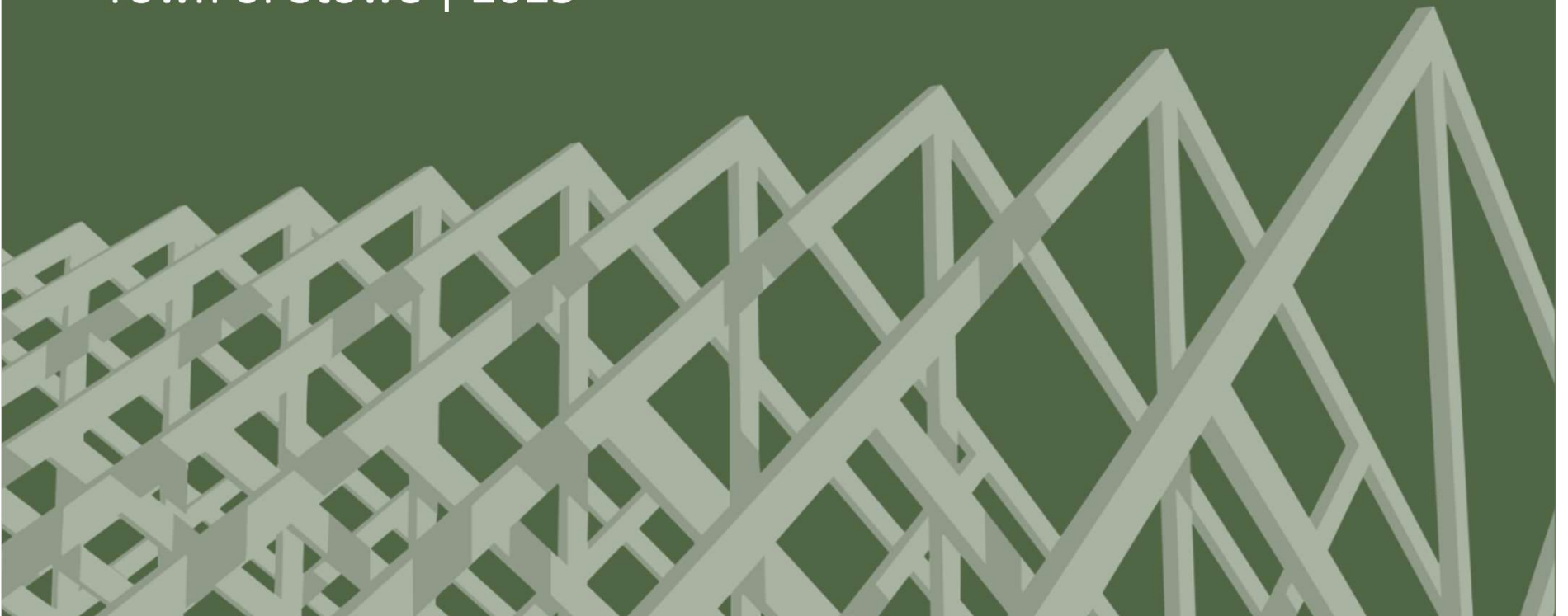


Housing Needs Assessment

Town of Stowe | 2025



Housing Needs Assessment

Town of Stowe



Stowe is a small New England resort town that exhibits a pride of place and sense of community characterized by a healthy natural environment including forested mountains, an agrarian landscape and historic compact village settlements; a tradition of hospitality; a respect for historic precedent; a dedication to protect and enhance its scenic resources by maintaining the unique context, scale and visual patterns that define the landscape; a vibrant recreation-based economy which maintains the town's historic character and traditional standard of quality; a strong community spirit reflective of the town's sense of security and diverse population; and a wealth of educational, cultural and social opportunities which sustain an enviable way of life.



CommunityScale

CommunityScale is an urban planning consultancy focused on helping communities across the country improve equity, economic mobility, and housing attainability. CommunityScale provides a range of services and analytics products designed to help our clients make more informed and targeted decisions around policy and investment, from development opportunity assessments to zoning reviews to housing needs assessments. The firm's clients include municipalities, counties, regional planning agencies, and developers located across the country.




JM GOLDSON

JM Goldson Founded by certified community planner Jenn Goldson in 2006, JMG has provided community planning services to countless municipalities and non-profit organizations in the Northeast U.S. and beyond. Our holistic approach combines deep community engagement, data-driven technical expertise, and a strong knowledge of possibilities for progressive public policies.

Visit the [project dashboard](#) for more information.

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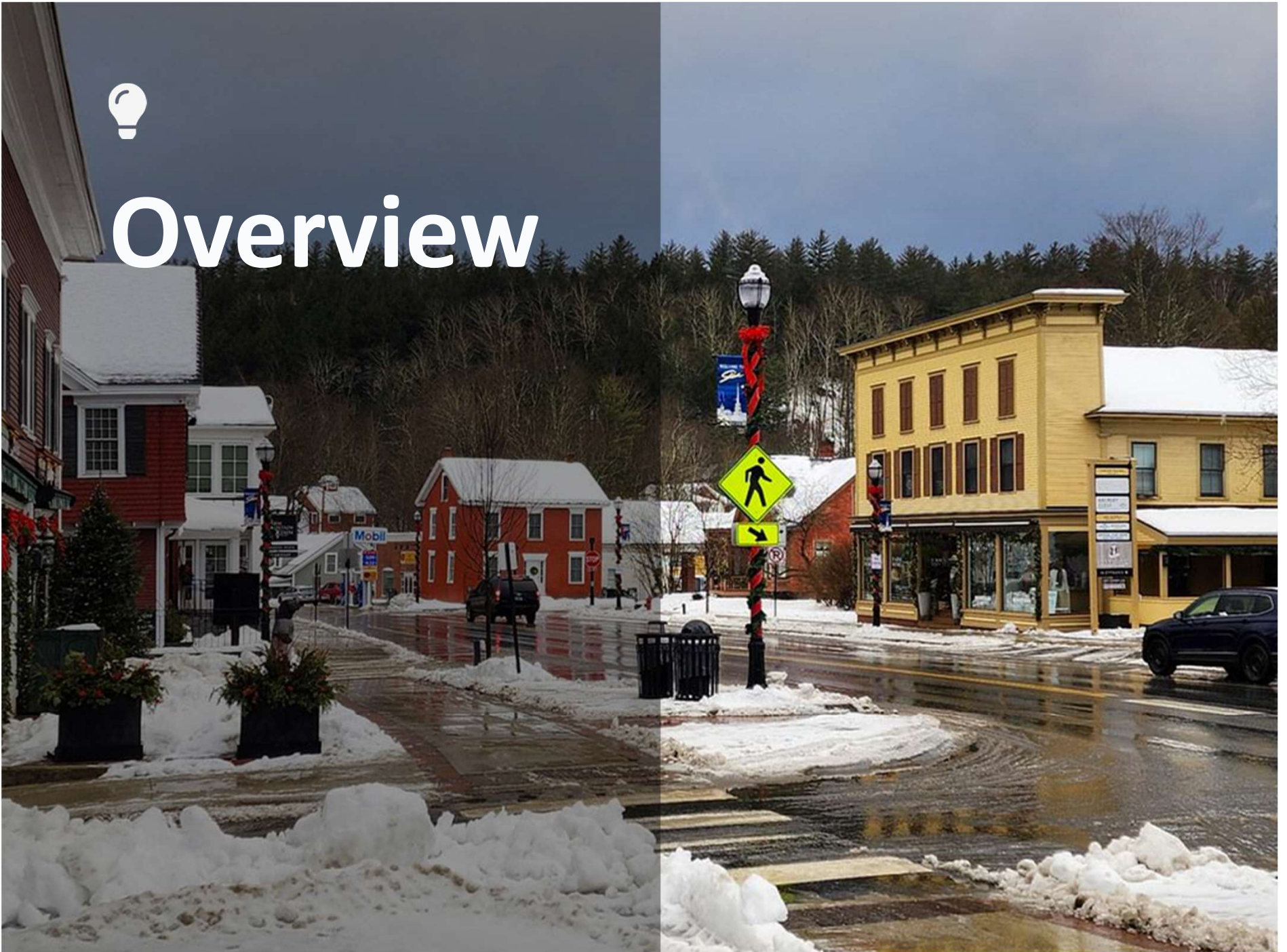
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Overview



OVERVIEW

The purpose of this planning effort

A culminating outcome of the Affordable Housing Task Force's 12-month tenure, this report includes a detailed analysis of Stowe's housing challenges and provides an action plan of strategies by:

- Assessing the housing needs of current and future year-round Stowe residents.
- Evaluating the existing housing stock to identify gaps that future development should seek to fill.
- Incorporating feedback from stakeholders and residents on analysis findings and potential solutions.
- Compiling strategies from previous planning efforts within Stowe and relevant models elsewhere in the country.
- Conducting a cost-benefit analysis of available strategies to highlight those with the highest potential impact toward more attainable housing in Stowe.

Goals for this study:

Measure and describe housing need in Stowe, especially for affordable housing.

Convene and inform a community conversation around housing needs and priorities in Stowe.

Help inform Town's direct investments in attainable housing production.

Introduce new strategies to address affordability challenges.

OVERVIEW

The sections of this report

This report document's the plan's key findings, engagement activities, and recommendations across the following sections:

- **Key findings**: Compilation of the most significant findings and outcomes from the planning process.
- **Community priorities**: Highlights from the multi-stage stakeholder and resident engagement process.
- **Strategies toolkit**: Policies, partnerships, and public investment strategies to promote housing attainability in Stowe over the coming years, including critical path and cost-benefit analyses to inform sequencing and prioritization.

The following are contained in the [appendix](#) for reference, including analysis and engagement details that informed all aspects of the plan's development and recommendations are included in the appendix for reference:

- **Literature review**: Overview of recent plans and studies pertaining to housing.
- **Housing needs assessment**: Observations and findings from the project's baseline quantitative analysis.
- **Engagement summary**: Additional results from the in-person workshop.
- **Housing barriers analysis**: Summary of the regulatory, structural, and infrastructure factors that make housing production more challenging in Stowe.



Key findings

KEY FINDINGS

Housing is fundamental to Stowe's vision for a sustainable community.

Source: Town of Stowe

To sustain and advance the community's vision for itself, Stowe needs attainable housing for:

- **Families** with kids to enroll in local schools
- **Workers** to staff local businesses
- **Local seniors** who need to downsize
- **Young adults** who grew up here and want to stay or come back
- **Tax base** to help fund necessary municipal services and investments
- **Full-time residents** to join boards and lead community organizations

The visitor industry remains critical to the local economy, but it's accommodations should be balanced rather than competitive with local community needs.

Draft values from Stowe 2050 Town Plan visioning process



KEY FINDINGS

The Stowe market has the potential demand to add over 500 full-time households by 2035.

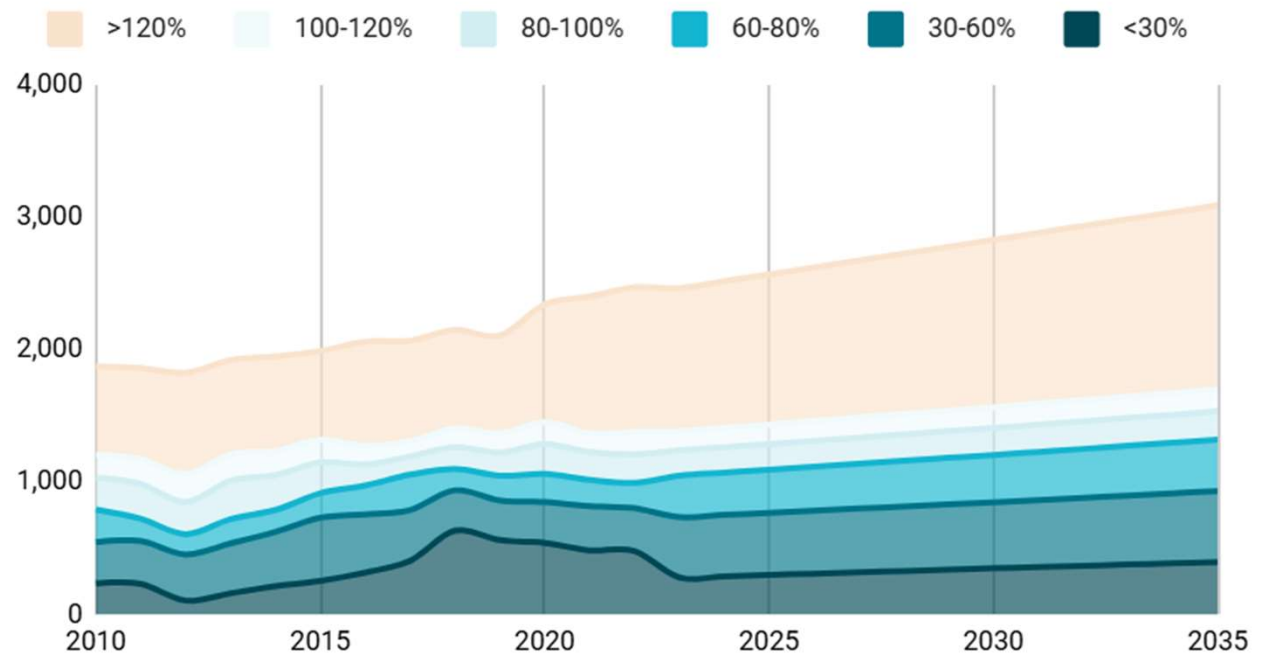
Source: 2023 ACS 5-Year, CommunityScale

Stowe's household population has been growing over the past decade and is on track to continue doing so for the next 10 years, at least from a demand perspective.

In terms of relative incomes, growth is expected at all levels with the largest absolute increase within the >120% AMI group. This may be in large part due to lower-income households being priced out by Stowe's high housing costs.

Realizing this growth is not inevitable or assured - it assumes the corresponding housing units are built or otherwise made available to accommodate the new households, including a sustainable share of homesteaders.

Household growth trajectory and projection



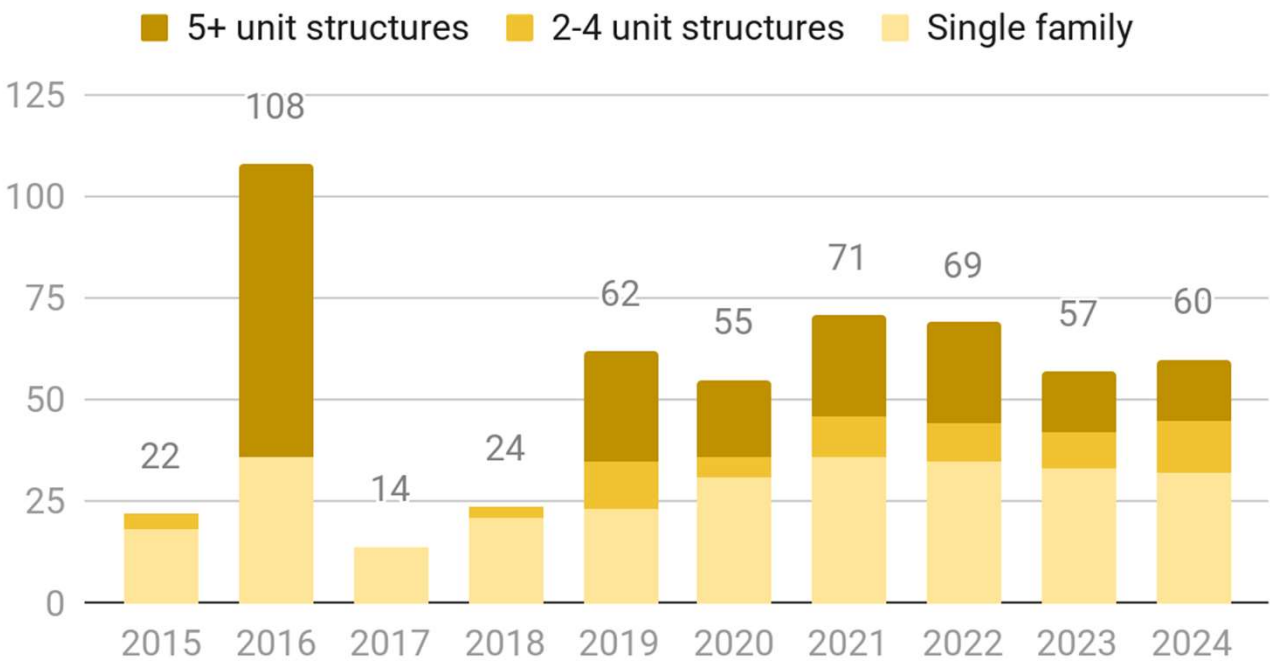
KEY FINDINGS

Stowe is building at the right pace - but many new units are not going to full-time residents.

Source: US Census Building Permit Survey, 2015-2024

Stowe has built more than 500 units over the past decade. Continuing at this pace would provide enough units to keep up with potential growth over the next decade. However, most new units built in Stowe are absorbed as second homes and vacation rentals.

Building permits issued over time by structure type



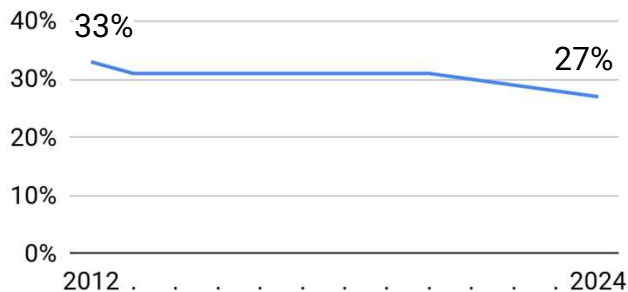
KEY FINDINGS

Non-homestead properties outnumber and out-compete homesteads.

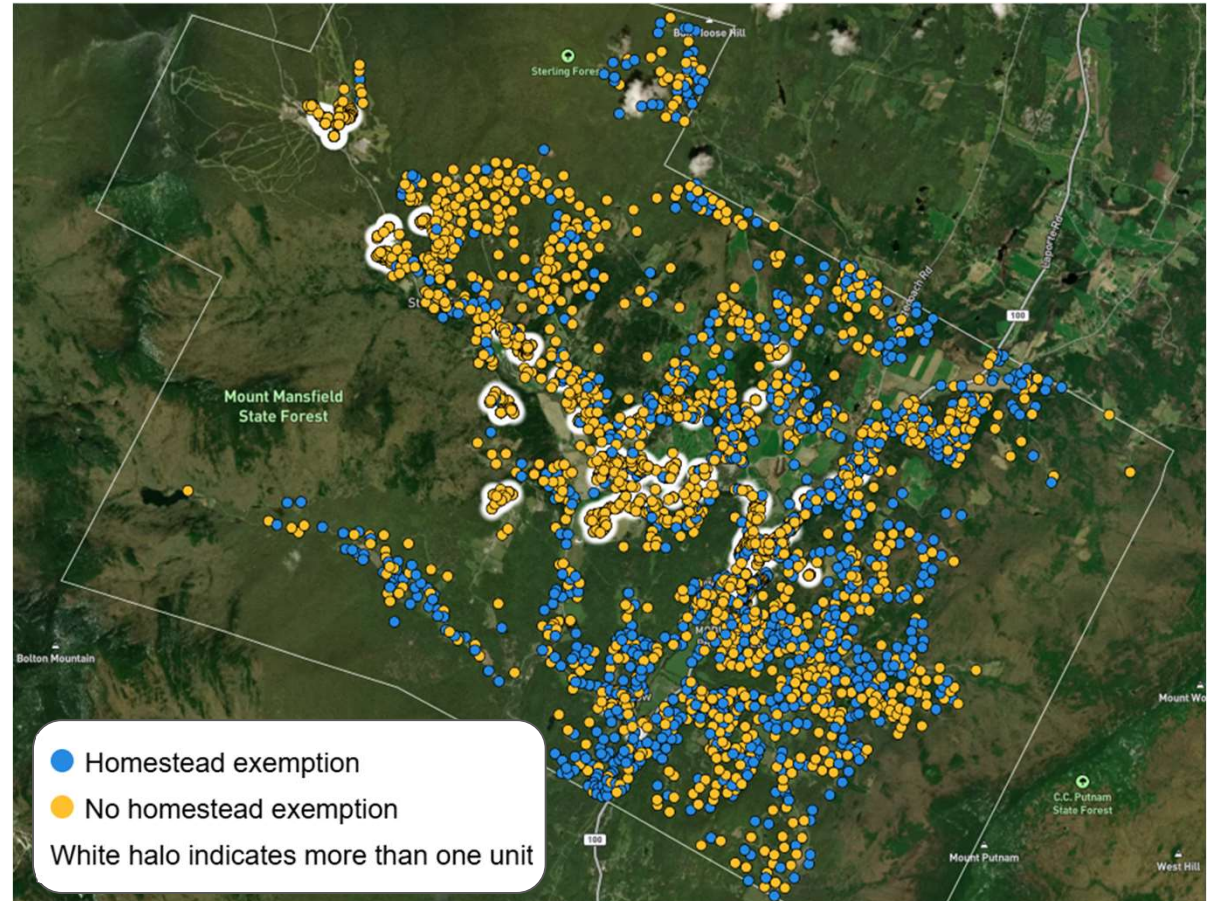
Only about $\frac{1}{3}$ of residential properties file homestead exemptions, down from 43% in 2012. According to local realtors, as few as 1 in 10 clients are looking for full-time residence in Stowe (the rest are second home buyers).

The map at right illustrates the mix of homestead and non-homestead properties across Stowe. Villages such as Moscow, Lower Village, and Stowe Village have retained higher shares of homestead properties than most other parts of town.

Homestead parcels as share of total parcels



Distribution of homestead and non-homestead residential properties



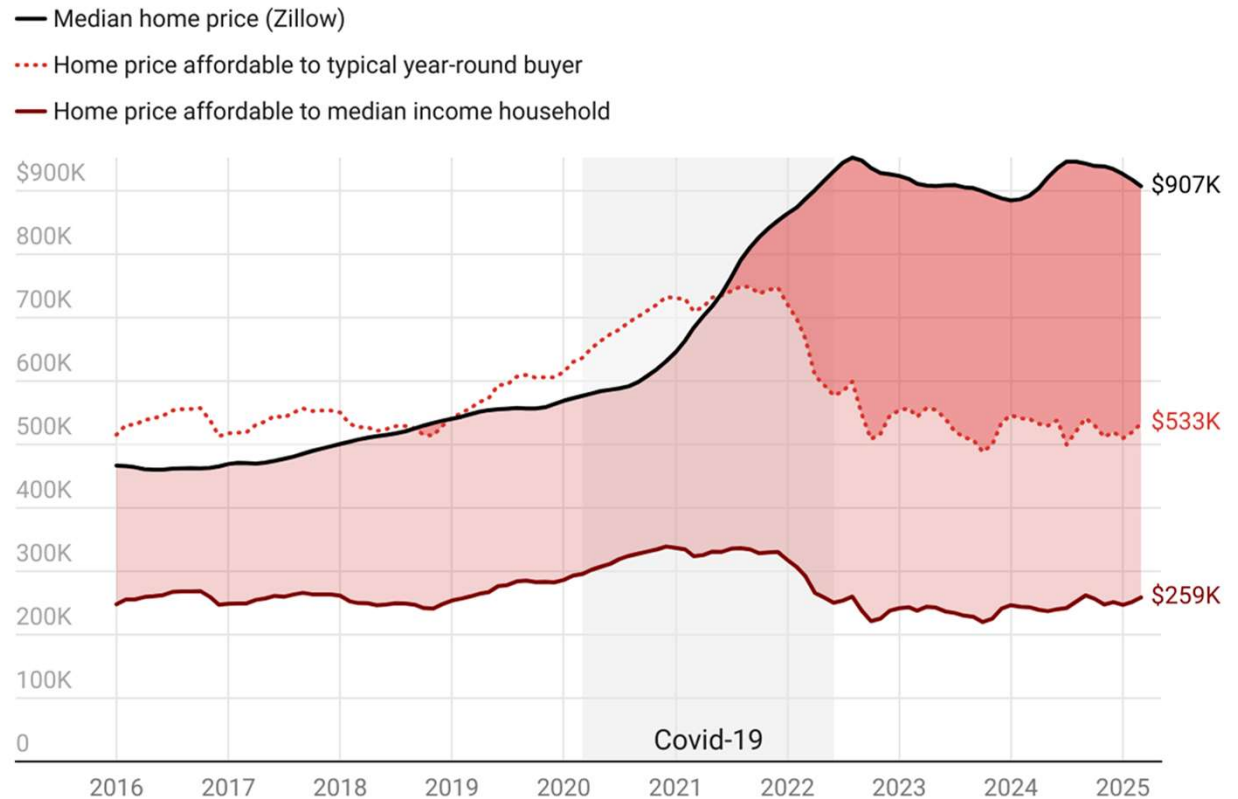
KEY FINDINGS

Homeownership is completely unaffordable for most existing and prospective full-time residents.

This chart compares the median listing price in Stowe with the home value attainable to a household earning the median household income. A wider gap means higher barrier to entry for first-time homebuyers and increased risk that an existing resident might be priced out of the community if they choose or need to move to a different house.

Median income households have been priced out of the local market for more than a decade. This chart also includes a line tracking prices affordable to the typical household interested in moving to Stowe full-time (earning an estimated double the median household income, many as remote workers). These more affluent buyers could afford housing in Stowe until the Covid pandemic, at which point Stowe became unaffordable to nearly all potential full-time residents.

How affordable is Stowe?



Time series model inputs for affordability with current figures: 6.65% interest rate (Mar 2025); property insurance; 1.34% homestead property tax rate; 20% down payment; \$907,000 typical home value (Zillow, Mar 2025); \$84,000 median income (Mar 2025 CommunityScale estimate); typical year-round home buyer income estimated at twice median income.

KEY FINDINGS

The median home price of \$907k is unattainable to residents in virtually all local professions.

Stowe’s median home price is over \$900k, a figure even local lawyers and computer science workers in dual-earner households would struggle to afford. Workers in lower paying - but still traditionally middle class - jobs have no choice but to live outside of Stowe despite working local jobs that contribute to the economy and community.

Attainable housing prices for single- and dual-earner households by occupation

Occupation	Attainable home price (single earner - dual earner)	Attainable rent (single earner - dual earner)
Legal	\$365,000 - \$730,000	\$2,423 - \$4,847
Computer science	\$310,000 - \$620,000	\$2,068 - \$4,135
Management	\$270,000 - \$540,000	\$1,801 - \$3,602
Business and finance	\$250,000 - \$500,000	\$1,668 - \$3,335
Education	\$195,000 - \$390,000	\$1,290 - \$2,579
Maintenance	\$190,000 - \$380,000	\$1,290 - \$2,579
Community services	\$185,000 - \$370,000	\$1,223 - \$2,446
Office and administration	\$155,000 - \$310,000	\$1,045 - \$2,090

KEY FINDINGS

Long commutes are threatening the labor supply, while work from home fills houses but not jobs.

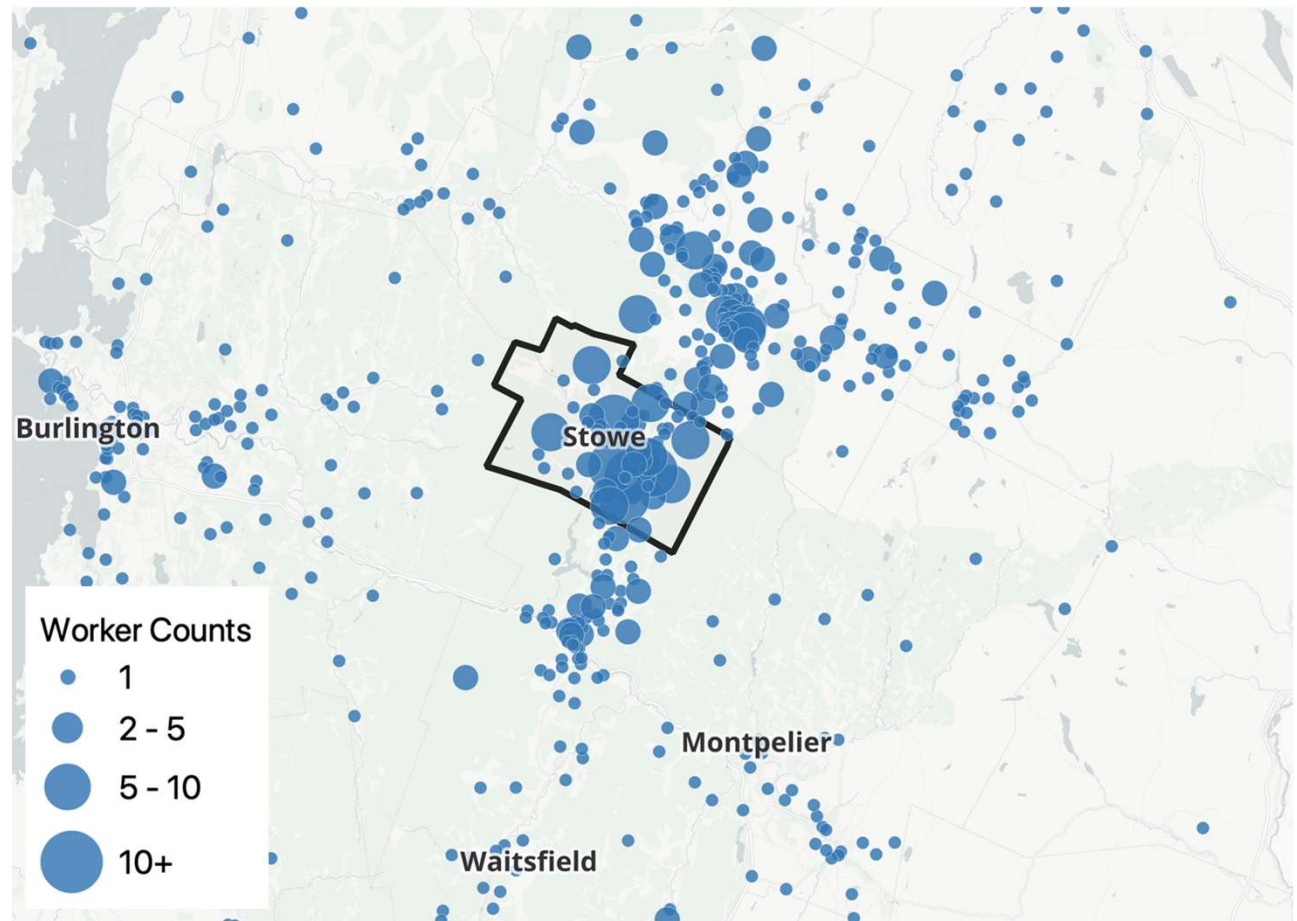
Source: Census Longitudinal Employer-Household Dynamics (LEHD) 2022

About three quarters of the 4,632 people working in Stowe live outside town limits. Commuting long distances to work in Stowe has been relatively typical for years. However, as the local workforce is pushed to live ever further away by rising housing costs, a growing share are leaving their jobs in Stowe for more manageable options closer to home. If this trend continues, local employers could have increasing trouble filling the jobs necessary to run their businesses.

At least 15-20% of Stowe residents work from home. While this does not directly support the labor needs of local restaurants, accommodations, and other employers, it does provide a new source of income to support more households living in town.

This data does not account for many seasonal workers such as J1 Visa holders who often live in employer-sponsored dormitories and thus somewhat outside the competitive housing market.

Where people live who work in Stowe



KEY FINDINGS

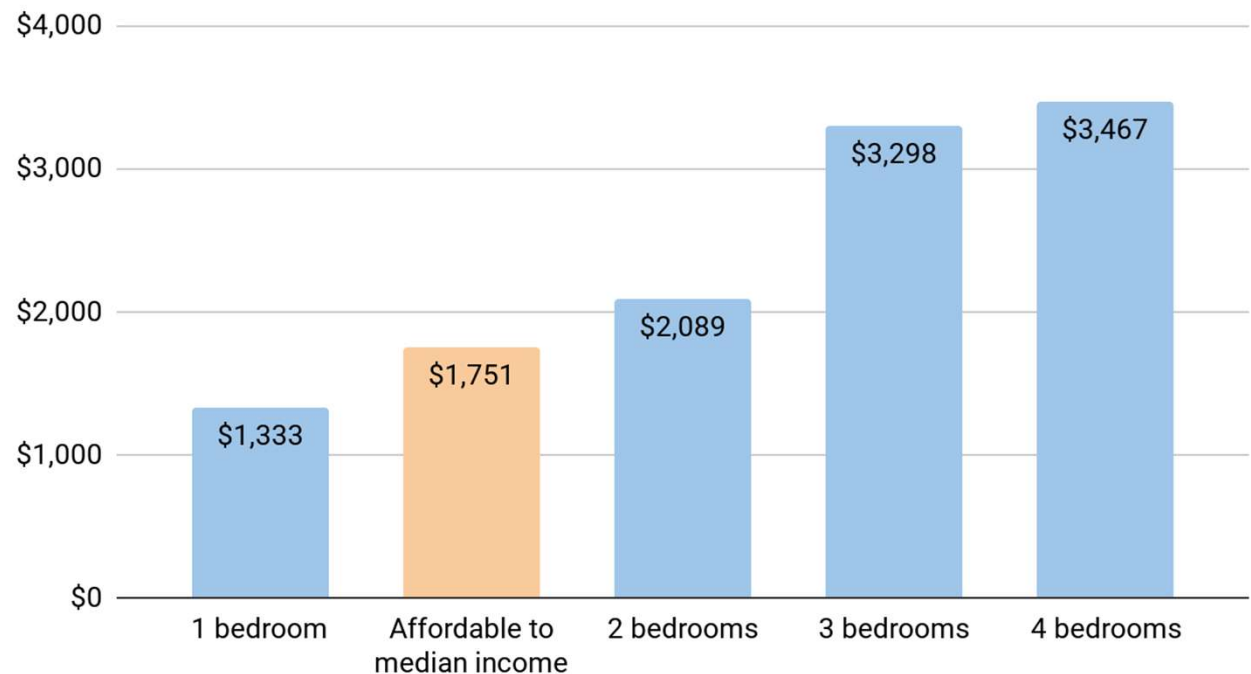
Renting smaller units can be more affordable than owning, but there is not enough supply at all sizes.

Source: RentCast, CommunityScale

Households earning the median household income in Stowe can afford small rental units but larger options with more bedrooms are generally not attainable. However, there is a general lack of supply of rental units, as evidenced by the very low vacancy rate reported by local developers and realtors (near 0%). Overall, about a quarter of current housing units are rental today.

State plans call for a new housing mix of at least half rental. Especially to the extent these added units are new constructed (rather than converted from STRs), they are likely to command higher than average rents due to high land and construction costs.

Average recent rents for Stowe units by bedroom count



KEY FINDINGS

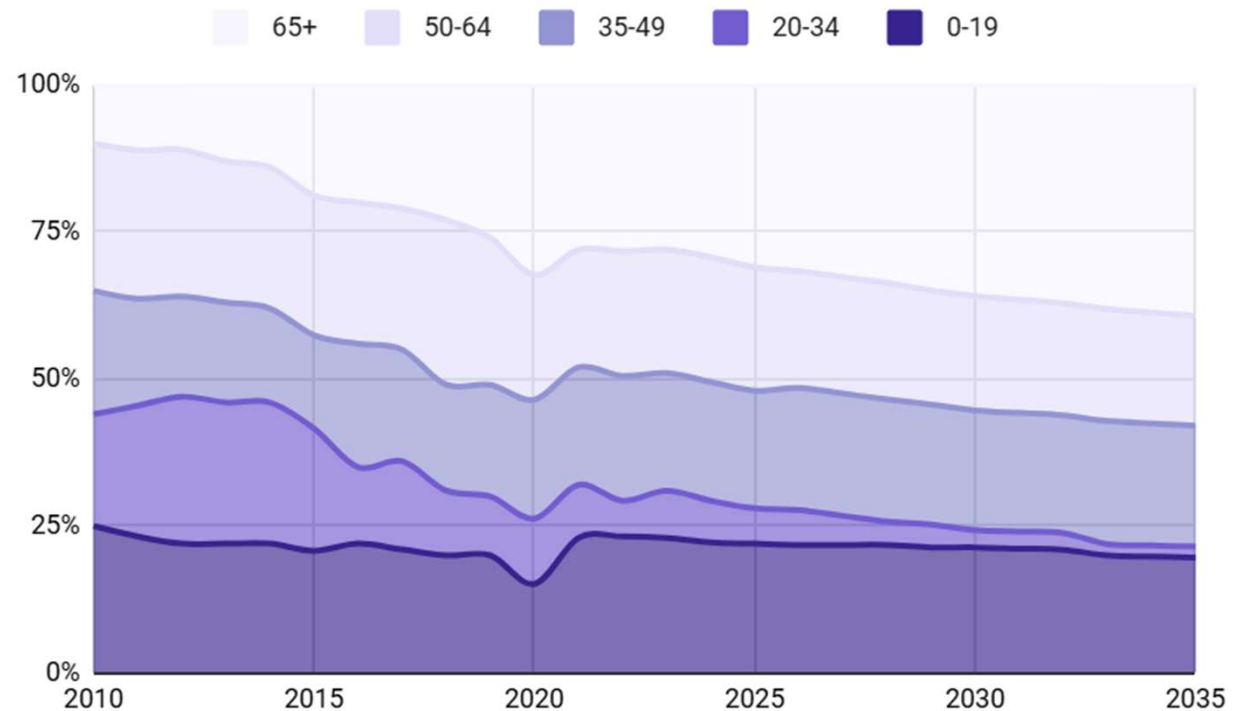
The Stowe population is aging rapidly, with a diminishing share of young adults and families.

Source: ACS 5-Year, CommunityScale

Like many other parts of the country and the state, Stowe's senior population is projected to be its fastest growing, especially as more households age into this cohort. However, this trend is particularly pronounced in Stowe, with at least a third of the population aging above 65 by 2035.

At the same time, the 20-34 age cohort is projected to diminish almost entirely over the next 10 years, likely leading to a steep decline in the number of local school children living in town to replenish enrollments as the current adolescent cohort graduates and potentially moves away.

Changing share of population by age cohort



This chart illustrates trends in population by age cohort, both historic and projected. The projection is based on recent trends extended. Depending on economic, policy, and other conditions, the actual future age distribution may vary over time.

KEY FINDINGS

School enrollment is at risk of further decline without new families moving to Stowe.

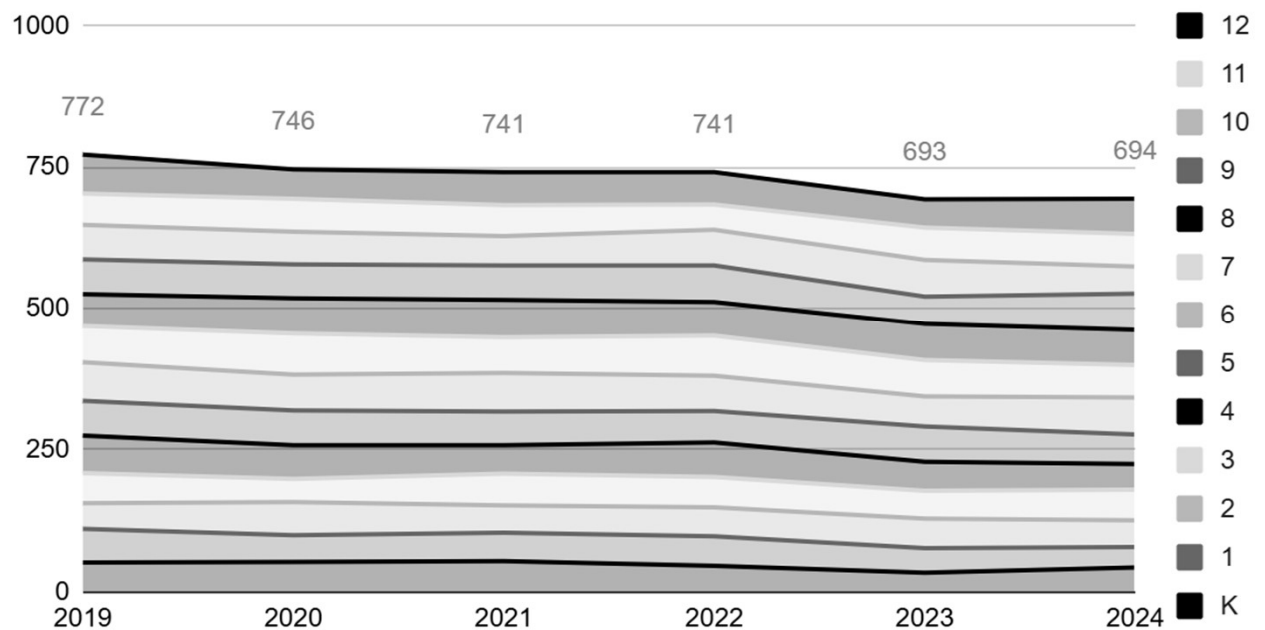
Source: Lamoille South Supervisory Union

While Stowe's school enrollment has been holding steady for some time, declining numbers of young households - especially in the 20-34 age group - could foreshadow fewer new families entering the school system in the future.

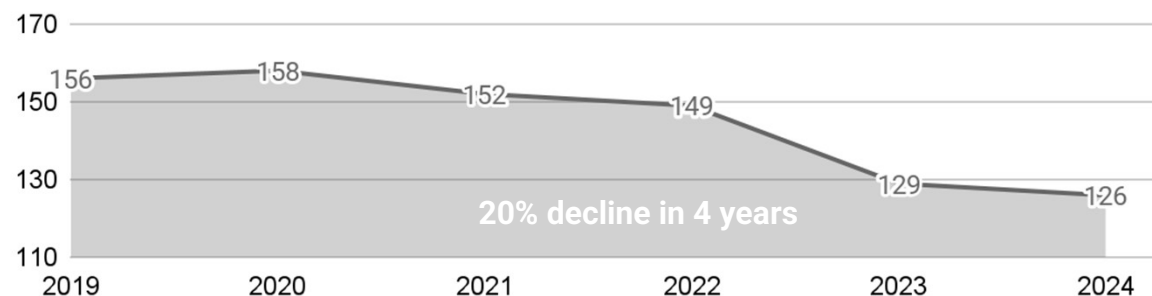
Indeed, enrollment among K-2 grades has been dropping significantly over the past several years. This could be a trailing indicator of many fewer new families moving to Stowe since Covid a few years ago, when many of today's kindergarteners were born. The more direct the correlation between a spike in housing prices and a decline in young student enrollees, the more difficult it may prove to reverse this trend.

Beyond impacting school stability and community sustainability, lower enrollment can mean higher taxes on homestead households. State school funding is issued on a per-pupil basis, so fewer students means more burden on homestead taxpayers to pick up slack in the local school budget.

Stowe school enrollment trends by grade level



Stowe school enrollment trends (grades K-2)



KEY FINDINGS

Barriers to year-round housing production and access

Costs: Construction costs and labor shortages are driving up prices and diverting resources and investment to second home construction.

Competition: Existing and prospective full-time residents cannot compete with second home and short-term rental markets.

Land: Growth Centers where higher density is allowed are limited in scale and don't include significant development opportunity sites.

Infrastructure: There is sufficient sewer capacity - and water in most places - but access is largely limited to the Mountain Road corridor.

Legal structure: State law and tax rules limit the Town's ability to raise funds and provide financing incentives.

Funding: Federal and state affordable housing subsidies are scarce and competitive.

Sentiment: The community lacks a clear vision of what it wants, where, and how, delaying or discouraging development.

KEY FINDINGS

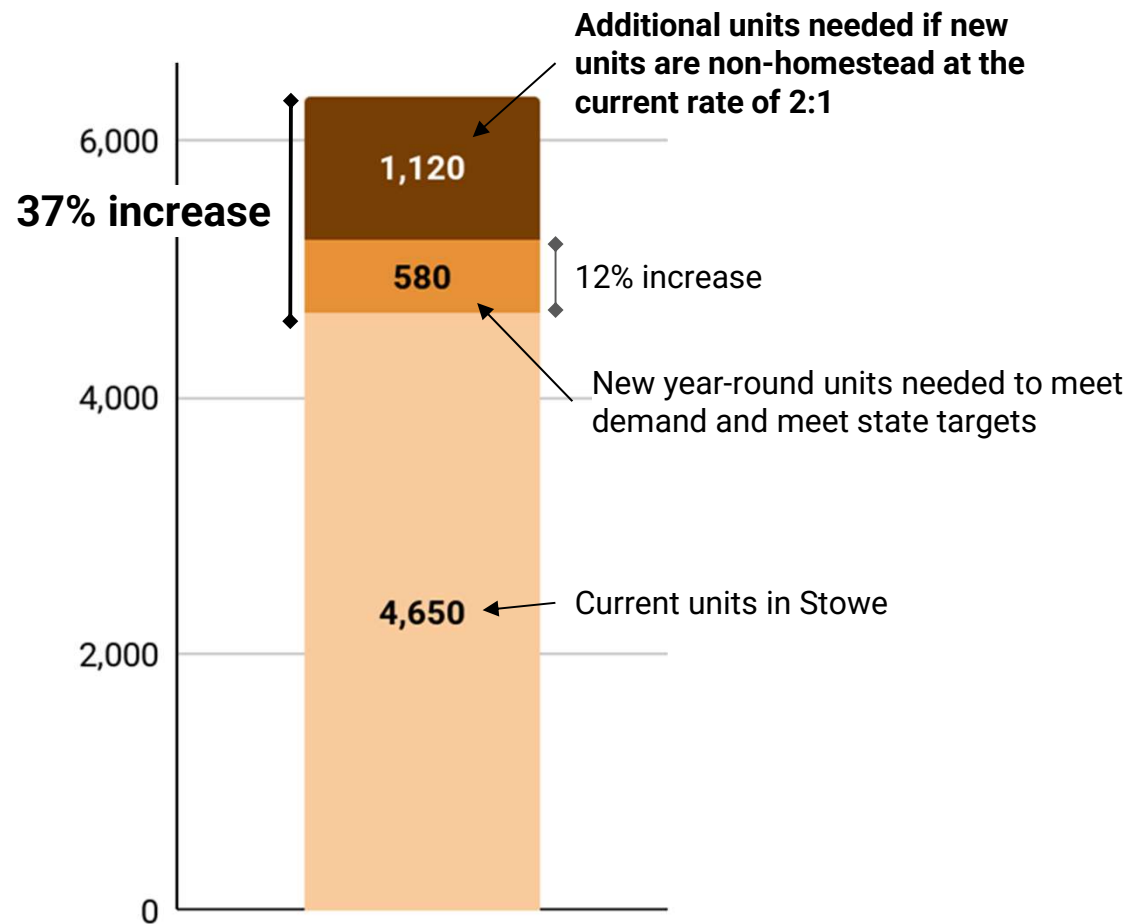
Stowe needs 580 year-round units in 10 years, but the town can't just build itself out of the housing crisis.

Source: CommunityScale, Town of Stowe

To keep up with year-round resident demand, Stowe needs to add about 580 year-round units in the next 10 years. This would also satisfy the production target set by recent state legislation.

However, if subject to Stowe's current rate of 2 non-homestead units for every homestead unit, **reaching this target may require building 1,700 total units on the assumption that 1,120 of them are absorbed by the second home and short-term rental markets.**

Production target based on current share of non-homestead units



KEY FINDINGS

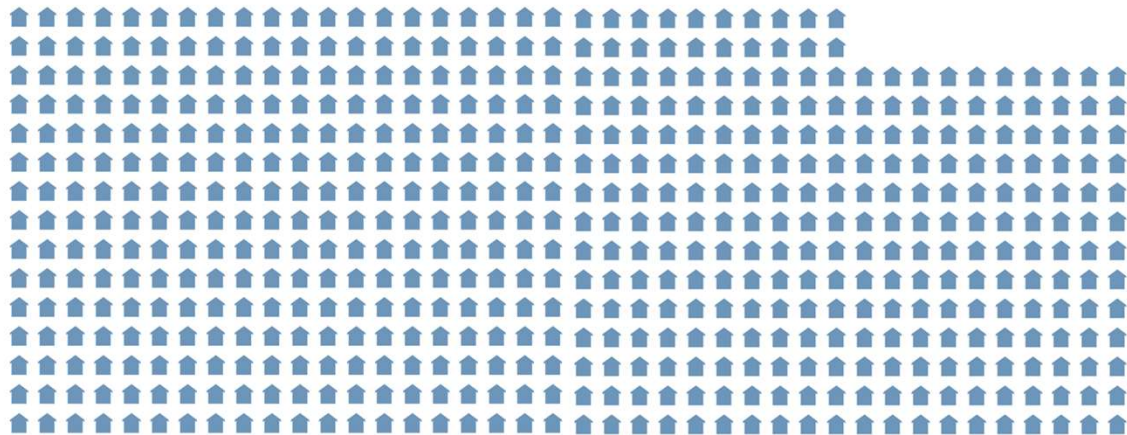
Stowe should consider a production target of at least 580 units over 10 years.

The community needs a concrete housing production target to work toward. The target should be driven at least in part by factors the Town can directly control, such as through the commitment of public funds and other resources.

Supporting the goal of more year-round units, Stowe should focus new production on the housing types that year-round residents need but are in short supply:

- **More small ownership units** (currently, less than 15% are 0-2 bedroom)
- **More larger rental units** (currently, about 10% are 3+ bedrooms)
- **Higher rate of rental units overall** (currently 26%; state calls for 50-66% of new units)

Housing production target: 580 new units over the next 10 years.



KEY FINDINGS

Stowe should aspire to create at least 100 units of permanent community housing over 10 years, defined by income-restrictions and local residency.

In support of a sustainable community, residents and stakeholders aspire toward more housing units that are attainable to a wider range of incomes and occupied by year-round residents. This target focuses on catalyzing units that are both income-restricted and reserved for people who call Stowe their permanent home.

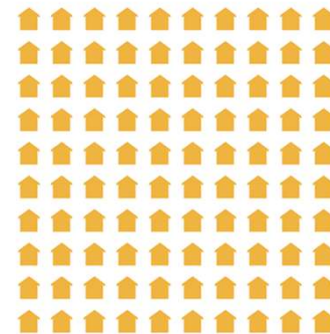
This target may overlap with the 580 new units goal but is otherwise independent. Units count toward this target if they are created as part of a new development or if converted from an existing market-rate unit through a mechanism such as deed restriction.

The goal for this target is not to focus on deeply subsidized “capital A” affordable but to include a range of attainable housing models that serve a wide range of incomes at or below market-rate.

While the exact parameters of what qualifies a unit by this standard need further community discussion to finalize, they could include the following:

- Secured through deed restriction.
- Developed through inclusionary zoning.
- Produced by converting STRs to long-term rentals.
- Calibrated to income levels that match state programs (i.e. up to 120% AMI).
- Calibrated to incomes more reflective of Stowe residents (i.e. 120-180% AMI).
- Distinct income requirements for different product types and tenures (rent/own).
- Monitored to ensure occupants truly live in Stowe full-time.

Permanent community housing target: 100 units over the next 10 years.



KEY FINDINGS

The community should agree on a set of performance metrics to track progress over time.

Performance metrics are trailing indicators that help the Town measure progress toward the goal of a more sustainable community. There is not a single, all-purpose metric available. Instead, the Town should monitor a collection of metrics that each measure aspects of a sustainable community.

While it may be possible to set specific targets for certain metrics, even establishing directional goals will help monitor progress, especially if the goal involves reversing a trendline (for example turning decline into growth).

Census data (*current 2023 ACS 5-year data*):

- **Total households** (2,463 households): Should increase over time to reflect a capture of potential demand.
- **Vacant units** (39% vacant): Should reduce as a share of total units to suggest more year-round residents.
- **Income diversity** (56% below 120% AMI): Growth should continue at all income levels, not just the top.
- **Young householders** (19.4% under 45): Should increase over time as a share of total household population.

Town-specific data (*2024/25 data*):

- **Homestead exemptions** (27% of parcels): Should increase as a share of total parcels over time.
- **School enrollment** (694 K-12 students): Should reverse its decline and start to increase over time (starting with K-2).
- **Short-term rentals** (TBD w/ registry): Should represent a shrinking share of overall units over time (especially STRs that are not primary residences).
- **Voter registrations** (4,550 voters): Should continue to increase in step with overall household growth.

KEY FINDINGS

Stowe needs an “all of the above” strategic plan

Vision: Clarify the Town’s housing vision and define what the community wants, where, when, and how.

Strategic plan: Define how the town will implement new housing strategies and assign responsibilities.

Housing tracker: Establish a dashboard or similar tracker to monitor progress toward housing goals.

Revenue: Introduce revenue sources to help finance affordable housing.

Housing trust: Support an existing housing trust and/or the creation of a new non-profit housing trust.

Housing reserve fund: Establish and contribute to a discretionary reserve fund.

Manage the STR supply: Control the number allowed, manage allocation of new registrations, and restrict registration transfers.

Zoning: Modify regulations to promote density, infill, and attainable housing where contextually appropriate.

Public land: Develop town-owned land as affordable or mixed-income housing with conditions.

CHIP/TIF: Establish Tax Increment Financing opportunities to catalyze mixed-income housing development, including the new CHIP program.

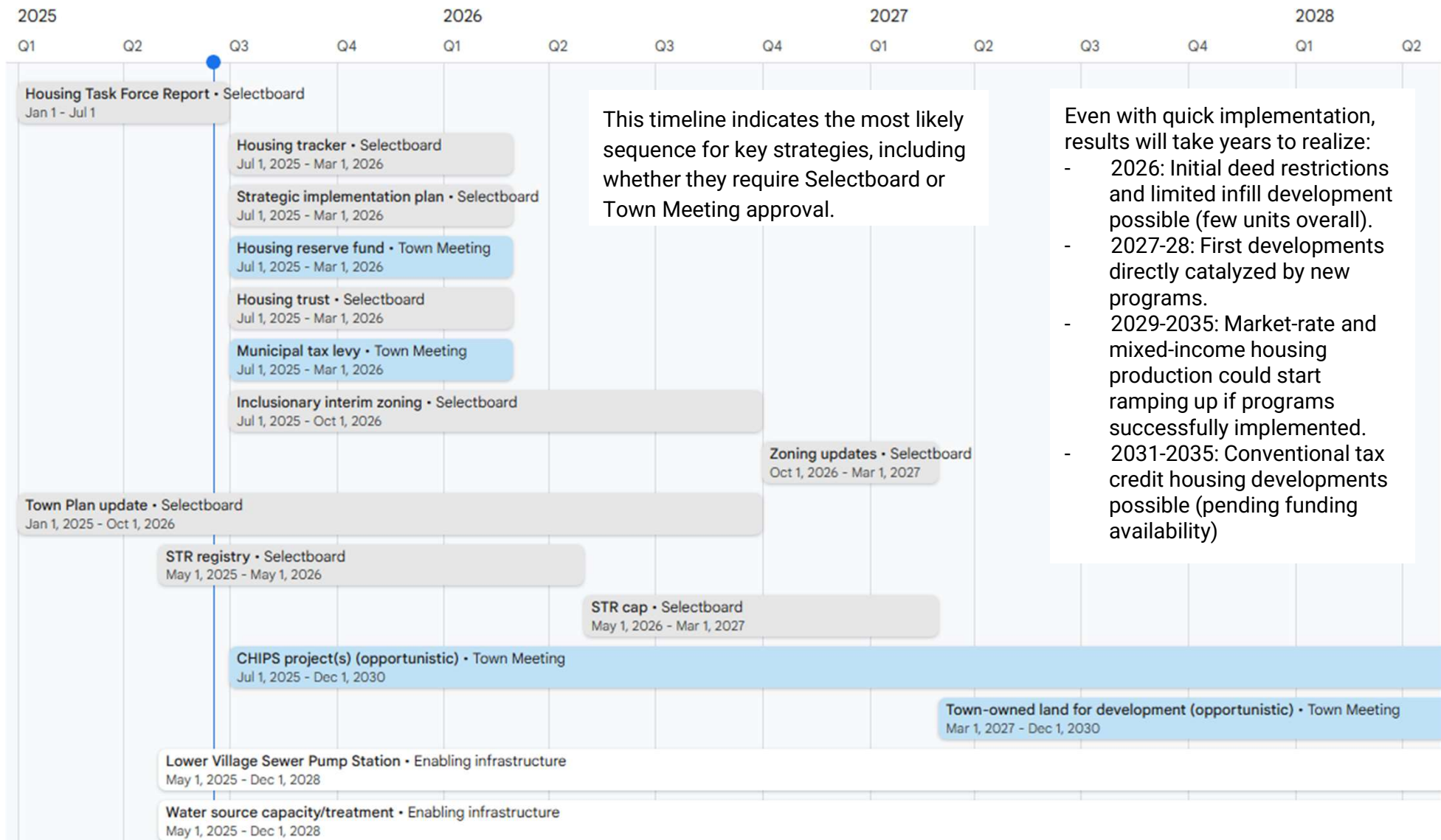
Advocate: Promote workforce housing development locally and lobby the State House to highlight Stowe’s unique circumstances and constraints.

OVERARCHING STRATEGY

Capacity: Supplement Town staffing and resourcing in line with establishment of new policies and programs.

KEY FINDINGS

Implementation critical path



KEY FINDINGS

Strategic framework

The framework below summarizes this effort's recommended strategies in terms of lead entity, necessary partnerships, and next steps to inform how the Town moves forward with implementation. It should be assumed that Town staff will play a role in all strategies. Additionally, some strategies may require consultant support and/or additional partners to be identified in the future..

Strategy	Description	Partners (<u>lead</u>)	Next steps
Housing Task Force 2.0	Recommend a new charge for the next iteration of the Task Force to continue advising the Selectboard.	<u>Housing Task Force</u> , Selectboard	The Housing Task Force includes in its final report a recommendation to create a new charge statement and continue the Housing Task Force.
Strategic plan	Develop detailed strategic plan to recommend goals and tasks for Planning Commission consideration to incorporate into the Town Plan and advance the Housing Task Force report into implementation steps.	<u>Housing Task Force</u> , Consultant, Planning Commission, Selectboard	Clearly define affordability criteria and eligibility requirements for housing developments and investments. Set milestones and deadlines to establish implementation momentum.
Housing tracker	Create an online dashboard that tracks sustainable community metrics and progress toward housing production targets as defined by the Housing Needs Assessment.	<u>Town staff</u>	Adapt the Housing Needs Assessment dashboard into a "housing tracker" and integrate real-time metrics and targets monitors.
Housing reserve fund	Consider what a housing reserve fund might contribute to financially (e.g., deed restrictions, land purchases, infrastructure, etc.) and establish a discretionary reserve fund to collect municipal allocations and tax dollars dedicated to housing investment.	<u>Housing Task Force</u> , Selectboard, Voters	Develop potential reserve fund parameters in terms of funding sources and how the funds can be used in preparation for Town Meeting vote.
Housing trust	Partner with one or more entities to administer affordable housing responsibilities such as purchasing and administering deed restrictions, land acquisition, etc.	<u>Town Manager</u> , Housing Task Force, Prospective nonprofit partner(s), Selectboard	Town Manager with input from the Housing Task Force recommends for Selectboard consideration partner(s) and contracts.

KEY FINDINGS

Strategic framework (continued)

Strategy	Description	Partners (lead)	Next steps
Municipal tax levy	Introduce a municipal revenue stream to help finance affordable housing.	<u>Housing Task Force</u> , Selectboard	The Housing Task Force recommends for the Selectboard's consideration a municipal housing reserve fund appropriation.
Inclusionary zoning	Launch an inclusionary zoning policy as an interim measure until it can be permanently codified after the Town Plan is complete.	<u>Selectboard</u> , Planning Commission, Housing Task Force, Town Counsel	Develop an interim inclusionary zoning policy for Selectboard vote, with input from Housing Task Force, subject to legal counsel advice and review.
Short-term rental (STR) cap	Cap the number of STRs allowed, manage allocation of new registrations, and restrict registration transfers.	<u>Selectboard</u> , Town Counsel, Consultant	Selectboard to potentially amend Short-term Rental Registration Ordinance, subject to legal counsel advice and review.
Zoning updates	Identify zoning modifications and refinements to promote the production of more attainable, community housing.	<u>Planning Commission</u> , Selectboard, Housing Task Force	Starting with the zoning audit included in the Housing Needs Assessment, compile potential zoning changes in preparation for zoning changes once the Town Plan is complete.
CHIP/TIF developments	Once information becomes available, explore how the Town can take advantage of the new state CHIP program.	<u>Housing Task Force</u> , Consultant, Selectboard	Develop an understanding of the CHIP program and its potential utilization in Stowe.
Town-owned land	Identify land suitable for community housing development.	<u>Planning Commission</u> , Housing Task Force, Selectboard	Inventory available land and highlight parcels (or portions thereof) that could support community housing development for discussion with Housing Task Force, Selectboard, and Planning Commission.



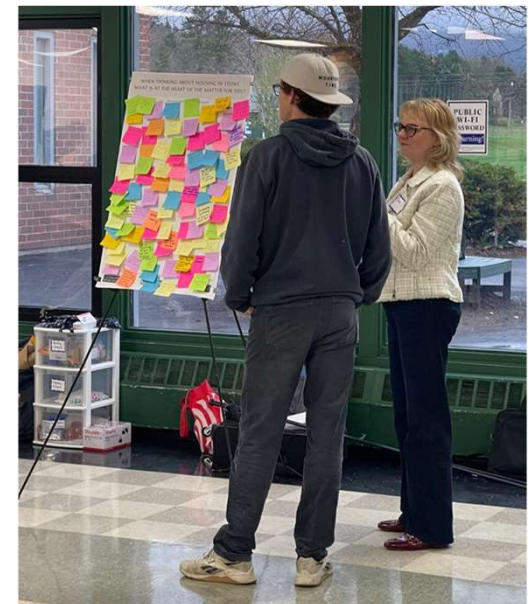
PRIORITIES

Public workshop overview

On May 6, the planning team held an in-person workshop to share initial findings from the study and gather community feedback on priorities, strategies, and policy concepts. The workshop's interactive exercises were also made available in an online survey format for access by those unable to attend in-person.

The following section summarizes results from the interactive exercises focused on community priorities around strategies, tax investment, and housing locations.

Over 80 people attended the in-person workshop and over 350 people submitted responses to the online survey. Most participants were middle-aged local homeowners who have been in Stowe for many years. However, the process included representation from many other perspectives too, including renters and younger and older residents.



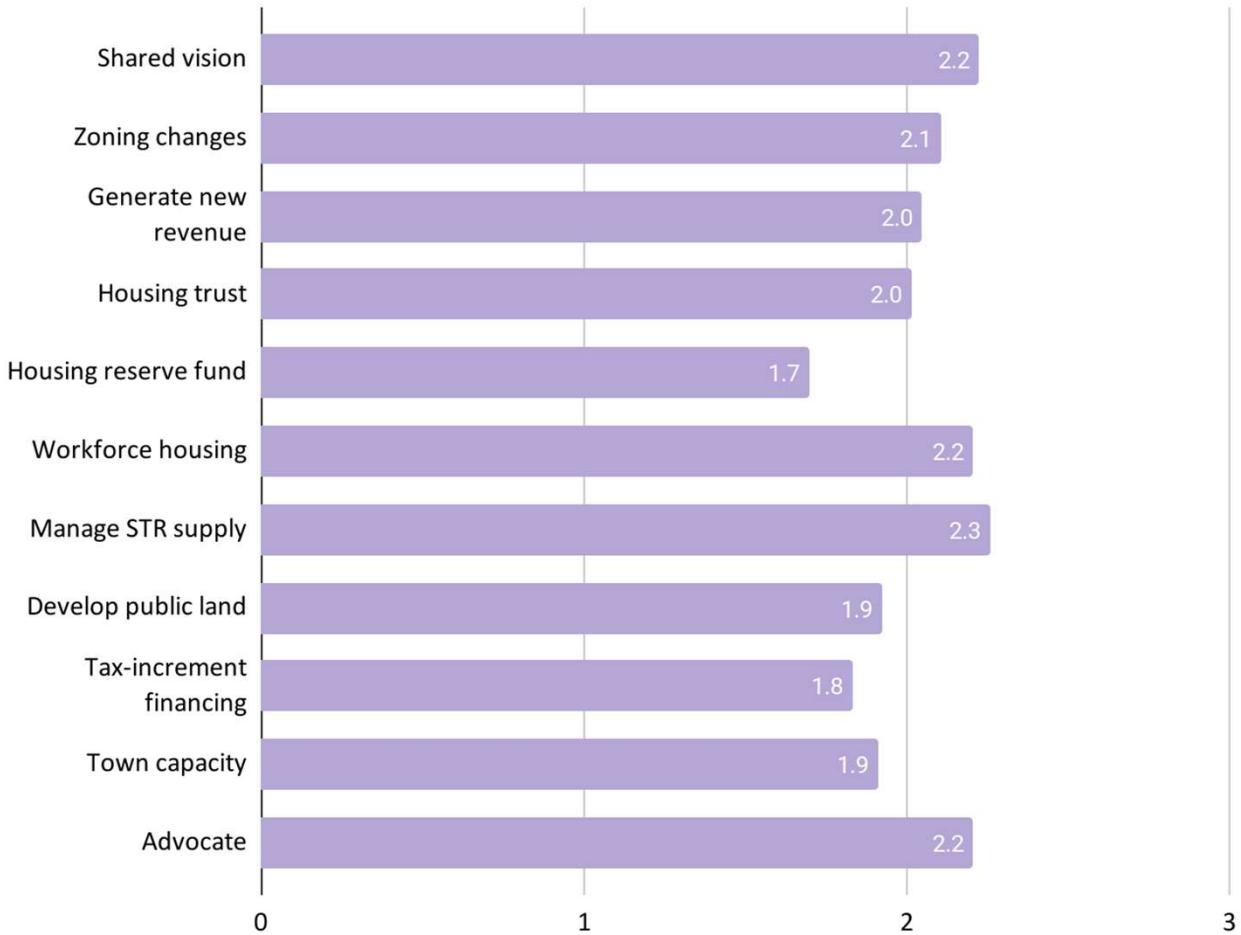
PRIORITIES

Prioritizing policies and strategies.

Participants were asked to indicate how much of a priority they would consider each of these policy and strategy ideas proposed in the working plan.

Though some scored higher than others, all choices were considered relatively high priorities (above a 1.5 out of 3).

Note: This survey data is intended to indicate the community’s general preferences and priorities as one of multiple inputs to the planning process. This data is not necessarily statistically significant or intended to be taken as a definitive vote on its own regarding actions to take.

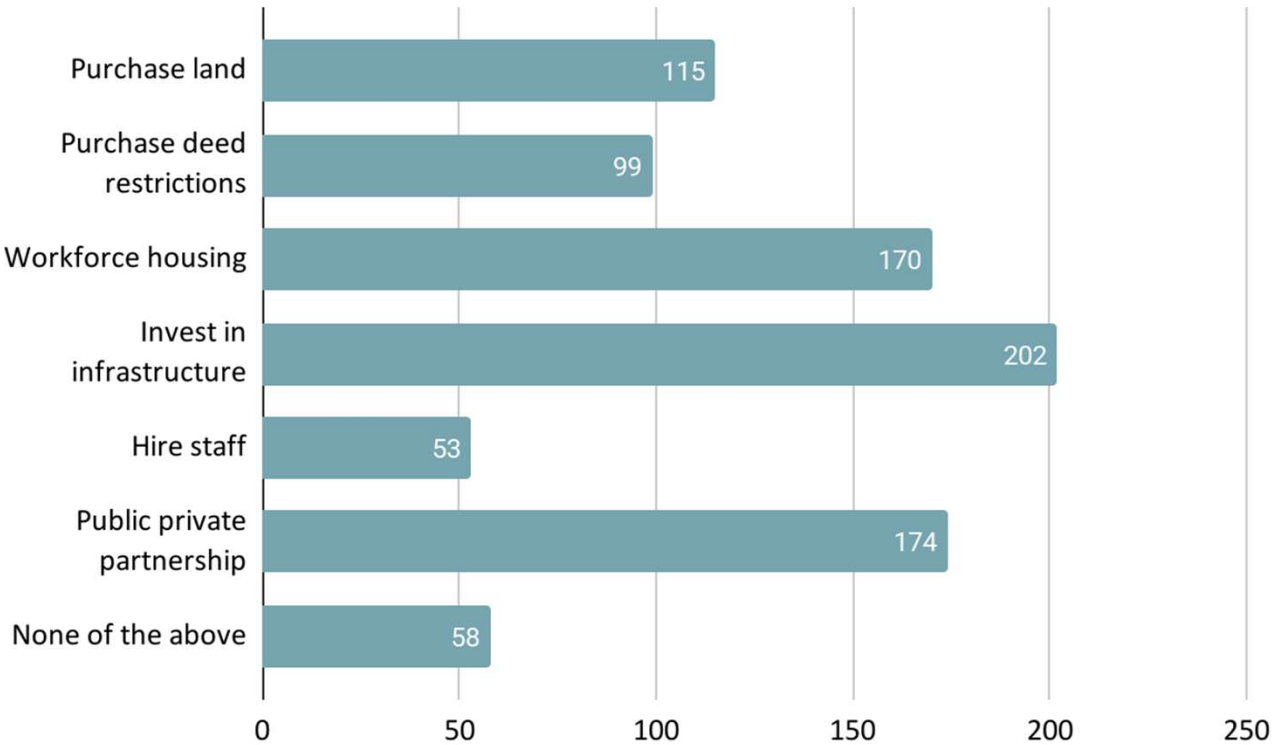


PRIORITIES

Choosing how to spend tax dollars toward housing goals.

Participants were asked, “If the Town used tax dollars to support community housing, how would you prioritize these investments?”

This question is about more than just relative levels of priority - it is asking participants to consider where actual tax dollars should be spent. Results were less evenly distributed than the priorities exercise. Infrastructure, public-private partnerships, and workforce housing scored highest.



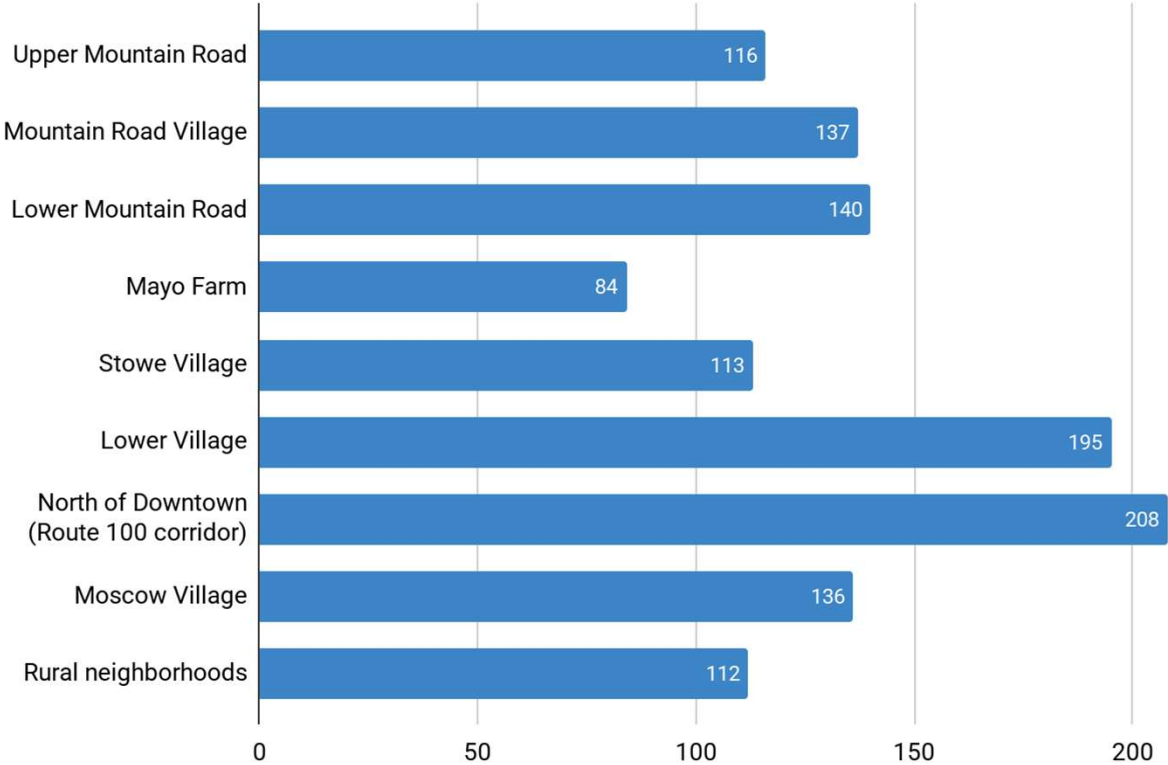
Note: This survey data is intended to indicate the community’s general preferences and priorities as one of multiple inputs to the planning process. This data is not necessarily statistically significant or intended to be taken as a definitive vote on its own regarding actions to take.

PRIORITIES

Locating where housing development is most appropriate.

Participants were asked, “Where in Stowe would new housing make the most sense to you?” All available options received a significant number of votes, suggesting there is some level of support for housing throughout Stowe. However, most people indicated new housing is most appropriate along the Route 100 and Mountain Road corridors and in/around the villages.

Note: This survey data is intended to indicate the community’s general preferences and priorities as one of multiple inputs to the planning process. This data is not necessarily statistically significant or intended to be taken as a definitive vote on its own regarding actions to take.





Strategies Toolkit



STRATEGIES

Vision: Clarify the Town's housing vision and define what the community wants, where, when, and how.

Set a housing production target and performance metrics. A simple target of 580 units with 10% permanently affordable could provide an effective rallying point that is easy to track progress toward.

Consider a combination of Census measures and locally specific data for metrics that help track performance over time, including:

- Census data:
 - Total households ↑
 - Vacant units ↓
 - Income diversity ↑
 - Young householders ↑
- Town-specific data:
 - Homestead exemptions ↑
 - School enrollment ↑
 - Short-term rentals ↓
 - Voter registrations ↑

Use the Stowe 2050 process to establish a shared vision for local housing development. Uncertainty regarding what a community may or may not support is a primary impediment to housing development across income levels. Developers are more likely to consider investments in a community that has made it clear what types of development it wants. This includes measurable parameters such as density, scale, height, and affordability. The community should take advantage of the current Stowe 2050 town plan process to develop a shared and clearly articulated vision for housing across Stowe's village centers, corridors, and neighborhoods so interested developers know what to expect and are thus more likely to invest here.

Develop policies and protocols that promote a streamlined, collaborative approval process. Once a development project has been proposed that is consistent with the community's vision for a given district or site, implement proactive and collaborative strategies to keep the process moving, including:

- Conduct one or more pre-application meetings with the developer and Town staff for alignment around project features, approvals requirements, and staff expectations.
- Engage design review boards early in the process to provide developers ample time to receive and address feedback.
- Communicate Town requirements and comments in measurable terms to make it easier for developers to interpret feedback and the Town to verify compliance.

STRATEGIES

Strategic plan: Define how the town will implement new housing strategies and assign responsibilities.

Define the future role and composition of the Housing Task Force. Especially given the need to act quickly on several strategies and outcomes from this effort, Stowe would be well-served to maintain its current momentum and keep the Housing Task Force active as an advisory committee to the Selectboard. However, the Task Force membership and its governing charge should be updated as needed to best meet evolving needs and opportunities moving forward.

Set detailed attainability metrics and criteria to determine project eligibility for Town investment. Define target affordability parameters for ownership and rental community housing units (in terms of % AMI). Determine attainable unit mix targets for new projects supported by Town investment (as a % of a project's total units).

Develop a strategic plan to guide overall implementation of Stowe's housing policies and strategies. Each strategy emerging from this current effort will require further development into official programs and policies, including assigning responsibility, granting authority, allocating funding, setting goals, and monitoring progress. These details will take time and community collaboration to develop. A strategic plan and policy document can help facilitate this process, formalize its outcomes, and provide the roadmap for implementation moving forward.

Identify the role of Town staff and other potential partners in housing strategy implementation. Town staff is already integral to several of the strategies emerging from this effort, such as managing the short term rental registry, updating the Town plan, and administering the zoning code. New responsibilities associated with housing programs and policies should be weighed against current capacity levels, with additional resources in the form of supplementary staff and/or consultants added as needed to maintain momentum. Additionally, some strategies may be better assigned to partners, such as a nonprofit organization to manage deed restriction programs. The Town should start exploring these partnerships right away.

STRATEGIES

Zoning: Modify regulations to promote density, infill, and attainable housing where contextually appropriate.

Modify dimensional and other technical requirements to increase density and reduce per-unit development costs.

A zoning audit was performed to supplement this report with recommendations aimed at increasing housing density and reducing development costs through strategic regulatory changes. The proposed recommendations focus on modernizing zoning requirements, including reducing minimum lot sizes and setbacks (particularly in Village Commercial districts), increasing building height limits to 50 feet for four-story buildings, and reducing parking requirements for multifamily developments in all Village Commercial districts.

Documentation:

[Stowe Zoning Audit](#)

Increase zoning capacity among large sites on Mountain Road.

Allow higher density housing by-right within the districts along Mountain Road, especially north of Main Street, considering changes such as:

- Allow multi family by right
- Increase or eliminate density limits in terms of sf/unit
- Allow shared parking in mixed-use buildings by right
- Introduce an affordable or workforce housing-focused PUD within the Upper Mountain Road (UMR) district.

Advocate for expanded Tier 1 designated areas along the corridor so redevelopment proposals can bypass Act 250 restrictions.

Introduce inclusionary zoning. Take advantage of the Stowe market's uniquely high price tolerance (at least among seasonal residents) to cross-subsidize units for moderate- and lower-income permanent residents. For example, require that market-rate housing developments include a minimum share of units affordable to households earning a moderate income.

Develop a new or revised zoning bylaw that incorporates subdivision regulations.

Long-term, Stowe needs a new, unified bylaw combining zoning and subdivision regulations that improves upon the current ordinances, such as by:

- Enhancing and streamlining administration procedures
- Eliminating ambiguous and subjective rules
- Reducing development constraints in designated growth areas

STRATEGIES

Strategy detail: Inclusionary zoning and payment in-lieu

Definition

Inclusionary zoning requires developments of certain scale and characteristics to include a specified number of units affordable to a set income level. Incorporating a payment in-lieu option allows developers to choose between meeting the affordability target within the development or paying a defined fee to a local reserve fund to be used for affordable housing elsewhere in the community.

Implementation steps

Establish what types of development are subject to the requirement, such development scale (number of units) or projects that utilize certain public sources of revenue or other resources. For example, Burlington's ordinance applies to developments of 5 or more units.

Set inclusionary requirements, such as in terms of the percent of total units that must meet certain affordability goals, often defined in terms of % AMI. Also detail how inclusionary compliance must be calculated.

Implementation steps continued

Establish a process to confirm income eligibility and monitor compliance over time. This may be outsourced to a nonprofit partner.

Define potential benefits a fully compliant developer may receive, such as density and/or height allowances. Consider a sliding scale whereby developers receive extra benefit for exceeding inclusionary goals.

Define alternative methods to comply with the policy, such as off-site development or payment in-lieu. Set parameters to evaluate and monitor alternative compliance methods. For payment in-lieu, define the payment calculation and identify where funding shall be paid and how it may be used toward affordable housing production.

Williston's ordinance has not directly yielded any affordable units - instead, all developers subject to the rule chose the payment in lieu option. Stowe should anticipate this outcome as well, ensuring a reserve fund is available to receive payments. Burlington's payment in lieu rate is \$35k-85k per required affordable, depending on project density.

Precedent example

Burlington, VT: [Inclusionary and Replacement Housing Policy](#)

Williston, VT: [Inclusionary Zoning Bylaw FAQ](#)

Vermont statutory authority

[24 V.S.A. § 4414\(7\)](#): Inclusionary zoning

Cost to the Town

Possible consulting fees to specify the ordinance's detailed parameters and write the legal language.

Level of effort for staff

Write the policy (with potential consultant help) and shepherd through adoption.

Administer the policy (with potential nonprofit partner support regarding compliance evaluation and monitoring).

Commentary

This strategy will be most productive if Stowe increases the number of larger developments permitted in coming years. Other precedent ordinances in Vermont trigger at 5 units. Stowe permitted nearly 800 units among 5+ unit projects between 2015-2025 which could have yielded about 80 affordable units with a 10% inclusionary requirement.

STRATEGIES

Revenue: Introduce revenue sources to help finance affordable housing

Increase rooms tax on short-term rentals (STRs). Currently, STRs, like other accommodations, are subject to a 1.0% rooms, meals, and alcohol tax (0.7% flows to the town, 0.3% to the state). Stowe could collect additional rooms tax from STRs if approved by the Vermont Legislature and deposit the revenue in the housing reserve fund for investment in attainable housing initiatives. Stowe emulate aspects of similar policies recently enacted in Burlington, Rutland, and Bennington.

Explore a real estate transfer tax. A new local fee on the sale price of property transactions could be contributed to the housing reserve fund. Given Stowe's very high property values, this tax could generate significant new revenue. However, the state does not currently authorize municipalities to impose such fees without legislative approval.

Consider a property tax levy dedicated to the housing reserve fund. The Selectboard should determine the levy's size and any exemptions that may apply. Given Stowe's \$5+ billion grand list, even a modest levy could raise significant funds for attainable housing production and preservation. However, many in Stowe struggle to afford taxes at current levels so the Selectboard should consider how the tax may impact more financially sensitive residents. As a reference point, \$0.01 on the current municipal tax rate would generate about \$540k annually.

Require "payment in-lieu" for market rate developments that do not meet established affordability targets. A payment in-lieu can promote affordable housing production directly - by encouraging developers to include affordable units to avoid the fee - and indirectly - by charging market rate developers an "in lieu of" fee which can fund affordable housing via the housing reserve fund.

Explore local receptivity to a voluntary fee to support affordable housing. Similar to the fees some local inns charge visitors to support the land trust, interested businesses could impose a fee dedicated to supporting affordable and attainable housing through the housing reserve fund.

STRATEGIES

Strategy detail: Municipal tax levy for housing reserve fund

Definition

A new tax levy involves increasing the property tax with voter approval and dedicating the added revenue for the housing reserve fund through a line item in the Town budget. Vermont municipalities are limited in the types of local taxes they can introduce without state approval. Property tax is one mechanism where towns maintain local control.

Implementation steps

Determine the size of the new tax levy. This may be done through a combination of calculating potential revenue and gauging the limits of local political will to accept additional taxes for this purpose.

As an illustrative example, a \$0.01 increase in property tax (per dollar) would raise \$537,162 annually based on Stowe's current grand list. This would equate to an approximately 4.5% increase in the municipal tax rate and a 0.75% increase in the total tax rate. The average home would pay about \$100 more per year in property taxes.

Implementation steps continued

Given the high cost of construction in Stowe, the Town should endeavor to collect as much as is politically acceptable and manage expectations on how many units may be created annually.

Define the purpose and intended use of the new tax levy, adding specificity wherever possible.

Draft a Town Meeting article and post public warning. Facilitate Town Meeting vote. The measure must pass by a simple majority of voters.

To the extent a positive vote is not assured, develop informational material to help residents understand the benefits and trade-offs of a new tax levy for this purpose.

Set up the accounting mechanisms necessary to collect the additional funds and transfer them to the reserve fund.

Precedent example

Burlington, VT: [Housing Trust Fund](#)

Vermont statutory authority

[17 V.S.A. § 2664](#): Budget

Cost to the Town

Possible consulting fees to advise on the size and legal details of the new levy.

Level of effort for staff

Write the tax change ballot measure and facilitate the approval process.

Incorporate into the Town budget and account for the new line item in future collections and spending.

Effort for this strategy may overlap with housing reserve fund tasks, such as by sharing the same town meeting article: "Shall the voters approve the creation of a Housing Reserve Fund, and if so, approve a \$0.01 property tax levy to support the Housing Reserve Fund?"

STRATEGIES

Housing trust: Support an existing housing trust and/or the creation of a new non-profit housing trust.

Establish a housing trust. The Town has capacity to manage a reserve fund and disperse funds for large, infrequent projects but lacks capacity to manage programs funded with small and more frequent disbursements. or related functions. Instead of adding this function in-house, Stowe should establish a housing trust assigned with these responsibilities and partner with an experienced nonprofit entity to administer it.

Consider designating an established nonprofit developer as the housing trust's administrator. There are existing organizations in the region that already serve similar roles and responsibilities in other communities across the region. Rather than attempt to create this capacity internally, the Town should consider partnering with an established entity.

Assign the housing trust with a range of roles and responsibilities. There are many ways a housing trust can support the production and preservation of attainable housing. The following functions would serve Stowe well and also fit within a potential local nonprofit's current capabilities and capacities:

- Administer the housing reserve fund.
- Receive, hold, reposition, and convey land to support affordable and mixed-income housing.
- Manage income verification and compliance reporting requirements for deed restricted units on behalf of developers and other property owners.

Promote the housing trust as a tax-deductible opportunity for local residents and property owners. As a part of a 501c3 nonprofit entity, contributions to the housing would be tax deductible and also may also satisfy IRA minimum annual distribution requirements. Local residents and property owners interested in supporting the production of attainable housing could be encouraged to donate funds and land to the housing trust to promote its mission and their personal tax goals at once.

Partition public contributions from other funds and holdings. The housing trust may retain flexibility to deploy its privately granted resources at its discretion, but publicly derived resources should be reserved for purposes consistent with the Town's stated guidelines and criteria.

STRATEGIES

Strategy detail: Housing trust

Definition

A housing trust is the entity that administers certain affordable housing initiatives on behalf of a municipal government, such as utilizing affordable housing funds from a town's reserve fund and managing deed restrictions. In Stowe, a housing trust would likely be established through a partnership with a nonprofit organization which would receive and utilize funds and resources as granted by the Selectboard. The trust could also accept funding, grants, and deed restrictions from other sources such as private entities.

Implementation steps

Define the trust's purpose and scope, including mission, eligible uses, affordability terms, and the role of a nonprofit partner.

Assuming the reserve fund is already established and the Selectboard empowered to control and disburse the funds, a Town Meeting vote is not required to establish a partnership with the nonprofit partner. This can be done on a case-by-case and project-by-project basis, such as the Town's past partnerships with Downstreet Housing.

Implementation steps continued

Identify nonprofit partner and draft a formal agreement stipulating roles and responsibilities with respect to the trust's administration, funding, and operation.

In partnership with the nonprofit partner, develop program guidelines that clearly define application requirements, project evaluation criteria, and mechanisms by which affordable units are secured (such as by deed restrictions).

Require annual reports of the nonprofit partner to track key trust activities such as projects funded, units created or preserved, income levels served, and running fund balance.

Precedent example

Winooski, VT: [Housing Trust Fund](#) (administered in partnership with Opportunities Credit Union)

Vermont statutory authority

[24 V.S.A. § 2291](#): Enumeration of powers

Cost to the Town

Possible consulting fees to advise on the structure and legal details of the trust and/or certain programs it may draw from or contribute to.

Level of effort for staff

While staff will play a key role in the housing trust under any circumstances, the extent and complexity of staff involvement may vary depending on the chosen structure of the housing trust and the capabilities that potential partners may bring to a collaboration.

STRATEGIES

Strategy detail: Deed restrictions

Definition

A deed restriction is a legal condition written into a property's deed that limits how the property can be used or who can occupy it, either permanently or for a set period of time (ex. 20 or 30 years).

Applied to housing units, conditions could restrict occupancy to one or more of the following:

- Full-time/year-round residents (i.e. prohibiting short-term rental).
- People working locally (or who previously worked locally and are now retired).
- Income-qualified households (such as those earning below a certain % AMI).

Deed restrictions are monitored and enforced by a designated authority such as a housing trust or non-profit partner. They may be applied to a property through means such as:

- Purchased by a nonprofit, municipal reserve fund, or similar.
- Voluntarily assigned by the owner.

Implementation steps

Define the deed restriction occupancy conditions, such as full-time residency and/or income limits. Given Stowe is interested in promoting full-time residents and more attainable housing, there could be multiple deed restriction options corresponding to each of these concerns.

Establish the program's financial parameters, such as how deed restrictions will be priced and whether to cap property resale pricing once the restrictions are in place.

Partner with a nonprofit partner to administer the deed restriction program and monitor compliance.

Designate funding to purchase deed restrictions and set a target for units restricted per year or over a set period of time.

Precedent example

Woodstock, VT: [Local Deeds](#) program pays up to 16% of a property's fair market value for a permanent deed restriction limiting occupancy to qualified households such as local workers and retirees who worked locally for 5 years.

Vermont statutory authority

[24 V.S.A. § 2291](#): Enumeration of powers

Cost to the Town

Minimal cost assuming the Town partners with a non-profit to manage the program.

Level of effort for staff

Setting up a partnership with a non-profit program administrator will require staff time and effort.

Once the program is operational, staff may collaborate with the non-profit partner on periodic coordination and reporting but otherwise should not need to dedicate significant time and effort.

STRATEGIES

Housing reserve fund: Establish and contribute local property tax dollars to a housing reserve fund.

Create a housing reserve fund. A housing reserve fund is a targeted municipal reserve fund can be established by a vote at Town Meeting or a duly warned special meeting per [VT statute](#). Once enacted, the Selectboard can designate a committee to make recommendations to the Selectboard regarding disbursements.

Consider designating the Housing Task Force as fund advisory committee to the Selectboard. Stowe should consider extending the Housing Task Force's (HTF) tenure to serve as the fund's steering committee. The HTF could develop the fund's purpose and goals in more detail for the Selectboard's consideration, setting criteria for projects eligible for investment and metrics to track its development and impact.

Capitalize the fund with revenue from multiple sources. The housing reserve fund could be financed from a variety of existing and new revenue sources:

- Short-term rental tax*
- Dedicated assessment*
- Inclusionary zoning payment in-lieu*
- General fund transfer

** These sources explained in more detail as part of other recommendations in this section.*

Establish clear guidelines and criteria for how the funds are used. As a reserve comprised of public dollars, it is important the fund is invested in ways that reflect the public's housing priorities and goals. By establishing clear guidelines for its use and criteria to measure its impact, Stowe can help ensure the fund is administered with transparency and in the public's best interest. These guidelines should be developed by the fund's steering committee with involvement from town leadership, stakeholders, and residents. Some suggested applications for the funds include:

- Direct contributions to the housing trust
- Offsetting utility allocation fees for developments that include a minimum share of affordable units
- Purchasing deed restrictions on existing housing units

STRATEGIES

Strategy detail: Housing reserve fund

Definition

A housing reserve fund represents a partitioned portion of the Town's budget that is reserved for a specific use, in this case to support established housing production goals.

Implementation steps

Define the purpose and intended use of the reserve fund, adding specificity wherever possible.

Draft a Town Meeting article and post public warning. Facilitate Town Meeting vote. The measure must pass by a simple majority of voters.

Set up an accounting mechanism to keep reserve funds partitioned from the general fund. Include reporting protocol and specifications to help the Selectboard monitor the fund's balance and usage over time.

Identify or establish an advisory board to provide recommendations to the Selectboard on usage of the fund, including criteria for eligible disbursements and judgements of specific projects seeking funding.

Implementation steps continued

Monitor the fund's usage and impact over time, considering further appropriations as needed to supplement its reach and impact toward achieving the town's housing goals.

This policy overlaps with the implementation of a housing trust which would be the vehicle or entity that is granted at least a portion of the reserve fund to implement housing projects, secure deed restrictions, and related activities.

Precedent example

Waterbury, VT: [Housing Trust Fund](#)

Vermont statutory authority

[24 V.S.A. § 2804](#): Reserve fund

Cost to the Town

Minimal.

Level of effort for staff

Write the new ordinance and facilitate the approvals process.

Incorporate into the Town budget and account for the funding in future collections and spending on a dedicated ledger.

Develop funding guidelines, potentially in coordination with an advisory group that staff would manage. Manage the funding application and awards process.

Issue regular reports and adjust the policy periodically as needed.

STRATEGIES

Manage the STR supply: Control the number allowed, manage allocation of new registrations, and restrict registration transfers.

Cap the number of registered STRs.

Determine a maximum number of STRs allowed in Stowe at any one time and restrict new registrations once that cap is reached. The initial cap could be set as low as the number of legally compliant STRs current in operation.

Consider an incentive program to encourage owners to transition STRs to long-term rentals. To the extent STRs are more lucrative than long-term rentals, an incentive might be necessary to persuade some owners to make the transition. An incentive program could be modeled after Woodstock, VT's "[Rent to Locals](#)" housing program which provides pays homeowners who convert short-term rentals or underutilized properties to long-term lease for local workers meeting certain criteria.

Consider reducing the cap over time.

According to the Town's legal counsel, a new STR regulation cannot immediately revoke a property owner's right to operate an STR. Therefore, the initial cap should not be set below the current inventory of STRs. However, the right to operate an STR could sunset after a set period of time (4-5 years) and with sufficient notice to STR operators. This allows impacted STR owners to realize a reasonable return on their investment before they must cease operation. To promote a gradual return of STR units to full-time rental operations, the Town may consider incrementally reducing the cap at some rate after the sunset period. One method could reduce the STR supply by attrition, revoking STR registrations for units that are sold to a new owner and prohibiting the transfer of registrations between owners or properties.

Issue new STR registrations through a waitlist or lottery system.

To maintain an equitable and transparent process, use a waitlist, lottery, or similar system to issue new STR registrations whenever the current supply drops below the current cap.

Consider focusing STR limits on units that would be most conducive to long-term rental by full-time residents. One motivation for managing the STR supply is to return a portion of these units to long-term rental for full-time residents at relatively affordable rates. STR restrictions could be focused on units that are more suitable for this purpose, such as smaller, older units in closer proximity to village centers and employment hubs. STRs that would not be attainable to most residents as long-term rentals could be permitted to remain in the STR market so the local economy can continue to benefit from the money spent by their guests.

STRATEGIES

Strategy detail: STR cap

Definition

A fixed limit on the number of short-term rentals allowed within the municipality (and/or within certain districts).

Implementation steps

Clearly define the purpose and goals of the cap.

Develop the cap structure, such as the number of STRs allowed and the process by which STR registrations are obtained, maintained, and transferred or retired. Leverage the new STR registry to explore possible parameters for the cap structure based on the current count, distribution, and types of STRs currently in Stowe. For example, the cap could vary by district, with higher allowances closer to the mountain and lower allowances near villages and established neighborhoods. Or, the cap could be imposed as a blanket limit townwide.

Draft an ordinance codifying the STR cap's structure, administration, and enforcement parameters.

Implementation steps continued

Bring the ordinance to a Selectboard vote. This may involve preparing presentation material to help the community understand the proposal and its potential impacts and benefits.

Set up necessary administration and enforcement capabilities. This may include annual reporting, property inspections, issuance of penalties, and legal support.

In parallel with managing the STR registry and cap, the town could also establish and maintain a record of long-term rental units to help track progress toward a greater supply of housing options for full-time residents.

Precedent example

Woodstock, VT: [Ordinance to Regulate the Operation of Short-term Rentals](#)

Vermont statutory authority

[24 V.S.A. § 4414](#): Zoning bylaws

[24 V.S.A. § 2291](#): Ordinance powers

Cost to the Town

Staff resources setting up and administering the ordinance, along with possible consulting services at times.

Level of effort for staff

Following the Woodstock example, the Town would need to the currently designated Short-term Rental Officer to administer the ordinance.

Enforcement may require capacity from several departments, including accounting, finance, and legal.

STRATEGIES

Public land: Develop town-owned land as affordable or mixed-income housing with conditions.

Assess Stowe's inventory of publicly owned land for housing suitability. While not all town-owned land is appropriate for housing development, sites near village centers and along corridors with available water and sewer service such as Mountain Road could accommodate new units.

Condition the use of Town-owned land with affordability requirements. In exchange for contributing land at reduced or no cost, developers should be required to include affordable units in new projects on Town-owned land. The community should develop affordability expectations and standards that promote housing attainability but are not so aggressive as to undermine a reasonable development's financial feasibility.

Convey public land to the development market through the housing trust. Given the limited capacity of Town staff, Stowe should convey Town-owned land designated for housing to the housing trust for preparation for development. The housing trust would be responsible for holding property, negotiating with prospective developers, and ensuring any transactions result in affordable units as expected and conditioned by the Town.

STRATEGIES

TIF: Establish Tax Increment Financing opportunities to catalyze mixed-income housing development

Leverage Tax Increment Financing (TIF) to catalyze higher density housing development. Following the model demonstrated by St. Albans and other Vermont communities, identify opportunities to create one or more TIF districts targeted toward large multifamily and mixed-use projects such as along Mountain Road north of Main Street.

While TIF funds cannot be used to directly subsidize the construction or leasing/sale of housing units, it can provide indirect support for new development by financing infrastructure such as parking structures, roads, utilities, and sidewalks. Removing these costs from the developer's pro forma can make a project financially viable that otherwise would not "pencil." In this way, TIF can help catalyze new development that would not happen on its own.

Condition TIF funding on attainable and mixed-income housing production. By virtue of its TIF investment, the municipality can set conditions on developers who benefit from the funding. Stowe should require that TIF-supported developments include a share of units with permanent income restrictions. Given the need for attainable housing across income levels, TIF supported units could focus on moderate incomes such as 80-120% AMI to address a significant area of need in Stowe without requiring deeper subsidy that might undermine development feasibility.

Proactively plan for the TIF projects that most effectively impact housing attainability while maximizing the return on municipal investment. This might include conversations with interested developers to understand how to optimize the TIF district's location, scale, structure, and type(s) of infrastructure supported. Stowe should also market TIF opportunities to a broader regional and national development network to expand the pool of potential partners with sufficient capacity and TIF experience.

STRATEGIES

Strategy detail: Tax Increment Financing (TIF) district

Definition

A TIF district allows a municipality to borrow against future increases in tax revenue within a designated area to fund infrastructure and other qualified investments that help enable new development that otherwise could not have feasibly covered all necessary costs.

Implementation steps

Identify one or more areas where infrastructure investment could catalyze new housing affordable or mixed-income housing development.

Update the Town Plan as needed to align with the goals and parameters of this proposed TIF district.

Develop a TIF district plan to specify details such as district boundaries, eligible infrastructure improvements, projected tax increment revenue, expected type and scale of development, financing strategy, and demonstration that the development would not likely occur “but for” the TIF.

Implementation steps continued

Prepare the TIF district plan for Selectboard vote and approval.

Prepare and submit an application to the Vermont Economic Progress Council (VEPC). Collaborate with VEPC toward approval of the TIF district, implementing modifications if required.

If needed, obtain authorization for the TIF district from the State Legislature, subject to state caps on the use of certain tax funds.

Bond infrastructure investments and repay debt with growth in property tax revenue within the TIF district.

File annual reports with VEPC and other governing state agencies.

Precedent examples

St. Albans, VT: [TIF district](#)
VT Agency of Commerce and Community Development: [TIF resources](#)

Vermont statutory authority

[24 V.S.A. §1891-1904](#): Statewide and municipal tax increment financing (subchapters 5-6)

Cost to the Town

Staff resources facilitating the development, approvals, and implementation of the TIF district.

Consultant support to develop and administer the district.

Level of effort for staff

Facilitate the development, planning, and definition of the TIF district. This may involve staff from several departments over many years, including planning, DPW, legal, accounting, and town management.

STRATEGIES

CHIP: Leverage the new Community Housing and Infrastructure Program (CHIP) to catalyze new development

Follow program development progress and prepare for the release of guidelines.

Introduced during the 2025 legislative session, the CHIP program could replace TIF as the most effective tool for public-private partnerships at scale in communities across Vermont. While the official guidance is not expected until November 2025, key parameters have emerged that suggest this program could be very useful in Stowe:

- Sidesteps many Act 250 restrictions
- Defines “affordable” as up to 80% AMI for renters and up to 150% AMI for homeowners.
- Captures at least 85% of the education tax increment and up to 100% of the municipal tax increment.
- No “but for” requirement for affordable developments.

Start exploring CHIP project possibilities immediately.

Applications open January 2026 and the earliest approvals are expected in May 2026. There is limited funding available so the program may be quite competitive. Stowe should start considering potential CHIP projects right away so a compelling concept can be developed in time for the first round of applications. Projects leveraging this program are likely to be relatively large and complex, including partnerships with one or more developers and other partners.

References:

- [Vermont League of Cities and Towns overview](#)
- [Legislation](#)

STRATEGIES

Advocate: Lobby at the regional and state levels to support housing reform and highlight Stowe's unique circumstances and constraints.

Keep Stowe's housing needs and fiscal constraints top of mind with state representatives and leaders. Stowe should use the results of this study to support ongoing advocacy at the state level toward more fiscal and policy accommodations that reflect Stowe's unique fiscal, housing, and cost of living circumstances.

Negotiate with the Lamoille County Planning Commission for larger Act 250 exempt areas. A key part of the state's Act 250 reform involves designating areas within municipalities as exempt from the constraints and restrictions that have historically impeded or prevented housing development in many parts of places like Stowe. Tier 1 areas, the zones where development will be most unfettered by state oversight and control, are currently being mapped by Vermont's regional planning agencies. Stowe should work closely with LCPC to maximize Tier 1 designated areas where development is most appropriate and infrastructure service and capacity already in place, including the village centers and the Mountain Road corridor.

Promote workforce housing production in Stowe to support the local economy. The growing labor shortage could start to imperil many local businesses and institutions, especially those that rely on low- and moderate-income workers to function. The Town should maintain dialogue with major employers, developers, and regional and state policymakers to encourage workforce housing production to compliment initiatives and investments the Town is able to make directly through the housing reserve fund, zoning updates, and other policies.

STRATEGIES

Capacity: Supplement Town staffing and resourcing in line with establishment of new policies and programs.

Ensure the Town is staffed and resourced to successfully implement new housing policy strategies. While some housing policies are relatively low-cost from a Town budgeting and staffing standpoint, others may require new skills, ongoing attention, and frequent action to administer. When adopting a new housing policy, the Town should also budget accordingly for the human resources and other costs that might be necessary to help ensure the policy is implemented and executed successfully.

The need for Town staffing capacity to meet the demands of existing and new policies and programs should be considered an overarching requirement to enable other recommendations, not a discrete strategy of its own.

KEY INDICATORS

Cost-benefit analysis: Overview

The matrix below compares strategies in terms of key measures of cost and benefit. Detailed explanations [here](#).

Strategy	Effort to gain approval	Staff capacity to implement	Capital cost to implement	Year-round units produced	Commentary
Housing reserve fund	Moderate	Low	Low	Moderate	Allows funds to carryover from year to year and provides an expedient way for the Selectboard to utilize the funds (such as in contrast with a la carte annual appropriations).
Housing trust	Moderate	Low	Low	Moderate	Partnering with an existing and/or new organization represents the most resource-efficient way for the Town to expand its affordable housing investment capabilities.
Municipal tax levy	High	Low	Low	Moderate	Adds to an otherwise limited set of resources with which to invest in affordable housing.
Inclusionary zoning	Low	Moderate	Moderate	High	Takes advantage of Stowe's uniquely strong market-rate demand and price tolerance.
STR cap	Moderate	High	Low	High	Intended to slow speculative investment, revert some units back to long-term rentals for full-time residents, and release investment properties to the market.
Zoning updates	Moderate	Moderate	Low	High	Leveraging recent zoning changes to promote Stowe's housing goals.
CHIPS project(s) (opportunistic)	Moderate	High	High	Moderate	Helps maximize the potential of certain key sites.
Town-owned land for development (opportunistic)	High	High	High	Moderate	Creates an opportunity to unlock some of the few remaining sites in town, including those currently owned by the Town and those the Town could acquire and make available for housing.

KEY INDICATORS

Cost-benefit analysis: Detailed

The table below describes how cost-benefit scores were derived for each strategy.

Strategy	Effort to gain approval	Staff capacity to implement	Capital cost to implement	Year-round units produced
Housing reserve fund	While the establishment of a new fund does not itself require new revenue, it represents a new role for the Town as a direct investor in affordable housing which not everyone supports.	Most effort will be required during the set-up period; once in place, relatively low effort required by accounting, legal, and others to administer and provide annual reports.	Embodied as a new accounting designation, this is a vehicle for funds derived by other means and does not require significant capital expense of its own.	Coupled with a new tax levy, this funding could help close financial feasibility gaps to enable projects that might not otherwise be possible. And/or, this funding could enable affordable units as part of developments that might otherwise only include market-rate.
Housing trust	The Town needs to evaluate options and choose a path forward which may take more time and consideration. Choices include partnering with an existing third party, partnering with a new third party, or establishing a quasi-governmental entity to manage. Each choice has different implications in terms of cost, complexity, and control.	Most effort will be required during the set-up period; once in place, relatively low effort required by accounting, legal, and others to administer and provide annual reports.	Embodied through a partnership with a nonprofit entity, this is a vehicle for funds derived by other means and does not require significant capital expense of its own.	Depending on funding levels, available sites, and allowable density, a nonprofit partner could incrementally add new housing at a variety of scales, from single family and ADUs to multifamily developments containing dozens of units. Additionally, new and/or existing units could be reserved for year-round and/or income-qualified residents through deed restrictions managed by the partner.
Municipal tax levy	The workshop revealed broad support for raising new revenue for housing investment. However, some residents feel burdened by the existing tax rate so clear communication and justification for increases will be important.	Most effort will be required during the set-up period; once in place, relatively low effort required by accounting, legal, and others to administer and provide annual reports.	Funds will be raised through direct taxes, not allocated from existing capital budgets.	Coupled with the reserve fund, this funding could help close financial feasibility gaps to enable projects that might not otherwise be possible. And/or, this funding could enable affordable units as part of developments that might otherwise only include market-rate.

KEY INDICATORS

Cost-benefit analysis: Detailed

The table below describes how cost-benefit scores were derived for each strategy.

Strategy	Effort to gain approval	Staff capacity to implement	Capital cost to implement	Year-round units produced
Inclusionary zoning	The impact of this rule would be borne by developers most directly, not existing residents.	Crafting the ordinance will take time, including potential draft iterations for public comment and Selectboard review. Once in place, administration may require more explanation and negotiation time with developers than other zoning rules. Additionally, monitoring compliance with affordability agreements would require Town resources.	While the cost of providing new affordable units will be borne by the developer (and possibly passed on to market-rate unit occupants), the Town may require consultant support to craft the final ordinance.	Stowe permitted nearly 800 units among 5+ unit projects between 2015-2025 which could have yielded about 80 affordable units with a 10% inclusionary requirement. It is likely many developments may contribute payments in-lieu rather than building affordable units, but this could also offer a significant source of revenue that can be invested in affordable units elsewhere.
STR cap	While many residents support this concept, many are skeptical or opposed, including some who rely on STR revenue for supplementary income or as a business in itself. Getting the details right will be critical and also potentially challenging.	Creating the registry has required extensive staff time already. Maintaining STR registrations on an ongoing basis will likely continue to require significant staff time in administration and stakeholder engagement, especially if caps are location-based.	Most of the required investment is in staff time.	While this rule would not directly lead to the overall creation of new units, it could potentially discourage speculative investment purchases that drive up prices and possibly, over the long-term, encourage conversion of some STRs to long-term rental units.

KEY INDICATORS

Cost-benefit analysis: Detailed

The table below describes how cost-benefit scores were derived for each strategy.

Strategy	Effort to gain approval	Staff capacity to implement	Capital cost to implement	Year-round units produced
Zoning updates	Most people agree the Town needs more housing units but there is not universal agreement on where new development is more or less appropriate. Passing this policy may involve debates about details such as density, height, parking, and specific locations where development may become more or less permissible.	Writing zoning updates is relatively low-effort but managing the process to gather and incorporate feedback from the community and Selectboard could require significant staff effort and time.	Targeted near-term zoning updates will primarily require staff time to develop and implement. However, a consultant may be needed for more extensive changes to the code longer-term.	Any increases in allowable density represent net-new units that would not have been possible without revised zoning. Additionally, zoning changes can be crafted to reduce per-unit development cost, potentially leading to more attainable housing options.
CHIP project(s) (opportunistic)	Not unlike Tax Increment Financing (TIF), the new CHIP program involves larger, more complex developments that will require community discussion to define and developer negotiation to structure.	A CHIP project likely will be complex to set up, may require a specialized consultant, and often require ongoing collaboration and negotiation with potential developer partners.	A specialized consultant will be needed to help finalize and formalize CHIP project parameters and partnerships. Additionally, though it will be repaid through the tax-increment mechanism, the Town may need to spearhead expensive infrastructure investments as part of the development and construction phases.	Like TIF developments, CHIP projects are likely to be relatively high density, contributing significant new housing supply in a single project. Additionally, these projects are not financially feasible without the public-private partnership behind them.

KEY INDICATORS

Cost-benefit analysis: Detailed

The table below describes how cost-benefit scores were derived for each strategy.

Strategy	Effort to gain approval	Staff capacity to implement	Capital cost to implement	Year-round units produced
Town-owned land for development (opportunistic)	The public workshop and online survey revealed support for this strategy, though finding consensus on which site(s) to prioritize will require continued community conversation.	Especially given the limited supply of Town-owned land (and available land in general), it is likely each property offered for development will involve significant community dialogue regarding its appropriate use and development/design parameters as well as extensive negotiation with developer partner(s) on the details of proposed projects.	Though land currently owned by the Town could be considered a "free" resource, it has substantial inherent value that would be "spent" to the degree it is contributed to a development deal rather than sold at market value. Additionally, this could include additional land purchased by the Town.	Similar to CHIP and TIF, the units created on these sites are possible entirely "but for" the Town's contribution of the land. While the Town does not hold extensive amounts of land, there are several public sites that could yield a significant number of units.



Appendix

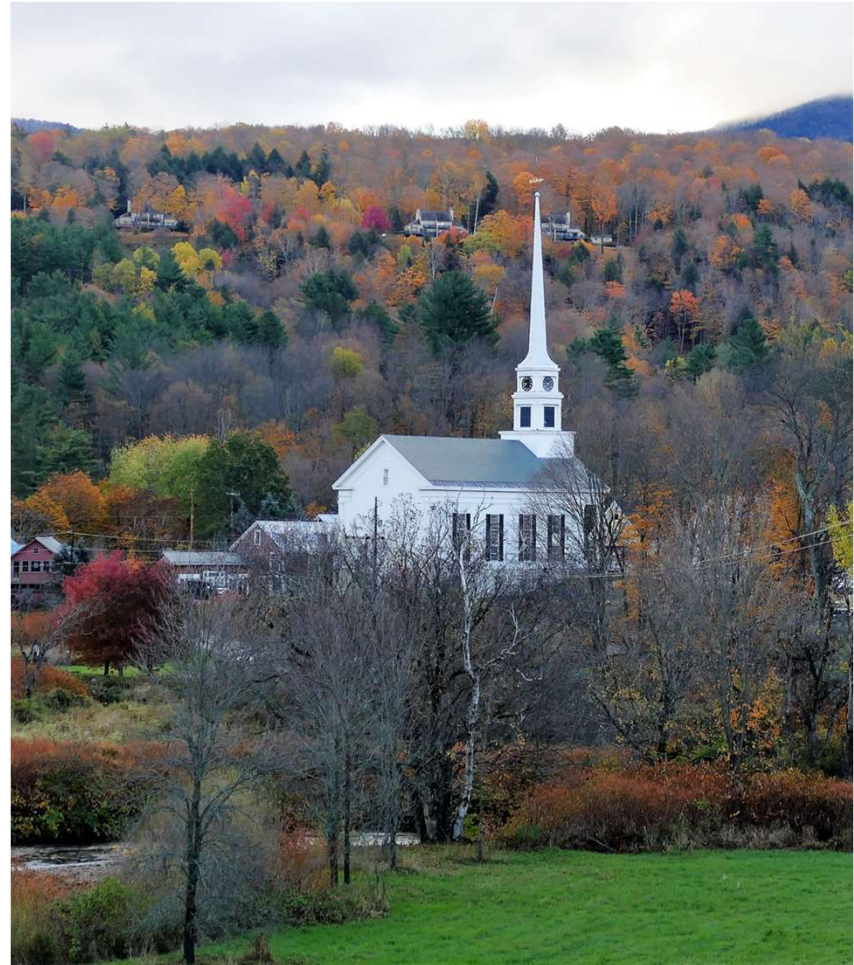


APPENDIX

What's included in the appendix?

Underpinning much of the Housing Needs Assessment findings, engagement, and recommendations above, the appendix includes the following reports and analyses:

- **Literature review**: Overview of recent plans and studies pertaining to housing.
- **Housing needs assessment**: Observations and findings from the project's baseline quantitative analysis.
- **Engagement summary**: Additional results from the in-person workshop.
- **Housing barriers analysis**: Summary of the regulatory, structural, and infrastructure factors that make housing production more challenging in Stowe.





LITERATURE REVIEW

Overview

This section summarizes and provides links to recent plans and policies at the local, regional, and state level that directly or indirectly relate to housing in Stowe.

The Literature review includes:

- Vermont Housing Needs Assessment (2025-2029)
- Lamoille Housing Needs Assessment (2024)
- Stowe Town Plan (2018)
- Stowe 2050 (ongoing)
- Short-term rental registry ordinance (2024)
- Highway Capacity and Congestion Evaluation (2024)
- State Legislature Act 47 (2023)

Vermont Housing Needs Assessment 2025-2029

Vermont Housing Needs Assessment: 2025-2029

Completed for the
Vermont Department of
Housing and Community Development

June 2024

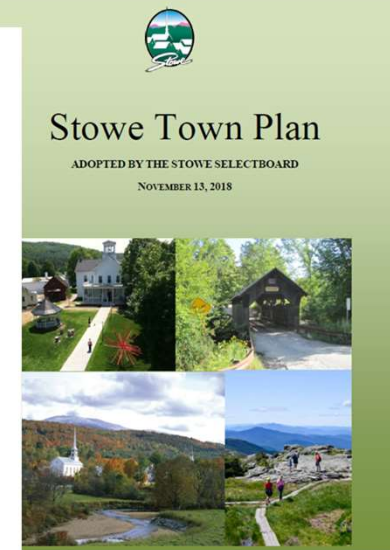


**Town of Stowe Highway Capacity
and Congestion Evaluation**
Phase I: Existing Conditions, Needs,
and Opportunities

April 10, 2024

Prepared for:
Town of Stowe, Vermont

Prepared by:
Stantec Consulting Services, Inc.
193 Tilley Drive, Suite 101
South Burlington, VT 05403



LITERATURE REVIEW

Vermont Housing Needs Assessment (2025-2029)

[Document](#)

This report assessed housing need across the state at the regional level of detail, identifying an overall shortage driven by four gaps:

- **Underproduction:** Growth and demand outpacing the rate of new housing development, including recently increased rates of in-migration.
- **Seasonal housing:** 15% of Vermont’s housing units are seasonal and second homes (including many that are not suitable for year-round use).
- **Aging population:** In this state with the third oldest population, seniors are “under-occupying” larger homes without sufficient options for older households’ changing needs.
- **Rising housing costs:** Rapidly increasing home prices and rents exacerbating affordability gaps.

Housing production targets

	2025-2029		2023 households
	Low	High	
Lamoille County total	1,090	1,586	11,424
Lamoille County per year	218	317	
Stowe total (22% of county)	235	342	2,462 22%
Stowe per year	47	68	

The Assessment includes housing production targets at the regional level of detail. The table above translates Lamoille County’s targets to Stowe’s potential allocation based on Stowe’s share of the total county household population. There is also a potential argument that housing need is already higher in Stowe than other communities in the county which would suggest Stowe allocate itself a higher share of the County’s target than shown here.

The assessment also suggests between 50-66% of new units should be rental.

LITERATURE REVIEW

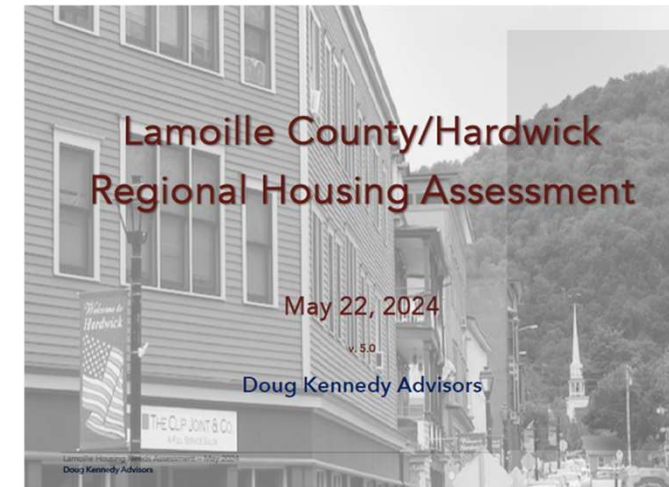
2024 Lamoille Housing Needs Assessment

[Document](#)

This study assessed housing need across Lamoille County, including using similar measures to the Stowe Housing Needs Assessment. Many of the study's charts combine data for each of the county's municipalities as well as the county and state as wholes, providing useful comparative analysis.

Key findings include:

- Lamoille County's economy has emerged from the pandemic in a stronger position than the state overall. However, sustained economic growth requires a supply of housing affordable to local and income workforce.
- The population is aging such that, while most seniors intend to remain in their homes, many will need alternative options later in life, potentially reintroducing their home to younger generations if suitable downsizing options are made available.
- Households are generally small despite generally large housing units that were built for previous generations when families were larger.
- There has been significant housing development within the county over the past two decades but
 - Though there has been significant housing development within the county over the past two decades, members of the community feel too many are oriented toward the visitor economy, such as short term rentals.
 - The market struggles to provide affordable housing to year-round residents. This is driven in part by high costs of land, construction materials, and labor as well as competition with demand for seasonal and short-term units.
 - The analysis and those interviewed for the study suggest the market cannot solve the county's housing challenges alone - some intervention is needed which should:
 - "Take social responsibility to ensure that households with low to moderate incomes can find good quality/affordable housing."
 - "Work to diversify housing availability in the region, from rental/ownership, pricing and form of housing perspectives – with the goal of providing more opportunities for younger and moderate income households to find housing."



LITERATURE REVIEW

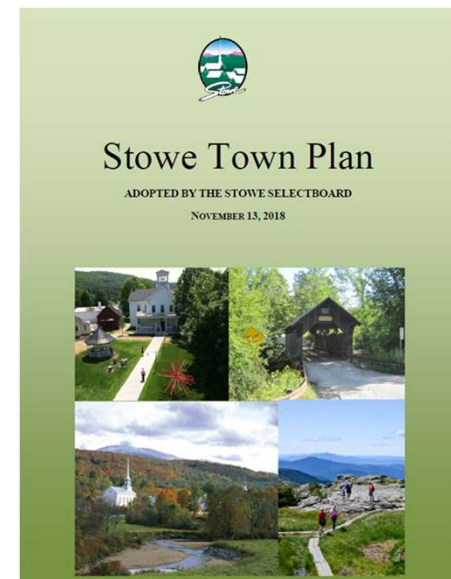
Stowe Town Plan 2018

[Document](#)

Currently being updated as part of the Stowe 2050 process, this previous Town Plan stated the following housing goal: “To ensure the availability of housing for all Stowe residents and non-resident property owners that is of high quality design, is energy efficient, and is compatible with the character of the community.”

The plan included the following housing policies, many of which still resonate today:

1. The development of livable, affordable and energy efficient housing that meets the needs of diverse social and income groups, including elderly, low, and moderate income residents, will be supported under local development regulations.
2. A range of housing options, including owner-occupied, rental, seasonal, year-round, affordable and manufactured units will be accommodated to meet the needs of Stowe residents.
3. The development of higher density, multi-family housing, upper story residential development, and other affordable housing options in designated growth centers and other appropriate locations will be supported under local development regulations.
4. The Town will support financial incentives for the development of affordable housing in Stowe Village, Lower Village and other designated growth centers.
5. Residential development in and around Stowe Village, Lower Village and Moscow Village shall be developed at a scale, character and density consistent with existing neighborhoods and historic patterns of development.
6. Historic residential structures should be preserved and enhanced as feasible.
7. The conversion of residential dwellings to non-residential commercial uses in existing residential neighborhoods in the Village Residential and Rural Residential zoning districts will be discouraged.
8. The Town will work with developers and regional and state agencies to provide new affordable housing and senior housing opportunities in Stowe.
9. The Town will promote energy conservation technologies in new housing construction and in the renovation of existing housing.
10. The Town will partner with local energy committees to provide educational opportunities for homeowners to make their homes more energy efficient.
11. Through its development regulations, the Town will continue to provide for the creation of accessory dwellings with a greater permitted maximum floor area than required by state statute.
12. The Town supports residential Planned Unit Developments (PUD’s) as a means to provide housing that can be more affordable and to provide permanent open space.
13. The Town will continue to provide a density bonus in its zoning regulations for the creation of affordable housing.



LITERATURE REVIEW

Stowe 2050

[Project page](#)

Currently underway, Stowe 2050 represents the town's latest master plan initiative.

The process included a detailed survey that received over 700 responses. Like the master plan overall, the survey covered a variety of topics from economic development to transportation to community services and more. Survey responses suggest affordable housing is a significant concern and a priority among local residents and stakeholders.

The following summarizes the more common sentiments, concerns, and priorities related to housing:

- Increase affordable housing options
- Balance growth with community character
- Connect housing with economic stability (ex. education funding and workforce retention)
- Encourage more workforce housing
- Address zoning and regulations constraining development
- Ensure development does not overwhelm local infrastructure
- Diversify local housing options



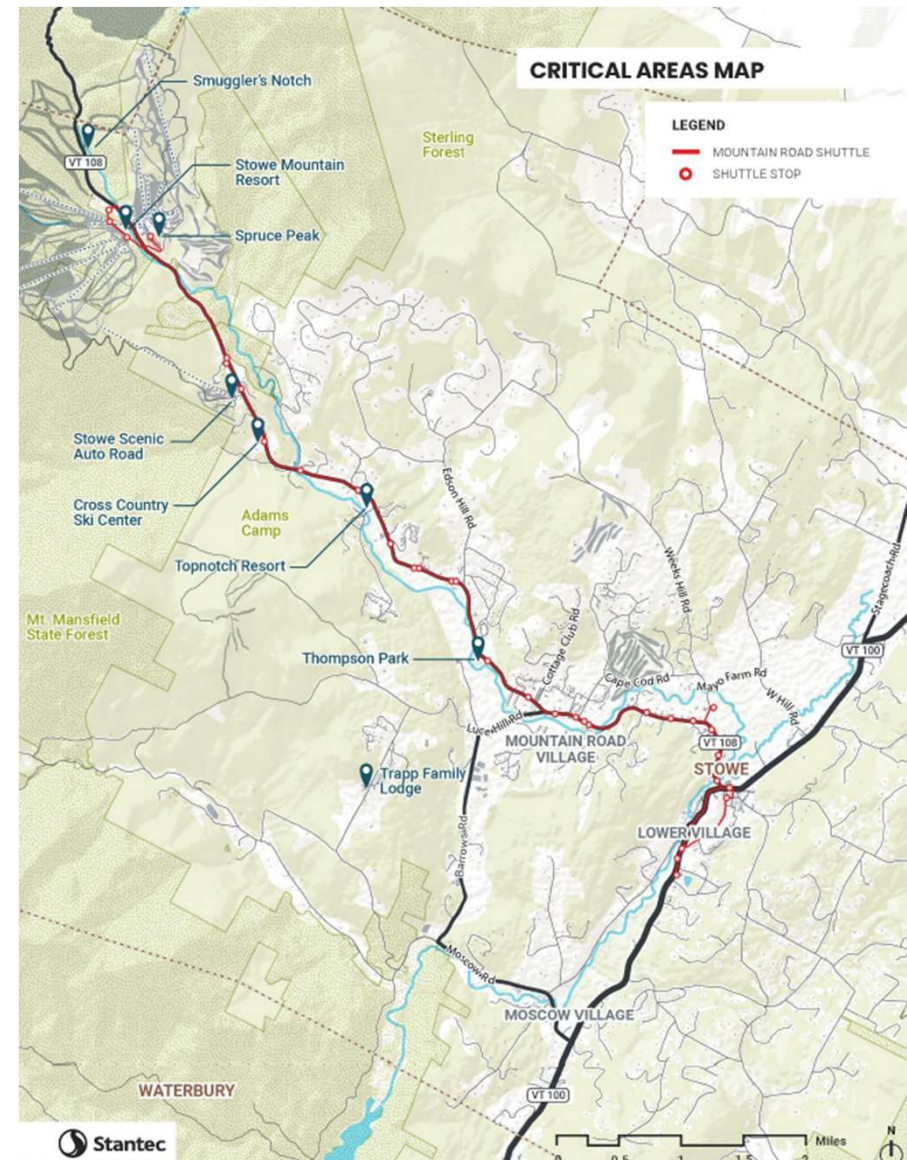
LITERATURE REVIEW

Highway Capacity and Congestion Evaluation

[Document](#)

This 2024 study by Stantec documents Stowe's significant traffic, parking, and other mobility challenges throughout the year, culminating at peak visitor periods in the winter, summer, and fall. Congestion and related issues are most pronounced within and between the villages and between the villages and Stowe Mountain Resort. The study recommends a wide range of improvements and interventions across three categories: infrastructure, services and amenities, and policy.

New housing development, especially if located in and around the villages, will add some level of traffic and parking demand that should be closely managed and incorporated into Stowe's long-range mobility plans to avoid concerns about impacts becoming a barrier to needed housing production. The suite of recommendations proposed by the Stantec study (many of which have been proposed by previous plans and studies as well) will add capacity and accommodation for housing development, adding justification and urgency to advance these projects outside of visitor economy concerns. Bike, shuttle, and pedestrian improvements will help reduce car use by residents of new developments for local trips, easing potential traffic impacts.





Housing Needs Assessment

Quantitative examination of local demographics, economics, housing inventory, and real estate markets to measure housing need, gauge demand, and inform housing production targets to plan for.



ANALYSIS

Methodology overview

The following analysis comprises the foundation of the Housing Needs Assessment by establishing Stowe's current and projected housing needs, demand, and production target to underpin planning policies and strategies.

Housing needs

Determine housing needs of current residents by:

- Profiling household demographics and employment
- Measuring cost burden by income level
- Evaluating existing housing inventory
- Comparing need and supply to identify gaps

Housing demand

Estimate demand for housing over the next 10 years by:

- Establishing overall growth rate
- Analyzing demand drivers
- Quantifying demand by income level
- Integrating market trends and preferences

Production target

Set a production target to guide future housing policy and development by:

- Comparing need and demand
- Calibrating production scale and mix to feasibility constraints
- Detailing optimal housing mix

ANALYSIS

AMI groups and housing affordability

Source: 2023 ACS 5-Year, CommunityScale

The following analysis examines household characteristics and housing need in terms of household incomes relative to the local Area Median Income (AMI). For example, households within the "60-80%" group earn between 60% and 80% of the HUD-established AMI for the metro area.

Each household AMI group has a different range of affordable housing costs. The right two columns indicate the maximum home price and rent affordable to each.

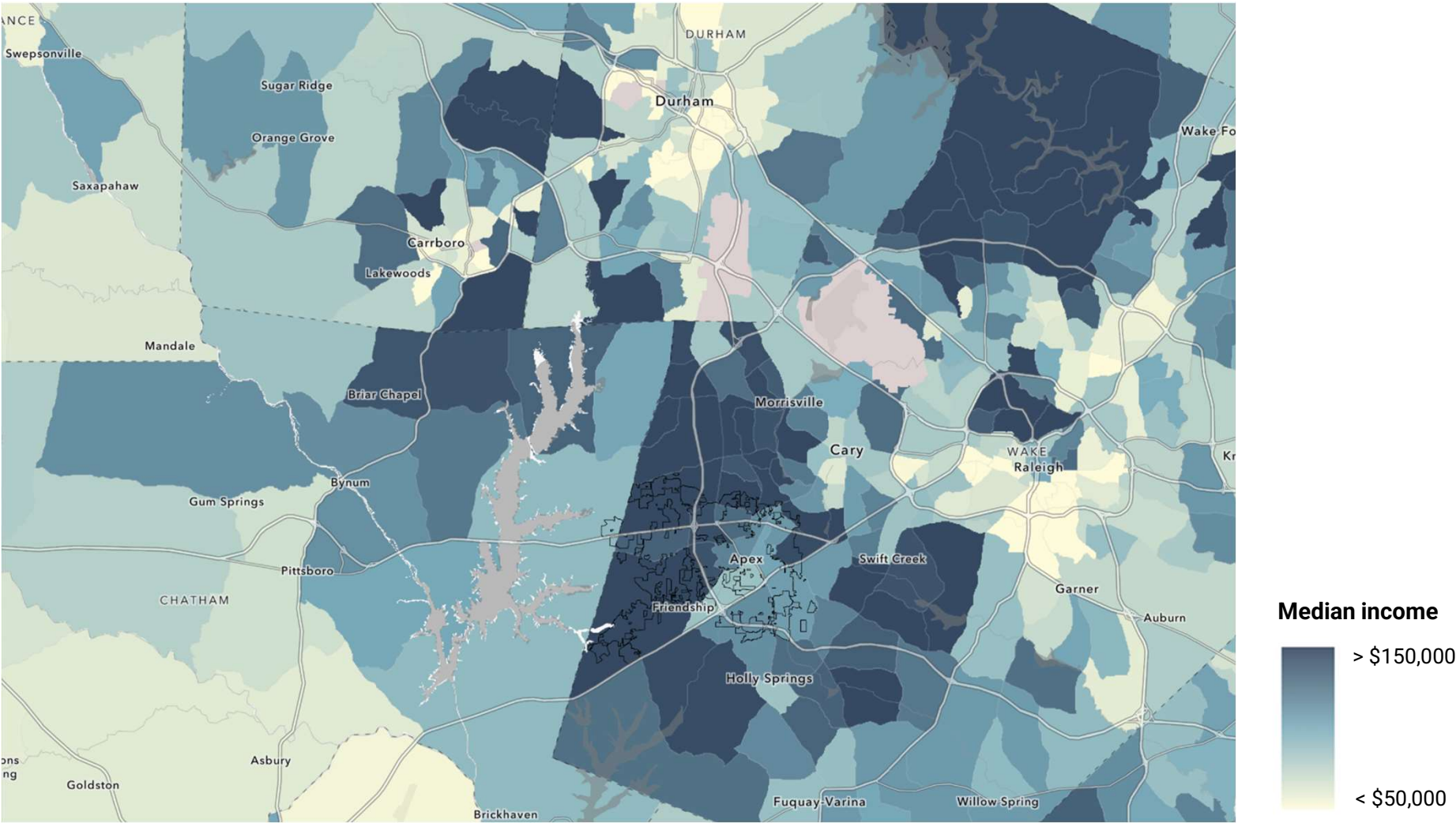
Housing affordability thresholds by household income group

AMI level	Total households	Household income range	Monthly affordable housing costs	Affordable home price max	Affordable rent max
<30%	277	<\$27,800	<\$700	\$49,987	\$526
30-60%	457	\$27,800-\$55,700	\$700-\$1,400	\$124,022	\$1,200
60-80%	313	\$55,700-\$74,200	\$1,400-\$1,850	\$171,615	\$1,633
80-100%	191	\$74,200-\$92,800	\$1,850-\$2,300	\$219,209	\$2,066
100-120%	144	\$92,800-\$111,400	\$2,300-\$2,800	\$266,697	\$2,498
>120%	1,081	>\$111,400	>\$2,800		

ANALYSIS

Median household income, by Census tract

Source: ACS 5-year, 2023



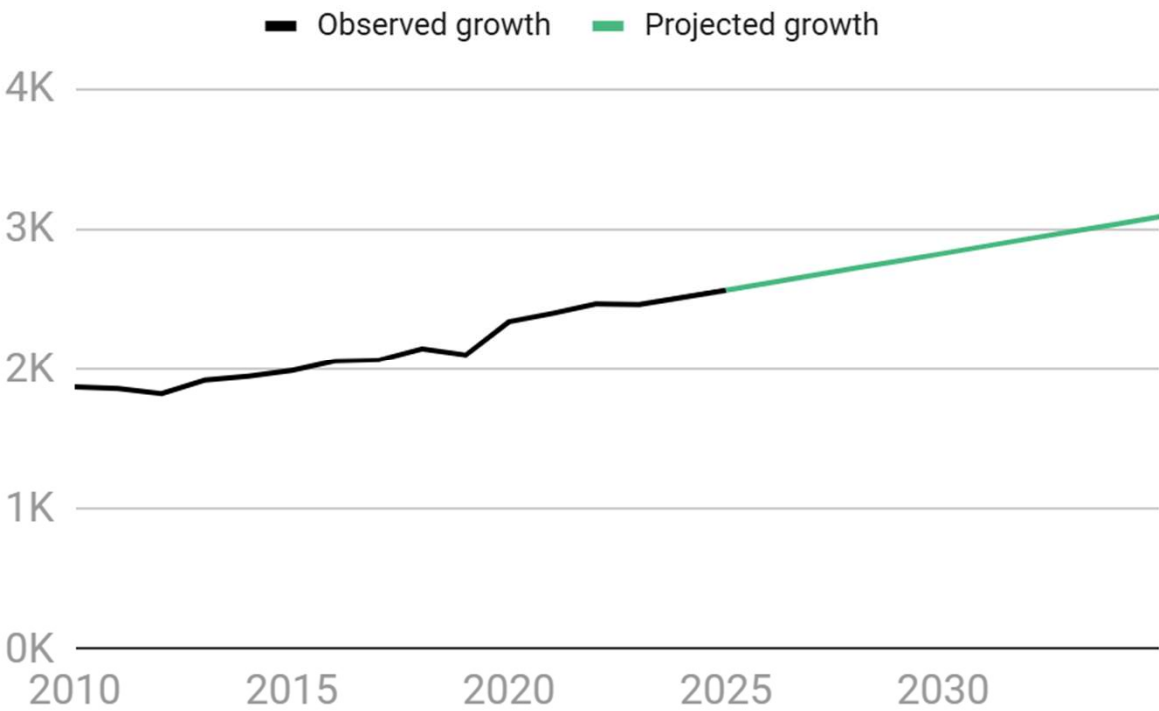
ANALYSIS

Growth projection

Based on recent trends, Stowe is projected to grow to 3,089 households by 2035, a 20% increase from the estimated 2025 household population. However, this growth is not inevitable or assured - it assumes the corresponding housing units are built or otherwise made available to accommodate the new households.

Year	Households	Net new since 2025
2010	1,872	-
2015	1,988	-
2020	2,341	-
2025	2,566	-
2030	2,827	261
2035	3,089	523

Household growth projection based on recent trends



ANALYSIS

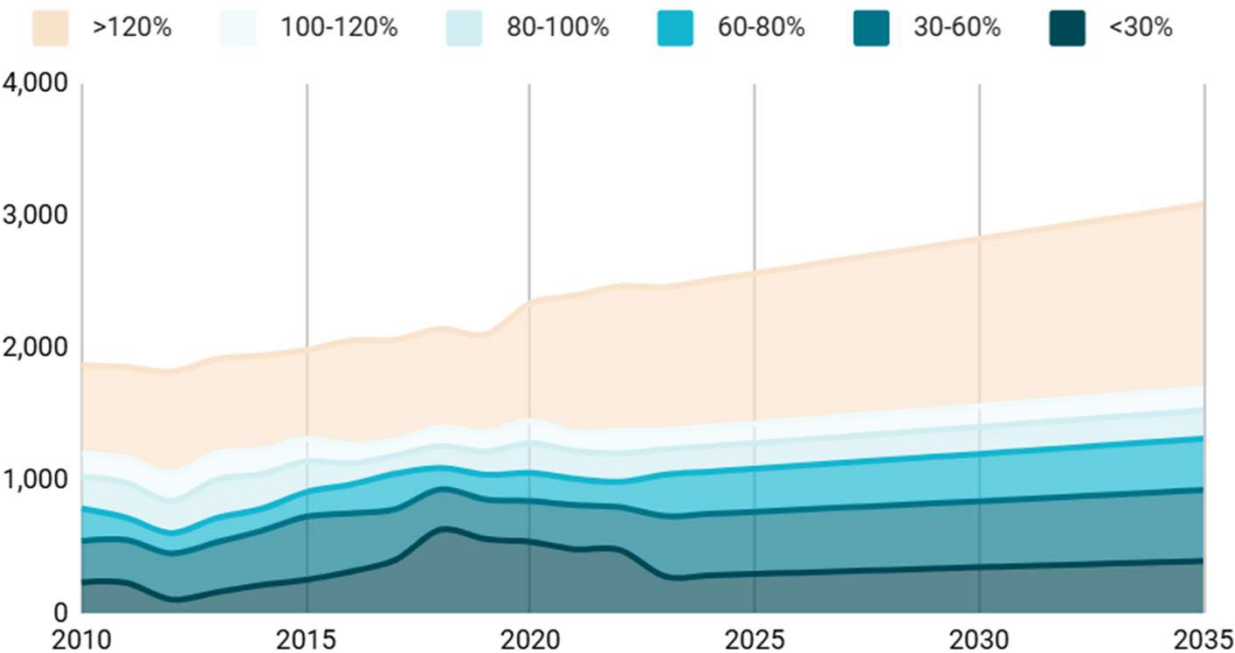
Households by AMI group

Source: 2023 ACS 5-Year, CommunityScale

Stowe’s household population has been growing over the past decade and is on track to continue doing so for the next 10 years, at least from a demand perspective.

In terms of relative incomes, growth is expected at all levels with the largest absolute increase within the >120% AMI group.

Growth trends and projection by household income as % of AMI



AMI group	2010	2025	2035
<30%	233	297	395
30-60%	312	469	536
60-80%	246	325	388
80-100%	241	194	214
100-120%	173	147	165
>120%	667	1,134	1,391
	1,872	2,566	3,089

ANALYSIS

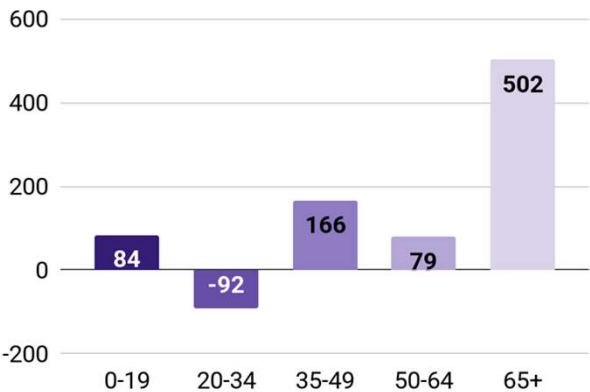
Population age trend and projection

Source: ACS 5-Year, CommunityScale

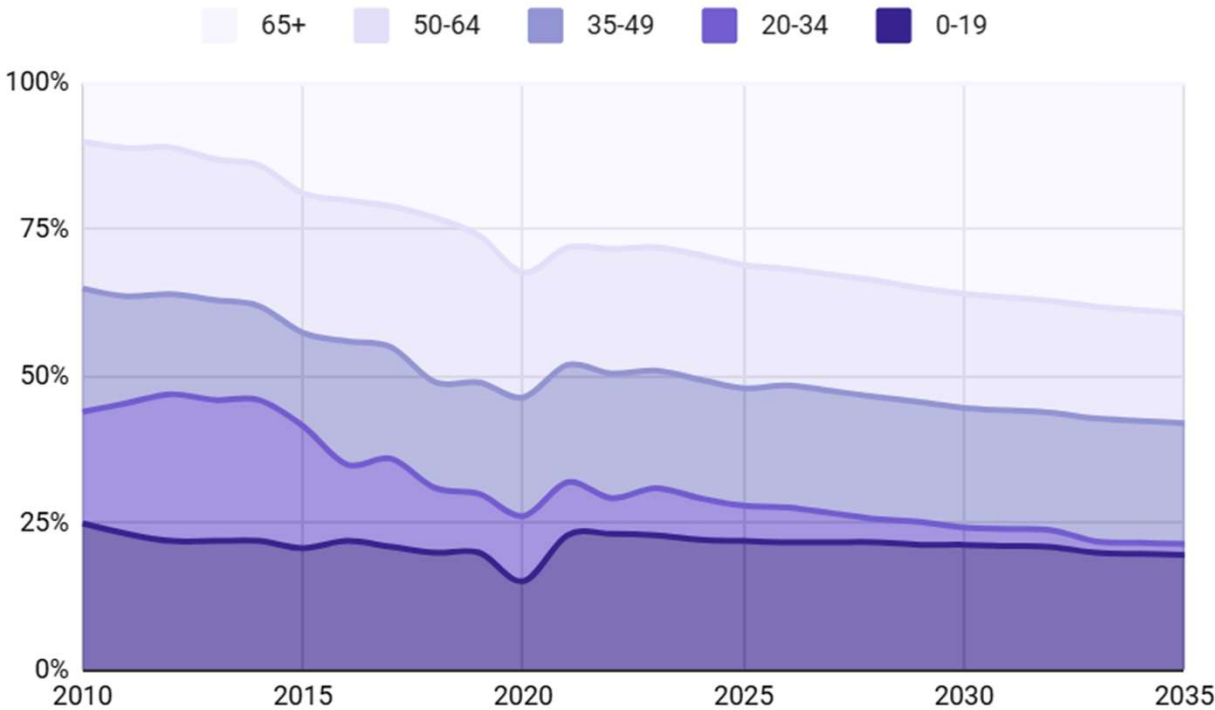
Like many other parts of the country, most of Stowe’s growth is among seniors aged 65 and above. There is some growth among other cohorts but the young adult population (20-34) is projected to continue declining.

Each age group has different housing preferences, such as larger homes for families or a mix of smaller ownership and rental options for young adults and seniors interested in downsizing.

Net household change (2025-35)



Population by age cohort



This chart illustrates trends in population by age cohort, both historic and projected. The projection is based on recent trends extended. Depending on economic, policy, and other conditions, the future age distribution may vary over time.

ANALYSIS

Downsizing seniors

Sources: Census ACS 2023 5-Year; CommunityScale

Most older adults prefer to "age in place" in their existing homes. Only 5% of seniors relocate each year (versus 16% of the rest of the population), with only a portion of those movers specifically downsizing.

Those seniors who do relocate are typically motivated by cheaper, better, or newer housing, family reasons, health reasons, or specific life events.

Relocating older adults are more likely to opt for a newer property, at a rate of about 20% moving into homes less than 10 years old as new homes are typically more suitable for aging.

Potential downsizing seniors, 2025-2035

65+ households of 1-2 people in 3+ bedroom units	441
Potential annual downsizing rate	1.0%
10 year downsizers (and units needed to accommodate them)	44

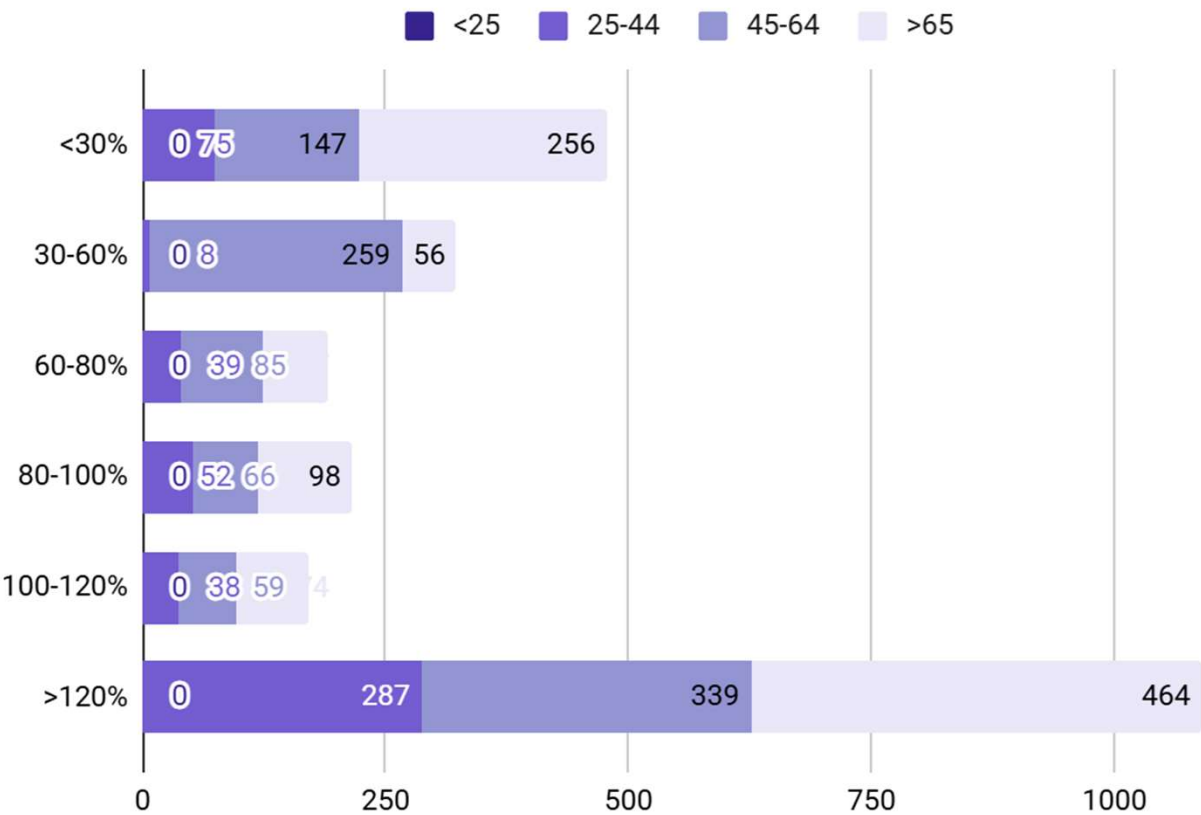
ANALYSIS

Household type by AMI group

Source: 2023 ACS 5-Year, CommunityScale

This chart indicates how each income group breaks down in terms of age of householder. In Stowe, there are households of all ages at every income level, but the youngest and oldest households tend to be lower-income than middle-age households.

Number of households in each AMI group, by age of householder



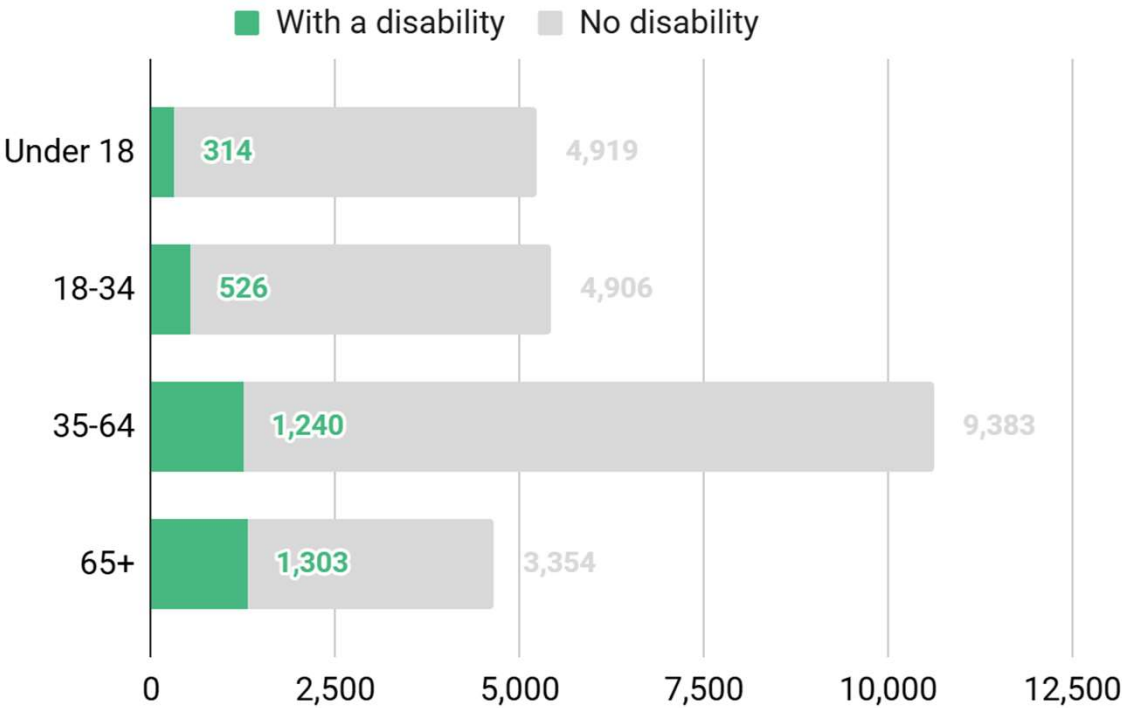
ANALYSIS

People with disabilities

Source: 2023 ACS 5-Year, CommunityScale

Lamoille County’s resident population includes some people with disabilities that may restrict their housing choices. People with disabilities are most common in the 65+ age group but they are represented across all age groups at some level.

Population with selected disabilities by age cohort (Lamoille County)



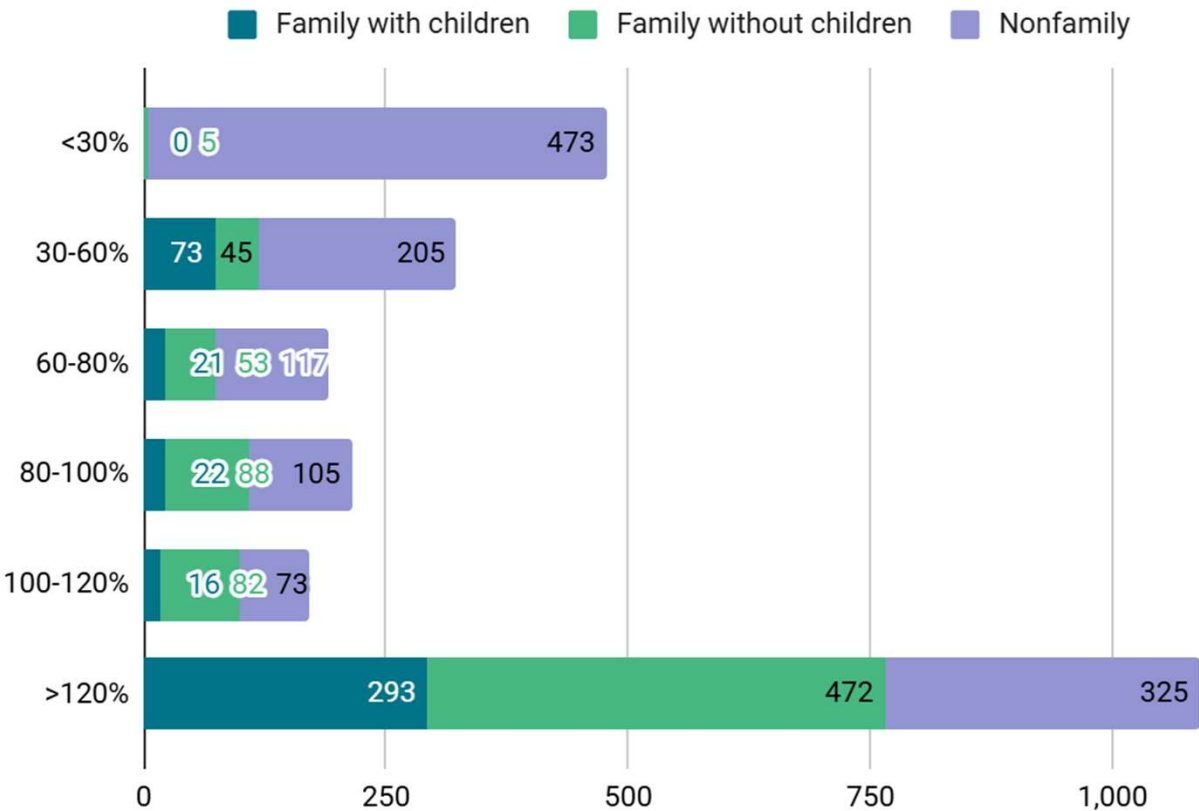
ANALYSIS

Household type by AMI group

Source: 2023 ACS 5-Year, CommunityScale

This chart indicates how each income group breaks down in terms of household type. In Stowe, families with children are most concentrated in the >120% AMI group though some are lower income as well. Nonfamily households are predominantly low-income (this group includes one-person households). Families without children (such as couples) are distributed across incomes but most common at the >120% AMI level.

Number of households in each AMI group, by household type



ANALYSIS

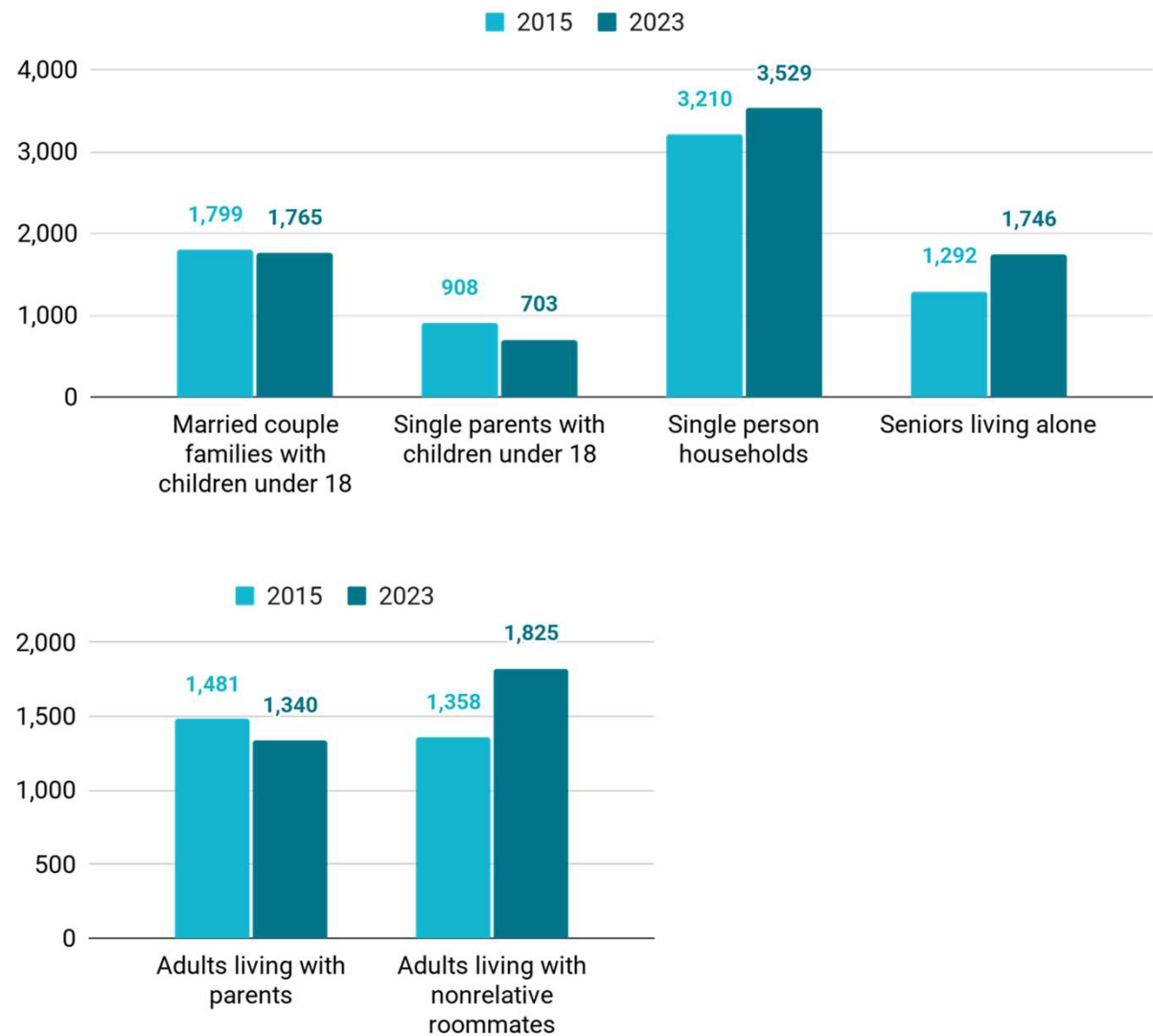
Family and non-family households

Source: ACS 5-Year, 2015 and 2023

Different family types have different housing needs, such married couples with children needing extra bedrooms, single parents needing lower costs, and single people needing less space or an option to downsize into.

Non-family households provide additional signals about the housing supply, from adult children living with their parents for lack of affordable local alternatives and roommates sharing larger units in ways that might differ from a conventional parents and their children (for example, preferring more bathrooms).

Number of households by type (Lamoille County)



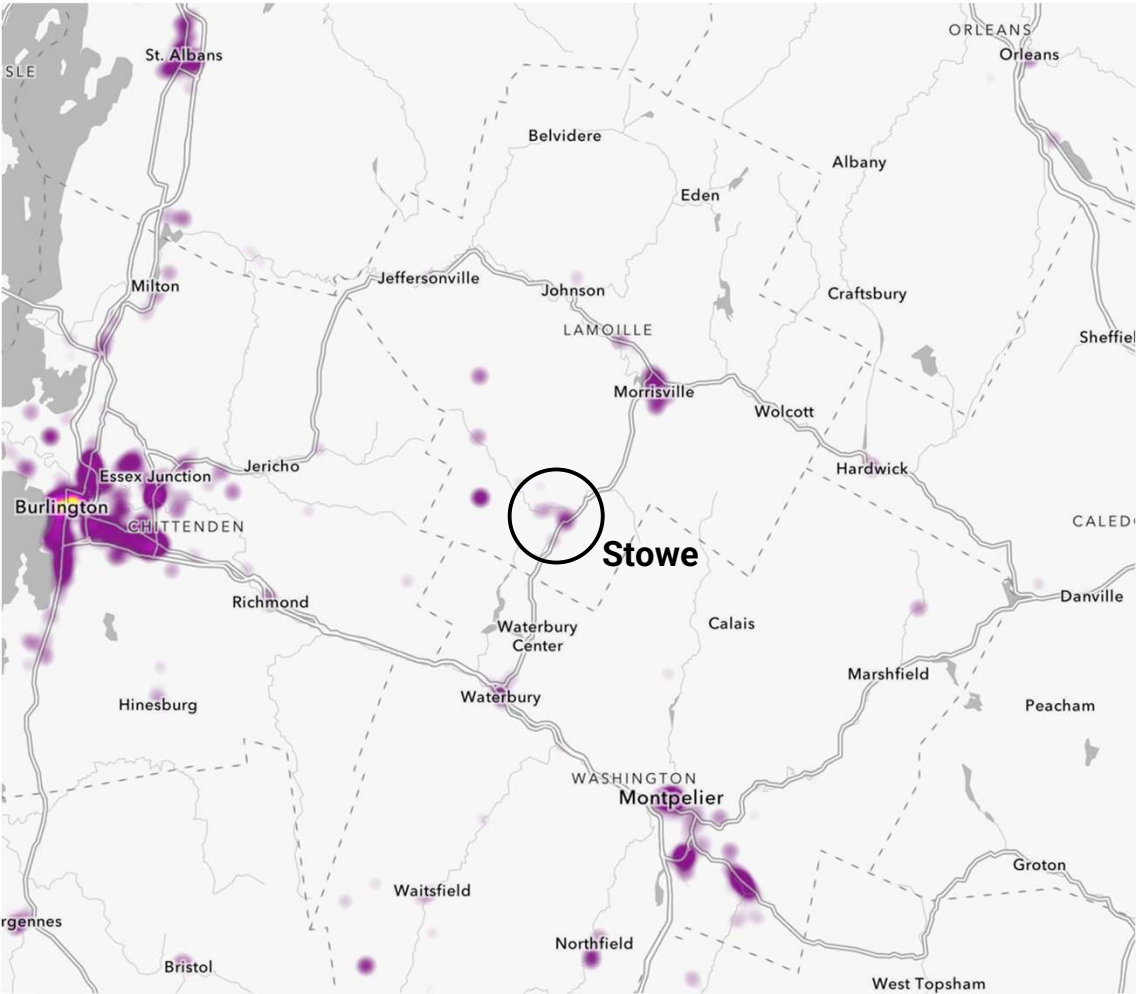
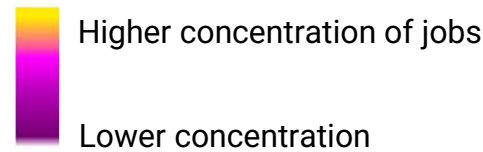
ANALYSIS

Employment centers across the region

Source: Census Longitudinal Employer-Household Dynamics (LEHD) 2022

About twice as many people work in Stowe as live there. Of this workforce, about 25% both live and work in town.

People who live here	2,371
People who work here	4,632
People who live and work here	1,181



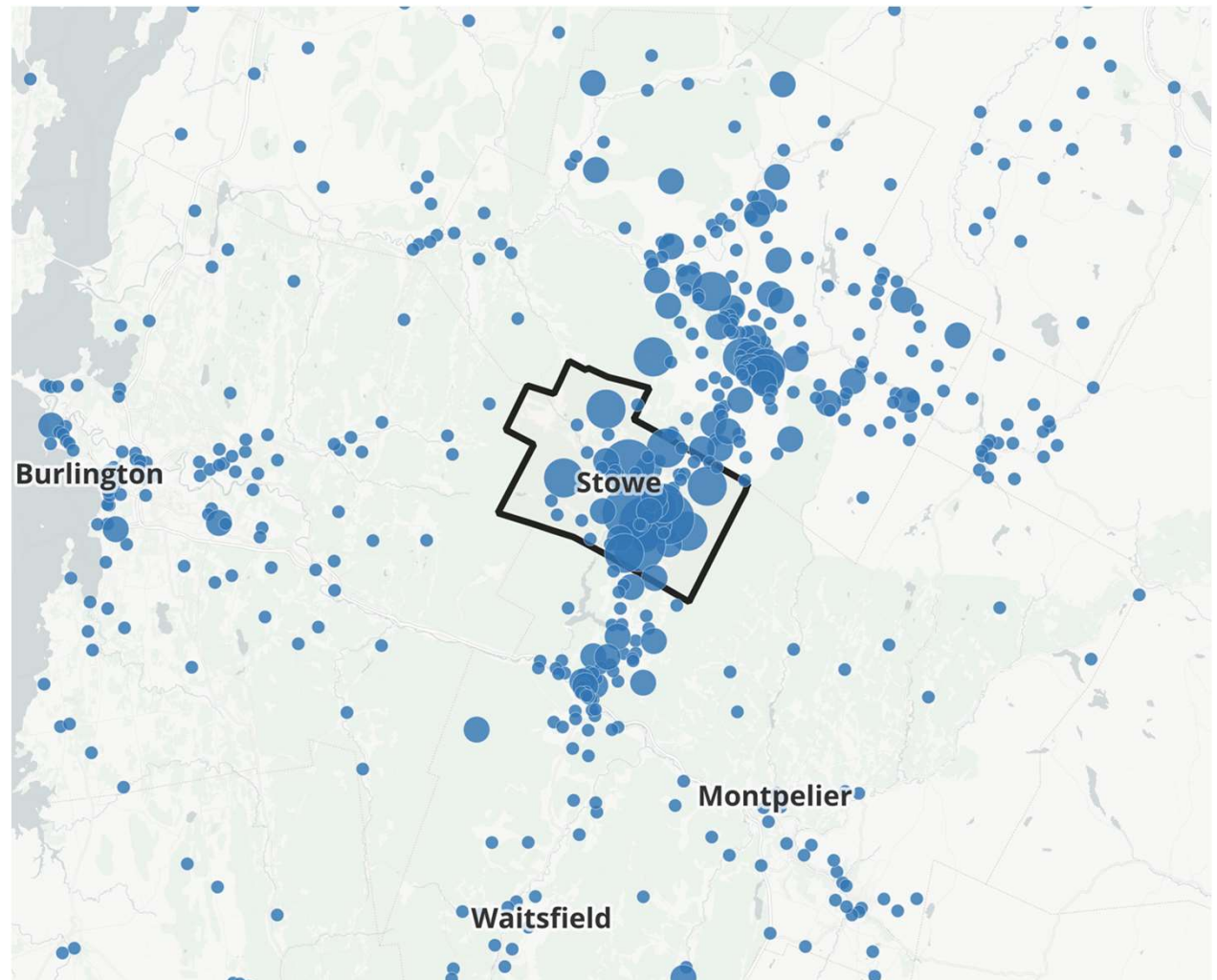
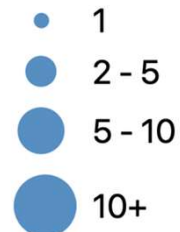
ANALYSIS

Where people live who work in Stowe

Source: Census Longitudinal Employer-Household Dynamics (LEHD) 2022

About three quarters of Stowe's workforce lives outside of town. Though detailed spatial income data is not available for these workers, anecdotal reports suggest most of the lower-income workforce resides to the north and east of Stowe while the higher-income workforce resides south and west.

Worker Counts



ANALYSIS

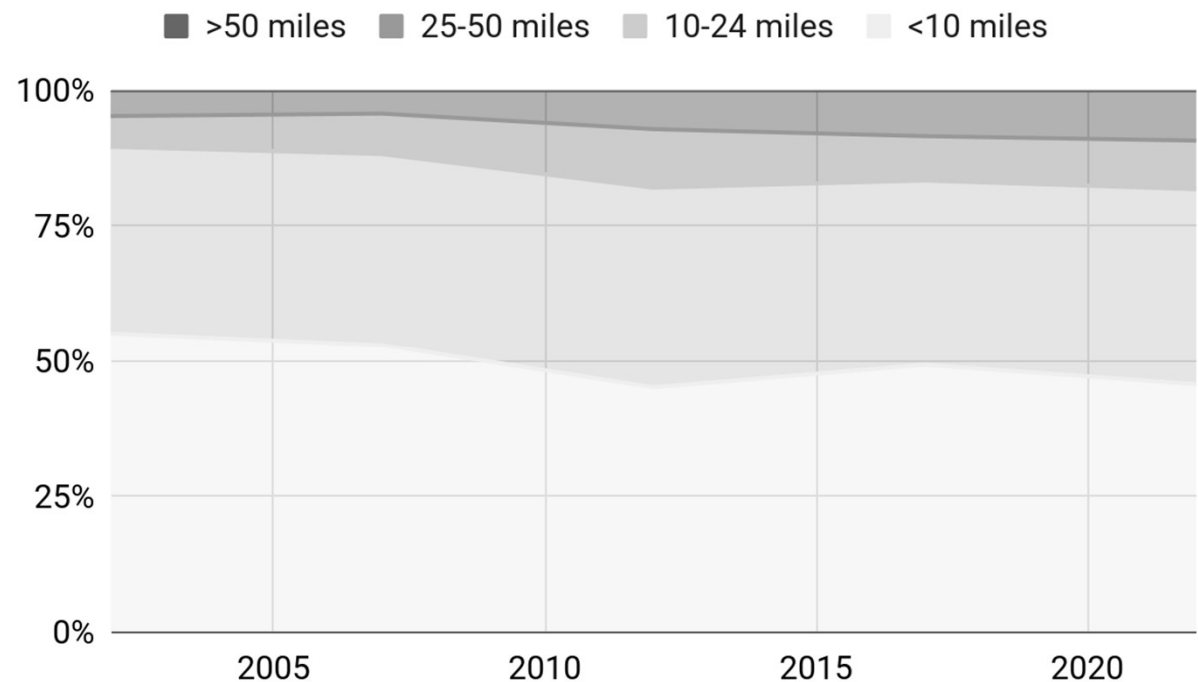
Commute distances are slowly increasing

Source: Census Longitudinal Employer-Household Dynamics (LEHD) 2002-2022

Workers employed in Stowe have commuted relatively long distances for many years. However, >25 mile commutes have edged up since 2002 while <10 mile commutes have dropped. This may be in part due to rising housing costs not just in Stowe but also adjacent communities like Waterbury and Morristown that had historically been the affordable alternative to living in Stowe for the local workforce.

Additionally, the number of people working in Stowe who also live there has dropped from 32% in 2002 to 26% in 2022.

Commute distance to work by people working in Stowe

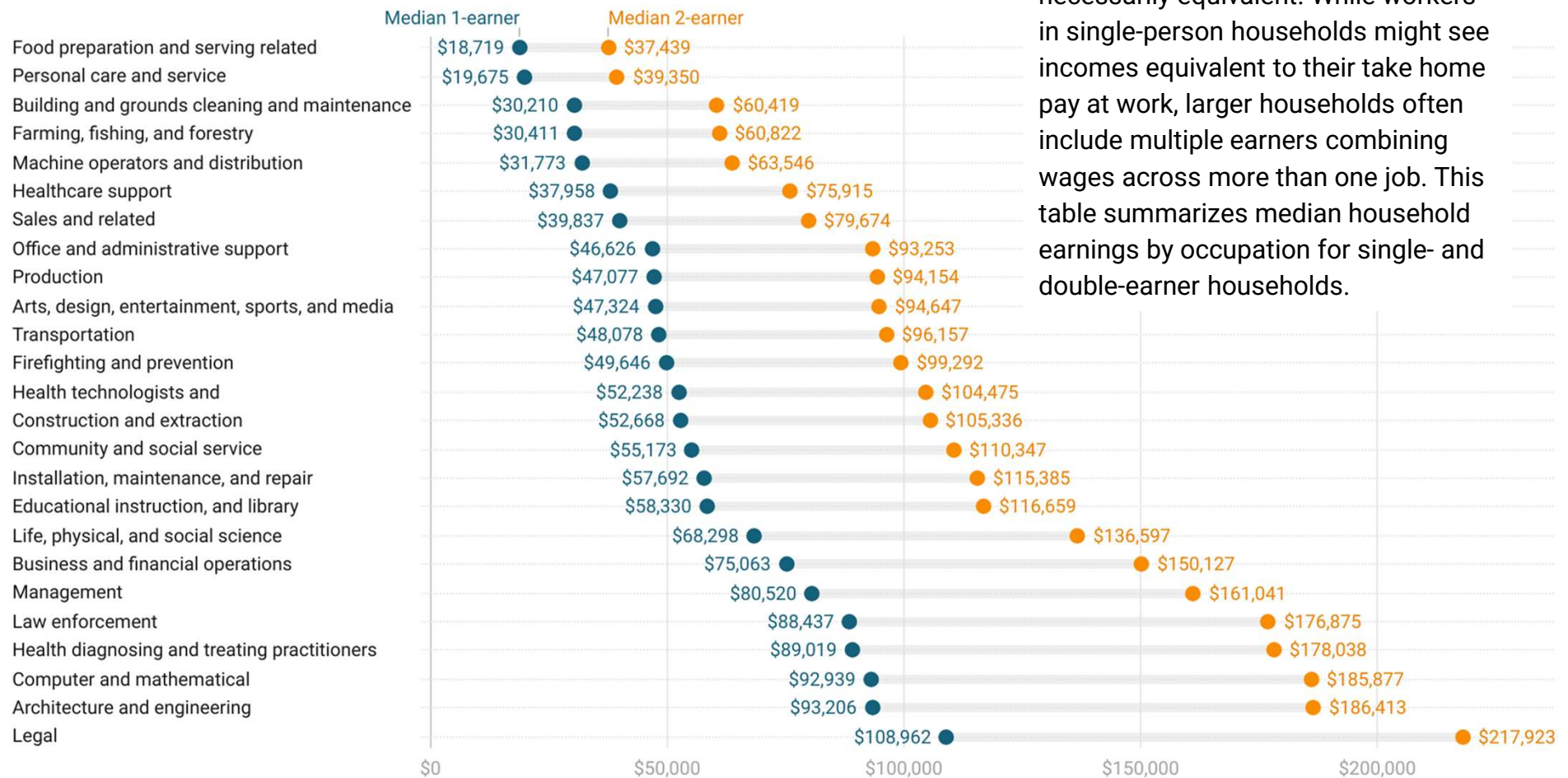


ANALYSIS

Earnings by occupation

Source: Census ACS 5-year 2023

Median household earnings by occupation and number of earners (Lamoille County)



Wages and household income are not necessarily equivalent. While workers in single-person households might see incomes equivalent to their take home pay at work, larger households often include multiple earners combining wages across more than one job. This table summarizes median household earnings by occupation for single- and double-earner households.

ANALYSIS

Housing attainability and the workforce

Source: Census ACS 5-year 2023

Job creation, talent attraction, and workforce retention can be influenced by the availability of housing options that meet the preferences and affordability constraints of prospective employees.

The top table summarizes the home prices and rent levels that would be attainable to typical employees in essential workforce professions. It will be easier to keep these important jobs filled if workers can find attainable housing nearby.

The bottom table indicates pricing attainable to professionals in knowledge sector jobs. These workers may prefer to live (and work) in a community that offers housing at moderately high price points along with amenities that support a good quality of life.

Essential workforce, selected occupations

Occupation	Attainable home price	Attainable rent
Healthcare support	\$125,000 - \$250,000	\$845 - \$1,690
Fire prevention	\$165,000 - \$330,000	\$1112 - \$2,223
Education	\$195,000 - \$390,000	\$1,290 - \$2,579
Law enforcement	\$295,000 - \$590,000	\$1,957 - \$3,913

Knowledge sector workers, selected occupations

Occupation	Attainable home price	Attainable rent
Management	\$270,000 - \$540,000	\$1,801 - \$3,602
Computer engineering	\$310,000 - \$620,000	\$2,068 - \$4,135
Architecture and engineering	\$310,000 - \$620,000	\$2,068 - \$4,135
Legal	\$365,000 - \$730,000	\$2,423 - \$4,847

ANALYSIS

Cost-burdened households by AMI group

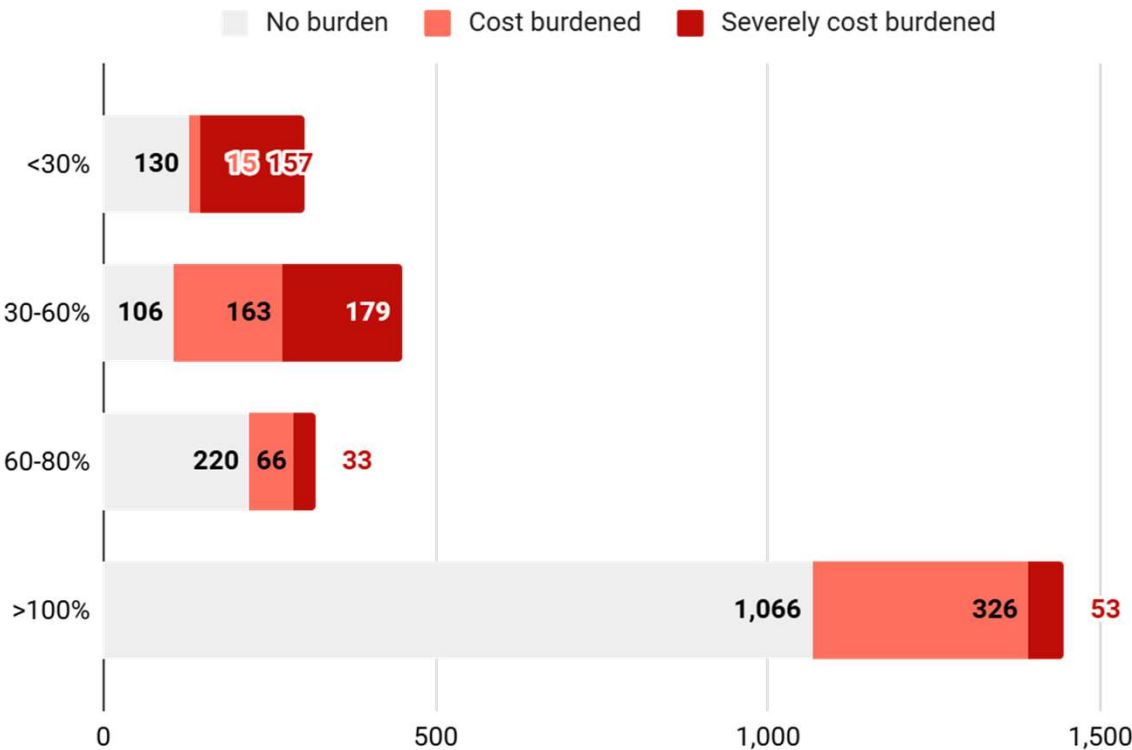
Source: 2023 ACS 5-Year, CommunityScale

Households are cost burdened when paying more than 30% of their income on housing costs. They are considered severely cost burdened when these costs exceed 50% of their income. For [renters](#), this includes lease rent and utilities. For [homeowners](#), this includes mortgage costs, property taxes, insurance, utilities, and any condo fees.

Cost burden is prevalent at all income levels in Stowe, indicating even household incomes well over 100% AMI does not secure attainable housing for many.

According to [Census research](#), approximately 60% of HUD Housing Choice Voucher and state voucher recipients report their contract rent, which results in an overestimate of cost burden among lower income households. There are less than 10 households receiving that type of subsidy in Stowe, so the degree of overestimation is low.

Number of households in each AMI group, by cost burden



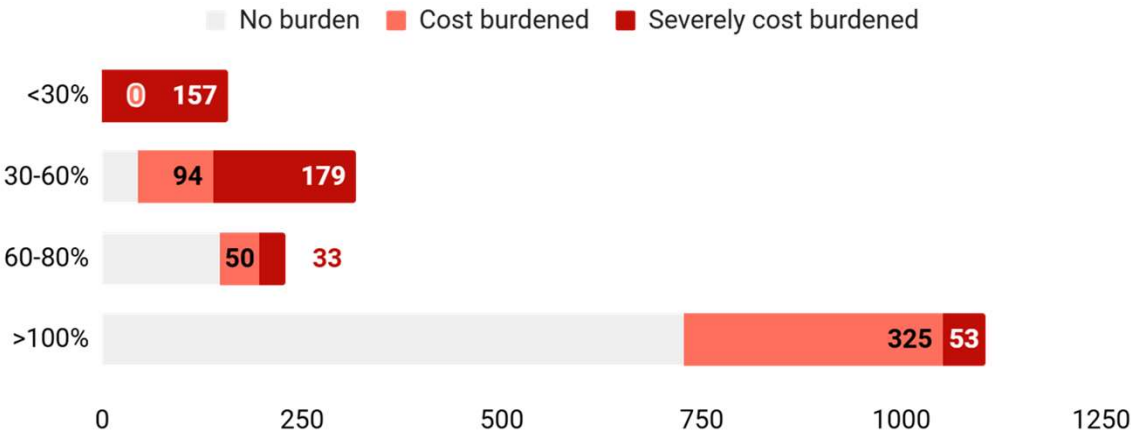
ANALYSIS

Cost burden by AMI group and tenure

Source: 2023 ACS 5-Year, CommunityScale

In most high-cost markets and communities across the country, renter households are more likely to be cost burdened than homeowner households. However, in Stowe, the trend is reversed: 49% of homeowners are cost-burdened compared to 14% of renters.

Homeowner cost-burdened households by income group



Renter cost-burdened households by income group



ANALYSIS

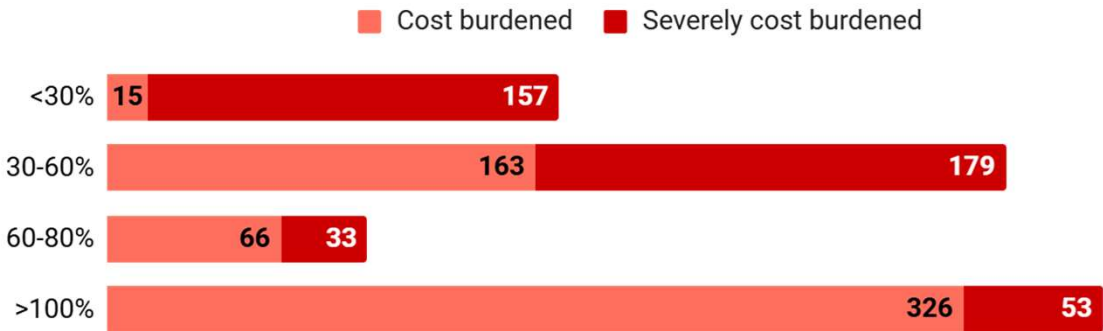
Attainability gaps

Source: Census ACS 5-year 2023, PUMS 1-year 2023, CommunityScale

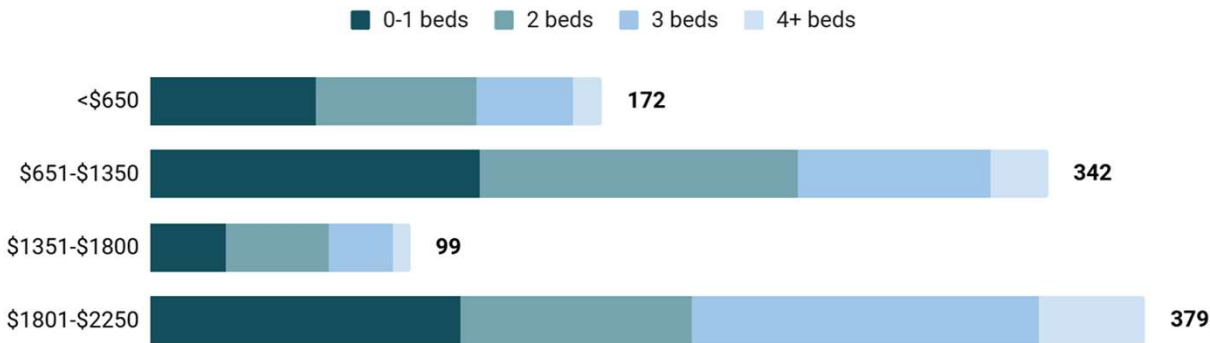
By definition, the housing needs of cost burdened households are not being met affordably by the current supply because they must pay more than 30% of their income to afford to live where they do. This can be referred to as the local housing “gap” or “shortage:” the units needed to counteract cost burden by providing a mix of units that matches the households ability to pay.

The top chart at right summarizes Stowe’s total cost burdened households by income level in terms of AMI, up to 100% (data is not available above this level, though there are likely cost burdened households above 100% AMI in Stowe). The bottom chart indicates the mix of units that would meet this group’s bedroom count preferences and ability to pay. These units would, in other words, be “attainable” housing options for these presently cost burdened households.

Current cost-burdened residents by income (Census ACS)



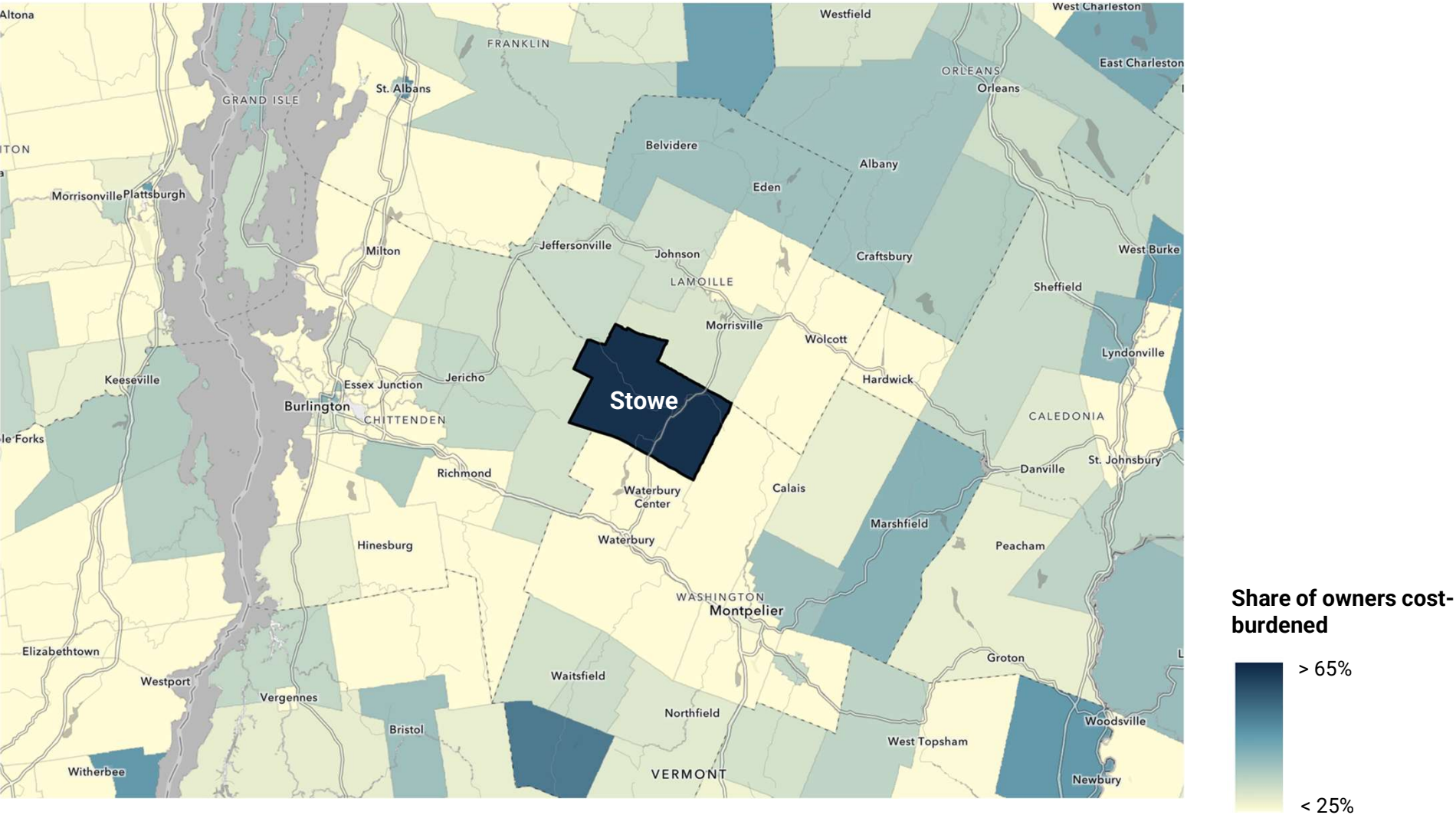
Housing mix needed to counteract current levels of cost burden (Census PUMS)



ANALYSIS

Cost-burdened homeowners by Census tract

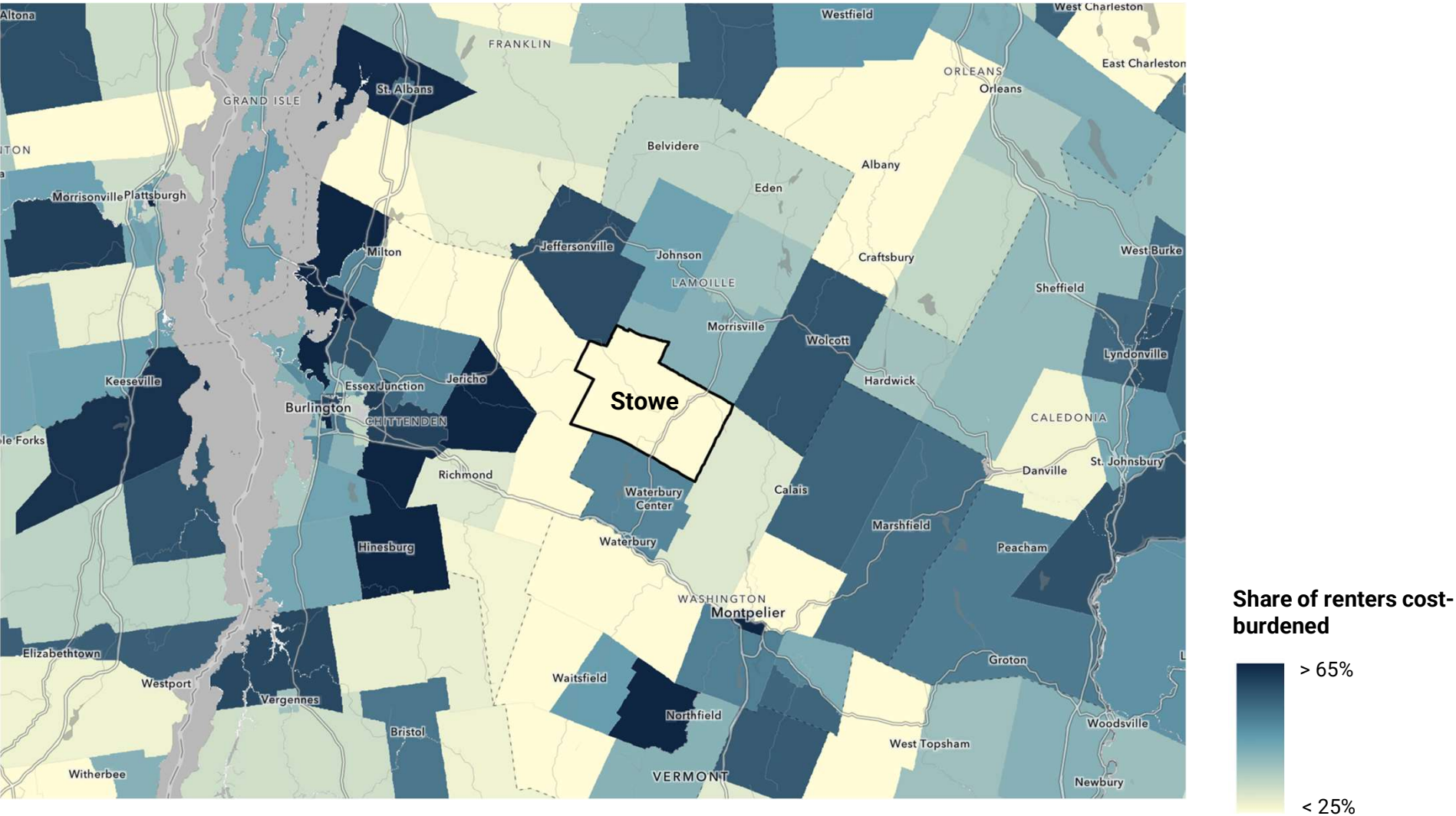
Source: ACS 5-year, 2023



ANALYSIS

Cost-burdened renters by Census tract

Source: ACS 5-year, 2023



ANALYSIS

Existing units by structure type

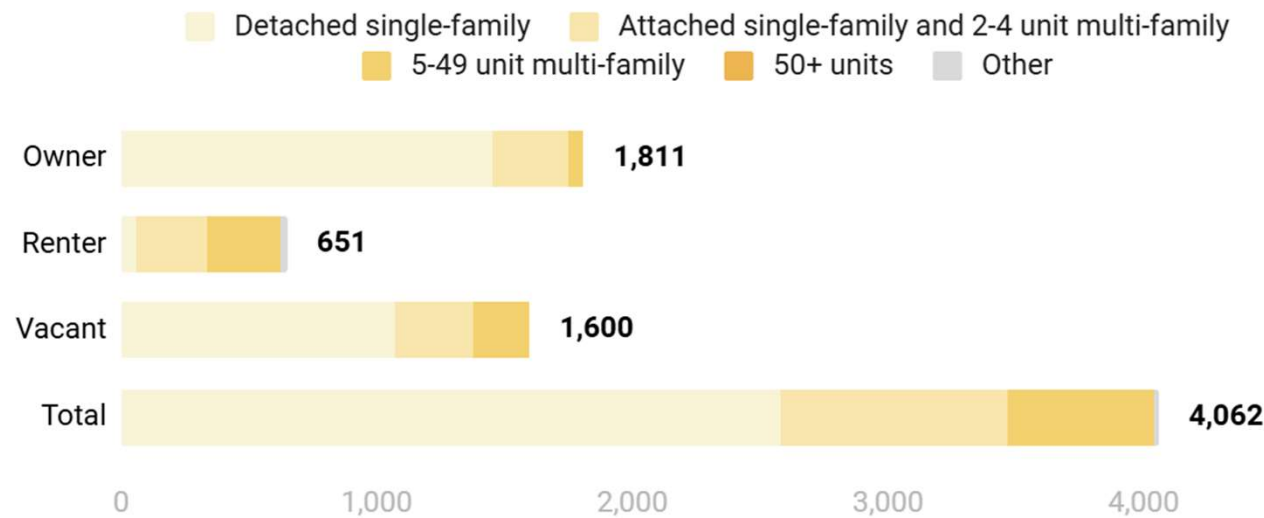
Source: ACS 5-year, 2023



This graph inventories the local housing stock in terms of each unit's structure type, a characteristic defined as the number of units in the building that contains a given unit.

Households may have different structure type preferences depending on characteristics such as household size, income, employment, presence of children, age of individuals, and lifestyle choices. Understanding the housing stock in corresponding terms helps assess how well existing units align with existing households' ideals.

Existing units by structure type



* The high vacancy rate in Stowe is driven by second homes and short term rentals.

Add a note to try and quantify STR
Some owner-occupied might be STR just one month a year

ANALYSIS

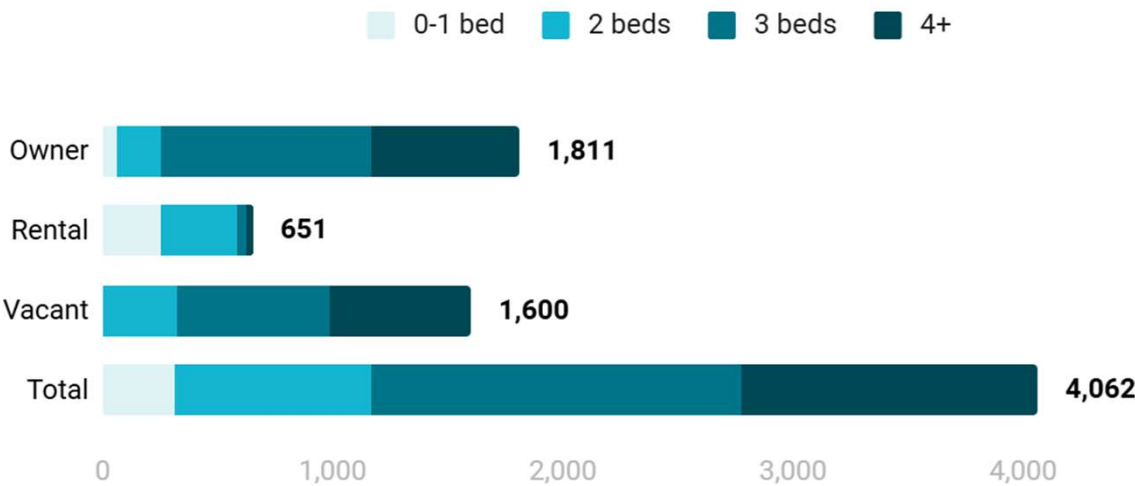
Existing units by bedroom count

Source: ACS 5-year, 2023

This graph inventories the local housing stock in terms of bedroom count by unit by tenure. The majority of Stowe’s ownership units are three bedroom or larger, while most rentals are two bedrooms or smaller.

Household size and the presence of children are primary drivers for bedroom count with, as expected, larger families desiring more bedrooms than smaller households. However, other factors such as income and the incremental cost of extra bedrooms also influence these preferences. In most places, ownership units are generally offer more bedrooms than rental units. As above with structure type, this is not exclusively a result of the market reflecting household preferences.

Existing units by number of bedrooms



** The high vacancy rate in Stowe is driven by second homes and short term rentals.*

Few single family houses contain less than three bedrooms so, if they dominate the local ownership supply, there will not many small ownership units available. Conversely, most rental units contain fewer than three bedrooms so households interested in renting a larger unit may have limited options to choose from. This misalignment is at least somewhat driven by the fact that it is less capital efficient to build small houses and large apartments even if there may be some demand for them.

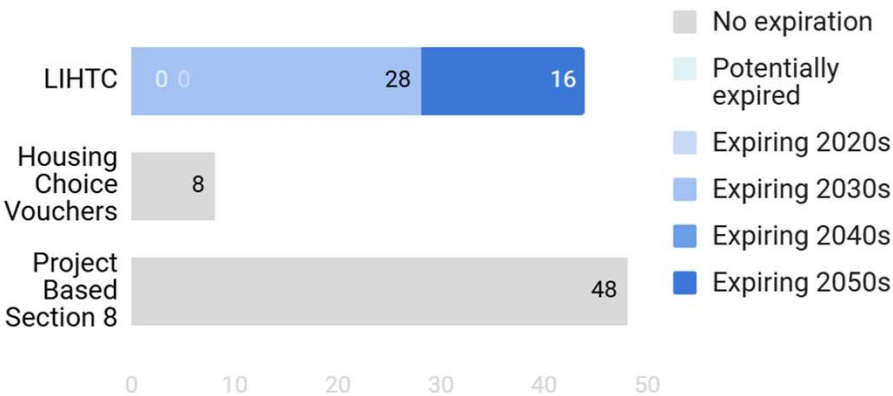
ANALYSIS

Committed affordable housing units

Source: HUD

The local housing stock includes a relatively small number of households supported by HUD programs such as Low Income Housing Tax Credits (LIHTC) and choice vouchers. For households with particularly low incomes, programs like this can represent one of the only housing options available to them.

HUD-subsidized affordable units by program and expiration date



ANALYSIS

Housing production over time

Source: ACS 5-year, 2023

This table chronicles the community's development history, indicating decades with relatively more or less construction activity. Stowe’s housing development has been relatively consistent over the decades, though activity has slowed somewhat recently compared to the busiest periods around the turn of the 21st century. Projected growth over the next decade suggests a moderate development will continue into the future.

Existing units by year built

Year built	Units	Share	Cumulative share
2010 or later	318	8%	8%
2000 to 2009	705	17%	25%
1990 to 1999	824	20%	45%
1980 to 1989	475	12%	57%
1970 to 1979	533	13%	70%
1960 to 1969	401	10%	80%
1950 to 1959	280	7%	87%
1940 to 1949	24	1%	88%
1939 or earlier	502	12%	100%

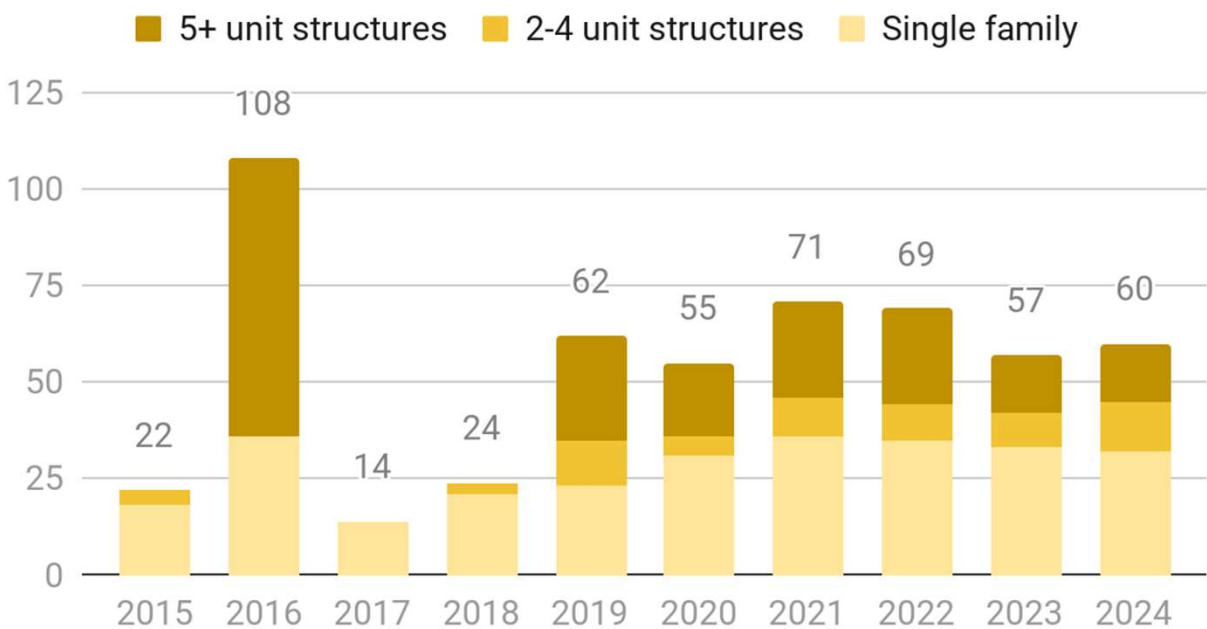
ANALYSIS

Permitting history

Source: US Census Building Permit Survey, 2025

Building permitting history is a proxy for construction activity over time. Stowe has seen overall growth in annual permits throughout the past decade.

New construction housing building permits issued by year



ANALYSIS

Homeowner costs

Source: Zillow ZHVI 2024, Census ACS 2023 5-Year

The chart at right tracks the [typical market value](#) for single family homes and condos over the past several years.

The above table translates these values into monthly costs (including mortgage + tax and other costs).

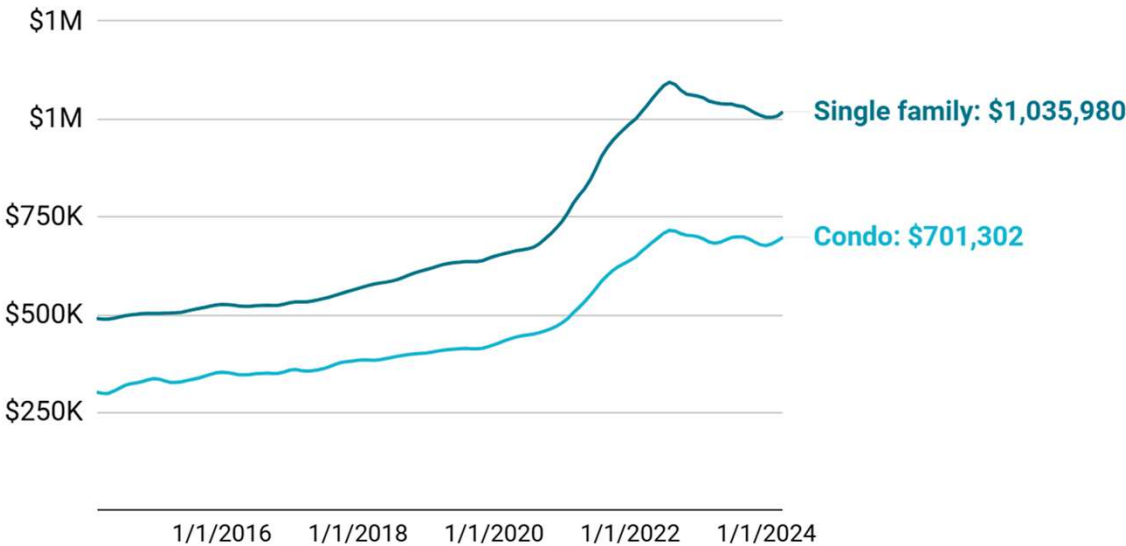
The bottom chart summarizes the distribution of costs across all ownership units in the area, most of which last transacted years ago.

These charts reveal the difference between how much most homeowners currently pay per month (bottom) and it would cost per month to own a home purchased on today's market (top).

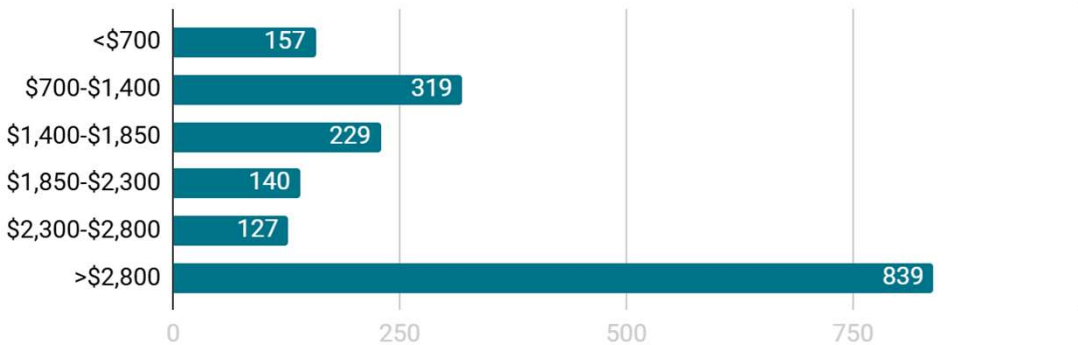
Few Stowe homeowners likely pay the \$5,605 required to buy a condo or \$8,221 to buy a single family house on today's market.

Home type	Home price	Monthly cost
Single family	\$1,035,980	\$8,221
Condo	\$701,302	\$5,605

Typical market value of ownership units



Owner households by current monthly housing costs

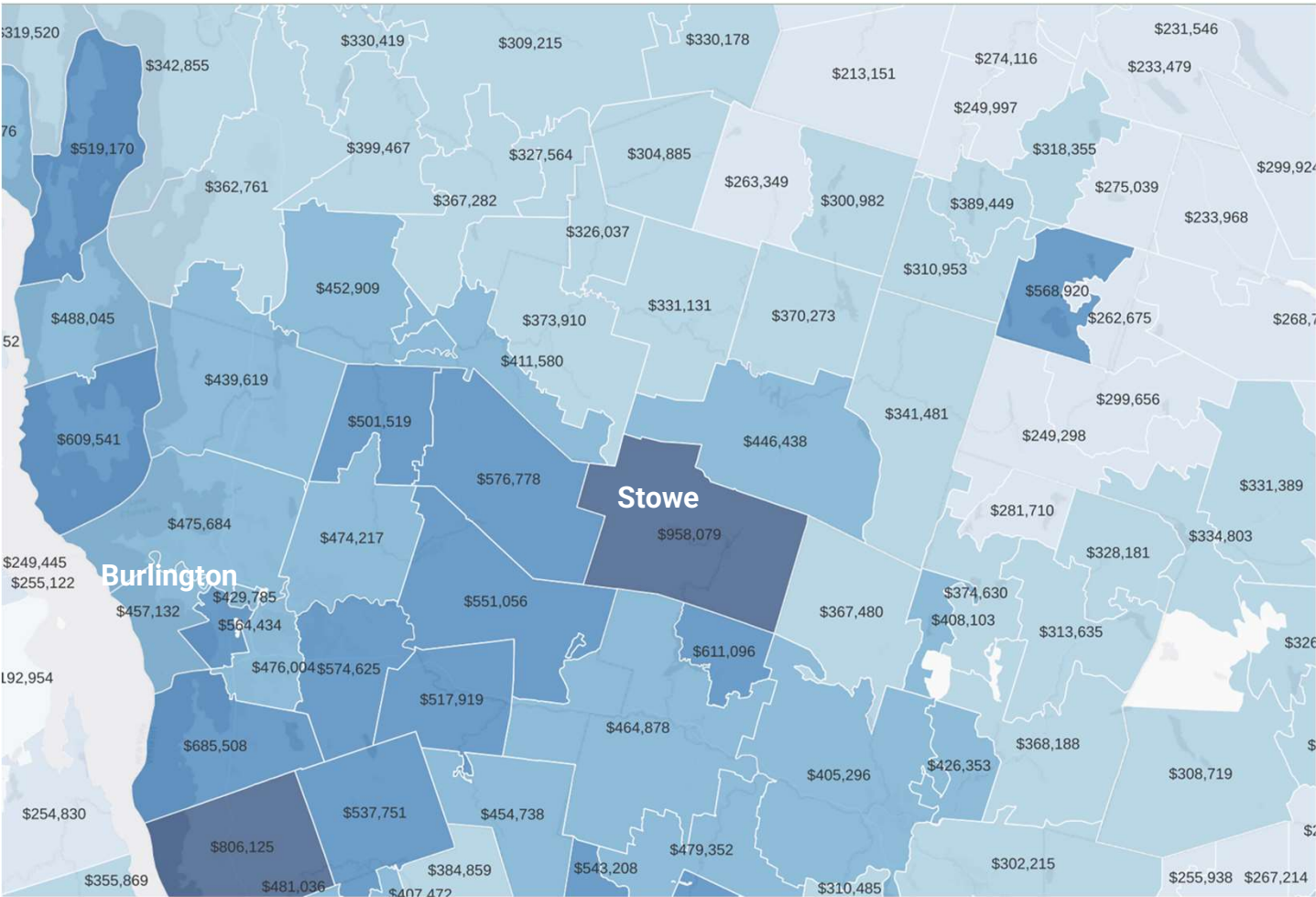
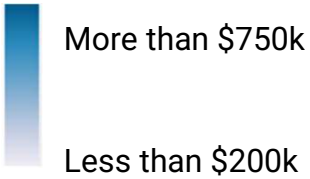


ANALYSIS

Typical home prices by zip code

Source: Zillow ZHVI 2024

This map illustrates typical home prices in November 2024 by zip code in Stowe and surrounding areas. “Typical home price” is defined by Zillow as “the typical value for homes in the 35th to 65th percentile range.”

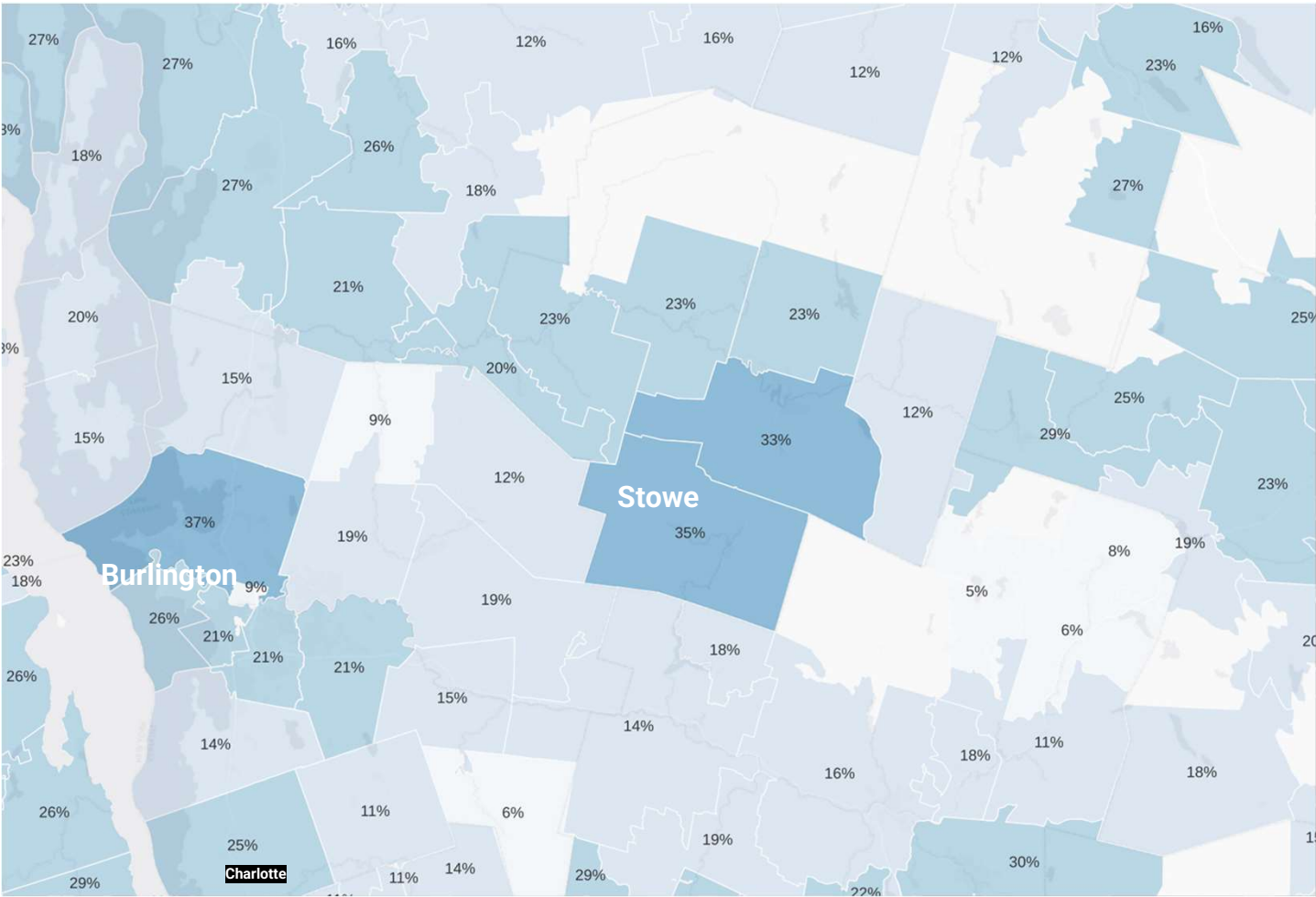
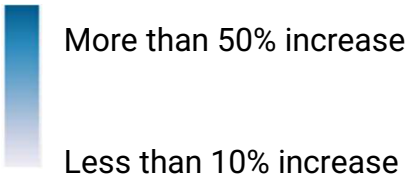


ANALYSIS

Typical home prices by zip code, change since 2014

Source: Zillow ZHVI 2024

This map illustrates the inflation-adjusted change in typical home prices between November 2014 and November 2024 by zip code in Stowe and surrounding areas.



Confirm property tax rate

ANALYSIS

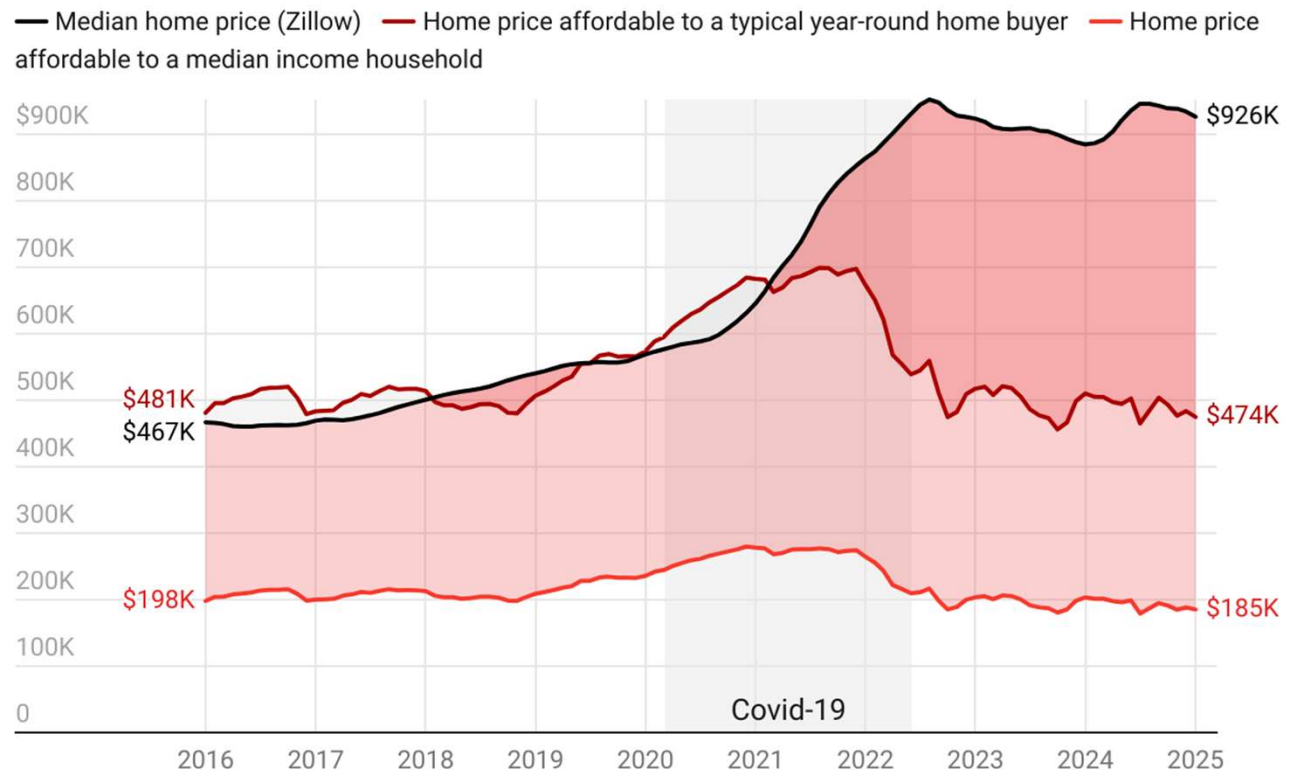
The median income household cannot afford the median priced home

This chart compares the median listing price in Stowe with the home value attainable to a household earning the median household income. A wider gap means higher barrier to entry for first-time homebuyers and increased risk that an existing resident might be priced out of the community if they choose or need to move to a different house.

Median income households have been priced out of the local market for more than a decade. This chart also includes a line tracking prices affordable to the typical household interested in moving to Stowe full-time (earning an estimated double the median household income). These more affluent buyers could afford housing in Stowe until the Covid pandemic, at which point Stowe became unaffordable to nearly all potential full-time residents.

How affordable is Stowe?

Time series model inputs for affordability with current figures: 6.65% interest rate (Mar 2025); property insurance; mortgage insurance; 1.34% homestead property tax rate; 17.4% down payment (state average); \$907,000 typical home value (Zillow, Mar 2025); \$84,000 median income (Mar 2025 CommunityScale estimate); typical year-round home buyer income estimated at twice median income.



ANALYSIS

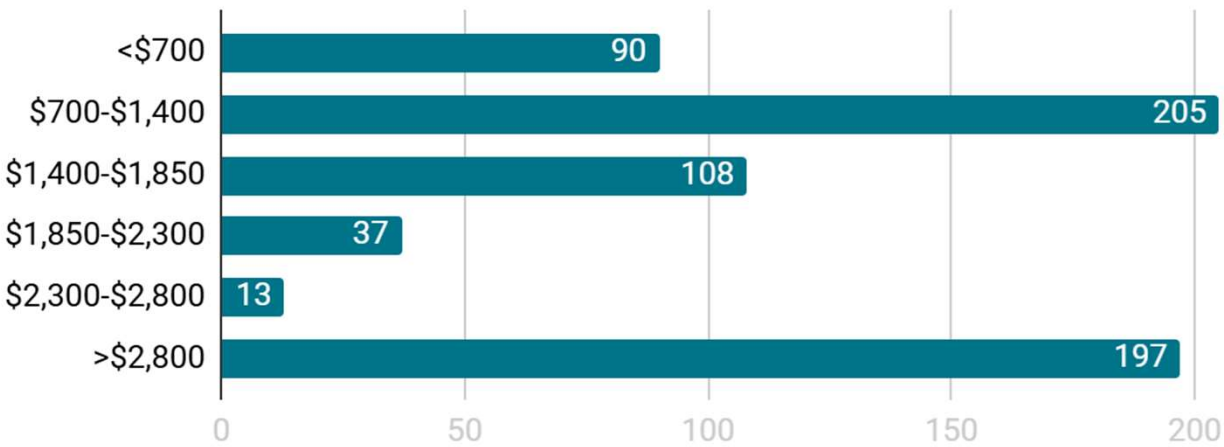
Renter costs

Source: Census ACS 2023 5-Year, CoStar

This chart summarizes how much current Stowe residents pay for rental units monthly, including newly occupied units along with units that have been occupied for longer (and where rent may have been set at a much lower rate than today’s asking price).

Built in 2024, the Rail Trail Townhouses in Morristown are the nearest recently built apartments to Stowe. Units rent for an average of \$2,230 per month. It is likely new apartments built in Stowe would rent at similar rates, exceeding what most local residents who rent pay for their current units.

Renter households by current monthly housing costs



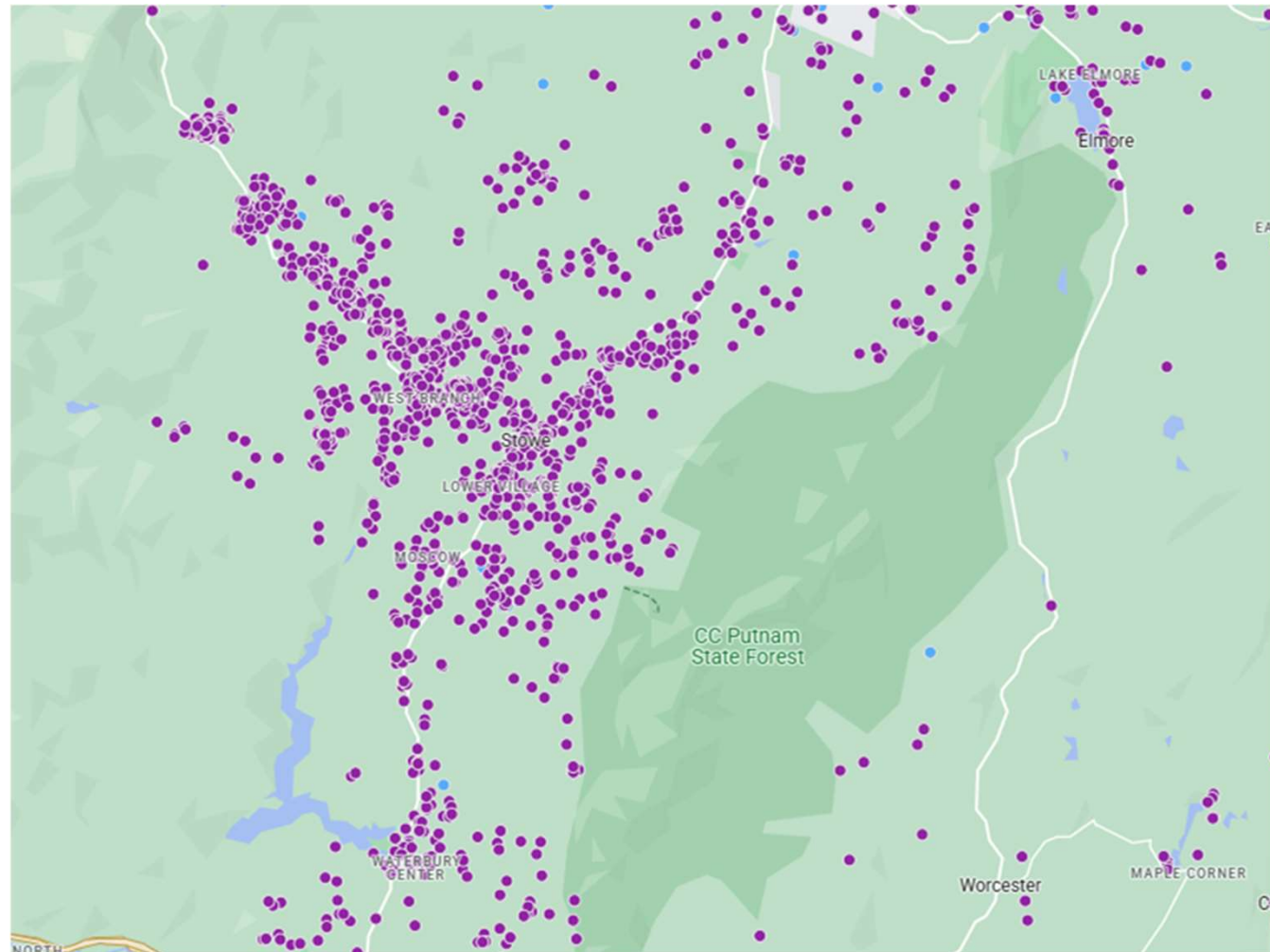
Rail Trail Townhouses in Morristown were built in 2024 and may be indicative of likely rents for newly built apartments in Stowe.

ANALYSIS

Short-term rentals

Anecdotally, Stowe's extensive supply of short-term rentals has negatively impacted the availability of attainable housing choices for local residents. The Town of Stowe has engaged Deckler consulting to quantify and assess the local inventory of short-term rentals in detail. Results from this analysis are expected in May or June of 2025. In the meantime, the map at right illustrates the volume and distribution of short-term rentals according to the analytics platform AirDNA.

The Town is also preparing to launch a short-term rental registry which represents a first step toward data collection and understanding STR's impact on the year-round housing supply to help determine what if any new regulations should be instituted.



ANALYSIS

Additional housing supply needed, 2025-2035

Sources: Census ACS 2023 5-Year; CommunityScale

The following calculation translates household growth to a target for housing supply and related housing production. This calculation takes into account several adjustments intended to relieve underlying market pressures such as pent up demand.

523 Net growth in households

Housing supply needed to keep up with projected household growth over the next 10 years



51 Replacement

Housing production for 0.1% annual replacement of overall stock throughout the planning period.



13 Ownership vacancy

There aren't enough ownership units available to meet pent-up demand, creating unsustainably low vacancy that can drive up prices.



0 Rental vacancy

There are enough rental units to keep up with demand, avoiding unsustainably low vacancy that can drive up rents.



587 Total additional housing production needed for adequate supply (24% total growth)

59 Annual production target (2.4% annual growth)

Up to 1,139 Short-term rental adjustment (66% of Stowe's total units are STR)

Up to 1,726 Total units needed to keep up with growth, relieve pent-up demand, and account for potential diversion to short-term rentals

ANALYSIS

Meeting demand: Emerging housing preferences

Source: CommunityScale

This and the following slides summarize current trends and housing preferences that should be considered when programming and designing housing to best meet demand.

Household structures have changed significantly since most of Stowe's housing stock was built. Today, households are smaller, less likely to have one or more children, and more likely to include non-family or multi generational cohabitants. Future development should be designed to reflect the current diversity of household structures and wider range of housing needs and preferences.

This is not to say the status quo of larger single family houses is irrelevant - market demand remains strong - but these emerging preferences suggest future development could be more diverse in typology, scale, and design.

Smaller units: Fewer bedrooms for smaller households.

Parking optional: Enabling a car-free or car-lite lifestyle.

Roommate-ready: Accommodating non-family households.

Green building: Efficient, low-impact design and systems.

Multigenerational: Space for adult children or elderly parents.

ANALYSIS

Meeting demand: Workforce housing

Source: CommunityScale

“Workforce housing” is typically oriented to middle-income households that often consist of singles, couples, or young families. Jobs typically attributed to this group include public safety officers, educators, municipal employees, skilled nurses, and other occupations that often require some level of higher education and pay wages equating to 80-120% AMI.

Moderate cost for families: Workforce families can afford units that are closer to the middle of the market.

Lower cost for singles: One-person workforce households cannot afford as much as dual-earner families.

Not too many bedrooms: Workforce-oriented housing should include mostly 0-2 bedroom units.

Well-maintained: Workforce can afford rent/mortgage but large capital costs can be destabilizing.

Near job centers: Households can save money by living close to work and commuting without a car.

ANALYSIS

Meeting demand: Senior housing

Source: CommunityScale

Many people 65 and older explore transitions to housing units that allow them to age-in-place, offering accessible design, enabling lower-cost living, and supporting an active, community-oriented lifestyle.

While some seniors are attracted to purpose-built, age-restricted housing developments, others prefer housing in more conventional settings that is designed or retrofit to accommodate aging people.

Universal design: Accommodating to people with limited mobility.

Low maintenance: Less space and less work to keep up.

Energy efficiency: Lower utility costs affordable on fixed income.

Accessible: Single-level with ADA-compliant doors, baths, etc.

Social: Designed and located to promote an active community life.

ANALYSIS

Meeting demand: Downtown living

Source: CommunityScale

Recent years have seen growing demand for housing in walkable, downtown or compact neighborhood environments. This can include both dense urban places as well as small town downtowns. Increasingly, the most desirable and competitive housing markets are those with access to the qualities and amenities of a downtown environment within walking distance.

Walkability: More daily needs and wants accessible on foot.

Transit: Close to bus lines and train connections.

Amenities: Near restaurants, shops, and cultural destinations.

Services: Access to health and community services without a car.

Activity: Located in a lively and vibrant neighborhood.

ANALYSIS

Meeting demand: Structure type

Sources: Census ACS 2023 5-Year; CommunityScale



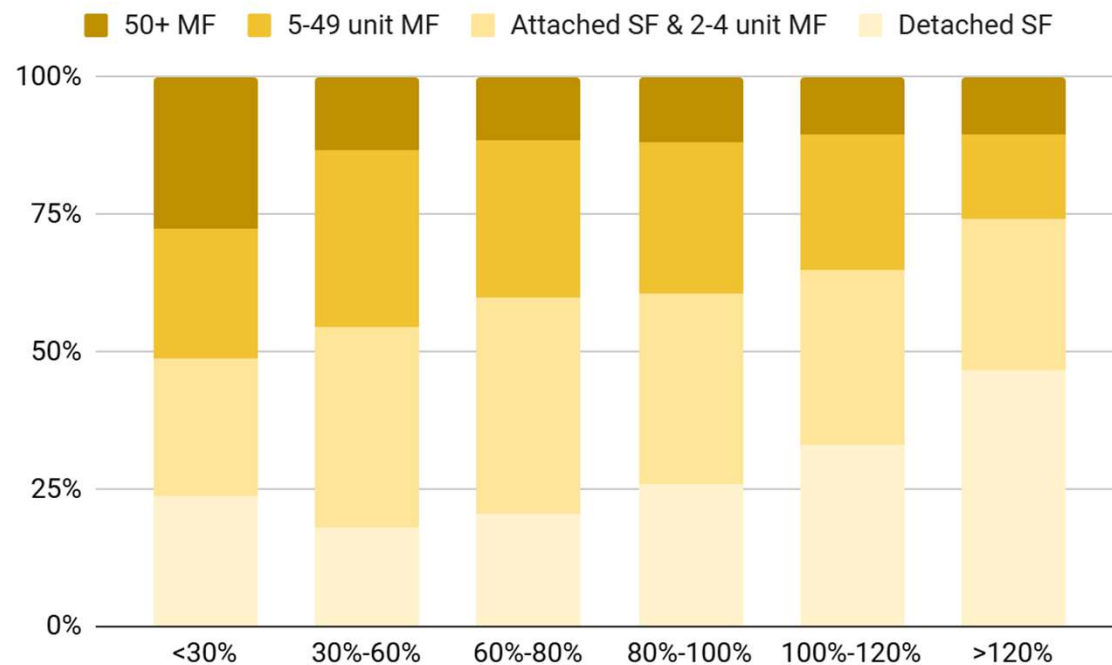
Given the variety of housing structure types available, it is important to consider how demand is distributed across the primary categories. The chart at right provides this breakdown by income to illustrate the variation in structure type demand from low-income to high-income households.

In general, lower-income households are more likely looking for multifamily and attached single family options whereas higher-income households are more likely looking for detached single family.

Importantly, however, there is significant demand for all structure types at all income levels, suggesting a full range of options are needed across price points.

Stowe Housing Needs Assessment

Housing demand by structure type and income level



Denser housing types such as large multifamily developments are most suitable in and near downtowns and near employment centers. Smaller multifamily and attached single-family are suitable in most locations, such as in and around downtowns and as infill development within neighborhoods.

ANALYSIS

Meeting demand: Tenure

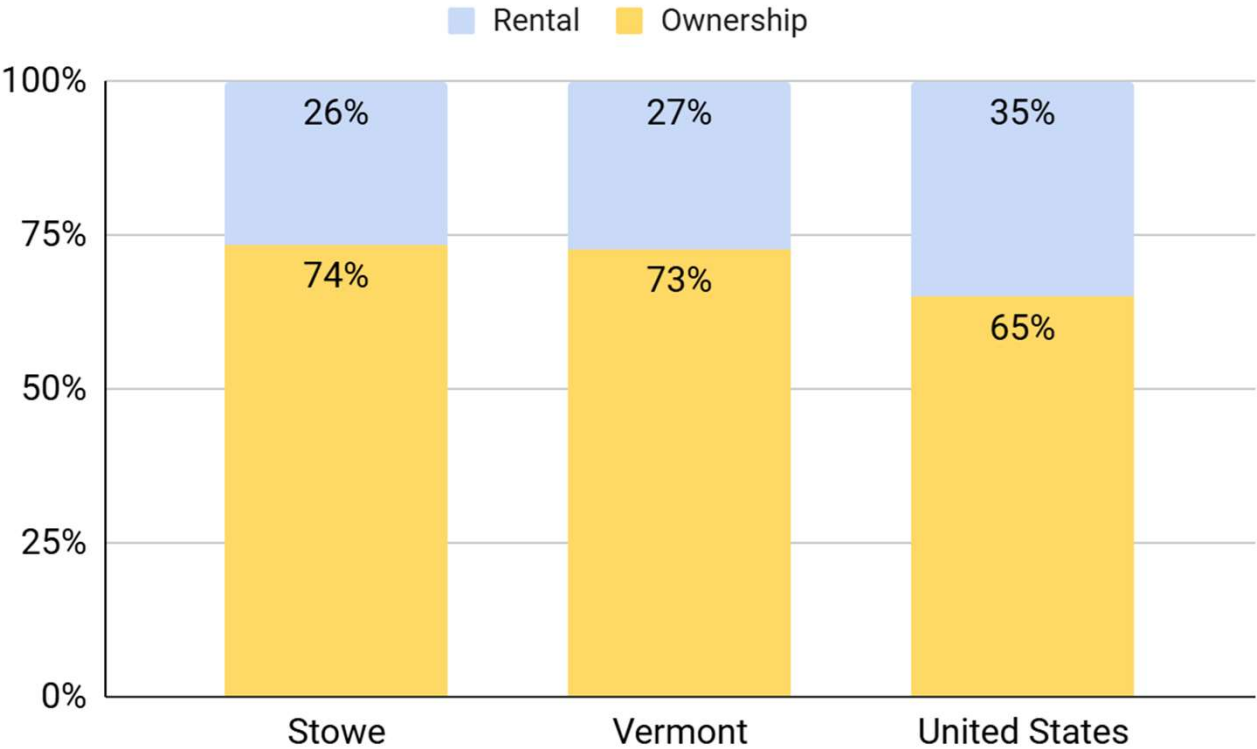
Sources: Census ACS 2023 5-Year; CommunityScale

Stowe has a higher rate of homeownership than the rest of the state and the national average.

It is important to maintain a significant rental housing supply to provide options for people not interested in or ready to buy. That said, a majority of people prefer homeownership for at least certain periods of their lives, such as starting and raising a family.

The community should consider the tenure mix that best meets the current and future needs of today’s residents as well as those moving to or within the community in years to come.

Current tenure by geography

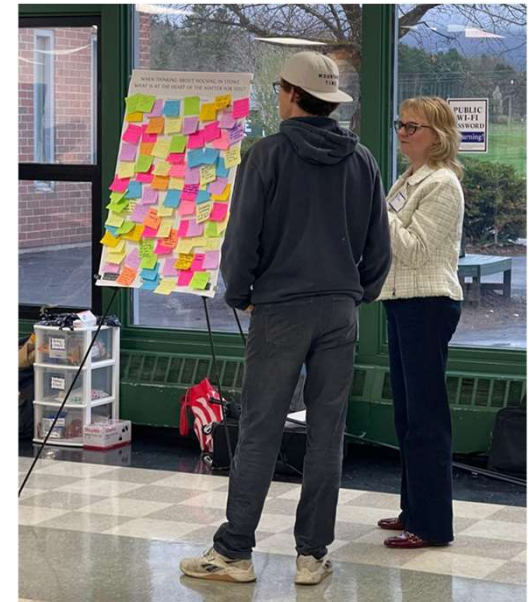




Community Workshop

A Conversation about Housing

- **Purpose:** hear directly from and engage with residents and local stakeholders
- **Format:** Brief presentation followed by interactive posters and discussion
- **Attendance:** at least 84



Community Workshop – Takeaways

Key Themes

- Strategy Prioritization
 - **High levels of support** for proposals, including clarifying the town's **housing vision**, exploring **tax increment financing**, and **loosening zoning regulations**
- Local Funding for Affordable Housing
 - Highest support for co-investing in **public-private partnerships**
- Locations for New Homes
 - Stowe Village
 - Lower Village
 - Mountain Road Village
- Demographics - Who Attended?
 - Primarily full-time homeowners, aged 35-64, affiliated with Stowe for over 10 years
 - Strong attendance by current or previous board/committee members

WHAT ARE YOUR TOP PRIORITIES FOR HOW LOCAL TAX MONEY CAN SUPPORT COMMUNITY HOUSING?
Indicate your top three priorities with the sticky dots!

Purchase land: Use Town money to buy land that can be used for affordable housing.	Purchase deed restrictions: Use Town money to require below-market housing costs from compensated property owners.
Workforce housing: Use Town money to help finance new workforce housing developments.	Invest in infrastructure: Use Town money to increase water and sewer capacity where necessary to enable more housing development.
Staff: Use Town money to add one or more staff positions focused on housing policies, plans, and development.	Public private partnership: Use Town money to co-invest with private developers on mixed-income housing that includes market rate units as well as units affordable to local residents.
None of the above: The Town should not invest directly in housing.	

WE ARE HIRING

WHICH STRATEGIES SHOULD STOWE PRIORITIZE?
Use the sticky dots to mark your level of support for these strategies!

Workforce: Develop programs to promote more workforce housing.
Manage the STR Supply: Control the number allowed, manage allocation of new registrations, and restrict registration transfers.
Public Land: Develop town-owned land as affordable or mixed-income housing with conditions.
TIF: Establish Tax Increment Financing opportunities to catalyze mixed-income housing development.
Capacity: Supplement Town staffing and resourcing in line with establishment of new policies and programs.
Advocate: Lobbying the State House to support ongoing statewide housing reform but also to highlight Stowe's unique circumstances and constraints.

WHICH STRATEGIES SHOULD STOWE PRIORITIZE?
Use the sticky dots to mark your level of support for these strategies!

Vision: Clarify the Town's housing vision and define what the community wants where for more predictability.
Zoning: Modify regulations to promote density, infill, and attainable housing where contextually appropriate.
Revenue: Introduce revenue sources to help finance affordable housing.
Housing Reserve Fund: Establish and contribute to a discretionary reserve fund.
Housing Trust: Assign a nonprofit entity to manage the housing reserve fund along with land banking and deed restriction administration.

Community Workshop - The Heart of the Matter

Key Themes

- Unaffordability Impacting Key Communities
 - **Working families, young adults, and seniors**
 - Affordability is critical to ensure **full-time residents**
- Loss of Community Identity due to Housing Challenges
 - Fewer families and long-term residents shifts community character
 - **Intergenerational, full-time residency** seen as important to **sustain schools, businesses, and cultural continuity**
- Development, Zoning, and Planning Solutions
 - Allow **taller or denser development downtown**
 - Cap STRs
 - Partner with land trusts to secure housing for locals
 - Consider inclusionary zoning



Community Workshop - Strategy Ideas

Key Themes

- Using Taxes and Regulations as Incentives
 - **Cap STRs** by zoning district
 - **Raise taxes on STRs**
 - **Prohibit STRs** except at primary residences
 - **Density bonuses** and mixed-use zoning
- Partnerships for Affordable Housing
 - **Public-private partnerships** with developers and large property owners
 - **Housing Trust** modeled on successful examples
- Strategic Planning and Development
 - Aligning development with infrastructure capacity
 - **Impact fees** to offset burdens or collective costs
 - Targeted **investments in infrastructure**
 - Planning to maintain a **balanced and inclusive** community, for **workers and seniors**



Community Workshop - Strategy Ideas

Key Themes

- Using Taxes and Regulations as Incentives
 - **Cap STRs** by zoning district
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 - Targeted **investments in infrastructure**
 - Planning to maintain a **balanced and inclusive** community, for **workers and seniors**



Online survey

Expanding the conversation

- Workshop content reproduced online to seek more outreach from:
 - Workers that commute to Stowe
 - Non-homestead property owners
 - Younger people (under 35)
 - Renters
 - Newer residents (less than 10 years)
- Over 600 responses which were combined with in-person results to comprise overall engagement results.








Where in Stowe would new housing make the most sense to you?
Choose all that apply. Reference the map on the previous page.

☐ Upper Mountain Road

☐ Mountain Road Village

☐ Lower Mountain Road

If the Town used tax dollars to support community housing, how would you prioritize these investments?
Select up to 3.

<input type="checkbox"/>  Purchase land: Use Town money to buy land that can be used for attainable housing.	<input type="checkbox"/>  Purchase deed restrictions: Use Town money to require below-market housing costs from compensated property owners.	<input type="checkbox"/>  Workforce housing: Use Town money to help finance new workforce housing developments.	<input type="checkbox"/>  Invest in infrastructure: Use Town money to increase water and sewer capacity where necessary to enable more housing development.
<input type="checkbox"/>  Hire staff: Use Town money to add one or more Town staff positions focused on housing policies, programs, and development.	<input type="checkbox"/>  Public private partnership: Use Town money to co-invest with private developers on mixed-income housing that includes market rate units as	<input type="checkbox"/>  None of the above: The Town should not invest directly in housing.	

← PREVIOUS NEXT →

29 of 32

Zoning: Modify regulations to promote density, infill, and attainable housing where contextually appropriate.

For example:

- Modify dimensional and other technical requirements to increase density and reduce per-unit development costs.
- Increase zoning capacity among large sites on Mountain Road.
- Introduce inclusionary zoning.
- Develop a new or revised zoning bylaw that incorporates subdivision regulations.

1 2 3

This is a low priority for me This is a high priority for me

← PREVIOUS NEXT →



Housing Barriers Analysis



BARRIERS ANALYSIS

Barriers to affordable housing access and development

The following section summarizes key constraints on housing access and development across three themes:

- State and local regulations
- Structural and other barriers
- Infrastructure capacity and limitations.

REGULATORY REVIEW

State Legislature Act 47 (2023)

[Legislation](#)

Enacted in 2023, the “Housing Opportunities for Everyone Act” is designed to help accelerate housing production across the state, including some provisions that work around Act 250 restrictions to allow larger developments in designated areas without subjection to the Act 250 review process.

Other features of this legislation, particularly those most applicable to Stowe, include:

- **Lower parking requirements:** In areas served by municipal sewer and water infrastructure, municipalities cannot require more than one parking space per unit.
- **Duplexes by right:** Two-family duplexes must be allowed in single family districts, subject to the same dimensional standards as single family units.
- **Multifamily as permitted use:** In areas served by municipal sewer and water infrastructure, multifamily structures with four or fewer units must be permitted.
- **Streamlined ADU rules:** ADUs shall be allowed by right and subject the same dimensional standards as a single family unit.
- **Higher density housing:** In areas served by municipal sewer and water infrastructure, zoning must allow five or more units per acre with density standards for multifamily no more restrictive than for single-family dwellings.
- **Planning administrative capacity support:** The bill includes provisions to help support and fund housing planning and policymaking at the municipal level.

REGULATORY REVIEW

State Legislature B. 687 (2024)

[Legislation](#) | [Summary](#)

Enacted in 2024 and building on Act 47, this “act relating to community resilience and biodiversity protection through land use” addresses key aspects of Act 250 that had restrained housing development in the past.

Whereas Act 250 development review was previously triggered by project type and size, this act applies a three-tiered location-based approach:

- **Tier 1 (Growth / Development Areas):** Places planned for more intense or compact development, often in and around designated downtowns, village centers, and existing infrastructure.
- **Tier 2 (General Areas):** Most of the State’s land area that maintains current Act 250 thresholds and review processes.
- **Tier 3 (High-Value Natural / Resource Areas):** Areas with significant ecological or natural resource value that warrant closer scrutiny under Act 250.

This act promotes housing in Tier 1 areas by streamlining or avoiding the Act 250 review process for projects that meet designated density and affordability criteria, especially in locations served by municipal infrastructure. Municipalities are encouraged to align local zoning in Tier 1 areas with state incentives to reduce friction between overlapping review authorities.

In the interim while Tier 1 areas are finalized and mapped, the following exemptions apply:

- In Tier 1A area, priority housing projects that provide 20% of housing at continually affordable rates will not be subject to Act 250 review. This exemption also applies to all residential projects with less than 75 units.
- In Tier 1B villages and within a ¼ mile radius of village centers, projects of less than 50 units will not be subject to Act 250 review.

Particularly important for Stowe, this act introduces new ways to fund infrastructure that supports affordable or mixed-income housing. The municipality can now establish a TIF-like funding stream that taps both municipal and education property tax bases (previously the education tax base was off limits). Because the education property tax base is nearly 4x the municipal tax base in Stowe, this represents a very substantial new funding capacity.

The act also expands existing and creates new funding programs to support affordable housing production, including:

- Housing trust and grant programs
- Brownfields cleanup fund
- Charitable housing tax credit
- Tax incentives for land donation
- Planning and implementation grants

REGULATORY REVIEW

Short-term rental registry ordinance (2024)

[Ordinance](#)

Passed on February 29, 2024 and taking effect on March 1, 2025, this ordinance requires owners of short-term rentals (STRs) to complete and submit a registration form before renting their property. These registrations must be renewed annually and require owners to follow certain rules such as providing a lockbox for fire and police access and designating a locally representative who can respond to emergencies.

Implementation of this ordinance will result in a STR database including information such as ownership and bedroom count. This database will help the Town quantify the full scope of STRs in Stowe to support future land use, economic development, and other planning and budgeting.

TOWN OF STOWE

SHORT-TERM RENTAL REGISTRY ORDINANCE

- I. **Authority:** This Ordinance is adopted pursuant to the authority set forth in Chapters 59 and 61 of Title 24 of the Vermont Statutes Annotated, including specifically 24 VSA § 2291(29), and § 204 of the Town of Stowe Charter. This Ordinance shall be designated as a civil ordinance under 24 V.S.A. § 1971(b).
- II. **Purpose:** The Town of Stowe values its history and status as a vibrant, year-round mountain resort town and recognizes the significant benefit to the local economy and community stemming from tourism. The purpose of this ordinance is to seek to balance the well-established practice of renting residential dwelling units to travelling transients and the visiting public, while preserving the character of residential neighborhoods and minimizing and potential negative impacts of Short-Term Rentals, and continuing to promote public health, safety and welfare of visitors and residents, both full-time and part-time. By establishing an orderly process for identifying Short-Term Rental properties in the Town, and compiling a database of the Designated Responsible Persons and emergency contact information for each Short-Term Rental property, the Town intends to ensure an effective and expedient response to an emergency that may arise in connection with the Short-Term Rental property.

Furthermore, through the establishment of a dynamic Registry of Short-Term Rental properties, the Town seeks to gather information regarding the practice of renting residential dwelling units on a short-term basis, so the Town may better evaluate and determine through data what regulation of such rental properties, if warranted, is appropriate and consistent with the best interests of the Town, its residents (full-time and part-time) and visitors.
- III. **Definitions:** The following definitions shall apply to this Ordinance.
 - A. "Dwelling Unit" shall mean one or more rooms, connected together, constituting a separate, independent housekeeping establishment for Owner occupancy, rental or lease, physically separated from any other rooms or dwelling units which may be in the same building, and containing independent cooking, sanitation and sleeping facilities.
 - B. "Owner" shall mean the Person(s) in whom is vested title to real property in or on which a STR is located, or that is rented as an STR, regardless of whether that title is undivided or fractional. While an Owner may be represented by, and Owner obligations under this Ordinance may be

REGULATORY REVIEW

Water and sewer allocation and access fees

[Rate schedule](#)

The Town charges water and sewer allocation fees for new system connections. These fees effectively add to new construction that is borne by the homeowner, starting at about \$4,000 per unit. This represents an affordability swing of about 1.8% AMI. In other words, if a home price including this fee were affordable to 100% AMI, a home without this fee would be affordable to 98.2% AMI.

Additionally, homeowners are charged monthly access fees of \$27.71 for water and \$42.88 for sewer in addition to usage fees of \$0.0242 per cubic foot for water and \$0.0466 per cubic foot for sewer.

While reducing or eliminating these fees could modestly reduce housing costs for new construction, this revenue is important to the town’s water and sewer operations budget and would need to be replaced from another source.

Stowe water and sewer connection costs

Water allocation fee	\$1,485	per unit
Sewer allocation fee	\$2,520	per unit
Total connection fees	\$4,005	per unit

Historically, these fees have supported debt service for previous investments - and Town is timing future investments to coincide with retirement of previous loans to keep this going

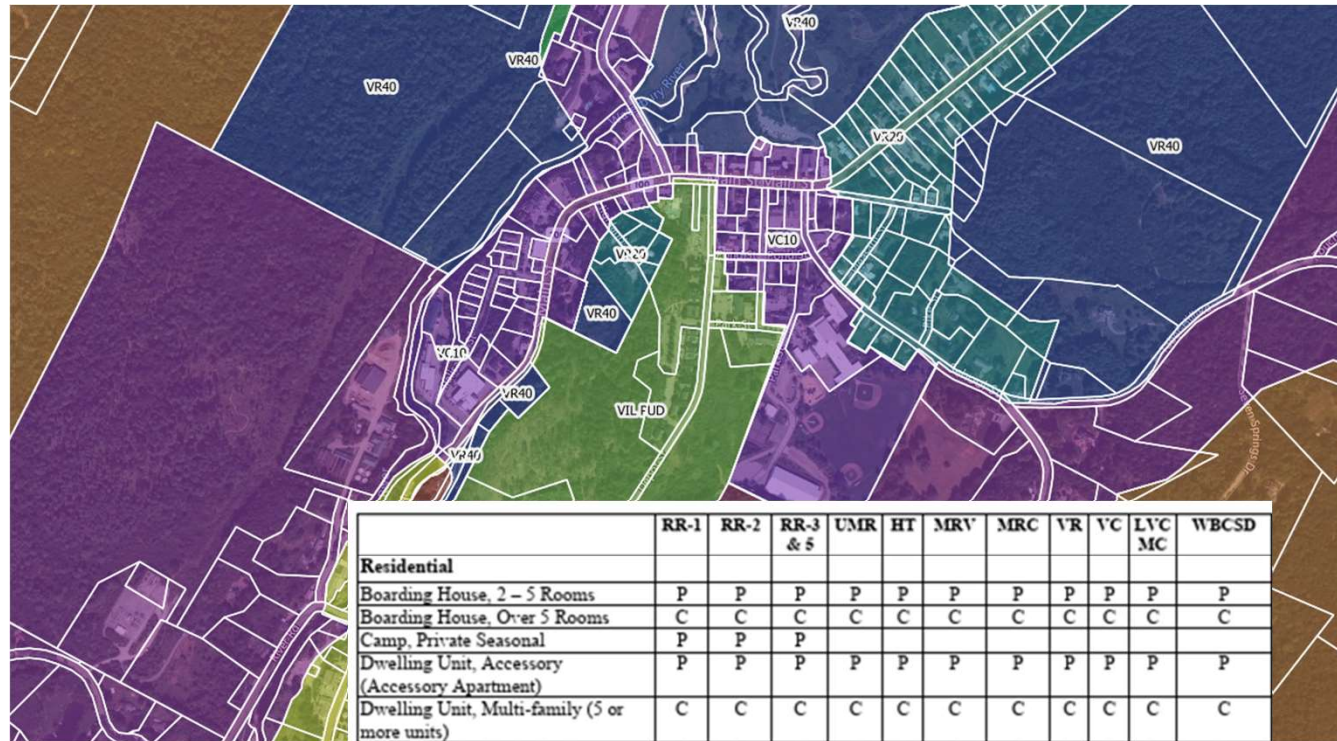
REGULATORY REVIEW

Zoning audit (in progress)

[Zoning regulations](#) | [Interactive zoning map](#)

Under consideration:

- Does the current zoning map and use table allow the right housing options in the right places? (The definition of “right” to be established as part of the process)
- Do designated Tier 1 areas (Downtown; Village Center) align with locations where higher-density housing would be most appropriate? Any feedback for the committee defining Tier 1 areas as tasked by Bil 687?



	RR-1	RR-2	RR-3 & 5	UMR	HT	MRV	MRC	VR	VC	LVC MC	WBCSD
Residential											
Boarding House, 2 – 5 Rooms	P	P	P	P	P	P	P	P	P	P	P
Boarding House, Over 5 Rooms	C	C	C	C	C	C	C	C	C	C	C
Camp, Private Seasonal	P	P	P	P	P	P	P	P	P	P	P
Dwelling Unit, Accessory (Accessory Apartment)	P	P	P	P	P	P	P	P	P	P	P
Dwelling Unit, Multi-family (5 or more units)	C	C	C	C	C	C	C	C	C	C	C
Dwelling Unit, Single-family (Not more than two per lot per footnote 3 of Table 6.3)	P	P	P	P	P	P	P	P	P	P	P
Dwelling Unit, Two-family (Not more than two two-family dwellings per lot per footnote 3 of Table 6.3)	P	P	P	P	P	P	P	P	P	P	P
Dwelling Unit, Three & Four-family*	C	C	C	C	C	C	C	C	C	C	C
Dwelling Unit, Three & Four-family when served by municipal sewer and water infrastructure*	P	P	P	P	P	P	P	P	P	P	P
Group Home, Eight (8) Persons Maximum	P	P	P	P	P	P	P	P	P	P	P
Group Home, Over Eight (8) Persons					C	C	C	C	C	C	
Home Occupation	P	P	P	P	P	P	P	P	P	P	P
Mobile Home Park		C	C								
Tiny House (Not more than two per lot per footnote 3 of Table 6.3)	P	P	P	P	P	P	P	P	P	P	P

BARRIERS ASSESSMENT

The economics of affordable housing

Source: [House Committee testimony](#)

Rising land and construction costs along with labor shortages have made housing development financially challenging - and often untenable - without significant subsidies and/or other public assistance. Financing gaps are particularly severe for mixed-income and income-restricted developments.

For example, the Stonecrop Meadows development in Middlebury will offer a mix of affordable and market-rate rental and ownership units. Over half of the project's costs were covered by subsidies to keep the development financially feasible.

Stonecrop Meadows in Middlebury:

- Housing program
 - 45 for-sale homes
 - 35-unit apartment building
- Phase 1 financial metrics
 - Total units: 80
 - Total cost: \$50M
 - Cost/unit: \$675k
 - Total subsidy: \$30M
 - Subsidy/unit: \$375k (56% of total cost)



BARRIERS ASSESSMENT

Stowe’s unique municipal finance context

Source: Town of Stowe

From a fiscal perspective, Stowe faces several constraints that are unique and/or particularly pronounced compared to most Vermont municipalities:

- High grand list means most taxes go to state education fund - and at a higher rate today than 10 years ago.
- Because Vermont is not a home rule state, municipalities have limited ways to raise local revenue.
- As a four-season resort destination, Stowe incurs significantly higher capital, operational, and maintenance costs than a typical town its size.

Property tax revenue and allocation

	2014	2025	\$ change	% change
Grand list	\$2,040,365,700	\$5,294,214,300	\$3,253,848,600	159%
Total property taxes assessed	\$37,938,818	\$70,816,239	\$32,877,421	87%
State school property taxes	\$19,492,346	\$41,598,457	\$22,106,111	113%
School district property taxes	\$9,175,337	\$16,392,796	\$7,217,459	79%
Income sensitivity school and municipality	\$1,574,546	\$1,036,700	-\$537,846	-34%
State agent fees	\$64,978	\$130,775	\$65,797	101%
Municipal property taxes	\$7,631,610	\$11,657,511	\$4,025,901	53%
Municipal property tax as share of total tax assessed	20%	16%	n/a	-18%

BARRIERS ASSESSMENT

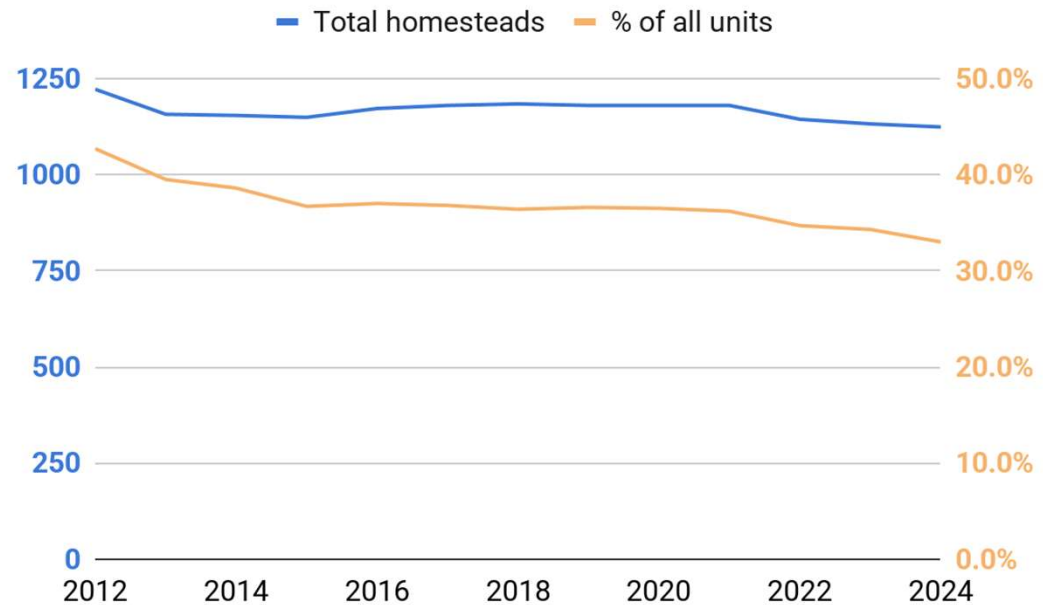
Fewer housing units with homestead declaration

Source: Town of Stowe

Between 2012 and 2024, the number of units declaring homestead exemption in Stowe dropped by 98 units. At the same time, homestead units as a portion of all units dropped by 9.7 basis points (a proportionally more rapid decline).

This trend could mean a growing number of units are transitioning from year-round residency to seasonal or short-term rental use, reducing the number of units available to existing and future full-time residents. This indirectly increases demand - and likely cost - for those units that remain in circulation for full-time residents.

Additionally, the strong market for short-term rentals suggests some portion of new housing units envisioned for permanent residents may be diverted to short-term rental use unless tightly controlled by local planning and policy.



However, there are other reasons a unit may be occupied by a long-term resident but not be filed as homestead, including:

- If rented to a year-long tenant (rather than owner-occupied)
- If the filing is simply not made as required (such as to avoid higher taxes or because unqualified for income-restricted tax credits)

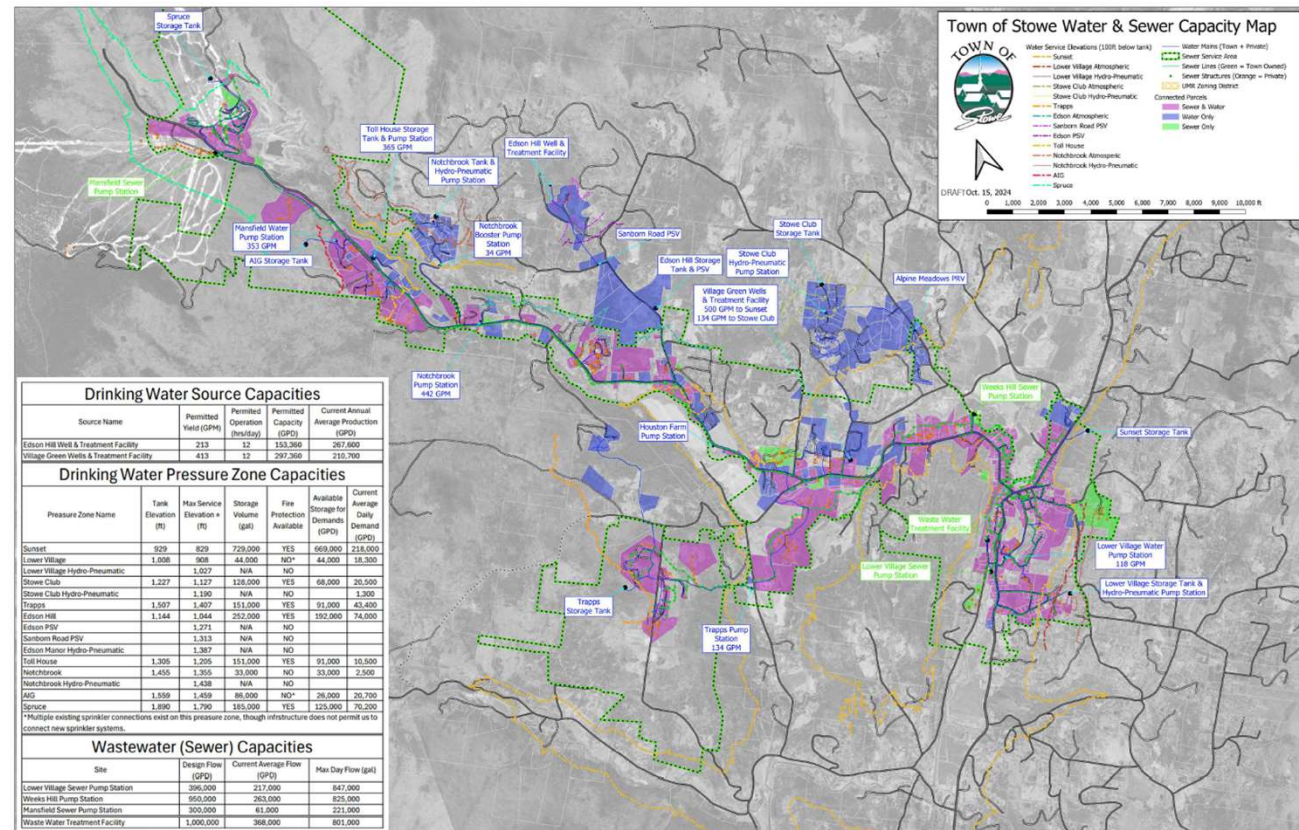
Therefore, it should not be assumed a decline in homestead exemptions is directly tied to an increase in short-term rentals.

INFRASTRUCTURE ASSESSMENT

Water and sewer coverage and capacity (in progress)

Overall, Stowe has sufficient water and sewer capacity to support more housing development. However, there are some localized constraints that would require new investment to enable new development at scale, including:

- Gaps between development sites and existing infrastructure that would require extensions and possible pumping to link.
- PFAS contamination of the Village Green water source, potentially requiring new treatment and/or an alternative source eventually.
- Aging clay tile and iron piping along some corridors.
- Limited “capacity to serve” due to water pressure, pipe diameter, and/or sewer pumping range constraints within certain water pressure and sewer collection zones (ex. Souther Lower Village, Toll Road corridor, and Shaw’s supermarket area).



INFRASTRUCTURE ASSESSMENT

Roadway capacity and parking

As described in Stantec's 2024 Highway Capacity and Congestion Evaluation, Stowe's roadways and parking lots are often unable to adequately manage existing demand, especially during peak periods of the year. These strains are most pronounced in the village centers.

The study tests a series of growth scenarios to simulate impacts on level of service at key intersections through Stowe. The table at right summarizes potential level of service impacts of new development (148 to 591 residential units in this case) even after several recommended roadway improvements are implemented. This Housing Needs Assessment suggests a need for over 500 new units in the next decade.

The Stantec study also documented village center parking lot congestion which new adjacent development could exacerbate without careful parking management strategies.

To accommodate new housing development - especially in and around village centers - traffic volume and circulation as well as parking management will need close consideration.

Potential level of service impacts of increased traffic from new growth (after targeted roadway improvements) - Stantec

Table 16: Sensitivity Analysis Summary Scenario 2: Improvements at VT 100/Moscow Road, VT 100/West Hill Road, and VT 108/Luce Hill Road

Percent Growth	Intersections with Failing Movements (LOS E or F) AM PM	Approximate Volume Growth (vph)*	Corresponding Development Levels		
			Residential Condo Units	or Hotel Rooms	or Retail Square Footage
5%	VT 108/Cottage Club Rd (LOS F) VT 100/Park St (LOS F/E) VT 100/School St (LOS F/F)	58	148	75	8,767
10%	VT 100/Park St (LOS F/F) VT 100/School St (LOS F/F) VT 100/VT 108 (LOS E/E) VT 108/Luce Hill Rd (LOS E) VT 108/Cottage Club Rd (LOS F)	115	295	158	17,534
15%	VT 100/Park St (LOS F/F) VT 100/School St (LOS F/F) VT 100/VT 108 (LOS F/E) VT 100/Weeks Hill Rd (LOS E) VT 108/Luce Hill Rd (LOS F) VT 108/Cottage Club Rd (LOS F)	173	443	242	26,301
20%	VT 100/Park St (LOS F/F) VT 100/Park St (LOS F/F) VT 100/School St (LOS F/F) VT 100/VT 108 (LOS F/F) VT 108/Cape Cod Rd (LOS E) VT 108/Luce Hill Rd (LOS F) VT 108/Cottage Club Rd (LOS F)	230	591	325	35,068