

## Draft Statewide Community Preservation Fund Authorization

### Memorandum in Support

(A.6257A (Thiele) & S.4098A (Ryan))

Dear Assembly Representative Weinstein and Senator Martinez,

We support A.6257A/S.4098A, which authorizes all cities and towns in New York State other than New York City to establish community preservation funds (CPF). This legislation would enable cities and towns to impose a real estate transfer tax of no more than 2% (subject to mandatory referendum) and deposit the revenue into the CPF.

Grounded in the principles of Home Rule and local land use decision-making, and piloted successfully in different parts of the state, CPFs are among the few available mechanisms municipalities can use to plan for and raise resources to invest directly in local conservation. It is difficult to imagine communities making these kinds of investments using just their general funds. Unfortunately, the current state of the law makes it too difficult for most communities to establish CPFs. Each community seeking to put a CPF in place must receive individual authorization from the State. The Hudson Valley Community Preservation Act (HVCPA) already grants this authorization to three counties in the Hudson Valley: Ulster, Westchester, and Putnam. Outside of these counties, however, authorization must be sought through laws independent to each municipality seeking to establish a CPF – a complicated process that can take years.

Thanks to authorization from the HVCPA, the Towns of New Paltz, Gardiner, and Marbletown in Ulster County have all established CPFs within the last four years. This past November, the Town of Chatham (Columbia County), which received authorization from an independent law passed back in 2007, also passed a CPF. Each CPF referendum that has gone to ballot has passed with approximately 70% voter support, indicating a strong desire from local residents to conserve the land and natural and historic resources that make their communities great places to live.

It is important to note that this bill does not require that cities and towns establish a CPF. It simply allows them to go through the process of establishing the local laws and putting a referendum on the ballot that would let voters decide whether or not they want a CPF and the associated real estate transfer tax (which would only apply to transactions above the median sales price of residential real property within the applicable town or city).

Community Preservation Funds are a vital tool for New York State communities to balance development and conservation. By generating dedicated funds for the protection of open spaces, natural resources, and historic sites, CPF programs contribute to the long-term well-being and unique identity of localities across the state.

Thank you.