

In response to a question from Councillor Braude, Mr. Maloney responded that once the City has accepted the CPA, any change in the percentage on the exemptions must go back to the voters for them to accept. Acceptance is a five-year commitment to at least some level of participation in the CPA.

Mr. Maloney said that he would check with the Law Department as to any other legal requirements, deadlines, etc.

Mr. Healy noted that a final tax rate would not be set until after the ballot. Thus the first tax bill would be estimated, subject to the state approval. Since this is a certification year for Cambridge, and Sally Powers, the former department head for the Assessor's Office has left, he expects that the state will approve an estimated tax.

Robert Winters, 366 Broadway, asked about the "maintenance of effort" issue. Mr. Healy stated that Mr. Maloney and Representative Barrios have had discussions with the Department of Revenue (DOR). Mr. Maloney stated that the DOR interprets "maintenance of effort" as applying to any amount of funds that the municipality is already legally obligated to expend, and not to annual allocations by choice of tax funds for housing, open space and historic conservation. For example, already existing debt that the City pays cannot be counted towards the 3%.

Mr. Healy stated that the Community Preservation Committee must be created by ordinance, but he believes that can happen after the election. The City Council decides how many people will be in the Community Preservation Committee and the City Manager appoints the committee members.

Councillor Braude noted concerns vis-à-vis the state budget timetable.

Councillor Born asked about how the calculation of the tax allocation percentage will affect the funds for open space to historic preservation. Mr. Maloney stated that there is no problem in this area. The allocation of the matching funds is decided by the Community Preservation Committee, with the requirement that at least 10% go to each of the three areas.

Councillor Braude asked whether the 30% rule for ballot questions pursuant to the general state election law will pertain to this ballot question. That provision requires that 30% of all eligible voters vote in favor of a ballot question in addition to a majority of those voting in the election. Mr. Healy noted that the CPA, Ch. 267 of the Acts of 2000, states that a "majority of the voters voting" must approve. Councillor Braude said that while the language of Ch. 267 seems clear, he would still like to have an opinion from the City Solicitor.

Councillor Braude noted the strong participation of the open space and historic conservation interests in the community and expressed his hope that the affordable housing community will become more interested and active with respect to the CPA.

Councillor Davis observed that the City cannot expend funds advocating for a ballot question, and it is going to take money as well as time to educate the voters and advocate for approval of the ballot question.

Mr. Winters asked about the summary that the Election Commission produces. Councillor Braude said that the summary can provide a clear statement of the facts.

Mr. Maloney reiterated that the City Manager's proposed budget recommends that the City Council adopt the CPA. The budget also contains a \$5.5 million appropriation for a stabilization fund for unspecified purposes. One possible use of these funds could be an allocation for affordable housing if the CPA is approved.

Councillor Braude then invited a motion to request that the City Solicitor provide a legal opinion as to whether the state law requiring a favorable vote of at least 30% of those eligible to vote, along with a majority of those voting, is applicable to a CPA ballot question.

Councillor Davis so moved. The order passed without objection on a voice vote.

Councillor Braude thanked all those present for their attendance.

The meeting was adjourned at 4:45 P.M.

For the Committee,

A handwritten signature in cursive script that reads "Jim Braude".

Councillor Jim Braude, Chair

City of Cambridge

HOUSING COMMITTEE MEMBERS

Councillor Jim Braude, Chair
Councillor Kathleen L. Born
Councillor Henrietta Davis
Councillor Marjorie C. Decker
Vice Mayor David P. Maher

In City Council June 4, 2001

The Housing Committee held a public hearing on April 23, 2001 beginning at 4:10 P.M. in the Sullivan Chamber for the purpose of an update on the Community Preservation Act.

Present at the hearing were Councillor Jim Braude, Chair of the Committee, Councillor Kathleen L. Born, Councillor Henrietta Davis and City Clerk D. Margaret Drury. Also present were Robert W. Healy, City Manager, James Maloney, Assistant City Manager for Fiscal Affairs, Darcy Jameson, Housing Director, Community Development Department and Sally Zimmerman, Historical Commission.

Councillor Braude convened the hearing and explained the purpose.

Mr. Healy stated that his proposed budget recommends that the City Council accept the Community Preservation Act (CPA). He explained that acceptance of the CPA requires a sequence of steps as follows:

1. The City Council must vote to accept by a majority vote and place the question on the ballot.

The City Council has choices it must make.

1. The percentage of the surcharge, which can be set at any amount up to 3%.
2. The City Council can choose whether to adopt any of the following exemptions:
 - A. \$100,000 of the value of each taxable residential parcel. Mr. Maloney stated that the total cost of this exemption would be \$400,000
 - B. Commercial Property
 - C. Low income homeowners and/or low or moderate income senior homeowners

Mr. Maloney did not have information about the cost of the exemptions listed in "B" and "C" above, but said that he would provide this information at a future meeting.

Mr. Maloney stated that the Secretary of State deadline for adoption by the City Council is 60 days before the election.

236 S

Committee Report #2

Committee Report from Councillor
Jim Braude, Chair of the Housing
Committee, for a meeting held on
April 23, 2001 for the purpose of
an update on the Community
Preservation Act.

In City Council June 4, 2001

Report Accepted

PLACED ON FILE