# IEDL SPRING 2020: NEW HAVEN ANALYSES

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### **HOUSING**

Spring Lab 2020 application to New Haven

<u>Episode 2: Community Engagement & Housing</u> Episode featuring interviews with Anika Singh-Lemar, Yale Law School and David Schleicher, Yale Law School

<u>Episode 3: Geography of Race and Space</u> Episode featuring interview with Kirsten Delagard and Kevin from Mapping Prejudice Project in Minneapolis

Episode 8: Reflections for New Haven Discussion of the report below with Kate Cooney and Bryan Fike

### The state of affordable housing in New Haven

The City of New Haven's Affordable Housing Task Force, convened by the Board of Alders in 2018 to recommend "actions that the City can take which would increase the number of safe and sanitary units and other low-income housing options," found that 41% of households in the city spend more than 30% of their monthly income on housing-related costs. The need for affordable housing is particularly acute at the lowest end of the income distribution, with more than 10,000 housing-burdened families among those whose incomes fall at or below 30% of the area median income. To address this need, the Task Force found that New Haven needs 25,000 additional units of affordable housing.

### Strategies to address the affordable housing crisis

Expanding housing affordability in Greater New Haven's suburbs is one strategy to increase the region's supply of affordable housing. Many of New Haven's suburbs offer highly limited affordable housing (see table on regional housing supply, below), despite Connecticut law encouraging the development of affordable housing in towns throughout the state. Specifically, Connecticut General Statutes §8-30g establishes a special appeals process for housing developers when a municipality with less than 10% of its housing stock meeting certain affordability standards rejects a proposal for an affordable housing development.<sup>2</sup> Presently, only three municipalities in the 15-town South Central Connecticut region – New Haven, Meriden, and West Haven – have achieved the 10% affordability threshold (see table below). If each of the towns in the region were to reach the 10% affordability level, it is estimated that approximately 7,671 new units of affordable housing would be created.<sup>3</sup>

https://www.newhavenindependent.org/archives/upload/2019/01/Tom/AHTF Report.pdf

<sup>&</sup>lt;sup>1</sup> City of New Haven Affordable Housing Task Force. "Affordable Housing Report and Recommendations." 24 January 2019. Accessed via New Haven Independent.

<sup>&</sup>lt;sup>2</sup> Conn. Gen. Stat. Sec. 8-30g

<sup>&</sup>lt;sup>3</sup> See Spring IEDL 2020 Slide Deck, slide 23 for more detailed analyses

Increasing Density Allowance on Single-Family Lots, By Right: In 2018, as part of the Minneapolis 2040 plan, Minneapolis became the first American city to eliminate single-family zoning. Any residential lot within the city can now build up to three units, by right. In August, 2019, the state of Oregon passed House Bill 2001, allowing "middle housing" – duplexes, triplexes, 4-plexes, townhouses, and cottage clusters – in single-family-zoned metropolitan areas and cities with more than 25,000 residents, and duplexes in towns of more than 10,000 people, by right. California has seen ongoing efforts to ease the state's tight housing market. The state legalized accessory dwelling units (ADUs) and permitted property owners to convert existing interior spaces into an additional housing unit. Efforts to upzone single-family lots have been attempted but so far have not passed in California and are under consideration in a growing number of regions around the U.S.

Zoning restrictions in New Haven's suburbs present a major barrier to expanding the region's housing supply. Despite state statute that requires zoning regulations to promote "economic diversity in housing, including housing for both low and moderate income households," in Greater New Haven, more than 76% of residential land in the suburbs of New Haven is restricted to single-family homes on at least ½ acre of land, and less than 2% of residentially zoned land allows for the construction of multifamily housing at a density of 8 units per acre. In Woodbridge, for example, nearly all of the town's residential land is limited by zoning requirements to single-family homes on lots of at least 1.5 acres. The Open Communities Alliance and the Jerome N. Frank Legal Services Organization at Yale Law School are challenging the town's exclusionary zoning practices with an application to build a four-unit structure on land zoned for single-family homes.

**Zoning in New Haven city** can also be used to expand housing supply. Densifying single-family lots in neighborhoods zoned for greater density can contribute significantly to the city's housing stock, and **upzoning** allows for new, higher density housing types, such as duplexes or triplexes, in neighborhoods previously restricted to single family homes. Recent efforts from Minneapolis, Oregon, and California provide models for New Haven to follow. Currently, approximately 41% of the City of New Haven's residentially zoned land is restricted to single family housing.<sup>7</sup>

Two additional housing policy innovations could also be used to increase affordability. An **inclusionary zoning** ordinance in the City of New Haven would mandate that new market-rate developments designate at least 10% of their units to be affordable to renters with incomes at or below 60% of the Area Median Income. Legalizing the construction of **accessory dwelling units** (ADUs), such as backyard cottages and in-law apartments, would allow for new types of housing in low-density neighborhoods.

<sup>&</sup>lt;sup>4</sup> Conn. Gen. Stat. Sec. 8-2

<sup>&</sup>lt;sup>5</sup> Ellickson, Robert C., Zoning and the Cost of Housing: Evidence from Silicon Valley, Greater New Haven, and Greater Austin (January 13, 2020). Available at SSRN: https://ssrn.com/abstract=3472145 or http://dx.doi.org/10.2139/ssrn.3472145

<sup>&</sup>lt;sup>6</sup> Thomas, Jacqueline Rabe. "Civil rights attorneys take aim at single-family zoning using Woodbridge as test case." *CT Mirror*. 29 Sept 2020. https://ctmirror.org/2020/09/29/ct-civil-rights-attorneys-take-aim-at-single-family-zoning-using-woodbridge-as-test-case/

<sup>&</sup>lt;sup>7</sup> Analysis of City of New Haven zoning maps. Zones RS-1 and RS-2 are restricted to single-family homes. Residential zones are defined as zones RS-1, RS-2, RM-1, RM-2, RH-1, RH-2, and RO.

<sup>&</sup>lt;sup>8</sup> Breen, Thomas. "10% Affordable Housing Mandate Debated." *New Haven Independent*. 25 Jun 2019. https://www.newhavenindependent.org/index.php/archives/entry/zoning\_debate/

### South Central Connecticut Regional Housing Supply

#### **Current Stock and Potential for New Units**

The supply of affordable housing varies widely across the 14 suburbs of New Haven in the South Central Connecticut region. The table below combines data from the Census Bureau's American Community Survey and the Connecticut Department of Housing to assess the current supply of affordable housing in the region's suburbs. Towns like Woodbridge, Bethany, Orange and Madison have over 90% of their housing stockin the form of single-family homes, whereas in places like West Haven or Meriden, it's closer to 53%.

The table's two highlighted columns demonstrate potential additions to the region's housing stock from two scenarios. The first highlighted column shows the number of additional affordable units that would be created if the towns were to make 10% of their housing supply affordable to low- and moderate-income families, as encouraged by §8-30g of the Connecticut General Statutes. The second highlighted column indicates the additional units that could be created from a regional upzoning initiative, allowing new types of housing in areas currently zoned for single family, such as Oregon's H.B. 2001. In this scenario, it is assumed that 7.5% of existing single-family units in towns of at least 10,000 residents are converted to "missing middle" housing such as duplexes, triples, and fourplexes.

		Total housing	Affordak units, cu	rrent <sup>b</sup>	Add'l affordable units needed for 10% fair	Single family units, current <sup>1</sup>	Add'l units from Oregon upzone	Single family units, after conversion
Municipality	Pop.	units <sup>a</sup>	#	%	share	(%)	model <sup>c</sup>	(%)
Bethany	5,479	2,041	14	0.7%	190	94.8%	-	94.8%
Branford	28,005	13,842	469	3.4%	915	66.7%	1,385	56.1%
East Haven	28,699	12,175	1,007	8.3%	211	66.6%	1,216	56.0%
Guilford	22,227	9,179	231	2.5%	687	88.5%	609	76.8%
Hamden	60,566	25,004	2,178	8.7%	322	60.0%	2,250	50.9%
Madison	18,114	8,159	136	1.7%	680	92.8%	568	80.3%
Meriden	59,540	29,883	4,260	14.3%	0	53.2%	2,385	45.6%
Milford	54,661	24,053	1,226	5.1%	1,179	73.2%	2,641	61.0%
North Branford	14,158	5,926	125	2.1%	468	81.4%	362	71.0%
North Haven	23,691	9,167	516	5.6%	401	85.4%	587	74.2%
Orange	13,656	5,120	73	1.4%	439	90.1%	346	78.1%
Wallingford	45,135	19,914	821	4.1%	1,170	68.6%	2,049	57.5%
West Haven	55,477	22,170	3,236	14.6%	0	52.4%	1,743	44.9%
Woodbridge	8,907	3,142	43	1.4%	271	92.5%	-	92.5%
Total	-	189,775	14,335	7.6%	6,933		16,141	

Source: <sup>a</sup> US Census Bureau ACS, 2018 5-year average. <sup>b</sup> CT DOH 2019 Affordable Housing Appeals List. <sup>c</sup> Assumes upzoning to 1) allow duplexes everywhere in towns with population between 10k and 25k and 2) duplexes, triplexes, and 4-plexes in towns with population > 25k. Estimate assumes 7.5% conversion rate of existing single-family units to duplexes in case 1 and equally distributed mix of duplexes, triplexes, and 4-plexes in case 2.

According to this scenario, the region could add about 16,000 new units across all of the 14 suburban towns in South Central Connecticut. If that were to happen, it would reduce the share of total units that

are currently single-family units by about seven to 12 percentage points in each of the towns. But even after a conversion, in all of the towns, except for West Haven and Meriden, which already have relatively high shares of multifamily units, more than half of the total housing stock would still be in the form of single-family units. In places like Guilford, Madison, North Branford, upwards of 70 to 80% of the units would remain single-family under this scenario.

# South Central Connecticut Regional Pathway to 25,000 Units

The New Haven region must consider bold, creative, and cooperative strategies to meet the demand for 25,000 new affordable housing units. The box below highlights one hypothetical path to 25,000 new units. This path requires a range of approaches discussed above on top of existing efforts to build new affordable units – working cooperatively as a region to upzone suburbs, densifying city neighborhoods to the extent allowable by existing zoning, adopting inclusionary zoning policies, and allowing for new types of housing – such as ADUs and multi-family homes - in areas currently zoned for single-family homes. While this analysis considers strategies to add 25,000 housing units to the region's housing stock, it does not consider how to make those units affordable to low-income families. Some housing types, such as duplexes or ADUs, may be affordable to those earning close to AMI, but additional resources would be required to make these additional units affordable to families with the greatest need.

A pathway to 25,000 new housing units	
Strategy	New Units
Upzone and densify South Central CT suburbs <sup>a</sup>	16,141
Total new units produced if region followed Oregon zoning model, allowing 4-plexes in all neighborhoods of cities with population of 25,000 or more, and duplexes in all neighborhoods of towns with populations of at least 10,000. Assumes 7.5% of existing single-family stock converted to mix of duplex, triplex, and 4-plex	
Densify City of New Haven neighborhoods where current zoning permits <sup>b</sup> Total new units produced if additional units were added to single-family lots in city neighborhoods zoned for multifamily up to maximum allowable density in existing zoning regulations	4,765
Adopt 10% inclusionary zoning <sup>c</sup> Total new affordable units produced over 5-year period if all new market rate housing in City of New Haven were subject to 10% IZ requirement, and development continued at 2019 levels	1,800
Continue current pace of building new affordable units <sup>d</sup> Total new affordable units produced over 5-year period if city continues current pace of approximately 250 new affordable units/year	1,250
Upzone single family neighborhoods in City of New Haven <sup>e</sup>	1,087
Total potential new units produced under Minneapolis model, allowing triplexes in all neighborhoods currently zoned single-family. Assumes 10% of existing single-family stock converted to triplexes	2,00.
Legalize Accessory Dwelling Units (ADUs) in city <sup>f</sup>	1,000
Total new units produced over 5-year period from ADUs in the City of New Haven, if permitted, assuming 200 new units/year. Represents approximately 18% of 5,433 single-family homes in neighborhoods zoned for single-family (RS-1, RS-2) adding one ADU.	
Total	26,042

<sup>&</sup>lt;sup>a</sup> US Census Bureau ACS Housing Characteristics. <sup>b</sup> New Haven City Assessor's Office Map. <sup>c</sup> Breen, Thomas. "On the Brink of a Bigger City." *New Haven Independent*. 3 January 2020. <sup>d</sup> Review of planned and in-progress multi-family developments, New Haven Economic Development Agency. <sup>e</sup> New Haven City Assessor's Office Map. <sup>f</sup> Breen, Thomas. "Report: Housing Fixes Won't Cost 5" *New Haven Independent*. 25 Jan 2019.