

**Town of Needham**  
**Community Preservation Committee**  
**Report to Town Meeting**  
**Annual Town Meeting**  
**May, 2007**

***Introduction***

The Community Preservation Committee (CPC) is pleased to offer this report to Needham's Town Meeting Members, and all its citizens, on developments over the past year concerning the Community Preservation Act (CPA) in Needham. It has been a busy year.

We are now in our second year of receiving, analyzing and considering funding requests from Needham organizations and citizens. Since Annual Town Meeting in May, 2006, we have received our first matching funds from the Commonwealth. With the approval of Town Meeting in May, 2006, we funded several projects and have tracked their progress. And we have new proposals to offer Town Meeting this year.

A summary of these activities follows. The members of the CPC are pleased to receive your input and questions, and will work hard to keep the Needham community informed of our work.

***Sources of Available Funds***

**State Matching Funds**

Needham received its first State CPA match in October, 2006 in the amount of **\$1,303,584**. In addition, Needham's Finance Director estimates an additional match to be received in October 2007 of **\$1,220,000**. Both of these amounts represent State matching at the 100% level, or \$1.00 for every \$1.00 in tax surcharge revenue.

Needham does not have to approve specific projects to receive these matching funds. The uniqueness of CPA is in its structure, which allows Needham to "bank" state matching funds for a future project approved by CPC and Town Meeting.

**Tax Surcharge Receipts**

Needham residents are currently billed a 2% surcharge on property taxes, as a result of town-wide acceptance of CPA. In FY2007, it is estimated Needham will receive approximately \$1,300,000 in property tax surcharges dedicated to CPA. A similar amount has been estimated for collection in FY 2008.

### **Miscellaneous Receipts**

Needham has also had certified a variety of lesser amounts which remain in the CPA fund. These lesser amounts come from the investment income received on our CPA “banked” receipts and the return of unspent administrative funds from previous years. In total, these contributions added approximately \$74,000 to the fund balances for appropriation at this Annual Town Meeting.

### **Fund Balances**

State law mandates that annually at least 10% of surcharges plus state matching funds be spent on actual projects, or allocated for future projects, in three special CPA reserves; Community Housing, Open Space and Historic Resources. The remainder of funds, minus funds allocated for administrative expenses, are placed in an Annual Reserve fund, which is used for any of these three areas and/or qualifying recreational projects.

Needham’s CPC has elected to target 11% of our estimated receipts for each special reserve. We have taken this action to assure that should actual tax surcharge receipts exceed estimates, Needham remains in compliance with the state mandate of 10% to each Special reserve. This is prudent and expected, as Needham has a practice of estimating receipts conservatively.

As a result of the certification of past funds, and estimates provided by Needham’s Finance Department, the reserve balances available for allocation at the May, 2007 Annual Town Meeting are as follows:

Community Housing:	\$ 387,960
Open Space:	606,750
Historic Resources:	687,460
Annual Reserve:	<u>\$ 4,177,063</u>
Total	\$ 5,859,243

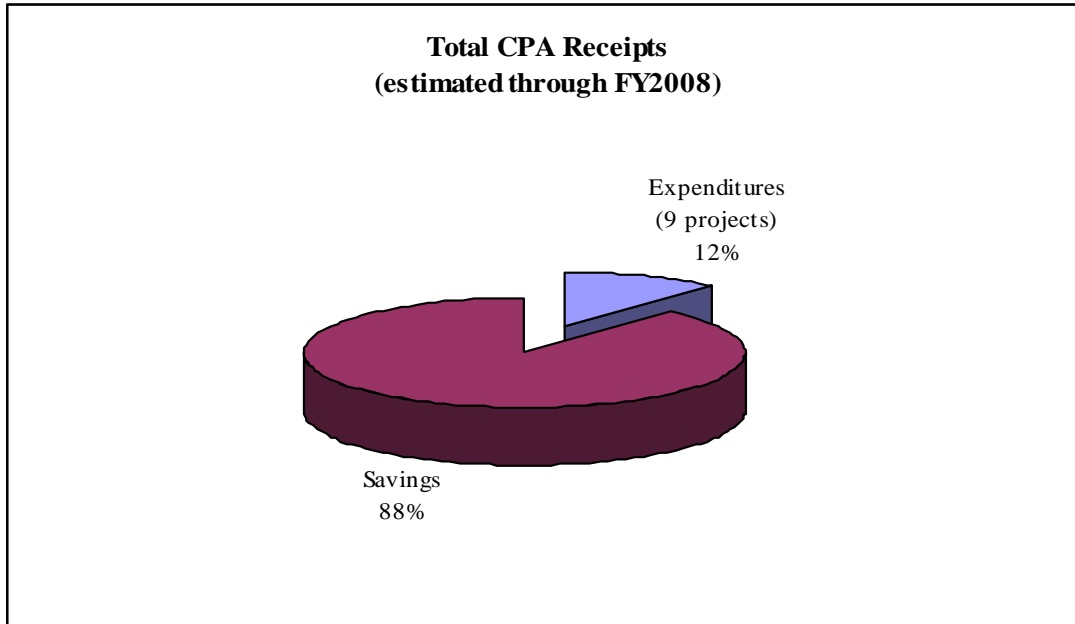
Please note this figure assumes \$120,000 has been reserved for FY2008 administrative expenses. Projects under consideration at the Annual Town Meeting, if approved, will reduce these fund balances.

### **Requested Project Funding**

This year, Town Meeting Members may note the CPC is requesting one project in each of the categories for which CPA funds may be used: Community Housing, Historic Resources, Open Space Needs and Recreational Needs. While the CPC seeks a balance among these community needs, we are driven by the project requests received. This balance indicates an increasing awareness in Needham of the CPA program and the types of projects eligible for funding.

Two motivations drove the development of the CPA in the State Legislature and the acceptance of the CPA in Needham. The CPA is designed to fund smaller community projects that might otherwise get pushed aside during the budget process due to budgetary constraints. The CPA is also an important financial tool for the town to save

for future large qualifying projects, to get those projects partially funded through the state matching funds and reduce or eliminate a future override. As the following chart indicates, Needham's CPA program has struck a remarkable balance between addressing several smaller projects that have come before us and "banking" significant sums of money for large projects that may come forward in the future.



These charts envision the following projects receiving Town Meeting approval in May 2007. Even with these pending projects approved, CPC will have saved 88% of available funds, while funding nine separate projects to date. More importantly, in the Annual (or General) Reserve, which may be used for any qualifying project, the CPC has saved 99% of the funds allocated to that reserve. Charts depicting the individual reserve funds may be found on the last page of this document.

### **Article 31: Town Hall Historic Preservation Feasibility Study**

The CPC has received, analyzed and voted to bring forward for Town Meeting approval a request from Needham's Board of Selectmen to fund a study of preservation options for Needham's Town Hall. This request is in the amount of \$50,000 and will be drawn from the Historic Resources reserve. The CPC approved this request based on a determined need for work to be performed on Town Hall. The complexity of balancing historic renovation options with building functionality options mandates a comprehensive look at the options available to Needham and its citizens.

### **Article 32: Preservation of Park Structures/Bubblers**

The CPC received, analyzed and voted to bring forward for Town Meeting approval a request from Needham's Park and Recreation Commission to fund the replacement of ten bubblers at athletic fields and playgrounds around Needham. This request is in the amount of \$22,000 and will be drawn from the Annual Reserve. The CPC approved this request based on the allowed preservation of recreation land, feeling that leaking or

inoperative water bubblers at these locations contributed to the erosion of topsoil and increased litter. As an added benefit, these bubblers will be accessible to the disabled and help Needham become more ADA compliant. This request must be funded from the Annual Reserve as it would appear to benefit primarily recreational areas, which purpose is allowable but may only be funded from the Annual Reserve.

### **Article 33: Preservation of Park Structures/Fences**

The CPC received, analyzed and voted to bring forward for Town Meeting approval a request from Needham's Park and Recreation Commission to fund the replacement of two fences, one surrounding Greene's Field and one surrounding Mill's Field. This request is in the amount of \$12,000 and will be drawn from the Open Space Reserve. The CPC approved this request based on the allowed preservation of Open Space, feeling that these fences will eliminate or severely reduce vehicle (including all-terrain vehicles) access to these open spaces.

### **Article 35: High Rock Homes Redevelopment**

The CPC received, analyzed and voted to bring forward for Town Meeting approval a request from the Needham Housing Authority to assist in funding construction of the High Rock Homes Development. This request is in the amount of \$175,000 and will be drawn from the Community Housing Reserve. This proposal, if approved, will permit fourteen units, as opposed to twelve currently, to be sold under guidelines established for Section 40B qualifications. The CPC approved this request after considering the per unit cost of this "buy-down" proposal and the progress made by the NHA in funding the development. It is important to note that, with the assistance of CPA funds approved at the May, 2006 Annual Town Meeting, the High Rock Homes development is a viable project which has received approximately \$11,000,000 of public and private grants and loans to fund construction. As anticipated, the development will contain a range of prices for units, all sold at a level below market price and with future deed restrictions.

### **Article 36: Appropriate to Community Preservation Fund**

This Article is necessary to assure that the state mandated minimums are properly allocated to each of the special Reserves. In addition, State law permits up to 5% of estimated receipts to be set aside for administrative and operating expenses of the CPC (unspent administrative and operating funds are eventually returned to the Annual Reserve). It has been Needham's practice in the past to allocate the full 5% to administrative and operating expenses.

By the end of FY2007 (June 30, 2007), the CPC will have spent less than \$10,000 of its allocated administrative funds for FY2007. The balance will return to the CPA Annual reserve. This low level of spending reflects both the CPC's frugality and the absence of a large, complex project this year. Roughly estimated, through April 10, 2007, CPC expenditures included \$1,788 in salaries, \$132 in expenses and \$3,750 for membership in the Community Preservation Coalition, a source of much information and expertise for the CPC.

This year, the CPC has requested \$120,000, which is again approximately 5% of estimated receipts. The CPC requests these funds in order to be able to respond to complex projects which may require legal or other professional expertise, independent of the project proponents. Thus, the CPC would need to fund such expertise. One example would be a large building project, with a component of historic preservation but with new construction attached. Some of the project may be eligible for CPA funding, while other parts may not. The CPC could not rely on the proponents to decide that split; we would need to engage professionals to help determine the most appropriate split.

For this reason, and based on the CPC's history of controlled spending of administrative funds, we believe the \$120,000 is a reasonable figure.

### ***Status of Past Projects***

#### **Funding for Completion of Needham's Open Space Plan**

This project was awarded \$20,000 at a Special Town Meeting in November, 2005. The grant was to complete the Town's Open Space plan, necessary for strategic planning of land preservation and recreational opportunities. This plan permits the Town to apply and qualify for certain state grants. At this time, a consultant was hired, a multi-departmental task force has been meeting and a draft of the Plan is to be submitted to the State for review in May, 2007. This project is considered on time and on budget.

#### **Historic Commission Heritage Project**

This project was awarded \$25,000 at Annual Town Meeting in May, 2006. The project is to inventory historic properties in Needham and develop guidelines for private individuals seeking grants from State and Federal agencies. A consultant has now been engaged and work has begun. This project is considered on budget but may be slightly behind schedule.

#### **High Rock Homes**

This project was awarded \$324,500 at Annual Town Meeting in May, 2006. The funding is to be used for preconstruction expenses related to the High Rock Homes development of community housing. The project is on-going and all activities under this grant should be completed by end of summer, 2007. With progress funded under this grant, the proponents have received commitment for construction grants and loans totaling \$11mm and enabling construction to begin in Summer, 2007. This project is considered on time and on budget

#### **Trails Planning Program**

This project was awarded \$47,700 at Annual Town Meeting in May, 2006. The funding is being used to issue an RFP, hire a consultant, map and strategize Needham's trail network. A consultant has been hired and GPS mapping of existing trails is underway. The final report is to be ready by Winter, 2007/8. This project is considered on time and on budget.

### **Ridge Hill Reservation Footbridge Restoration**

This project was awarded \$58,000 at Annual Town Meeting in May, 2006. The funding is being used to issue an RFP, hire contractors, design and build two footbridges at Ridge Hill Reservation. Demolition of the existing structures is to begin shortly. A scope of work document for construction of the new bridges has been completed, but no bids have been received as of yet. The actual construction is scheduled to begin and be completed in Fall, 2007. This project is considered on time and on budget.

### **Conclusion**

Needham's CPA initiative is fully underway and experiencing success in considering, approving and monitoring projects to benefit the entire community. We thank the citizens of Needham and Needham's Town Meeting Members for their support and look forward to another year of interesting, vital projects. We encourage any resident of Needham with an idea for Community Preservation Act projects to begin a dialogue with the CPC. We are happy to help!

Sincerely,

The Members of Needham's Community Preservation Committee

Paul Siegenthaler, Chairman  
John Comando, Vice-Chairman  
Janet Bernardo  
Bruce Eisenhut  
Jane Howard  
Sheila Pransky  
Phil Robey  
Ron Ruth  
Rev. Cary Young

### **Expenditures and Savings of CPA Reserve Funds, estimated through FY2008**

(Since beginning of CPA in Needham – assumes four projects approved at Annual Town Meeting, May 2007)

