

## WITH STATE SUPPORT AT RECORD LOW, TOP OFFICIALS TOAST IMPACT OF CPA

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STATE HOUSE NEWS SERVICE

STATE HOUSE, BOSTON, OCT. 6, 2015....Fifteen years after the passage of the Community Preservation Act, nearly half of the communities in Massachusetts have opted into the program, which allows a surcharge on local property taxes with the promise of a state match to preserve open space, renovate historic buildings and parks and to build new playgrounds and athletic fields.

But as the popularity of the program has grown, the power of the state's financial commitment has waned, with available matching funds falling to an all-time low in recent years.

Despite broad support among lawmakers for legislation to boost funding and make the CPA a more sustainable partnership program, leaders in the House and Senate, as well as Gov. Charlie Baker, who talked up their support for the law, are reserved when it comes to committing additional funds to the program.

"I'm not interested in a new tax, if that's the question you're asking me," Baker said on Tuesday after attending a celebration of the act's 15th birthday, where awards were handed out to local champions of community preservation. "There's a funding mechanism that was put in place as part of the law to begin with and it's obviously something we want to be sure we can continue to support."

Baker was on the board of selectmen in Swampscott in the mid-2000s when that North Shore town voted to adopt the Community Preservation Act, and Baker cast a vote in support of putting it on the local ballot.

The governor said working for both Govs. William Weld and Paul Cellucci, who were "wide open space people," and living in a dense community like Swampscott, made him appreciate the importance of preserving open space.

"It's obviously been a major success," Baker told CPA advocates gathered in the Great Hall.

However, funds available from the state through the Community Preservation Trust Fund for local matches have plummeted since the law's adoption as more communities have begun to participate. Advocates said what started as a 100 percent match from the state in the early days is down to about 18 percent.

"We've been working hard on legislation to stabilize the statewide CPA trust fund. The annual trust fund distribution is clearly key to CPA's success, but last year it hit a record low," said Stuart Saginore, executive director of the Community Preservation Coalition.

State matching funds are financed through a \$20 fee assessed on certain real estate transactions through registries of deeds. The Legislature, in recent years, has also allocated surplus funding at the end of each

budget year to the CPA. In the fiscal 2016 budget signed by Baker over the summer, \$10 million in potential surplus money next summer was dedicated to the CPA.

While Saginor said advocates are "grateful" for the surplus funding to boost the balance of the trust, supporters are advocating for passage of a bill filed by Sen. Cynthia Creem and Rep. Stephen Kulik that would raise registry of deed fees in order to guarantee a 50 percent match, with the fees capped at \$50. The bill (H 2587) has been co-sponsored by 19 senators and 67 representatives.

House Speaker Robert DeLeo, who spoke at the CPA celebration Tuesday, said afterward that it's his desire to put more funding into the program to make it sustainable, but acknowledged that despite its popularity among lawmakers it has "not been an easy task" given the budget constraints of recent years.

As for raising deed fees to bolster the trust fund, the speaker said, "I know a lot of the folks, whether from the real estate attorneys to the brokers, really expressed a real issue with that, so I'm not saying no at this point but there would be some folks that wouldn't be happy with that."

Baker, likewise, voiced support for making the CPA sustainable, but has reservations about raising fees to do so. The fees have not been adjusted since the law went into effect in 2000.

"I'm not a big fan of raising fees as a general rule but I'd want to know more about the specifics on that one," he said.

Noting the surplus funding the Legislature has been directing toward the CPA, Senate President Stanley Rosenberg said, "I'm hoping at some point we can revisit the base so that we don't have to do it in that way each year."

The Amherst Democrat, however, joined the speaker in noting the opposition to raising real estate transaction fees.

"That's always controversial. I haven't seen the latest version of it, but I think we do need to raise the amount that's going in each year and we have to find a way to sustain it, and I'm open to options," Rosenberg said.

House Majority Leader Ronald Mariano, who on Tuesday presented an award to a CPA activist in Quincy who helped push the city into adopting the program, said he's seen the benefits in Quincy and would "advocate for some money," but said the House will need to take a closer look at the real estate market before considering whether to raise deed fees so that it wouldn't "chill real estate activity."

"I think we're amenable to doing something and trying to convince the Senate that now is the time," Mariano said.

Since Gov. Cellucci signed the Community Preservation Act into law, 158 cities and towns have adopted it, helping to raise more than \$1.5 billion to finance 9,000 open space and historic preservation projects, including the protection of 23,400 acres and the rehabilitation of more than 9,400 affordable housing units.

"I see the CPA as a stimulant for the economy," DeLeo said.

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10/06/2015