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**CITY OF SOMERVILLE, MASSACHUSETTS
COMMUNITY PRESERVATION COMMITTEE
FY15 COMMUNITY PRESERVATION PLAN
AUGUST 11, 2014**

MEMBERS

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

STAFF

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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 (MGL Ch. 44B) that enables adopting communities to create a dedicated fund for preserving open space and historic resources and expanding community (affordable) housing and outdoor recreation opportunities.¹ Somerville voters passed the Act by 76%, the second highest passage rate in CPA history.² 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, which began meeting 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 CPA funding. 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:

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

¹ 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.

² Excludes Cape Cod communities that passed the predecessor to the CPA.

- Uma Murugan, general public representative

The Community Preservation Plan

The Community Preservation Plan establishes the Committee’s priorities for funding projects. To create the Plan, the Committee synthesized the data, analysis, and recommendations in the City’s existing planning documents, such as [SomervilleVision](#), the [2008-2013 Open Space and Recreation Plan](#), the Housing Needs Assessment, and the Metropolitan Area Planning Council’s [Dimensions of Displacement](#), into a [set of draft priorities](#). The Committee then integrated into the plan public feedback received at two public hearings, held on May 7, 2014 at the West Somerville Neighborhood School and on May 12, 2014 at the East Somerville Community School, and during a five-week written public comment period. All comments received from residents on the draft priorities are available on the City’s [CPA website](#).

This plan has four sections. The first discusses the revenue sources for the CPA, estimated funds available in the fiscal year 2015 (FY15) funding cycle, and the CPC’s allocation of this funding across the focus areas. The second discusses the types of projects that are eligible to receive CPA funding. The third establishes general priorities for funding all CPA projects, and the fourth establishes priorities within each CPA focus area.

Section 1. Community Preservation Act Funding

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. Given that distributions from the state match total local CPA revenues (at varying percentage levels, depending upon the amount of revenue received by the statewide Community Preservation Trust Fund in any given year), this appropriation represents a crucial opportunity to leverage additional state resources to invest in the four CPA focus areas.

Estimated Revenue Available in FY15 Funding Cycle

The City started collecting CPA revenue in fiscal year 2014 (FY14), which began on July 1, 2013. FY15 is the first year that CPA funds will be granted to projects, however, so both FY14 and FY15 CPA revenue will be available for distribution in the FY15 funding cycle. Table 1 provides an overview of actual revenue in FY14 and estimated revenue in FY15.

Table 1. FY14 and Estimated FY15 CPA Revenue					
	FY14 (actual)	FY15 (low estimate)	FY15 (high estimate)	FY14 + FY15 (low estimate)	FY14 + FY15 (high estimate)
Surcharge Revenue	\$1,323,320	\$1,323,320	\$1,323,320	\$2,646,640	\$2,646,640
City Appropriation	\$1,355,671	\$0	\$0	\$1,355,671	\$1,355,671
State Distribution	\$0	\$664,390	\$1,259,126	\$664,390	\$1,259,126
Total Revenue	\$2,678,991	\$1,987,710	\$2,582,446	\$4,666,701	\$5,261,437

The total amount of CPA revenue available to distribute in the FY15 funding cycle is dependent on three variables, the first of which is actual surcharge revenue collection in FY15. The CPA legislation directs communities to assume their surcharge revenue in the current fiscal year will be the same as in the previous fiscal year, as demonstrated in Table 1.

The second variable is the City appropriation into the CPA Fund. In FY14, Mayor Curtatone proposed and the Board of Aldermen approved appropriating an additional \$1.36 million from free cash into the CPA Fund in order to maximize the match the City receives from the state. The decision to do so in FY15 will likely not be made until late spring 2015, at which time, due to state budget restrictions, the revenue will be unavailable to spend during the FY15 funding cycle. As such, if the appropriation is made, the funds will be distributed in the FY16 funding cycle.

The third and final variable that will impact the total amount of CPA revenue available to distribute in the FY15 funding cycle is the state distribution, which will match total local funding from FY14 (\$2.7 million). Depending on the amount of revenue in the state’s Community Preservation Trust Fund at the time grants are distributed in November, the CPC estimates receiving between approximately \$660,000 and \$1.26 million in revenue. The low and high estimates in Table 1 reflect this variability.

Allocation of CPA Revenue in FY15 Funding Cycle

In deciding how to allocate FY14 and FY15 CPA revenue, 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 in their comments on the Committee’s draft funding priorities.
- 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 therefore decided upon the following allocation for the FY15 funding cycle:

Table 2. Allocation of CPA Revenue in FY15 Funding Cycle	
Use	Percent of FY14 & FY15 CPA Revenue
Open Space and Recreation reserve or projects	15%
Historic Resources reserve or projects	15%
Community Housing reserve or projects	45%
Flexible funds for projects in any focus area in FY15 or future years	20%
CPC administrative and operating expenses	5%
Total	100%

Borrowing

The CPA legislation allows communities to leverage their CPA revenue by borrowing for eligible projects. As such, applicants may apply for funding beyond the amount of revenue currently available. Note that bonded projects require the approval of two-thirds of the Board of Aldermen.

Section 2. 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 or to supplant current spending.

Chart 1. Community Preservation Act Funding Allowable Uses

	Open Space	Recreational Land	Historic Resources	Community Housing
	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. 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 local 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. Moderate income is less than 100%, and low income is less than 80%, of US HUD Area Wide Median Income.
Acquisition 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.	Yes	Yes	Yes	Yes
Creation To bring into being or cause to exist. Seideman v. City of Newton, 452 Mass. 472 (2008).	Yes	Yes	No	Yes
Preservation Protect personal or real property from injury, harm or destruction.	Yes	Yes	Yes	Yes
Support 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.	No	No	No	Yes , includes funding for Affordable Housing Trust Fund
Rehabilitation and Restoration 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.	Yes , if acquired or created with CPA funds	Yes	Yes	Yes , if acquired or created with CPA funds

Section 3. 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 design³
 - 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

Section 4. Priorities within CPA Focus Areas

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, but 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 the City's recreational land. The Committee has therefore decided to address these two focus areas together and to create one set of priorities for them.

³ 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 will soon be updated as the City begins work on its next Open Space and Recreation Plan.
5. **Follow the recommendations of the City's recreation fields task force.** Projects seeking CPA funding to rehabilitate the City's fields should adhere to the recommendations of the task force convened by Mayor Curtatone in spring of 2014. The task force will review a set of solutions proposed by Gale Engineers and Planners, a consulting firm that has assessed the City's fields' usage, safety, accessibility, and equipment condition, and provide recommendations and feedback on how to improve the City's fields.
6. **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.
7. **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 City currently has no planning document to guide the Committee's prioritization of historic resources projects. The Committee's first priority for this focus area is therefore to **commission a consultant to create a historic preservation plan**. This plan will a) identify the historic resources of value in the City, b) evaluate their integrity and historic significance, and c) create a plan to protect these resources.

In the interim, **the CPC will 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.⁴ 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 (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 (45% of FY14 and FY15 CPA revenue in the FY15 funding cycle). The Trust may also apply to the CPC for additional funding if needed. The details of this arrangement, including the CPC's priorities for community housing projects, will be established in a grant agreement with the Trust.

Priorities

The CPC will prioritize 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

⁴ 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.

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 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.