COMMONWEALTH OF MASSACHUSETTS

COUNTY OF NORFOLK

The County of Presidents

WILLIAM P. O'DONNELL, NORWOOD, CHAIRMAN
JOHN M. GILLIS, QUINCY
PETER H. COLLINS, MILTON
CLERK:
NICHOLAS BARBADORO, BRAINTREE

DIRECTOR OF OPERATIONS:
HENRY W. AINSLIE

COUNTY COMMISSIONERS
ADMINISTRATION OFFICES
614 HIGH STREET, SUITE 201
PO BOX 310
DEDHAM, MA 02027-0310

TEL: (781) 461-6105
FAX: (781) 326-6480

TRUSTEES OF
NORFOLK COUNTY AGRICULTURAL SCHOOL

Wednesday
April 14, 1999

TESTIMONY ON BEHALF OF HOUSE BILL NO. 3941

FOR AN ACT ESTABLISHING OPEN SPACE, PARK AND RECREATION FUNDS IN THE CITY AND TOWNS OF NORFOLK COUNTY

The Norfolk County Commissioners are pleased to support H. 3941, which was developed and endorsed by our Advisory Board on County Expenditures, which is composed of the municipalities listed at the foot of this letterhead. Our bill:

- would establish in EACH municipality in Norfolk County a special purpose fund
- to acquire land or interests for open space (like the Barnstable model)
- BUT ALSO for construction or reconstruction of PARKS and RECREATIONAL areas

This legislative proposal would be funded by part of the EXISTING deeds excise tax:

- and would NOT REQUIRE an increase in local property taxes (like Barnstable model)
- and would NOT REQUIRE an increase in deeds excise (like some other proposals)
- but would require the state to relinquish its share of the CURRENT deeds excise

and each month send that directly to the towns within the county.

The need for open space purchases has been well documented. Public support for open space purchases is deep and widespread. The current challenge is to identify creative ways to finance such purposes. We offer you this as a creative policy option.

Theoretically, you might want to consider BARNSTABLE FUNDING, but a twenty-year, THREE PERCENT property tax surcharge would, on a suburban Boston property tax bill, prove significantly more burdensome than on a Cape Cod property tax bill. H.3941 RAISES NO ONE'S TAXES; in fact it is and will be invisible to the seller of real property. Currently, the sale of a $100,000 house requires the payment of $456 to the Register of Deeds, who in turn sends half – or $228 – to the Department of Revenue. What we propose is rather for the Register of Deeds to send THAT $228 to the treasurer of the municipality where the sold property is located. Invisible to the seller! NO NEW TAX!

Theoretically, you might also want to consider new, local-option revenue sources for these purposes. For each such case, you would likely require the time-consuming mechanism of a local referendum. With NORFOLK FUNDING, you would instantly create twenty-eight separate land banks, without any procedural delays. The deeds excise is a funding source, long ago court-tested for constitutionality.

Significantly, under H.3941, these same revenues would also be available for the construction or reconstruction of parks or recreational areas, reflecting the needs of both built-up urban centers and still-developing suburbs. Existing state programs seem to reach only to passive recreational uses and -- to that extent – fail to meet these needs. Under H.3941, active recreational uses are clearly intended. For some sense of the local interest in this new funding, many county towns will be submitting petitions from interested citizens. Current state programs just do not quite reach far enough.

We hope that you members of the Joint Committee on Taxation might see your way clear to give this measure your favorable vote. Thank you for your consideration.

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TRUSTEES OF
NORFOLK COUNTY AGRICULTURAL SCHOOL

Wednesday
May 12, 1999

OPEN LETTER TO REPRESENTATIVE TOWN MEETING MEMBERS IN BROOKLINE:

We applaud Brookline's current activities to develop a new five-year Open Space Plan 2000. Based upon your regional meeting at the Hammond Street DPW Facility on Monday, May 10, it is clear that the town's reputation for active citizen involvement is alive and well. As you hold these important local meetings over these next few months, we hope that you realize the General Court is simultaneously considering statewide legislation, which would fund open space and related purposes (see excerpt from MMA newsletter for current legislative status).

Several organized interests at the state level apparently are trying to put legislators in the awkward position of authorizing ONLY NEW LOCAL taxes to fund these purposes: either (1) a three percent property tax surcharge or (2) a $100,000-exempted transfer tax on the transfer of real property. But there is a third way -- our advisory board's House Bill No. 3941. Our legislative proposal (H.3941) was developed by many selectmen and other local officials from towns all across Norfolk County. It proposes to divert an EXISTING general-purpose-state-excise into a special-purpose-local-excise. It neither raises taxes nor creates new taxes for any party. Currently, the sale of a $1,000,000 house requires the payment of $4,560 to the Register of Deeds, who in turn sends half -- or $2,280 -- to the Department of Revenue. What we propose is rather for the Register of Deeds to send THAT $2,280 to the treasurer of the municipality where the sold property is located.

Were H.3941 state law today, it would provide the Town of Brookline with an annual revenue stream in excess of $800,000. We note with interest that the warrant for your May 25 Annual Town Meeting carries some capital improvement projects for open space, parks and recreation, which total near $1.2 million. We calculate that, given such a new revenue stream, long-term capital funding could be planned by the Town of Brookline. The ideal result would have such a new funding in place, timely for the implementation of your new five-year plan.

We hope that you find this information helpful. We expect that you may want to share your views on state funding with your state delegation. And we do thank you for consideration of our views. Very truly yours,

William P O'Donnell
William P. O'Donnell
Chairman

John M. Gillis
John M. Gillis
Member

Peter H. Collins
Peter H. Collins
Member

cc: Friday 5/14/99 to all Mayors + Bds Selectmen

The Beacon

Vol. XXV, No. 5 | A Publication of the Massachusetts Municipal Association | May 1999

Community Preservation Act receives support

By David Baier

A bill that would enable communities to establish a special fund for environmental, open space, historic preservation and housing initiatives received broad but conditional support during a packed hearing before the Joint Committee on Taxation April 14.

The only sticking point in the proposed Community Preservation Act, S. 1513, was a provision that would permit a community to choose between a super-override, a land transfer tax, or a combination of the two, to finance local initiatives.

The bill would:

- Permit a municipality by a referendum vote to establish either a transfer tax of up to 1 percent on real estate purchases or a property tax surcharge of up to 3 percent (a so-called super-override), or a combination of the two, with the first $100,000 of a property's value being exempt from either tax;
- Require a locally appointed board to draw up plans for the expenditure of the funds, subject to approval by town meeting or the city council and mayor;
- Permit up to 70 percent of the annual revenues to be used for environmental protection projects and municipal environmental infrastructure improvements; and
- Require that a minimum of 10 percent of the annual revenues generated by the land transfer tax or a property tax surcharge be used for each of three purposes: open space preservation, historic

PRESERVATION, continued on 7

INSIDE

Arlington Selectman Charles Lyons testifies March 30 before the Legislature's Committee on Transportation. Lyons told the committee of the importance of Chapter 90 funds to cities and towns.

Community preservation

continued from page 1

preservation and housing. Municipalities would have broad discretion in meeting these minimums.

Robert Durand, who was the original sponsor of the bill before he resigned from the Senate to become secretary of environmental affairs, testified in favor of the bill, but he warned that Gov. Paul Cellucci would veto it if it included the land transfer tax.

Real estate interests also expressed support for the bill so long as it excluded the land transfer tax.

Dozens of environmental organizations and community land use professionals testified in favor of the bill as written. The MMA testified in favor of the bill, particularly its three funding options.

The MMA stressed that communities already may levy a property tax surcharge through override procedures, and that a Cape Cod land bank law that passed last year and used only the property tax surcharge included $15 million in state funds to assist communities. If the land transfer tax option is eliminated, the MMA asserted, local officials would expect the state to provide similar funding to all communities in the state.

With the main appropriations bill taking center stage for the next two months, action on the Community Preservation Act may be delayed until the fall. *

HOUSE . . . . No. 3941

By Mr. Mariano of Quincy, petition of Ronald Mariano, Maryanne Lewis and A. Stephen Tobin for legislation to establish open space, park and recreation funds in the cities and town of Norfolk County. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Nincty-Nine.

AN ACT ESTABLISHING OPBN SPACE, PARK AND RECREATION FUNDS IN THE CITIBS AND TOWNS OF NORFOLK COUNTY.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Each city and town in Norfolk county is hereby authorized to establish and maintain a special fund to be known as the Open Space, Park and Recreation fund into which shall be deposited taxes collected by the Norfolk county registry of deeds with respect to properties located in each city and town notwithstanding the provisions of section 10 of said chapter 64D. Such funds shall be transmitted to the cities and towns not later than the tenth day of each subsequent month. Such funds shall be maintained by the treasurer of the city or town as a separate account. Any interest earned on any fund balance shall be credited to and become part of such fund. A city or town may appropriate such sums as may be available in said fund for the purpose of acquiring land and interests in land for open space, conservation fund, the construction o reconstruction of parks, and the construction or reconstruction of recreational areas.

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF NORFOLK

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TRUSTEES OF
NORFOLK COUNTY AGRICULTURAL SCHOOL

Wednesday
April 28, 1999

OPEN LETTER TO THE MEMBERS OF THE GREAT AND GENERAL COURT:

The Joint Committee on Taxation recently took testimony on a variety of proposals for some type of community preservation legislation. At that same hearing, we testified for our H.3941, to establish – at least in Norfolk County towns -- an open space, parks and recreation account.

As it appears that some type of statewide measure will more likely emerge from the Taxation Committee, we ask that the principles of H.3941 be included in any such general legislation, and we enclose -- for your reference – a copy of our committee testimony.

We urge that authorized uses be defined broadly with no percentage mandates. Our bill differs from competing measures, in that it extends usage to parks and recreational areas, both existing and proposed, and does not mandate any percentages for spending categories. These proposed uses have strong support across our county towns, as evidenced by many supporting votes both from boards of selectmen and from town meetings.

We would also point out that our Norfolk funding proposal is a modest alternative to any new taxes. And, if applied statewide, H.3941 would divert some $60 million of the state's EXISTING deeds excise (since 1951) to these important public purposes. Although this revenue sharing would set a precedent, such dedication of the common wealth would have the clear advantage of INSTANTLY ESTABLISHING 351 COMMUNITY PRESERVATION ACCOUNTS!

Such creative funding could represent a significant legacy for members of the General Court, as we start this new millennium! We thank you for your consideration. Respectfully offered,

William P. O'Donnell
Chairman

John M. Gillis
Member

Peter H. Collins
Member

Enclosure: County Testimony of April 14

* cc: Friday May 14 to all Mayors + Boards of Selectmen

Comm. & Rpts. Other Officers
#2

4045

A communication was received from DMD, transmitting a communication from the Norfolk County Commissioners, transmitting an informational packet regarding the House Bill No. 3941.

In City Council May 24, 1999

PLACED ON FILE