

2016 Housing Production Plan Town of Stow

**Prepared by the Stow Municipal Affordable Housing Trust
Technical Assistance Provided by:
Metro West Collaborative Development**

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Stow: Housing Production Plan 2016

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Executive Summary

This Housing Production Plan (Plan) has been prepared in accordance with the Massachusetts Department of Housing and Community Development guidelines and provides a framework and strategy for affordable housing production in Stow. The plan includes a housing needs assessment and details housing production goals and strategies aimed at meeting these needs over the next five years (2016 – 2021). A summary of key demographic, socioeconomic, and housing indicators from the housing needs assessment is detailed below:

- Stow has experienced steady population growth over the past 15-years with the addition of approximately 900 residents since 2000. The rate of population growth has outpaced trends seen in neighboring communities and across Middlesex County and the state (see Table 2 and Table 3).
- Demographic trends show that the population is aging with significant growth in the share of persons age 65 and older, compared to declining shares of persons under the age of 18 (see Table 5). Population estimates for Stow suggest that these trends are likely to become more pronounced in the coming years; by 2030, approximately 30% of households in Stow will be over the age of 65 (See Figure 3). Among households that anticipate changing housing needs in the next five years, approximately 24% of respondents identified the need to downsize, which represents more than 9% of all survey respondents (see Figure 14).
- Households are getting smaller with a smaller share of family households and an increasing share of single-person households. The number of households with a member over the age of 65 has increased by 75% from 2000 to 2010, up from 345 in 2000 to 604 in 2010 (see Table 5). Data from the *Stow Housing Affordability and Opportunity Housing Survey* suggest a small percentage of one-bedroom units in Stow. Less than 3% of respondents reported living in a one-bedroom unit, and only 20% of respondents reported living in a two-bedroom unit (see Figure 5).
- In 2016, the area median income (AMI) for a four-person household in the *Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area* for which Stow is a part, is \$98,100. The income limit for a four-person household at the 80% area median income limit is \$73,050, while the income limit for a one-person household at the 80% area median income limit is \$51,150 (see Table 15, page 11 for a detailed table). Median household income in Stow is approximately \$131,000; despite the relative affluence of Stow, nearly one-fifth of households are low-moderate income. The earnings of owner-occupied households in Stow is more than 4 times the earnings of renter-occupied households, based on most recent estimates (see Figure 3).

- In Stow and in neighboring communities there is a sizable portion (approximately 25% in neighboring communities and approximately 20% in Stow) of low-income households that meet the income eligibility requirements for affordable housing (see Table 16).
- The majority of new housing development in Stow in recent years has been new single-family home construction. This follows the traditional development pattern in Stow (Figure 4 and Table 20). The Town has made progress in expanding housing opportunities with the development of the 30-unit Pilot Grove rental project.
- Housing in Stow is of high cost; approximately 90% of the housing is priced at levels that are not affordable to households earning less than 80% area median income (see Table 34). As a result, a considerable portion of low- and moderate-income households in Stow are cost burdened.
- As the share of households headed by seniors is expected to increase in the coming years, there is likely to be an increase in the share of households living on fixed-incomes. While these households may have wealth in the form of home equity, homeownership may become a financial and physical burden.

Stow currently has 179 housing units that are considered “affordable” under M.G.L Chapter 40B and included on the Town’s Subsidized Housing Inventory (SHI). With 7.16% of its housing units eligible for the SHI, Stow is below the 10% affordable housing standard established under State law. As detailed in the table below, Stow needs an additional 71 SHI-eligible affordable housing units to meet the 10% standard as of 2016.

Table 1: Stow Annual Affordable Housing Production Targets

Current SHI Count – 179 Units	0.5% Annual Production Target	1.0% Annual Production Target	10% SHI Goal	SHI Shortfall
2010 Decennial Housing Count - 2,500	13	25	250	71
2020 Housing Unit Estimate – 2,950*	15	30	295	116
Housing units at estimated build-out – 3,400	17	34	340	161

* Source: Metro Boston Population and Housing Demand Projections, Stronger Region, Metropolitan Area Planning Council, January 2014

When the year round housing unit count for Stow is updated with the decennial census in 2020, the number of SHI-eligible affordable housing units necessary to meet the 10% state standard will increase. Housing unit projections for Stow prepared by the Metropolitan Area Planning Council under the Stronger Region growth scenario estimate that the town could have approximately 2,950 housing units by 2020. Under these projections, Stow would need 295 SHI-eligible housing units to meet the 10% standard (see Table 34, page 38 for additional discussion).

Since the adoption of the Housing Production Plan in 2011, Stow has made progress in expanding housing opportunities. The 30-unit Pilot Grove 2 rental project provides much needed family rental housing in the community. The completion of this project also allowed Stow to meet the two-year “safe harbor” provision under the state law,

allowing the Town a two-year exemption from comprehensive permit projects. Stow was one of very few municipalities in the state to meet this goal in recent years.

Continued progress towards meeting the 10% affordable housing standard in Stow will require the implementation of a range of strategies to support housing production. An overview of the tools and strategies are detailed below.

1. Build local capacity

Stow's success in recent years in creating additional affordable housing is a direct result of the local capacity that exists to support such projects. Formed in 2005, the Stow Municipal Affordable Housing Trust plays a key role in advancing the Town's efforts to support affordable housing. For example, SMAHT's pre-development loan program provided a \$10,000 pre-development loan to the Stow Community Housing Corporation's development of the Pilot Grove 2 rental project. In 2015, the Stow Annual Town meeting approved the creation of an at-risk property fund that could be used to preserve affordable homeownership units that are at-risk of being lost from the Subsidized Housing Inventory. In addition to SMAHT, there are private entities that provide additional affordable housing development capacity which are detailed in the plan.

2. Use zoning and planning to support housing diversity

Zoning amendments have the potential to support additional housing options through mixed-use and infill development projects. Traditional and Planned Conservation Subdivisions also have the potential to support additional affordable housing through the Town's inclusionary zoning bylaw.

3. Leverage private development to facilitate desired affordable housing outcomes

Stow has a successful track record of using town resources to support affordable housing development. Funds from the Community Preservation Act and SMAHT were used to for the development of the Pilot Grove II rental project. The Town should continue to provide funding for affordable housing projects that leverage considerable state and federal funding.

4. Preserve existing affordable housing

Preserving Stow's existing SHI housing units is critical to maintaining affordable housing opportunities in the community. Through its participation in the MAGIC Regional Housing Services Office, Stow has added affordable housing monitoring capacity.

5. Address housing needs of seniors

The Town should prioritize housing strategies that allow seniors to age-in-place in their current homes or to downsize to a smaller home in Stow. The lack of diversity in Stow's housing stock serves as a significant barrier in allowing seniors to age in place and the Housing Survey identified the need/desire to downsize as

a critical need in the coming years among survey respondents. Programmatic strategies, including home modification programs, as well as housing production strategies that support smaller one- and two-bedroom housing units can provide additional housing options for seniors.

I. Introduction – Affordable Housing in Stow

This Town of Stow Housing Production Plan (Plan) is an update to the existing housing production plan (HPP), which was approved by the Department of Housing and Community Development in May of 2011. In accordance with the DHCD guidelines, the Plan is being updated so the Town will continue to meet the requirements of 760 CMR 56.03(4) under the state’s Chapter 40B Housing Production Plan requirements.

This Plan builds on the existing HPP (and previous plans) and provides an updated housing needs assessment, an update on progress in expanding affordable housing over the past five-years, and refined housing goals and strategies based on demographic, socioeconomic, and housing trends in the community and the region.

The Plan allows Stow to be eligible for comprehensive permit “safe-harbor” provisions if the Town is able to meet its production goals. Stow achieved a two-year safe-harbor from comprehensive permit projects from July 2013 – July 2015 because it met its annual affordable housing production targets. Stow is one of the few towns in the state to achieve the safe harbor provision in recent years.

The current percentage of affordable housing in Stow is 7.16% (179 units) of the total year-round housing stock of 2,500 units, as of 2010. This puts Stow below the 10% standard established by the State’s affordable housing law, M.G.L. Chapter 40B, leaving the Town little control over comprehensive development projects.

Along with meeting compliance with the state requirements, the Plan is an important tool to address housing needs in Stow. In building on previous plans, this Plan identifies four broad housing goals:

1. Provide housing opportunities for those at the entry level of homeownership, “empty nesters,” elder residents, and those requiring housing assistance and rental housing units.
2. Ensure maintenance of the present housing mixture including single-family, two-family, and multi-family dwelling units.
3. Encourage the elderly and handicapped to remain in Stow, preferably in their own homes.
4. Continue to pursue creative approaches to local zoning to better direct development and integrate affordable housing.

This Plan is organized into two primary components, which include the housing needs assessment and an updated housing action plan. Section 2, Housing Needs Assessment provides a detailed overview of the local and regional demographic, socioeconomic, housing market trends in Stow. This section also provides an overview of the primary barriers to housing development and the existing zoning tools in the Town’s zoning bylaw, which can be utilized to support affordable housing development. The housing

needs assessment informs the housing goals and strategies included in Section 3, Housing Action Plan.

II. Housing Needs Assessment – Existing Conditions

Data included in the housing needs assessment are derived from a series of local, state, and federal sources. These sources include the Town of Stow Assessors’ Office and Planning Department, population estimates from the Metropolitan Area Planning Council, data from the federal decennial census and five-year estimates from the American Community Survey.

As part of the Plan update, the Stow Municipal Affordable Housing Trust developed the *Stow Housing Affordability and Opportunity Survey* (Housing Survey) to gain additional insight on household composition and housing characteristics and resident and community input on housing needs in Stow. The survey was sent to all households and businesses in Stow and was completed by more than 450 households.

A. Characteristics of the Population and Households

1. Population Trends

Stow experienced steady population growth in the first decade of the 21st century. During the period from 2000 and 2010, the population grew by 11.7%, increasing from 5,092 residents to 6,590 residents. This rate is slightly higher than the previous decade, when the population grew by 10.8%, but is larger than the growth rate experienced in neighboring communities and throughout Middlesex County and the state.¹

Table 2: Population Growth in Stow

	1970	1980	1990	2000	2010	2010-2014
Total Population	3,984	5,144	5,328	5,902	6,590	6,841
Net Change Since Prior Decennial Census	1,411*	1,160	184	574	688	251
Percent Change Since Prior Decennial Census	54.8%	29.1%	3.6%	10.8%	11.7%	3.8%

Source: Decennial Census 1960 – 2010; ACS 5-Year Estimates 2010-2014; *Population of Stow in 1960 was 2,573

Table 3: Regional and Statewide Population Trends

	1990 - 2000	2000 - 2010	2010 - 2014
Stow	10.8%	11.7%	3.8%
Subregion	10.1%	7.0%	2.2%
Middlesex County	4.8%	2.6%	2.4%
Massachusetts	5.5%	3.1%	1.7%

Source: 2000 and 2010 Decennial Census; ACS 5-Year Estimates 2010-2014

The most recent population estimates for Stow—derived from the American Community Survey 5-year estimates for the period covering 2010-2014, show

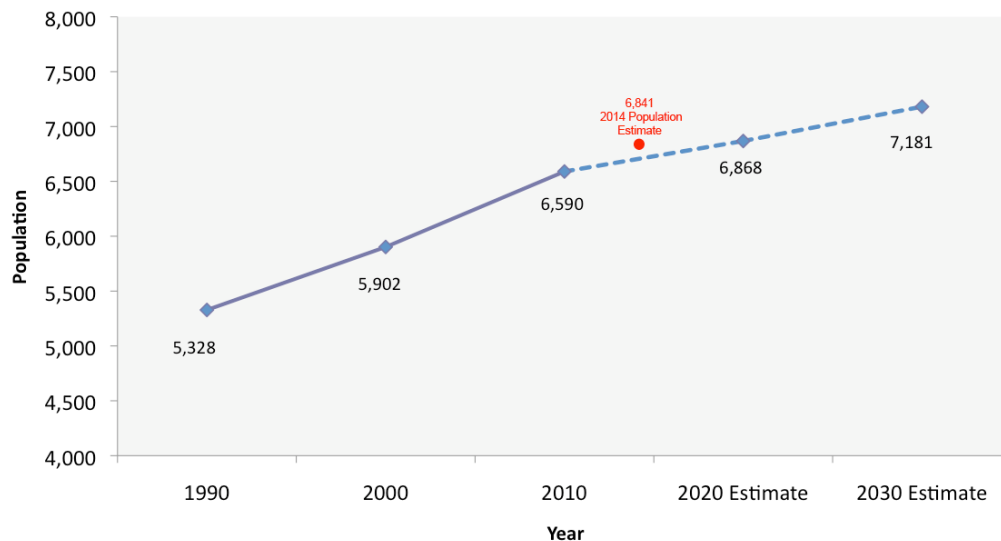
continued population growth, with an estimated population of 6,841 residents. These estimates suggest that Stow is on pace to exceed the population projections for the town from the Metropolitan Area Planning Council’s population estimates program.

¹ Throughout the plan, “Subregion” and “neighboring communities” refers to the communities of: Acton, Bolton, Boxborough, Harvard, Hudson, Lancaster, Littleton, Maynard, and Sudbury, unless otherwise specified

MAPC estimates under their Stronger Region scenario that Stow's population will be around 6,870 residents by 2020 and nearly 7,200 residents by 2030. The growth rate over the 20-year period is expected to be approximately 9%, but this is likely conservative based on current trends and recent data. Under the MAPC Status Quo scenario, Stow's population is estimated to be approximately 6,830 in 2020 and 7,100 in 2030.

Stow has the potential to gain approximately 190 new homes over the next five years through subdivisions that have been permitted (approximately 100 units), potential subdivisions (approximately 50 units), and the Plantation 2 Apartments project (37 units). The additional development has the potential to add more than 500 new residents over the five-year time horizon based on the average household size in Stow of 2.71 residents.

Figure 1: Realized and Estimated Population Growth



Source: 1990 - 2010 Decennial Census; MAPC population estimates, Stronger Region Scenario

MAPC's population projections include two growth scenarios related to trends in births, deaths, migration, and housing occupancy; the Status Quo growth scenario assumes the continuing of existing rates of births, deaths, migration, and housing occupancy; the Stronger Region scenario assumes greater attraction and retention of younger households (born after 1980) who are less likely to demand single-family homes, and that an increasing share of senior-aged households will choose to downsize from single-family homes to apartments and condominiums.

2. Median Age and Age Distribution of Population

Consistent with trends across the state, Middlesex County, and in neighboring communities, Stow's population is growing older. In 2000, the median age in Stow was

38.8; in 2010, the median age was 43.5. The median age of residents in Stow is older than the median age of the population across the state and Middlesex County, where the median age was 39.1 and 38.5, respectively, in 2010. The trend in Stow is similar to those in neighboring communities. The aging of the population in Stow means larger shares of older residents and smaller shares of younger residents. In 2000, the percent of Stow's population aged 65 or older was 8.3%. By 2010, this group had grown to 12.7% of the population.

Table 4: Median Age of Population

	2000	2010	2009 - 2013
Stow	38.8	43.5	43.5
Acton	37.9	41.9	41.9
Bolton	38.3	42.8	43.1
Boxborough	36.7	43.3	42.6
Harvard	40.6	42.8	45.3
Hudson	37.3	41.0	43.0
Lancaster	35.9	38.9	37.1
Littleton	37.9	43.0	43.6
Maynard	37.7	41.3	42.7
Sudbury	38.3	42.5	43.7
Middlesex County	36.4	38.5	38.5
Massachusetts	36.5	39.1	39.3

Source: 2000 and 2010 Decennial Census, ACS 2009 - 2013

The share of the school age population (age 5-19) remained steady between 2000 and 2010, while the percentage of young children (under 5 years of age) decreased from 8.5% in 2000 to 6.3% in 2010. The decrease in the number of young children is accompanied by a decrease in the percentage of residents between the ages of 35 and 44—down from 20.8% of the population in 2000 to 15% of the population in 2010. These shifts show a decrease in the number and percentage of young families living in Stow and a shift toward families with older children and more empty nesters.

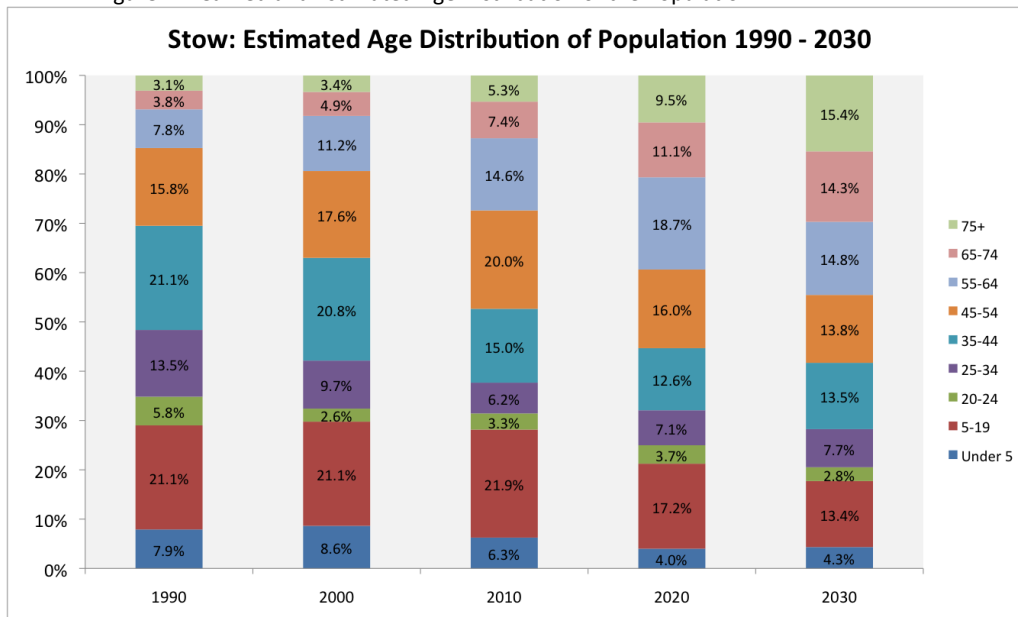
MAPC population estimates under the Stronger Region scenario suggest that these trends will continue in the future. By 2030, it is expected that 29.7% of the population in Stow will be over the age of 65; over the same period, the number of school aged children (5-19 years old) and young children (under 5 years old) will decrease from 28.2% in 2010 to 17.7% in 2030 (see Figure 2).

Table 5: Share of population under the age of 18 and over the age of 65

	Share of Population under 18		Share of Population over 65	
	2000	2010	2000	2010
Stow	28.2%	26.6%	8.2%	12.7%
Subregion	27.3%	25.7%	9.2%	11.6%
Middlesex County	22.5%	21.3%	12.8%	13.1%
Massachusetts	23.6%	21.7%	13.5%	13.8%

Source: 2000 and 2010 Decennial Census

Figure 2: Realized and Estimated Age Distribution of the Population



Source: 2000 and 2010 Decennial Census; MAPC population estimates, Stronger Region Scenario

3. Household Composition and Size

Although family households comprise the majority of Stow's households and grew by 13.4% since 2000, the share of families relative to all other households declined over the ten-year period from 2000 – 2010, from 80.6% of all households in 2000 to 78.3% of households in 2010.

Table 6: Household Composition

	2000		2010		Change 2000 - 2010	
	Total	% of all households	Total	% of all households	Net Change	% Change
All Households	2,082	100%	2,429	100%	347	16.6%
Family Households	1,678	80.6%	1,902	78.3%	224	13.4%
Family w/ children under 18	864	41.5%	903	37.2%	39	4.5%
Husband-Wife/Married Couple Family	1,513	72.7%	1,693	69.7%	180	11.9%
Husband-Wife Family Children	781	37.5%	815	33.6%	34	4.4%
Male Householder	NA	NA	53	2.2%	NA	
Male Householder w/ Children	NA	NA	18	0.7%	NA	
Female Householder	124	6.0%	156	6.4%	32	25.8%
Female Householder with Children	70	3.4%	70	2.9%	0	0%
Nonfamily Households	404	19.4%	527	21.7%	123	30.5%
Living alone	308	14.8%	422	17.4%	114	37.0%
Householder 65 years and older	111	5.3%	184	7.6%	73	65.8%

Household with individual under 18	896	43%	925	38.1%	29	3.2%
Household with individual over 65	345	16.6%	604	24.9%	259	75.1%

Source: 2000 and 2010 Decennial Census

The number of nonfamily households increased by a total of 123 households and now comprises 21.7% of all households. The number of households headed by someone aged 65 and older increased by 73, or 66%, over the ten-year period. Across all households, the number of households with a person age 65 and older increased by a total of 259 households for an increase of 75%. Today, a quarter of all households in Stow include a person over the age of 65, up from approximately 17% of households in 2000.

The changes in household composition in Stow are more pronounced compared with the changes throughout Middlesex County and the state. The share of households with a person age 65 and older has remained largely steady in Massachusetts and Middlesex County, while the share has increased 8.3 percentage points in Stow.

Table 7: Households, Local and Regional Trends

	Stow			Middlesex County			Massachusetts		
	2000	2010	Change	2000	2010	Change	2000	2010	Change
Total Households	2082	2,429	16.6%	561,220	580,688	3.5%	2,443,580	2,547,075	4.23%
%Families	80.6%	78.3%	-2.3%	64.3%	63.1%	-1.2%	64.5%	63%	-1.5%
%Households with individuals 18 or younger	43%	38.1%	-4.9%	32.1%	31.0%	-1.1	32.9%	30.8%	-2.1%
%Households with individuals 65 and older	16.6%	24.9%	8.3%	24.7%	24.5%	-0.3%	23.5%	25.6%	2.1%

Source: 2000 and 2010 Decennial Census

The changes in household composition in Stow are leading to smaller households. In 2000, the average household size in Stow was 2.82 persons; in 2010, the average was 2.71 persons. While Middlesex County and Massachusetts also experienced a decline in household size, Stow's was more significant. The decline in household size can be attributed to the declining share of family households, accompanied by the comparatively larger growth in the number of single-person households.

Source: 2000 and 2010 Decennial Census

Table 8: Household Size

	Stow			Middlesex County			Massachusetts		
	2000	2010	%Change	2000	2010	%Change	2000	2010	%Change
Average Household Size	2.82	2.71	-3.9%	2.52	2.48	-1.6%	2.51	2.49	-0.8%
Average Family Size	3.16	3.10	-2.5%	3.11	3.10	0.3%	3.11	3.08	-1.3%%

4. School Enrollment

Stow is part of the Nashoba Regional School District (NSRD) along with the towns of Bolton and Lancaster. Enrollment in Stow has largely stayed steady over the past several years, and the enrollment numbers are consistent with the larger demographic trends in the community. From October of 2005 to October of 2015 the number of resident students enrolled in the NSRD has increased by 3.9%, while the number of students enrolled in Stow has increased by 7.9% over the ten-year period. Enrollment in the district peaked in 2013 with a total of 3,406 district resident students. October of 2014 represented the peak for students enrolled from Stow over the ten-year period with 1,318 students. It is important to note that in 2015, there were at least 152 additional Stow children attending private or parochial school, other district's public schools, charter schools, vocational schools, or were home schooled.

Table 9: Nashoba Regional School District Total Enrollment 2005 - 2015

Enrollment in October of Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Bolton	961	1,040	1,056	1,065	1,083	1,074	1,076	1,069	1,084	1,049	1,041
Lancaster	1,034	1,063	1,014	1,051	1,051	1,033	997	948	1,007	969	985
Stow	1,170	1,164	1,170	1,166	1,191	1,181	1,232	1,233	1,315	1,318	1,262
Total	3,165	3,267	3,240	3,282	3,325	3,288	3,305	3,250	3,406	3,336	3,288

Source: Nashoba Regional School District Foundation Enrollment Data; Data represents enrolled students from each municipality, exclusive of students enrolled through the "School Choice Program"

Over the ten-year period, enrollment growth from students from Stow averaged 1.2% each year, with the largest growth occurring from 2012 to 2013 (6.7%) and the largest decline occurring between 2014 and 2015.

Table 10: Change in Annual Enrollment from 2005 - 2015

Enrollment in October of Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
NRSD Students – % Change over prior year	2.3%	3.2%	-0.8%	1.3%	1.3%	-1.1%	0.5%	-1.7%	4.8%	-2.1%	-1.4%
Stow Students - % Change over prior year	4.8%	-0.5%	0.5%	-0.3%	2.1%	-0.8%	4.3%	0.1%	6.7%	0.2%	-4.2%
Proportion of students	37.0%	35.6%	36.1%	35.5%	35.8%	35.9%	37.3%	37.9%	38.6%	39.5%	38.4%

Source: Nashoba Regional School District Foundation Enrollment Data; Data represents enrolled students from each municipality, exclusive of students enrolled through the "School Choice Program"

5. Race, Ethnicity, and National Origin

Nearly all residents of Stow identify as having one race (98.1%,) and the majority (93.6%) of these residents are white/Caucasian (93.6%). Asians are the largest minority

population in Stow, comprising 3.3% of the population; African-Americans comprise 0.7% of the population. The Hispanic population of Stow encompasses 1.9% of the population, or 129 residents. The Town has grown slightly more diverse over the past 10 years, as the percentage of white residents was 95.5% in 2000. African-Americans comprised 0.4% of the population in 2000, while Asians represented 2.0% of the population. The Hispanic population also increased from 1.4% of the population in 2000 to 1.9% of the population in 2010. Stow still lags behind the state and Middlesex County as a whole with respect to racial and ethnic diversity.

Table 11: Race and Ethnicity

	Stow			Middlesex County			Massachusetts		
	2000	2010	Change	2000	2010	Change	2000	2010	Change
White	95.5%	93.6%	-1.9%	85.9%	80.0%	-5.9%	84.5%	80.4%	-4.1
Black or African American	0.4%	0.7%	0.3%	3.4%	4.7%	1.3%	5.4%	6.6%	1.2%
American Indian or Native Alaskan	0.2%	0.2%	0%	0.2%	0.2%	0%	0.2%	0.3%	0.1%
Asian	2.0%	3.3%	1.3%	6.3%	9.3%	3.0%	3.8%	5.3%	1.5%
Two of more races	1.6%	1.9%	0.3%	2.2%	2.5%	0.3%	2.3%	2.6%	0.3%
Hispanic	1.4%	1.9%	0.5%	4.6%	6.5%	1.9%	6.8%	9.6%	2.8%

Source: 2000 and 2010 Decennial Census

6. Disability Status

Table 12: Disabled Status

Population 5 to 17 years	55
With a hearing difficulty	44
With a vision difficulty	44
With a cognitive difficulty	55
With an ambulatory difficulty	44
With a self-care difficulty	44
Population 18 to 64 years	184
With a hearing difficulty	68
With a vision difficulty	55
With a cognitive difficulty	81
With an ambulatory difficulty	74
With a self-care difficulty	9
With an independent living difficulty	41
Population 65 years and over	121
With a hearing difficulty	79
With a vision difficulty	10
With a cognitive difficulty	16
With an ambulatory difficulty	41

With a self-care difficulty	0
With an independent living difficulty	31

Approximately 5% of residents in Stow, 360 individuals, have a disability. Half of these residents are adults aged 18 to 65, a quarter of which have independent living difficulty and 40% of which have ambulatory difficulty. Approximately one-third of the disabled individuals are adults aged 65 and over and 25% of these residents face difficulties in independent living.

7. Household Income

The median income in Stow is approximately \$131,500. This is approximately 44.6% higher than the median household income in Middlesex County of \$83,488 and approximately 64% higher than median household income across the state of \$67,846. There is a significant disparity in the income of renter-occupied households versus the income of owner-occupied

households. The median income of renter households in Stow is approximately \$31,821, while the median income for owner households is approximately \$138,477 (see Figure 4, on Page X).

Despite the high median household income in Stow, a significant portion of households are still of modest means. Approximately 21% of the population earns less than \$50,000 annually, with about 9% of these households earning less than \$25,000 a year. Compared with Middlesex County and trends across the state, Stow has a significantly higher percentage of households earning more than \$150,000 each year, comprising approximately 45% of households, and a smaller percentage of households earning less than \$75,000 each year.

Table 13: Household Income Distribution

	Stow		Middlesex County		Massachusetts	
Household Income	Total	%	Total	%	Total	%
\$0 - 24,999	219	9.0%	89,323	15.3%	506,876	20.0%
\$25,000 - \$49,999	308	12.5%	89,833	15.4%	464,120	18.3%
\$50,000 - \$74,999	230	9.3%	85,767	14.7%	402,049	15.8%
\$75,000 - \$99,999	170	6.9%	73,559	12.6%	322,545	12.7%
\$100,000 - \$149,999	430	17.5%	110,231	18.9%	426,367	16.8%
\$150,000 +	1103	44.8%	135,096	23.1%	416,528	16.4%

Source: 2010 – 2014 American Community Survey

Based on 2010 – 2014 ACS data, the percentage of Stow households with income from earnings is approximately 83%, while the number of households with social security income is 28% and the number of households with retirement income is nearly 18%. The share of households with income from earnings has decreased since 2000, while the share of households with income from social security and retirement has increased. As Stow's population ages, a greater percentage of residents will be on fixed-incomes from social security, pensions, and other retirement income. A significant portion of their wealth may also be in the form of home equity and associated homeownership, which can limit eligibility for some affordable housing programs.

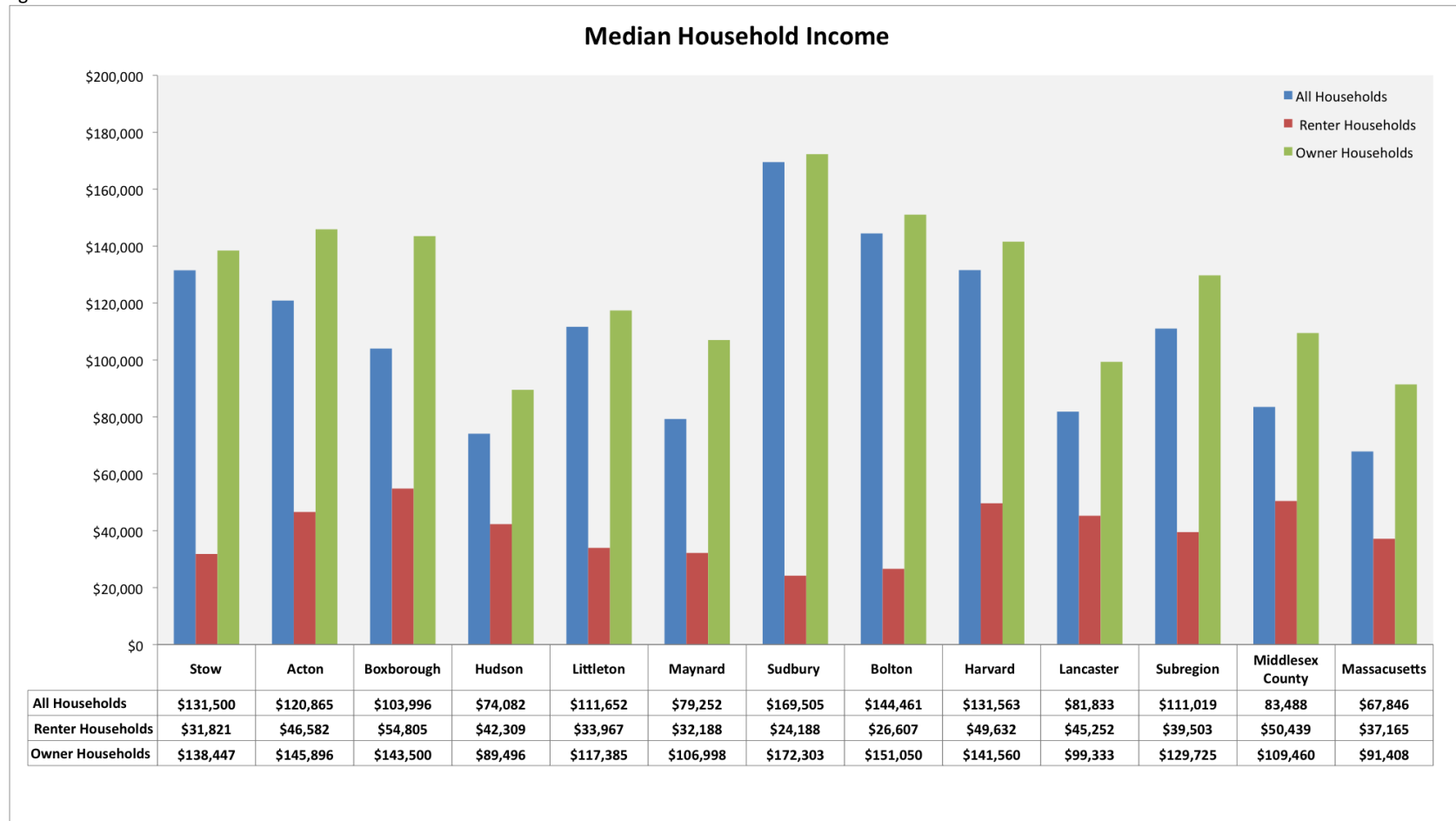
Table 14: Income by Source of Income in Stow

	2000		2010-2014 ACS	
Total Households	2,089		2,338	
	Mean Income*	Share of Population	Mean Income	Share of Population
Earnings Income	\$106,037	91%	\$138,842	83.4%
	Mean Income	Share of Population	Mean Income	Share of Population
Social Security Income	\$14,223	17.5%	\$21,583	26.7%
	Mean Income	Share of Population	Mean Income	Share of Population
Retirement Income	\$16,473	14.6%	\$19,301	17.3%

Source: 2000 Decennial Census; 2010-2014 American Community Survey 5-Year Estimates

*Data provided through the ACS on source of income is provided as the mean and not the median.

Figure 3: Median Household Income



Source: 2010– 2014 American Community Survey 5-Year Estimates

Although Stow has a comparatively high median household income, a significant portion of the population falls within the income limits used for determining eligibility for affordable housing programs. The income limits used for most federal and state housing assistance programs are described below, with the applicable program income limits for 2016 detailed in Table 15. Stow is a part of the *Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area*. Please note that households earning up to 100% of area median income (AMI) are eligible for affordable housing that is funded through the Community Preservation Act (CPA).

- Extremely low-income households (ELI) – Earn less than 30% (AMI), adjusted for household size
- Very low-income households (VLI) – Earn between 30% and 50% AMI, adjusted for household size
- Low-income households (LI) – Earn between 50% and 80% AMI, adjusted for household size
- Moderate-income households (MI) – Earn between 80% and 100% AMI, adjusted for household size. Households in this income group are eligible for affordable housing that is funded through CPA, although they are not eligible for federal and state affordable housing programs.

Table 15: 2016 Income Limits, *Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area*.

Household Size	ELI Households (30% AMI)	VLI Households (50% AMI)	LI Households (80%AMI)	MI Households (100% AMI)
	Income Limit	Income Limit	Income Limit	Income Limit
1	\$20,650	\$34,350	\$51,150	\$68,670
2	\$23,600	\$39,250	\$58,450	\$78,480
3	\$26,550	\$44,150	\$65,750	\$88,290
4	\$29,450	\$49,059	\$73,050	\$98,100
5	\$31,850	\$53,000	\$78,900	\$105,948
6	\$34,200	\$56,900	\$84,750	\$113,796
7	\$36,730	\$60,850	\$90,600	\$121,644
8	\$40,890	\$64,750	\$96,450	\$129,492

Source: U.S. Department of Housing and Urban Development, 2016 Income Limits Documentation System and Massachusetts Community Preservation Coalition

The U.S. Department of Housing and Urban Development's CHAS data (Comprehensive Housing Affordability Strategy) estimates that there are approximately 450 households in Stow, totaling more than 19% of households, earning less than 80% AMI (the most commonly used income limit for housing created through the state's Chapter 40B law). An additional 9% of households, totaling approximately 220 households, qualify for moderate-income housing. The share of households eligible for affordable housing in Stow is smaller than the share in neighboring communities, Middlesex County, and the state.

Table 16: Households by Qualifying Affordable Housing Income Limits

	ELI Households	VLI Households	LI Households	MI Households
Stow: # of Households	75	215	160	220
Stow: % of all Households	3.2%	9.2%	6.9%	9.4%
Subregion: # of Households	3,630	3,100	2,735	2,535
Subregion: % of all Households	9.7%	8.3%	7.3%	6.8%
Middlesex County: # of Households	76,320	59,345	52,175	50,790
Middlesex County: % of all Households	13.2%	10.2%	9%	8.8%
Massachusetts: # of Households	408,380	293,565	300,355	238,770
Massachusetts: % of all Households	16.2%	11.6%	11.9%	9.5%

Source: 2008-2012 Comprehensive Housing Affordability Strategy Data

According to data from the American Community Survey, approximately 2.7% of residents (totaling approximately 184 people) in Stow are living below the poverty level. This share is smaller than the share across the state of 11.4% and the share across Middlesex County of 8.1%. The federal poverty thresholds for 2014, with adjustments for household size, are detailed in Table 15.

Table 17: 2014 Poverty Thresholds

Household Size	Poverty Threshold
1-Person	\$12,071
2-Person	\$15,379
3-Person	\$18,050
4-Person	\$24,230
5-Person	\$28,695
6-Person	\$32,473
7-Person	\$36,927
8-Person	\$40,968

Source: U.S. Census, Income and Poverty in the United States: 2014

B. Housing Characteristics and Trends

Table 18: Population, Households, and Housing Units

	Stow	Middlesex County	Massachusetts
Population			
2010	6,590	1,503,085	6,547,629
2000	5,902	1,465,396	6,349,097
% Change	11.7%	2.6%	3.1%
Households			
2010	2,429	580,688	2,547,075
2000	2,082	561,220	2,443,580
% Change	16.7%	3.5%	4.2%
Housing Units			
2010	2,526	612,004	2,808,254
2000	2,128	576,681	2,621,989
% Change	18.7%	6.1%	7.1%

Stow's population growth over the past ten years has been supported by a significant amount of new housing construction. Over the ten-year period from 2000 and 2010, Stow added nearly 400 new housing units and gained approximately 350 new households. In keeping with the traditional development patterns, the majority of the new housing in Stow has been from single-family home construction. The percentage of homeowners in Stow

Source: 2000 and 2010 Decennial Census

grew slightly from 2000 and 2010, and homeowners

were nearly 90% of households as of the 2010 decennial census. It is important to note however, this data does not incorporate the 30-unit rental project (Pilot Grove 2) that was developed in 2013.²

1. Housing Development

Since the turn of the century, housing development in Stow has outpaced trends in Middlesex County, across the state, and among neighboring communities. The number of housing units in Stow grew by nearly 19% from 2000 – 2010, exceeding the growth rate in Middlesex County of 3.5% and in Massachusetts of 4.2%. The growth rate in Stow was nearly double that of the 9.1% subregion community average.

Table 19: Housing Unit Change

	2000 Housing Units	2010 Housing Units	Change	
			%	Total
Stow	2,128	2,526	18.7%	398
Subregion	3,961	4,319	9.1%	358
Middlesex County	576,681	612,004	6.1%	35,323
Massachusetts	2,621,989	2,808,254	7.1%	186,265

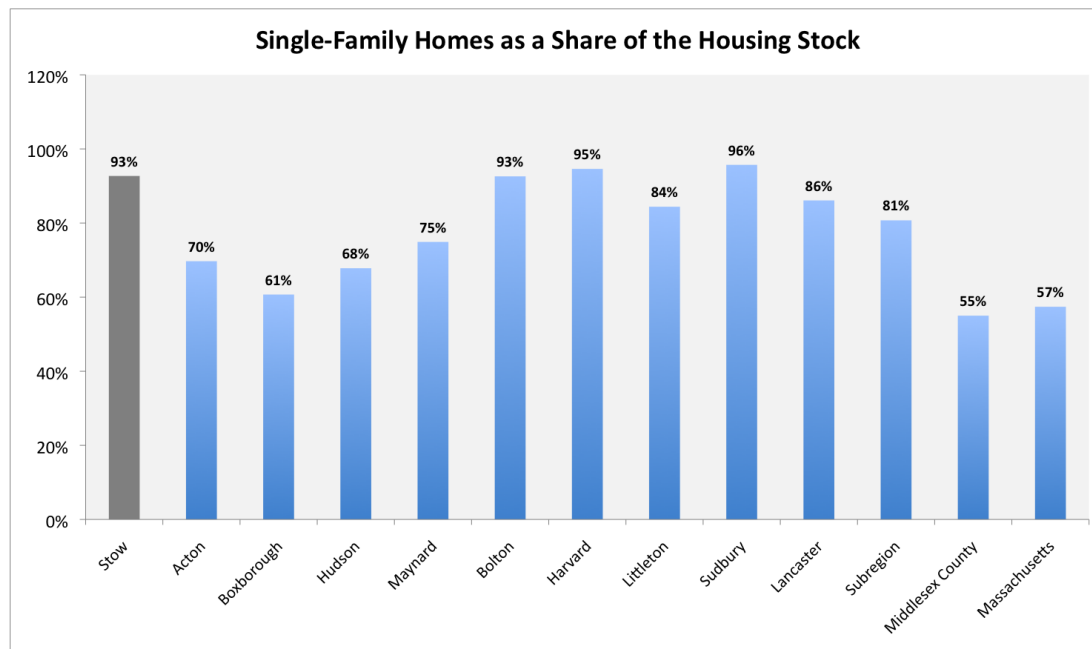
Source: 2000 and 2010 Decennial Census

2. Housing Unit Type

The most recent estimates from the American Community Survey show that approximately 90% of the housing in Stow is comprised of single-family homes. The remainder of the housing is comprised of units in larger apartment buildings (2.6%) and smaller multifamily buildings of 2-4 units or 5-9 units. The distribution of housing in Stow is most similar to Bolton, Harvard, and Sudbury—where the proportion of single-family homes is well above 90%.

² The 2010 housing unit count for Stow of 2,526 units is inclusive of all housing units; the 2010 housing unit count of 2,500 represents year-round housing units and is the figure used in determining Stow's percentage of affordable housing.

Figure 4: Share of Single-Family Homes



Source: 2010 – 2014 American Community Survey 5-Year Estimates

The housing diversity in Stow is less than that of many other communities in the subregion, which have a smaller share of single-family homes and a greater proportion of multifamily buildings. These trends are even more pronounced when comparing Stow to Middlesex County and the state, which both have significantly smaller shares of single-family homes and larger proportions of small multifamily buildings, including duplexes and three-to-four unit properties.

Table 20: Housing Units by Building Type

	Total Housing Units	Single-Family Detached	Single Family Attached	2-4 Unit	5-9 Unit	10-19 Unit	20+ Unit	Other
Stow	2,588	85.3%	7.4%	2.3%	2.7%	0.0%	2.3%	0%
Subregion	39,345	75.3%	5.6%	6.6%	2.9%	4.3%	4.8%	0.6%
Middlesex County	614,879	48.7%	6.3%	21.6%	5.1%	4.8%	13.0%	0.4%
Massachusetts	2,816,875	52.2%	5.2%	21.1%	5.9%	4.3%	10.4%	0.9%

Source: 2010 – 2014 American Community Survey 5-Year Estimates

3. Age of Housing Stock

Like many communities across the region, Stow experienced significant growth in the 1970s, when more than 20% of the town's housing stock was constructed. As noted previously, the first decade of the twenty-first century also saw significant housing development in Stow. The town has added nearly 500 housing units since 2000, which comprise approximately 20% of the housing in Stow. This share is significantly larger than the average among communities in the subregion and across Middlesex County and the state.

Table 21: Year Built

	Total Housing Units	2010 or Later	2000-2010	1990-2000	1980-1990	1970-1980	1960-1970	1950-1960	1940-1950	1939 or Earlier
Stow	2,588	1.1%	20.1%	10.6%	9.3%	21.7%	11.7%	7.6%	2.6%	15.5%
Subregion	39,345	1.0%	10.1%	12.7%	12.9%	18.0%	14.2%	10.7%	2.8%	17.4%
Middlesex County	614,879	0.7%	7.4%	6.8%	9.6%	10.4%	11.4%	12.4%	5.8%	35.6%
Massachusetts	2,816,875	0.6%	7.5%	7.5%	10.8%	11.6%	10.4%	11.5%	5.9%	34.3%

Source: 2010 – 2014 American Community Survey 5-Year Estimates

4. Housing Tenure

With its large proportion of single-family homes, Stow is primarily a community of homeowners. Eighty-nine percent of the occupied housing units in Stow is owner occupied, while 11% is renter-occupied. The distribution of owners and renters in Stow is similar to that in Bolton, Harvard, and Sudbury, which all have homeownership rates that exceed 90%. The rates of homeownership in these communities are substantially higher than the average across the subregion, Middlesex County, and the state.

Occupancy characteristics in Stow have remained largely unchanged over the past 10 years. Vacancy rates remain low, and the first decade of the twenty-first century saw continued growth in the number of owner-occupied single-family homes. Between 2000 and 2010, the number of owner-occupied units grew by 345 units, or 19%. Meanwhile, the number of renter-occupied units grew by just 2 units, or 0.75%. As a result, the share of owner-occupied housing in Stow has increased, while the share of renter-occupied housing has decreased. It is important to note that the most recent decennial census does not capture the Pilot Grove II rental project that was placed in service in 2013, which added 30-units of rental housing to the community.

Table 22: Housing Tenure

	1990		2000		2010	
Total Housing Units	1,853		2,128		2,526	
% Occupied	%	Total Units	%	Total Units	%	Total Units
	96.8%	1,793	97.8%	2,082	96.2%	2,429
% Owner Occupied	%	Total Units	%	Total Units	%	Total Units
	87.2%	1,564	87.1%	1,813	88.8%	2,158
% Renter Occupied	%	Total Units	%	Total Units	%	Total Units
	12.8%	229	12.9%	269	11.2%	271
Average HH Size of Owner Occupied Units	3.06 Persons		2.95 Persons		2.70 Persons	
Average HH Size of Renter Occupied Housing Units	2.24 Persons		1.94 Persons		1.82 Persons	

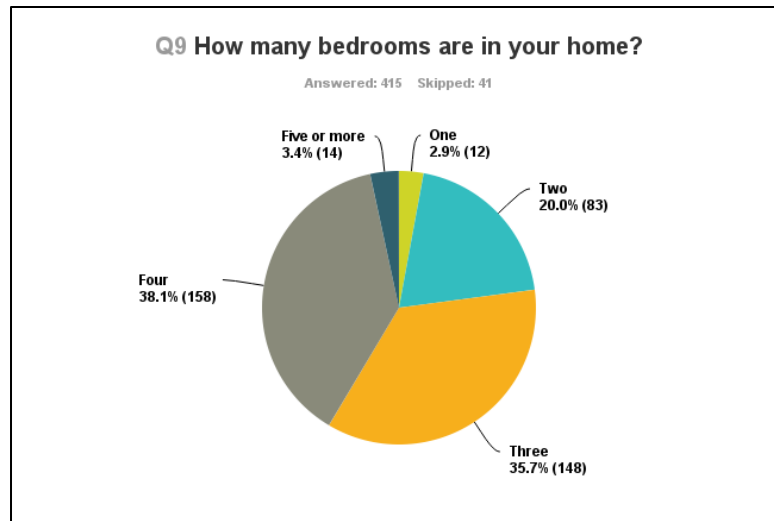
Source: 1990, 2000, and 2010 Decennial Census

5. Home Size

Following similar trends from across the country, the size of single-family homes in Stow has been increasing over the past several years. The median size of a home built in 1960 was just over 2,000 square feet, while the median size of a home built since 2000 is nearly 3,300 square feet.

Data from the Stow Housing Survey suggest small shares of one- and two-bedroom units, with the majority of units comprised of three- and four-bedroom households.

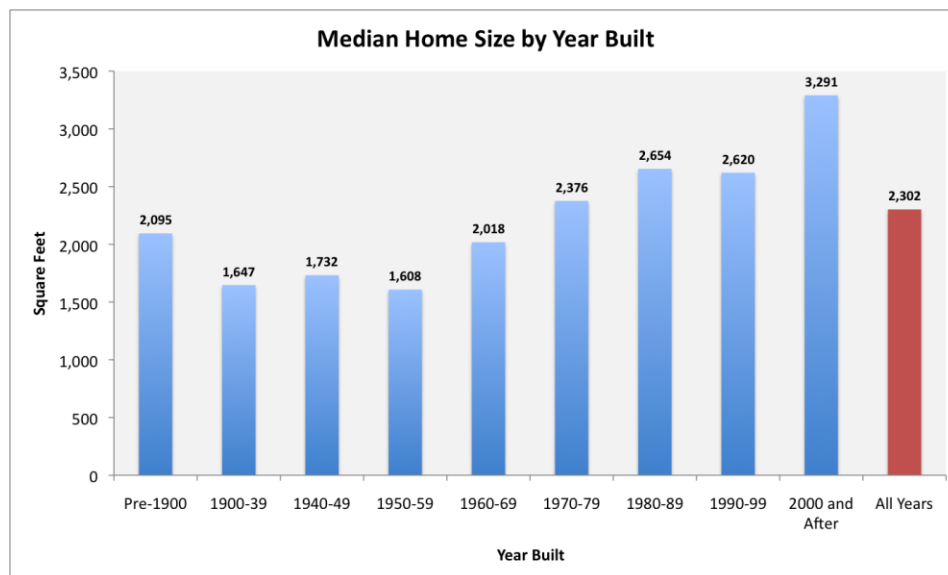
Figure 5: Number of Bedrooms in Home



Source: Stow Housing Affordability and Opportunity Survey

Recent trends in Stow suggest that the trend toward larger homes is increasing, with most new home construction comprised of homes with four or five bedrooms.

Figure 6: Single-Family Home Size by Year Built

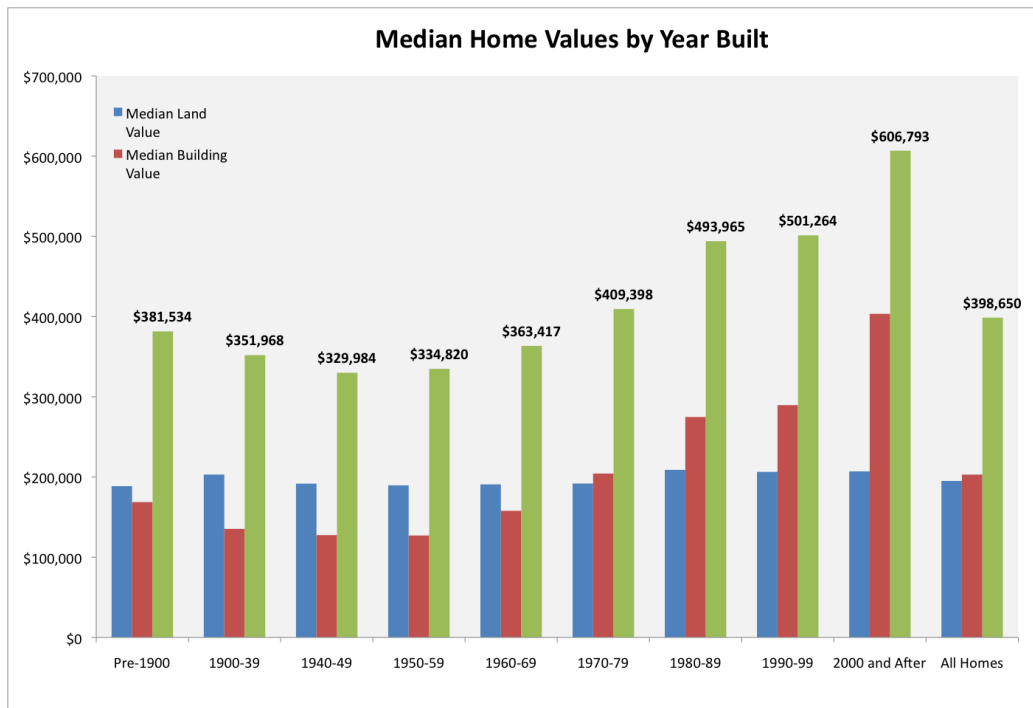


Source: Town of Stow Assessors' Office

6. Median Home Value

As the size of homes in Stow have grown in recent years, home values have also increased. The median value of a single-family home built in 1960 is approximately \$363,400, while the median value of a home built after 2000 is approximately \$606,800. The disparity in single-family home value is attributable to the significantly higher value and size of newer buildings versus older buildings. As figures 6 and 7 and Table 23 demonstrate, the increase in building value is closely correlated with the increase in home size over time.

Figure 7: Median Home Value by Year Built



Source: Town of Stow Assessors' Office

Table 23: Median Value

	Median Land Value	Median Building Value	Total Value
Pre-1900	\$188,600	\$168,700	\$381,534
1900-39	\$203,050	\$135,350	\$351,968
1940-49	\$191,700	\$127,600	\$329,984
1950-59	\$189,600	\$127,100	\$334,820
1960-69	\$190,800	\$157,850	\$363,417
1970-79	\$191,900	\$204,300	\$409,398
1980-89	\$208,900	\$274,800	\$493,965
1990-99	\$206,400	\$289,550	\$501,264
2000 and After	\$207,000	\$403,400	\$606,793
All Homes	\$195,100	\$203,000	\$398,650

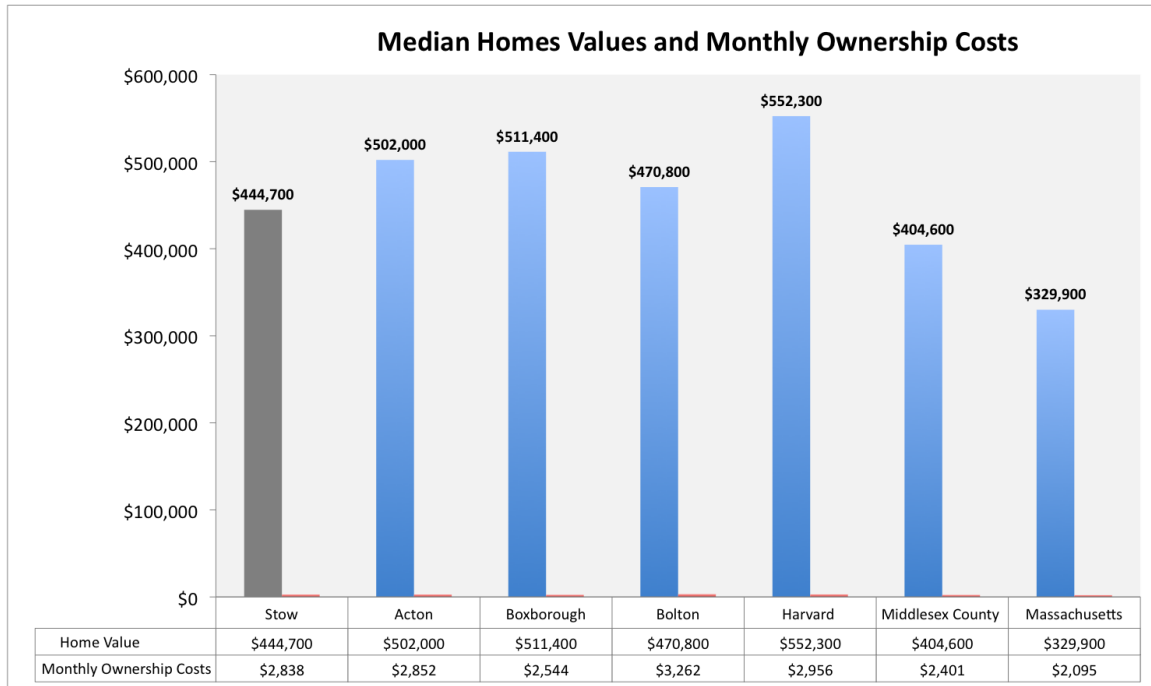
Source: Town of Stow Assessors' Office

C. Housing Market Characteristics

1. Homeownership Market

Stow forms a regional housing market with Acton, Boxborough, Harvard, and Bolton—communities that place a high value on open space and high quality schools. Within this submarket, Stow has the lowest median home values and the second lowest monthly ownership costs among the approximately 70% of owners who have a mortgage payment.

Figure 8: Median Home Values and Monthly Ownership Costs



Source: 2010 – 2014 American Community Survey 5-Year Estimates

A household would need to earn more than \$113,520 annually to afford a monthly housing payment of \$2,838 without experiencing a cost burden. The median monthly housing cost for homeowners in Stow who do not have a mortgage payment is \$922.

Table 24: Median Home Value and Ownership Costs

	Median Home Value	Median Monthly Housing Costs for Households with a Mortgage	Median Monthly Housing Costs for Households without a Mortgage
Stow	\$444,700	\$2,838	\$922
Subregion	\$441,800	\$2,662	\$908
Middlesex County	\$404,600	\$2,401	\$825
Massachusetts	\$329,900	\$2,095	\$707

Source: 2010 – 2014 American Community Survey 5-Year Estimates

The sales price of homes in Stow has increased by 20% since the recession-level low of \$374,485 in 2009. The median sales price for homes in 2015 is \$455,715, a 6.9% increase over the previous year.

Table 25: Median Sale Price

Calendar Year	Single-Family Homes	Condominium	All Sales	Sales Price % Change (All Sales)	Number of Sales
2015	\$460,500	\$447,500	\$455,715	6.98%	90
2014	\$446,000	\$384,000	\$426,000	5.12%	117
2013	\$435,500	\$347,000	\$405,250	-1.25%	129
2012	\$425,000	\$341,500	\$410,375	-1.71%	124
2011	\$430,000	\$364,500	\$417,500	9.73%	99
2010	\$440,000	\$365,000	\$380,478	1.60%	108
2009	\$387,500	\$334,000	\$374,485	-5.97%	102
2008	\$463,250	\$324,916	\$398,271	-6.95%	115
2007	\$440,000	\$419,775	\$428,000	-17.28%	117
2006	\$497,500	\$517,550	\$517,425	11.75%	78
2005	\$493,750	\$407,000	\$463,000	-1.49%	134
2004	\$442,500	\$386,213	\$470,000	20.51%	171
2003	\$425,000	\$248,900	\$390,000	9.86%	162
2002	\$406,173	\$252,900	\$355,000	-5.48%	162
2001	\$375,600	NA	\$375,600	13.30%	98
2000	\$337,500	\$437,969	\$331,500	8.69%	113

Source: Warren Group

More than half of the homeowners in Stow moved to their current residence after 2000, and approximately one-fifth of households moved during the 1990s. The share of owners who moved since the turn of the century is larger compared with Middlesex County and the state and can be attributed to significant amount of housing development that has occurred in Stow over that time period.

Table 26: Owner Occupied Units Year Moved In

Owner Occupied Units	Stow	Middlesex County	Massachusetts
Moved in 2010 or later	7.8%	10.1%	9.3%
Moved in 2000 to 2009	48.3%	35.6%	36.4%
Moved in 1990 to 1999	22.0%	23.2%	23.4%
Moved in 1980 to 1989	9.4%	12.4%	12.9%
Moved in 1970 to 1979	7.7%	9.0%	9.0%
Moved in 1969 or earlier	4.7%	9.8%	9.0%

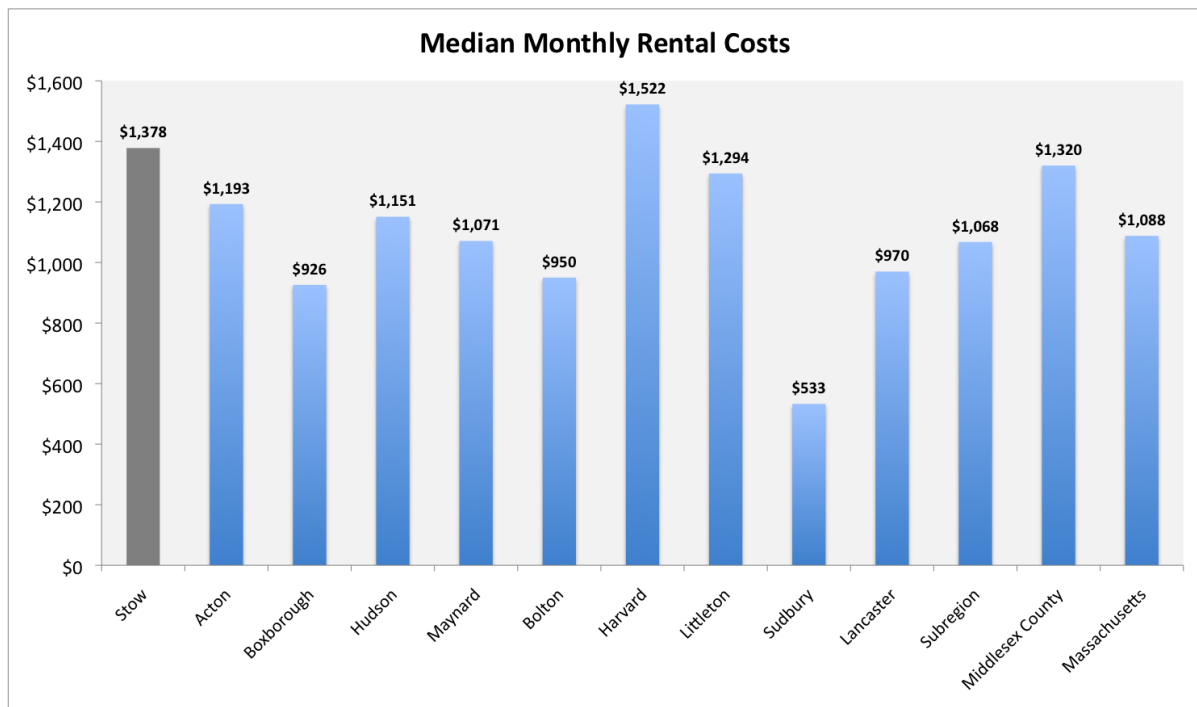
Source: 2010 – 2014 American Community Survey 5-Year Estimates

2. Rental Market

Like the homeownership market in Stow, the rental housing market is characterized by low vacancy rates and relatively high costs. However, the choices are limited to the approximately 300 rental units in the community.

Compared to trends across the region, renter households in Stow pay more in monthly rent. The median monthly rent in Stow is \$1,378, and the median household income for a renter is \$31,821. The average rental costs among communities across the subregion is \$1,058 and the median household income is \$39,503. Only in Harvard, where monthly rental costs are above \$1,500, do rental costs exceed those in Stow.

Figure 9: Median Monthly Rental Costs



Source: 2010 – 2014 American Community Survey 5-Year Estimates

Table 27: Rental Costs and Median Income

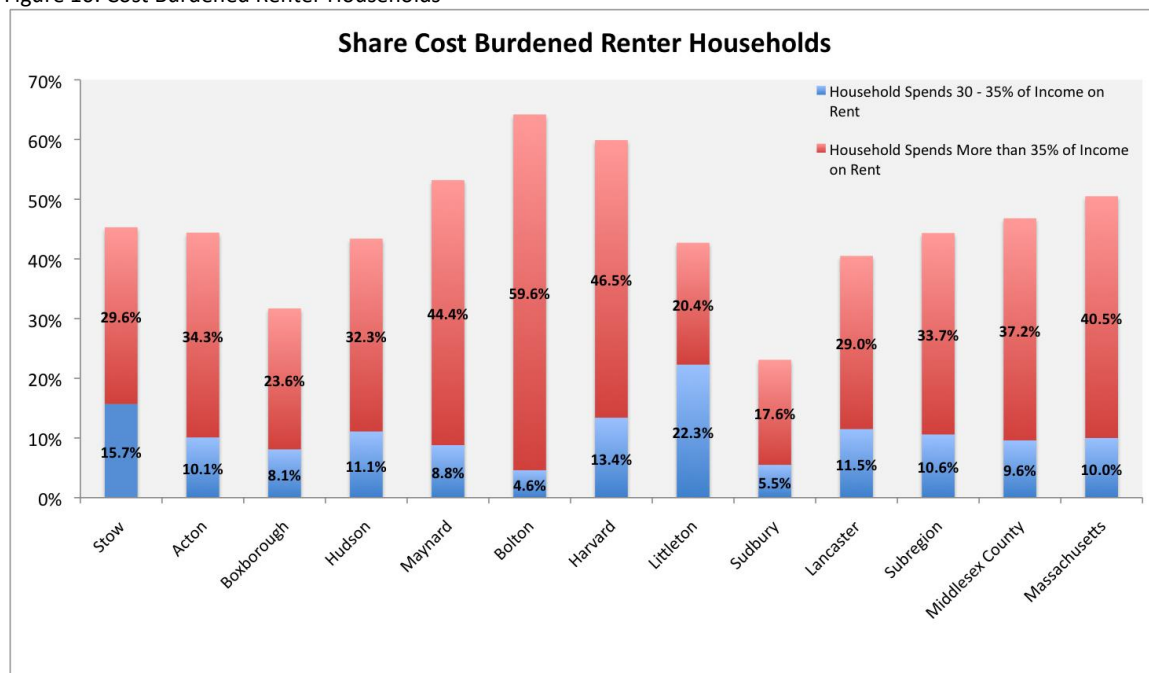
	Median Household Income for Renters	Median Rent	Gross Rent as a Percentage of Household Income
Stow	\$31,821	\$1,378	28.7%
Acton	\$46,582	\$1,193	26.9%
Bolton	\$26,607	\$950	37.8%
Boxborough	\$54,805	\$926	21.5%
Harvard	\$49,632	\$1,522	33.7%
Hudson	\$42,309	\$1,151	28.2%
Lancaster	\$45,252	\$970	28.4%
Littleton	\$33,967	\$1,294	26.6%
Maynard	\$32,188	\$1,071	31.8%
Sudbury	\$24,188	\$533	26.6%
Subregion	\$39,503	\$1,068	29.1%
Middlesex County	\$50,439	\$1,320	28.7%
Massachusetts	\$37,165	\$1,088	30.3%

Source: 2010 – 2014 American Community Survey 5-Year Estimates

The percentage of “cost burdened” renters in Stow (42.6%) is significantly less than the share of cost burdened renters in Middlesex County (45.8%), Massachusetts (50.3%), and the average among communities across the subregion (46.9%). Households are considered cost burdened if more than 30% of their gross monthly income goes towards housing costs (for renters, this includes contract rent and any payments for utilities; for owners, this includes mortgage payment, utilities, insurance, and property tax).

Households are considered “severely cost burdened” if more than 50% of income goes towards housing costs.

Figure 10: Cost Burdened Renter Households



Source: 2010 – 2014 American Community Survey 5-Year Estimates

Table 28: Rental Household Composition

	% Family Households	Average Household Size	Median Household Income	Median Move-In Year
Stow	52%	2.37	\$31,821	2005
Subregion	45%	2.00	\$39,503	2006
Middlesex County	45%	2.18	\$50,439	2007
Massachusetts	46%	2.22	\$37,165	2007

Source: 2010 – 2014 American Community Survey 5-Year Estimates

The majority of renter households in Stow are families. At 52% of all households, this proportion is higher than the average among communities in subregion and in Middlesex County and across the state. Renter households in Stow are larger compared to communities in the subregion, Middlesex County, and throughout Massachusetts. Renters in Stow have also lived in their homes longer, compared with those in neighboring communities and across the state and Middlesex County.

Table 29: Rental Housing by Year Built

	%
Built 2000 or later	6.7%
5-19 unit building	6.7%
Built 1980 to 1999	49.3%

1 unit detached or attached	20.6%
2-4 unit building	5.4%
5-19 unit building	23.3%
Built 1960 to 1979:	19.3%
1 unit detached or attached	12.1%
5-19 unit building	7.2%
Built 1940 to 1959:	24.7%
1 unit detached or attached	4.0%
2-4 unit building	20.6%

The rental housing stock in Stow is largely comprised of older single-family homes and smaller multifamily buildings built over the past 20-30 years. Approximately one-half of Stow's rental housing was built in the 1980s and 1990s. These units are comprised of single-

family homes (21.7%) and units in small (2 to 4 units, 5.9%) and medium-sized multifamily buildings (5 to 19 units), 23.3%). One-quarter of the units (24.7%) was built in the 1940s and 1950s; these are in 2-4 unit buildings (20%) and single-family homes (4%). One-fifth of the units was built in the 1960s and 1970s; these units are primarily comprised of single-family units (12.1%) and medium-sized multifamily buildings (5 to 19 units, 7.2%).

Source: 2010 – 2014 American Community Survey 5-Year Estimates

3. Housing Cost Burden and Affordability Analysis

One of the most common measures of affordable housing needs and overall housing stability is whether a household is “cost burdened” with respect to monthly housing costs. As discussed earlier, cost burden is measured as the share of household income that is spent on housing, including ownership costs or rental costs. Households spending more than 30% of their gross income on housing are considered cost burdened; households spending more than 50% of their gross income on housing are defined as “severely housing cost burdened.” Because cost burden is a direct reflection of household income, the impact of cost burden is more acute for lower-income households that have less financial resources available to meet other necessary households expenses (transportation, health care, student loan, etc.). Consistent with the cost burden measure, federal, state, and local housing programs are designed so that monthly housing expenses do not exceed 30% of household income.

Table 30 shows the cost burden threshold for households at the various income limits used in establishing eligibility for affordable housing programs. The income limits and associated cost burden thresholds are included for the following income groups.

- Extremely low-income households (ELI) – Earn less than 30% AMI, adjusted for household size.
- Very low-income households (VLI) – Earn between 30% and 50% AMI, adjusted for household size.
- Low-income households (LI) – Earn between 50% and 80% AMI, adjusted for household size.
- Moderate-income households (MI) – Earn between 80% and 100% AMI, adjusted for household size. This group is eligible for affordable housing that is funded

through CPA. As noted earlier, CPA funds can also be used to support housing for ELI, VLI, and LI households.

Table 30: Income Limits and Cost Burden Threshold for Affordable Housing Programs

Household Size	ELI Households (30% AMI)		VLI Households (50% AMI)		LI Households (80%AMI)		MI Households (100% AMI)	
	Income	Cost Burden Threshold	Income	Cost Burden Threshold	Income	Cost Burden Threshold	Income	Cost Burden Threshold
1	\$20,650	\$516	\$34,350	\$859	\$51,150	\$1,279	\$68,670	\$1,717
2	\$23,600	\$590	\$39,250	\$981	\$58,450	\$1,461	\$78,480	\$1,962
3	\$26,550	\$664	\$44,150	\$1,104	\$65,750	\$1,644	\$88,290	\$2,207
4	\$29,450	\$736	\$49,059	\$1,226	\$73,050	\$1,826	\$98,100	\$2,453
5	\$31,850	\$796	\$53,000	\$1,325	\$78,900	\$1,973	\$105,948	\$2,649
6	\$34,200	\$855	\$56,900	\$1,423	\$84,750	\$2,119	\$113,796	\$2,845
7	\$36,730	\$918	\$60,850	\$1,521	\$90,600	\$2,265	\$121,644	\$3,041
8	\$40,890	\$1,022	\$64,750	\$1,619	\$96,450	\$2,411	\$129,492	\$3,237

Source: U.S. Department of Housing and Urban Development, 2016 Income Limits Documentation System and Massachusetts Community Preservation Coalition

Data from the Comprehensive Housing Affordability Strategy (CHAS) can be used to measure the cost burden incidence among various household types. CHAS data are special tabulations of the American Community Survey prepared for the U.S. Department of Housing and Urban Development and provide estimates of the prevalence of housing issues across the housing stock and among households. The data include tabulations of cost burden by household income and household type, as well as information related to housing costs and affordability. Table 31 shows the incidence of cost burdened households in Stow across different income groups. There are approximately 600 households that are cost burdened (CB) or severely cost burdened (SCB). Among the lowest income households in Stow—ELI and VLI households—more than three-quarters of households are cost burdened. Low- and moderate-income households also have significant portions of cost burdened households, with more than half the households in each income group cost burdened. Higher income households in Stow are significantly less likely to be cost burdened; only 10% of households in the High Income category are cost burdened.

Table 31: Cost Burden Incidence by Household Income Group

Household Type by Income Group	ELI	VLI	LI	MI	HI	Total
# of households in income group	75	215	160	220	1,660	2,330
# of cost burdened households	60	160	85	140	155	600
% of cost burdened households in income group	80%	74%	53%	62%	10%	26%

Source: 2008 – 2012 Comprehensive Housing Affordability Strategy Data

Table 32 further examines the cost burden incidence based on housing tenure. The data show that among ELI and VLI households, the cost burden incidence is higher for owner-occupied households compared to renter-occupied households. For example, 50% of ELI renters are cost burdened or severely cost burdened, while 100% of ELI owners are cost burdened. Similarly, 33% of VLI renter households are cost burdened or severely cost burdened, while 89% of VLI owners are cost burdened or severely cost burdened. Among low- and moderate-income households, there is a significant share of cost

burdened owners and renters. Among LI households, 100% of renters are cost burdened, while approximately 48% of owners are cost burdened. Approximately 67% of MI renters are cost burdened and 66% of MI owners are cost burdened. The share of cost burdened households is significantly smaller for HI households. No high-income renter households in Stow are cost burdened, while 10% of high-income owner households are cost burdened.

Table 32: Cost Burden By Tenure and Income Group

Household Type by Tenure	Extremely Low-Income			Very Low-Income			Low-Income			Moderate-Income			High-Income		
Renter-Occupied Households	CB	SCB	Total ELI	CB	SCB	Total VLI	CB	SCB	Total LI	CB	SCB	Total MI	CB	SCB	Total HI
Total Households	0	15	30	0	15	45	15	0	15	20	0	30	0	0	105
% of Income Group	0%	50%		0%	33%		100%	0%		67%	0%		0%	0%	
Owner-Occupied Households	CB	SCB	Total ELI	CB	SCB	Total VLI	CB	SCB	Total LI	CB	SCB	Total MI	CB	SCB	Total HI
Total Households	15	30	45	45	105	170	40	30	145	45	80	190	140	15	1,555
% of Income Group	33%	67%		27%	62%		28%	21%		24%	42%		9%	1%	
Renter and Owner Households	CB	SCB	Total ELI	CB	SCB	Total VLI	CB	SCB	Total LI	CB	SCB	Total MI	CB	SCB	Total HI
Total Households	15	45	75	45	120	215	55	30	160	65	80	220	140	15	1,660
% of Income Group	20%	60%		21%	56%		34%	19%		30%	36%		8%	1%	

Source: 2008 – 2012 Comprehensive Housing Affordability Strategy Data

Table 33 details the share of cost burdened households across income groups as a proportion of all households in Stow. For example, cost burdened VLI households comprise 6.9% of households in Stow, while cost burdened ELI households comprise 2.6% of households in Stow.

Table 33: Cost Burden Incidence as a Share of All Households in Stow

Household Type by Income Group	ELI	VLI	LI	MI	HI	Total
# of households in income group	75	215	160	220	1,660	2,330
# of cost burdened households	60	160	85	140	155	600
% of cost burdened households as a share of all households in Stow	2.6%	6.9%	3.6%	6.0%	6.7%	25.7%

Source: 2008 – 2012 Comprehensive Housing Affordability Strategy Data

Table 34 details the housing units in Stow that are priced at levels that are affordable to various income groups for both ownership and rental units. The CHAS data utilize housing cost data from the American Community Survey to estimate the number of housing units that are affordable to households at various income groups. The affordability analysis shows that the vast majority of housing units are priced at levels that are affordable to moderate-high income households. Based on these data, approximately 9% of housing units in Stow are affordable to households earning less than 80% of area median income.

Table 34: Housing Affordability by Income Group

	Very Low-Income (30%-50% AMI)		Low Income (50%-80% AMI)		Moderate-High Income (greater than 80% AMI)	
	Total	%	Total	%	Total	%
All Housing Units	135	6%	75	3%	2,120	91%
Ownership Units	30	1%	15	0.6%	2,020	87%
Rental Units	105	5%	60	3%	100	4%

Source: 2007 – 2011 Comprehensive Housing Affordability Strategy Data

D. Stow Housing Affordability and Opportunity Survey

As part of the Plan update, the Stow Municipal Affordable Housing Trust mailed a housing survey to each household in Stow in order to better understand the housing needs in Stow. *The Stow Housing Affordability and Opportunity Survey*, which is in the appendix of the plan, included questions about household composition, housing costs, and individual and community housing needs. Two questions specifically aimed to identify resident concerns about current housing needs and anticipated changes in housing needs. These questions are included below and a full summary of the survey results is included in the appendix.

Question 10

“Do you have any concerns about your housing situation and your household's ability to maintain your current housing? Examples include: ability to continue to pay for the cost of housing; ability to find housing when your current lease expires; ability to live independently in your home due to health and/or mobility; ability to pay for needed maintenance and/or capital improvements.”

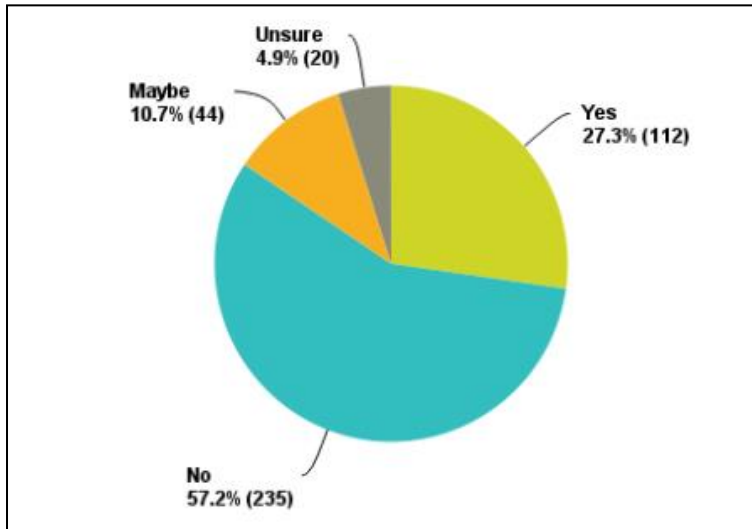
Question 11

“Do you anticipate any changes in your household's housing needs over the next five years? Examples of changing needs include: the need or desire to move to a new home, the need for home improvements and/or modifications that will allow you to remain in your home, the need for in-home care that will allow you or a member of your household to remain living in your current home.”

Both questions included a multiple-choice response (Yes, No, Maybe, Unsure) and an optional open-ended response that allowed residents to identify their concerns. The text responses were then categorized for the purpose of the analysis.

The responses to question 10 suggest that the majority of Stow residents do not have concerns about housing security. Of survey respondents, 57% responded no. However, a sizable portion of residents has concerns about their housing situation. Of the respondents, 27% responded “yes” and 11% responded “maybe.”

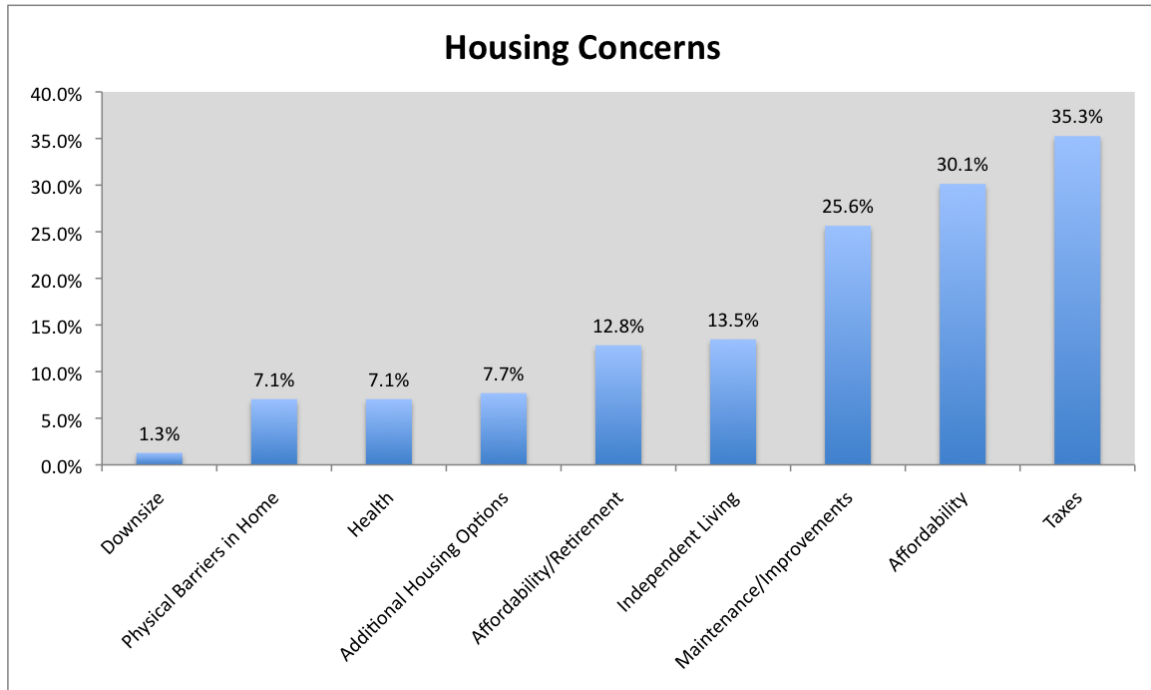
Figure 11: Housing Concerns



Source: Stow Housing Affordability and Opportunity Survey

Survey respondents were then given the option of describing their housing concerns in an open-ended response format. These responses were then categorized for additional analysis with responses classified in more than one category, when applicable. Among the 156 responses, resident concerns about taxes, housing affordability, and home maintenance and improvements represented the largest share of responses. Many respondents also identified concerns about independent living and affordability at retirement.

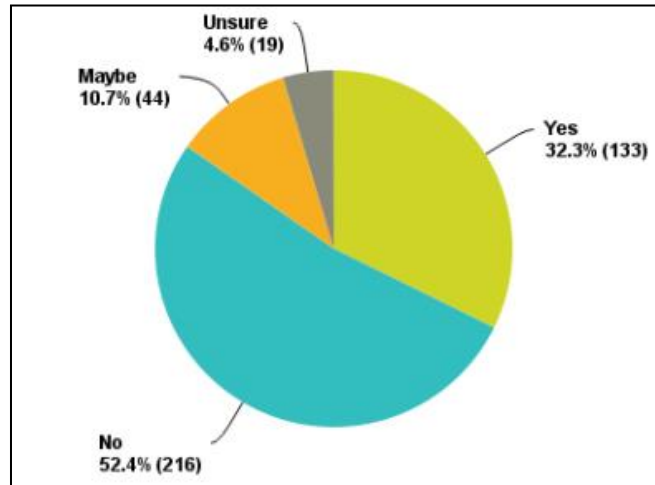
Figure 12: Housing Concerns



Source: Stow Housing Affordability and Opportunity Survey

The responses to question 11 suggest that a sizable portion of Stow residents anticipate changes in their housing needs over the next five years. Of survey respondents, 32% responded “yes,” and 11% responded “maybe.”

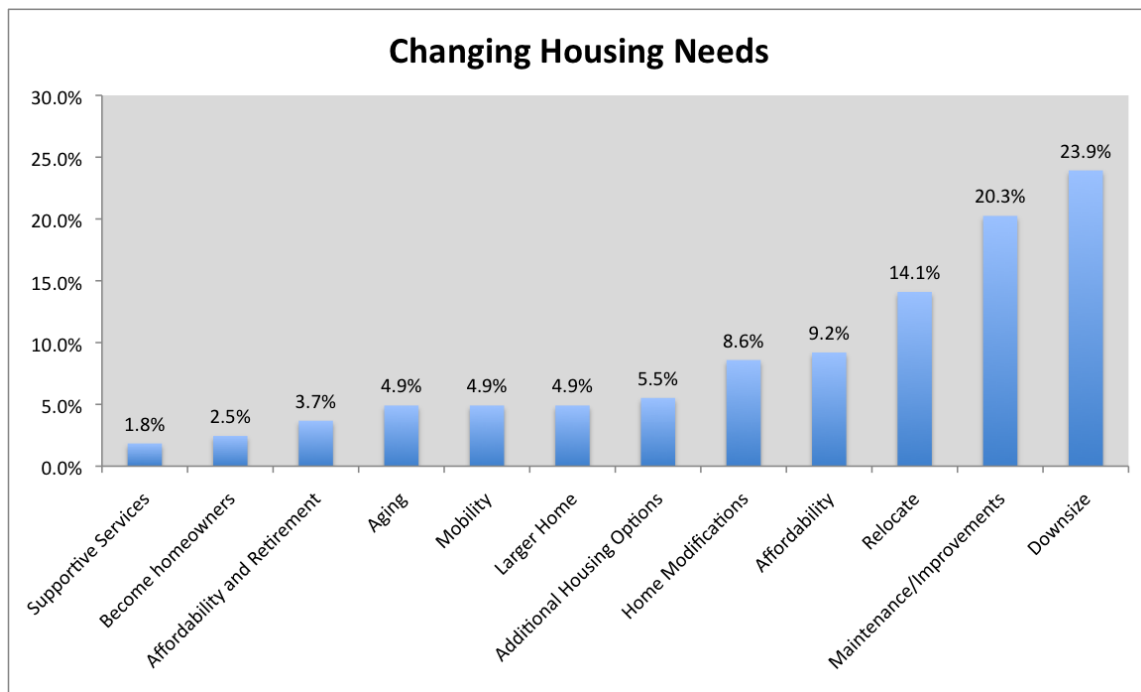
Figure 13: Future Housing Needs



Source: Stow Housing Affordability and Opportunity Survey

Survey respondents were then given the option of describing their anticipated needs in an open-ended response format. These responses were then categorized for additional analysis with responses classified in more than one category, when applicable. Among the 163 responses, 23% percent anticipate downsizing in the next 5 years, 20% anticipate needed maintenance and capital improvements, and 14% anticipate relocating out of Stow. An additional 9% anticipate the need for a more affordable housing situation, and 9% anticipate the need for home modifications.

Figure 14: Changing Housing Needs



Source: Stow Housing Affordability and Opportunity Survey

E. Summary of Key Demographic and Housing Trends and Housing Needs

- Demographic trends show that the population is aging with significant growth in the share of persons age 65 and older, compared to declining shares of persons under the age of 18. Population estimates for Stow from MAPC's Stronger Region growth scenario suggest that these trends are likely to become more pronounced in the coming years; by 2030, approximately 30% of households in Stow will be over the age of 65. A significant portion of Stow residents have identified downsizing as an anticipated housing need in the next five years.
- Households are getting smaller with declining shares of family households and an increasing share of single-person households. The number of households with a member over the age of 65 has increased by 75% from 2000 to 2010, up from 345 in 2000 to 604 in 2010. Data from the Housing Survey suggest a small percentage of one-bedroom units in Stow. Less than 3% of respondents reported living in a one-bedroom unit, and only 20% of respondents reported living in a two-bedroom unit.
- Median household income in Stow is approximately \$131,000; despite the affluence of the community, nearly one-fifth of households are low-moderate income, with 21% of households earning less than \$50,000 annually. The earnings of owner-occupied households in Stow is more than 4 times the earnings of renter-occupied households, based on most recent estimates.

- Throughout the subregion, approximately 25% of households are low-income and meet the income eligibility requirements for affordable housing. This share is significant, but below the 32% of households in Middlesex County and the 40% of households in Massachusetts that meet this criteria.
- The vast majority of new housing development in Stow in recent years has been in new single-family home construction. This follows the traditional development pattern in Stow, and the vast majority of households are homeowners. The Town has made progress in expanding housing opportunities with the development of the 30-unit Pilot Grove rental project.
- Housing in Stow is of high cost; approximately 90% of the housing is priced at levels that are not affordable to households earning less than 80% area median income. As a result a considerable portion of low- and moderate-income households in Stow are cost burdened.
- As the share of households headed by seniors is expected to increase in the coming years, there is likely to be an increase in the share of households living on fixed-incomes. While these households may have wealth in the form of home equity, homeownership may become a financial and physical burden.

F. Subsidized Housing Inventory

Stow has 179 units of affordable housing that are eligible for inclusion on the Town's Subsidized Housing Inventory (SHI). These affordable units meet the requirements of the state's affordable housing law (Chapter 40B) and are maintained as affordable through deed restrictions, covenants, regulatory and operating agreements, and other restrictions.

Table 35: Subsidized Housing Inventory

Project Name	Type	SHI-Eligible Housing Units
Pilot Grove	Rental	60
Pilot Grove 2	Rental	30
Plantation Apartments	Rental	50
DMH Home	Other	4
Stow Farms	Ownership	7
Arbor Glen	Ownership	4
Villages at Stow	Ownership	24
Total		179

Source: Massachusetts Department of Housing and Community Development

In order for a community to be in compliance with Chapter 40B, at least 10% of the year-round housing units in the community must be "affordable" to households earning up to 80% of area median income. Communities that do not meet the 10% requirement are vulnerable to development projects that can override local zoning regulations through a comprehensive permit—provided that a certain number of the units created through the project are designated as affordable.

The number of housing units in a community that is the basis for the 10% statutory requirement is based on the year-round housing count from the most recent Decennial

Census. As of 2010, the year-round housing count for Stow is 2,500 units. With 179 units of affordable, SHI-eligible housing, Stow currently has 7.16% of its housing stock as “affordable” under state law. Stow needs 71 additional SHI-eligible housing units, or 250 total SHI units, to meet the 10% threshold. It is important to note that the year-round housing count in Stow will be updated with the 2020 Census. Based on current population growth and housing development trends, the year-round housing count could stand at approximately 2,950 in 2020. This would increase the number of affordable units necessary to meet the state’s 10% requirement to approximately 295 and increase of 116 units from the current count of 179.

In addition to these SHI-eligible housing units, a small residential facility licensed through the Department of Mental Health opened in 2013. When the State updates the SHI for Stow in 2016, the Town will gain an additional 6 units.

Since the adoption of the Housing Production Plan in 2011, Stow has made progress in expanding housing opportunities. The 30-unit Pilot Grove 2 rental project provides much needed family rental housing in the community. The completion of this project also allowed Stow to meet the safe harbor provision under the state law, allowing the Town a two-year exemption from comprehensive permit projects. Stow was one of very few municipalities in the state to meet this goal in recent years.

In addition to the Pilot Grove 2 project, the 37-unit Plantation Apartments 2 development was granted a comprehensive permit, however a successful legal challenge has halted the development. Had Plantation Apartments 2 been built, the town would have 216 SHI-eligible housing units and 8.64% of the housing stock as affordable.

G. Residential Development Trends

The residential development patterns in Stow are shaped by the town’s zoning bylaw. As has been previously noted, the vast majority of residential development in Stow has been single-family homes. Approximately 57% of the land in Stow is zoned for single-family development, which can occur by-right on parcels with a minimum lots size of 1.5 acres and a minimum frontage requirement of 200 feet. The zoning bylaw does include provisions to support additional housing options, including:

- Duplexes and accessory apartments are allowed by special permit in the Residential District; accessory apartments are also allowed by special permit in the Compact Business District.
- “Planned Conservation Development” (PCD), may be carried out on parcels of ten (10) or more acres by special permit from the Planning Board. According to Stow’s Zoning Bylaw, PCDs may include a mix of single-family and multi-family dwelling units, subject to a multi-family cap of 10% of the parcels in the development. In exchange for providing a substantial amount of protected open space, developers seeking PCD approval are allowed to follow design standards that differ from the requirements for conventional developments: smaller lots,

less frontage, varied setbacks. Amendments to the PCD bylaw were adopted by the May 2016 Annual Town Meeting.

- Age-restricted for sale housing is permitted through an “Active Adult Neighborhood District” bylaw (AAN), which allows such housing development over most of the Town’s commercial and industrial districts. The property must be at least 25 acres in size, and at least 10% of the units must be affordable to those earning at or below 80% of area median income, and an additional 5% should be built to sell to those earning between 80% and 150% of area median income. Provisions allow for the off-site development of the affordable units, new construction or the conversion of existing units, the donation of land or buildings by the developer, and cash payments in-lieu of actual units based on the number of required off-site units times 35% of the average sale prices of the new affordable units. The AAN bylaw has a cap limiting the number of units in the district to 6% of single-family homes in Stow.
- Inclusionary zoning applies to any development of six or more units and requires that at least 10% of the units be affordable and comply with the state’s Local Initiative Program (LIP). The bylaw allows developers to build the requisite number of units off-site as well or pay a fee in-lieu of actual units based on three (3) times 80% of the HUD area median income for a household of four (4). Both single-family and multi-family units are allowed; however, any multi-family units must be compatible in exterior appearance to single-family units, contain no more than two (2) units per building, not exceed 10% of the lots under development

Despite the availability of these tools in the zoning bylaw, the vast majority of residential development in Stow continues to be comprised of single-family homes. The most recent build-out analysis for Stow was conducted completed by the Metropolitan Area Planning Council in 2000. At that time, MAPC estimated that there was approximately 2,800 acres of developable land in the town’s residential zoning district and that current zoning could support approximately 1,319 additional single-family homes. Using the 2000 housing count for Stow of 2,108 units as the baseline at the time of the build-out analysis, Stow has the potential to have approximately 3,400 units at build-out. Under this scenario, in order to meet the 10% affordable housing goal the town would need approximately 340 total SHI-eligible units.

H. Development Constraints

The high cost of land and limited public infrastructure represent two of the most significant barriers to meeting the state’s 10% affordable housing standard. These, along with other development constraints, are detailed below.

1. Water and Sewer Infrastructure

The lack of public water and sewer services represent a major constraint on new development and overall housing density. Homes built in Stow rely on on-site septic systems unless special treatment facilities are incorporated with new developments.

2. Transportation

Stow is not served directly by public transportation and access to commuter rail stations in neighboring communities is largely dependent upon car ownership. The Stow Council on Aging provides free and other affordable transportation options for seniors through its transportation service program, however the lack of public transportation places a financial burden on low- and moderate-income households living in Stow. Data from the U.S. Department of Housing and Urban Development's Location Affordability Portal estimate the transportation costs for a household of four living in Middlesex County and owning two vehicles to exceed approximately \$15,000 annually and comprise 21% of all household related costs.³ The lack of pedestrian and cycling infrastructure in Stow exacerbates the need for owning a vehicle.

2. Environmental Conditions

Stow is located in the Concord River basin, the Assabet River sub-basin, and the Merrimack drainage system. These areas, in addition to the four largest surface water bodies of the Assabet River itself, the Delaney Flood Management Control Project, Lake Boon, and Wheeler Pond, represent the most valuable natural resources in Town as they nurture wildlife, control flood waters, filter contaminants out of the water, and provide a host of recreational activities. Development is severely constrained in these areas, including sizable buffer areas from the water and wetlands where development may not occur.

To further protect these areas, Stow has a considerable amount of land area preserved as open space. The Town owns about 1,000 acres of conservation land. Also, about 50% of the Town's undeveloped land is held in one of the "Chapter 61" land tax categories that allow property tax reductions in exchange for ongoing forestry (Chapter 61), agriculture (Chapter 61A) or recreational use (Chapter 61B). The US Government and the Commonwealth of Massachusetts own more than 1,300 acres, representing 9.5% of Stow's land area. About 1,000 of these acres is land owned by the U.S. Fish and Wildlife Department.

3. Zoning

As previously discussed, the majority of land in Stow is zoned for single-family development on lot sizes of 1.5 acres or more in order to accommodate private wells and Title 5 septic system requirements. This has shaped historic development patterns and influenced the development of a housing market that is comprised primarily of single-family homes.

4. Local Capacity

Stow is fortunate to have a number of local and regional housing agencies and organizations involved in providing affordable housing. However, because of its small size, the Town does not have a municipal staff person responsible for overseeing

³ <http://www.locationaffordability.info>

affordable housing issues. The Stow Municipal Affordable Housing Trust (SMAHT) has retained a consultant to assist with affordable housing feasibility studies and the Town is a part of the MAGIC Regional Housing Service Office in Hudson.

5. Availability of Subsidy Funds

Financial resources to subsidize affordable housing preservation and production as well as rental assistance have suffered budget cuts over the years making funding more limited and extremely competitive. Communities are finding it increasingly difficult to secure necessary funding and must be creative in determining how to finance projects. Community Preservation Act funding offers Stow an important resource for affordable housing production. CPA funds can be used as critical leverage in securing additional state-funding and represent an efficient use of local funds to create affordable housing.

6. Community Perceptions

Residents in most communities are concerned about the impacts that any new development will have on local services and quality of life, and many may also have negative impressions of affordable housing in general. A recent, successful legal challenge contending that the impact of the proposed septic system did not follow state regulations has halted the development of Plantation Apartments 2 by the Stow Community Housing Corporation.

III. Housing Production Goals

A. Housing Production Goals and Strategies 2011 - 2016

Since adopting the current housing production plan in May 2011, Stow has made progress in meeting the affordable housing needs of the community.

The 2011 Housing Production Plan articulates the following affordable housing goals for Stow:

1. Provide housing opportunities for those at the entry level of homeownership, “empty nesters,” elder residents, and those requiring housing assistance and rental housing units.
2. Ensure maintenance of the present housing mixture including single-family, two-family, and multi-family dwelling units.
3. Encourage the elderly and handicapped to remain in Stow, preferably in their own homes
4. Pursue creative approaches to local zoning to better direct development and integrate affordable housing.

These goals have their origin with the development of Stow’s master plan, “Stow 2000” in 1996, and were updated with the most recent housing production plan 2011. In addition to these housing goals, the 2011 Plan identified the following ***Priority Housing Need Goals***:

1. Rental Housing Need
2. Homeownership Need
3. Special Needs Population

The Plan identified four housing strategies to meet the affordable housing goals, which include:

1. Build local capacity to promote affordable housing
2. Make zoning and planning reforms
3. Partner with developers to produce new affordable housing
4. Preserve existing housing

Table 36 provides an overview of the Town's progress in meeting its affordable housing goals as it relates to housing production targets. The table is taken from the 2011 Plan but includes two new fields that provide updated information about the status of the various strategies. It should be noted that although Stow fell short of meeting its goal of 104 units over the five-year period (48 new SHI eligible units were added from 2011 – 2016), this is largely the result of stalled development projects. The successful legal challenge to the development of affordable rental units for seniors adjacent to Plantation Apartments halted the development of 37 SHI-eligible housing units.

Table 36: Housing Production Progress 2011 – 2016

Stow Housing Production Plan 2011 - 2016						
Strategies by Year	Units < 80% AMI	Units 80%-120%	Market Units	Total Units	SHI Units Developed During 5-Year HPP Term	Progress to Date
Year 1 – 2011						
Issue RFP for 2 rental units on town-owned land	0	0	0	0	0	2014 Annual Town Meeting approved site-control of two municipally-owned parcels to SMAHT for potential affordable housing
<i>Subtotal</i>	0	0	0	0	0	
Year 2 – 2012						
Group home/special needs rentals	4	0	0	4	6	In 2013, a special needs housing provider began operation of a residential facility serving Department of Mental Health clients
<i>Subtotal</i>	4	0	0	4	6	
Year 3 – 2013						
Private development – Expansion of Plantation Apts., supportive rental housing for seniors	37	0	0	37	0	Project was issued a comprehensive permit, but a successful legal challenge has halted development
Rental development on Town-owned land	2	0	0	2	0	Feasibility study complete
<i>Subtotal</i>	39	0	0	39	0	
Year 4 – 2014						
Private development/inclusionary zoning/homeownership	2	0	18	20	0	Hemenway Farms Project was approved by Planning Board in 2013 and will create an additional 3 affordable units if development moves forward
Development of Town-owned Property Pine Point/rental	2	0	0	2	0	Project feasibility under review by SMAHT
Extension of Ridgewood Active Adult Neighborhood Special Permit	4	3	59	66	0	Permit modification granted by Planning Board in September 2015; permit valid through July 2016
Private development – Adaptive reuse of Whitney Nursing facility/ senior rental housing with some supportive services (“friendly” 40B)	8	0	0	8	0	Property now a single-family home
<i>Subtotal</i>	16	3	77	96	0	
Year 5 – 2015						
Private development – Expansion of Pilot Grove Apartments, rental for families (“friendly” 40B)	30	0	0	30	30	Project was completed in 2013, bringing 30 new rental units to Stow and allowed the Town to meet its 1.0% annual production goal.
Private 40B development/Homeownership (density bonus for PCD with incentives)	15	5	20	40	6	Villages at Stow brought an additional 6 affordable homeownership units that are now included on the Town’s SHI
<i>Subtotal</i>	45	5	20	70	36	

Table 37 details the updated affordable housing production targets for Stow over the next five years and at full build-out. The annual numerical goals are based on the 0.5% and 1.0% annual production targets that would provide Stow “safe harbor” from comprehensive permit projects for one or two years, respectively.⁴ The production targets are based on two baseline housing counts. The first is the 2010 Decennial housing count that is currently used to measure Stow’s progress in meeting the 10% affordable housing goal. The second baseline is an approximate estimate of the year-round housing count in Stow for 2020, using MAPC’s estimate of housing units in Stow in 2020 in the Stronger Region growth scenario. The second figure is important for planning purposes because as the number of total housing units in Stow increases, the number of affordable units needed to meet the 10% goal will also increase. Benchmarking against the 2010 Decennial Census count underestimates the number of housing units needed to meet the 10% goal. The table also provides the SHI shortfall, based on the current SHI count of 179 at each benchmark.

Table 37: Stow Annual Affordable Housing Production Targets

Stow Annual Affordable Housing Production Target				
Current SHI Count – 179 Units	0.5% Annual Production Target	1.0% Annual Production Target	10% SHI Goal	SHI Shortfall
2010 Decennial Housing Count - 2,500	13	25	250	71
2020 Housing Unit Estimate – 2,950*	15	30	295	116
Housing units at estimated build-out – 3,400	17	34	340	161

*Metro Boston Population and Housing Demand Projections, Stronger Region, Metropolitan Area Planning Council, January 2014

Stow’s ability to meet these production targets will depend in part on the affordable housing strategies that will be implemented over the next five years. Table 38 provides an overview of the strategies that were identified in the most recent plan with a new data field that provides an update on the status of the strategy implementation.

Table 38: Priority Housing Strategies Implementation Outcomes

Strategy	Priority*	Lead Entity**	Status
Build Local Capacity to Promote Affordable Housing			
Conduct ongoing community outreach	A	HT	Ongoing
Secure professional support	A	HT/CPC (BOS)	Complete
Capitalize Housing Trust	A	HT/CPC	Ongoing
Modify Comprehensive Permit Policy	A	HT/PB/ZBA (BOS)	Complete
Establish fees for peer review of 40Bs	A	ZBA	Open
Make Zoning and Planning Reforms			
Modify PCD bylaw	B	PB	Complete
Promote mixed-use development	B	PB	Ongoing
Permit greater diversity of housing types	B	PB/HT	Ongoing
Create property inventory for affordable housing	A	HT	Complete/Ongoing
Partner with Developers to Produce New Affordable Housing			
Provide suitable public property	B	BOS/HT	Complete/Ongoing
Offer pre-development funding	A	HT/CPC	Complete/Ongoing

⁴ Meeting the 0.5% annual production target provides a one-year safe harbor from Comprehensive Permit projects; meeting the 1.0% annual production target provides a two-year safe harbor

Support permitting with advocacy	A	HT	Complete/Ongoing
Provide gap financing	A	HT/CPC	Complete/Ongoing
Preserve Existing Housing			
Continue to monitor and maintain SHI	A	HT	Complete/Ongoing
Help qualifying residents access housing assistance	B	HA/COA	Complete/Ongoing

As has been noted, the housing production strategies that have been implemented over the past 5 years have proven successful in supporting the creation of additional affordable housing in Stow.

B. Housing Production Goals and Strategies 2016 – 2021

As demonstrated in the housing needs assessment and through the community response received from the Housing Survey, Stow continues to have a small number of affordable rental and ownership opportunities and a significant share of residents who could benefit from affordable housing. As a result, the housing goals over the next five years include:

1. Provide housing opportunities for those at the entry level of homeownership, “empty nesters,” elder residents, and those requiring housing assistance and rental housing units.
2. Ensure increases in the present housing mixture including single-family, two-family, and multi-family dwelling units.
3. Encourage the elderly and handicapped to remain in Stow, preferably in their own homes.
4. Continue to pursue creative approaches to local zoning to better direct development and integrate affordable housing.

The 2016 Priority Housing Needs for Stow have been updated to recognize Stow’s growing senior population.

1. Rental Housing Need
2. Homeownership Need
3. Special Needs Population
4. Address Housing Needs of Seniors

IV. Housing Strategies and Tools

These housing strategies build on those detailed in the existing plan and have been updated to reflect the experience of the past 5-years, successful strategies from other communities, and the changing housing needs facing the Stow community. Individual implementation actions for each of the housing strategies are outlined below.

1. Build Local Capacity

Stow's success in recent years in creating additional affordable housing is a direct result of the local capacity that exists to support such projects. Formed in 2005, SMAHT (Stow Municipal Affordable Housing Trust) plays a key role in advancing the Town's efforts to support affordable housing. For example, SMAHT's pre-development loan program provided a \$10,000 pre-development loan to the Stow Community Housing Corporation's development of the Pilot Grove 2 rental project. In 2015, Annual Town meeting approved the creation of an at-risk property fund that could be used to preserve affordable homeownership units that are at-risk of being lost from the subsidized, affordable housing stock. In addition to SMAHT, there are private entities that provide additional affordable housing development capacity, which are detailed below.

Stow Elderly Housing Corporation

The Stow Elderly Housing Corporation was established by Town Meeting in 1979 to build housing for the Town's seniors. The organization partnered with The Community Builders on the Plantation Apartments development, which was financed through the federal Section 202 Program with Section 8 rental assistance in 1982 and occupied in 1983. The project includes 50 units of housing for low-income seniors and younger disabled individuals with 48 one-bedroom units and 2 two-bedroom units.

Stow Community Housing Corporation

The *Stow Community Housing Corporation* is a non-profit organization that has been active in producing, managing and advocating for affordable housing in Stow since it was formed in 1987. The organization now owns the Plantation Apartments and it also developed the Pilot Grove I and II projects, totaling 90 units of rental housing for families and managed by The Community Builders.

Hudson/Stow Housing Authority

The *Hudson/Stow Housing Authority* was formed in 1982 and has been administering housing vouchers for the towns of Hudson and Stow. At this point in time, they are only managing one state rental subsidy for Stow, at the Pilot Grove project.

Habitat for Humanity

Habitat for Humanity is an ecumenical, non-profit Christian ministry dedicated to building simple, decent homes in partnership with families in need. The organization has grown over the past two decades into one of the largest private homebuilders in the world. Stow is served by Habitat for Humanity of North Central Massachusetts. Although the organization has not built a house in Stow to date, it continues to explore opportunities. In addition to housing production, Habitat of North Central Massachusetts has a critical repair program aimed at supporting safety, security, accessibility, and weatherization improvements for qualifying low-income households.

Strategy 1A. Conduct Ongoing Community Outreach

SMAHT should host informal, open house style meetings to allow the community to learn more about proposed projects and initiatives in an informal setting. These sessions can be used to engage the public around affordable housing topics as well as specific development proposals. These meetings could be used to help build support for various initiatives and identify any community concerns early in the process.

Timeframe: Priority A/B – Contingent upon initiatives

Responsible Party: Stow Municipal Affordable Housing Trust

Resources Required: The donated time of SMAHT board members. SMAHT's housing consultant could prepare materials for the open house if necessary.

Strategy 1B. Evaluate Need for Professional Support

SMAHT retained a housing consultant to support various housing initiatives and the Town is also a participant in the MAGIC Regional Housing Services Office with the Town of Hudson. These positions have provided additional capacity with respect to evaluating the feasibility of potential affordable housing developments and monitoring/preservation of the Town's SHI. The Town does not have a municipal staff position dedicated to affordable housing and the two consultants have helped provide additional capacity. SMAHT and Town staff should evaluate its capacity needs as it relates to staffing and consultant support.

Timeframe: Priority A/B – Contingent upon initiatives

Responsible Party: Stow Municipal Affordable Housing Trust, Planning Department, Community Preservation Committee

Strategy 1C. Capitalize the Housing Trust Fund

The Town should continue to pursue opportunities to capitalize the Housing Trust to enable the Trust to competitively respond to development opportunities. To date, the Trust has been capitalized with fee-in-lieu affordable housing payments. Funding from other resources, including additional payments in-lieu of, negotiations with developers, private donations and a regular commitment of CPA revenue to affordable housing, may also be available. CPA funds could also be made available to the Trust for the acquisition of properties exiting the Chapter 61A program.

Timeframe: Priority A

Responsible Party: Stow Municipal Affordable Housing Trust and Community Preservation Committee (as appropriate)

Resources Required: Stow Municipal Affordable Housing Trust consultant and Planning Department Staff.

Strategy 1D. Require Fees from Developers for Peer Review on Comprehensive Permit Projects

Require that developers pay a reasonable fee to the Town for peer review services when the Zoning Board of Appeals receives a comprehensive permit application. Peer review consultants retained by and reporting directly to the Zoning Board of Appeals will most likely be perceived as independent and neutral.

The Town should always retain a qualified consultant to analyze the development pro forma. The purpose of Chapter 40B is to remove regulatory barriers to low- and moderate-income housing development. Developers may seek relief from local regulations that make affordable housing uneconomic to build, but they are not entitled to relief that exceeds what is required to make a project feasible. In turn, the Town must be clear about its expectations for comprehensive permit developments. For example, it is almost always possible to reduce the density of a proposed development by increasing housing sale prices to the maximum that is theoretically affordable to a moderate-income household. However, if Stow wants to provide housing for a mix of incomes, increasing the sale price of homes in order to reduce density would seem to conflict with that goal. If lower density is more important than sale price and income targets, then a pro forma analysis will help the Town negotiate successfully toward that end. In addition, an analysis by a qualified consultant will be crucial to Stow's credibility in a Housing Appeals Committee (HAC) proceeding.

The Town should also retain a registered architect and landscape architect to review the proposed site plan and elevations. Design quality and compatibility will be crucial to the success of affordable housing endeavors in Stow. Emphasizing aesthetics and site planning principles is as important as controlling density.

Timeframe: Priority A

Responsible Party: Zoning Board of Appeals

Resources Required: Donated time of members of the Zoning Board of Appeals

Strategy 1E. Develop Rules and Regulations for Comprehensive Permit Projects

The Stow Zoning Board of Appeals should adopt Comprehensive Permit Rules and Regulations consistent with the state statute and CMR 56.05. The Town recognizes that whenever a State Housing Agency is involved in a development there will be a requirement that at least 10% of the units contain three (3) or more bedrooms, except as provided in the January 2014 Interagency Agreement.

Timeframe: Priority A

Responsible Party: Zoning Board of Appeals

Resources Required: Donated time of members of the Zoning Board of Appeals

Strategy 1F. Engage with special needs housing providers to better understand their service models and development capacity

Addressing the housing needs of special needs population is an important housing need in Stow. The housing trust should engage with these housing providers to better understand special needs in Stow and throughout the region and how the Town could accommodate special needs housing developments.

Timeframe: Priority A

Responsible Party: Stow Municipal Affordable Housing Trust

Resources Required: Stow Municipal Affordable Housing Trust or housing consultant coordination with service providers

2. Use zoning and planning to support housing diversity

The Town should consider implementing zoning reforms that would allow for additional housing options through infill development projects as well as traditional and Planned Conservation Subdivisions. Because Stow still has a sizable portion of undeveloped land, the Town's inclusionary zoning bylaw has the potential to provide additional affordable units.

Strategy 2A. Explore density bonuses in Planned Conservation Subdivisions

The Town recently adopted amendments to the Planned Conservation Subdivision bylaw that intend to enhance recreation and open space amenities resulting from PCD developments. The changes intend to provide greater flexibility to building lot sizes and shapes and to further open space and conservation goals. As the PCD bylaw the potential to continue to evolve with future amendments, additional consideration should be given to affordable housing density bonuses. Allowing additional density in thoughtfully designed developments could prove to be a viable strategy to increase affordable housing in the future.

Timeframe: Priority B

Responsible Party: Planning Board

Resources Required: Planning Board, Town Planning Staff, Stow Municipal Affordable Housing Trust

Strategy 2B. Support Mixed-Use Development in Village Centers

Mixed-use development in Stow's villages has the potential to add additional housing options and support the vibrancy of Stow's historic villages. Although past efforts to implement mixed-use zoning have not proven successful, this remains a strategy that should be considered. Combining housing in close proximity to services can support commercial development and provide more diverse housing options for households interested in downsizing. As demonstrated in the Housing Survey, there are a considerable number of households in Stow who are likely to downsize in the coming years. The Town has the potential to support additional housing options through zoning

amendments that would allow for mixed-use development in Stow's Lower Village, through the ongoing revitalization efforts centered on the Gleasondale Mill in Gleasondale Village, and redevelopment opportunities on municipally owned sites, including the fire station and Highway Barn properties.

Timeframe: Priority A/B

Responsible Party: Planning Board, Town Planning Staff

Resources Required: Planning Board, Town Planning Staff, Stow Municipal Affordable Housing Trust

Strategy 2C. Promote Greater Housing Diversity

The Town should consider revisions to the zoning bylaw that would support the creation of more diverse housing options. The town should review the efficacy of the accessory housing bylaw with respect to its utilization and should also consider allowing duplex and three-family homes in its residential zoning districts by right subject to Site Plan Approval. The Town should also consider changes to remove the owner-occupancy requirement from the current bylaw.

Timeframe: Priority A

Responsible Party: Planning Board, Town Planning Staff

Resources Required: Planning Board, Town Planning Staff, Stow Municipal Affordable Housing Trust

Strategy 2D. Review and update inventory of municipally owned land and buildings that could be suitable for affordable housing

Municipal-owned land and buildings have the potential to provide suitable development opportunities for affordable housing. The inventory of municipally owned land and buildings should be reviewed and updated to identify possible sites for redevelopment. These parcels include the Fire Station and Highway Barn properties.

Timeframe: Priority A

Responsible Party: Stow Municipal Affordable Housing Trust, Town Planning Staff

Resources Required: Town Planning staff time, Housing Trust

Strategy 2E. Review inclusionary zoning bylaw

The Town should review the existing inclusionary zoning bylaw to determine if amendments could be adopted to facilitate the creation of units on-site and/or additional revenue through fee-in-lieu payments.

Timeframe: Priority A/B

Responsible Party: Stow Municipal Affordable Housing Trust, Town Planning Staff, Planning Board

Resources Required: Town staff time, Stow Municipal Affordable Housing Trust, and Planning Board

2F. Develop policy for evaluating properties exiting the Chapter 61, 61A and 61B programs as it relates to suitability for affordable housing

Properties exiting the Chapter 61A program have the potential to be acquired by the Town. The Town should develop a policy for evaluating the suitability of Chapter 61A as sites for affordable housing.

Timeframe: Priority: A

Responsible Party: Stow Municipal Affordable Housing Trust, Town Planning Staff, Planning Board

Resources Required: Town staff time, Stow Municipal Affordable Housing Trust, and Planning Board

3. Leverage private development to facilitate desired affordable housing outcomes

Stow has a successful track record of using town resources to support affordable housing development. Funds from the Community Preservation Act and SMAHT were used to for the development of the Pilot Grove II rental project. The town should continue to provide funding for affordable housing projects that leverage considerable state and federal funding. The Town recognizes that whenever a State Housing Agency is involved in a development there will be a requirement that at least 10% of the units contain three (3) or more bedrooms, except as provided in the January 2014 Interagency Agreement.

Strategy 3A. Use housing trust funds to provide pre-development loans and grants

SMAHT's pre-development loan program has provided necessary resources to developers during the pre-development process and SMAHT should continue this program as it provides a flexible source of funding before a project is funded.

Timeframe: Priority A

Responsible Party: Housing Trust,

Resources Required: Housing Trust Funds, Housing Trust application review

Strategy 3B. Partner with developers on current and future SMAHT controlled properties

SMAHT currently has site control for two municipally owned parcels and is in the pre-development process for both parcels. These are small sites that have the potential to bring four new affordable housing units to Stow, expanding SMAHT's capacity to complete other projects in the future.

Timeframe: Priority A

Responsible Party: Stow Municipal Affordable Housing Trust

Resources Required: Housing Trust time and housing consultant time to develop and coordinate the program

Strategy 3C. Host an “open-house” to engage with the development community

SMAHT should consider hosting a developer “open house” or developer forum to help build relationship with developers that could result in successful development partnerships. The Massachusetts Housing Partnership has hosted similar type events in the past and could be a resource in developing the program.

Timeframe: Priority A

Responsible Party: Stow Municipal Affordable Housing Trust

Resources Required: Housing Trust time and housing consultant time to develop and coordinate the program

4. Preserve Existing Affordable Housing

Preserving Stow’s existing SHI housing units is critical to maintaining affordable housing opportunities in the community. Through its participation in the MAGIC Regional Housing Services Office, Stow now has a catalog of the recorded legal documents for all of its SHI units. This catalog is helpful in monitoring affordable units and developing preservation strategies for units with affordability restrictions that expire. In 2015, Special Town Meeting approved \$220,000 in Community Preservation Act funds to be used for the preservation of existing affordable housing units that are at-risk of loss due to foreclosure.

Strategy 4A. Maintain working relationship among the Town, state subsidizing agencies, and third party monitoring agents

Through the MAGIC Regional Housing Services Contract, the Town has established formal dialogue among DHCD and MassHousing regarding “at-risk” affordable homeownership units. The town should strive to maintain strong communication between the state-level subsidizing agencies to ensure the preservation of affordable units moving forward.

Timeframe: Priority A

Responsible Party: Stow Municipal Affordable Housing Trust, housing consultant or Town staff

Resources Required: Funding to pay consultant or Town capacity

Strategy 4B. Require affordability restrictions on moderate-income housing

The Town should ensure that units created for moderate-income households (80 – 120% area median income) are deed restricted in perpetuity.

Timeframe: Priority A

Responsible Party: Stow Municipal Affordable Housing Trust, Town Staff or housing consultant

Resources required: Staff time to identify appropriate deed restriction

Strategy 4C. Purchase deed restrictions on existing houses

The town should consider a strategy to purchase deed restrictions on existing homes through buy-downs and/or acquisition and rehabilitation

Timeframe: Priority B

Responsible Party: Stow Municipal Affordable Housing Trust

Resources required: Housing Trust or CPA funds, SMAHT consultant time to identify suitable opportunities.

5. Address Housing Needs of Seniors

As the housing needs assessment demonstrates, the population of senior residents in Stow has grown significantly over the past 10 years and is expected to continue grow in the coming years. The Town should prioritize housing strategies that allow seniors to age-in-place in their current homes or to downsize to a smaller home in Stow. The lack of diversity in Stow's housing stock serves as a significant barrier in allowing seniors to age in place and the Housing Survey identified the need/desire to downsize as a critical need in the coming years among survey respondents.

Strategy 5A. Engage with Habitat for Humanity of North Central Massachusetts regarding the Critical Home Repair Program

In 2015, Habitat for Humanity North Central Massachusetts launched a critical home repair program aimed at interior and exterior improvements aimed at security, accessibility, weatherization, and keeping houses up to code. A significant share of respondents to the housing survey identified maintenance/improvements and home modifications as a current or near-term housing needs. The critical repair program could be utilized by qualifying low-income seniors to allow them to make needed repairs that would allow them to remain in their homes. It is important to note, housing units repaired through the program would not be eligible for the SHI.

Timeframe: Priority A

Responsible Party: Stow Municipal Affordable Housing Trust, Town staff or housing consultant, Council on Aging

Resources required: Staff time or Housing Trust time to learn about the program and its applicability and scalability in Stow

5B. Consider lifting the cap on the number of units permitted in the Active Adult Neighborhood

The town should explore removing restrictions on the number of units permitted in the Active Adult Neighborhood. Currently, the number of units permitted in the district

cannot exceed 6% of the total number of single-family homes in Stow. Lifting the cap could create additional housing supply for the towns growing senior population.

Timeframe: Priority: A

Responsible Party: Town Planning Staff, Planning Board

Resources Required: Town staff time and Planning Board

Strategy 5C. Promote greater housing diversity

The Town should consider amendments to the zoning bylaw that would support the creation of more diverse housing options. The town should review the efficacy of the accessory housing bylaw with respect to its utilization and should also consider allowing duplex and three-family homes in its residential zoning districts by right. These amendments could help facilitate the housing needs of seniors and the significant portion of residents who anticipate needing to downsize in the next five years.

Timeframe: Priority B

Responsible Party: Planning Board, Town Planning Staff

Resources Required: Planning Board, Town Planning Staff, Stow Municipal Affordable Housing Trust

Table 39: 2016 – 2021 Housing Strategies and Tools Matrix

Strategies	2016	2017	2018	2019	2020	2021	Lead Entity
1. Build Local Capacity							
1A. Conduct ongoing community outreach	√	√	√	√	√	√	Stow Municipal Affordable Housing Trust
1B. Evaluate need for professional support	√	√	√	√	√	√	Stow Municipal Affordable Housing Trust; Planning Department; Community Preservation Committee
1C. Capitalize the Housing Trust Fund	√	√	√	√	√	√	Stow Municipal Affordable Housing Trust; Community Preservation Committee
1D. Require fees from developers for peer review on Comprehensive Permit Projects	√	√	√	√	√	√	Zoning Board of Appeals
1E. Develop rules and regulations for Comprehensive Permit projects	√	√					Zoning Board of Appeals
1F. Engage with special needs housing providers to better understand their service models and development capacity		√	√				Stow Municipal Affordable Housing Trust
2. Use zoning and planning to support housing diversity							
2A. Explore density bonuses in Planned Conservation Subdivisions					√	√	Planning Board; Town Planning Staff; Stow Municipal Affordable Housing Trust
2B. Support Mixed-Use Development in Village Centers	√	√					Planning Board; Town Planning Staff; Stow Municipal Affordable Housing Trust
2C. Promote Greater Housing Diversity		√	√				Planning Board; Town Planning Staff; Stow Municipal Affordable Housing Trust
2D. Review and update inventory of municipally owned land and buildings that could be suitable for affordable housing	√	√					Planning Board; Town Planning Staff; Stow Municipal Affordable Housing Trust
2E. Review Inclusionary zoning bylaw		√	√				Planning Board; Town Planning Staff; Stow Municipal Affordable Housing Trust
2F. Develop policy for evaluating properties exiting the Chapter 61, 61A, and 61B programs as it relates to suitability for affordable housing		√	√				Planning Board; Town Planning Staff; Stow Municipal Affordable Housing Trust
2G. Consider lifting the cap on the number of units permitted in the Active Adult Neighborhood		√	√				Planning Board; Town Planning Staff
3. Leverage private development to facilitate desired affordable housing outcomes							
3A. Using housing trust funds to provide pre-development loans and grants	√	√	√	√	√	√	Stow Municipal Affordable Housing Trust
3B. Partner with developers on current and future SMAHT controlled properties	√	√	√	√	√	√	Stow Municipal Affordable Housing Trust
3C. Host an open house to engage with the development community	√	√					Stow Municipal Affordable Housing Trust

Continued on Next Page

Strategies Cont.	2016	2017	2018	2019	2020	2021	Lead Entity
4. Preserve Existing Affordable Housing							
4A. Maintain working relationships among Town, state subsidizing agencies, and third party monitoring agents	√	√	√	√	√	√	Stow Municipal Affordable Housing Trust
4B. Require Affordability restrictions on moderate-income housing	√	√	√	√	√	√	Stow Municipal Affordable Housing Trust; Planning Department
4C. Purchase deed restrictions on existing homes			√	√	√	√	Stow Municipal Affordable Housing Trust
5. Address housing needs of seniors							
5A. Engage with Habitat for Humanity of North Central Massachusetts regarding their Critical Repair Home Program	√	√					SMAHT
5B. Consider lifting the cap on the number of units permitted in the Active Adult Neighborhood		√					Planning Board; Town Planning Staff
5C. Promote Greater Housing Diversity			√	√	√	√	Stow Municipal Affordable Housing Trust; Planning Department; Planning Board