

Windsor Locks Incentive Housing Zone Study Housing Market Analysis Summary

November 2014

The information presented below is based on these recently completed analyses, unless otherwise noted:

Windsor Locks: Once and Future TOD Study, Fuss & O'Neill, 2013

Windsor Locks Housing Data Profile, Partnership for Strong Communities, 2013 (attached)

Following is a summary of relevant housing and demographic statistics that point to a need for more affordable housing in Windsor Locks.

- 9.2% of Windsor Locks housing stock meets the statutory definition of affordable (2012 numbers). The Town would need an additional 46 units of affordable housing, provided no increase in the number of market rate units, to comply with the State's affordable housing goals and not be subject to 8-30g affordable housing appeals.
- 20% of Windsor Locks housing units are multi-family; 76% of those are occupied by renters.
- The median household income for renters in Windsor Locks is \$43,171. An affordable rent for the median rental household income is just under \$900. More than 27% of Windsor Locks rental housing units have gross rents of \$1,000 or more, and are therefore, unaffordable to the median renter household.
- Windsor Locks has a relatively small proportion of smaller housing units appropriate for single-person households, with only 9% of its housing stock consisting of studio and one-bedroom units, compared to 15% in Hartford County and 14% in Connecticut overall.
- The TOD Downtown Housing Market study identified a total annual target market of 675 households with the potential to rent or buy housing in Downtown Windsor Locks over the next five years. The vast majority of the identified potential market consists of younger singles and couples.
- The identified potential Downtown housing market target would generally prefer higher-density housing. According to the study, 50% of the potential market would seek rental multi-family units with another 23% seeking ownership multi-family, and the remainder seeking ownership attached single-family units.

KEY POINTS: This information suggests that potential Incentive Housing Zones in the Downtown should focus on smaller rental housing units affordable to younger working age population. Indeed, the latest American Community Survey (ACS) data available indicates a need for affordable rental housing for current Windsor Locks residents: 44% of Windsor Locks households with householders age 25-34 pay more than 35% of their incomes on housing rental costs (ACS, 2008-12).

Windsor Locks Incentive Housing Zone Study IHZ Program Overview

Incentive Housing Zones (IHZ) are overlay zones that enable Incentive Housing Developments (IHD) by right. IHZs must be approved by the Connecticut Department of Housing and meet several statutory requirements in order to be eligible for financial incentive payments to the municipality. An IHD is a residential or mixed-use development in which at least 20% of the dwelling units are guaranteed affordable to households earning 80% or less of the Area Median Income (adjusted for household size) for at least 30 years.

2014 Area Median Income for Windsor Locks

Median Income	FY 2014 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
\$85,700	Very Low (50%) Income Limits (\$)	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300	\$49,750	\$53,150	\$56,600
	Extremely Low (30%) Income Limits (\$)*	\$18,000	\$20,600	\$23,150	\$25,700	\$27,910	\$31,970	\$36,030	\$40,090
	Low (80%) Income Limits (\$)	\$44,750	\$51,150	\$57,550	\$63,900	\$69,050	\$74,150	\$79,250	\$84,350

Source: HUD (huduser.org)

The targeted affordable rentals for singles and younger couples would need to rent for \$1,119 to \$1,279 per month (30% of income for low income one- and two-person family households). Other affordable rentals and ownership costs can be calculated from the above income limits table.

IHZ Requirements

Following are requirements of the Connecticut Incentive Housing Zone program for IHZs with commentary on the applicability to Windsor Locks:

1. Be consistent with the State Plan of Conservation and Development (eligible growth location)

All of Windsor Locks Downtown is a designated Priority Funding or Balanced Area

2. Regulations of the zone shall permit, as of right, incentive housing development

3. Zone must comply with minimum allowable density requirements
 - 6 units/acre for single-family housing
 - 10 units/acre for duplex or townhouse housing
 - 20 units/acre for multifamily housing
 - DOH may waive density requirements for land “owned or controlled” by a municipality, land trust, housing trust fund, or non-profit housing agency, provided development will be 100% set aside at 80% of AMI
4. Minimum as of right density allowed by the zone must increase the density allowed by the underlying zone by at least 25%

MSOZ allows a maximum of 15 multi-family units per acre – according to the Department of Housing, the Town would just have to justify not meeting the 25% increase requirement through documentation of current uses and zoning showing an increase in density. A strong case could be made given that the MSOZ regulations are new and have similar intentions as IHZ: locating residential density near transit.

R-DRD zone allows 10 units per acre - enabling 20 units per acre for multi-family would fulfill requirement

B-DRD zone does not have an established maximum density – according to the Department of Housing, the Town would just have to justify not meeting the 25% increase requirement through documentation of current use

R-A zone allows single-family and multi-family only as an adaptive re-use with no maximum density specified

5. Minimum densities prescribed above shall be subject only to site plan or subdivision procedures, and shall not be subject to special permit or special exception procedures, requirements or standards
6. IHZ may consist of one or more sub-zones
7. IHZ land area may not exceed 10% of the total land area or aggregate area comprised of IHZ and sub-zones in a municipality may not exceed 25%

Other Considerations

- In order to support the requirements of the IHZ, the zoning commission may modify, waive or delete dimensional standards contained in the zones that underlie the IHZ
- The regulations of an IHZ may allow for a mix of business, commercial or other nonresidential uses provided that these uses comply with the requirements of the Statute, and are consistent with the density requirements
- An IHZ may overlay all or any part of an existing historic district or districts

- An applicant for site plan or subdivision approval may exceed the minimum requirements of the IHZ
- A zoning commission, at the time of its adoption of regulations for an IHZ, may adopt design standards for the IHD

Source: CT Dept. of Housing
(<http://www.ct.gov/doh/cwpl>)