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TO: Eileen Donoghue, City Manager *EMD*
FROM: R. Eric Slagle, Director of Development Services
DATE: January 20, 2022
RE: Community Preservation Act Process and Information

This memorandum addresses the request from Councilor Nuon regarding the Community Preservation Act.

The Community Preservation Act (CPA) was signed into law in 2000 as a tool to assist communities in preserving open space and historic sites, creating affordable housing, and developing outdoor recreational facilities. To date, 175 of the Commonwealth's cities and towns have adopted the CPA with just over \$2.1 billion raised in funding statewide.

The CPA requires that communities spend, or set aside for future spending, a minimum of 10% of their annual CPA revenues for each of the three following categories: open space/recreation, historic preservation, and community housing. The remaining 70% of the funds are undesignated, and can be used for any allowable project in any of the CPA categories.

Funding for the CPA comes from two sources. The first is a surcharge on local property taxes of one (1), two (2), or three (3) percent. The second is from a state match from the Community Preservation Trust fund whose source of funds is surcharges on documents filed at the Registry of Deeds.

Lowell residents voted to adopt the CPA in November 2019, following a City Council vote to put the CPA on the ballot. Voters approved a surcharge on local property taxes to fund open space, outdoor recreation, historic preservation, and community housing projects.

Funding

The City of Lowell approved a 1% surcharge on local property taxes to fund the city's CPA. The city approved the following exemptions to the surcharge:

1. First \$100,000 of residential property value.
2. Full commercial property value.
3. Low-income, and low- or moderate-income senior homeowners.

The city also receives a state match from the Commonwealth's Community Preservation Fund. As of the last report to the City Council, the CPA fund has \$2,593,133 (which includes the state match).

Community Preservation Committee Responsibilities

Upon passage of the CPA in Lowell, a nine (9) member Community Preservation Committee (CPC) was created to administer the CPA. The CPC is tasked with studying the needs, possibilities, and resources of the City of Lowell in regards to community preservation. In conducting such studies the CPC will consult with municipal boards, commissions, authorities, the City Manager, the Mayor, and the City Council, as well as City agencies, and personnel. The CPC worked with City staff, along with significant public outreach, to create a Community Preservation Plan. The plan was presented to the City Council in July of 2021, where it received unanimous approval.

The CPC has completed a full application and review process for proposals for CPA funds and will be sending recommendations to the City Manager to be conveyed to the City Council for approval and appropriation.

All projects receiving CPA funds must receive **both**:

1. A favorable recommendation from the CPC, and,
2. Approval from the City Council.

The City Council may vote to approve less funding than recommended by the CPC, but may not fund a project that has not been approved by the CPC, or change the funding source for the approval.

On January 13, 2021, the CPC met and recommended for approval the following projects. The votes for each specific project will be coming before the City Council on the February 1, 2022 meeting.

The City Council will have the opportunity to fully discuss and vote on each project recommended by the CPC at the February 1, 2022 meeting.

OPEN SPACE

1. Whistler House Museum of Art, Park and Courtyard – Open Space/Recreation
 - a. Applicant: Whistler House Museum of Art
 - b. Funding Recommendation: \$100,000
 - c. Scope of work includes new landscaping and plantings, lighting, and the creation of activity space in the park.
2. Improve Clemente Park – Open Space/Recreation
 - a. Applicant: Clemente Park Committee
 - b. Funding Recommendation: \$110,000
 - c. The proposal will provide improvements to Clemente Park including upgrades to playground equipment, playground turf, benches, and the basketball court.
3. Protecting Lowell's Last Farm – Open Space/Recreation
 - a. Applicant: Lowell Parks and Conservation Trust/Mass Audubon/Mill City Grows
 - b. Funding Recommendation: \$1,500,000 (via 20 year bond paid by CPA surcharge)
 - c. The project includes preserving the farm and redeveloping it into an urban wildlife sanctuary, urban farmland, and education center.

COMMUNITY HOUSING

4. 555 Merrimack Street – Community Housing/Open Space
 - a. Applicant: Coalition for a Better Acre

- b. Funding Recommendation: \$220,000 (\$27,000 for Open Space, \$193,000 for Housing)
 - c. The project would create 27 units for individuals/families with substance abuse disorders; all units will be income restricted.
5. CTI: A Place to Live Lowell – Community Housing
- a. Applicant: Community Teamwork, Inc.
 - b. Funding Recommendation: \$72,800
 - c. The development would create 24-30 single-occupancy, affordable housing units at 21 W Adams Street.
6. Acre Crossing – Community Housing
- a. Applicant: Acre Crossing, LLC
 - b. Funding Recommendation: \$763,200
 - c. The full project includes the construction of a mixed use building which includes residential, commercial, and retail uses. The funds would be used to create 17 affordable homeownership units.
7. One+ Lowell – Community Housing
- a. Applicant: Merrimack Valley Housing Partnership
 - b. Funding Recommendation: \$500,000
 - c. The funding would create an affordable homeownership program based on the One+ Boston program.

HISTORIC PRESERVATION

8. 1827 Bell and Wheel Repair – Historic Preservation
- a. Applicant: First United Baptist Church
 - b. Funding Recommendation: \$12,000
 - c. The scope of work includes the replacement of the cracked wooden wheel and clapper, which allows the church bell to swing and ring.
9. Downtown Lowell Building Restoration Fund – Historic Preservation
- a. Applicant: Lowell Development and Financial Corp.
 - b. Funding Recommendation: \$500,000
 - c. Funding would be used to create a loan fund to be used for historic preservation projects in the Downtown Lowell Historic District.
12. City Hall Stained Glass Restoration – Historic Preservation
- a. Applicant: City of Lowell
 - b. Funding Recommendation: \$473,713 (via 20 year bond paid by CPA surcharge)
 - c. The project would restore the damaged stained glass within Lowell City Hall including pieces in the City Council Chamber.
13. 80 Gorham Street: Structural Façade Restoration – Historic Preservation
- a. Applicant: New Gorham, LLC
 - b. Funding Recommendation: \$178,100
 - c. The project would restore the damaged façade of the historic structure at 80 Gorham Street, and complete structural work.