for 208 acres of Mainstone Farm with \$12M from CPA funds reserve and \$3M raised by Sudbury Valley Trustees. Mainstone Farm includes a working vegetable farm with acres of open land and a farm stand on Old Connecticut Path, plus 124 acres of woodlands.
2. Ashland (2012) bonded \$2.5M for 20 years to purchase Warren Woods as a mix of Historic Preservation and Open Space.
3. Southborough (2015) appropriated \$357K from CPA funds for a conservation restriction for Chestnut Hill Farm, protecting 123 acres in perpetuity. The Town worked in collaboration with SVT and ultimately The Trustees has taken over management of this property as a CSA and open space.

Outdoor Recreation **2,500 total projects**

Representative projects:

1. Waltham (2019) funded Gilmore Playground with \$ 1.75 M in CPA funds and \$390K in CDBG funds. The playground covers a full square block in a densely populated, diverse urban area. It was completely redone with recreation areas for all ages with a large open space for passive recreation.
2. Randolph (2018) appropriated \$50K of CPA funds to build three (3) new courts for the emerging sport of pickleball. A number of communities have followed in Randolph's footsteps, including Belmont, Sudbury and Marshfield.
3. Southborough (2017) used \$200K of CPA funds to secure a conservation restriction on the St. Mark's School golf course to ensure its long-term preservation as open space.

Historic Resources **5,500 total projects**

Representative projects:

1. Southborough (2016) committed \$970 K in CPA funds to save the 165-year old Burnett-Garfield Manor from destruction and subdivision for new housing with a Historic Preservation Restriction.
2. Salem (2019) CPC supported a number of historic preservation projects including appropriating \$100K for the Salem Common bandstand renovation.

3. Lexington (2014) initiated a major project to restore historic Cary Hall, built in 1928, using \$8.24 M of Community Preservation reserve funds. The Hall has become a well-used community resource that hosts a major concert series. (Note: a possible parallel to Framingham's Memorial Building).

Community Housing 17,500 total units supported

Representative projects:

1. Ashland (2017) approved the use of \$450K of CPA funds to set up an Affordable Housing Trust.
2. Northborough (2014) used \$700K of their reserve funds to convert the former senior center site to add four (4) units of affordable senior housing to be managed by the Northborough Housing Authority.
3. Waltham (April 2020) allocated \$1M in CPA funds for up to \$4000/year per family for emergency rental assistance in response to the impact of the COVID-19 crisis on low-income families.

BENCHMARK COMMUNITIES

City/Town	Averaged Surcharge Revenue FY18 & FY19	Year Adopted CPA	% Surcharge
Waltham	\$2,950,000	2005	2%
Salem	\$642,000	2012	1%
Malden	\$674,000	2015	1%
Medford	\$1,300,000	2015	1.5%
Watertown	\$2,000,000	2016	2%
Lexington	\$4,780,000	2006	3%
Wayland	\$854,000	2001	1.5%
Southborough	\$336,000	2003	1%
Ashland	\$1,000,000	2002	3%
Northborough	\$580,000	2004	1.5%

F. Recent Framingham Projects Where CPA Could Have Helped

Open Space Projects

From time to time, larger open space and recreation parcels have become available that Framingham has tried to preserve. Since 2000, the following parcels have been preserved in Framingham.

- **Eastleigh Farm** is a 114-acre working farm in North Framingham. One of the few large active agricultural parcels remaining in the City, The farm is important to Framingham for its history and unique architecture and for the scenic landscape it preserves along Edmunds Road. As the economics of farming unraveled, it was almost lost to development, but was saved by Doug Stephan, who has owned the farm since 2004, by leasing four acres of the farm to a cannabis growing operation, with the City's approval.

CP FUND COULD HAVE SUPPORTED PRESERVATION RESTRICTIONS ON BOTH THE PROPERTY AND BUILDINGS. THAT MAY STILL BE IN EASTLEIGH'S FUTURE.

- **150 Irving Street Park**. This new pocket park in South Framingham is currently under construction. The City partnered with MassDevelopment, the state's economic development finance agency, to turn a tired downtown gravel parking lot into a much-needed urban neighborhood park in a high-impact location, just one block south of Irving Square. The 0.2-acre site is located in a low-income neighborhood and is within a block of two large senior apartment buildings that have limited outdoor access. Proponents raised over \$110,000 through a crowd funding campaign, including a \$50,000 state matching grant. The funds will allow the City to transform the vacant lot into a beautiful and functional green space. Construction is scheduled for completion in Fall 2020.

AVAILABILITY OF A CP FUND COULD HAVE ACCELERATED THIS PROJECT AND AVOIDED THE NEED FOR CROWD FUNDING. FUTURE POCKET PARKS ALSO WOULD BENEFIT FROM CP FUND SUPPORT.

- **Cochituate Rail Trail (CRT)**. This 1.1-mile multi-use trail follows the old Saxonville Branch rail line from the Concord/School Street intersection to the Natick line at Commonwealth Road (Rt. 30). Eventually, when complete, the Cochituate Rail Trail will go from Saxonville to Natick Center covering 4 miles.

THE FRAMINGHAM PORTION OF THE CRT WAS COMPLETED AS PART OF A SEWER UPGRADE. CPA COULD SUPPORT ADDITIONAL BIKEWAYS, SUCH AS THE BRUCE FREEMAN TRAIL PROPOSED THROUGH NOBSCOT.

- **Wayside Forest on Wayside Road**. George and DD Harrington preserved this 52-acre parcel, working with the City and Sudbury Valley Trustees; Also, **Baiting Brook Christmas Tree Farm**, an 87-acre parcel that the Harringtons put conservation restrictions on to preserve it as open space.

SUDBURY VALLEY TRUSTEES (SVT) HAS BEEN ONE OF FRAMINGHAM'S TRUSTED PARTNERS IN OPEN SPACE PROTECTION, STEPPING IN TO PROTECT OR PRESERVE OPEN SPACE WHEN THE CITY WAS NOT POSITIONED TO RESPOND. SVT'S WORK IS NOT LIMITED TO NORTH

FRAMINGHAM. IT ALSO HAS BEEN ABLE TO PRESERVE SEVERAL PARCELS IN SOUTH FRAMINGHAM AND HAS CONTINUED TO COLLABORATE WITH CITY CONSERVATION STAFF TO IDENTIFY AND PURSUE CITYWIDE OPEN SPACE PROTECTION OPPORTUNITIES.

THE CP FUND WOULD BE ABLE TO WORK WITH SVT ON THESE PROJECTS, POTENTIALLY ASSISTING WITH PRESERVATION RESTRICTIONS AND PROPERTY MANAGEMENT PLANS.

Outdoor Recreation Projects

Although there are currently parks and/or playgrounds in all districts of the City, the Study Group found that the distribution of these resources is uneven, leaving some districts with fewer opportunities. City-owned conservation land where hiking, walking, skiing, and bicycling are permitted is less evenly distributed, with most properties on the City's generally less urban north side.

Framingham has had recent success adding a number of outdoor recreation facilities for its residents. Major projects have included:

- **Cushing Park.** Between the years 2001-2004, Phase 1 of planned large-scale improvements created and improved walkways, a playground, and historical monuments.

ADDITIONAL IMPROVEMENTS ARE POSSIBLE AND NEEDED TO FULLY REALIZE THIS PARK'S POTENTIAL, PERHAPS SUPPORTED BY A CP FUND.

- **Farm Pond.** A skate park was opened here in 2018.

A CP FUND COULD HELP RENEW AND GREATLY EXPAND OUTDOOR RECREATION OPPORTUNITIES AT THIS LOCATION. IT COULD ALSO CREATE ADDITIONAL SKATE PARKS, SPLASH PARKS, AND OTHER RECREATION FACILITIES ACROSS THE CITY.

- **MWRA aqueducts.** Public access to the MWRA aqueduct system began in 2012, but is currently only available north of Route 135. Crisscrossing Framingham, the aqueducts are no longer primary conduits for water supplied to Boston from western Massachusetts, but are still maintained as open space that can support passive recreation.

ADDING AN EXTENSION TO THE SUDBURY AQUEDUCT TRAIL BY FARM POND TO STRETCH THROUGH SOUTH FRAMINGHAM WOULD PROVIDE A MAJOR PASSIVE RECREATION ASSET TO THE MOST DENSELY POPULATED AREAS OF FRAMINGHAM. FUTURE PROJECTS SUPPORTED BY A CP FUND COULD EXPAND OR IMPROVE WALKING AND HIKING OPPORTUNITIES ON PUBLIC LANDS.

Historic Preservation

Framingham has often been reluctant to make financial commitments to preserve and protect either City-owned or privately owned historic resources. Older City properties have been routinely vacated and replaced by new facilities, with minimal attention to protecting the historic structures' future physical or structural integrity. Further, there has been limited willingness to support and enforce

Framingham's stated policy of encouraging adaptive reuse of historic structures and protecting historic features. That said, there have been a number of projects undertaken over the past two decades that have stabilized and saved historic structures and opened the door to their renewed use.

- **Village Hall (1834)**. This fine old wooden structure on the south side of the Centre Common was built to be the Town Hall, serving as such until 1892. It housed town offices, a library and school classrooms on the first floor, and town meetings were held in the large hall on the second. In the early 1900s, civic-minded citizens leased it from the town, renovated it, and made it a community center used for a variety of purposes. By the early twenty first century, an aging Village Hall needed a face-lift and more. Attempts to secure funding for renovations through the Town budget failed to pass Town Meeting. Nearly a decade passed without action, and the price for the renovations continued to rise. Finally, almost as a final recognition that without Town action, this landmark could be lost, Town Meeting approved a \$2,000,000 renovation package that also provided for accessibility and bringing the Hall up to code.

HAD FRAMINGHAM ADOPTED CPA IN 2001 AND CREATED A CP FUND, DELAYS COULD HAVE BEEN AVOIDED AND REPAIRS SECURED LESS EXPENSIVELY.

- **Edgell Memorial Library and Civil War Memorial (1873)**. Built soon after the end of the Civil War, this gothic-style stone structure was a library and a memorial to residents who served in that war. The Library was abandoned and mothballed in the early 20th century when it no longer met Town needs and was replaced with a series of newer libraries. Efforts to demolish the building in the 1960's were defeated by preservationists. By 2000, it had fallen into such severe disrepair that it was virtually unusable. But Framingham History Center saw the potential for its use as an office/museum/gathering place and leased it from the Town more than a decade ago. Between 2008 and 2012, the Town made some repairs, including installing a new slate roof costing nearly \$750,000 to address severe deterioration and water damage. Today it is a thriving, lively place where residents meet for lectures and school children learn about local history.

THIS BUILDING STILL HAS PHYSICAL DEFICIENCIES (E.G., CLIMATE CONTROL, ACCESSIBILITY, AN OUTDATED ELECTRICAL SYSTEM), AND IT NEEDS FURTHER UPGRADES THAT A FRAMINGHAM CP FUND COULD SUPPORT.

- **The John Fiske House (1812)**. This historic early 19th century house was threatened with demolition when the Framingham State College purchased it a few years ago, planning to use its site as a parking lot. With help from State Representative Chris Walsh, the Historical Commission negotiated with FSC, saving the structure, renovating it, and repurposing it as a FSC Welcome Center for incoming applicants.

THE CPA ALLOWS A LOCAL CP FUND TO FUND PRESERVATION RESTRICTIONS ON OTHER HISTORICALLY SIGNIFICANT STRUCTURES OWNED AND MANAGED BY NON-PROFIT ORGANIZATIONS.

- **Hollis Street Fire Station (1902)**. The Town formally vacated this structure in the first decade of the 21st century and ultimately leased it to Amazing Things (AMAC), which repurposed it as a venue for the performing arts. With limited resources and little assistance from the City for site

improvements, AMAC is struggling to stay afloat. The City will need a plan for the property's future if the current lessee cannot continue.

**ADDITIONAL RENOVATIONS AND IMPROVEMENTS FOR SUCH
MUNICIPALLY OWNED HISTORIC STRUCTURES COULD BE FUNDED
THROUGH THE CP FUND.**

- **Old Danforth Street Bridge (1890).** Crossing the Sudbury River in Saxonville just above what was a historic fording spot, this bridge used the Pratt pony truss design and was similar to other contemporary bridges erected by Framingham (on Main Street, recently restored, and on Central Street, destroyed in floods in the 1950s). Today, it is one of just a few such bridges remaining in the State and is National Register eligible. The bridge became unsafe and was closed for several years before being replaced in the 1980s. It was restored as a footbridge in 2003 at the urging of Friends of Saxonville and by a state historic preservation grant.

**SINCE RESTORATION, THE CARE OF THE RESTORED BRIDGE HAS BEEN
UNEVEN. APPROACHES ARE POORLY MARKED, LANDSCAPING IS
INCOMPLETE OR OVERGROWN, AND THE BRIDGE IS BEGINNING TO
LOOK RUNDOWN. A CP FUND COULD MAKE A DIFFERENCE HERE.**

G. Surcharge Estimator for Residential and Commercial & Industrial Properties

Residential properties. To estimate the annual surcharge at 1%, all Residential Properties would add a \$5 surcharge for every \$500 in property taxes over \$1,500 (based on the residential tax rate of \$14.98/\$1,000 of assessed value).

Surcharge Payment Calculator for Residential Properties

Approximate Assessed Property Value (rounded to the nearest \$100)	Approximate Property Taxes	Annual Surcharge (1% of taxes adjusted for exemption)	Quarterly Surcharge Payment
\$100,000	\$1,500	\$0	\$0.00
\$133,500	\$2,000	\$5	\$1.25
\$166,900	\$2,500	\$10	\$2.50
\$200,300	\$3,000	\$15	\$3.75
\$233,600	\$3,500	\$20	\$5.00
\$267,000	\$4,000	\$25	\$6.25
\$300,400	\$4,500	\$30	\$7.50
\$333,800	\$5,000	\$35	\$8.75
\$367,200	\$5,500	\$40	\$10.00
\$400,500	\$6,000	\$45	\$11.25
\$433,900	\$6,500	\$50	\$12.50
\$467,300	\$7,000	\$55	\$13.75
\$500,700	\$7,500	\$60	\$15.00
\$534,000	\$8,000	\$65	\$16.25
\$567,400	\$8,500	\$70	\$17.50
\$600,800	\$9,000	\$75	\$18.75
\$634,200	\$9,500	\$80	\$20.00
\$667,600	\$10,000	\$85	\$21.25
\$701,000	\$10,500	\$90	\$22.50
\$734,300	\$11,000	\$95	\$23.75
\$767,700	\$11,500	\$100	\$25.00
\$801,100	\$12,000	\$105	\$26.25
\$834,400	\$12,500	\$110	\$27.50
\$867,800	\$13,000	\$115	\$28.75
\$901,200	\$13,500	\$120	\$30.00
\$934,600	\$14,000	\$125	\$31.25
\$968,000	\$14,500	\$130	\$32.50
\$1,000,000	\$15,000	\$135	\$33.75

For the average residential property, valued at approximately \$430,000, the annual surcharge of \$50 is minimal compared to the property tax bill of \$6,500. Even a property valued at \$1 million pays only \$135 compared to a tax bill of \$15,000.

Commercial & Industrial properties. Commercial and Industrial properties would be assessed \$5 for every \$500 in property taxes over \$3,200 (based on the commercial & industrial tax rate of \$32.30/\$1,000 of assessed value).

Surcharge Payment Calculator for Commercial & Industrial Properties

Approximate Assessed Property Value (rounded to the nearest \$1,000)	Approximate Property Taxes	Annual Surcharge (1% of taxes adjusted for exemption)	Quarterly Surcharge Payment
<i>Surcharge up to \$100 in increments of \$10</i>			
\$100,000	\$3,200	\$0	\$0.00
\$130,000	\$4,200	\$10	\$2.50
\$161,000	\$5,200	\$20	\$5.00
\$192,000	\$6,200	\$30	\$7.50
\$223,000	\$7,200	\$40	\$10.00
\$254,000	\$8,200	\$50	\$12.50
\$285,000	\$9,200	\$60	\$15.00
\$316,000	\$10,200	\$70	\$17.50
\$347,000	\$11,200	\$80	\$20.00
\$378,000	\$12,200	\$90	\$22.50
\$409,000	\$13,200	\$100	\$25.00
<i>Surcharge up to \$1,000 in increments of \$100</i>			
\$718,000	\$23,200	\$200	\$50.00
\$1,028,000	\$33,200	\$300	\$75.00
\$1,337,000	\$43,200	\$400	\$100.00
\$1,647,000	\$53,200	\$500	\$125.00
\$1,957,000	\$63,200	\$600	\$150.00
\$2,266,000	\$73,200	\$700	\$175.00
\$2,576,000	\$83,200	\$800	\$200.00
\$2,885,000	\$93,200	\$900	\$225.00
\$3,195,000	\$103,200	\$1,000	\$250.00
<i>Surcharge up to \$10,000 in increments of \$1,000</i>			
\$6,291,000	\$203,200	\$2,000	\$500.00
\$9,387,000	\$303,200	\$3,000	\$750.00
\$12,483,000	\$403,200	\$4,000	\$1,000.00
\$15,579,000	\$503,200	\$5,000	\$1,250.00
\$18,675,000	\$603,200	\$6,000	\$1,500.00
\$21,771,000	\$703,200	\$7,000	\$1,750.00
\$24,867,000	\$803,200	\$8,000	\$2,000.00
\$27,963,000	\$903,200	\$9,000	\$2,250.00
\$31,059,000	\$1,003,200	\$10,000	\$2,500.00

H. Financial Analysis Supplement

Framingham's Chief Assessor provided the study group with the raw property valuations and property tax data for all property records, pulled "live" from the assessor's database, in mid-January 2020. We used this data⁸ to model the effects of various CPA surcharges and exemptions on the various segments of Framingham taxpayers.

This Appendix provides additional views of the data to supplement Chapter IV in the report.

FRAMINGHAM FY2020 PROPERTY VALUES AND TAXES

Assessed values and property taxes paid

The Study Group organized the raw property data into three Property Classes that reflected the different types and levels of exemptions allowed by CPA. These were: Residential, Commercial & Industrial, and Mixed Use⁹.

Property Class	Number of Taxable Parcels	Total Assessed Value	Average Assessed Value	Total Property Taxes	Average Property Taxes
Residential	18,784	\$8,087,784,840	\$430,568	\$121,155,017	\$6,450
Commercial & Industrial	939	\$1,922,726,000	\$2,047,632	\$62,104,050	\$66,138
Mixed Use	152	\$173,337,730	\$1,140,380	\$3,865,737	\$25,432
All Classes	19,875	\$10,183,848,570	\$512,395	\$187,124,804	\$9,415

Framingham has a total of 19,875 taxed properties in FY2020. The combined assessed value¹⁰ of all these properties is \$10,183,848,570 (i.e., just over \$10 billion). Assessed property taxes total \$187,124,804.

- Total Properties by Class in percent. The distribution of the 19,875 taxed properties is 94.51% Residential, 4.72% Commercial and Industrial combined, and 0.76% Mixed Use.
- Assessed Value by Class in percent. Property valuation is distributed as follows: 79.42% Residential, 18.88% Commercial and Industrial combined, and 1.7% Mixed Use.
- Property Taxes Paid by Class in percent. Taxes paid are 64.75% Residential, 33.19% Commercial and Industrial combined, and 2.07% Mixed Use.

⁸ Properties with an assessed value of \$0 were filtered out. After applying a \$100,000 exemption, some properties have no value on which to apply CPA, but are counted as taxpayers. Analysis does not account for taxpayers who have filed and qualify for tax exemption, abatement, or deferral.

⁹ Mixed Use parcels include a combination of property types and pay a split tax rate, the proportion of which varies across parcels. For the analysis, most were classified as 50% Residential and 50% Commercial/Industrial, but not all. Mixed Use are not included in the Residential or Commercial/Industrial calculations, but rather were treated as a separate category.

¹⁰ CPA surcharges apply to real property values; all references to property valuations and taxes in this report reflect this.

Sub-categories of properties

Each Property Class is comprised of a set of Property Types. The following tables show a breakdown of assessed property values and property taxes by Property Type.

Assessed Property Values by Property Type

Property Type	Number of Parcels	% of Number of Parcels	Total Assessed Value	% of Total Assessed Value	Minimum Value	Average Value	Maximum Value
Residential	18,784	94.51%	\$8,087,784,840	79.42%	\$100	\$430,568	\$66,555,800
Single Family	13,509	67.97%	\$5,945,177,800	58.38%	\$43,500	\$440,090	\$5,181,600
Residential Condos	3,160	15.90%	\$689,591,040	6.77%	\$5,700	\$218,225	\$914,100
Two Family	1,002	5.04%	\$408,167,100	4.01%	\$163,400	\$407,352	\$1,280,300
Vacant residential land, land with improvem	510	2.57%	\$35,013,700	0.34%	\$100	\$68,654	\$904,100
Four or more units	288	1.45%	\$890,152,000	8.74%	\$243,700	\$3,090,806	\$66,555,800
Three Family	211	1.06%	\$90,791,400	0.89%	\$191,300	\$430,291	\$702,800
Residential Condo Parking Space	56	0.28%	\$1,252,100	0.01%	\$8,300	\$22,359	\$31,900
Mobile home, land with other improvement	43	0.22%	\$23,740,200	0.23%	\$275,100	\$552,098	\$2,475,500
Daycare Center	5	0.03%	\$3,899,500	0.04%	\$443,400	\$779,900	\$1,559,200
Commercial & Industrial	939	4.72%	\$1,922,726,000	18.88%	\$100	\$2,047,632	\$126,282,400
Commercial	833	4.19%	\$1,581,544,100	15.53%	\$100	\$1,898,612	\$126,282,400
Industrial	102	0.51%	\$339,480,800	3.33%	\$2,400	\$3,328,243	\$55,136,500
Electric generation plant	4	0.02%	\$1,701,100	0.02%	\$179,200	\$425,275	\$633,500
Mixed Use	152	0.76%	\$173,337,730	1.70%	\$12,245	\$1,140,380	\$23,834,700
Mixed Use	152	0.76%	\$173,337,730	1.70%	\$12,245	\$1,140,380	\$23,834,700
	19,875	100.00%	\$10,183,848,570	100.00%	\$100	\$512,395	\$126,282,400

Property Taxes by Property Type

Property Type	Number of Parcels	% of Total Number of Parcels	Total Property Taxes	% of Total Property Taxes	Minimum Property Taxes	Average Property Taxes	Maximum Property Taxes
Residential	18,784	94.51%	\$121,155,017	64.75%	\$1	\$6,450	\$997,006
Single Family	13,509	67.97%	\$89,058,763	47.59%	\$652	\$6,593	\$77,620
Residential Condos	3,160	15.90%	\$10,330,074	5.52%	\$85	\$3,269	\$13,693
Two Family	1,002	5.04%	\$6,114,343	3.27%	\$2,448	\$6,102	\$19,179
Vacant residential land, land with improvem	510	2.57%	\$524,505	0.28%	\$1	\$1,028	\$13,543
Four or more units	288	1.45%	\$13,334,477	7.13%	\$3,651	\$46,300	\$997,006
Three Family	211	1.06%	\$1,360,055	0.73%	\$2,866	\$6,446	\$10,528
Residential Condo Parking Space	56	0.28%	\$18,756	0.01%	\$124	\$335	\$478
Mobile home, land with other improvement	43	0.22%	\$355,628	0.19%	\$4,121	\$8,270	\$37,083
Daycare Center	5	0.03%	\$58,415	0.03%	\$6,642	\$11,683	\$23,357
Commercial & Industrial	939	4.72%	\$62,104,050	33.19%	\$3	\$66,138	\$4,078,922
Commercial	833	4.19%	\$51,083,874	27.30%	\$3	\$61,325	\$4,078,922
Industrial	102	0.51%	\$10,965,230	5.86%	\$78	\$107,502	\$1,780,909
Electric generation plant	4	0.02%	\$54,946	0.03%	\$5,788	\$13,736	\$20,462
Mixed Use	152	0.76%	\$3,865,737	2.07%	\$396	\$25,432	\$384,930
Mixed Use	152	0.76%	\$3,865,737	2.07%	\$396	\$25,432	\$384,930
	19,875	100.00%	\$187,124,804	100.00%	\$1	\$9,415	\$4,078,922

Residential property

The total assessed value of the 18,749 Residential properties is \$8,087,784,840 (i.e., just over \$8 billion), and the average value is \$430,568.

Of the residential properties that are three units or fewer, 13,509 are single-family properties, 3,160 condominiums, 1,002 two-family properties, and 211 three-family properties. Single-family properties have a combined valuation of \$5,945,177,800, residential condominiums \$689,591,040, two-family properties \$408,167,100, and three-family properties \$90,791,400. 288 properties are four units or greater (total valuation \$890,152,000). In addition, there are parcels of vacant land, mobile homes, residential condominium spaces, and daycare centers, with a combined valuation of \$63,905,500.

Properties that are three units or fewer pay \$106,863,235 in property taxes, 88% of the total \$121,155,017 residential property taxes at a tax rate of \$14.98/\$1000.

Commercial & Industrial property

In FY2020, assessed values for the 833 Commercial properties (Class 3) totaled \$1,581,544,100 (i.e., just over \$1.5 billion). Assessed values for the 102 Industrial properties (Class 4) totaled \$339,480,800 (almost \$340 million). The combined property taxes that Commercial and Industrial properties paid was \$62,104,050, at a tax rate of \$32.30/\$1000.

CPA SURCHARGE AND EXEMPTIONS ANALYSIS

The Study Group analyzed total revenues associated with the different classes of tax paying properties and different surcharge levels. The Study Groups also calculated both annual and quarterly tax surcharge payment per individual property owner, looking at low, average (mean), and high payments. This analysis was completed for all percentages from 1% - 3% at .5% increments, and for all exemption combinations:

- No Exemptions
- \$100K Residential Exemption only
- \$100K Commercial and Industrial Exemption only
- \$100K Residential and \$100K Commercial & Industrial Exemptions
- Full Commercial & Industrial Exemption only
- Full Commercial & Industrial and \$100K Residential Exemptions
- Full exemption for qualified income-eligible Residential owners

As outlined in Chapter IV, to facilitate discussion of alternative surcharge levels and exemptions, the Study Group established trial goals, \$2,000,000 for annual revenues and \$50 (equal to \$12.50 per quarterly tax bill cycle) for average surcharge on Residential property taxes, to use as benchmarks for our financial analysis findings as we tested the impact of alternative scenarios.

Annual total revenues and average annual payments for 1% - 3% surcharge levels

The following two charts show Total Surcharge Revenues and Average Annual Surcharge Payments for residential and commercial & industrial properties at different surcharge levels (1% to 3%) with different combinations of exemptions.

Total Surcharge Revenue Under Different Exemptions Scenarios*

Exemption Combinations	1%	1.5%	2%	2.5%	3%
No Exemptions	\$1,871,248	\$2,806,872	\$3,742,496	\$4,678,120	\$5,613,744
\$100K Residential Exemption only	\$1,593,954	\$2,390,930	\$3,187,907	\$3,984,884	\$4,781,861
\$100K Commercial and Industrial Exemption only	\$1,838,126	\$2,757,189	\$3,676,252	\$4,595,315	\$5,514,378
\$100K Residential and \$100K Commercial & Industrial Exemptions	\$1,551,794	\$2,327,691	\$3,103,588	\$3,879,485	\$4,655,382
Full Commercial & Industrial Exemption only	\$1,222,103	\$1,833,155	\$2,444,207	\$3,055,259	\$3,666,310
Full Commercial & Industrial and \$100K Residential Exemptions	\$944,809	\$1,417,213	\$1,889,618	\$2,362,022	\$2,834,427

* Does not include state match.

Average Annual Surcharge Residential and Commercial & Industrial Payments Under Different Scenarios

	1%		1.5%		2%		2.5%		3%	
Exemption Combinations	Residential	Com & Ind	Residential	Com & Ind	Residential	Com & Ind	Residential	Com & Ind	Residential	Com & Ind
No Exemptions	\$64	\$661	\$97	\$992	\$129	\$1,323	\$161	\$1,653	\$193	\$1,984
\$100K Residential Exemption only	\$50	\$661	\$75	\$992	\$100	\$1,323	\$125	\$1,653	\$150	\$1,984
\$100K Commercial and Industrial Exemption only	\$64	\$631	\$97	\$947	\$129	\$1,263	\$161	\$1,578	\$193	\$1,894
\$100K Residential and \$100K Commercial & Industrial Exemptions	\$50	\$631	\$75	\$947	\$100	\$1,263	\$125	\$1,578	\$150	\$1,894
Full Commercial & Industrial Exemption only	\$64	\$0	\$97	\$0	\$129	\$0	\$161	\$0	\$193	\$0
Full Commercial & Industrial and \$100K Residential Exemptions	\$50	\$0	\$75	\$0	\$100	\$0	\$125	\$0	\$150	\$0

For example, as highlighted in both charts above, a 1% surcharge with an exemption of the first \$100,000 of assessed value for both Residential and Commercial & Industrial properties would generate \$1,551,794 in surcharge revenue without any state match. It would also result in an average annual surcharge payment of \$50 for Residential property owners and \$631 for Commercial & Industrial property owners. This satisfies the Study Group's \$50 average Residential payment benchmark, while approaching but falling short of the total \$2,000,000 revenue benchmark. Note that these totals do not include any state matching funds.

All combinations also assume that qualified income-eligible Residential property owners would receive a total exemption, though the effect on totals and averages would be negligible.¹¹

¹¹ Framingham offers three property tax relief programs for qualifying taxpayers (with approximate number of property owners enrolled):

- Full property tax exemption, based on income (50)
- Tax abatement, based on status: Veterans (157), Blind (26), Elderly (50)
- Tax deferral (10)

It is reasonable to expect that a portion of these may apply and qualify for the CPA exemption for income-eligible Residential property owners.

Annual revenues and average annual surcharge payments for 1% only

The following two charts again describe the total annual surcharge revenue and average annual payment, assuming a 1% surcharge, and showing all possible exemption combinations. In this case, the charts are structured to show the total revenue contributions and average annual payments for the sub-groups of property classes. Again, all of these scenarios would include a total exemption for qualified income eligible Residential property owners.

Total CPA Surcharge at 1%, for all Exemption combinations

Property Type	No Exemptions	\$100K Residential Exemption	\$100K Commercial & Industrial Exemption	\$100K Residential and \$100K Commercial & Industrial Exemptions	All Commercial & Industrial Properties Exempted	All Commercial & Industrial Properties Exempted and \$100K Residential Exemption
Residential	\$1,211,550	\$936,424	\$1,211,550	\$936,424	\$1,211,550	\$936,424
Single Family	\$890,588	\$688,247	\$890,588	\$688,247	\$890,588	\$688,247
Residential Condos	\$103,301	\$56,685	\$103,301	\$56,685	\$103,301	\$56,685
Two Family	\$61,143	\$46,133	\$61,143	\$46,133	\$61,143	\$46,133
Vacant residential land, land with improvement	\$5,245	\$2,467	\$5,245	\$2,467	\$5,245	\$2,467
Four or more units	\$133,345	\$129,031	\$133,345	\$129,031	\$133,345	\$129,031
Three Family	\$13,601	\$10,440	\$13,601	\$10,440	\$13,601	\$10,440
Residential Condo Parking Space	\$188	\$0	\$188	\$0	\$188	\$0
Mobile home, land with other improvements	\$3,556	\$2,912	\$3,556	\$2,912	\$3,556	\$2,912
Daycare Center	\$584	\$509	\$584	\$509	\$584	\$509
Commercial & Industrial	\$621,040	\$621,040	\$592,775	\$592,775	\$0	\$0
Commercial	\$510,839	\$510,839	\$485,647	\$485,647	\$0	\$0
Industrial	\$109,652	\$109,652	\$106,708	\$106,708	\$0	\$0
Electric generation plant	\$549	\$549	\$420	\$420	\$0	\$0
Mixed Use	\$38,657	\$36,489	\$33,801	\$22,594	\$10,553	\$8,384
Mixed Use	\$38,657	\$36,489	\$33,801	\$22,594	\$10,553	\$8,384
Grand Total	\$1,871,248	\$1,593,954	\$1,838,126	\$1,551,794	\$1,222,103	\$944,809

Average of CPA Surcharge at 1%, for all Exemption combinations

Property Type	No Exemptions	\$100K Residential Exemption	\$100K Commercial & Industrial Exemption	\$100K Residential and \$100K Commercial & Industrial Exemptions	All Commercial & Industrial Properties Exempted	All Commercial & Industrial Properties Exempted and \$100K Residential Exemption
Residential	\$64.50	\$49.85	\$64.50	\$49.85	\$64.50	\$49.85
Single Family	\$65.93	\$50.95	\$65.93	\$50.95	\$65.93	\$50.95
Residential Condos	\$32.69	\$17.94	\$32.69	\$17.94	\$32.69	\$17.94
Two Family	\$61.02	\$46.04	\$61.02	\$46.04	\$61.02	\$46.04
Vacant residential land, land with improvement	\$10.28	\$4.84	\$10.28	\$4.84	\$10.28	\$4.84
Four or more units	\$463.00	\$448.02	\$463.00	\$448.02	\$463.00	\$448.02
Three Family	\$64.46	\$49.48	\$64.46	\$49.48	\$64.46	\$49.48
Residential Condo Parking Space	\$3.35	\$0.00	\$3.35	\$0.00	\$3.35	\$0.00
Mobile home, land with other improvements	\$82.70	\$67.72	\$82.70	\$67.72	\$82.70	\$67.72
Daycare Center	\$116.83	\$101.85	\$116.83	\$101.85	\$116.83	\$101.85
Commercial and Industrial	\$661.38	\$661.38	\$631.28	\$631.28	\$0.00	\$0.00
Commercial	\$613.25	\$613.25	\$583.01	\$583.01	\$0.00	\$0.00
Industrial	\$1,075.02	\$1,075.02	\$1,046.16	\$1,046.16	\$0.00	\$0.00
Electric generation plant	\$137.36	\$137.36	\$105.06	\$105.06	\$0.00	\$0.00
Mixed Use	\$254.32	\$240.06	\$222.37	\$148.65	\$69.43	\$55.16
Mixed Use	\$254.32	\$240.06	\$222.37	\$148.65	\$69.43	\$55.16
	\$94.15	\$80.20	\$92.48	\$78.08	\$61.49	\$47.54

DISTRIBUTION OF SURCHARGE PAYMENTS PER TAXPAYER

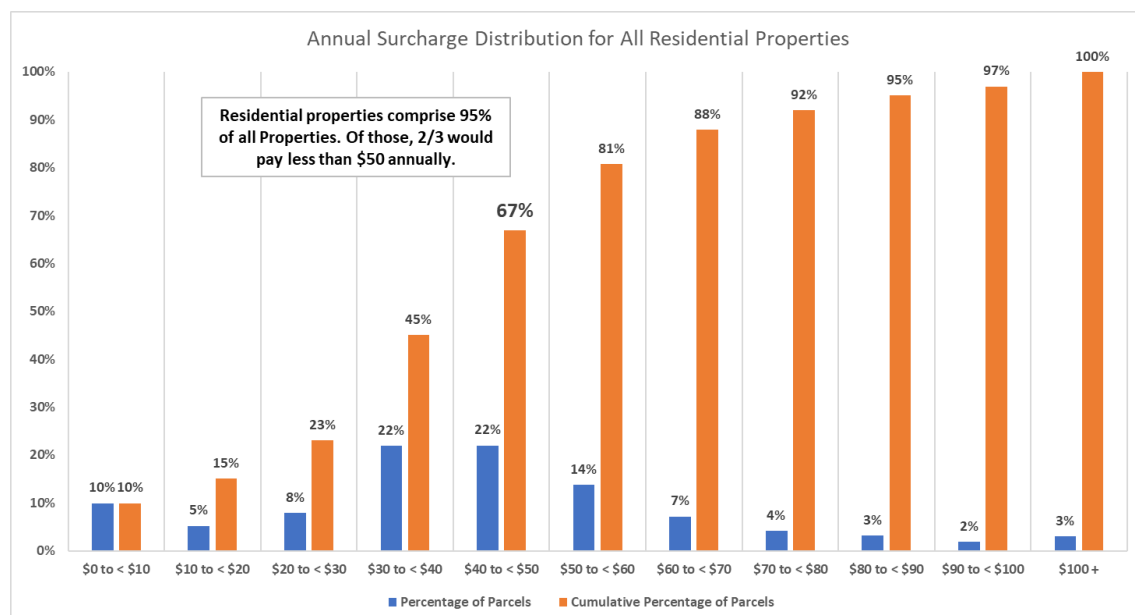
Residential properties

The Study Group determined that average annual cost of a 1% property tax surcharge for all Residential properties, with an exemption for the first \$100,000 of valuation, would be \$50 (\$49.85). The Quartiles analysis in Chapter IV shows that half of all Residential properties would pay less than \$42 annually (\$10.48 per quarter) and 75% would pay less than \$56 annually (\$13.80 quarterly). The following analysis further disaggregates this data for an even finer distribution of taxpayer cost.

Surcharge Payment Distribution for All Residential Properties

Annual Surcharge*	Number of Parcels	Percentage of Parcels	Cumulative Percentage of Parcels	Maximum Quarterly Surcharge
\$0 to < \$10	1,862	10%	10%	\$2.50
\$10 to < \$20	978	5%	15%	\$5.00
\$20 to < \$30	1,487	8%	23%	\$7.50
\$30 to < \$40	4,124	22%	45%	\$10.00
\$40 to < \$50	4,130	22%	67%	\$12.50
\$50 to < \$60	2,577	14%	81%	\$15.00
\$60 to < \$70	1,344	7%	88%	\$17.50
\$70 to < \$80	766	4%	92%	\$20.00
\$80 to < \$90	584	3%	95%	\$22.50
\$90 to < \$100	360	2%	97%	\$25.00
\$100 +	572	3%	100%	\$25.00+
	18,784	100%		

The table above shows that 67% of all Residential properties would be assessed an annual surcharge payment of \$50 or less, or \$12.50 or less on each quarterly tax bill. This is illustrated further in the bar chart below.



Finally, to further clarify how the distribution of average assessed value and average annual surcharge varies with size of Residential properties, the Study Group compiled the following breakdown of average value and surcharge cost by number of Residential units per property.

Residential Property Size	Number of Parcels	Total Assessed Value	Average Assessed Value	Average Annual Surcharge
Three or fewer units	17,882	\$7,133,727,340	\$398,933	\$45
Four or more units	288	\$890,152,000	\$3,090,806	\$448
Miscellaneous	614	\$63,905,500	\$104,081	\$10
All Residential Properties	18,784	\$8,087,784,840	\$430,568	\$50

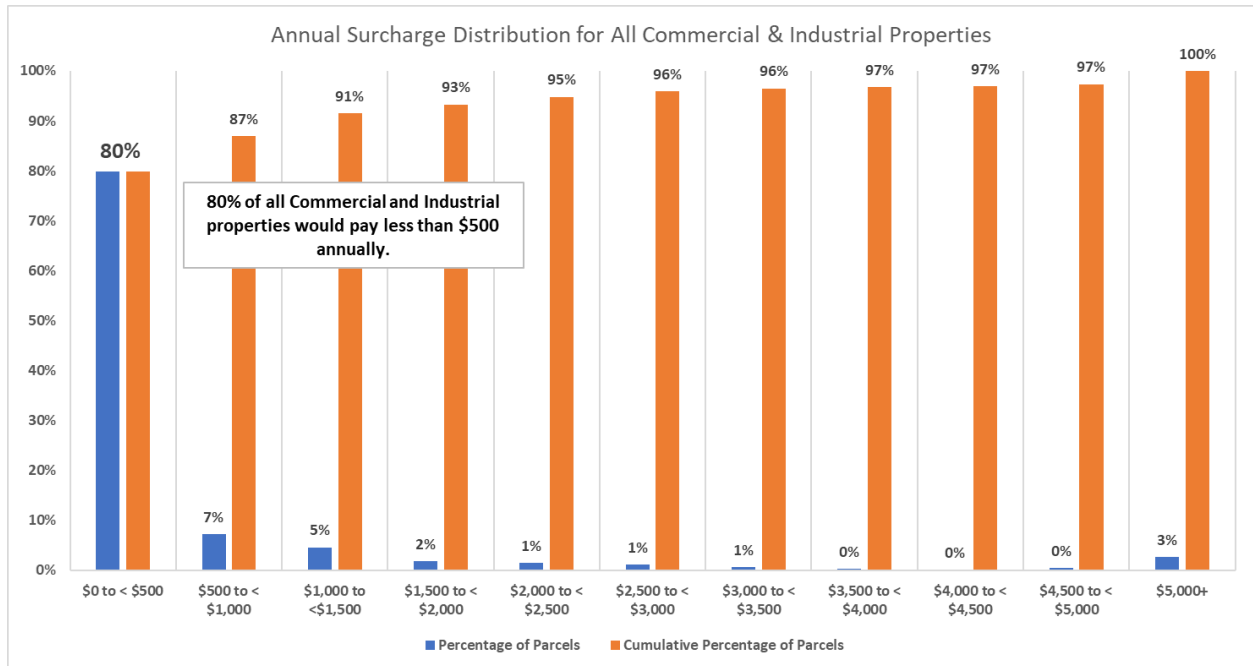
It shows that the over 95% of Residential properties with three or fewer units have an average value of \$398,933 and annual surcharge of \$45, compared to the properties with four or more units with an average value of \$3,090,806 and annual surcharge of \$448.

Commercial & Industrial properties

The Study Group determined that average annual cost of a 1% property tax surcharge for all Commercial & Industrial properties, with an exemption for the first \$100,000 of valuation, would be \$631 (\$631.28). The Quartiles analysis in Chapter IV shows that half of all Commercial and Industrial properties would pay less than \$120 annually (\$29.52 per quarter) and 75% would pay less than \$370 annually (\$92.35 quarterly). The following analysis further disaggregates this data to provide an even finer distribution of taxpayer cost.

Annual Surcharge*	Number of Parcels	Percentage of Parcels	Cumulative Percentage of Parcels	Maximum Quarterly Surcharge
\$0 to < \$500	749	80%	80%	\$125
\$500 to < \$1,000	67	7%	87%	\$250
\$1,000 to < \$1,500	43	5%	91%	\$375
\$1,500 to < \$2,000	17	2%	93%	\$500
\$2,000 to < \$2,500	14	1%	95%	\$625
\$2,500 to < \$3,000	10	1%	96%	\$750
\$3,000 to < \$3,500	6	1%	96%	\$875
\$3,500 to < \$4,000	3	0%	97%	\$1,000
\$4,000 to < \$4,500	1	0%	97%	\$1,125
\$4,500 to < \$5,000	4	0%	97%	\$1,250
\$5,000+	25	3%	100%	\$1,250+
	939	100%		

The table above shows that 80% of all Commercial & Industrial properties would be assessed an annual surcharge payment of \$500 or less, or \$125.00 or less on each quarterly tax bill. This is illustrated further in the bar chart below.



Finally, to further clarify the impacts on the smallest Commercial & Industrial property owners that make up the 80% that pay less than \$500 annually, the Study Group completed the following additional analysis.

Distribution of Maximum Quarterly Surcharge of 80% paying less than \$500 annually

Annual Surcharge*	Number of Parcels	Percentage of Parcels	Maximum Quarterly Surcharge
\$0 to < \$100	430	57%	\$25
\$100 to < \$200	161	21%	\$50
\$200 to < \$300	86	11%	\$75
\$300 to < \$400	46	6%	\$100
\$400 to < \$500	26	3%	\$125
	749	100%	

It shows that of those paying less than \$500 annually, 78% pay less than \$200 annually.

I. Draft CPA Ballot Question

[Required language for Ballot Question from CPA Legislation]

Shall this City 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?

SUMMARY

[Summary language must be reviewed and approved by City Solicitor]

Sections 3 to 7 of Chapter 44B of the General Laws of Massachusetts, also known as the Community Preservation Act, establish a dedicated funding source to enable cities and towns to: (1) Acquire, create and preserve open space, which includes land for park and recreational uses and the protection of public drinking water well fields, aquifers and recharge areas, wetlands, farm land, forests, marshes, beaches, scenic areas, wildlife preserves and other conservation areas; (2) Rehabilitate and restore land for recreational use; (3) Acquire, preserve, rehabilitate and restore historic buildings and resources, (4) Acquire, create, preserve and support affordable housing; and (5) Rehabilitate and restore open space and affordable housing that was acquired or created with community preservation funds.

If these sections are accepted, the funding sources for these community preservation purposes in FRAMINGHAM under Section 3(b) of Chapter 44B will be: (1) A surcharge of 1% on the annual property tax assessed on real property; and (2) Annual distributions made by the state from a trust fund created by the Act.

The surcharge will be assessed starting in fiscal year 2022, which begins on July 1, 2021.

The following will be exempt from the annual surcharge: (1) Property owned and occupied as a domicile of a person who qualifies for low income housing, or low or moderate income senior housing, as defined in the Act; (2) The real estate tax assessed on \$100,000 of the value of each parcel of residential real property as defined for property tax classification purposes; and (3) The real estate tax assessed on \$100,000 of the value of each parcel of commercial or industrial property as defined for property tax classification purposes. A taxpayer receiving a regular property tax abatement or exemption will also receive a pro rata reduction in the surcharge.

A Community Preservation Committee will be established by Ordinance to study community preservation resources, possibilities, and needs and to make annual recommendations to City Council on spending the funds.

At least 10% of the revenues for each fiscal year will be spent or reserved for later spending on each of the Act's community preservation purposes: (1) Open space, including land for recreational uses; (2) Historic resources; and (3) Affordable housing.

J. Draft Ordinance To Create A Community Preservation Committee

[The Study Group has prepared and shared the language below with the City Solicitor's office and has incorporated requested changes. The footnotes below are comments on the draft ordinance received from the City Solicitor's office.]

An ordinance establishing a Community Preservation Committee (CPC) In accordance with G.L. c. 44B, § 5¹².

SECTION 1. Add the following new section to Article II of the General Bylaws/Ordinances:

Section X¹³. Community Preservation Committee

X.1 The Framingham Community Preservation Committee ("CPC") is hereby established to carry out the functions and duties of such a CPC as provided in G.L. c. 44B, the Community Preservation Act. The CPC shall be responsible for evaluating the community preservation needs of Framingham and making recommendations for appropriations from the Community Preservation Fund ("CP Fund") to the City Council as part of the annual budget process.

X.2 Composition, Membership and Terms.

The CPC shall consist of nine members as follows:

X.2.1 Designated Members. In accordance with the Community Preservation Act, the members shall include a designee from each of the following boards, commissions or authorities appointed by each of those authorities:

- The Conservation Commission
- The Historical Commission
- The Planning Board
- The Parks and Recreation Commission
- The Framingham Housing Authority

X.2.2 Resident Members. There shall be four additional members who shall be residents of the city and who shall be appointed by the Mayor,¹⁴ subject to the approval of City Council pursuant to the Framingham Home Rule Charter.

¹² Note that this ordinance should either not be passed by the Council until the CPA has been accepted by the voters or could be passed before but should be effective only if the vote passes and otherwise should be null and void. If the Council chooses the second option, additional language should be added to the ordinance to make this clear.

¹³ Section number to be assigned by City Council/City Clerk.

¹⁴ As a multiple-member body, these four resident members, since they are not designated in the statute, should be mayoral appointments under the Charter. See Charter, Article III, Section 3(b). They would of course be subject to the approval of the City Council as are all the Mayor's multiple-member body appointments.

- The four resident appointments shall not hold any elected City office nor any other appointed City office during the period of their service on the CPC. In addition to the demographic and geographic diversity goals for members of multiple-member bodies set forth in Article III, Section 3(b) of the Framingham Home Rule Charter, the four resident appointments should to the extent practicable have expertise or interest, as demonstrated by education, training and previous experience, in open space, outdoor recreation, historic preservation, affordable housing, municipal finance, or fiscal accounting practices.
- Appointed members who remove their residence from the City shall be considered to have resigned from the committee.

X.2.3 Terms. The CPC members will serve staggered 3 year terms.

X.2.4 Initial Terms.

X.2.4.1

- The first appointee of the Conservation Commission and of the Historical Commission and one of the mayoral appointees shall serve an initial term of three years.
- The first appointee of the Planning Board and of the Parks and Recreation Commission and one of the mayoral appointees shall serve an initial term of two years.
- The first appointee of the Framingham Housing Authority and two of the mayoral appointees shall serve an initial term of one years.
- Thereafter all appointments shall be for three years, except those made to fill terms as successors to the unexpired terms of members who leave the committee prior to the expiration of their appointment.
- Vacancies shall be filled by the appointing authority that originally appointed the holder of that position to be filled as specified above.

X.2.5 Officers. The committee shall elect its Chair and such other officers as the CPC deems necessary annually from among its members. It shall adopt such rules and regulations, establish any subcommittees, and hire assistance as needed for its operations under the Community Preservation Act, subject to available appropriation and as limited by G.L. c. 44B, § 6.

X.3 Duties. Pursuant to G.L. c. 44B, § 5, the CPC shall have the following duties and responsibilities:

X.3.1 Annual Needs Study

X.3.1.1 The committee shall study the community preservation needs, possibilities and resources of Framingham (including consideration of regional community preservation projects), in consultation with various municipal agencies, particularly those represented on the committee.

It shall then develop a community preservation program and financial plan for Framingham within six (6) months of the Committee's first meeting¹⁵. The program shall identify long-term and short-term goals and needs, set criteria for evaluating proposed acquisitions and initiatives, prioritize projects and estimate their costs.

The financial plan shall include a multi-year revenue and expenditure forecast and identify the fund or other municipal financing source for each proposed project. The program and financial plan shall be reviewed and updated annually to reflect changes in the community's needs, priorities and resources.

X.3.1.2 The committee must hold at least one public, informational hearing as part of the initial study and the annual review process. Notice of the annual hearing must be posted at least two weeks before the hearing date. In addition, the committee must publish a hearing notice in a newspaper of general circulation in the community for each of the two weeks before the hearing date.

X.3.2 Annual Recommendations and Budget

X.3.2.1 The CPC shall make recommendations to the Council for the acquisition, creation and preservation of open space; for the acquisition, preservation, rehabilitation and restoration of historic resources; for the acquisition, creation, preservation, rehabilitation and restoration of land for recreational use; for the acquisition, creation, preservation and support of community housing; and for the rehabilitation or restoration of open space and community housing that is acquired or created as provided in the Community Preservation Act.

X.3.2.2 The CPC shall draft a budget each year.¹⁶ The community preservation budget shall include the committee's revenue projections for the fiscal year and identify all appropriations that the committee recommends funding from CP Fund financing sources.

CPA appropriations fall into two categories: (1) for the CPC's administrative or operating budget; and (2) for eligible community preservation asset projects.

The three community preservation asset categories are: (1) open space (including land for recreational use); (2) historic resources; and (3) community housing. G.L. c. 44B, §§ 2 and 5(b)(2).

In determining its recommendations to the Council, the CPC shall first determine whether a project is eligible for CPA funding under G.L. c. 44B.

¹⁵ Note this period of time is not specifically required by the statute and can be adjusted by the CPA Study Group in its recommendation to the Council or by the Council in considering the ordinance for enactment.

¹⁶ This parrots the DLS guidance which is fine but I recommend the CPA Study Group or Council consider paring this down into multiple paragraphs to make it easier to read and understand.

If a project is eligible for CPA funding, the CPC shall then determine whether to recommend funding to the Council after considering its community preservation program and financial plan (described above), other projects competing for CPA funding and other relevant information.

The CPC is not obligated to recommend that the Council approve funding for a project simply because the project is eligible for CPA funding.

The CPC's recommendations shall be included in an annual community preservation budget presented as part of the City's annual budget process and shall include recommendations for the funding of debt service and any other existing or ongoing obligations.

X.3.2.3 The CPC may include in its recommendation to the Council a recommendation to reserve or 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 CP Fund to accomplish that specific purpose or to reserve or set aside for later spending funds for general purposes that are consistent with community preservation.¹⁷

X.3.3 Additional Recommendations

X.3.3.1 Throughout the year, the CPC may make additional recommendations on acquisitions and projects to the extent funds are available to support them. All recommendations of the CPC submitted to the Council shall include their anticipated costs.

X.3.3.2 The CPC shall develop an application process and necessary forms for governmental, nonprofit and for profit entities to propose projects for Community Preservation funding in accordance with the Community Preservation Act and the annual needs study.

X.3.3.3 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 sites¹⁸.

X.4. Council Action on CPC Recommendations

X.4.1 The CPC shall submit recommendations for expenditure of CP funds to the City Council and shall provide a copy of such recommendations to the Mayor.

X.4.2 After receiving a project funding recommendation from the CPC, the Council may approve appropriations from or reservations of community preservation funds for an amount up to and including that recommended by the CPC; it may vote not to appropriate or reserve the recommended funds; or it may hold the item and return the funding recommendation to the CPC for revision and resubmission to the Council.

¹⁷ Repeats language above.

¹⁸ Repeats language above.

X.4.3 The Council may not increase any recommended appropriation or reservation and it may not change the funding source recommendation of the CPC. In addition, except as provide by law, it may not appropriate or reserve any CP Fund monies on its own initiative without a prior recommendation by the CPC.

X.5 REVOCATION

X.5.1 In the event of revocation of the CPA, the Community Preservation Committee will continue to provide spending recommendations for remaining community preservation funds that are not required for the satisfaction of outstanding obligations.

X.6 The provisions of this section shall be interpreted and applied at all times consistently with the provisions of G.L. c. 44B, as it may be from time to time amended, and with the provisions of any relevant general or special law.

SECTION 2. Article I, Section 1.3.2 of the General Bylaws/Ordinances¹⁹ shall be amended by adding the Community Preservation Committee to the list of appointed multiple-member bodies with information on the composition, duration of office, appointing authority and number appointed per year consistent with the terms of Section 1, above.

¹⁹ Check cross-reference in final version – this is a cite to the section header for the appointed boards from the Mayor’s recommended amendments to the General Bylaws, this may change in the final version enacted by the Council since the bylaw review process is not yet fully complete.