



# **Town of East Hampton**

## Affordable Housing Plan

East Hampton Town Council

Adopted June 28, 2022

**Completed in Partnership with**

Town of East Hampton Planning and Zoning Commission



Lower Connecticut River Valley Council of Governments (RiverCOG)



**Lower Connecticut River Valley  
Council of Governments**

**Consultants**

Tyche Planning & Policy Group



SLR International Corporation



## Table of Contents

Community Values Statement.....	3
Introduction.....	4
What is Affordable Housing? .....	4
Why is Affordable Housing Important? .....	5
Plan Development Process .....	5
East Hampton’s Place in the Region.....	6
Affordable Housing in East Hampton .....	7
Protected Affordable Housing.....	7
Connecticut Housing Finance Authority Programs .....	7
Naturally Occurring Affordable Housing.....	7
Housing Needs Assessment.....	8
Land Use & Zoning Assessment.....	11
Infrastructure and Natural Constraints Assessment .....	12
Objectives and Strategies .....	14

## Appendices

Appendix A: Data Analysis and Housing Needs Assessment

## **Community Values Statement**

Preservation of East Hampton's small-town character with abundant open spaces and natural resources is essential for maintaining a vibrant community that fulfills the core societal needs of its citizenry, while providing a strong and multi-tiered economic base that is vital to ensuring the quality of life we have come to expect and enjoy in our proud community.

The predominance of single-family homes in East Hampton coupled with a changing population is likely to increase the need for alternative forms of housing over the next ten to twenty years. If residents are to be able to remain in East Hampton and the Town is able to be welcoming to young families, in-town workers, and new residents, the Town will need to create fiscal programs to allow aging residents to stay in their homes as well as make regulatory changes and provide appropriate infrastructure to facilitate alternatives to high-end, single-family homes to meet existing and new residents' needs in the years to come.

## Introduction

The Town of East Hampton has developed this Affordable Housing Plan, which identifies strategies to grow the number of affordable housing units over the next five years in a manner that aligns with community values. This plan is intended to satisfy the statutory requirements under CGS Section 8-30j. Affordable Housing Plans must be updated every five years per state statute.

### **What is Affordable Housing?**

The State defines Affordable Housing as housing that costs 30% or less of household income for households making less than 80% of state or Area Median Income (AMI), whichever is lower. (Affordable Housing Land Use Appeals Act, General Statutes §§ 8-30G [Public Act 17-170]). As of 2021, a family of four making less than \$70,900 per year or an individual making less than \$59,950 per year could qualify for affordable housing in East Hampton. Income limits are updated on an annual basis by the U.S. Department of Housing and Urban Development (HUD). According to data from HUD, about 1,305 East Hampton households, 26% overall, make less than 80% of area median income and may be eligible for affordable housing programs.

Affordable housing, as the State defines it, typically only includes protected units that are reserved for low-income households through deed restrictions or through governmental assistance programs such as housing vouchers or subsidized mortgages. According to 2021 data published by the Connecticut Department of Economic and Community Development (DECD), 179 units, or 3.26% of East Hampton's total housing units were protected affordable units. East Hampton also has many naturally occurring affordable housing (NOAH) units. While these units may be affordable to low-income households today, they may not be affordable in the future if rents or home sale prices increase.

2021 data published by the Connecticut Department of Economic and Community Development (DECD), 394 or 6.6% of East Hampton's total housing units were protected affordable units. East Hampton also has many naturally occurring affordable housing (NOAH) units. While these units

A common myth around affordable housing is that it consists only of higher density apartments. This is not true. Affordable housing can be like any other type of housing and comes in many forms, shapes and sizes ranging from single-family homes to duplexes and from townhomes to apartments. It can be privately owned or rented. It can house seniors, families with children, single individuals, or persons with disabilities. It can also come in a range of architectural styles making it virtually indistinguishable from other housing types. While some affordable housing units are owned and managed by public entities, most are privately owned and managed.

may be affordable to low-income households today, they may not be affordable in the future if rents or home sale prices increase. These units have provided an opportunity for homeownership in East Hampton that may not have been otherwise possible. The Town should consider options to retain and preserve these units as they serve an important function in homeownership options.

### **Why is Affordable Housing Important?**

Affordable housing provides many benefits to the community. Growing the number of affordable housing units would allow those with roots in the community to continue living here, regardless of their economic status. Affordable and diverse housing choices would allow young adults to move back to the community, in which they grew up. Seniors would be able to remain in the community after they retire and have opportunities to downsize, should they choose. Households that experience a loss of income due to economic circumstances, disability, divorce, or loss of a spouse, would not be displaced from the community, due to the inability to pay for housing. Workers in essential jobs such as teachers, grocery store workers, home health aides, childcare workers, restaurant workers, and first responders would have an opportunity to live where they work. Affordable housing can also support businesses by providing housing choices for entry level workers, medical residents, and lower wage workers at major employers such as Stop & Shop Supermarket, Eversource, and East Hampton Public Schools.

### **Plan Development Process**

#### Regional Housing Plan

This Affordable Housing Plan for East Hampton was developed in conjunction with the Lower Connecticut River Valley Council of Government's Regional Housing Plan. The Regional Housing Plan was created as a high-level view and analysis of the affordable housing landscape for the communities that make up the Lower Connecticut River Valley Region to capture common regional themes, housing data, objectives, and strategies. The Regional Plan was developed in collaboration from Lower Connecticut River Valley Council of Government (RiverCOG) staff over a 12-month period and provided opportunities for community participation. A project website was launched to engage and educate residents of the Region on different types of affordable housing, share project updates, and solicit feedback through online surveys. A community survey ran from October through December 2021 and gathered input from residents of East Hampton on community values and housing needs. The survey only received 13 responses, rendering the results statistically insignificant.

Regional public workshops were held on October 5, 2021, and January 24, 2022, which presented the housing needs assessment, community survey results, case studies and potential strategies. Participants were asked to provide input on potential strategies for the region.

### Municipal Affordable Housing Plan Annexes

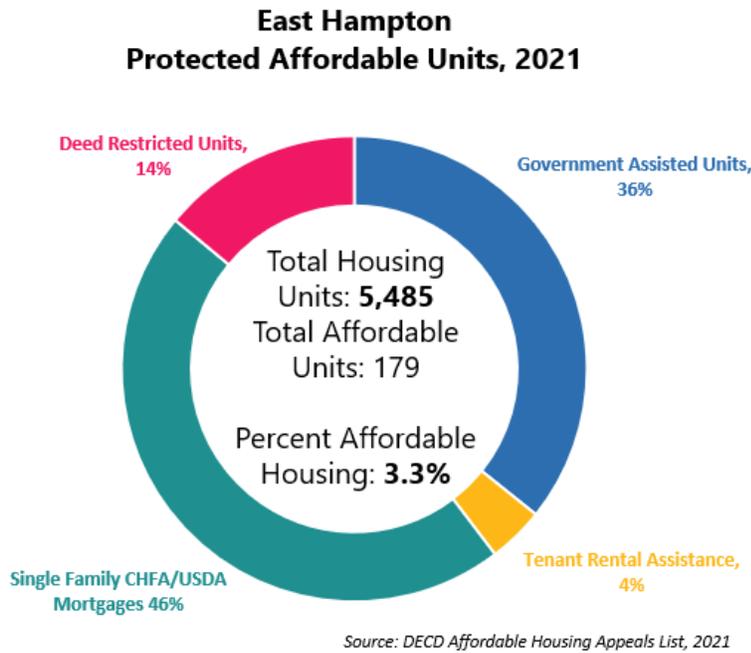
An Affordable Housing Plan “Annex” was then created for each of the member municipalities of RiverCOG to provide supplemental data and information as well as objectives and strategies that are unique to each community. A virtual public workshop was held separately for each community between February and March 2022 to gather feedback that was specific to each town. East Hampton’s municipal workshop took place on February 10, 2022. The outcomes of these public workshops helped shape the content of each Affordable Housing Plan Annex. We encourage readers of this Annex plan to also read the Regional Housing Plan for more information on the context of housing background and context for the Lower Connecticut River Valley Region.

### **East Hampton’s Place in the Region**

East Hampton is a riverfront town of 12,717 residents located in northeastern Middlesex County. According to the 2019 American Community Survey, East Hampton has 4,879 households and a median household income of \$95,663.

East Hampton is known for Lake Pocotopaug, Comstock’s Bridge and its historic town center.

## Affordable Housing in East Hampton



### Protected Affordable Housing

As of 2021, there were 179 protected affordable housing units in East Hampton, comprising 3.26% of the Town's total housing stock. These units are reserved for low-income occupants and are not on the open market. There were 64 government assisted units, 83 USDA or CHFA mortgages, 7 tenant rental assisted units, and 25 deed restricted units.

The different types of affordable housing in East Hampton today are described in the sections below.

### Connecticut Housing Finance Authority Programs

The Connecticut Housing Financing Authority (CHFA) is a self-funded, quasi-public organization. Its mission is to alleviate the shortage of housing for low- to moderate-income families and persons in the state and, when appropriate, to promote or maintain the economic development of the state through employer-assisted housing efforts. Mortgages through CHFA are available for first time homebuyers purchasing homes that are within the CHFA Sales Price Limits who have a gross income that is within the Income Limits.

### Naturally Occurring Affordable Housing

Private housing on the open market may be affordable to low-income households. It is sometimes referred to as Naturally Occurring Affordable Housing (NOAH). This housing has no deed restriction or subsidy, but still costs a low-income household no more than 30% of their income. However, low-income households must compete with other more affluent households to occupy these units. As prices rise, the affordability of these units may disappear. East Hampton is an historic community with many lakeside cottages and small homes throughout that have been modernized and reconstructed over time. Many of these units tend to be more affordable to individuals and families with lower income limits and have given people purchasing power in town where they may not have otherwise had it.

These units make up an important part of the housing market within East Hampton, but due to the statutory definition of affordable housing, are not considered true affordable housing.



Using the Department of Housing and Urban Development (HUD) income limits for a family of four with a good credit score, and calculating for an average utility expense of \$400 per month, the estimated maximum purchase price of a single family home in East Hampton is approximately \$190,000 with a 3.5% down payment (minimum required for CHFA loan). Using data from the Assessor's Office, it is estimated that there are approximately 850 homes, or about 15% of the housing stock, that could be marketed for this amount or less. If one makes a 20% down payment, the purchasing price rises to \$240,000, of which there are approximately 1,988 homes which could be available if sales prices matched Town appraisal, or about 36% of the housing stock.

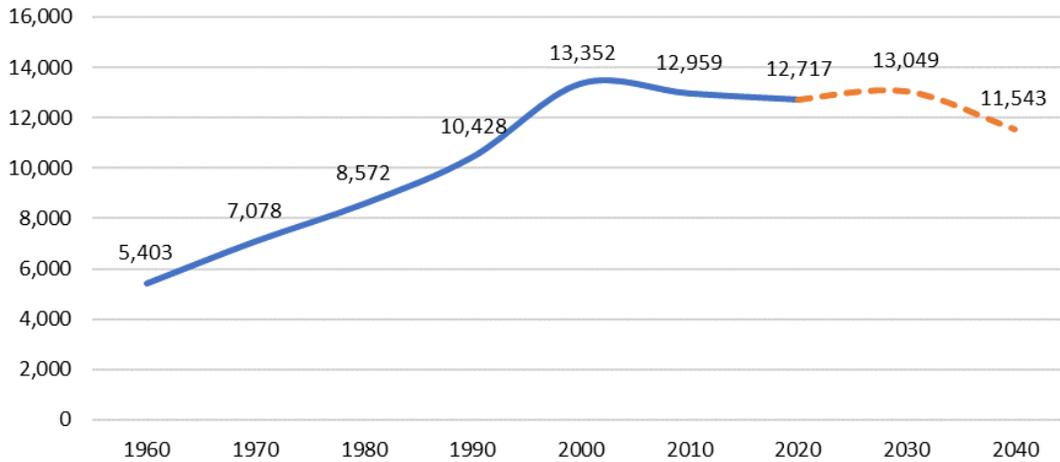
## Housing Needs Assessment

This section presents a summary of the key findings from the Housing Needs Assessment. For the complete Housing Needs Assessment, please see *Appendix A*.

### Demographics

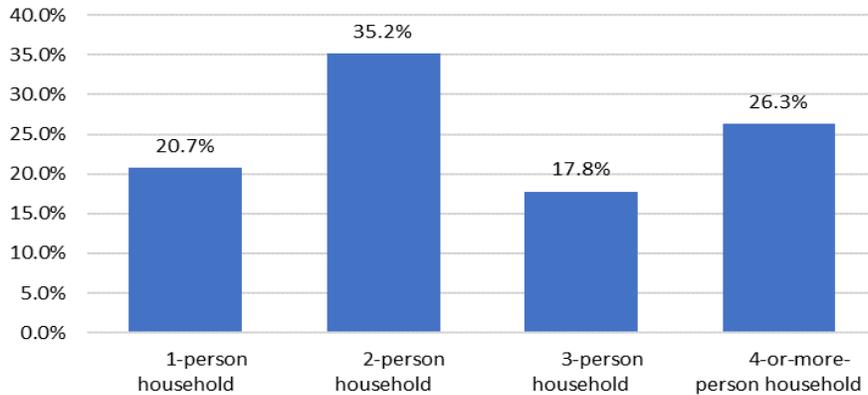
- East Hampton's population was on a steady rise until 2000. Following this peak, the population began a very slow decline, witnessing a 4.7% decrease between 2000 and 2020.
- While the CT State Data Center projects a somewhat stagnant population between 2020 and 2030, 2040 may resume the decline.
- The middle-aged groups and under-25 population have grown the most in the last ten years, indicating a presence of families and young adults in Town.
- The share of the population comprised of 65+ residents has consistently grown since 2000, reaching 17% of East Hampton's population in 2019.
- Some of the largest decreases in age cohorts over the last ten years occurred in the elderly age groups, despite making up a large and growing share of the population.
- Like many other towns in the Region, East Hampton's average household size is getting smaller; as of 2019, 55% of East Hampton's households were comprised of one or two people. Despite the small household sizes, most houses (73%) in East Hampton have three or more bedrooms, which suggests that the town's supply of smaller housing units has not kept up with this growing demand.

### Town of East Hampton Population Trends



Source: Decennial Census 1960-2020, CT Data Center Projections

### East Hampton Household Size Distribution



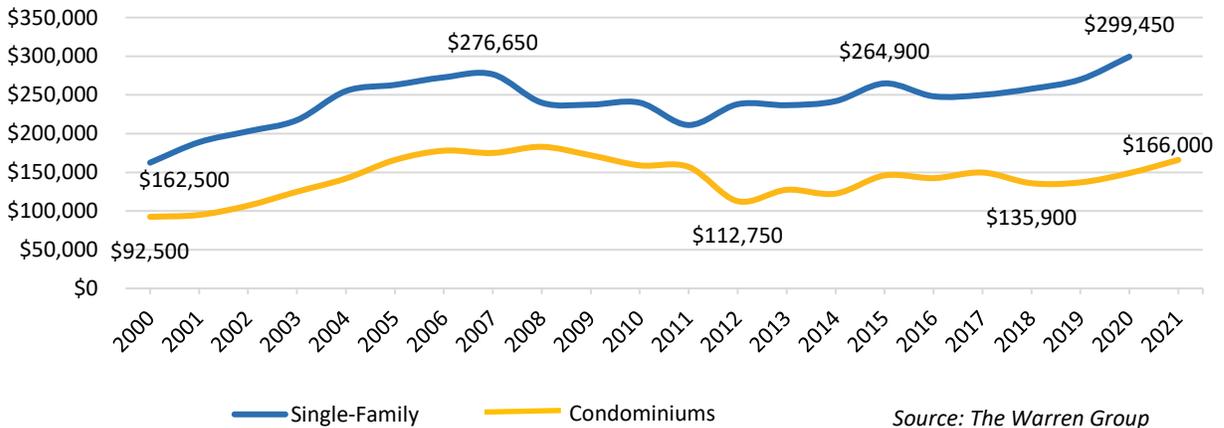
Source: 2019 ACS 5-Year Estimates, Tables B01001, B11016

### Housing Stock

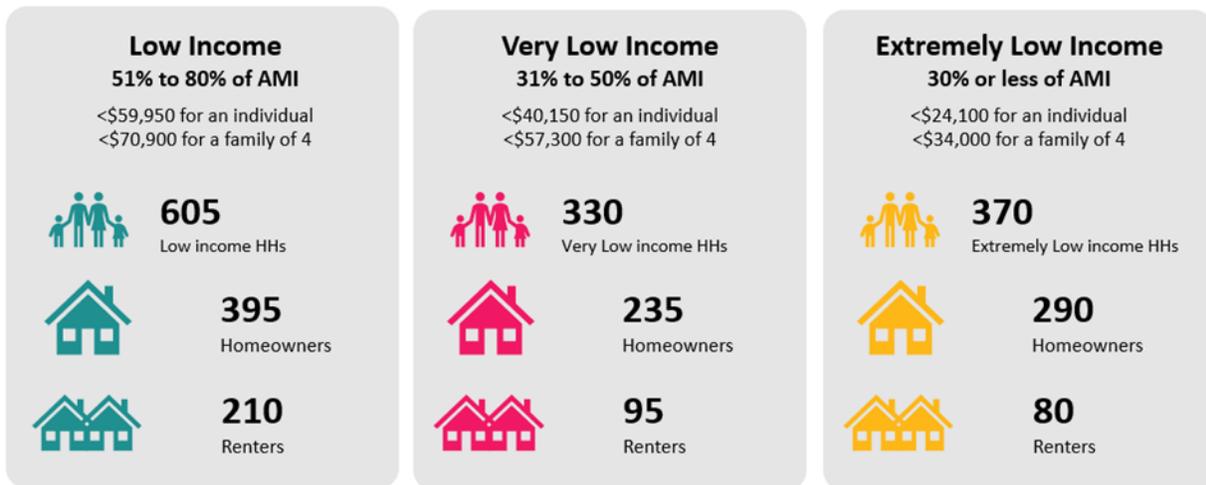
- East Hampton’s housing stock is nearly exclusively single family, owner-occupied units. The Town has a higher share of single-family homes than the state and county overall, at 83% of total units. 88% of the Town’s units are owner-occupied.
- Over 73% of housing units in East Hampton have three or more bedrooms, making the housing stock largely suited to families with children. In 2019, 55% of East Hampton households were made up of 1 or 2 people, which suggests that the demand for units with fewer bedrooms has outpaced the supply in town.
- The median home sales price in town reached a historic high in 2020, at \$299,450. Between 2020 and 2021, home sales prices increased by 10.9% for single family homes.

- Housing permit activity has been slow since the mid-2000s, indicating a lack of available land and economic conditions. Since 2015, East Hampton has averaged about 18 building permits per year. In the first eight months of 2021, the Town issued about 39 new building permits for single-family residences, plus one two-family and 24 new multifamily units.

### Town of East Hampton Median Home Sale Price: 2000 to 2021



### Housing Need



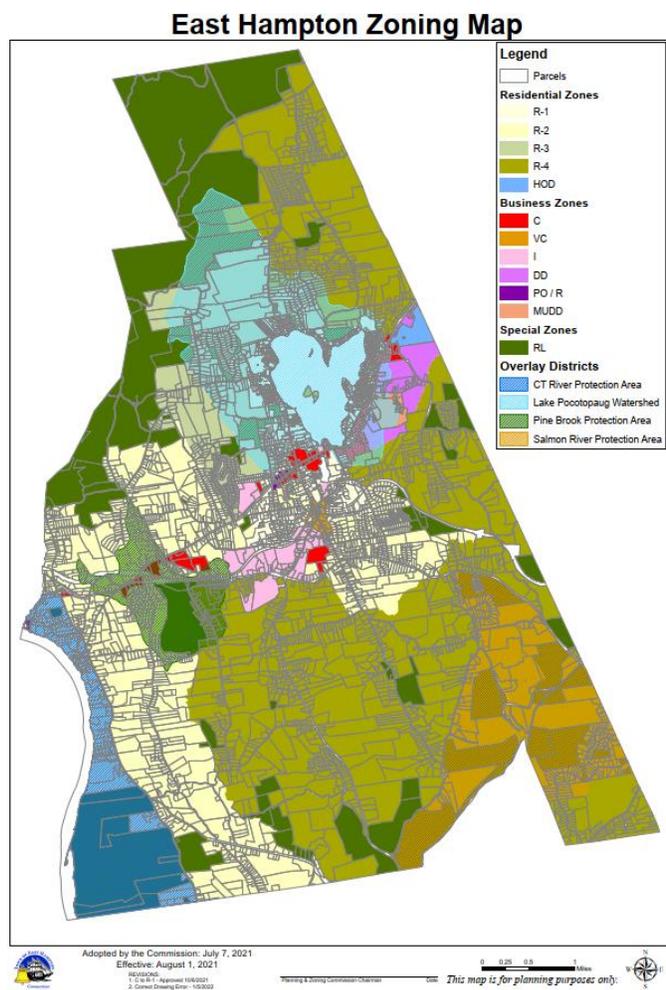
- There are **1,305 households** in East Hampton (26% of total) who meet the definition of low income (household income <80% of AMI)
- Cost burdened households spend greater than 30% of their income on housing and may have difficulty affording other necessities such as food, clothing, transportation, and medical care. 28% of East Hampton households are cost burdened. About 44% of East Hamptons' low-income households are cost-burdened, compared to 0% of households who are not considered low-income.

- Renters are slightly more likely to be cost-burdened in East Hampton compared to owners.
- Seniors and young adults are more likely to be cost burdened than middle aged householders.
- A housing gap analysis was performed comparing the supply of “naturally occurring” affordable housing to local demand (see Appendix A – Housing Needs Assessment). There is an existing need among residents for affordable housing units for households of various sizes. The greatest need is for units affordable for low-income families (both owners and renters), low-income owner and renter individuals, and very low-income owner individuals.

## Land Use & Zoning Assessment

This section presents a summary of the key findings from the Planning and Zoning Review. For more details, please see *Appendix A*.

- East Hampton has four zones that allow residential development on various lot sizes: The R-1 Zone: Lakeside and Village Residential, the R-2 Zone: Single Family Residential Zone, the R-3 Zone: Resource Residential, and the R-4 Zone: Rural Residential. Single family dwellings are permitted in all residential zones, while two-family dwellings are permitted in R-1, R-3, and R-4 zones, and prohibited in the R-2 Zone. The Mixed-Use Development District (MUDD) is a floating zone that allows residential uses permitted by right or by special permit in the R-1, R-2 or R-3 districts, or commercial uses allowed in the C, DD, or VC zones.
- The “Housing Opportunity Development” regulation allows for the development of diverse and affordable housing types, utilizing existing infrastructure and



encouraging energy-efficient development. A HOD development restricts 15% of units to remaining affordable for a period of at least forty years for households making less than 80% of the Area Median Income (or Statewide Median Income if it is less) per year in household income. 15% are also set-aside for those households making 60% of less of AMI.

- Village Housing District Overlay allows a range of sub-districts, including a Multi-Family, Townhouse, and Duplex subdistrict. At least 20% of all dwelling units constructed are required to be deed-restricted affordable units to be affordable for those earning 80% or less of the area median income.
- Accessory Dwelling Units (ADUs) are allowed in R-1, R-3 and R-4 zones by Special Permit only.
- Adopted in 2016, East Hampton's Plan of Conservation and Development outlines the following goals for residential development:
  - Consider adopting Density Based Zoning
  - Consider open space development patterns
  - Consider Residential growth management strategies, including:
    - Creating a program that encourages developers to create open space subdivisions instead of conventional subdivisions
    - Considering special use permits for conventional subdivisions that maximize lot size (based on applicable density) while allowing conservation subdivisions by right
    - Promoting housing in Village Center

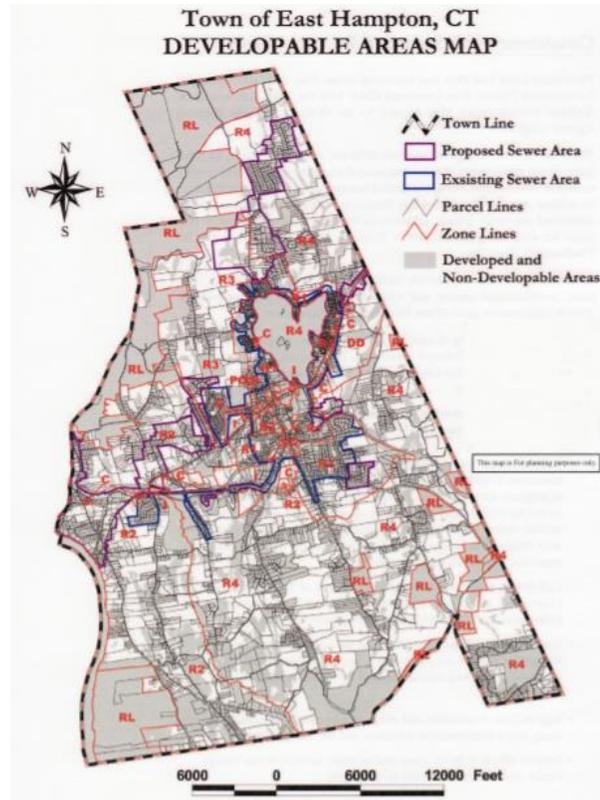
## Infrastructure and Natural Constraints Assessment

This section presents a summary of the key findings from the Infrastructure and Natural Environment Review. For more details, please see *Appendix A*.

- East Hampton's residents rely on some public water and public sewer, but neither system is town-wide.
- Not all land in town can be used for development. Restrictions on development include:
  - Lake Pocotopaug Protection Zone
  - Upper Connecticut Conservation Zone
  - Aquifer Protection Overlay Zone
  - Salmon River Protection Zone
  - Floodplain Overlay Zone

Town of East Hampton Affordable Housing Plan

- Preservation and Conservation are extremely important to the town. The 2016 POCD states that “[preserving] undeveloped land for as long as possible” is one of its key goals to protect scenic resources in town.



## Objectives and Strategies

In order to increase the availability of affordable housing and broader housing opportunities in East Hampton, the Town will undertake the following:

### 1) Undertake Administrative Actions

**Action 1.1** Establish a standing Housing Committee to oversee and implement recommendations to promote Affordable Housing (*Lead entity: Town Council*)

**Action 1.2-** Designate a municipal housing official as a point-person. (*Lead entity: Town Council / Town Staff*)

**Action 1.3-** Devote a municipal web-page highlighting municipal policies regarding housing development, funding opportunities, and informational resources (*Lead Entity: Town Staff*)

**Action 1.5-** Promote USDA and CHFA financing support programs within Real Estate community (*Lead entity: Town Staff*)

**Action 1.6-** Actively solicit and participate with developer efforts to seek Low Income Tax Credits for development projects (*Lead Entity: Town Council/Town Staff*)

**Action 1.7-** Review current tax incentive/relief programs for seniors and disabled to determine if they are adequate for current and projected needs (*Lead Entity: Town Staff/Town Council*)

**Action 1.8-** Investigate new tax or funding support programs could be put in place for teachers, town employees, EMS, police, and other key groups. (*Lead Entity: Town Council/Town Staff*)

**Action 1.9** - Monitor the number of Naturally Occurring Affordable Units on the market and encourage those who qualify to seek CHFA/USDA financing to obtain those units. (*Lead Entity: Town Staff*)

### 2) Make Regulatory Adjustments

**Action 2.1-** Implement 8-2i "Inclusionary Zoning" on developments over a certain size (*Lead entity: Planning & Zoning Commission*)

**Action 2.2-** Consider changes which would streamline the process to construct new middle-density housing in targeted areas and allow for the conversion of larger/historic home to allow for higher-densities. (*Lead entity: Planning & Zoning Commission*)

**Action 2.3-** Streamline Zoning Regulations to better promote Planned Residential Developments in targeted areas (*Lead entity: Planning & Zoning Commission*)

**Action 2.4-** Consider innovative zoning approaches, including Incentive Housing Zones, Neighborhood Revitalization Zones, and Transfer of Development Rights. (*Lead Entity: Planning & Zoning Commission*)

**Action 2.5-** Create zoning regulations for cottage clusters, incentivizing starter houses, and pocket neighborhoods. (*Lead Entity: Planning & Zoning Commission*)

**Action 2.6-** Consider changes to the existing HOD Zone to make the zone applicable to more areas closer to the Village Center and commercial corridor and in areas with existing infrastructure. Changes could include smaller minimum lot size or higher allowed density. (*Lead Entity: Planning & Zoning Commission*)

### **3) Make Town Policy Changes / Investments**

**Action 3.1-** Pursue partnerships with nonprofit organizations and senior community developers (*Lead Entity: Town Council/Planning & Zoning Commission*)

**Action 3.2-** Homeowner grants or housing trust fund to help with housing repairs and to allow cost-burdened owners to stay in their homes. (*Lead Entity: Town Staff*)

**Action 3.3-** Work with regional and State leaders to develop ways to preserve existing Naturally Occurring Affordable Units and acknowledge their presence within the housing market. (*Lead Entity: Town Council*)



# Town of East Hampton Affordable Housing Plan (AHP)

**Appendix A**  
**Data Analysis &**  
**Housing Needs Assessment**  
April 2022

SALMON  
RIVER

# ACRONYMS AND DEFINITIONS

## Definitions

**American Community Survey (ACS)** – The ACS is a data collection program overseen by the U.S. Census Bureau that collects demographic and housing data for individuals and households. The ACS surveys approximately 3 million households across the nation per year (roughly 2.5% of households) and aggregates the data on multi-year intervals. Because it is based on a multi-year sample, it is not directly comparable to the Decennial Census, which is based on a 100% population count every ten years.

**Affordable Housing** - Affordable housing is generally defined as housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities.

**Protected Affordable Housing** – housing which, due to deed restriction or subsidy, costs a low-income household no more than 30% of their income, and is reserved for occupancy by a low-income household.

**Naturally Occurring Affordable Housing (NOAH)** – housing *without* deed restriction or subsidy and costs a low-income household no more than 30% of their income, but is not reserved for only low-income households.

**Market Rate Rent** - The prevailing monthly cost for rental housing. It is set by the landlord without restrictions.

## Acronyms:

**ACS** – American Community Survey

**AMI** – Area Median Income

**CTSDC** – Connecticut State Data Center

**DECD** – Department of Economic Community Development

**HUD** – US Department of Housing and Urban Development

**NOAH** – Naturally Occurring Affordable Housing

**POCD** – Plan of Conservation and Development

**PSC** – Partnership for Strong Communities

**RPA** – Regional Plan Association



# **EXISTING CONDITIONS: PLANNING & ZONING REVIEW**



Lower Connecticut River Valley  
Council of Governments

# Zoning

- Four zones that allow residential development on various lot sizes
  - R-1 Zone-Lakeside and Village Residential
    - 1-2 family dwellings
    - Minimum lot area with sewer: 20,000 sq ft
    - Minimum lot area without sewer: 60,000
    - ADUs by special permit
  - R-2 Zone- Single Family Residential
    - Minimum lot area with sewer: 40,000 sq ft
    - Minimum lot area without sewer: 60,000 sq ft
  - R-3 Zone: Resource Residential
    - 1-2 family dwellings
    - Minimum lot size with sewer: 45,000
    - Minimum lot size without sewer: 65,000
    - ADUs by special permit
  - R-4 Zone- Rural Residential
    - 1-2 family dwellings
    - ADUs by special permit
    - Minimum lot area: 85,000



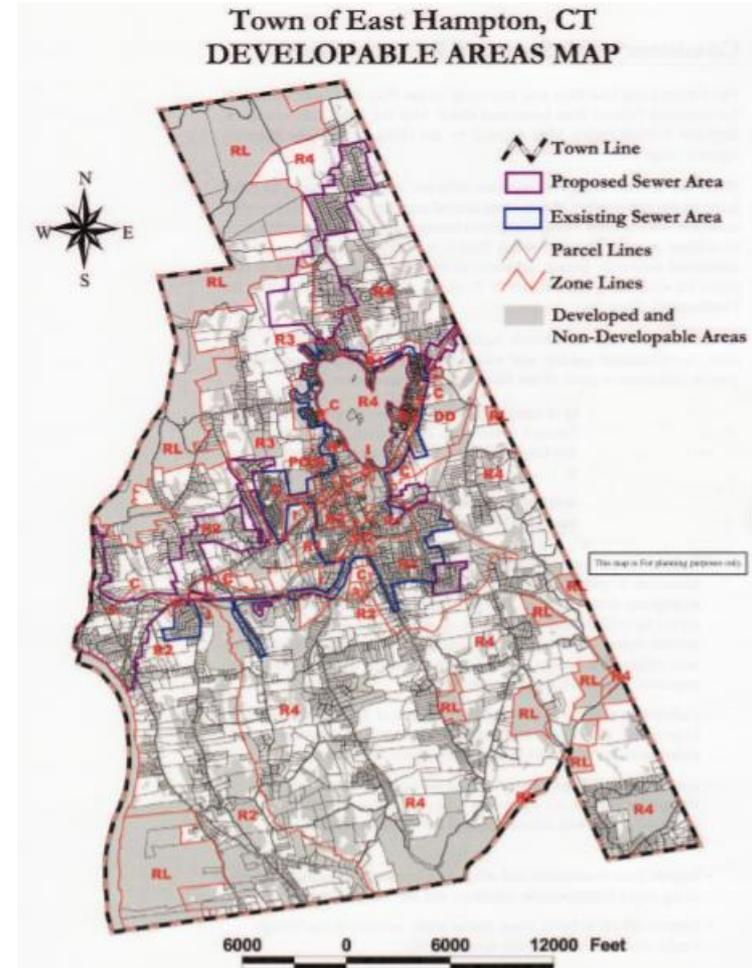
# Zoning

- Village Housing Overlay (Village District)
  - Sub-districts:
    - Multi-family → allows multifamily residential development up to 20 units/acre of developable land, and townhouse residential development up to 10 units/acre of developable land by special permit
    - Townhouse → allows townhouse residential development up to 10 units/acre by special permit
    - Duplex → allows duplex residential development up to 6 units and single-family residential units up to 3 units/acre by special permit
  - Housing affordability requirements
    - At least 20% of units constructed in a development will be deed restricted for households earning 80% or less of the AMI
- Housing Opportunity Development Zone- (HOD Zone)
  - Allow detached single-family dwellings and attached single family dwellings consisting of 2-4 units on common interest ownership property or subdivided lots
  - “housing opportunity unit”: Affordable Housing unit. 15% or more of HOD developments shall be affordable
- Mixed Use Development District (Floating Zone)
  - Allows any use permitted by right or by special permit in the R1, R2, R3 districts (specifically includes the two family and multifamily (3-20 unit) residential uses)



# Infrastructure & Buildable Land

- East Hampton's residents rely on some public sewer and public water, but the system is not town-wide
- Not all the land in Town can be used for development. Restrictions on development include:
  - Lake Pocotopaug Protection Zone
  - Upper Connecticut Conservation Zone
  - Aquifer Protection Overlay Zone
  - Salmon River Protection Zone
  - Floodplain overlay zone
- The 2015 POCD makes "[preserving] undeveloped land for as long as possible" one of its key goals to protect scenic resources in town



# Housing Opportunities from POCD

- Adopted in 2016
- Residential Goals from the POCD:
  - Consider adopting Density Based Zoning
  - Consider open space development patterns
  - Residential growth management strategies:
    - Create a program that encourages developers to create open space subdivisions instead of conventional subdivisions
    - Consider special use permits for conventional subdivisions that maximize lot size (based on applicable density) while allowing conservation subdivisions by right
    - Promotion of housing in Village Center



# EXISTING CONDITIONS: DEMOGRAPHIC TRENDS



Lower Connecticut River Valley  
Council of Governments



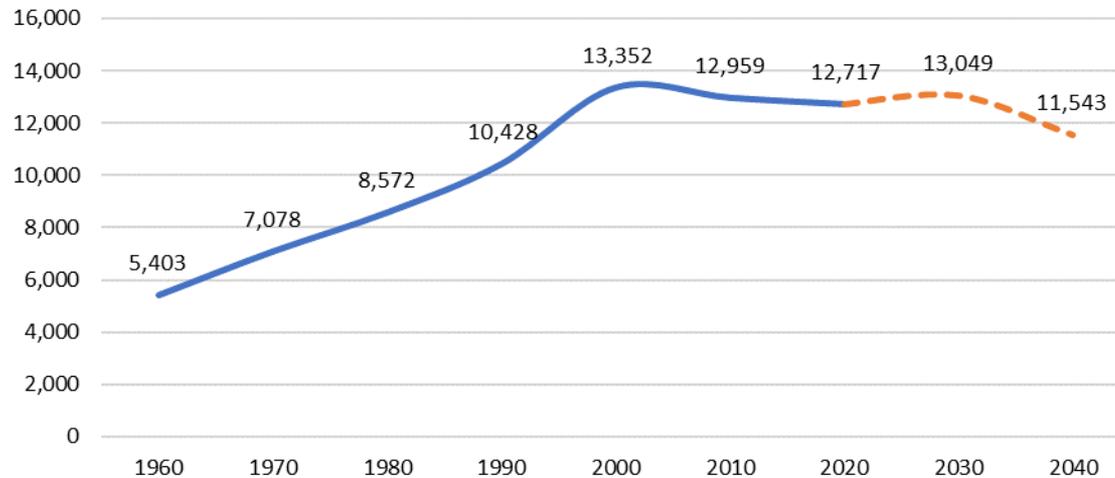
## DATA NOTE

- **Not all Census Data for 2020 is available at this time**
- The most current published sources of data are being utilized, of which many sources provide estimates
- All data sources and analysis on demographics and housing market trends is in accordance with DOH Guidance for AHP's



# POPULATION TRENDS

Town of East Hampton Population Trends

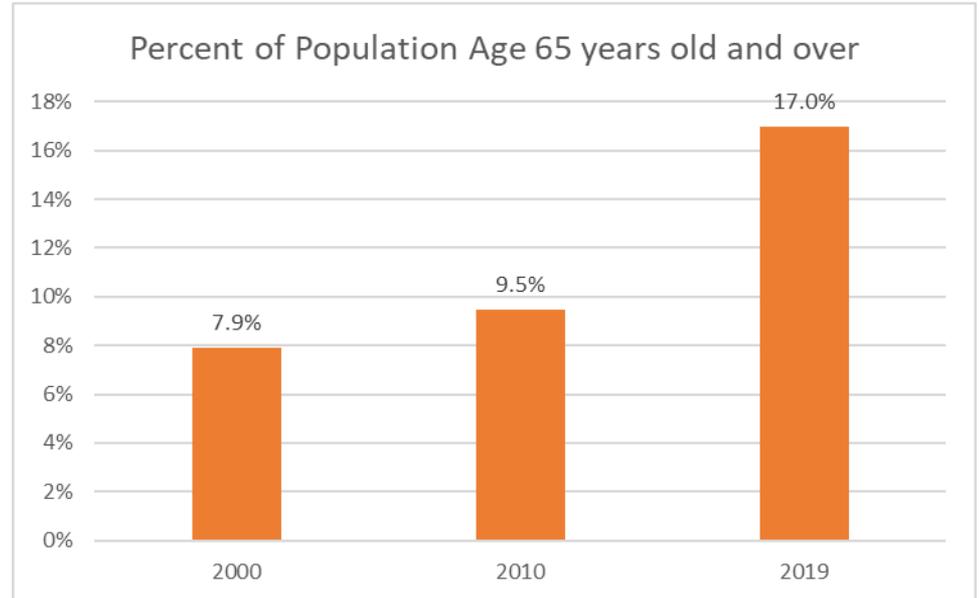
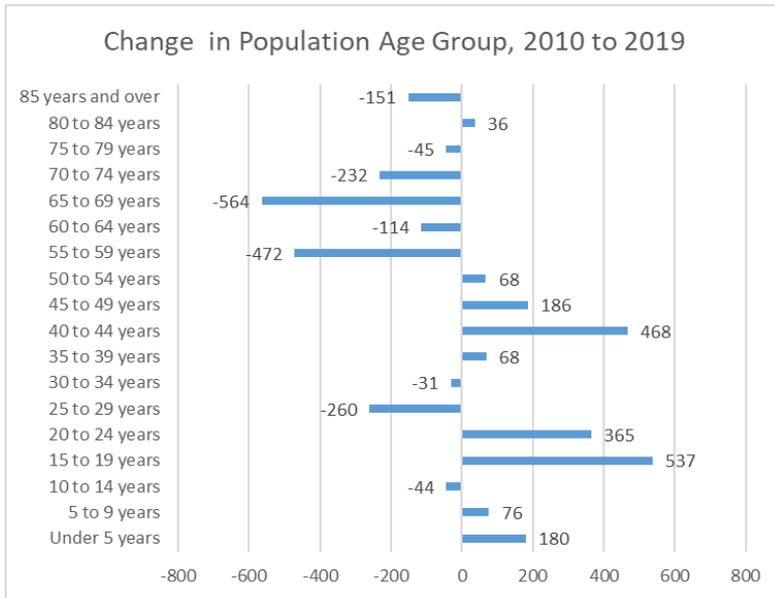


Source: Decennial Census 1960-2020, CT Data Center Projections

- After a peak in 2000, the population has been on a slow decline, with a 4.7% decrease between 2000 and 2020
- Population is projected to continue declining in the next two decades
- **Future population drivers will likely include housing turnover**, followed by housing construction, including new dwelling units, additions, and expansions



# AGE DISTRIBUTION



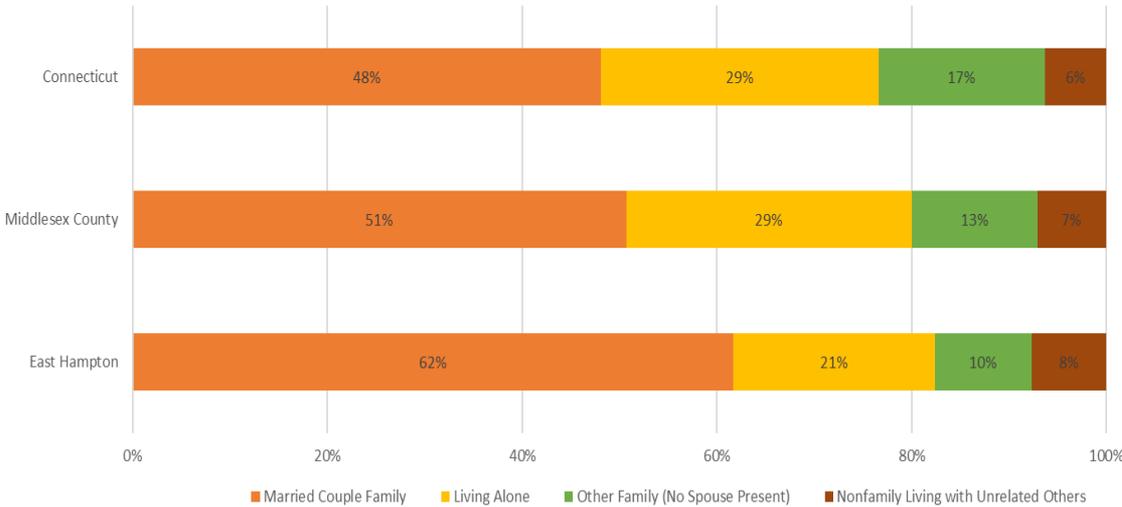
Source: 2000 and 2010 decennial census; 2019 ACS 5-Year Estimates, Table B01001

- Growth of middle aged groups and under 25 population, indicating presence of families in town
- Share of population 65 years old and over has consistently grown since 2000, reaching 17% of the total population in 2019
- Some large decreases in the elderly age groups in last ten years, despite 17% of population being 65+ currently

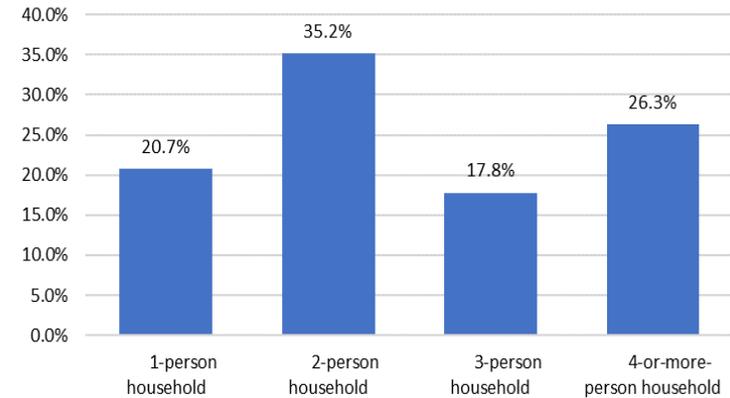


# HOUSEHOLD COMPOSITION

Household Distribution



East Hampton Household Size Distribution



Source: 2019 ACS 5-Year Estimates, Tables B01001, B11016

- **In 2019, 55% of East Hampton households are made up of one or two people**
  - Indicates trend to empty nester households
- 43% of households are made up of 3 or 4 people
  - Most households are married couple families

## DEMOGRAPHIC TRENDS: TAKEAWAYS

- Population has stabilized but is slightly declining
- Aging community – growing share of population age 65 years old and over
- East Hampton has a diverse range of household types, with a healthy spread of family households, married couples, and households without children
- Most households in East Hampton are married couple families

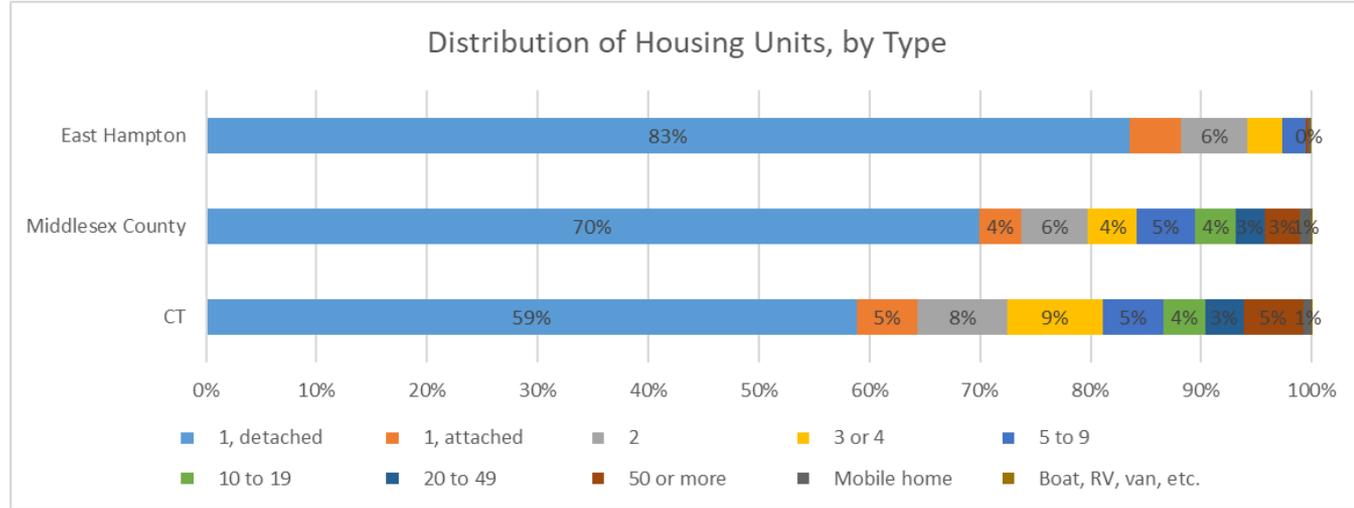
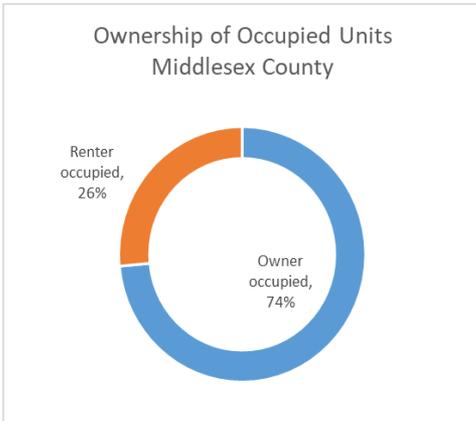
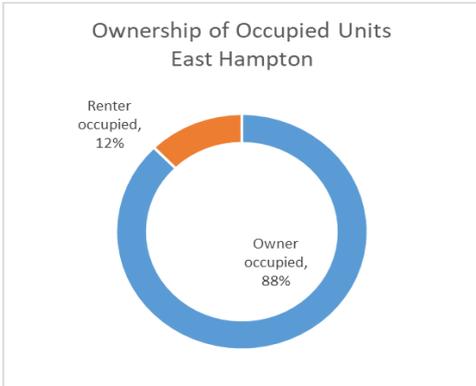


# **EXISTING CONDITIONS: HOUSING MARKET TRENDS**



Lower Connecticut River Valley  
Council of Governments

# HOUSING TYPOLOGY

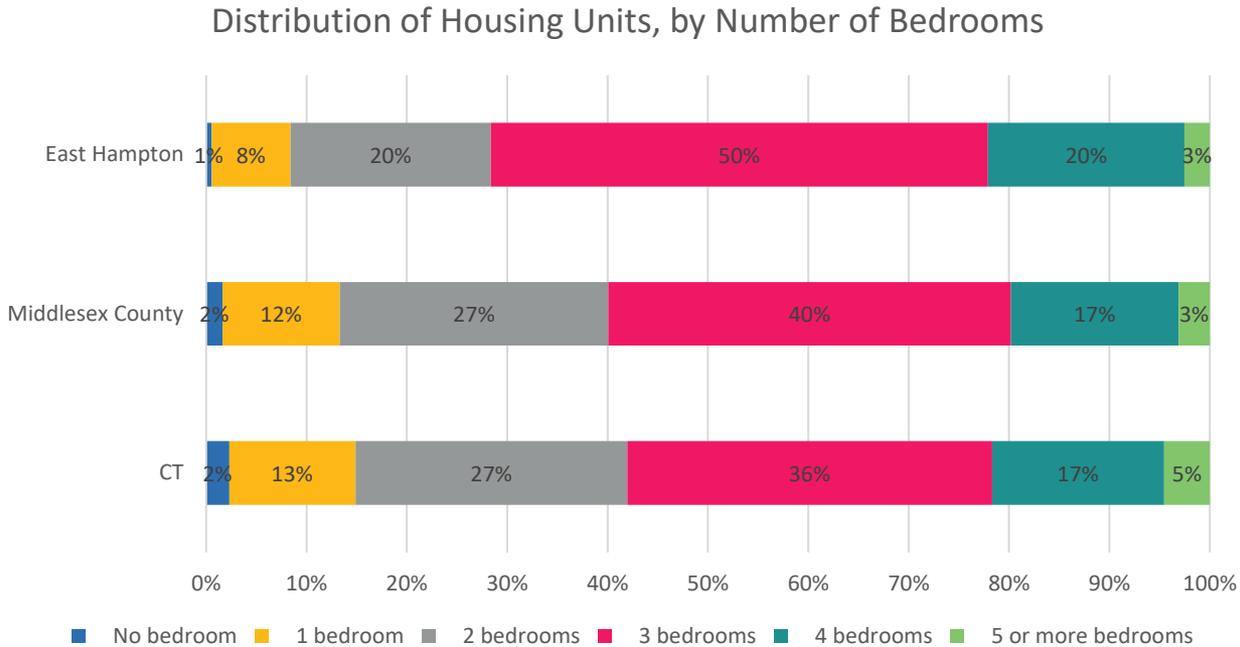


Source: ACS 5-Year Estimates, Table B25008, B25041

- 88% of units in East Hampton are owner-occupied, compared to only 74% in Middlesex County overall
- East Hampton has a higher share of single-family homes than the county and state overall at 83%
  - Over two thirds of housing units in Middlesex County are single-family homes

# HOUSING TYPOLOGY

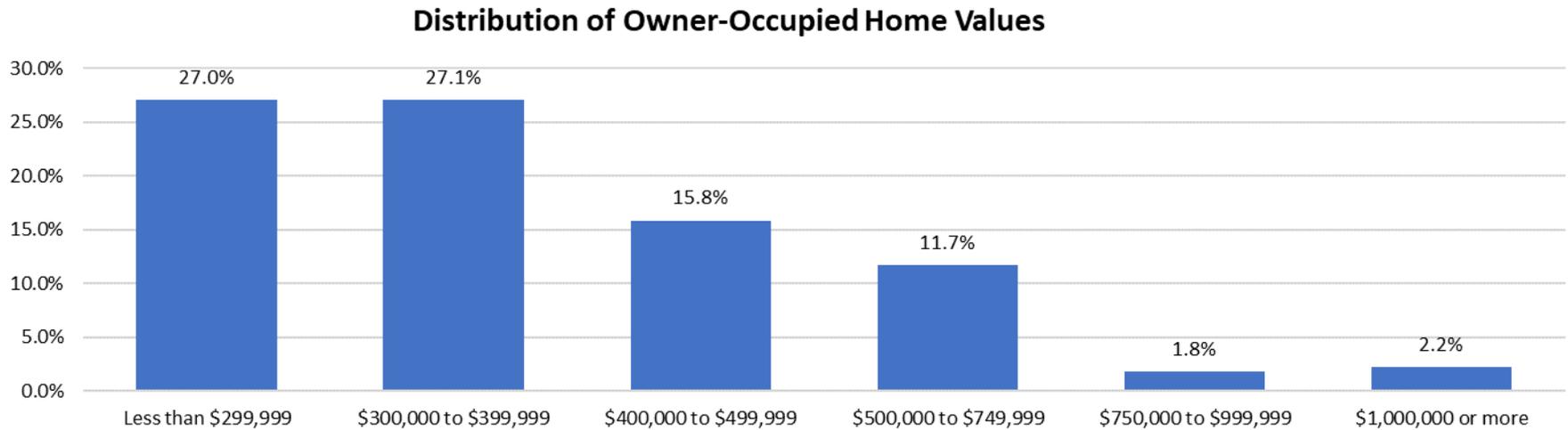
## Distribution of Housing Units, by Number of Bedrooms



- Over 73% of housing units in East Hampton are 3, 4, or more bedrooms
  - In 2019, 55% of households had two people or fewer
- Size of units largely suited to families with children, 90% of housing units have 2, 3, or 4 bedrooms



# HOME VALUE DISTRIBUTION (OWNER-OCCUPIED UNITS)

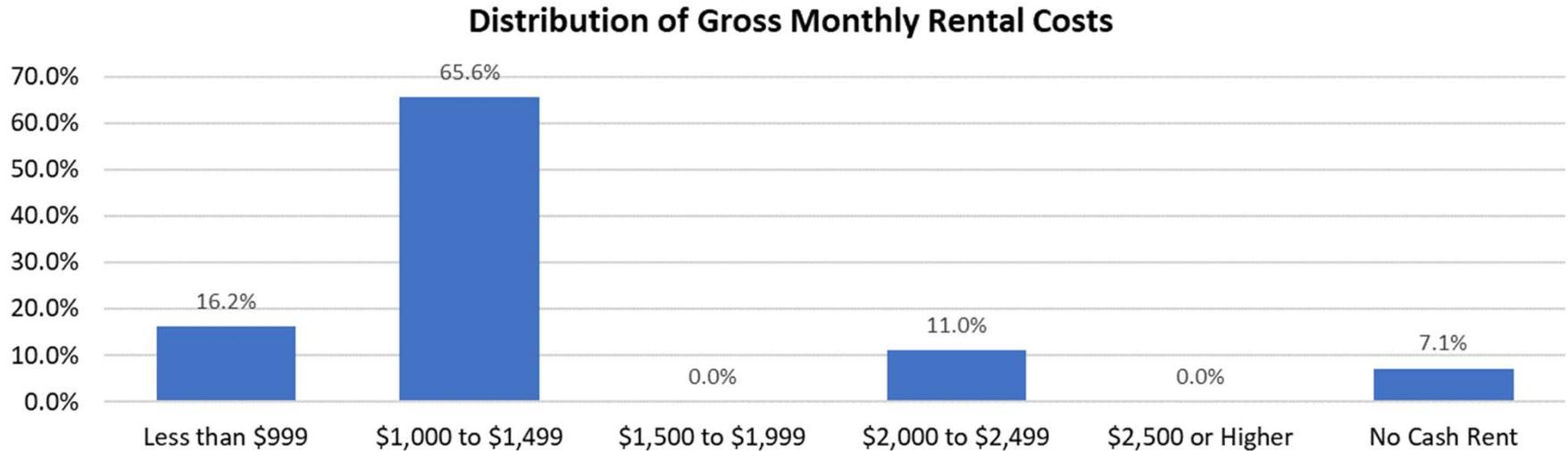


Source: 2019 American Community Survey, 5-Year Estimates, table B25075

- Home values trend in lower price ranges, with nearly 50% of homes valued under \$400,000



# GROSS RENT DISTRIBUTION

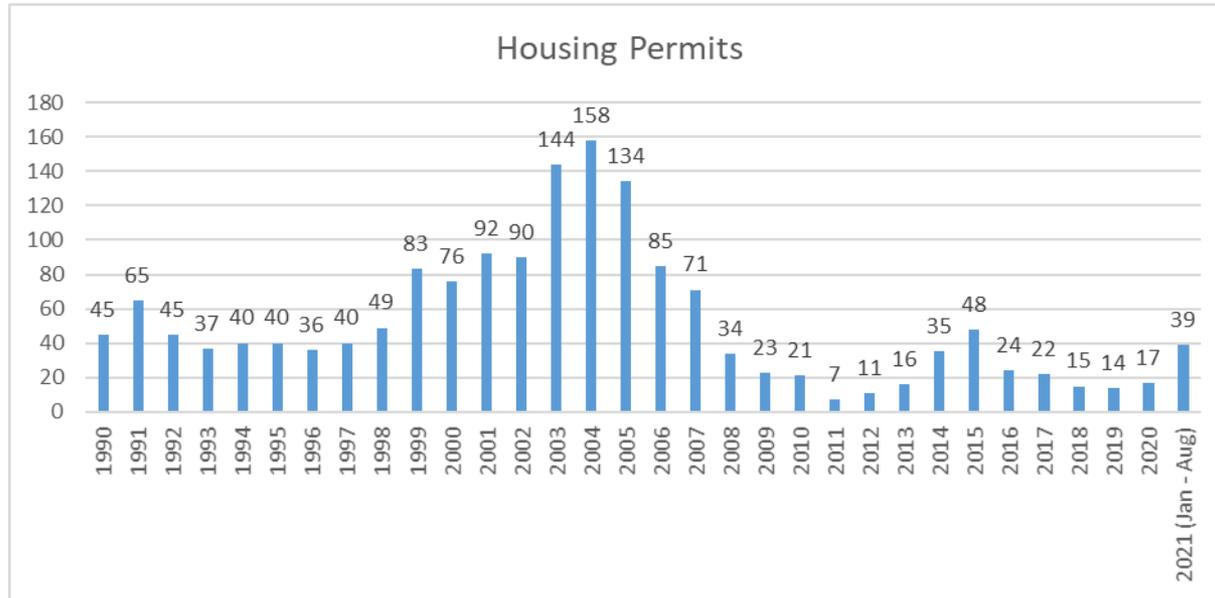


*2019 American Community Survey 5-Year Estimates, Table B25063*

- Median gross monthly rent in East Hampton is \$1,258, which is higher than both Middlesex County (\$1,162) and Connecticut (\$1,180)
- Most rental units (65.6%) are between \$1,000 to \$1,499 a month
- 16.2% of rental units are less than \$1,000 a month



# HOUSING PERMITS



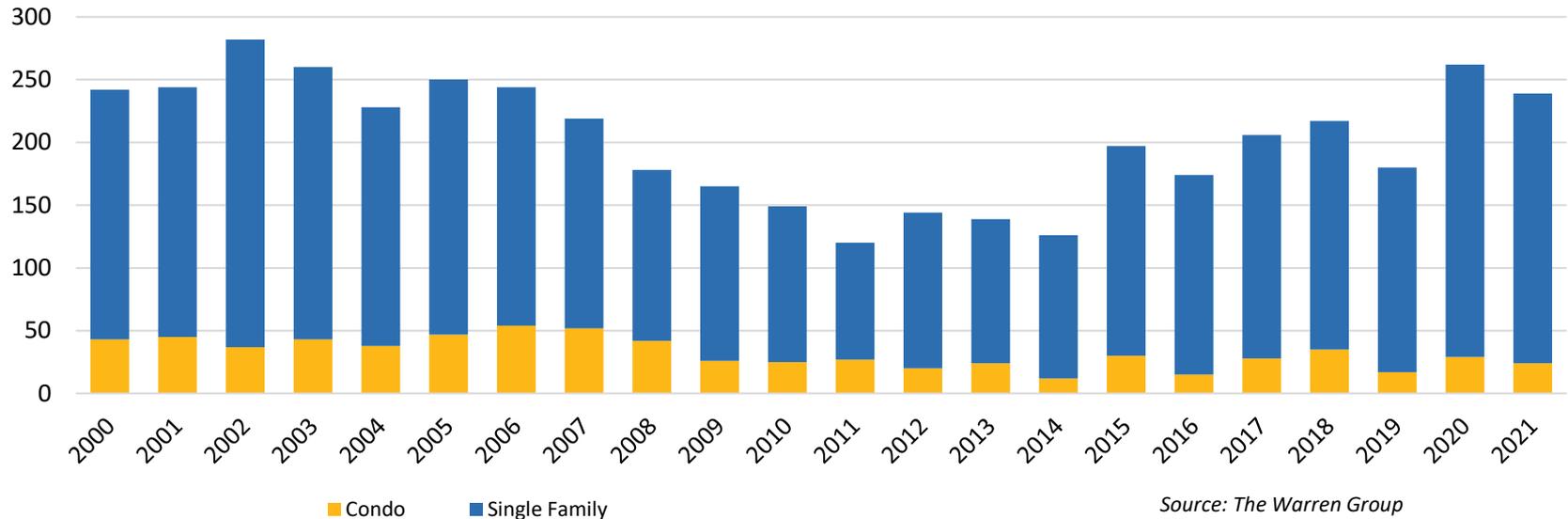
Source: CT DECD

- Housing permit activity dropped off since a large peak in the mid-2000s, indicating lack of available land and economic conditions
- Since 2015, East Hampton has averaged about 18 building permits annually
  - In the first eight months of 2021, East Hampton has issued 39 new permits – possibly a short-term bump
- Housing permits do not include additions, renovations, nor reinvestment



# HOME SALES

## Town of East Hampton Home Sales: 2000 to 2021

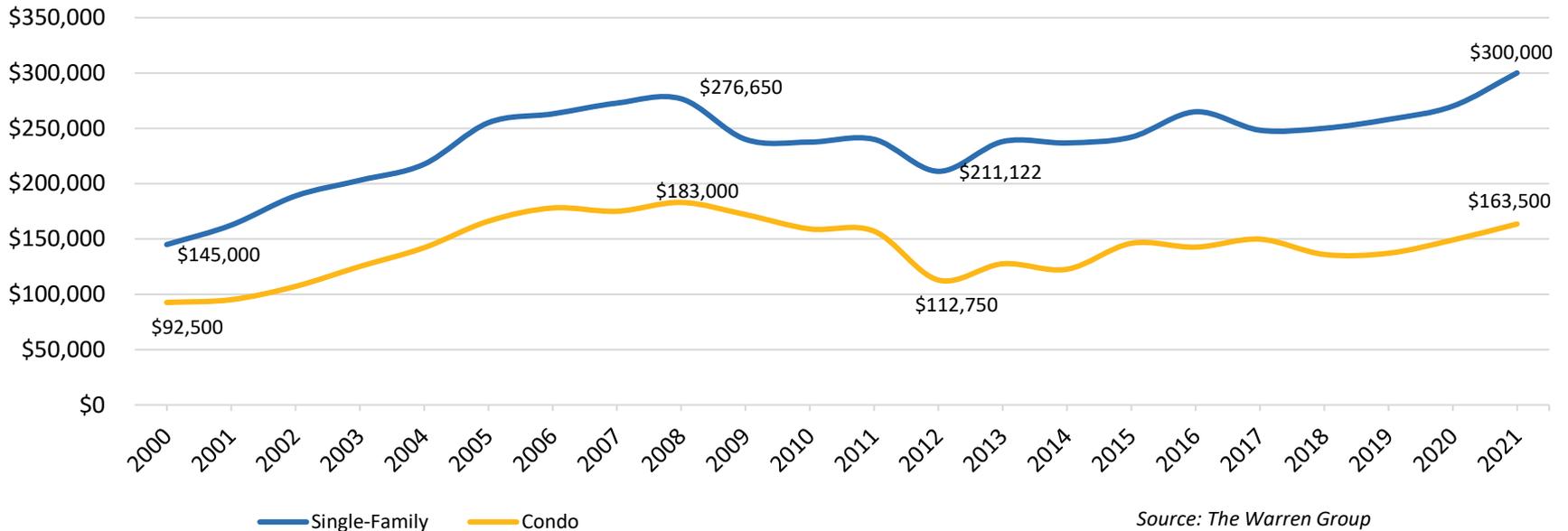


- Nearly exclusive single-family market
- From 2016 to 2019, home sales were generally stable, averaging about 216 per year



# HOME SALE PRICES

## Town of East Hampton Median Home Sale Price: 2000 to 2021



- Median sales price for a single-family home hit a historic high of \$299,450 in 2020
- Between 2020 and 2021, the median home sales price for a single-family home increased by 10.9%
  - In that same time, the median sales price for condos increased by 11.4%

# HOUSING MARKET TRENDS: TAKEAWAYS

- Homogenous housing stock
  - Primarily single-family, owner-occupied units
- Most housing has 2 or more bedrooms, family-oriented
  - More than half of East Hampton households comprised of two people or fewer
- Home sales prices seem to be on an upward trend
  - Drop in home sales in 2020-2021 likely owed to the higher prices



# Housing Needs Assessment



Lower Connecticut River Valley  
Council of Governments

# Affordable Housing Needs

## How many East Hampton Families Need Affordable Housing?

### Low Income

51% to 80% of AMI

<\$59,950 for an individual  
<\$70,900 for a family of 4



**605**

Low income HHs



**395**

Homeowners



**210**

Renters

### Very Low Income

31% to 50% of AMI

<\$40,150 for an individual  
<\$57,300 for a family of 4



**330**

Very Low income HHs



**235**

Homeowners



**95**

Renters

### Extremely Low Income

30% of less of AMI

<\$24,100 for an individual  
<\$34,000 for a family of 4



**370**

Extremely Low income HHs



**290**

Homeowners



**80**

Renters

Source: U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Survey (CHAS): 2014-2018

- There are 1,305 households in East Hampton (26% of total) who meet the definition of low income (household income <80% of AMI)
- Primarily homeowners



Lower Connecticut River Valley  
Council of Governments



# Affordable Housing: Renter Needs

## Maximum Monthly Costs for Low Income Renters

### Low Income

51% to 80% of AMI

<\$59,950 for an individual  
<\$70,900 for a family of 4



**\$1,398/month**

for an individual



**\$1,863/month**

for a family of 4

### Very Low Income

31% to 50% of AMI

<\$40,150 for an individual  
<\$57,300 for a family of 4



**\$936/month**

for an individual



**\$1,136/month**

for a family of 4

### Extremely Low Income

30% of less of AMI

<\$24,100 for an individual  
<\$34,000 for a family of 4



**\$562/month**

for an individual



**\$753/month**

for a family of 4

Source: U.S. Department of Housing and Urban Development (HUD) Income Limits. Based on income limits for the Southern Middlesex County, CT HUD Metro FMR Area

**30% Rule:** HUD recommends that households spend no more than 30% of their income on housing costs including rent or mortgage payments, property taxes, utilities, HOA fees, and maintenance costs



# Affordable Housing: Homeowner Needs

## Maximum Home Value Affordable to Low Income Homeowners

### Low Income

51% to 80% of AMI

<\$59,950 for an individual  
<\$70,900 for a family of 4



**\$214,000**  
for an individual



**\$285,000**  
for a family of 4

### Very Low Income

31% to 50% of AMI

<\$40,150 for an individual  
<\$57,300 for a family of 4



**\$143,000**  
for an individual



**\$205,000**  
for a family of 4

### Extremely Low Income

30% of less of AMI

<\$24,100 for an individual  
<\$34,000 for a family of 4



**\$86,000**  
for an individual



**\$121,000**  
for a family of 4

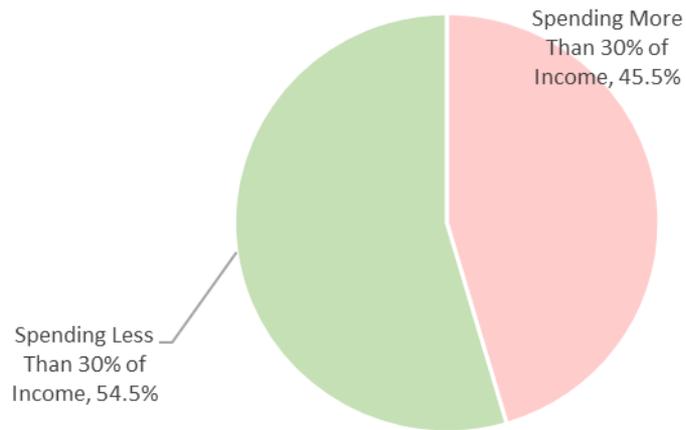
Source: U.S. Department of Housing and Urban Development (HUD) Income Limits. Based on income limits for the Southern Middlesex County, CT HUD Metro FMR Area Calculation assumes 20% down payment, 30-year mortgage at 5% interest, annual property tax payments, and 1.5% carrying costs for insurance and utilities

**30% Rule:** HUD recommends that households spend no more than 30% of their income on housing costs including rent or mortgage payments, property taxes, utilities, HOA fees, and maintenance costs

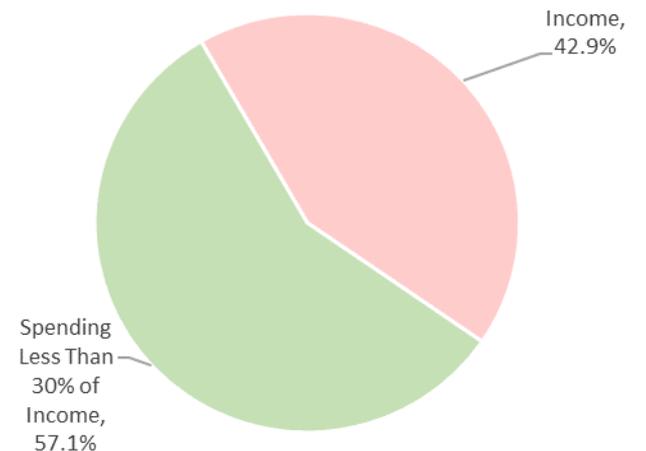
# Cost Burdens: Existing Conditions

## Cost Burden for Low Income Households in East Hampton

Cost Burdened Low-Income Renters



Cost Burdened Low-Income Homeowners



Source: U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Survey (CHAS): 2014-2018

- **Cost Burden** is defined as households that spend greater than 30% of their income on housing. These households may have difficulty affording necessities such as food, clothing, transportation, and medical care
- **In 2018, about 44% of East Hampton's low-income households are cost-burdened**
  - **Compares to 0% for households who are not considered low-income**

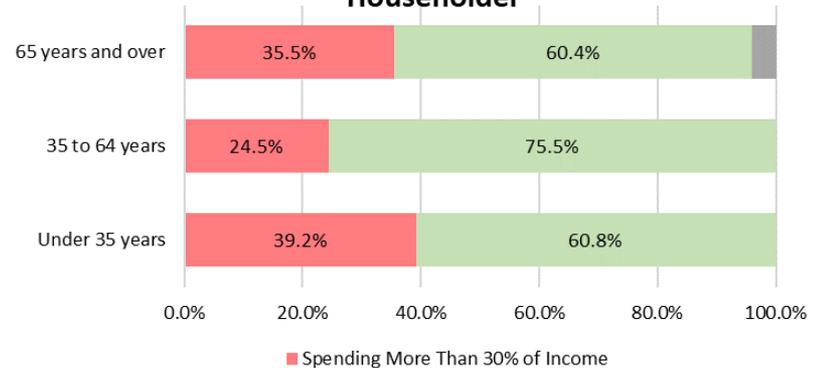


# Cost Burdens: Existing Conditions

## Cost Burden for Other Populations in East Hampton

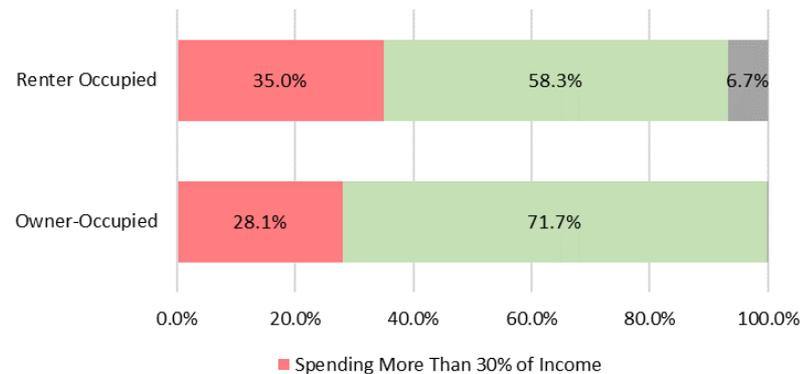
- Renter are slightly more likely to be cost-burdened compared to owners
- Seniors and young professionals are more likely to be cost burdened than middle aged householders

Portion of Income Spent on Housing, by Age of Householder



Source: ACS 5-Year Estimates, Table B25072, 25093

Portion of Income Spent on Housing, by Tenure



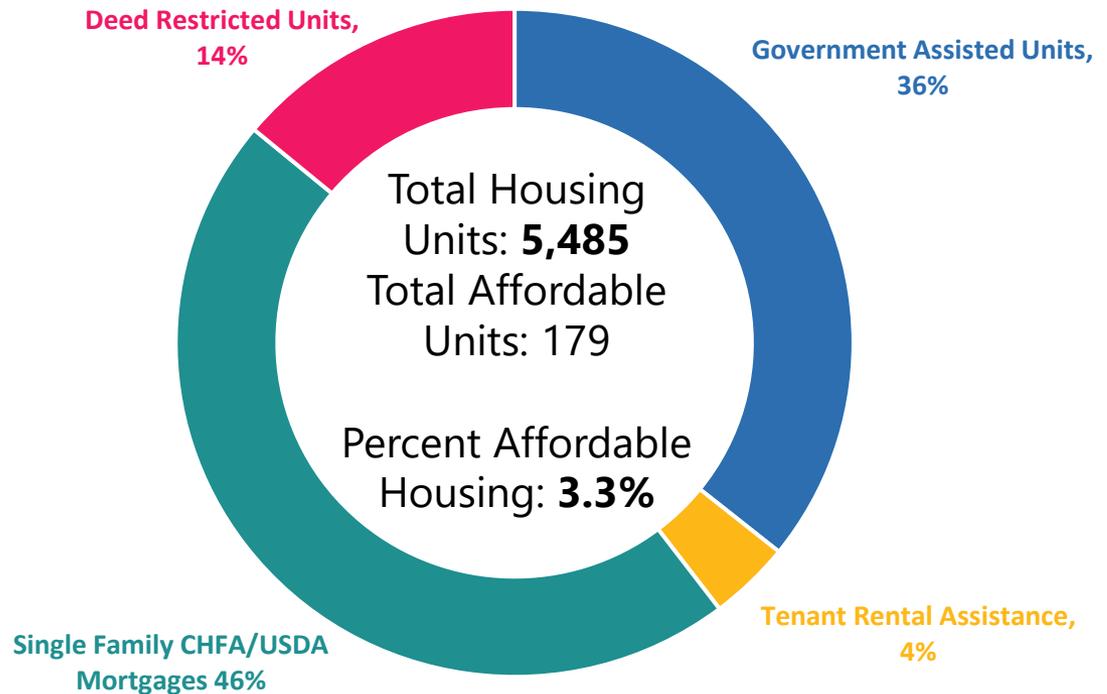
Source: ACS 5-Year Estimates, Table B25072, 25093



# Protected Affordable Housing

- **Protected Affordable Housing Units** meet the statutory definition of affordable housing and are restricted to households that make less than 80% of AMI, so that they spend less than 30% of their income on housing
- **As of 2021, East Hampton 179 protected affordable housing units.**

## East Hampton Protected Affordable Units, 2021



Source: DECD Affordable Housing Appeals List, 2021



# Housing Gap Analysis: Methodology

- **Affordable Housing Demand:**
  - Low-income household estimates provided by U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Survey (CHAS)
  - Income limits provided by U.S. Department of Housing and Urban Development (HUD)
- **Affordable Housing Supply:**
  - Naturally occurring affordable housing calculated using 2019 American Community Survey 5-Year Estimates.
    - Home Value Distribution
    - Distribution of Gross Rent
  - SLR calculation of units affordable to low-income households based on HUD income limits
- **Housing Gap:**
  - Compares housing demand to housing supply
  - Two representative case studies for a family of four and a single-person household. These households have different income limits according to HUD



# Housing Gap Analysis: Family Of 4

## Owner-Occupied Units

Income Group	Max Home Value (Family of 4)	Cumulative Owner Households in Income Range	Cumulative Owner-Occupied Units in Price Range	Owner Gap
Extremely Low Income (<30% of AMI)	\$121,000	290	141	(149)
Very Low Income (<50% of AMI)	205,000	525	327	(198)
Low Income (<80% of AMI)	285,000	920	553	(367)

Source: HUD Income Limits; Comprehensive Housing Affordability Survey (CHAS): 2014-2018; ACS Five-Year Estimates B25075

## Renter-Occupied Units

Income Group	Max Monthly Rent (Family of 4)	Cumulative Renter Households in Income Range	Cumulative Renter-Occupied Units in Price Range	Renter Gap
Extremely Low Income (<30% of AMI)	\$753	80	0	(80)
Very Low Income (<50% of AMI)	\$1,136	175	38	(137)
Low Income (<80% of AMI)	\$1,863	385	126	(259)

Source: HUD Income Limits; Comprehensive Housing Affordability Survey (CHAS): 2014-2018; ACS Five-Year Estimates B25063



# Housing Gap Analysis: Individuals

## Owner-Occupied Units

Income Group	Max Home Value (Individual)	Cumulative Owner Households in Income Range	Cumulative Owner-Occupied Units in Price Range	Owner Gap
Extremely Low Income (<30% of AMI)	\$86,000	290	102	(188)
Very Low Income (<50% of AMI)	\$143,000	525	150	(375)
Low Income (<80% of AMI)	\$214,000	920	346	(574)

Source: HUD Income Limits; Comprehensive Housing Affordability Survey (CHAS): 2014-2018; ACS Five-Year Estimates B25075

## Renter-Occupied Units

Income Group	Max Monthly Rent (Individual)	Cumulative Renter Households in Income Range	Cumulative Renter-Occupied Units in Price Range	Renter Gap
Extremely Low Income (<30% of AMI)	\$562	80	0	(80)
Very Low Income (30% to 50% of AMI)	\$936	175	16	(159)
Low Income (50% to 80% of AMI)	\$1,398	385	60	(325)

Source: HUD Income Limits; Comprehensive Housing Affordability Survey (CHAS): 2014-2018; ACS Five-Year Estimates B25063





# Housing Needs Assessment: Takeaways

- Significant affordable housing needs within East Hampton
  - 1,305 households (26% of total) are classified as low income and could be eligible for affordable housing
- 7% of households are spending more than 30% of their income on housing costs (cost burdened)
- Town has 3.3% protected affordable units
- Populations with disproportionate cost burdens and housing needs include:
  - Low-income households making less than 80% AMI
  - Senior households
  - Renters

