



Hamilton Community Preservation Committee

2021 Annual Meeting

August 2, 2021

Jay Butler, Chair, CPC

1

Hamilton CPC 2021 Annual Meeting

- **Hamilton CPC Committee**
 - **Coordinator – vacant**
 - Meeting Minutes – Mary Alice Cookson
 - Jay Butler – at-large - Chair
 - Robert Preston – at large - Vice-Chair
 - Kim Dietel – at-large
 - Rick Johanson - at-large
 - **Historic District Commission Rep. - Vacant**
 - **Conservation Commission Rep. - Vacant**
 - Richard Boroff – Planning Board Rep.
 - Sherry Leonard – Housing Authority Rep.
 - Shawn Farrell – Board of Selectmen Rep.
 - Recently Leaving the Committee: Katherine Mittelbusher

2

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MA Community Preservation Act (CPA)

- CPA signed into law September 2000
- Hamilton adopted in May 2005 via ballot at the polls.
- 187 of 351 MA communities now participate with 70 communities having a 3% surcharge
- The CPA Trust Fund is managed by the MA Dept. of Revenue (DOR) which sets the state match and the two additional, fixed amount, distributions for communities with a 3% surcharge.
- The CPA Trust Funds are derived from the Registry of Deeds property transaction fees at all MA locations and any year-end budget surplus voted by the legislature.
- An April 14, 2021 press release from the DOR predicted a 32.3% state match in November 2021 vs. 28.6% in 2020.
- The June 17, 2021 newsletter from the Community Preservation Coalition reports the Trust Fund revenues are 100% higher over the same six-month time period last year

3

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Northeast MA Communities CPA Status

- No Participation – Amesbury, Andover, Byfield, Danvers, Haverhill, Ipswich, Lynn, Lynnfield, Marblehead, Newbury, Salisbury, Saugus, Swampscott, Topsfield, Wakefield
- 1% Surcharge - Beverly, Gloucester, Middleton, Peabody, Salem
- 1.5% Surcharge – Essex, Manchester
- 2% Surcharge - **Hamilton**, Newburyport
- 3% Surcharge – Boxford, Georgetown, Groveland, North Andover, Rockport, Rowley, **Wenham**, West Newbury

4

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Hamilton 2020 CPA Trust Fund Distribution November 2020 CPA Revenues

- 2% Surcharge Revenue = \$480,851
- 28.6% State Match = \$144,903
- Total Revenue = \$625,754

5

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Wenham 2020 CPA Trust Fund Distribution November 2020 CPA Revenues

- 3% Surcharge Revenue = \$411,549
- 28.6% State Match = \$117,812
- Additional Round 2 = \$76,334
- Additional Round 3 = \$44,969
- Total Revenue = \$650,664
 - \$24,910 more than Hamilton

6

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CPA Trust Fund Distributions in Rounds Two and Three for Communities with 3% Surcharge

- DOR analysis of population and property taxes per capita results in an Equalized Property Valuation (EPV).
- All 351 MA communities are divided into 10 deciles based on their EPV.
- Communities with the lowest EPV are placed in the top deciles and receive more money.

7

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CPA Communities in the Fourth Decile as Determined by MA DOR

Amherst, Carver, Dunstable, Groveland, Hatfield,
Mendon, Sturbridge, **Wenham**

3

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CPA Communities in the Seventh Decile as Determined by MA DOR

Attleboro, Bellingham, Boxford, Carlisle, Dracut, Erving, Everett, Grafton, Great Barrington, **Hamilton**, Haverhill, Hudson, Lenox, Middleton, Malden, Marion, Mattapoisett, Medway, Methuen, Middleton, Milford, Newbury, Northampton, Pembroke, Provincetown, Raynham, Rehoboth, Salisbury, Seekonk, Sherborn, Stockbridge, Topsfield, Truro, Wellfleet, West Tisbury

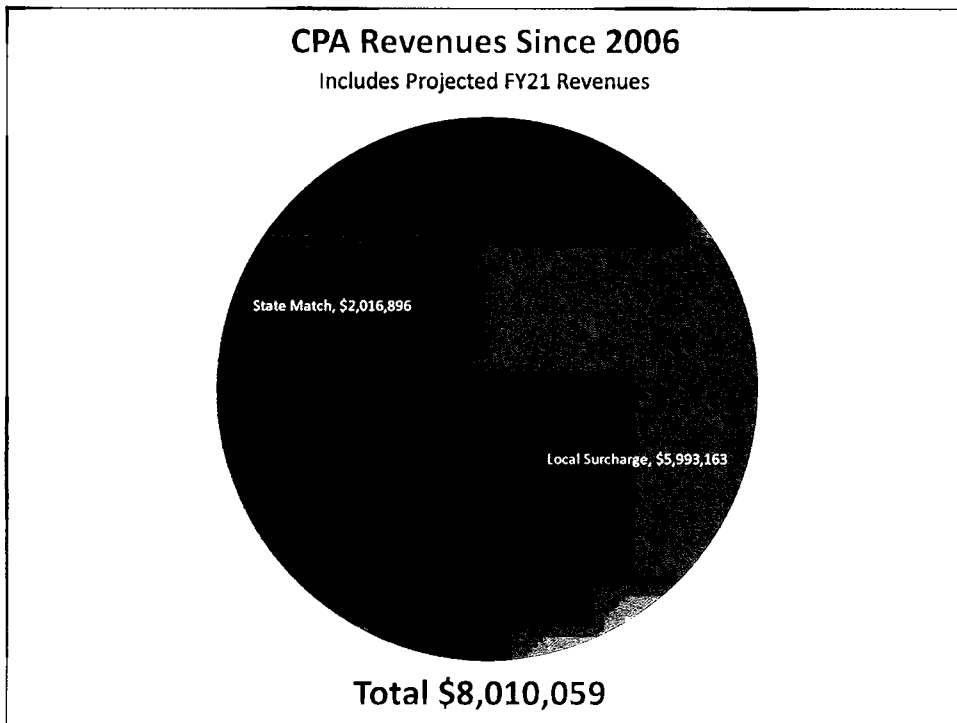
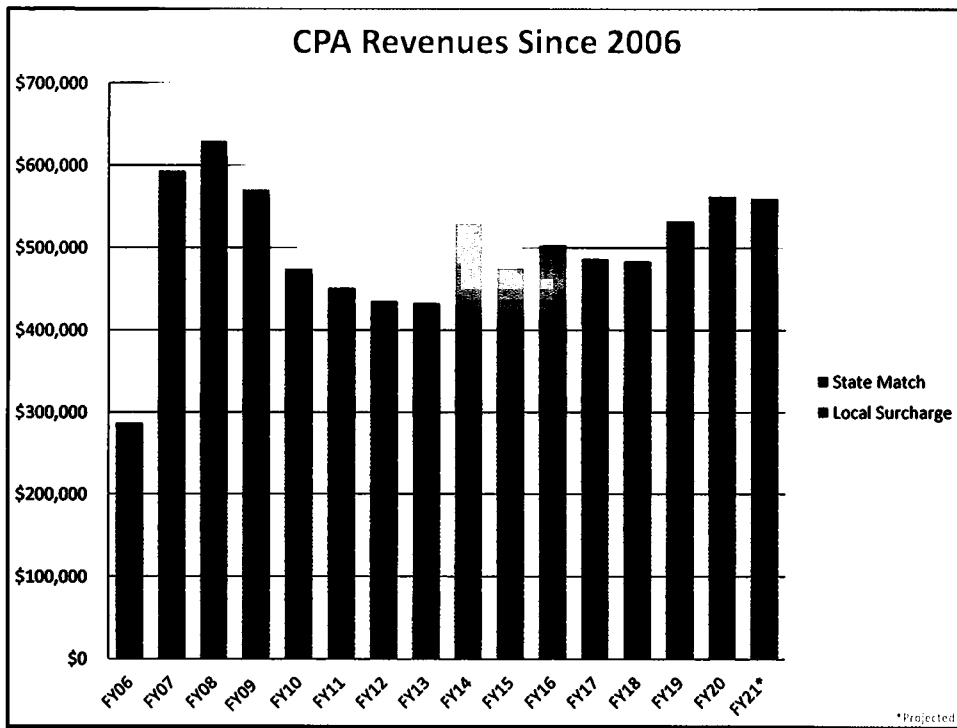
9

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Statewide CPA Trust Fund - Distribution History

Date of Distribution	Communities Receiving Distribution	Total Amount Distributed from Trust Fund (in millions)	Preliminary Rate Trust Fund Distribution	State Surplus Funds Added (in millions)	Final Base Trust Fund Distribution
10/15/2002	34	\$17.80	100.00%	\$0	100.00%
10/15/2003	54	\$27.10	100.00%	\$0	100.00%
10/15/2004	61	\$30.80	100.00%	\$0	100.00%
10/15/2005	82	\$46.30	100.00%	\$0	100.00%
10/15/2006	102	\$58.70	100.00%	\$0	100.00%
10/15/2007	113	\$68.10	100.00%	\$0	100.00%
10/15/2008	127	\$54.60	67.62%	\$0	67.62%
10/15/2009	135	\$31.60	34.81%	\$0	34.81%
10/15/2010	142	\$25.90	27.20%	\$0	27.20%
10/15/2011	143	\$26.70	26.64%	\$0	26.64%
10/15/2012	148	\$27.70	26.83%	\$0	26.83%
11/15/2013	148	\$32.69	30.61%	\$25.00	52.25%
11/15/2014	155	\$25.85	22.30%	\$11.40	31.46%
11/15/2015	156	\$22.25	22.14%	\$10.00	29.67%
11/15/2016	157	\$26.72	20.58%	\$0	20.55%
11/15/2017	162	\$24.03	17.20%	\$0	17.20%
11/15/2018	172	\$24.48	13.80%	\$10.00	19.01%
11/15/2019	173	\$23.76	13.90%	\$20.00	23.90%
11/15/2020	176	\$55.66	28.63%	\$0	28.63%

10



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2021 Estimated CPA Trust Fund Distribution November 2021 CPA Revenues

- 2% Surcharge = \$506,659
- 32.9% State Match = \$166,691
- Total Revenues = \$673,350

13

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What if Hamilton Had a 3% surcharge in November 2021?

(Based on estimated 2021 Revenues and 2020 distribution rounds 2 and 3 for 3% communities)

- 3% Surcharge Revenue = \$759,854
- State Match @32.9% = \$249,992
- Round 2 Distribution = \$55,592
- Round 3 Distribution = \$35,978
- Estimated Total CPA revenue = \$1,101,416
- Revenue increase with 3% vs. 2% Surcharge = \$475,662¹⁴

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What if Hamilton Had a 3% surcharge in November 2021?

- Value of Average Property in Hamilton = \$632k
- Annual Property Taxes at \$17.51 per \$1000 = \$11,066
- 2% CPA Surcharge = \$186.31
- 3% CPA Surcharge = \$279.46
- **Cost increase for 3% vs. 2% Surcharge = \$93.15 annually = \$23.29 per quarter**

15

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2021 CPA Surcharge Cost 2% vs. 3%

Property Assessed Valuation	Annual Property Tax at \$17.51 per thousand	Annual 2% Surcharge	Annual 3% Surcharge	Annual Increase in Surcharge 2%
\$300k	\$5,253	\$70	\$105	\$35
\$400k	\$7,004	\$105	\$158	\$53
\$500k	\$8,755	\$140	\$210	\$70
\$600k	\$10,506	\$175	\$263	\$88
\$700k	\$12,257	\$210	\$315	\$105
	\$14,008	\$245	\$368	\$123
	\$15,759	\$280	\$420	\$140
1M	\$17,510	\$315	\$473	\$158
1.5M	\$26,265	\$490	\$735	\$245

Surcharge = (Assessed Valuation - \$100k) x Tax Rate x 2%

16

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Full Exemption to CPA Surcharge

Property Owned Low Income Non-Senior

- 2021 Income Limits:
- 1-Person Household: \$66,640
- 2-Person Household: \$76,160
- 3-Person Household: \$85,680
- 4-Person Household: \$95,200

Property Owned by Senior (60+)

- 2021 Income Limits:
- 1-Person Household: \$83,300
- 2-Person Household: \$95,200
- 3-Person Household: \$107,100
- 4-Person Household: \$128,520

17

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Process for increasing CPA surcharge to 3%

- **Citizen's Petition** for Town Meeting Warrant
 - 10 signatures for ATM; 100 signatures for STM
- **CPC vote** to support petition (not required)
- **Town Meeting vote** by simple majority
- **Vote at the polls** by simple majority
 - Minimum 90 days after Town Meeting in a scheduled local or state election, not a special election
 - Exception to 90-day requirement allowed if 5% of registered voters petition
- **Voters billed** at 3% surcharge at start of next quarter
- **MA Dept. of Revenue (DOR) tracks revenue** only from November 1st to October 30, and needs to recognize a full 12 months of collections

18

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Timeline for increasing CPA surcharge to 3%

A long range planning tool

- **Fall 2021 STM approval of petition;** local election approval Spring 2022; DOR 3% surcharge recognition November 2023; CPC grant application approval Spring 2024 ATM; **approved funds available July 2024**
- **Spring 2022 ATM approval of petition;** local election approval Spring 2023; DOR 3% surcharge recognition November 2024; CPC grant application approval Spring 2025 ATM; **approved funds available July 2025**

19

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CPC Grants Approved at Fall 2020 STM and Spring 2021 ATM

- First Congregational Church of Hamilton - Restoration of Clock Tower and Belfry - \$75k
- Hamilton Town Hall - Renovation Project - \$3M and \$1M
- Hamilton Wenham Recreation Department – Patton Park Tennis Courts Resurfacing - \$32k

Potential CPC Grant Requests Anticipated for FY22

- Hamilton Town Hall Renovation, Addition, and Preservation Project – amount TBD by Hamilton Historic District Commission
- Affordable Housing Trust – amount TBD

20

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CPC Outstanding Bonds

- **Sagamore Hill** (John J. Donovan Recreation Area)
 - FY 2021 Premium = \$110.6k
 - Matures in 2032. Original 2015 Grant was \$1.25M bond for 15 years plus \$500k in cash
- **Town Hall** Renovation, Addition, and Preservation Project, \$3M + \$1M = \$4M grant. Initial 2nd year premium for \$4M, 3.25%, 30-year, municipal bond = \$263.3k
 - This bond will be enacted if:
 - Project approved at Town Meeting by a 2/3's vote
 - Project approved at polls by simple majority
 - Construction starts prior to November 15, 2022.

21

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CPC Bonding Availability in 2021/2022

- Annual estimated funds in 2021 available for bond premiums = \$506,659 (surcharge revenue)
 - Less \$110,600 (Sagamore Hill)
 - Less \$263,200 (Town Hall Renovation Town Hall bond premium virtually escrowed at 2nd year premium amount)
- Remaining funds for bond premiums = \$132,659 (Equal to the 2nd year, annual premium for a 30 year, 3.25%, \$1M bond)

22

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CPC Bonding Requirements

- Annual premiums for bonds can only be paid from surcharge revenues and not from revenues from the state match.
- Approval at Town Meeting must be by a 2/3's vote.
- The CPC must remain in existence until all bond repayments have been made, otherwise the bonds become the responsibility of the Town.

23

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State of CPC Reserves @ 6/30/21

- Open Space and Recreation = \$62
- Community Housing = \$101,945
- Historical Preservation = \$34,676
- Unreserved = \$91,852
- Escrowed Funds (approved grants and admin expenses) = \$412,731
- Total Reserves = \$642,266

24

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Past CPC Grants by Category Since 2006

Total = 86 Grants = \$11,966,148

- **Open Space and Recreation**
 - 28 grants = 32% of total number
 - \$4,567,667 = 38% of total amount
- **Historic Preservation**
 - 41 grants = 48% of total number
 - \$5,743,890 = 48% of total amount
- **Community Housing**
 - 17 grants = 20% of total number
 - \$1,654,591 = 14% of total amount

25

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	Ranking by Dollars	Organizations	Per Cent of		Number of Grants	Per Cent of Total Number
			Total Grant Dollars	Total Dollars		
Past Grants by Grantee since 2006	1	Hamilton Department of Public Works	\$4,796,344	40%	17	20%
	1	Hamilton Wenham Recreation Dept.	\$2,400,120	20%	11	13%
	2	Essex County Greenbelt Association	\$1,750,000	15%	1	1%
	3	Hamilton Affordable Housing Trust	\$1,110,000	9%	8	9%
	5	Hamilton Housing Authority	\$514,591	4%	6	7%
	6	Patton Homestead	\$379,000	3%	5	6%
	7	The Community House	\$255,550	2%	5	6%
	8	American Legion A.P. Gardner Post 194	\$204,300	2%	3	4%
	9	Hamilton Council on Aging	\$141,625	1%	7	8%
	10	Hamilton Wenham School Department	\$97,647	1%	3	4%
	11	Hamilton Historical Society	\$62,071		6	7%
	12	Hamilton Conservation Commission	\$36,200		6	7%
	13	Hamilton Planning Board	\$30,000		1	1%
	14	Asbury Grove Camp Meeting Association	\$26,000		1	1%
	15	Essex County Trails Association	\$25,000		1	1%
	16	Chebacco Woods Land Management Committee	\$25,000		1	1%
	17	Pleasant Pond Association	\$23,200		1	1%
	18	First Congregational Church of Hamilton	\$86,000		2	2%
	19	Boy Scout Troop 35	\$3,500		1	1%
		Total	\$11,966,148	97%	86	100%

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Future Anticipated Projects – Category A: Eligible Project, Detailed Cost Estimate, Strong Support

Historic Preservation	Town of Hamilton	Renovation of Town Hall	\$2,000,000	2021
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Future Anticipated Projects - Category B: Some Question on Eligibility, Cost Guesstimate, Project Needs More Definition

Open Space / Recreation	Recreation Board	Turf Field at High School	\$200,000	2021
Community Housing	Affordable Housing Trust	Construction of New Community Housing	\$250,000	2021
Historic Preservation	American Legion	Roof, Gutter and Downspouts	\$42,000	2021

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Future Anticipated Projects – Category C: No Project Definition, Costs Unclear, Project Support in Question				
Open Space/ Recreation	Planning Board	Feasibility Study for Chebacco Lake Beach Improvement	\$20,000	2020
Open Space/ Recreation	Planning Board	Feasibility Study for Sledding Slope on Donovan Hill	\$5,000	2020
Historic Preservation	Council on Aging	Installation of Elevator and Fire Escape	\$221,140	2022

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Allowable Uses of CPA Grant Money				
	Open Space	Historic	Recreation	Housing
Acquire	Yes	Yes	Yes	Yes
Create	Yes	No	Yes	Yes
Preserve	Yes	Yes	Yes	Yes
Support	No	No	No	Yes
Rehabilitate and/or Restore	Yes <small>(If acquired or created with CPA funds)</small>	Yes	Yes	Yes <small>(If acquired or created with CPA funds)</small>

Hamilton CPC 2021 Annual Meeting

2021 - 2022 TIMELINE FOR CPC PROJECT REVIEW

- **Thursday, July 8th, 2021** - CPC Meeting
- **Monday, July TBD, 2021** - Annual Public Meeting – Joint Meeting with BOS (tentative)
- **Thursday, August 5th, 2021** - Deadline to submit Eligibility Application for consideration at Special Town Meeting
- **Thursday, August 12th, 2021** - CPC Meeting to review Eligibility Applications
- **Thursday, September 2nd, 2021** - Deadline to submit Funding Application for consideration at Special Town Meeting
- **Thursday, September 9th, 2021** - CPC Meeting to review Funding Applications
- **Thursday, October 14th, 2021** - CPC Meeting to prepare for Special Town Meeting
- **Saturday, October 23, 2021** - Special Town Meeting
- **Thursday, December 9th, 2021** - CPC Meeting

31

Hamilton CPC 2021 Annual Meeting

2021-2022 TIMELINE FOR CPC PROJECT REVIEW (Cont'd)

- **Thursday, January 13th, 2022** - CPC Meeting
- **Thursday, February 3rd, 2022** - Deadline to submit Eligibility Application for consideration at Annual Town Meeting
- **Thursday, February 10th, 2022** - CPC Meeting to review Eligibility Applications
- **Thursday, March 3rd, 2022** – Deadline to submit Funding Applications for considerations at Annual Town Meeting
- **Thursday, March 10th, 2022** – CPC Meeting to review Funding Applications
- **Thursday, April 14th, 2022** - CPC Meeting to prepare for Annual Town Meeting
- **Thursday, May 12th, 2022** - CPC Meeting
- **Saturday, May TBD, 2022** - Annual Town Meeting
- **Thursday, June 9th, 2022** – Tentative Joint Meeting with Wenham CPC

32

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We would like to have your ideas for CPC grant requests.

CPC Meetings are at 7:00 PM on the second Thursday of each month.

Thank you.

Jay Butler, Chair, CPC
jbutler@hamiltonma.gov

33

