

2018 Housing Supplemental Report Ledyard



Housing costs in Ledyard and across the region have risen faster than incomes.

Since 2000: Incomes -6% Rents -3% Home Values +18%

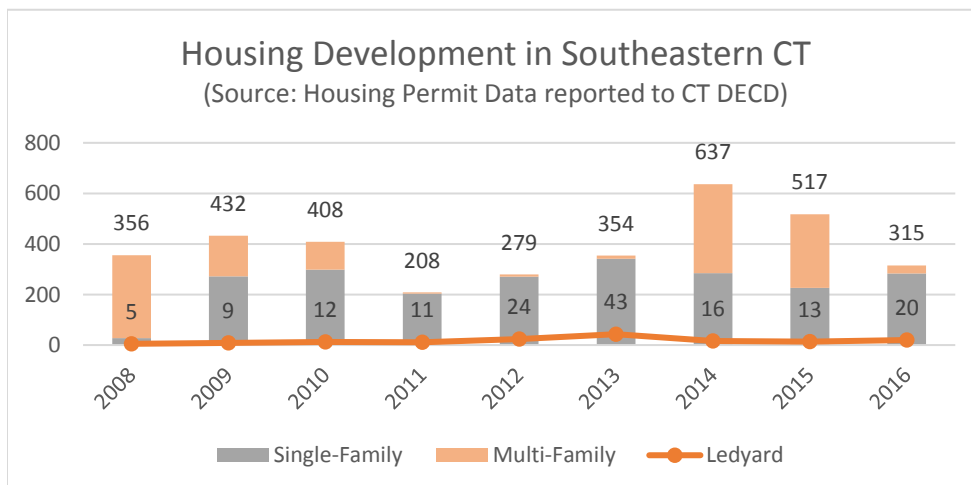
		Median Household Income	Median Rent	Median Home Value
Ledyard	2000	\$ 90,625	\$ 1,136	\$ 206,208
	2016 5-Yr Ave	\$ 84,821	\$ 1,103	\$ 243,000
	2000-2016	-6%	-3%	18%
SCCOG Region	2000	\$ 72,892	\$ 930	\$ 201,168
	2016 5-Yr Ave	\$ 67,574	\$ 1,103	\$ 241,500
	2000-2016	-7%	-3%	18%

Note: 2016 figures are estimates based on a sampling of data.

Regionally, the share of households straining their housing budgets has skyrocketed. In Ledyard, 1 in 5 homeowners and 1 in 3 renters live in housing they can't afford. Ledyard is unusual in that the share hasn't changed much since 2000.

		Cost-Burdened Renters	Cost-Burdened Owners	Total Cost-Burdened
Ledyard	2000	31%	23%	24%
	2016 5-Yr Ave	33%	20%	22%
	2000-2016	8%	-14%	-8%
SCCOG Region	2000	32%	21%	25%
	2016 5-Yr Ave	47%	27%	35%
	2000-2016	+15%	+6%	+10%

Housing construction is slowly recovering from the late 2000s bust. In Ledyard, nearly all new housing built has been single-family (139 of 153 units).



2018 Southeastern CT Housing Needs Assessment

Prepared by the Southeastern Connecticut Council of Governments (SCCOG) for SECHA, the assessment analyzed existing housing challenges within southeastern Connecticut and projected how housing needs will increase through 2030. Since the year 2000, the share of apartments occupied by families who can't afford their housing costs has climbed from 32% in 2000 to nearly half (48%) in 2015. One in four households in SE Connecticut earns less than \$50,000 and lives in housing they can't afford.

Recent population projections for relatively small amounts of population growth suggest a need for about 7,000 more housing units by 2030. More than half of household growth anticipated through 2030 in these projections will come from households likely to be low-income and seeking rental housing.

About SECHA

SECHA was established in October, 2006 as a Connecticut, non-stock non-profit corporation to provide a regional approach to affordable housing challenges.

www.seccog.org/SECHA

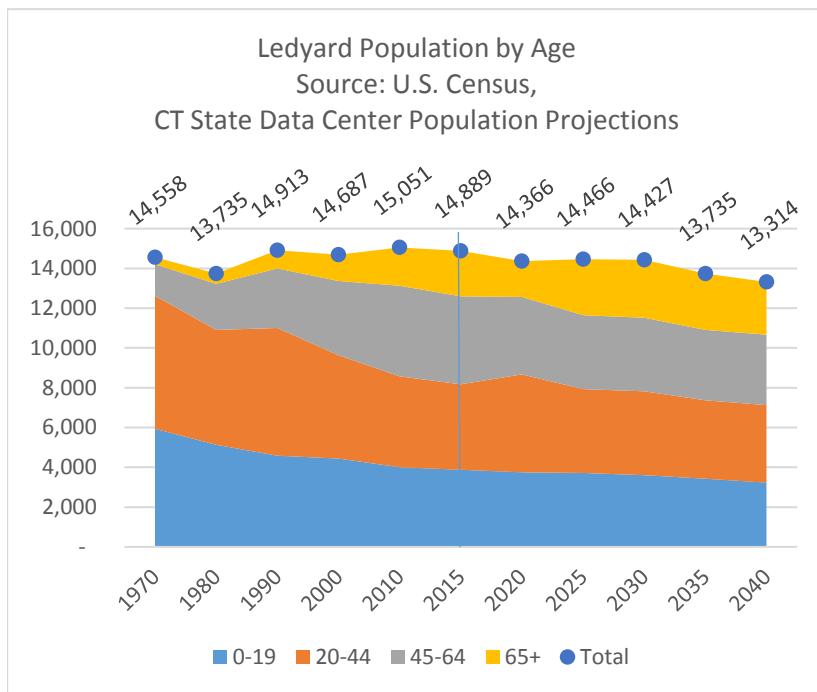
Prepared by Southeastern Connecticut Council of Governments
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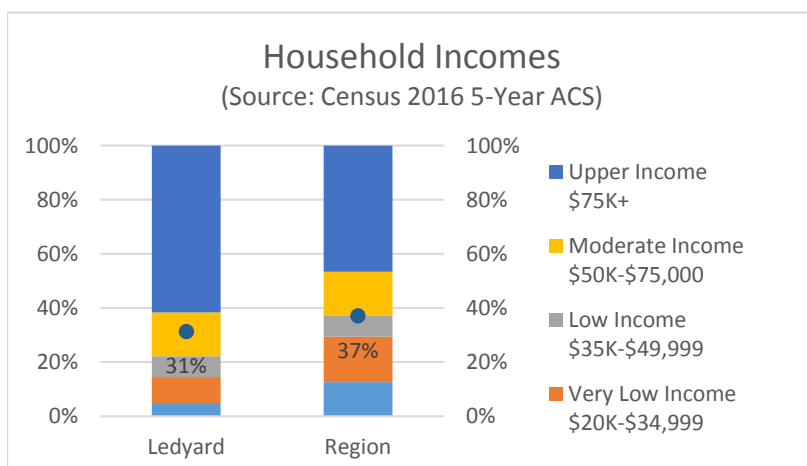
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Recent population projections prepared by the Connecticut State Data Center anticipate that Ledyard’s overall population will decline slightly. As older residents live in smaller households than do younger families with children, fewer residents will live in existing housing.



While the median household income in Ledyard is higher than the regional average, almost a third (31%) of households earn less than \$50,000, likely qualifying as “low-income” under most subsidized housing programs. Households earning less than \$50,000 can spend no more than \$1,250 per month towards housing costs for their housing to be considered “affordable.”



Demographic Shifts

The Connecticut State Data Center’s most recent 2017 population projections expect the region to grow by 12,000 residents by 2030, an increase of 4.1% between 2015 and 2030. Researchers develop these projections by looking at current residents, projecting their ages forward, and assuming rates of birth, death, and in- and out-migration. The 2017 projections are conservative because the migration rates researchers assumed out-migration and birth rates the region experienced during the last recession. These projections do not consider anticipated hiring related to Electric Boat’s contracts with the U.S. Navy to build new fleets of submarines.

The region’s demographic patterns are dominated by the two largest generations: the Baby Boomers and millennials, who are both transitioning into new phases of life. Baby Boomers (born between 1945 and 1964) are becoming empty nesters and retirees. Meanwhile, by 2030 the millennial generation (currently aged 17-34) will be approaching middle-age. Millennials becoming parents will keep the regionwide number of children level, while the number of middle-aged adults shrinks.

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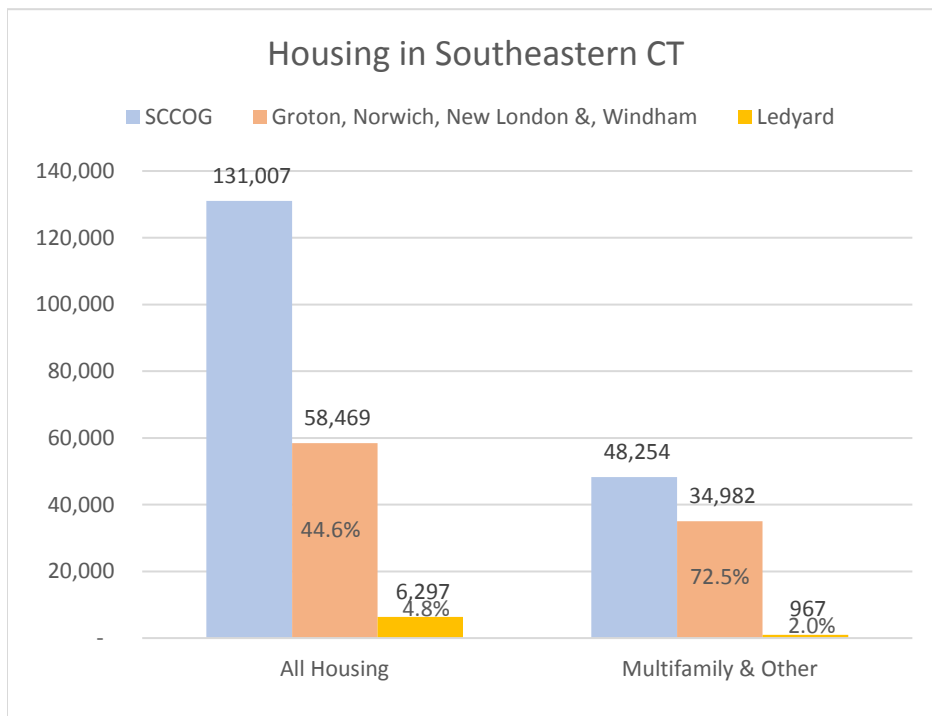


Ledyard's Housing Inventory

Housing in towns like Ledyard tend to be large single-family homes that lack the characteristics sought by young homebuyers and empty-nesters.

	Ledyard	SE CT
Single-Family Home	85%	61%
4 or More Bedrooms	34%	20%
Home Built Prior to 1990	80%	81%

Ledyard has nearly 1,000 multifamily housing units, 2% of the region's total. Multifamily housing is concentrated in the region's four urban centers (72.5% of region's total).



How Housing Needs are Changing

Post-WWII construction booms across the country pushed the development of suburban single-family neighborhoods where Baby Boomers were raised and later raised their own children in the 1980s, 90s, and 2000s. Today those neighborhoods are more likely to include empty-nesters or retirees. By 2030, 30% of households in the region will be headed by someone over the age of 65, up from 35% in 2015. While most seniors prefer to stay in their family homes as long as possible, some will opt for or require a move to lower-maintenance housing, perhaps with accessibility features. The region's single-family housing stock does not address these needs.

New households will be formed by younger people moving from family or roommate situations to their apartments or houses. Lower-cost and/or rental housing will continue to be in demand by southeastern Connecticut residents of all ages.

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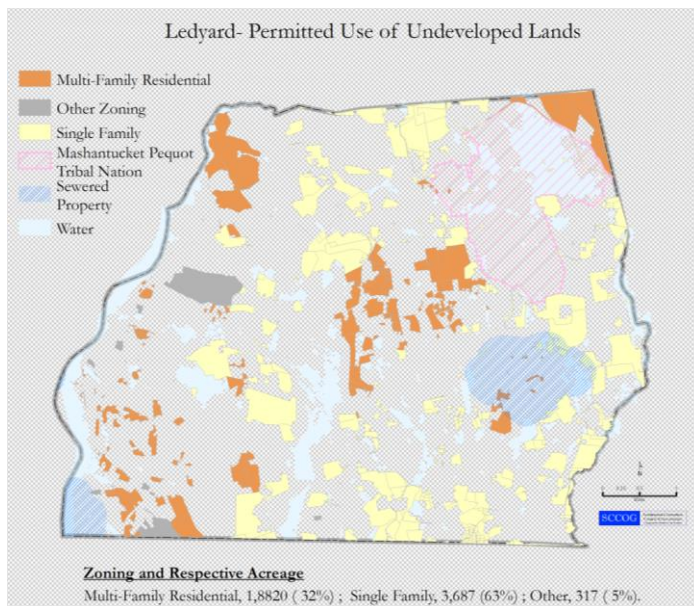
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Opportunities for Housing in Ledyard

About 1/3 of the undeveloped land in Ledyard is currently zoned to allow new multifamily residential construction by special permit, while nearly all the remaining 2/3 of undeveloped land allows single-family home construction as-of-right (no special permit required). Potential densities are limited in most areas because of a lack of sewer service, but “community septic” systems can enable clustered single-family housing or small multifamily communities in areas without sewer. Accessory apartments are allowed on owner-occupied properties only. This information is current as of March 2018.

Single-Family Housing	Multi-family housing	Accessory Apartments
Most undeveloped land is zoned for large-lot single-family housing, 1 acre+.	Allowed by special permit up to 4 bedrooms/acre (no sewers), 8 bedrooms per acre (sewered) or up to 12 bedrooms per acre for age-restricted housing	Allowed on owner-occupied single-family properties, attached or detached. Non-relative tenants allowed.



Southeastern Connecticut's Housing

Where new housing is built is a function of the availability of undeveloped land, zoning and other regulations that control its use, and market forces. Opportunities for new multifamily housing exists in nearly all of southeastern Connecticut's municipalities. While the absence of public water and sewer systems can make development more complicated, it does not preclude multifamily construction.

Half of the region's municipalities allow accessory apartments to be built on single-family home properties without restricting occupancy just to relatives. Nine towns have adopted Incentive Housing Zones or zones that in some way require or promote the development of housing for low-income residents. One town, Colchester, has an inclusionary zoning policy which requires low-income housing in multifamily developments over three units and single-family developments with more than six house.

A dedicated municipal housing committee can be effective in reviewing local housing challenges, guiding a community planning process, and implementing solutions.