

# Connecticut Chapter of the American Planning Association Housing Policy Statement

## Organizational Objective

CCAPA supports public policies, planning objectives, and legislative actions that encourage housing opportunities for all income and population groups in a manner consistent with the preservation and enhancement of our communities, and the preservation of important environmental resources through the application of smart growth principles.

## Background

One of the primary barriers to the continued prosperity of Connecticut is the shortage of housing for many groups of citizens. Although Connecticut is fortunate in having a large stock of sound single-family housing in desirable communities, this type of housing does not meet the needs of all our citizens. Housing is unaffordable for an increasing percentage of the population, and is simply not available in many communities for population at low- and moderate-income levels. Affordable housing opportunities for young workers are limited, contributing to an outmigration of the 25 to 34 age group, a group critical to the State's future economy. According to the United States Census, the number of residents within that age group living in Connecticut declined approximately 30% between 1990 and 2006, the highest percentage loss of this cohort in the nation over this time period.

There are societal implications to the imbalance in housing affordability. It results in lower income households paying higher percentages of their income for housing. It has also resulted in the exodus of our adult children out of state, sometimes far from their parents and families.

Many factors have contributed to this situation over the past several decades. Developers have found it more profitable to build large and expensive single-family housing in rural and suburban locations. Municipal zoning regulations, intended to maintain the character of the community, increase revenues and manage expenses, give preference to large lot/large house development and often prevent the development of higher density housing, which could result in lower costs and more affordability. In locations where higher density housing is part of a community's character redevelopment or infill development is often more costly than greenfield development, creating a disincentive for the private market to building in those locations.

## Policy Principles

A more balanced range of housing types and styles providing affordable options to persons of all income ranges is needed in Connecticut to promote the economic health of the State, provide sound housing opportunities for our citizens, and preserve the quality of our communities. The implementation of this policy should be based upon the following principles:

- Disincentives for municipalities to create a balance of housing should be removed or substantially reduced.
- Municipalities must have a deeper understanding of the role that regulation plays in housing production and affordability.

- Housing development that revitalizes and strengthens the neighborhood fabric of our cities, provides a balanced housing stock for all stages of life within suburban communities, and enhances the character of rural communities should be strongly supported.
- High density housing should be located in favorable locations such as town centers, along transportation arteries, and in proximity to services and employment opportunities.
- High density housing should not be built in locations not conducive to the creation of sound residential neighborhoods.
- Creative public financing strategies should be identified that make housing affordable to persons of different income levels by layering subsidies/programs or having flexible program requirements that respond to changing needs.
- Creation of more housing choices in interesting urban locations for young adults and empty nesters should be encouraged, as well as the provision of amenities and neighborhood services that support downtown living.
- Municipal leaders and the general public should be more extensively educated on the need for a diverse housing stock and the potential long-term ramifications of the continued problems of affordability.

## Legislative Recommendations

State housing policy has resulted in a patchwork of housing programs: a combination of underfunded programs that directly finance affordable housing, along with judicial “sticks” that attempt to remove municipal regulatory barriers to affordable housing. This approach has had some success, but we believe that a more comprehensive approach is needed.

The CCAPA supports housing initiatives that promote the creation of housing opportunities for our range of citizens, and preserves and enhances our communities. We believe that a balanced housing policy is necessary that would include the following components:

*1. Remove fiscal disincentives for municipalities to permit or encourage housing development*

The fiscal structure of Connecticut municipalities gives them a financial incentive to discourage the development of housing. Consequently, they have used zoning to limit residential development, or only permit residential development that they believe will have a positive fiscal impact, such as age restricted or large single family homes on large lots. Although the negative fiscal impact of residential development may be commonly overstated, the State should continue to develop both incentives for creation of mixed-income housing developments (such as with the HOME Connecticut Program) and work to alleviate the tax structure that creates the fiscal disincentive to the creation or permitting of housing for all income levels.

*2. The State Plan of Conservation and Development and related state actions should realistically encourage the development of housing and economic development activities in appropriate locations.*

The current implementation of the State POCD limits the extension of utility service beyond tightly drawn areas slated for development. This reduces the inventory of land available for the development of housing in a range of types and densities and discourages mixed use development. The State Plan and regulatory processes should be made more flexible to consider the extension of utility service or to provide for

acceptable alternative infrastructure options to support important developments, including affordable housing.

### *3. Coordination of Planning to permit development of housing*

A more coordinated state-regional-municipal planning approach is needed that incorporates the need for housing and economic growth, in addition to important environmental protection considerations. The process should be interactive, where the needs of the individual communities are balanced with the policies of the State.

### *4. Housing for Economic Growth (HOME Connecticut Program)*

The HOME Connecticut Program represents a positive incentive for municipalities to plan for affordable housing on term consistent with municipal plans and sound land use policy. The inclusion of financial incentives for technical assistance as well as cost to defray the potential additional public costs of the new affordable housing represent an effort to address the financial disincentives. This program should to be fully funded and progress closely monitored so with adjustments to the methods or incentives made to ensure success.

### *5. Affordable Housing Appeals Act*

Section 8-30g CGS, better known as the Affordable Housing Appeals Act has resulted in the creation of a large number of affordable housing units and more affordable market rate units since 1990, which has been beneficial. However, this law has also frequently resulted in adversarial relationships between municipalities and the affordable housing developer. This has made the development of affordable housing expensive to both the developer and municipality, and a prolonged process as applications progress through the court system. It also often results in concentrating affordable units within a community instead of encouraging scattered site development of units.

This process has been evaluated periodically by the General Assembly and others, and continued evaluation of the effectiveness of this legislation is required. We encourage the increased consideration of smart growth and proper land use planning considerations into the decision-making process, in addition to the current need for affordable housing. We believe that demonstrated success under the Housing for Economic Growth program may, over time, make 8-30g an unnecessary law.

### *6. Housing as a tool for Urban Revitalization*

Connecticut's outmigration of young workers over the last several decades is partly fueled by their quest to obtain more varied living opportunities at a certain point in their lives. Connecticut benefits from its location between two of the most vibrant cities in the United States, New York and Boston. These cities attract many of our young adults. Some come back to live in Connecticut when they have families, but many are lost to the suburbs of Massachusetts and Westchester County.

Many of the cities in Connecticut are already interesting places for young adults and continued residential development in these cities should be encouraged and financially supported by the State. Some of our other cities are not yet the exciting destinations that would attract our young adults or empty nesters. A strong State effort should be made to try to promote the revitalization of these urban communities.

### *7. Transportation*

The role of transportation in land use decisions has been overlooked for too long in this State. Encouragingly, this has begun to change, and will continue to be important as petroleum-intensive travel becomes steadily more expensive for the individual driver. The Metro North Railroad system, Shoreline East, and proposed New Haven – Hartford – Springfield rail systems offer a multitude of residential development opportunities. CCAPA encourages the DOT to incorporate planning for residential development opportunities as part of the transportation planning for mass transit system improvements or extensions. .

This should include State financial assistance to improve the infrastructure in these areas. Many of the properties in proximity to the railroad stations are brownfield sites. Although there is currently state assistance for commercial and industrial development of brownfield sites, this should be extended to potential residential development in “smart growth” locations.