



Proposed Adoption of the Community Preservation Act

Outdoor Recreation, Open Space Protection, Historic Preservation, Affordable Housing
– Investing in Our Community –

WHAT IS THE COMMUNITY PRESERVATION ACT (CPA)?

The Community Preservation Act (CPA) is a well-established funding tool that helps communities develop outdoor recreational facilities, preserve open space and the historic character of a community, and create affordable housing. So far, 176 Massachusetts communities have adopted CPA representing half of the communities in the state, including Grafton, Northborough, and West Boylston. Shrewsbury has yet to adopt CPA.

Communities that adopt CPA create a local Community Preservation Fund **exclusively for outdoor recreation, open space protection, historic preservation, and affordable housing**. Monies for this fund are raised through adding a surcharge of not more than 3% of the real estate tax bill. As an incentive, the state rewards CPA communities with an annual variable state match on what was raised locally. The state gets its funding from fees on all real estate transactions at the Registry of Deeds. Shrewsbury property owners have been paying into the statewide fund without getting any of the benefits. **Adopting CPA will ensure Shrewsbury benefits from the statewide CPA Trust Fund.**

WHAT IS BEING PROPOSED?

The *Community Preservation Shrewsbury* ballot committee is proposing that Shrewsbury opt-in by adopting the Community Preservation Act with a **conservative surcharge of 1% on the real estate tax bill and including the allowable exemptions** described within this document. If approved by ballot referendum, a community can hold another referendum in the future to adjust the surcharge, exemptions, or revoke adoption.

HOW CAN CPA BENEFIT SHREWSBURY?

The CPA will provide funds for community-enriching projects that may otherwise never be realized. Examples include:

- Outdoor Recreation
 - Creating or rehabilitating: public parks, playgrounds, community gardens, and trails, athletic fields for noncommercial youth and adult sports, public docks, canoe and kayak launches, and dog parks
 - Rehabilitating public recreation spaces for accessibility per the Americans with Disabilities Act (ADA)
- Open Space Protection
 - Acquiring or preserving available land that directly impacts the public water supply, and available lake and pond frontage for active or passive recreation
 - Acquiring or preserving available large parcels to protect as a nature preserve or for recreation
- Historic Preservation
 - Preserving qualifying historic buildings and structures, monuments, cemeteries, historical records and artifacts
 - Funding archaeological surveys and property inventories, historic markers and wayfinding
- Affordable Housing
 - Creating low-income senior housing
 - Supporting housing and rental assistance programs for qualifying residents
 - Acquiring historic structures for preservation and repurposing them for affordable housing

WHY DO WE NEED TO ADOPT CPA NOW?

- We are losing out on state revenue that could otherwise make eligible CPA projects funded at a discount.
- Shrewsbury continues to lose its historic character and what little open space we have left.
- Shrewsbury has produced numerous planning documents to capture our community needs, including Master Plans, Open Space and Recreation Surveys, Housing Production Plans, etc. Adopting CPA finally gives us a way to act on those applicable plans and pay for them!
- CPA funds can be a source to tap into when opportunities arise to protect our history, our lands, our water, or react to crises impacting our most vulnerable populations.

HOW MUCH WILL CPA COST?

The average Shrewsbury single family homeowner would pay **\$47.21 a year or \$11.80 on a quarterly tax bill** for FY20. Here are sample costs:

Assessed Property Value	Less \$100,000 per Exemption	Annual Property Owner Surcharge ^{1,2}
\$200,000	\$100,000	\$12.47
\$400,000	\$300,000	\$37.41
\$478,603 ³ Average Single Family Property Value	\$378,603	\$47.21 ⁴
\$600,000	\$500,000	\$62.35
\$800,000	\$700,000	\$87.29

(1) Exempted property owners will not be charged

(2) Tax rate for FY20 is \$12.47 per thousand.

(3) Source: MA Dept of Revenue

(4) Calculation: $(\$478,603 - \$100,000[\text{exemption}]) / 1000 * \$12.47 [\text{tax rate}] * 1\% [\text{surcharge rate}] = \47.21

WHO IS EXEMPT?

- 100% surcharge exemption for qualifying **low-income** property owners
- 100% surcharge exemption for qualifying **low to moderate-income senior** property owners
- For ALL Residential, Class 3 Commercial, and Class 4 Industrial properties, the first \$100,000 of taxable property value is automatically deducted prior to calculating the CPA surcharge.

HOW MUCH COULD CPA GENERATE FOR ALLOWABLE PROJECTS IN SHREWSBURY?

Communities that adopt CPA obtain funds from two sources: a local property tax surcharge and a yearly distribution from the statewide CPA Trust Fund. The local property tax surcharge is **estimated to generate over \$500,000 annually**. The state CPA Trust Fund contribution would have been **23.9%** of the local surcharge for FY20!

WHO DECIDES WHICH PROJECTS ARE FUNDED?

The town would exert local control of the CPA fund through a required Community Preservation Committee (CPC). The CPC members must by statute include one member each from the Conservation Commission, Planning Board, Historical Commission, Housing Authority, and Parks & Cemetery Commission, and may add up to 4 at-large members. Project proposals are submitted to and reviewed by the CPC. The slate of CPC accepted projects and fund allocations are presented to and must be approved by Town Meeting.

WHAT IS THE TIMELINE AND PROCESS FOR ADOPTING CPA?

Earlier this year, our committee met with town boards and commissions, social and community groups. With feedback in hand, *Community Preservation Shrewsbury* submitted a warrant article for the 2020 Annual Town Meeting requesting to adopt CPA. If approved at Town Meeting, this will trigger a ballot referendum as early as the November 2020 general election for Shrewsbury voters to decide whether to adopt CPA.

FOR MORE INFO, ENDORSE, VOLUNTEER, OR CONTACT THE BALLOT COMMITTEE:

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