



Hamilton Community Preservation Committee (CPC)

2024 Annual Public Informational Meeting

CPC and Select Board Joint Meeting

July 15, 2024

Jay Butler, Chair, CPC

Hamilton CPC 2024 Annual Meeting

Hamilton CPC Committee – 9 members

- Coordinator - Laurie Wilson
- Jay Butler - at-large - Chair
- Robert Preston – at-large - Vice-Chair
- Kim Dietel - at-large
- Shawn Farrell - at-large
- **Vacant** - Historic District Commission Rep.
- Sandy Coddling - Conservation Commission Rep.
- Darcy Dale - Planning Board Rep.
- Michelle Horgan - Housing Authority Rep.
- Bill Wilson – Select Board Rep.

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MA Community Preservation Act (CPA)

- Became law in 2000. Hamilton adopted the CPA in 2005.
- 196 of 351 or 56% of MA communities participate.
- Communities choose from a 1% to 3% surcharge on their property taxes.
- The CPA Trust Fund is managed by the MA Dept. of Revenue (DOR) that sets and distributes the state match in November.
- The CPA Trust Fund source of funds:
 - All property transaction fees from the 21 MA Registry of Deeds offices
 - Any potential year-end state budget surplus voted by the MA legislature.

Historical CPA Trust Fund Distributions

CPA Trust Distribution Years	Number of Communities	State Match
2002 - 2007	34 - 113	100%
2008	127	67.62%
2009/2010/2011/2012	135/142/143/148	34.81%/27.2%/26.64%/26.83%
2013	148	52.23% (includes \$25M budget surplus)
2014	155	31.46% (includes \$11.4M budget surplus)
2015	156	29.67% (includes \$10M budget surplus)
2016 - 2017	157 - 162	20.58% - 17.2%
2018	172	19.01% (includes \$10M budget surplus)
2019	173	23.9%
2020	176	28.63%
2021	177	43.84% (includes \$10M budget surplus)
2022	187	38.51% (includes \$20M budget surplus)
2023	195	21.02%

Hamilton CPA Surcharge and State Match Revenues History				
Year	Local Surcharge	State Match	% State Match	Total
FY06	\$287,075	\$0	N/A	\$287,075
FY07	\$306,399	\$287,075	100%	\$593,474
FY08	\$323,332	\$306,399	100%	\$629,731
FY09	\$351,809	\$218,638	68%	\$570,447
FY10	\$352,154	\$122,482	35%	\$474,636
FY11	\$355,452	\$95,793	27%	\$451,245
FY12	\$345,568	\$94,689	27%	\$440,257
FY13	\$340,816	\$92,731	27%	\$433,547
FY14	\$351,527	\$177,992	52%	\$529,519
FY15	\$365,041	\$110,608	32%	\$475,649
FY16	\$394,876	\$108,237	30%	\$503,113
FY17	\$405,380	\$81,253	21%	\$486,633
FY18	\$414,402	\$69,734	17%	\$484,136
FY19	\$454,083	\$78,798	19%	\$532,881
FY20	\$480,851	\$108,610	24%	\$589,461
FY21	\$493,937	\$137,651	29%	\$631,588
FY22	\$523,025	\$216,540	44%	\$739,565
FY23	\$517,755	\$199,395	39%	\$717,150
FY24	\$556,652	\$117,032	21%	\$673,684
Totals	\$7,620,134	\$2,623,657		\$10,243,791

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DOR 2024 State Match Estimate

Community Preservation Coalition prediction on May 14, 2024

- Unlikely there will be any addition of surplus funds in 2024 from the MA legislature to the CPA Trust Fund.
- Registry of Deeds revenues down 26% in April 2024 vs. April 2023
- Registry of Deeds revenues down 10% at mid-year over last year
- State match estimated at 14.4% in November 2024.

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MA Millionaire's Tax

- Approved as an amendment to the MA Constitution in November 2022 with effectivity for the 2023 tax year
- Provides for a 4% surtax on an individual's taxable income over \$1M
- Generated over \$1.8B in unexpected state revenue in the first 5 months of 2024 with funds restricted to be used for education and transportation projects
- Although speculating, this unbudgeted increase in state revenue could potentially allow for the DOR Trust Fund to receive some surplus budget funds.

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Hamilton November 2023 CPA Trust Fund Distribution

- 2% Surcharge Revenue = \$556,652
- 21% State Match = \$117,032
- Total FY24 CPA Revenue = \$673,684

Wenham November 2023 CPA Trust Fund Distribution

- 3% Surcharge Revenue = \$507,993
- 21% State Match = \$106,802
- Round 2 Distribution = \$63,801
- Round 3 Distribution = \$41,899
- Total FY24 CPA Revenue = \$720,494

NOTE: If Hamilton had a 3% surcharge: Potential Total FY24 CPA Revenue = \$1,096,805 = \$423,121 increase over 2% surcharge

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Essex County Communities CPA Status

- **No Participation** – Andover, Danvers, Haverhill, Ipswich, Lawrence, Lynn, Lynnfield, Marblehead, Merrimac, Methuen, Newbury, Salisbury, Swampscott (voting this year), Topsfield
- **1% Surcharge** – Amesbury, Beverly, Gloucester, Middleton, Peabody, Salem
- **1.5% Surcharge** – Essex, Manchester, Tewksbury
- **2% Surcharge** – **Hamilton**, Newburyport
- **3% Surcharge** – Boxford, Georgetown, Groveland, Nahant, North Andover, Rockport, Rowley, **Wenham**, West Newbury

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Select Essex County Communities Tax Rate and (CPA Info)

- **Highest** – Wenham @ \$15.66 (3% surcharge)
- **2nd Highest** – Amesbury @ \$15.64 (1% surcharge)
- **3rd Highest** – Hamilton @ \$15.11 (2% surcharge)

- **Lowest** – Rockport @ \$8.42 (3% surcharge)
- **2nd Lowest** – Nahant @ \$9.07 (3% surcharge)
- **3rd Lowest** – Peabody @ \$9.12 (1% surcharge)

- **Highest in MA** – Wendell @ \$22.15 (0% surcharge)
- **Lowest in MA** – Chilmark @ \$2.12 (3% surcharge)

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CPA Surcharge Calculation

Property Assessed Valuation	Property Tax at \$15.11 per Thousand	Annual 2% CPA Surcharge (For 3% surcharge multiply by 1.5)
\$500k	\$7,555	\$121
\$600k	\$9,066	\$151
\$700k	\$10,577	\$181
\$800k	\$12,088	\$212
\$900k	\$13,599	\$242
\$1M	\$15,110	\$272
\$1.5M	\$22,650	\$423

Annual CPA Surcharge Calculation

(Assessed Value - \$100k) x (Tax Rate/\$1k) x 2% Surcharge = Surcharge

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Exemptions in 2024 to CPA Surcharge

- First \$100k valuation of property – full exemption for all residents
- Taxpayers over 65 who receive the annual \$1000 Elderly 41D exemption from the state - full CPA exemption determined by residency requirements and annual income limits
- Hamilton exemptions for seniors 60+ and low-income non-senior families - full CPA exemption based on income limits

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Full Exemptions to the CPA Surcharge

Property Owned by Low Income Non-Senior 2024 Income Limits:

- 1-Person Household: \$83,610
- 2-Person Household: \$95,560
- 3-Person Household: \$107,500
- 4-Person Household: \$119,440

Property Owned by Senior (60+) 2024 Income Limits:

- 1-Person Household: \$104,600
- 2-Person Household: \$119,500
- 3-Person Household: \$134,400
- 4-Person Household: \$149,300

NOTE: Application via the Assessor's Office

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CPA Grant Application Process

- **Eligibility Application – CPC approval needs vote of 5 members**
 - Can requestor do the project? Determination of Project eligibility per CPA rules frequently requires Town Counsel input.
- **Funding Application – CPC approval needs 5 of 9 members**
 - Review of cost estimate. Determination of status of reserves. Decision on bonding. ID of additional sources of funding.
- **Town Meeting Vote – needs a simple majority for approval; if a bond is required, a 2/3's vote needed**
 - CPC approved grants are automatically placed on the warrant for the upcoming Town Meeting
 - Subsequent reviews and votes by the Select Board and Finance and Advisory Committee are advisory only
 - Town Meeting approval requires project start within two years

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CPA Allowable Eligibility Categories

	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	No (unless acquired or created with CPA \$\$)	Yes	Yes	No (unless acquired or created with CPA \$\$)

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Artificial Turf and the Community Preservation Act (CPA)

- **CPA in 2000 – Initial Law**
 - Allowed CPA funds for artificial turf on athletic fields
 - Precluded rehabilitation of existing recreational facilities unless originally purchased with CPA funds.
- **CPA in 2012 – Amendment to the Initial Law**
 - Allowed CPA funds to be used to rehab existing athletic facilities
 - Added to law: *“With respect to recreational use, the acquisition of artificial turf for athletic fields shall be prohibited.”*
- **CPA in 2024 – Multiple Rule Interpretations by Communities**
 - Only the artificial turf is prohibited for athletic fields.
 - The dirt/stone base foundation system is excluded as well.
 - No use of CPA funds on entire project if artificial turf is used.
- **Current Situation in Hamilton**
 - The HW Regional School Department will use their \$800k Athletic Facilities CPA grant for the amenities building.

Ranking by Dollars	Organizations Receiving Grants since 2006 (Town Organizations in Green)	Total Grant Dollars	Per Cent of Total Dollars	Number of Grants	Per Cent of Total Number
1	Hamilton Department of Public Works	\$5,350,044	38%	22	23%
2	Hamilton Wenham Recreation Department	\$2,426,120	17%	12	13%
3	Essex County Greenbelt Association	\$1,750,000	12%	1	1%
4	Hamilton Affordable Housing Trust	\$1,575,000	11%	8	8%
5	HW School Department	\$894,647	6%	4	4%
6	Hamilton Housing Authority	\$514,591	4%	6	6%
7	The Community House	\$431,050	3%	7	7%
8	Patton Homestead	\$304,000	1%	4	4%
9	American Legion A.P. Gardner Post 194	\$204,300	1%	3	3%
10	Hamilton Fire Department	\$150,000	1%	1	1%
11	Hamilton Council on Aging	\$134,125	1%	6	6%
12	First Congregational Church of Hamilton	\$86,000	1%	2	2%
13	Hamilton Historical Society/Town Clerk	\$62,071		6	7%
14	Hamilton Conservation Commission	\$45,600		7	7%
15	Hamilton Planning Board	\$70,000		2	2%
16	Asbury Grove Camp Meeting Corporation	\$26,000		1	1%
17	Essex County Trails Association	\$25,000		1	1%
18	Chebacco Woods Land Management Committee	\$25,000		1	1%
19	Pleasant Pond Association	\$23,300		1	1%
20	Boy Scout Troop 35	\$4,200		1	1%
	Total	\$14,101,048	97%	96	100%

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Historical Grants to Town Organizations

Historical Distribution of CPA Grants Since 2006	Town Organizations/ Total	Town Organizations % of Total
Number of Town Organizations Receiving Grants	12/20	60%
Number of Grants Received by Town Organizations	79/96	82%
Amount of Grant Money Received by Town Organizations	\$10.3M/\$14M	82%

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Historical Distribution of CPC Grants Since 2006

CPA Category	Total Number of Grants	Per Cent of Total Number	Total Dollars of Grants	Per Cent of Total Dollars
Open Space and Recreation	33	34%	\$5,523,867	41%
Historic Preservation	47	49%	\$6,417,590	44%
Community Housing	16	17%	\$2,159,591	15%
Total	96	100%	\$14,101,048	100%

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CPA Grant Approved at 2023 STM

Project	CPA Category	Amount
Town Hall Renovation, Addition, and Preservation	Historic Preservation	\$500k

CPA Grants Approved at 2024 ATM

Project	CPA Category	Amount
Asbury Commons	Community Housing	\$500k
Antique Fire Truck Building	Historic Preservation	\$150k
Housing Production Plan Update	Community Housing	\$40k

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Current Open CPA Grants

Project	Amount
Hamilton Town Hall Renovation, Addition, and Preservation	\$4.5M
H-W High School/Middle School Athletic Facilities Improvement	\$800k
Asbury Commons	\$500k
Antique Fire Truck Building	\$150k
Housing Production Plan Update	\$40k

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CPC Outstanding Bonds

NOTE: The annual bond repayment limit limited to amount equal to annual 2% surcharge revenue

- **Sagamore Hill (John J. Donovan Recreation Area)**
 - FY 2025 Premium = \$103.8k
 - Matures in 2032. Original 2015 CPA Grant was a \$1.25M bond for 15 years plus \$500k in cash
- **Hamilton Town Hall Renovation, Addition, and Preservation Project**
 - FY 2025 Premiums = \$345.5k
 - Matures in 2043. Consists of a \$3M grant (2020 STM) and \$1M grant (2021 ATM) = \$4M.
 - Total CPA grants to-date for project = 6 = \$4,975,000

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Future Anticipated Potential CPA Grants

Anticipated Projects – Category A:

Eligible Project, Good Cost Estimate, Strong Support

Category	Requestor	Project	Amount	Year
		None		

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Future Anticipated Potential CPA Grants

Anticipated Projects – Category B:

Some Question on Eligibility, Cost Guesstimate, Project Needs More Definition

Category	Requestor	Project	Amount	Year
Open Space and Recreation	HW Recreation Department	Rec Project on Pingree Park Tennis Courts	\$50k	2025

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Future Anticipated Potential CPA Grants

Anticipated Projects – Category C:

No Project, Costs Unclear, Project Support in Question

Category	Requestor	Project	Amount	Year
Community Housing	Affordable Housing Trust	Affordable Housing – Gordon Conwell Seminary	\$500k	2026
Community Housing	Affordable Housing Trust	Affordable Housing – MBTA Communities Law - Downtown	\$500k	2027
Community Housing	Affordable Housing Trust	Affordable Housing - 133 Essex Street 40B Development	\$500k	2027

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Future Anticipated Potential CPA Grants

Anticipated Projects – Category C (Continued)

No Project, Costs Unclear, Project Support in Question

Category	Requestor	Project	Amount	Year
Historic Preservation	Post 194 American Legion	Roof for Legion Building	\$50k	2026
Open Space and Recreation	HW Recreation Department	Patton Park Improvements	\$50k	2026
Open Space and Recreation	Conservation Commission	Removal of Invasive Phragmites Vegetation along the Miles River	\$25k	2025

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State of our CPA Reserves

- Not enough money available to fully fund all approved grant requests for the 2024 ATM.
- Recent initiation of the 20-year Town Hall bond somewhat restricts bonding of larger projects until 2032 when the Sagamore Hill Bond is retired.
- Total reserves @ \$800k but dispersed amongst several accounts
- Need to focus on emerging Community Housing grant requests.

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Final Comments

- The CPC needs more advance information from organizations intending to apply for CPA grants.
- The CPC will reach out as necessary and coordinate with the Wenham CPC for projects promoted by the HW Recreation Dept., The Community House, and HW Regional School Dept.
- More detailed information on the CPA and CPC activities is available in the FY 2024 Annual CPC Report posted on the CPC web page.
- CPC Meetings are at 7:00 PM on the second Thursday of most months. Public attendance and input is encouraged.
- Applications for CPA grants and related information are available from the CPC Coordinator/Assistant to the Town Manager, Laurie Wilson, lwilson@hamiltonma.gov

Thank you,

Jay Butler, Chair, CPC; jbutler@hamiltonma.gov