

STATE HOUSE NEWS SERVICE

SENATE FINDS \$5M FOR COMMUNITY PRESERVATION ACT IN "MYSTERY CLOSET"

By Matt Murphy
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STATE HOUSE, BOSTON, MAY 24, 2012.... In another departure from the House, the Senate during its budget debate on Thursday approved \$5 million for the state's community preservation trust fund to go along with reforms to the law that provides matching grants for cities and towns to preserve open space and restore historic properties.

The Community Preservation Act allows municipalities to assess a surcharge of up to 3 percent on property tax bills to fund open space preservation, housing or historic rehabilitation projects. Though the state matched community generated funds at 100 percent at the program's inception, that percentage has dwindled to about 22 percent.

While the House proposed in its budget to double the size of the state pot used to provide matching grants by dedicating \$25 million in future surplus revenues, Ways and Means Chairman Stephen Brewer called the \$5 million appropriation "real money."

"I wish it could be more, but we need to send a statement that we believe in this program," Brewer said.

The Senate Ways and Means budget initially did not provide any additional funding for CPA, and it remained unclear after the amendment filed by Sen. Cynthia Creem passed the Senate how budget writers planned to fund the increase.

"I knew we had some extra means in the Senate Ways and Means mystery closet," Senate Minority Leader Bruce Tarr said.

Creem, who had initially filed an amendment mimicking the House plan, but later redrafted the proposal, also said she was unaware of how the Senate proposed to fund the increase. "I was glad to get it," Creem told the News Service.

Both the House and Senate, in their budget proposals, have called for reforms to give cities and towns more flexibility to collect revenue for their local CPA funds aside from a surcharge on property taxes. The budget also allows for CPA funds to be expended to rehabilitate existing parks, playgrounds and athletic fields rather than only to build new ones, and allows for the first \$100,000 valuation on commercial properties to be exempt from CPA property tax surcharges.

Currently, funding for state matching grants comes from fees collected on deeds and totals close to \$26 million a year. “This is a good time for the CPA when the economy is bad, when we can’t afford to do some of things that money is there for open space, for playgrounds, for schools,” Creem said.

Nearly 150 communities have opted into the CPA but local officials say the state over the years has reduced its matching funds, decreasing the program's attractiveness. Creem said she worried that updating the program without providing additional funding would dilute its effectiveness by encouraging more communities to participate, but forcing them to compete for the same amount of money.

Whether through the \$5 million appropriation or surplus revenues, Creem said that Brewer had made a commitment that through the conference committee negotiating process with the House additional money would be made available for CPA.

“Both chambers have indicated a strong willingness, in a very tough economy, to help stabilize declining CPA revenue by increasing the funding for the statewide CPA Trust Fund. As we all know, there are often differences between the House and Senate versions of the budget. We look forward to working with the Conference Committee to iron out those differences,” said Stuart Saginor, the executive director of the Community Preservation Coalition, in a statement.

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