

Town of Ledyard

Affordable Housing Strategy

June 3, 2009



© 2009 Laberge Group
4 Computer Drive West
Albany, New York 12205

Project Number 28120

Acknowledgements

Town Council

Pete Champagne
Linda Davis
James J. Diaz
David Holdridge
Tom H. McAvoy
Mary K. McGrattan
William D. Saums
John A. Rodolico
Sharon Wadecki

Steering Committee

Peter Borch, Planning Commission
Mike Cherry, Planning Commission
Linda Davis, Town Council
Kevin Dombrowski, Zoning Commission
Steve Eichelberg, Econ. Dev. Commission
Peter Gardner, Resident, Surveyor
Ken Koe, Planning Commission
Wyatt Kopp, Zoning Commission
Ed Lynch, Planning Commission
Jim Mandeville, Zoning Commission
Eric Treaster, Zoning Commission
Roger Tremblay, Planning Commission

Town Staff

Brian Palaia, AICP, CEcD, Director of Planning & Community Development

Funding provided by the Office of Policy and Management

Consultant



Table of Contents

Introduction	1
Affordable Housing Terminology	1
The Affordable Housing Land Use Appeals Act – C.G.S. 8-30-g.....	1
Housing for Economic Growth Program	2
Housing Supply and Demand Analysis	3
Population & Age Distribution	3
Household Income.....	4
Housing Affordability for Median Household Income.....	4
Housing Affordability for Low to Moderate Income (LMI) Households	5
Housing Affordability for Seniors	6
Housing Units.....	7
Housing Occupancy.....	8
Existing Land Use and Zoning Analysis	11
Workforce Housing	11
Public Process	13
Role of the Steering Committee.....	13
Affordable Housing Roundtable.....	13
Public Meeting	14
Affordable Housing Land Use Techniques	15
Permitting a Variety of Housing Types	15
Mixed Use Development.....	15
Overlay Zoning Districts.....	15
Inclusionary Zoning.....	15
Conservation Subdivision	15
Planned Unit Development (PUD)	16
Density Bonuses.....	16
Incentive Housing Zones	16
Goals and Strategies	17

LIST OF TABLES

Table 1: Population & Age Distribution	4
Table 2: Household Income	4
Table 3: Housing Affordability for Median Household Income.....	5
Table 4: Housing Affordability for LMI Households.....	6
Table 5: Housing Affordability for Seniors.....	6
Table 6: Housing Units.....	7
Table 7: Building Permits (July 2000- June 2007)	8
Table 8: Housing Occupancy	9
Table 9: Future Housing Needs	10
Table 10: Zoning District Acreage.....	11

Introduction

The Town of Ledyard received a grant in 2008 from the Housing for Economic Growth Program to undertake an Affordable Housing Strategy. This Plan will be an amendment to the Plan of Conservation and Development, adopted in 2004 and as amended in 2005. This Plan will serve as a comprehensive affordable housing strategy for the Town of Ledyard and augment the housing goals of the POCD.

The planning process included meetings with the Steering Committee to exchange information and knowledge, an Affordable Housing Roundtable with community stakeholders to determine Ledyard's housing needs, and finally a Public Meeting to share the Plan's findings and solicit comment. The Plan includes an assessment of housing supply and demand, a discussion of the public processes that were done as a part of this Plan's development, and a series of goals and strategies intended to address Ledyard's affordable housing concerns.

Below is a brief discussion of the terminology commonly associated with affordable housing, as well as a discussion on the Affordable Housing Land Use Appeals Act and the Housing for Economic Growth Program that will help frame the context for this Plan.

Affordable Housing Terminology

The terminology related to affordable housing may vary slightly by affordable housing program however, generally "affordable housing" is housing where a household spends no more than 30% of their income on housing costs (including utilities). While "workforce housing" is affordable to households with incomes up to 120% of the Area Median Income (AMI), "affordable housing" applies to households with incomes up to 80% of the AMI. "Assisted" or "subsidized housing" is housing that is made available below market rates through the use of government programs and subsidies.

The Department of Housing and Urban Development defines Low Moderate Income (LMI) households and categories LMI households as the following: moderate income households are 80% of the median income; low income households are 50% of the median income; and very low income households are 30% of the median income.

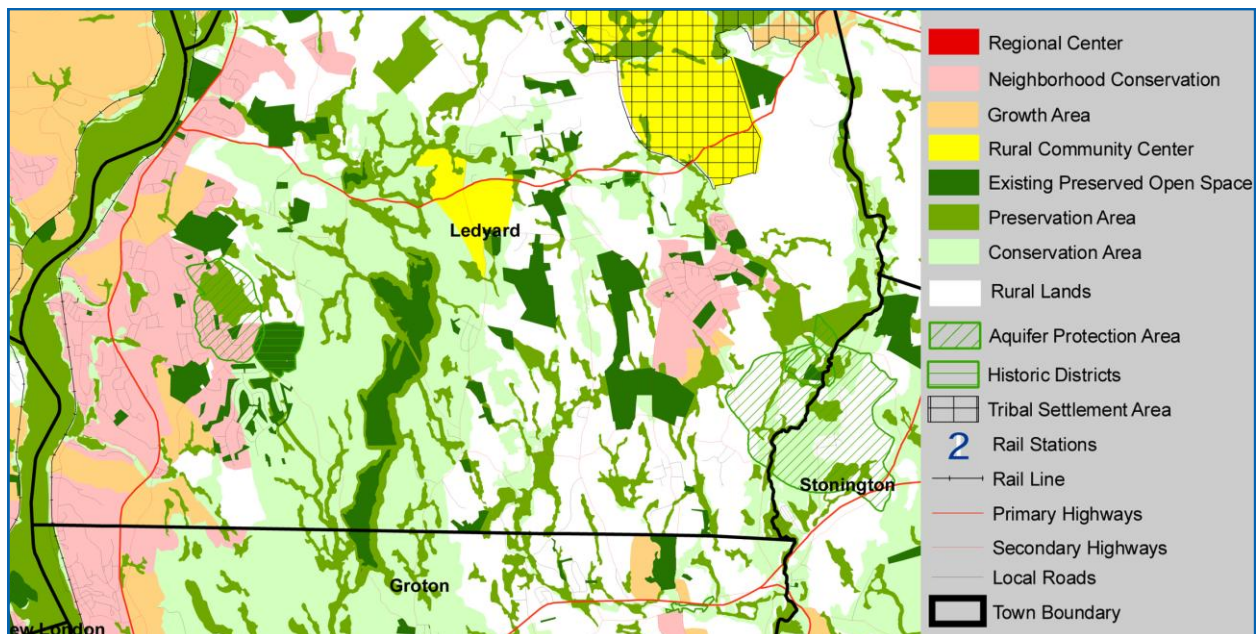
The Affordable Housing Land Use Appeals Act – C.G.S. 8-30-g

The Affordable Housing Appeals Act, C.G.S 8-30g, provides exemption from zoning regulations for developers constructing affordable housing in communities with less than 10% of their total housing stock designated as "affordable." As such, the Town of Ledyard is not exempt from the Affordable Housing Land Use Appeals Procedure under C.G.S. 8-30g. According to the 2008 Affordable Housing Appeals List, 3.37% of Ledyard's housing units qualify as affordable housing units. Typically, qualifying affordable housing units offer owners and renters financial assistance from a variety of governmentally assisted programs or through deed restrictions including mortgage assistance through the Farmer's Home

Administration, the Connecticut Housing Finance Authority, and the Department of Housing and Urban Development's Section 8 program.

Housing for Economic Growth Program

The Housing for Economic Growth Program provides incentives to communities to create Incentive Housing Zones in which future affordable housing units would be permitted to be constructed. An Incentive Housing Zone (IHZ) is an overlay zone adopted by the Town and approved by the State Office of Policy and Management (OPM) consistent with the State POCD Locational Map. The IHZ requires that a minimum of 20% of the units in each development be affordable to people earning no more than 80% of the area's median household income and using no more than 30% of their annual income on housing. The units remain affordable for 30 years through deed restrictions. The uses within an IHZ must be allowed by right, without any special conditions or procedures attached. The current program provides that OPM will pay municipalities for each unit built within the zone that meets the criteria.



State POCD Locational Guide Map for the Town of Ledyard

Housing Supply and Demand Analysis

Highlights: Opportunities & Challenges

- *Eighty-five percent of the total housing stock was single-family, detached units in 2000.*
 - *In 2000, vacancy rates were 1.2% for all owner occupied housing and 3.7% vacancy rate for rental units.*
 - *The median age is expected to increase from 36.5 in 2000 to 41.5 by 2018.*
 - *Median housing prices in Ledyard was projected to increase from \$143,243 in 2000 to approximately \$273,552 by 2008.*
 - *According to the 2008 Affordable Housing Appeals List, 3.37% of Ledyard's total housing units are designated affordable.*
 - *The Town of Ledyard is expected to need an additional 507 housing units by 2018.*
 - *The rental unit vacancy rate in Ledyard is anticipated to be 0.7% by 2018.*
-

This section summarizes a number of trends, including population, age, and household income in the Town of Ledyard. This information was derived from research and analysis of data found in the 2000 Census. Future projections for 2008 and 2013 were obtained from ESRI Business Analyst Online. Projections were then calculated for 2018 to give a more long-term analysis of the Town's housing needs. All projections are general estimates based on historic trends and current national and regional trends.

Population & Age Distribution

The Town of Ledyard had a total population of 14,687 in 2000 and is experiencing small annual growth with an expected total population of 15,960 by 2018. **Table 1: Population & Age Distribution** shows a detailed breakdown of the projected growth trends for all age cohorts in Ledyard. The only age groups expected to significantly increase between the years of 2000 and 2018 are those residents over 45 years old. While the age cohort of 35-44, is projected to decrease from 19.4% of the total population in 2000 to 11.9% by 2018.

The 55-64 years old age group is projected to experience the highest growth levels. In 2000, 1,431 residents in Ledyard, or 9.7% of the total population were between the ages of 55-64. By the year 2018, 15.6% of the total population, or 2,492 residents are expected to be between 55 and 64 years old.

The next two highest growth cohorts are those residents in the 45-54 years old and 65-74 years old age groups. This expected population growth in Ledyard is illustrated by the change in median age from 36.9 years old in 2000 to a projected 41.5 years old by 2018. These numbers are consistent with national trends, as the entire country is dealing with an aging baby boomer population.

Table 1: Population & Age Distribution

Age	2000		2008		2013		2018	
	Total	%	Total	%	Total	%	Total	%
0-14	3,390	23.1%	3,216	21.0%	3,205	20.5%	3,194	20.0%
15-19	1,059	7.2%	1,076	7.0%	1,055	6.7%	1,034	6.5%
20-24	630	4.3%	762	5.0%	754	4.8%	746	4.7%
25-34	1,712	11.7%	1,619	10.6%	1,697	10.9%	1,775	11.1%
35-44	2,846	19.4%	2,400	15.7%	2,152	13.8%	1,904	11.9%
45-54	2,299	15.7%	2,730	17.8%	2,785	17.8%	2,840	17.8%
55-64	1,431	9.7%	1,876	12.2%	2,184	14.0%	2,492	15.6%
65-74	849	5.8%	1,005	6.6%	1,114	7.1%	1,223	7.7%
75+	471	3.2%	636	4.2%	694	4.4%	752	4.7%
Total	14,687	100.0%	15,320	100.0%	15,640	100.0%	15,960	100.0%
Median Age	36.9 years		39.5 years		40.5 years		41.5 years	

Source: U.S. Census Bureau, Census 2000 Summary File 1, ESRI Business Analyst, & Loberge Group

Household Income

Household income has a direct bearing on the ability of Ledyard's residents to purchase or rent housing suitable for their needs. The U.S. Department of Housing and Urban Development (HUD) defines affordable housing, as households paying 30% or less of their total household income on their housing and utilities. Therefore, if the household income does not allow for residents to afford suitable owner and rental units, then residents encounter housing affordability issues.

Table 2: Household Income compares household incomes in Ledyard, projecting a steady increase in income from 2000 to 2018. In 2000, only 17.9% of households earned over \$100,000; however this number is expected to increase substantially to 55% by 2018. This is a 37.1% increase in the amount of persons earning at least \$100,000 in Ledyard over the 18-year period. During this same time period, the median income is projected to grow from \$61,818 in 2000 to \$100,169 by 2018.

Table 2: Household Income

Households by Income	2000		2008		2013		2018	
	# of HH	% of Total	# of HH	% of Total	# of HH	% of Total	# of HH	% of Total
less than \$25,000	649	12.3%	432	7.7%	361	6.2%	290	4.9%
\$25,000 to \$49,999	1,267	23.9%	901	15.9%	617	10.6%	333	5.6%
\$50,000 to \$74,999	1,402	26.5%	1,204	21.3%	940	16.2%	676	11.3%
\$75,000 to \$99,999	1,024	19.4%	1,627	28.8%	1,509	26.0%	1,391	23.3%
\$100,000 or more	941	17.9%	1,478	26.3%	2,380	41.0%	3,282	55.0%
Households	5,283	100.0%	5,642	100.0%	5,807	100.0%	5,972	100.0%
Median HH income	\$61,818		\$77,841		\$89,005		\$100,169	

Source: U.S. Census Bureau, Census 2000 Summary File 1, ESRI Business Analyst, & Loberge Group

Housing Affordability for Median Household Income

Nationally, mortgage lenders recommend the affordability of a house not exceed three times the annual household income. **Table 3: Housing Affordability for Median Household Income** compares the

median home value to the maximum affordable home sales price, based upon three times the median household income in Ledyard between the years of 2000 and 2018.

According to the table, the maximum affordable home sales price in Ledyard in the year 2000 was \$185,454, which was substantially higher than the median home value (\$143,243). Due to unprecedented real estate sales nationally in the early to mid 2000s, the median home value is projected to nearly double in 2008 to \$273,552.¹ As the median income is projected to only support a house worth \$233,523, this substantial increase in property value will cause a problem of affordability for the average Ledyard household.

As the table shows, the price of a home in Ledyard is projected to continue to increase, although, at a more affordable rate for the median household income. The combination of increasing incomes and stabilizing housing prices will likely provide a more affordable housing situation over the next ten years.

Table 3: Housing Affordability for Median Household Income

Year	Median Home Value	Median HH Income	Max Affordable Home Sales Price
2000	\$143,243	\$61,818	\$185,454
2008	\$273,552	\$77,841	\$233,523
2013	\$278,894	\$89,005	\$267,015
2018	\$284,236	\$100,169	\$300,507

Source: U.S. Census Bureau, Census 2000 Summary File 1, ESRI Business Analyst, & Laberge Group

Housing Affordability for Low to Moderate Income (LMI) Households

When considering the price of housing, communities should provide a range of housing options to accommodate diverse incomes. Despite the expected growth in median income for Ledyard, there are approximately 36% of households with Low to Moderate Income (LMI). The Town should plan how it will continue to provide affordable options for LMI individuals and households. HUD defines moderate income households as 80% of the median income, low income households as 50%, and very low income households as 30% of the median income.

Table 4: Housing Affordability for LMI Households breaks down the current and projected household incomes of each LMI category. Using the standard for the maximum recommended price of a home equaling three times the annual household income, in 2000, moderate income households were able to afford a home in Ledyard. However, as the price of housing increases, low and very low income households will find the goal of home ownership further out of reach.

¹ Note: the median sales price for 2008 was projected from ESRI Business Analyst projections which were used so that all projections were based on the same data. In 2007 according to the Eastern Connecticut Association of REALTORS® (www.easternctrealtors.com), the median sale price of a home in Ledyard was \$277,500. Currently, the median sale price is \$250,000 according to the Multiple Listing Service.

Table 4: Housing Affordability for LMI Households

	Moderate HH Income		Low HH Income		Very Low HH Income	
	Annual Income	Max Affordable Home Sales Price	Annual Income	Max Affordable Home Sales Price	Annual Income	Max Affordable Home Sales Price
2000	\$49,454	\$148,362	\$30,909	\$92,727	\$18,545	\$55,635
2008	\$62,273	\$186,819	\$38,921	\$116,763	\$23,352	\$70,056
2013	\$71,204	\$213,612	\$44,503	\$133,509	\$26,702	\$80,106
2018	\$80,135	\$240,405	\$50,085	\$150,255	\$30,051	\$90,153

Source: U.S. Census Bureau, Census 2000 Summary File 1, ESRI Business Analyst, & Laberge Group

Housing Affordability for Seniors

As previously noted, Ledyard’s senior population is experiencing high growth and it is important to examine the existing housing to accommodate this population cohort. Senior housing is growing in demand nationally, causing developers, banks, and municipalities to think outside the box in ways to provide affordable options for seniors. Some seniors might need assisted living, which includes onsite medical treatment and dining facilities. Other seniors that are fully capable of independent living might qualify for a reverse mortgage on a smaller house or townhouse, which requires the availability of more inexpensive housing options.

According to **Table 5: Housing Affordability for Seniors**, the 55-64 age cohort was the only senior age group in 2000 able to afford the price of housing in Ledyard based on median home values. In 2018, it is projected that the 55-64 and 65-74 age cohorts will be able to afford a median priced house in Ledyard.

Without the availability of affordable housing options for seniors, residents ages 75 and older will be priced out of the housing market in Ledyard. This is a concern for the community, as this age cohort is expected to increase 62% between 2000 and 2018.

Table 5: Housing Affordability for Seniors

	55-64 Age Cohort		65-74 Age Cohort		More Than 75 Age Cohort	
	Median HH Income	Max Affordable Home Sales Price	Median HH Income	Max Affordable Home Sales Price	Median HH Income	Max Affordable Home Sales Price
2000	\$66,945	\$200,835	\$45,458	\$136,374	\$27,309	\$81,927
2008	\$82,829	\$248,487	\$59,491	\$178,473	\$40,574	\$121,722
2013	\$100,313	\$300,939	\$89,888	\$269,664	\$58,897	\$176,691
2018	\$117,797	\$353,391	\$120,285	\$360,855	\$77,220	\$231,660

Source: U.S. Census Bureau, Census 2000 Summary File 1, ESRI Business Analyst & Laberge Group

Housing Units

The discussion of housing affordability is directly related to the availability of diverse housing units. According to the U.S. Census, in 2000, 85% of Ledyard’s total housing stock was single-family, detached units. **Table 6: Housing Units** breaks down the remainder of the housing types in Ledyard in 2000. There were 290 units in the form of 3 to 4 family structures, which totaled 5.3% of the total housing stock. Mobile homes were the third most available housing type, with 198 units.



Table 6: Housing Units

Units in Structure	Number	Percent
1-unit, detached	4,659	85.0%
1-unit, attached	112	2.0%
2 units	36	0.7%
3 to 4 units	290	5.3%
5 to 9 units	157	2.9%
10 to 19 units	16	0.3%
20 to 49 units	15	0.3%
50 or more units	0	0.0%
Mobile Home	198	3.6%
Other	0	0.0%
Total	5,486	100.0%

Source: U.S. Census Bureau, Census 2000 Summary File 1

As indicated in **Table 7: Building Permits (July 2000 - June 2007)**, 392 housing units have been built since 2000 and 22 units have been demolished yielding a total of 370 units. The majority of the housing units built were single-family detached (88.4%). Only 13 permits were issued for multi-family dwellings.

According to the 2008 Affordable Housing Appeals List, Ledyard has 185 assisted housing units or 3.37% of its housing units. Assisted housing is made more affordable to owners and renters with financial assistance from a variety of governmentally assisted programs or through deed restrictions, including mortgage assistance, through the Farmer’s Home Administration, the Connecticut Housing Finance Authority (CHFA), and the Department of Housing and Urban Development’s Section 8 program. According to the 2008 list, Ledyard has 39 governmentally assisted units, 142 CHFA mortgages, and 4 deed restricted units. The Town is not exempt from the Affordable Housing Land Use Appeals Procedure

under C.G.S. 8-30g. The Affordable Housing Land Use Appeals Procedure allows for a developer to sue a community for denial of an affordable housing development when the community has less than 10% affordable housing. As of 2008, only 31 communities in Connecticut have 10% or more affordable housing and are therefore exempt from C.G.S. Section 8-30g. To be exempt from the Appeals Procedure, Ledyard would need an additional 6.63% of its total housing stock to be affordable housing units.

Table 7: Building Permits (July 2000- June 2007)

Housing Type	July 1, 2000 - June 30, 2001	July 1, 2001 - June 30, 2002	July 1, 2002 - June 30, 2003	July 1, 2003 - June 30, 2004	July 1, 2004 - June 30, 2005	July 1, 2005 - June 30, 2006	July 1, 2006 - June 30, 2007	Total Units by Type
Single Family	42	55	52	53	56	51	18	327
2 Family		1						1
4 Family			1	3				4
1 Family to 2 Family Conversion				3		1	1	5
Mobile/Manufactured	6	4	4	3	7	13	15	52
4 Unit Condo Bldg						1		1
8 Unit Condo Bldg		1						1
9 Unit Condo Bldg			1					1
Authorized Building Permits by Type	48	61	58	62	63	66	34	392
Demolitions - Single Family & Mobile/ Manufactured Homes	2	5	2	3	3	3	4	22
Total Units Per Year	46	56	56	59	60	63	30	370

Source: Building Permit information provided by Town of Ledyard

Housing Occupancy

The housing market is a delicate balance of ownership, rental units, and vacancies. The types of housing in a community are usually controlled by demand, meaning developers will build if they know they can sell or rent units. During times of slow housing sales, similar to what is occurring on a national scale today, it is important to provide enough rental units for those families and households waiting to purchase a house. Also, when there is not enough available housing for sale, it creates a supply and demand situation that causes inflated housing prices, similar to the situation that caused the current housing crisis.

When analyzing the health of local housing markets, it is always valuable to examine the vacancy rates to the balance of available housing for current and future residents. According to a study in April 2002 by the Southeastern Connecticut Council of Governments (SCCOG), a desirable minimum vacancy rate for year-round housing stock for homeowners is 2.5% of all available owner occupied units.² For rental units,

² *Housing a Region In Transition: An Analysis of Housing Needs in Southeastern Connecticut, 2000-2005*, Southeastern Connecticut Council of Governments, April 2002.

the desirable minimum vacancy rate is approximately 5% of all rental units. Vacancy rates below these suggested minimum standards will create problems such as increased cost of housing, as well as shortage of units.

According to **Table 8: Housing Occupancy**, in 2000, almost 80% of the housing units in Ledyard were owner occupied, single-family houses, while 17% were rental units. The Town had 932 rental units; this number is projected to increase to approximately 16.4% of total available units by 2018, or 981 total rental units. The resulting vacancy rate in 2000 for all units was 3.6%, which includes a 1.2% vacancy rate for all owner occupied housing, and 3.7% vacancy rate for rental units. Both of these rates are above the suggested vacancy rates of 2.5% for owner occupied units and 5% for rental units, which suggests a competitive and limited housing market in Ledyard.

Table 8: Housing Occupancy

	2000		2008		2013		2018	
	Number	%	Number	%	Number	%	Number	%
Occupied	5,286	96.4%	5,643	96.6%	5,809	96.7%	5,975	96.9%
Owner	4,354	79.4%	4,666	82.7%	4,742	81.6%	4,818	80.6%
Renter	932	17.0%	954	16.9%	967	16.6%	981	16.4%
Vacant	200	3.6%	197	3.4%	196	3.3%	194	3.1%
Owner	54	1.2%	61	1.3%	66	1.4%	70	1.4%
Renter	36	3.7%	23	2.4%	15	1.5%	7	0.7%
Total Housing Units	5,486	100.0%	5,840	100.0%	6,005	100.0%	6,169	100.0%

Source: U.S. Census Bureau, Census 2000 Summary File 1, ESRI Business Analyst & Laberge Group

Future Housing Needs

The Town of Ledyard should promote and encourage the development of a diverse range of housing options for its residents. This diverse mixture includes more affordable home ownership options, such as townhouses, condos, and co-ops. The Town should also encourage and provide opportunities for sufficient rental options, for all sizes of families and households, including detached single-family housing and multi-family housing.



Table 9: Future Housing Needs analyzes the current and future demand for housing in the Town of Ledyard. Of note in this table is the declining median persons per household size, which is expected to drop from 2.78 persons in 2000 to 2.53 persons in 2018. These declines in family size will alter the type of housing that a typical family will need, again emphasizing the need for diverse housing options.

However, the number of households in Ledyard is expected to grow from 5,286 households in 2000 to 5,975 households by 2018. This means that the total number of housing units in Ledyard must continue to increase at a pace that is consistent with the needs of the population. As detailed earlier in the document,

many of these households may be elderly residents, or empty nesters, that do not need large, detached, traditional suburban housing.

Future housing units were projected by utilizing historic trends. As shown in the table, vacancy and rental units versus owner occupied units were projected, to provide a detailed analysis of the future housing outlook for Ledyard. One of the most alarming projections in the table is the expected “vacant for rent, rental units,” which will total only 7 units in 2018, if development continues at its current pace. This is a rental unit vacancy rate of 0.7%, which is significantly lower than the suggested vacancy rate of 5% for rental units.

Table 9: Future Housing Needs

	2000	2008	2013	2018
1. Total Population	14,687	15,320	15,640	15,960
2. Population in Group Quarters	10	10	10	10
3. Population to be Housed	14,677	15,310	15,630	15,960
4. Median Persons per Household	2.78	2.67	2.60	2.53
5. Households to be Housed	5,286	5,643	5,809	5,975
6. Housing Units Needed				
a. Owner-occupied Units	4,354	4,666	4,742	4,818
b. Vacant-for-sale Ownership Units	54	61	66	70
c. Subtotal: Ownership Units	4,408	4,727	4,808	4,888
d. Renter-occupied Units	932	954	967	981
e. Vacant-for-rent Rental Units	36	23	15	7
f. Subtotal: Rental Units	968	977	982	988
g. Units Vacant for Seasonal, Recreational or Occasional Use	32	34	36	37
h. Other Vacant Units	78	79	79	80
i. Total Units Needed (c+f+g+h)	5,486	5,817	5,905	5,993
7. Total Units Available	5,486	5,486	5,486	5,486
8. Additional Units Needed,				
a. Total Units	N/A	331	419	507
b. Ownership Units	N/A	265	335	406
c. Rental Units	N/A	66	84	101

Source: U.S. Census Bureau, Census 2000 Summary File 1, ESRI Business Analyst & Laberge Group

According to the projections, in 2008, the Town will need an additional 331 total housing units from 2000. The projections used the expected ratio of approximately 80% owner occupied units versus 20% rental units, which is the approximate ratio currently in Ledyard. While the total number of built units described in **Table 7: Building Permits (July 2000-June 2007)**, has already exceeded the projected number of housing units expected for the 2008 population projections discussed above, the number of rental units built during the 2000-2007 is far below what is needed for the population. Continuing the projections into 2018 allows for a more long-term analysis of the housing situation in Ledyard. This analysis shows that the Town will need an additional 406 owner occupied units and 101 rental units by 2018.

Existing Land Use and Zoning Analysis

As discussed in **Table 6** and **Table 7**, the majority of Ledyard’s housing units are single-family detached housing. Residential land use is the largest land use category in Ledyard and of the 24,971 acres in the Town, 23,224 acres or 93% of the total land area is zoned for residential use (see **Table 10**).

While the majority of the single-family detached housing is on larger lots, there are areas throughout the Town that have smaller lot sizes such as in the Highlands, Avery Hill, Aljen Heights, and the Gales Ferry area. There are relatively few rental units throughout the Town. Most of the development within the past ten years has occurred in larger lot subdivisions or individual homes. Only 3.43% of the Town is zoned for lots less than 40,000 square feet. In addition, there are significant building challenges such as wetlands, ledges, and limited infrastructure throughout most of the Town.

Table 10: Zoning District Acreage

Zone	Acres	% of Total Acres
CIP - Commercial Industrial Park	207.78	0.83%
CM - Commercial Marine	13.13	0.05%
GFDD - Gales Ferry Design District	216.51	0.87%
I - Industrial	594.01	2.38%
LCVD-1 - Ledyard Center Village District 1	108.87	0.44%
LCVD-2 - Ledyard Center Village District 2	61.12	0.24%
LCVD-3 - Ledyard Center Village District 3	125.59	0.50%
MFVD - Multi-Family Village District	67.48	0.27%
NC - Neighborhood Commercial	19.63	0.08%
Navy - Naval Base	256.14	1.03%
R-20 - High Density Residential	276.08	1.11%
R-40 - Low Density Residential	5,300.08	21.22%
R-60 - Low Density Residential	11,473.98	45.95%
R-80 - Rural Residential	5,127.31	20.53%
RCCD - Resort Commercial Cluster District	656.34	2.63%
RM-40 - Mobile Home Retirement Village	467.03	1.87%
Total	24,971.06	100.00%

Source: Laberge Group GIS Analysis

Workforce Housing

It is important for the Town to be an advocate through zoning regulations and site plan approval for diverse housing options for its residents. The rising costs for single-family, owner occupied dwellings and an aging community will cause an increased need for affordable owner and rental housing. In addition, attainable housing for working professionals becomes challenging.

As discussed in the housing report by SCCOG³, the economic shift from high-wage jobs in manufacturing with large numbers of lower-paying jobs in the service industry. In 2000, the annual average wage of workers in the region's remaining manufacturing industries was \$62,300, compared to \$31,793 for those employed in services. This is a national trend, however, one that is enhanced regionally and locally by the construction and expansion of the Foxwoods Resort Casino. The continued growth of Foxwoods Resort Casino will increase the amount of service sector jobs in the Ledyard area. According to the SCCOG study, the casino industry is the largest employer in the area, employing approximately 24,000 workers.

There are currently plans for expansion of Foxwoods on the eastern portion of the Towns boundaries. Assuming the expansion is built; Ledyard should consider providing sufficient infrastructure and land use regulations to encourage developers to build additional housing for casino workers. Options include rezoning specific areas for higher density housing units, as well as providing incentives for developers to build more cost effective, lower priced starter homes, townhouses, and condominiums.



³ *Housing a Region In Transition: An Analysis of Housing Needs in Southeastern Connecticut, 2000-2005*, Southeastern Connecticut Council of Governments, April 2002.

Public Process

Highlights: Opportunities & Challenges

- *An Affordable Housing Roundtable was held on February 19, 2009.*
 - *Community stakeholders noted that median income households can not afford a median priced home, there is a need for housing for 1st time homebuyers and young people, and there is an issue of affordability in Ledyard.*
 - *Community stakeholders recommended that economic development is needed to increase housing affordability, Ledyard should focus on workforce housing, should focus housing in the Gales Ferry and Ledyard Center areas, as well as utilize innovative funding techniques to encourage additional affordable housing.*
 - *A Public Meeting to present the final draft of the Affordable Housing Strategy was held on May 21, 2009.*
-

The development of this plan included meetings with the Steering Committee, an Affordable Housing Roundtable, and a Public Meeting to present the findings and strategies of this Plan.

Role of the Steering Committee

The Steering Committee, as a part of the larger Land Use Regulations and Zoning Update process, met through the course of this study to share their knowledge about the Town's existing and future housing needs.

Affordable Housing Roundtable

An Affordable Housing Roundtable was held on February 19, 2009. Stakeholders included Steering Committee members, local realtors, area housing organizations, Mashantucket Pequot Tribal Nation representatives, a state representative, and local developers. The intent of the roundtable was to discuss the current housing situation in Ledyard and brainstorm on housing solutions. Key findings include:

- There is an issue of affordability both in Connecticut and Ledyard.
- The high tax rate in Ledyard is an issue.
- Median income households can not afford a median priced home.
- Home prices are up 100% from 2000.
- There are 15 pending homes for sale with a median sales price of \$250,000. More homes under \$200,000 are being sold than houses listed above \$300,000.
- There is a need for housing for young people and 1st time homebuyers.

-
- The Eastern Connecticut housing market has not dropped as much as the rest of Connecticut.

Housing solutions discussed include:

- Economic development is needed to increase housing affordability.
- Fix zoning – best soils are in zoning districts with a minimum of 2 acres – should be ½ acre lots.
- Improve infrastructure and sidewalks.
- Address the design of affordable housing.
- Cluster homes.
- Provide mixed use areas.
- Commercial Industrial Park (CIP) zones may need to be built as hamlets or neighborhoods.
- Focus Incentive Housing Zones in Ledyard Center and Gales Ferry (Ocean State Job Lot is an underutilized site).
- Allow a mix of uses in Gales Ferry with housing above retail.
- Focus on workforce housing – for the Coast Guard, Navy Base, area Hospitals, Casino and Drug Company workers.
- Education and outreach is needed on affordable housing.
- Look at housing tax credits, housing trust funds, lease back options to encourage affordable housing.
- HOME CT needs more funding.
- Provide mixed use tax incentives.
- Ledyard should focus on workforce housing.
- There was a recommendation for Ledyard to have at least 2 IHZs – Ledyard Center will need infrastructure and the area may need a State POCD amendment as a portion of the Ledyard Center districts are not identified as rural centers.
- Have fewer requirements for apartments than in the present zoning.
- Work with the Tribe on workforce housing.
- There was also a discussion on whether affordable housing developments should be mixed income or all affordable units.

Public Meeting

A Public Meeting was held on May 21, 2009 to present the final draft of the Affordable Housing Strategy. Following the meeting, the final document was produced.

Affordable Housing Land Use Techniques

A number of land use techniques are available to encourage diverse housing options at price ranges that are accessible to all ages and income levels in the Town of Ledyard. These techniques are discussed below.

Permitting a Variety of Housing Types

Expanding the types of allowable or permitted housing options in the Town's zoning code increases residents' opportunities for an affordable dwelling. Variety of dwelling units may include multifamily, townhouses, two-family and senior housing without additional restrictions. Permitting accessory apartments and ECHO housing (elder cottage/granny flat) in zoning regulations would also increase the amount of lower cost housing options for seniors. A diversity of housing types can help retain and attract additional jobs to the area.

Mixed Use Development

Mixed use development includes a combination of residential and commercial uses in a single building or within a development. Mixed use developments allow communities to develop multiple uses on a site at a higher density than other locations within the community. Most communities do not market urban living as a desired housing option, but communities that do have more vibrant town centers.

Overlay Zoning Districts

Overlay zoning districts are districts that build on the underlying zoning, so that the standards of the overlay zone apply in addition to those of the underlying or base zoning district. Overlay zoning districts can be used to encourage mixed use or higher density development in existing low density areas or to allow affordable housing by right in areas regardless of the underlying zoning.

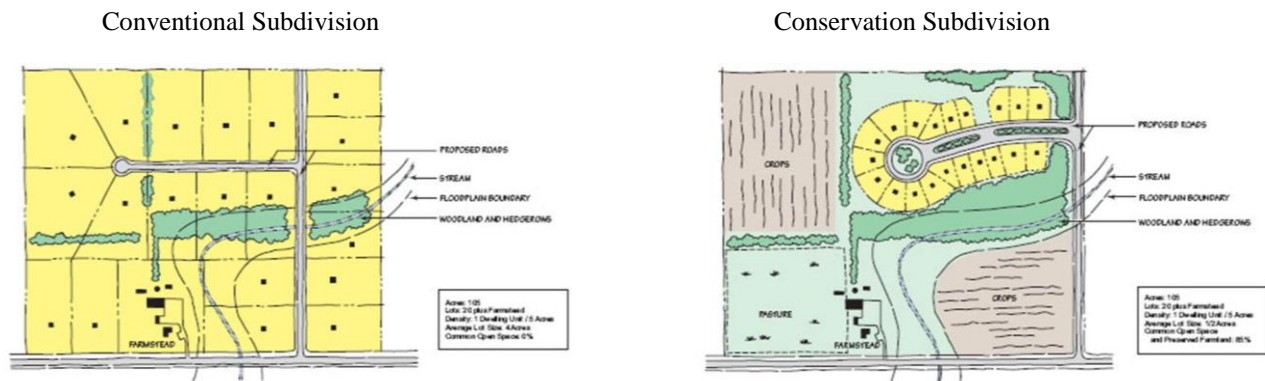
Inclusionary Zoning

Inclusionary zoning ordinance encourages or requires any new housing construction to include a certain percentage of affordable housing units. One common technique is to allow for density bonuses in the development in exchange for the construction of affordable housing units. Other options include requiring cash contributions to an affordable housing fund.

Conservation Subdivision

Conservation subdivisions (sometimes known as cluster development) are intended to preserve agriculture, open space, and environmental features by clustering houses around the important natural and open space areas, thereby minimizing infrastructure costs and housing construction costs. Lots and

dwelling units are smaller and/or located closer together than permitted under a conventional subdivision and open space is preserved on the remainder of the property without increasing the overall tract density.



Source: http://www.sewrpc.org/ca/conservation/subdivisions/pdfs/conservation_subdivision_design_process.pdf

Planned Unit Development (PUD)

A Planned Unit Development is a master planned development with a variety of housing types and/or commercial development. PUDs may also be developed exclusively for a mixed commercial/industrial development. PUDs allow for more flexibility than under the standard development process and such provisions typically include building design, landscaping and open space standards. The PUD technique allows for a community to have additional oversight on the design of the development. A PUD can be adopted as a mapped zoning district or as an overlay district.

Density Bonuses

Density bonuses are an increase in the allowable number of dwelling units granted under existing zoning regulations in return for a development providing other public benefits such as affordable housing units or open space protection. Density bonuses can be permitted in one zoning district or in a number of zoning districts.

Incentive Housing Zones

An Incentive Housing Zone (IHZ) is an overlay zone adopted by the Town and approved by the State Office of Policy and Management (OPM) consistent with the State POCD Locational Map. The IHZ requires that a minimum of 20% of the units in each development be affordable to people earning no more than 80% of the area's median household income and using no more than 30% of their annual income on housing. The units remain affordable for 30 years through deed restrictions. The uses within an IHZ must be allowed by right, without any special conditions or procedures attached. The current program provides that OPM will pay municipalities for each unit built within the zone that meets the criteria.

Goals and Strategies

Without goals, and plans to reach them, you are like a ship that has set sail with no destination.
- Fitzhugh Dodson

This Plan identifies a series of goals and strategies for a comprehensive, community-wide approach to providing affordable housing in the Town of Ledyard. These goals and strategies are intended to support and enhance the recommendations from the Plan of Conservation Development of 2003.

Below is a series of goals and strategies to achieve a diverse housing balance in Ledyard. A goal is a general statement of a future condition that is considered desirable for Ledyard; it is an end towards which strategies are aimed. A strategy is a specific proposal that relates directly to accomplishing the goal. The goals and strategies were developed with the Steering Committee based upon input from the Affordable Housing Roundtable as well as the Public Meeting.

Goal 1: Encourage Housing Diversity in Ledyard

Strategy 1.1 Amend zoning regulations to permit a variety of housing types and densities in appropriate locations.

Determine appropriate residential densities utilizing zoning and land use regulations to accommodate future growth in areas of the Town without negatively impacting surrounding neighborhood character. Housing types such as additional multifamily, townhouses, two-family and senior housing should be permitted by zoning in appropriate locations without too many restrictions that hinder the production of such housing.

Strategy 1.2 Permit mixed use development in appropriate locations.

Increase the supply of housing diversity by supporting mixed use development in appropriate areas of the Town. Such developments may include residential development above retail and/or office spaces.

Strategy 1.3 Amend conservation development regulations.

In order to bring down the cost of development, Ledyard should improve its conservation development standards to encourage or require cluster development of homes where appropriate. Such development would decrease the development cost of providing infrastructure and allow for smaller lot sizes. Recommended improvements to the regulations include eliminating minimum lot area requirements and allowing an average density to encourage more clustering of lots and the creation of additional open space. While conservation development is a method to preserve open space and rural

character, developers can bring the cost of development down thereby also bringing down the cost of homes within the development.

Strategy 1.4 Consider adopting an Incentive Housing Zone.

One technique to increase the diversity of housing within Ledyard is to utilize an Incentive Housing Zone (IHZ). An IHZ would be adopted as an overlay zone by the Zoning Commission and then it would need to be approved by the State Office of Policy and Management (OPM). Such zones would need to be located in development priority areas consistent with the State Plan of Conservation and Development Locational Map. The Town may establish more than one IHZ, but each zone may cover no more than 10% of the Town's total land area and all zones and subzones may not cover more than 25% of the land area. In addition, housing within the zones must be a minimum of:

- Six units per acre for single-family detached homes
- Ten units per acre for duplexes or townhouses
- Twenty units per acre for multifamily housing

At least 20% of the units in each development within the zone must be affordable to people earning no more than 80% of the area's median household income, using no more than 30% of their annual income on housing. The units must remain affordable for 30 years through deed restrictions. IHZs must permit such uses by right and may also include design standards to ensure that the developments are complementary to existing buildings. The current program provides that OPM will pay municipalities for each unit built within the zone that meets the criteria.

In Ledyard, eligible locations include the areas designated as "neighborhood conservation," "growth area," and "rural community center." Based upon input from the Affordable Housing Roundtable, stakeholders identified Ledyard Center and Gales Ferry as appropriate locations. In Gales Ferry, the Ocean State Job Lot site was specifically mentioned as an underutilized site that could support mixed use development given the walkability of the Gales Ferry area and the area's access to the regional bus system.

Strategy 1.5 Encourage and develop home ownership and rental opportunities for all income groups.

Provide for diversity in the type, density and location of housing within the Town to provide an adequate supply of safe housing at price levels appropriate to the financial capabilities and needs of Town residents. Utilize CDBG and HOMEConnecticut funds to make affordable housing available to all residents.

Strategy 1.6 Promote a diverse housing market to meet the specialized housing needs of Ledyard's elderly, handicapped and the young adult population.

To meet the needs of Ledyard's seniors, young adults and others, it is important to provide diverse housing in terms of type, as well as density. Development is recommended in areas adjacent to community resources and services that can easily be accessed by senior adults (e.g. medical services, retail shops, library, community center

and alternative transportation options. Consideration should be given to permitting accessory apartments and ECHO housing (elder cottage/granny flat) to allow for a lower cost housing option for seniors. These units could also be deed restricted as affordable units. Ledyard should also explore using state or federal grants or subsidy programs to encourage a mix of housing types.

Strategy 1.7 Continue to review and update requirements for the balanced development of affordable housing in conjunction with the development of market rate units in the Town of Ledyard.

Promote the construction of new affordable housing for families that have incomes at or below 80% of the median income. The type and scale of the new housing units should be in harmony with existing structures in the area.

Strategy 1.8 Support design excellence to continue to protect the existing character of the Town's neighborhoods.

Encourage developments to be compatible with surrounding uses in scale, density and character, while not stifling innovative design and architecture. Develop design standards or guidelines to preserve the existing character of neighborhoods, significant historic structures and important Town features. Develop a pattern book of residential designs based on Ledyard's architecture.

Strategy 1.9 Encourage the use of Planned Unit Developments (PUD) in the Town to enhance design excellence and protect existing neighborhoods, while providing a variety of housing opportunities.

Allow flexible design to encourage a mix of residential housing types. PUD regulations allow for more flexibility in the construction process. PUD's generally allow a mix of residential housing types clustered in areas that have, or have the potential to have, water, sewer, recreation areas, and/or other community services. The Town could use the PUD process to negotiate with developers a percentage of housing for income eligible households. PUD's should be pedestrian friendly and linked to the existing community resources with sidewalks and multi-use trails.

Goal 2: Educate the Town's citizens about affordable housing.

Strategy 2.1 Conduct outreach to Ledyard's citizens about the benefits of affordable housing.

In order to encourage the additional construction of affordable housing, an important first step is to educate the Town's residents about what is affordable housing and what the benefits are of additional housing diversity.

Strategy 2.2 Change perception of affordable housing.

Many of those that need affordable and/or moderately priced housing are the Town's teachers, fire fighter, etc. Educate the public on the necessity of moderately priced housing and how it is distinguished from affordable housing. Sponsor public workshops

on “obtainable” or “attainable” housing. Publish an informative article in the newspaper or have available at Town Hall that discusses the housing needs in Ledyard.

Goal 3: Support area housing organizations in developing additional affordable housing.

Strategy 3.1 Work with area housing organizations to develop additional affordable housing.

The Town of Ledyard should support the efforts of local and regional housing organizations to develop additional diverse housing opportunities in the Town. The Town could donate land for the development of affordable housing or provide support to aid in the organizations’ abilities to provide additional affordable units.

Strategy 3.2 Encourage and support equal access to housing throughout the Town.

Continue to support housing for all people regardless of race, color, sex, marital status, religion, national origin, or physical or mental handicap. Continue to work with local and regional housing organizations to support diverse housing for all of Ledyard’s residents.

Strategy 3.3 Support the establishment of a volunteer home improvement corps to assist elderly and/or needy homeowners in routine upkeep and maintenance of their homes and properties.

Collaborate with non-profit agencies to promote and support existing homeowner programs. These programs help residents with upkeep and maintain housing costs that are affordable.

Strategy 3.4 Seek loans and grant funding for the rehabilitation of existing housing or the construction of new housing.

There are many programs designed to create affordable housing for low and moderate-income households. The Connecticut Department of Economic and Community Development Housing Trust Program awards loans and/or grants



to eligible sponsors of affordable housing. HOMEConnecticut, the HOME Investment Partnerships Program, the U.S. Department of Agriculture Housing and Community Facilities Programs, and the Federal Home Loan Bank are also available resources. In addition, the Town should consider partnering with organizations such as Habitat for Humanity to build new homes for low-to-moderate (LMI) families in the Town.

Goal 4: Encourage housing needs to be balanced with economic development opportunities.

Strategy 4.1 Encourage additional economic development for new employment opportunities in appropriate areas of the Town.

In order to make Ledyard more affordable to buyers and decrease the residents' tax burden, additional employment opportunities are necessary to create a more balanced tax base.

Strategy 4.2 Work with area employers to create workforce housing.

The Town should work with the local and regional employers, such as hospitals, the Navy and Coast Guard, pharmaceutical companies, and the casinos to accommodate employee housing needs. Ledyard should work with area employers and local banks to develop employer-assisted housing opportunities. Potential options include mortgage subsidies, down-payment and closing cost assistance, funding for home rehabilitation, and first time homebuyer counseling. Employers could also offer incentives to encourage employees to live closer to work.

Goal 5: Pursue innovative funding techniques to encourage the construction of additional affordable housing.

Strategy 5.1 Consider the use of housing tax credits to encourage additional affordable housing.

Among the techniques that Ledyard can consider, is the use of housing tax credits. Housing tax credits are property tax credits for deed restricted housing for households earning no more than area's median household income.

Strategy 5.2 Consider the formation of land trusts and a housing trust fund to encourage additional affordable housing.

Ledyard could also consider the creation of a housing trust fund or a land trust or on its own or in partnership with a community housing organization. Housing trust funds could be established by legislation from the Town Council and are designed to receive dedicated sources of public funding to assist with housing activities including funding new construction and rehabilitation, community land trusts, first time homebuyer programs, etc. Funds to grantees are usually in the form of grants or loans. The source of funds could be from tax revenue or Ledyard could apply to the Connecticut Housing Trust Fund.

Ledyard could also create a local land trust or work with a community organization to create a land trust. Community land trusts buy and hold land but sell off residential buildings on the land which brings down the cost of housing for buyers.

Strategy 5.3 Encourage the State to provide additional funding for affordable housing.

Ledyard should advocate for continued funding of affordable housing programs by the State of Connecticut.

Strategy 5.4 Develop a funding mechanism by which money can be set aside for affordable housing.

A variety of tools are available to assist the Town of Ledyard in achieving future affordable housing goals. In addition to grant funding from available sources, the Town could consider adopting inclusionary zoning where a payment in lieu of affordable housing units would be required from developers when they propose construction of only market-rate homes. The fee would be waived if a developer agrees to build a certain number of moderately priced units. However, payments received are often not enough to purchase land and construct new units. Alternatively, the Town could require that all new residential development (e.g. 10 units and greater) provide a minimum of ten (10%) percent of the total units as affordable housing. These new affordable units should be required to be constructed onsite as part of the proposed development. Stamford and Norwalk both have enacted inclusionary zoning laws which require developers to include affordable units in a development or to pay a fee in lieu of affordable housing units.

Strategy 5.5 Consider establishing a land bank of potential sites that would be set aside for affordable housing construction.

The Town could acquire land which would be held for future development for affordable housing. The Town either could be the developer or could sell the land to a developer with controls that require the land to be used for affordable housing construction. The Town could apply for funds for public facilities and improvements to support new housing construction from the Connecticut Department of Economic and Community Development through its Community Development Block Grant Program (CDBG).