



Affordable Housing Plan

Town of Vernon

Planning & Zoning
Commission

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INTRODUCTION





Impetus

Effective July 24, 2017, The Connecticut General Statutes, Title 8 Chapter 126a, Section 8-30j requires every municipality in the State to prepare and adopt an Affordable Housing Plan once every five years. For inaugural plans, municipalities have until July 2022 to adopt an Affordable Housing Plan. The Plan must specify how the Town of Vernon intends to increase affordable opportunities within the community.

The Plan of Conservation & Development and the Affordable Housing Plan are companion local policy documents

Definition

Affordable Housing is generally defined as housing (rental or owner-occupied) which costs less than 30% of the gross income of a household earning 80% or less of the area median income (ami). Paying more than 30% of housing costs like mortgage, rent, insurance, utilities, means that a household is cost-burdened, making it potentially difficult to afford other necessities such as food, medical care, clothing, and transportation. This calculation is adjusted annually and by household size:

Hartford-West Hartford-East Hartford Metro FY 2021 AMI=\$104,300 80% of AMI			
			
1 person \$58760	2 person \$65950	3 Person \$74160	4 Person \$82320

Monthly Housing Costs (Rent/Mortgage plus Utilities) at 30% for Select Households	
1 Person	\$1442
2 Person	\$1648
3 Person	\$1854
4 Person	\$2058

PLAN OF CONSERVATION AND DEVELOPMENT (POCD)

An updated POCD, the Town's aspirational policy document intended to help guide development, open space preservation, and other local initiatives, was adopted in November of 2021. Housing Policy, with specific goals, objectives, strategies, and implementation measures, is a point of prioritization in the document. Goal 4 of the Quality of Life Theme includes this values statement:

Maintain a diverse housing stock that supports all people of all ages, income levels, life stages, and backgrounds.

Objectives include:

- Provide a diversity of housing for all
- Promote a range of residential densities and housing types (all types as below)
- Grow sustainable, efficient, and accessible housing choices
- Increase the number of affordable units



A critical Implementation measure is to complete an Town wide Affordable Housing Plan.

HOUSING & DEMOGRAPHIC DATA

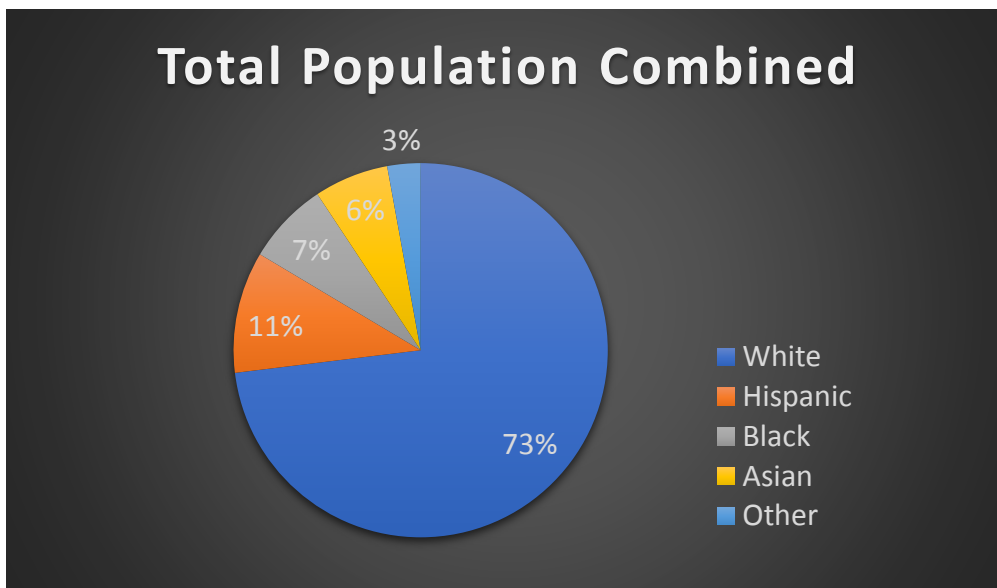
Housing Characteristics in Vernon

- 14,164 units (13,086 occupied, 1,078 vacant). Note: The report relies upon data from multiple sources with some weight given to the Partnership for Strong Communities. Some data varies by source.
- 48% of the units are rented; 52% are owner occupied.
- 51% single family units; 49% consists of 2 or more units.
- *Estimated 2,368 units are designated as “affordable,” or 16.71%*
- Median House price: \$207,600; Median Rent: \$1058

The pursuit of affordable housing is a hallmark of Connecticut State planning law. The Affordable Housing Appeals Act (Connecticut General Statute 8-30g) sets a goal of 10% of all units in a municipality meet the definition of affordable. According to the Connecticut Department of Housing, Vernon maintains over 16% affordable units.

Population & Income Characteristics

- 2020 Total Population-30,215 (3% growth from 2010)
- Median Household Income-\$64,587
- 9.5% in poverty
- 4.4% unemployment
- Please see the US Census, POCD and the Partnership for Strong Communities for additional data sets



HOUSING & DEMOGRAPHIC ANALYSIS

Housing Supply

2022 data from the Town Assessor's Office show a total unit breakdown. Average household size, at 2.2, is declining and represents an average smaller household size than Tolland County (also declining at 2.5) and the State (however, rising at +2.6). Smaller households do have an impact on anticipated demand for housing in terms of style, size, and density.

Summary	# Units	# Parcels
Apts/5 or more	5,103	119
2-4 Family	1,413	567
Condominiums	1,620	1620
PUD's	72	72
Mobile Homes	304	304
Single Family	6,473	6,473
Total	+14,985	9,155

The Town of Vernon has an exceptionally diverse housing stock, lower median home costs, and lower average rents, when compared to other jurisdictions in Tolland County and the State at large. Over 16% of the town's housing units are affordable according to State criteria.

For housing diversity, there are a total of +14,164 units according to the Partnership data. 48% are owner occupied with 44% renters (8% remain vacant). Vernon has less owner-occupied units than Tolland County or the State by percentage. All categories are represented with single family units, 2-4 family units, and multi-family units available and offered throughout the community. Still, Vernon does not have as many 4 plus bedroom units (15%) compared to Tolland County (22%) and the State (22%). Vernon does have more 2 bed room units by percentage than the region.

Vernon's median rent is \$1058, less than Tolland County and the State. The cost burden threshold for a two-bedroom unit in Vernon is \$1,648. Vernon has almost 5,000 rental units between \$500 and \$1500 per month. These are naturally occurring, market delivered, affordable units in Vernon. 47% of renters remain cost burdened. Income and job availability have an effect on this level of housing burden.

Home values in Vernon average \$207,600, below Tolland County (\$239,952) and the State (\$259,129).

Nonetheless, the POCD prioritizes the effort to provide a wide variety of housing units for all types of incomes, family sizes, and architectural preferences. Updating an aging housing stock is also a critical component. A focus on a diversity of units in the downtown Rockville area is a community priority, where infrastructure exists and access to healthcare, service, and transportation are present.

These offerings include divergent housing styles and price points. Age is a concern as over 54% of Vernon's housing stock was constructed before 1970. Recent years have seen new multi-family developments of over 5 units, but a relatively small number of new single-family units. Expansion and new development (or redevelopment) in the two to four family range and type, with a differentiation of product such as town home style, garage option, flats, would expand style choice.

36% percent of all households are cost burdened, with 29% of owners and 47% of renters spending more than 30% of household income on housing related costs.

Vernon's housing wage is \$23.65, the amount needed to afford a two-bedroom rental unit without exceeding 30% of household income. Vernon's housing wage is below the state housing wage of \$26.42.

The median household income for all households is \$63,000, below both Tolland County (85K) and the State (76K). The median household income for homeowners in Vernon is \$89,000, compared to Tolland County at \$105,000 and the State at \$101,000. The median household income for renters is \$42,000, just above Tolland County and the State (\$41,000).

VERNON HOUSING AUTHORITY

The Vernon Housing Authority (VHA) plays an important role in local affordable housing options, serving the housing needs the Town for over 60 years. The Housing Authority provides multiple subsidized programs for community members including the Section 8 Voucher Program, Public Housing locations and projects, Congregate care, and other housing resources for Vernon residents.

During the POCD data collection phase, the VHA provided a great deal of information related to their operations, illustrating how immense the demand is in Vernon for affordable housing opportunities. For their public housing availability, the VHA reported 100% occupancy (June 2020) with over 500 applicants on the waiting list. For the voucher program, there were over 4,000 applicants on the Housing Voucher Program waitlist.

Select/Estimated Affordable Units and Voucher Availability In the Town of Vernon	
VHA Properties	323
Housing Choice Voucher (Federal)	317
State of CT Housing Choice Voucher (Federal)	666
CT Rental Assistance Program (State)	485
Project Based Vouchers (Federal)	54
Private Developer Subsidized or LITEC Units	384

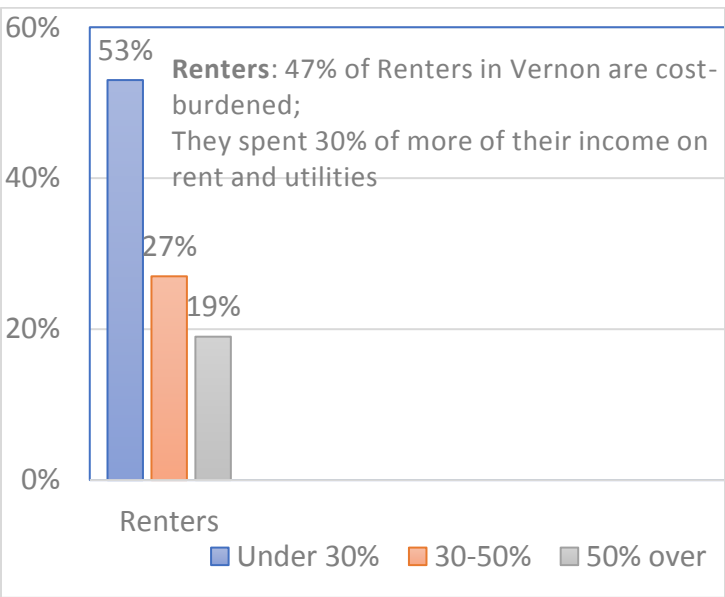
Other Below-Market Options

In Vernon, there are approximately 384 affordable residential units under private apartment ownership in projects such as Loom City Lofts, Old Talcott Mill, and Park West Apartments. These projects typically include Federal Low-income Housing Tax Credits to the owners for the provision of affordable units, in whole or in part of multi-family developments.

ASSESSMENT OF HOUSING BURDEN & GAP

Cost Burdened Households

36% of ALL households in Vernon spend more than 30% of the household income on housing and related costs. 47% of renters and 28% of homeowners fit this category. Renters demand for affordable units is the most significant, identifiable gap.



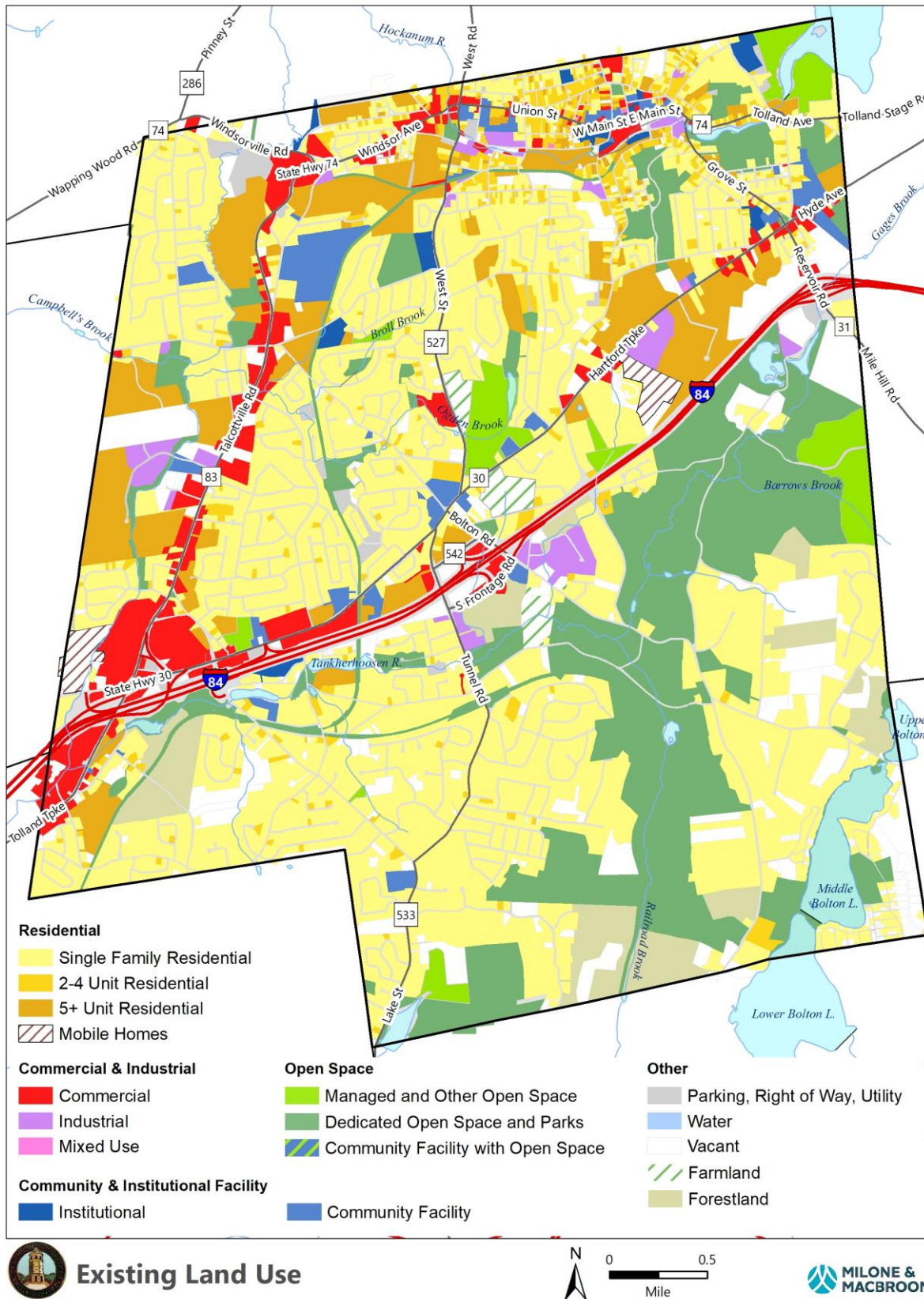
2021 Government Assisted Units 1509	2021 Rental Assistance Units 470	2021 Deed Restricted Units 12
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Waitlists

The waitlist numbers for both the Housing Authority Voucher program and private sector subsidized units (anecdotally) in the thousands represents a clear deficit in the supply of affordable units. Demand outpaces the supply by multitudes.

LAND USE AND ZONING

Land Use Map



LAND USE AND ZONING

Zoning Ordinance Review

The Town of Vernon Zoning regulations is a traditional Euclidian arrangement of separate uses, with multiple categories for residential, commercial, and other uses. Residential districts are cascading, based on minimum lot size, from R-40 (minimum 40,000 sf lot) to R-10 (minimum 10,000 sf. lot). There are also several specialty districts which require greater detail during the entitlement process. There is a specific multi-family zoning district on the books named the Comprehensive Multi-family Dwelling Zone. However, there are currently no mapped (zoned) parcels with this designation.

Each district has minimum lot, size, height, and yard setbacks. Each district also has a minimum building size (based on floor area).

Generally, single family and two-unit structures are permitted as a matter of right. Above that and for all multi-family scenarios, a special permit, with public hearing notice, is required in order to proceed through the development process.

Accessory apartment units would be permitted as a matter of right under the recent State law adoption as the Vernon PZC has not amended nor has opted out of the provisions.

There are no additional rules beyond State Statue for Group Homes.

The Town permits up to seven unrelated persons under the definition of family.

ASSESSMENT OF BARRIERS

The availability of new affordable units may be constricted by a number of local factors.

1. **Market demand a limited land Zoned for multi-family units.** The Vernon housing marketplace is robust in terms of market-rate multi-family development. Recent demand has brought the Town several hundred new multi-family units in such developments as Trail Run and The Lofts. Market rate demand and market rate financing appear to often hedge ahead of subsidized development. Vernon is also limited in the total undeveloped acres for multi-family development. Although the recent POCD provides support for new multi-family development, existing zoning is quite limited.
2. **Opposition to projects.** All multi-family projects require a public hearing and notice process. Particularly higher density projects of any style, public opposition during the public process can be challenging for owners, developments, and applicants. While many of the public concerns for multi-family projects or subdivisions are quite legitimate (traffic, design, architectural, stormwater runoff, etc...), the process can be tinged with irrational, unreasonable, or other subjective biases. This raises the development costs for the project and dissuades potential investors.
3. **Aging Housing Stock.** Over 54% of Vernon's housing stock was constructed before 1970; 20% before 1950. An aging housing stock increases the costs on homeownership, first-time home buyers, and investors. Repair costs, energy efficiencies, roofs, foundations, and other major systems increase costs and presents a true barrier to affordability.
4. **Funding and Financing.** The VHA spends its capital reserves on yearly major capital improvements. There currently is little opportunity to expand the total number of units they manage. Additional public investment could initiate new units based on current demand.

OBJECTIVES & STRATEGIES

Provide a diversity of housing and housing types for all ages and income levels and expand affordable housing opportunities.

- a. Review and Update Zoning Requirements to permit accessory dwelling units, in a manner best suited for the Town. **Short Term 0-1 year.**
- b. To encourage a mixed-income approach to housing, evaluate a community inclusionary requirement for a certain percentage of affordable units within every new market-rate development. **Short Term 1-3 years.**
- c. Expand Landlord education and outreach to encourage, maintain, and/or require all units achieve minimum quality and good repair standards. Education should also include standards for fair housing practices, discriminatory acts, and ways to reduce these barriers. **Short Term 0-1 year.**
- d. Consider a long-term approach to enhanced housing inspections. **Mid-Term 2-5 years.**
- e. Support the Connecticut Housing Finance Authority mortgage programs to expand home ownership opportunities. **Mid-Term 2-5 years.**
- f. Increase the number of affordable units offered by the Vernon Housing Authority.
- g. Attract new Low-Income Housing Tax Credit projects with mixed-integrated market rate units (LIHTC) **Long Term-5 plus years.**
- h. Consider Zoning Ordinance Changes to remove multi-family housing barriers to entry, such as expanding allowable use zones and permitting multi-family as a matter of right in certain areas. **Mid-term 2-5 years.**
- i. Identify opportunities for live-work housing units in the Rockville Historic District, in support of the Arts district initiation. **Long Term-5 Plus years.**
- j. Connect housing affordability to job access, job creation, educational opportunities, training, access to healthcare through planning, education, and implementation. **Immediate and Ongoing.**