

February 2016

City Council Takes First Step on CPA

City's Legislative Body plays the predominant early role in CPA

At its meeting on February 11th, the City Council began the process that could lead to the voters of Boston deciding whether to adopt the Community Preservation Act (CPA) on the November ballot. The order has been sent to the Government Operations Committee chaired by Councilor Michael Flaherty. A majority vote of the City Council is required to place the CPA question on the ballot. The question would propose a 1% surcharge on residential and business tax bills starting in FY18. The first \$100,000 of value can be exempted for both residential and business properties.

2001 Effort

This is the second effort for Boston to adopt the CPA. The first campaign was in 2001 and the question was defeated by a 57%-43% margin. A media campaign funded by a group of businesses and concern that the economy was heading into a recession contributed to the defeat.

Purpose of CPA

So far 160 communities have adopted the CPA to provide additional funding for the support and preservation of:

- Community Housing
- Historic Resources
- Open Space, including park maintenance

CPA Finances

Amendments in 2012 to the CPA made adopting it more attractive to cities by allowing the property tax surcharge to be not more than 1% and cities and towns were

able to dedicate other revenues such as linkage fees, and inclusionary development payments to increase the total CPA-related revenue up to 3% of the tax levy. From surcharges on the fees of the registers of deeds and municipal lien certificates and from appropriations, the state has provided matching funds to each eligible community for its own CPA use. In FY15 CPA communities received a 29.7% state match.

City Council's Role

The City Council has the responsibility for framing the ballot question and the exemptions to be offered. The Council also decides the composition of the Community Preservation Committee (CPC); how they are selected and the number of members up to nine, including the five required by statute.

Mayor's Role

The Mayor has no official responsibility regarding the CPA question or committee makeup, making this situation a good opportunity for collaboration between the Executive and Legislative sides of the City.

Competing Issues

Advocates of the CPA will focus on its ability to support more affordable housing, preserve historic resources and create and maintain city parks. Taxpayers will note the 1% surcharge on the property tax which hits business property harder due to its greater tax burden because of the City's use of classification. These are the issues that will play out if the question is on the ballot.