

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

**Report to Town Meeting
– May 2022**

Introduction

In November 2004, the voters of Needham adopted the legislation known as the Massachusetts Community Preservation Act (CPA), a funding mechanism for Cities and Towns to award grants to applicants to support community housing, preservation of historic resources, acquisition and preservation of open space, and restoration and investment in recreational resources. The Needham Community Preservation Committee (CPC) is responsible for implementing Needham's Community Preservation Plan pursuant to the requirements of the CPA. Since November 2005, the 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 and Recreation Commission, Historical Commission, Housing Authority, and two members each appointed by the Town Moderator and Select Board

A summary of the CPC's FY2022 activities follows. Applications for this year were received in December of 2021. These applications were vetted and voted on by the CPC initially for eligibility for funding under the CPA. The applications were then assigned liaisons who worked with proponents to answer committee questions. In March, the CPC Chair met with the Select Board and the Finance Committee to consult on the proposals and a public hearing was held on March 16, 2022, with access both in person and remotely.

Agendas, minutes, and the Needham Community Preservation Plan are available on the Town's website at <http://needhamma.gov/CPC>

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 a town-wide vote accepting CPA. In FY2023, it is estimated that Needham will receive \$3,094,000 in property tax surcharges dedicated to CPA. 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 Trust Fund, and to date, since adoption of the CPA, has received a total of \$10,897,517 from this fund. The most recent distribution, in November 2021 was \$1,112,652, a 39.4% match to local collection.

The match over the years has fluctuated from 100% after initial passage of adoption of the CPA by Needham, to as low as 17.2% in FY2018. Additional communities passing CPA adoption in their communities, including the City of Boston in 2016, has resulted in an increase in the number of communities that are eligible for the match, thereby reducing the match percentage that Needham has received over time. Legislation was passed in July 2019 that provides for an increase in fees that go

toward the Community Preservation Trust Fund, which should help to stabilize the match moving forward.

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 to ensure compliance with the mandate. This year, the CPC has decided to recommend an increase of 22% for the Community Housing reserve to hold aside funds for future housing needs.

As a result of previous appropriations, the reserve balances available for appropriation at the May 2022 Annual Town Meeting are as follows:

Community Housing:	\$3,236,481
Open Space:	\$1,661,270
Historic Resources:	\$15,820
2022 Annual Reserve:	\$1,225,714
Free Cash:	\$2,584,930
TOTAL:	\$8,724,215 as of April 25, 2022

The unspent 2022 Annual Reserve, 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 five (5) projects to be funded at the 2022 Annual Town Meeting. After subtracting the appropriations for the five (5) projects and adding the FY2022 appropriations from Article 15 and a slight adjustment to reserve contributions from increased state match revenue in Article 16, the balances in the respective funds would be:

Community Housing:	\$2,626,652
Open Space:	\$1,890,345
Historic Resources:	\$72,937
2023 Annual Reserve:	\$1,385,308

Please note the figures assume that \$82,000 has been appropriated for the FY2023 administrative expenses. ***It does not include the eventual Free Cash funds that will be finalized in late 2022.***

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 the Staff Liaison's stipend. The funds were recently utilized to pay for the addition of conservation restrictions on properties purchased with CPA funds. The Needham CPC is a member of the Massachusetts Community Preservation Coalition and pays annual dues to the association, currently \$7,900. 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 15: Appropriate to Community Preservation Fund

This article appropriates the estimated FY2023 CPA receipts.

Annual Reserve	\$1,385,308
Community Housing Reserve	\$809,400
Historic Resources Reserve	\$28,050
Open Space Reserve	\$404,700

Article 16: Appropriate to Community Preservation Fund Supplement

In November 2021 a supplemental payment of State matching funds was received by the Town. To achieve the appropriate 10% minimum contribution to the various reserve accounts, this will appropriate an additional \$29,067 into the Historic Resources Reserve, \$24,375 into the Open Space Reserve, and \$48,749 into the Community Housing Reserve.

Article 17: NHA Pre-Development Linden Chambers

The CPC voted to approve for Town Meeting consideration \$1,386,000 for the funding of pre-development costs for the Linden Chambers housing project. The Needham Housing Authority is looking to engage a firm to prepare the preliminary design work required to obtain zoning relief and other due diligence items. Completion of these tasks will better position the Linden Chambers developments to receive funding from outside sources. The funds may also be used to create and explore options for temporary tenant relocation during the construction period.

Article 18: NHA Property Survey

The CPC voted to approve for Town Meeting consideration \$81,978 for the funding of a property survey for the Needham Housing Authority at the High Rock Estates site. The property conditions report will look at the federally subsidized, low-income housing development at the High Rock Estates site. This report is a prerequisite to apply to the U.S. Department of Housing and Urban Development for the approval of repositioning the site. Repositioning the site would substantially increase the property's operating income, unlock capital improvement dollars, and contribute to the redevelopment of the properties on the site.

Article 19: Community Farm Growing Beds

The CPC voted to approve for Town Meeting consideration \$200,000 for the funding of the construction of growing beds at the Needham Community Farm. The Needham Community Farm would construct 150, 4 by 12-foot garden beds for growing vegetables and flowers. The Farm would offer seasonal rentals, giving priority to Needham residents. The growing beds would occupy $\frac{3}{4}$ of an acre and would be fenced in. Access to the site would be improved to allow for disabled access to the beds, including 15 beds elevated for wheelchair-bound usage. Regrading would occur for improved drainage, with a shed constructed for tool storage and access to the water supply installed. Initial usage would start in the 2023 growing season.

Article 20: High School Tennis Courts Design

The CPC voted to approve for Town Meeting consideration \$50,000 for design and engineering costs associated with the reconstruction of the High School Tennis Courts. The funds would support the design of the repair or replacement of the existing tennis courts at the Needham High School, evaluating the

current conditions of the tennis courts and providing recommendations on the best option, resurfacing or a full renovation. The funds will also be used to complete all design documents needed for this project.

Article 21: Emery Grover Renovation

The CPC voted to approve for Town Meeting consideration \$6,000,000 for the renovation of the Emery Grover. The remaining \$13,400,000 for the project, including an addition to the Emery Grover and the temporary use of the Hillside School as swing space, will be funded through other, non-CPC funds. The project includes the historic renovation of the Emery Grover exterior. This project will also include more efficient use of shared space, construction of common work areas, and relocation of the educational technology/head end room function to other school buildings in addition to the historic renovation of the structure.

Conclusion

Needham is fortunate to have the use of CPA funds which have funded numerous successful projects for the community. Our appreciate is extended to the citizens of Needham and specifically Needham's Town Meeting members for their support. The Committee looks forward to FY2023 and new requests and interest from the residents of the community.

Peter Pingitore, Chair
Artie Crocker, Vice Chair
Joseph Barnes
Bob Dermody
Laura Dorfman

Reg Foster
Chris Gerstel
Jeanne McKnight
Richard Zimbone