

- **What is Affordable Housing?**

The State defines Affordable Housing as housing that costs 30% or less of household income for households making less than 80% of state or Area Median Income (AMI), whichever is lower. (Affordable Housing Land Use Appeals Act, General Statutes §§ 8-30G [Public Act 17-170]). As of 2021, a family of four making less than \$89,400 per year or an individual making less than \$62,600 per year could qualify for affordable housing in Essex. Income limits are updated on an annual basis by the U.S. Department of Housing and Urban Development (HUD). According to data from HUD, about 1,010 Essex households, 34% overall, make less than 80% of area median income and may be eligible for affordable housing programs. Affordable housing, as the State defines it, typically only includes protected units that are reserved for low-income households through deed restrictions or through governmental assistance programs such as housing vouchers or subsidized mortgages. According to 2021 data published by the Connecticut Department of Economic and Community Development (DECD), 109 units, or 3.34% of Essex's total housing units were protected affordable units. Essex also has many naturally occurring affordable housing (NOAH) units. While these units may be affordable to low-income households today, they may not be affordable in the future if rents or home sale prices increase.

- **Why is Affordable Housing Important?**

Affordable housing provides many benefits to the community. Growing the number of affordable housing units would allow those with roots in the community to continue living here, regardless. A common myth around affordable housing is that it consists only of higher density apartments. This is not true. Affordable housing can be like any other type of housing and comes in many forms, shapes and sizes ranging from single-family homes to duplexes and from townhomes to apartments. It can be privately owned or rented. It can house seniors, families with children, single individuals, or persons with disabilities. It can also come in a range of architectural styles making it virtually indistinguishable from other housing types. While some affordable housing units are owned and managed by public entities, most are privately owned and managed. Town of Essex Affordable Housing Plan 5 of their economic status. Affordable and diverse housing choices would allow young adults to move back to the community, in which they grew up. Seniors would be able to remain in the community after they retire and have opportunities to downsize, should they choose. Households that experience a loss of income due to economic circumstances, disability, divorce, or loss of a spouse, would not be displaced from the community, due to the inability to pay for housing. Workers in essential jobs such as teachers, grocery store workers, home health aides, childcare workers, restaurant workers, and first responders would have an opportunity to live where they work. Affordable housing can also support businesses by providing housing choices for entry level workers, medical residents, and lower wage workers at major employers such as Adelbrook, Walmart, Stop and Shop and Covenant Village

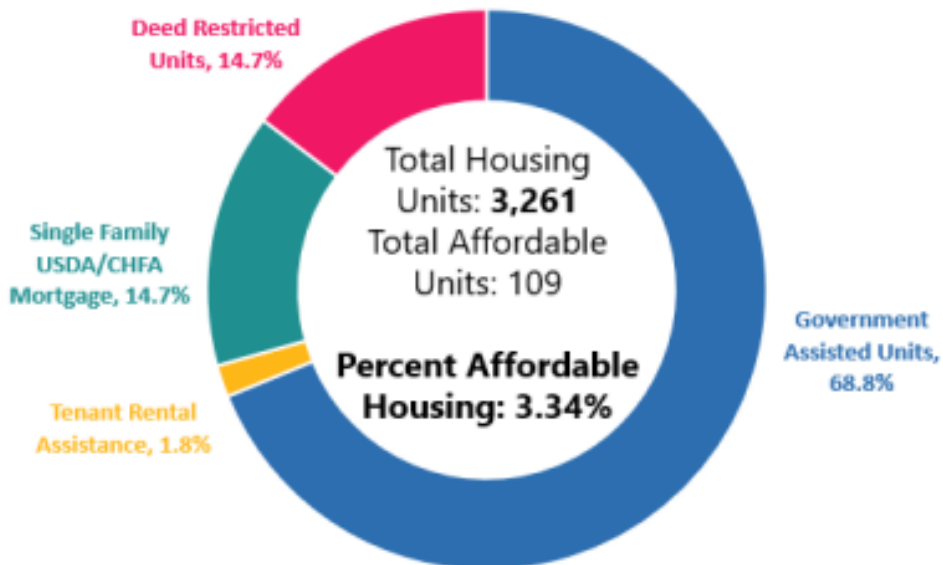
- Identifying Low Income Status



Source: U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Survey (CHAS)- 2014-2018

- Affordable Housing in Essex

### Protected Affordable Units in Essex, 2021



Source: DECD Affordable Housing Appeals List, 2021

- **Protected Affordable Housing**

As of 2021, there were 109 protected affordable housing units in Essex, comprising 3.34% of the Town's total housing stock. These units are reserved for low-income occupants and are not on the open market. There were 75 government assisted units, 16 USDA or CHFA mortgages, 16 deed restricted units, and 2 tenant rental assisted units. The different types of affordable housing in Essex today are described in the sections below.

- **Connecticut Housing Finance Authority Programs**

The [Connecticut Housing Financing Authority \(CHFA\)](#) is a self-funded, quasi-public organization. Its mission is to alleviate the shortage of housing for low- to moderate-income families and persons in the state and, when appropriate, to promote or maintain the economic development of the state through employer-assisted housing efforts. Mortgages through CHFA are available for first time homebuyers purchasing homes that are within the CHFA Sales Price Limits who have a gross income that is within the Income Limits.

- **Naturally Occurring Affordable Housing**

Private housing on the open market may be affordable to low-income households. It is sometimes referred to as [Naturally Occurring Affordable Housing \(NOAH\)](#). This housing has no deed restriction or subsidy, but still costs a low-income household no more than 30% of their income. However, low-income households must compete with other more affluent households to occupy these units. As prices rise, the affordability of these units may disappear.