

# Housing Plan

## Town of North Stonington, CT

Adopted by North Stonington Affordable Housing Committee:  
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# Acknowledgements

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# INTRODUCTION

## About this Plan

As established by the Town's Board of Selectmen, the North Stonington Affordable Housing Committee (NSAHC) is charged with exploring opportunities and developing strategies for the development of affordable housing to serve town residents and employees. This Plan outlines a vision and provides guidance on how North Stonington can expand upon housing opportunities to better meet the needs of current and future residents.

The Plan:

- conveys the community's **vision** for housing opportunities so that land owners, housing providers, lenders and others who play a role in developing housing will know what is appropriate (and not appropriate) for North Stonington;
- outlines **specific actions** that the NSAHC, other boards and commissions, and local officials can take; and
- provides **information** about the status of and need for more housing choices.

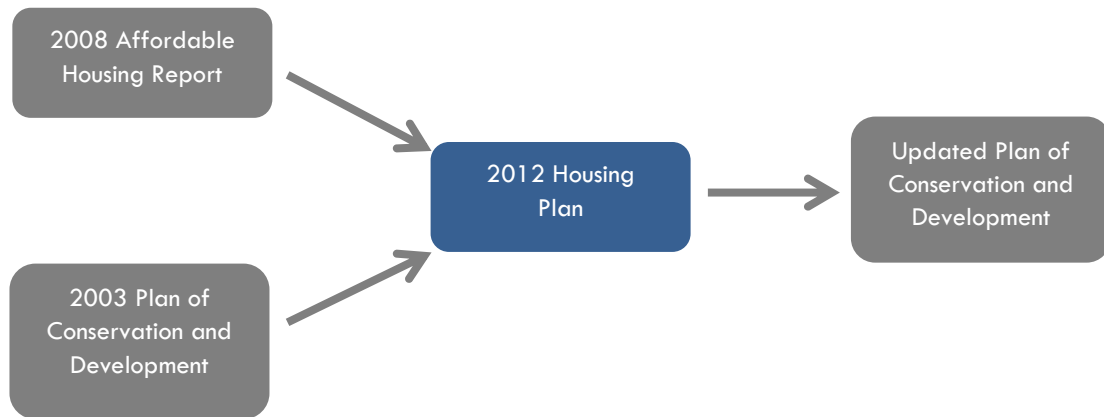
The Board of Selectmen established the Committee to investigate opportunities and strategies for the development of **affordable housing** and providing a range of **housing opportunities** – in ways that match the scale and character of North Stonington. The Committee is currently comprised of six members.

## Relation to Past and Current Planning Efforts

The NSAHC examined affordable housing needs in the 2008 North Stonington Affordable Housing Report. The Report summarized public opinions on housing issues (obtained through a survey) and outlined possible strategies to provide opportunities for housing development, while protecting natural resources and maintaining the Town's rural character.

The process of creating this 2012 Plan reaffirmed that many of the strategies identified in the 2008 report remain relevant and appear to be supported by residents. This Plan expands upon the strategies and identifies additional strategies. A companion report offers action steps to implement the strategies.

The vision for housing opportunities contained in this Housing Plan also builds upon the 2003 Plan of Conservation and Development (POCD). The Planning and Zoning Commission is currently updating the POCD, which will guide the physical development of the Town over the next 10 years. It is anticipated that this Housing Plan will be incorporated by reference in the POCD. Like any plan, this Housing Plan should be flexible to accommodate changes in the community and changes in community attitudes. Once an updated POCD is adopted, this Housing Plan can be updated, if needed, to reflect new information or new ideas contained in the POCD.



## What is Affordable Housing?

### Measure of Affordability

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 the annual cost of a mortgage (plus insurance and taxes) does not exceed 30% of the annual household income.

Most state and local programs focus on providing affordable housing to the following income groups:

<b>Low Income</b>	A household that earns up to 50% of the median income
<b>Moderate Income</b>	A household that earns up to 80% of the median income
<b>Workforce Housing</b>	A household that earns up to 120% of the median income

### Qualified Affordable Housing Units

To encourage the creation of affordable housing for low and moderate income households, the State Legislature enacted the Affordable Housing Appeals Act (Connecticut General Statutes 8-30g). CGS 8-30g sets a goal that at least 10% of a community's housing stock must be "affordable." 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) under a program for income-qualifying persons or families.
- Deed restricted to be affordable to low or moderate income persons or families for at least 40 years.

When less than 10% of a community's housing stock consists of qualified affordable housing units, the community becomes vulnerable to housing developments that might conflict with town goals for development. Developers can over-ride zoning regulations if they propose to build units that comply with the affordability requirements of 8-30g. The community can only deny the development if it can prove that threats to public health or safety outweigh the need for affordable housing. Because of this high burden of proof, few Connecticut communities have successfully denied 8-30g affordable housing developments and the legal costs for defending a denial in court can be daunting.

**Affordable** – When a household pays no more than 30% of annual household income for the mortgage, insurance and taxes, it is considered affordable.

**Qualified Affordable Housing** – A housing unit that complies with CGS 8-30g and therefore counted toward the Town's 10% affordable housing requirement.







# VISION

## 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.

## Guiding Principles for Residential Growth

New housing opportunities should:

1. Enhance our community:
  - Reflect our rural character.
  - Provide a mix of ages and income levels with opportunities for families, our work force, young adults and seniors.
  - Support and promote our community values, including agricultural and small town values.
2. Be well-planned:
  - Be of a type, size and style that is appropriate in our community.
  - Give deference to small scale projects.
  - Be of high quality design.
  - Be supported by on-site water and septic.
3. Be located in appropriate places:
  - 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.
  - Mixed use could work in these same areas.



# FINDINGS

## Overall Findings

Key findings from community input and an analysis of conditions and trends are:

- Residents **support** the expansion of housing choices.
- There is a **need** for more housing choices – the 2008 survey and call-ins to a local talk show on housing in town illustrated a need for options.
- North Stonington is **overinvested** in single family houses, leaving few opportunities for those who need or desire other housing options.
- Housing prices grew at a much greater pace than income, creating a **gap** in what is affordable.
- North Stonington severely **lags** in creating qualified affordable housing.

Residents **support** expanding housing choices in town.

## Community Sentiment

Community input through a past survey and more recent community meetings indicates that residents support the expansion of housing choices.

### 2008 Community Survey

In 2008, the Town conducted a survey to gauge residents' opinions about the current and future status of housing in North Stonington. Just over 300 households returned the survey, for a response rate of 13%. Key findings from that survey were:

- 58% felt that North Stonington needs more housing choices in general.
- 78% supported senior housing.
- 46% supported lower priced housing.
- 49% supported housing for young adults.
- 15% indicated that someone in their household currently needed an alternative housing option (mainly lower priced house, apartment or senior housing).
- 65% indicated they foresee a time when they would want to change their housing situation. Most would downsize to a smaller unit or look for senior housing. Half of them wished to remain in North Stonington.

For the full results of the 2008 survey, see:

[http://www.northstoningtonct.gov/Pages/NStoningtonCT\\_BC/AHC/NS\\_AHC\\_Report.pdf](http://www.northstoningtonct.gov/Pages/NStoningtonCT_BC/AHC/NS_AHC_Report.pdf).



*Residents discussing challenges and opportunities at the April 2012 workshop.*



## 2012 Community Input

To prepare this Plan, various scoping meetings were held:

- Public Workshop (April 28, 2012)
- Meeting with the Economic Development and Planning and Zoning commissions (March 8, 2012)
- Discussions among the members of the NSAHC (ongoing during creation of the Housing Plan)

Findings indicate that North Stonington residents remain receptive to new housing choices.

### Public Workshop Findings

On April 28, 2012, roughly 40 residents gathered to share their ideas on housing opportunities in North Stonington. Residents were asked where they have lived (orange dots), and where they plan to live (green dots) at various ages.

- As young adults (age 24) many lived in small houses and apartments.
- As they aged, they moved into larger housing units.
- Some residents indicated that they would like additional options as they reach their senior years.




















The NSAHC's consultant appeared on a local cable show to discuss housing needs and challenges in town. Residents were able to call in to offer their perspective.

One notable call was from an older resident who was moving to Killingly because there were **no options for older residents** in town.

Which types of housing have you lived in? Which do you hope / expect to live in?								
	Smaller Single Family	Larger Single Family	Accessory Apartment	2 or 3 Family	Apartment or Condo	Age-Restricted Housing	Assisted Living	Other
Age 24	●●●●● ●●●●● ●		●●●●● ●	●●	●●●●●			●
Age 36	●●●●● ●●●●● ●	●●●●● ●●● ●●●●● ●●●		●●				●
Age 48	●●●●● ●	●●●●● ●●●●● ●●●●●	●					
Age 60	●●●●● ●●●	●●●●● ●●●●● ●●●●● ●●●●●				●●		
Age 72	●●●●●	●●●●● ●●●●● ●●●●● ●●●			●	●●		
Age 84	●●●●●	●●●●● ●●●	●			●●●	●●●●●	

Residents were then asked to think about the various types of housing in North Stonington today and whether there was: too much, not enough, or the right amount.

- Residents felt there are not enough apartments, assisted living, and age-restricted housing.
- Large houses were “just about right” or “too much.”

For each housing type, right now in North Stonington, is there...								
	Smaller Single Family	Larger Single Family	Accessory Apartment	2 or 3 Family	Apartment or Condo	Age-Restricted Housing	Assisted Living	Other
Not enough								
Just the right amount								
Too much								

Participants worked in groups to generate ideas that the community should consider. All groups concluded that accessory apartments / in-law apartments are a part of the solution.

Group 1	Group 2
<ul style="list-style-type: none"> <li>• 10 units or less deed-restricted affordable housing throughout town (rental)</li> <li>• Larger than 10 unit deed-restricted affordable housing on the west end of Route 2 (workforce housing)</li> <li>• Accessory apartments / cottages on existing lots</li> <li>• Tax abatements for deed-restriction of accessory apartments</li> </ul>	<ul style="list-style-type: none"> <li>• Deed small cottages as affordable units, but limit number (allow in-law assisted living, farmhand and property management use)</li> <li>• Allow larger homes to be split into multiple units (adaptive reuse)</li> <li>• Reasonably-priced assisted living</li> <li>• Consider inclusionary zoning (10% minimum)</li> </ul>
Group 3	Group 4
<ul style="list-style-type: none"> <li>• Land along the I-95 corridor can accommodate seniors and young people</li> <li>• Modify the free split provisions to increase free splits for families / family compounds; allow splits for farm housing</li> <li>• 1-4 unit buildings or 2-3 unit homes; make it easier to add apartments to homes</li> <li>• Educate people about development</li> <li>• Develop better design guidelines and control are important</li> </ul>	<ul style="list-style-type: none"> <li>• Allow apartments in current homes; allow subdivisions and add cottage apartments</li> <li>• Condos / clustering of homes with open-space / recreation (along Route 184)</li> <li>• Mixed-use village centers - housing above business use (along Route 2)</li> </ul>

## Planning and Zoning Commission, Economic Development Commission, and NSAHC Discussions

The following summarizes key findings from discussions with the Economic Development Commission, the Planning and Zoning Commission and the NSAHC.

Housing Issues and Need	Challenges to Addressing Needs
<ul style="list-style-type: none"> <li>Two groups in need of housing that is affordable: elderly citizens and younger residents.</li> <li>Choice is important for all income levels; we don't have any senior housing; no place for people that don't want to manage a yard.</li> <li>Senior citizens wish to remain in the town they grew up in or have lived for a significant period of time</li> <li>How to downsize in town (live in a home more compatible with their current needs and in some instances financial constraints).</li> <li>We feel like we have a lot of affordable units, but cannot count them under 8-30g.</li> </ul>	<ul style="list-style-type: none"> <li>Rural, no bus routes / limited transportation, not an employment center, limited goods and services, limited utilities (no sewer).</li> <li>Town is too expensive for starter homes (land costs and development costs are too expensive).</li> <li>Some prefer not to have multi-family housing.</li> <li>Some prefer not to use town money for housing projects.</li> <li>Mobility is a new trend for younger people who will go where the work is and where housing is "affordable".</li> </ul>
Potential Opportunities	Questions
<ul style="list-style-type: none"> <li>The 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>	<ul style="list-style-type: none"> <li>What does the term Affordable Housing mean?</li> <li>Is there a need (if you build it will they come)?</li> <li>What types of housing might they be? Multi-family? Rental? Smaller units? Senior Housing?</li> <li>What is the town's role in affordable housing?</li> <li>Who would build it?</li> </ul>

Housing and economic development are intertwined.

To see how a lack of affordable housing impacts Connecticut's economy, see: [http://secha.org/wp-content/uploads/2012/07/Klepper\\_Smith\\_Report.pdf](http://secha.org/wp-content/uploads/2012/07/Klepper_Smith_Report.pdf)

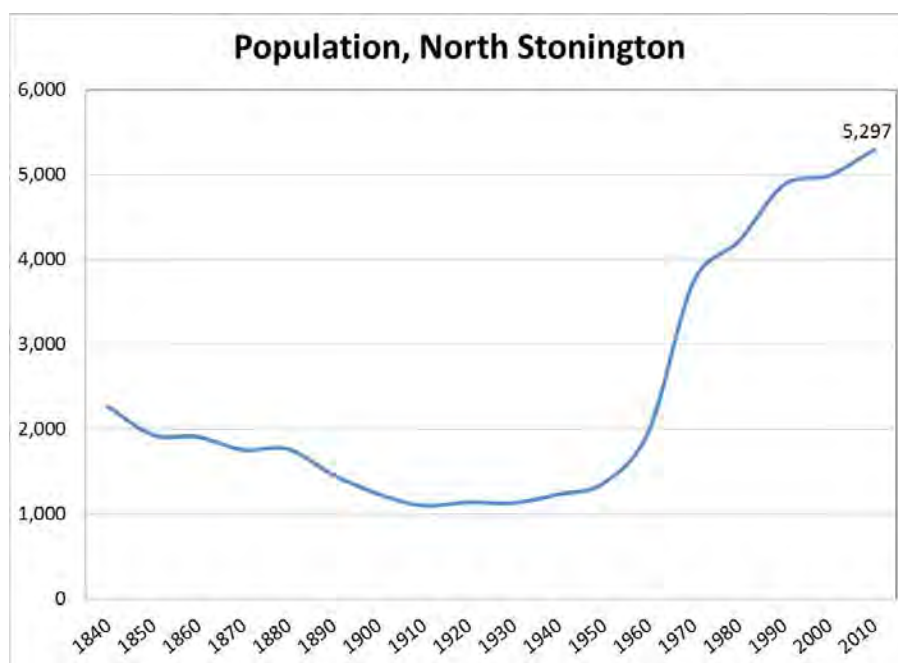
For a national perspective, see: <http://www.nhc.org/media/files/Housing-and-Economic-Development-Report-2011.pdf>

Over the last 50 years, North Stonington's population **increased substantially and faster** than the State.

## Conditions and Trends Affecting Housing Need and Demand

### Strong Population Growth Historically

North Stonington grew by 167% from 1960 to 2010 while the State's population grew by 41%. Although the Town's growth rate has slowed over the past two decades, it did grow by 6% from 2000 to 2010.



Source: US Census.

Projections indicate that the Town's population will level off through 2020. Projections are simply an extension of demographic trends. They do not account for factors that influence who moves to (and from) a community, such as the quality of the school system, types of housing, and other factors.

### Population Projections, North Stonington

	Population	Change From 2010
<b>2010 Population</b>	5,297	
<b>2020 Projections</b>		
CSDC (low fertility)	5,149	-30
CSDC (high fertility)	5,263	-150
Planimetrics	5,299	0

Sources: US Census. Population projections by Planimetrics and by the Connecticut State Data Center (CSDC). The CSDC has prepared a range of projections based on a variety of assumptions about fertility rates.



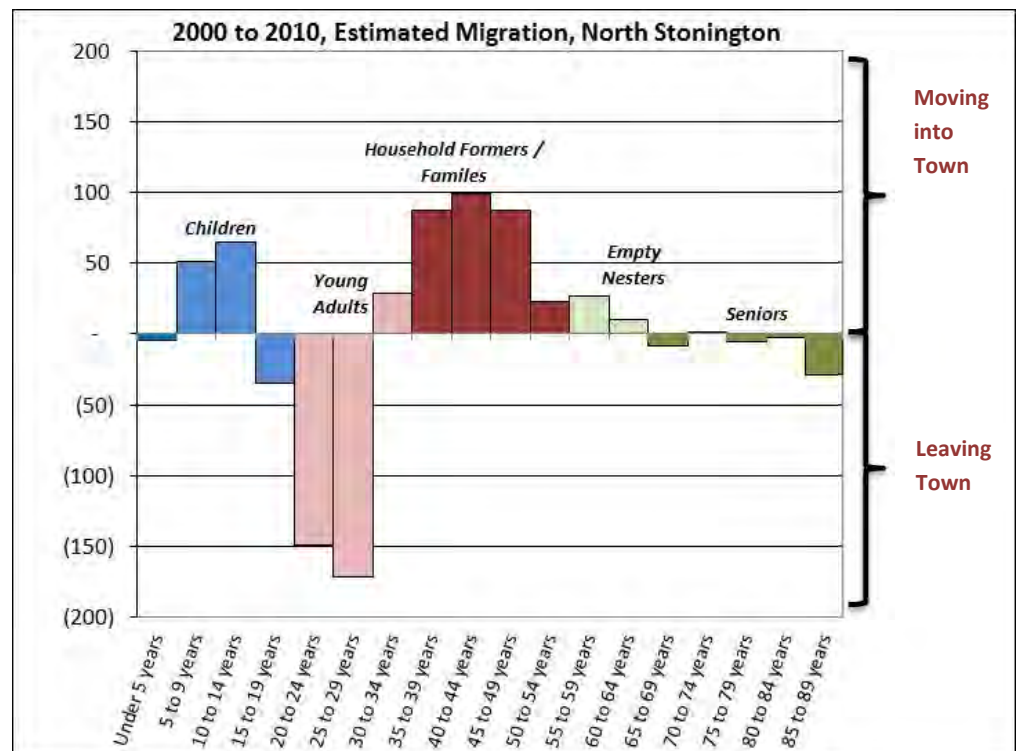
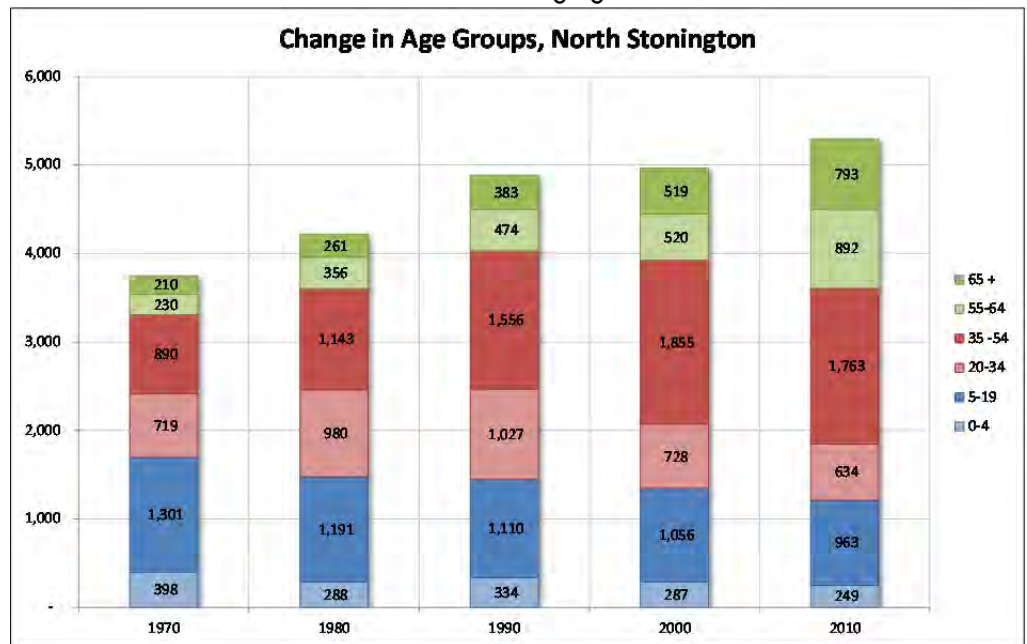
## Population Aging and Young Adults Leaving

North Stonington is aging, with a greater number of residents ages 55 and over. This increase is not due to seniors moving to Town. As the lower chart indicates, more seniors moved out of Town than moved to Town from 2000 to 2010.

This increase in the number of seniors is due to natural trends – the aging of the baby-boom population (those born in the 1940s and 1950s).

North Stonington also saw a large decrease in the number of young adults. In fact, from 2000 to 2010, the majority of people who moved out of North Stonington were young adults, ages 20 to 30.

Even though there are fewer households with children today, most of those moving to North Stonington are families with children.

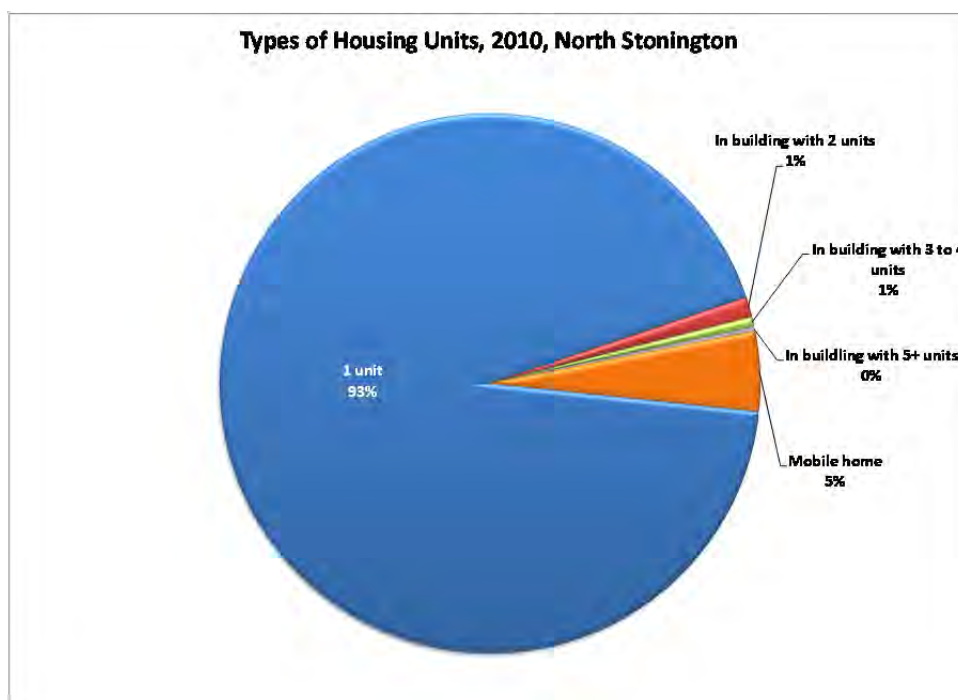


Sources: US Census, CT Department of Public Health and Planimetrics.

There are **few alternatives** to owning a single family house in North Stonington.

### Over-Invested in Single Family Houses

North Stonington's housing stock might be one reason for the migration of younger and older adults from town: 93% of the "housing portfolio" is comprised of single family housing units and 80% of housing units are owner-occupied. This leaves few alternatives to owning a single family house in North Stonington – alternatives that might be important for young adults, empty nesters and seniors. The housing stock is attractive to families, which helps to explain the continued in-migration of families with children.



Source: US Census.

North Stonington's household size has been shrinking (similar to national and state trends), but has a low percentage of single person households.

### Single Person Households, 2010

	% of Households
North Stonington	17%
New London County	28%
Connecticut	27%
U.S.	27%

Source: US Census.

## Housing Price Growth Outpacing Income Growth

In 2010, North Stonington's median sales price for a single family house was \$220,950, which was slightly higher than the County's (\$215,000). From 2000 to 2010 North Stonington have become less affordable to Town and State residents, as housing prices and values have risen at a greater rate than household income.

Housing prices and values have risen at a **greater rate** than household income.

### Change in Income Compared to Change in Sales Price, North Stonington

	2000	2010	% Change 2000 to 2010
Town Median Household Income	\$61,733	\$75,162	22%
State Median Household Income	\$53,935	\$65,686	22%
Housing Value	\$159,400	\$241,000	51%
Median Sales Price*	\$166,000	\$220,950	33%

\*For single family houses.

Sources: US Census and the Warren Group.

The median sales price for a single family house in North Stonington has further increased to \$263,000 in 2012. If income growth continues to lag behind growth in sales prices, it might become much more difficult for residents to remain in Town if they need to or chose to move into a new unit. These trends, coupled with the lack of options other than single family houses, might contribute to further losses of young adults and over-55 residents.



House for sale in North Stonington.

2012 housing prices indicate that North Stonington's housing is **not affordable**.

## Housing Prices not Affordable

Housing prices in North Stonington are examined in two ways:

- Can a household earning the median income afford a house selling at the median sales price?
- Can a worker in Town afford a house selling at the median sales price?

### Affordability to Households

One common rule of thumb is that a house is affordable if its sales price is no more than three times a household's annual income. Applying this standard indicates that North Stonington is losing its affordability as the housing market slowly recovers. In 2012, the median sales price for a house in North Stonington is not affordable to those earning the Town's median income nor the State's median income.

		North Stonington Households	Connecticut Households
<b>Median Household Income (2010)</b>		\$75,162	\$65,686
<b>Sales Price Affordable to Median Income</b>		\$225,486	\$197,058
<b>2010</b>	Median Sales Price in North Stonington	\$220,950	
	Affordable?	YES	NO – Houses in Town exceed what is affordable to CT residents by <b>\$24,000</b>
<b>2012</b>	Median Sales Price in North Stonington	\$263,000	
	Affordable?	NO – Houses in Town exceed what is affordable to Town residents by <b>\$37,500</b>	NO – Houses in Town exceed what is affordable to CT residents by <b>\$66,000</b>

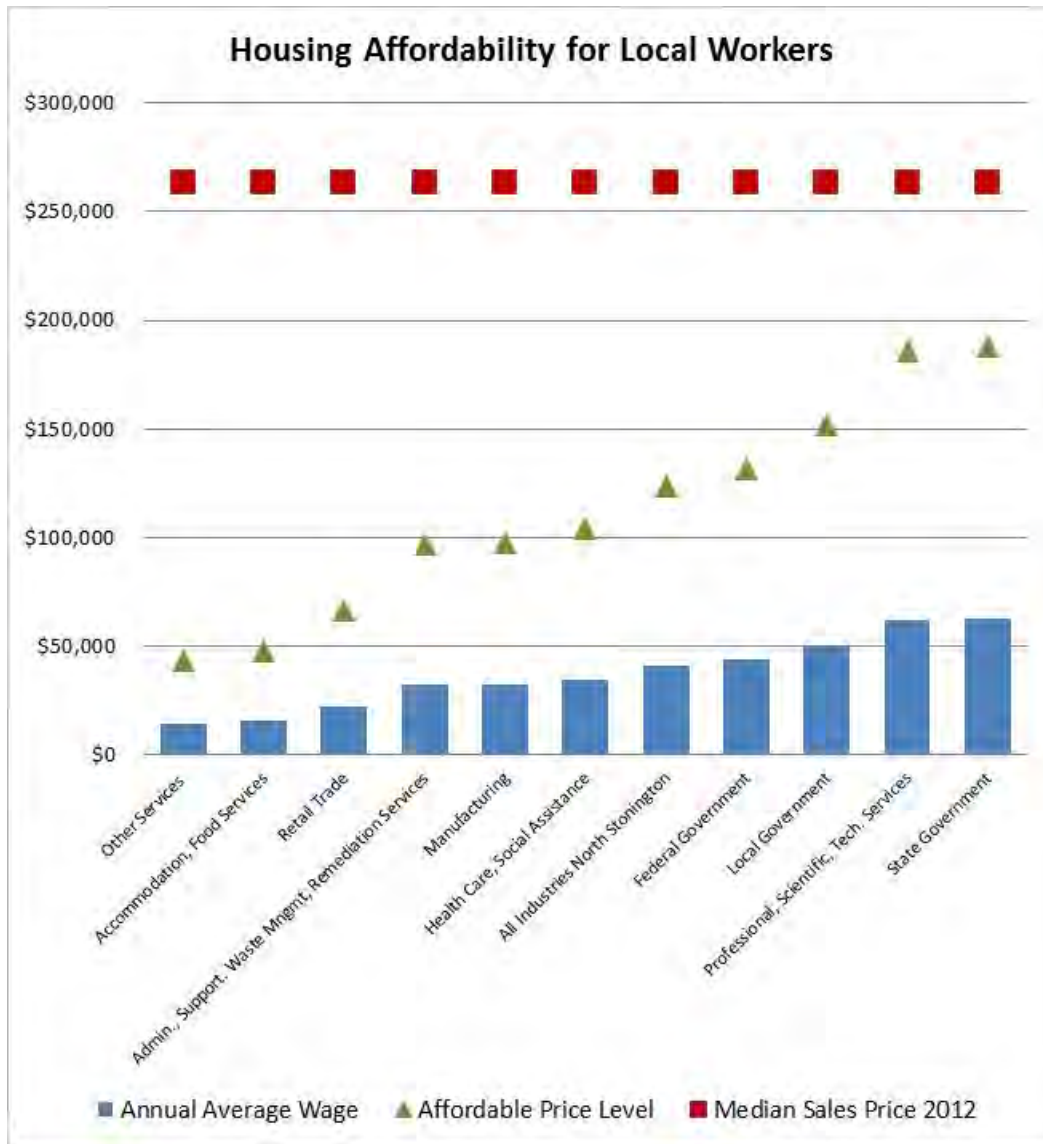
Sources: The Warren Group and US Census.



### Affordability for Workforce

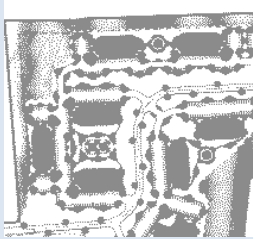
Using the same rule-of-thumb, an analysis of wages for jobs in North Stonington indicates that North Stonington's housing stock is not affordable to local workers.

Even if many of these workers were in a two-worker household, housing might still be out of reach.



Source: The Warren Group and US Census.

In 2007, under CGS 8-30g, a developer proposed building 408 units in 4 story buildings on 97 acres (for a density of 4 units per acre) even though zoning did not allow this density.

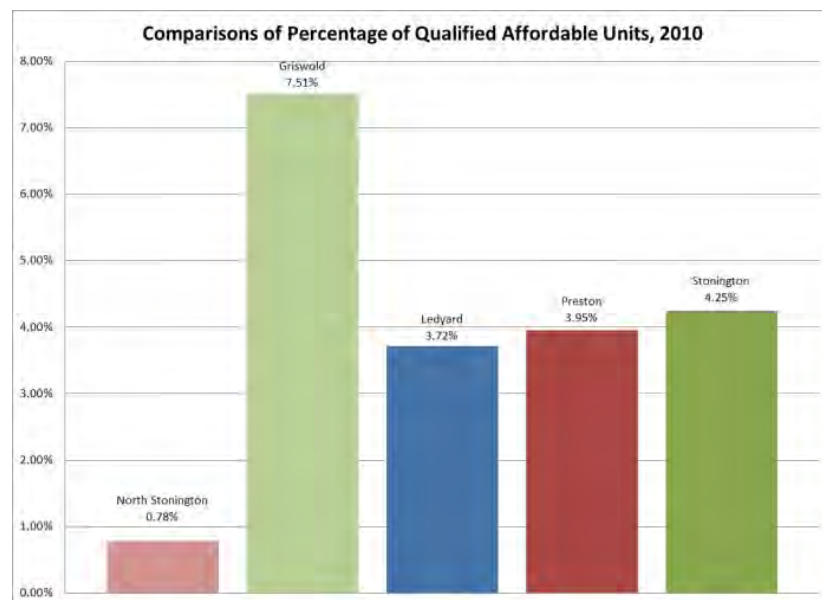
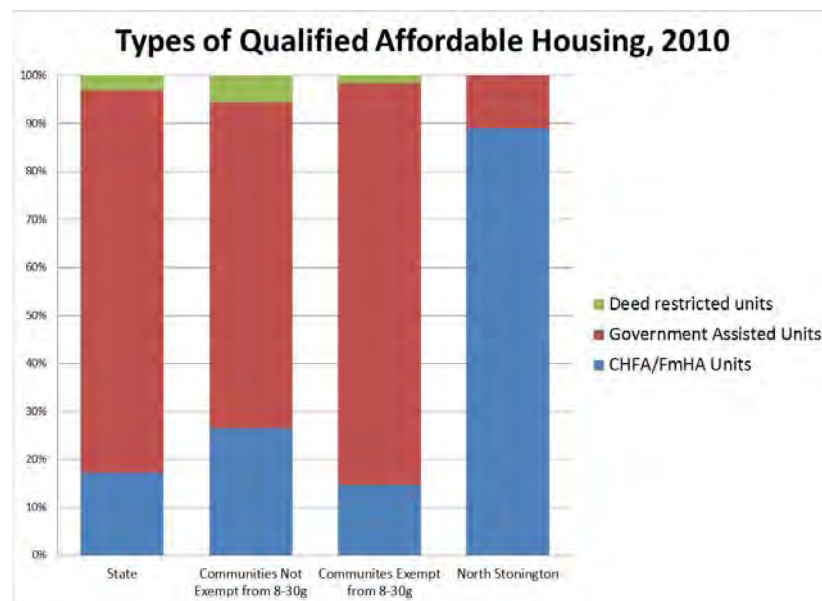


Since North Stonington does not have 10% of its housing units as affordable, the town will **remain vulnerable** to developments that do not fit the character of the community and are not located in appropriate areas.

## The Town Lacks Qualified Affordable Units

CGS 8-30g sets a standard for all communities to have 10% of its housing stock as affordable (see page 3 for definitions of affordable and qualified affordable housing units under CGS 8-30g). When a town reaches this goal, it is exempt from the Affordable Housing Appeals provisions. As of 2010, less than 1% of the Town's housing stock (18 units out of 2,306 total housing units, or 0.8%) is counted toward the 10% goal. Deed restricted units have played a prominent role in helping other communities provide for affordable housing. As the chart shows, North Stonington has no deed restricted units.

Compared to neighboring communities, North Stonington severely lags in providing qualified affordable housing.



Sources: CT Department of Community and Economic Development and US Census.

# HOUSING STRATEGIES

## Summary of Strategies

### **1. Maintain Overall Densities While Allowing Additional Housing Opportunities**

- a. Maintain R-80 zones as low density
- b. Adopt conservation subdivision regulations
- c. Encourage Mixed Use and Housing Opportunity Zones

### **2. Maximize the Potential of Existing Housing Units to Meet Housing Needs**

- a. Encourage more accessory apartments
- b. Provide incentives to secure affordability through deed restrictions
- c. Consider allowing the conversion of single family houses into micro assisted living / residential care homes
- d. Evaluate if tax delinquent properties can be repurposed as qualified affordable units
- e. Convert Naturally Occurring Affordable Housing into qualified affordable Units
- f. Educate potential homebuyers about assistance programs

### **3. Encourage the Private Sector to Create Housing Choices**

- a. Encourage the creation of senior housing
- b. Consider requiring qualified affordable units to be provided in some or all new housing developments
- c. Continue to partner with developers (“friendly 8-30g”)
- d. Allow housing for farmhands

### **4. Pursue Community-Initiated Housing Projects**

- a. Move forward with a community driven housing project
- b. Create a Housing Land Trust

### **5. Build Our Capacity to Implement Housing Initiatives**

- a. Secure funding for projects
- b. Promote more dialogue with affordable housing developers
- c. Maintain Regular Contact with Local Banks About Community Goals

North Stonington is predominantly a low density residential community with areas zoned for medium and higher density in the very southern part of Town, such as the Kingswood-Meadow Wood and Cedar Ridge subdivisions and the Village area.

This pattern contributes to the **quality of life** for current residents and it attracts new residents.

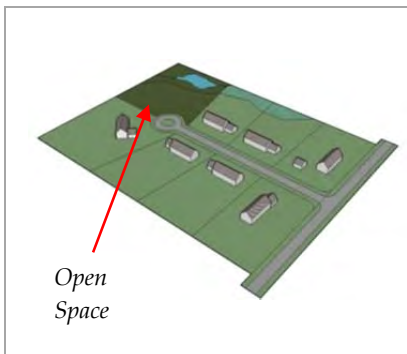
## 1. Maintain Overall Densities and Patterns

### a. Maintain R-80 Zones as Low Density

The majority of land in town is zoned R-80. Preserving the low density patterns in the R-80 zone will help preserve the Town's overall character. Proposals to allow higher densities in the R-80 zone should be avoided unless the overall character of the adjacent property is not impacted, and such a project would clearly help advance the Town's housing goals.

### b. Adopt Conservation Subdivision Regulations

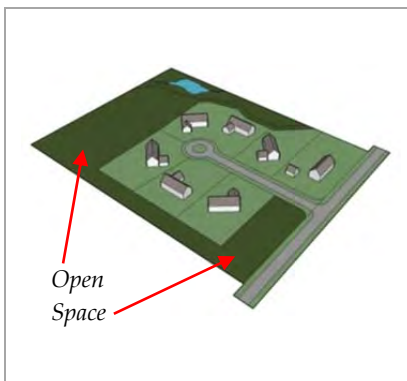
The current Plan of Conservation and Development emphasizes the need to have appropriate tools in place to ensure that development patterns protect natural and scenic resources. Some steps have been taken, such as the adoption of a buildable area requirement. The adoption of conservation subdivision regulations should remain a priority also. This tool would allow for protection of a greater amount of open space in return for reduced lot dimensional requirements. It can help protect farmland, such as along Route 2, while allowing farm owners to build housing on a portion of their land.



Conventional subdivision – 7 houses



A conservation subdivision in North Kingstown, RI (North Kingstown Green).  
Photo by Site Resources LLC.



Cluster subdivision – 7 houses



Shunock River Estates Conservation subdivision.



### c. Encourage Mixed Use and Housing Opportunity Zones

The Town has established two special zones that allow the private sector to respond to local housing demand and help provide for housing needs – the Affordable Housing Development Overlay Zone (AHDOZ) and the New England Village Special Design District (NEVSD). These zones apply to very specific areas but can serve as a model to apply to other areas where new housing or mixed use development makes sense.

The Town should maintain these regulations and consider additional areas as appropriate, as depicted on the Housing Opportunities Plan map on page 39.



*Examples of mixed use style buildings.*

Providing more housing choices – in terms of type, size, and price range – **does not always require new development on vacant land.**

Existing houses and buildings – by the owner's choice - can be “repurposed” with physical changes or by making them eligible “affordable units” that contribute to the 10% goal.

## 2. Maximize the Potential of Existing Housing Units to Meet Housing Needs

### a. Encourage More Accessory Apartments

Accessory apartments provide opportunities for smaller housing units while retaining the single family character of a parcel and neighborhood. North Stonington currently allows accessory apartments in most zoning districts. Specifically, there are four types of accessory apartments: qualified affordable, in-law, residential caretaker and commercial caretaker. There appears to be public support for the continued allowance of accessory apartments, and possibly, allowing more than currently permitted. Allowing more accessory apartments and requiring that they have affordability restrictions can help the Town reach the 10% affordable housing goal.

The zoning regulations could be amended to:

- Make it more attractive to provide Qualified Affordable Accessory Apartments by relaxing certain standards for them (e.g. minimum lot size and restrictions on size of unit).
- Allow up to two accessory apartments on a lot, provided the second one is a qualified affordable unit; and / or,
- Continue to allow detached accessory units (including the construction of new “cottages” on larger lots) but only if they are Qualified Affordable Accessory Units.



*Example of an accessory apartment.*

## **b. Provide Incentives to Secure Affordability Deed Restrictions**

Some communities increase their affordable unit supply when a homeowner is willing to place a deed restriction on the resale price of their home in return for help in addressing an immediate need.

The deed restriction expires after a set time period. It does not affect their use of the home but requires that if they sell the home while the deed restriction is in force, the home must be sold at an affordable price or else a penalty must be paid. This is a voluntary program that homeowners decide to participate in. Incentive programs include:

- **Tax Credit or Abatement** – Connecticut General Statutes 12-81bb allows municipalities to offer tax credits for affordable housing deed restrictions and 8-215 allows for tax abatements. Both programs must be enacted by an ordinance. These approaches require a public education component so that town residents understand the rationale for allowing certain properties to receive tax benefits. It also requires careful coordination with the town Assessor to develop and implement the program. Simsbury and Marlborough are two Connecticut communities that have adopted tax abatement ordinances.
- **Housing Rehabilitation Funding** – The homeowner receives a grant or a zero or low interest loan to pay for improvements to the house. In return, the deed restriction is placed on the house for a set period of time. This program often benefits elderly who need to make improvements for accessibility or owners of older homes that require updates. A number of Connecticut towns have established housing rehabilitation funds using state grants.

Since the early 1990s, the Town of Tolland has administered a housing rehabilitation program for owner-occupied units and a rental rehabilitation program. Both programs provide zero interest loans for up to \$30,000.

Homeowner improvements can include work such as as well and septic system repairs, replacing windows, removing underground storage tanks (UST), addressing deteriorating housing conditions, and other activities. Only low or moderate income households who are up-to-date on town tax and mortgage payments are eligible.

The rental rehabilitation program is targeted to units rented by low and moderate income tenants. Projects that eliminate or address substandard living conditions, ADA modifications or energy conservation measures are eligible.

The Town has obtained funds from both HOME and Small Cities, with a most recent grant of \$300,000 under Small Cities. The funding sources allow for a percentage of the grants to be used for administering the program so that the Town is able to retain an experienced housing program administrator to manage the programs. These programs have helped over 100 housing units in Tolland. The results affect whole neighborhoods by preventing blight and, in the case of UST removal and septic repairs, addressing environmental issues.

## **HOUSING REHABILITATION FUNDING, TOLLAND, CT**

Over the next decade there could be new trends in housing that the Town has not yet seen such as “micro” assisted living where **smaller groups of seniors or elderly live together** in a setting similar to a single family house

**c. Consider Allowing the Conversion of Single Family Houses into Micro Assisted Living / Residential Care Homes**

North Stonington is a predominantly single family home community. Yet the Town might see less demand for its single family housing stock as residents age. The Town can provide more options for older residents by allowing single family houses to be repurposed as small-scale or micro-assisted living or residential care homes.

To allow this new use, zoning regulations would need to be amended:

- **Define a new use.** This use would not fall under the existing definitions for Assisted Living Facility or Independent Living Facility because they require the provision of medical services, whereas Residential Care Homes do not necessarily provide medical services. It is possible that Residential Care homes might fall under the part of the definition for a Convalescent Home (“....[a facility] dedicated to the care of the elderly”).

However, a new definition might be more appropriate to avoid confusion. The definition should state that the facility is licensed by the State as a Residential Care Home and that some level of non-medical services are provided.

- **Allow with standards.** The conversion of single family houses to Residential Care Homes could be allowed provided certain standards are met:
  - Some restriction on number of occupants (ultimately occupancy might be limited due to lack of water and sewer).
  - Some level of expansion of the house should be permitted to meet the needs of the new use such as making the building ADA-compliant. Expansions should retain the overall single family scale and appearance.
  - Discussions with the providers of micro-assisted living might reveal other standards or limitations to also include. Providers in Connecticut can be found at: [www.carch.net](http://www.carch.net).

Residential care homes are licensed by the Connecticut Department of Public Health and are sometimes referred to as “micro” assisted living. Residents may need some level of daily assistance, but they do not require extensive medical care. The small home provides for communal living, with private or shared bedrooms and bathrooms. They are required to provide three meals per day, housekeeping, laundry services, personal care, recreational activities, twenty-four-hour supervision and emergency call systems.

Examples of small scale residential care homes in Connecticut include:

- Marbridge Rest Home, Cheshire - Town staff noted that the facility does not create traffic issues nor has it impacted neighbors. Town staff also noted that these types of uses need some ability to expand / modify the building to meet their needs, so regulations should allow for flexibility. The Town does not have special regulations for residential care homes. Information on the size of the facility was not readily available.
- Green Lodge, Manchester – Town staff noted that the facility does not create traffic issues nor has it impacted neighbors. The facility has a living area of 4,533 square feet. The Town does not have special regulations for residential care homes.

Outside of Connecticut, Gwinnet County, Georgia has seen many applications to re-use single family homes for what they call “personal care homes.” County zoning regulations define these facilities as: “A state licensed facility... residential...in character, that provides housing, food service and personal service(s) for two (2) or more adults aged eighteen (18) or older.”

## RESIDENTIAL CARE HOMES



Marbridge Rest Home. Photo from [www.carch.net](http://www.carch.net).



Green Lodge. Photo from [www.carch.net](http://www.carch.net).



Azaria Personal Care Home, Gwinnet County, Georgia. Photo from Azaria.



**d. Evaluate if Tax Delinquent Properties Can be Repurposed as Qualified Affordable Units**

When there are cases that the Town is going to sell or auction a tax delinquent property, the Town can evaluate its potential to meet affordable housing needs. Each case could be referred to the NSAHC to make an advisory recommendation to the Board of Selectmen as to whether the house or property presents an opportunity to help meet local housing needs.

Where a positive finding is made, the Town could sell the property with a deed restriction on its affordability, put out a request for proposals by housing providers, or give priority to an affordable housing provider. The Town's attorney can prepare a model deed restriction to be used for these properties.

If the Town were to sell the housing unit directly to a qualified homebuyer, the Town would need to advertise for eligible buyers, verify eligibility based upon incomes, and conduct a lottery if there were multiple eligible applicants. Anytime the unit is sold, the Town would repeat this process. If the Town sells or donates the housing unit to a housing provider, that entity would administer the process.

**Naturally Occurring Affordable Housing** are those units that due to their location, size, or condition tend to sell at lower prices.

**e. Convert Naturally Occurring Affordable Housing into 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 by reviewing real estate listings and checking the building rating in the assessor's database.

A process similar to that described for strategy d, above, could 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.

#### f. Educate Potential Homebuyers about Assistance Programs

There are a number of programs that assist homebuyers with down payments, closing costs, provide for lower interest rates, or help prospective homeowners save for down payments. It can be quite confusing to locate these programs and understand what is available. There is a wealth of information available on-line, but it is not easy to find a concise summary of programs. This type of educational initiative might be best implemented at the regional level since the programs apply to all communities in the region. Matching prospective homeowners to the programs can help the Town work toward the 10% goal. For certain mortgage programs, the Town receives credit towards its qualified affordable housing count (e.g., CHFA mortgages).



There are **many homebuyer assistance programs** including:

- CHFA Down Payment Assistance
- Connecticut Housing Investment Fund (CHIF) First Time Homebuyers
- CHIF/USDA Rural Services Homeownership Program
- Habitat for Humanity
- VA Loans
- Programs by local banks, such as Dime Bank First Time Home Buyer Grant Program

The **private sector** will continue to be the **predominant housing provider / builder** in North Stonington.

The Town can either encourage or require that the private sector help meet the Town's housing goals, through zoning regulations and other programs.

### 3. Encourage the Private Sector to Create Housing Choices

#### a. Encourage the Creation of Senior Housing

North Stonington's population is aging, yet seniors are leaving town and the lack of senior communities in the Town may contribute to this trend. To encourage the private sector to provide housing opportunities for seniors and elderly, the Town can:

- **Update the Zoning Regulations.** The Regulations should allow desirable senior and elderly facilities. The Zoning Regulations currently allow certain types of senior / elderly living: Assisted Living Facilities, Independent Living Facilities, and Senior Continuing Care Facilities. The regulations do not explicitly allow for senior or elderly housing – housing geared towards seniors which does not require medical services. The Town can update its regulations to allow housing for elderly that does not require on-site medical services. The regulations can also require that a percentage of the units are qualified affordable.
- **Reach out to Senior Housing Providers.** The Town can identify developers of such facilities and meet with them to discuss how the Town can encourage senior and elderly facilities (see examples of Connecticut providers on page 29).



## CONGREGATE HOUSING AND ELDERLY HOUSING

**Congregate Housing** - This type of housing is not licensed by the State. CGS 8-119e defines "Congregate Housing" as a form of residential environment consisting of independent living assisted by congregate meals, housekeeping and personal services, for persons sixty-two years old or older, who have temporary or periodic difficulties with one or more essential activities of daily living such as feeding, bathing, grooming, dressing or transferring.

**Elderly Housing** – A dwelling unit exclusively designed for the needs of single people age sixty-two (62) or over, or couples with at least one (1) member over age sixty-two (62) (From New Hartford Zoning Regulations).

Congregate Housing and Elderly Housing have been constructed throughout Connecticut by local housing authorities, non-profits and real estate development companies.

Non-profits and private developers who have built congregate or elderly housing in Connecticut include:

- ACCESS Community Action Agency – One of their newest projects is Elisha Brook in Franklin, with 27 one-bedroom units for low income elderly persons (<http://www.accessagency.org>).
- NeighborWorks – Focus on New Haven County, but recently expanded work into New London County ([www.nwnh.net](http://www.nwnh.net)).
- MetroReality Group, Ltd. – Projects throughout Connecticut including Avon, Berlin, and Canton ([www.metro-realty.com](http://www.metro-realty.com)).
- WinnResidential – Projects throughout Connecticut including Danbury, Hartford, and Norwich ([www.winncompanies.com](http://www.winncompanies.com)).

The Women's Institute for Housing and Economic Development has undertaken a number of affordable housing projects in Connecticut also. Their mission also includes providing housing for elderly ([www.wihed.org](http://www.wihed.org)).



*Rosenthal Gardens, Branford for age 55 plus. By NeighborWorks.*



*Elisha Brook Elderly Housing, Franklin, CT. By Access Community Action Agency.*

**b. Consider Requiring Qualified Affordable Units to Be Provided in Some or All New Housing Developments**

Every new market rate housing unit that is built reduces North Stonington's percentage of qualified affordable units, resulting in a backslide away from the 10% goal. Many Connecticut communities have adopted "inclusionary zoning", which requires all housing developments of a defined size to include a certain percentage of affordable units (typically 10% to 20% of all units). Some communities offer a density bonus in return for the affordable units.

North Stonington might consider adopting an inclusionary provision that applies to:

- subdivisions with 10 or more housing units; and / or
- mixed use development that include 10 or more housing units.

Sometimes the inclusion of affordable units in a given project is the best solution for meeting housing needs. In cases where it does not make sense to include the affordable units, the Town can allow a "Fee in Lieu of Inclusionary Housing" where the developer pays the fee rather than provide the affordable units. The fee would be placed into a Housing Trust Fund, where it can only be used for other housing projects. In a down economy the Town might find that the resulting fee is much too low. If the Town adopts Inclusionary Zoning it should only allow a fee-in-lieu in limited circumstances such as when the developer can prove that building the units on-site creates an economic burden or would result in development intensities that are not appropriate for North Stonington. Refer to the Appendix for sample Inclusionary Zoning provisions.

**c. Continue to Partner with Developers ("friendly 8-30g")**

In cases where a developer has indicated an intent to pursue an 8-30g application, the Town can decide to work with the developer at the onset to shape the project and ensure it occurs in an appropriate location, in return for town assistance.

The Meadow Court development, which is currently moving forward, is an example of a "friendly 8-30g". In this case, Town staff took an active role in:

- drafting the regulations to allow the development;
- creating the affordability plan;
- working with State entities to address drainage issues; and
- providing input to the developer on project design.

This type of assistance can be of great value in moving a project forward. Additional town assistance could include a donation of land for the project or waiving permit fees.



#### **d. Allow Housing for Farmhands**

North Stonington has a strong agricultural past and farming remains an important part of the local economy. The most recent data on local farming indicates that farming operations comprise 8% of all businesses in town and 3% of jobs (Connecticut Economic Resource Center, Town Profiles, 2005). Residents have a strong desire to retain working farms because they contribute to the Town's character and play an important role in the local economy.

Connecticut farmers face many challenges including finding labor and a place for laborers to live. To help farmers overcome this challenge, the Town could amend the Zoning Regulations to allow cost-effective ways for farms to provide seasonal or permanent farmhand housing. This approach addresses a housing need and supports the local economy by aiding farms, especially those farms that rely upon seasonal labor. Granby, a community with a strong agricultural economy, allows Farmhand Residential Facilities (see box).

The Town of Granby, Connecticut updated its zoning to aid agriculture by allowing farm hand residential facilities (FHRF). This zoning updated was initiated by a request by a farmer who received help from the State Department of Agriculture finding workers, and now needed to house them.

#### **FARM HAND RESIDENTIAL FACILITY, GRANBY, CT**

The Town's zoning allows housing for a farm manager and / or farmhands by special permit under certain conditions, including:

- Agricultural use is the primary use of the land.
- Minimum lot size is 20 acres.
- The total area of the living quarters must not be less than 450 feet, nor exceed 1,500 square feet. A FHRF may contain any number and style of rooms as may typically be found within residential structures, except that the facility shall be limited to a maximum of three bedrooms, one kitchen, and two bathrooms.
- The Farm Hand Residential facility may not be a separate structure designed and constructed solely as a residential home, but must be designed as a combination agricultural/residential facility. Not more than 40% of the total area of the building may be used as the FHRF.
- All occupants must be full-time employees of the agricultural operation.
- The FHRF must be removed at such time that the premises are no longer used as an agricultural operation.

See the Appendix for the full regulations. Overall, the Granby Town Planner notes that this regulation has worked well.

When a community initiates a housing project, it has **control over the design, density, and uses**. This is the most effective way to ensure that a project fits within the character of the town and meets town goals

## 4. Pursue Community-Initiated Housing Projects

### a. Move Forward with a Community Driven Housing Project

The Town has the opportunity to implement a community-driven open space / housing project. In 2011, a land owner donated a 108-acre parcel on Wintechog Hill Road to the Town. Local officials began discussing the idea of using the parcel to help meet housing needs. Given the size and location of the site, it became evident that this parcel can help accomplish multiple town goals:

- conserve part of the parcel as permanent open space;
- provide affordable housing;
- provide senior housing; and
- provide a mix of uses.

The first steps is to solidify a vision for the parcel with community input and support. As part of a class project, students from the University of Connecticut Landscape Architecture program developed initial concepts which can be used to start conversations with residents about the future of this parcel.

Then the Town can start reaching out to prospective non-profit or for-profit developers to implement the project. The Town can either retain ownership of the land, turn it over to the developer, or place the land in a Housing Land Trust.

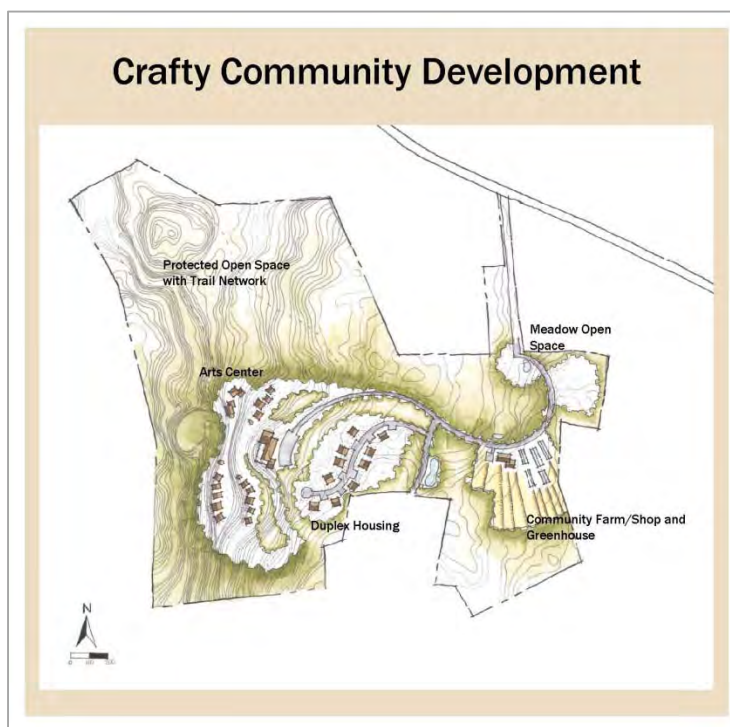
#### Student Concept 1

##### Highlights:

20 units contained in duplexes

Community farm, farm store, and arts center

75 acres preserved as open space





### Student Concept 2

#### Highlights:

16 single family units

38 single story studio modular homes

Community gardens, green house

82 acres of open space



### Student Concept 3

#### Highlights:

31 Single family units

Assisted living

Community complex with agriculture

36 acres of open space

## **b. Create a Housing Land Trust**

A Housing Land Trust is a program in which a municipality or non-profit entity holds title to the land but sells the house to income qualified homeowners at affordable prices. By subtracting the cost of the land out of the homeowner equation, the houses are more affordable. The homeowners can sell their house at any time, but the resale price is restricted. This concept can be applied to an individual house or for entire neighborhoods.

### **HOUSING LAND TRUST, FARMINGTON**

The Town of Farmington, CT, enacted what it calls a “Cooperative Home Ownership Program” in 1981. Income-eligible households apply to the program in which the Town becomes a partner in purchasing a home. The homebuyer purchases and owns the house. The Town purchases and owns the land and leases the land back to the homebuyer for nominal fee for the first four years and then for an amount equal to the taxes that would otherwise be collected for the land after that.

The homeowner can sell the house at any time, subject to affordability restrictions. As of September 2012, 43 homes have been purchased with the program. Administration has not been burdensome – staff time is generally only needed when sales occur (one or two times a year in Farmington).

The program is considered a success overall. One challenge, considered relatively minor, has been the ability of those on the lowest end of the income spectrum to afford to pay for upkeep. Farmington has been able to offer additional programs to help with maintenance and repair. If North Stonington were to establish a Housing Land Trust program, it might consider only making the program available to moderate, rather than low income households.

The program does require funding to purchase the land. Grants and town contributions have helped fund Farmington’s program. The annual lease payments are also deposited back into the program fund. Program details are contained in the Appendix.

## 5. Build Our Capacity to Implement Housing Initiatives

### a. Secure Funding for Projects

The Town can take an active role in securing funding for housing programs and projects. There are two funding approaches:

- **Pursue Funding from Others on an As-Needed Basis.** There are a number of funding sources for affordable housing projects administered by the State and Federal governments. These can involve very complex applications and they carry an administrative component. But many of the successful affordable housing programs around the State have relied on funding from these programs. For small projects, funding can also be pursued from foundations, banks, and businesses.
- **Create a Permanent Source of Funding.** A number of Connecticut communities have established a Housing Fund, which provides a dedicated source of funding to support affordable housing programs and projects. For example, the Town of Washington, CT (population just over 3,500) established a Housing Fund in 2006. Their ordinance is included in the Appendix.

### b. Promote More Dialogue with Affordable Housing Developers

There are many non-profit and for-profit developers of affordable housing, senior housing, mixed use projects, etc., who have extensive experience planning, financing and building projects in Connecticut. The Town can build relationships with developers and make sure that they are aware of the Town's housing goals and potential opportunities. The Town could hold an annual "meet and greet" where such developers are invited to meet with local officials.



**c. Maintain Regular Contact with Local Banks About Community Goals**

Banks are obligated through the Community Reinvestment Act (CRA) to help meet the credit needs of communities in which the banks are located. The Connecticut Department of Banking annually assesses how well banks are doing in meeting their CRA obligations. CRA activities can include:

- loans for affordable housing projects and activities;
- technical assistance to municipalities; and
- providing educational materials / services for low and moderate income households.

Regular meetings can help local banks stay apprised of town priorities so that they might consider assisting or funding programs that will help the Town accomplish its priorities. It also allows the Town to hear firsthand from local banks about housing needs and financing issues facing prospective buyers.



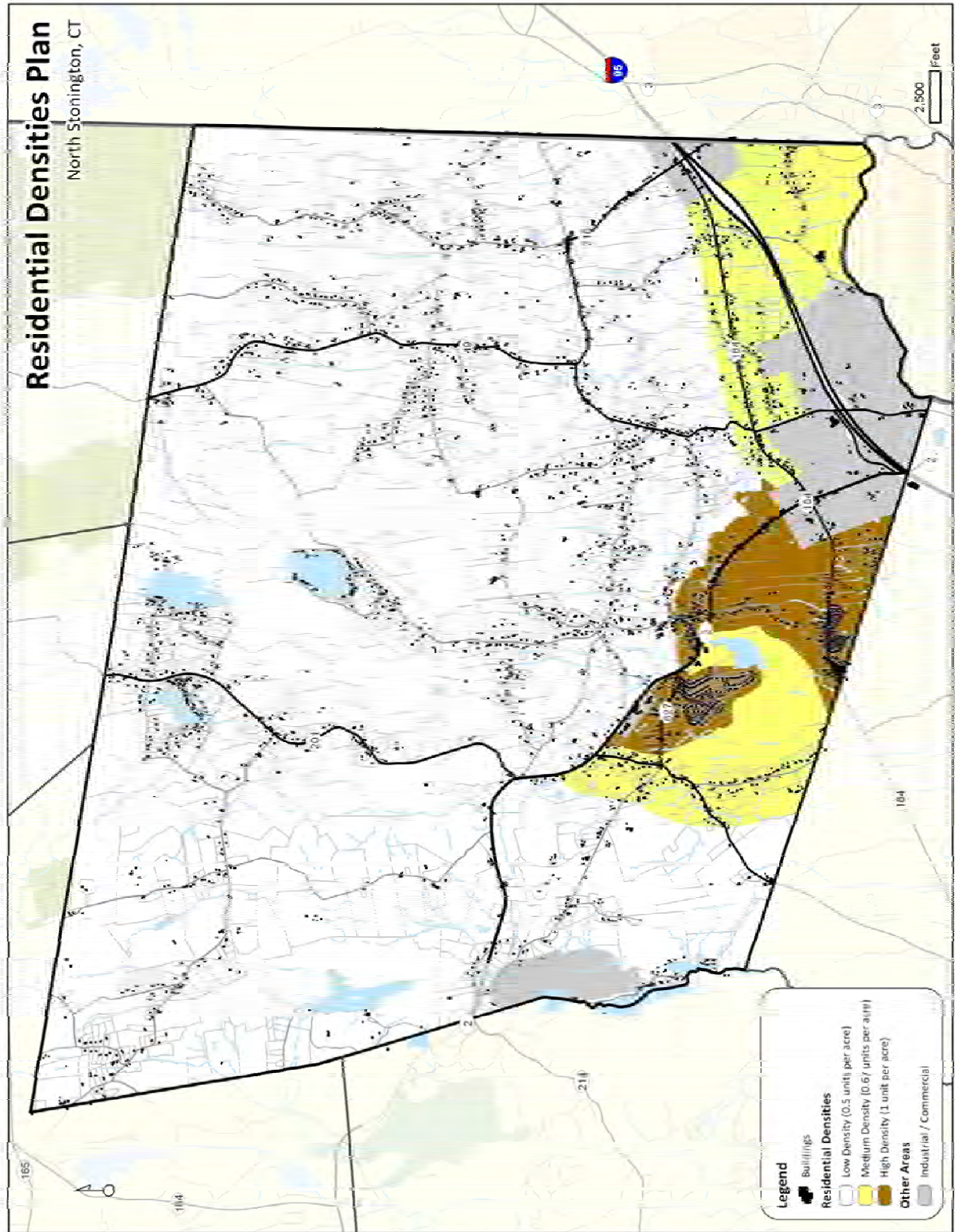
# HOUSING PLAN MAPS

The Residential Densities Plan and Housing Opportunity Plan maps identify overall densities and areas that may offer additional housing opportunities. They two maps together depict those strategies in this Housing Plan which have a geographic component:

- The majority of Town should remain zoned for low density residential uses (R-80).
- There may be opportunities to provide for housing while protecting open space and farmland in the R-80 zone through Conservation Subdivisions. There might be prime opportunities for using this tool for western portions of Route 2.
- Generally, the R-40 and R-60 zones will continue to provide opportunities for medium and higher density housing.
- Opportunities for mixed use and village style housing might be appropriate along parts of key transportation corridors.
- There is an opportunity for a community-driven mixed use project at the Wintechog Hill Road property with senior housing, affordable housing and open space preservation.
- The Affordable Housing Development Overlay Zone (Meadow Court) provides an opportunity for affordable housing.



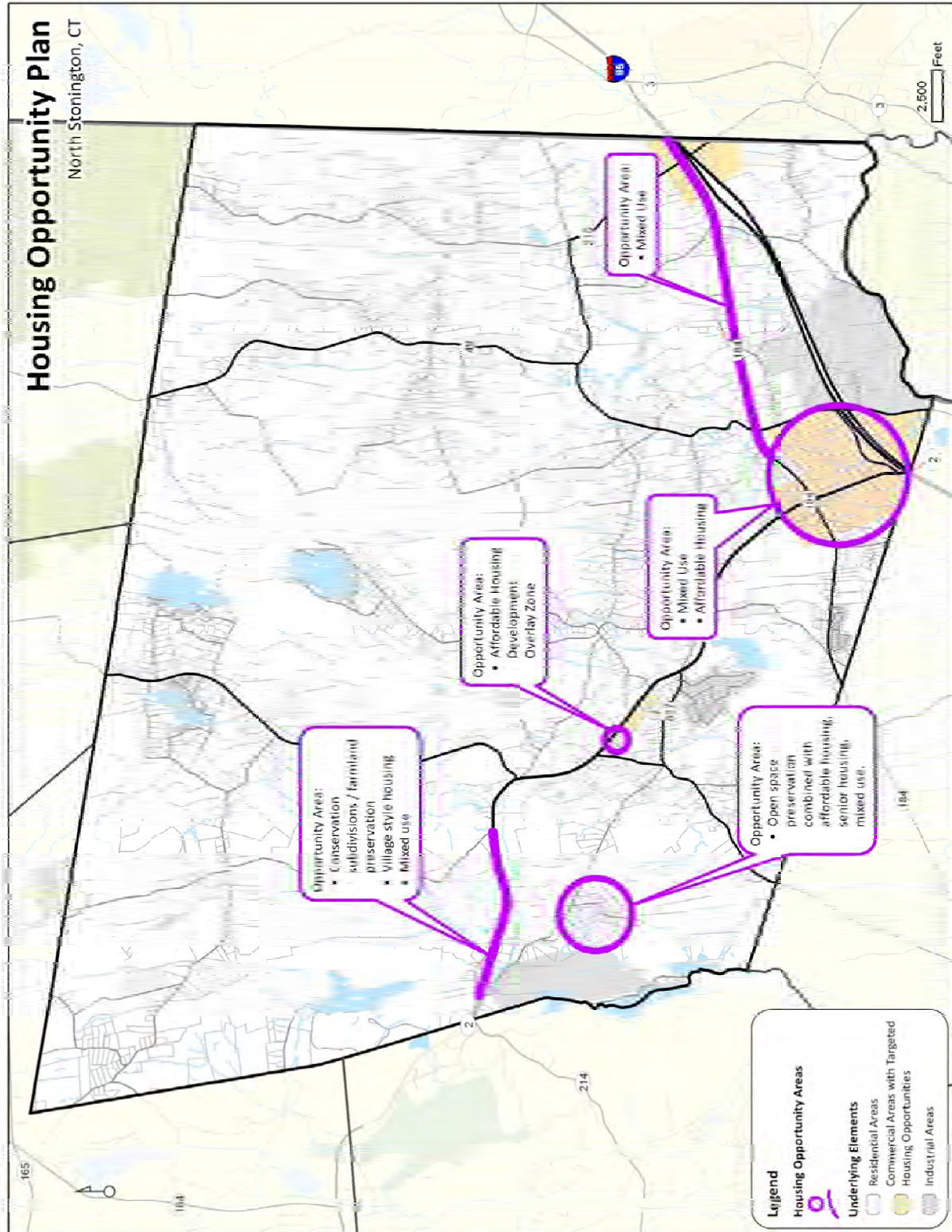
*A higher density neighborhood in North Stonington.*





# Housing Opportunity Plan

North Stonington, CT









# APPENDIX

## Additional Data on Conditions and Trends

The following additional data was collected, analyzed, and presented while developing this Housing Plan.

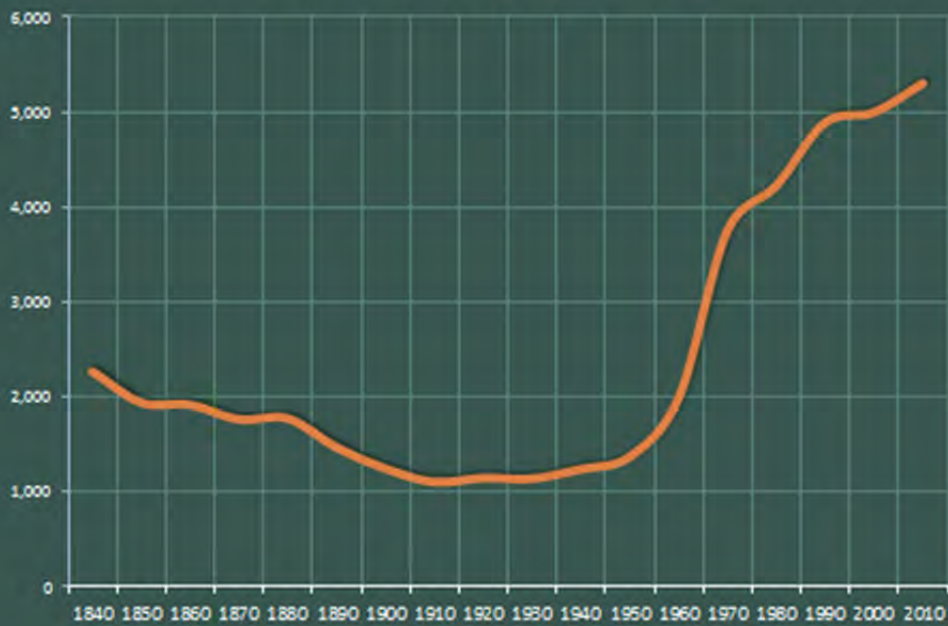
### North Stonington

Housing Trends Analysis  
March 22, 2012  
Updated to October 2012

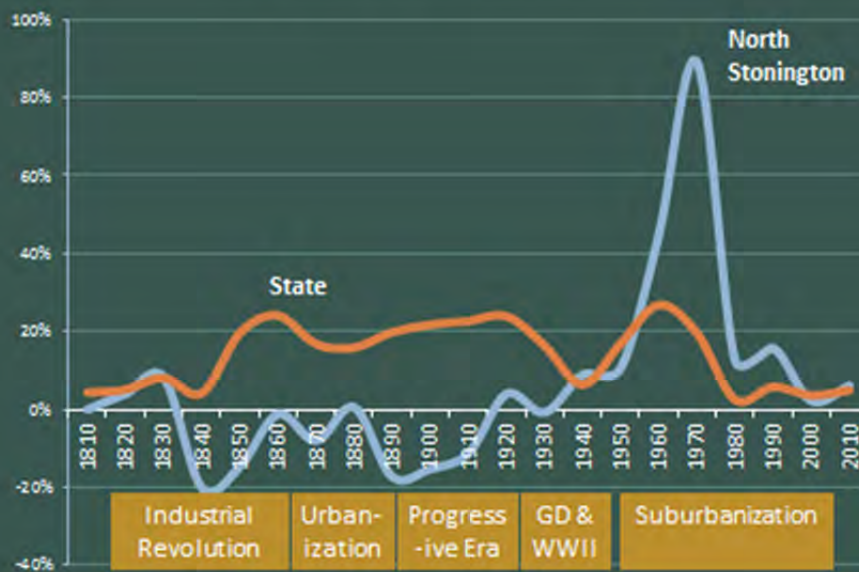
#### Population Trends

- Town Continues to Grow
  - More housing construction
  - Lower housing cost than shore
  - Shift in regional jobs (closer to North Stonington)
- Additional Growth is anticipated
  - Up to 300 new units over next 20 years

## Population Trends

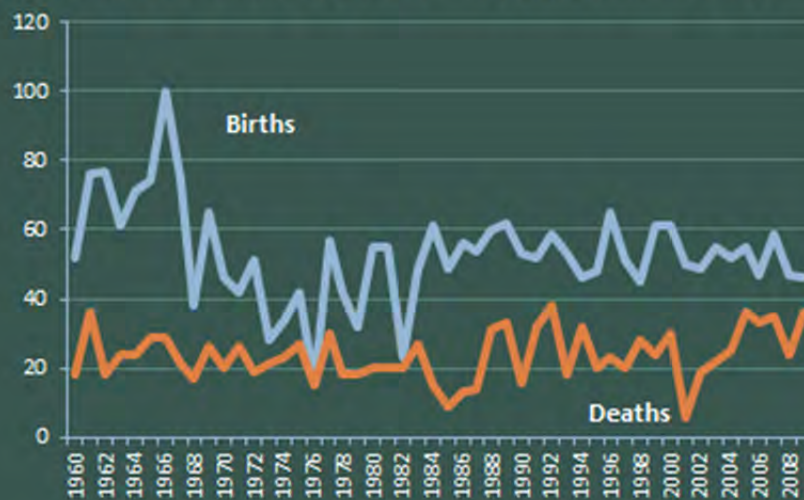


## Population Trends



## Population Trends

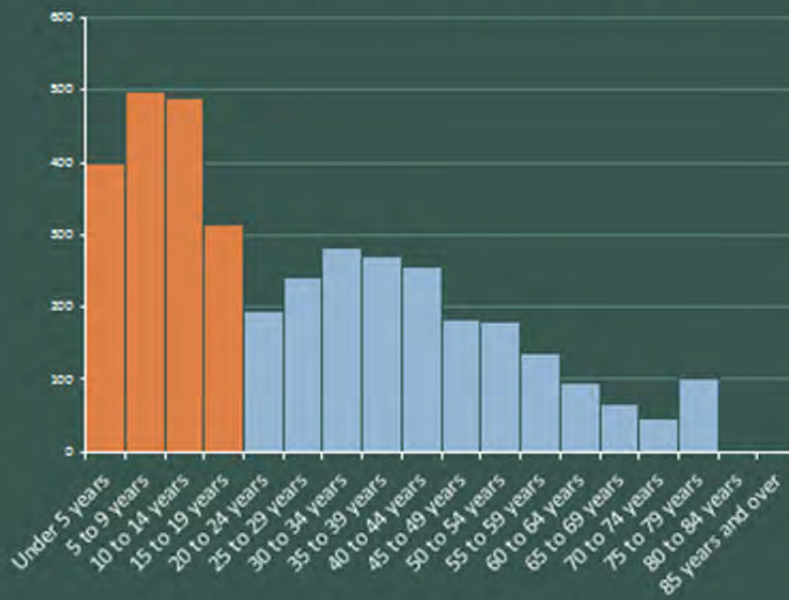
More Births than Deaths = Natural Increase



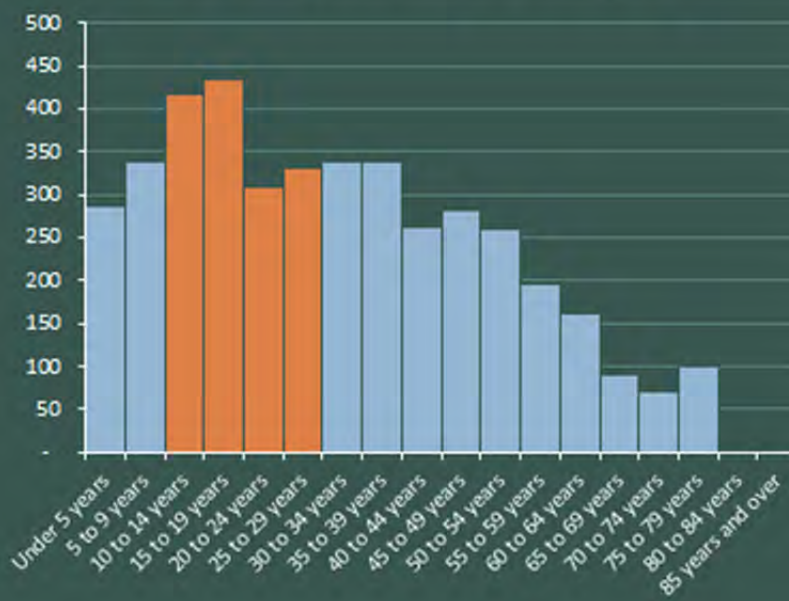
## Cohort Changes

- “Baby Boomer” generation is aging
- Increases in older cohorts
  - 2010 is much different than 1970
  - Less younger people, more older people

## 1970 Population = 3,748

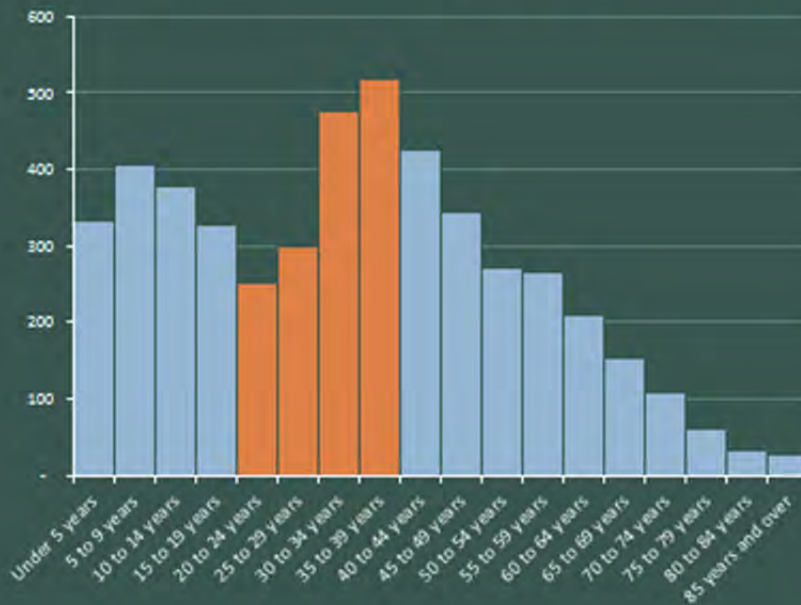


## 1980 Population = 4,219

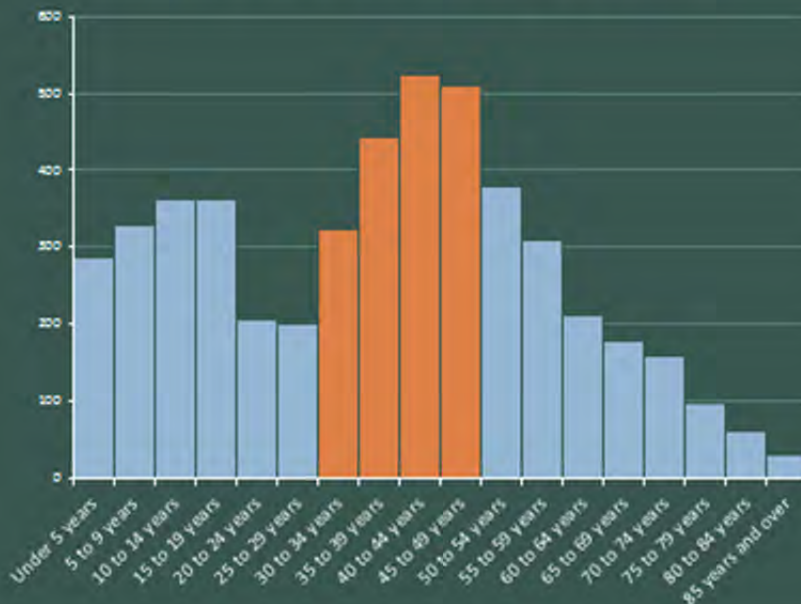




1990 Population = 4,884

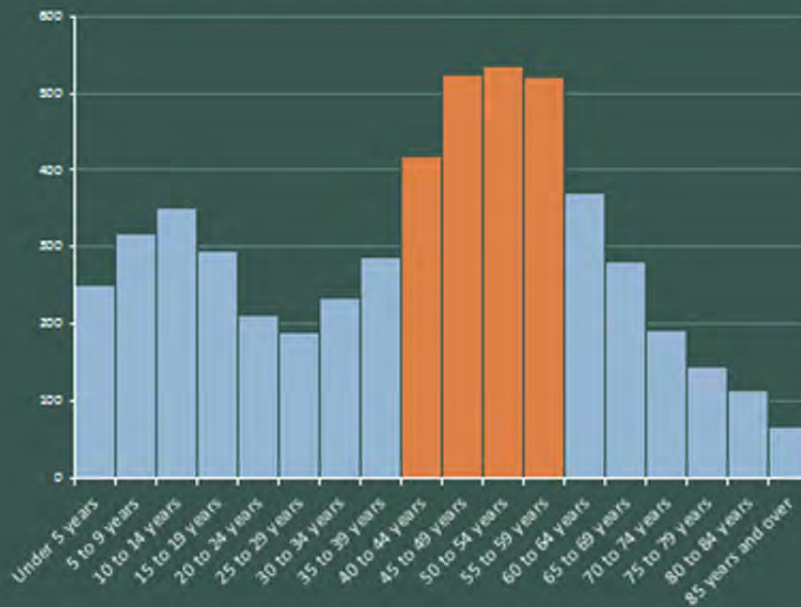


2000 Population = 4,965

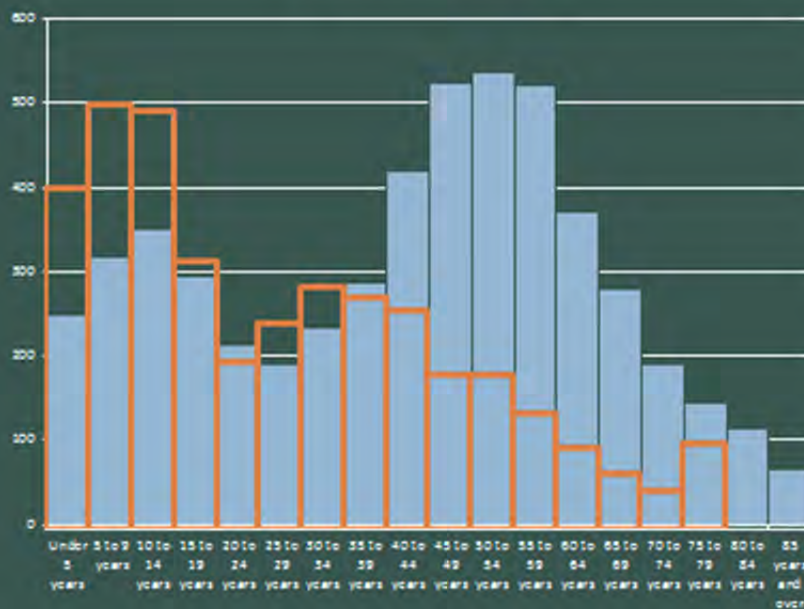




2010 Population = 5,294



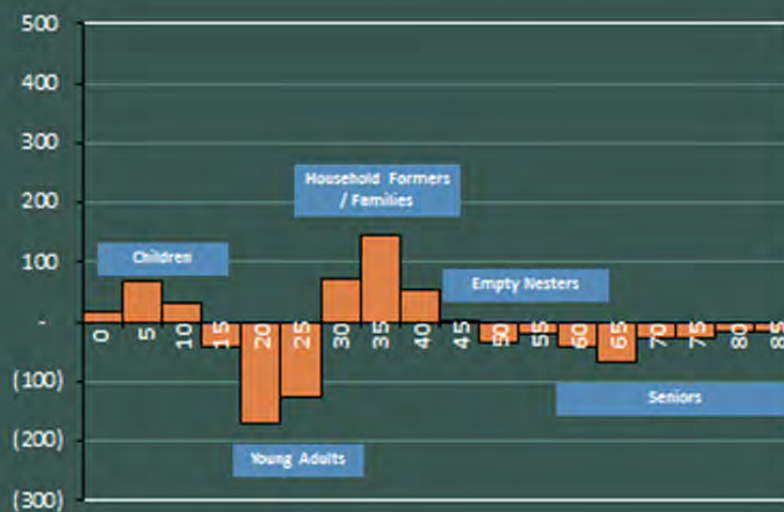
1970-2010



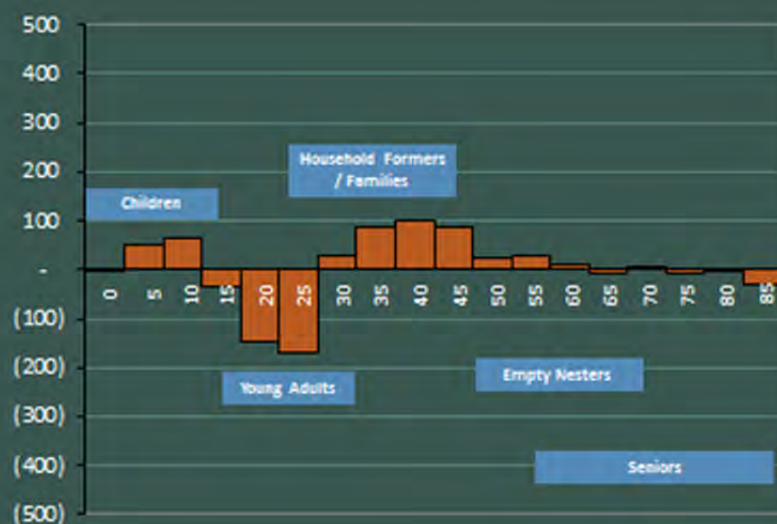
# Migration

- Who are we attracting and why?
- Who is not being attracted and why?

## 1990-00 Net Migration



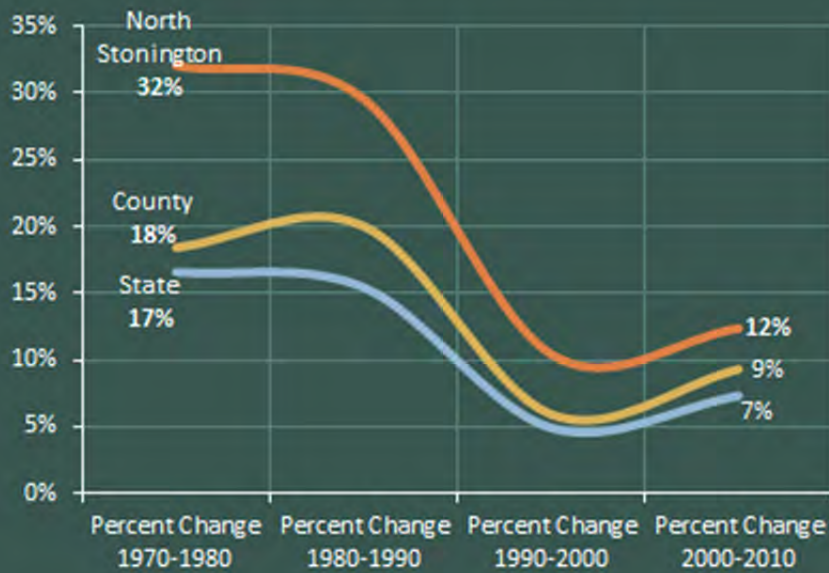
## 2000-10 Net Migration



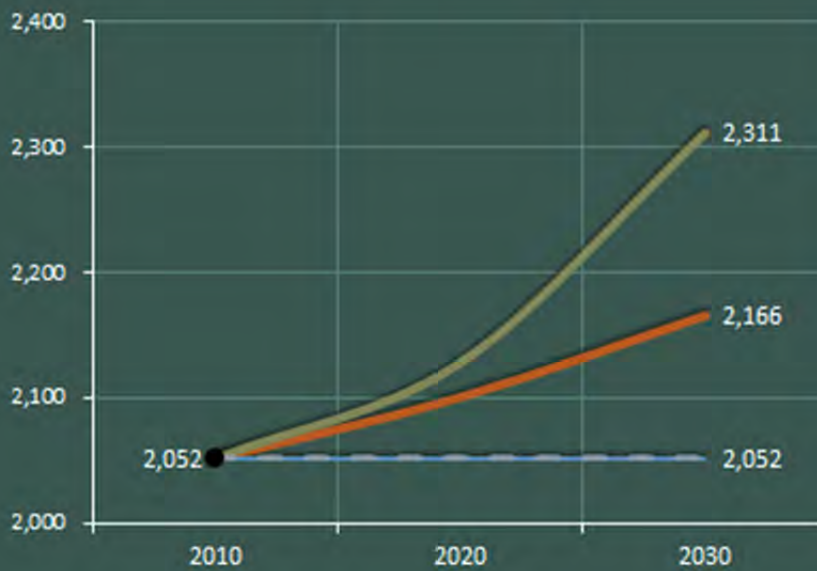
## Housing Production

- Housing has been a growth area in North Stonington
- 1,220 new units since 1970
- Lull in 1990s, following market crash
- Growth rate faster than county and state

## Housing Production



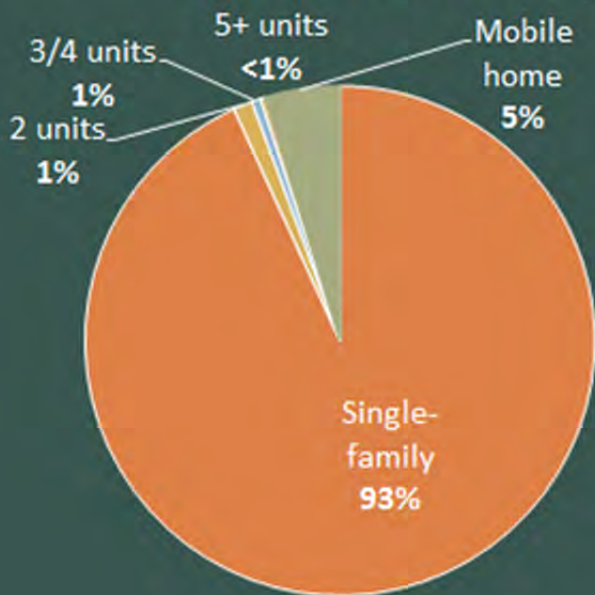
## Future Demand



## Types of Housing

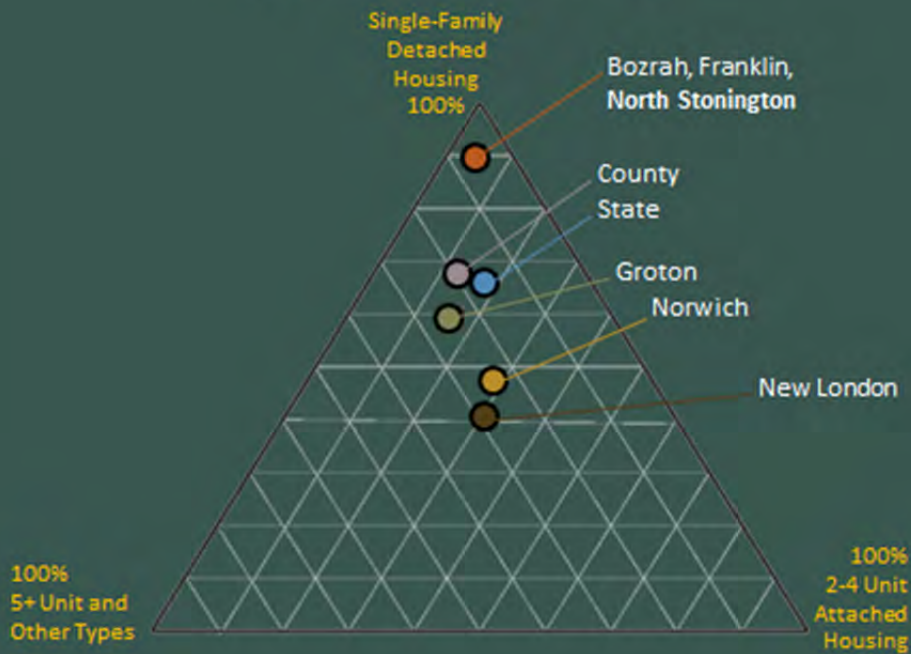
- Limited diversity: mostly single-family homes
- Few housing choices for non-traditional households (e.g., single-person households, renters)

## Types of Housing





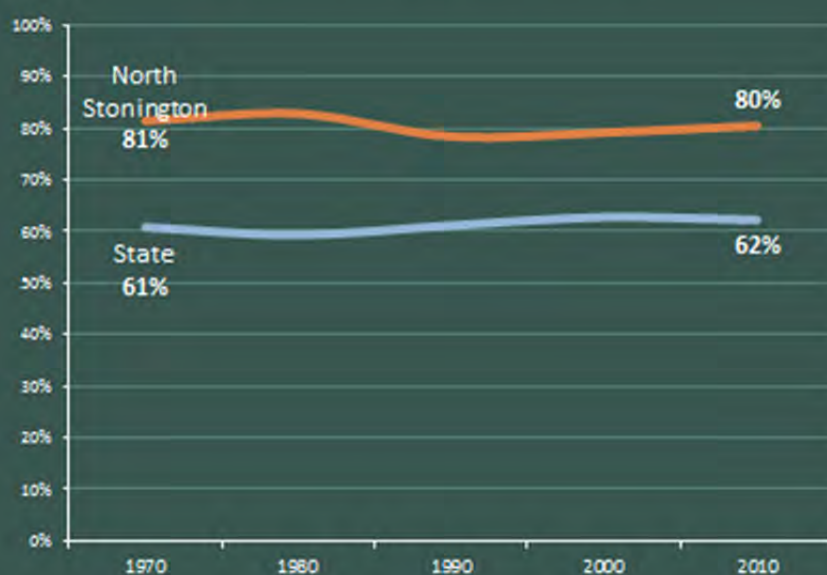
# Types of Housing



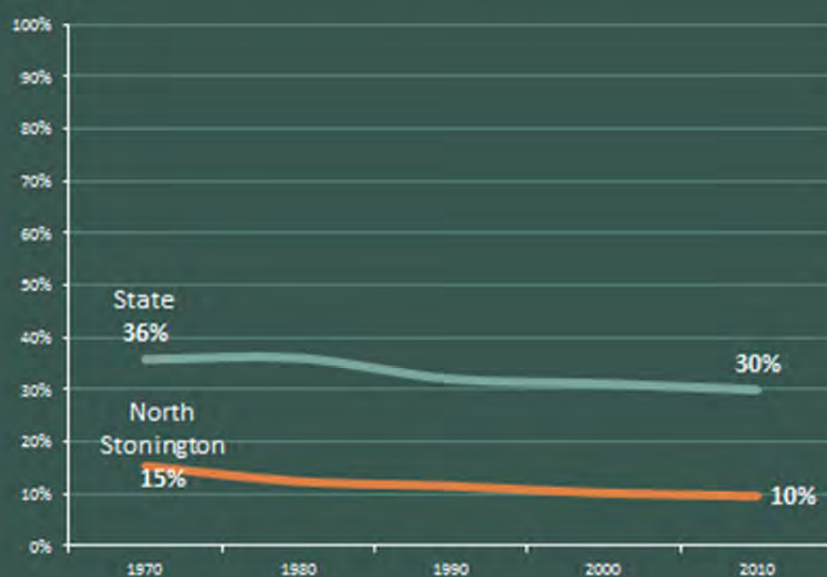
## Tenure

- More homeownership in the town than the State and County
- Fairly consistent over time
- Lower than average vacancies

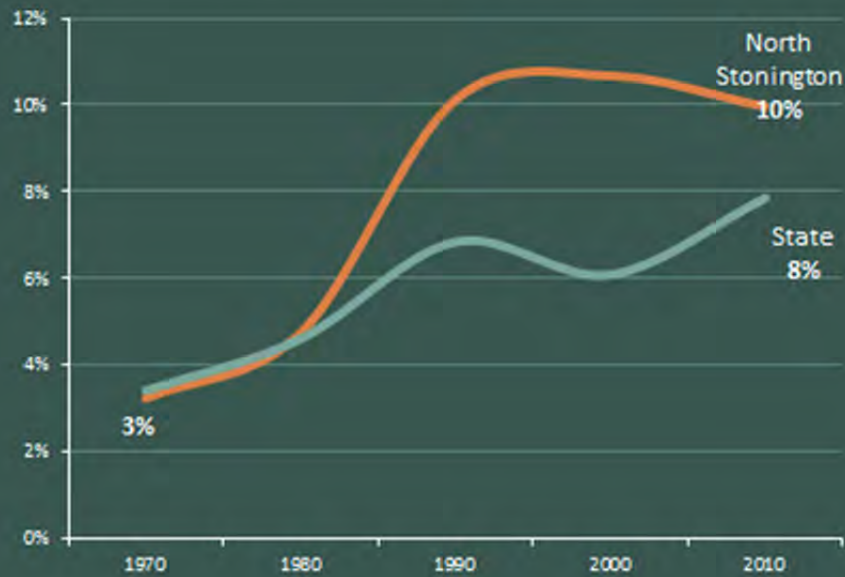
## Owner-occupied



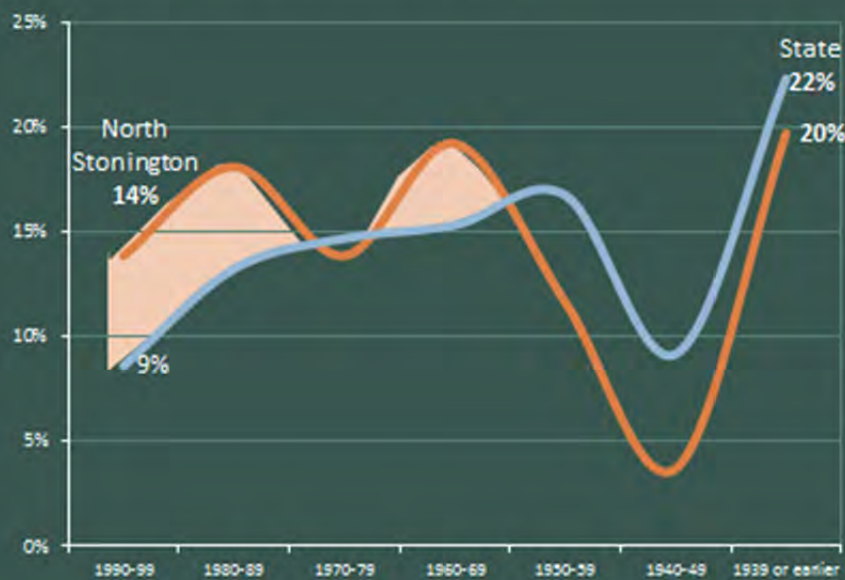
## Renter-occupied



## Vacant Housing



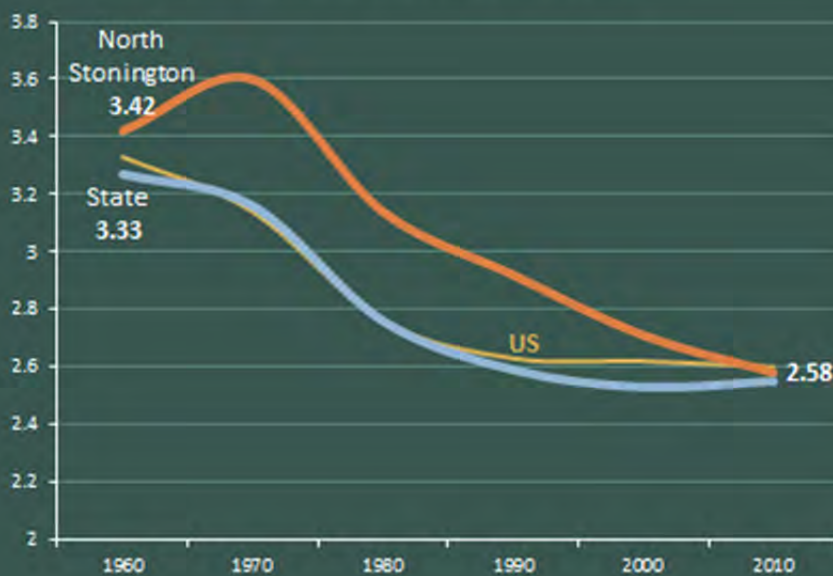
## Age of Housing Units



## Household Size

- Household sizes continue to shrink
- 1960-2000 HHS was large than state and national averages
- Now aligned

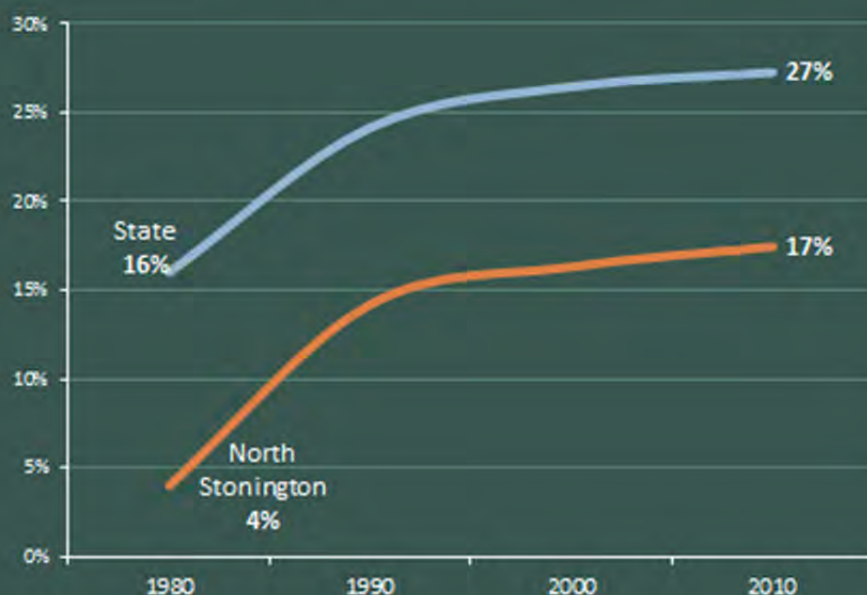
## Household Size



## Single-person Households

- North Stonington's single-person household percentage is below state levels
- Significant growth from 1980 to 1990
- Nationally almost 1/3 of households are single-person households

## Single-person Households

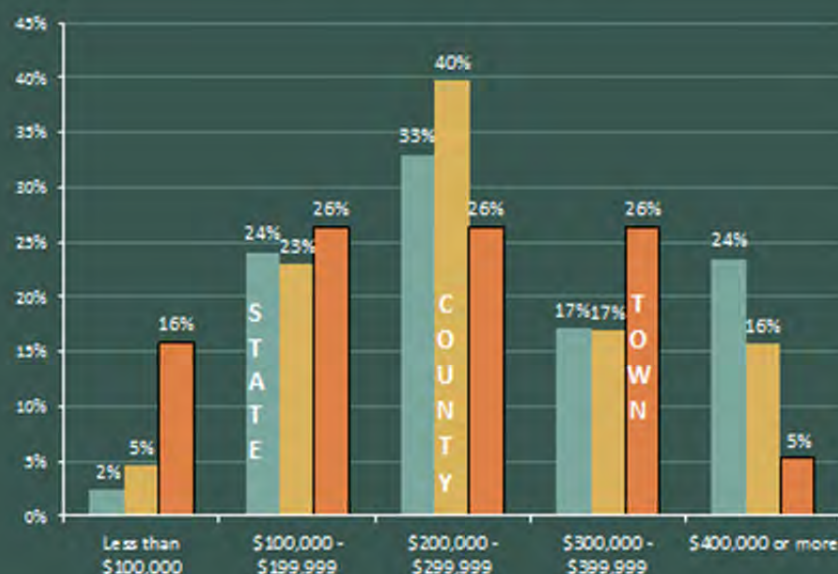




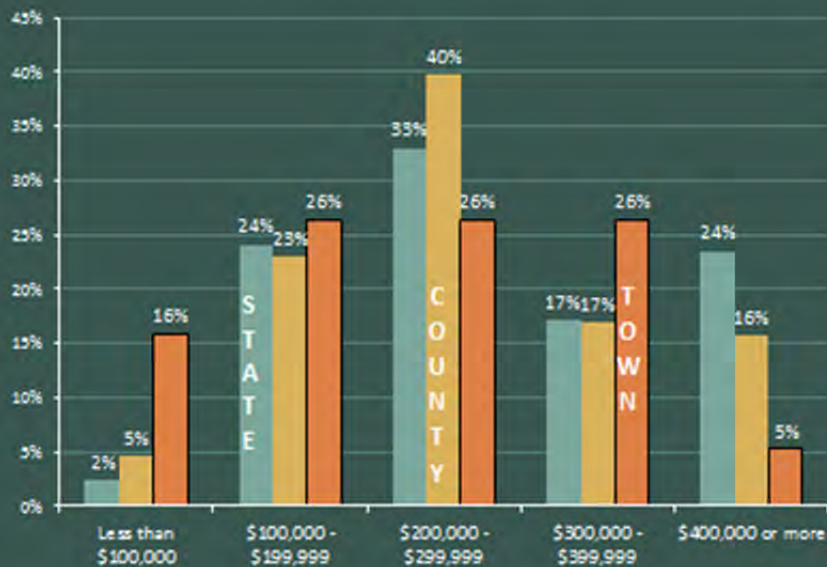
## Housing Values

- Median house values historically higher than the county, lower than the state
- Diversity of housing stock = diversity of housing values
- Median house values growing faster than median household income

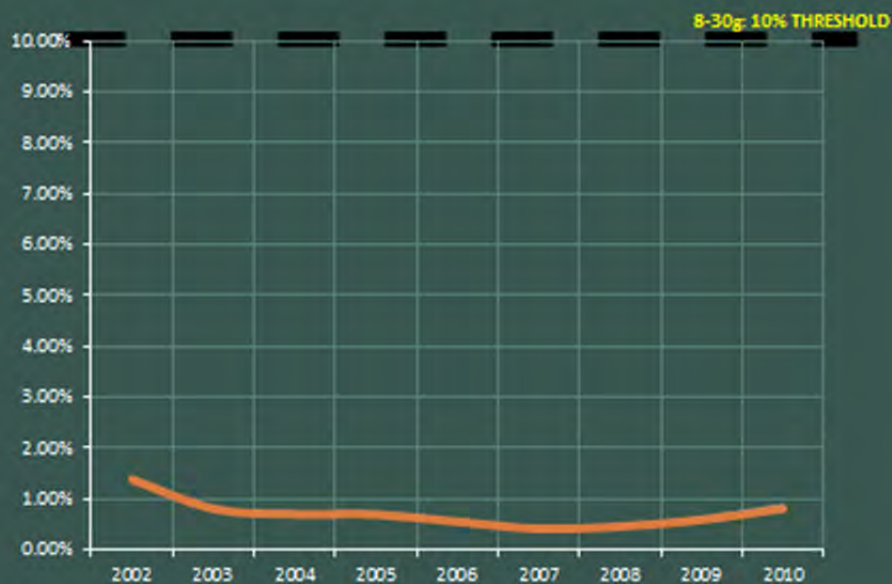
## Housing Sales



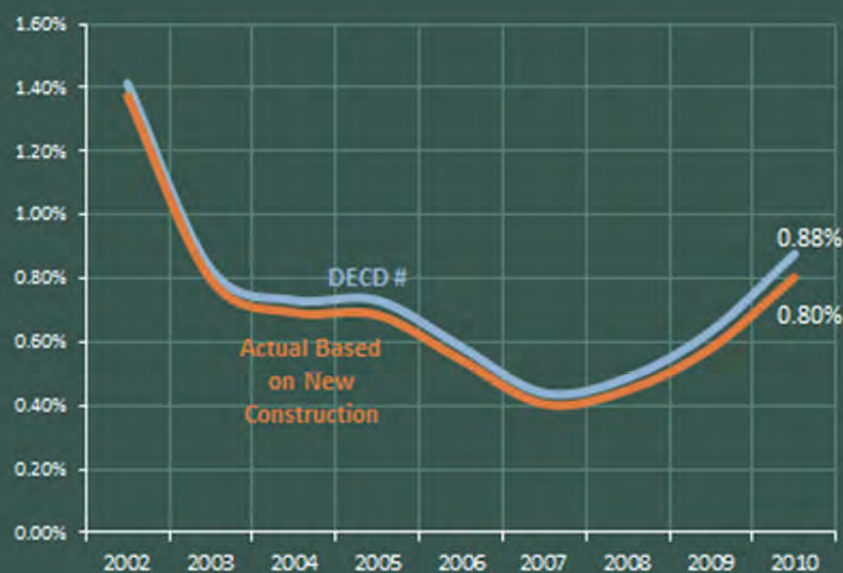
## Housing Sales



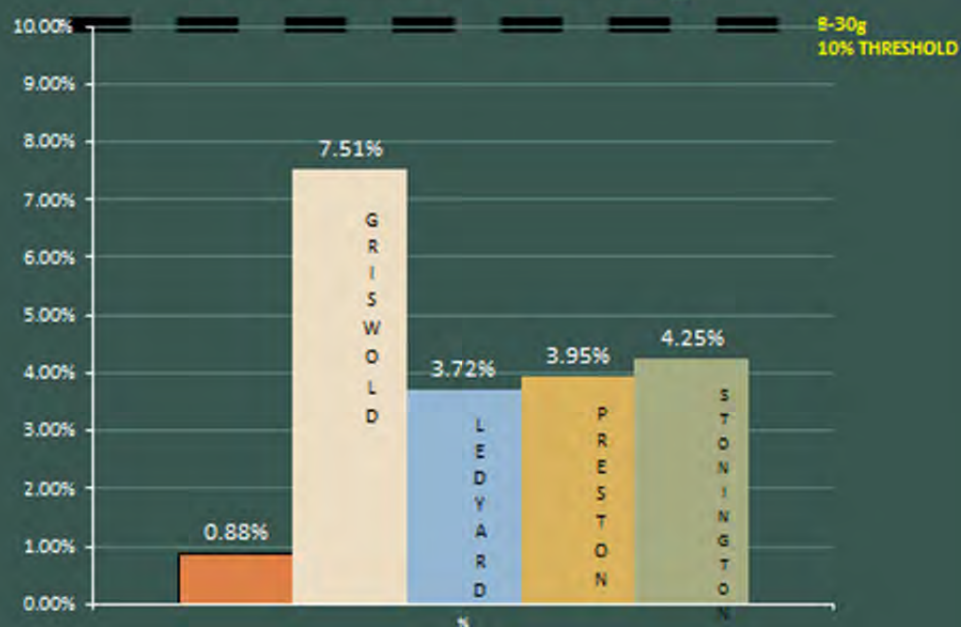
## Affordable Housing



## Affordable Housing



## Affordable Housing



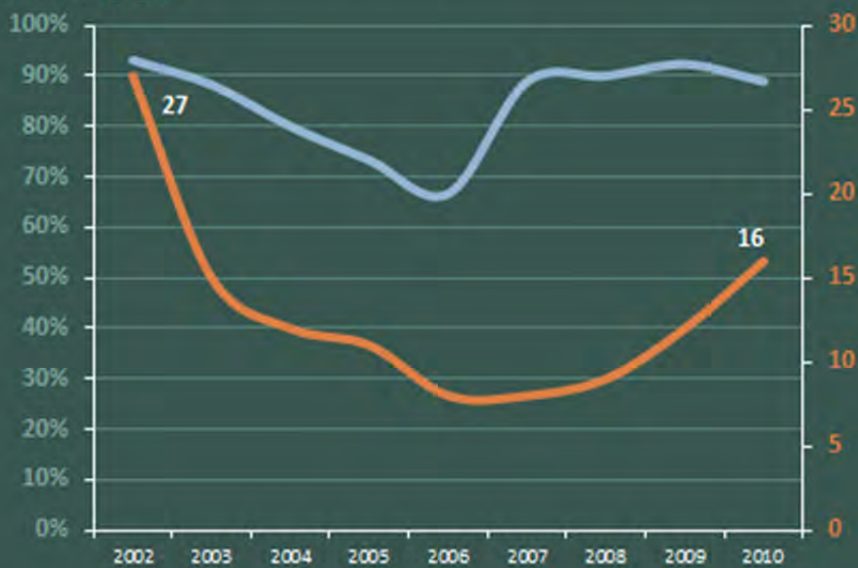
## Affordable Housing

CHFA Mortgages as a % of all AH



## Affordable Housing

CHFA Mortgages





## Inclusionary Zoning Samples

### Westerly, RI Inclusionary Zoning

A. Purpose. (1) The purpose of inclusionary zoning is to guide new residential development so that it supports Westerly's housing goals, as stated in the Housing Element of the Comprehensive Plan, including the goal that at least 10% of Westerly's year-round housing will be low- or moderate-income housing. This section is intended to ensure that all development providing six or more additional dwelling units will contribute to the supply of low- or moderate-income housing in Westerly.

(2) To help satisfy the Town's low- or moderate-income housing goals, a portion of the additional dwelling units resulting from all such development must be affordably priced according to state guidelines, must receive a federal, state or municipal subsidy, and must have affordability guaranteed for 99 years by a deed restriction or land lease.

B. Required inclusionary dwelling units. (1) In every residential subdivision or land development project that consists of six or more lots intended for the construction of dwelling units, or that consists of six or more new dwelling units, a portion of the dwelling units must be low- or moderate-income. This requirement applies to development of rental property as well as development of property for sale. The number of low- or moderate-income dwelling units required is determined by taking the basic number of lots or dwelling units permitted, as shown by a yield plan, and multiplying that number by 20%. Fractions of 0.5 or above shall be rounded up to the next whole number, and fractions of less than 0.5 shall be rounded down to the next whole number.

(2) In developments where the units will be offered for sale, the inclusionary dwelling unit shall be affordable for a family with an adjusted gross income that is less than 100% of the area median income. Construction of additional required inclusionary dwelling units shall conform to this sequence. In developments where the units will be rental units, the rent for all inclusionary dwelling units must be affordable for a family with an adjusted gross income that is 80% or less of the area median income.

(3) The exterior appearance of the inclusionary dwelling units must be substantially similar to that of the market-rate units, except that the inclusionary units may be no smaller than 960 square feet. The inclusionary dwelling units must be compatible in scale and architectural style with the market-rate units. The average number of bedrooms in the inclusionary dwelling units shall be equal to or greater than the average number of bedrooms in the market-rate units.

(4) The inclusionary dwelling units must be integrated throughout the development, rather than segregated in a particular area or areas, so they will not be in less desirable locations than market-rate units. The inclusionary units shall, on average, be no less accessible to public amenities such as open space or recreational features than market-rate units. In developments consisting of multiunit dwelling structures, the inclusionary dwelling units must be integrated throughout the structure.

(5) The inclusionary dwelling units must be built simultaneously with the market-rate units. For developments consisting of single-household or two-household dwellings, the percentage of market-rate units for which building permits have been issued shall not exceed the percentage of inclusionary dwelling units for which building permits have been issued by more than 20%. A certificate of use and occupancy shall not be issued for the final market-rate unit until certificates of use and occupancy have been issued for all of the inclusionary dwelling units. In subdivisions or land development projects that are constructed in phases, these requirements apply separately to each phase.

C. Density bonuses. (1) In every development in which required inclusionary dwelling units are constructed, the number of dwelling units permitted on the parcel shall be increased above the number that otherwise would be permitted. The purpose of this density bonus is to mitigate the cost of creating



inclusionary dwelling units by providing sites on which the units can be developed. The basic number of dwelling units permitted on the parcel, as shown in a yield plan, shall be increased by a number equal to the number of low- and moderate-income dwelling units required.

(2) When residential density is increased in a development, the Planning Board shall have the authority to adjust the lot frontage, lot width, front yard setback, side yard setback, rear yard setback, accessory dwelling setback, maximum impervious surface requirements and other dimensional regulations otherwise applicable in the zoning district if the Board finds the adjustments to be necessary and consistent with good planning practice. The adjusted dimensional regulations applicable to the development shall be shown on the final plat and shall be recorded in the land evidence records as a separate document that lists each lot, the street address of that lot, and the dimensional regulations applicable to that lot.

D. Alternatives to construction of inclusionary units. When in the judgment of the Planning Board a density increase or on-site construction of inclusionary dwelling units would not be in the best interests of good planning, or when a density increase is otherwise prohibited by law or regulation, the developer shall contribute to the Town's supply of low- and moderate-income housing through any one of, or any combination of, the following methods, subject to the approval of the Planning Board. The Planning Board's decision to require an alternative to on-site construction of inclusionary units shall be in writing and accompanied by findings of fact.

(1) Payment of a fee in lieu of construction. (a) The fee for each inclusionary dwelling unit that is not constructed shall be the difference between the median sale price of all homes sold in Westerly during the previous calendar year and the sale price that would be paid for that home by a household of four persons with an income of 100% of the area median income.

(b) Fees in lieu of construction shall be calculated and paid at the time of the recording of the final plan for each phase of a development. The fees shall be paid into a restricted account maintained by the Town pursuant to RIGL 45-23-47, as amended.

(2) Rehabilitation of existing units. (a) A developer may create low- and moderate-income units for sale, or low-income units for rent, by rehabilitating an existing structure and imposing deed restrictions or a land lease to assure affordability for ninety-nine (99) years. Dwelling units that are rehabilitated cannot be units that already qualify as low- and moderate-income housing.

(b) The Planning Board may, in its sole discretion, provide a density bonus equal to up to 100% of one dwelling unit at the rehabilitation site. If no density bonus is provided, the developer shall receive another municipal subsidy or subsidies.

(c) The number of low- and moderate-income units created shall be equal to or greater than the number that would have been required at the primary development site. The newly-created low- and moderate-income units must be constructed and occupied contemporaneously with the market-rate units being constructed at the primary development site.

(3) Construction of low- and moderate-income units at an off-site location.

(a) Low- and moderate-income dwelling units may be constructed at another site or sites. The developer must demonstrate that the alternate site does not have constraints to development that would prevent it from accommodating residential construction.

(b) The Planning Board may, in its sole discretion, provide a density bonus equal to up to 20% of one dwelling unit at the off-site location. If no density bonus is provided, the developer shall receive another municipal subsidy or subsidies.

(c) The number of low- and moderate-income units constructed off site shall be equal to or greater than the number otherwise required. The exterior appearance of the off-site low- and moderate-income units must be substantially similar to that of the market-rate units, except that the off-site low- and moderate-income units may be no smaller than 960 square feet. The average number of bedrooms in the off-site low- and moderate-income units shall be equal to or greater than the average number of bedrooms in the market-rate units. The newly-created low- and moderate-income units must be constructed contemporaneously with the market-rate units being constructed at the primary development site.

(d) Construction of new off-site units on existing single lots is preferable to construction of new subdivisions or land development projects containing multiple dwelling units.

E. Assurance of affordability and fair marketing. (1) The developer shall contract with a monitoring agency approved by the Rhode Island Housing and Mortgage Finance Corporation for the following purposes:

(a) To determine pricing for initial sale, resale, or lease of the inclusionary dwelling units;

(b) To qualify purchasers or renters for initial occupancy based in household size and income;

(c) To determine pricing for resale or transfer of dwelling units; and

(d) To assist in the development of a marketing and resident selection plan, to be approved by the Planning Board, that meets state and federal fair housing requirements.

(2) Long-term affordability shall be assured through a land lease or deed restriction recorded in the Westerly Land Evidence Records before the sale or rental of the inclusionary dwelling unit. The lease or deed restriction shall include information regarding:

(a) The basis for calculation of the maximum sale or rental price for the unit, both initially and for future buyers or renters;

(b) Restrictions concerning who may occupy the unit and for what period;

(c) Provisions for monitoring, and assurance of compliance over time.

(3) Deed restrictions or land leases shall include the following restrictions:

(a) Inclusionary dwelling units that are sold shall be occupied by the buyers as their primary residence and shall not be leased to other occupants, seasonally or otherwise.

(b) Inclusionary dwelling units that are rentals shall not be subleased.

F. Cumulative impact. When a subdivision or land development project that creates fewer than six additional lots for development or fewer than six additional principal dwelling units is approved on a portion of a parcel of land, leaving another portion of the same parcel undeveloped, the portion left undeveloped shall not be subdivided or developed for residential use or mixed use within 25 years of final approval of the first development unless the undeveloped portion is subject to the inclusionary requirements of this article. The number of inclusionary units required in the second development shall be calculated as if the earlier development were part of it. This provision does not apply when an entire parcel receives master plan approval and is developed in phases.

Required Inclusionary Units and Density Bonus			
Basic Number of Lots or Units in Yield Plan	Required Number of Inclusionary Units	Number of Lots or Units Added by Density Bonus	Total Number of Lots or Units
6	1	1	7
7	1	1	8
8	2	2	10
9	2	2	11
10	2	2	12
11	2	2	13
12	2	2	14
13	3	3	16
14	3	3	17
15	3	3	18
16	3	3	19
17	3	3	20
18	4	4	22
19	4	4	23
20	4	4	24
21	4	4	25
22	4	4	26
23	5	5	28
24	5	5	29
25	5	5	30
26	5	5	31
27	5	5	32
28	6	6	34
29	6	6	35
30	6	6	36
31	6	6	37
32	6	6	38
33	7	7	40
34	7	7	41
35	7	7	42
36	7	7	43
37	7	7	44
38	8	8	46
39	8	8	47
40	8	8	48

## **Tolland, CT Workforce Housing Regulations (Inclusionary Zoning)**

**WORKFORCE HOUSING UNITS** – Dwelling units that are affordable to a household with an annual income that does not exceed 80% of the median income, as adjusted for family size, as published by the United States Census Bureau and periodically updated by the U.S. Department of Housing and Urban Development (HUD). The median income shall be the lesser of the state median income or the area median income for the area in which Tolland is located, as determined by the United States Department of Housing and Urban Development.

### **Section 7-8. Workforce Housing Required.**

These regulations are enacted in part under the authority of Section 8-2i of the Connecticut General Statutes. The purpose is to promote the development of housing at prices that are affordable to the region's workforce, to meet local housing needs and to increase the diversity of housing in Tolland by creating mixed-income neighborhoods.

#### **A. Requirements:**

1. At least 20% of all dwelling units shall be workforce housing units except that the Commission may reduce the required percentage to no lower than 12% if the applicant demonstrates that they are providing additional amenities that provide a community-wide benefit and are not required as part of these Tolland Village Area regulations. The provisions for open space, trails and sidewalks shall not be considered an additional benefit that allows a reduction in the percentage.

2. The workforce housing units shall be subject to a deed restriction or other mechanism acceptable to the Commission containing covenants or restrictions which shall require that, for at least 40 years after the initial occupation of the proposed development, such dwelling units shall be sold or rented at, or below, prices which will preserve the units as affordable to the workforce.

3. An Affordability Plan, prepared in accordance with Connecticut General Statutes 8-30g and RCSA (Regulations of CT State Agencies) 8-30g-7 of the State regulations, rules and guidelines shall be submitted. The Plan shall provide all of the necessary information and documentation to ensure the construction and continued operation of workforce housing, including the following:

a. the person or organization responsible for administering the plan, including administration of the application procedures and screening criteria to determine the income eligibility of applicants, and reporting and enforcement mechanisms;

b. affirmative fair marketing procedures governing the sale or rental of the workforce housing units in accordance with Connecticut General Statutes 8-30ee and regulations promulgated thereunder.

c. proposed sale or rental prices of the workforce housing units and the basis for determination;

d. identification and timetable for the completion and even distribution of the workforce housing units among the market-rate units in the development; and

e. other information as may be required by the Commission.

4. Workforce housing units shall meeting the following standards:

a. units shall be sited in no less desirable locations than the other units located on the same site;

b. the exterior appearance of the units shall be comparable with the other units on the same site;

- c. the materials used and the quality of construction for the units, including heating, ventilation, and air conditioning systems, shall be comparable to those of the other units in the development;
- d. basic features of a housing unit, including but not limited to flooring, plumbing fixtures, and appliances, shall be provided in the workforce housing units, but amenities or optional upgrades, such as designer or high end appliances and fixtures, need not be provided for workforce housing units; and,
- e. units shall be provided pro rata so that the percentage of affordable units for each phase does not fall below percentage required for the full project.



## **Farmhand Residential Facilities**

### **Granby, CT**

The Planning and Zoning Commission may issue a Special Permit, subject to the criteria of Section 8.2, for a Farm Hand Residential Facility. FHRF's are designed to aid large-scale agricultural operations by providing year round housing for a farm manager, and/or other farm employees under the following conditions:

The agricultural operation must be the primary use of the land.

The agricultural use must be operated on a common property with a total contiguous land area of at least 20 acres.

The agricultural operation must contain a farm building or buildings with a combined square footage in excess of 6000 square feet, excluding buildings used for residential purposes.

The total area of the living quarters must not be less than 450 feet, nor exceed 1,500 square feet. A FHRF may contain any number and style of rooms as may typically be found within residential structures, except that the facility shall be limited to a maximum of 3 bedrooms, one kitchen, and two bathrooms.

All occupants of the Farm Hand Residential Facility must be full time employees on the site of the agricultural operation which received the Special Permit.

The living area of the Farm Hand Residential facility shall be contained within a barn or other existing building. The Farm Hand Residential facility may not be a separate structure designed and constructed solely as a residential home, but must be designed as a combination agricultural/residential facility. Not more than 40% of the total area of the building may be used as the FHRF.

The Farm Hand Residential facility must have an outside access which is convenient to a parking area.

The structure containing the Farm Hand Residential Facility shall be metered by one (1) common electrical service and have one (1) common heating system, though only the FHRF must be heated and have electricity.

The Farm Hand Residential Facility shall have a potable water supply and septic service approved by the Farmington Valley Health District.

The Farm Hand Residential Facility must be removed at such time that the premises are no longer used as an agricultural operation as defined herein.

The Farm Hand residential facility must comply with all applicable building and Fire Codes and may be inspected annually by the Fire Marshal and/or Building Official.

# **Ordinance Establishing a Housing Trust Fund**

## **Washington, CT**

### **Section I: Purpose**

Pursuant to the provisions of CGS 7-148(c)(2)(K), the Town of Washington does hereby create a special fund to provide affordable housing for the Town of Washington. The fund shall be known as the Affordable Housing Fund. Such fund shall not lapse at the end of the municipal fiscal year.

### **Section II: Sources of Funding, Investments, and Limitations on Use of Fund**

A. In addition to such sums as may be appropriated by the Town for deposit into said Affordable Housing Fund, The Town is authorized to and shall deposit all monies received by it, from whatever source, as monetary gifts for the provision of affordable housing, including fees, monetary gifts, grants and loans, unless otherwise restricted, into said Affordable Housing Fund.

B. Said Fund shall be in the custody of the Town Treasurer. All or any part of the monies in said Fund may be invested in any securities in which public funds may be lawfully invested. All income derived from such investment shall be placed into the Fund and become a part thereof. The monies so invested shall at all times be subject to withdrawal for use as hereinafter set forth.

C. No sums contained in said Affordable Housing Fund, including interest and dividends earned, shall be transferred to any other account within the Town budget. No expenditures shall be made from said account except in accordance with the provisions of this Ordinance.

### **Section III: Expenditures from Fund**

A. The continuation of the Affordable Housing Fund shall be perpetual, notwithstanding that from time to time said Fund may be unfunded.

B. Expenditures shall be made from the Affordable Housing Fund only in accordance with the following procedures and requirements:

1. Said expenditures shall be made exclusively for the costs associated with the investigation, appraisal, acquisition, administration, fees and maintenance costs relating to parcels of land, both improved and unimproved, or development rights, easements, deed restrictions, options, interests or rights therein, the use of which shall be limited to retention or designation of parcels for their long-term use in providing affordable housing as defined by state statute (CGS 8-30g).

2. Recommendations for any and all expenditures from the Affordable Housing Fund shall be submitted to the Washington Housing Commission. If approved, recommendations from the Washington Housing Commission for appropriations from the Affordable Housing Fund, including the sum to be expended, shall be submitted to the Washington Board of Selectmen.

3. Any recommendation approved by the Board of Selectmen for the appropriation of funds in excess of five thousand dollars (\$5,000.00) shall be forwarded to the Washington Board of Finance for their consideration and report.

4. If approved by the Board of Selectmen, the Board of Selectmen shall present such recommendation for a vote at a duly warned and noticed Annual or Special Town Meeting.

## Housing Land Trust

### Farmington, CT

From the Town's website:

**Cooperative Home Ownership Program** - In order to increase its affordable housing stock, the Town of Farmington began a program in 1981 known as the Plan for Cooperative Ownership. To make the purchase of single family homes more affordable to home-buyers of low and moderate income, the Town of Farmington enters into a partnership with the individual in which the Town would own the land and the individual would own the home on the land. This partnership would enable the individual to pay a mortgage only on the home (not the land) making it much more affordable. Individuals whom are selected for the program are responsible for their own financing and have the responsibility of choosing a realtor to help find an existing home in Farmington.

**Selection Criteria** - The selection criteria is weighted toward those either working or living presently in Town, and towards lower incomes with the balanced ability to afford a mortgage. Factors such as income and assets, family size, employment, residency, and housing hardship factors are used to determine eligibility. To qualify, an applicant must have a gross annual income at or below the median family income for the Hartford area as determined annually by the U.S. Department of Housing and Urban Development (HUD). The table below represents the maximum allowable income by family size.

Family Size	Median Income
1	\$47,946.60
2	\$62,699.40
3	\$77,452.20
4	\$92,205.00
5	\$106,957.80
6	\$121,710.60
7	\$124,476.75
8	\$127,242.90

**The Land Lease** - The most significant aspect of the Cooperative Ownership Program is the land lease. Once the participant executes a land lease with the Town of Farmington, owners of the parcel, the participant, as lessee, rents or leases the land from the Town for the term of the lease (typically 99 years).

**Resale Restrictions** - The resale restrictions limit the maximum sales price the house may sell for in the future by placing a cap of 25% of the appreciation of the house as determined by property appraisals. This restriction serves to ensure the "affordability" of the house for many years to come. When the lessee decides to move, he can sell his house, but not the land. Accordingly, the land can be offered as rental property once more to those of low and moderate incomes. The resale restriction is as follows:

1. The total amount of appreciation in the value of the house during the period of the lease is calculated by taking the appraised value for the house at the time the lessee notifies the Lessor of his desire to sell minus the original purchase price of the house.
2. The Lessee's share of the appreciation is equal to the appreciation (determined in #1 above multiplied by 25%).
3. The new maximum sales price is determined by adding Lessee's share of appreciation (determined in #2 above) to Lessee's original purchase price of the house.

**Land Lease Fees** - Each participant is responsible to pay a \$10.00 per year land lease fee for the first three years. In the fourth year of the lease, the land lease fee is equal to the sum which could be collectable by the Town if the land were taxed under private ownership.