



Salem CPA YES!

The Community Preservation Act in
Salem



For Further Information



www.salemcitizens.org/issues/cpa

www.communitypreservation.org

The Community Preservation Act

Enables communities to fund 4 areas:



Open Space



Affordable Housing



Historic Preservation



Recreation

How does CPA work?

- Salem voter approval required to adopt the CPA
- Salem CPA adds a 1% surcharge to local property taxes (with exemptions)
- State provides Matching Funds that go into a special fund, not the General Fund



How does CPA work?

- Annually, 10% of CPA funds must be allocated to each of:
 - Historic Preservation,
 - Open Space,
 - Affordable Housing
- Remaining 70% is allocated to above 3 categories and **Recreation**. It can be retained for larger projects



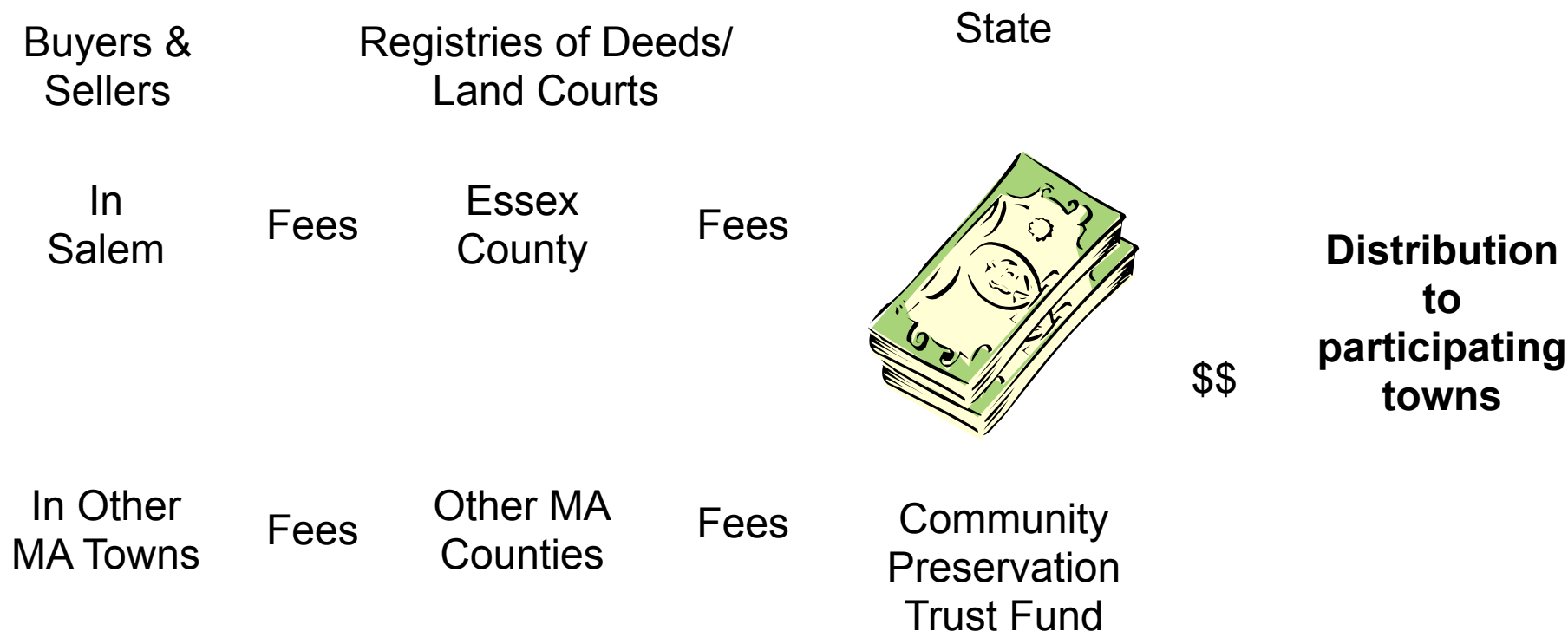
How does CPA work?

- Annual appropriations are recommended to City Council by Salem's CPA Committee
- The CPA Committee consists of up to 9 residents including 4 At-Large members
- Surcharge percentage may be changed annually by the City Council followed by voter approval
- Salem voters can repeal the Act



Community Preservation Trust Fund

Source of State Matching Funds



Fees:

- \$20 for Deeds
- \$10 for Liens

What does the CPA mean to Salem's Home Owners?

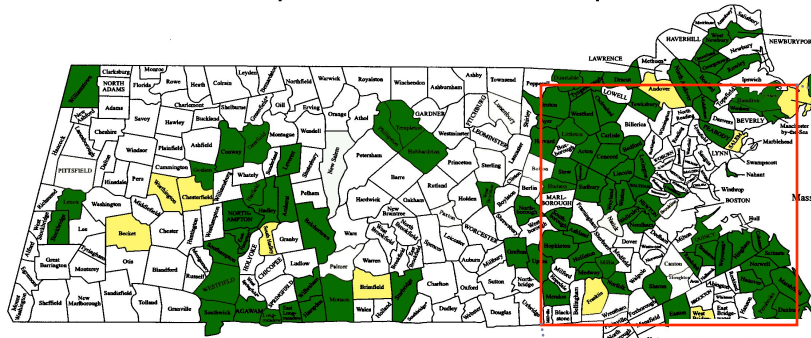
Assessed Residential Property Value	\$100,000	\$200,000	\$300,000	\$400,000
<u>Minus</u> \$100,000 residential exemption	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<u>Equals</u> Net Residential Value	\$ -	\$ 100,000	\$ 200,000	\$ 300,000
<u>Times</u> Residential Tax Rate	0.01077	0.01077	0.01077	0.01077
<u>Equals</u> Amount Subject to CPA	\$ -	\$ 1,077	\$ 2,154	\$ 3,231
<u>Times</u> CPA Rate (1%)	1.00%	1.00%	1.00%	1.00%
<u>Annual</u> Amount Household Pays to CPA Trust Fund	\$ -	\$11	\$22	\$32 ₈

Why adopt CPA now in Salem?

- Salem would raise an estimated \$440,000 in the first year.
- Only if we act now, will Salem have the opportunity to receive state matching funds
- Salem has already lost almost \$6 million dollars by not participating in the program since its inception in 2001
- Over the next 5 years, it is estimated that Salem would receive over \$2 million dollars in Matching Funds from the State if it adopts the CPA in November 2007

State Matching Funds for Area Towns

<u>Town</u>	<u>Surcharge</u>	<u>2007 State Match</u>
Boxford	3.0	\$ 464,894
Dracut	2.0%	\$ 564,011
Hamilton	2.0%	\$ 287,075
Middleton	2.0%	\$ 118,378
Newburyport	2.0%	\$ 513,222
Rockport	1.0%	\$ 342,760
Peabody	1.0%	\$ 550,595
Salem	-	\$ 0
Wenham	1.5%	\$ 223,738



CPA Passed Through a Local Referendum

CPA is on an Upcoming Ballot

Last Updated 9.13.07

It's time for Salem to Benefit from the CPA

Let's not be left out !



For Further Information



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Paid for by: SalemCPA-Yes!, a project of the Conservation Campaign,
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