

# HousingNWCT:

## A Regional Housing Needs Assessment

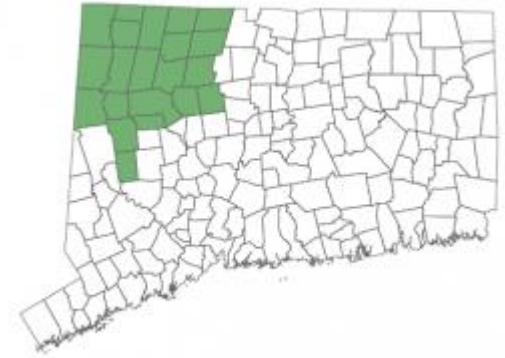
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March 2021



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# Introduction

*“Our housing systems are experiencing the toughest challenges that we’ve seen in more than a generation.”*

–Dr. Tiffany Manuel

- There is a **renewed sense of urgency** in many towns partly brought about by the COVID-19 pandemic and an influx of new residents.
  - no available rental options, much smaller inventory of available homes for purchase, home sales prices rising further
- The **waiting lists** were already long even before the pandemic.
  - Now applicants for these units wait between 1 and 5 years before an apartment becomes available.
- There is also an **economic impact** to our region’s lack of housing diversity and limited affordable housing options for those who live and work here.
  - Having so many housing cost burdened households, means that these households **don’t have enough left over at the end of the month** to spend at local small businesses like shops and restaurants.
  - Employers in our region including healthcare providers, banks, grocery stores, and manufacturers, are telling us that high housing prices and limited rental housing stock make it **difficult to attract and retain new employees** and to replace those who are retiring.
- Many of our towns are currently in the process of developing municipal housing plans to **better define the housing needs for current and future residents and workers** and developing strategies to address them.
  - This Regional Housing Needs Assessment provides an analysis of housing needs related data for the 21-towns in the Northwest Hills Council of Governments region and **allows them to compare their housing stock to neighboring towns within the region.**



# Quotes from employers in the region about urgency to meet housing needs of workers

"As the largest employer in the greater Torrington area, and with our employees predominantly living where they work, **access to affordable housing is essential** to attracting and retaining talent."— **Brian Mattiello , Charlotte Hungerford Hospital**

"Schools are the heart of the community. The employees who can serve the community they live in only make the heart of the community beat stronger. Region 12 Schools want our employees to have roots in the towns. We hope to see affordable housing so our **staff can truly be part of the community** they serve." - **Megan Bennett, Superintendent, Regional School District 12**

"We have not been able to find qualified people in town looking for the types of jobs we are offering. Due to the high cost of housing, **most of our employees live 45 to 60 minutes away**. Long commutes have a major impact on a person's quality of life and make it more difficult for us to attract and retain these workers." **The White Hart Inn – John Ciliberto**

"The cost of housing is a significant factor in the hiring and retention of employees, particularly younger employees. I believe there is a definite advantage for our staff, for our company, and for our communities to have our employees live locally. **Customers enjoy seeing familiar faces working in their local branches**. Employees who have shorter commutes are often more involved in their communities." - **Salisbury Bank – Rick Cantele**

# What is affordable housing?

## Definition of affordable housing:

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 State's Affordable Housing Appeals list?

Meets the criteria above + is being "assisted" by a state or federal program which assures the affordability remains in place

	Household Size				
	1 person	2 people	3 people	4 people	5 people
<b>80% of AMI (2020)</b>	\$57,456	\$65,664	\$73,872	\$82,080	\$88,646

## *Why doesn't "naturally occurring" affordable housing count?*

- no one is monitoring the transaction to make sure that the household's that rent or purchase those homes meet the income limits or that the rent/mortgage stays affordable to them.
- Many homes sold at "affordable" prices are older and need significant repairs and/or have high heating or maintenance costs which make them unaffordable.

# How much do we need?

- 18,456** households earn below 80% of the area median income in our region's 21 towns according to HUD's Comprehensive Housing Affordability Strategy (CHAS) data.
- 10,568** households are paying more than 30% of their income on housing costs in our 21-towns and are considered "housing cost burdened".
- 3,498** units is the estimated current need for affordable housing in our 21-town region according to a study done by David Kinsey, PhD, FAICP in August 2020. This represents the number that is needed to house only the most cost burdened households in our region- those who spend more than 50% of their income on housing costs.
- 1,520** households are on waiting lists (Nov. 2020) in our 21-towns. These households are often waiting 2-5 years to be offered an affordable apartment. Approximately 345 of these households are seniors.

Between 2010-2020, non-profits and housing authorities in our region created 87 units of affordable rental housing in 7 towns. That is an annual rate of about 9 units/year.

# Regional housing data analysis

Town-by-town data

# 10,568 Households in NWCT are housing cost burdened

- Households are considered “housing cost burdened” if they spend **more than 30% of their income on housing**.
- When household spend more than 30% of their income on housing costs they have **less to spend on healthcare, childcare, transportation**, as well as other discretionary spending that supports our local businesses.
- Most households would not choose to spend more than 30% of their income on housing costs. If a less expensive and appropriate housing choice was available in the town where they want to live they would choose it.

	Percent	#
Barkhamsted	29.30%	269
Burlington	23.70%	600
Canaan	35.17%	102
Colebrook	20.11%	76
Cornwall	44.26%	158
Goshen	29.19%	174
Hartland	31.97%	147
Harwinton	36.32%	409
Kent	49.39%	366
Litchfield	35.15%	832
Morris	42.43%	258
New Hartford	30.79%	564
Norfolk	52.74%	250
North Canaan	36.62%	438
Roxbury	47.58%	285
Salisbury	46.79%	511
Sharon	49.50%	174
Torrington	37.49%	4,064
Warren	32.46%	110
Washington	33.06%	323
Winchester	38.11%	458
<b>TOTAL</b>		<b>10,568</b>

Source: 2015-2019 ACS



3,357  
units of  
affordable  
housing are  
currently  
available

The CT Department of Housing is required by State Statute 8-30g to publish an Affordable Housing Appeals List once a year.

**If less than 10% of the town's housing stock is affordable and a municipal commission denies an application for a development that includes affordable housing, it is open to an appeal of that decision under the 8-30g statute.** If the municipality can show that their denial was necessary to protect health and safety it will be upheld.

Developers cannot use the appeals procedure in municipalities where 10% of total housing units are affordable according to the definition in C.G.S. Section 8-30g.

2020 Affordable Housing Appeals List							
Town	Total # of housing units-2010 Census	2020 Gov Assisted	2020 Tenant Rental Assistance	2020 Single Family CHFA/USD A Mortgages	2020 Deed Restricted Units	2020 Total Assisted Units	2020 Percent Affordable
Barkhamsted	1,589	0	6	23	0	29	1.83%
Burlington	3,389	27	0	47	0	74	2.18%
Canaan	779	1	4	5	1	11	1.41%
Colebrook	722	0	1	7	1	9	1.25%
Cornwall	1,007	28	2	6	0	36	3.57%
Goshen	1,664	1	1	5	0	7	0.42%
Hartland	856	2	0	8	0	10	1.17%
Harwinton	2,282	22	5	36	5	68	2.98%
Kent	1,665	58	4	5	0	67	4.02%
Litchfield	3,975	140	2	28	19	189	4.75%
Morris	1,314	20	4	8	0	32	2.44%
New Hartford	2,923	12	4	55	15	86	2.94%
North Canaan	1,587	148	0	14	0	162	10.21%
Norfolk	967	21	2	5	0	28	2.90%
Roxbury	1,167	19	0	5	0	24	2.06%
Salisbury	2,593	24	2	2	14	42	1.62%
Sharon	1,775	32	1	3	0	36	2.03%
Torrington	16,761	908	322	547	17	1,794	10.70%
Warren	811	0	0	1	0	1	0.12%
Washington	2,124	14	2	4	23	43	2.02%
Winchester	5,613	350	167	92	0	609	10.85%
<b>TOTAL</b>	<b>55,563</b>	<b>1,827</b>	<b>529</b>	<b>906</b>	<b>95</b>	<b>3,357</b>	<b>6.04%</b>

# Vast majority of our housing stock is single family homes with 3+ bedrooms

Range of housing options is not diverse in most of our towns

The table here highlights the towns in which 80% or more of the town's housing stock is just one type of home- single family detached housing.

- This compares to the countywide average of 73% and the statewide average of 59%.
- This type of housing that makes up more than 80% of the housing stock in most of our towns is the most expensive type to build, own, and maintain.

In addition to the fact that most housing in our towns is single family detached, **a majority of these homes also have 3 or more bedrooms.**

- In towns where a **majority of households do not have children**, and a growing proportion of households are over 65 yrs old, more housing options with less than 3 bedrooms would be good to have.
- We often refer to these smaller sized homes as “downsizing” options but they **can also work well for young adults** and young families that don't need or can't afford a 3+ bedroom home.

Town	% Single Family, Detached	% 3 or more bedrooms
Barkhamsted	95%	84%
Burlington	93%	89%
Canaan/FV	94%	67%
Colebrook	91%	62%
Cornwall	93%	69%
Goshen	96%	76%
Harwinton	97%	81%
Hartland	97%	78%
Kent	78%	61%
Litchfield	79%	68%
Morris	90%	64%
Norfolk	80%	66%
New Hartford	88%	70%
North Canaan	67%	53%
Salisbury	83%	81%
Sharon	90%	71%
Roxbury	94%	75%
Torrington	52%	53%
Warren	97%	75%
Washington	87%	70%
Winchester	59%	61%

Source: 2018 ACS 5-yr estimates

# Home sales prices have been rising

Lower priced homes often require significant repairs.

Over the last five years median home sales prices have risen in all but one town in our 21-town region.

- average change of all 21 towns was an increase of \$115,000.

The average sales prices in 2020 were higher than the median sales prices in every town.

- some very high priced homes in many of the towns pulling the average higher than the median.

Local realtors have reported that many of the homes sold at or below the **median price for each town are older and need a substantial investment in upgrades and/or repairs** making them less affordable than they appear from the sticker price.

	Median Sales Price		Change (2016-2020)	Average Sales Price  2020
	2016	2020		
Barkhamsted	\$250,000	\$280,000	\$30,000	\$299,678
Burlington	\$300,500	\$350,000	\$49,500	\$367,581
Canaan	\$135,000	\$257,500	\$122,500	\$352,530
Colebrook	\$213,000	\$329,000	\$116,000	\$355,442
Cornwall	\$298,000	\$547,500	\$249,500	\$718,029
Goshen	\$313,750	\$447,500	\$133,750	\$527,794
Hartland	\$260,000	\$253,000	-\$7,000	\$261,744
Harwinton	\$256,000	\$275,000	\$19,000	\$312,289
Kent	\$345,000	\$368,750	\$23,750	\$612,925
Litchfield	\$300,000	\$355,000	\$55,000	\$531,062
Morris	\$292,500	\$379,900	\$87,400	\$456,381
New Hartford	\$230,000	\$290,000	\$60,000	\$310,585
Norfolk	\$166,000	\$365,000	\$199,000	\$549,696
North Canaan	\$159,000	\$175,000	\$16,000	\$205,309
Roxbury	\$550,000	\$730,000	\$180,000	\$993,036
Salisbury	\$425,000	\$646,000	\$221,000	\$912,600
Sharon	\$332,500	\$475,000	\$142,500	\$960,953
Torrington	\$118,500	\$159,900	\$41,400	\$188,336
Warren	\$340,000	\$607,500	\$267,500	\$1,024,135
Washington	\$460,000	\$840,000	\$380,000	\$1,181,772
Winchester	\$145,000	\$178,000	\$33,000	\$254,295

# Access to ownership is limited

New homeownership is often delayed by high housing costs, limited diversity in housing type (too many big houses), and student loan debt.

If your household earned the Litchfield County median household income for a renter of (\$41,000) you'd be able to afford a home costing \$115,500.

**There is a gap in every town, many extremely large, between what a renter household in Litchfield County could afford and the median priced home in 2020.**

- From a \$44,000 gap in Torrington to a \$724,500 gap in Washington.

New homeownership is often delayed by:

- high housing costs,
- limited diversity in housing type (too many big houses), and
- student loan debt.

This is one reason for the **growing percentage of households that are renting** rather than owning their homes.

	Median Sales Price 2020	Gap for Median Renter Household
Barkhamsted	\$280,000	\$164,500
Burlington	\$350,000	\$234,500
Canaan	\$257,500	\$142,000
Colebrook	\$329,000	\$213,500
Cornwall	\$547,500	\$432,000
Goshen	\$447,500	\$332,000
Hartland	\$253,000	\$137,500
Harwinton	\$275,000	\$159,500
Kent	\$368,750	\$253,250
Litchfield	\$355,000	\$239,500
Morris	\$379,900	\$264,400
New Hartford	\$290,000	\$174,500
Norfolk	\$365,000	\$249,500
North Canaan	\$175,000	\$59,500
Roxbury	\$730,000	\$614,500
Salisbury	\$646,000	\$530,500
Sharon	\$475,000	\$359,500
Torrington	\$159,900	\$44,400
Warren	\$607,500	\$492,000
Washington	\$840,000	\$724,500
Winchester	\$178,000	\$62,500

Rental housing is limited and often expensive

Across Connecticut almost a third of households rent. This is the highest percentage of renting households in a generation.

Many towns in our region have a significantly lower percentage of households that rent than the statewide (30%) or countywide average (19%). This likely indicates that rental housing options are limited in those towns.

Many of the rental housing options that do exist in our towns are also expensive.

- 45% (7,619 households) of Litchfield County renters spend an unaffordable amount of their household income on housing costs (more than 30%).
  - Almost half of those renter households (22% or 3,692 households) are actually paying more than half of their household income on housing costs.

The increase in short term rentals in our towns has further limited rental housing options for full time residents and increased rental housing costs.

	% renter occupied
Statewide	30%
Litchfield County	19%
Barkhamsted	8%
Burlington	5%
Canaan	9%
Colebrook	8%
Cornwall	10%
Goshen	3%
Hartland	6%
Harwinton	2%
Kent	17%
Litchfield	18%
Morris	10%
New Hartford	11%
Norfolk	14%
North Canaan	28%
Roxbury	13%
Salisbury	16%
Sharon	17%
Torrington	29%
Warren	7%
Washington	12%
Winchester	28%

46% of  
young adults  
are living  
with their  
parents

- In Litchfield County almost half (46%) of young adults, ages 19-34, live in a parent's home.
- Statewide 41% of young adults are living at home with their parents.
- This is almost 10 percentage points higher than it was 10 years ago.





# Seasonal/ weekend homes limit year-round options in some towns

Many of the towns in our region also have a relatively high number of housing units that are second homes used “seasonally, occasionally, or recreationally” as the Census bureau terms it. We often refer to these as **weekend homes**.

**In nine of our towns, more than 20% of the total housing stock is used seasonally or occasionally.**

- This means that these units are not available for occupancy by year-round residents.
- Demand for weekend homes can also push housing prices up and put them out of reach for residents earning their incomes in Litchfield County
- During the COVID-19 pandemic many towns have seen their weekend homes used more year-round.

	TOTAL HOUSING UNITS	VACANT HOUSING UNITS	SEASONAL/ OCCATIONAL USE HOUSING UNITS	% SEASONAL
Connecticut	1,512,305	144,931	29,855	2%
Litchfield County	88,428	14,166	7,211	8%
Barkhamsted	1,463	99	7	0%
Burlington	3,579	212	54	2%
Canaan	711	180	157	22%
Colebrook	806	218	151	19%
Cornwall	1042	471	401	38%
Goshen	1,500	405	371	25%
Hartland	857	75	36	4%
Harwinton	2,252	315	168	7%
Kent	1,447	309	257	18%
Litchfield	4,184	710	444	11%
Morris	1319	453	326	25%
New Hartford	2,892	294	243	8%
Norfolk	958	279	216	23%
North Canaan	1651	293	22	1%
Roxbury	1168	280	185	16%
Salisbury	2859	1184	843	29%
Sharon	1893	597	391	21%
Torrington	14459	2333	531	4%
Warren	837	268	225	27%
Washington	2262	868	674	30%
Winchester	5547	988	305	5%

*Source: 2018 ACS 5-yr estimates*

# Regional Housing Needs Summary

- **We need more housing options that are not single family detached homes.** This could include attached single family homes (such as townhouses), duplexes or 2-family homes, and multi-family homes (3+housing units).
- **We need smaller sized housing options** with less than three (3) bedrooms and these housing units should be accessible with a first floor bedroom.
- **We need more rental housing options** in most of our towns- especially those with less than 19% of their housing stock currently renter occupied.
- **We need more affordable homes both rental and ownership-** 10,568 households in our 21-towns are housing cost burdened.



# 5 Strategies Our Towns Are Employing to Meet Housing Needs

1. **Developing and implementing their town affordable housing plans.**
  - Nine NHCOC towns are currently developing a municipal affordable housing plan and the Town of Salisbury adopted one in 2018. According to State Statute 8-30j each town must have such a plan by July 2022 and update it every 5 years. Grant assistance from the CT Dept. of Housing have played a critical role in helping our towns meet this requirement.
2. **Supporting their local housing non-profit organizations** or helping to facilitate the creation of one.
  - 13 of our 21 towns have one or more local housing organizations that own, maintain, and develop affordable rental or homeownership opportunities. These include housing trusts, housing authorities, Habitat for Humanity chapters, and other housing focused non-profits. For a list of local housing organizations in the region and link to their websites visit [www.nwcthousing.org](http://www.nwcthousing.org)
3. **Continuing to raise awareness about what residents can do** to help if they wish.
  - This would include donating land or funding to their local housing organization or Habitat chapter, creating an accessory apartment, volunteering on a housing board/commission, or attending Planning & Zoning Commission meetings to support projects or zoning revisions that provide housing options in their town.
4. **Participating in the NWCT Regional Housing Council**
  - Our region has one of the oldest and longest running housing councils in the state. The Council is made up of representatives from each town's local housing organization who meet quarterly to report upon and gain valuable information for their town-specific planning and housing development. Together we are also able to advocate for the State resources and assistance our towns need to help address their housing challenges.
5. **Learning from each other** through NHCOC Forums
  - Many towns Planning, Zoning, and other land use members are attending continuing education and training courses provided by COG and others **to learn from each other** on how they are addressing housing challenges and employing zoning strategies to enable more housing opportunities.

# Appendix

- **FAQs** about town affordable housing plans
- Link to **housing webinars** on YouTube (brief description of each)
- Link to **short film** showing affordable housing in NWCT
- Links to **housing data** resources
- List of **regional housing council** members and link to RHC website
- Town-by-town Affordable Housing inventory (2020)
- **Zoning analysis (Janell working on this.)**