

# BASELINE INFORMATION FOR AFFORDABLE HOUSING PLAN



## 1. Overview

The Housing Needs Study Committee is preparing an affordable housing plan for Newington. This booklet presents relevant data and information for review and discussion.

## 2. What Is “Affordable Housing”?

In public policy, the term “affordable housing” is generally used to refer to:

*Housing which is priced so that persons and families earning eighty per cent or less of the area median income pay thirty per cent or less of their annual income on housing.*

This can include:

- market-rate housing which sells or rents at an affordable level - called “naturally occurring affordable housing (NOAH), and
- housing which is encumbered in some way to sell or rent at affordable price levels.

Certain State statutes (such as CGS 8-30g) only consider housing which is encumbered in some way to sell or rent at affordable price levels:

- Governmentally assisted housing developments,
- Rental units occupied by households receiving tenant rental assistance,
- Ownership units financed by Connecticut Housing Finance Authority (CHFA) mortgages or United States Department of Agriculture (USDA) mortgages for low/moderate income persons and families,
- Housing units subject to **deed restrictions** limiting the price to where persons or families earning eighty percent or less of the area median income pay thirty per cent or less of their income for housing.

For the purposes of this briefing booklet, both types of affordable housing will be considered.

*“Decent, affordable housing should be a basic right for everyone ...”*

Mathew Desmond  
American Sociologist

**Generally speaking, purchasers and renters want housing to cost less ...**

**... At the same time, sellers and lessors want housing to sell or rent for more ...**

### **3. Why Does Newington Need “Affordable Housing”?**

---

Everyone wants housing that is affordable.

For people and households that earn more than the average income, they generally have the means to find housing that addresses their personal needs and/or desires. Newington has a variety of housing styles and choices in the community and higher income households are able to find (and afford) housing that meets their needs.

On the other hand, housing choices may not be as available for people earning less than the average income. These people and households generally have a harder time finding housing they can afford or the cost burden of the housing they can find takes away from other life needs (health, transportation, etc.).

The people needing affordable housing can include:

- young people and young families just venturing out on their own,
- workers (both public sector and private sector) providing essential or convenient services to residents and businesses, and
- people who may have lived here their whole lives and now need or want smaller and less expensive housing so they can stay in Newington.

Young People



Young Families



Service Workers



Critical Workers



Seniors



Long-Time Residents



Affordable housing affects each and every Newington resident (past, present, and future) in some way and the following questions, if posed to them directly, might cause them to think more personally about this issue:

1. *If you wanted to sell your current home and move into another one in the same neighborhood. could you afford it?*
2. *If your grown son or daughter wanted to move into Newington, could they afford to?*
3. *Could your elderly parent(s) find an affordable home nearby?*
4. *Could a home health aide for your elderly parent (or for you) afford to live in Newington?*
5. *Will you be able to afford housing in Newington when you may be living on a fixed income?*
6. *Will you be able to afford housing in Newington if you are living by yourself?*
7. *Can an emergency service worker you want to have available should you need them afford to live in Newington?*
8. *Could the person who stocks the grocery shelves where you shop afford to live in Newington?*
9. *Could a local teacher afford to live here? A police officer?*
10. *Could the package delivery person you rely on afford to live in Newington?*

***The availability of affordable housing affects everyone (or someone in their family) at some point in their lives – past, present, or future ...***

#### **FOOD FOR THOUGHT**

##### **Newington Wants You ...**

1. We would like you to be able to stay in Newington and to have options to meet your housing needs.
2. We would like for ***your parents and children and their children*** to be able to live in Newington and to have options to meet their housing needs.
3. We would like for ***people like you*** to be able to live in Newington and to have options to meet their housing needs.
4. We would like for ***people important to our community*** to be able to live in Newington and to have options to meet their housing needs.
5. We would like for ***all people*** to be able to have the opportunity to live in Newington and to have options to meet their housing needs.

***People often need units now but waiting times can be several years ...***

***One of the difficulties of planning for meeting housing needs is that the lead times are so long ...***

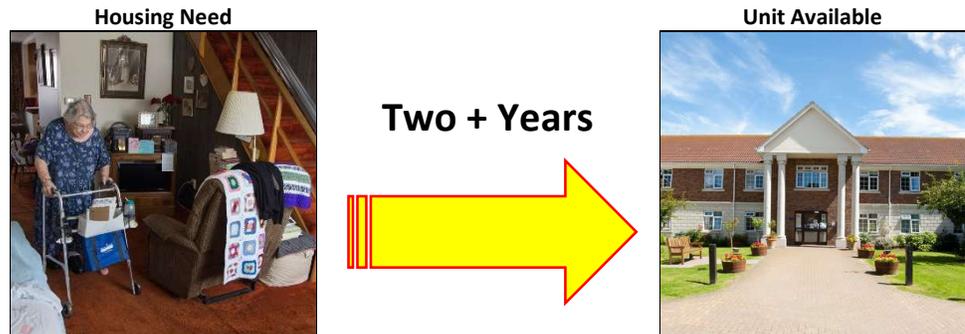
Most everyone can recall a situation when they were young and starting a family, left home for their first apartment and started to save for their first home, or when their parents needed to move to smaller quarters from a larger home.

Affordable housing affects everyone.

The Town of Newington is looking now at whether there will be affordable housing in the community that will be available for people who may need it at the time it is needed.

Unfortunately though, housing cannot be easily produced at the moment it is needed. One of the difficulties of planning for housing needs is that the lead times are so long.

Once the need for an alternative form of housing presents itself, it can take several years to produce that housing if it is not already available. Even if it is available, it may be occupied and so the waiting period for a unit to become available can be lengthy. At the present time, the Newington Housing Authority reports that ***waiting times for units can exceed two years*** but that people call in almost daily and need a unit now for themselves or for a loved one.



As a result, Newington needs to plan ***today*** for the affordable housing needs of the future:

- For a growing population ,
- For an aging population,
- For young adults and young families,
- For low- and moderate-income workers,
- For single people and single parents,
- For veterans,
- For the homeless.

And there are still more reasons why Newington needs more units of affordable housing.

Housing, and particularly housing that is affordable, is important to the local and regional economy. Research consistently shows that attractive, well-planned housing that is affordable to a range of socio-economic and age groups:

- Provides housing for essential employees (in areas such as emergency services, health care, education, government, retail, etc.),
- Helps retain and support existing businesses,
- Helps attract new business and economic development,
- Improves employee productivity and reduces employee turnover,
- Increases jobs and consumer spending in the surrounding economy, and
- Increases total revenue for local governments.

In the current economy, as communities and regions try to retain existing businesses and compete to attract new investment, having an adequate range of affordable, conveniently located housing options can be a critical factor in boosting a community's overall competitive edge.

Newington needs affordable housing to meet the needs of current and future residents and current and future businesses that:

- Provide jobs for residents,
- Provide goods and services wanted or needed by local residents and businesses,
- Grow the tax base, and
- Provide tax revenue to support local services and facilities.

Finally, there are also social responsibility and social equity reasons why Newington should address its fair share of the need for more affordable housing in the community and in the region.

### **Economic Benefits**

---

The shortage of affordable housing has an impact not only on families and individuals seeking it, but also on the economic health of [each town and region and] the State as a whole.

A survey of business leaders and CEO's [in Connecticut] found that the shortage of affordable housing was **the greatest impediment** to economic expansion. If workers cannot afford to live anywhere near their place of employment, companies will have a difficult time finding people to fill necessary jobs.

Affordable housing in proximity to jobs is one of the most significant factors affecting continued economic growth.

Paraphrased From  
CT Department of Housing (1985)

**State-Defined AH Units**

State statutes only consider housing which is encumbered in some way to sell or rent at affordable price levels:

- Governmentally assisted housing developments,
- Rental units occupied by households receiving tenant rental assistance,
- Ownership units financed by government mortgages for low/moderate income persons and families,
- Housing units subject to deed restrictions limiting the price to where persons or families earning eighty percent or less of the area median income pay thirty per cent or less of their income for housing.

**Overall, Newington has 1,155 housing units that meet State criteria for “affordable housing” ...**

**4. How Much “Affordable Housing” Do We Have?**

**State-Defined Affordable Housing Units**

With the definition of affordable used by the State (see sidebar), Newington has about 1,155 affordable housing units:

	Newington	Share	County	State
Governmentally Assisted	531	4.1%	7.4%	6.1%
Tenant Rental Assistance	116	0.9%	4.0%	3.0%
CHFA / USDA Mortgages	472	3.6%	2.8%	1.9%
Deed-Restricted Units	36	0.3%	0.2%	0.4%
<b>Total</b>	<b>1,155</b>	<b>8.9%</b>	<b>14.4%</b>	<b>11.3%</b>

Government Assisted Units - Newington has 531 governmentally assisted units. Since government assisted units have been funded by government programs related to housing, Newington can be fairly comfortable that these units will continue to be affordable for the foreseeable future.

Elderly Only (214 units)			Year Built
Cedar Village (NHA)	40	312-316 Cedar Street	1981
Edmund J. Kelleher Park (NHA)	40	241 West Hill Road	1976
New Meadow Village (NHA)	26	1 Mill Street Ext.	1987
Market Square	76	65 Constance Leigh Drive	1978
Meadowview	32	50 Mill St. Ext.	
Family + Elderly (316 units)			
Griswold Hills	128	10 Griswold Hills Drive	
Victory Gardens	74	555 Willard Avenue	
Southfield Apartments	114	85 Faith Road	
Other (1 unit)			
Group Home	1	98 Cedar Street	

**Assisted Elderly**



**Assisted Family**



**Deed-Restricted**



Tenant Rental Assistance Units – The locations of the 116 tenants receiving tenant rental assistance are not disclosed. The number and location of tenant rental assistance units can change over time since the assistance is provided to eligible people. Over the past decade or so, Newington has had between 84 and 148 units.

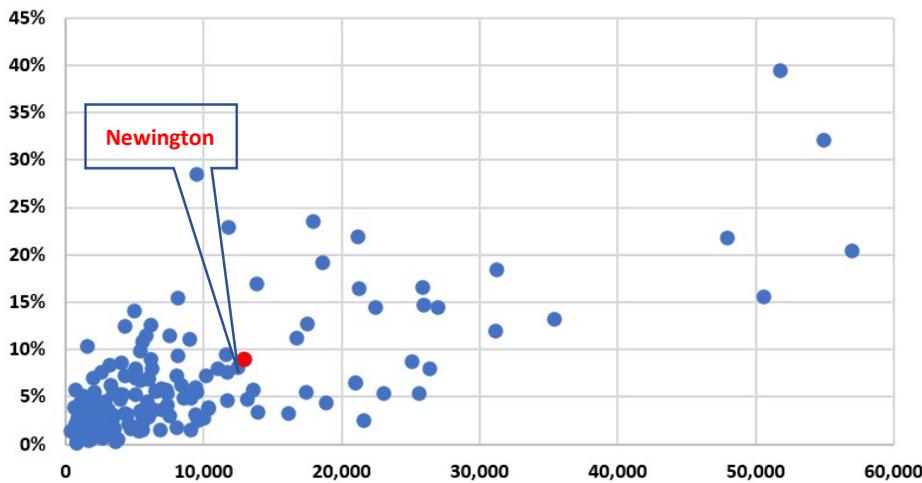
***The number of rental assistance units and mortgage assistance units can fluctuate from year to year ...***

CHFA/USDA Mortgages – The locations of the 472 units financed by CHFA/USDA mortgages are not disclosed. The number and location of CHFA/USDA mortgage units can change over time since the assistance is provided to eligible people. Over the past decade or so, Newington has had between 366 and 472 units.

Deed-Restricted Units –Newington has 36 deed-restricted units at the present time and these units are restricted in perpetuity.

Deed-Restricted (36 units)		Year Restrictions Expire	
Hopkins Village	36	Hopkins Drive	Perpetuity

**Percent Affordable Compared To Number Of Housing Units**



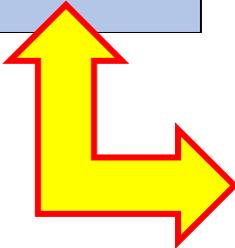
Similar # of Housing Units	% AH	Similar Affordable %	# Units		
Branford	13,972	3.36%	Winchester	5,613	10.81%
Vernon	13,896	16.86%	North Canaan	1,587	10.27%
Glastonbury	13,656	5.72%	Windsor	5,429	9.82%
Trumbull	13,157	4.68%	Wethersfield	11,677	9.45%
Naugatuck	13,061	8.87%	Berlin	8,140	9.31%
<b>Newington</b>	<b>13,011</b>	<b>8.88%</b>	<b>Newington</b>	<b>13,011</b>	<b>8.88%</b>
East Haven	12,533	8.03%	Colchester	6,182	8.88%
New London	11,840	22.83%	Naugatuck	13,061	8.87%
Windsor	11,767	7.52%	Hamden	25,114	8.67%
New Milford	11,731	4.59%	Portland	4,077	8.49%
Wethersfield	11,677	9.45%	Brooklyn	3,235	8.28%

**Interest Rate Sensitivity**

It is important to note that the calculations of maximum sales price are extremely sensitive to interest rates and mortgage interest rates are currently at historic lows.

If mortgage interest rates were to increase by 1 percent (to 4.5% for a 30-year fixed mortgage), the maximum sales prices indicated above would decrease by about 7 to 12 percent. As a result, fewer units would be considered affordable at each income level.

Perhaps more importantly, any purchaser of an affordable home who bought at a low interest rate and went to sell at a higher interest rate, might lose money in the transaction. This is a potentially important issue for lower income purchasers who may not be able to absorb such a decrease in sale price or may be forced into foreclosure.



**Price-Based Affordable Housing Units**

Newington is part of the Hartford housing market and the relevant income levels (as determined by HUD) for different household (HH) sizes are indicated below and then translated into the maximum monthly housing allotment:

	Median Income A	80% of Median Income A x 0.8	30% Share For Housing B x 0.3	Monthly Housing Allotment C / 12
1 -person HH	\$68,530	\$54,824	\$16,450	\$1,370
2 -person HH	\$78,320	\$62,656	\$18,800	\$1,570
3-person HH	\$88,110	\$70,488	\$21,150	\$1,760
4-person HH	\$97,900	\$78,320	\$23,500	\$1,960
5+ -person HH	\$105,732	\$84,586	\$25,380	\$2,110+

Assuming the number of bedrooms is one less than the size of the household, the monthly housing allotment can then be roughly translated to maximum monthly gross rent (utilities included).

	Monthly Allotment	Maximum Gross Rent
Studio	\$1,370	\$1,370
1 Bedroom	\$1,570	\$1,570
2 Bedrooms	\$1,760	\$1,760
3 Bedrooms	\$1,960	\$1,960
4+ -Bedrooms	\$2,110+	\$2,110+

The monthly housing allotment can also be roughly translated to maximum purchase price at prevailing financing terms (3.5 percent, fixed rate, 30-year mortgage, and assuming 100% financing and private mortgage insurance) after deducting for utilities, property insurance, and taxes (at an equalized mill rate of 2.5%) using Zillow mortgage calculator.

	Monthly Allotment	Utility Allowances	Insurances, Taxes, Etc.	Net For Princ. / Int.	Maximum Sale Price
Studio	\$1,370	\$210	\$486	\$674	\$150,000
1 Bedroom	\$1,570	\$270	\$541	\$759	\$169,000
2 Bedrooms	\$1,760	\$350	\$584	\$826	\$184,000
3 Bedrooms	\$1,960	\$450	\$925	\$885	\$197,000
4+ -Bedrooms	\$2,110+	\$600+	\$625+	\$885	\$197,000

This analysis is very conservative. If a low-income household had enough funds for a 20% down payment, they could then afford housing priced about 20 percent higher than the purchase prices indicated above.

While a comprehensive inventory of rental rates in Newington is not readily available, data from the American Community Survey (ACS) summarizes what tenants report they are paying in gross rent. It is important to note:

- This can include rented single-family detached homes in addition to traditional apartments or condominiums, and
- These units are occupied and not necessarily available for rent, just that they are priced at that amount or below.

In addition, it is important to note that the ACS data provides estimates based on small samples of the population to update 2010 Census information. While this report uses the 5-year ACS data (a compilation of 5 years of sampling) to report 2018 estimates, there is still a margin of error around the final number and so the exact figures should be considered illustrative but not definitive. Still, it is the most current information available.

***Newington has many naturally affordable rental units ...***

***... although these units are currently occupied.***

GROSS RENT	Newington	Share	County	State
Less than \$500	192	7%	12%	10%
\$500 to \$999	435	16%	31%	26%
\$1,000 to \$1,499	1,496	56%	42%	38%
\$1,500 to \$1,999	455	17%	12%	16%
\$2,000 to \$2,499	42	2%	2%	5%
\$2,500 to \$2,999	0	0%	1%	2%
\$3,000 or more	41	2%	1%	2%
<b>Renter-occupied units w/rent</b>	<b>2,661</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Median monthly rent</b>	<b>\$1,235</b>	<b>-</b>	<b>\$1,076</b>	<b>\$1,156</b>
<i>No rent paid</i>	<i>147</i>			

Overall, the ACS data indicates there are many rental units in Newington that would be considered naturally affordable (even if the rental includes more bedrooms than the household might need).

Maximum Gross Rent	Estimated Number Of Rented Units Below That Value	Percent Of 2010 Housing Count
<b>\$1,370</b>	1,734 units	13.3%
<b>\$1,570</b>	2,187 units	16.8%
<b>\$1,760</b>	2,360 units	18.1%
<b>\$1,960</b>	2,542 units	19.5%
<b>\$2,110+</b>	2,661 units	20.5%

***Newington has many naturally affordable ownership units ...***

***... but these units are currently occupied.***

Data from the American Community Survey (ACS) summarizes what homeowners report their home is worth. It is important to note:

- This can include single-family detached homes in addition to condominiums, and
- These units are occupied and not necessarily available for sale, just that they are priced at that amount or below.

VALUE	Newington	Share	County	State
Less than \$50,000	175	2%	2%	2%
\$50,000 to \$99,999	251	3%	3%	3%
\$100,000 to \$149,999	800	8%	12%	9%
\$150,000 to \$199,999	2,027	21%	20%	15%
\$200,000 to \$299,999	4,479	47%	32%	27%
\$300,000 to \$499,999	1,717	18%	24%	27%
\$500,000 to \$999,999	92	1%	7%	12%
\$1,000,000 or more	45	1%	1%	5%
<b>Owner Occupied Units</b>	<b>9,586</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Median House Value</b>	<b>\$232,700</b>	<b>-</b>	<b>\$237,700</b>	<b>\$272,700</b>

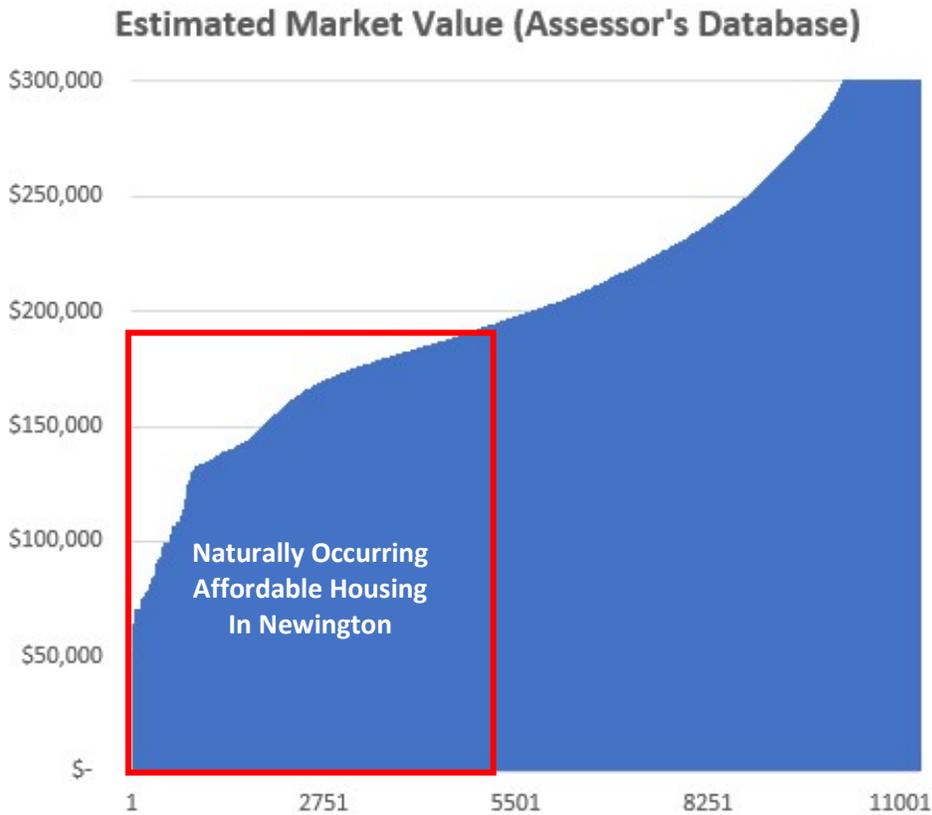
Overall, the ACS data indicates there are many ownership units in Newington that would be considered naturally affordable (even if the home includes more bedrooms than the household might need).

Maximum Sale Price	Estimated Number Of Owned Units Below That Value	Percent Of 2010 Housing Count
<b>\$150,000</b>	1,226 units	9.4%
<b>\$169,000</b>	1,996 units	15.38%
<b>\$184,000</b>	2,604 units	20.0%
<b>\$197,000</b>	3,131 units	24.1%

This conclusion of a considerable amount of naturally occurring affordable housing (ownership, not rental) is also supported by information from the Assessor’s database of ***estimated market values*** which shows that:

- 1,866 units are valued at less than \$150,000,
- 2,677 units are valued at less than \$169,000,
- 4,092 units are valued at less than \$184,000, and
- 5,406 units are valued at less than \$197,000.

***The Assessor’s database supports the finding that Newington has many naturally affordable ownership units ...***



## **5. Why Do We Need More Units Of “Affordable Housing”?**

Even though there are many housing units in Newington which are naturally affordable, there are still ***many situations*** where affordable housing is not available for those who need it.

### **Long Waiting Lists For Elderly Units / Elderly Population Expected To Increase**

According to the Newington Housing Authority, there are currently about 150 people on the waiting list for an elderly housing unit in Newington and the estimate is that it might be two years before a unit becomes available. The waiting period at local elderly housing developments not managed by the Housing Authority may be even longer.

This is an issue because people and families often find themselves in situations where they need alternative housing at that time. Simply, there are not enough units to meet the current demand for elderly housing.

It is anticipated that the lack of elderly housing units will get worse over time since the number of elderly residents is expected to increase in the future. Improvements in healthcare and lifestyles have increased life expectancies and people may outlive their financial resources.

If no units are added, the wait times will get even longer and elderly people who need housing assistance will struggle to make ends meet.

### **No Family Units And Long Waiting Lists For Vouchers**

There are similar issues with housing lower income families. The demand outstrips the supply, so units are not available when people need them.

Even though the Housing Authority basically only has elderly units, they receive the most phone calls for family units. They offer some housing “vouchers” for family units, but the waiting list already has about 250 people on it. With vouchers issued on the basis of a lottery system, some people may never get a voucher or may need to wait 8-10 years.

### **At Risk Populations Have Unique Housing Needs**

Some motels along the Berlin Turnpike are being used as residences for people who do not have (or do not choose) other housing options. Even in Newington, homelessness still occurs.

**Some Housing Units Have Physical Deficiencies / Over-Crowding**

While the number of units with physical deficiencies is quite low, Newington has some units lacking complete plumbing facilities and complete kitchen facilities.

PHYSICAL DEFICIENCIES	Newington	Share	County	State
Incomplete plumbing facilities	7	0.1%	0.3%	0.3%
Incomplete kitchen facilities	112	0.9%	0.7%	0.6%
No telephone service available	162	1.3%	1.8%	1.5%
<b>Total # Of Units</b>	<b>281</b>	<b>2.3%</b>	<b>2.8%</b>	<b>2.4%</b>

When housing affordability is an issue, households sometimes occupy a smaller unit (with fewer rooms) than they might prefer. Newington has some units with “crowding” (where Census data indicates more than one person per room).

OCCUPANTS PER ROOM (O/R)	Newington	Share	County	State
Units with 1.01 to 1.50 O/R	164	1.3%	1.2%	1.3%
Units with more than 1.51 O/R	38	0.3%	0.5%	0.5%
<b>Total # Of Units</b>	<b>202</b>	<b>1.6%</b>	<b>1.7%</b>	<b>2.4%</b>

**Many Households Are Cost Burdened**

Housing affordability is best assessed by comparing actual housing costs to actual incomes. Policymakers and housing advocates consider a household cost burdened if more than 30% of their income goes towards housing costs.

About 42 percent of the renter-occupied housing units in Newington reported paying more than 30 percent of their income on housing.

RENTER COST BURDEN	Newington	Share	County	State
Less than 15.0 percent	360	14%	12%	12%
15.0 to 19.9 percent	424	16%	13%	12%
20.0 to 24.9 percent	311	12%	12%	12%
25.0 to 29.9 percent	425	16%	12%	12%
30.0 to 34.9 percent	212	8%	9%	9%
35.0 percent or more	898	34%	42%	43%
<b>Renter-occupied</b>	<b>2,630</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>Not computed</i>	<i>178</i>			

***Over 1,100 households in Newington who rent are spending more than 30 percent of their income on housing ...***

About 28 percent of the owner-occupied housing units in Newington with a mortgage reported paying more than 30 percent of their income on housing.

**Over 1,700 owner households in Newington with a mortgage are spending more than 30 percent of their income on housing ...**

OWNER COST BURDEN (M)	Newington	Share	County	State
Less than 20.0 percent	2,372	39%	43%	40%
20.0 to 24.9 percent	1,275	21%	17%	17%
25.0 to 29.9 percent	674	11%	11%	12%
30.0 to 34.9 percent	428	7%	7%	8%
35.0 percent or more	1,274	21%	22%	24%
<b>Owner-occupied / mortgage</b>	<b>6,023</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>Not computed</i>	23			

About 19 percent of the owner-occupied housing units in Newington with no mortgage reported paying more than 30 percent of their income on housing.

**About 670 owner households in Newington without a mortgage are spending more than 30 percent of their income on housing ...**

OWNER COST BURDEN (No M)	Newington	Share	County	State
Less than 10.0 percent	902	26%	30%	30%
10.0 to 14.9 percent	868	25%	20%	20%
15.0 to 19.9 percent	630	18%	14%	13%
20.0 to 24.9 percent	270	8%	9%	9%
25.0 to 29.9 percent	161	5%	6%	6%
30.0 to 34.9 percent	169	5%	4%	4%
35.0 percent or more	502	14%	16%	18%
<b>Owner-occupied / no mortgage</b>	<b>3,502</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>Not computed</i>	38			

**Overall, almost 3,500 Newington households are spending more than 30 percent of their income on housing ...**

### What Does it Mean To Be Housing Cost-Burdened?

For a household earning a generous income, paying more than 30 percent of their income for housing may be a matter of preference or choice, but it is generally one they can afford.

The issue of housing cost burden becomes more significant for people earning less than the median income. For these households, being housing cost burdened is an indicator that they may be unable to afford other critical costs such as healthcare, childcare, food, and/or transportation.

**Renters (Especially Elderly Renters) Are Income-Constrained**

For renter households, older households are the most likely to have limited income and a need for affordable housing. Almost 70% of all households over age 65 (and almost 80% over age 80) have income less than \$40,000 per year. Even though information from the AARP suggests that up to 80% of households (60 percent in the 2014 Newington Housing Needs Survey) would prefer to age in place in their current homes, this could change quickly depending on health or financial circumstances.

In addition, there is a need for housing options for families (ages 30-54) and empty nesters (ages 55-65) earning less than \$60,000 per year.

**RENTERS - Household Income By Age Group (5 Towns)**

	\$0-20K	\$20-40K	\$40-60K	\$60-80K	\$80-100K	> \$100K	Total
20-29	3%	18%	30%	24%	14%	11%	100%
30-54	13%	14%	19%	14%	17%	23%	100%
55-64	19%	13%	12%	12%	24%	20%	100%
65-79	40%	29%	17%	7%	3%	5%	100%
80 +	39%	40%	11%	7%	2%	1%	100%

**Some Older Homeowners May Struggle With Housing Costs**

Owner households generally have enough income and assets to weather many of life’s circumstances (health, financial, etc.) Still, older households are the most likely to have lesser income and may need to transition to less expensive ownership situations or to rental situations.

**OWNERS - Household Income By Age Group (5 Towns)**

	\$0-20K	\$20-40K	\$40-60K	\$60-80K	\$80-100K	> \$100K	Total
20-29	3%	3%	14%	8%	13%	58%	100%
30-54	1%	4%	8%	9%	12%	66%	100%
55-64	2%	7%	7%	9%	17%	58%	100%
65-79	7%	16%	16%	15%	11%	35%	100%
80 +	18%	32%	21%	9%	6%	14%	100%

***Housing cost burden is more of a problem for lower income households who may have less of a choice.***

***There is a need for affordable rental units for low-income elderly and for low-income families ...***

***Older homeowners may be struggling with housing costs and have a need for more affordable options ...***

**PUMS Data**

For confidentiality reasons, the Census data for a community is not made available other than in selected tables.

However, the Census Bureau makes Public Use Micro-Sample (PUMS) data available where it is possible to query the raw data in new ways. The PUMS data allows custom tables to be prepared to investigate specific questions.

Newington by itself is not available as a PUMS area but data is available for a region where Newington is grouped with Wethersfield, Rocky Hill, Glastonbury, and Marlborough.

If we assume that these communities are reasonably similar, we can start to develop a picture of who is cost burdened.

***Low income households seem to be the most cost burdened owners ...***

***Older households seem to be the most cost burdened owners ...***

**6. Who Is Cost Burdened?**

Although the PUMS data is not perfect (see sidebar), it allows for some insight into who is more likely to be cost-burdened. Getting an exact number for Newington is difficult however because:

- The data is for a five-town region,
- Costs as a percent of income was not tabulated for some households (possibly renters in the owner table, owners in the renter table, group quarters, unreported income / costs, or other reasons).

Nevertheless, the data can be used to formulate a possible range of cost burdened households (as percent of all households or as percent of households where calculations were tabulated).

**Cost-Burdened Owners**

As might be expected, lower income households are the most cost-burdened owners, particularly for households earning less than \$60,000 per year.

**Owner Cost Burden By Household Income Group (5 Towns)**

Income Group	Less than 30%	30% To 34%	More Than 35%	Total > 30% (Cost Burdened)
\$0 – \$19,999	1 - 4%	1 - 3%	35 - 93%	36 - 96%
\$20 – \$39,999	19 - 32%	6 - 10%	36 - 59%	42 - 69%
\$40 – \$59,999	34 - 52%	8 - 12%	23 - 36%	31 - 48%
\$60 – \$79,999	51 - 72%	7 - 10%	13 - 19%	20 - 29%
\$80 – \$99,999	63 - 85%	5 - 7%	6 - 8%	11 - 15%
\$100,000 +	88 - 96%	2%	2%	4%

When organized by age group, the PUMS data reveals that owners over age 65 are the most cost burdened, particularly for older seniors (householder aged 80 and above). This could be a serious issue for households that may be on fixed incomes and can least afford it.

**Owner Cost Burden by Householder Age Group (5 Towns)**

Age Group	Less than 30%	30% To 34%	More Than 35%	Total > 30% (Cost Burdened)
20-29	30 - 81%	2 - 6%	5 - 13%	7 - 19%
30-54	63 - 82%	4 - 5%	10 - 12%	14 - 17%
55-64	68 - 82%	4%	11 - 13%	15 - 17%
65-79	59 - 72%	4 - 5%	18 - 23%	22 - 28%
80 and older	38 - 56%	5 - 7%	25 - 36%	30 - 42%

**Cost-Burdened Renters**

Again, as would be expected, lower income households are the most frequently cost-burdened renters. It is not until incomes get above \$60,000 per year that renters are in a position to be able to afford rents without paying more than 30 percent of their income for housing.

**Renter Cost Burden By Household Income Group (5 Town)**

Income Group	Less than 30%	30% To 34%	More Than 35%	Total Cost Burdened
\$0 – \$19,999	8 - 15%	6 - 11%	38 - 74%	44 - 85%
\$20 – \$39,999	8 - 22%	2 - 6%	26 - 72%	28 - 78%
\$40 – \$59,999	14 - 42%	8 - 26%	11 - 32%	19 - 58%
\$60 – \$79,999	23 - 92%	1 - 5%	1 - 3%	2 - 8%
\$80 – \$99,999	26 - 100%	0%	0%	0%
\$100,000 +	8 - 99%	0 - 1%	0%	0 - 1%

***Lower income households seem to be the most cost burdened renters ...***

When organized by age group, the PUMS data reveals that many of the renters over age 65 are cost burdened. Up to 58% of young seniors (ages 65-79) who rent pay more than 30 percent of their income for housing and up to 66% of older seniors who rent are similarly cost-burdened. This can be a serious issue for households that may be on fixed incomes and can least afford it.

***Older households seem to be the most cost burdened renters***

...

**Renter Cost Burden by Householder Age Group (% Town)**

Age Group	Less than 30%	30% To 34%	More Than 35%	Total Cost Burdened
20-29	36 - 57%	4 - 7%	22 - 36%	26 - 43%
30-54	14 - 65%	2 - 8%	6 - 27%	8 - 35%
55-64	11 - 66%	1 - 5%	5 - 29%	6 - 34%
65-79	7 - 42%	2 - 14%	7 - 44%	9 - 58%
80 and older	9 - 34%	3 - 13%	14 - 53%	17 - 66%

**Other Considerations**

As the POCD was being prepared, a world-wide pandemic disrupted many of the social and economic practices which had become routine for Newington and other communities.

While the POCD encourages diversifying the housing options within Newington to help meet the changing housing needs of current and future residents and an aging population, it is possible that economic circumstances will change for many people and that the need for housing options will become even more pronounced. It is anticipated that Newington will continue to monitor this evolving situation in order to be able to address community needs.

**7. What Does The 2020 POCD Recommend?**

Among the housing goals, the 2020 POCD contained the following:

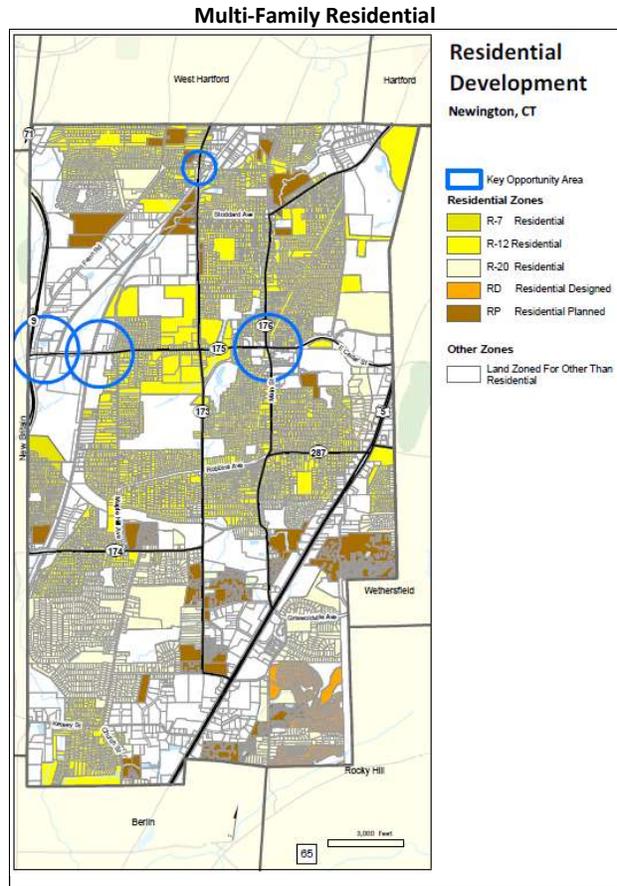
- Provide housing options for a variety of household types, sizes, ages, tenures, and income groups within safe and stable neighborhoods.

The POCD also recommended:

- Continuing to diversify the housing portfolio (including upscale housing),
- Providing for housing that is more affordable for younger and older age groups, and
- Meeting the housing needs of an aging population.

Areas the POCD indicated might be best located to accommodate housing options included:

- Newington Town Center (and nearby areas such as “Town Center East”) which will help support the strengthening of this area,
- Areas which are walkable to transit stations including:
  - the future train station location on Cedar Street,
  - the Cedar Street Fastrak station,
  - the Newington Junction Fastrak Station,
- Areas which are near existing CT-Transit bus routes.



Redevelopment of sites along the Berlin Turnpike or in other business / industrial areas might also help accommodate housing options.

**Relevant POCD Strategies**

<b>A. POLICIES (Strategies anticipated to continue over time)</b>	<b>Leader / Partners</b>
1. Continue to protect and enhance residential neighborhoods by: <ul style="list-style-type: none"> <li>• Carefully managing special permit uses in residential neighborhoods, and</li> <li>• Mitigating potential conflicts between residential and other uses (scale, setbacks, buffer areas, design compatibility, etc.).</li> </ul>	<b>TPZ</b>
2. Seek to diversify Newington’s housing portfolio to provide housing options for a variety of household types, sizes, ages, abilities, tenures, and income groups within safe and stable neighborhoods.	<b>HNSC</b> HA
3. Encourage the maintenance and improvement of the existing housing stock and discourage disinvestment or neglect.	<b>Town</b>
4. Continue to offer low interest rehabilitation loans through continued participation in state and/or federal grant programs.	<b>TP</b>
5. Continue to provide support services for the growing number of people who choose to “age in place.”	<b>COAD</b> Town
6. Help the Newington Housing Authority address the growing need for housing for income-limited senior citizens.	<b>Town</b> HA

<b>B. ACTION STEPS (Specific tasks intended to implement the POCD)</b>	<b>Leader / Partners</b>
<input type="checkbox"/> 1. Consider adopting an inclusionary zoning requirement (as authorized by CGS 8-2i) to require an affordable housing component of every new housing development, especially in housing opportunity areas identified in the POCD (see Chapter 9).	<b>TPZ</b> HNSC
<input type="checkbox"/> 2. Prepare an official Affordable Housing Plan, as required under PA 17-170 (codified as CGS Section 8-30j), with compliance required by July 24, 2022).	<b>TPZ</b> HNSC
<input type="checkbox"/> 3. Review the accessory apartments provisions in the Zoning Regulations to see if they can be simplified and help address changing community needs.	<b>TPZ</b> TP

## **8. What Are Some Possible Approaches?**

---

Some possible policy approaches which Newington may want to consider are summarized below:

### **1. Produce More Elderly Housing Units**

The elderly population in Newington (and elsewhere) is more likely to be cost-burdened since they may be living on fixed incomes. The Newington Housing Authority reports a two-year waiting period for elderly housing. Adding 150 units of elderly housing over the next five years would help address this issue.

### **2. Produce Family Housing Units**

The Newington Housing Authority allocates 30 vouchers for family housing and the demand far exceeds this supply. Obtaining and distributing an additional 30 vouchers (60 vouchers total) would help address the need for affordable family housing units in Newington.

### **3. Support Aging In Place**

The vast majority of seniors would prefer to age in place if they are able to do so. Since elderly housing units are not readily available when people need them, supporting the ability of seniors to age in their current homes can be facilitated by:

- Enhancing elderly tax relief,
- Continuing to support and/or expand Senior Center functions,
- Continuing to support dial-a-ride and other forms of transportation,
- Continuing to support “Meals-On-Wheels” and other forms of meal assistance, and
- Providing for in-home health care assistance.

### **4. Provide Flexibility For First-Floor Additions**

Aging households may wish to establish a first-floor bedroom with a handicapped accessible bathroom to accommodate them as they age. However, zoning setbacks may limit their ability to do so.

Some communities have allowed one floor additions for this purpose with reduced setbacks (Zoning Permit, Special Permit, etc.) and Newington may wish to consider this.

## **5. Provide Flexibility For Accessory Dwelling Units**

Some communities have adopted provisions to provide more flexibility for establishing accessory dwelling units at single-family dwellings. Such units can help support aging-in-place since they allow the homeowner to live in the principal or accessory unit, provide a source of supplemental income or a means of supplemental assistance (health care, property maintenance, etc.).

The accessory unit can be:

- within or attached to the existing dwelling (with an operable door on a common wall so that it can be reincorporated into the dwelling if no longer being used), or
- detached from the existing dwelling either permanently (above a garage, in an outbuilding, etc.) or as a temporary structure which can be removed if no longer being used.

Under certain conditions (with income limits and annual reporting), accessory units can count to the State’s Affordable Housing Inventory.

## **6. Allow Greater Building Height / Coverage / Density For Affordable Housing**

Newington could modify the Zoning Regulations to allow greater building height, coverage, and or density for affordable housing.

## **7. Allow Affordable Housing As Redevelopment Option**

Newington could modify the Zoning Regulations to allow housing (particularly deed-restricted or other affordable housing) as a redevelopment option in certain locations currently zoned for business or industrial development.

## **8. Seek A Permanent Exemption From CGS 8-30g**

Newington can become exempt from the Affordable Housing Appeals Procedure (CGS Section 8-30g) if more than 10 percent of the housing stock meets State criteria. Newington has 1,155 units currently and would need to have 1,302 housing units to be exempt (10% of the 2010 Census housing count of 13,011 units).

Newington would become exempt if it were to add 147 units (more once the 2020 Census is reported) of:

- Governmentally assisted housing,
- Households receiving tenant rental assistance,
- CHFA/USDA mortgages,
- Deed-restricted housing (including accessory apartments).

**9. Attract More Tenant Rental Assistance And/Or CHFA/USDA Mortgages**

Since households receiving Tenant Rental Assistance or CHFA/USDA mortgages count to the State’s Affordable Housing Inventory, Newington could become exempt by encouraging more such units to be located here. While the overall affordability of the housing stock certainly helps Newington already, offering financial assistance to eligible tenants or mortgagees could help Newington increase the number of affordable housing units which count to the State’s Affordable Housing Inventory

**10. Seek A Four-Year Moratorium From CGS 8-30g**

Newington can obtain a four-year moratorium from the Affordable Housing Appeals Procedure (CGS Section 8-30g) if it can demonstrate the creation of 260 or so housing unit equivalent points (two percent of the 2010 housing stock).

**Newington is in the process of applying for a four-year moratorium based on the number of housing unit equivalent points accumulated since 1990.**

Housing unit equivalent points are configured as follows:

Basic Point Values (per unit)	Ownership Unit	Rental Unit
Family units at 40% AMI	2.0	2.5
Family units at 60% AMI	1.5	2.0
Family units at 80% AMI	1.0	1.5
Elderly units	0.50	0.50
Unrestricted units in a set-aside development	0.25	0.25
In a resident-owned mobile manufactured home park:		
• Income eligible households	1.5 to 2.00	1.5 to 2.00
• Non income eligible households	0.25	0.25
Bonus Point Values (added to basic unit values above)		
Family units containing at least three bedrooms	+ 0.25	+ 0.25
Elderly units (if located with at least 60% family units)	+ 0.50	+ 0.50
Family units within an approved incentive housing development	+ 0.25	+ 0.25

**11. Establish A Housing Trust Fund**

Newington could establish a Housing Trust Fund to accumulate:

- Town funds allocated for housing,
- Private donations,
- Non-profit grants, and
- Other sources of money for housing.

**12. Adopt An “Affordable Housing” Requirement (“Inclusionary Zoning”)**

Every housing unit that gets built in Newington which is not an “affordable housing” unit (per State criteria), puts Newington further away from the State guideline of 10 percent of the housing stock meeting State criteria. As a result, Newington will remain subject to the State Affordable Housing Appeals Procedure (codified as CGS Section 8-30g) where certain developments with affordable housing included may not have to comply with local zoning.

This could be met by establishing a “set-aside requirement” of 10 percent (or more) of ***new residential developments*** being “affordable housing” or there could be a requirement for a “fee-in-lieu-of-affordable housing” for partial units. The funds would go into a Housing Fund to help produce affordable housing.

**13. Adopt An “Affordable Housing” Fee (“Inclusionary Zoning”)**

Some communities have adopted an affordable housing fee which is collected upon issuance of any Zoning Permit. The monies go into a Housing Fund to help produce affordable housing.

**14. Work With Local Non-Profit Organizations To Create “Affordable Housing”**

Newington could collaborate with local non-profit entities to produce and manage affordable housing units.

**15. Seek Town or State Parcels For Affordable Housing**

Newington could seek to dedicate Town-owned parcels (or surplus Town facilities) for affordable housing.

Newington could also seek to acquire surplus State-owned parcels (or facilities) for affordable housing.

**16. Explore Ways To Designate Existing Units As Affordable Housing**

Newington could seek ways to convert existing housing to deed-restricted affordable units through:

- Down payment assistance for buyers (including equity sharing),
- Tax reduction for placing of deed restrictions on existing naturally occurring affordable housing (single-family and multi-family units),
- Purchase / restrict/ resell existing naturally occurring affordable housing.

