

Town of Stonington Housing Profile August 2019



One in four households in the region, and 18% of households in Stonington, are low-income and pay more than 30% of their income towards housing. Housing is considered *affordable* when a household pays less than 30% of its income towards housing costs, which include rent, mortgage payments, taxes, insurance, and utilities. Households paying more than 30% are termed “cost-burdened.”

Southeastern Connecticut households living elsewhere in the region are more likely to be cost-burdened than residents of Stonington; however, it’s gotten harder for *everyone* in the region to find housing they can afford. Housing costs have been rising faster than incomes, leaving more families to pay greater than 30% of their income on housing. Median income has risen 6% in Stonington since 2000 (adjusted for inflation) while home prices and rents have grown faster.

About the Southeastern Connecticut Housing Alliance (SECHA)

SECHA is a Connecticut non-stock, non-profit corporation, organized in 2006, with the mission of providing a regional approach to affordable housing challenges. SECHA is an outgrowth of a 2002 housing study conducted by the Southeastern Connecticut Council of Governments (SCCOG).

www.seccog.org/SECHA

2018 Southeastern Connecticut Housing Needs Assessment

The 2018 Southeastern Connecticut Housing Needs Assessment was prepared by SCCOG staff in partnership with SECHA. The assessment projected the ways in which housing needs will change through 2030.

Since 2000, the share of apartments occupied by families unable to afford their monthly housing costs climbed from 32% to nearly half (49%) in 2017.

The study suggested a need for about 7,000 more housing units in southeastern Connecticut by 2030. More than half of that growth is expected to come from households likely to be low-income and seeking rental housing. SCCOG is currently updating projections to include expected demand from growth at Electric Boat.

		Cost-Burdened Renters	Cost-Burdened Owners	Total Cost-Burdened
Stonington	2000	32%	22%	25%
	2017 5-Yr Ave	41%	29%	32%
NL County	2000	32%	21%	25%
	2017 5-Yr Ave	49%	27%	34%

		Median Household Income	Median Rent	Median Home Value
Stonington	2000 (\$2017)	\$73,846	\$912	\$238,268
	2017 5-Yr Ave	\$78,875	\$1,016	\$315,800
	2000-2017	6%	10%	25%
Region (NL County)	2000 (\$2017)	\$72,020	\$919	\$198,841
	2017 5-Yr Ave	\$69,411	\$1,071	\$238,900
	2000-2017	-4%	16%	20%

Source: United States Census Bureau, 2000 Decennial Census & 2013-2017 ACS

Demographic Shifts

The Connecticut State Data Center's most recent population projections (released 2017) show the region growing by 12,000 residents through 2030; this is an increase of 4.1% from 2015.

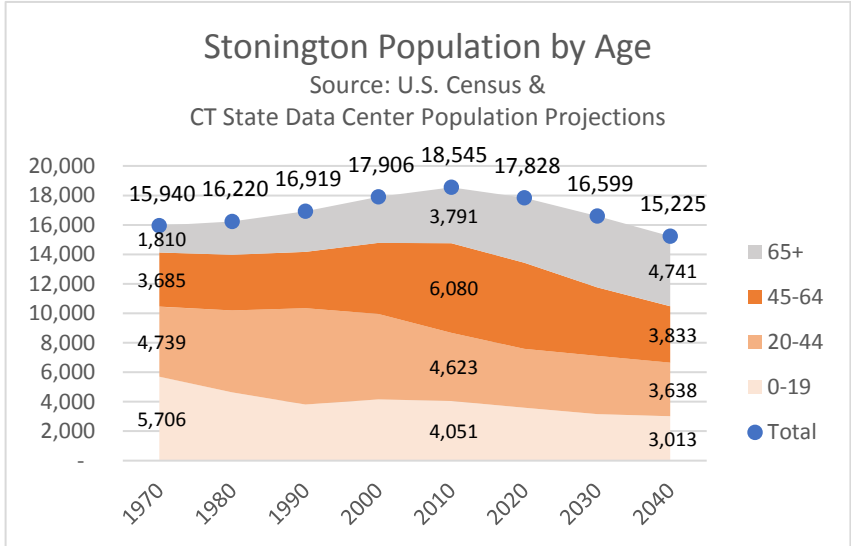
The region's demographic patterns are dominated by the two largest generations: the Baby Boomers and millennials, who are both transitioning into new phases of life. Baby Boomers (born between 1945 and 1964) are becoming empty nesters and retirees. Meanwhile, by 2030 the millennial generation (currently aged 23-38) will be approaching middle-age. Millennials becoming parents will keep the number of children in the region somewhat constant, while the number of middle-aged adults will shrink.

Researchers develop these projections by looking at current residents, projecting their ages forward, and assuming rates of birth, death, and in- and out-migration. These projections do not consider local factors, such as anticipated hiring at Electric Boat. SCCOG is currently conducting an analysis of the potential impact that expanded hiring will have on the region's population and on demand for housing and transportation infrastructure.

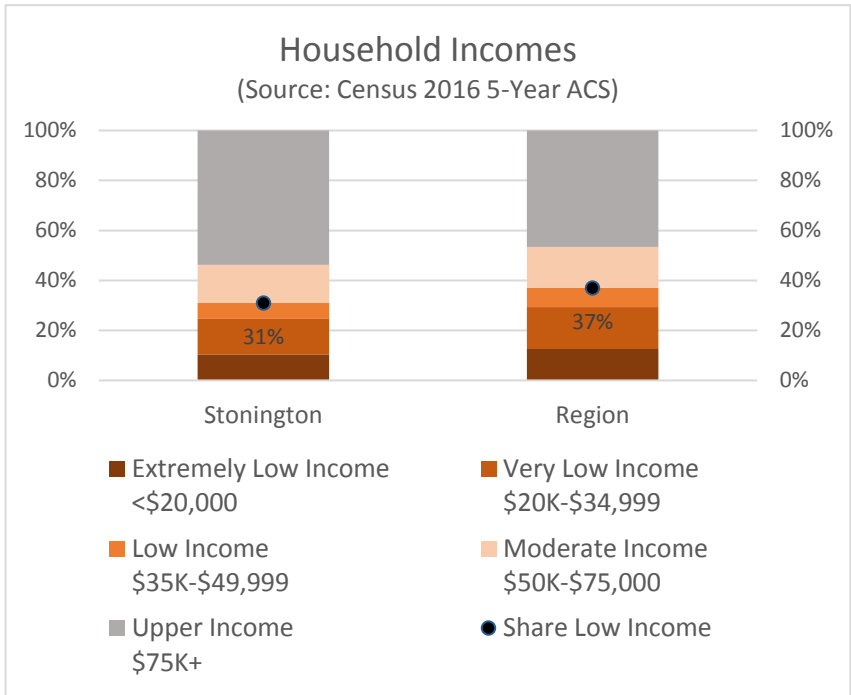
Demographics

Stonington's residents are older, on average, than the rest of the region. The most recent population projections anticipate that Stonington will decline in population as households led by seniors shrink in size. In other words, **fewer residents are expected to occupy Stonington's existing housing stock.**

Projected Stonington Population Change (2010-2040): -18%



While the median household income in Stonington is higher than the regional average, 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."



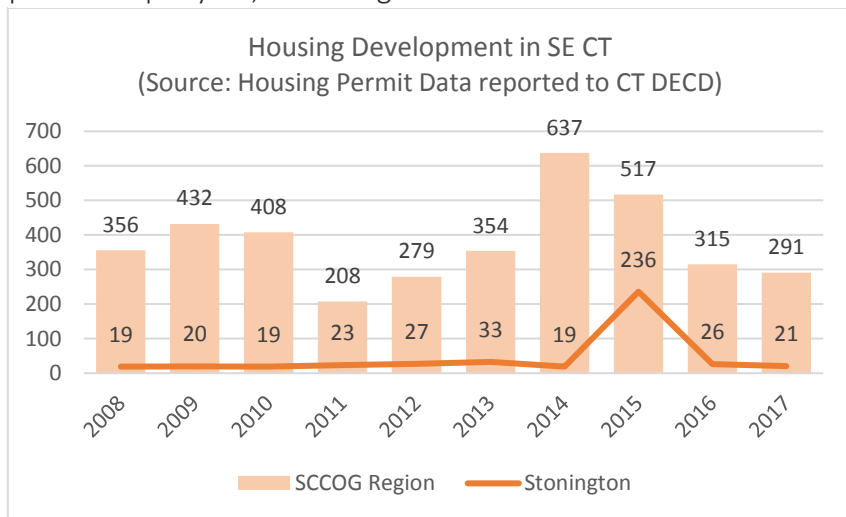
Housing Inventory

Housing in southeastern Connecticut’s suburbs tends to be large single-family homes that can lack the characteristics sought by young homebuyers and empty-nesters. In Stonington, the villages of Stonington Borough, Pawcatuck, and Mystic all have a higher share of multifamily housing than their surroundings, with just over half their total inventory in single-family homes. Overall, 30% of Stonington’s housing is multifamily (2,875 units) with a majority of multifamily housing in small buildings with fewer than 5 units.

Housing Inventory Characteristics	Stonington	Region
Single Family, Detached Homes	70%	66%
4 or More Bedrooms	21%	20%
Home built 1999 or earlier	90%	90%
In home since 1999	39%	33%

New Construction Trends

Housing construction in southeastern Connecticut is slowly recovering from the late 2000s bust. Permit activity in Stonington has been roughly stable from 2008 to 2017 at 19 to 33 units permitted per year, with a high of 236 in 2015.



8-30g Affordable Housing Appeals

Stonington is subject to developer appeals under Connecticut’s 8-30g statute, with 555 units qualifying as “low-income” (6% of total inventory). **Stonington could earn a moratorium from appeals with as few as 70 new units of affordable housing (3-bedroom units @ 40% AMI, not age-restricted), or 380 affordable age-restricted units.** The moratorium threshold increases if units have fewer bedrooms or are exclusively for occupancy by senior citizens, and decreases when built housing is preserved for occupancy by very-low or extremely-low income households.

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. Today those neighborhoods are more likely to include empty-nesters or retirees. The share of households in southeastern Connecticut headed by someone over the age of 65 will increase from 25% to 30% from 2015 to 2030. 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 own apartments or houses. Lower-cost and/or rental housing will continue to be in demand by southeastern Connecticut residents of all ages.

Southeastern Connecticut's Housing Development Landscape

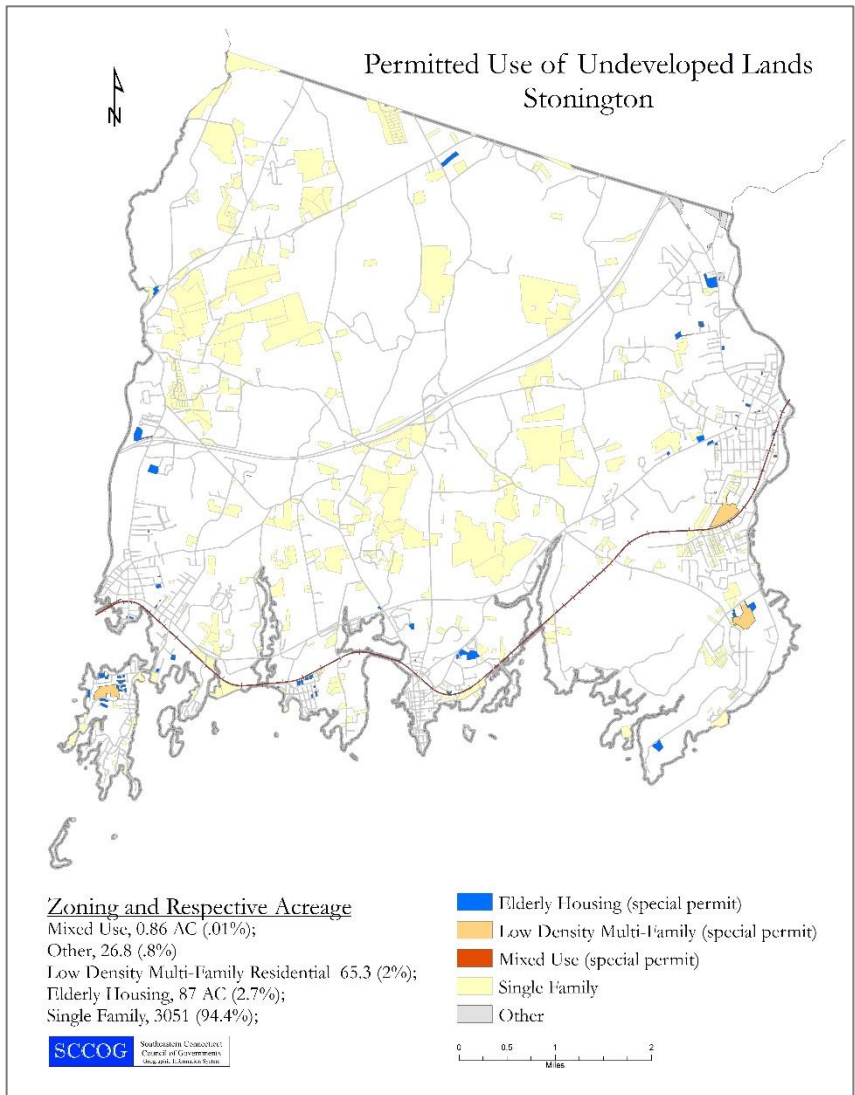
Where new housing gets built depends on where vacant land is located and what zoning and other development regulations control its use. An initial review of undeveloped land in southeastern Connecticut shows opportunities for new multi-family housing in nearly all of the region's municipalities. While the absence of public water and sewer systems can make development more complicated, it does not preclude multi-family construction.

About half of the region's municipalities allow the construction of accessory apartments on single-family lots. Nine municipalities have adopted Incentive Housing Zones or other vehicles for the construction of affordable housing. Colchester's inclusionary zoning policy requires low-income housing to be included in all multi-family developments over three units and single-family developments with more than six houses.

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

Opportunities for New Housing in Stonington

Stonington has several zones where multi-family housing is permitted by special permit. There are also parcels of vacant land that allow age-restricted housing in addition to single family development. Opportunities for mixed-use commercial and residential development are limited to Pawcatuck Village.



Sources:

Connecticut State Data Center, 2015 to 2040 Population Projections for Connecticut.

Connecticut Department of Economic and Community Development, Connecticut Economic Digest, Building Permit Data.

United States Census Bureau, Decennial Census for years 1970 – 2010.

United States Census Bureau, 2012-2016 American Community Survey 5-year Estimates.

United States Census Bureau, 2013-2017 American Community Survey 5-year Estimates.

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