Newton — A bill that would guarantee significant state support for the Community Preservation Act (CPA) is again advancing through the Legislature after stalling at the end of last year's session.

The legislation would assure a 75 percent state match for local funds collected in cities and towns that have adopted the CPA. Supporters say this and other changes could bolster the CPA's effectiveness and encourage more communities to join the voluntary program.

"We're very excited about it and sincerely hope it passes," said Carol Williams, chairwoman of the CPA committee in Rehoboth.

Towns and cities where voters adopt the CPA can place a surcharge of up to 3 percent on local property taxes and receive matching funds from the state. Proceeds can be spent only on preserving open space, recreation, historic preservation projects and affordable housing.

From 2002 to 2007, the state matched local proceeds dollar for dollar, with the money coming from per-filing recording fees paid at county deed registries. But increased participation in the CPA and a steep drop in real estate sales have shaken state support for the program.

In 2008, the state contribution dropped to 67 percent of local funds. The match has continued to plunge, to about 27 percent this year.

An Act to Sustain Community Preservation would replace current recording fees of $10 or $20 at the registries of deeds with a sliding scale of up to $50, said Katherine Roth, associate director of the Community Preservation Coalition. Fees would likely drop in times when the housing market is strong, said Roth, whose alliance of nonprofits supports the CPA and the pending legislation.

"[Fees] would slide up or down depending upon what revenue was needed to provide that 75 percent match," she said.

The bill would also allow towns and cities to use CPA money to rehabilitate existing outdoor recreation facilities. Right now, CPA funding can only be used for recreation projects originally built with CPA money, which has proven a roadblock for communities that want to fix up older playgrounds and parks.

The bill would also let communities that set a 1 percent property tax surcharge for their CPA fund count other sources of revenue, such as hotel or meal taxes, toward their local contribution. Lastly, the proposal would add another optional exemption for the first $100,000 of property value for commercial and industrial properties. A similar exemption already exists for homes.

"This would provide a similar opportunity for small commercial enterprises - mom and pop businesses," Roth said.

State Sen. Cynthia Stone Creem, D-Newton, and state Rep. Stephen Kulik, D-Worthington, filed largely the same bill last year. It garnered support from key committees, but never came to a vote.

"We were making a lot of good progress and then we bumped up against the end of the session," Roth said.

This year, the bill has 26 cosponsors in the Senate and 90 in the House. The Joint Committee on Community Development and Small Business held a hearing on the bill April 13.

Creem said she is sponsoring the bill again because Newton and Wellesley, which she represents, have benefited greatly from the CPA. She said the legislation will revive a partnership between the state and towns to fund important needs.

"This bill is about enhancing the quality of life in Massachusetts, and I am very hopeful it will be enacted this year," she said recently.

However, the CPA has seen recent challenges in towns that previously adopted it from residents who say they want to reduce the burden on local taxpayers.

So far, 147 towns and cities have joined the CPA, or 42 percent of the 351 municipalities in Massachusetts. The number of communities signing up has dropped during the recession.

While 17 towns adopted the CPA in 2006, the number dropped to eight in 2007, 11 in 2008 and just three in 2009, according to Department of Revenue records. Six towns joined the CPA last year, including Belmont, Dighton, Manchester and Middleborough. Marlborough voters rejected the program.

In towns where voters recently adopted the CPA, proponents strongly favor the state legislation.

"I think it would be terrific," said Paul Solomon, who headed a ballot question committee that successfully campaigned to adopt the CPA in Belmont last year.

A better state match would let towns address more projects for which they otherwise have little funding, Solomon said.
Loosening restrictions on parks and recreation projects also would be beneficial, he said.

Gloucester's Sandy Dahl Ronan, co-chairwoman of the town's CPA committee, traveled to the State House to testify in favor of Creem's legislation. Gloucester adopted the program in 2008 and recently recommended its first 10 projects, including support for a $2.6 million, 16-year bond for exterior renovations to City Hall.

In her remarks to lawmakers, Ronan said the CPA has been especially important for historic preservation projects, with most other sources of funding drying up.

"We also need that match to go up," she said in a recent interview. "There are more and more cities and towns that have adopted CPA, so the pie for the match gets smaller and smaller."

(David Riley can be reached at 508-626-3919 or driley@wickedlocal.com.)