



JOSEPH A. CURTATONE  
MAYOR



## CITY OF SOMERVILLE, MASSACHUSETTS COMMUNITY PRESERVATION COMMITTEE FY16 COMMUNITY PRESERVATION PLAN JULY 27, 2015; UPDATED JANUARY 6, 2016

### MEMBERS

Dick Bauer, Chair  
Michael Fager, Vice Chair  
Michael A. Capuano  
Elizabeth Duclos-Orsello  
Arn Franzen  
Ezra Glenn  
Courtney Koslow  
Uma Murugan

### STAFF

Emily Monea

## Introduction

With the passage of the Community Preservation Act (CPA) in November 2012, the City of Somerville joined 154 other communities in the Commonwealth of Massachusetts that have a steady funding source dedicated to preserving and improving their character and quality of life. The CPA is a Massachusetts state law (M.G.L. c. 44B) that enables adopting communities to create a dedicated fund for preserving open space and historic resources and expanding community housing and outdoor recreation opportunities.<sup>1</sup> Somerville voters passed the Act by 76%, the second highest passage rate in CPA history.<sup>2</sup> This achievement represents an exciting opportunity to make Somerville an even more exceptional place to live, work, play, and raise a family.

## The Community Preservation Committee

The Community Preservation Committee (CPC) oversees the implementation of the CPA in Somerville. The Committee, formed in January 2014, is responsible for establishing priorities for how CPA funding should be spent and, based on those priorities, making recommendations to the Board of Aldermen (BOA) on projects to receive funds. As established in Somerville's [Community Preservation Committee Ordinance](#), the CPC has nine members, including five ex-officio members and four members of the general public, who may serve two consecutive three-year terms. The current members are:

- Dick Bauer (Chair), Historic Preservation Commission representative
- Michael Fager (Vice Chair), Conservation Commission representative
- Michael A. Capuano, Planning Board representative
- Elizabeth Duclos-Orsello, general public representative
- Arn Franzen, Parks and Open Space Department representative
- Ezra Glenn, general public representative
- Courtney Koslow, general public representative
- Uma Murugan, general public representative
- Housing Authority representative (currently vacant)

<sup>1</sup> The CPA legislation uses the term community housing to refer to housing for individuals and families with incomes below 100% of area median income (AMI). This plan uses the terms community housing and affordable housing interchangeably.

<sup>2</sup> Excludes Cape Cod communities that passed the predecessor to the CPA.

## The Community Preservation Plan

The Community Preservation Plan provides an overview of the CPA in Somerville and establishes the Committee’s priorities for funding projects. The fiscal year 2016 (FY16) Plan is an update to the FY15 Plan, which is based on the City’s existing planning documents and resident input. The CPC invited feedback on the FY16 Community Preservation Plan update at a [public hearing](#) on June 24, 2015 and through a five-week written comment period. Comments received from residents during the FY16 public comment period are available [here](#), and comments received during the FY15 public comment period, [here](#).

This plan has five sections. The first discusses the revenue sources for the CPA and estimated revenue available in the FY16 funding cycle. The second summarizes the outcomes of the FY15 funding cycle. The third reviews the preliminary allocation of available CPA funding across the focus areas. The fourth section discusses the types of projects that are eligible to receive CPA funding, and the fifth establishes priorities for funding CPA projects in the FY16 funding cycle.

## Section 1. Community Preservation Act Funding (Updated January 6, 2016)

### Key Sources of CPA Revenue

CPA funding comes from residents, through a 1.5% surcharge on local property taxes, and the Commonwealth of Massachusetts, through distributions from its Community Preservation Trust Fund. Because Somerville adopted a “blended CPA,” the City also has the option – though it is not required – to appropriate additional municipal revenue into its Community Preservation Fund. Distributions from the state match total local CPA revenue (at varying percentage levels, depending upon the amount of revenue received by the statewide Community Preservation Trust Fund in any given year), so the City appropriation represents a crucial opportunity to leverage additional state resources to invest in the four CPA focus areas.

### Estimated Revenue Available in FY16 Funding Cycle

Funds available in the FY16 funding cycle come from two sources: new revenue received in FY16 and unexpended revenue from fiscal years 2014 and 2015. As Table 1 demonstrates, the CPC estimates that the City will receive \$2.2 million in new CPA revenue in FY16. Unexpended revenue from FY14 and FY15 totals \$1.98 million, so the CPC estimates that \$4.2 million will be available to distribute in the FY16 funding cycle.

|                                     |                    |
|-------------------------------------|--------------------|
| FY16 Revenue                        | \$2,199,821        |
| Surcharge Revenue                   | \$1,418,661        |
| City Appropriation                  | \$0                |
| State Match of FY15 Local Revenue   | \$781,160          |
| Unexpended Revenue from FY14 & FY15 | \$1,979,121        |
| <b>Total</b>                        | <b>\$4,178,942</b> |

The large amount of unexpended FY14 and FY15 funds is due primarily to Mayor Joseph A. Curtatone’s request and the Board of Aldermen’s approval of a \$1.2 million appropriation into the CPA fund in June 2015, which occurred after the FY15 funding cycle was complete. In addition, the CPC reserved 15% of FY14 and FY15 CPA revenue for open space and recreation projects but received only \$227,000 in requests for projects in this category. As such, a significant amount of open space and recreation funding was unexpended in the FY15 funding cycle and is therefore available in FY16.

## Borrowing

The CPA legislation allows communities to leverage their CPA revenue by borrowing for eligible projects and using future CPA revenue to pay the resulting debt service. As such, applicants may apply for funding beyond the amount of revenue currently available. Bonded projects require the approval of two-thirds of the Board of Aldermen.

## Section 2. FY15 Funding Cycle Review

The City of Somerville granted CPA funds for the first time in FY15. Since the City began collecting CPA revenue in FY14, two full years of revenue were available in the FY15 funding cycle. The Committee prepared for this funding cycle through its [FY15 Community Preservation Plan](#), in which it made two key decisions. First, the Committee established minimums for the proportion of funds that would be spent or reserved for each of the three CPA focus areas, as demonstrated in Table 2.

| <b>Use</b>                                    | <b>Percent of FY14 &amp; FY15 CPA Revenue</b> |
|---|---|
| Open Space and Recreation reserve or projects | 15%   |
| Historic Resources reserve or projects        | 15%   |
| Community Housing reserve or projects         | 45%   |
| Undesignated/flexible project funds           | 20%   |
| CPC administrative and operating expenses     | 5%  |
| Total   | 100%  |

Second, the CPC empowered the Somerville Affordable Housing Trust Fund (the Trust or AHTF) to serve as the housing arm of the CPC, leveraging the Trust’s 25 years of experience supporting affordable housing. Under this arrangement, the CPC grants all community housing funds to the Trust (with approval from the Board of Aldermen), and the Trust allocates the funds to CPA-eligible projects and programs. The CPC granted these funds for the first time in January 2015, when the Board of Aldermen approved an appropriation of \$2.2 million to the Trust, equal to 45% of estimated FY14 and FY15 CPA revenue at that time.

In August 2014 the CPC launched a [competitive application process](#) for historic resources and open space and recreation projects. The Committee received ten applications for \$2.6 million in historic resources funds and four applications for \$227,000 in recreational land projects. The [CPC ultimately recommended](#), and the Board of Aldermen approved, funding all four recreational land projects and appropriating \$1,660,996 to eight historic resources projects.

Table 3 summarizes the final allocation of FY14 and FY15 CPA revenue, which totaled \$6.2 million including the \$1.2 million appropriation of City funds into the CPA fund in June 2015.

| <b>Table 3. Final Allocation of FY14 &amp; FY15 CPA Funds</b> |                    |   |
|---|--------------------|---|
|   | <b>Amount</b>      | <b>Percent of FY14 &amp; FY15 CPA Revenue</b> |
| <b>Open Space and Recreation</b>                              | <b>\$933,594</b>   | <b>15.0%</b>                                  |
| Projects  | \$227,463          | 3.7%  |
| Reserve (unexpended funds)                                    | \$706,131          | 11.3%   |
| <b>Historic Resources</b>                                     | <b>\$1,660,996</b> | <b>26.7%</b>                                  |
| Projects  | \$1,660,996        | 26.7%   |
| Reserve (unexpended funds)                                    | \$0                | 0.0%  |
| <b>Community Housing</b>                                      | <b>\$2,800,783</b> | <b>45.0%</b>                                  |
| Transfer to Affordable Housing Trust Fund                     | \$2,206,028        | 35.4%   |
| Reserve (unexpended funds)*                                   | \$594,755          | 9.6%  |
| <b>CPC administrative and operating expenses</b>              | <b>\$150,355</b>   | <b>2.4%</b>                                   |
| <b>Unexpended flexible funds</b>                              | <b>\$678,234</b>   | <b>10.9%</b>                                  |
| <b>Total</b>  | <b>\$6,223,963</b> |   |

\*To be transferred to the Affordable Housing Trust Fund

### **Section 3. Preliminary Allocation of FY16 CPA Revenue**

The previous section discussed the final allocation of FY14 and FY15 funds across the CPA focus areas, due to the CPC establishing minimums for the percentage of funds that would be spent or reserved for each category and the CPC's project funding recommendations (all approved by the Board of Aldermen). This section describes the allocation of new CPA revenue to be received in FY16. As in the FY15 funding cycle, the CPC has established minimums for the proportion of funds that will be spent or reserved for each CPA focus area. In deciding how to set these minimums, the Committee considered, among others, the following factors:

- The CPA legislation requires communities to spend or reserve at least 10% of annual CPA revenues for each of open space and recreation, historic resources, and community housing.
- There is a demonstrated need to invest in all of the CPA focus areas in Somerville, but the most critical need is for affordable housing, as established in the City's planning documents and expressed by residents.
- The CPA legislation allows communities to spend up to 5% of annual CPA revenue on the administrative and operating expenses of the Committee.
- The CPA legislation does not require communities to spend all CPA revenue available each year and therefore allows communities to save revenue and spend it on projects in future years.

The Committee has established the following preliminary allocation for the FY16 funding cycle:

| <b>Use</b>                                    | <b>Percent of FY16 CPA Revenue</b> | <b>Estimated Amount of FY16 CPA Revenue</b> |
|---|------------------------------------|---|
| Open Space and Recreation reserve or projects | 15%                                | \$329,973                                   |
| Historic Resources reserve or projects        | 15%                                | \$329,973                                   |
| Community Housing reserve or projects         | 45%                                | \$989,919                                   |
| Undesignated/flexible project funds           | 20%                                | \$439,964                                   |
| CPC administrative and operating expenses     | 5%                                 | \$109,991                                   |
| <b>Total</b>                                  | <b>100%</b>                        | <b>\$2,199,821</b>                          |

As in the FY15 funding cycle, the final allocation of total FY16 CPA revenue will likely deviate from this distribution due to the project applications that the CPC receives and ultimately recommends funding with the Board of Aldermen’s approval.

Table 5 summarizes the current allocation of all CPA funding available to distribute in the FY16 funding cycle.

| <b>Use</b>  | <b>Unexpended FY14 &amp; FY15 Revenue</b> | <b>Estimated FY16 Revenue</b> | <b>Total CPA Funds Available</b> |
|---|---|-------------------------------|----------------------------------|
| Open Space and Recreation                         | \$706,131                                 | \$329,973                     | \$1,036,105                      |
| Historic Resources                                | \$0                                       | \$329,973                     | \$329,973                        |
| Community Housing<br>(to be appropriated to AHTF) | \$594,755                                 | \$989,919                     | \$1,584,675                      |
| Undesignated/flexible project funds               | \$678,234                                 | \$439,964                     | \$1,118,198                      |
| <b>Total</b>                                      | <b>\$1,979,121</b>                        | <b>\$2,089,830</b>            | <b>\$4,068,951</b>               |

\*Less FY16 funds dedicated to cover the CPC’s administrative and operating expenses.

## **Section 4. Allowable Projects**

While this plan establishes the CPC’s priorities for the types of projects that should receive CPA funding, the CPA legislation defines the types of projects that are *eligible* to receive funding. Projects seeking CPA funding that do not fit within one (or more) of the allowable uses outlined in Chart 1 cannot be considered by the CPC. In addition, CPA funds cannot be used for maintenance, for artificial turf, or to supplant current spending.

**Chart 1. Community Preservation Act Funding Allowable Uses**

|  | <b>Open Space</b>  | <b>Recreational Land</b>   | <b>Historic Resources</b>  | <b>Community Housing</b>  |
|--|--|--|--|---|
|  | Land to protect existing and future well fields, aquifers and recharge areas, watershed land, agricultural land, grasslands, fields, forest land, fresh and salt water marshes and other wetlands, ocean, river, stream, lake and pond frontage, beaches, dunes and other coastal lands, lands to protect scenic vistas, land for wildlife or nature preserve and land for recreational use. | Land for active or passive recreational use including, but not limited to, the use of land for community gardens, trails, and noncommercial youth and adult sports, and the use of land as a park, playground or athletic field.<br><br>Does not include horse or dog racing or the use of land for a stadium, gymnasium or similar structure. | Building, structure, vessel, real property, document or artifact listed on the state register of historic places or determined by the Somerville Historic Preservation Commission to be significant in the history, archeology, architecture or culture of the city or town. | Housing for low and moderate income individuals and families, including low or moderate income seniors.<br><br>Moderate income is less than 100%, and low income is less than 80%, of US HUD Area Wide Median Income. |
| <b>Acquisition</b><br>Obtain property interest by gift, purchase, devise, grant, rental, rental purchase, lease or otherwise. Only includes eminent domain taking as provided by G.L. c. 44B.  | <b>Yes</b>   | <b>Yes</b>   | <b>Yes</b>   | <b>Yes</b>  |
| <b>Creation</b><br>To bring into being or cause to exist. Seideman v. City of Newton, 452 Mass. 472 (2008).  | <b>Yes</b>   | <b>Yes</b>   | <b>No</b>  | <b>Yes</b>  |
| <b>Preservation</b><br>Protect personal or real property from injury, harm or destruction.   | <b>Yes</b>   | <b>Yes</b>   | <b>Yes</b>   | <b>Yes</b>  |
| <b>Support</b><br>Provide grants, loans, rental assistance, security deposits, interest-rate write downs or other forms of assistance directly to individuals and families who are eligible for community housing, or to entity that owns, operates or manages such housing, for the purpose of making housing affordable. | <b>No</b>  | <b>No</b>  | <b>No</b>  | <b>Yes</b> , includes funding for Affordable Housing Trust Fund   |
| <b>Rehabilitation and Restoration</b><br>Make capital improvements, or extraordinary repairs to make assets functional for intended use, including improvements to comply with federal, state or local building or access codes or federal standards for rehabilitation of historic properties.                            | <b>Yes</b> , if acquired or created with CPA funds   | <b>Yes</b>   | <b>Yes</b>   | <b>Yes</b> , if acquired or created with CPA funds  |

## Section 5. FY16 Funding Cycle Priorities

### General Priorities

The CPC will prioritize projects that:

1. **Are consistent with the community's values, which includes projects that:**
  - a. Improve accessibility for all members of the community
  - b. Incorporate sustainable practices and design<sup>3</sup>
  - c. Receive endorsement from other Somerville boards, commissions, departments, or community groups or from city, state, or federal officials
  - d. Are consistent with the goals and priorities established in other current planning documents but not explicitly addressed in this plan
  - e. Address two or more of the CPA focus areas (i.e., blended projects)
2. **Use CPA funding strategically, which includes projects that:**
  - a. Leverage other funds or in-kind contributions and/or implement cost-saving measures
  - b. Address long-standing or urgent needs in the community
  - c. Take advantage of exceptional, time-sensitive opportunities
  - d. Could serve as catalysts for transformative change

### Open Space and Recreational Land

#### Context

The term open space is commonly used in Somerville to describe all of the City's 180 acres of green space and land for active and passive recreation, including all of its parks, playgrounds, and fields. The CPA legislation, however, has two terms to describe this land: recreational land, which includes active and passive recreation, and open space. The distinction between the two in the CPA legislation is somewhat confusing, as open space is defined to include recreational land in addition to natural habitat land. However, open space and recreational land have different allowable uses (see Chart 1 above).

In Somerville, land for active or passive recreational use accounts for the vast majority of the City's 180 acres of open space, including all of its parks, playgrounds, and fields. A very small amount of open space in the City is not recreational land, including the wetlands and shores of the Alewife Brook and Mystic River. While the Committee prioritizes the preservation of this land, it also recognizes that most of the work to be done in Somerville relates to improving existing and creating new space for active and passive recreation. The Committee has therefore decided to address these two focus areas together and create one set of priorities for them.

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<sup>3</sup> Includes but is not limited to: protecting natural resources, cleaning up contaminated land, revitalizing and reusing existing buildings and structures, using reusable and sustainable materials, using renewable energy sources, achieving high standards of energy efficiency, expanding permeable surfaces, and increasing trees and vegetation, particularly native perennial and drought-resistant species.

## Priorities

The CPC will prioritize projects that:

1. **Support the acquisition of land for and creation of new publicly accessible open space and recreational land.** In SomerVision, the City's 20-year comprehensive plan, residents called for adding 125 new acres of publicly accessible open space and recreational land to the City's current stock. The CPC will prioritize projects that move the City towards this goal.
2. **Expand access to and use of the Mystic River and Alewife Brook corridors.** Somerville has over two miles of shoreline that provide opportunities for walking, boating, and fishing, among other recreational activities. The CPC will prioritize projects that expand opportunities for residents to enjoy this resource.
3. **Improve the health of the wetlands and shores of the City's water resources.** While expanding access to the Mystic River and Alewife Brook, it is essential to improve the health of the wetlands and shores of these waterways through efforts including invasive species control.
4. **Rehabilitate and restore existing recreational land according to need.** The CPC will prioritize the rehabilitation of existing fields, parks, and playgrounds that are in the worst condition. The City's 2008-2013 Open Space and Recreation Plan provides baseline data on the condition of these parcels as of 2008. Though this information is somewhat outdated, it is the most reliable source available and is currently being updated through the City's work on its next Open Space and Recreation Plan.
5. **Creatively and coherently combine multiple uses that meet community need.** In a City as densely populated as Somerville, sharing space is an imperative. Wherever possible, projects seeking CPA funding should include multiple uses and demonstrate how these uses meet community need.
6. **Expand urban agriculture opportunities.** Residents regularly express a desire for expanded urban agriculture opportunities. Demand for Somerville's 225 community garden plots, for example, far outstrips supply, with over 450 individuals on waitlists at the City's 11 gardens. Projects should seek to incorporate expanded urban agriculture opportunities, including new community garden plots, wherever possible and appropriate.

## Historic Resources

The CPC commissioned the creation of Somerville's first-ever historic preservation plan in FY15 using CPA administrative funds. The historic preservation plan will identify and evaluate the City's resources, identify strategies for improving the preservation of these resources, and guide the allocation of CPA funds for historic resources. Work on the plan is underway, and the Committee expects it to be finished and made publicly available in September 2015. **The Committee will prioritize FY16 historic resources projects in keeping with the recommendations and goals established in the historic preservation plan.**

**The CPC will continue to prioritize historic resources projects that address crucial, longstanding needs in Somerville’s historic landmarks and properties, especially those at risk, while embodying the general priorities established in Section 1 above.**

## Community Housing

### Context

The revitalization of Somerville, spurred on in part by the extension of the Green Line (GLX) through the heart of the city, has made clear the need for more housing, and affordable housing in particular. The Metropolitan Area Planning Council (MAPC) estimates that Somerville’s population will grow by 17% to 25% (roughly 13,000 to 19,000) by 2030, adding further demand to an incredibly tight housing market that has consistently seen vacancy rates well below those considered healthy for years.

In SomerVision, residents set a goal of adding 6,000 new housing units to the city’s stock by 2030, 1,200 of which would be permanently affordable.<sup>4</sup> MAPC’s report on the impact of the GLX suggests this may not be sufficient. It estimates the city will need anywhere from 6,300 to 9,000 units to accommodate increased demand, 35% of which (2,205 to 3,105) should be affordable.

### Affordable Housing Trust Fund

The Community Preservation Act allows communities to allocate funding to the community’s Affordable Housing Trust Fund. Somerville’s Affordable Housing Trust Fund (AHTF or Trust) has 25 years of experience preserving and creating affordable housing units and supporting programs to assist homeowners and renters, and the CPC has empowered the Trust to serve as the housing arm of the CPC. All applicants interested in receiving CPA funding for affordable housing projects must therefore apply to the Trust, and, with the approval of the Board of Aldermen, the Committee will grant to the Trust the funds it has allocated to community housing. The Trust may also apply to the CPC for additional funding if needed.

### Priorities

In entrusting the award of CPA community housing funds to the good judgment of the Trust, the CPC emphasizes that it prioritizes projects and programs that:

1. **Provide for affordability in perpetuity as required the Community Preservation Act.** Housing created, acquired, or rehabilitated with CPA funds must always serve individuals who meet the income limits outlined above. A permanent deed restriction on these units will guarantee that they remain affordable into perpetuity, thereby ensuring that the City’s affordable housing stock will remain robust over time.
2. **Preserve expiring-use units.** According to the MAPC, the affordability restrictions on 272 affordable units in Somerville will expire by 2020, equivalent to 8% of the city’s dedicated affordable housing stock. Another 674 units will expire after 2020. Extending the affordability of these units into

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<sup>4</sup> Somerville currently has about 3,400 designated affordable units, equivalent to about 10% of the City’s housing stock. The vast majority of these units (97%) are rental, and the remaining 3% are homeownership.

perpetuity will prevent displacement of existing residents and serve as a cost-effective strategy for maintaining affordable units in Somerville.

3. **Support mixed-use and transit-oriented development.** Research shows that housing located within walking distance of jobs, services, and public transportation is usually more affordable than housing that requires individuals to drive, and residents sent a clear message supporting this type of housing in the SomerVision process.

While the extension of the Green Line into Somerville will make this priority easier to achieve, as 85% of the City will be within a ½ mile of a rapid transit station, it will also make it more important. The MAPC projects that rents around future Green Line stations could increase by 25 to 57% and that 740 to 810 households may become newly cost burdened as a result of the GLX. The CPC will therefore prioritize mixed-use projects located within ½ mile of a rapid transit station, with a particular focus on projects near future Green Line stations to mitigate displacement in these neighborhoods.

4. **Prevent homelessness and/or provide housing units or other support for homeless and formerly homeless households.** According to the City's Housing Needs Assessment, while homelessness in Somerville remains low, the homeless population has increased over the past several years, especially among the chronically homeless and veterans. The CPC will prioritize projects and programs that support these households.