

# Housing, Jobs, and Village Center Vitality in Salisbury & Lakeville

**Why do we need Affordable Housing?**

**What do we need?**

**Set specific goals for units on the ground**

**Where should they go?**

**COMMUNITY WORKSHOPS**

# **AFFORDABLE HOUSING UNITS**

**Why do we need  
Affordable Housing?**

# SALISBURY'S ENVIRONMENT FOR HOUSING

- **High real estate prices – least affordable outside Fairfield County (8<sup>th</sup> in CT)**
- **Exodus of young adults and young families**
- **Declining school enrollments (historical and projected through 2026-27)**
- **Oldest median age among CT towns**
- **The 2<sup>nd</sup> highest percentage of “seasonal homes” in CT (after Cornwall)**
- **Ageing workforces at local businesses, Non For Profit's and volunteer fire & EMS organizations**
- **The 2<sup>nd</sup> lowest mill rate in CT (after Greenwich)**

# DECLINING FAMILY FORMATION REFLECTED IN DECLINING SCHOOL ENROLLMENTS

	<u>Salisbury Central</u>		<u>HVRHS</u>	
1999-2000	395		559	
2016-2017	264	(33%)	404	(28%)
2026-2027*	229	(13%)	312	(23%)
2000-2027*		(42%)		(44%)

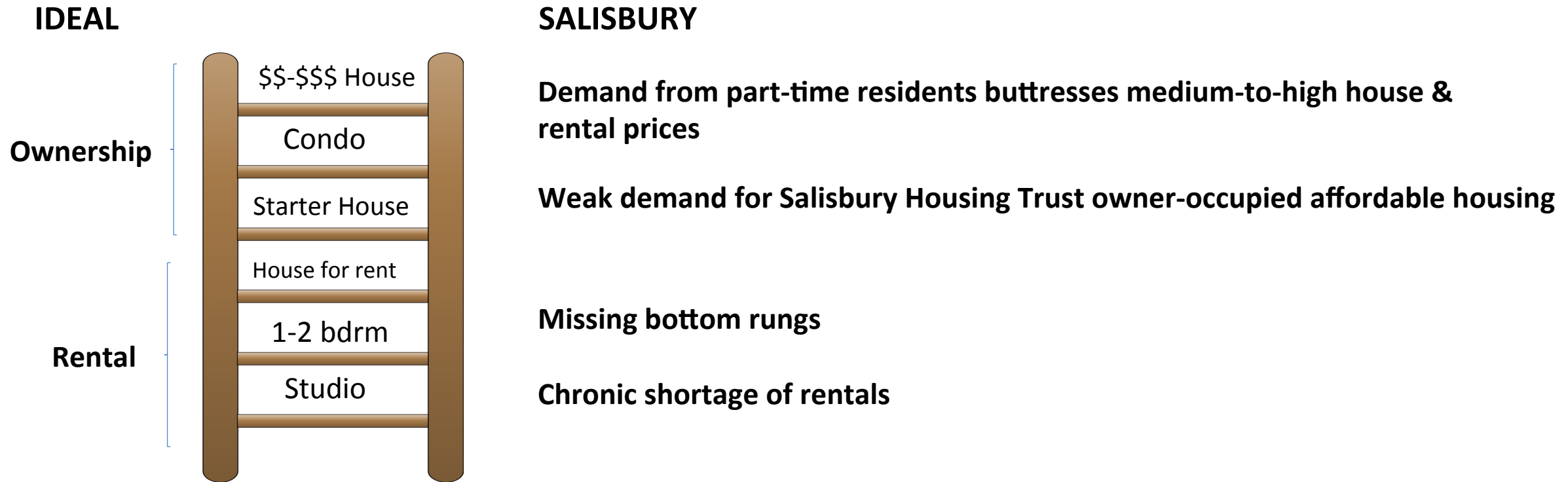
\*Projected

Source: New England School Development Council – 11/7/16

# HOW DO WE KNOW WE NEED HOUSING UNITS?

What does a healthy housing market look like? Does Salisbury have it?

## HOUSING LADDER



# **AFFORDABLE HOUSING UNITS**

What do we need?

# SIMPLIFIED ECONOMICS OF 3-BR, SINGLE-FAMILY, LIMITED-EQUITY HOUSE SALISBURY HOUSING TRUST (SHT)

	<u>New Modular</u>	<u>Renovation</u>
Land (via donation or philanthropy)	\$ 50K	\$ 50K
Building	+ \$175K	+ \$125K
Renovation	<u>None</u>	<u>\$ 50K</u>
	\$225K	\$225K
Sale of new or renovated house	<u>- \$175K</u>	<u>- \$175K</u>
Asset on SHT books	\$ 50K	\$ 50K

# SALISBURY: MLS ACTIVE HOUSES COMPARED TO INCOME

Household Income (\$000)	\$35-49	\$50-74K	\$75-99	\$100- 149K	\$150-199K	>\$200K
Max. Affordable House (\$000)	\$150	\$225	\$300	\$450	\$600	\$600+
MLS Active Houses	0	4	7	14	14	14

**NOTE: CT starting teacher salary - \$40,000: CT average teacher salary - \$63,000**

**SOURCE: Goman & York (Donald Poland) – 12/6/16**



# 2015 RENTAL UNIT INVENTORY

In 2015 the SAHC completed an inventory of “affordable” rental units in Salisbury by contacting the owners of 222 buildings identified by the Assessor’s Office as having room for rental units

## RESULTS:

- Many rental units were “not available” (for instance, apartments for live-in, in-laws or seasonal visitors)
- Including Sarum Village, Faith House and Lakeview Apartments, there were only **74 units** renting for no more than \$1,000/month for 2 bedrooms or \$800/month for 1 bedroom
- **99% were occupied**, many by “long-term tenants”

# SIMPLIFIED ECONOMICS FOR FOUR, PRIVATELY-FINANCED, 2-BR RENTAL UNITS

	<u>New Modular</u>	<u>Renovation</u>
Land	+\$100K	+\$100K
Building	+\$300K	+\$100K
Renovation	<u>+NONE</u>	<u>+\$200K</u>
Asset to be financed	\$400K	\$400K

# AFFORDABLE RENTALS

## Acquire Land

### Vacant

**Donated** (e.g. East RR St.)

**Town-owned** (e.g. Perry St.)

**Purchased** (e.g. St. Mary)

### With Buildings

#### **Currently Single-family**

**Convert to Rentals**  
(e.g. 414 Millerton Rd.)

**Convert and add units**  
(e.g. Kent's Stuart Farm)

#### **Currently Apartments**

**Secure as AH**  
(e.g. Lakeview Apts.)

**Secure and add units**  
(e.g. Sarum Village)

### Build Units

**Privately Or Town Funded**

**With State Funding**  
("Scattered Site Package"  
e.g. Norfolk)

# OTHER TOOLS FOR ADDING AFFORDABLE HOUSING UNITS

**Incentive Housing Zones**

**Accessory Apartments**

- **Accessory Housing Revolving Loan Fund fully committed**

**Rehabilitation assistance so owners can remain in their homes**

- **NW Regional Housing Rehabilitation Loan Program fully committed**

**AH units in “mixed use” commercial properties**

**Home Share**

**“Free second cut” donations**

# RESOURCES

**Salisbury Housing Committee (SHC) has experience and willingness to build rental units**

- **New Projects Committee**

**Salisbury Housing Trust (SHT) has track record of successful single-family, limited-equity home ownership with 13 units on the ground**

**Salisbury Affordable Housing Commission (SAHC) identifies properties, files grant applications, does public education, and coordinates among housing organizations**

- **Administers \$106,000 Salisbury Affordable Housing Fund**

**Experience with excellent consultant: David Berto of Housing Enterprises, Inc.**

**Supportive 2012 Plan of Conservation and Development**

**Strong Town finances and extensive Town water and sewer system**

# SPECIFIC GOAL FOR AFFORDABLE HOUSING UNITS ON THE GROUND

<b>SHC (after 8 underway at Sarum Village)</b>	<b>34</b>		
<b>SHT</b>	<b>13</b>		
<b>Lakeview</b>	<b>6</b>		
<b>Habitat for Humanity</b>	<b><u>2</u></b>		
<b>Affordable Housing units</b>	<b>55</b>	<b>130</b>	
<b>Total units</b>	<b>2593</b>	<b>2593</b>	
<b>Appeals Act List % over ten</b>	<b>2.1%</b>	<b>5.0%</b>	<b>75 unit increase years</b>
<b>CT Appeals Act target</b>	<b>10.0%</b>	<b>259</b>	

## Type of units:

- **60 rentals for tenants at 25-80% Area Median Income**
- **15 single-family, limited-equity houses**