

## **COMMUNITY PRESERVATION COMMITTEE**

The Community Preservation Committee is pleased to submit its annual report of activities for the fiscal year ending June 30, 2014.

### **The Community Preservation Process in Wellesley**

In 2002, Wellesley accepted the Community Preservation Act (CPA) and formed a Community Preservation Committee (CPC). Pursuant to the CPA, Wellesley established a surcharge of 1% on the local property tax and began to set aside the proceeds of the surcharge to support Community Preservation activities. As defined in the CPA, these funds may only be used for four designated purposes: Open space, Historic resources, Recreational resources and Community housing.

Funds raised through the local surcharge are partially matched annually by monies from the Massachusetts Community Preservation Trust Fund, which is made up of revenues from Land Court and Land Registry fees. As an early adopter of the CPA, Wellesley received a 100% match for the first five years (FY2004-2008). With the decline in the real estate market and an increase in the number of communities adopting the CPA, the State match has declined substantially since 2008. In October, 2012 Wellesley received \$251,233, which is 26.83% of the FY12 local levy of \$936,256.

As the result of revisions to the CPA adopted on July 8, 2012, the Legislature may add up to \$25 million extra funds from revenue excess to the Massachusetts Community Preservation Trust Fund each year. The process requires legislative and executive approval each year. This was approved in 2013 and Wellesley received a state match of \$508,375 (52%) in November 2013. The extra funding was approved again in 2014. The exact match has not yet been announced but we expect it to be approximately 40% or a little over \$400,000.

Since 2004, the town has received a total of \$5,021,806 in state matches as the result of adopting the CPA.

The Town's Community Preservation fund continues to be financially strong, despite the decline in state matches. Please see the Community Preservation columns of the Non Major Governmental Funds Combining Balance Sheet and Non Major Governmental Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balances in the Town's Comprehensive Annual Financial Report for detailed information.

The membership of Wellesley's CPC is determined by Town Bylaw. There are nine members, including representatives from five designated boards (Natural Resources Commission, Planning Board, Recreation Commission, Housing Authority and Historical Commission) plus four additional members appointed by the Moderator. In practice, one of the four Moderator appointed members is appointed on the recommendation of the Wellesley Housing Development Corporation.

Each year, the CPC must appropriate a minimum of 10% of all revenues for each of three primary purposes: open space, community housing and historic resources. These appropriations can be for specific projects or they can be allocated to

dedicated reserves for future use. The remaining Community Preservation revenues may be appropriated for any CPA allowable use or retained in undesignated funds for future appropriation. The CPC is also allowed to appropriate a maximum of 5% of all revenues for administrative purposes. These administrative funds are used to help the CPC plan and assess the feasibility or suitability of complex projects.

The CPA legislation provides language and guidelines defining allowable uses of CPA funds. In addition, the Department of Revenue Division of Local Services and the non-profit Community Preservation Coalition provide additional resources to guide communities like Wellesley. The July, 2012 revisions to the CPA include new allowable uses and some new restrictions. The CPC has been studying these changes to determine how to adapt its long range plan.

Each year the CPC studies the needs of the community and reviews funding proposals submitted by Town Boards and other eligible parties. The CPC will hold one or more public hearings to receive input from the community. The output of this process is a Five Year Plan for future projects plus a determination of which proposals will be supported with appropriation requests at the Annual Town Meeting. Frequently projects will be tentatively added to the Plan without a firm commitment. This helps the committee view its long term commitments and plan appropriately.

The need to identify future projects is particularly meaningful this year. The activities in the last few years depleted considerable CPC resources and left the Committee with only a few projects on the long range plan. As we finished the fiscal year in June, we learned of the possibility of acquiring the North 40 parcel from Wellesley College. The plans presented in this annual report do not include that project. But, if such a project were to be funded with significant CPA funds, the CPC would need to borrow for the first time. Many other communities have funded CPC activities through borrowing and the CPA is explicit in allowing this as a source of funding.

When CPA funds are used to acquire a real property interest, the CPA requires that the land be placed under an appropriate Conservation Restriction, Agricultural Preservation Restriction, Historic Preservation Restriction, or Affordable Housing Restriction. This ensures that the property continues to be used for the applicable CPA purpose. The restriction must be approved by the appropriate State agency and recorded at the County Registry of Deeds. Past acquisitions by the Wellesley Housing Development Corporation have recorded the appropriate restrictions. To date, Wellesley has not purchased any other land using CPA funds, but both 900 Worcester Street and the North 40 would fall under this requirement.

Community Preservation funding proposals generally consist of capital expenditures for the purposes permitted by the CPA. Maintenance and ordinary operating expenses are not eligible. All appropriations from the Community Preservation fund must be approved by the Wellesley CPC and then subsequently be approved at a Wellesley Annual or Special Town Meeting.

In the past, capital funding of improvements for recreational and open space resources had been limited to property acquired with CPA funds. However, the

changes that went into effect starting July 2012 allow the use of CPA funds to develop or improve recreation resources not purchased with CPA funds.

### **An Overview of Community Preservation Activities**

The Committee operates pursuant to a Community Preservation Plan for the Town, including specific Decision Guidelines and Goals which are used in reaching decisions about whether and to what extent to recommend funding for the proposals submitted to the Committee. A copy of the Community Preservation Plan as well as other materials, including reports by the Committee to Town Meeting, can be found at the Committee's link on the Town's website at [www.wellesley.ma.gov](http://www.wellesley.ma.gov).

To date, the Committee has funded a total of 47 projects. The complete list can be viewed at Community Preservation Coalition website at the link: <http://www.communitypreservation.org/projects/report?town=Wellesley>

Including FY15 appropriations approved at the 2014 ATM, the CPC has appropriated \$14,542,119 for these projects. Of this total, \$3,190,500 (21.9%) has been appropriated for Community Housing; \$4,632,890 (31.9%) for Recreation, \$3,215,469 (22.1%) for Historic Resources, and \$3,503,260 (24.1%) for Open Space. As discussed below, a total of \$4,551,140 was appropriated during FY14 for three projects.

### **Projects Funded at the 2013 December Special Town Meeting**

#### **Increased budget for Fuller Brook Park Preservation Project Phase III**

**Sponsor:** Fuller Brook Park Coordinating Committee

**Description of the Project:** This appropriation supplemented the budget for Phase 3 of the Fuller Brook Park Preservation Project. The original funding of \$665,000 was appropriated at the 2011 Special Town Meeting. During the design process, unanticipated but necessary engineering costs necessitated the addition of \$35,000 to the budget. The funds were taken from the CPC Historic Resources Reserve Fund.

**Amount:** \$35,000

### **Projects Funded at the 2014 Annual Town Meeting**

#### **Fuller Brook Park Preservation Project IV (Construction Phase)**

**Sponsor:** Fuller Brook Park Coordinating Committee

**Description of the Project:** This appropriation funds the final phase of the Fuller Brook Park Preservation Project. This multi-year construction phase will complete the project to preserve the Fuller Brook Park. The CPC and the Fuller Brook Park Coordinating Committee recommended this appropriation because they believe it is vital to preserve and restore this valuable resource for the Town and for the use of all Wellesley citizens.

The CPC is paying for over 80% of the cost of this project, \$4.5 million out of a total of \$5,470,205. Of the \$4.5 million CPC appropriation:

- \$475,000 was taken from the CPC Open Space Reserve Fund
- \$344,000 was taken from the CPC Historic Resources Reserve Fund
- \$3,681,000 is to be taken from the CPC undesignated fund balance

The Town's share of \$970,205 was raised by borrowing.

**Amount:** \$4,500,000

### **ADA Compliant Dock Extension at Morses Pond**

**Sponsor:** Recreation Department

**Description of the Project:** This appropriation enables the installation of an Americans with Disabilities Act (ADA)-compliant dock extension to the Morses Pond Fishing Dock. An ADA-compliant kayak launch will be attached to the existing fishing dock and will allow for those with physical challenges to enter and exit a kayak safely with little or no assistance from others. It will also make it easier for parents to kayak with their children.

The appropriation of \$16,140 was taken from the CPC undesignated fund balance. An additional \$4,030 was raised by contributions from the community. This project has already been completed. The dock extension was installed and ready for use in early June 2014.

This is the first appropriation approved under guidelines from the State encouraging the use of CPA funds to make Town resources handicapped accessible.

**Amount:** \$16,140

### **Looking Forward**

During the coming year, the Community Preservation Committee will continue to work diligently with Town Boards and community organizations to successfully implement already approved projects, consider new projects, and in particular to advance the process of generating long term strategic plans for historic resources, open space, recreation and community housing.

Respectfully Submitted,

Allan Port, Chair  
Barbara McMahon, Vice Chair  
Deborah Carpenter  
James Conlin  
Kathy Egan  
Joan Gaughan  
Tad Heuer  
Theodore Parker  
Susan Troy