

# North Stonington Housing Plan

2021



*Ferry Crossing, Old Saybrook*

Drafted by North Stonington Affordable Housing Commission



Town of North Stonington, CT  
AFFORDABLE HOUSING COMMITTEE

**Date:**

To the Residents of North Stonington,

In 2008, the Board of Selectmen established the North Stonington Affordable Housing Committee (NSAHC) to investigate opportunities and strategies for the development of **affordable housing** and providing a range of **housing opportunities** – in ways that match the scale and character of North Stonington. Building on a report created in 2007 by the then Ad Hoc Affordable Housing Committee, the NSAHC wrote a Comprehensive Housing Plan which was adopted January 24, 2013, and later incorporated into the 2013 Plan of Conservation and Development.

In July 2017, new legislation was passed (Public Act 17-170) requiring every municipality to have an “Affordable Housing Plan” adopted by the town that “shall specify how the municipality intends to increase the number of affordable housing developments in the municipality.”

The planning process to create this new Affordable Housing Plan provides an excellent opportunity to measure the results of the Committee’s implementation efforts to date, and use this information to revise former strategies and develop new ones.

The NSAHC has continually engaged the community in all their efforts over the past years by hosting workshops and events to educate the public about the importance of affordable housing. The Committee has received grants for feasibility studies for potential affordable housing developments and for a Housing Rehab program. All efforts to date are summarized in Chapter IV of this plan.

This 2021 Affordable Housing Plan outlines the continuing need for affordable housing in North Stonington, and describes specific actions that can be taken to achieve that goal. We hope that this advisory plan will help inform and educate residents about the housing needs in our community and build the community support that is needed to move forward in achieving these goals.

### Overarching Vision

North Stonington will strive to be a community comprised of people of all ages and income groups who work together thereby creating a strong sense of community. Our current and future housing patterns will reflect our rural atmosphere, contribute to our small town spirit, and help further our economic development goals.

Sincerely,

North Stonington Affordable Housing Committee

Will Mason, Chairman  
Denise Hawk, Secretary  
Margaret Leonard

Patrick Colgan  
Brian Rathbun

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## I. What Is Affordable Housing?

In the most general sense, a house is affordable if it meets commonly accepted rules-of-thumb about the relationship between household income and housing prices. One rule-of-thumb is that a housing unit is affordable if its cost (including rent, mortgage, utilities, insurance, and taxes) does not exceed 30% of the occupant's annual household income.

Many federal and state programs focus on providing affordable housing to the following income groups, as defined by the Department of Housing and Urban Development:

- Low income household: A household that earns up to 80% of the area's median income
- Very Low Income Household: A household that earns up to 50% of the area's median income
- Extremely low income household: A household that earns up to 30% of the area's median income.

The incomes and housing budgets of families living in affordable housing ranges widely. Because the area median income for North Stonington and its neighbors is just over \$90,000 per year, families in North Stonington earning as much as \$80,000 per year could be eligible for affordable housing, with a maximum housing budget of \$2,000 per month. At the lower end of the income spectrum, a parent with one child who works full-time at a minimum wage job (\$12 per hour) would qualify for housing targeted to households earning 30% AMI, with a maximum housing and utility budget of \$600 per month.

| HUD Metro Area           | Median Family Income | Income Category                      | Persons in Family |          |          |          |
|--------------------------|----------------------|--------------------------------------|-------------------|----------|----------|----------|
|                          |                      |                                      | 1                 | 2        | 3        | 4        |
| Norwich-New London Metro | \$91,800             | Low Income (80%)                     | \$54,950          | \$62,800 | \$70,650 | \$78,500 |
|                          |                      | <i>Equiv. Monthly Housing Budget</i> | \$1,374           | \$1,570  | \$1,766  | \$1,963  |
|                          |                      | Very Low Income (50%)                | \$35,950          | \$41,050 | \$46,200 | \$51,300 |
|                          |                      | <i>Equiv. Monthly Housing Budget</i> | \$899             | \$1,026  | \$1,155  | \$1,283  |
|                          |                      | Extremely Low Income (30%)           | \$21,600          | \$24,650 | \$27,750 | \$30,800 |
|                          |                      | <i>Equiv. Monthly Housing Budget</i> | \$540             | \$616    | \$694    | \$770    |

Most affordable housing is government-subsidized in some way, whether through direct payments to landlords, grants for initial construction or renovations, or through low-interest loan programs, and is required to document that rates charged to residents meet the 30% of income affordability test. For the worker earning \$12 per hour mentioned above, the household would pay \$600 toward their affordable home with the remaining costs subsidized or supported with internal financing. So-called “naturally occurring affordable housing” (NOAH) does not receive subsidies, and while lower-cost, can still be more expensive than its occupants can reasonably afford and is often occupied by higher-income households.

Common sources of funding for affordable housing development include the federal government’s Low Income Housing Tax Credit Program (LIHTC) and the State of Connecticut’s Competitive Assistance for Multifamily Properties (CHAMP) program. Most affordable housing developments that depend on government subsidies receive funding from multiple State of Connecticut or federal programs, and many include market-rate units alongside those reserved for lower-income occupants.

Recent public investments in affordable housing in southeastern Connecticut include Stonington’s Spruce Meadows (new mixed-income apartments), Waterford’s Victoria Gardens (mixed-income elderly apartments), and Groton’s Branford Manor (capital improvements to existing 100% affordable apartments).<sup>i</sup>

In 2019, the Connecticut Housing Finance Agency allocated funding for the construction of 56 three-bedroom homes in East Lyme (Rocky Neck Village) that will be affordable to households from 25%-80% AMI. In Griswold, funding was allocated for Oak Tree Village, where 72 one- and two-bedroom homes will replace a former nursing home and will include 15 market-rate homes in addition to homes affordable to 25%-80% AMI households. In Norwich, the elderly housing community Harry Schwartz Manor received funding for renovations and upgrades.



Stonington’s Spruce Manor (source: zlotnickconstruction.com)



Rendering of the future Oak Tree Village in Griswold (source: www.oaktreevillages.com)



## II. Regulations Impacting Affordable Housing in Connecticut

### Planning and Zoning for Affordable Housing

A new law passed in 2017 requires municipalities to adopt Affordable Housing Plans that specify how the municipality will increase affordable housing in the municipality. The initial deadline for compliance with the statute is June 2022, five years from the statute’s effective date.

The 8-30j Affordable Housing Plan requirements add to preexisting municipal obligations to enable housing that meets the needs of low income households. Municipal plans of conservation and development have long been required to address housing access. CGS § 8-23, which describes the procedures and required elements of municipal plans of conservation and development, states that municipal planning commissions shall consider the need for affordable housing in developing their plan, and requires that the plan provide for the development of housing opportunities, including multifamily housing, for residents of the municipality and region, and promote housing choice and economic diversity in housing, including housing for both low and moderate income households. Connecticut’s zoning statute, §8-2, includes parallel language specifying that municipal zoning must also encourage a range of housing types and prices.

CGS § 8-2: “[Zoning] regulations shall... encourage the development of housing opportunities, including opportunities for multifamily dwellings, consistent with soil types, terrain and infrastructure capacity, for all residents of the municipality and the planning region in which the municipality is located... [and] shall also promote housing choice and economic diversity in housing, including housing for both low and moderate income households...”

CGS § 8-23(e): “Such plan of conservation and development shall... (H) promote housing choice and economic diversity in housing, including housing for both low and moderate income households...”

CGS § 8-30j(a): “At least once every five years, each municipality shall prepare or amend and adopt an affordable housing plan for the municipality. Such plan shall specify how the municipality intends to increase the number of affordable housing developments in the municipality.”

### CGS § 8-30g Affordable Housing Appeals Act

In 1989 the Connecticut General Assembly enacted the 8-30g Affordable Housing Appeals Act to facilitate the development of additional affordable housing. The Act requires municipal land use commissions to approve most applications to build affordable housing unless the commission can prove that negative impacts to public interests such as health and safety outweigh the need for affordable housing. In practice, 8-30g allows the construction of housing where it would not otherwise meet local zoning requirements, as long as at least 30% of the housing units are maintained as affordable housing.

Municipalities that can demonstrate that 10% or more of their housing stock is affordable are exempt from 8-30g developments. Municipalities may also qualify for temporary, four-year moratoria from 8-30g applications if certain production thresholds are reached. The following types of housing units are counted toward the 10%:

- Assisted (meaning it is funded under a state or federal program for providing affordable units).
- Financed by the Connecticut Housing Finance Authority (CHFA) or by the USDA under a program for income-qualifying persons or families.
- “Deed-Restricted”- The property is legally restricted to occupancy by low-income households at affordable rates, usually because of conditions imposed at the time of the development’s approval or financing.

### III. Why Does North Stonington Need Affordable Housing?

Lack of options increases cost burdens and income disparities

- North Stonington housing is primarily single family homes on large lots, with little to no available affordable, quality housing for lower-income civil servants, volunteers, educators, and service workers.
- Many residents are "cost burdened."



Local and Regional Need

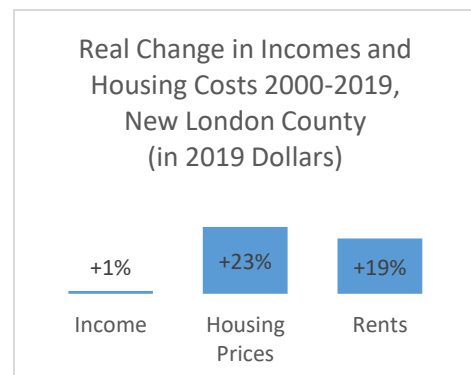
- Recent studies indicate a growing shortage of lower-cost rental housing in southeastern Connecticut, estimating that 500 new housing units per year would meet future needs of new and changing households in the region. North Stonington has few opportunities for young households or for seniors wishing to age-in-place, two cohorts driving the demand for housing.
- Like nearly all of its peers in southeastern Connecticut, North Stonington is subject to the 8-30(g) Affordable Housing Appeals Law, which enables the construction of new affordable housing in many circumstances where it would not otherwise be allowed by local zoning. North Stonington can obtain a temporary or permanent exemption from the law by increasing the amount of affordable housing.



#### Lack of options increases cost burdens and income disparities

A 2018 review of housing conditions in southeastern Connecticut prepared by the Southeastern Connecticut Council of Governments (SCCOG) in partnership with the Southeastern Connecticut Housing Alliance (SECHA) showed that the share of southeastern Connecticut households that can afford the housing they live in has dramatically decreased in the last twenty years. Since 2000, the share of renters who cannot afford their housing, and are therefore housing cost-burdened, increased from 31% to 46%. As previously mentioned, as of 2018, 29,000 households in southeastern Connecticut earned less than 80% of the area's median income and were housing cost-burdened, or one in four households.

The rise in housing challenges is linked to a growing mismatch between incomes and housing costs. Adjusted for inflation, income growth in the region has been stagnant, growing less than 1% between 2000 and 2019, while for-sale housing prices and rents



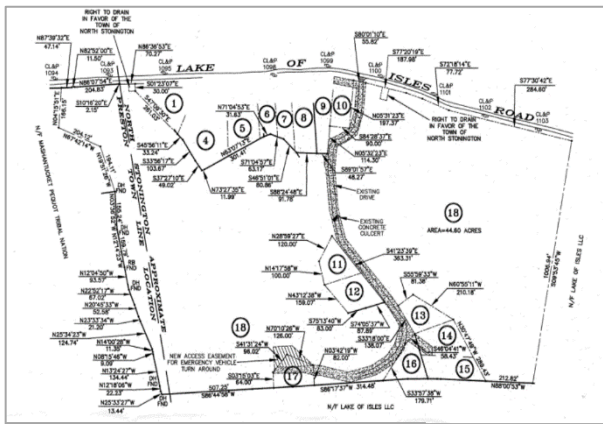
have increased 23% and 19%, respectively.

Median household income in North Stonington is approximately \$77,000, slightly above than the county median of \$71,000.<sup>ii</sup> The median income masks the income diversity present in North Stonington: roughly a third of North Stonington’s households earn less than \$50,000 per year, a third earn between \$50,000 and \$100,000, and a third earn more than \$100,000.<sup>iii</sup>

North Stonington has 2,350 units of housing, of which approximately 85% are owner-occupied. The median value of an owner-occupied home in North Stonington is \$283,500, substantially higher than the \$239,000 median value for homes in New London County.<sup>iv</sup> In 2019, the median sales price for a single-family home in North Stonington was \$280,000.<sup>v</sup> Recent county-level data shows median sales prices in New London County increased from \$230,000 in 2019 to \$270,000 in 2020.<sup>vi</sup> Most homes in North Stonington are larger, single-family houses, built to accommodate the (now) baby boomers and their families.

The over-reliance on single-family homes limits opportunities for households to live in North Stonington. North Stonington relies on volunteers to staff their Ambulance and Fire Department. Volunteers for these two vital services struggle to afford to live in the community they serve. The organizations struggle more each year to recruit volunteers, due in part to the lack of affordable homes or apartments.

National and regional surveys have shown that senior citizens prefer to stay in their homes and communities as they age, but often need to down-size into new housing due to health issues. A lack of appropriate housing is a concern especially for small towns with few options. Similarly, many younger adults looking to establish households find few starter homes in move-in condition. Demands on younger residents such as repaying college loans, and transportation expenses such as car payments (given the lack of public transportation and the rural nature of town), often leave very little household income to pay a mortgage.



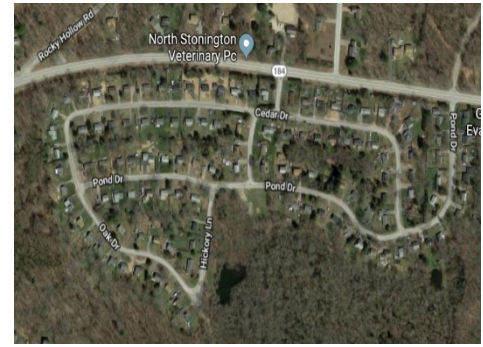
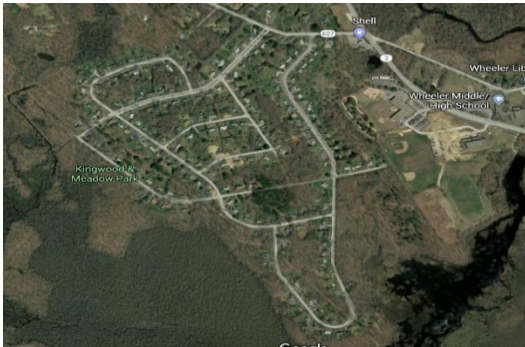
Watson Estates Subdivision- Lake of Isles

According to census data, there are about 200 multifamily homes (townhouses included) in North Stonington, less than 10% of all housing. Data on rental prices in North Stonington is not available due to the small number of rental units sampled by the U.S. Census Bureau. The median rent in New London County is \$1,117 per month, affordable to a household earning about \$40,000, with a low of \$950 per month in Windham and a high of almost \$1300 per month in Waterford.

With the exception of the seasonal use overlay areas surrounding the lakes in town, North Stonington currently only has three smaller-lot neighborhoods. Two were developed in the early 1960’s (Kingswood/Meadow Wood and Cedar Ridge Subdivisions), and the 18-lot Affordable Housing Watson Estates Subdivision that was approved in 2012.

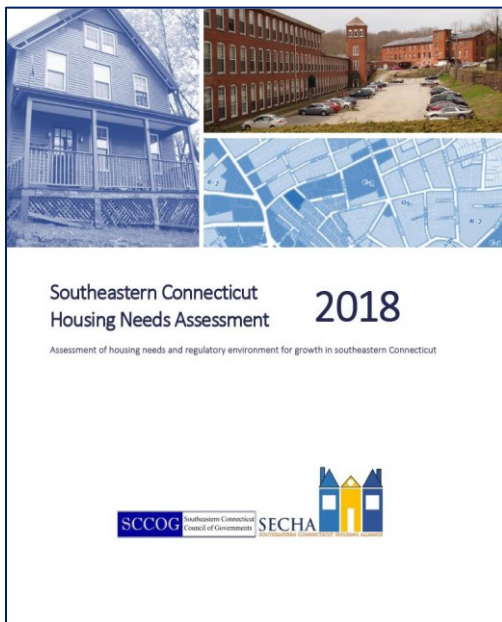
There is a 29-lot mobile home park near the southern border with Stonington. The majority of residences that would be considered affordable to low and middle income residents can be found in these four subdivisions/areas. The lack of city water and sewer make the development of new smaller-lot neighborhoods and multi-family housing cost prohibitive.





Left to Right: Kingswood/Meadow Wood Subdivision, North Stone Gardens Mobile Home Park, Cedar Ridge Subdivision

## Local and Regional Unfilled Need



According to the findings of the 2018 Southeastern CT Housing Needs Assessment, new renter households will outnumber new owner households, with the projected 7,180 new households in the region by 2030 likely consisting of 54% renters and 46% owners, compared to the current regional breakdown of 34% renters and 66% owners. Of these new households, 59% are projected to be lower-income.

With a projected increase in both young households and senior households, the demand for smaller starter homes and rental units will be great, as both demographics have similar needs/desires with respect to housing type. North Stonington must find ways to provide this type of housing.

The Housing Needs Assessment also found that since naturally-occurring affordable housing is occupied by both lower *and* higher-income households, not all

- Growing demand for:
- Affordable housing
  - Apartments
  - Housing in/near amenity-rich downtowns and neighborhood centers

naturally-occurring affordable housing is available to meet the needs of lower-income residents. Similarly, a statewide Housing Needs Assessment prepared by the Connecticut Housing Finance Authority in 2018 also showed a need for rental units throughout the state.<sup>vii</sup> The highest need was for housing for the lowest income bracket (0-30% AMI) due to lack of supply, but need exists for affordable housing for households earning 30-50% AMI and 50-80% AMI as well, primarily because both 0-30% AMI households and higher income households earning 80% AMI also compete for moderately-priced rentals.

## IV. Local and Regional Housing Production

### Housing Market

Housing in southeastern Connecticut’s suburban and rural municipalities skews toward larger single-family homes, while one-bedroom units are concentrated in the region’s urban centers. Many of the region’s suburban and rural communities have few alternatives to the single-family home, with single-family housing making up over 90% of housing in some communities. Homeownership is also more common in rural/suburban towns, with urban households slightly more likely to rent (54%) than own, and suburban/rural households much more likely to own their homes (80%).<sup>viii</sup>

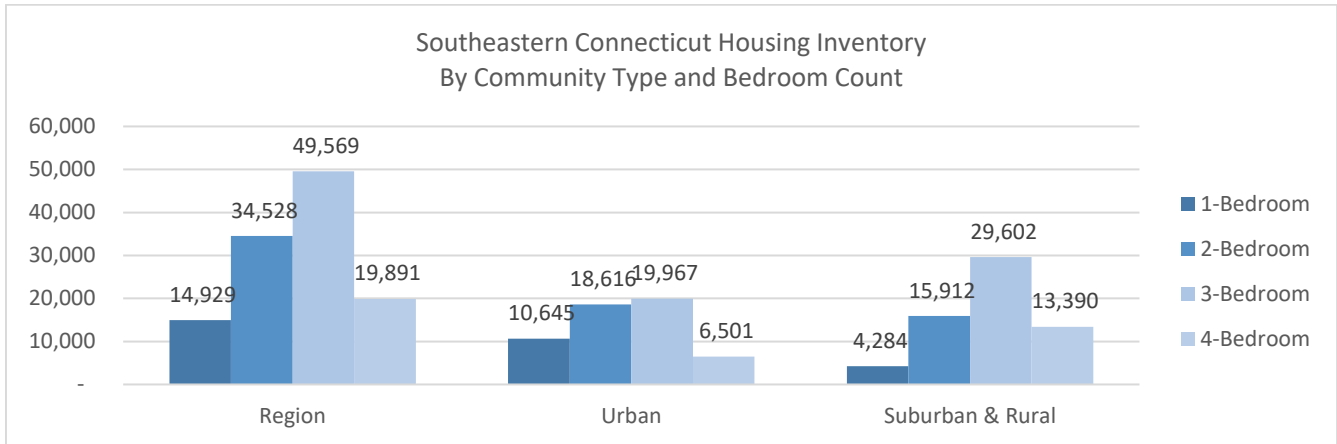


Figure 1. Housing in Southeastern Connecticut: Units by Number of Bedroom and Urban or Suburban/Rural Community Type. Additional 0-bedroom and 5+ bedroom units not shown. Source: U.S. Census American Community Survey (ACS) 2018 5-Year Estimates.

Housing construction in southeastern Connecticut has remained sluggish since the 2008 recession began, with annual production hovering around 300 units per year. Housing construction has traditionally focused on the production of single-family homes in suburban and rural municipalities (Figure 2). Recent spikes in multifamily construction in suburban/rural towns occurred in 2014 and 2015, but these levels were not sustained in 2016 and 2017. In North Stonington, building permit activity since 2000 peaked in 2004, mirroring regional trends (Figure 3).

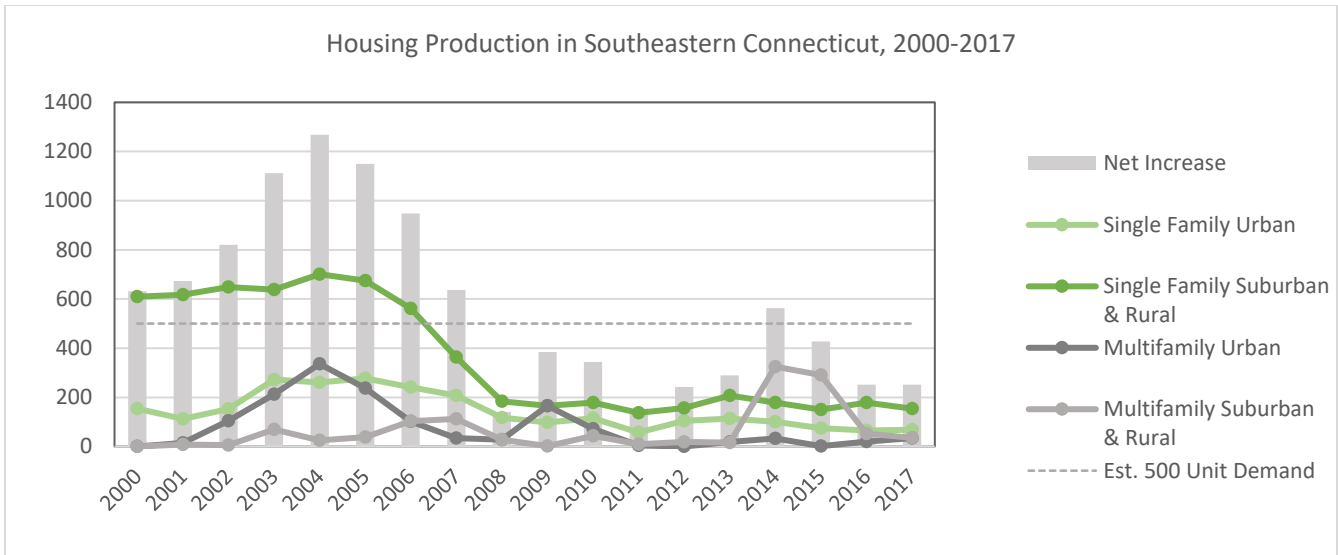


Figure 2. Housing Production (Permits-Demolitions) in Southeastern Connecticut, 2000-2017. Source: CT DECD.

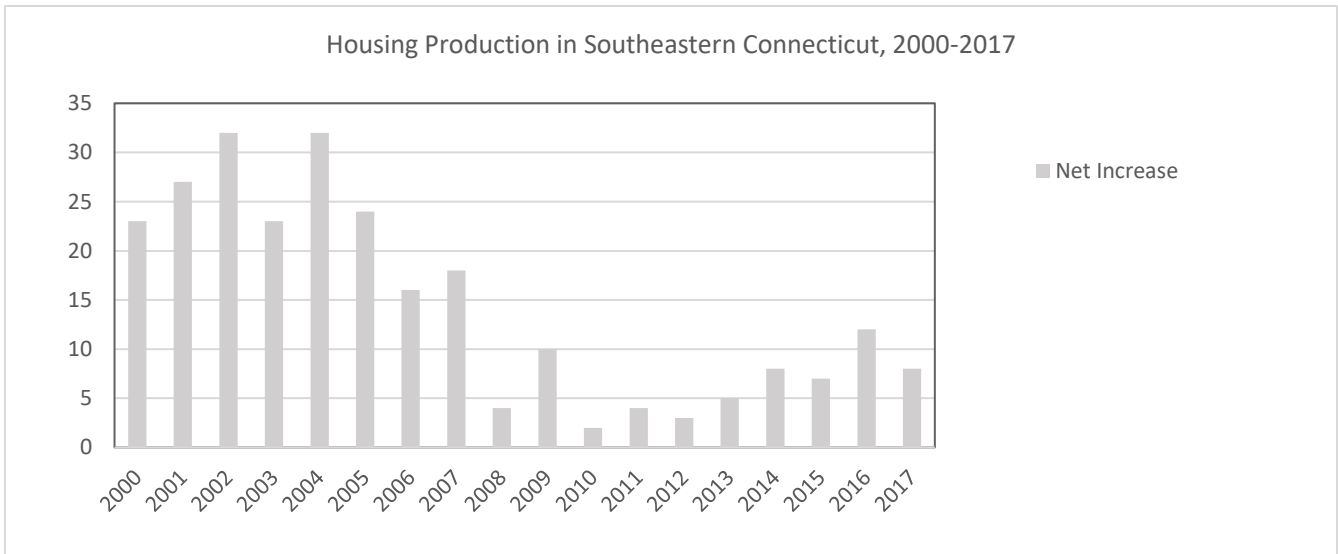


Figure 3. Housing Production (Permits-Demolitions) in North Stonington, 2000-2017. Source: CT DECD.

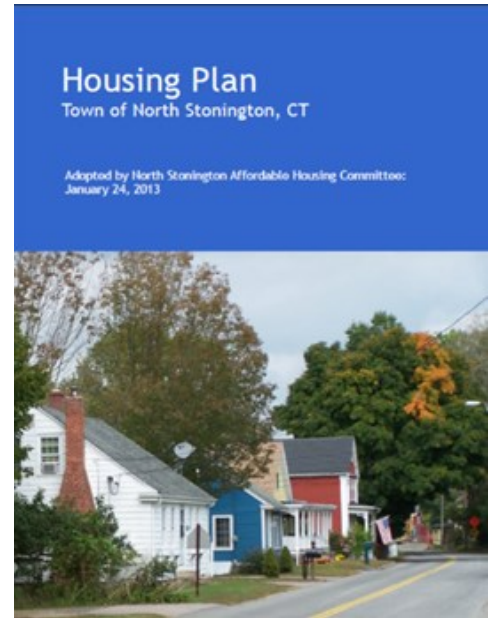


## Previous Planning

### 2013 Comprehensive Housing Plan

In 2008, the Board of Selectmen established the North Stonington Affordable Housing Committee to investigate opportunities and strategies for the development of affordable housing and providing a range of housing opportunities – in ways that match the scale and character of North Stonington. Building on a report created in 2007 by the then Ad Hoc Affordable Housing Committee, the NSAHC wrote a Comprehensive Housing Plan which was adopted January 24, 2013, and later incorporated into the 2013 Plan of Conservation and Development (POCD). In 2018 the Connecticut Mortgage Bankers Association, Inc. awarded the Affordable Housing Committee and its nonprofit off-shoot Keep North Stonington Affordable an award for Outstanding Achievement for Providing Affordable Housing Opportunities to Connecticut Residents.

Below is a summary of the plan’s vision statement and goals, as well as a summary of implementation actions taken since the plan’s adoption.



*VISION: North Stonington will strive to be a community comprised of people of all ages and income groups who work together thereby creating a strong sense of community. Our current and future housing patterns will reflect our rural atmosphere, contribute to our small town spirit, and help further our economic development goals.*

#### *Goal: Maintain Overall Densities While Allowing Additional Housing Opportunities*

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Adopted New/Modified Zoning Districts</p> | <p>Since the adoption of the 2012 Housing Plan and subsequent Plan of Conservation and Development, the Town has established several special zoning districts and uses that allow the private sector to respond to local housing demand and help provide for housing needs: Resort Commercial Zone; Economic Development Zone; Senior Housing Community; Cluster Development for Open Space Development; Micro-assisted Living Facility; Mixed-use Development; and Vacation Resort and Development Districts (Both Master Plan Developments). The Affordable Housing Development Overlay Zone was approved just prior to the 2013 POCD. These new Zones, development types and uses allow for much more housing types than ever permitted before.</p> |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### *Goal: Maximize the Potential of Existing Housing Units to Meet Housing Needs*

|                                                    |                                                                                                                                                                                                                                                                                |
|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Revised Accessory Dwelling Unit Regulations</p> | <p>NSAHC Commission members and Staff proposed many changes to the Accessory Apartment Regulations over the past 5 years. Not all were adopted, but the process is much easier and there are many fewer restrictions which has resulted in an increase in accessory units.</p> |
|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Researched Tax Abatement & Credit Ordinances                                 | NSAHC prepared educational materials on tax abatement and tax credit ordinances, including information on the types of housing that have received these benefits in other communities; worked with the assessor to review the program details, implications and process for implementing; and drafted the ordinance for consideration by the Board of Selectmen.                                                                                                                                                                                                                |
| Adopted Affordable Housing Floating Zone for Future Meadow Court Development | The NSAHC assisted with the Meadow Court application for the creation of an Affordable Housing Floating Zone to allow 56 Affordable and 28 Market Rate Units to be developed on a 7+ acre parcel along Rte. 2. Regulations were adopted by the PZC (To date, the project remains un-built).                                                                                                                                                                                                                                                                                     |
| Received Grant to Establish Housing Rehab Program                            | In 2014 the Committee with the help of the Town applied for and received a \$400,000 DOH Grant to establish a Housing Rehabilitation Program. 16 low-income and/or elderly people were helped from this program.                                                                                                                                                                                                                                                                                                                                                                |
| Adopted Regulations for Use of Single Family Homes as Care Homes             | In 2018, the PZC adopted regulations allowing the conversion of single family houses into micro assisted living / residential care homes (or by new construction).                                                                                                                                                                                                                                                                                                                                                                                                              |
| Assisted with the Rehabilitation of Existing Homes for Affordable Housing    | The Committee developed a process of identifying foreclosed homes and working with housing non-profit organizations to purchase and rehab the properties as deed restricted units. The Committee drafted the procedure and sample deed restrictions etc. They assisted in the redevelopment of 101 Anthony Rd. into a deed-restricted unit. NSAHC prepared draft documents for the Board of Selectmen to consider concerning process and terms of deed restrictions when purchasing and then converting naturally occurring affordable housing into qualified affordable units. |
| Conducted Education for Potential Homebuyers                                 | Much effort has been spent educating potential homebuyers about assistance programs. The Commission has hosted many events and seminars over the past 5 years, has created an educational pamphlet, and video displays that are posted on the website, shown on closed circuit TV, and shown in different locations or at local events.                                                                                                                                                                                                                                         |

*Goal: Encourage the Private Sector to Create Housing Choices*

|                                                                 |                                                                                                                                                                                                                       |
|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Adopted New Zoning for Senior Housing and Mixed-Use Development | New Senior Housing and Mixed-use regulations were passed with the support from NSAHC. (See new uses above as well.)                                                                                                   |
| Coordinated with Developers on “Friendly 8-30g” Developments    | The Commission and planning staff continue to work with developers encouraging “friendly 8-30g” developments. To date, one subdivision has been approved and nearly completed with 5 of the 6 affordable units built. |

*Goal: Pursue Community-Initiated Housing Projects*

|                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Advanced Use of Town-Owned Land for Affordable Housing</p> | <p>The NSAHC and PZC have been working on a community driven housing project for many years. UCONN Students were “hired” to look at the Town-owned parcels off Wintechog Hill and create conceptual plans for the development of housing and other low impact uses. From this initial work, the Committee decided to apply for and later did receive received a \$20,000 HOME CT grant to further investigate the feasibility of creating an Incentive Housing Zone (overlay) on the site. Milone and MacBroom were hired to investigate the site and develop a suitability plan (for septic). Part of the grant was also to be used to develop Incentive Housing Zone Regulations for the PZC to consider. This work was completed and the feasibility plan and proposed regulations for the Incentive Housing Zone were presented to PZC but denied because they believed the density required for an Incentive Housing Zone was not in keeping with the character of the town, and noted that there were no longer any “incentives” paid by the state for this type of housing.</p> <p>ECHO, a non-profit company, was then hired to do a pro-forma analysis based on the conceptual plans submitted, and revisions to the plans are underway for final approval by the Town.</p> |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

*Goal: Build Our Capacity to Implement Housing Initiatives*

|                                           |                                                                                                                                                                    |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Developed Non-Profit Housing Trust</p> | <p>Members of the NSAHC have branched off to form a Housing Trust. The new nonprofit, Keeping North Stonington Affordable, was officially established in 2018.</p> |
| <p>Secured Funding for Projects</p>       |                                                                                                                                                                    |

**Plan of Conservation and Development**

North Stonington’s 2013 Plan of Conservation and Development recognized the growing mismatch between incomes and housing prices and its lack of affordable options. It included a review of recent community engagement which showed that while many North Stonington residents do not support the creation of additional housing, others point to the desire for housing to accommodate young residents, essential workers, and retirees.

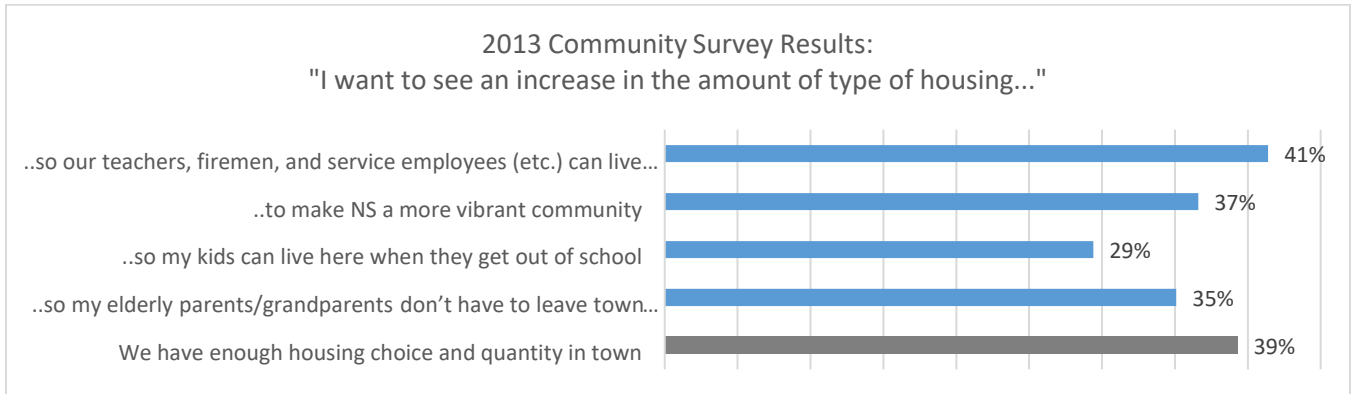


Figure 4. 2013 Community Survey Results.



The POCD re-affirmed the strategies outlined in the 2013 Housing Plan and emphasized that new housing should reflect the rural character of North Stonington, be well-planned, and be located in appropriate places, suggesting that areas for village-style housing or mixed-use development might work in certain areas along the western end of Route 2, certain areas along 184, and near I-95.

### Local Zoning

Where new housing is built is a function of the availability of undeveloped land, zoning and other regulations that control its use, and market forces. An initial review of undeveloped land in southeastern Connecticut by the Southeastern Connecticut Council of Governments in 2018 showed opportunities for new multifamily housing in nearly all of the region's municipalities. While the absence of public water and sewer systems can make development more complicated, it does not preclude multifamily construction.



Margaret Leonard accepting CT Mortgage Bankers Association award on behalf of the Town of North Stonington's Affordable Housing Committee and Keep North Stonington Affordable non-profit

### *Summary of Residential Zoning from SCCOG 2018 Housing Needs Assessment*

#### **Town of North Stonington- Sewer service is extremely limited**

**Single-Family:** Permitted throughout the majority of town, in the R-40, R-60, and R-80 residential zones (all residential zones).

**Two-family:** Permitted in all residential zones.

**Mixed-Use:** Allowed by Special Permit in the Commercial, Highway Commercial, Village Preservation Overlay Area, and Economic Development zones.

**Accessory Apartments:** Permitted in all residential zones.

**Clustered Development:** Allowed in all residential zones.

**Affordable Housing Opportunities:** Affordable Housing Overlay District (AHOD) requires 30% of units to be deed-restricted at affordable rents or prices. This zone is also a floating zone.

**Other:** The Design Development District is an overlay zone that allows planned development, which may include single-family units and mixed-use development.

The majority of land in North Stonington is zoned to allow single-family or duplex construction on lots at least one to two acres in size. Attached or detached accessory dwelling units are also allowed and may be rented to non-family members. Cluster subdivisions, which concentrate the footprint of building and infrastructure in a smaller area while preserving other land as unbuilt, may be allowed by special permit provided they preserve at least 1/3 of total land as dedicated open space.

The zoning regulations establish an overlay zone which could enable the development of multifamily affordable housing—the Affordable Housing Development Overlay Area—provided certain requirements are met. The overlay zone would allow housing up to 12 units per acre provided that at least 30% of the housing is preserved as affordable housing for residents at 60% and 80% of Area Median Income.

Except in the lowest-density R-80 zone, age-restricted multifamily housing may be allowed through special permit for housing restricted to residents 55 or older and specific associated household members, with a maximum of four residents allowed per home. Condominiums and timeshares may be permitted in the RC Resort Commercial Zone, with buildings up to four stories tall.

Housing is allowed as a secondary use in the commercial zones C, HC, ED, and RC, but only on upper levels and using less than half of the overall building footprint. The Design Development Overlay Zone allows housing via special permit as part of a mix of residential and non-residential uses.

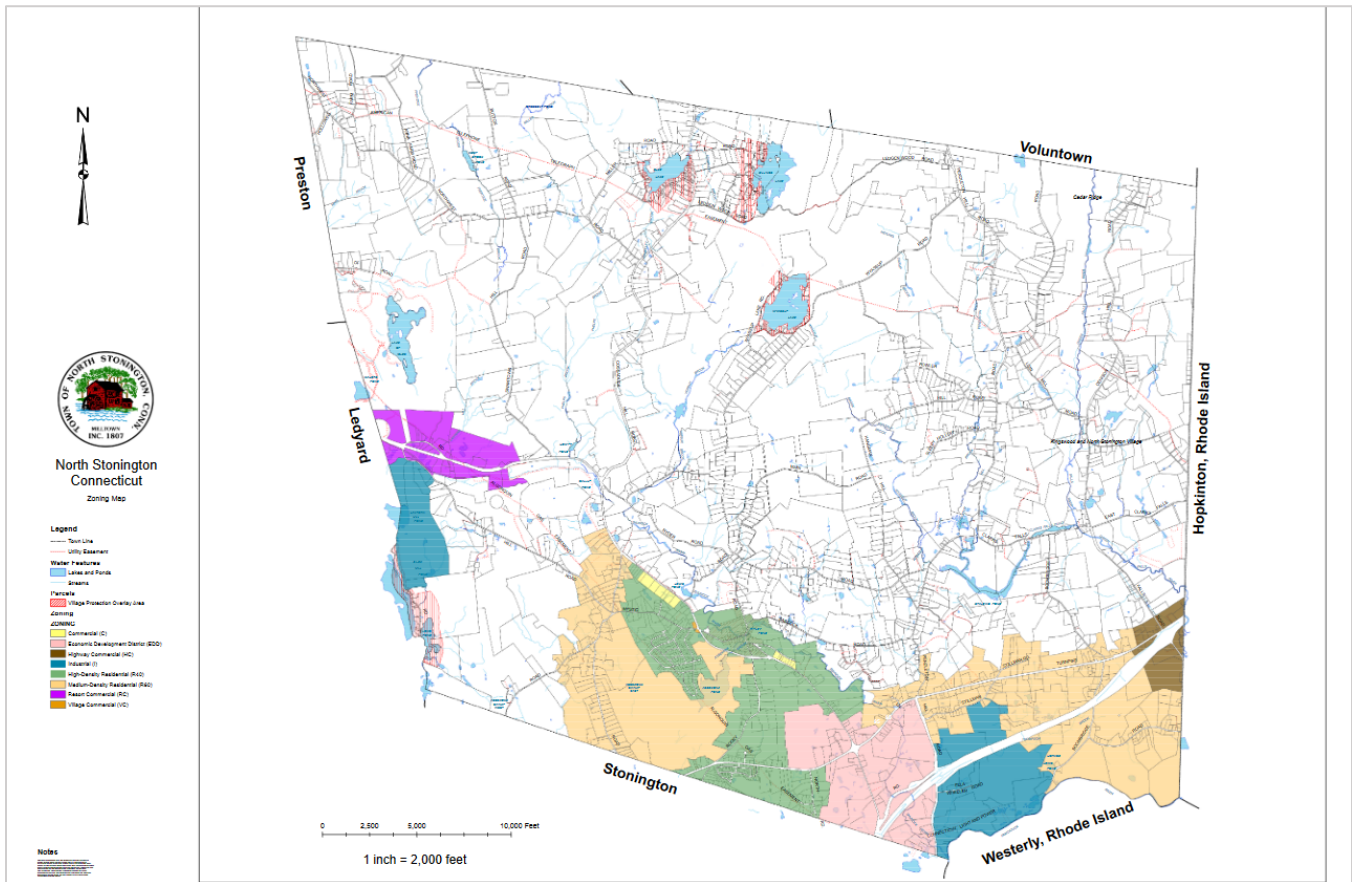


Figure 5. Zoning

## 8-30g Affordable Housing Appeals Status

North Stonington has the lowest share of affordable housing in the region, as defined by the 8-30g Appeals Act exemption criteria, with 1.5% of homes qualifying towards the 10% exemption threshold. To qualify toward the exemption, a home must be deed-restricted affordable, financed with a CHFA or USDA Mortgage, or receiving government subsidies, including rental subsidies issued directly to tenants in privately-owned housing. In southeastern Connecticut, only Windham, New London, Groton, and Norwich have more than 10% affordable housing and are exempt from 8-30(g).

Information gathered by the Connecticut Department of Housing in 2020 shows that North Stonington has 34 qualifying affordable homes:

- 27 CHFA/USDA financed homes
- six deed-restricted homes
- one household receiving tenant rental assistance.

Municipalities may also be granted four-year temporary exemptions from some 8-30g proposals by demonstrating real progress in facilitating new affordable housing. The threshold for achieving a moratorium, as of 2022, is new affordable housing created in the municipality earning “Housing Unit Equivalent” points equal to the greater of two percent of existing housing or 75 points. New housing qualifies for up to 2.5 Housing Unit Equivalent points per unit based on whether it will be owned or rented (rented earns more points), restricted to senior citizens (senior-only earns fewer points), and the affordability level of the unit (affordability to lower income levels earns more points). With six units of recently created affordable housing already worth 10.5 points toward the 75 point threshold, North Stonington could achieve a moratorium with as few as 26 additional affordable rentals (family units affordable to families at 40% Area Median Income) or as many as 129 homes for senior-citizens at 80% Area Median Income.





## V. Action Plan

This Affordable Housing Plan re-affirms the goals of previous plans which established clear directions for implementation. The following guiding principles with respect to creating more affordable housing were articulated in the 2013 Plan and still apply today.

### Guiding Principles

| Enhance our Community                                                                                                                                                                                                                                                                                         | Be well-planned                                                                                                                                                                                                                                                 | Be located in appropriate places                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• Reflect our rural character.</li><li>• Provide a mix of ages and income levels with opportunities for families, our work force, young adults and seniors.</li><li>• Support and promote our community values, including agricultural and small town values.</li></ul> | <ul style="list-style-type: none"><li>• Be of a type, size and style that is appropriate in our community.</li><li>• Give deference to small scale projects.</li><li>• Be of high quality design.</li><li>• Be supported by on-site water and septic.</li></ul> | <ul style="list-style-type: none"><li>• Areas for village style housing might work in certain areas along the western end of Route 2, certain areas along 184, and near I-95.</li><li>• Mixed use could work in these same areas.</li></ul> |

### Opportunities and Challenges

| Housing Issues and Need                                                                                                                                                                                                                                                                | Challenges to Addressing Needs                                                                                                                                                                                                                                                                                                                                                                                  | Potential Opportunities                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• Two groups need alternatives to large single-family homes: elderly or disabled, and younger residents</li><li>• Desire by seniors to remain in town but downsize</li><li>• Existing lower-cost housing does not qualify toward 8-30g</li></ul> | <ul style="list-style-type: none"><li>• Rural, no bus routes, not an employment center, limited utilities (no sewer)</li><li>• Land/development costs too high to support new starter housing</li><li>• Some prefer not to have multifamily housing</li><li>• Some prefer not to use town money for housing projects</li><li>• Attracting younger residents when jobs and housing pull them elsewhere</li></ul> | <ul style="list-style-type: none"><li>• Housing stock and zoning regulations should be assessed to determine what opportunities might exist to accommodate needs.</li><li>• Milltown Commons (mixed use) concept was good idea</li><li>• Housing and economic development, in turn, are seen as intertwined and recent studies show a direct correlation between both</li></ul> |

Given the progress that North Stonington has made in achieving previously-established goals, this plan updates and adds to the Town's Action Plan for addressing housing needs.

*VISION: North Stonington will strive to be a community comprised of people of all ages and income groups who work together thereby creating a strong sense of community. Our current and future housing patterns will reflect our rural atmosphere, contribute to our small town spirit, and help further our economic development goals.*

*Goal: Maintain Overall Densities While Allowing Additional Housing Opportunities*

### Completed Actions

- Adopted New/Modified Zoning Districts including zoning for micro-assisted living, cluster development, and housing as part of mixed-use development.

#### New/Continuing Actions

- Achieve a four-year moratorium from 8-30(g).
- Consider adopting regulations that would allow larger accessory dwelling units when deed-restricted for affordable housing.

#### *Goal: Maximize the Potential of Existing Housing Units to Meet Housing Needs*

##### Completed Actions

- Revised Accessory Dwelling Unit Regulations.
- Researched Tax Abatement & Credit Ordinances.
- Received Grant to Establish Housing Rehab Program.
- Adopted Regulations for Use of Single Family Homes as Care Homes.
- Assisted with the Rehabilitation of Existing Homes for Affordable Housing.
- Conducted Education for Potential Homebuyers Continue to assist with the rehabilitation of existing homes, either for dedicated Affordable Housing or existing low-income residents.

##### New/Continuing Actions

- Continue supporting first-time homeownership, through education. Work with the local realtor community to publicize availability of USDA and CHFA low-interest home loans.
- Continue to support potential Meadow Court development, including marketing site to potential builders.
- Purchase existing older or naturally affordable homes and convert them to qualified affordable units. North Stonington has a number of housing units that have sold for more affordable prices due to location, size or condition. These units are not recognized as affordable units under state law and their resale prices are not restricted. The Town could track when these units come onto the market; develop a process to determine which houses to pursue and, if purchased by the Town, the process for deed restricting the unit. This program would need start-up funding for the initial purchase. Proceeds from the resale of the unit can then replenish the fund.
- Develop regulations to allow the adaptive re-use/conversion of large single family houses to apartments where appropriate (and in accordance with specific design guidelines to be developed).

#### *Goal: Encourage the Private Sector to Create Housing Choices*

##### Completed Actions

- Adopted New Zoning for Senior Housing and Mixed-Use Development
- Coordinated with Developers on “Friendly 8-30g” Developments
- Adopted Affordable Housing Floating Zone for Future Meadow Court Development

##### New/Continuing Actions

- Continue to coordinate with builders working under 8-30(g) provisions.
- Support efforts to extend water and sewer infrastructure into the Economic Development District.
- Consider adopting inclusionary zoning provision (portion of new development must be deed-restricted affordable). A payment-in-lieu provision could fund public or private investments towards affordable housing.
- Develop understanding of the process for developing affordable housing, and prepare guidance to assist developers of affordable housing.
- Review potential areas for village-style housing or mixed-use development (certain areas along the

western end of Route 2, certain areas along 184, and near I-95). Review potential modifications to single-family zoning that would enable low-density, low-impact multifamily developments like Kingswood-Meadow Wood or Cedar Ridge.

*Goal: Pursue Community-Initiated Housing Projects*

Completed Actions

- Advanced Use of Town-Owned Land for Affordable Housing.

New/Continuing Actions

- In partnership with a non-profit housing development organization, implement a community-driven housing project on suitable town-owned property.
- Develop strategies to encourage novel housing types such as tiny homes.



*Concept Plan for Wintechog Hill Housing Development on Town-Owned Land.*

*Goal: Build Our Capacity to Implement Housing Initiatives*

Completed Actions

- Developed Non-Profit Housing Trust.
- Secured Funding for Projects.

New/Continuing Actions

- Include implementation plan in next Plan of Conservation and Development.
- Develop a Housing Trust Fund with Inclusionary Zoning fees-in-lieu or Inclusionary Housing fee.
- In partnership with local and regional housing organizations (such as KNSA and SECHA), conduct an on-going Public Information Campaign to educate the citizens and institutions about the region's and more specifically North Stonington's affordable housing needs and opportunities.
- Develop guidance documents to assist those interested in developing affordable or lower-cost housing in North Stonington.
- Work with the regional groups such as Southeastern CT Enterprise Region (seCTer) and Southeastern CT Collaborative Group (SCCG) to better understand the housing needs of the projected new employees for Electric Boat/General Dynamics. Develop strategies locally to meet the identified need.
- Continue support of North Stonington Affordable Housing Committee and partnerships with Keep North Stonington Affordable Stakeholders.



*Community Outreach Event*

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<sup>i</sup> CHFA 2019 Summary of Programs. [https://www.chfa.org/assets/1/6/2019\\_CGS\\_8-3\\_7bb.pdf](https://www.chfa.org/assets/1/6/2019_CGS_8-3_7bb.pdf).

<sup>ii</sup> Ibid.

<sup>iii</sup> Derived from U.S. Census American Community Survey 2019 5-Year S1901.

<sup>iv</sup> U.S. Census American Community Survey 2018 5-Year Estimates.

<sup>v</sup> New London County 2019 Sales by Town, Eastern CT Association of Realtors.

<sup>vi</sup> Fourth Quarter New London and Windham County SOLD Comparisons - 2020 vs. 2019, Eastern CT Association of Realtors.

<sup>vii</sup> Connecticut Housing Finance Agency. Connecticut Housing Needs Assessment.

[https://www.chfa.org/assets/1/6/Connecticut\\_HNA.pdf](https://www.chfa.org/assets/1/6/Connecticut_HNA.pdf).

<sup>viii</sup> Ibid.