

EDITORIAL

Amend the Community Preservation Act to promote more housing

It's paid for historic fire trucks and church steeples, parks and swimming pools. But the popular law, which communities can opt in to, hasn't lead to enough new housing.

By [The Editorial Board](#) Updated December 26, 2023, 4:00 a.m.



Community Preservation Act funding is supposed to support affordable housing in towns and cities that accept the funds. But some communities have skimped on housing — or even used the money to create obstacles. This year, Peabody earmarked funds from the program to buy an 80-acre parcel of open space to prevent it from being developed into housing. BARRY CHIN/GLOBE STAFF

Dartmouth was looking for a way to house an often overlooked group: seniors with mental health disorders such as anxiety and depression. And so the town approved a proposal for a [10-unit subsidized housing development](#) for people aged 55 or older — one that would be staffed 24/7 and provide its residents with assistance they often lack.

In 2018, Dartmouth approved \$500,000 in funding for the project, and earlier this year, in June, the town [approved an additional \\$500,000](#). That'll fund just under a third of the total cost of the development — which is estimated to be [some \\$3.7 million](#) — and without it, the project may have never gotten off the ground. But the reason the town was able to cobble that money together is because of a quirky Massachusetts law enacted in 2000: The Community Preservation Act.

The law, which relies on municipalities to opt in, allows towns to impose a property tax surcharge and use the new revenue specifically for subsidized housing, open space, or historic preservation. Those three community interests often compete with each other, but the law is designed to ensure that municipalities tend to each of them: At least 10 percent of the pot of money must be spent on each of those three categories. The state then awards participating towns with a matching grant from a trust fund that the law established, paid for by leveraging fees on deeds. In the two decades since the law was established, nearly 200 cities and towns have opted in, spending [some \\$2.7 billion](#) on over 15,000 projects across the state.

On the surface, that sounds like a resounding success story. And the housing development in Dartmouth is a good illustration of how the law can fulfill its original promise.

But while the Community Preservation Act has certainly spurred a lot of meaningful investment in improving infrastructure and the quality of life in the places that adopted it, it hasn't necessarily succeeded in getting communities to strike the right balance between housing, recreational, and historic preservation needs. Specifically, the law has done a great deal in promoting parks and maintaining old buildings and sites, but communities have by and large failed to invest an equal amount of the law's resources into building more housing units. Even in Dartmouth, which allocates about 20 percent of CPA funds toward housing — double what is minimally required by the law — the town still spends far more on park projects, dedicating [roughly half of its CPA fund](#) for open space.



Workers build a new pool at Veterans Memorial Pool at Patton Park in Hamilton in 2016. The project used funds from the Community Preservation Act. Towns have generally preferred to use the money for parks and open space, rather than housing. JOSH REYNOLDS FOR THE BOSTON GLOBE

For years, housing advocates have quietly grumbled about the relatively small share of CPA money that communities direct to housing — an especially galling outcome in suburbs that have also battled against housing development in general. Those concerns burst into public view earlier this year, when a report produced by the Tufts Center for State Policy Analysis and commissioned by the Greater Boston Real Estate Board [found that only a fifth of CPA projects](#) have been dedicated to housing that's affordable for, and restricted to, low-income people, and an even smaller share were for *new* affordable housing. And while the law requires participating municipalities to dedicate at least 10 percent of their CPA funds to each category, the report suggested that some 70 municipalities have spent less than that amount on housing.

That's in line with what the Globe editorial board found in reviewing [state data](#), which showed 63 communities spending less than 10 percent on housing. That doesn't necessarily mean those communities have violated the law; they could be saving that money for housing projects down the line. After all, the law simply calls for towns and cities to “spend or set aside for later spending” at least 10 percent of CPA revenue for housing, open space, and historic preservation respectively.

Still, it's undeniable that the law has not achieved success in the way of housing like it has for recreation and historic preservation. And in some cases, the Community Preservation Act has been misused — at least in the context of the spirit of the law — to block housing projects from coming to fruition. When a housing developer proposed building an apartment complex on a plot of land it owned in Peabody, for example, the [city bought the parcel](#), in part with CPA funds, to block any development from happening, all in the name of maintaining more open space for residents.

While those kinds of ulterior motives will always exist — it should be no surprise that the communities spending less than 10 percent of CPA funds on housing tend to be the suburbs that have a history of staunchly resisting housing — they're not the main roadblock to using CPA funds for housing development. Many of those barriers exist in the law itself, which is in serious need of an update from Beacon Hill.

There are three major improvements lawmakers can make to the Community Preservation Act in order to promote the construction of new housing.

First, one of the biggest impediments to building new housing — and especially affordable housing — is cost. And ultimately, with a few exceptions, the CPA revenue cities and towns raise in a given year is not all that impressive. That's especially true with smaller towns, where the tax base isn't as large as it is in a city like Boston.

For example, Duxbury, which has a population of about 16,000 people, raised just about \$830,000 in total CPA revenue last year. With Eastern [Massachusetts' land, regulatory, and labor costs](#), even spending that whole amount on housing would probably only be enough to produce one or two units. Setting aside the minimum requirement of 10 percent of those funds to housing would mean a meager \$83,000 — a far cry from what's needed to produce a meaningful number of new units.



The Wright Building in Duxbury, pictured in 2012, was renovated with Community Preservation Act money. It now serves as an archives for the Duxbury Rural & Historical Society. SONJA WALLGREN

In order to bolster those numbers, the state needs to expand its CPA trust fund. Given that there's a limited pool of money for the state's matching grants, the size of grants has diminished as more and more towns opt into the law. So in 2019, the Legislature increased the deed fees that are used to pay for the trust fund — from \$20 to \$50 for most documents filed and from \$10 to \$25 for municipal lien certificates. That undoubtedly helped, but as [this editorial board argued](#) then, it's not enough. At the time, a more ambitious bill would have raised those fees to \$75 and \$35 respectively, and the Legislature should consider another raise.

That would help pave the way for the second fix: to encourage participating municipalities to spend more than 10 percent of their CPA funds on housing. In order to do that, the state could scale its grants to award more money to towns

that spend more than, say, 20 percent of their CPA funds on housing (that's the threshold recommended in the Tufts report; lawmakers could set it at a higher rate to increase the incentive). That still wouldn't mean that towns would have to prioritize housing over recreation or historic preservation, but it would give them a reason to think twice before relegating housing to last place.



The town of Sharon spent \$30,000 in CPA money in 2011 to buy back its first ladder truck, a 1923 model that went out of service in 1954 and ended up with a private collector in Canada before coming home. The truck, which still runs, is in storage, but is taken out for town events — including Sharon's 250th anniversary parade in 2015. SHARON FIRE DEPARTMENT

Lastly, there's a lack of expertise that the state needs to address. While many jurisdictions have dedicated planning departments, many others rely on volunteers or non-experts to come up with housing plans. Communities already have some resources to turn to when they need assistance in developing more housing, like the [Massachusetts Housing Partnership](#), a public nonprofit that promotes creating a bigger housing supply across the state. But Beacon Hill

could also pass a bill that allows the state to fund planning departments in municipalities that wish to have them, freeing up local funds to cover more housing production costs.

But towns and cities that want to realize the Community Preservation Act's full potential and use the law to help address the state's housing shortage can start doing so now by getting creative with how they spend their money. Given the small amount of funds that the CPA often dedicates to housing, some municipalities have simply used them to subsidize housing through direct rental assistance. That's a worthwhile investment that provides relief in the near term. It does little, however, to create long-term change when it comes to affordability. That's why towns should also look at how even measly funds can have a huge return on their investment.

Just take a look at what Medford recently achieved through the Community Preservation Act. The city used \$350,000 from its CPA revenue as seed money to fund predevelopment design work for the redevelopment of the Walkling Court public housing property to replace the existing 144 units and add 98 new ones. To say those CPA funds are a drop in the bucket when it comes to how much that project will eventually cost is an understatement. But that seed money funded necessary design work that eventually led to a \$15 million grant from the Massachusetts Department of Housing and Community Development.

To be sure, the Community Preservation Act cannot solve the state's housing shortage, and it's not intended to. Indeed, communities shouldn't be expected to allocate a disproportionate amount of CPA money for housing projects at the cost of disregarding residents' desires for more parks or historic preservation. But given the state's dire housing crisis, it's necessary for it to use all the tools

available to build more affordable housing.

Every little bit helps, in other words, and Beacon Hill should make sure the Community Preservation Act is doing its part.

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