

TOWN OF WINCHENDON
Community Preservation Act Exploratory Committee
109 Front Street, Dept. 1, Winchendon, MA 01475-1758

Telephone (978) 297-0085 Fax: (978) 297-1616

Board of Selectmen
Winchendon Town Hall
109 Front Street
Winchendon, MA 01475

December 19th, 2022

Re: Community Preservation Act Exploratory Committee Recommendation

Board Members,

Over the past eight months, the Winchendon Community Preservation Act Exploratory Committee (CPAEC) has studied the potential costs and benefits associated with adoption and enactment of the CPA for the Town of Winchendon. Below is a list of the exemptions and property value formula as well as summary describing the process and data used by our committee to formulate the results and determine the potential positives and negatives of locally enacting the CPA. At the November 21st meeting of the CPAEC, the committee voted unanimously to forward the following recommendation to the Winchendon Board of Selectmen.

As a committee we have concluded that the benefits outweigh the costs of the Community Preservation Act in the Town of Winchendon. The CPAEC recommends the town locally adopt the CPA at the 3% threshold, ensuring the greatest return on our investment. While the match from the state varies from year to year, this would represent a 100% match under current determining metrics and anticipated governing body decisions. We believe that the Town can greatly benefit from this resource in meeting our various community goals. If the Board would be kind enough to accommodate, we ask that the residents of Winchendon be given the opportunity to decide whether to capitalize on this resource via a Special Town Meeting in March of 2023. If the vote passes, the matter will be placed on the Spring 2023 Ballot at the Annual Elections on May 1st.

Adopting the CPA in town will allow for a dedicated funding source to support community priorities included in the 2020 Master Plan and elsewhere for identified needs in the areas of housing, recreation, open space conservation and historic preservation. The funds disbursement would be bound by the CPA guidelines and by an independent citizen-led CPA Committee and would not be rolled into the Town's general operating budget. Further approval is required by a vote at the Annual Town Meeting. Relying on a year-to-year appropriation in the Annual Budget as has been done in the past precludes long range planning and undertaking complex projects. A dedicated funding source allows the community to earmark funds for citizen-driven initiatives in the four areas listed above and allows for predictability in project planning.

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EXEMPTIONS

Exemption	Recommendation
1. Property owned and occupied as a domicile by a person who would qualify for low income housing or low or moderate income senior housing in the city or town (see below for these income limits listed by town). Residents must apply annually to receive this exemption.	Yes, adopt
2. Class three, commercial, and class four, industrial, properties in cities or towns with classified ("split") tax rates. Very few communities have adopted this exemption.	No, do not adopt
3. The first \$100,000 of taxable value of residential real estate. This exemption is automatically applied to residential property taxes prior to bills being issued by the city or town.	Yes, adopt
4. The first \$100,000 of taxable value of class three commercial, and class four industrial properties.	Yes, adopt

The CPAEC has also received tentative support from the Robinson-Broadhurst Foundation. While this is subject to an official vote from the RBF, this could result in a reduction from 3% down to 2%. We are grateful for their continued support of our community.

CPA TAX SURCHARGE FORMULA

1. Start with your Assessed Property Value
2. Subtract \$100,000
3. Multiply by .01340 (FY23 Tax rate of \$13.40 per thousand)
4. Multiply by .03 (3% Threshold for CPA Tax Surcharge. 2% if RBF approves a 1% award).

Please see the attached spreadsheet highlighting the typical increase for an array of property values at both 3% and 2%.

Regards,

David Romanowski
CPAEC Chair