

# Affordable Housing Plan of the Essex Planning Commission

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2019-2024



Adopted by: The Town of  
Essex Planning Commission  
March 14, 2019



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# BACKGROUND

Photo by Jody Dole

The Essex Ad-Hoc Committee of Housing Options was created by the Essex Planning Commission in September 2017 to foster the development of affordable housing in the Town of Essex. The Committee has worked to better understand Essex's specific housing needs, identify properties that have housing development potential and to learn how to better support our local housing organizations: the Essex Housing Authority, Hope Partnership, and Middlesex Habitat for Humanity for Connecticut.

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."

This Act was created as a modification to an existing Statute that already applies to Affordable Housing in all Connecticut Towns. CGS 8-30G was created in the 1970's as a checks and balances to help boost local affordable housing project approvals after the State recognized an overall lack of affordable housing options. The law currently places the burden of proof for an appeal under this Statute on the Town rather than the applicant. The Town must demonstrate that the threat to local health, safety and welfare was far greater than the general need for affordable housing. The law also provides increased flexibility to developers, they may not need to adhere to all zoning standards including setbacks, zone restrictions, parking requirements and lot coverage standards. Any Town in Connecticut that does not have at least ten (10) percent of their housing stock deed restricted to qualify as "affordable" is open to an appeal under 8-30g.

This document is intended, in part, to satisfy that State-mandated requirement while clearly demonstrating what Essex can do to encourage the creation of affordable housing units so that it does not remain exposed to the 8-30g appeals process. The Committee understands that if Essex encourages affordable housing developments that are appropriate, the Town will be less exposed to an application under 8-30g which may not be in keeping with the goals of the Town.

The 2015 Essex Plan of Conservation and Development has outlined specific action items for the Town to accomplish with regard to housing.

These include:

- 1. Establish overall municipal goals for increasing the percentage of state-designated Affordable units within Essex.**
- 2. Develop Incentive Housing Zone regulations**
- 3. Examine potential development incentives beyond the IHZ program to encourage broader participation by developers in creation of affordable housing opportunities.**
- 4. Work closely with the HOPE Partnership, the Partnership for Strong Communities, and other nonprofit groups to educate the public, work with property owners and developers, and advocate for housing opportunities.**

This document will attempt to address these issues, as well.

This 2018 Affordable Housing Plan outlines the continuing need for affordable housing in Essex, proposes a specific goal of 89 housing units over the next ten years, and describes specific actions that can be taken to achieve that goal. We hope that this 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.

Sincerely,

SUBCOMMITTEE ON AFFORDABLE HOUSING

Alan Kerr, Chair

Jane Siris

Loretta McCluskey

Maureen O'Grady

Dawn Boulanger

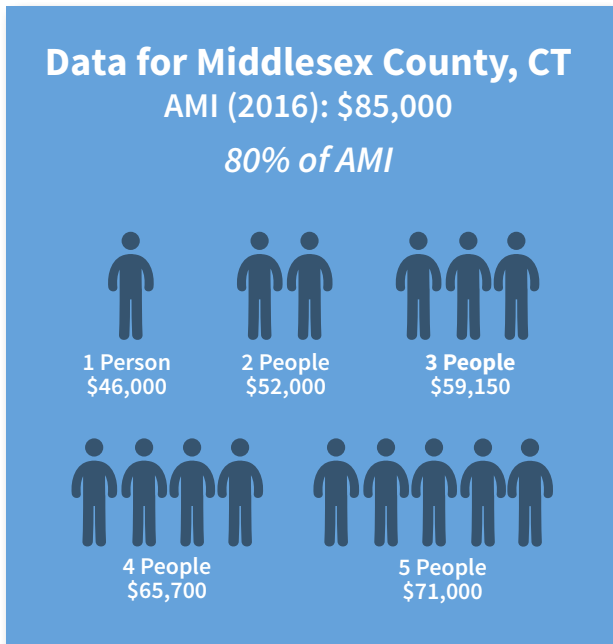
Peter Decker



# WHAT IS AFFORDABLE HOUSING?

*Housing is defined as “affordable” if it costs less than 30% of the income of a household earning 80% or less of the Area Median Income (AMI).*

In order to count towards a town’s official tally of affordable housing, the property must be deed restricted to remain affordable for at least 30 years. This calculation is adjusted annually and by household size as shown in Table 1 below:



\* Source: [HUD Income](#); [State of CT](#)

## Monthly Housing Costs (Rent/Mortgage + Utilities)

HUD Fair Market Rates

1 Person	2 People	
\$1,150	\$1,315	
3 People	4 People	5 People
\$1,479	\$1,643	\$1,775

Example: 2 Bedroom Unit	Total/ Year	Total/ Month
Area Median Income (AMI)	\$85,000.00	\$6,695.00
Median Income level per household in the surrounding area		
80% of AMI	\$68,000.00	\$5,356.00
80% of median income from above		
30% of 80% AMI	\$20,400.00	\$1,700.00
\$1,607 must be compared to the HUD rates shown below, the lower number shall be used		
120% HUD Fair Market Rate	\$1,386.00 x 120% = \$1,663.00	\$1663.00

For a two-bedroom housing unit to be eligible for consideration as an “affordable housing” unit, it must cost less than \$1,663 per month.



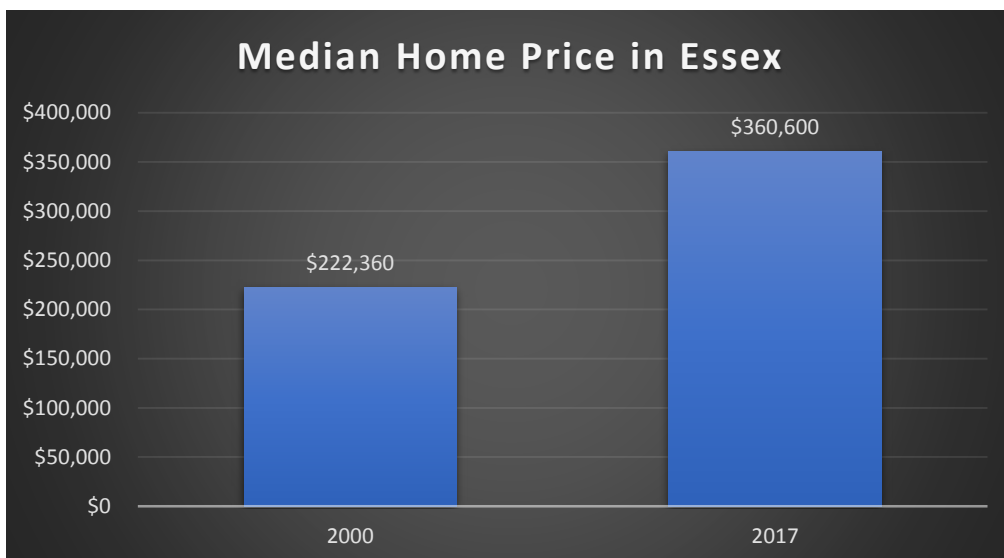
# WHY DOES ESSEX NEED MORE AFFORDABLE HOUSING?

## Incomes Have Not Kept Pace with Housing Costs

Many of the people who work in town — staff at Essex Meadows, teachers and aides at Essex Elementary School, retail clerks at Colonial Market and many other local businesses that residents of the town depend on — might find it difficult to afford a home in Essex if they wanted to live here.

Many older adults who have lived in Essex for decades have trouble affording basic repairs and upkeep on their homes, yet have no opportunities to downsize due to the lack of suitable housing stock.

Young adults who grew up in Essex would like to raise their own families here, but affordable “starter homes” are either non-existent or need a great deal of rehab in order to be livable. Demands on younger residents such as repaying college loans often leave very little household income to pay a mortgage.



\*Source: [Housing Data Profiles](#)



**Census data shows that since the year 2000, the average home price in Essex has increased by over 60%.**



## Population Trends Support Affordable Housing

United States Census data shows that over the next 20 years, the average age of Essex residents will increase. The Census further estimates that we will also see a notable decrease the number of school aged children within the community. Therefore, over that timeframe it is imperative that Essex work to ensure that the Town has adequate affordable housing options for an aging population. The graph below illustrates how the Essex population will change between 2015 and 2040.

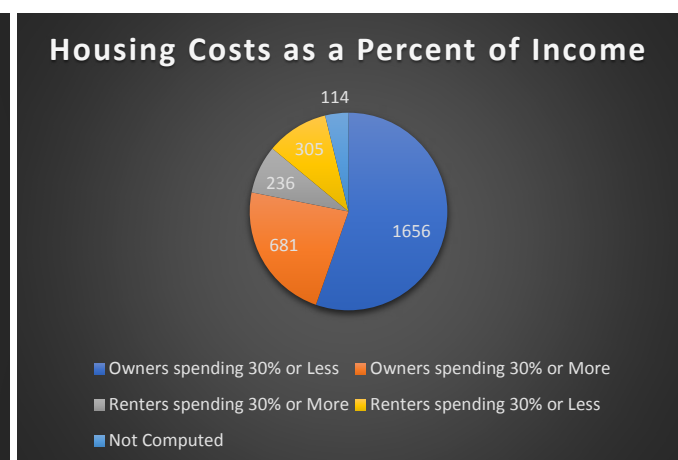
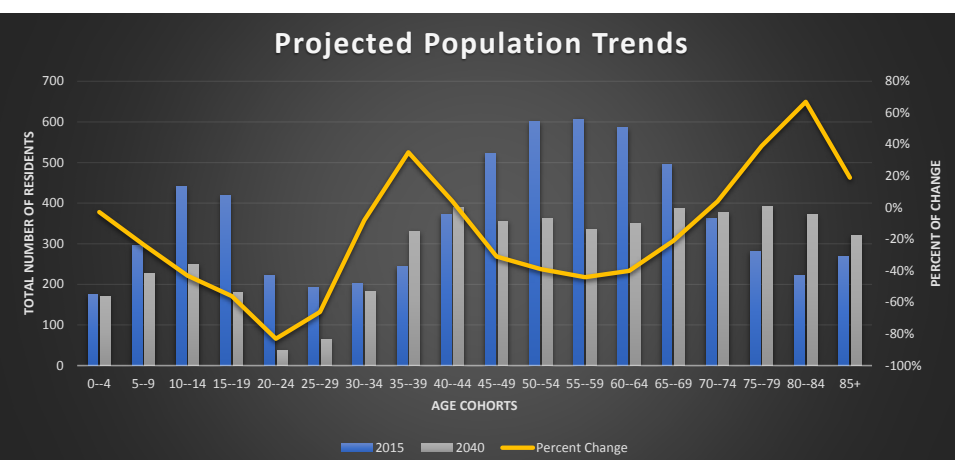
*The 2010 U.S. Census data gives clear evidence of these facts:*

**According to the American Community Survey (based on the 2010 US Census) in 2016, there were 986 households (36% of all households) in Essex that were paying unaffordable rents or homeownership costs (i.e., paying more than 30% of their household income on housing costs).**

Of these households, 305 are living in rental units. The current number of actual affordable rental housing units- meaning those restricted to be available to those at or below certain income limits in Essex is 49, as outlined above\*.

Governmentally Assisted Units	36
Tenant Rental Assistance	3
CHFA/USDA Mortgages	10
Deed Restricted Units	0
<b>Total Affordable Units</b>	<b>49</b>

In 2016, the Town's median income was \$86,376. Therefore, 50% of Essex's households earn more than that amount and 50% earn less. To qualify to live in "affordable" housing, a household needs to earn less than 80% of the median. According the Partnership for Strong Communities House Data Profile for Essex, in Town, 47% of the town's renters and 29% of its homeowners spend more than 30% of their household income on housing. Households are considered to be "cost burdened" if they spend more than 30% of their total household income on housing. Due to the fact that they are spending such a large portion of their income on housing their spending power for other necessities such as utilities, childcare, groceries or healthcare is reduced. If the Town can work to provide lower cost housing options, the occupants of these units will have more discretionary income, potentially to spend at local businesses.



\* CT Department of Housing Affordable Housing Appeals List (2016)





## Housing Costs for Owners and Renters

### Affordability

Across CT, 50% of renters and 32% of owners spend more than 30% of their income on housing. In Essex, 47% of renters spend more than 30% of their income on housing, while 29% of owners do the same. Households that spend more than 30% of their income on housing may have little left over for necessities such as transportation, food, healthcare, etc.

### Housing Costs as a % of Household Income: Essex

	# Units	% Total
<b>Owner Occupied</b>		
■ Spending < 30%	1656	55
■ Spending > -30%	681	23
■ Not Computed	0	0
<b>Renter Occupied</b>		
■ Spending < 30%	236	8
■ Spending > -30%	305	10
■ Not Computed	114	4

## Current Lack of Multi-Unit Housing

*Of Essex’s occupied housing stock, 78% are single-family homes. Only 22% of housing units are multi-family (two or more housing units).*

Housing that contains two or more units is often more affordable by nature than single-family housing. Statewide, 67% of housing is single-family and 33% is multi-family. More multi-family housing options are needed in Essex.

## Current Lack of Affordable Rental Units

*In Essex, only 22% of housing units are occupied by renters. Statewide, 29% of housing units are occupied by renters. Many young adults and families want to or need to rent before they purchase a house.*

With only 22% of Essex’s stock rentable and at any given time a small sliver of that available for rent, options are limited.

Every town needs some diversity in its housing options. Housing needs vary greatly at different times in our lives. To retain diversity within our community, our town must strive to provide the equivalent in its housing stock.

Without this flexibility any change in family size, health or employment puts us in danger of losing the members of our community we should be valuing the most – **our teachers, our health care providers, our employees and our volunteers.**



Source:  
2011-15  
American  
Community  
Survey





## The Law: Affordable Housing Appeals Act

In addition to losing both valued members of our community and the opportunity to attract more of such people, if the town fails to provide an adequate number of affordable housing units, under the Affordable Housing Appeals Act (Connecticut General Statutes §8-30g), the town's zoning regulations can be largely overridden by a developer who agrees to restrict a minimum of 30% of new units as affordable housing.

According to the State's Affordable Housing Appeals Act (Section. 8-30g), if a town has less than 10% of its housing stock deed restricted to remain affordable to

households that earn under 80% of the area median income (\$65,000 for a family of four in the case of Essex), a developer can challenge and often override the town's zoning regulations as long as at least 30% of the housing units in the proposed development are restricted as affordable.

Currently only 2.27% of the Town's housing stock is restricted in some way to remain affordable for those earning less than the area median income.

The Table below shows the deed-restricted afford-able housing that currently exists in the Town of Essex.

### Current Affordable Housing Stock in Essex

Cite: 2017 Affordable Housing Appeals List, State of CT

Property	Units	Type
Essex Place	22	Elderly
Essex Court	36	Elderly
Essex Station	16 restricted of 52 total	Rental

Total affordable housing units	74
Total housing units in Essex	3261
Percent of 8-30g qualified	2.27%







Photo by Jody Dole

# Temporary Four-Year Moratorium:

The State can provide temporary relief from the 8-30g process through a moratorium provision. If a municipality can demonstrate progress in its effort to reach the goal of 10% affordable housing, the State will grant a moratorium on the ability of developers

to sue the town for the right to build using the 8-30g statute. The moratorium is granted for a period of four years and a municipality must apply for a moratorium. The rules for demonstrating progress are based on a point system, where different affordable housing types are awarded points as shown in the tables below.

Owner	Property Address	Year Occupied	Affordable Units	Unit Type	Income Restriction	HUE Points Per Unit	Total Points
Essex Station	21 Plains Rd	2018	8	Rental	60%	1.5	12
Essex Station	27 Plains Rd	2018	8	Rental	80%	1.0	8
Essex Station	29 Plains Rd	2018	36(market)	Rental	Market in set Aside	0.25	9
Essex Place	26 Main St	2017	22	Elderly	80%	.5	11
Essex Court	16 Main St	1985	36	Elderly	80%	Prior to 1990	n/a
Tenant Addisted							n/a
CHFA Mortgage							n/a
Spencer's Corner	TBD	2019(?)	17	Rental	60%(?)	1.5	25.5(future)
						Total	40
						Needed	65
						Future	25.5(?)



*“Essex has many large single-family homes but few apartments, townhomes, or multi-family houses. This limited range of housing choices limits the diversity of Essex residents. This is, and will continue to be, a challenge for the community.” -Essex Town Plan of Conservation & Development (2015)*

Housing Unit Equivalent Type of Unit Point Value Per Unit	
Market Rate Units in set aside developments	0.25
Elderly Units, owned or rented-restricted at or below 80% AMI	0.50
Family Units, owned, that are 80% of median income:	1.00
Restricted to households with 60% or AMI	1.50
Annual income no more than: 40% AMI	2.00
Family Units, rented, that are 80% of median income:	1.50
Restricted to households with 60% AMI	2.00
Annual income no more than: 40% AMI	2.50
Mobile Manufactured Home in a resident-owned park:	1.50
Restricted to less than 80% AMI	2.00
Restricted to less than 60% AMI	0.25
Market-rate within the park	
Bonus Housing Unit-Equivalents Points In Addition to Unit Point Value Above	
Family Units, owned or rented containing three or more bedrooms	0.25
Family Units within an approved Incentive Housing Development	0.25
If at least 60% of the Total Affordable units above are Family units, then each Elderly Unit receives	0.50



# WHAT IS ESSEX'S AFFORDABLE HOUSING GOAL?

Essex needs a **greater diversity** in its housing options to meet the changing housing needs of its residents and to attract new younger families and professionals.

More specifically, Essex needs **rental housing options and multi-family housing options** that are affordable for families earning less than \$65,000 and single people or seniors earning less than \$46,000.

## 89 Affordable Housing Units Over the Next Ten Years

The development of an additional 89 units would increase the affordable housing stock to 5% Essex currently has 2.27% as shown in the table above. The remaining 95% or 2,934 units remain unrestricted and open to market forces.

The 89 new affordable housing units maybe created from new construction or reuse of existing buildings. Essex has a goal to achieve the creation of an additional 19 owner occupied units and 70 rental units. Because some residents may prefer to own rather than rent, it is important to have options for both housing types and ownership types available.





# HOW WILL ESSEX'S AFFORDABLE HOUSING GOAL BE MET?

## New Developments

When considering the feasibility of potential sites for development, there are two primary issues to consider:

1. **Property control/ownership:** Without ownership/control of the land, encouraging a development the Town can endorse is more difficult.
2. **Proximity to existing utilities/services:** Avoiding the need to construct new water systems makes any project more financially viable. Proximity to available transportation services, such as Nine-Town Transit should be considered.

Creating housing opportunities for new residents within our village centers will help support village center businesses and preserve open space out-side the village centers. This approach conforms to the goals of the Plan of Conservation and Development.

Based on these considerations, we have developed a preliminary list of parcels that may be worth

further investigation as potential affordable housing development locations.

The criteria for this initial property identification included the following:

- Minimum of 5 acres on individual parcel or aggregation of adjacent parcels;
- Proximity to town village centers or “development nodes” as defined in the PoCD

Properties removed from this analysis included:

- Town, State, land trust, and other nonprofit owned land;
- Well-developed properties (Essex Meadows, Lee Company, etc.);
- Cemeteries;
- Homeowners’ association conservation land (part of subdivision approvals)

The search resulted in two groups of potential sites. One group is in the general vicinity of the Route 153/154/Westbrook Road triangle development node, (identified as Centerbrook on map below), and the other is just outside of Ivoryton Village (identified as Mares Hill on map below).

None of these parcels are “shovel ready”. All of them have characteristics that require additional consideration. Some have existing buildings on the property (and much excess land), others have wetlands corridors to consider, on some sites, access from the main road is uncertain.







# AFFORDABLE HOUSING PARTNERS

*We are fortunate, in Essex, to have partners in our effort to increase the availability of affordable housing in the region.*

[The HOPE Partnership](#), based in Old Saybrook, states that their mission is “to create a continuum of affordable housing options in the shoreline towns of Middlesex County to ensure an eclectic economy and housing choices for all”. They were instrumental in the creation of the Ferry Crossing development, in Old Saybrook and are currently undertaking an affordable housing project at Spencer’s Corner, in Centerbrook. The HOPE Partnership knows how to assemble the necessary resources to get a project off the ground and Essex should take advantage of their expertise as we attempt to foster development in Town.

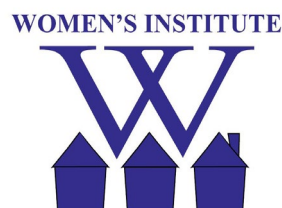
There are other organizations such as the [Women’s Institute for Housing and Economic Development](#) and the [Corporation for Independent Living](#) which are both CT-based nonprofit development groups

that seek opportunities to create new and revitalized housing in towns such as Essex. The Women’s Institute has already been active is assisting with the financing coordination and project management of the construction of Essex Place.

[The Partnership for Strong Communities](#), based in Hartford, has a statewide focus on various issues of social concern, including affordable housing. They have provided our committee with useful information and they are another valuable source of guidance and insight into the effort to promote affordable housing in Essex.

## Rehabilitated Housing

There may be opportunities in Essex for housing that is currently under financial distress to be renewed or rehabilitated as affordable housing. Organizations such as Habitat for Humanity operate in this area and the Town should consider opportunities for increasing affordable housing stock via rehabilitation of existing homes.



# RECOMMENDATIONS

Essex should make a commitment to the goal of increasing affordable housing. It can do so, in part, by making it known to potential developers of affordable housing that the Town is interested in such projects. Some simple steps the Town could take include: *See Implementation Table below*

Implementation Goals	Entity Responsible	Priority	Target Completion Date (from plan adoption)
Develop a list of sites suitable for this type of development	Town Staff	Moderate	6 Months
Issue a “preliminary approval” to certain target sites to encourage development	P & Z	High	3 Months
Create an “Affordable Housing” section of the Towns website to market Essex to developers	Town Staff	Moderate	6 Months
Adopt zoning regulations to facilitate mobility for all users	All	Moderate	12 Months
Explore the appropriateness of an Incentive Housing Zone for increase densities	Staff and P&Z	Low	24 Months
Prioritize the creation of units with accessibility to accommodate elderly residents	P & Z	High	6 Months
Consider and prioritize sites with access to transit and local amenities	P&Z	Low	24 Months
Encourage the development of at least 3 deed restricted affordable housing projects	All	High	60 Months
Seek to identify, attract and approve uses which further complement affordable housing	Staff and P&Z	Moderate	12 Months
Prioritize the continued use of all existing affordable housing units	Town Staff	High	12 Months
Hold a public informational meeting to explain the findings of this Plan	Town Staff	High	6 Months
Identify State and Federal funding sources to help facilitate affordable housing projects	Town Staff	Moderate	12 Months

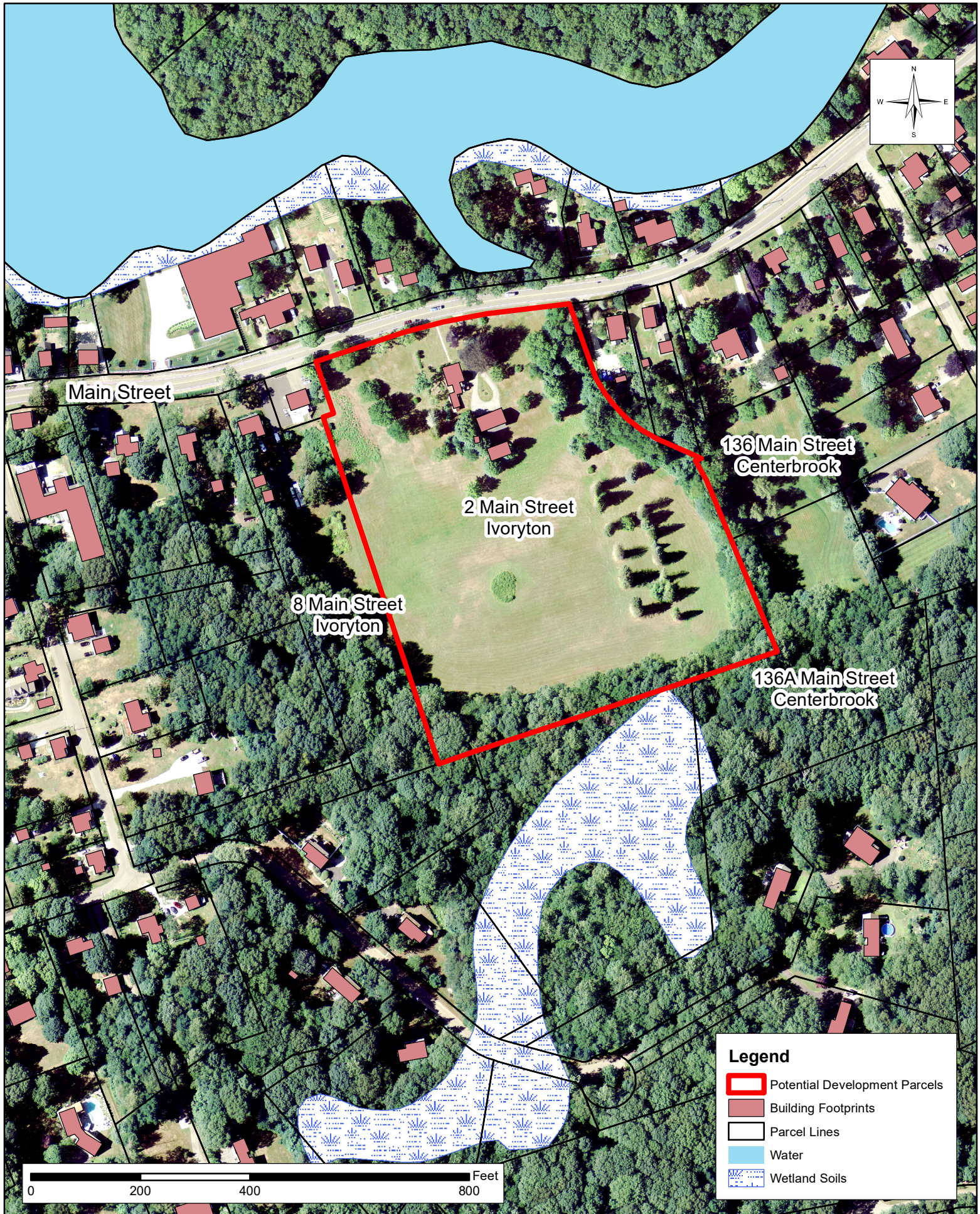


## Appendix:

### GIS Maps

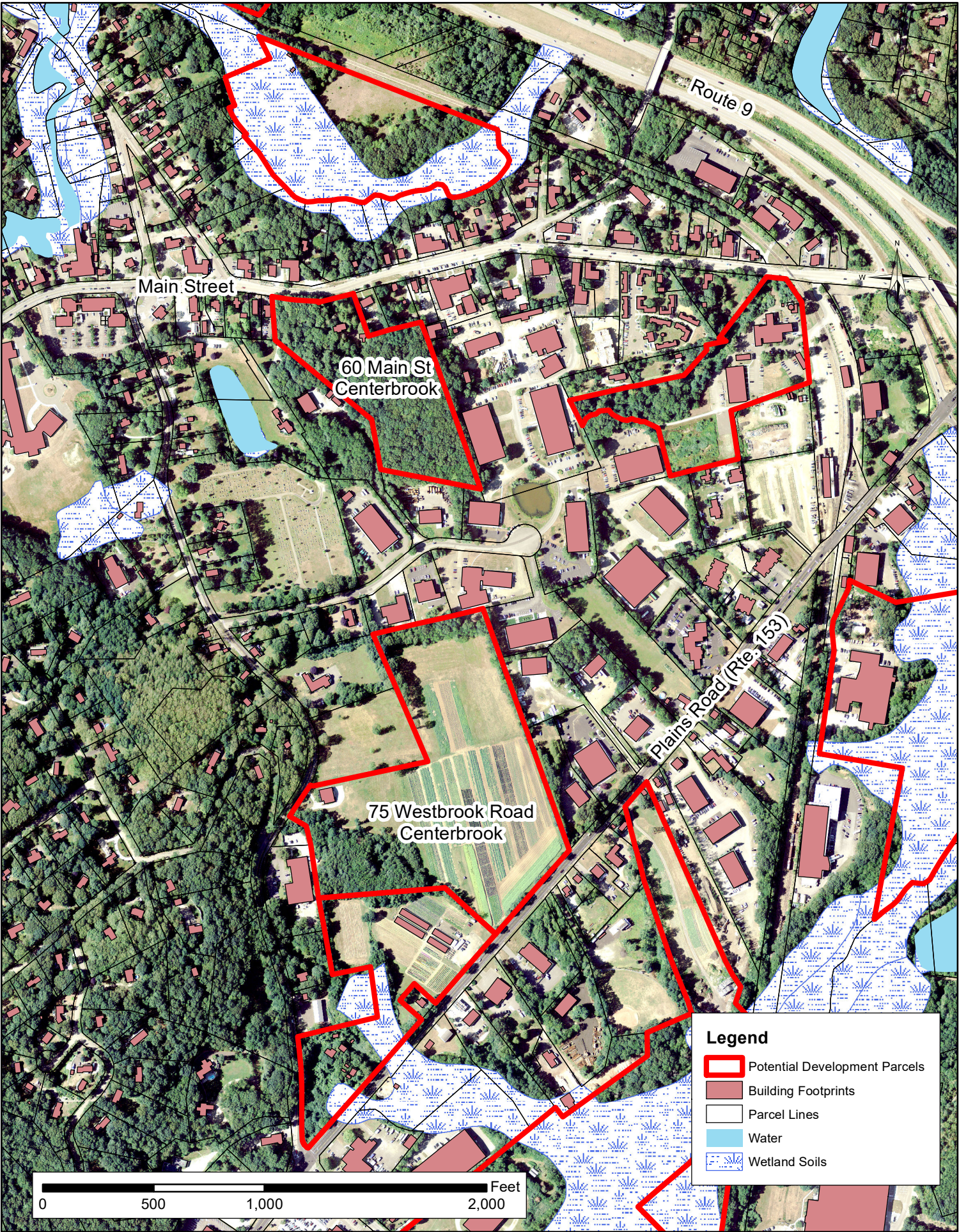


# Potential Housing Development Areas - Proximity of 2 Main St. Ivoryton





Potential Housing Development Areas - Centerbrook & Route 9 Gateway Area





# Potential Housing Development Areas - Mares Hill Road, Ivoryton

