

The background of the poster is a photograph of the Town of East Hampton's historic red brick town hall. The building features a prominent green-patina clock tower with a cupola on top. In the foreground, a small white building with a sign that reads "er L. Baer, DMD" is partially visible on the left. A green tree stands in front of the town hall. The sky is blue with some white clouds.

Town of East Hampton Affordable Housing Plan (AHP)

Public Information Meeting

February 10, 2022



**Lower Connecticut River Valley
Council of Governments**

Project Team



Lower Connecticut River Valley
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TONIGHT'S AGENDA

1. Introduction

- Regional Housing Plan & Municipal Annexes
- What are Affordable Housing and Affordable Housing Plans?
- What does this mean in East Hampton?

2. Existing Conditions Related to Housing

- Zoning / Planning / Infrastructure
- Available Land / Buildable Land / Suitable Land
- Demographics / Housing Trends

3. Housing Needs Assessment

4. Live Polling & Next Steps



TONIGHT'S AGENDA

Your primary role tonight is to:

- Learn more about affordable housing and why it is important to your community
- Ask questions you may have on the subject. Please type them in the chat - questions will be answered at the end of the workshop
- Provide some feedback on possible strategies – have your cell phone or browser ready!





McDONOUGH & MACBROOM

INTRODUCTION



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RELATIONSHIP TO REGIONAL HOUSING

REGIONAL HOUSING PLAN

- Follow up to Regional Plan of Conservation and Development (RPOCD)
- Completed in two parts:
 - Regional Housing Analysis
 - Focus on region-wide trends / challenges
 - Recommendations focus on how the region can assist the towns in housing coordination and creation
 - Municipal 8-30j Plans (Annexes)
 - Focus on town specific affordability conditions and strategies



Each part of the process will inform the other



WHAT IS AN AFFORDABLE HOUSING PLAN?

Under CGS 8-30j, passed in 2017, all communities in Connecticut are required to create and adopt an affordable housing plan by June 2022 and update it every five years.

- Bottom-up approach to increase the State's affordable housing supply
- Show actionable progress towards meeting State goals
- Each community decides what strategies are best for their community



This is an opportunity to create
a Housing Affordability Plan
that reflects **East Hampton's**
values and priorities.



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WHAT IS AFFORDABLE HOUSING?

Affordable housing is typically defined as housing that costs no more than 30% of a household's income

- Under 8-30g, "affordable housing" is housing which, due to deed restriction or subsidy, costs a low-income household no more than 30% of their income.
 - A goal of state law is for 10% of housing units in every town to be "affordable," per this definition
 - "Low-income household" is a household making <80% of State or Area Median Income (AMI), whichever is less. Note this standard is used by HUD and the State.
- In East Hampton, **based on this definition**:
 - A **family of 4** making **<\$70,900** per year or an **individual** making **<\$59,950** per year would **qualify as low-income** based on AMI.
 - Housing costs include rent or mortgage payments, property taxes, utilities, HOA fees, and maintenance costs. Income-based calculation. Does not include wealth, assets, or benefits.

Maximum Monthly Housing Budget



\$1,499/month
for an individual
\$59,950 annual income



\$1,773/month
for a family of 4
\$70,900 annual income

Source: FY 2021 Income Limits, HUD



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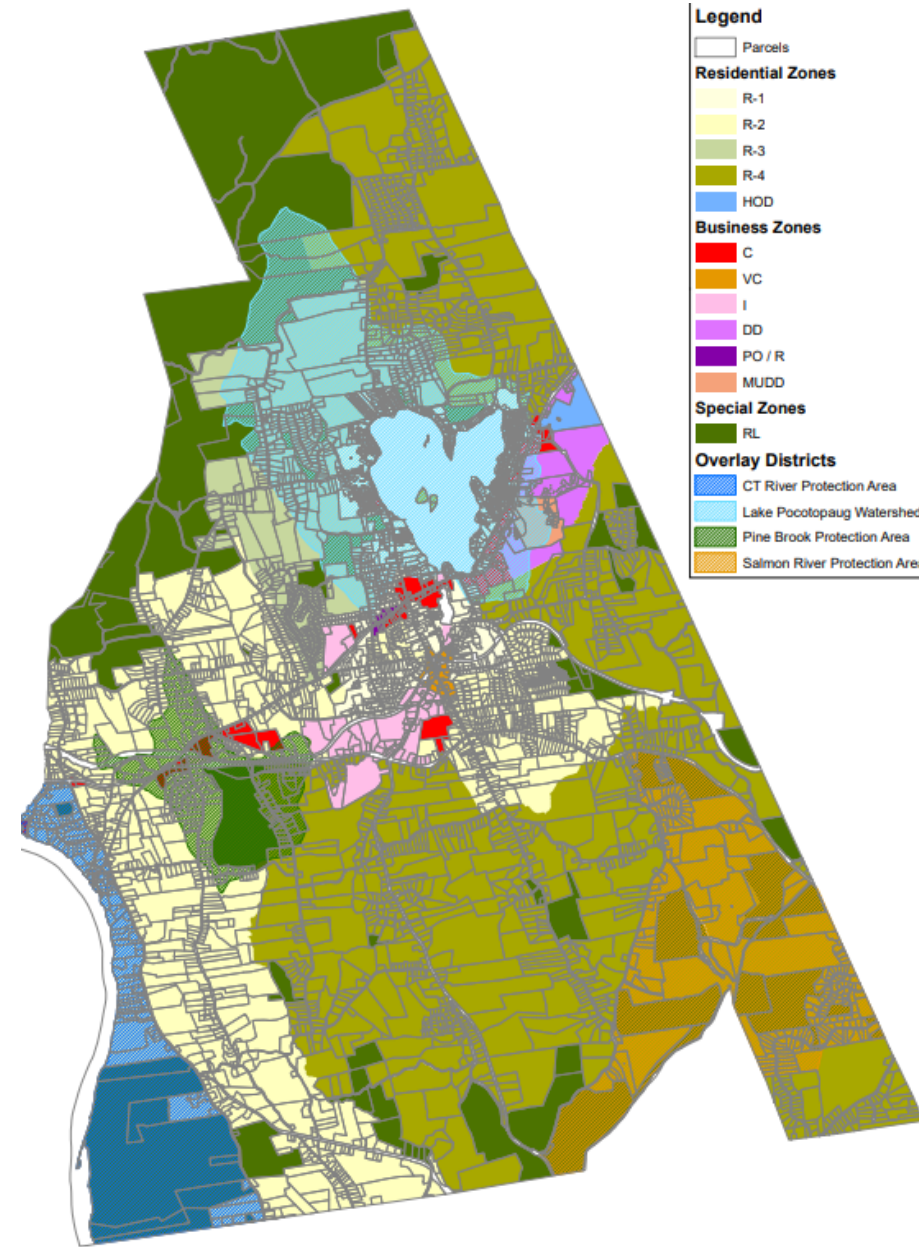
Existing Conditions: Planning & Zoning Review



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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



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Source: East
Hampton Zoning
Regulations

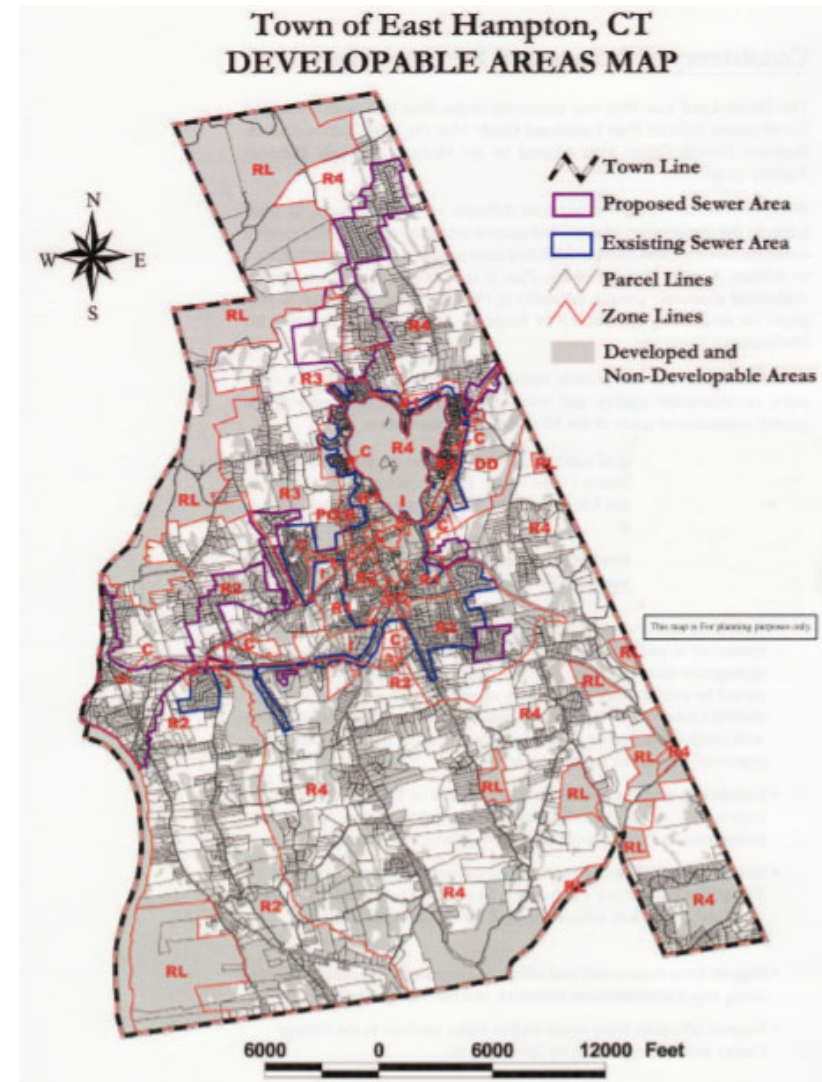
Zoning

- 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



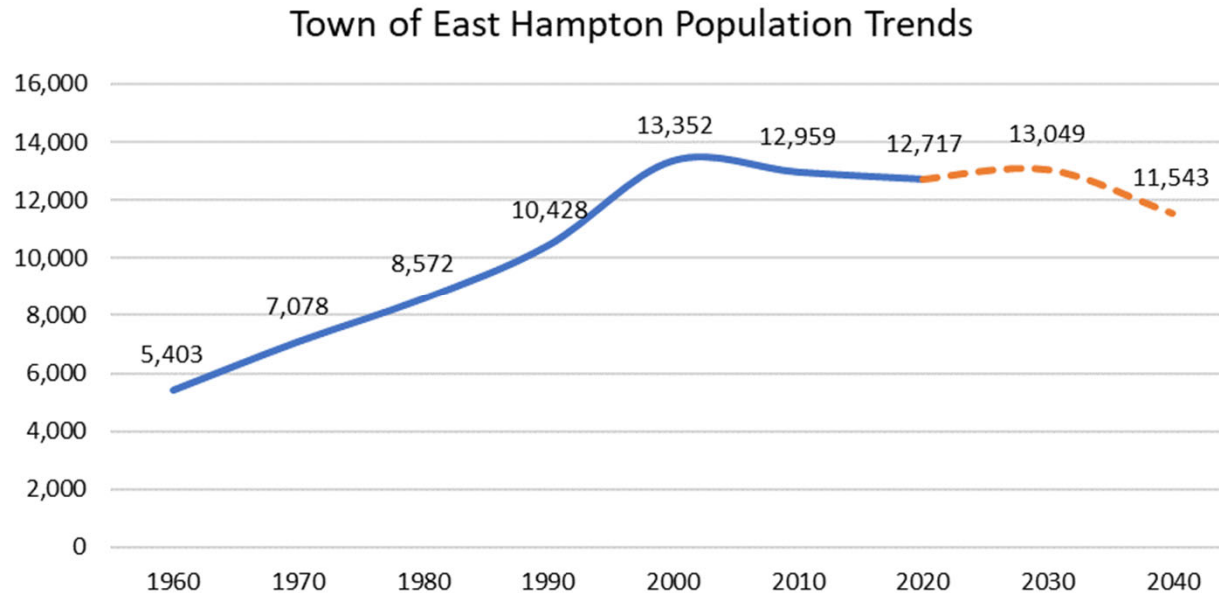
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DATA NOTE

- **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



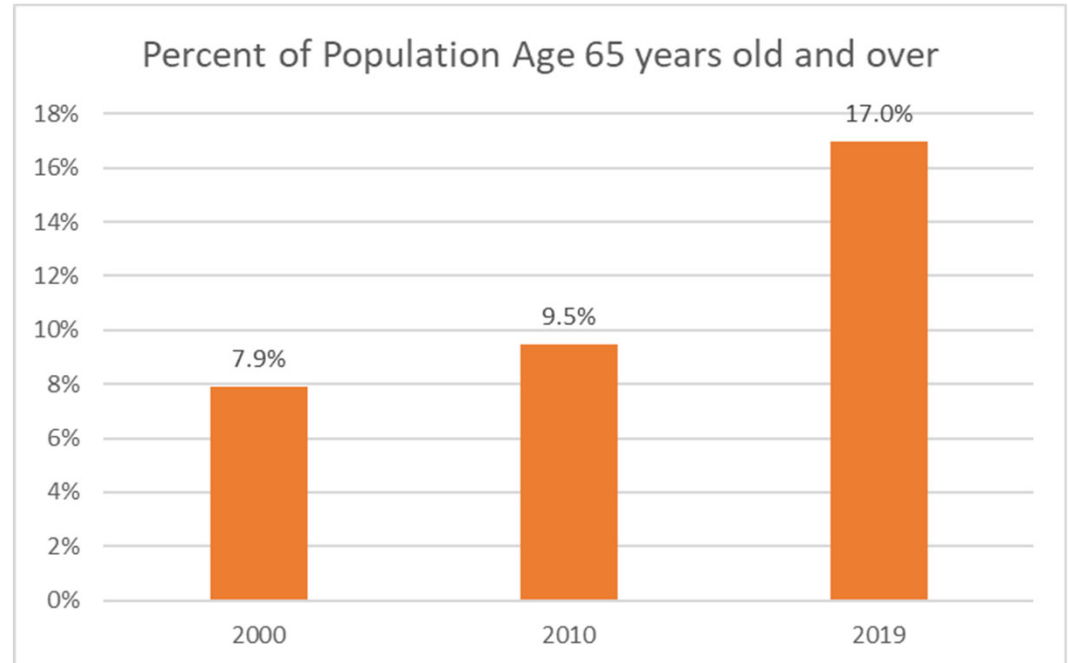
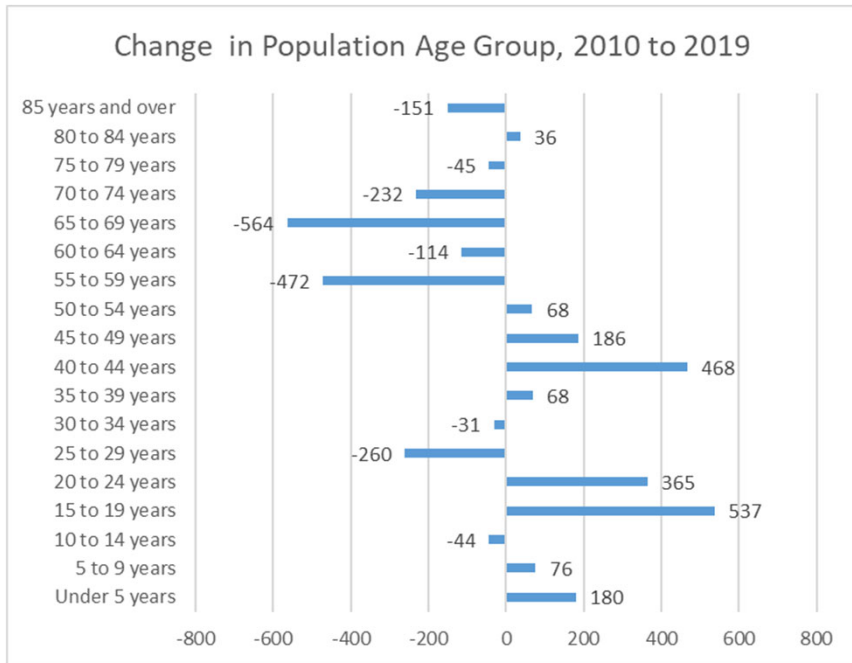
Source: Decennial Census 1960-2020, CT Data Center Projections

- 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



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AGE DISTRIBUTION



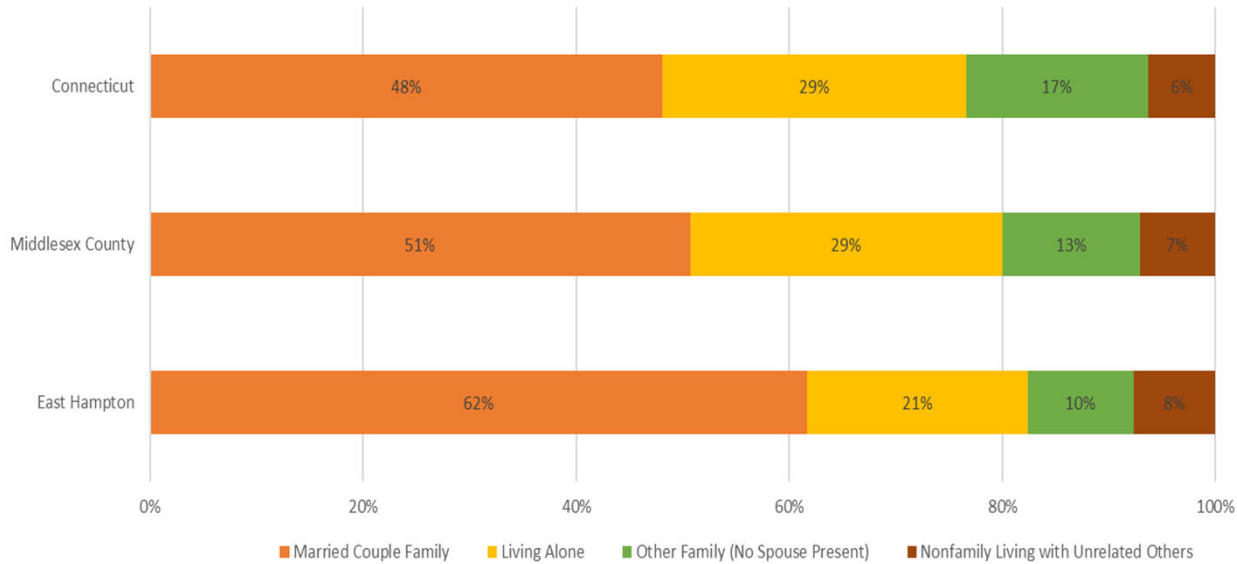
Source: 2000 and 2010 decennial census; 2019 ACS 5-Year Estimates, Table B01001

- 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



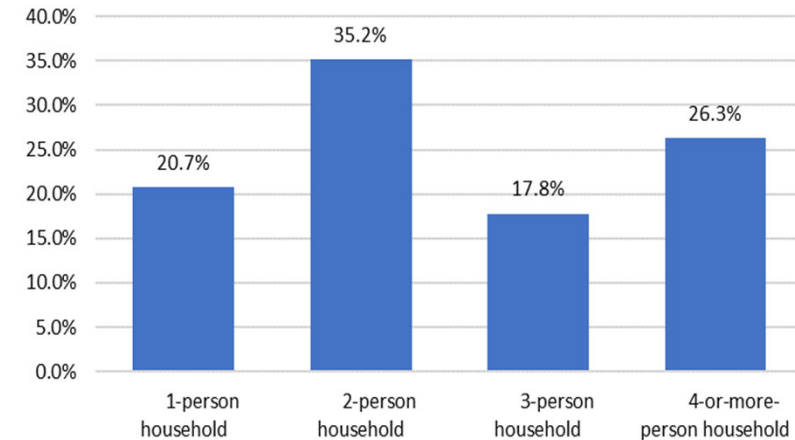
HOUSEHOLD COMPOSITION

Household Distribution



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

East Hampton Household Size Distribution



- **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



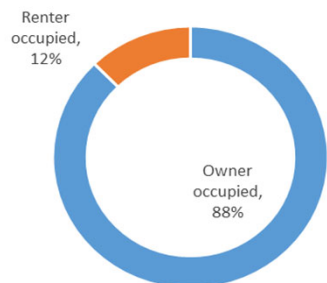
Existing Conditions: Housing Market Trends



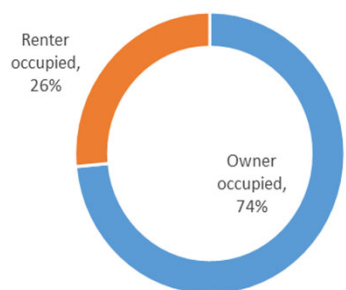
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HOUSING TYPOLOGY

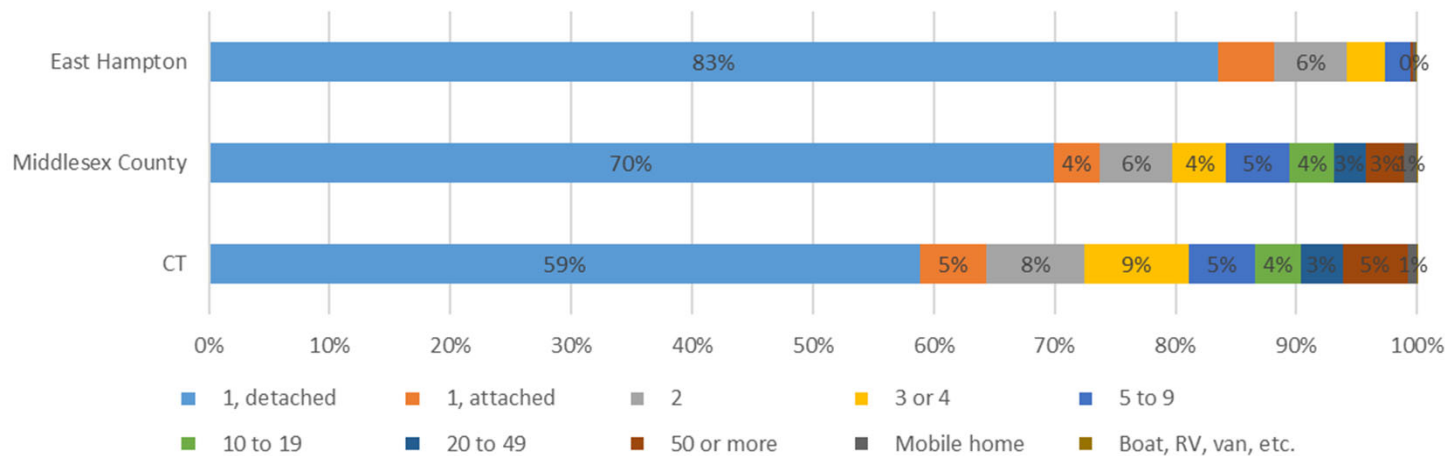
Ownership of Occupied Units
East Hampton



Ownership of Occupied Units
Middlesex County



Distribution of Housing Units, by Type



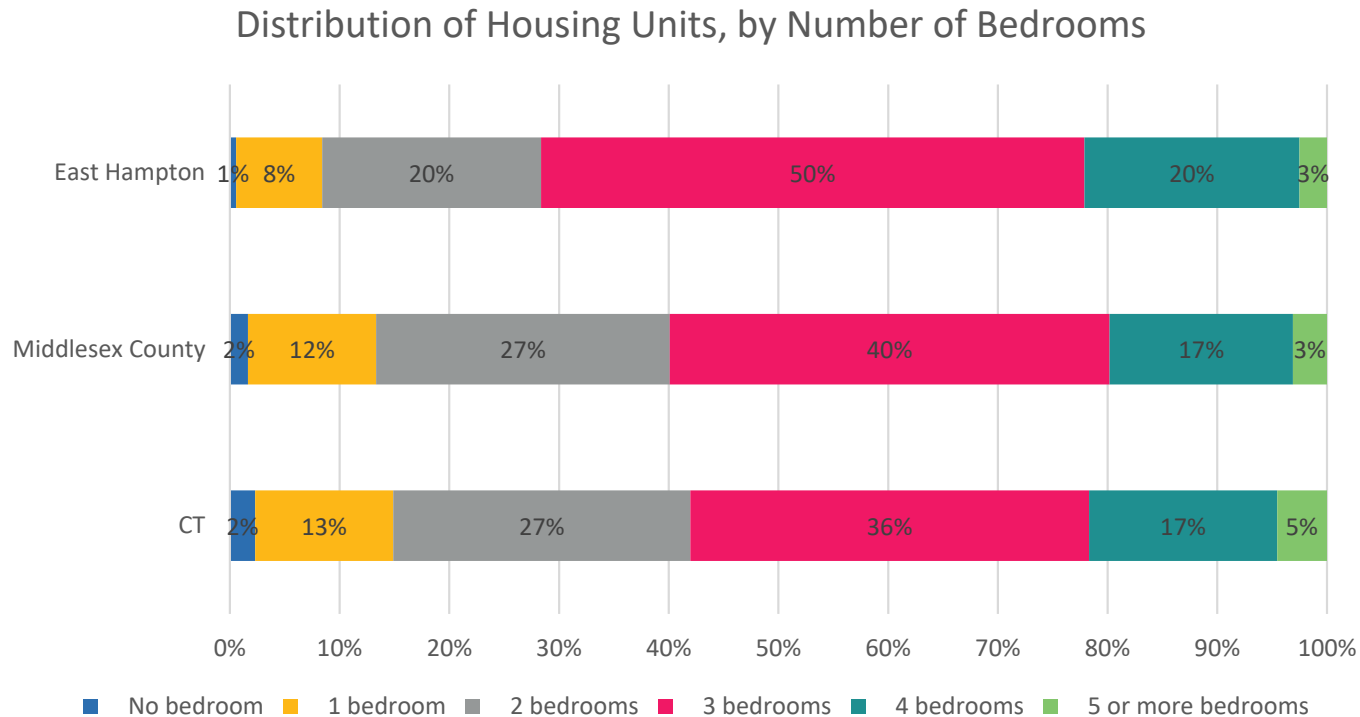
Source: ACS 5-Year Estimates, Table B25008, B25041

- 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

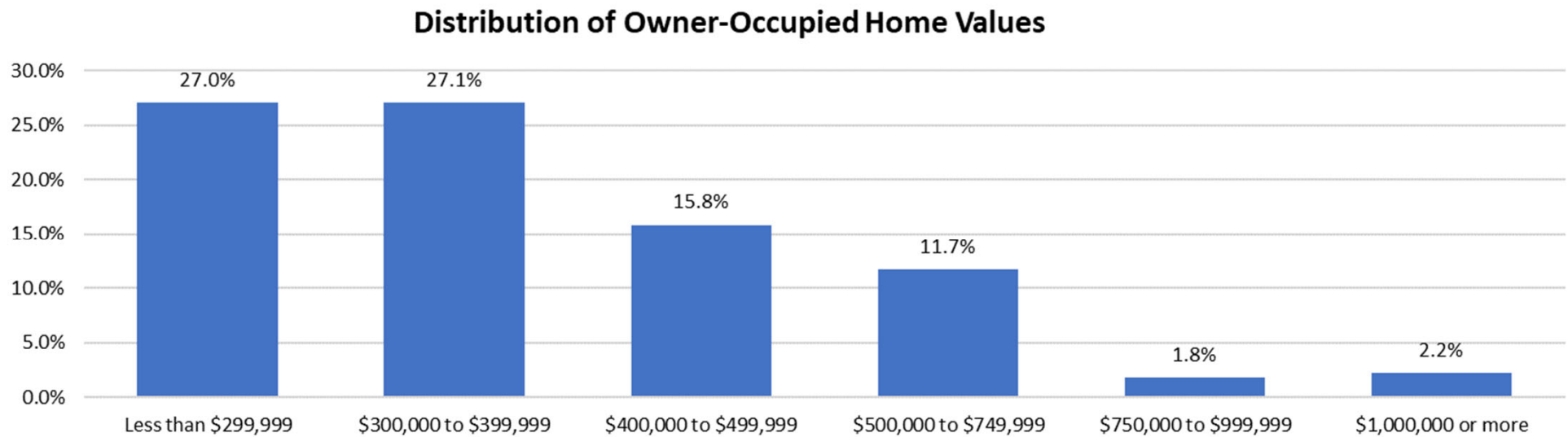
Distribution of Housing Units, by Number of Bedrooms



- 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)

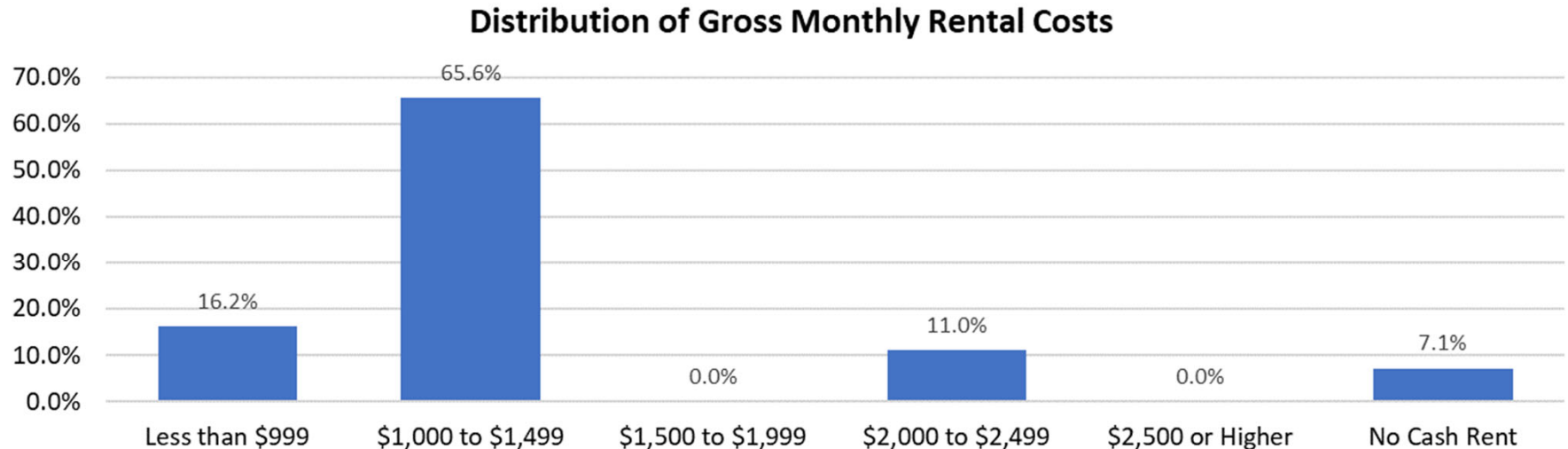


Source: 2019 American Community Survey, 5-Year Estimates, table B25075

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



GROSS RENT DISTRIBUTION

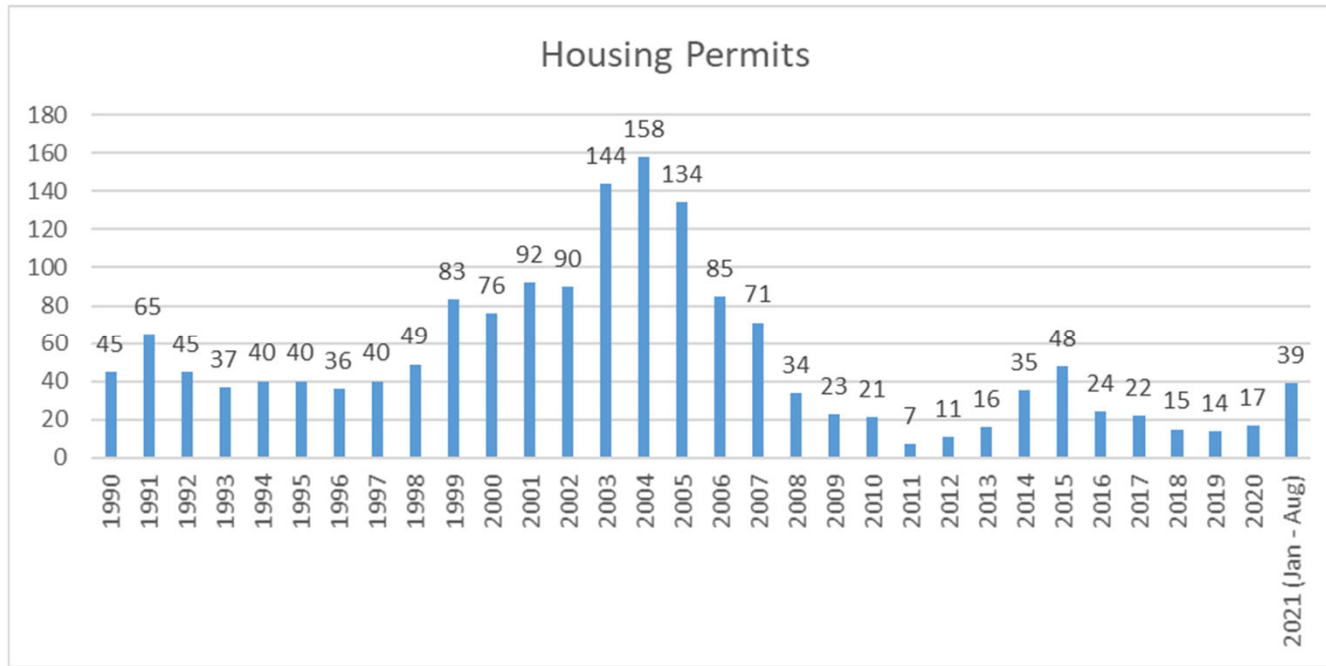


2019 American Community Survey 5-Year Estimates, Table B25063

- Median gross monthly rent in East Hampton is \$1,258, which is higher than both New London 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



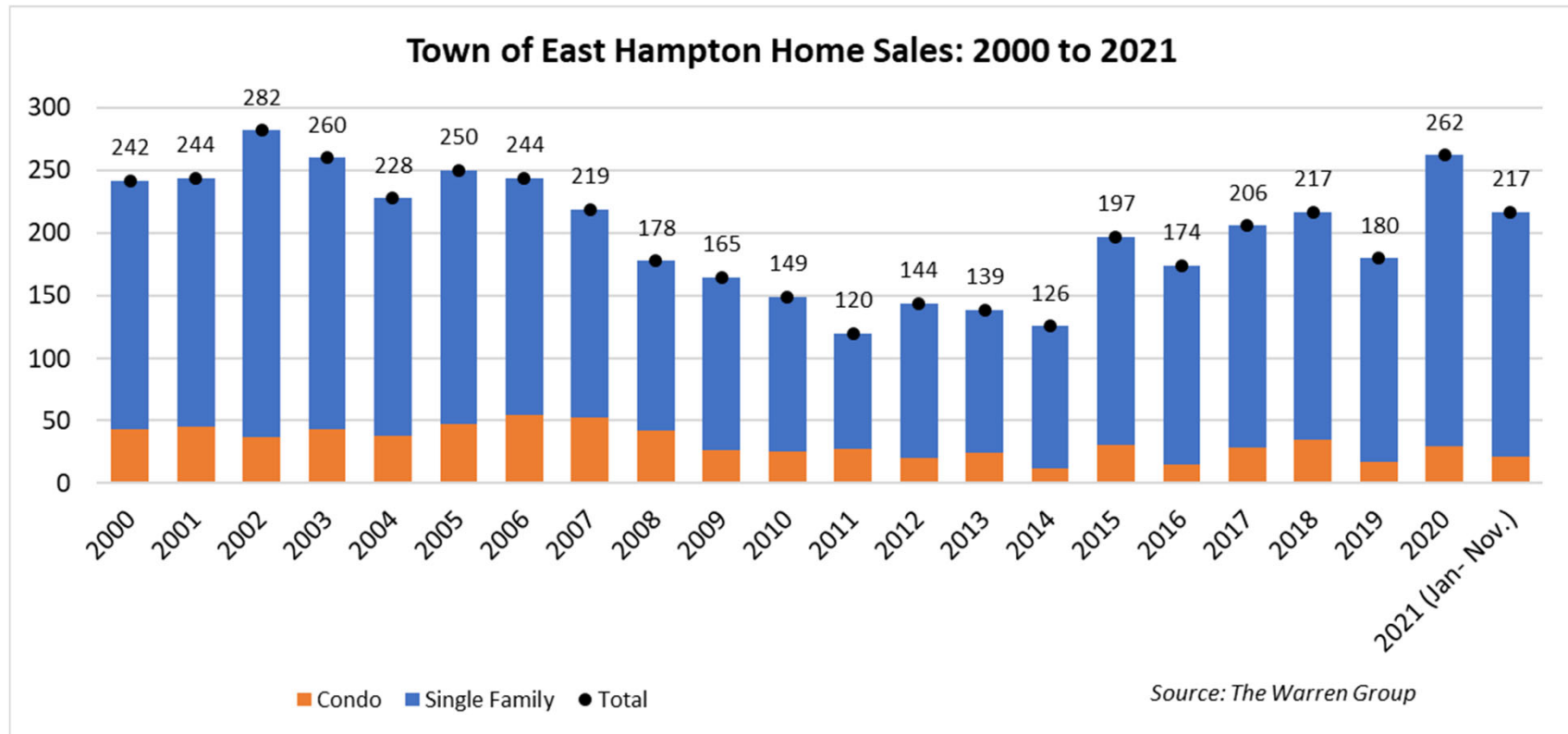
Source: CT DECD

- 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



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HOME SALES

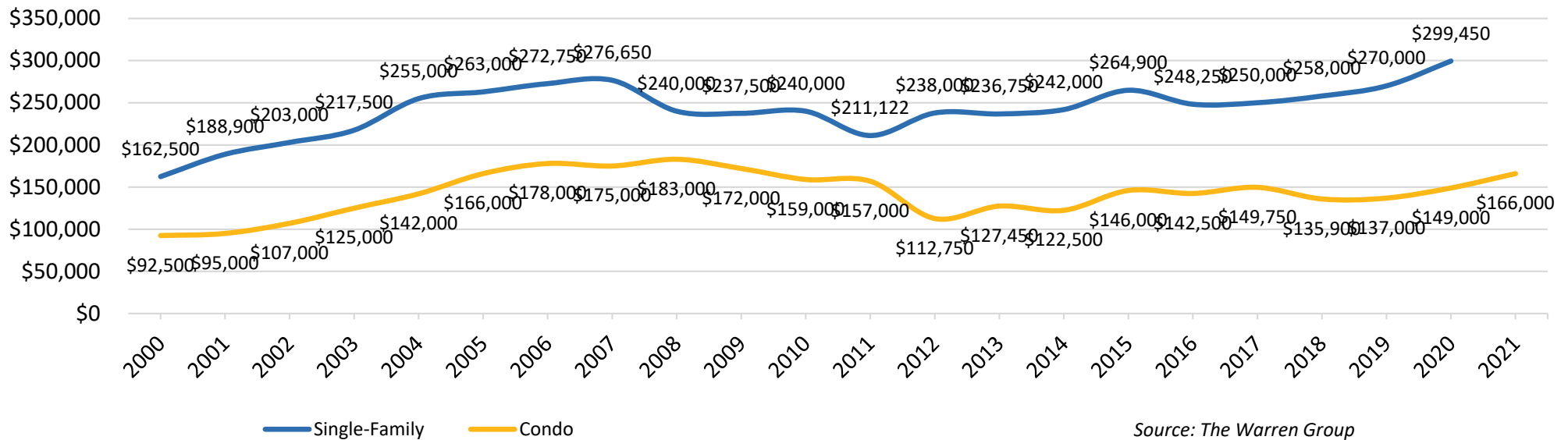


- Nearly exclusive single-family market
- From 2016 to 2019, home sales were generally stable, averaging about 216 per year



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



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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



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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



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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

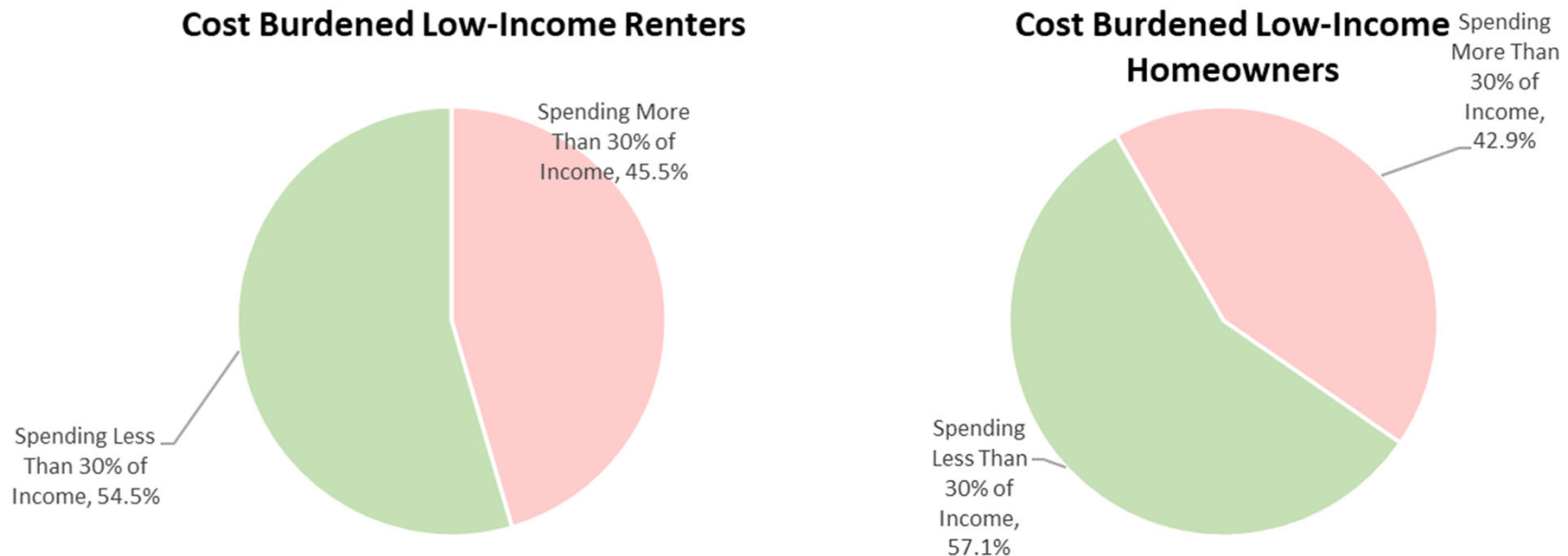
30% Rule: HUD recommends that households spend no more than 30% of their income on housing costs including rent or mortgage payments, property taxes, utilities, HOA fees, and maintenance costs



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Cost Burdens: Existing Conditions

Cost Burden for Low Income Households in East Hampton



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**

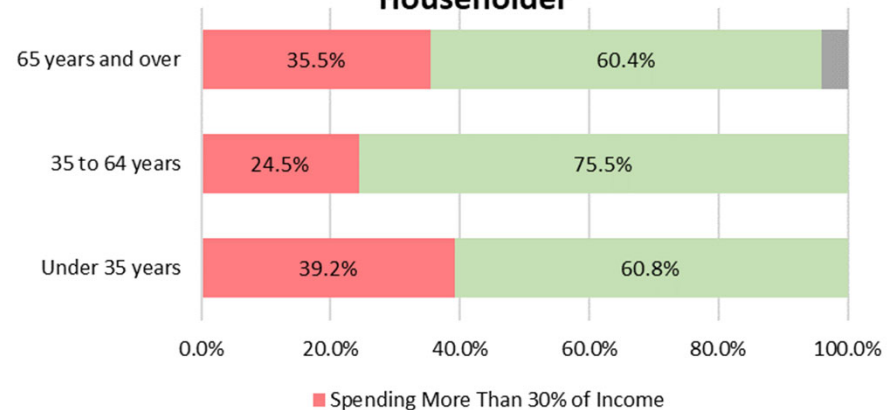


Cost Burdens: Existing Conditions

Cost Burden for Other Populations in East Hampton

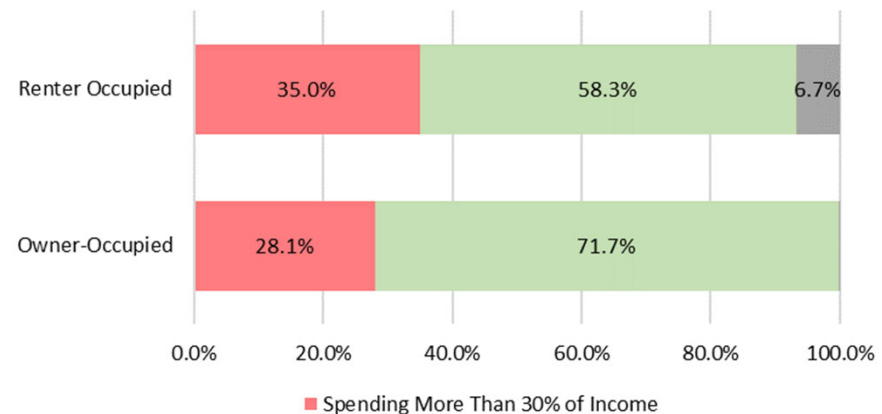
- Renter are slightly more likely to be cost-burdened compared to owners
- Seniors and young professionals are more likely to be cost burdened than middle aged householders

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

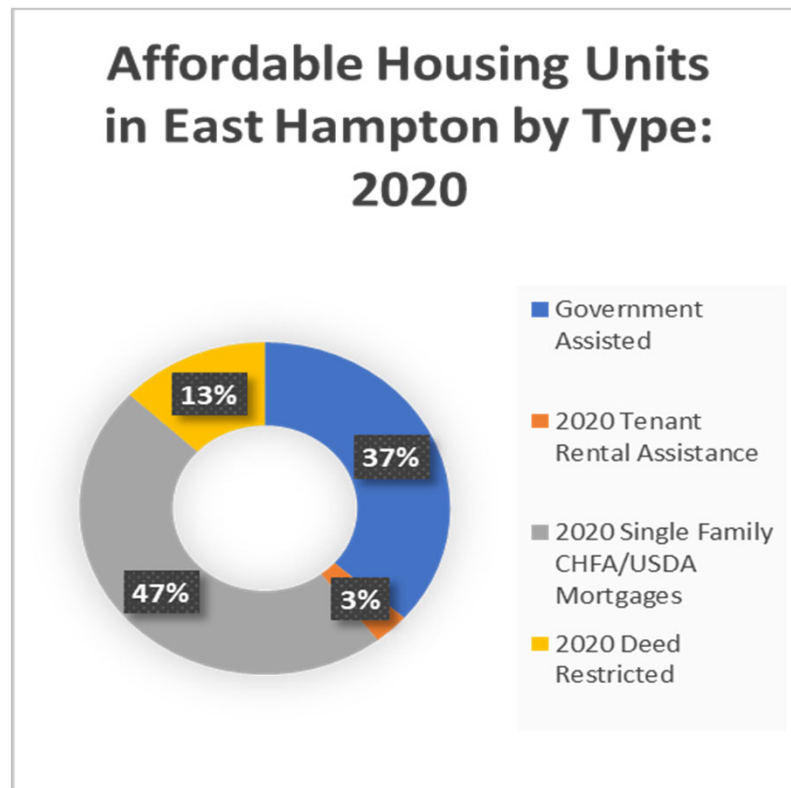


Source: ACS 5-Year Estimates, Table B25072, 25093



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 2020, East Hampton 192 protected affordable housing units.**



Total Housing
Units: **5,485**
Total Affordable Units: 192

**Percent Affordable
Housing: 3.5%**

Source: DECD Affordable Housing Appeals List, 2020



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 3.5% protected affordable units
- Populations with disproportionate cost burdens and housing needs include:
 - Low-income households making less than 80% AMI
 - Senior households
 - Renters



AUDIENCE POLLING INTRO

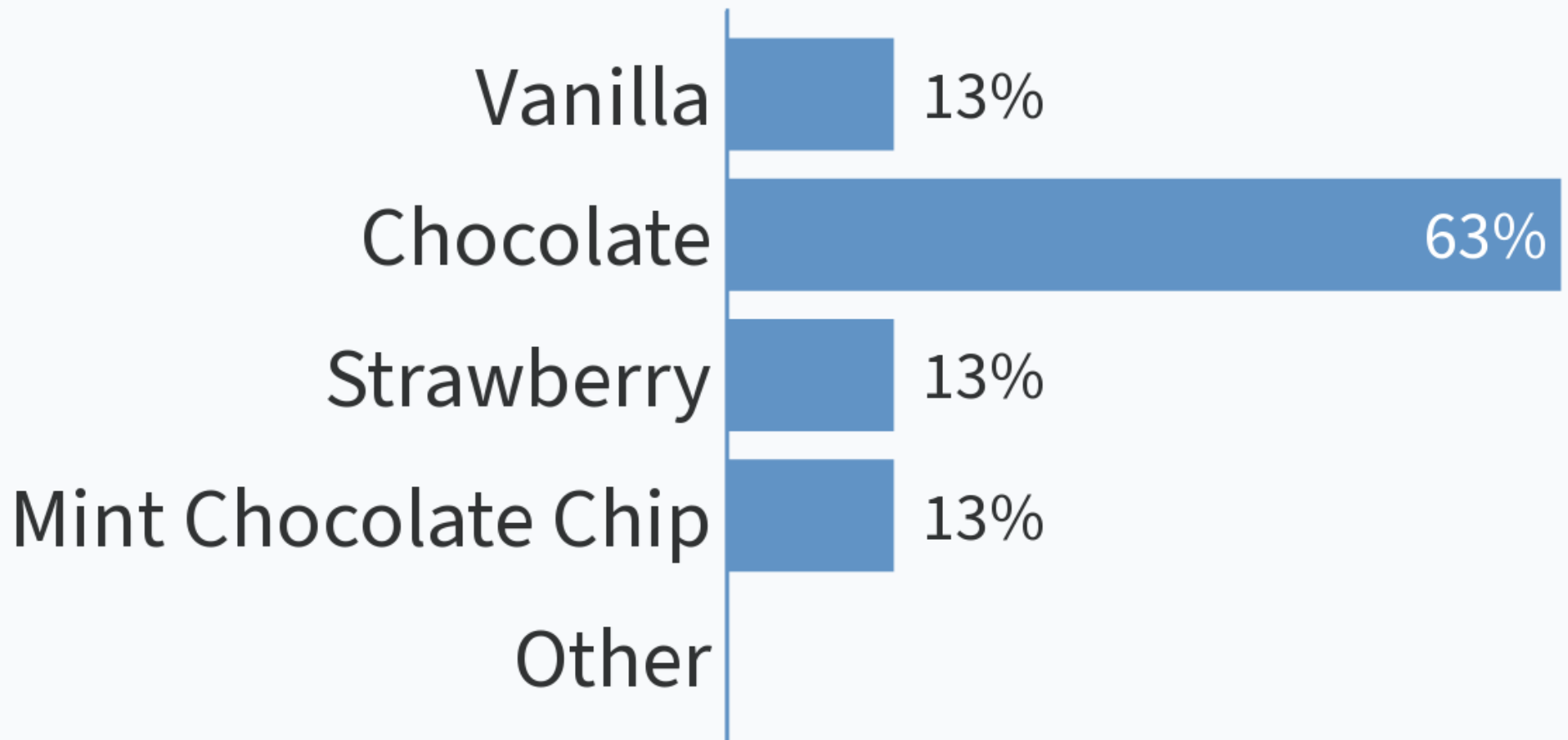
*We are going to use interactive polling during this workshop.
You will need access to an additional webpage,
or you can use your phone.*

Let's get started!

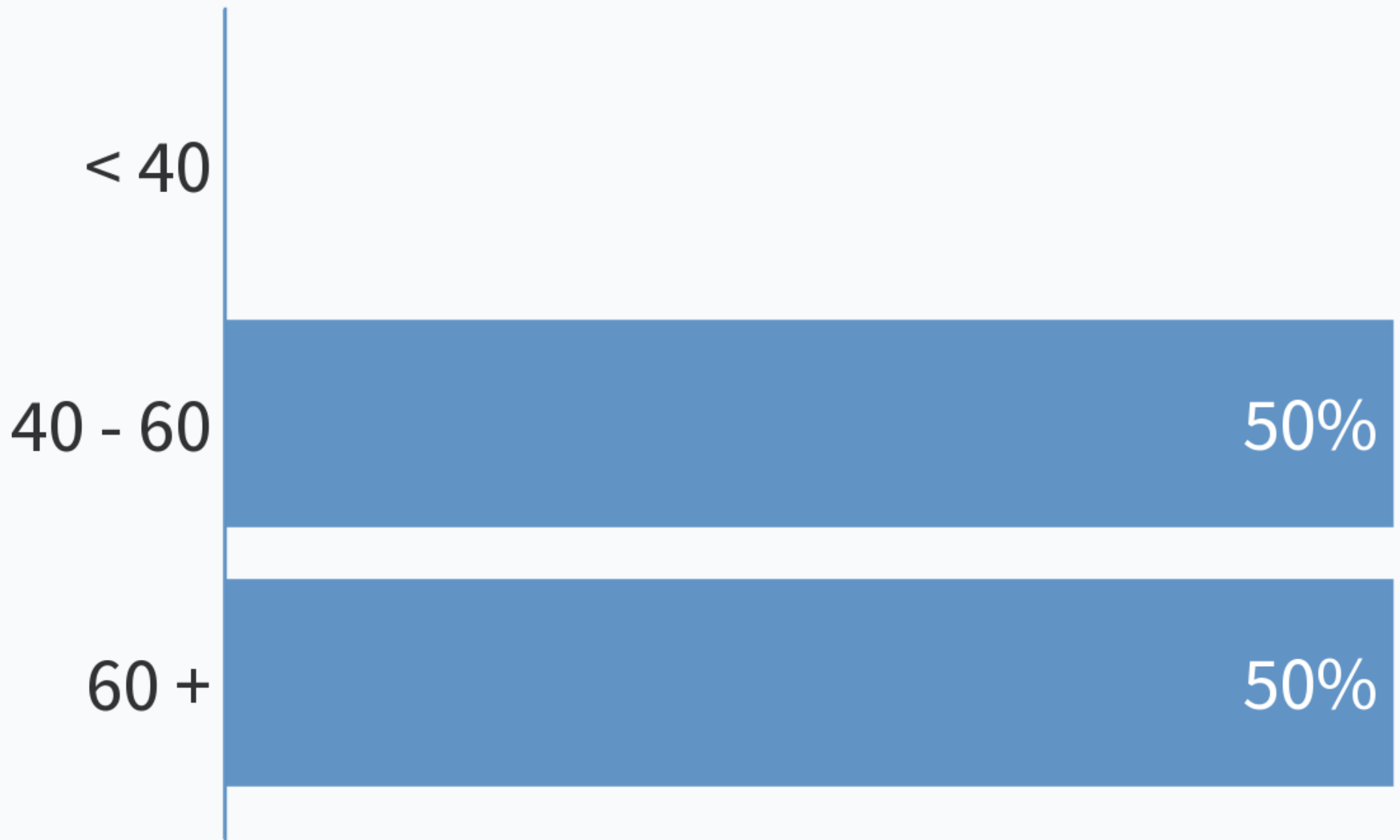
Go to pollev.com/SLR2021



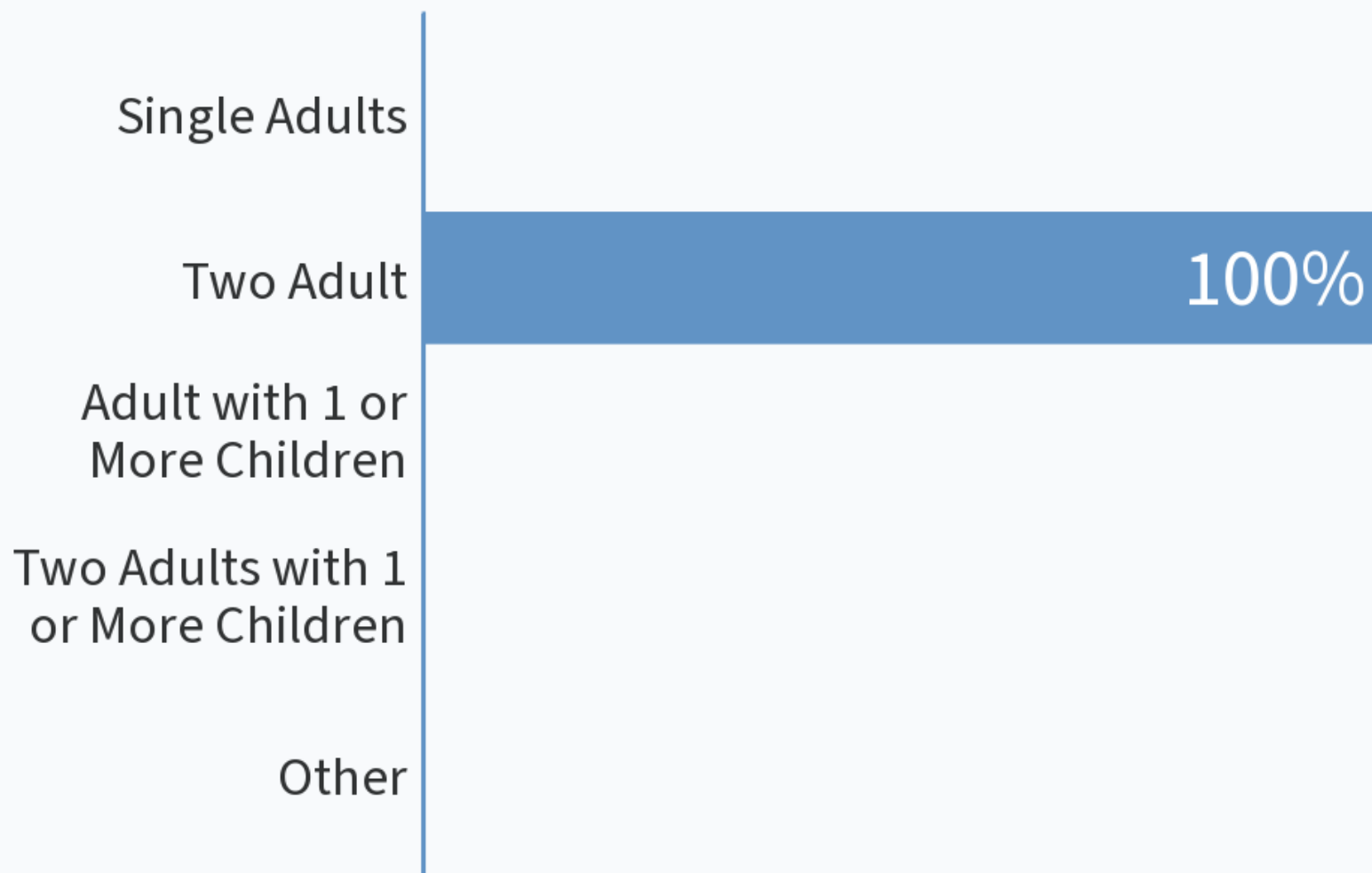
What is your favorite flavor of ice cream?



What is your age?



Which of the following is your household currently composed of?



Which of the following best describes your current home?

Own and live in a single-family home

100%

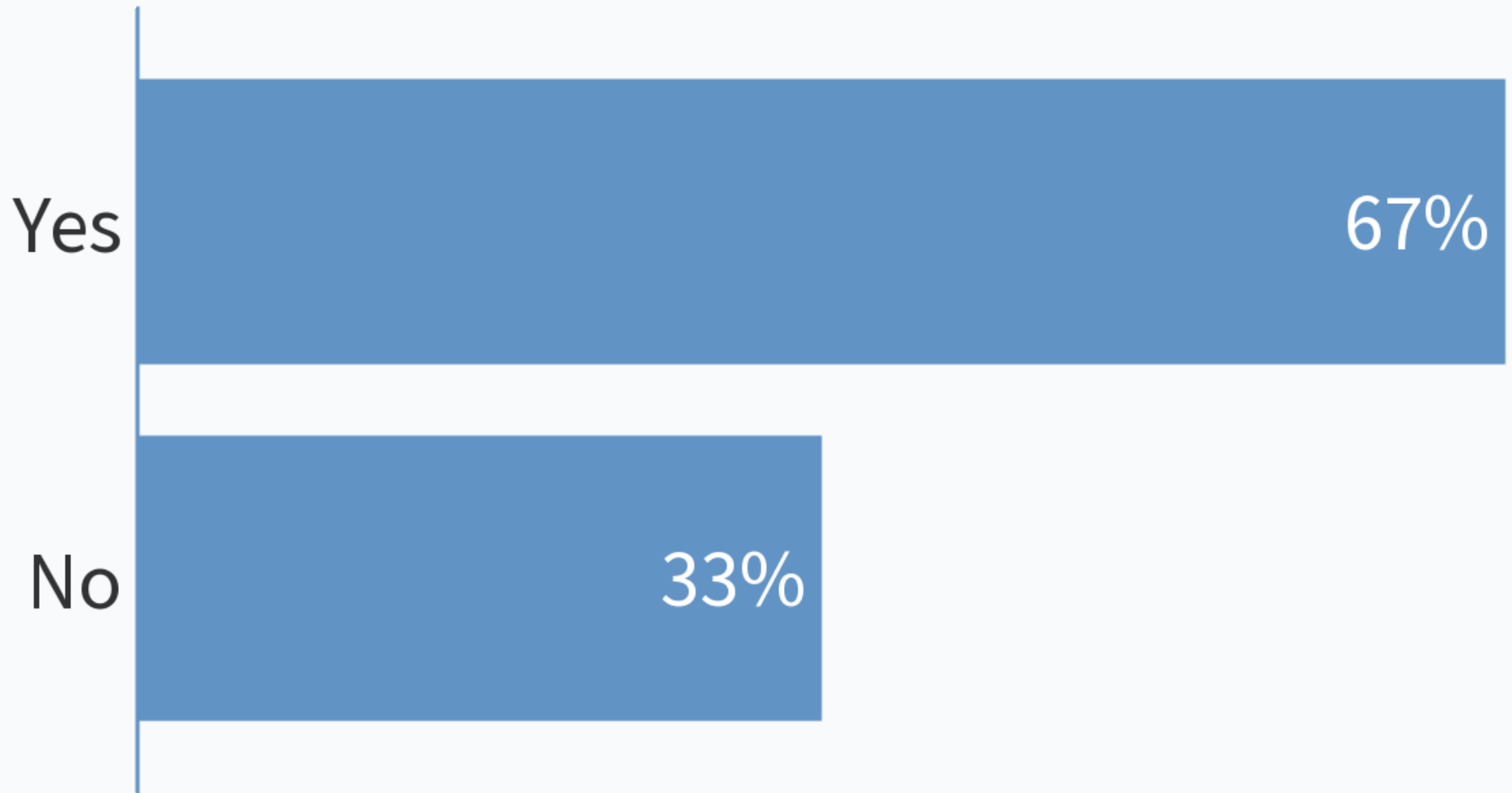
Rent and live in a single-family home

Rent and live in a multi-family home

Own and live in a multi-family home

Other

Have you attended a workshop for the Regional Housing Plan?



ADDRESSING HOUSING AFFORDABILITY

CONCEPT #1

The Town Zoning Regulations currently allows two-family houses in most residential districts (with the exception of R-2)... but requires any property created after 1987 to be twice the minimum acreage for that district and have twice the minimum frontage.

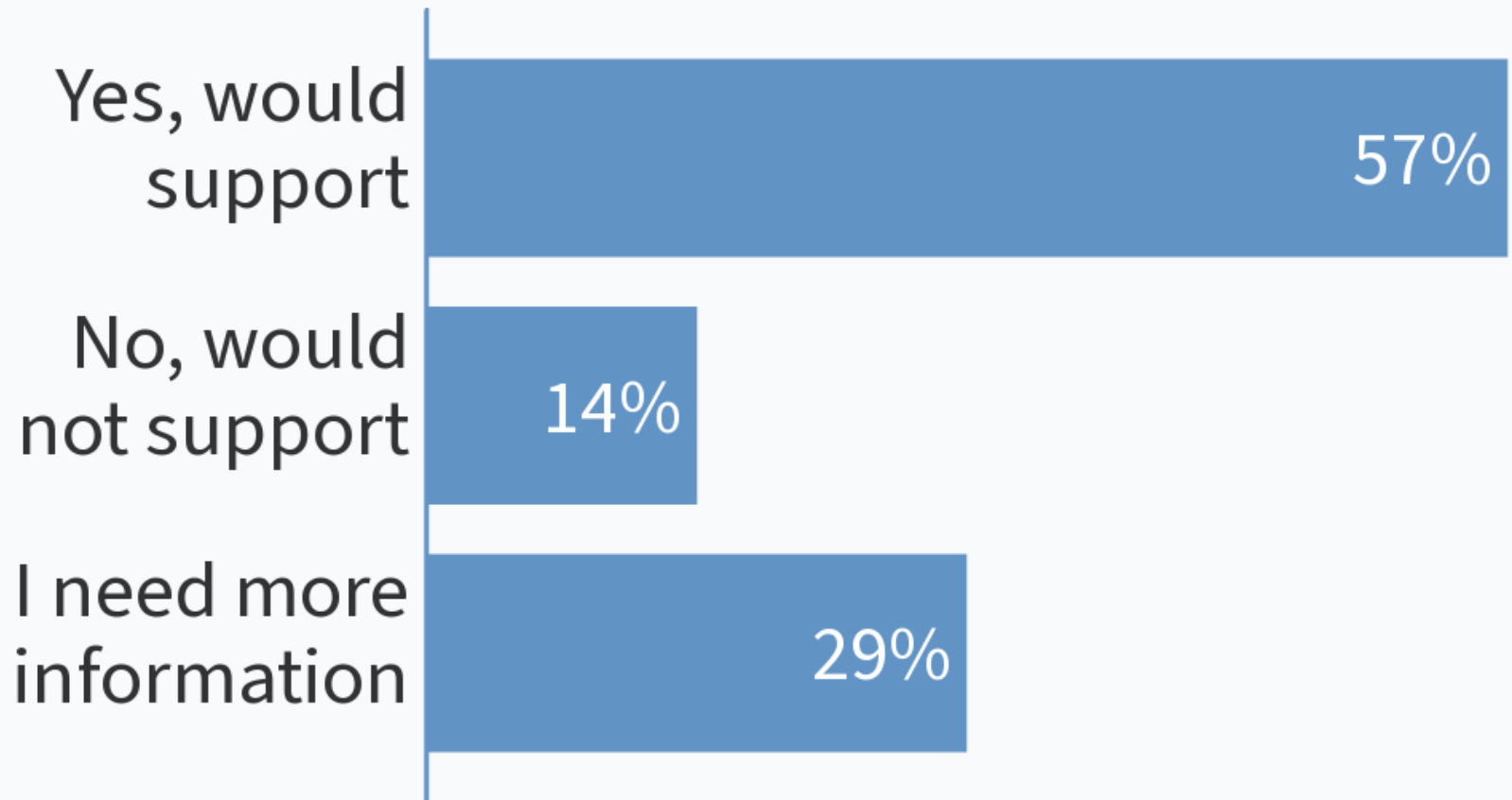
The Town also allows older, larger single-family homes to be converted to two-family by Special Permit (which requires public hearings, etc.)

One way to more easily permit additional housing options would be to make two-family houses permitted by a simple administrative zoning process, without requiring additional land, frontage, or public hearings.

Would you support this approach?



Would you support Concept 1?



ADDRESSING HOUSING AFFORDABILITY

CONCEPT #2

The Town has a “Housing Opportunity District” (HOD) regulation that allows for a larger-scale, denser housing development if a minimum of 15% of the new units are restricted as affordable.

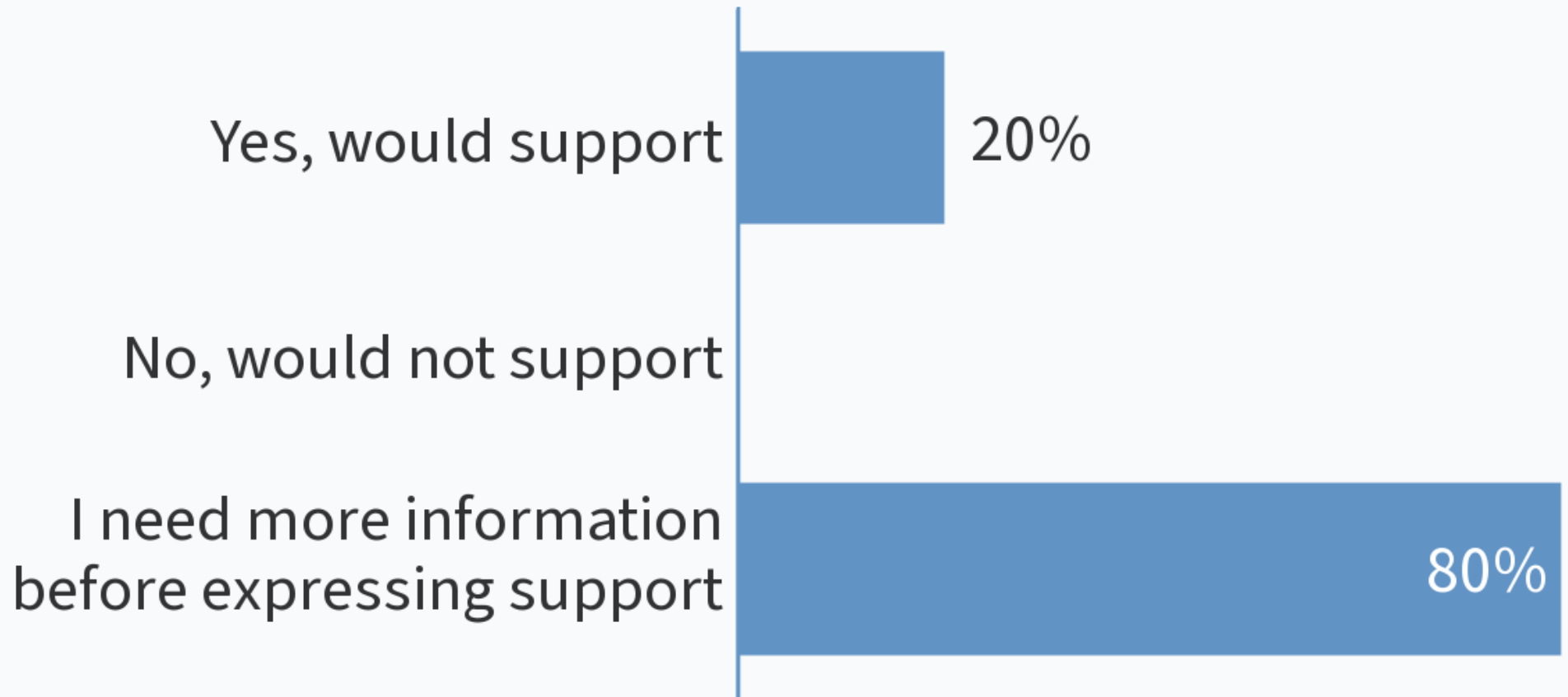
This regulation sets a minimum acreage size for a HOD of 10 acres, which generally would push those projects away from the Town center/sewer service areas. It also sets a maximum density of 5 units/acre.

Once concept for increasing the potential for more affordable housing would be to reduce the minimum HOD acreage so smaller lots could be developed, as well as removing arbitrary density limits and allow site conditions (soil suitability, water availability) to control how many units may be built.

Would you support this approach?



Would you support Concept 2?



ADDRESSING HOUSING AFFORDABILITY

CONCEPT #3

The Town's current Zoning Regulations do not generally allow the conversion of commercial or office buildings in Business or Commercial Districts to multi-family residential, and the Village Housing and Mixed-Use Districts are “overlay” or “floating” zones, which requires a lengthy application process and change in zoning status for properties seeking this sort of development.

Post COVID, office and commercial space has become less in-demand, and there are opportunities to increase housing activity in core commercial areas (where a number of houses are already located but would not be allowed by current regulations).

One concept for increasing housing opportunity would be to allow the retro-fit or conversion of underused commercial and office space as multifamily, particular in village and commercial center areas.

Would you support this approach?



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Would you support Concept 3?

Yes, would support

A

100%

No, would not support

B

I need more information
before expressing support

C

NEXT STEPS

- Discussion of Strategies with East Hampton's Team
 - Prepare East Hampton's 8-30j plan – March-May
 - Draft will be available for public review in mid-spring
 - Finalize 8-30j plan
 - Adoption of plan & submission to state by June 1, 2022
-
- Email any questions to: jdecarli@easthamptonct.gov or jguszkowski@tycheplans.com



QUESTIONS AND ANSWERS

If you have any questions or comments, please type them in the chat.

Are there any ways to address housing affordability that you would like to see your town pursue?

How do you feel about the current state of housing in your community?

Is there anything you would like more information on or that you feel we should have covered or covered in more detail?

Did anything you heard today change your opinion?



Thank You!



Lower Connecticut River Valley
Council of Governments