

**Community Preservation Committee
Town of Needham, Massachusetts**

**Report to Town Meeting
Annual Town Meeting – May 2012**

Introduction

In November 2004, the voters of Needham adopted the legislation known as the Massachusetts Community Preservation Act. Since November 2005, the Needham Community Preservation Committee (CPC) has forwarded numerous projects to Town Meeting for final approval, the largest of which is the preservation and reconstruction of Town Hall.

A summary of the CPC's FY 2012 activities follows. The members of the CPC welcome input, questions, and attendance at all meetings and public hearings. The Committee generally meets on the 2nd Wednesday of each month, and agendas, minutes and the Needham Community Preservation Plan are available on the Town's website at www.needhamma.gov/CPC

Sources of Available Funds

State Community Preservation Fund

Needham receives a distribution from the Massachusetts Community Preservation Fund, and to date, has received \$4,744,976 from this fund. In October 2006 and 2007, Needham received a 100% match to its local collections, with a combined distribution of \$2,557,108. In October 2008, the distribution was 67.62% of local collections for a total of \$888,287. In October 2009, the distribution was 34.8% totaling \$481,111. In October 2010, the distribution was 27.2% totaling \$401,199. In October 2011, the distribution was 26.64% totaling \$417,271. The fund has a complicated distribution formula based upon the number of communities participating (currently 143) and their respective local surcharges. It is estimated that the October 2012 distribution will be 22% for Needham.

Tax Surcharge Receipts

Needham residents are currently billed a 2% surcharge on property taxes after the first \$100,000 valuation, as a result of town-wide acceptance of CPA. In FY 2013, it is estimated that Needham will receive approximately \$1,711,000 in property tax surcharges dedicated to CPA, equivalent to the average collected in previous years.

Miscellaneous Receipts

The CPA fund also generates revenue from penalties and interest assessed on overdue CPA charges and investment income on the CPA funds in the bank. In total, these sources contributed \$278,560 in FY 2009, but earned only \$62,061 in FY 2010 due to the appropriation and spending for the Town Hall project and the lower interest rates being paid on cash balances. In FY 2011, \$36,536 was earned, and the *current* reporting data for FY 2012, the total is \$29,462 to date.

Fund Balances

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

Needham's CPC has elected to target 11% of the estimated receipts for each special reserve. This action is taken to assure that should the MA CPA Trust Fund distribution or the local tax surcharge receipts exceed estimates, Needham remains in compliance with the state mandate.

As a result of previous appropriations, the reserve balances available for appropriation at the May 2012 Annual Town Meeting are as follows:

Community Housing:	\$485,100
Open Space:	\$426,900
Historic Resources:	\$148,320
2012 Annual Reserve:	\$1,131,200 (note this balance closes out at the end of the fiscal year)
TOTAL	\$2,191,520

The unspent 2012 Annual Reserve, and remaining administrative funds and interest must go through the free cash certification process before being returned to the CPA Fund.

The CPC is recommending appropriation of three projects, to be funded through the existing "buckets," listed above. After subtracting the appropriations for the three projects, and adding the FY' 13 appropriations from Article 28, the balances in the respective funds would be:

Community Housing:	\$ 718,520
Open Space:	\$ 660,320
Historic Resources:	\$ 68,320
2013 Annual Reserve:	\$1,023,160
TOTAL	\$2,470,320 as of July 1, 2012

Please note the figures above assume that \$82,000 has been appropriated for the FY 2013 administrative expenses. It does not include the eventual Free Cash funds that were approximately \$1,570,853 in January 2012.

Administrative Expenses

The CPC Administrative Funds may be used to pay for the expenses related to the work of the committee, including office supplies, mailings, legal notices, appraisals, consultant

fees, property deposits, as well as the recording secretary's salary and three hours per week for the Staff Liaison's weekly salary. The Needham CPC is a member of the Massachusetts Community Preservation Coalition and pays annual dues to the association, currently \$3,750. The Coalition provides regular consultation services to the CPC.

Requested Project Funding

Article 24: Appropriate for CPA Project – Artifact Storage Upgrade

This request is from the Needham Historical Society for \$25,000 from the Historic Resources Reserve. If approved, the Historical Society will purchase specialized software to document the artifacts that reflect Needham's commercial and social history. A part-time archivist will be hired to assist with the project and train volunteers. Specialized storage containers will be purchased.

Article 25: Appropriate for CPA Project – South Street Home

The Charles River Center has withdrawn this project from the May Annual Town Meeting. Charles River has purchased a property on South Street and will build a new fully accessible group home on the property that will provide 5 additional affordable units on the Town's inventory. They are in the process of hosting several fundraising events and applying for grants. It is likely the Charles River Center will re-apply in the summer for consideration at the fall Special Town Meeting.

Article 26: Appropriate for CPA Project – Heritage Project

This request is from the Needham Historical Commission for \$25,000 from the Historic Resources Reserve. If appropriated, the Historic Commission will continue their work on researching and documenting additional properties for the local inventory. The Commission first documented their inventory in 1978 and added 40 properties in recent years with CPA funding. The Heritage Project has also assisted the Commission with providing educational materials to owners of historic properties.

Article 27: Appropriate for CPA Project – Preservation of Town of Needham Historical Vital Records

This request is from Needham's Town Clerk for \$30,000 from the Historic Resources Reserve. If approved, the Town Clerk will preserve and bind vital records dated prior to 1919. The documents will also be photographed to create an electronic record. Vital records since 1919 have been bound annually.

Article 28: Appropriate to Community Preservation Fund

This article appropriates the estimated FY 2013 CPA receipts.

Administration	\$ 82,000
Annual Reserve	\$1,023,160
Community Housing Reserve	\$ 233,420
Historic Resources Reserve*	\$ 0
Open Space Reserve	\$ 233,420

* The required annual funding or appropriation for Historic Resources is the \$550,000 payment of the debt service, voted on within Article 10.

Legislation

House Bill 765 is a joint bill with the Senate that recommends some important changes to the current CPA legislation. Of greatest importance to Needham, and other communities that have little land to purchase with CPA funds, is a revision that would allow CPA funds to be used for recreation projects on existing Town-owned property. At this time, the funds may only be used for projects that are proposed for properties originally purchased with CPA funds. On April 23, 2012, the House approved the changes within their budget bill, and the Senate will take it up in mid-May during their budget deliberations.

Conclusion

The Community Preservation Committee, and the Town of Needham, suffered a tremendous loss this winter with the passing of Jane Howard. Her experience with a variety of government and civic organizations, her inquisitive nature, and her love for the Needham community made her a valuable member of the CPC and her contributions are sorely missed.

Needham is fortunate to have the use of CPA funds which have funded numerous successful projects for the community. Appreciation is extended to the citizens of Needham and specifically Needham's Town Meeting members for their support. The Committee looks forward to FY 2013 and new requests and interest from the residents of the community. The CPC also expresses their gratitude to "retired" member Bruce Eisenhut, an original member of the CPC!

Mark Gluesing, Chairman
Janet Carter Bernardo, Vice Chairman
Carol Boulris
Reg Foster

Mike Retzky
Sam Bass Warner
Lita Young