

Town of Stow

Community Preservation Plan

June 2015

Community Preservation Committee Members

Kathy Sferra (Planning Board), Chairman
Bill Byron (Council on Aging), Vice-Chairman
Vin Antil (Open Space Committee)
Dot Spaulding (Historical Commission)
Cortni Frecha (Conservation Commission)
Louise Nejad (Board of Assessors)
Bob Larkin (Stow Housing Authority)
Mike Busch (Recreation Committee)
Rich Eckel (Finance Committee)

Krista Bracci (CPC Administrator)
Brian Burke (CPC Liaison for Board of Selectman)

Stow Community Preservation Plan

Background on the Community Preservation Act

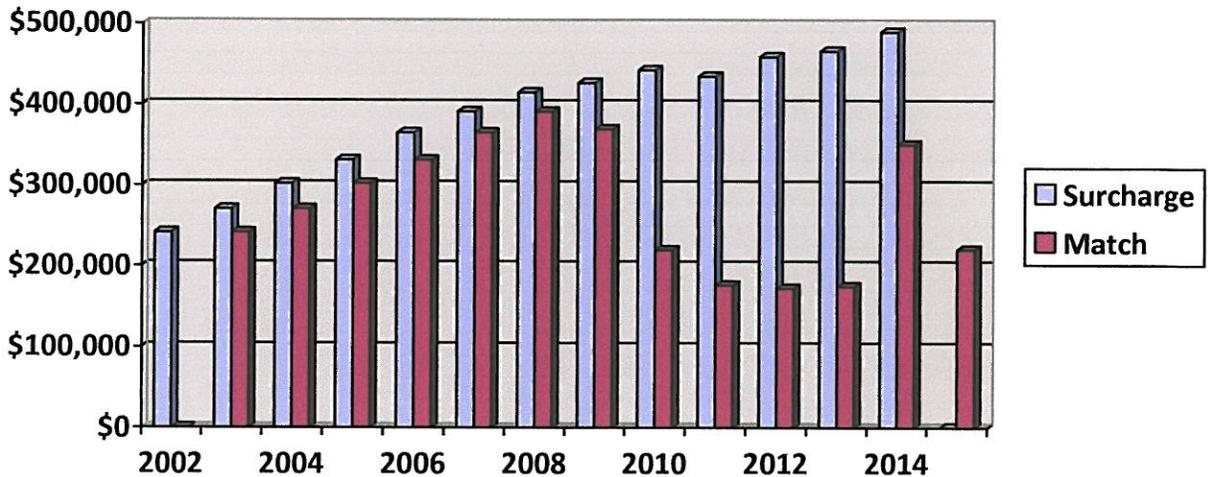
The Community Preservation Act (CPA), MGL 44B, was enacted into legislation on September 14, 2000. Under this legislation, municipalities may opt to participate in the CPA by adopting a property tax surcharge to create a locally controlled Community Preservation Fund. The state will provide a match, 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 and improvement of land for recreation, and the creation and support of affordable housing. All decisions on expenditures are made by the community at Town Meeting. The goal of the Community Preservation Act is to provide communities such as Stow with an alternative funding source and 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. 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).

CPA History 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 Community 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 Assessors. At the Annual Town Election in 2001, 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 grant for Stow was made in October 2003 and totaled \$241,692. Stow received 100% match that year and for the next five years. In October of 2009 the percentage dropped to 89%. The matching percent continued to drop until 2014 when it started to increase again and was 75%. The match for this year was at 45% and totaled \$220,425. 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. To date the total trust fund distribution to Stow totals \$3,583,696. The grand total including local surcharges for the past thirteen years is over \$8.6 million.



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, Planning Board, Conservation Commission, Historical Society, Council on Aging, Recreation Committee, Stow Housing Authority, Finance Committee, and Board of Assessors.

Community Preservation Plan for Stow

As required by the legislation, the Committee prepares and updates 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.**

As of April 2015 there is approximately the following amounts in each of the CPA accounts:

Open Space/Recreation	\$332,700	Affordable Housing	\$345,837
Historic Preservation	\$525,637	Unreserved	\$2,680,046

Approved Stow CPA Projects 2001 to Present	Approved Project Amount	Final Project Cost
Totals for Open Space/Recreation	\$ 2,588,600.00	\$ 1,961,344.70
Conservation Comm Acquisition of Open Space	\$ 50,000.00	In progress
Tyler Property Restriction \$21,500		
Dunn Property Appraisal \$2,500		
Hale Woodlands	\$ 35,000.00	\$ 35,000.00
Lake Boon Preservation Project	\$ 77,000.00	\$ 33,299.89
Assabet Rail Trail Easement	\$ 227,000.00	\$ 135,949.50
Moseley APR	\$ 23,600.00	\$ 23,600.00
Maple Street CR for SCT	\$ 80,000.00	\$ 75,000.00
Snow Property Acquisition	\$ 673,000.00	\$ 658,899.46
Stow Community Park Construction	\$ 1,000,000.00	\$ 999,595.93
Design Plan for Track Road Rail Trail	\$ 46,000.00	In progress
Fitzpatrick Property Acquisition	\$ 95,000.00	In progress
Purchase Price \$83,933.19		
Design Funds for Pine Bluffs	\$ 40,000.00	In progress
Creation of Rec Facilities at Pine Bluffs	\$ 242,000.00	In progress
Totals for Historical	\$ 377,419.00	\$ 144,662.36
West School Parking/Access	\$ 20,000.00	In progress
Funds spent thus far \$6,932.66		
Secure Blacksmith School	\$ 929.00	\$ 745.00
Lower Village Cemetery Wall Restoration	\$ 9,990.00	\$ 9,918.28
Lower Village Cemetery Wall Restoration #2	\$ 19,500.00	\$ 14,199.08
Lower Village Cemetery Wall Restoration #3	\$ 20,000.00	\$ 17,500.00
Rehab Monuments & Headstones	\$ 48,000.00	\$ 46,300.00
Historic Document Preservation Project	\$ 100,000.00	In progress
Town wide Inventory of Historic Properties	\$ 50,000.00	In progress
Funds spent thus far \$19,375		
Brookside / Hillside Cemetery Wall Restoration	\$ 60,000.00	\$ 56,000.00
Design Funds for Randall Library	\$ 25,000.00	In Progress
Mapping of Lower Village/Hillside Cemeteries	\$ 24,000.00	In Progress
Totals for Affordable Housing	\$ 2,357,200.00	\$ 356,163.00
Pilot Grove Perpetual Deed Restrictions	\$ 350,000.00	\$ 350,000.00
Purchase Perpetual Deed Restriction	\$ 250,000.00	In progress
Consultant SMAHT	\$ 7,200.00	\$ 6,163.00
Pilot Grove and Plantation Expansions	\$ 1,750,000.00	In progress
Pilot Grove is Complete \$825,000		
		Updated 2/2015

Needs Assessment

Stow's initial Community Preservation Plan was completed just after adoption of the Community Preservation Act. The most recent update of this plan was completed in 2015 by the members of the Community Preservation Committee. A public hearing was held in June 2015 to receive public comment on the plan.

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 and provisions of opportunities for recreation, 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, continuing strong support from votes for protection of land for conservation and passive outdoor recreation such as Flagg Hill and the Red Acre Woodlands, and the provision of affordable housing alternatives such as the second phase of 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 Planned Conservation Developments to preserve open space and protect natural resources. The community has adopted an Active Adult Neighborhood housing bylaw and several age-restricted housing developments have been constructed. In addition, tax assessment programs such as Chapter 61, 61A, and 61B have helped maintain our community's agricultural heritage and golf courses.

Stow continues to be a scenic, 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 will continue to bring residential growth that could change the character of the community.

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. And these are the three categories of eligible activities.

Historic Preservation

Introduction and Needs Assessment

While 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 Conant 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.

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.

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.

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?

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

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.

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.

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 these 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

Introduction and Needs Assessment

As a community, Stow has done a good job of protecting key parcels of land over the years. At present there are approximately 1400 acres of Town-owned conservation land and another 1400 acres of state and federal conservation land. Approximately 400 acres are owned by local and regional nonprofit conservation organizations like the Stow Conservation Trust and Sudbury Valley Trustees. And approximately 400 additional acres of land are privately owned and protected with permanent conservation or agricultural restrictions. The citizens of the Town have generally endorsed compelling open space acquisition proposals 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 most recent open Space and Recreation Plan for Stow is a very thorough document and a valuable reference and was completed in 2008. That plan is currently being updated by the Stow Conservation Commission. The Plan identifies numerous properties grouped in nine priority areas:

- Land for agricultural preservation
- Land for active recreation
- Land for water resource protection

- Land for historic and cultural preservation
- Land for scenic protection
- Land in the "underserved" quadrant of Southwest Stow
- Land important for linking existing protected lands and trails
- Land important for wildlife habitat
- Land important to maintaining small town character

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 Stow Conservation Trust. The Committee created 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. A copy can be found in the Stow Open Space and Recreation Plan. The Town also has a Chapter 61 Policy that sets forth an inclusive process for the review of land that is being taken out of Chapter 61, 61A and 61B.

There are many ways that land can be protected using CPA funds. These include outright purchase of land for conservation or purchase of agricultural or conservation restrictions. Some recent examples include assisting with the funding of the Hale and Corzine lands acquired by Stow Conservation Trust, assisting with the purchase of the Tyler and Mosely Agricultural Preservation Restrictions and the Dunn Conservation Restriction. CPA funds can be used to buy portions of land that will be restricted to allowable Community Preservation purposes as was done with the Snow property on Old Bolton Road (a portion of which was used for Stow Community Park) and the Fitzpatrick Property on Great Road (a portion of which was acquired for conservation purposes). CPA funds can also be used to acquire land for active recreation and develop recreational facilities such as Track Road/Assabet River Rail Trail and Stow Community Park. Recent amendments in the law have broadened the use of funds for recreation and allow CPA funds to be used on community recreation properties that were not acquired with CPA monies, such as is currently occurring at Pine Bluffs. CPA funds can also be used to support appraisal, legal and other due diligence work associated with protecting land for open space and recreation purposes.

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. Reference is made to the most current version of the Open Space and Recreation Plan which provides detailed information on open space and recreation needs and priorities.

Community Housing

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.*

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.

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.

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.

Affordable Housing Deed Restriction Program

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 CPC, 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.

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 the Department of Housing and Community Development (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 month 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.

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.

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.

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.

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.

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.

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.

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 \$100,000.
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) A high priority for expenditure of Stow's Community Preservation Funds in the first decade and a half of participation in the program has been to leverage additional funds using Stow's Community Preservation Funds. This does not mean that the Committee would not support putting 100% of the funds into a project, but Committee nearly always looks for ways to help applicants identify other sources of funding to leverage Stow's CPA funds.

2) It was an early goal of the Committee to conserve at least 50% of the funds being collected to establish a sufficient balance to generate interest and build a "reserve" of funds that could allow the Town to take on larger or more complex projects. For this reason the Committee has pursued a policy of appropriating the minimum 10% required at each town meeting and leaving the balance in the reserve account. This policy also allows the Committee to encourage projects that advance more than one CPA purpose.

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 the next page.

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.
- 2) Requests should be within a 5 year period from FY 2015 to FY 2019.

Project Proposal Submission Sheet

Stow Community Preservation Committee

Submitter:

Submission Date:

Submitter's address, phone & email

Purpose: (Please select all that apply)

- Affordable Housing
- Historic Preservation
- Open Space
- Recreation

Project Name:

Description:

<u>Fiscal Year</u>	<u>Total Cost</u>	<u>CPC Funds Requested</u>	<u>Other Funding</u>
2015			
2016			
2017			
2018			
2019			
Total			

How does this project help preserve Stow's character?

For Community Preservation Committee Use:

Received on:

Associated Town Committee:

Reviewed on: