

Stow Community Preservation Plan

Background on the Community Preservation Act:

The Community Preservation Act (CPA), MGL 44B, was enacted into legislation on September 14, 2000. Under this legislation, municipalities may opt to participate in the CPA by adopting a property tax surcharge to create a locally controlled Community Preservation Fund. The state will provide a match, up to a maximum of 100%, depending on what percentage surcharge is adopted [in that municipality](#), and the number of communities participating statewide. The Community Preservation Fund can be used to fund projects related to the acquisition and preservation of historic buildings and landscapes, the acquisition and preservation of open space, the acquisition of land for recreation, and the creation and support of affordable housing. All decisions on expenditures are made by the community at Town Meetings. The goal of the Community Preservation Act is to provide communities such as Stow with an alternative funding source - the state matching funds - to expand their ability to pursue and implement projects in each of these three areas, to preserve or enhance the quality of life in those communities.

Local Adoption in Stow:

Stow opted to participate in the Community Preservation Act (CPA) at the Town Meeting and Annual Town Election in May of 2001. At that Town Meeting, the Stow Committee Preservation Committee was created, comprised of representatives from each of the following Conservation Commission, Historical Commission, Planning Board, Recreation Commission, Housing Authority, Finance Committee, Open Space Committee, Council on Aging, and the Board of Assessor's. At the Annual Town Election, Stow voters opted to enact a surcharge of 3% to create the Stow Community Preservation Fund. State matching funds are distributed in up to three grant rounds per year. Only the communities that are participating at the 3% surcharge level are eligible for grants in the second and third grant round each year. Stow voters also opted to adopt all of the possible exemptions to the surcharge, including: the first \$100,000 of assessed real property, those properties occupied by low income property owners, and those properties occupied by low or moderate income senior property owners. ***As a result, Stow is participating in a manner that maximizes the state matching funds, with the least possible financial impact to the community.***

The first state matching grants will be made on October 15, 2002. Due to the limited number of communities participating statewide, and Stow's participation at the 3% surcharge level, a State match of 100% is anticipated in the first year, and possibly, for several successive years. Unlike other state and federal grants, Stow maintains strong local control of all decision making under the Community Preservation Act. There are no requirements to expend funds within any timeframe. The law requires that at least 10% of the funds in any given year be allocated - expended, or reserved for use in a future year - to each of the three project areas (historic preservation, affordable housing, and open space). The State matching funds will be awarded each and every year that

Stow participates, and deposited in a locally controlled and located interest bearing account.

Stow Community Preservation Committee:

Pursuant to the adoption of the CPA in May 2001, the Community Preservation Committee was formed to develop a Community Preservation Plan to facilitate implementation of the CPA in Stow. The Committee has met regularly since September 2001. The Committee's role is to study the existing resources of the town, identify critical needs, evaluate various options for addressing those needs, and to recommend specific projects for Town Meeting consideration. **All projects recommended by the Committee must also be approved by a majority vote at Town Meeting before expenditures can be made from Stow's Community Preservation Fund.** The Town Meeting can also choose to expand the Community Preservation Fund by bonding specific approved eligible projects by 2/3 votes at the Town Meeting.

The Committee consists of one representative from each of the following committees or boards: Open Space Committee (Bob Wilber - Chairman), Planning Board (Bruce Fletcher - Vice Chairman), Conservation Commission (Scott Greene), Historical Society (Karen Gray), Council on Aging (George Dargaty), Recreation Committee (Chris Way), Stow Housing Authority (Mark Carrig), Finance Committee (David Walrath), and Board of Assessors (Jack Smith). In addition, there are several associate members including Ernie Dodd of the Planning Board, Jim Sauta of the Council on Aging, and Bill Maxfield of the Open Space Committee.

Community Preservation Plan for Stow:

As required by the legislation, the Committee has prepared a Community Preservation Plan for Stow. **The purpose of the plan is to provide a framework for evaluating and selecting project proposals within the three areas - historic preservation, affordable housing, open space/recreation - for recommendation to Stow Town Meeting voters.** This plan is the result of the needs assessment completed to date for each of the three categories, the meetings of the Committee during the last year, and a public forum held on June 17th 2002 at the Stow Town Hall.

Needs Assessment:

Over the past year, the Committee has met with representatives of the Stow Housing Authority, the Historical Commission, the Lake Boon Commission, the Open Space Committee, the Recreation Commission, the Council on Aging, the Planning Board, the Selectmen, and the Conservation Commission. These meetings were held to enable the Committee members to become familiar with the needs of each area covered under the Act. The Committee has utilized this information to identify goals for each area, establish criteria to evaluate proposed projects, discuss potential projects, and provide a process for submitting and evaluating projects, all of which will be documented in the Community Preservation Plan. Although needs have been identified in all three areas, the results of the needs assessment have identified affordable housing alternatives as the most critical need in the town as of this date. Affordable housing is defined by the

state as housing that is affordable to a low or moderate-income household. A low-income household has income which is less than 80% of the area median income as specified by the federal Department of Housing and Urban Development (HUD). Moderate income is up to 100% of the area median income.

Stow's Community Preservation Goals:

Historically, Stow has demonstrated a strong commitment to protecting and enhancing the key aspects of the community that combine to make Stow such a special place. In particular, the town has a solid track record in each of the three activities identified in the Community Preservation Act - conservation of open space, the preservation of historic resources, and the provision of affordable housing. This commitment towards preserving the character of the town is evidenced by the refurbishment of the Town Hall and the West School, the recent support by voters for the acquisition of Flagg Hill and Red Acre Woodlands as conservation land, and the provision of affordable housing alternatives such as Pilot Grove and Plantation Apartments. Also in keeping with that philosophy, the town has also been pro-active in trying to manage new growth by promoting the concept of cluster developments to preserve open space and protect natural resources. The community has recently adopted an Active Adult Neighborhood housing bylaw as well. In addition, preferential tax assessment programs such as Chapter 61, 61A, and 61B have helped maintain our community's proud agricultural heritage and golf courses.

Stow remains in the year 2002 as a beautiful, semi-rural, community with good schools, a small town feel, a viable agricultural base, and an active, involved citizenry. With the passage of time, Stow is increasingly unique in these collective qualities, relative to many of the other communities located inside of the Route 495 corridor.

Despite Stow's history of taking actions necessary to protect key aspects of the community, increasing competition for limited financial resources make that trend more challenging to sustain. At the same time, Stow's desirability and proximity to Boston have recently led to unprecedented residential growth that threatens to fundamentally change the character of the community. The "buildout" analysis completed by the state Executive Office of Environmental Affairs concluded that, relative to other communities in the vicinity, Stow is quite vulnerable to changes that could substantially alter or diminish town character. ***The overall goal of the Community Preservation Committee is to proactively identify and preserve important elements of Stow, so that our "sense of place" is maintained as inevitable growth and change occurs.***

Historic Preservation

1.0 Introduction and Needs Assessment:

While justly proud of our historical roots, the town of Stow needs to move forward to ensure that the traces of our past are not lost or eclipsed by the pressures of development and growth. The charm of the Upper Village is threatened by increasing automobile traffic. The Lower Village's historical past has been eclipsed by commercial development, bad signage regulation and inadequate traffic planning. "Mansionization" threatens the scale of residential neighborhoods.

Gleasondale is one of the treasures of Stow. One of very few well-preserved mill villages in the state, the residents there, without particular regulation, have managed to retain much of its character, and make it a truly lovely place to visit. It too is threatened by traffic. The preservation of the viewscape is vital, and if certain key properties leave the hands of those that now protect them, much stands to be lost.

Sections of Lake Boon still have the charm of the summer "camp" settlement that it once was, although the Lake too faces "mansionization" which can quickly change the waterfront unique charm to congested and boring suburban sprawl.

Numerous other buildings in Stow are noteworthy. Included among them are the Hosmer House, the Faxon House, the Boaz Brown House, the Minster's House, the Connant Farm, and the Gleason House. It would be difficult to list them all in limited space, but there are many buildings which contribute to the sense of history in Stow.

2.0 Project Selection Criteria:

A variety of factors need to be considered in evaluating potential projects. The order of the criteria below is not to be seen as a prioritizing.

2.1 Value to town:

- a. Significant age and/or connection with historical event or figure
- b. Reflection of socio-economic history of town
- c. Reflection of industrial or agricultural history of Stow
- d. Uniqueness in area: archetype or prime example, in whole or in part and value to future scholarship.
- e. Documentation of history that will otherwise be lost
- f. Value to historical context: is this a part of a whole, such as the value of an out building to the understanding of a farm or factory which helps us understand how the whole would function
- g. Importance to the viewscape in illustrating Stow's past. As an example, the view of the Assabet River is important to the understanding of the mill in Gleasondale.
- h. Importance to historical appearance of site to maintain or complete historic accuracy.
- i. In the case of private restoration, the expenditure must maintain historical appearance of site and/or stabilize and maintain historical structure. In addition, site should either be visible to wider community or otherwise accessible to it.
- j. Good visibility and/or access
- k. Memorial value, such as our cemeteries.

- l. Educational value: helps explain history, such as the construction of historical markers.
- m. Site serves as an attraction that will bring people to Stow and educate them.
- n. Site meets qualification for other areas of Community Preservation Act's agenda as well as those for historical preservation.

2.2 Cost Factors

- a. How feasible is adaptive reuse if current use cannot be supported?
- b. What is the current condition, and how much will it cost to preserve?

2.3 Urgency

- a. Is this bit of history going to be irretrievably lost unless action is taken?
- b. If something is to be lost, can it at least be studied and documented?

2.4 Coincides with other areas of Community Preservation Act's agenda as well as Historical Preservation.

3.0 Specific Potential Historic Preservation Projects:

The Stow West School

The Stow West School, constructed in 1825, is one of five district one-room schoolhouses that stood in town in the early nineteenth century. It was remodeled in mid-century to the dictates of the reform movement lead by Horace Mann, and continued in operation until 1903. Since 1974 it has been owned by the town of Stow and has been operated as the Stow Historical Commission for the last three years. The schoolhouse has great potential for teaching Stow history. And as a site for public events, the property includes a beautiful glen and a small woods. Planned events include school tours and special historical programs and concerts.

Providing safe and convenient parking and easier access to the schoolhouse could increase the use of the Stow West School property. The Stow Historical Commission and the Community Preservation Commission would like to explore the development of a small parking area to the north west side of the school, across Harvard Road, in what is now brush. A path from this lot could be constructed up to the rear of the schoolhouse, around the building to the door, making the building accessible to those with handicaps. Additional parking would make the grounds available for passive recreational use.

The Blacksmith's Shop

At one time, Great Road in Stow had many craftsmen's shops. One that remains is the blacksmith's shop, which was operated by Peter Larsen in the first half of the 20th century. It was the last blacksmith shop operating in Stow. The building has not been much changed. Some of Peter Larsen's equipment is owned by people living in town that might lend or donate the equipment, should the building be restored.

The shop is adjacent to Central School; a location which suggest, should it be stabilized and cleaned up, it would have future as a museum for learning about the crafts and industries of Stow. It could also be used as seasonal gallery for artists and craftsmen. Students from the nearby schools could have history programs there. The building is owned by the town, but has not been maintained since a restoration in 1974.

Update Inventory of Stow Historical Buildings and Sites

In the 1980's an extensive study was done of many of the historical sites in town. While the inventory remains useful, it needs updating to 1) add scholarly information that now may be available 2) provide up-to-date information on ownership and alterations 3) include sites omitted in the '70s, and 4) correct errors made in original information. This would provide information necessary for certifying properties for the Historical Register, and possibly for buying Historical Preservation Restrictions of threatened properties. The new survey would also provide a good basis for prioritizing properties for preservation or further documentation should they become threatened. Of particular interest would be a study of barns. Possible matching grants would be explored.

Archeological Survey of Pre-Historic Sites in Stow

Stow has several sites that may conceal a wealth of information on the life of the early peoples who used the Stow area for over a period as long as ten thousand years before European settlement. There is a threat that these sites and the information they might provide could be lost if this study is not done. Also, some known sites are on town land, and the state will require that the town have an archeological survey in hand before that land can be disturbed.

The Old Firehouse

Stow's original firehouse currently stands on Homestead Lane. Built c. 1824 it served the town as a fire station from 1928 until 1938. It is in imminent danger of being torn down.

Stow Cemeteries

Stow's three town-owned cemeteries are of significant value to historians and genealogists. In addition these are places of beauty with park-like qualities. The Historical Commission would like to see this places preserved and improved. There should be signs and a plot map for the burial sites. Beginning with the town's oldest cemetery in the Lower Village, the Historical Commission would like to work with the Cemetery Commission and the Historical Society to make the cemeteries more pleasant and informative to visit, and attractive to view from the roads.

Conservation of Open Space and Land for Recreation

1.0 Introduction and Needs Assessment

As a community, Stow has done a good job of protecting key parcels of land over the years. The citizens of the Town have generally endorsed compelling open space acquisition proposals - with the notable exception of the Dawes Estate property several years ago - while addressing other community priorities as well. The Town is fortunate

to have an active private land trust, the Stow Conservation Trust, and many environmentally conscious residents and town officials.

Despite the proud history of resource protection in Stow, there is still much work to be done. The current Open Space and Recreation Plan for Stow is a very thorough document and a valuable reference. The Plan, drafted in 1997 and due to be updated later this year, identifies numerous properties grouped in five priority areas:

- Land for agricultural preservation;
- Land for open space and recreation;
- Land for water resource protection;
- Land for historic and cultural preservation; and,
- Land for scenic protection

Increasing rates of residential development have caused the "window of opportunity" for meaningful conservation in Stow to begin closing more quickly. Because conservation decisions must be made *before* a given parcel is converted to development, open space protection efforts need to become increasingly proactive.

In 1999, the Board of Selectmen created an Open Space Committee to compliment the land conservation work being done by the Conservation Commission and the private Trust. The first task of the Open Space Committee was to develop a weighted criteria ranking system for evaluating undeveloped parcels of land in Stow. This tool was developed to be highly responsive to issues and landscapes specific to Stow, and was "grounded" in existing accepted references including the Stow Open Space and Recreation Plan, the water resource study done by IEP consultants, the Commonwealth's Natural Heritage and Endangered Species Program Atlas and BioMap, the Statewide Outdoor Recreation Plan, soils maps from the Soil Conservation Service, and other sources. The weighted criteria ranking system has been used to evaluate Rights of First Refusal from properties taken out of the various Chapter 61 preferential tax assessment programs, and serves as a tool to encourage proactive land conservation efforts.

1.1 Options for Acquiring Open Space and Recreation Land and Rights with Community Preservation Funds

Purchase or Donation of Conservation Restrictions and Agricultural Preservation Restrictions

Conservation restrictions (or conservation easements) and Agricultural Preservation Restrictions are agreements between a landowner and a land trust or government agency that permanently limit uses of a property in order to protect its conservation values or agricultural values. They allow land to remain in private ownership and be sold or passed on to heirs. Conservation and Agricultural Preservation Restrictions are designed to conserve forever the important resource values of each property. They are legally binding on all future owners.

A landowner who sells or donates a Conservation Restriction or Agricultural Preservation Restriction gives up some of the rights associated with the land. For example, he or she might give up the right to build additional structures, while retaining

the right to grow crops. The agency or land trust that acquires the Restriction is responsible for making sure the terms of the Restriction are followed.

Conservation and Agricultural Preservation Restrictions offer great flexibility and can be tailored to meet the needs of the landowner. A Conservation Restriction on property containing rare wildlife habitat might prohibit any development, for example, while an Agricultural Preservation Restriction on a farm might allow continued farming and the building of additional agricultural structures. A Restriction may apply to just a portion of the property or an entire parcel, and need not require public access.

Purchase or Donation of Land

When the town purchases or receives donations of land for open space protection the land is publicly owned and can be used for a variety of purposes including recreation, water supply and water supply protection, wildlife habitat protection and other conservation and recreational purposes. Stow's Community Preservation funds can be used to facilitate such gifts by covering associated costs such as title or survey work.

Occasionally, the town will consider providing funds to protect a property that has exceptional resource value of local, regional, or statewide significance. Such purchases often depend on public and private fundraising to supplement available funds and may require a partnership between public and private agencies to amass the necessary funds.

In other cases, landowners may wish to donate valuable properties to the town but may need assistance with costs associated with such donations - such as survey or legal work. The town may be able to secure important properties by contributing funds - or working in conjunction with a nonprofit conservation organization - to help the landowner accomplish such a donation.

Bargain Sale/Charitable Sale of Land and Conservation Restrictions

One approach with advantages to both the landowner and the town is the bargain sale, also known as a charitable sale. The landowner sells a property or conservation restriction to the town at less than full market value and donates the remaining value. For the landowner, this combines the income-producing aspects of a land sale with the tax benefits of a donation. The difference between the fair market value (as determined by appraisal) and the sale price is treated as a charitable contribution and can significantly reduce any capital gains taxes payable on the sale. For the town, such purchases make land and conservation restriction purchases more affordable. Community Preservation funds may be used for bargain sales as well.

Right of First Refusal or Option

* When the owner of an important conservation property cannot afford to donate or bargain-sell the property to the town and is not ready to discuss a conservation plan, the owner might consider a right of first refusal. This right provides the town with the opportunity to match a purchase offer received by the owner at a future time if and when the owner elects to sell the property.

* An option agreement is a contract under which the owner offers the town a fixed period of time (normally a period of three to twelve months) within which to make a decision to purchase either a conservation restriction or the property outright. The town is not required to exercise its right to purchase but can, instead, use the option period to

develop a conservation plan and seek funding sources to conserve the property. The option agreement either specifies a fixed purchase price or identifies a method - such as appraisal - by which the purchase price will be determined. An option can also provide for a bargain sale of the land or a restriction. Stow's Community Preservation funds may be used to purchase option agreements.

2.0 Project Selection Criteria for Open Space Land

The Community Preservation Committee will be relying on the weighted criteria ranking system prepared and revised periodically by the Open Space Committee, as the primary tool for evaluating individual proposals for the purchase of open space with Community Preservation funds. The Committee will also rely on the current and updated Stow Open Space and Recreation Plan as an important reference. The Committee will seek the input of the town's Open Space Committee and the Conservation Commission as it evaluates specific open space funding proposals.

The Committee will also consider estimated or known project cost in the evaluation of specific proposals.

An outline of the weighted criteria is as follows:

I. Water Resources

- | | |
|---|---------------|
| a. Site is in a high-yield aquifer zone (1977 IEP Study) | Max. 6 points |
| b. Site is in an aquifer recharge area (1977 IEP Study) | Max. 6 points |
| c. Site enhances public access to water. | Max. 4 points |
| d. Preservation would contribute to protecting quality of adjacent water bodies (lakes, rivers, streams). | Max. 4 points |

II. Agriculture

- | | |
|---|----------------|
| a. Site is currently productive or has been in production within 3 years. | Max. 10 points |
| b. Site contains state-significant soil types (SCS maps). | Max. 5 points |

III. Scenic Views

- | | |
|---|---------------|
| a. There is a scenic view into the site. | Max. 4 points |
| b. There is a scenic view from inside the site. | Max. 3 points |
| c. There is a scenic view across the site. | Max. 2 points |

IV. Public Open Space (Fields and Forests)

- | | |
|--|---------------|
| a. Site is identified in current Stow Open Space and Recreation Plan | Max. 3 points |
| b. Site is in an area underserved by public conservation land. | Max. 2 points |
| c. Site will improve passive recreation opportunities for public. | Max. 2 points |

V. Species Habitat

- | | |
|---|---------------|
| a. Site is of known wildlife corridor significance. | Max. 3 points |
| b. Site contains diverse vegetation. | Max. 2 points |
| c. Contains uncommon flora and fauna | |

(max pts. If NHESP listed or BioMap Core Habitat). Max. 3 points

VI. Preserves Town Character

a. Features that have historically contributed to Stow's identity: farmland, fields, stone walls; architecture of residential, accessory and farm buildings on site. Max. 4 points

b. Preservation would contribute to land use diversity in the area or neighborhood in which it is located (e.g., where land use change has begun to homogenize character that was formerly diverse). Max. 2 points

c. Site is located on or visible from narrow winding Town road(s), whether public or private ways or is traversed by or runs alongside dirt roads, cart paths, ancient ways. Max. 1 point

NOTE: A maximum of 2 points total can be earned from 6d, 6e or 6f

d. Preservation would contribute to maintaining the rural open space attributes of "outlying" Stow. Max. 2 points

e. Preservation would contribute to retaining natural breaks between the Town's more densely developed core and rural elements along the edge. Max. 2 points

f. Preservation would or could contribute to the Town's supply of civic open space areas in or near existing village center. Max. 2 points

VII. Links and Corridors

a. Contiguous or near existing protected land. Max. 5 points

b. Contributes to linkage with existing trails, paths ancient ways, railroad beds, horse trails, etc Max. 2 points

c. Acquisition would achieve consistency with Town and Statewide Outdoor Recreation Plan (SCORP) in effect at time acquisition is considered. Max. 2 points

VIII. Natural Resources

a. Site contains water bodies (e.g. streams, ponds) and/or vegetated wetlands. Max. 4 points

b. Contains unique geologic features. Max. 2 points

IX. Historic Preservation

a. Site contains locally significant historic landmarks, buildings, or other features, where "locally significant" is recorded by the Stow Historical Society or other non-profit preservation organization. Max. 3 points

- b. Site is on or eligible for the National/State Register of Historic Places. Max. 2 points
- c. Site contains significant archaeological resources. Max. 1 point

X. Municipal Use

- a. Location near town center, existing services. Max. 2 points
- b. Development suitability. Max. 1 point
- c. Access to and from major road Max. 1 point

XI. Active Recreation

- a. Site has capacity for one or more identified recreation facilities (e.g., ball fields, ice rink, gym, pool, tennis courts, etc.). Max. 1 point
- b. Site contains existing, developed facilities that respond to an active recreation need. Max. 1 point
- c. Site is in an area of Town disproportionately underserved by parks and recreation facilities. Max. 1 point

XII. Affordable Housing

- a. Site is located in an established neighborhood near Town center or is within one mile of a public school facility. Max. 1 point
- b. Site has few or no development constraints, making affordable housing development feasible. Max. 1 point

XIII. Elderly Housing

- a. Site is located near community services Max. 1 point
- b. Development suitability is strong, site can support high density development. Max. 1 point

XIV. Liability

- a. Hazardous waste contamination is known (e.g. an existing 21E assessment has been prepared and is on file with DEP) Max. -10 points
- b. Hazardous waste contamination is likely based on land use history and practices associated with all or a portion of the property. Max. -10 points
- c. Estimated cost of clean-up is known. Max. 5 points
- d. Hazardous waste contamination is unlikely, based on land use history and practices associated with all or a portion of the property Max. 25 points

- e. To the extent that they are known, planned or probable public use(s) of the site will expose the Town to high insurance liability. Max. 25 points

XV. Development Potential/Impact

- a. 500 developable acres will get the maximum of 25 points therefore, each developable acre gets 0.05 points (Developable acres x 0.05) Max. 25 points

The Recreation Commission will develop specific criteria for evaluating projects that are solely for recreational purposes. If feasible, these criteria will be incorporated into the Open Space Committee's weighted criteria ranking system. Unlike State Self-Help funds, Community Preservation funds can be used for the purchase of land for active recreation purposes, such as ball fields.

3.0 Potential Specific Projects

Properties that *may* be acquired or protected with Community Preservation funds for open space or recreational purposes include those in the Stow Open Space and Recreation Plan (current, and as revised), those ranked already and in the future by the Open Space Committee, and others. Because the list of such properties is so extensive, and somewhat speculative as to whether any one property might be available to be acquired or protected, and out of respect for the privacy of the owners of the specific private parcels of interest, the Committee has opted not to list the names of the parcels as part of this document.

Community Housing

1.0 Introduction

Community Preservation funds may be used for *the creation, preservation, and support of community housing and for the rehabilitation or restoration of such ... community housing that is acquired or created ...* Community housing is defined as housing for low and moderate-income individuals and families (including seniors).

The Act requires the Committee to recommend, *wherever possible, the adaptive reuse of existing buildings or construction of new buildings on previously developed sites.*

Properties purchased with CPA funds for the purpose of creating community housing must be owned by the municipality (Joint ownership is possible). (Local housing authorities are considered part of the local unit of government.) Management of the land/building can be delegated to another entity. If a property acquired with CPA funds is sold at a later time (with the required deed restriction), the proceeds of the sale are to be deposited back into the Community Preservation Fund.

All use of CPA funds designated for housing must benefit those who earn 100% or less of the area wide median income. Area wide median income is established by the United States Department of Housing and Urban Development (HUD).

Property interests acquired for the provision of affordable housing using funds from the Community Preservation Act must be permanently deed restricted so that they remain as affordable housing. Acquired includes all property obtained by gift, purchase, devise, grant, rental, rental purchase, lease or otherwise.

1.1 Purpose

- To create and/or preserve affordable housing in Stow.
- To help our seniors stay in their own homes through financial assistance and /or tax relief.
- To maintain the diverse character of Stow by preventing smaller homes from being “mansionized”.
- To avoid the construction of huge developments under comprehensive permits thereby preserving open space and avoiding spikes in our population that place burdens on our public services and taxpayers.

1.2 Potential Use of CPA Funds

- Clearance of contaminants on sites that will become community housing.
- Site improvements such as water/sewer connections, well installation, septic installation/repair, etc. associated with the production of community housing
- Rental assistance
- Acquisition of real property (land, easements, buildings) for community housing
- Rehabilitation or restoration of public or private property to create community, housing.
- Conversion of non-residential properties to residential properties (schools, mills, warehouses, etc) with required affordability restrictions.
- Conversion of old building or school into community housing.
- Conversion of expiring use properties which are at risk of going to market rate.
- Construction of new community housing, including creation of in-law and ancillary units
- Acquisition and rehabilitation of an existing building to provide subsidized, rather than market rate, rental units.
- Provision of assistance to meet housing costs including, grants or "soft second" loans to reduce mortgage interest rates, provide a down payment, assist with closing costs, rent, security deposits or utility assistance or to subsidize interest rates.

- Home modifications, including accessibility, to existing homes to allow seniors to stay in their homes.

2.0 Owner Occupied Community Housing

One of the major sources of low and moderate-income housing will be from existing owner occupied homes in Stow. The town, acting through its Housing Authority and Community Preservation Committee, shall identify houses that are assessed among the lowest 10% in town and create a formal list for use in this program. From this list, the owners of the identified properties will be contacted to determine if they are willing in exchange for CPA funds a deed restriction on their property to assure the affordability of their property in perpetuity. This will provide two immediate positive financial benefits to the property owner. The first will be cash, which represents the difference between the assessed value of their property and an established "affordable" value of their property. The second will be the reduction in the property tax to reflect the newly established "affordable" value of their property.

2.1 Purchase Deed Restrictions on existing housing stock

The owners of the listed single family houses and condominiums shall be notified by mail of this program, informed of the benefits to themselves and the town as a whole, and offered an opportunity to participate. Homeowners over the age of 65 whose incomes would make them eligible for low or moderate income housing shall be given preference. Responses from homeowners shall be collected for 6 months after the initiation of this program before any offers are made to purchase deed restrictions. Subsequently, notices of intent from homeowners shall be accepted on an annual basis.

The upper cost limitation to buy a deed restriction on the single family houses listed shall be determined by calculating the difference between the current assessed valuation and the price of a home that DHCD has defined as affordable to low and/or moderate income families. In determining said price, the size of the family used in the calculations shall be based on the assumption of 2 people per bedroom, using the number of bedrooms in the house in question. In the case of condominiums, the same process shall be used, but only for those units which pay property taxes directly to the town and not to an association.

Once an owner has expressed interest, the above calculations shall be made and a determination shall be made as to whether the calculated cost is within the financial limitations established for this program. If it is, an offer shall be made to the homeowner which shall include all the details of the deed restriction including all the short and long-term effects of a deed restriction. A waiver releasing the town of any and all liability shall be included.

If accepted, the payment shall be made and an agent of the town shall record the deed restriction and waiver.

The resale of a deed restricted property will be limited in price by the percentage of the original deed restricted assessed value of the property plus any documented improvements (total value not to exceed DHCD maximum price) divided by the

maximum DHCD home price for a moderate income family times the current maximum DHCD home price. All improvements must be documented, inspected and approved by the Stow Housing Authority and the Community Preservation Committee. Thirty (30) days before the owner places the property on the market, the Stow Housing Authority shall be notified of the intent to sell and of the price for the property. If after a period of six months from the time the property is placed on the market (real estate broker), the property cannot be sold, the Stow Housing Authority is to be given an option to purchase the property. This option will be for a period of one hundred and twenty (120) days and shall start when the Stow Housing Authority is notified by a Certified Letter that the property cannot be sold.

2.2 Purchase Affordable Houses

Homes in Stow that would be candidates for affordable deed restrictions can be placed on the market without consideration being given to an affordability deed restriction. Working with the Stow Housing Authority, the property could be purchased by securing a loan from a financial institution and then resold with an affordability deed restriction to a qualified owner. CPA funds could be used to make up the difference between the affordable selling price and the principle of the loan secured by the town from the institution. CPA funds could also be used to make the necessary improvements to bring the property into compliance with the building code or state Title V.

2.3 Maintain Current Affordable Housing Stock

There is the potential to lose a currently deed restricted home if the owner defaults on a mortgage secured from lending institutions. If the owner defaults and the institution forecloses on the mortgage, then the home is sold as a market rate unit and the deed restriction is removed. The affordable homes secured by the Local Initiative Program (LIP) requires a 30 day right of refusal to the Town of Stow before the institution can foreclose. The Stow Housing Authority working with the owners and the lending institution can use CPA funds to secure a bridge mortgage to prevent this from happening. It would then be the responsibility of the Stow Housing Authority to advertise and secure a qualified owner for the home, maintaining the deed restriction on the property.

2.4 New Housing Stock

The Community Preservation Committee does not feel that using CPA Funds to acquire land at the current cost for a buildable lot and then the cost to build a home(s) under the existing by-laws would be a very cost effective use of CPA Funds. If the by-laws were to change in the future permitting a denser development of owner occupied homes, then this approach would possibly be viable.

2.5 Purchase Deed Restrictions on New Subdivisions

The Community Preservation Committee will pursue the possibility of acquiring deed restrictions on a few lots of new subdivisions within town to provide affordable housing for low and moderate-income families. Since our present by-laws, except for the AAN by-law, do not make any provisions for affordable units, the Committee will work through the Planning Board and with willing developers for affordable homes. This will probably

require the purchase of a deed restriction from the developer for each lot and home to be placed under the CPA provisions.

In addition, the CPC will encourage the Planning Board and other Stow boards and committees to support an “inclusionary zoning” by-law which will make provisions to encourage the creation of affordable homes in Stow.

3.0 Rental Community Housing

The town, acting through its Housing Authority and Community Preservation Committee, shall also identify and list apartments and rental condominiums that fall under the limitations for low and moderate-income families as defined by DHCD. Similar to the owner occupied properties, the landlords will be contacted to determine if they are willing in exchange for CPA funded cash, to place a deed restriction on their property to assure the affordability of a percentage of their rental units in perpetuity to low and moderate income families. As with the owner occupied properties, two immediate positive financial benefits to the property owner will be provided. The first will be cash, which represents the difference between the assessed value of their property and an established “affordable” value of their property. The second will be the reduction in the property tax to reflect the newly established “affordable” value of their property.

3.1 Purchase Deed Restrictions on existing rental property

The landlord/owner of the listed apartment houses and rental condominiums shall be notified by mail of this program, informed of the benefits to themselves and the town as a whole, and offered an opportunity to participate. Responses from landlord/owner shall be collected for 6 months after the initiation of this program before any offers are made to purchase deed restrictions. Subsequently, notices of intent from landlord/owner shall be accepted on an annual basis.

In the case of apartments and rental condominiums (in this program, all apartments and condominiums shall be considered rental units), a determination shall be made as to what is included in the rent of a particular apartment and that shall be compared to what DHCD has determined should be included in the rent, and the appropriate adjustments shall be made to the rental price in the calculations. Once that adjustment is made, the difference between the adjusted rental price and the DHCD defined rental rate for low and moderate-income families, based upon two people per bedroom, shall be the cost basis for the deed restriction. This shall be calculated for all rental units in the building complex.

In the case of rental units, a maximum of 33% of the units in a building or complex of 3 or greater units, and a maximum of one of the units in a duplex, shall be offered payment for deed restrictions.

This information will be used as a basis for discussion with the landlord/owner to determine the value of the apartment/condominium complex should a deed restriction be accepted and placed on the complex.

Once a landlord/owner has expressed interest, the above calculations shall be made and a determination shall be made as to whether the calculated cost is within the

financial limitations established for this program. If it is, an offer shall be made to the landlord/owner which shall include all the details of the deed restriction including all the short and long-term effects of a deed restriction. A waiver releasing the town of any and all liability shall be included.

If accepted, the payment shall be made and an agent of the town shall record the deed restriction and waiver.

When a unit is available for lease, the landlord/owner shall inform the Stow Housing Authority that the unit is available and at what monthly rate. When the unit is rented, the landlord/owner shall submit a letter countersigned by the occupant, verifying the monthly rate. In no case shall the rate exceed that established and agreed to by the Stow Housing Authority.

If the rental rate changes for any reason, the Stow Housing Authority must be provided the rationale for the change and approve of the change. In no case shall the increase exceed the affordable rates as established by the DCHD. If an agreement cannot be reached, then the Community Preservation Committee shall review the proposed change and either approve or disapprove. The CPC's decision shall be final.

4.0 Project Selection Criteria

1. All owner occupied Community Housing and Rental Community Housing shall be placed under a deed restriction in perpetuity, limiting the purchased price or rental fees for a set number of rental units to a percentage of DHCD established maximum low and moderate-income purchase price or maximum rental fees.
2. The maximum CPA Funds to be paid for a deed restriction on owner occupied property shall not exceed \$50,000.
3. The maximum CPA Funds to be paid for a deed restriction on each rental unit in an apartment or rental condominium unit shall not exceed \$25,000 per low or moderate-income affordable unit and the total per complex is not to exceed \$75,000.
4. The deed restriction shall identify the terms and conditions to be met when a property is sold or rented.
5. All deed-restricted property shall permit the Stow Housing Authority to assume the loan for the property should the owner default on the loan for any reason.
6. All deed-restricted property shall be insured for the replacement value of the property. The Stow Housing Authority shall be sent a copy of the endorsed policy each year.

“Umbrella” Selection Criteria for Project Proposals from All Categories

These “umbrella” criteria will be used to more fully evaluate the highest priority projects from each of the three categories, particularly when there are not sufficient funds for all. ***All projects recommended by the Community Preservation Committee must be approved by Town Meeting prior to implementation.***

- **Consistency with Stow’s Master Plan, Open Space and Recreation Plan, and other planning documents already approved by the Town.**

- **Feasibility**
 - In town resources available for implementation of project.
 - Existing Town contracts in place for implementation of project.
 - Outside source necessary for implementation of project.

- **Urgency**
 - Must act within 6 months or opportunity will be lost
 - Must act within one year or opportunity will be lost
 - Must act within 5 years or opportunity will be lost
 - Long Term Project

- **Affordable Cost**
 - Less than \$25,000
 - Less than \$100,000
 - Less than \$500,000
 - Greater than \$500,000

- **Addresses Several Areas of Need Covered by CPA**
 - Affordable Housing
 - Historical Preservation
 - Open Space
 - Recreation

- **Multiple Sources of Funding**
 - 76-100% Matching Funds
 - 51-75% Matching Funds
 - 26-50% Matching Funds
 - 1-25% Matching Funds

Preliminary Recommendations

1) The Committee has identified the provision of additional affordable housing units to be the most pressing need for the community, currently. While there are clearly urgent needs in the other categories of historic preservation, open space and recreation, it is anticipated that a greater percentage of funds will be recommended for expenditure on additional affordable housing - particularly involving that which can be achieved with existing housing stock - for this year and possibly for several years to come, in order to address the critical nature of the current affordable housing situation in Stow. The Committee is recommending that \$150,000 be directed to this need per year, subject to Town Meeting approval, until the Committee recommends otherwise. Under this recommendation, these funds would be administered by the Committee and be made available, after a 2/3 vote of the Committee, to the Stow Housing Authority for

expenditure on projects endorsed by the Committee, which meet the criteria set out in section 4.0 (Project Selection Criteria) of the Community Housing section of this Community Preservation Plan.

2) The Committee has established a goal of conserving an average of 50% of the funds generated in the early years of Stow's participation in the Community Preservation Act. These funds will be conserved to be available to address larger and/or longer-term projects that may be identified by the committee and endorsed by Town Meeting voters in subsequent years. This long-term account also has the added benefit of potentially generating sufficient interest to support projects without having to reduce the principle deposited into the account. Should a project be identified which is sufficiently compelling to warrant spending funds earlier, the funds could be made available to support the project, with recommendation from the Committee and Town Meeting approval.

3) The Committee has established that separate accounts be created for all three CPA areas. Initially, a minimum of 10% of the funds generated will be deposited into each account as required by the Community Preservation Act. These funds will be used to support projects in the near term to address critical needs as recommended by the Committee to Stow town Meeting voters. An additional 5% will be deposited in an administrative account to cover operating expenses of the committee such as administrative help, mailings, postings, reproduction of documents, and other costs associated with the implementation of approved projects.

SOLICITATION OF PROJECT PROPOSALS

The Community Preservation Committee welcomes new project proposals that may contribute to community preservation in Stow. Please submit such proposals to the Committee using the form and guidelines on the next two pages.

Project Proposal Submission Sheet

Stow Community Preservation Committee

Submitter:

Submitter's address and phone number.

Submission Date

Purpose: (Please select all that apply)

- ~ Affordable Housing
- ~ Historic Preservation
- ~ Open Space
- ~ Recreation

Town committee (if applicable)

Project Name:

Description:

<u>Fiscal Year</u> <u>Funding</u>	<u>Total Cost</u>	<u>CPC Funds Requested</u>	<u>Sources of Other</u>
2003	_____	_____	
2004	_____	_____	
2005	_____	_____	
2006	_____	_____	
2007	_____	_____	
Total			

How does this project help preserve Stow's character?

For Community Preservation Committee Use:

Received on:

Associated Town Committee:

Reviewed on:

Guidelines for Submission of Project Proposals for Stow Community Preservation Funds

- 1) Each project request must be submitted on the Community Preservation Committee Project Submission Sheet (this form).**

- 2) Requests should be within a 5 year period from FY 2003 to FY 2007**