



The City of
WORCESTER

The Community Preservation Act: Overview and Implementation Timeline



What is the Community Preservation Act?

Overview

- ***Enabling Statute: Mass General Laws, Chapter 44B – “Community Preservation Act”.***
- **Under the Community Preservation Act (CPA), any city or town may establish a special Community Preservation Fund that may be appropriated and spent for Open Space and Recreation, Historic Preservation / Resources, and Community / Affordable Housing.**
- **On November 8, 2022, the voters of the City of Worcester approved the adoption of Question 5.**
- **The vote included the CPA surcharge of 1.5% on the annual property tax beginning in FY24.**

Exemptions:

- **Property owned and occupied as a domicile by any person who qualifies for low-income housing or low- to moderate-income senior housing;**
- **\$100,000 of the value of each taxable parcel of residential property;**
- **\$100,000 of the value of each taxable parcel of Class 3 / Class 4 commercial / industrial property**



How much is the Surcharge?

Overview

- CPA surcharge is split between the final two (2) quarterly bills issued in December of 23/24 and March of 24/25.
- There will be a separate bill for CPA. Starting July 2026, the surcharge will be incorporated onto quarterly tax bills.

Property Type	Average Value	Annual CPA Surcharge
Single Family – Residential	\$371,094	\$56
Condominium – Residential	\$245,975	\$30
Three-Family – Residential	\$524,309	\$88
Apartment- Residential	\$1,246,431	\$236
Commercial	\$1,200,621	\$496

Check with your mortgage company to determine if they are paying the tax as part of your escrow



The Community Preservation Fund

Overview

The Fund is a separate account made up of three revenue streams:

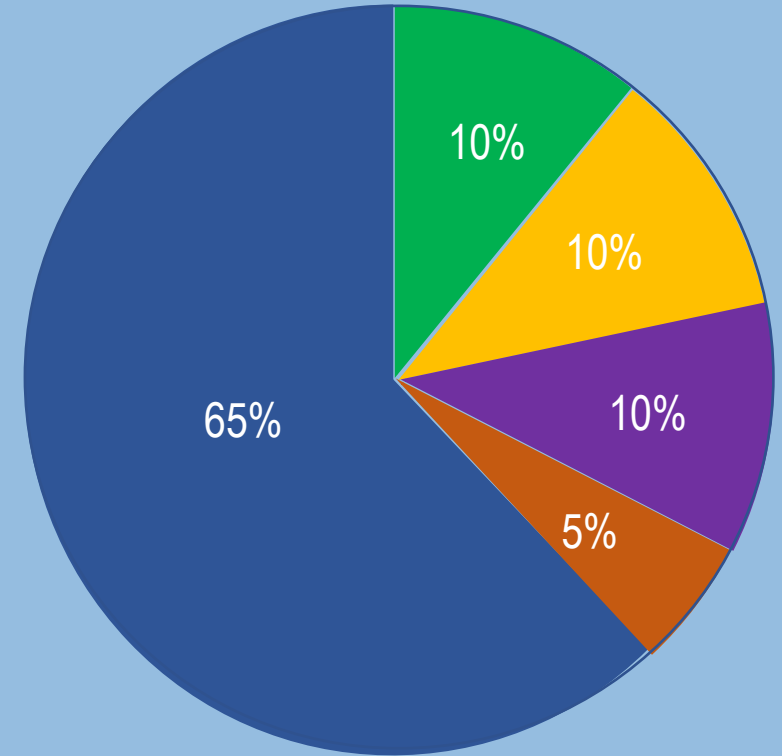
- 1.5% local surcharge on property tax
- An annual state match
- Interest accrued on the Fund Balance

Estimated Revenue in FY24: \$4.023M

Estimated Revenue in FY25: \$4.759M

Restrictions

- Minimum of 10% budgeted to **Outdoor Recreation & Open Space**
- Minimum of 10% budgeted to **Historic Conservation**
- Minimum of 10% budgeted to **Community Housing**
- Maximum of 5% budgeted to an **Optional Administrative Fund**



Eligible Projects

Overview

Outdoor Recreation: Active or passive recreational use including, but not limited to, the use of land for community gardens, trails, and noncommercial youth and adult sports, as well as the use of land as a park, playground, or athletic field. **Exceptions include:**

- (1) The purchase or construction of artificial turf
- (2) Construction of stadiums (indoor or outdoor)
- (3) Construction of sidewalks in the right-of-way

Types of Projects

- Construction and rehabilitation of dog parks, splash pads, playgrounds, athletic fields, gardens
- Acquisition of land for outdoor recreation
- Construction of trails, including rail trails



Eligible Projects

Overview

Open Space: Land to protect existing and future well fields, aquifers and recharge areas, watershed land, agricultural land, grasslands, fields, forest land, fresh and salt water marshes and other wetlands, ocean, river, stream, lake and pond frontage, beaches, dunes and other coastal lands, lands to protect scenic vistas, land for wildlife or nature preserve, and land for recreational use.

Types of Projects

- Purchase of Conservation Restrictions
- Acquisition of land for use as Open Space
- Appropriation to Conservation Funds
- Protecting farmland
- Restoration/rehabilitation of Open Space ****initially purchased with CPA funds****



Eligible Projects

Overview

Historic Resources: A building, structure, vessel, real property, document, or artifact that

(1) is listed on the Massachusetts State Register of Historic Places

OR

(2) has been determined by the local Historical Commission that the historic resource is locally significant

Types of Projects

- **Acquisition of Historic Resources**
- **Historic building restoration and preservation (public and private)**
- **Document digitization and preservation**



Eligible Projects

Overview

Community Housing: Low- and moderate-income housing for individuals and families, including low- or moderate-income senior housing.

- **Low-income:** 80% of areawide median income
- **Moderate-income:** 100% of areawide median income
- **Senior:** persons having reached the age of 60 or over

Types of Projects

- **Transfer of funds to Municipal Affordable Housing Trusts (MAHT)**
- **Land purchases for Community Housing**
- **Housing-buydown, rental assistance, and first-time homebuyer programs**
- **Support predevelopment activities (feasibility studies, site planning)**
- **Preservation of existing affordable housing**
- **New construction and adaptive reuse projects**



Eligible Projects

Overview

	Open Space	Recreation	Historic	Housing
Acquire	YES	YES	YES	YES
Create	YES	YES	NO	YES
Preserve	YES	YES	YES	YES
Support	NO	NO	NO	YES
Rehabilitate/ Restore	NO*	YES	YES	NO*

***Unless acquired with CPA funds**



The Community Preservation Committee

Overview



April 11, 2023: City Council adopts an *Ordinance Establishing the Community Preservation Committee (CPC)*.

Role of the CPC:

- Prepare and annually revise the Community Preservation Plan
- Prepare CPA Application Guidelines
- Recommend CPA Budget and Projects to City Council

Role of the Community Preservation Manager

- Manage the Worcester Community Preservation Program (CPP)
- Liaise for and support the activities of the CPC
- Provide technical assistance to the CPC and CPA Fund applicants
- Track CPA funding and ensure compliance

Membership:

- 4 at-large members
- 1 member of the ConComm
- 1 member of the Historical Commission
- 1 member of the Planning Board
- 1 member of the Parks and Rec Commission
- 1 member of the Worcester Housing Authority board

Staggered terms



The Community Preservation Plan

Considerations



Eligible projects are not entitled to funding. The Committee will develop an application process with evaluation criteria. The criteria and prioritization should be in alignment with the Community Preservation Plan, which is developed with public input.

Some of the considerations that must be decided in the Plan include:

- **What percentages should be budgeted to each category annually?**
- **What other evaluation criteria, such as leveraged funding, geographic distribution / prioritization, should be considered?**
- **What allocation should go to the AHTF for administration by that body, and what are the requirements?**
- **What is the maximum funding allowed per project? Are matches necessary?**
- **What is the application process? (Number of steps, application cycle vs rolling applications)**



Community Preservation Program in FY25

Projected Timeline



Goal: *To recommend robust, eligible CPA projects to City Council in FY26*

Fall 2024:

- Review existing plans and meet with stakeholders/community
- Identify CPA eligible priorities for the four categories
- Draft Community Preservation Plan and Funding Application
- Share information with the public about CPP opportunities

Winter 2024:

- Hold Public Hearing on the Plan and Application draft
- Advertise Grant Opportunity
- Open Funding Applications for FY26
- Publish final draft of the Community Preservation Plan

Example Plans to Review:

- Historic Preservation Study
- Open Space and Recreation Plan
- Analysis of Impediments to Fair Housing Strategy
- Worcester Now-Next Long-Range Plan
- Housing Production Plan (in progress)
- The Green Worcester Plan



Community Preservation Program in FY25

Projected Timeline



Spring 2025

- **Advertise Grant Opportunity**
- **Receive and review Funding Applications**
- **Recommend the FY26 CPP budget**
- **Recommend a slate of CPA eligible projects to City Council**

Summer 2025:

- **Publicize funded projects**
- **Begin review of Plan and Application process**

Outreach Strategies:

- **Visits to Boards and Commissions**
- **Communication with other City Departments**
- **Communications to City Council**
- **Direct engagement with organizations and residents**
- **City social media**
- **Media interviews**
- **Monthly Newsletter**
- **Required Public Hearing**



Additional Resources

City Newsletter



Sign up for the
Community Preservation
Newsletter



Want to learn more about CPA and the CPP?

Reach Out to City Staff



We can:

- Answer questions on project eligibility
- Tell you about application openings and deadlines
- Listen to your priorities around project categories
- Listen to your input on the Community Preservation Plan
- Listen to your preferences for application procedures
- Give a talk on CPA to your community group

Contact:

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