

Town of Windsor, CT
DRAFT Affordable Housing Plan

Adopted July XX, 2022 by the

Windsor Town Planning and Zoning Commission

Introduction

The CT Legislature recently adopted a comprehensive update of the planning and zoning statutes and included several mandatory measures to promote affordable housing. One such measure is that every town must adopt an affordable housing assessment and plan by July of 2022 and update it at least every five years thereafter.

As the planning and zoning authority for the Town of Windsor, the Town Planning and Zoning Commission (TPZC or the Commission) is responsible for adopting this plan. Due to time constraints, this plan is adopted as a standalone document, which will then be incorporated into the more comprehensive Plan of Conservation and Development when that document is readopted in 2025.

As an inner-ring, trolley car, and post-WWII suburb of Hartford, Windsor has an abundance of small, older, affordable homes that predate the expansion in house size, which has more than tripled since the 1950s. Both Windsor's population and its housing stock are extremely diverse: from wealthy households of many races and ethnicities to those living below the poverty line; from young singles to new families to empty nesters; from Colonial Era homes to modern contemporaries; from tiny capes and ranches to custom luxury homes: and from large-lot single-family homes to moderate-density apartments.

Despite all of this diversity and inherent affordability, there are still Windsor residents that struggle with housing affordability due to financial obstacles and lack of affordable housing options, but before we go any further, we need to be clear on what we are trying to achieve, what exactly affordable housing is, and who are its intended residents. In the 1960s and 1970s, to talk about affordable housing was to conjure up hopeless images of failed high-rise and barracks-style housing projects. That is not what we are talking about here.

What we hope to accomplish is to provide affordable housing for hard working and retired individuals, families, and households already living in our community, who do the jobs that keep Windsor livable and our economy moving, like chefs, cashiers, stock clerks, bank tellers, warehouse workers, teachers' aids, bus drivers, child care workers, hotel staff, home healthcare aids, mechanics, bartenders and wait staff, construction workers, salon workers, and now with

the sharing economy, it's Uber, Grub Hub, and Amazon drivers, to name but a few. These are hardworking people that we depend on to do things we take for granted.

Think back to the last time you visited a hospital and remember all of the people that do not fit the description of doctor or nurse. The average US hospital employs almost 1,000 people including orderlies, admitting clerks, schedulers, housekeepers, security guards, nurses' aides, pharmacy technicians, cafeteria workers, data entry workers, parking attendants: all supporting the doctors and nurses and making the hospital work. According to Glassdoor.com, the average US healthcare worker's salary is only \$29,608, which is barely over the current CT minimum wage of \$14 per hour.

So, we hope that it is clear that the affordable housing that we are talking about for Windsor is not high-density public housing projects for people who the media might have you believe are not interested in working for a living. We are talking about workforce housing scattered throughout the community, indistinguishable from other dwellings in their neighborhood, that allow the people we interact with on a daily basis to live in comfort and dignity without the stress of choosing between food on the table or a roof over their head, or worrying whether their children are safe.

This plan is designed to assess their affordable housing needs and provide strategies to address them, in keeping with the town's mission statement: "To create an environment where dreams can come true for individuals, families, and businesses." Removing housing stress, helping those residents who wish to achieve home-ownership, and allowing aging residents to stay in Windsor with their social network, will go a long way towards creating that environment.

Statutory Framework for Affordable Housing

Decades ago, the state legislature adopted the Affordable Housing Act, known today by its statute section 8-30g. While 8-30g did not mandate affordable housing, it figuratively turned the tables on municipalities and their land use boards by shifting the burden of proof that the public health and safety of the community outweighed the need for affordable housing from the developer to the land use boards. Subsequent interpretation of 8-30g by the courts effectively wiped away any zoning or subdivision regulations that might increase the cost of housing as long as 30% of the units in a development were affordable. The result was that developers were given carte blanche to propose anything they wanted, as long as it did not significantly impact public health and safety, which was difficult for communities to prove.

8-30g also created a statutory definition of affordable housing, which is any dwelling unit that is guaranteed affordable for 30 years to households earning 80% of the regional or state median household income, whichever is higher. Such households, adjusted for household size, cannot spend more than 30% of their income on housing costs, such as a mortgage or rent. Public housing units and Connecticut Housing Finance Authority (CHFA) financed homes were also included. This created a boon for developers in Fairfield County, who could toss out the zoning and subdivision regulations to build high-density luxury housing and sell or rent affordable units

to households earning 80% of Fairfield County's significantly higher median income. To reign this in, Section 8-30g was amended to require that 10% of the units have to be affordable to households earning 60% of the regional or state household income, and extended the affordability period from 30 years to 40 years, making it less desirable to profit-driven developers, without fazing affordable housing non-profits.

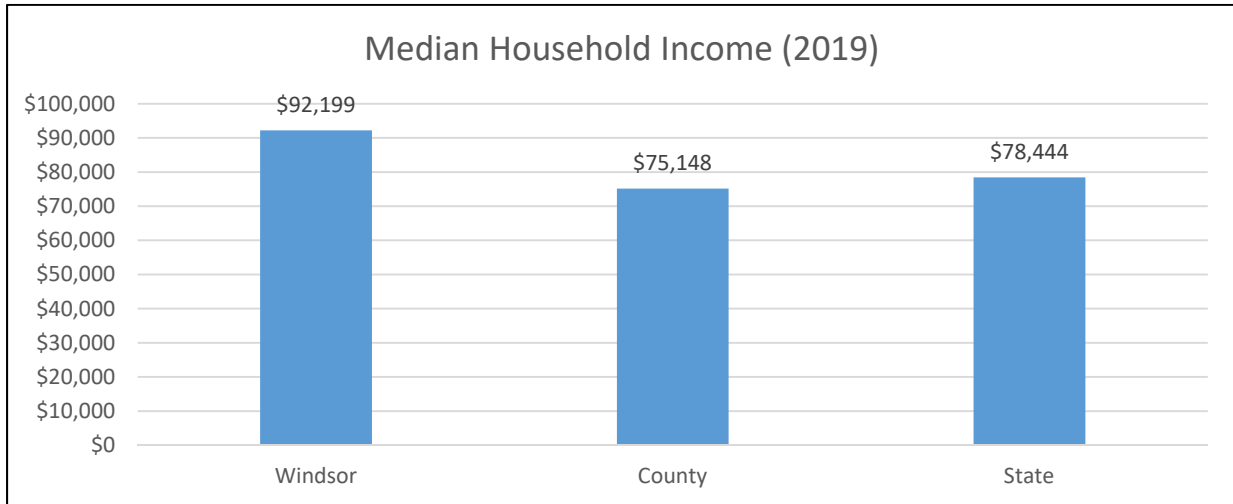
The legislature provided relief from Section 8-30g in two ways: any community with over 10% of its housing stock meeting the statutory definition of affordable was exempt from 8-30g and any community that built a qualifying number of affordable units could impose a temporary moratorium on 8-30g applications. By its nature, permanent relief for any community that has not already achieved 10% affordability is virtually unreachable by any but the smallest communities, or those already on the threshold of achieving 10% affordability. The reason for this is that for a community like Windsor, our large housing stock of almost 12,000 housing units acts like a speed governor that prohibits acceleration towards the goal. We are 7.57% affordable by the state's definition. That means that for every three affordable units that we approve in a hypothetical 8-30g project, we would also approve seven market-rate units, so it is three steps forward and seven steps back. While it seems counterintuitive, it *is* slow forward progress.

One exception to the state's affordability rules are affordable housing developments containing at least 20% affordable units that are also financed by state or federal affordable housing programs such as CHFA. These are not potentially hostile 8-30g developments designed to force towns to accept affordable housing, but more collaborative efforts between the town, the developer, and the state and/or federal agencies providing construction financing. While creating 10% less affordable units than an 8-30g application, the town gets credit towards our 10% affordability goal for all of the units in the development, not just those that are guaranteed affordable, so comparatively it is ten steps forward and zero steps backward towards the goal, allowing the town to make more significant progress towards the goal, albeit without creating as many affordable dwellings. Despite this, it can be a win-win for the town and the developer by arriving at a mutually agreed-upon development without going to court and the developer gets favorable financing terms and affordable housing tax credits, allowing them to subsidize the affordable units.

Working hand in hand with this exception are affordable housing tax credits, which a developer can sell to help offset the loss of income from creating affordable units. Four percent tax credits are available on a non-competitive basis to the aforementioned projects with 20% of the units set aside as affordable, while a competitive 9% tax credit program is available for housing projects containing units affordable to households earning 60% of the regional median household income. One important criteria in these projects is that the affordable units are indistinguishable from the market-rate units in every respect. They cannot be lumped together on a floor or in a phase, and have to be identical right down to the interior finishes such as cabinets, countertops, and carpets.

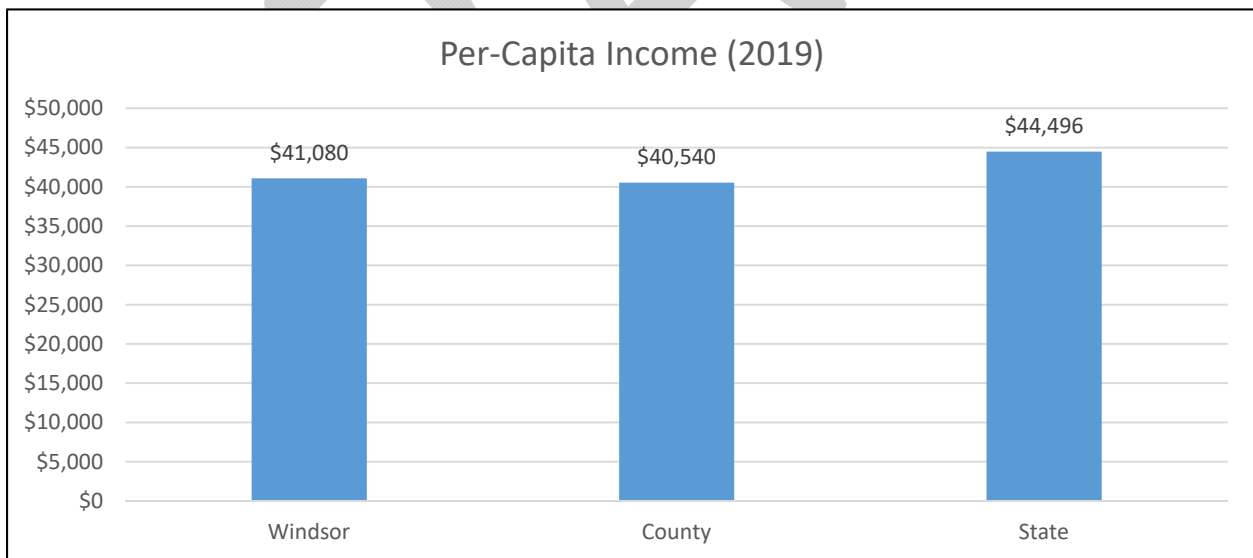
Affordable Housing Needs Assessment

When it comes to socioeconomic and affordable housing statistics, Windsor is an enigma. It is at once relatively well off by almost every measure, yet far too many households are experiencing some level of housing stress.

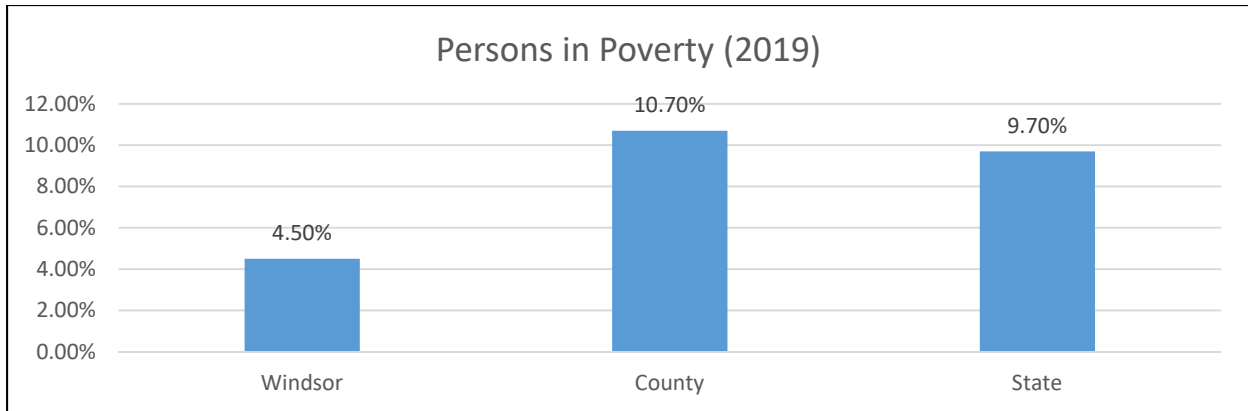


Source: US Census Bureau American Community Survey, 5-year estimates.

At \$92,199, Windsor's median household income is 15% to 18% higher than the state and county respectively.



Source: US Census Bureau American Community Survey, 5-year estimates.



Source: US Census Bureau American Community Survey, 5-year estimates.

Despite its high median household income, Windsor’s per-capita income is only slightly higher than the county average and slightly below the state average, due in part to Windsor’s slightly larger household size, which is 6% and 4% larger than the county and state respectively. While anybody living in poverty is unacceptable, Windsor’s poverty rate is less than half that of the county or state as a whole. The US Census Bureau uses a number of factors to calculate individual poverty, including age, household size, and the number of children present in each household.

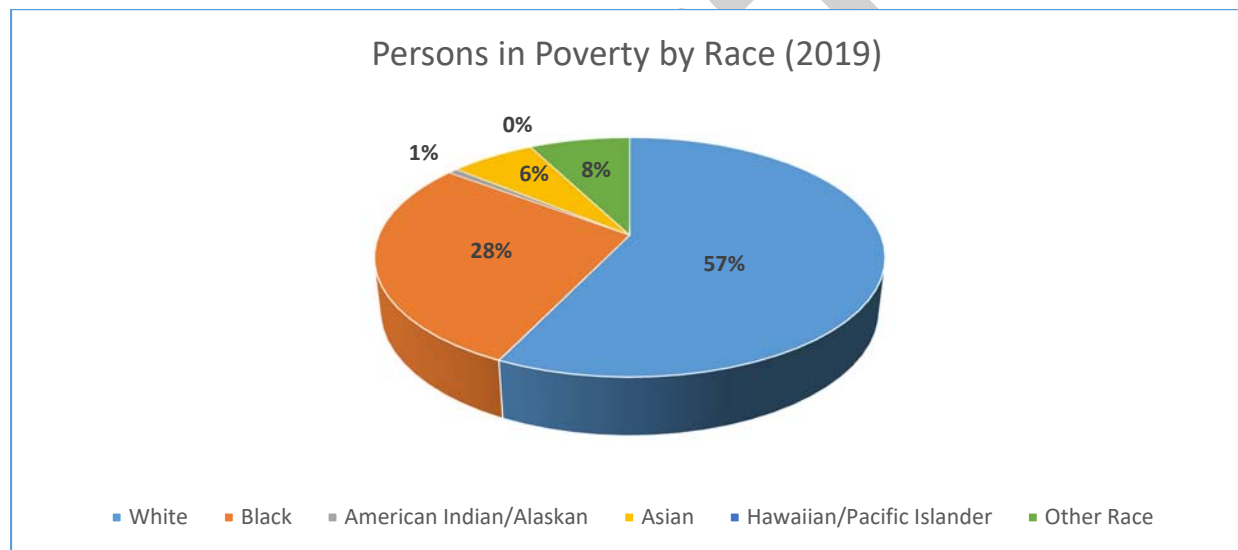
Poverty Thresholds by Size of Family and Number of Related Children Under 18 Years (2021)

Size of Family Unit	Related Children Under 18 Years of Age						
	None	One	Two	Three	Four	Five	Six
One person							
Under 65 years of age	\$14,097						
Aged 65+	\$12,996						
Two people:							
Householder <65	\$18,145	\$18,677					
Householder 65+	\$16,379	\$18,606					
Three people.	\$21,196	\$21,811	\$21,831				
Four people	\$27,949	\$28,406	\$27,479	\$27,575			
Five people	\$33,705	\$34,195	\$33,148	\$32,338	\$31,843		
Six people	\$38,767	\$38,921	\$38,119	\$37,350	\$36,207	\$35,529	
Seven people	\$44,606	\$44,885	\$43,925	\$43,255	\$42,009	\$40,554	\$38,958
Eight people	\$49,888	\$50,329	\$49,423	\$48,629	\$47,503	\$46,073	\$44,585
Nine people or more.	\$60,012	\$60,303	\$59,501	\$58,828	\$57,722	\$56,201	\$54,826

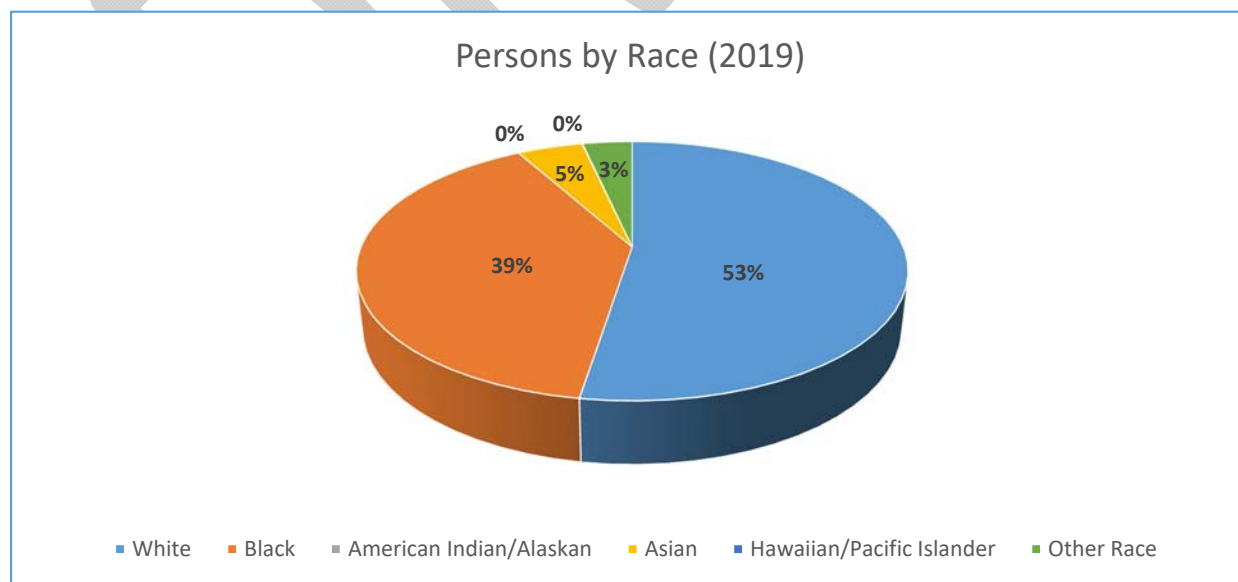
Source: US Census Bureau. Seven and eight or more children data truncated for space.

Given Connecticut’s high cost of living, the household incomes listed on page 5 are disturbingly low for any household to be living under. In all likelihood, these households are receiving various forms of local, state, and federal aid ranging from SNAP and WIC food programs to rental assistance to child and property tax credits.

The following tables illustrate a phenomenon that has held true in Windsor for decades. White residents comprise a larger percentage of persons living in poverty than their percentage of the population as a whole, which can also be said for the category “Other Race” (many residents identifying as “Other Race” are likely attributed to residents of Hispanic origin not identifying as one of the other listed races, even though Hispanic heritage is an ethnicity and not a race). Black residents comprise a significantly smaller proportion of persons in poverty than the black population as a whole

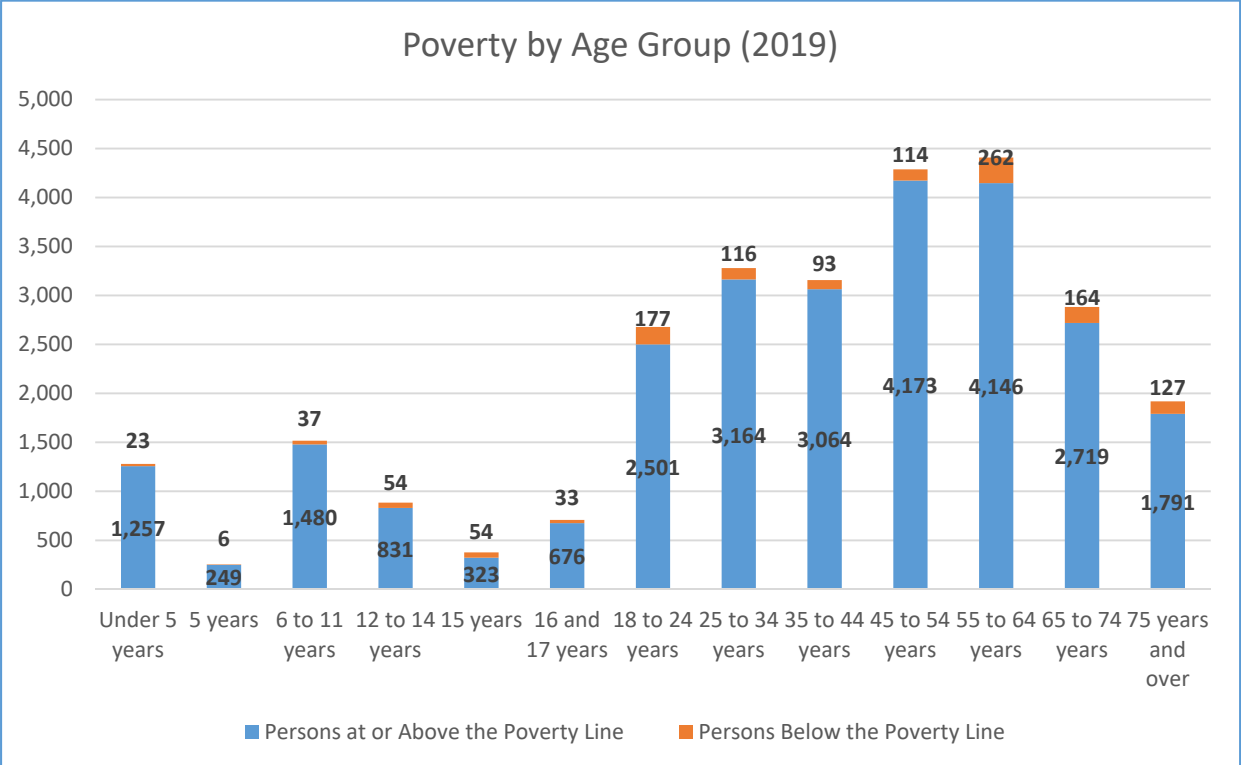


Source: US Census Bureau American Community Survey, 5-year estimates.



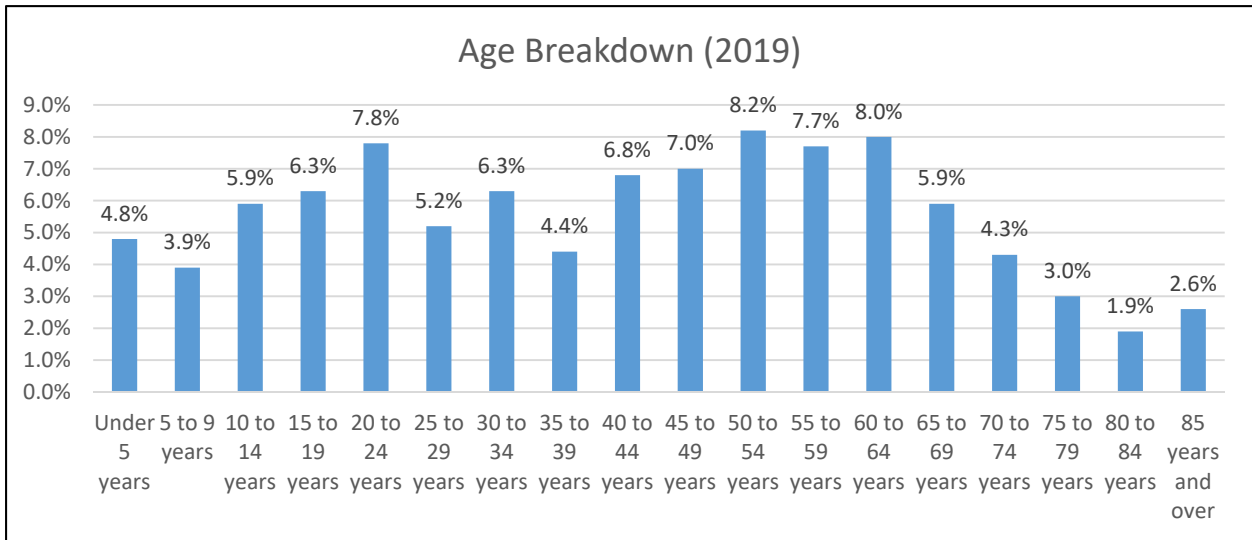
Source: US Census Bureau American Community Survey, 5-year estimates.

When looking at poverty status by age group, it becomes clear that there are not substantial numbers of children living in poverty. Young adults and those 55 and older comprise the bulk of those living under the poverty line, indicating that single-family housing should not be the primary focus of Windsor’s affordable housing strategy, as young adults in poverty are not looking to enter in single-family homeownership and those 55 and older are at a stage in life where they may be looking to downsize to a carefree apartment, condominium, or active-adult community due to their fixed-income and/or age making home maintenance and taxes difficult to keep up with. There are an estimated 1,260 residents living below the poverty line in Windsor, which equates to almost 500 households.



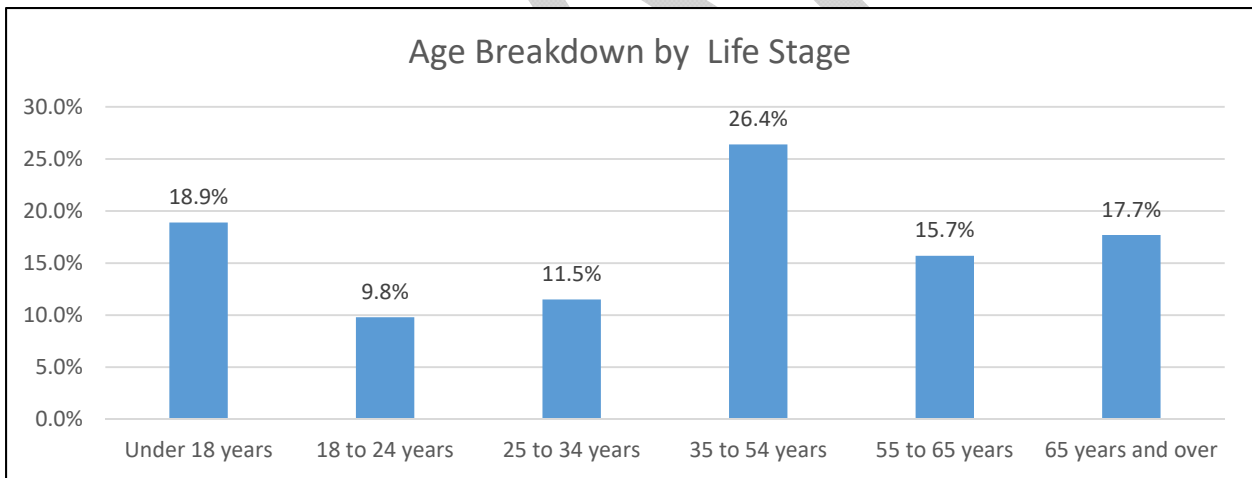
Source: US Census Bureau American Community Survey, 5-year estimates. Numbers may not equal Windsor’s total population.

The household income at which households begin struggling to make ends meet is actually far higher than the poverty line. The Partnership for Strong Communities, a statewide affordable housing advocacy program, estimates that Windsor’s housing wage (the hourly wage needed to afford a two-bedroom apartment without paying more than 30% of household income) is \$23.65 an hour, which translates to \$49,192 a year. For comparison, an individual earning the current minimum wage of \$14/hr. (likely without benefits) would earn only \$29,120 a year for a 40-hour workweek, requiring double-income households and/or multiple jobs to make ends meet.



Source: US Census Bureau American Community Survey, 5-year estimates.

Looking at the proportional age distribution of Windsor residents above, it is clear that the majority of residents are beyond the traditional childbearing years, as evidenced by Windsor’s median age of 43.6 years old compared to 41.0 statewide and 38.1 nationally. There is a clear gap in the 25 to 39-year-old age brackets, where most first homes are purchased.

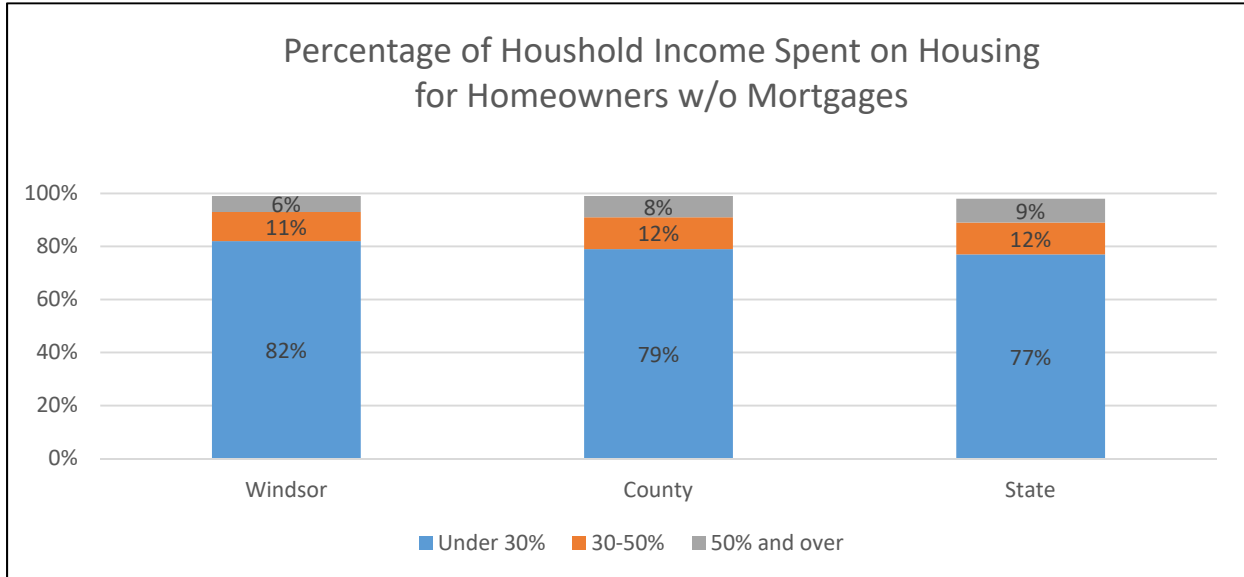


Source: US Census Bureau American Community Survey, 5-year estimates.

While not distributed proportionally, the life stages depicted above clearly emphasize Windsor’s aging population with 59.8% aged 35 and over and fully one-third over the age of 55. These numbers are very similar to both Hartford County and the State as a whole. Only 9.8% of residents are in the career starting age of 18-24 years of age, due in part to many college students being counted at their campuses. Only 21.3% of residents are in the family-forming years of 18 to 35.

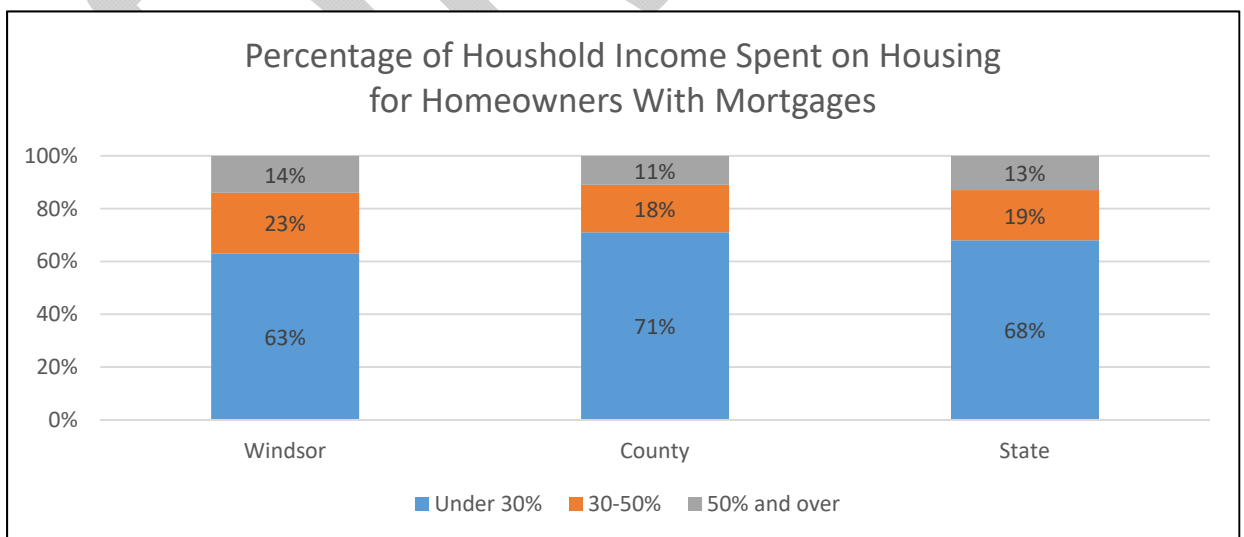
Windsor’s housing affordability numbers are equally perplexing. According to the Partnership for Strong Communities, 17% of Windsor households without mortgages are experiencing

housing stress, spending 30% or more of their household income on housing costs, and of those, 6% are spending 50% or more, leaving little for other expenses like food, transportation, child care, and health care. These are likely low fixed-income, empty nester households that are still struggling with maintenance, energy costs, taxes, and other housing costs.

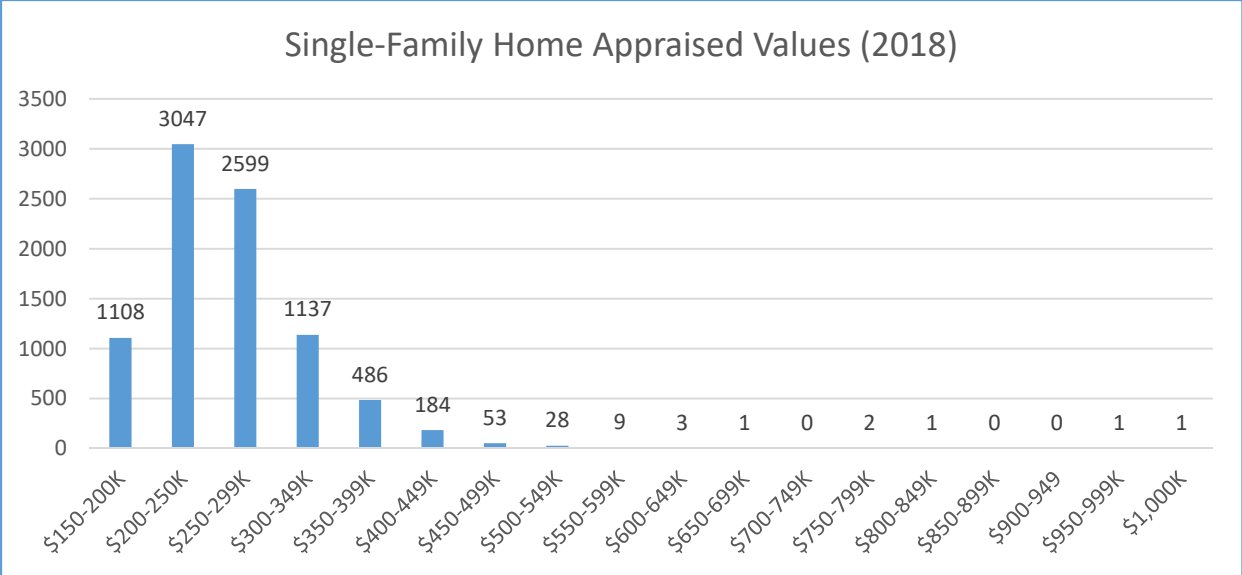


Source: Partnership for Strong Communities. Numbers may not total 100% due to rounding.

As expected, the numbers are worse for those households with mortgage payments: 37% of Windsor homeowners with mortgage payments are experiencing housing stress, with 14% spending 50% or more of household income on housing, which is confounding when considering how inherently affordable Windsor’s housing stock is. One explanation might be that some Windsor residents are over-housed, either by choice, taking on more house than they can afford, or wanting to stay in Windsor and unable to downsize due to lack of options.

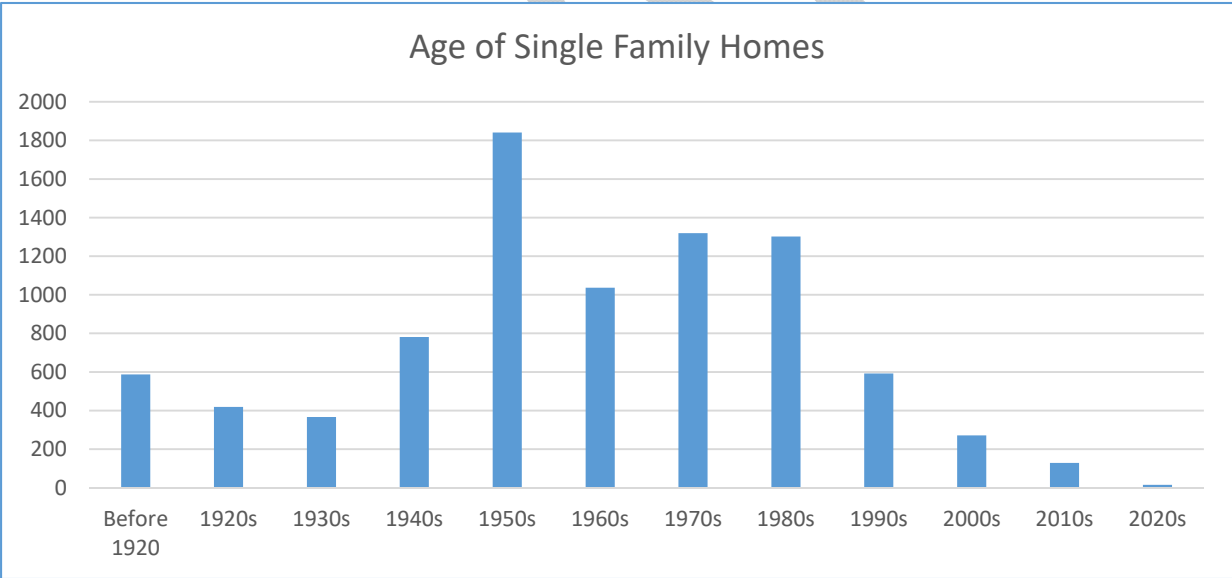


Source: Partnership for Strong Communities. Numbers may not total 100% due to rounding.



Source: Windsor Tax Assessor

As noted earlier, Windsor’s existing housing stock is inherently affordable. As the above chart indicates, the vast majority of Windsor’s single-family homes are valued below \$300,000, placing them within the range of households earning 80% of the regional median household income, with more than 1,100 valued under \$200,000.

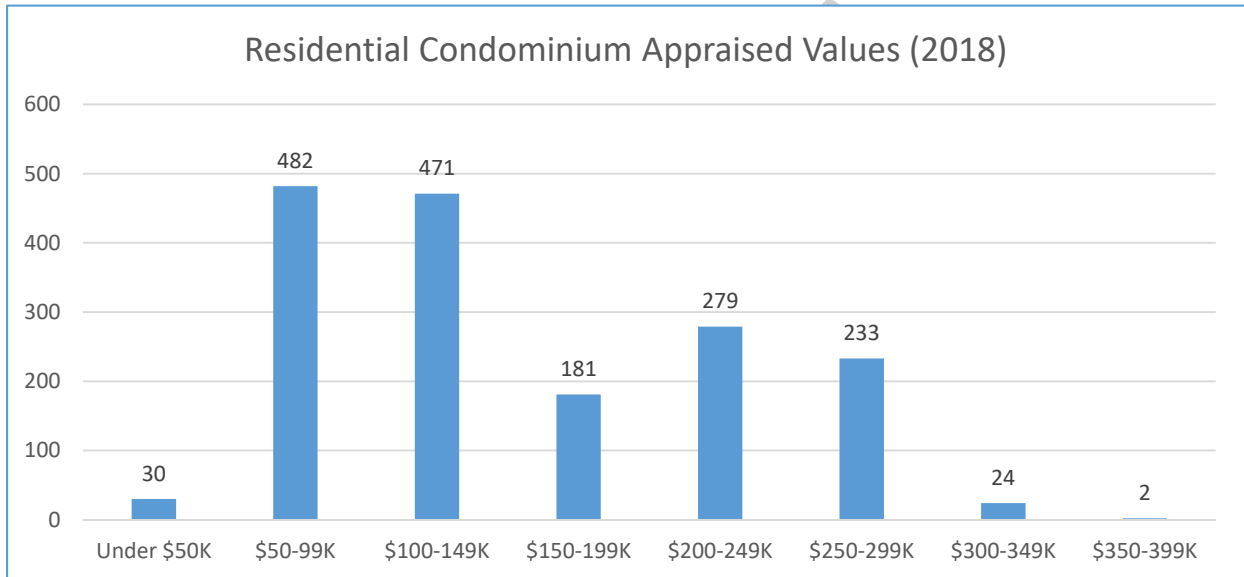


Source: Windsor Tax Assessor

Keeping Windsor’s prices low is the relative age of our housing stock. As an inner-ring suburb of Hartford, our pre-WWII housing growth was driven by the trolley line running up what is today Windsor Avenue and Broad Street from Hartford, with housing concentrated within ¼ mile of that line. The late 1940s and 50s brought the post-war car-oriented housing boom before slowing nearly in half in the 1960s. The 1970s and 80s brought a smaller housing boom, which again dropped precipitously due to several housing market collapses, dwindling

affordable/developable land, and rising construction costs.

It is not necessarily the age of Windsor’s houses that keep them affordable as much as the characteristics of the older homes. While many older homes are actually quite well-built, with hardwood floors throughout, high ceilings, and quality moldings not present in many modern homes, they are also what might be considered functionally obsolete by today’s standards: perhaps lacking closets, attached two- and three-car garages, and multiple full-baths (e.g., 3 Br 1½ Ba).

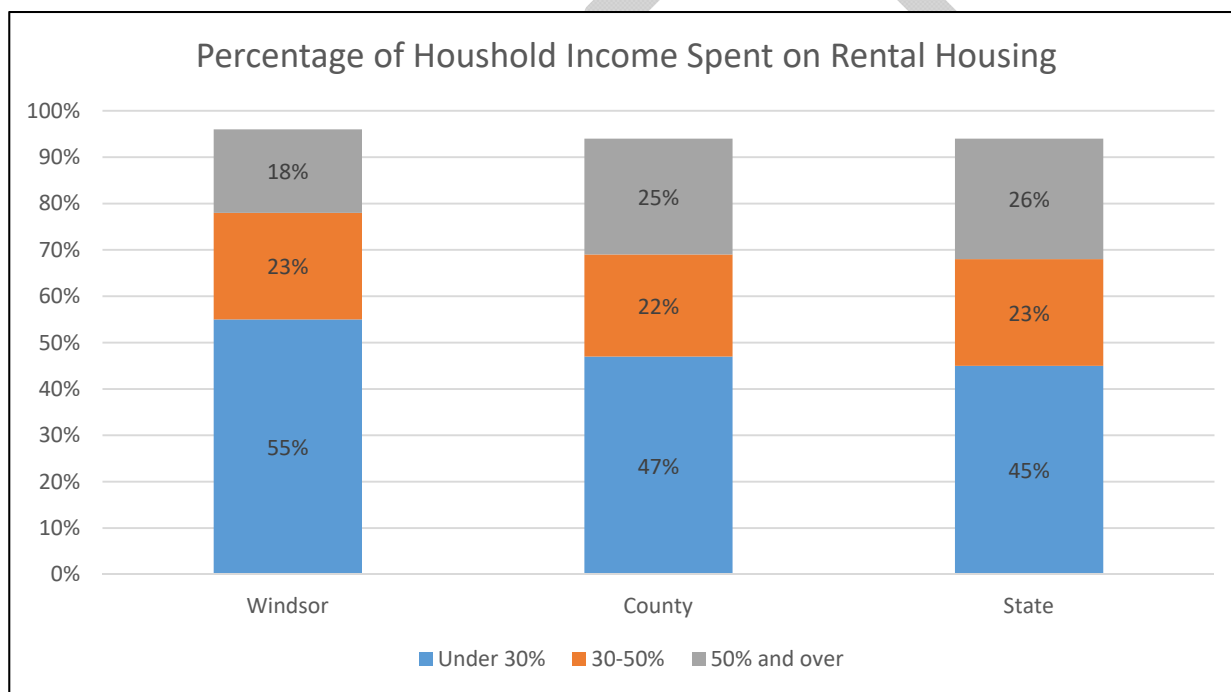


Source: WindsorTax Assessor

As the chart above indicates, condominiums and other forms of attached housing are often an affordable alternative to single-family homes. There are a total of 1,703 condominiums and similar units in Windsor with all but 26 of them priced below \$300,000 and 1,164 priced below \$200,000, placing them well within the range of households earning 80% or less of the regional median household income. These condominiums include Chateau Woods (248 units), River’s Bend (432 units), and Valley Village (78 units), which have all converted at least in part from former apartment complexes. Numerous other condominiums have been constructed during the hiatus in apartment construction in a variety of settings including single-family homes on common land such as Benjamin Court (9 units), Walden Meadow (72 units), and Whitward Place (19 units); single-family active-adult communities, such as Ballymeade (82 units), Kari Court (17 units), Rivertown Village (58 Units), and Wyndemere (55); multi-family active adult communities, such as Griswold Village(48 Units), Kings Landing (44 units), Mills Landing (12 units) and Scherer Ridge (11 Units); congregate care units at Delamere Woods (52 units); townhomes, such as Allen Place (12 units), Country Walk (180 units), Lancaster Woods (40 units), Merrimac Hills (11 units), Strawberry Hills (92 units), and Stockbridge (79 units)); a mix of flats and townhomes at First Town Square (50 units), and other miscellaneous units.

While condominium association dues are not readily available for these units, which would factor into total monthly housing costs, they cover many of the same costs borne by affordable single-family homeowners to maintain their homes, yet those costs are not considered by HUD. According to Windsor Assessor’s records, 1,629 or 98% of all condominiums in Windsor are appraised at or below \$290,000, making them affordable to low-income households earning 80% of the regional median household income. Of those, 73% appraised at \$216,000 or less, making them available to very low-income households earning less than 60% of the regional median household income.

As one might expect, renters are the households most impacted by housing stress. While 41% of Windsor renters experiencing housing stress is better than both the county and state rates, which are 47% and 49% respectively, that and 18% of renters paying 50% or more of their household income on housing costs clearly indicate that a lack of affordable rental units lies at the core of Windsor’s affordability problem.



Source: Partnership for Strong Communities. Numbers may not total 100% due to rounding.

Up until Windsor Station and The Preserve at Great Pond were constructed, there had not been any new apartments constructed in Windsor in approximately four decades. This was due in part to an obscure zoning regulation that limited any new apartment development to a small percentage of existing apartment units. Given that delivering amenities and managing apartments requires economies of scale, this regulation effectively prohibited new apartment development. Both Windsor Station and The Preserve at Great Pond were built under new or revised regulations that encouraged higher-density development in locations where such density was welcome to promote mass transit, the revitalization of Windsor Center and Wilson, and create workforce housing and services in close proximity to jobs.

Windsor Median Rents Reported

Studio	\$1,259*
1 BR	\$1,807
2 BR	\$2,175
3 BR	\$2,598

Source: Zumper.com 3/19 and 5/19*

Fair market rents for the region, established by HUD, are lower than Windsor’s median rents but that is not to say that Windsor is unaffordable. Fair market rents represent the estimated amount (base rent + essential utilities) that a property in a given area typically rents for and is used to administer various affordable housing programs ranging from Section 8 Certificates to public housing rental rates.

Looking at Windsor’s older apartment complexes (Deerfield at Windsor, River’s Bend, and Williamsburg Apartments), their one- and two-bedroom rents are very much in line with HUD’s fair market rents, and affordable to low- and very low-income families able to spend \$1,948 and \$1,460 per month respectively on housing costs respectively.

Windsor Apartment Rental Rates and HUD Fair Market Rents (2021)

	Units	Base Rent				
		Studio	1 BR	2 BR	3 BR	4 BR
HUD Fair Market Rents		\$889	\$1,091	\$1,347	\$1,675	\$1,958
Deerfield at Windsor	176		\$1,075	\$1,275		
River’s Bend	432		\$1,679	\$1,891		
The Preserve at Great Pond	130	\$1,410	\$1,750	\$2,175	\$2,895	
Williamsburg	140		\$1,070	\$1,250		
Windsor Station	130	\$1,589	\$1,809	\$2,405		

Source: huduser.gov, apartmenthomeliving.com, apartments.com

The Windsor Housing Authority maintains 136 elderly, disabled, and active-adult apartments in three complexes: Fitch Court (24 active-adult units), Millbrook Village (60 units), and Shad Run Terrace (52 units). The Windsor Housing Authority manages these units as affordable housing and administers the Section 8 Certificate program for the town as well.

More apartments are slated to be built in Windsor, with a program for as many as 550 apartments in Great Pond and 192 units approved in the Village at Poquonock, for a total of 742 additional apartment units, which in all likelihood will be priced higher in the market, reflecting rental rates found at Windsor Station and The Preserve at Great Pond. Thanks in part to a recent amendment by the TPZC, allowing flexibility in calculating density and building heights to bring construction costs down; there is also significant interest in several more affordably priced apartment projects in Windsor Center, though there are no approvals in place at this time.

Factors Affecting the Cost of Affordable Housing

Why is housing so expensive and why is affordable housing so difficult to produce in CT? Four major costs go into producing housing: the cost of land, materials, labor, and financing; and all of them cost more in CT than most states, except perhaps financing. Land prices in CT have skyrocketed over time, even as CT was slower than most states to recover from several housing market collapses. Not only has raw land gone up in price, but so has the cost of infrastructure such as roads, sidewalks, street lights, water, sewer, and storm drainage systems that provide access and services to individual homes.

Planning and zoning are not blameless here either. While early development in Windsor began in earnest as small-lot streetcar suburbs on lots smaller than one-fifth of an acre, followed by post-war suburban development on approximately quarter-acre lots, most single-family development since the 1970s has been in the A and AA Zones, requiring approximately half-acre lots. A- and AA-zoned lots require 100 and 125 feet of road frontage respectively, compared to R-11 and R-13 lots with 75 and 85 feet of frontage respectively. An AA-zoned development requires 66% more roads, sidewalks, streetlights; electrical cable, internet cable, water lines, stormwater lines, and sewer lines than an R-11 development, all of which ends up being built into the cost of every building lot.

Material costs are marginally higher in CT, reflecting the higher cost of living, and during the pandemic have in some cases more than doubled nationwide, which is beginning to correct itself as production and transportation of materials returns to normal.

Labor costs are higher in CT, again, a reflection of the average cost of living in CT. When you add together labor and materials, the cost per square foot of new construction is \$100 to \$200 per square foot averaged across an entire house, and can go as high as \$250 per square foot for an addition, where the high square-foot costs of new kitchens and bathrooms are spread across less floor area, which is pertinent to our new accessory apartment regulation.

Financing, while not as variable from state to state, does vary according to the riskiness of a project and the return on investment. Frankly, affordable housing carries more risk and can be less profitable. Even market-rate housing developers often have to turn to a mix of banks and private equity firms, making countless compromises to make their projects attractive to investors. Adding affordable units into the mix lowers profit margins and has the potential to stigmatize the development, lowering even the market-rate rents. Here in Windsor Center, even market-rate apartment and condo developments with densities as high as 20 dwelling units per acre have relied on bargain land deals, tax abatements, and other incentives to make them happen in the interest of creating transit-oriented development that revitalizes the center commercially, residentially, and socially. Developers able to finance their own developments can save on borrowing costs to outside investors, keeping at least this one cost factor down.

One of the biggest barriers to entry into affordable single-family ownership is making a 20% down payment. To avoid costly primary mortgage insurance, which can run as high as \$240 a month

for that hypothetical \$290,000 home that a moderate-income household income can afford, that household would have to put down \$58,000. With rents as high as \$2,504 a month for renting a two-bedroom apartment and the household already under housing stress, how are they supposed to save that amount? The answer is they do not. They put down as little as 3% and buy mortgage insurance that protects the lender. Not only that, but they have to pay interest rates as much as 1½ points higher than a household with just an average credit score, compounding the cost of the house to well above what that average household would pay. The VA, CHFA, and USDA have loan programs to help some of these qualifying first-time homeowners.

So, we hope that you have an appreciation for what the issues are and whom it affects. It is your friends, coworkers, the woman at the coffee shop, the physical therapist visiting your mother twice a week, retirees with fixed incomes, even your children, getting ready to graduate college, looking for a job and a place where they can afford to live close to you. Right now, jobs abound in CT, but they don't always pay a living wage that allows us to live and work comfortably in Windsor.

Existing Affordable Housing Strategies

Despite the inherent affordability within Windsor's diverse housing stock, Windsor has taken many steps to-date to create and ensure the ongoing affordability of housing in Windsor. The town's Department of Economic and Community Development has a long history of securing and administering numerous grant and loan programs in cooperation with HUD and the state Department of Economic and Community Development to provide low-interest emergency loans to qualifying low-income households to make emergency repairs, allowing them to stay in their homes; and making improvements to streets and other town facilities in low-income census tracts in Windsor to keep these neighborhoods livable and safe.



Fitch Court Apartments

The Windsor Housing Authority owns and operates a total of 136 apartments in three affordable housing projects for active adult, senior, and handicapped residents: Fitch Court (24 active-adult units), Millbrook Village (60 senior and handicapped units), and Shad Run Terrace (52 senior and handicapped units). The Windsor Housing Authority also administers HUD's Section 8 Certificate program for the town, which provides rent relief to qualifying households based on fair-market rental rates for the region.

The Windsor Tax Assessor's Office, in cooperation with the state Department of Revenue Services, administers several tax relief programs that help maintain affordability for qualifying elderly households with fixed incomes. The state's Help Elderly Against Rising Taxes (HEART) program provides direct tax credits of 10% to 50% of qualifying homeowner's local property tax,

depending on income levels. The town supplements that amount by adding an additional 40% of the state benefit for a total tax credit ranging from 14% to 70%. Additionally, Windsor’s program offers a flat credit of \$240 for single households and \$360 for married households within a moderate-income bracket above the state income threshold.

While not limited to low- and moderate-income households, the town also abates 100% of any increase in property taxes associated with repairs, renovations, or additions to houses that are older than 25 years old for seven years, again allowing low-, moderate- and fixed-income households to make necessary or desired improvements without being priced out of their own homes.

The Town Planning and Zoning Commission (the TPZC or Commission) also has a long history of directly and indirectly creating more affordable housing through its plans, policies, and regulations. Chief among them is the design development process.

Under conventional zoning districts, state law prohibits the Commission from approving a zone change to accommodate a higher density housing development on the condition that the proposed project is constructed as promised, or what is called “contract zoning”. The Commission must make a leap of faith that the developer will follow through as promised and that market timing, financing, some other factor won’t result in the promised project not moving forward, or worse, a less desirable project is substituted in its place. Windsor’s many design development districts remove that leap of faith and save developers time and money by creating a two-step process that gives the Commission assurance that there will not be any project substitution and gives the developer assurance that a minimally designed project can move forward without completing costly engineered plans, only to find out that the Commission does not find the project acceptable. The first step is a concept plan that provides the layout, density, architectural appearance, traffic data, and other information that the Commission needs to determine whether the project and its location are appropriate. Once approved, the applicant is assured that a subsequent engineered plan and architectural drawings showing all of the fine details will be approved as long as it generally conforms to the approved concept plan.



First Town Square

There are currently six different design development districts, each tailored to specific conditions and housing goals. Center Design Development Districts can be approved in Windsor Center and Wilson, allowing up to 30 dwelling units per acre in combination with commercial uses, which creates economies of scale that lower land and construction costs, though they do not guarantee affordability. Dorchester, Benjamin Commons, First Town Square, and Windsor Station apartments are all Center Design Developments, creating homes, condominiums, townhomes, and apartments

within walking distance of transportation, goods, and services in a symbiotic relationship that creates villages that are more vital.

Traditional Neighborhood Design Developments are larger suburban projects that create neo-traditional villages with the walkability and mix of uses found in traditional villages but designed for the reality of our modern auto-oriented society. Great Pond is the first and only design development of this type and will allow employees working on and around Day Hill Road to live, work, and play in close proximity, taking advantage of sidewalks and trails as well as mass transit to navigate within the corridor. Like Center Design Developments, New Neighborhood Design Developments do not have an affordability requirement, but the higher density, lower land costs, and mix of alternatives to single-family homeownership could provide some reasonably affordable housing without barriers to entry like mortgage down payments.

Similar sounding but very different in its approach is the New Neighborhood Design Development, which is a true affordable housing zone allowing up to a 385% increase in residential density in return for making up to 20% of the dwelling units affordable according to the state's definition. They are allowed in any single-family zone, with the maximum benefit received in the large-lot A and AA Zones, and require a mix of 1/3 single-family homes, 1/3 duplexes, and 1/3 townhomes. None have been built to date despite the regulation existing for approximately three decades.

Rounding out the design development districts are Peripheral Neighborhood, Recreational Neighborhood, and Poquonock Village Design Developments, affording density increases between 230% in the Peripheral Neighborhood Design Development District to a 460% increase in the Poquonock Village Design Development District. Walden Woods and The Village at Poquonock were built in these respective districts, utilizing a mixture of single-family homes, clustered village homes, duplexes, townhomes, and soon apartments in the Villages at Poquonock. Again, while not required to be affordable, they do lower land and construction costs as well as offering cheaper alternatives to large-lot single-family homes.

Windsor is also a pioneer in the use of development rights to both preserve open space and promote higher-density housing in appropriate locations. Traditional development right programs use a process called transfer of development rights (TDR) that allows property owners in a donor area to sell the right to further develop their land while retaining all other ownership rights (e.g., air, water, mineral, and agricultural rights). A buyer then takes those rights and applies them to a designated landing area, adding that development potential to existing development rights, creating an economy of scale through more compact, higher-density development. More sophisticated TDR programs create a land bank that can purchase, hold, and sell development rights to better facilitate transfers by creating liquidity in the market rather than searching for willing buyers and sellers with matching needs.

Windsor eliminated the need for buying, selling, and banking development rights with a novel approach called transfer of residential density (TRD), which simplifies the process by allowing willing buyers and sellers to effectively transfer the development potential of a property that is

suitable as open space to a location that is suitable for higher density residential development. The benefit of this program is that the Commission does not have to pre-designate a landing area that is allowed to receive additional development rights by right and has the discretion to see the desirability of the donor parcel for open space and a concept plan for what the proposed housing development at the landing site will look like. Another difference is that the entire donor parcel is donated to the town as open space. The downside of this approach is that it lacks the liquidity of a land bank, making matches between buyers and sellers difficult, and it does not allow farmers to retain their land and continue to farm it. To date, it has only been used once, though a similar commercial/industrial program called transfer of non-residential coverage has proven effective.

On a smaller scale, the Commission allows the conversion of commercial properties to a mix of commercial uses and apartments in Wilson and Windsor Center as well as higher-density infill development on lots of up to 10 acres where clustered homes, duplexes, or townhomes are appropriate to the neighborhood. Many buildings in both Windsor Center and Wilson have been converted to mixed use-buildings and both the Allen Place duplexes and six townhomes on Dunfey Lane were built according to the infill development guidelines.

Smaller still, the Commission used to allow the temporary conversion of single-family homes by special use permit to include an in-law apartment that could be occupied by an elderly or infirm family member as an alternative to a more institutional setting, or conversely allow a younger family member to move in to care for their parents. The word temporary was used, as the apartment had to be removed once the person it was built for no longer resided on the premises. The in-law apartment had to be located within the single-family home, which could include the conversion of an attached garage or a minor addition to the house so that the minimum house size for the principal dwelling could be maintained.

This changed dramatically in 2021 when the state legislature adopted an omnibus zoning bill that not only included the requirement for this plan but also allowed every single-family home in the state to have an accessory apartment that is no greater than 30% of the net living space of the home or 1,000 square feet, whichever is least, while simultaneously removing Windsor's requirements that the apartments be limited to family members and located entirely within the single-family structure. As a result, the Commission adopted a regulation doing just that, while taking existing detached accessory structures into account when creating new detached accessory apartments, so as not to overburden a property, and requiring that one but not both of the resulting dwelling units be owner-occupied to prevent speculation on what would essentially be two-family homes by absentee landlords.

Finally, an earlier bill by the state legislature allowed every single-family home to have a temporary "granny flat" located on the property according to all other applicable zoning requirements unless the town opted out of the provision, which the Commission chose not to do. Under this law, Windsor's Building Department is obligated to review and approve a portable temporary trailer hooked into all appropriate utilities if the owner provides proof of medical necessity. Much like the Commission's original temporary in-law apartments, these granny flats

can be occupied by an elderly or infirm family member or a resident caregiver giving 24-hour care to a resident of the main home.

So, as you have read, Windsor is already doing a great deal to directly and indirectly encourage affordable housing, keep housing affordable, and reduce other costs of living such as transportation for Windsor residents. Now we will discuss potential strategies that we can add to our affordability toolbox.

New Affordable Housing Strategies

In order to directly encourage affordable housing and move the needle towards achieving 10% or more affordability for Windsor, more dramatic steps need to be taken to counteract the forces working to raise housing costs out of reach of our most vulnerable residents: namely land, material, and labor costs; and financing: most of which are beyond our control.

As our unused 30-year old New Neighborhood Design Development and TRD regulations illustrate, minor increases in density and direct transfers of development rights are not enough to entice affordable housing in the free market. Even market-rate developments of 20 units per acre are not achievable without bargain land sales, tax abatements, brownfield cleanup assistance, tax increment financing, zoning amendments, and other tools to bring land and development costs down. Without these forms of assistance, the best intended affordable housing regulations will go unused, and mandatory but uncompensated affordability requirements on market-rate developments could drive potential developers out of the market entirely by eating into established profit margins. According to planners and development industry experts, public assistance in making affordable housing projects happen has to be far deeper than many would expect or even be comfortable with in terms of density bonuses, tax abatements, infrastructure cost-sharing, and other forms of public assistance.

Before delving into entirely new strategies, we need to revisit our existing strategies and find ways to reduce land, material, and labor costs, as well as financial barriers to entry within these established frameworks in order to make them more viable.

One approach that ticks all of those boxes is fostering more multi-family development. As housing transitions from large-lot single-family homes to starter homes, to duplexes, townhomes, and eventually flats, land, material, and labor costs all go down as densities increase, unit sizes shrink, and expensive exterior finishes decrease on a per-unit basis. While promoting high-density transit-oriented development such as Great Pond and Windsor Station Apartments, the town has resisted wholesale reductions in unit sizes approaching urban high-rise standards, which are more in keeping with a hotel suite than a suburban apartment.

Coincidentally, hotel room sizes have also been shrinking as consumer tastes change, but the reduced room sizes are often compensated for with richer amenities that draw visitors out of their rooms and into common indoor and outdoor spaces. This approach can and has been applied to apartments here in Windsor. Windsor Station and The Preserve at Great Pond offer



Source: Work Design Magazine

such amenities as communal TV lounges, gyms, pools, tennis courts, a dog park, walking trails, bike storage, business centers, outdoor seating areas with fire pits and grills, etc. In light of these rich amenity packages, reductions in minimum apartment sizes might be accomplished without diminishing dignity or quality of life for low- and moderate-income residents if reductions were tied to such amenities.

While the various design development districts provide significant increases in density in return for Commission discretion on the location, layout, density, and appearance of the development, the allowed densities are not enough to either spur or pay for affordable housing within these developments. Both the densities and/or incentives have to go up, and land, material, and labor costs have to come down further.

One way that has been addressed recently is to shift densities from dwelling units per acre to bedrooms per acre and permitting half-stories and penthouses above typical building heights in Wilson and Windsor Center, allowing more studio and one-bedroom apartments for young singles, couples, and empty nesters without significantly increasing the bulk of buildings or required parking. The next logical step is to add affordability requirements in return for that added flexibility and examine other opportunities to make similar shifts towards bedroom-based densities.

Those of us old enough to be paying attention in the 1980s can remember windfall profit taxes being applied to oil companies that were reaping huge profits above the market index after price controls were removed. Windsor's Transfer of Residential Density (TRD) program was designed to prevent such windfall profits by prohibiting developers from buying cheap, low-density, rural, or agricultural land and reaping urban densities on the receiving parcel. This was accomplished by excluding undevelopable land with wetlands, floodplains, and steep slopes from the transfer process and only allowing the extremely low- to low-densities of 0.3 to 1.6 units per acre to be transferred from the Agricultural through A-Residential Zones respectively. This was recently adjusted to allow slightly higher densities to be transferred from the AG zone if it preserved active farmland, prime agricultural soils, and/or areas of floodplain, steep slopes, and wetlands that were still desirable as public open space. This program is used as more of an agriculture and open space preservation program, but perhaps it can be improved to offer even higher densities for creating affordable housing on the receiving parcel, allowing affordable housing developers to turn relatively cheap rural land into the equivalent of expensive land in more desirable housing locations better served by mass transit and other infrastructure.

While the aforementioned new state law allows all single-family homes to have an accessory apartment by right, the many two- and three-family houses and multi-family buildings in and around Wilson and Windsor Center dating back to the era of the trolley cannot. When Windsor adopted exclusively single-family residential zoning in the 1950s, many existing two- and three-family homes and apartment buildings become legal non-conforming, meaning that they are allowed to continue to exist and can even be replaced in-kind if damaged or destroyed by fire or another catastrophe, with the possible exception of flooding. Over time, many of these units were consolidated into larger units or back to single-family status entirely, abandoning their legal non-conforming status in whole or in part. In a process similar to the newly adopted accessory apartment regulations, the Commission could allow the conversion of these structures back to their historic densities, perhaps by special use permit to allow adequate conditions to protect surrounding development, and where there is sufficient land and parking, even allowing a detached accessory apartment meeting all other applicable zoning requirements.

Another new strategy involves the creation of an affordable housing land trust or community development corporation capable of conducting numerous activities to promote, create, and ensure long-term affordable housing. Such an organization would be a 501(c)(3) non-profit organization capable of receiving tax-deductible charitable donations through the IRS and Connecticut's Neighborhood Assistance Act, donations from other foundations and charitable organizations, and municipal support in the form of budgeted annual financial contributions when tax receipts allow. As a separate organization from the town, it would be free of local and state requirements requiring Town Council and special town meeting approval to conduct its activities.

The scope of activities of such an organization is only limited by imagination. It could purchase raw land in appropriate locations to enter into long-term leases for affordable housing projects, effectively lowering the cost of land for affordable housing developers, or it could even build affordable housing on its own terms. By purchasing blighted, foreclosed, and/or tax-delinquent properties, it could proverbially kill two birds with one stone by simultaneously renovating distressed properties, eliminating potential blight, while also creating long-term affordable housing units for rent or sale with deed restrictions, or by retaining ownership of the underlying land, again taking the price of the land out of the cost equation. It could assist low-income households with down payments on single-family homes by purchasing and leasing back the underlying land or entering into equity sharing agreements to keep the home affordable upon resale or to recapture its investment with interest for reinvestment in other initiatives. It could even build more senior and handicapped housing similar to the Windsor Housing Authority's Millbrook Village and Shad Run Terrace. This strategy is clearly beyond the scope of the Commission, requiring a concerted effort by the Town Council and housing advocates in the community-at-large.

The Commission's role in creating affordable housing is not done, as they have the power to mandate affordable units in all housing developments, from new single-family subdivisions to multi-family apartment complexes. This can be done outright, by requiring a minimum ratio of affordable units; by incentivizing affordable units with density bonuses and/or by reducing lot

sizes, which significantly reduces land and infrastructure costs per unit; or both. In the former case, the requirement would have to be low enough not to stifle development altogether and in the latter case, the incentives would have to be significant enough to encourage developers to take advantage of it and make more significant progress in providing affordable housing.

Some communities, such as Stamford even allow a fee-in-lieu of mandatory affordable housing, which relieves a developer of providing affordable housing within their development, in an amount equivalent to build that housing elsewhere in town: a provision that would have to be used judiciously, perhaps by special use permit, so that affordable housing is equitably distributed throughout town. A community development corporation or affordable housing land trust could be the recipient of those funds, where perhaps economy of scale would make money from multiple sources go further.

Affordable Housing Goals

Now that we understand the need, the cause, the statutory framework, and tools to address affordable housing, we need to establish achievable goals. One simple goal is the state mandate that every municipality should have at least 10% affordable housing in order to be exempt from Connecticut General Statutes Section 8-30g (see page 3). Windsor is currently 7.55% affordable according to the state’s definition, giving us a tangible goal of 288 additional affordable dwelling units to achieve 10%. As previously noted, this can be a moving target, as every subsequent market-rate unit moves the goal post ever so slightly farther away, adding to the 288-unit goal.

2010 Housing Units	2021 Government Assisted	2021 Tenant Rental Assistance	2021 Single-family CHFA/USDA Mortgages	2021 Deed Restricted Units	2021 Total Assisted Units	2021 Percent Affordable
11,767	154	288	420	26	888	7.55%

The simplest solution to achieving this goal would be CHFA, USDA, or similarly financed apartment or condominium complexes giving Windsor credit for all of the dwelling units, but in reality, only 20% of the units would actually be guaranteed affordable over time. To truly achieve the goal of 288+ affordable units will take a more concerted effort utilizing all of the available tools to counter the momentum of market force housing.

Setting aside this artificial state goal, let us look at Windsor’s actual need: 37% of homeowners with mortgages, 17% of homeowners without mortgages, and 41% of renters, all living in moderate to severe housing stress by spending 30% to 50% or more of their household income on housing every month. According to the Census Bureau, 38% of all owner-occupied households are mortgage-free. Without raw data, we cannot determine the total number of homeowners living under housing stress, but statistically, it is approximately 30% of all homeowners, which include both single-family home and condominium owners. That is approximately 2,700 owner-

occupied households, a daunting number despite Windsor's 446 assisted homes and inherently affordable housing overall, and significantly more than the 288 unit state goal.

Looking closer at homeowners under severe housing stress, 14% of homeowners with mortgages and 6% of homeowners without mortgages are spending 50% or more of their household income on housing costs, which is nearly 11% of all homeowners or approximately 980 owner-occupied households. Who are these households and how did they get in this predicament? If you remember the Poverty by Age Group chart on page 7, persons living in poverty were concentrated in the 55 and older categories. While persons living in such extreme poverty are not likely to include many homeowners, they do draw attention to the fact that retirees tend to have fixed incomes and some of those retirements may not have been by choice due to medical conditions, age discrimination, or the economy.

When households are living in housing that is too big for their needs, they are considered over housed, which can lead to mortgage payments, utility costs, property taxes, and maintenance that are beyond their means. This can happen to any adult, due to changing circumstances, but it is most prevalent among empty nesters, often on fixed incomes, living in single-family homes. Many want to stay a part of the social fabric of Windsor but cannot find affordable alternatives in town, which leads once again to affordable apartment and condominium development as the primary solution.

Coming back to renters, they are the households most impacted by housing stress, with a full 41% of renters experiencing moderate to severe housing stress and 18% experiencing severe housing stress, amounting to approximately 760 and 335 households respectively. While the latter numerically presents the first relatively achievable goal beyond the state's artificial goal of 10%, these severely distressed households likely need more help than a cheaper rent and may already be receiving substantial town, state, and federal aid that is not reflected as household income.

As eluded to throughout this document, the solution to Windsor's affordable housing issue lies primarily with multi-family attached-housing, with its higher densities, lower land costs, lower labor, and material costs, and lower maintenance costs compared to single-family housing, though that should not be ruled out as a major component of our overall affordable housing strategy. That multi-family attached-housing strategy will need a senior/handicapped housing component to address the high percentage of older residents living in severe housing stress, perhaps financed and constructed by a new housing land trust or community development corporation, with town assistance. Market rate developments with 20% affordable units taking advantage of CHFA and USDA loans and tax credits can make considerable progress towards the state's 10% affordability goal, while local zoning mandates combined with local zoning and financial incentives to offset costs can round out the large-scale multi-family strategy.

Then there are the small-scale multi-family homes, beginning with the new accessory apartment regulation allowing every single-family home to have an accessory apartment, which can accommodate young singles that could not otherwise afford to live and work in CT to seniors that

want to live with family, or simply live independently in a small, carefree apartment. Relaxing the regulations on building conversions and infill development in the villages and even some suburban neighborhoods where appropriate, can create scattered affordable housing indistinguishable from its neighbors.

On the single-family side, we need new, affordable starter homes for newly formed households looking to move out of rental apartments, start families, and begin building equity towards a bigger home. Windsor's existing housing stock is full of affordable capes, ranches, raised ranches, and bungalows that make excellent starter homes but they are currently in high demand by households of all means. The solution is again a combination of zoning mandates and associated zoning and financial incentives outlined herein to offset the cost of building affordable houses indistinguishable from their market-rate neighbors.

How many multi- and single-family homes we need to build is a policy question ultimately to be determined after considerable public input, incorporated into this plan, and adopted by the Commission. That iterative process starts with this draft plan, which we fully expect will evolve and be improved by public input to follow. The Commission looks forward to your participation and input in the planning process.