

# Redding

*Draft March 2022*

*Annex to the 2022 Western Connecticut Regional Affordable Housing Plan*

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## **Town History Relating to Affordable Housing**

In 1976, Redding conducted a housing needs study that identified the need for a more diverse and affordable housing stock. Since that study was conducted, Redding has taken the following actions towards the realization of housing diversity goals.

- 1978: Redding first adopted Zoning Regulations allowing for a single apartment accessory to a primary residence on a residential lot.
- 1984: Redding's new Plan of Conservation and Development ("POCD") suggested continuing policy review for "creative solutions to alternate housing needs." The POCD also suggested periodic review of zoning regulations regarding accessory apartments.
- 1986: The Redding Zoning Regulations are amended to remove the need for annual renewal or transfer of license for existing accessory apartments.

- 1990: Redding created a Housing Partnership to study and make recommendations regarding the expansion of housing opportunities. The Partnership proposed the development of 40 units of town-owned affordable senior housing at 37 Lonetown Road; application for development designation was completed in 1992. Ultimately the proposal was not supported by voters.
- 1998: Redding's new POCD again speaks to the need for affordable housing.
- 2001 – 2002: The Gilbert and Bennett Wire Mill property became available for re-use and re-development. Charrettes were held to guide the creation of plans for the re-development. The ultimate approved plans contained a percentage of affordable housing units however, in the fallout of the 2007 economic downturn, the redevelopment plans were not realized.
- 2008: The new POCD speaks to the need for affordable housing; one action plan was to create an Incentive Housing Zone.
- 2011: Redding developed an Incentive Housing Zone plan; after revisions, it was formally adopted in 2014.
- 2017: Redding looked again at existing apartment regulations and ultimately changed the zoning regulations to allow for larger accessory apartments, while reducing land and setback requirements. Eligibility was also changed from owner occupancy in a primary dwelling to owner occupancy in either a primary dwelling or accessory dwelling unit.
- 2019: Redding adopts a new POCD with a variety of recommendations for increasing housing opportunities.
- 2021: Redding succeeded in foreclosing on the former Gilbert and Bennett Wire Mill property and discussions regarding re-development were renewed.

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## **Community Values Statement**

The Town of Redding combines a beautiful exurban environment with predominantly single-family housing on large lots, with limited commercial activity. Redding's natural resources and open spaces are among its greatest assets. Hence, Redding is deeply committed to protecting its many acres of watershed, which provides our neighbors to the south with as much as 35 million gallons of drinking water daily, (just from the Saugatuck Reservoir), while also preserving our open space and providing opportunities for recreation and conservation. Redding has strong sense of community with a firm commitment to maintaining its rural character and historic and cultural resources.

While Redding will, by virtue of its role as a watershed and drinking water resource for Fairfield County, remain a community of predominantly single-family homes on larger lots, the Planning Commission recognizes the need to provide greater variety in its housing stock and increase the number of affordable dwellings. Diversifying Redding's housing would help young people live and work in the community where they grew up while also allowing senior residents to age in place, supporting a culture of inclusion and diversity. Redding has been taking steps to expand its housing options since the 1970s, and will continue to do so, particularly as the Town moves forward with the significant project of redeveloping the former Gilbert and Bennett factory property.

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## Housing Market Trends

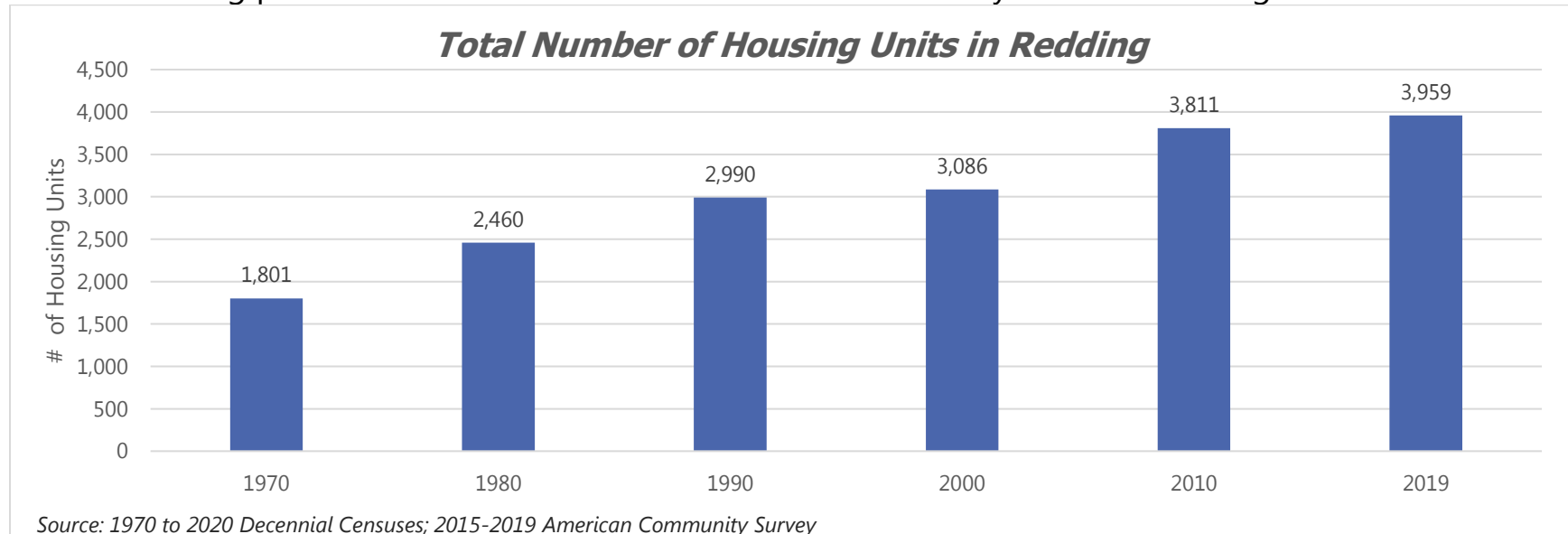
### *Progress Towards 10% Affordable Housing (8-30g):*

There are 18 affordable housing units in Redding as of 2020, with the vast majority qualifying for affordable housing using the federal and state low-interest mortgage programs.

<b>YEAR</b>	<b>GOVERNMENTALLY ASSISTED UNITS</b>	<b>TENANT RENTAL ASSISTANCE</b>	<b>CHFA/USDA MORTGAGES</b>	<b>DEED RESTRICTED</b>	<b>TOTAL ASSISTED</b>	<b>CENSUS HOUSING UNITS</b>	<b>PERCENT AFFORDABLE</b>
<b>2002</b>	0	-	0	-	0	3,086	0%
<b>2005</b>	0	-	0	-	0	3,086	0%
<b>2010</b>	0	-	0	0	0	3,086	0%
<b>2015</b>	0	-	1	0	1	3,811	0.03%
<b>2020</b>	0	1	17	0	18	3,811	0.47%

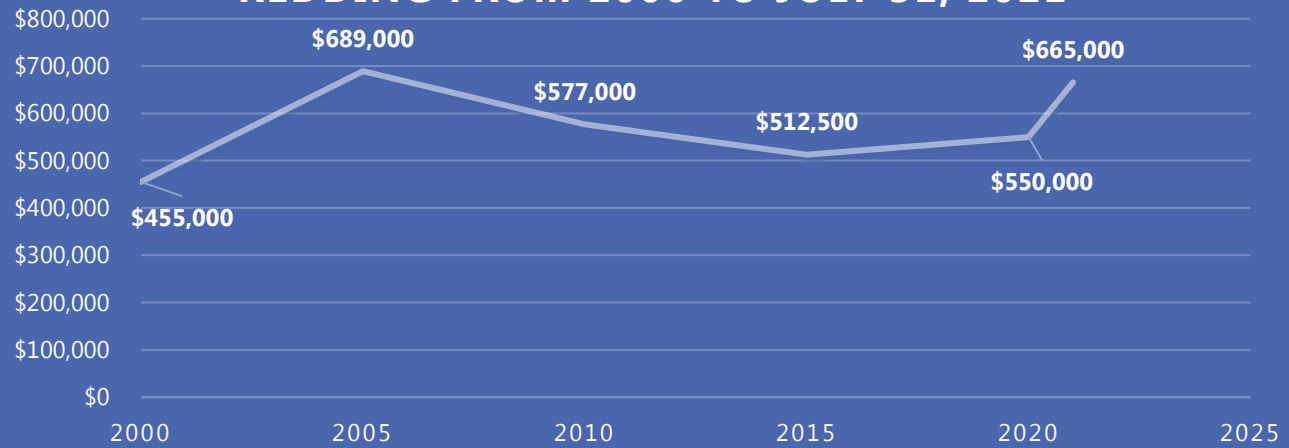
*SOURCE: CT DEPARTMENT OF HOUSING, AFFORDABLE HOUSING APPEALS LISTS*

The overall housing stock has more than doubled in the last 50 years, mainly in the 1970s, 1980s, and 2000s. Housing production has slowed in the last decade with only 148 new housing units built.



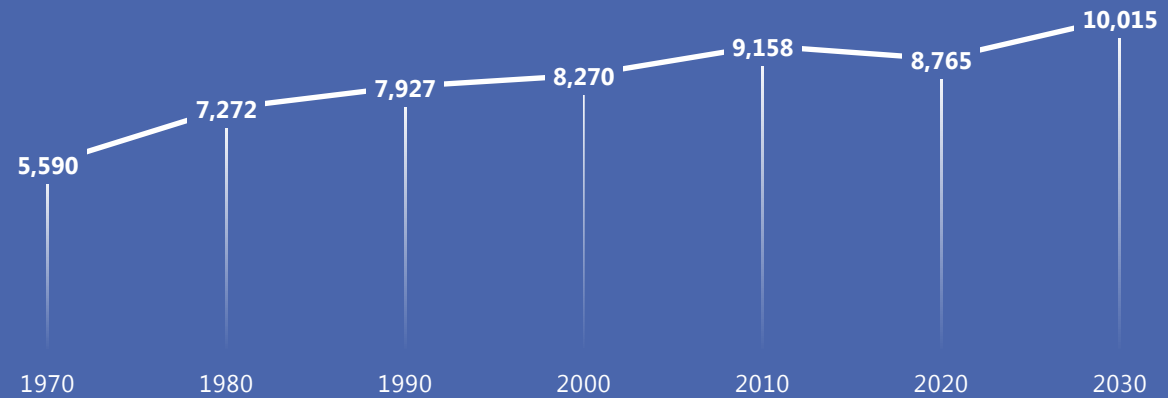
The median single family housing prices before the 2008 Great Recession were at a high of \$689,000. Afterwards, prices fell to \$512,000 by 2015 until the 2020 COVID Pandemic caused housing prices to surge to just under pre-recession prices at \$665,000 in 2021.

## MEDIAN SINGLE FAMILY HOUSING PRICES IN REDDING FROM 2000 TO JULY 31, 2021



Source: Warren Group, 2021.

## REDDING POPULATION WITH 2030 PROJECTION



Source: 1970 to 2020 Decennial Censuses, NYMTC, WestCOG analysis

## Housing Needs

There are 1,243 or 36% cost burdened households in Redding, according to the 2015-2019 American Community Survey. 43.8% of renters are cost burdened, while only 34.6% of owners are cost burdened.

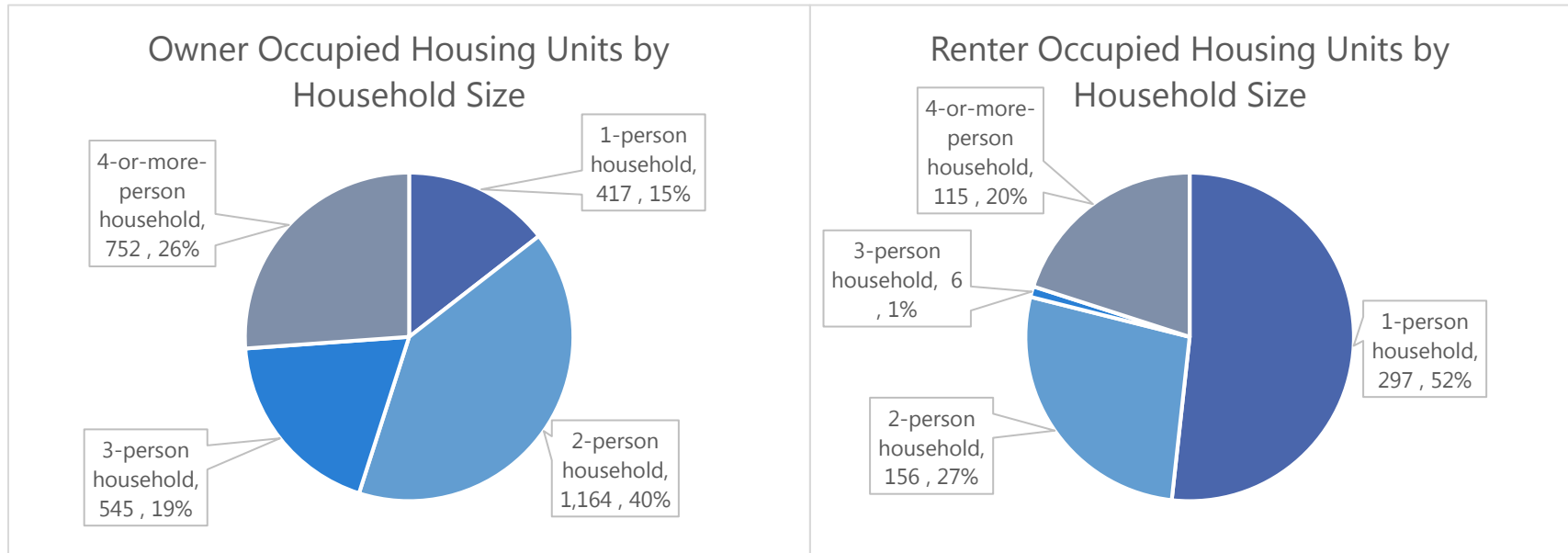
MONTHLY HOUSING COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS	Occupied housing units	%	Owner-occupied housing units	%	Renter-occupied housing units	%
<b>Less than \$20,000</b>	150	4.3%	74	2.6%	76	13.2%
Less than 20 percent	8	0.2%	0	0.0%	8	1.4%
20 to 29 percent	8	0.2%	0	0.0%	8	1.4%
<b>30 percent or more</b>	<b>134</b>	<b>3.9%</b>	<b>74</b>	<b>2.6%</b>	<b>60</b>	<b>10.5%</b>
<b>\$20,000 to \$34,999</b>	181	5.2%	117	4.1%	64	11.1%
Less than 20 percent	8	0.2%	0	0.0%	8	1.4%
20 to 29 percent	0	0.0%	0	0.0%	0	0.0%
<b>30 percent or more</b>	<b>173</b>	<b>5.0%</b>	<b>117</b>	<b>4.1%</b>	<b>56</b>	<b>9.8%</b>
<b>\$35,000 to \$49,999</b>	177	5.1%	161	5.6%	16	2.8%
Less than 20 percent	16	0.5%	8	0.3%	8	1.4%
20 to 29 percent	42	1.2%	42	1.5%	0	0.0%
<b>30 percent or more</b>	<b>119</b>	<b>3.4%</b>	<b>111</b>	<b>3.9%</b>	<b>8</b>	<b>1.4%</b>
<b>\$50,000 to \$74,999</b>	414	12.0%	309	10.7%	105	18.3%
Less than 20 percent	10	0.3%	10	0.3%	0	0.0%
20 to 29 percent	69	2.0%	60	2.1%	9	1.6%
<b>30 percent or more</b>	<b>335</b>	<b>9.7%</b>	<b>239</b>	<b>8.3%</b>	<b>96</b>	<b>16.7%</b>
<b>\$75,000 or more</b>	2,413	69.9%	2,175	75.6%	238	41.5%
Less than 20 percent	1,322	38.3%	1,171	40.7%	151	26.3%
20 to 29 percent	609	17.6%	553	19.2%	56	9.8%
<b>30 percent or more</b>	<b>482</b>	<b>14.0%</b>	<b>451</b>	<b>15.7%</b>	<b>31</b>	<b>5.4%</b>
<b>Zero or negative income</b>	63	1.8%	42	1.5%	21	3.7%
<b>No cash rent</b>	54	1.6%	(X)	(X)	54	9.4%

There are various thresholds a household or individual need to meet to qualify for affordable house that depends on the program. For example, the C.G.S §8-30G set-aside development program is one of the least restrictive programs and requires prospective tenants to be low-income (ie. make 80% or less of the state median income) and be cost-burdened. There are 761 households as of 2019 in Redding who meet these characteristics – accounting for 21% of households in need of affordable housing in Redding. This showcases that the need for affordable housing outnumbers the statutory requirements of 381 units.



**Household size varies significantly based on tenure.**

There are 2,878 owner-occupied households and 574 renter-occupied households in Redding – 16.6% renter households



Source: 2015-2019 American Community Survey

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## Strategies

Provide Town-Initiated Affordable Housing using our Incentive Housing Zones- Create a Town-administered program, adequately funded for operational overhead, by which to initiate and execute non-profit Affordable Housing Developments on Town-owned land. This program should include the following:

- a) Initial planning studies have led to adoption of two Incentive Housing Zones under the Connecticut Housing Program for Economic Growth. The IHZ's development should be planned and their differing characteristics should govern their initial stages of development:
  - i. Land acquisition by the Town of the State-owned site on Ethan Allen Highway
  - ii. Formation of a property owners' working group to coordinate with the Town on the planning process for a coherent end result.
- b) The Town should seek grant funding to the maximum extent applicable from the Connecticut Housing program for Economic Growth as well as from other relevant sources.
- c) IHZ's should be configured to apply to Town-owned properties or to properties having potential for town purchase, using non-profit forms of development, and with 100% of dwellings created under the IHZ being deed-restricted in perpetuity as qualifying as Affordable Housing Units.
- d) The town of Redding should include in its capital-expense planning an ongoing program of seeking, evaluating, and purchasing sites for the creation of non-profit IHZ affordable housing.

Survey Existing Lower-Cost Housing Units- Conduct periodic surveys to obtain the accurate number of dwelling units, for rent or sale in Redding, that meet the cost-of-housing standards of the State of Connecticut's Affordable Housing programs.

Housing Support Programs- Conduct a study to determine how many people are in need of various forms of assistance and methods which have been used elsewhere to provide economic support of housing for elderly individuals.

Pursue Local Initiatives for Housing Diversity and Affordability- Fully explore the feasibility of local initiatives for Housing Diversity and Affordability as outlined herein. These potential initiatives are noted briefly as follows:

- a) Property tax relief for Aging in Place, including sustaining the existing Senior Citizen Tax Credit, extending this credit to apply to renters, permitting home-sharing by the non-affluent elderly, and potential reverse-equity mortgages for low-income seniors.
- b) Direct purchase and resale and/or rental of existing dwelling units, with local subsidy to establish these dwellings as Affordable Housing Units under state definitions.
- c) Designation of 10% of the lots in subdivisions of 10 units or more as "Affordable Housing" lots with the resulting houses to meet state definitions for certification under Sec. 8-30g.
- d) Amend the town's zoning provision for Accessory Apartments to allow for larger apartments with additional bedrooms in line with provisions of PA 21-29.
- e) Coordinate the Town's zoning provisions for Accessory Apartments with state definitions for Affordable Accessory Apartments. Along with this, provide for a renewable "Affordability Covenant" as an alternative model for sustaining the dwelling unit as an affordable unit.
- f) To provide further incentive for owners to create and maintain such apartments, the Town's assessment policy could be modified to value accessory apartments governed by "affordability covenants" at lower rates, in recognition of their contribution to Town housing needs.
- g) Apply local revenues from the state Real Estate Conveyance Tax to create a fund for achieving the housing diversity and affordability initiatives outlined herein.

Re-start the Conversation Regarding the Redevelopment of the former Gilbert and Bennett Wire Mill Property-

In the last year, the Town of Redding has completed the foreclosure on the former Gilbert and Bennett Wire Mill and is now in control of that property. The town needs to create a noteworthy destination for commerce, entertainment, work and living that enhances and continues Redding's reputation as being in the vanguard on improving quality of life in the region. Redding has never had a downtown, a walkable village center, or a significant commercial base. By designing a transit-oriented hub in Georgetown the possibility exists for this aspect of Redding to finally be brought into being. It would satisfy a number of social, commercial and revenue needs, while creating an attractive and noteworthy gateway to our community.