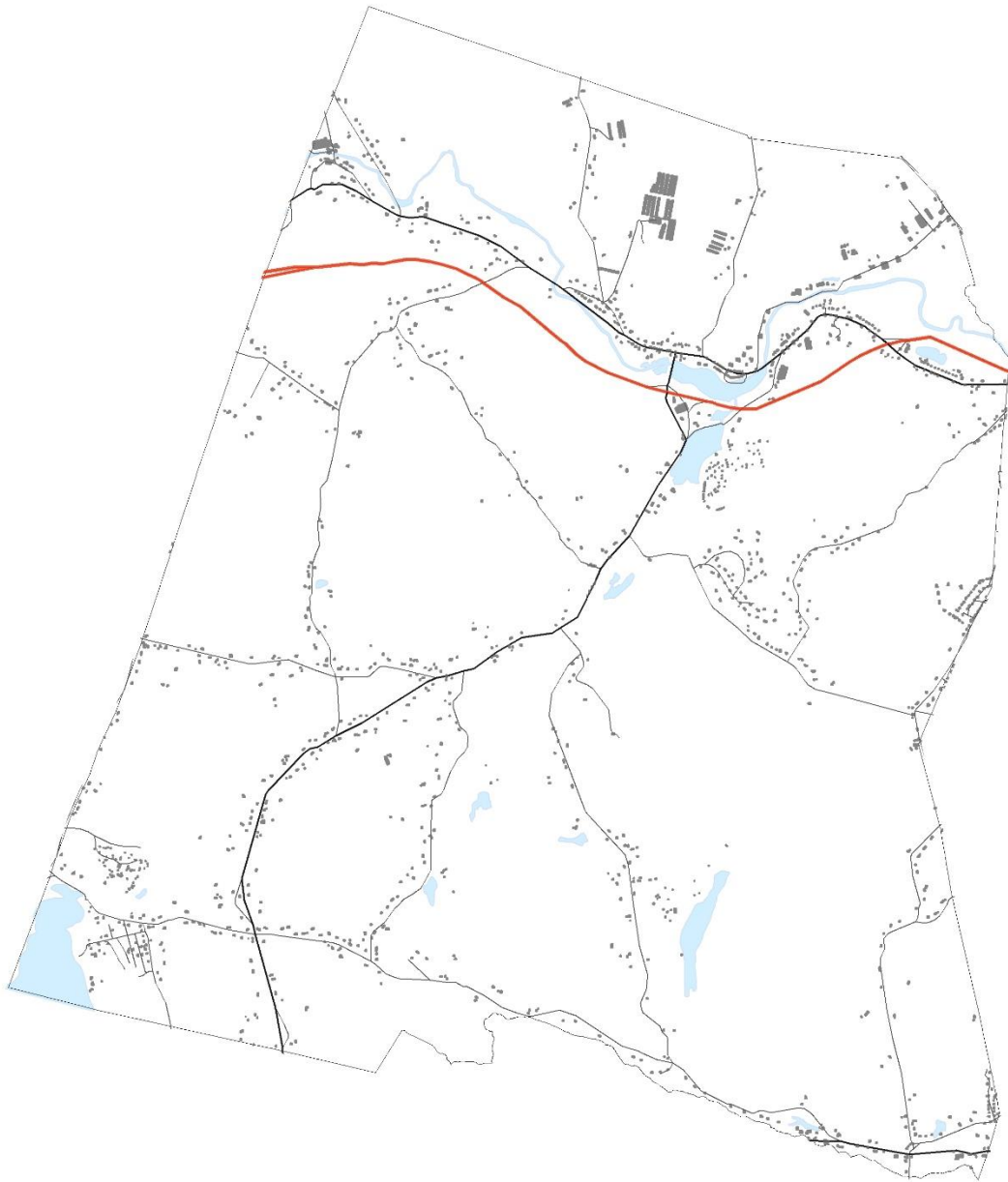


Town of Bozrah

Affordable Housing Plan

Adopted April 14, 2022



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*This plan was prepared by the Bozrah Planning & Zoning Commission,
with assistance from the Southeastern Connecticut Council of Governments.*

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from the Connecticut Department of Housing.*

Introduction

What is Affordable Housing?

Generally, housing is considered *affordable housing* if its occupants are lower-income households who pay no more than 30% of their income toward housing costs, including mortgage, rent, property tax, and utilities. *Affordable housing* created or maintained under government subsidies or programs is usually intended for occupancy by households earning no more than 80% of median income, which funding programs often measure at the regional or state level. The United States Department of Housing and Urban Development (HUD) defines a family of four in the Norwich-New London area as low-income if it earns less than \$78,500 per year; this is using HUD's 80% Area Median Income calculations.ⁱ Housing programs usually require that occupants pay 30% of their income for their housing and subsidies cover the remaining operating costs.

HUD Metro Area	Median Family Income	Income Category	Persons in Family			
			1	2	3	4
Norwich-New London Metro	\$91,800	Low Income (80%)	\$54,950	\$62,800	\$70,650	\$78,500
		<i>Equiv. Monthly Housing Budget</i>	\$1,374	\$1,570	\$1,766	\$1,963
		Very Low Income (50%)	\$35,950	\$41,050	\$46,200	\$51,300
		<i>Equiv. Monthly Housing Budget</i>	\$899	\$1,026	\$1,155	\$1,283
		Extremely Low Income (30%)	\$21,600	\$24,650	\$27,750	\$30,800
		<i>Equiv. Monthly Housing Budget</i>	\$540	\$616	\$694	\$770

Affordable housing is created either with the support of government subsidies assisting in the cost of its construction and long-term affordability provisions, or in the case of some mixed-income set-aside developments, through profits earned through the development of market-rate units supporting the construction cost and long-term affordability provisions of the affordable housing units. Recent public investments in affordable housing in southeastern Connecticut include Stonington's Spruce Meadows (new mixed-income apartments), Waterford's Victoria Gardens (mixed-income elderly apartments), and Groton's Branford Manor (capital improvements to existing 100% affordable apartments).ⁱⁱ Common sources of funding include the Federal Government's Low Income Housing Tax Credit Program and the State of Connecticut's Competitive Assistance for Multifamily Properties (CHAMP) program. Different funding programs can target different types of housing or affordability for households at different income levels. Most affordable housing developments that depend on government subsidies receive funding from multiple State of Connecticut or federal programs.

Why Plan For Affordable Housing?

Connecticut municipalities may regulate land use in ways consistent with Title 8 of the Connecticut General Statutes (CGS). Authorized under CGS Section 8-2, locally adopted zoning regulations may establish rules for the location and type of housing. State statutes specify the conditions under which municipalities may adopt local land use plans and regulations. CGS § 8-23 establishes a requirement for municipalities to adopt local Plans of Conservation and Development, which document policies and goals for the physical and economic

development of a municipality. CGS § 8-2 outlines the authorities municipalities are granted to adopt local zoning regulations. Both CGS § 8-23 (planning) and § 8-2 (zoning) direct municipalities to consider the need for affordable housing, both locally and at the regional level, and to adopt zoning that encourages the development of multifamily dwellings and housing at different price points. CGS § 8-30j, added in 2017, established an additional obligation for municipalities to adopt Affordable Housing Plans that will specify how the municipality will increase the number of local “affordable housing developments”.

The § 8-30j requirement for Affordable Housing Plans was passed in recognition of increasing challenges for Connecticut residents in finding adequate affordable housing, especially outside of Connecticut’s most urban communities. Since 2000, the share of Connecticut renters who pay more than 30% of their income towards housing rose from 37% to 46% in 2019. Homeowners with mortgages also saw their budgets stretched, with 20% of homeowners housing cost-burdened in 2000 and 31% in 2019. In Southeastern Connecticut, one in four households earns less than 80% of the area median income and is housing cost-burdened.

The 8-30j Affordable Housing Plan statute references the definition of *affordable housing developments* included in CGS § 8-30g, which defines them as *assisted housing* that receives government subsidies to provide affordable housing for low and moderate households, or a *set-aside development* where deed restrictions ensure that at least 30% of the housing units are occupied by low-income households at affordable rates for at least 40 years. This definition of housing would include any deed-restricted affordable housing created as part of a mixed-income development, as well as affordable housing built or preserved with the support of state or federal programs.

§ 8-30j(a)(1): “Not later than June 1, 2022, and at least once every five years thereafter, each municipality shall prepare or amend and adopt an affordable housing plan for the municipality... Such plan shall specify how the municipality intends to increase the number of affordable housing developments in the municipality.”

The Affordable Housing Plan is an opportunity for municipalities to more closely examine housing needs and review how existing housing inventories and land use policies do or do not address those needs. The planning process also prompts a review of potential actions that municipalities may take that would enable or promote the development of housing that is affordable and accessible to lower-income residents. In 2020, the Connecticut Department of Housing worked with the Regional Plan Association to develop guidance on how municipalities might approach the development of Affordable Housing Plans, and provided small grants to support municipal work to prepare plans. The initial deadline for compliance with the requirement for an Affordable Housing Plan statute is June 1, 2022.

Plan Development Process

The development of an Affordable Housing Plan for Bozrah was overseen by Bozrah’s Planning & Zoning Commission, with ample opportunity for public participation.

- A public workshop was held over Zoom on the night of February 25, 2021.
- An online survey was used to gain resident feedback, from November 2020, until March 2021.
- The plan was revised and discussed at meetings of the Planning and Zoning Commission, from September 2020 through April 2022.

The first five-year revision of this plan may be incorporated into the 2025 Plan of Conservation and Development (POCD).

Housing Conditions in Bozrah and Southeastern Connecticut

Affordability

A 2018 review of housing conditions in southeastern Connecticut prepared by the Southeastern Connecticut Council of Governments (SCCOG) in partnership with the Southeastern Connecticut Housing Alliance (SECHA) showed that demand is most acute in southeastern Connecticut for lower-cost housing and rental housing. The portion of southeastern Connecticut households that can afford the housing they live in has dramatically decreased in the last twenty years. Since 2000, the share of renters who cannot afford their housing, and are therefore housing-cost-burdened, increased from 31% to 46%. As previously mentioned, as of 2018, 29,000 households in southeastern Connecticut earned less than 80% of the area's median income and were housing cost-burdened, or one in four households.

The rise in housing challenges is linked to a growing mismatch between incomes and housing costs. Adjusted for inflation, income growth in the region has been stagnant, growing less than 1% between 2000 and 2019, while for-sale housing prices and rents have increased 23% and 19%, respectively.

SCCOG's projections of future housing needs estimate that based on the expected demographics of future southeastern Connecticut households, demand will continue to increase for lower-cost and multifamily housing. Of the approximately 7,000 additional households expected by 2030, more than half are expected to be low-income, partially due to growth in the number of senior citizens, as baby boomers continue to age into retirement, as well as young workers who typically earn lower wages. New housing production of a little more than 500 units per year would satisfy expected new need for housing, but not address existing unmet needs.

Bozrah has just over 1,000 housing units, of which approximately 86% are owner-occupied. The median value of an owner-occupied home in Bozrah is approximately \$230,000, just slightly under the median value for homes in New London County.ⁱⁱⁱ Median household income is approximately \$87,000, higher than the county median of \$71,000.^{iv} According to census data, there are only about 100 multifamily homes in Bozrah, and data on rental values is not available due to the small data sampling size. The median rent in New London County is approximately \$1,110 per month.

Local and Regional Housing Market

Housing in southeastern Connecticut's suburban and rural municipalities skews toward larger single-family homes, while one-bedroom units are concentrated in the region's urban centers. Many of the region's suburban and rural communities have few alternatives to the single-family home, with single-family housing making up over 90% of housing in some communities. Homeownership is also more common in rural and suburban towns, with urban households slightly more likely to rent (54%) than own, and suburban and rural households much more likely to own their homes (80.1%).^v

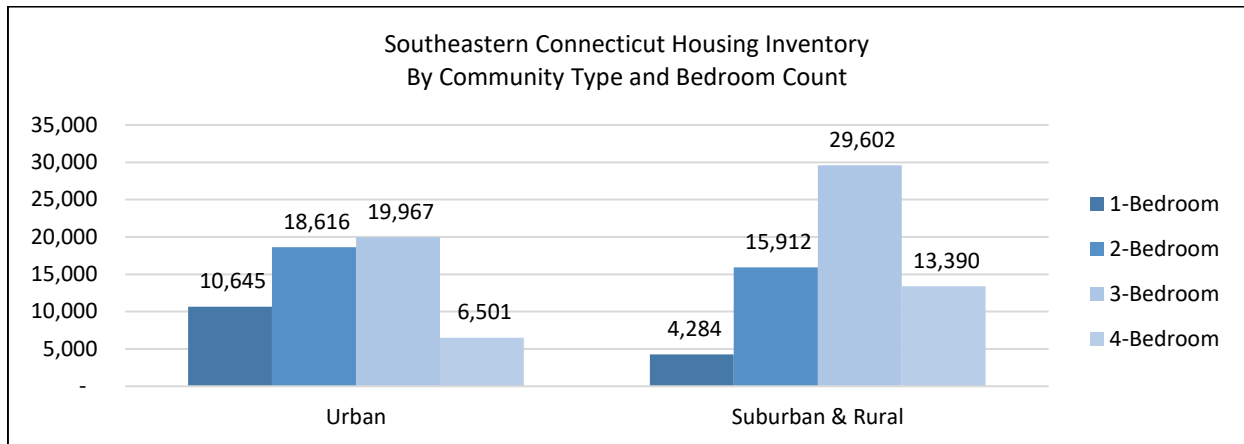


Figure 1. Housing in Southeastern Connecticut: Units by Number of Bedroom and Urban or Suburban/Rural Community Type. Additional 0-bedroom and 5+ bedroom units not shown. Source: U.S. Census American Community Survey (ACS) 2018 5-Year Estimates.

Housing construction in southeastern Connecticut has remained sluggish since the 2008 recession began, with annual production hovering around 300 units per year. Housing construction has traditionally focused on the production of single-family homes in suburban and rural municipalities.^{vi} Recent spikes in multifamily construction in suburban/rural towns occurred in 2014 and 2015, but these levels were not sustained in 2016 and 2017. Building permit data reported to the U.S. Census indicates that from 2000 to 2017, permits for 100 new housing units were awarded in Bozrah, activity similar to the regional average. The median sales price for a single family home in Bozrah was \$239,900, with 27 sales in 2019.^{vii} More recent county-level data shows median sales price increased from \$230,000 in 2019 to \$270,000.^{viii}

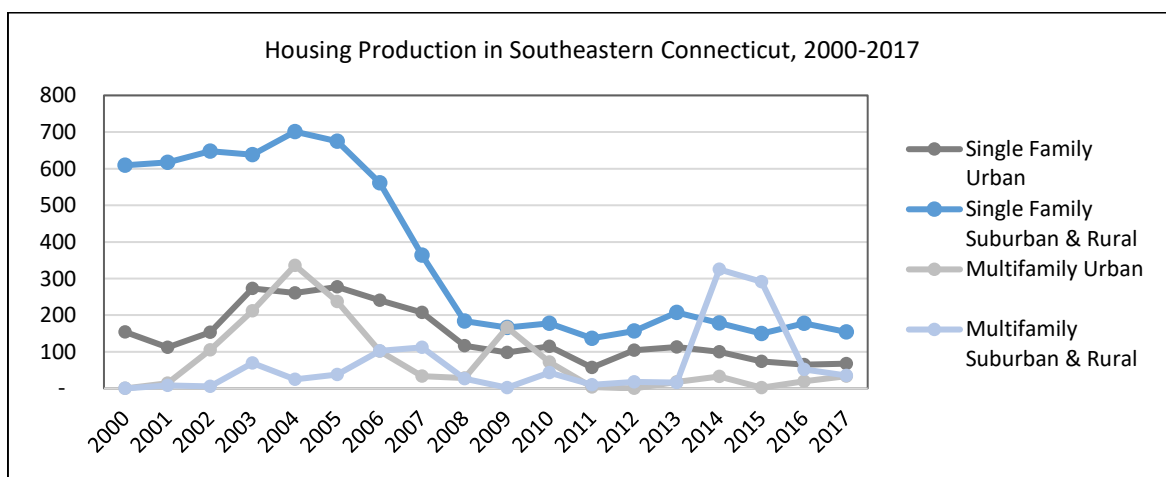


Figure 2. Housing Production Levels by Housing Type and Community Type, 2000-2017. Source: U.S. Connecticut Department of Economic and Community Development.

Housing Production and Regulation in Bozrah

SCCOG's 2018 Regional Housing Needs Assessment reviewed zoning regulations and the availability of vacant land in all of its member municipalities. The review revealed that large-lot, residential zoning is the most common in the region, based on overall land area. New opportunities for single-family homes exist in all towns, while 14 of the region's towns have opportunities for multifamily development on land in or close to sewer service areas, and an additional four municipalities (including Bozrah) enable multifamily development in areas not served by sewer.

Much of the land in Bozrah is zoned for one- or two-family housing development (R-1, R-2, and RU-1 in the following zoning map). Multifamily development (3 or more units per structure) is permitted where the Village Overlay Zone overlays properties zoned R-2. The intent of the Village Overlay Zone is to allow for the development of permitted uses at a scale and density that enhances the existing Fitchville Center and allows the area to be better defined as a typical Village Center. Additionally, it is intended that this location provide opportunities and benefits for the town with regard to small-scale residential and non-residential developments. It is intended that structures be designed to reflect typical New England architecture, and have site layouts that fit in and compliment the Fitchville Village setting. Multifamily development is allowed on R-2 Village Overlay parcels greater than 30,000 square feet with no more than four units per acre. Multifamily homes cannot include more than two bedrooms per unit or be less than 600 square feet in size per unit. "Elderly Housing" for residents 55 and older is allowed in the R-2 and C/R zones at a density of no more than four units per acre. Regulations were recently adopted permitting assisted living facilities in the Highway Commercial zone, enabling the construction of the Elmbrook Village facility on Salem Turnpike (Route 82).

Accessory dwelling units are allowed as a secondary use to a single family home in residential districts, and are referred to as "Family Apartments" in the Bozrah zoning regulations. The units must be part of the principal structure and occupied by family members of the owner of the residence, and may not be rented or used for income purposes.

Figure 3: Excerpt from 2018 Southeastern Connecticut Regional Housing Needs Assessment

Summary of Bozrah Housing Production Regulations (from 2018 Southeastern Connecticut Regional Housing Needs Assessment)

Town of Bozrah- Sewer only present on Route 82 between Noble Hill Rd and Norwich town line.

Single-Family: Permitted in the R-1 and R-2 residential and the Commercial/Residential (C/R) zones.

Two-family: Permitted in the R-2 zone and the Village Overlay Zone in the Village of Fitchville.

Multi-Family: Permitted in the Village Overlay Zone, overlaying the R-2 zone.

Mixed-Use: Permitted in the Village Overlay Zone, overlaying the R-2 or C zones.

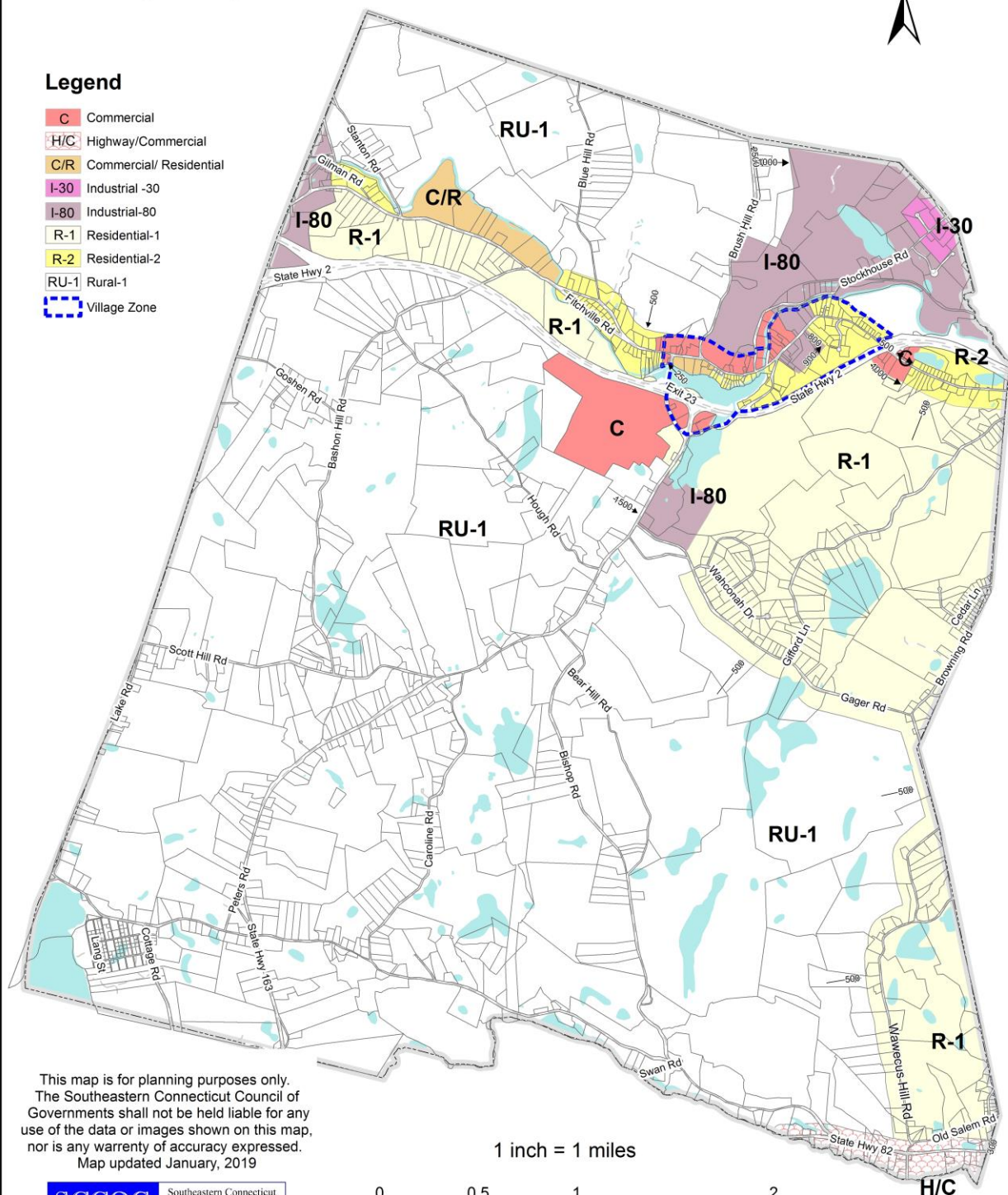
Accessory Apartments: Permitted for occupancy by relatives only, in zones permitting single-family.

Bozrah, Connecticut Zoning Map



Legend

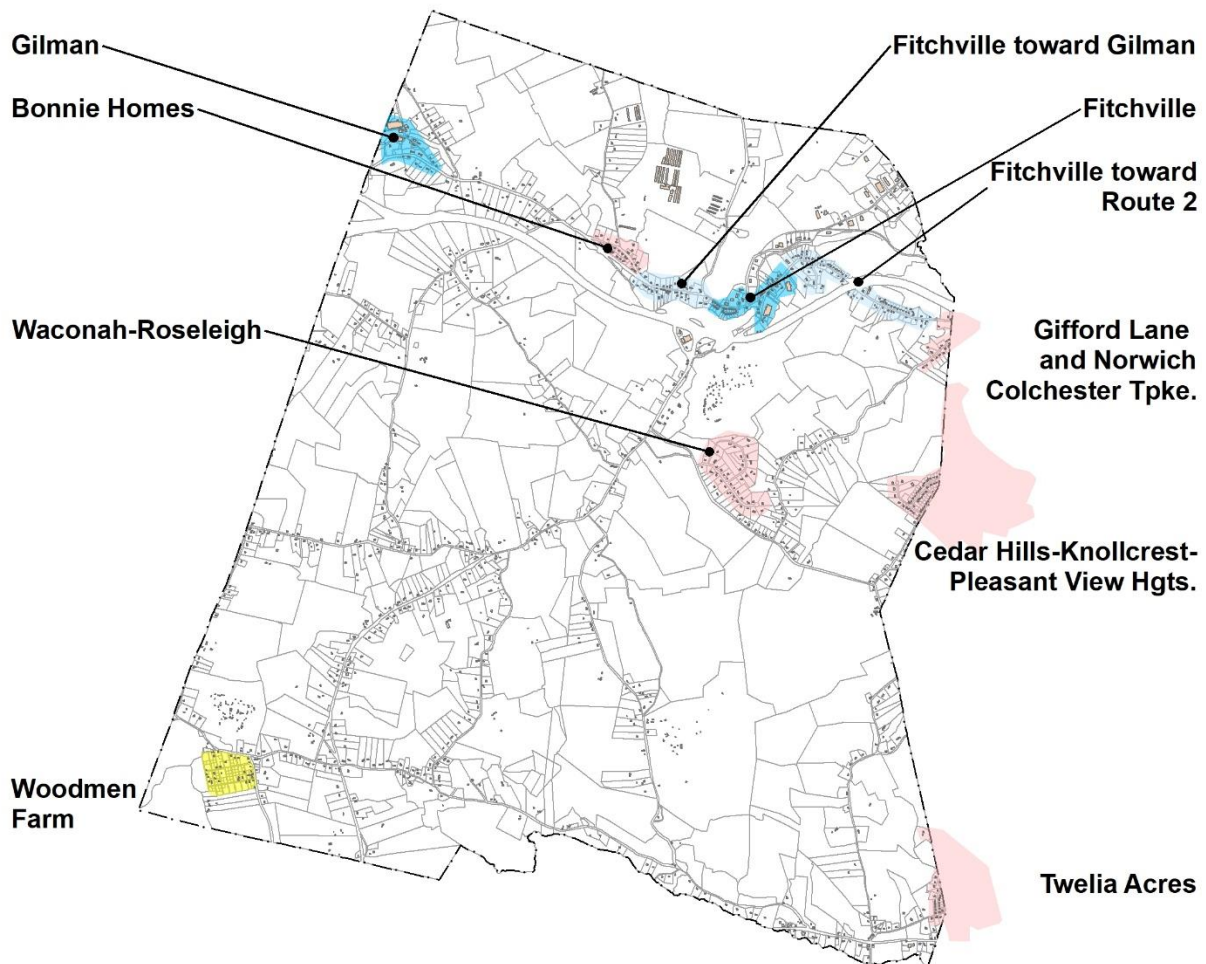
- C Commercial
- H/C Highway/Commercial
- C/R Commercial/ Residential
- I-30 Industrial -30
- I-80 Industrial-80
- R-1 Residential-1
- R-2 Residential-2
- RU-1 Rural-1
- Village Zone



This map is for planning purposes only.
The Southeastern Connecticut Council of
Governments shall not be held liable for any
use of the data or images shown on this map,
nor is any warranty of accuracy expressed.
Map updated January, 2019

SCCOG Southeastern Connecticut
Council of Governments
Geographic Information System

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Miles



Residential "Neighborhoods" of Bozrah

Rural Development - Scattered site single-family homes, typically on large lots (2+ acres)

- The balance of town in rural

Suburban-style development - Single-family homes on lots medium-sized lots (0.5+/- acre, up to 1 acre)

- Bonnie Homes
- Waconah-Roseleigh
- Twelia Acres (primarily Norwich)
- Cedar Hills-Knollcrest-Pleasant View Heights (primarily Norwich)
- Gifford Lane and Norwich Colchester Tpke.

Suburban/Transitional-style development - Between Suburban or Village Development and Rural areas

- Fitchville toward Route 2
- Fitchville toward Gilman

Village-style development - Densely settled village environments, may contain multi-family or two-family homes

- Fitchville
- Gilman

Seasonal Neighborhoods - Areas with shoreline access, some homes may not be use for all four seasons

- Woodmen Farm

The Local Plan of Conservation and Development

The Bozrah Plan of Conservation and Development (POCD) was most recently updated in 2015. The POCD addresses the fact that housing prices have risen dramatically across the State, including in Bozrah, since the turn of the century, even in the years following the most recent recession. It also acknowledges that Bozrah, like many rural towns, is well under the CGS § 8-30g goal of 10% assisted housing.

A POCD questionnaire administered to residents in 2013 yielded the following results:

- Respondents were asked to rank their preferences of housing types that should be allowed in town. The overall high-to-low ranking is as follows: Single-family, Elderly, Single-family in clusters, Accessory apartments, Two-family, and Condominiums (tied), Rental apartments.
- Respondents were asked which group of individuals' housing types should be encouraged in town. 33.6% chose "Elderly" housing, 27.9% chose housing for "Singles", 20.8% chose housing for "Families", and the remaining 17.7% choose "None".

The 2015 POCD identified the following Community Development Goals related to housing:

- Retain Bozrah's rural character outside of the designated higher density growth areas delineated in this plan.
- Encourage a variety of housing types, designs, and settings to accommodate present and future residents of all age groups and economic levels.
- Promote the enhancement of the existing densely settled village areas of Fitchville and Gilman.
- Encourage the utilization of existing public water supply for intensive land uses and patterns of development.
- Encourage the improvement and utilization of the public water supply in the Fitchville area of town.
- Promote the expansion of public utilities in areas deemed appropriate by this plan.
- Preserve and enhance those features in the town that have historical and architectural significance.
- Promote architectural design standards which have styles typical of New England and which are harmonious within each locational setting as part of the site plan requirements.

The POCD clearly calls for a greater diversity of housing choices, sited and built in a way that complements the orderly development of the Town. This sentiment is reflected in the zoning regulations as well, in particular the Village Overlay District.

Affordable Housing Appeals Act (§ 8-30g)

Connecticut's Affordable Housing Land Use Appeals statute, C.G.S. § 8-30g, was established in 1997 to enable the development of affordable housing in municipalities where zoning regulations would otherwise prevent its construction. Municipalities are subject to § 8-30g of the Connecticut General Statutes when less than 10% of the municipal housing stock meets the statute's definition of affordable. The statute encourages development approvals for deed-restricted affordable housing by requiring that upon appeal of a development proposal for affordable housing that is rejected by a municipality with less than 10% affordable housing, the municipality must demonstrate that public interests in health, safety, or other matters clearly outweigh the need for affordable housing.

The State of Connecticut's 2019 Housing Appeals List shows that just over 3% of housing in Bozrah counts as affordable housing for the purpose of determining the applicability of the § 8-30g statute. In determining the percent of affordable housing present in a municipality, the CT Department of Housing counts:

- Assisted housing units or housing receiving financial assistance under any governmental program for the construction or substantial rehabilitation of low and moderate income housing that was occupied or under construction by the end date of the report period for compilation of a given year's list;
- Rental housing occupied by persons receiving rental assistance under C.G.S. Chapter 138a (State Rental Assistance/RAP) or Section 142f of Title 42 of the U.S. Code (Section 8);
- Ownership housing or housing currently financed by the Connecticut Housing Finance Authority and/or the U.S. Department of Agriculture; and
- Deed-restricted properties or properties with deeds containing covenants or restrictions that require such dwelling unit(s) be sold or rented at or below prices that will preserve the unit(s) as affordable housing as defined in C.G.S. Section 8-39a for persons or families whose incomes are less than or equal to 80% of the area median income.

The majority of the 33 qualifying homes in Bozrah are homes financed with CHFA or USDA mortgages (30 homes). Three homes are occupied by tenants who receive rental assistance.

As mentioned, municipalities that have 10% or more of their housing inventory falling into the above categories are exempt from § 8-30g appeals. Municipalities may also be granted four-year temporary exemptions by demonstrating progress in facilitating new affordable housing. The threshold for achieving a moratorium is new affordable housing created equal to the greater of two percent of existing housing, or housing earning 50 "Housing Unit Equivalent" points. New housing qualifies for between ½ and 3 Housing Unit Equivalent points based on the size of the unit (more bedrooms earn more points), restrictions on occupancy (senior-only housing earns fewer points), and the affordability level of the unit (affordability to lower income levels earns more points).

The Town of Bozrah could achieve a moratorium with as few as 17 new affordable homes (three bedroom family units affordable to families at 40% Area Median Income) or as many as 100 homes for senior-citizens at 80% Area Median Income.

Vision for Future Affordable Housing

The Planning & Zoning Commission articulates its priorities for growth, and the form and style of that growth through the POCD and through zoning regulations. It is the intent of this plan to be in-sync with the POCD, and for Bozrah to grow both responsibly and in a way that fairly addresses the needs of residents.

Growth patterns

Bozrah has enjoyed slowly changing growth patterns, and most higher-density residential growth historically occurred in Fitchville and along Fitchville Road/Norwich Colchester Turnpike (State Route 608). This area of town has access to public water, which allows for slightly smaller lots. Some areas of town have a more suburban feel, with post-war and mid-to-late twentieth century single-family homes. The majority of the town can be classified as rural; open land is in abundance and the primary land use is single-family residential or agriculture.

Place-making

Architecture of new multi-family and duplex housing should match the character of its place. For instance, Fitchville contains several complementary styles of duplex and multi-family housing that grew up around the village's now-defunct mills. The scale of new developments should match closely what already exists, and fit seamlessly with the neighborhood. Likewise, housing in more rural areas should retain a "New England" feel.

Fitchville

Fitchville provides the greatest opportunity for new multi-family or two-family housing, as well as housing for seniors. Fitchville is the civic center of Bozrah, it contains Town Hall, the school, a general store, the Post Office, and a diversity of housing types. Many of the existing mill housing duplexes are naturally affordable.

Gilman

Gilman presents another opportunity for duplex and multi-family housing. The Gilman Brothers Company had a small stock of worker housing, which is now mostly single-family; however the village is somewhat compact and has good access to Route 2. A portion of Gilman is zoned R-2 already.

Route 82

Route 82 is an important economic development corridor, but it is also the only area of town with access to sewer. As sewer extends west down Route 82, the Commission should consider the addition of residential uses in this area, particularly on larger lots where it can be added in concert with commercial growth, or where an existing single-family home could be converted to accommodate more units.

Rural Areas

Rural areas should maintain a low-density look and feel. New development should largely follow existing patterns and not necessitate the need for future expansion of infrastructure. For this reason, it may be necessary to consider allowing accessory dwelling units to be occupied by non-family members. The Commission may also want to consider ways of supporting low-impact development and cluster-style development, where additional open space is required in exchange for reduced bulk requirements of subdivision lots.

Action Plan

Connecticut municipalities have a range of options to help address housing affordability. Appropriate options will vary based on the goals for conservation and development, municipal staff capacity, needs of renters and homeowners, and funding. It is the goal of this plan to consider the broad suite of tools at the Town of Bozrah's disposal and consider those that are both prudent and within the Town's capability.

Zoning

Accessory Dwelling Units

Consider eliminating the requirement that accessory dwelling units be used only for family members. This change could come with additional consideration to the size, type, and visual characteristic of accessory dwelling units, allowing them to blend more seamlessly with the neighborhood. The City of Norwich requires rented accessory apartment to be governed by a deed restriction that the rents be priced at a level affordable to persons or families earning less than the Area Median Income; that's another consideration.

Multi-family Development

Consider adding an "inclusionary zoning" provision for future multi-family development, requiring a developer to set-aside a number or percentage of new units in a multi-family construction at rents affordable to a certain income threshold. Deed-restricted, "affordable" housing units will increase the Town's percentage of affordable housing under CGS 8-30g, which is discussed on Page 2.

Identify sites, including municipally owned property that could accommodate new development. Articulate the type of development that would be desirable and craft zoning that would enable such development; examine vacant and underutilized land in Fitchville or Gilman. In the case of municipally owned property, identify a trustworthy developer that would be interested in developing the property, providing the Town with income and giving the Town decision-making ability.

Proactively plan for sewer expansion that is expected in the medium- and long-term. Assess how zoning may change in an area like Fitchville if sewer is extended, and the types of infill development, including mixed-use and multi-family options that would be possible. It is important that the Town, primarily through the Planning & Zoning Commission articulate its goals for growth and adapt zoning to changing conditions. The 2025 POCD would be an opportune time to begin this planning.

Consider regulations that allow smaller single-family and two-family homes with less environmental impact and physical space requirements. In rural areas, the cost new construction is inflated in-part by the amount of land required to safely site a well and septic system. Smaller homes with fewer bedrooms will require less land for construction but also for the septic system. Currently single-family and two-family dwelling units must have 1,000 square feet of floor area. This requirement may be reduced or eliminated, particularly for two-family homes.

Capacity-Building

Consider establishing a standing Affordable Housing Committee or subcommittee to support implementation and maintenance of this plan, as well as monitor changing conditions in the housing landscape that could affect renters and homeowners.

Work with the local realtor community to publicize availability of USDA and CHFA low-interest home loans. These home loans not help young Bozrah residents stay in their community, but the use of these loans has an impact on the Town's standing under CGS 8-30g and could help the Town achieve the 10% target of affordability.

Apply for State of Connecticut "Small Cities" rehabilitation grants, which the Town could use to improve and beautify existing housing occupied by low-income residents and first time homebuyers. The Town may even explore the possibility of asking that a landlord deed restrict a portion of their units to be leased at affordable rents, in exchange for using the rehabilitation program.

ⁱ HUD FY 2020 Income Limits Summary for Norwich-New London, CT HUD Metro FMR Area (towns of Bozrah, East Lyme, Franklin, Griswold, Groton, Ledyard, Lisbon, Lyme, Montville, New London, North Stonington, Norwich, Old Lyme, Preston, Salem, Sprague, Stonington, Voluntown, Waterford).

<https://www.huduser.gov/portal/datasets/il/il2020/2020summary.odn>

ⁱⁱ CHFA 2019 Summary of Programs. https://www.chfa.org/assets/1/6/2019_CGS_8-37bb.pdf.

ⁱⁱⁱ U.S. Census American Community Survey 2018 5-Year Estimates.

^{iv} Ibid.

^v Ibid.

^{vi} Connecticut Department of Economic and Community Development. 2020. "Housing & Income Data."

https://portal.ct.gov/DECD/Content/About_DECD/Research-and-Publications/01_Access-Research/Exports-and-Housing-and-Income-Data.

^{vii} New London County 2019 Sales by Town, Eastern CT Association of Realtors.

^{viii} Fourth Quarter New London and Windham County SOLD Comparisons - 2020 vs. 2019, Eastern CT Association of Realtors.

Affordable Housing Plan Data Library

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Southeastern Connecticut's Population

Age, Race and Ethnicity

	Median Age	% White alone, Not Hispanic or Latino
Bozrah	46.8	91.1
Colchester	41.5	90.3
East Lyme	48.2	82.1
Franklin	48.3	93.5
Griswold	40.1	86.7
Groton	33.6	70.2
Lebanon	46.2	94.4
Ledyard	39.1	82.0
Lisbon	44.5	94.2
Montville	43.9	75.3
New London	31.0	44.1
North Stonington	47.6	86.2
Norwich	38.1	60.8
Preston	46.0	85.1
Salem	43.6	88.7
Sprague	41.2	87.1
Stonington	49.9	90.9
Waterford	48.3	85.5
Windham	30.0	50.0
New London County	41.4	75.9
Windham County	41.3	83.1

Source: US Census ACS 5 Year Estimates, 2018

People of different ages have different housing needs: young families with school-aged children may need larger units with more bedrooms; young adults entering the workforce may need smaller, affordable rental units or starter homes; retirees may either want to age in place in their family homes (which may require renovations for accessibility needs) or downsize to a smaller, more manageable owner or rental unit; and elderly residents may transition to group quarters in assisted living or nursing homes. Providing a variety of housing types helps residents stay in their communities throughout their lives.

The median age of residents in New London County is rising, from 37.1 in the year 2000 to 41.4 in 2018. This trend is due to the aging of the large Baby Boomer generation (aged roughly 54 to 72 in 2018), and fewer children being born as birth rates decline. According to the CT Department of Public Health, in 2000, 3,106 children were born, or 12 children per 1,000 residents in New London County. In 2018, 2,455 children were born, or 9.2 children per 1,000 residents.

Racial and ethnic diversity in the region is also concentrated in the urban centers of New London (a “minority majority” city, meaning that non-Hispanic or Latino Whites are less than half the population), Windham, Norwich, and Groton.

Regional Housing Inventory

Occupancy, Tenure, Units in Building, and Building Age

In many southeastern Connecticut communities, nearly all housing is in owner-occupied, single-family detached units. Multifamily housing (condominiums or apartments) is concentrated in the urban centers of Groton, New London, Norwich, and Windham.

The age of housing is significant in that while older housing stock may be more affordable to rent or buy, it often has more maintenance issues as older building systems wear out, such as roofs or furnaces.

Older building stock also may contain lead paint and asbestos, which can pose a health hazard to residents, especially young children. According to the EPA, 87% of homes built before 1940 have at least some lead-based paint, while lead is present in only 24% of homes built between 1960 and 1978 (lead was banned from house paint in 1978). In southeastern Connecticut, New London, Sprague, Norwich, and Windham have a high share of pre-1940 housing.

	Total Housing Units	Occupied Housing Units	% Owner- Occupied	% 1-unit, detached	% Housing Units Built 1940 or Later
Bozrah	1,079	989	86.0	89.8	73.7
Colchester	6,464	5,973	76.0	76.3	92.6
East Lyme	8,625	7,287	78.0	80.8	82.7
Franklin	781	722	85.7	90.5	83.9
Griswold	5,118	4,564	73.8	62.1	77.4
Groton	17,812	15,703	48.5	45.9	85.6
Lebanon	3,144	2,847	91.0	93.7	83.3
Ledyard	6,344	5,795	80.8	83.9	95.4
Lisbon	1,747	1,682	86.2	89.1	85.5
Montville	7,504	6,749	83.2	81.7	91.1
New London	12,645	10,975	34.9	29.9	48.6
North Stonington	2,350	2,038	85.3	91.2	81.7
Norwich	19,076	16,271	50.9	42	62.5
Preston	1,932	1,835	87.7	95.2	79.4
Salem	1,754	1,604	92.5	92.9	92.2
Sprague	1,315	1,187	66.4	59	57.4
Stonington	9,488	8,100	73.4	69.8	68.3
Waterford	8,512	7,825	82.4	86.4	80.9
Windham	9,554	8,491	47.8	40.9	64.9
New London County	123,001	107,402	66.5	64.8	76.0
Windham County	49,644	44,449	69.7	66.0	72.9

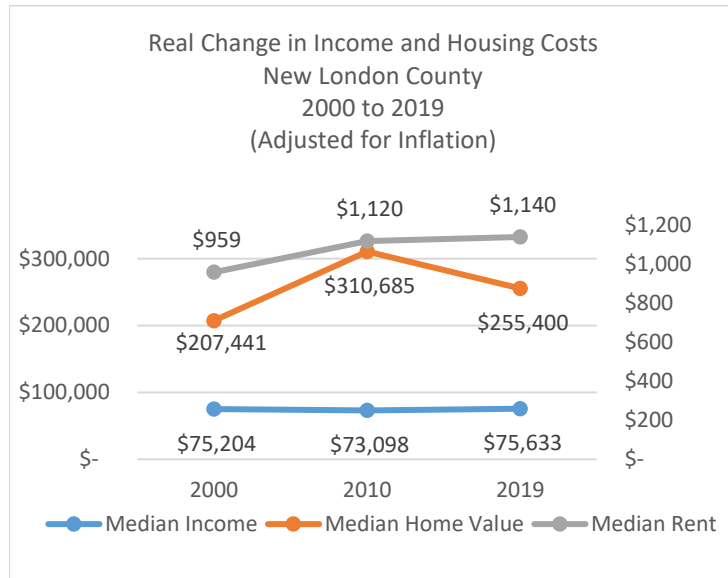
Source: US Census ACS 5 Year Estimates, 2018

Affordability Challenges

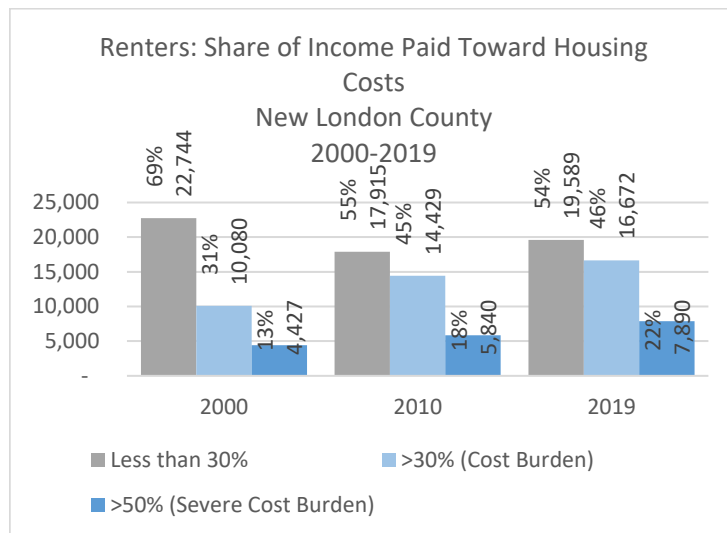
Housing Costs

The cost of housing has dramatically increased in the last twenty years even as income growth has been flat. Overall, since 2000, median income in New London County has increased only 1% after adjusting for inflation, while housing values have increased 23% and rents have increased 19%. Most of that increase occurred during the mid 2000s housing boom, but rents and home prices still remain high relative to incomes.

The mismatch between income and housing costs has meant more households are stretching their budgets to pay for housing. Renters are especially stressed. In New London County, the number of renter households paying more than 30% of their income towards housing grew by more than 6,000 households increasing the share of households who are housing cost burdened from 31% of all renters to 46%. In 2019, an estimated one in five renter households paid more than 50% of their income towards housing costs. Homeowner cost burdens have increased only slightly after the housing boom put significant pressure on prices. In 2000, ¼ of owner households in New London County paid more than 30% of their income towards housing costs. This increased to 38% in 2010, but fell to 28% by 2019 (American Community Survey and Decennial Census).



Source: U.S. Census American Community Survey and 2000 Decennial Census.



Source: U.S. Census American Community Survey, Decennial Census.

Median Household Income, Home Values, and Rents

Overall, median home prices have not fully recovered from the housing boom and then bust of the 2000s. Recent county-level data shows median sales price increased from \$230,000 in 2019 to \$270,000.ⁱ

The recent uptick is in response to the COVID-19 pandemic, during which some residents from New York City and other larger urban areas sought to buy larger homes in suburban Connecticut and households invested in upgrading their living spaces. It is still too soon to tell how the pandemic will affect housing affordability in the long-term for the region.

	Median Household Income	Median Home Value	Median Gross Rent
Bozrah	\$87,109	\$229,500	***
Colchester	\$103,380	\$253,300	\$1,285
East Lyme	\$93,416	\$313,900	\$1,242
Franklin	\$94,000	\$246,100	***
Griswold	\$62,542	\$185,000	\$1,081
Groton	\$66,999	\$237,000	\$1,252
Lebanon	\$95,757	\$245,600	***
Ledyard	\$91,268	\$231,800	\$1,117
Lisbon	\$88,553	\$224,900	***
Montville	\$73,765	\$195,100	\$1,084
New London	\$39,675	\$181,300	\$958
North Stonington	\$76,985	\$283,500	***
Norwich	\$55,391	\$162,900	\$1,028
Preston	\$75,568	\$246,900	***
Salem	\$113,000	\$274,300	***
Sprague	\$65,688	\$219,400	\$1,117
Stonington	\$79,250	\$316,200	\$1,050
Waterford	\$85,438	\$253,600	\$1,291
Windham	\$44,091	\$155,900	\$850
New London County	\$71,368	\$239,000	\$1,099
Windham County	\$64,774	\$198,000	\$895

Source: US Census ACS 5 Year Estimates, 2018

***Not enough data for a reliable estimate

	Sales	Median Sales Price
Bozrah	27	\$ 239,900
Colchester	195	\$ 271,900
East Lyme	239	\$ 320,000
Franklin	24	\$ 241,650
Griswold	135	\$ 207,000
Groton	342	\$ 261,500
Lebanon	114	\$ 230,000
Ledyard	262	\$ 234,500
Lisbon	56	\$ 249,000
Montville	262	\$ 217,250
New London	180	\$ 171,650
North Stonington	53	\$ 280,000
Norwich	352	\$ 152,000
Preston	55	\$ 222,500
Salem	33	\$ 269,130
Sprague	40	\$ 187,000
Stonington	228	\$ 359,950
Waterford	312	\$ 244,950
Windham	164	\$ 150,500

Source: Eastern CT Association of Realtors, 2019 Sales by Town

Qualifying for Affordable Housing

Affordable Housing is generally reserved for households earning less than 80% of an area's median income. Many housing programs reference income limits established by the U.S. Department of Housing and Urban Development. The median family income differs from county median income primarily because the geography (towns included) is different, issues with sampling margins of error, and because income limits are adjusted to account for expected cost of living increases. Individual income limits are established based on a complicated process considering the regional median family income, family size, previous established thresholds, local housing costs, and the median income in nearby non-metropolitan areas. Southeastern Connecticut's towns are in one of three areas designated by HUD: Norwich-New London (Bozrah; East Lyme; Franklin, Griswold, Groton, Ledyard, Lisbon, Lyme, Montville, New London, North Stonington, Norwich, Old Lyme, Preston, Salem, Sprague, Stonington, Voluntown, Waterford), Colchester-Lebanon, and Windham County.

HUD Metro Area	Median Family Income	Income Category	Persons in Family			
			1	2	3	4
Norwich-New London Metro	\$91,800	Low Income (80%)	\$54,950	\$62,800	\$70,650	\$78,500
		Very Low Income (50%)	\$35,950	\$41,050	\$46,200	\$51,300
		Extremely Low Income (30%)	\$21,600	\$24,650	\$27,750	\$30,800
Colchester-Lebanon Metro	\$115,000	Low Income (80%)	\$54,950	\$62,800	\$70,650	\$78,500
		Very Low Income (50%)	\$40,250	\$46,000	\$51,750	\$57,500
		Extremely Low Income (30%)	\$24,150	\$27,600	\$31,050	\$34,500
Windham County Metro	\$86,900	Low Income (80%)	\$54,950	\$62,800	\$70,650	\$78,500
		Very Low Income (50%)	\$35,950	\$41,050	\$46,200	\$51,300
		Extremely Low Income (30%)	\$21,600	\$24,650	\$27,750	\$30,800

Source: HUD FY 2020 Income Limits

State Affordable Housing Appeals List

Connecticut's Affordable Housing Land Use Appeals statute, C.G.S. § 8-30g, was established in 1997 to enable the development of affordable housing in municipalities where zoning regulations would otherwise prevent its construction. It requires that municipalities with less than 10% affordable housing to demonstrate to the court that a municipality's rejection of a development proposal was based on public interests in health, safety, or other matters that clearly outweigh the need for affordable housing. In determining the percent of affordable housing present in a municipality, the CT Department of Housing counts:

- Assisted housing units or housing receiving financial assistance under any governmental program for the construction or substantial rehabilitation of low and moderate income housing that was occupied or under construction by the end date of the report period for compilation of a given year's list;
- Rental housing occupied by persons receiving rental assistance under C.G.S. Chapter 138a (State Rental Assistance/RAP) or Section 142f of Title 42 of the U.S. Code (Section 8);
- Ownership housing or housing currently financed by the Connecticut Housing Finance Authority and/or the U.S. Department of Agriculture; and
- Deed-restricted properties or properties with deeds containing covenants or restrictions that require such dwelling unit(s) be sold or rented at or below prices that will preserve the unit(s) as affordable housing as defined in C.G.S. Section 8-39a for persons or families whose incomes are less than or equal to 80% of the area median income.

Town	Total Housing Units 2010 Census	Government Assisted	Tenant Rental Assistance	Single Family CHFA/USDA Mortgages	Deed Restricted Units	Totally Assisted Units	Percent Affordable
Bozrah	1,059	-	3	30	-	33	3.1
East Lyme	8,458	396	20	90	19	525	6.2
Franklin	771	27	1	16	-	44	5.7
Griswold	5,118	137	53	165	-	355	6.9
Groton	17,978	3,727	99	376	10	4,212	23.4
Lebanon	3,125	26	3	83	-	112	3.6
Ledyard	5,987	32	7	225	-	264	4.4
Lisbon	1,730	2	-	60	-	62	3.6
Montville	7,407	81	54	259	-	394	5.3
New London	11,840	1,598	507	502	96	2,703	22.8
North Stonington	2,306	-	-	29	6	35	1.5
Norwich	18,659	2,221	789	562	-	3,572	19.1
Preston	2,019	40	6	40	-	86	4.3
Salem	1,635	-	2	30	-	32	2.0
Sprague	1,248	20	13	29	1	63	5.1
Windham	9,570	1,763	594	368	-	2,725	28.5

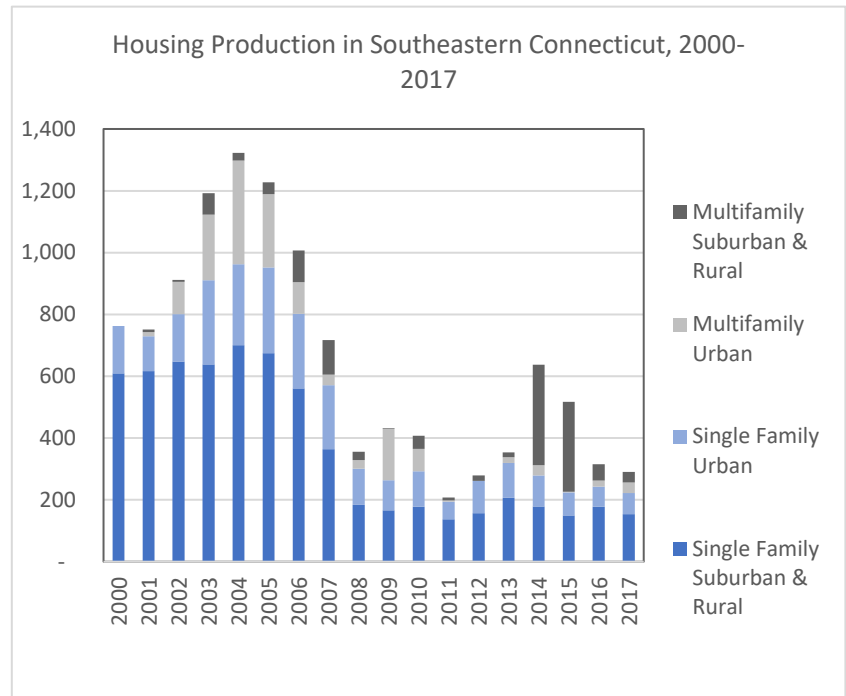
Source: CT Department of Housing Affordable Housing Appeals List, 2019

Building Trends

Housing construction in southeastern Connecticut peaked in the mid 2000s as the housing boom accelerated housing values and made housing development financially attractive to builders. Construction has not recovered from its peak levels, but in recent years there has been an increase in multifamily construction in suburban and rural communities.

	Net Building Permits 2000-2017
Bozrah	100
Colchester	963
East Lyme	1,518
Franklin	98
Griswold	569
Groton	1,416
Lebanon	396
Ledyard	572
Lisbon	177
Montville	666
New London	696
North Stonington	264
Norwich	1,534
Preston	264
Salem	275
Sprague	101
Stonington	1,097
Waterford	623
Windham	360
Region	11,689

Source: U.S. Census via CT DECD
 Net Building Permits are
 Construction Less Demolition.



	Sales	Median Sales Price
Bozrah	27	\$ 239,900
Colchester	195	\$ 271,900
East Lyme	239	\$ 320,000
Franklin	24	\$ 241,650
Griswold	135	\$ 207,000
Groton	342	\$ 261,500
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Source: Eastern CT Association of Realtors, 2019 Sales by Town

ⁱ Fourth Quarter New London and Windham County SOLD Comparisons - 2020 vs. 2019, Eastern CT Association of Realtors.