

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

**Report to Town Meeting
Annual Town Meeting – May 2014**

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.

The committee membership is defined by the requirements of the CPA as adopted by Needham. The nine member committee consists of a member of each of the following boards or committees; Planning Board, Conservation Commission, Park Recreation Commission, Historical Commission, Housing Authority, and two members each appointed by the Town Moderator and Board of Selectmen.

A summary of the CPC's FY 2014 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

Legislation and CPA Fund

In July of 2012, the Legislature passed, and Governor Patrick signed, the FY2013 budget that also included changes to the CPA Act legislation. The existing regulations allowed improvements to open space or recreation facilities only on land that was previously purchased with CPA funding. The Act was amended to allow CPA funds to be used to renovate, improve, or develop recreation facilities on existing Town owned properties. This change was a benefit to Needham and other towns with little open space available for purchase, but with existing recreation facilities in need of renovation, and little ability in the Town budget to accomplish this need. This change permitted Town Meeting to approve funding in November 2012 for the renovation of Greene's Field, including the new playgrounds. Open Space funds, held in a required reserve, may also be spent on Recreation projects.

The State budget also included an appropriation to the CPA fund of up to \$25 million from any budget surplus at the end of Fiscal Year 2013. Needham received almost \$450,000 additional funds over last year's state contribution, for a percentage of 52.23% match. The current state budget discussions also include the provision of appropriating up to \$25 million from a possible FY'14 budget surplus. Without the additional funds, Needham anticipates receiving a 23% match.

Sources of Available Funds

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 vote accepting CPA. In FY 2015, it is estimated that Needham will receive \$1,884,000 in property tax surcharges dedicated to CPA, equivalent to the average collected in previous years. 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

State Community Preservation Fund

Needham receives a distribution from the Massachusetts Community Preservation Fund, and to date, has received \$6,068,641 from this fund. The most recent distribution, in November 2013 was \$886,498, a 52.23% match to local collections. In October 2006 and 2007, Needham received a 100% match to its local collections, with a combined distribution of \$2,557,108. From October 2008 through October 2012, the distributions ranged from a high of 67.62% to a low of 26.64%. The fund has a complex distribution formula based upon the number of communities participating and their respective local surcharges with 148 communities eligible for the last distribution. As the state contribution was higher than anticipated at the May 2013 Town Meeting, a request will be made on the warrant to balance the reserve funds.

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, including at the November 2013 Special Town Meeting, the reserve balances available for appropriation at the May 2014 Annual Town Meeting are as follows:

Community Housing:	\$ 698,520
Open Space:	\$ 247,120
Historic Resources:	\$ 68,320
2014 Annual Reserve:	\$ 915,200
Free Cash:	\$3,766,414 (note this balance closes out at the end of the fiscal year)

The unspent 2014 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 four (4) projects, to be funded through the existing “buckets,” listed above. After subtracting the appropriations for the four projects, and adding the FY’15 appropriations from Article 35, the balances in the respective funds would be:

Community Housing:	\$ 956,520
Open Space:	\$ 271,901
Historic Resources:	\$ 15,820
2015 Annual Reserve:	\$1,272,117
TOTAL	\$2,516,358 as of July 1, 2014

Please note the figures above assume that \$82,000 has been appropriated for the FY 2015 administrative expenses. It does not include the eventual Free Cash funds that were approximately \$3,766,414 in January 2014.

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 \$4,350. The Coalition provides regular consultation services to the CPC, and monitors and informs member communities on state legislative activity related to the Community Preservation Act.

Requested Project Funding

Article 31: Appropriate for Ridge Hill Boardwalk and Bridge Replacement

The Conservation Commission is requesting funding to construct a boardwalk and a bridge on two trails at Ridge Hill Reservation. This is a project that has been under review for several years, and received design funds from the CPC. The Fuller Trail, formerly known as the Swamp Trail, had a boardwalk constructed in the 1970’s which deteriorated and needed to be removed. The Fuller Trail connects the two major trail systems at Ridge Hill – the eastern trail system known as the Esker Trail and the western trail system known as the Chestnut Trail. The Fuller Trail is approximately 1,000 feet, all within wetlands and swamps. The low level

boardwalk would re-create the trail system. Across Charles River Street is the Charles River Trail. A small bridge needs to be replaced on this trail. The Conservation Fund will contribute \$100,000 to the full cost of the project with CPA funding bearing approximately 2/3rds of the cost. The project is ready for construction, with all design and permits completed.

Article 32: Appropriate for Town Common Historic Redesign

This article will allow the Town to hire a landscape architect to review the current condition of trees, hardscape and landscape. The designer will work with Town officials to re-design the Town Common to reflect its historic nature, provide opportunities for community gatherings, and provide a landscape that enhances its uses as well as protects its historic character. This project will be coordinated with the Downtown Streetscape Project.

Article 33: Appropriate for Memorial Park Improvements

This article will fund design work associated with Memorial Park improvements. The current drainage system at Memorial Park has sufficient capacity for typical storms, but is not able to capture the flow of water in severe storms. Additional drainage components and improvements to the soil conditions will help alleviate flooding concerns. Both aspects of the project will improve safety conditions for the athletes on natural turf. Construction funds will be requested at a later time.

Article 34: Appropriate for Vital Records Preservation

The Town Clerk is requesting funding for the preservation of some of the Town's vital records dating from the 18th and 19th centuries. All subsequent documents have already been preserved. The records will be restored, de-acidified, and bound into volumes. Information will also be provided in electronic format.

Article 35: Appropriate to Community Preservation Fund

This article appropriates the estimated FY 2015 CPA receipts.

Administration	\$ 82,000
Annual Reserve	\$1,272,117
Community Housing Reserve	\$ 258,000
Historic Resources Reserve*	\$ 0
Open Space Reserve	\$ 258,000

* The required annual funding or appropriation for Historic Resources is the \$475,763 payment of the debt service, voted on within Article 11.

Special Town Meeting: Article 3

As indicated earlier in the report, the legislature added additional funds to the state CPA fund, and Needham received additional funds. When added to the May 2013

appropriations that were based on estimates, two of the reserves need additional funds to insure that 10% was set aside or spent in FY'14. Town Meeting will be asked to add \$29,100 to the Community Housing Reserve and \$29,100 to the Open Space Reserve through a reduction of \$58,200 from the Annual Reserve.

Conclusion

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 2015 and new requests and interest from the residents of the community.

Janet Carter Bernardo, Chairman
Lita Young, Vice Chairman
Robert Boder
Gary Crossen

Reg Foster
Mark Gluesing
Mike Retzky
Sam Bass Warner