

Falls Village Affordable Housing Task Team: Meeting 03

prepared by Janell Mullen, NHCOC Regional Planner, March 2021

Data Assessment Recap

What did the data assessment tell us about the housing needs in our town?

The majority of our homes are single family dwellings (95%). Few new homes have been built since 1990.

The overall population of Falls Village is expected to grow, which is unique for the region. The proportion of the population greater than 65 is also expected to grow.

The number of households with children is declining. The average household size is 2.25 while 69% of homes have 3+ bedrooms.

Household costs (rental and home ownership) have not kept pace with wages. 35% of Falls Village residents are housing cost burdened.

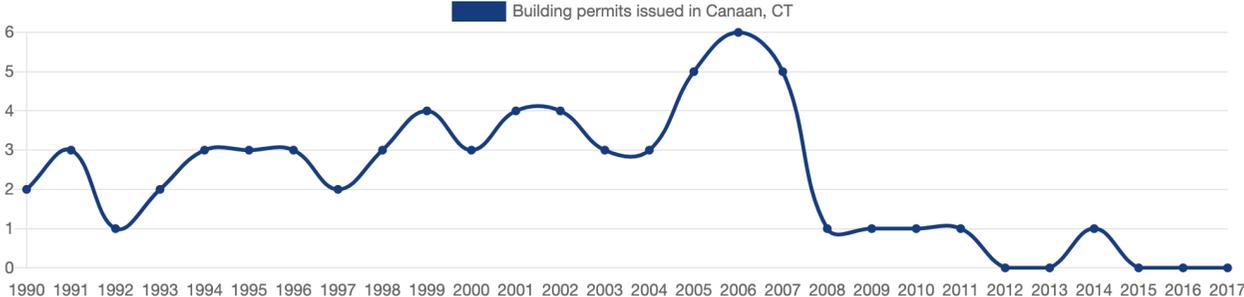
Home values have increased greatly in the region as a result of the COVID-19 pandemic.

In summary, very few housing options are currently available especially for first-time home-buyers, rentals, and seniors.

Data Assessment Recap & Follow-up

Permits Issued Since 1990

The line chart below shows annual building permits issued in Canaan since 1990. The maximum of 6 permits were issued in 2006.



Source: [Annual Housing Permit Data, DECD](#)
Visualization created by [CTData Collaborative](#)

Few new homes have been built since 1990. A peak of new builds was seen in 2006.

Home Values in Falls Village

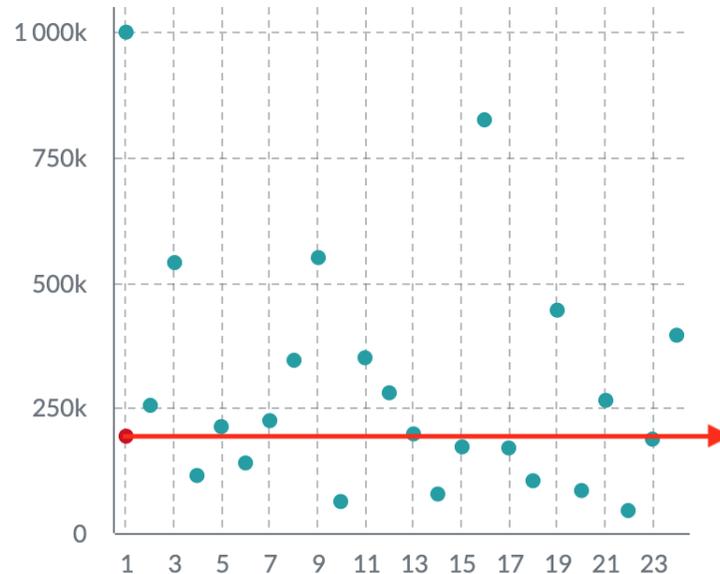
Canaan

Litchfield County

| Single Family Key Metrics | February | | | Year to Date | | |
|---------------------------------|-----------|------------------|----------|--------------|------------------|----------|
| | 2020 | 2021 | % Change | Thru 2-2020 | Thru 2-2021 | % Change |
| New Listings | 2 | 1 | - 50.0% | 5 | 4 | - 20.0% |
| Pending Sales | 0 | 1 | — | 1 | 2 | + 100.0% |
| Closed Sales | 1 | 1 | 0.0% | 1 | 3 | + 200.0% |
| Days on Market Until Sale | 80 | 37 | - 53.8% | 80 | 20 | - 75.0% |
| Median Sales Price* | \$187,500 | \$265,000 | + 41.3% | \$187,500 | \$530,000 | + 182.7% |
| Average Sales Price* | \$187,500 | \$265,000 | + 41.3% | \$187,500 | \$473,333 | + 152.4% |
| Percent of List Price Received* | 94.2% | 93.0% | - 1.3% | 94.2% | 101.5% | + 7.7% |
| Inventory of Homes for Sale | 16 | 11 | - 31.3% | — | — | — |
| Months Supply of Inventory | 6.9 | 5.1 | - 26.1% | — | — | — |

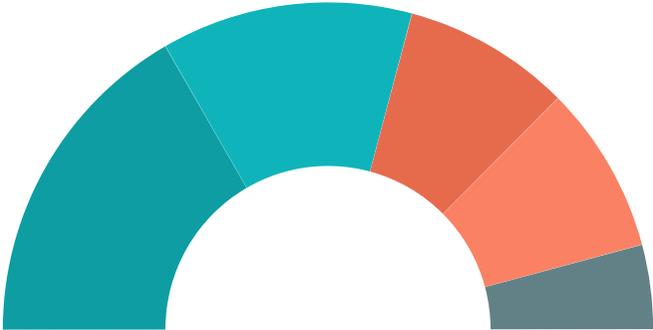
"The COVID-19 pandemic has pushed single family home prices in Litchfield County to record heights," according to Elyse Harney Morris of Elyse Harney Real Estate. "There is little to no inventory left."

Prices of Homes Sold in Falls Village in 2020



According to Zillow, the average home value was \$193,395.00 in 2019. According to a local realtor, all of the twenty-four (24) home sales in Falls Village during 2020 were mostly above (some drastically above) this 2019 average, as shown by this graph.

Prices of Homes for Sale



- \$100-250,000 (33.33%)
- \$250-500,000 (25%)
- \$750,000- 1M (16.67%)
- \$1M- 2M (16.67%)
- \$2M - 4M (8.33%)

There are currently 12 units listed for sale in the Town of Falls Village. **All of the available units are listed at prices greater than the average home value.** 40% of the available homes are listed at a price greater than \$750,000.00. **An online search turned up no available rentals.**

Source: [Realtor.com](https://www.realtor.com), search conducted on March 24, 2021

Existing Affordable Housing

Housing qualifies as **affordable*** if it costs less than 30% of the income of a household earning 80% or less of the area median income (AMI).

*Incomes adjusted annually and by household size.

What qualifies for the State's Affordable Housing Appeals List?

If it meets the definition above + is being "assisted" by a state or federal program which assures the affordability remains in place

| | Canaan |
|--------------------------------------|-----------|
| Total Assisted | 10 (1.3%) |
| CHFA/USDA Mortgages | 4 |
| Governmentally Assisted Units | 1 |
| Tenant Rental Assistance | 4 |
| Deed Restrictions | 1 |

Source: CT Department of Housing, 2019 Affordable Housing Appeals Listing

According to the CT Affordable Appeals List, Canaan has **10 affordable units**, which is 1.3% of the housing stock, which is made up of 779 units.

According to the Department of Housing, this data is collected from municipalities, local housing authorities, HUD, CHFA, and USDA. Tenant rental assistance and CHFA mortgages are not tracked by addresses.

Plan Outline

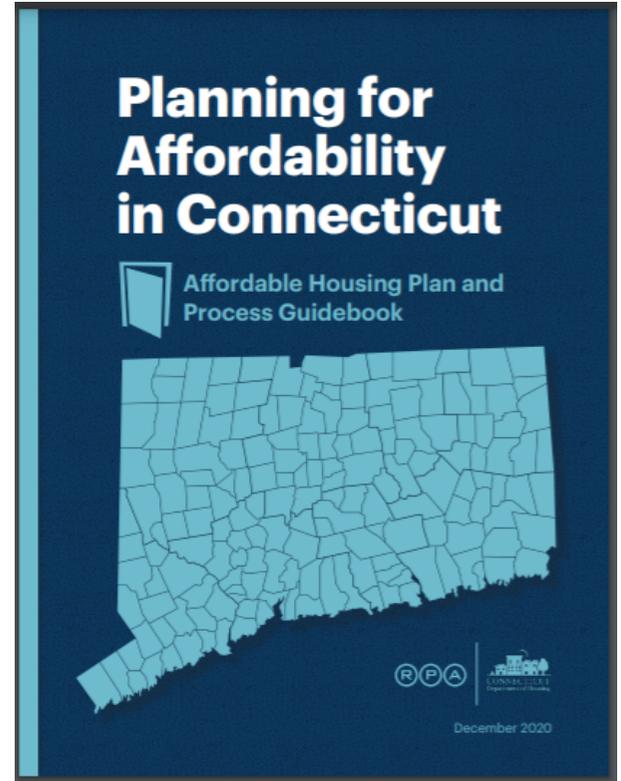
Purpose: Goal, Process, Steering Committee, P&Z
Endorsement, Board of Selectman Adoption

Housing Needs Assessment: Existing conditions, current demographics, housing stock, including existing affordable housing

Housing Creation Goals: Develop plan principles, goals, and actions

Housing Plan Strategies: Zoning, Capacity Building, Funding

Example plans: [Salisbury](#) (2018), [Simsbury](#) (2020-2025), [Newington](#) (draft)



Zoning Assessment

What are our current parameters when it comes to planning for housing?

Current **Town of Canaan (Falls Village) Zoning Regulations** addressing housing:

Within Article 1 (Purpose): Encouraging the development of housing opportunities, **including opportunities for multi-family dwellings**, consistent with soil types, terrain and infrastructure capacity, which will promote housing choice and **economic diversity in housing, including housing for both low and moderate income households**, and encouraging the development of housing which will meet identified housing needs;

Two Family Dwelling (duplex):

- Allowed with Zoning Permit in Village Residential zoning district.
- Allowed with Special Permit in Residential/Agricultural Zone.
- Not permitted in Mountain/Residential Zone.

Multiple single-family dwellings on a lot:

- No more than four (4) units
- Served by single driveway
- Subdivision is possible in the future
- Permanent provision for the protection of open space is included in the development

Zoning Assessment

What are our current parameters when it comes to planning for housing?

Current **Town of Canaan (Falls Village) Zoning Regulations** addressing housing:

Accessory Apartments:

- Allowed in single family dwelling with Special Permit approval.
- Owner occupation required.
- Assessor estimates about 15 currently. Some are used as short-term rentals.

Incentive Housing Overlay Zone (IHZ):

- Requires 100% affordable units for a period of 30 years.
- Proposed multifamily developments are subject to site plan approval within this overlay zone.
- No more than 4 single-family units per acre; no more than 6 duplex/townhouse style.

Housing Goals?

Bearing in mind the housing needs assessment and the housing goals of the Plan of Conservation and Development, what are our housing goals and how do we achieve them?

Strategies laid out in the **Plan of Conservation and Development (2013)** to address housing include:

- Form a local housing group of volunteers to proactively seek ways of meeting the housing needs of residents: rental and homeownership.
- Revise zoning regulations to allow for the conversion of larger homes into two-or-three family homes.
- Consider adopting an Incentive Housing Zone (IHZ) to allow zoning flexibility to create well designed affordable and market rate housing.
- Continue to allow for two-family housing to provide for housing choice.
- Consider zoning regulation revisions that would allow multifamily housing in the Village Center.
- Promote accessory apartments by holding an outreach session at least once a year in Falls Village on how to create them. Continue to modify regulations as needed to encourage accessory apartments.

Housing Plan Strategies:

To bring these ideas before a town-wide housing forum-when? how?

First-time homebuyers:

- Down payment assistance program ?
- Rehab program for foreclosed properties ?

Rentals:

- Adaptive Reuse ?
- Town-owned property ?

Seniors:

- Down-sizing options ?
- Housing cooperative ?