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**Community Preservation Committee**  
**Happy 10<sup>th</sup> Birthday, Newton CPA! Summary**  
**& Presentation of New Funding Guidelines**

**MINUTES**  
29 November 2012

The meeting was held on Thursday 29 November 2012 at 7:00 pm in Druker Auditorium, Newton Free Library (Homer Street).

Community Preservation Committee (CPC) members present: Leslie Burg, Joel Feinberg, Nancy Grissom, Thomas Turner, Jim Robertson, Don Fishman. Members absent: Michael Clarke, Dan Green.

Program manager Alice Ingerson served as recorder.

The event began with refreshments and two background slide shows: one of all Newton CPA projects to date, and one of the historic neighborhood maps and photos shown at the series of five "Happy 10<sup>th</sup>, Newton CPA!" neighborhood meetings the CPC held around Newton from November 2011 through October 2012

Committee Chair Leslie Burg opened the formal part of the meeting and introduced the Committee's presentation at 7:15 pm.

With Burg, Joel Feinberg narrated the first part of the presentation, summarizing: what can be funded under the recently amended Community Preservation Act (CPA), the roles of the Community Preservation Committee and Newton's Board of Aldermen under the CPA statute; the results of the CPC's year of community outreach about future funding priorities in 2011-12; and the new *Funding Guidelines* adopted by Newton's Community Preservation Committee on 14 November 2012.

Alice Ingerson narrated the second part of the presentation, which focused on the balance among the CPA-eligible resources of: past CPA funding in Newton, Newton's known CPA-eligible needs, and the target funding ranges in the new *Funding Guidelines*.

The full presentation and the new *Funding Guidelines*, including a table summarizing allowable uses of CPA funds, are available by request or online from the program website, [www.newtonma.gov/cpa](http://www.newtonma.gov/cpa). The *Guidelines* are under 'Guidelines & Forms.' The presentation is under 'Reports – Special Presentations.'

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Burg then asked for audience comments and questions.

G. B. Graham of West Newton asked about the borrowing capacity of the CPC, specifically whether the Committee could incur short-term debt to finance the purchase of real property, then immediately retire that debt with the following year's revenues. Ingerson explained that the CPC could only recommend debt financing, which must then be authorized by the Board of Aldermen. The state allows communities to borrow only against their local CPA surcharge revenue, which is relatively predictable. Theoretically, a community could commit 100 percent of its future local revenue for many years to debt service, but Ingerson felt it was very unlikely Newton would do this. She explained that Newton had used the kind of short-term strategy suggested by Mr. Graham only once, by issuing a note to fund the purchase of 20 Rogers Street at Crystal Lake through eminent domain; then retiring the note with bond revenue at the next scheduled municipal bond sale. This strategy was always an option, though in the past it had odd consequences – the state had considered Newton's Community Preservation Fund to be in deficit for a year, because the the "note" proceeds did not officially count as revenue.

Stacy Handler of the New Art Center asked about the distinction between routine operating costs and maintenance, which are not fundable under the CPA, and capital expenditures, which are fundable. Ingerson, Feinberg, Burg and Grissom explained that improvements that are permanent or have a very long useful life, measured in decades, are considered capital expenditures. They acknowledged that, although something such as painting might be funded once, it was really a regular, recurring need that should be covered by an organization's operating budget, and should not be requested for repeated CPA funding.

Another member of the audience asked whether a one-time investment, such as the installation of solar panels, or replacing less-efficient with more-efficient light bulbs – incandescents or fluorescents with LEDs, for example – would be eligible. Burg, Grissom and Ingerson explained that these examples would not in themselves be eligible because they were not for historic resources, affordable housing, open space or recreation land. A project that restored or rehabilitated historic light fixtures so that they could accept LED bulbs might be eligible, but it would have to qualify as a historic resources project, not solely as an energy efficiency project. Although CPA funds could only be used for capital expenditures, not all capital expenditures are CPA-eligible.

Burg emphasized that the CPC struggled with the distinction between capital and operating expenditures. The new *Guidelines* required all proposals to include a 10-year operating budget to demonstrate that the proposal sponsor was planning for predictable, recurring costs. This was a particular challenge for citizen-initiated projects, such as parks and playgrounds, where early promises of maintenance by volunteers sometimes fell by the wayside after 5 or 6 years. Ingerson noted that the CPC website documented all past grants partly so the CPC could tell whether future requests involved re-doing work that had been funded before but had not been well maintained.

Burg and Grissom explained that state funds Newton received under the CPA had been declining, partly as a result of being split more ways as more communities adopted the CPA, but partly as a result of having less state funding to distribute, since the state funds were generated by fees paid at the registry of deeds. Grissom felt this source of funding was now growing again, however.

Jay Walter of Historic Newton asked whether more cities and towns were expected to adopt the CPA as a result of the recent changes in the state statute. Ingerson explained that the state legislature intended some of these changes to encourage adoption of the CPA by larger cities, very few of which had adopted it to date. These changes included allowing communities to qualify for the second- and

third-round of state funding by committing revenue from sources beyond a local property tax surcharge, and to rehabilitate parks and playgrounds that had not been created with CPA funds in the first place.

It was not clear yet whether cities would respond to these new incentives. The state had also committed a one-time additional \$25 million to the state CPA trust fund for fy14, but if cities such as Boston or Worcester adopted the CPA, that amount would not go very far. To be on the safe side, she had therefore not revised the funding forecast she gave the CPC to show any significant increase in state funds for Newton over the next few years.

Walter also asked whether the CPC anticipated receiving more parks and playgrounds proposals in light of the amended CPA. Burg said yes, but that the CPC had also asked the Parks and Recreation Commissioner to provide a master plan for how such expenditures should be prioritized.

Ingerson encouraged the audience to look at the online graph of results from the CPC's community survey, which showed that the average rankings for all four resources were very close, but that these averages were the result of very different distributions: many people felt affordable housing was the most important resource, for example, but quite a few felt it was the least important. Many people felt open space and recreation were either the first or second-most important resource. Many people had ranked historic resources as the least important resource. However, she also noted that quite a few respondents had complained about being forced to rank the resources – they would have preferred to say that two or more resources were equally important. This was one reason why the CPC's new *Guidelines* aimed to make funds available for all the resources over time, and to avoid concentrating funds on any one resource to the relative exclusion of all the others.

Laurel Farnsworth, representing the Newton Cultural Alliance, which recently purchased the historic Nathaniel Allen House, noted that they would be asking for guidance on whether and how that project might be eligible for CPA funding. Ingerson noted that the arts were not directly CPA-eligible, but that the federal guidelines for rehabilitating historic buildings for new uses were fairly flexible, and those uses might include the arts.

Carol Schein of the Parks and Recreation Dept. asked for more explanation of the new *Guidelines'* encouragement for submitting City projects in related "sets" with similar management needs, to facilitate the use of CPA funds to cover the necessary management time from either City staff or contracted project managers. Burg and Feinberg noted that the CPC felt that most existing City staff were at or beyond capacity, so giving a City department grant funds for an additional project didn't necessarily mean that project would proceed quickly or efficiently, for sheer lack of time to run it. Bundling smaller, related projects together would allow the CPC to provide enough funding to hire an extra, outside person to manage those projects efficiently. Ingerson noted that past projects contracted out had been delayed or neglected, partly because the amount of the contract was too small to compete with the contractor's larger projects. She also noted that in the past, promises that a particular City staff manager would not get competing assignments that would delay completion of a CPA-funded project, had not always been kept. The "sets" idea was an attempt to learn from these past experiences, but the CPC was certainly open to other solutions.

Jay Walter was glad to hear that the CPC did not simply intend to follow the *Capital Improvement Plan* but would also consider City proposals that were not highly ranked by the *CIP's* risk-based analysis. On the other hand, Feinberg noted that the CPC wanted to avoid repeating past experiences in which proposals submitted by one City department turned out, on a closer look, to have little or no support from City government as a whole.

Ingerson also explained that the *CIP* priorities made sense in important ways: for example, from the perspective of the community as a whole, it was probably more important to repair or rehabilitate neglected buildings that posed an immediate danger to health and safety, before improving neglected parks that could still function at some low level, and did not pose any immediate threat to public health or safety. As an example, Burg and Ingerson cited the CPC's response to pre-proposals for the historic windows at City Hall and at the Carr School. The CPC had encouraged a full proposal for the large arched windows at City Hall, where a masonry contractor had recently reported that the wood of the window frames was in such bad shape that it could not hold staples to protect the window glass during cleaning and repointing of the leaking masonry walls. The CPC did not encourage a full proposal for the Carr School, because they felt the windows in that building should be repaired with the general funds or bonds being used to rehabilitate that building as swing space for future school construction projects all over the City.

Nancy Sweet from Lower Falls asked whether all neighborhoods had received some CPA funds. Burg and Grissom thought nearly all had, but noted that the CPC did not initiate projects, and therefore depended on others to bring proposals forward. Ingerson noted that the color map of all projects was available online, and that projects were scattered throughout Newton, but were not randomly distributed. For example, housing projects had not been funded in all neighborhoods, and open space funding was concentrated at Crystal Lake and in the southern part of Newton. Ingerson thought only one project had been proposed for Lower Falls, and it had not been funded, due partly to neighborhood opposition.

An audience member asked how the state matching funds were calculated and distributed. Ingerson explained that if Newton's local surcharge was 3 percent rather than 1 percent, it would qualify for the second and third state funding rounds. However, the largest share of state funds is distributed in the first round, in which Newton already participates fully. Doubling Newton's local surcharge, for example, would not automatically double the amount of state funds received. The exact procedure for distributing state funds is explained on the program website, [www.newtonma.gov/cpa](http://www.newtonma.gov/cpa) under 'About the CPA' (the link is called 'Sources of Funds').

Ingerson said that she and individual CPC members would be happy to offer a shorter version of this presentation and discussion to any interested neighborhood or community group.

Burg and Feinberg thanked the audience for coming and closed the meeting at 8:30 pm, inviting the audience to stay for another few minutes of refreshments and informal conversation.