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Salem council sinks CPA 6-5 vote keeps preservation act off fall ballot

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SALEM — City councilors voted last night against putting the Community Preservation Act on Salem's ballot in November.

For now, the council's vote keeps residents from deciding whether or not to adopt the CPA, a state law that allows cities and towns to add a surcharge on the property tax to benefit projects that create or improve recreation, open space, affordable housing or historic preservation. The extra money raised is matched — the percentage varies each year — with state funds.

Last night's council vote was 6-5, with Councilors Joseph O'Keefe, Paul Prevey, Jerry Ryan, Arthur Sargent, Todd Siegel and Michael Sosnowski voting against putting the CPA on the ballot. The motion needed six votes to pass.

Although the CPA allows a property tax surcharge of up to 3 percent, it was proposed for 1 percent in Salem, which Mayor Kim Driscoll said would have raised at least \$400,000 annually. Exemptions would be made for homeowners who qualify for low-income housing and for seniors who qualify for low- or moderate-income housing.

The first \$100,000 valuation on residential, commercial or industrial property is exempt from the surcharge. The tax is assessed only on the amount of valuation over \$100,000.

For the average Salem home, valued at close to \$294,000, the 1 percent increase would have meant an extra \$30 annually, Driscoll said.

"Whether your support (the CPA) or not, I urge you to put it on the ballot," Driscoll told the council. "... Let people have their say."

Councilors Sargent and Ryan questioned why communities have to raise taxes to tap into the state's CPA funding.

"In some ways, it's a camouflaged Proposition 2 1/2 override," said Sargent. "Why does it have to be more on the backs of people that are already paying (taxes)?"

Sargent said he could not support putting the CPA on the ballot because it would mean that residents who don't own property would get to vote on whether to increase property taxes. It's unfair, he said, that only some residents would pay the surcharge.

Driscoll argued that the CPA would provide state assistance for projects the city already pays for, such as repairs to City Hall and the historic fence on the Common. Salem spends \$50,000 each year on playground repairs, she said.

"It would be great to stretch our own taxpayers' dollars further," she said.

With last night's vote, the issue cannot be put to voters until the November 2013 election. The CPA can be put on a community's ballot in one of two ways: by City Council or Town Meeting vote, or by citizen's petition with signatures from 5 percent of the town's registered voters. In Salem, that's roughly 1,000 signatures.

The CPA made it to Salem's November 2007 ballot, where it was defeated, 2,934 to 2,594. The measure would have put a 1 percent surcharge on Salem property taxes.

"Thirty or 40 dollars (in extra taxes) may not seem like much to some people, but to others, it really and truly is," resident Teasie Riley-Goggin told the council last night. "Think long and hard before you add another 1 percent."

Mickey Northcutt, director of the North Shore Community Development Coalition, urged the council to allow voters to decide.

The things the CPA supports — parks, waterfront, historical preservation — are the "things that make Salem great," he said.

Councilor Tom Furey brought the issue before the council this summer.

More than 140 Massachusetts communities have adopted the Community Preservation Act since it was passed in 2000. Local communities that have passed it include Peabody, Hamilton, Wenham, Middleton, Manchester, Gloucester, Rockport and Newburyport.

In June, the Beverly City Council voted unanimously to put the CPA on the Nov. 6 ballot.