

Community Preservation Act Information

- Range of 0.5% to 3% surcharge on real estate property tax bills
- First \$100,000 of taxable value is exempt
- Persons with income less than 80% of area median income are exempt
- Seniors with income less than 100% of area median income are exempt.
- Local raised funds are matched on a percentage basis by funds from State Community Preservation Fund

Required Allocation of Funds



community housing reserve
(minimum)



historic resources reserve
(minimum)



open space reserve
(minimum)



program administration
(maximum)



Understanding The Property Tax Surcharge

- Exemptions:

1. Residential property owned and occupied by any person who qualifies for low-income housing, or low- or moderate-income senior housing &
2. \$100,000 of taxable value of residential real property

Town of Sterling Example for FY2020

Average Price of House in Sterling	\$363,400 - \$100,000 exemption = \$263,400
Residential Tax Rate	\$16.81
Average Annual Tax	\$6,109. - \$100k = 3% surcharge on \$4428
Annual CPA Surcharge for Average Priced Home: 3%	\$133 CPA Surcharge

Possible Revenue

Average Payment into CPA \$133	Number of Households 3482
Annual collection \$463,106	State Contribution 11.57%
State Contribution \$53, 581	Net annual contribution \$516,687
5 year balance \$2,583,436	Before expenses, interest; level state contr.

Past and Future Projects that might use CPA

• 1835 Building – <i>Historic Preservation</i>	
• 2004 Painting	\$37,500
• 2007-10-11-12-13-15 maintenance	\$30,000
• 2007 ADA improvements	\$26,750
• 2010 “ “	\$70,000
• 2011 ADA improvements	\$75,000
• 2012 Windows & masonry repairs	\$55,000
• 2017 Roof & ceiling repair	\$298,000
• 2017 Septic design	\$2,020
• 2019 Septic system	\$120,000
• <u>2019 Sprinkler system</u>	<u>\$125,000</u>
Total	\$839,270

Past and Future Projects that might use CPA

- Land Purchase – *Open Space Preservation*
 - 2011 Purchase Hardscrabble Rd. \$185,000
 - 202x Purchase Recreation Fields \$???????
 - 202x Purchase Fair grounds \$???????
- Affordable Housing – *Community Housing*
 - TBD \$???????

Total spent to date, \$1,024,270.

***IF it was via the CPA, the State would have reduced local expenses by:
\$118,508***