HOUSING A REGION IN TRANSITION

An Analysis of Housing Needs in Southeastern Connecticut, 2000-2005

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EXECUTIVE SUMMARY

MAJOR FINDINGS AND CONCLUSIONS

A. Southeastern Connecticut faces a housing crisis characterized by a limited supply of units, limited choice of housing types and locations, and an increasing lack of affordability. The problem adversely affects single-family housing opportunities but is particularly severe for rental housing.

B. Between 2000 and 2005 the region will need 4,300 to 5,100 new housing units to accommodate its anticipated population. This compares to the net gain of nearly 5,600 housing units in the ten years after 1990. To maintain rental housing as a viable element in the total housing supply, this study suggests that 35% of all new housing be rental units. Achieving this will call for the development of 1,500 to 1,800 new rental units between 2000 and 2005. It also is suggested that of the total units added to the region's housing stock by 2005 at least 15% should be governmentally-assisted units for low-income households. At this level of effort, 650 to 770 new assisted housing units will be needed by 2005.

C. Obstacles to dealing with regional housing issues are many. They include the following:
   - Sites physically suitable and appropriately zoned for new housing are limited and expensive.
   - The availability of public water and sewerage systems is limited.
   - Residential builders and labor in the construction trades are in short supply.
   - Most suburban and rural towns have adopted restrictive residential zoning policies.
   - The local regulatory process for residential development is complex.
   - The high dependence on the property tax to fund local government makes residential development financially undesirable to most municipalities.
   - Public attitudes generally do not support the construction of additional housing, particularly lower-cost housing.

D. The scale and complexity of southeastern Connecticut's housing crisis calls for a regional response. Participants in such an effort should include the Council of Governments in a leadership role, the region's municipalities, the State of Connecticut, federal agencies and officials, the two tribal nations operating casinos, other major employers, the building industry, and the many non-profit agencies concerned with housing.

E. Marshaling resources for a regional response to housing needs should initially be pursued through three actions. The first is to raise public awareness of the problem and of its regional nature. The second is to conduct one or more public forums to discuss housing issues and to seek endorsement to form a broadly representative regional organization on housing. The third is to establish such a regional housing coalition that would focus and coordinate efforts to address housing needs.

OTHER FINDINGS AND CONCLUSIONS

A. The Tourism and Entertainment Cluster now dominates southeastern Connecticut's economy. Employment in this cluster is estimated to account for 40% of all non-farm employment in New London County. In contrast, the Defense Technology, Engineering, and Advanced Manufacturing Cluster, which until the 1990s led the region's economy, now provides only about 10% of the county's employment.

B. As a result of these substantial economic shifts, the service-producing sector of the region's economy now employs about eight out of every ten workers in southeastern Connecticut. This economic sector is expected to grow further in the short-range future. In contrast, the portion of the region's economy that produces goods currently employs only two out of every ten workers.

C. Annual wages in service industries, the most rapidly growing segment within the service-producing sector, average about $32,000. This is slightly more than half the average annual wage of workers in manufacturing industries and is below the average for all industries in the region.

D. Southeastern Connecticut's population increased by only one percent from 1990 to 2000. This was the slowest rate of growth since the first decade of the 19th century. All three urban communities, Groton, New London, and Norwich, lost population during the 1990s. As a result, all of the net population gain was in suburban and rural towns. These are expected to continue to be the focus of most population growth in southeastern Connecticut for the foreseeable future. This means that these towns will be under more pressure to accommodate additional housing.

E. Approximately one out of four regional households in 2000 consisted of a single person. More than one-third of these were persons age 65 or older. Single-person households in southeastern Connecticut grew by 22% from 1990 to 2000. This compares to a 7% increase in total households and only 1% in the region's total population.

F. As single-person households increase and average household size decreases, more housing units are required, even if the total population grows only modestly. Additionally, the housing needs and desires of single-person households, in most cases, are different from those of the traditional four-person family.

G. Southeastern Connecticut's total housing stock increased by 5.8% between 1990 and 2000 to reach a total of 102,295 units. Suburban and rural towns accounted for 90% of the net increase in housing units over this period. Reflecting this, nine out of ten units added to the region's housing supply in the 1990s were single-family homes.

H. By 2000, two-thirds of the region's total single-family housing units were located in the suburban and rural towns. In contrast, two-thirds of all other housing, mostly multi-family units, were found within the three urban communities of Groton, New London, and Norwich.

I. Statistical and anecdotal information indicates that housing costs have risen substantially since the 2000 Census. Housing affordability is a growing regional concern. For the approximately 28,000 regional households estimated to have annual incomes below $35,000, housing cost is a chronic/critical issue. For the 15,000 households with estimated annual incomes below $21,000, more than half of whom live in the urban towns, affordable housing is a desperate issue.

J. Segments of the population least able to compete in the tight regional housing market are: the homeless, low-income individuals and families, single mothers with children, families with children at risk from lead poisoning, the lower-income elderly, and unemployed middle-aged women.

K. Economic shifts from a regional economy based largely on defense manufacturing to one dominated by substantially lower-paying service industries plus a very steep increase in the number of single-person households since 1990 will significantly increase the problem of housing supply and affordability.

L. In 2000 southeastern Connecticut contained about 12,000 assisted housing units. These are units built with some type of direct federal or state assistance in the form of grants, loans or mortgage insurance and units with deed restrictions limiting rental or ownership to households meeting certain income standards. Assisted units accounted for about 12% of the region's total housing stock at that time. Seventy percent of all assisted housing units within southeastern Connecticut in 2000 were located in the group of three urban towns, Groton, New London, and Norwich.

M. The overall residential zoning pattern for southeastern Connecticut is divided into two extremes. The group of three urban municipalities, Groton, New London, and Norwich, contain most of the region's zoning for higher density minimum lot sizes and for multi-family housing treated as a use permitted by right. The 15 suburban or rural communities, taken as a whole, are typically zoned for low-density minimum lot sizes. And in the suburban and rural towns multi-family zoning generally is permitted only through a special permit or exception and may be restricted to occupancy by the elderly. This regional pattern of residential zoning has persisted over several decades and is not likely to shift any time soon.

N. The implications of the current zoning pattern on meeting the housing needs of the region's changing population are significant. Those unable to afford single-family homes on large lots in suburban or rural settings will, for the most part, have to look within the urban areas to find more affordable housing to rent or to purchase.

O. Housing for lower-income households is concentrated in the three urban communities of Groton, New London, and Norwich. This study disclosed a widely-held view that the suburban and rural towns are not doing their share to accommodate needed affordable housing.

P. A map analysis examining undeveloped land in parcels of at least 25 acres identified only 7,500 acres zoned for higher-density housing (less than one acre per unit or permitting multi-family housing by right) out of a regional total of nearly 200,000 undeveloped acres. This amounts to less than 4% of all undeveloped land.

Q. A very broad menu of public programs exists to assist in the production, maintenance, and operation of housing and to aid economically-disadvantaged individuals and families in securing safe, sanitary housing. Many of these programs have been used by a variety of entities within southeastern Connecticut.

R. Anecdotal information suggests that the general complexity of the federal and state housing assistance programs is a difficult challenge for many agencies, particularly the smaller ones. Compliance requirements associated with housing assistance programs are a common concern at the local agency level.

S. The housing problem does not stand alone. It is intimately interwoven with regional economic development, workforce development and retention, changes in the region's population characteristics, demands on and the resources of the social services system, local land use policies and regulation, building site availability and cost, and the region's infrastructure, particularly water supply, sewerage, and transportation systems.

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LOCATION MAP GOES HERE, FACING PAGE 1.

1. INTRODUCTION

Objectives: The objectives of this study are: 1) to compile and analyze a variety of data related to the region's economy, workforce, population, and housing stock, 2) to assess current regional housing needs, 3) to estimate such needs into the short-range future, and 4) to suggest a process by which a coordinated plan of action to address regional housing needs may be developed.

Geographic Area of Study: The overall geographic focus of the study is the Southeastern Connecticut Planning Region, as defined by the Secretary of the Connecticut Office of Policy and Management (See Location Map.). The planning region is the area of operation of the Southeastern Connecticut Council of Governments (SCCOG). Where possible, data have been compiled and analyzed within this geographic context. However, some data are available only for other geographic definitions that do not conform exactly to the planning region. These include the New London Labor Market Area, the New London-Norwich Metropolitan Statistical Area, New London County, and the Southeastern Connecticut Workforce Investment Area. Definitions of these geographic units are provided in Table 1.1 below.

Table 1.1: Definition of Geographic Areas Referenced

MUNICIPALITIES	SECT PLANNING REGION	NEW LONDON LABOR MARKET AREA (LMA)	NL-NOR METRO-POLITAN STATISTICAL AREA (MSA)	NEW LONDON COUNTY	SECT WORKFORCE INVESTMENT AREA (WIA)
Bozrah	X	X	X	X	X
Canterbury		X	X		
Colchester	X			X	X
East Lyme	X	X	X	X	X
Franklin	X	X	X	X	X
Griswold	X	X	X	X	X
Groton	X	X	X	X	X
Hopkinton, RI		X	X		
Lebanon				X	
Ledyard	X	X	X	X	X
Lisbon	X	X	X	X	X
Lyme		X		X	X
Montville	X	X	X	X	X
New London	X	X	X	X	X
North Stonington	X	X	X	X	X
Norwich	X	X	X	X	X
Old Lyme			X	X	X
Old Saybrook		X	X		
Plainfield		X	X		
Preston	X	X	X	X	X
Salem	X	X	X	X	X
Sprague	X	X	X	X	X
Stonington	X	X	X	X	X
Voluntown	X			X	X
Waterford	X	X	X	X	X
Westerly, RI		X	X		
TOTALS:	18	22	22	21	20

Sources: Connecticut Office of Policy & Management; Connecticut Department of Labor; U.S. Census Bureau; Connecticut Register and Manual.

Municipal Classification: Throughout this study the data and discussion will refer to three groups of municipalities within the Southeastern Connecticut Planning Region.

These are: urban, suburban, and rural municipalities. These classifications include the following communities:

- Urban Municipalities: Groton, New London, and Norwich.
- Suburban Municipalities: Colchester, East Lyme, Griswold, Ledyard, Lisbon, Montville, Preston, Sprague, Stonington, and Waterford.
- Rural Municipalities: Bozrah, Franklin, North Stonington, Salem, and Voluntown.

This classification is based on the demographic and developmental characteristics of the region's municipalities and has been used for a number of decades in prior studies by the SCCOG and its predecessor, the Southeastern Connecticut Regional Planning Agency.

Study Sponsors/Staffing: The study has been carried out by the Southeastern Connecticut Council of Governments with financial support from the Connecticut Department of Economic and Community Development, the United Way of Southeastern Connecticut, the Workforce Investment Board of Southeastern Connecticut, and the SCCOG. Financial support does not necessarily imply that sponsors agree with or endorse all findings, conclusions or recommendations of the study.

The analyst/author of this study was Richard B. Erickson, AICP, working under contract with the SCCOG. Members of the SCCOG staff also provided support and assistance throughout the study. The study was conducted under the general oversight of a committee representing sponsoring agencies, chaired by James S. Butler, AICP, Executive Director of the SCCOG.

Data Sources and Limitations: The broad scope of the study required analysis of a wide range of data from a variety of sources. A principal data source was the U.S. Census Bureau. However, in the period during which this study was conducted, not all relevant data from the 2000 U.S. Census of Population and Housing had been released. Where possible, other data sources have been used to provide comparable information or estimates to fill these voids. Also, as noted above, not all data conformed to the same geographic definition. Data sources are noted throughout the report, and significant data limitations are noted in the text.

Report Format: In general, only summary tables displaying data for the three groups of municipalities and the region as a whole are presented in the text of this report. More detailed tables, providing municipal-level data, are included in the Appendix.

Acknowledgment: This study would not have been possible without the cooperation of a significant number of individuals and agencies. Their assistance is acknowledged with gratitude. Individuals responding to surveys or participating in interviews are identified following the text of this report.

2. A CHANGING REGIONAL ECONOMY

THE 1990s: PROFOUND ECONOMIC SHIFTS

Southeastern Connecticut's economy changed in fundamental ways in the last decade of the 20th century. This shift from a regional economy that was the most defense-dependent in the nation in the early 1990s [Arthur D. Little. *Strategic Plan for Economic Development*. 1992.] to one now dominated by the tourism industry is remarkable in at least three aspects. First, the scale of the change is so large as to alter the basic structure of the region's economy. Second, the speed at which this change occurred is truly without precedent in this region. No other decade in the history of southeastern Connecticut witnessed economic changes of this significance. Finally, the dramatic shift from a regional economy driven by defense activities to one dominated by non-defense tourism was achieved relatively smoothly. This is not to say that some individuals, businesses, and municipalities did not suffer as a result of these economic changes. But, given the scale and complexity of the economic shift, things could have been much worse.
This chapter will summarize the basic changes in southeastern Connecticut's economy during the 1990s and will examine its current characteristics and prospects for the near future.

The most recent economic analyses to examine in a comprehensive way southeastern Connecticut's transformation in the 1990s are those commissioned by Connecticut's Mystic & More! in 2000 and 2001. [Lorin Toepper, Ph.D., Destination Development, and Timothy Tyrrell, Ph.D., Impact Research Associates, Inc. *Tourism Development Strategy, Connecticut's Mystic & More!* 2000, and Timothy Tyrrell, Ph.D., Impact Research Associates, Inc. *New London County Travel and Tourism Economic Impact Assessment.* 2001.] These economic analyses provided background information for the design of a tourism development strategy and for assessing the significance of the tourism industry relative to other economic activities. This current report draws upon the economic analysis performed by Dr. Tyrrell in both Mystic & More studies. Our use of data and findings from the Tyrrell studies will focus on broad aspects of the region's economic shifts that have potential implications on housing needs.

Tyrrell found that employment in the Southeastern Connecticut Workforce Investment Area grew by about 15,000 jobs, or 15%, during the 1992-99 period. This was a remarkably high rate of growth at a time when the region lost a major share of its defense employment and when the region's total population grew by only 1%.

The distribution of jobs and their absolute and relative shifts in the 1992-99 period are shown in Table 2.1 and Figures 2.1 and 2.2 below.

Table 2.1 and Figure 2.1 document two notable shifts in employment. The first is the precipitous absolute and relative drop in Manufacturing. This was due primarily to steep reductions in defense industry employment following the collapse of the Soviet Union in the early 1990s. The second is the counterbalancing rise in employment in the Services sector of the region's economy. This followed the opening of two major casinos, the first by the Mashantucket Pequot Tribal Nation in 1992 and the second by the Mohegan Tribe

Table 2.1: Employment Changes In Major Industry Categories, 1992-1999
Southeastern Connecticut Workforce Investment Area

Industry	Employment, 1999	% of WIA Total, 1999	Employment Change, 1992-99	% Change 1992-99
Agriculture, Forestry, Fisheries	1,465	1%	252	21%
Mining	36	0%	-104	-74%
Construction	3,802	3%	911	32%
Manufacturing	19,116	16%	-6,356	-25%
Transportation,, Communications, Utilities	6,410	5%	2,107	49%
Wholesale Trade	2,010	2%	-91	-4%
Retail Trade	19,574	17%	1,704	10%
Finance, Insurance, Real Estate	3,009	3%	-246	-8%
Services	47,101	40%	18,694	66%
Government	15,751	13%	-1,821	-10%
TOTAL	118,274	100%	15,041	15%

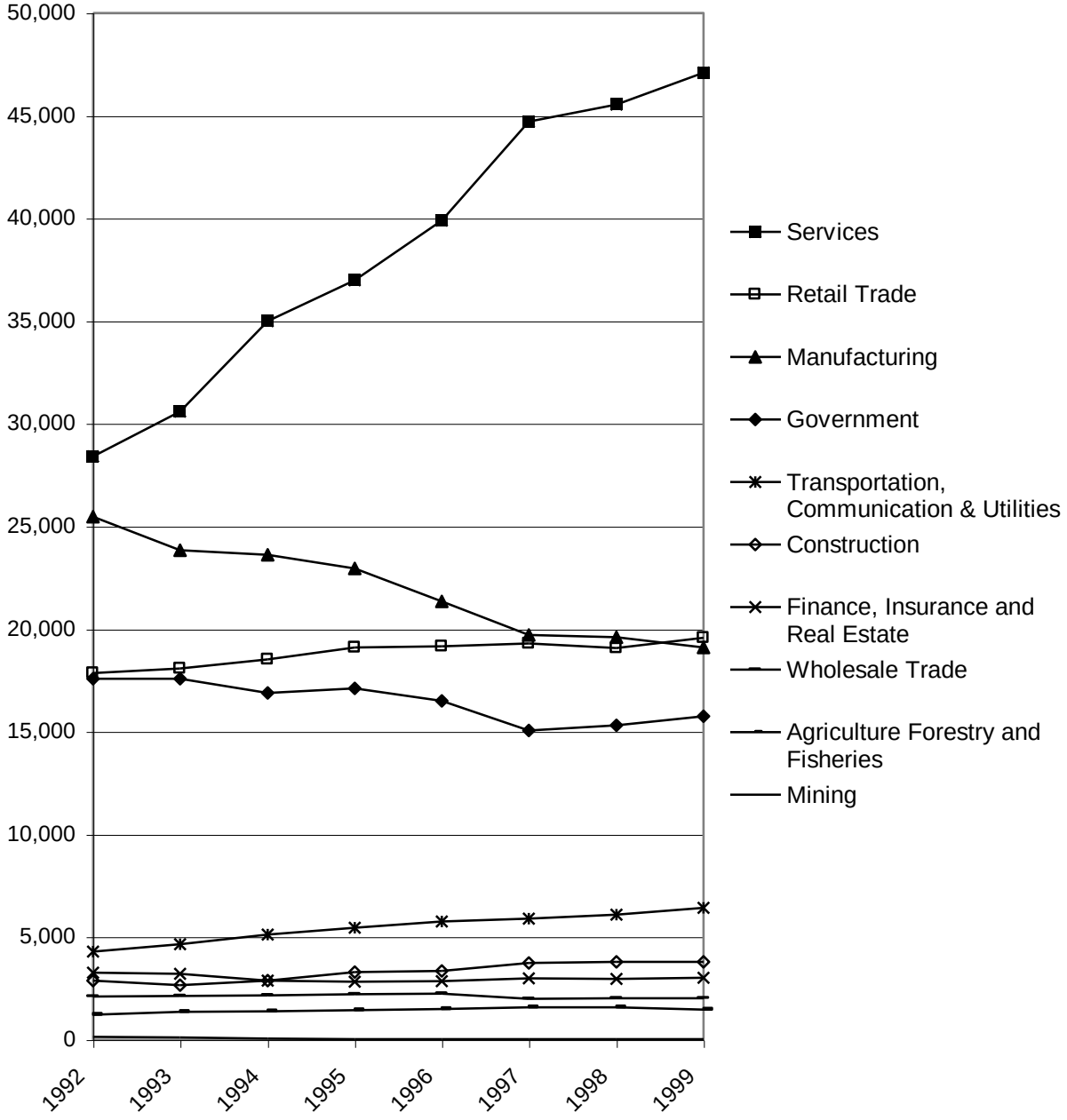
Sources: Connecticut Department of Labor; Impact Research Associates, Inc.

in 1996. Strong increases in employment in the 1992-99 period in two other industry groups, 1) Construction and 2) Transportation, Communications, and Utilities, are linked significantly to the growth in Services sector employment stimulated by casino development.

Tyrrell also examined the relative concentration of employment in various industries within New London County as compared with the balance of Connecticut. Highlights of that analysis are shown in Table 2.2 below. He calculated Employment Location Quotients (LQs) for New London County vs. the rest of the state. An LQ above 1.0 means that employment in that industry is more concentrated within the geographic area under study than the average for the Nation as a whole. His examination identified 14 industries represented in New London County that had Location Quotients above 1.0. Of these, eight had LQs above 2.0, indicating a high level of employment concentrated in that industry relative to the Nation. These are displayed in Table 2.2. Tyrrell concluded from this analysis: "It is clear that industrial concentration in New London County is not similar to industrial concentration in the rest of the state. The highest LQ's for the rest of the state were for Insurance Carriers (3.31) and Scientific Instruments (2.11)."

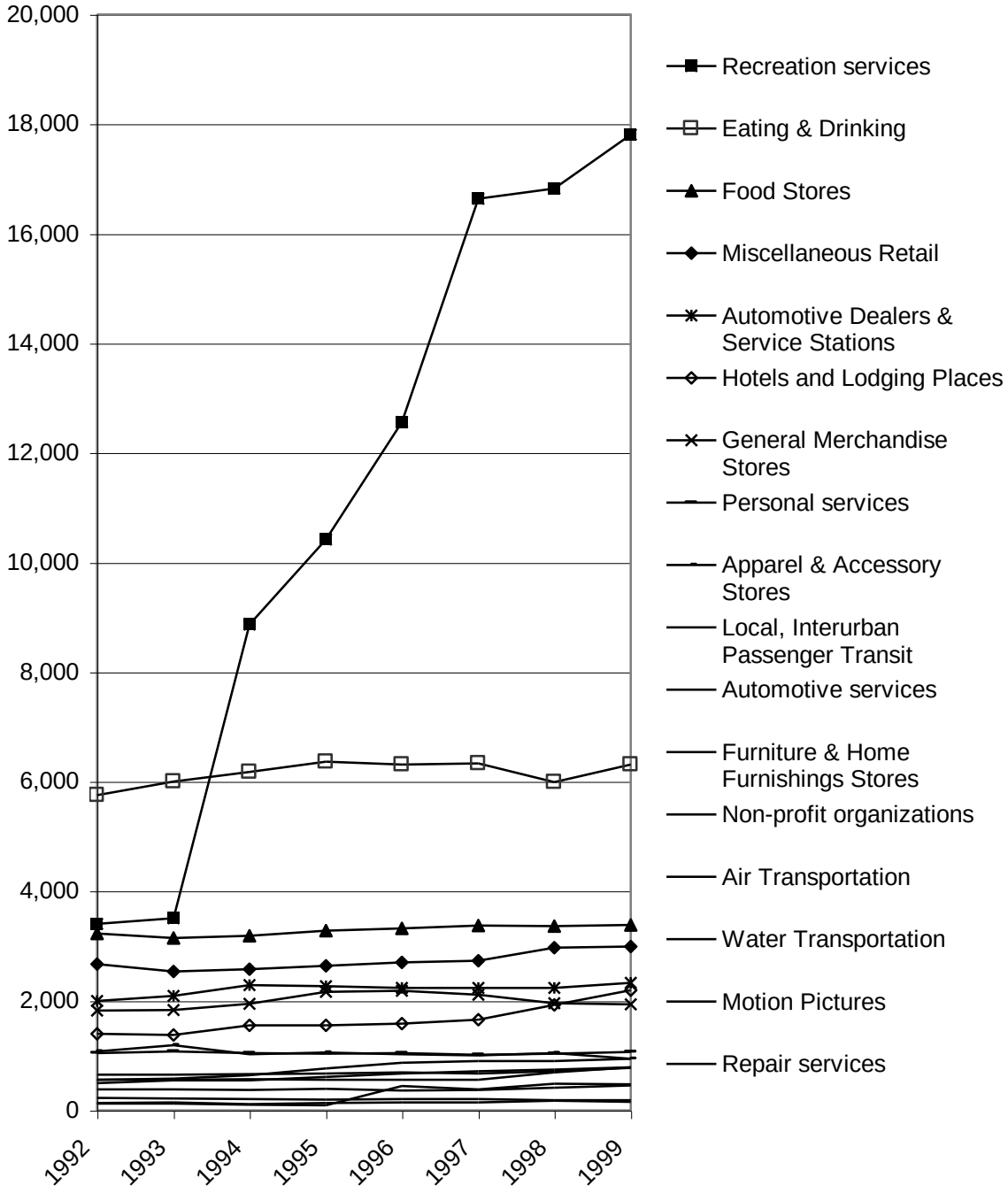
The extraordinarily high Location Quotient for Recreation Services in New London County (8.69) compared with 0.82 for the balance of the state underscores the economic transformation in southeastern Connecticut. It also emphasizes the fact that New London County is the tourism industry driver for the state as a whole. Table 2.2 reveals a continued strong concentration of defense-related industries within the region, despite the extensive downsizing of the 1990s. New London County employment in both the Transportation Equipment industry and in Federal Government-Military exceeded a Location Quotient of 5.0.

Figure 2.1: Employment in Southeastern Connecticut Service Delivery Area
Major Industry Categories, 1992 to 1999



Sources: Connecticut Department of Labor, 2000 and Impact Research Associates, Inc.

Figure 2.2: Employment Trends in Southeastern Connecticut Service Delivery Area Tourism Related Industries, 1992 to 1999



Sources: Connecticut Department of Labor and Impact Research Associates, Inc.

Table 2.2: Eight Largest Employment Location Quotients (LQ) for New London County, 1997

Industry	New London County LQ	Rest of Connecticut LQ
Recreation Services	8.69	0.82
Transportation Equipment	5.62	1.85
Federal Government-Military	5.02	0.30
Chemical & Allied Products	3.84	1.36
Utilities	2.92	0.98
Non-profit Organizations	2.57	0.78
Commercial Fishing	2.89	0.61
Water Transportation	2.02	0.84

Sources: IMPLAN database and Impact Research Associates, Inc.

By 1999 the economic transformation of southeastern Connecticut's economy was well advanced. Manufacturing by that date accounted for only 16% of the total Southeastern Connecticut Workforce Investment Area (WIA) employment, while four out of every ten jobs in the region were in the Services sector. Of the Services employment, about half was attributable to Recreation Services, which include the casino employment.

Tyrrell's analysis shows that tourism-related industries accounted for more than 90% of the total Services sector jobs in the SECTWIA in 1998. He also notes that, although the two casinos dominate the employment landscape, it is small businesses that constitute the vast majority of the employers in the tourism-related industries.

At the close of the decade, 25 large employers accounted for about 40% of all civilian, non-farm employment in the region. (See Table 2.3 below.) The largest employer is Foxwoods Resort Casino, with nearly 12,000 employees at the time of the survey. The leading manufacturing employers are Electric Boat (9,000 employees) and Pfizer (6,200). The second largest employer, at more than 10,000 military and civilian personnel, is the U.S. Naval Submarine Base.

The size of certain of the major industries listed in Table 2.3 has led the Southeastern Connecticut Enterprise Region (seCTer) to designate four industry clusters for purposes of regional economic development efforts.

- Defense Technology, Engineering & Advanced Manufacturing. This cluster includes Electric Boat, Anteon, Davis Standard, Wyman-Gordon, and the Thomas G. Faria Company.
- Tourism & Entertainment. Leading employers of this cluster are Foxwoods Resort Casino, the Mohegan Sun, and Mystic Seaport.
- Healthcare, Biotechnology & Pharmaceutical. Within this industry cluster are Pfizer, Lawrence & Memorial Hospital, and Backus Hospital.
- Marine Research & Education. Representative employers are the US Naval Submarine Base, the US Coast Guard Academy, Connecticut College, and the University of Connecticut.

Tyrrell's analysis of southeastern Connecticut's economy led him to the following conclusions with respect to the four industry clusters identified by seCTer and cited above

- Tourism and Entertainment: The Tourism and Entertainment cluster generates the largest contributions in the county to value-added (28.6%), employment (38.4%) and employee compensation (21.2%) among the four clusters. The 1997 employment location quotient of 1.36 and the change from 1992 of 0.42 rate this cluster as a "star" among New London County industries. The employment compensation/employment LQ ratio of 0.99 indicates that this cluster of industries offers about average wage rates.

Table 2.3: Largest Corporate Employers, New London Labor Market Area, 2000

Employer	Location	Product/Service	Employees
Foxwoods Resort Casino	Ledyard	Gaming/Entertainment	11,500
US Naval Submarine Base	Groton	Submarine Base	10,119
Electric Boat	Groton	Submarine Design/Const.	9,000
Pfizer	Groton	Pharmaceuticals	6,200
Mohegan Sun Resort	Montville	Gaming/Entertainment	5,500
Lawrence & Mem. Hosp.	New London	Hospital Care	2,000
Millstone Nuclear Power	Waterford	Electric Power Generation	1,880
Backus Hospital	Norwich	Hospital Care	1,500
US Coast Guard Academy	New London	US Service Academy	1,342
Connecticut College	New London	Private Liberal Arts College	900
Davis Standard	Stonington	Plastic Extrusion Equipment	650
Westerly Hospital	Westerly, RI	Hospital Care	634
Computer Sciences Corp.	SECT	Computer Services	600
Franklin Mushroom Farms	Franklin	Mushrooms	595
So. New England Telephone	SECT	Telecommunications	528
Bess Eaton Donut Flour Co.	SECT & RI	Food Service	405
S&S Worldwide	Colchester	Crafts/Games/Elderly Aids	400
The Day Publishing Co.	New London	Newspaper	395
Washington Trust Co.	SECT	Banking Services	340
Mystic Seaport	Mystic	Living History Museum	330
Anteon	SECT	Engineering/Tech. Services	325
Wyman-Gordon	Groton	Investment Castings	315
Ortronics	New London	Telecommunications	310
The Moore Company	Westerly, RI	Fabrics	275
Sonalysts	Waterford	Sonar/Film-Audio Studios	275
TOTAL EMPLOYMENT:			56,318

Source: Southeastern Connecticut Enterprise Region.

- Marine Research and Education: The Marine Research and Education cluster generates the third largest contribution in the county to value-added (10.7%) and employment (8.5%), and least contribution to employee compensation (11.7%) among the four clusters. From the data available about this industry (only Federal Government-Military and Educational Services data are available) this cluster is ranked as a "star" with an employment LQ [Location Quotient] of 2.72 and a 1992-1997 change in the LQ of 0.16. This cluster offers about average wage rates for the industry relative to the US average based on the employment compensation/employment LQ ratio of 0.97.

- Healthcare, Biotechnology & Pharmaceutical: The Healthcare, Biotechnology and Pharmaceutical cluster generates the second largest contribution in the county to value-added (13.5%), third largest contribution to employment (8.5%), and second largest contribution to employee compensation (14.7%) among the four clusters. The 1997 employment location quotient of 1.08 and change from 1992 of –.03 do not distinguish this cluster in terms of concentration or competitiveness. However, the employment compensation/employment LQ ratio of 1.36 indicates that this cluster of industries offers high wage rates for this industry.

- Defense Technology, Engineering & Advanced Manufacturing: The Defense Technology, Engineering & Advanced Manufacturing generates the least contribution in the county to value-added (10.2%), and second largest contributions to employment (10.9%), and employment compensation (15.9%) among the four clusters. An employment location quotient of 1.33 and change in location quotient between 1992 and 1997 of -.51 rates this industry as a former "star." The employment compensation/employment LQ ratio of 1.02 indicates that this industry offers about average wage rates.

Tyrrell developed the following Table 2.4 to provide a comparative analysis of the characteristics of southeastern Connecticut's four industry clusters.

The extent to which the Tourism & Entertainment Cluster has, in less than a decade, grown to dominate southeastern Connecticut's economy is evident from the data of Table 2.4. Employment in the Tourism & Entertainment Cluster is 3.5 times that of the cluster with the second highest share of regional jobs (Defense Technology, Engineering & Advanced Manufacturing). In value added, the Tourism & Entertainment Cluster outpaces the next largest cluster (Healthcare, Biotechnology & Pharmaceuticals) by a ratio of two to one. Again, in total employee compensation, the Tourism & Entertainment Cluster generates 30% more wages than does the cluster with the second highest total employee compensation (Defense Technology, Engineering & Advanced Manufacturing). Were this analysis based on 2001, rather than 1997, data, the prominence of the Tourism and Entertainment cluster would be even greater.

Table 2.4: Performance and Competitiveness of New London County Clusters (1997)

Performance Measures	Tourism & Entertainment	Marine Research & Education	Healthcare, Biotechnology & Pharmaceutical	Defense Technology, Engineering & Advanced Manufacturing	All Other Industries	Total New London County
Value Added (Millions of $)	$2,637	$985	$1,247	$944	$3,415	$9,229
% of GCP	28.6%	10.7%	13.5%	10.2%	37.0%	100.0%
Employment	60,965	13,516	13,412	17,284	53,450	158,627
% of County Employment	38.4%	8.5%	8.5%	10.9%	33.7%	100.0%
Employee Compensation (Millions of $)	$1,112	$615	$740	$836	$1,948	$5,250
% of County Compensation	21.2%	11.7%	14.1%	15.9%	37.1%	100.0%
Competitiveness Measures						
Employment Location Quotient (1997)	1.36	2.72	1.08	1.33	0.64	
Change in LQ (1992-1997)	0.42	0.16	-0.03	-0.51	-0.15	
Emp Comp/Emp LQ Ratio (1997)	0.99	1.40	1.36	1.02	0.97	

Sources: IMPLAN Database and Impact Research Associates, Inc.

Clearly, how the Tourism & Entertainment Cluster fares over time will send sizable ripple effects throughout southeastern Connecticut's economy, whether for better or worse.

LABOR FORCE AND EMPLOYMENT SHIFTS

Other data, see Table 2.5 below, show quite clearly the effects of the economic restructuring in southeastern Connecticut during the 1990s described in Tyrrell's analysis. Dire predictions of unemployment rates as high as 20% as a result of defense downsizing simply did not materialize. Instead, the growth of tourism, stimulated largely by two new casinos, increased employment. While the region's labor force grew by a bit less than 2% from 1990 to 1999, the portion of those residents who were employed rose by nearly 5%. As a result, the unemployment rate for southeastern Connecticut was cut from 6.1% in 1990 to only 3.3% in 1999. In the fall of 2001 the jobless rate stood at 2.5%, compared with 3.0% for the state as a whole.

Table 2.5: Labor Force and Employment, 1990-1999
Southeastern Connecticut Planning Region

Municipal Classifications	Labor Force, 1990	Employed, 1990	Unemploy-ment Rate, 1990	Labor Force, 1999	Employed, 1999	Unemploy-ment Rate, 1999
Urban Towns	50,151	46,500	7.3%	47,846	45,873	4.1%
Suburban Towns	61,580	58,308	5.3%	65,307	63,490	2.8%
Rural Towns	8,056	7,626	5.3%	8,693	8,409	3.3%
Regional Totals:	119,787	112,434	6.1%	121,846	117,772	3.3%

Source: U.S. Census Bureau; Connecticut Department of Labor; SCCOG.
Urban municipalities: Groton, New London, and Norwich.
Suburban municipalities: Colchester, East Lyme, Griswold, Ledyard, Lisbon, Montville, Preston, Sprague, Stonington, and Waterford.
Rural municipalities: Bozrah, Franklin, North Stonington, Salem, and Voluntown.

Changes in the labor force and in employment were not uniform throughout the region. The resident labor force in the urban municipalities actually declined by nearly 5% from 1990-1999, while those in the suburban and rural towns grew by 6% and 8%, respectively. By 1999, six out of ten regional residents in the labor force lived in suburban or rural communities. This pattern reflects a long-term movement of population out of the region's older urban centers into the less densely settled towns. (See Chapter 3 for further discussion of other effects of this trend.)

Unemployment rates also differed markedly among the three groups of municipalities, urban, suburban, and rural, in the 1990-99 period. (See Table 2.5 above.) All three groupings had declines in the rates of unemployment among the resident labor force, with the greatest improvement in unemployment occurring in the urban communities. While the relative unemployment situation in the urban communities improved in the 1990-99 period, in 1999 the group of three urban municipalities had the highest rate of unemployment among its resident labor force compared with the suburban or rural municipal groups within southeastern Connecticut.

LABOR FORCE/EMPLOYMENT OPPORTUNITIES

Employment opportunities are not distributed evenly within southeastern Connecticut. The employment base within any community or group of communities can vary widely in its relation to the resident labor force. (See Table 2.6 below and Appendix Table A.1.) These inter-town differences contribute greatly to worker commuting patterns. Communities with substantially more in-town employment opportunities than their resident labor force attract workers from other towns or regions that have more limited employment bases. Obviously, other factors such as the types of jobs available in the industries of a specific municipality, their wage rates, and the ability of workers to reach more distant places of employment also influence the ebb and flow of commuting workers.

From the data currently available, and presented in Table 2.6 below, we can gain some insight into variations in employment opportunities throughout the region.

Table 2.6: Labor Force and Employment Base, 1999/2000
Southeastern Connecticut Planning Region

Municipal Classifications	Resident Labor Force, 1999	In-Town Employment Base, 2000	In-Town Employment Base as % of Resident Labor Force
Urban Towns	47,846	59,550	124.5
Suburban Towns	65,307	51,710	79.2
Rural Towns	8,693	4,190	48.2
Regional Totals:	121,846	115,450	94.8

Sources: Connecticut Department of Labor, except as noted.
Note: The above data include the employment of the region's two casinos obtained by the SCCOG.

Although approximate, the data above illustrate an ironic twist in southeastern Connecticut's economic restructuring. Even though the urban group of municipalities lost population and labor force in the 1990 decade, as a group they still constitute a critically important source of jobs for the region's labor force. In contrast, the group of suburban towns, which added population and labor force while the urban towns were in decline, does not yet provide an employment base that equals its resident labor force. Clearly, the overall economic health of the region still very much depends on sustaining substantial employment in the urban communities. Employers such as Pfizer, Electric Boat, the region's two hospitals, and the US Naval Submarine Base contribute significantly to the region's employment base and to its overall economic health.

EMPLOYMENT IN MAJOR INDUSTRY GROUPS

Also reflecting the regional economic metamorphosis are shifts in the absolute and relative concentrations of employment within major industry groups making up southeastern Connecticut's economy. Table 2.7 below and Appendix Table A.2 show that by 2000 eight out of every ten civilian nonfarm jobs in the region were in the Service Producing Industries. This industry group includes the tourism-related employment that was sharply stimulated by the construction of two tribal casinos by the mid-1990s.

Among the urban, suburban, and rural groups of towns, the highest dependence on service jobs is in the suburban group. This is in large measure due to the fact that the casinos are located in suburban Ledyard and Montville. Only Groton, home to Electric Boat and Pfizer, and the much smaller Sprague, with few Service employers, had low relative concentrations of Service industry employment. In absolute numbers, the urban and suburban groups of municipalities in 2000 each had Service industry employment levels above 40,000 workers. In sharp contrast, the urban towns provided more than 2.5

Table 2.7: Non-Farm Employment, June, 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Non-Farm Employment	Goods Producing Industries	Service Producing Industries	Service Employment as % of Total Non-Farm Employment
Urban Towns	59,550	15,830	43,720	73.4
Suburban Towns	51,710	6,080	45,630	88.2
Rural Towns	4,190	860	3,330	79.4
Regional Totals:	115,450	22,770	92,690	80.3

Source: Connecticut Department of Labor, except as noted.
Note: The above data include the employment of the region's two casinos obtained by the SCCOG.

times more jobs in Goods Producing Industries (nearly 16,000) than did the suburban towns (a bit more than 6,000).

The urban communities, to date, are still home to the "older", more traditional industries of the region, while the suburban towns clearly dominate the "new" regional economy.

GAMING: THE ENGINE OF THE NEW ECONOMY

The geographic reach of that new economy is very broad. A sense of its extent is provided by the data in Tables 2.8 and 2.9 and Figures 2.3 and 2.4 below and Appendix Table A.3. These summarize the geographic scope of the labor market from which Foxwoods Resort Casino and the Mohegan Sun draw their workers. The data presented in these three tables understate to some extent the total number of casino employees residing in southeastern Connecticut. Some employees who are identified as residing in New York and other more distant locations outside Connecticut actually are living in southeastern Connecticut but are not so identified in the database. The data available do not permit a correction for this anomaly; however, the misrepresentation is not considered to be large.

These data emphasize how large the two casinos loom in the economy of southeastern Connecticut. Their combined primary employment of close to 24,000 is more than twice that of the next largest corporate employer, the U.S. Naval Submarine Base. (See Table 2.3.) And this does not take into account secondary employment generated by the casinos' payrolls and purchases of goods and services. In his work cited above, Tyrrell estimates that direct employment and induced spending generated by the tourism industry produces a multiplier effect of 1.4. This suggests that the casino operations create about another 10,000 jobs within southeastern Connecticut.

Nearly two-thirds of the combined work force of both casinos are reported as living in southeastern Connecticut. The next largest source of workers is Rhode Island, with Westerly providing by far the greatest number of out-of-state employees. Of the total number of casino employees, eight out of ten reside in Connecticut, and Connecticut and Rhode Island together account for 95% of all current casino workers. About three out of every four casino employees live within twenty miles of the casino at which they work. Conversely, only about one in ten lives more than forty miles from work.

Table 2.9 shows that more than half the casino employees residing in southeastern Connecticut live in the group of three urban communities. Nearly two out of three of these urban-based casino workers reside in Norwich. (See Appendix Table A.3.) In fact, Norwich alone accounts for 30% of all casino employees residing in southeastern Connecticut. Nearly three times more casino employees live in Norwich than in the municipality with the next largest number (Groton). This concentration in the urban municipalities, and notably in Norwich, places particular pressure on the housing markets, especially for low- and moderate-income rental housing, in these communities.

Table 2.8: Casino Employees, Place of Residence, Summer/Fall of 2001

Place of Residence	Foxwoods Resort Casino, 8/01	Mohegan Sun, 11/01	Total, Both Casinos	% of Total Employment
Southeastern CT Region	8,164	6,783	14,947	63.6
Northeastern CT Region	1,127	737	1,864	7.9
Windham CT Region	378	423	801	3.4
Balance of CT	597	689	1,286	5.5
CT Subtotal:	10,266	8,632	18,898	80.4
Rhode Island	2,824	514	3,338	14.2
Massachusetts	118	91	209	0.9
New York	407	483	890	3.8
Other Locations	70	88	158	0.7
Non-CT Subtotal:	3,419	1,176	4,595	19.6
Total Employment:	13,685	9,808	23,493	100.0

Sources: Foxwoods Resort Casino; Mohegan Sun; SCCOG.

Table 2.9: Casino Employees, Place of Residence Within SECT Region, Summer/Fall of 2001

A. Place of Residence Within SECT Region of Combined Employment of Both Casinos				
Place of Residence of Combined Employment for Both Casinos	Foxwoods Resort Casino, 8/01	Mohegan Sun, 11/01	Total, Combined Casinos	% of Regional Total
Urban Towns	4,174	3,585	7,759	51.9
Suburban Towns	3,460	2,924	6,384	42.7
Rural Towns	530	274	804	5.4
Totals:	8,164	6,783	14,947	100.0

B. Place of Residence Within SECT Region of Total Employment of Each Casino				
Place of Residence of Total Employment for Each Casino	Foxwoods, Number, 8/01	% of Foxwoods Total	Mohegan Sun, Number, 11/01	% of Mohegan Sun Total
Urban Towns	4,174	51.1	3,585	52.9
Suburban Towns	3,460	42.4	2,924	43.1
Rural Towns	530	6.5	274	4.0
Totals:	8,164	100.0	6,783	100.0

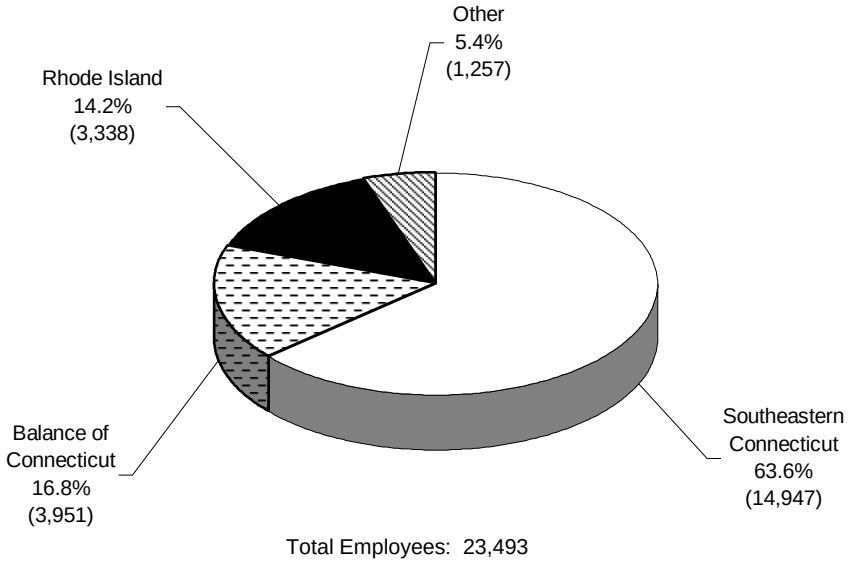
Sources: Foxwoods Resort Casino; Mohegan Sun; SCCOG.

The distribution of casino workers among the three groups of urban, suburban or rural towns is relatively similar within the groups. About half of the workers at Foxwoods and at the Mohegan Sun live in the urban group of municipalities. For both casinos, the suburban group of towns accounts for a bit more than 40% of their workers who live in this region. A slightly greater proportion of the workers at the Mohegan Sun, as compared with Foxwoods, live in the rural group of towns, but the difference is not large.

INDUSTRIAL WAGE RATES

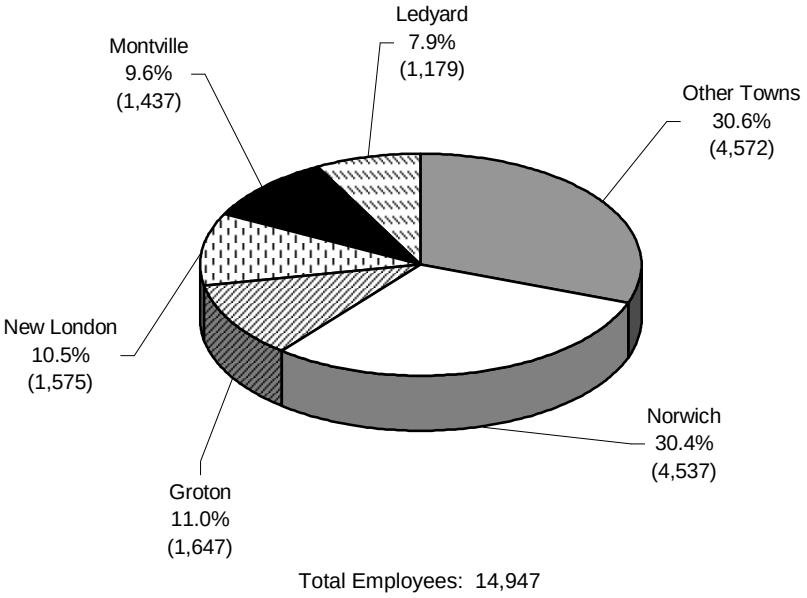
One negative effect of the restructuring of southeastern Connecticut's economy after 1990 has been a reduction in the collective earning power of the employed labor force. This is directly related to the loss of approximately 11,000 jobs in the Manufacturing sector combined with the addition of nearly 24,000 jobs in the Services sector of the region's economy. In 2000, the annual average wage of workers in the region's remaining Manufacturing industries was $62,300, compared to $31,793 for those employed in Services. This downward shift in wage generation has a direct negative

Figure 2.3: Casino Employees, Place of Residence, Summer / Fall of 2001



Sources: Foxwoods Resort & Casino; Mohegan Sun; and SCCOG.

Figure 2.4: Casino Employees, Place of Residence Within the Southeastern Connecticut Planning Region, Summer / Fall of 2001



Sources: Foxwoods Resort & Casino; Mohegan Sun; and SCCOG.

effect on the ability of a large segment of the region's employed labor force to purchase or rent suitable housing or to have a choice in the location of their housing.

Tables 2.10 and 2.11 and Figure 2.5 below compare wage rates in 2000 among eleven industry groups within southeastern Connecticut and contrast these with wage data for Connecticut as a whole. In several respects, the data in these tables are sobering. It is clear from Table 2.10 that southeastern Connecticut lags behind the State of Connecticut by nearly 20% in its annual average wage for all industry groups. Only in the Manufacturing and the Transportation, Communications and Utilities industry groups does this region rise marginally above the statewide average wages for these groups. As noted earlier, the Manufacturing sector of the southeastern Connecticut economy has been in decline since the early 1990s and is not likely in the near-term to recover its prominence. Wage levels in the Services industry group average roughly half of those in the Manufacturing sector. It is precisely the Services industry sector of the region's economy that has mushroomed over the last decade and continues to grow in both absolute and relative terms.

Table 2.10: Annual Average Industry Wages, 2000, State of Connecticut and the Southeastern Connecticut Workforce Investment Area (SECTWIA)

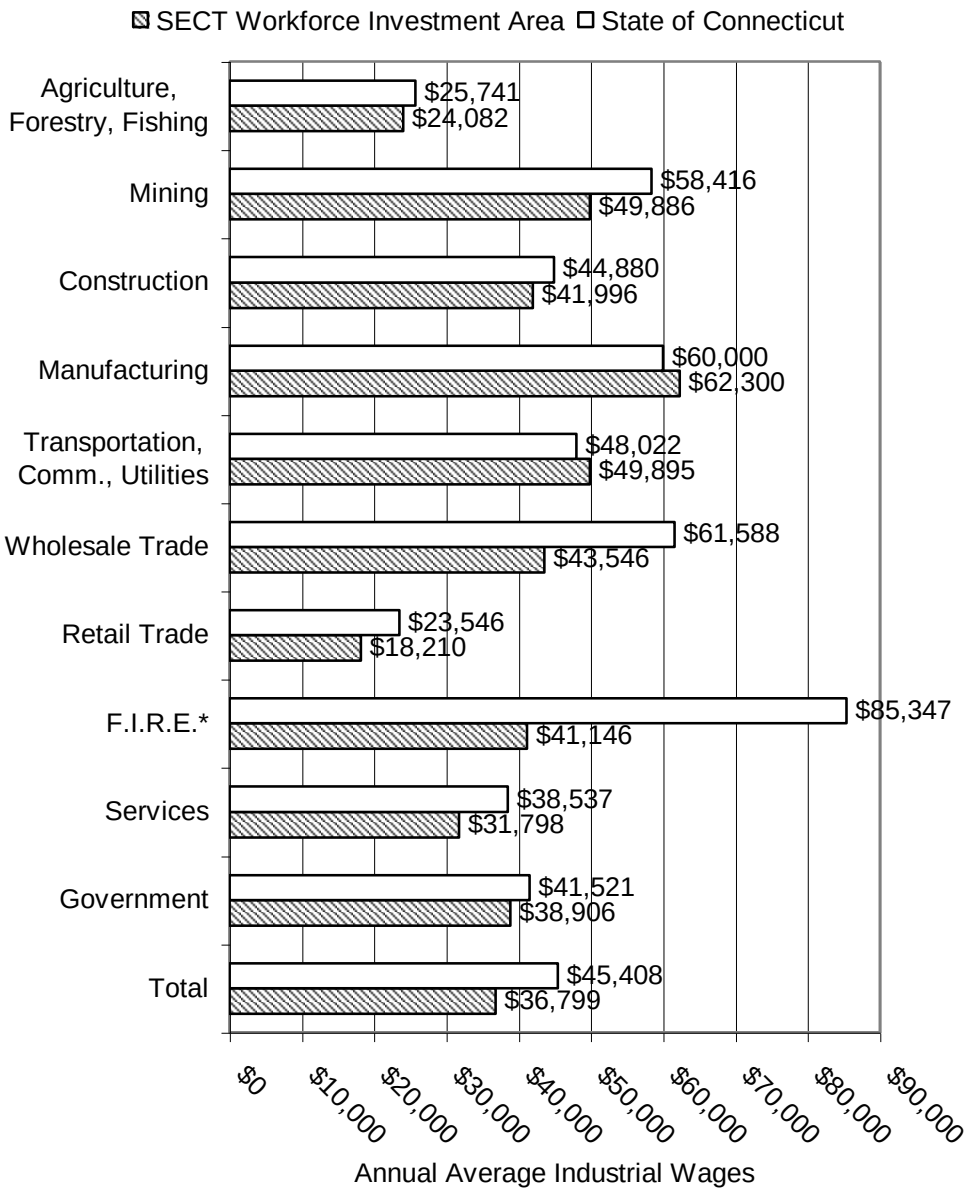
Industries	State of CT	SECTWIA	SECTWIA as % of State of CT
Agriculture, Forestry & Fishing	$25,741	$24,082	93.6
Mining	58,416	49,886	85.4
Construction	44,880	41,996	93.4
Manufacturing	60,000	62,300	103.8
Transp., Communications & Utilities	48,022	49,895	103.9
Wholesale Trade	61,588	43,564	70.7
Retail Trade	23,546	18,210	77.3
Finance, Insurance & Real Estate	85,347	41,146	48.2
Services	38,537	31,793	82.5
Government	41,521	38,906	93.7
Nonclassifiable Establishments	46,558	14,001	30.8
Totals:	$45,408	$36,799	81.0

Sources: Connecticut Department of Labor; SCCOG.

The picture is even darker when one looks at the annual average wages for employees in Amusement & Recreation Services, which accounts for nearly four out of ten workers in the Services sector of the region's economy and which is the heart of its tourism industry. The annual average wage of employees in Amusement & Recreation Services in 2000 was less than $27,000. Wage rates are lower still for workers in the Hotels & Lodging Places segment of the Services sector. Here, the annual average wage was a bit more than $20,000 in 2000. Together these two relatively low-wage industry groups provided more than 20,000 of the region's total employment of about 122,000. [Connecticut Department of Labor. *Information for Workforce Investment Planning.* 2001]

The message is clear: as the Services sector employment continues to grow and accounts for an even greater share of the region's total employment, the negative gap between average wage rates in southeastern Connecticut and those for the state as a whole will widen.

Figure 2.5: Annual Average Industrial Wages, 2000



* Fire, Insurance, Real Estate

Sources: Connecticut Department of Labor; SCCOG.

Unfortunately, Table 2.11 provides no relief to this negative assessment. Only two out of eleven industry groups within the region had annual average wage rates that were greater than both the state average for that industry and the regional average for all industries. These two industry groups account for only about one out of five jobs in southeastern Connecticut. At the other, low, end of the scale are three industry groups and a small group of nonclassifiable establishments whose annual average wages fell below both the state average for that industry and the regional average for all industries. This group, typified by much lower average salary rates, is dominated by the Services industry. Collectively nearly six out of ten workers in southeastern Connecticut are employed in industries where average wages lag behind both the region and the state as a whole.

Table 2.11: Relative Differences Among Annual Average Wage Rates, 2000
State of Connecticut and the Southeastern Connecticut Workforce Investment Area (WIA)

A. WIA Industries With Annual Average Wage Rates Above Both the State Average for that Industry and the WIA Average for All Industries

WIA Industries With These Wage Characteristics	Manufacturing / Transportation, Communications & Utilities
WIA Employment in These Industries	24,850
These Industries as % of Total WIA Employment	20.4%

B. WIA Industries With Annual Average Wage Rates Above the WIA Average for All Industries But Below the State Average for that Industry

WIA Industries With These Wage Characteristics	Mining / Construction / Wholesale Trade./ Finance, Insurance & Real Estate / Government
WIA Employment in These Industries	26,193
These Industries as % of Total WIA Employment	21.5%

C. WIA Industries With Annual Average Wage Rates Below Both the State Average for that Industry and the WIA Average for All Industries

WIA Industries With These Wage Characteristics	Agriculture, Forestry & Fishing / Retail Trade / Services / Nonclassifiable
WIA Employment in These Industries	70,817
These Industries as % of Total WIA Employment	58.1%

Sources: Connecticut Department of Labor; SCCOG.

Two conclusions seem inescapable. 1) Southeastern Connecticut must do its best to nurture and retain current employers who are not in the Services sector of the economy. 2) Regional efforts to attract new employers to southeastern Connecticut must continue and should focus on those industries that offer higher wage levels and that can contribute to diversity in the region's economic base.

With respect to the focus of this study, housing needs, it is painfully clear that the shifting economy continues to create a growing pool of gainfully employed workers whose wages are not sufficient for them to compete in a tight regional housing market. This issue will be addressed further in Chapter 4 of this report.

EMPLOYMENT PROJECTIONS

The Connecticut Department of Labor prepares occupational employment projections for various regions of the state. In the most recent set of forecasts, the New London Labor Market Area (LMA) is merged for purposes of analysis and projection with the Danielson LMA and the Lower River LMA into the "Eastern Projection Region". These projections are shown in Table 2.12. In 2000, the New London Labor Market accounted for about 80% of the total employment in the Eastern Projection Region.

Table 2.12: Occupational Employment Projections, 1998-2008
Eastern Projection Region

Occupations	Actual, 1998	Projected, 2008	Numerical Increase	Percent Increase
ALL OCCUPATIONS	171,641	194,471	22,830	13.3
Executive, Administrative, Managerial	10,691	12,323	1,632	15.3
Professional Specialty Occupations	40,090	47,073	6,983	17.4
Marketing & Sales Occupations	20,244	23,214	2,970	14.7
Administrative Support & Clerical Workers	21,955	23,010	1,055	4.8
Service Workers	38,986	45,656	6,670	17.1
Agriculture/Forestry/Fishing Workers	2,658	2,973	315	11.9
Precision Production/Craft/Repair Workers	17,383	19,054	1,671	9.6
Operators/Fabricators/Laborers	19,634	21,114	1,480	7.5

Source: Connecticut Department of Labor.
Note: The Eastern Projection Region consists of the following Labor Market Areas: New London LMA: Bozrah, Canterbury, East Lyme, Franklin, Griswold, Groton, Ledyard, Lisbon, Montville, New London, North Stonington, Norwich, Old Lyme, Old Saybrook, Plainfield, Preston, Salem, Sprague, Stonington, and Waterford Lower River LMA: Chester, Deep River, Essex, Lyme, and Westbrook. Danielson LMA: Brooklyn, Eastford, Hampton, Killingly, Pomfret, Putnam, Scotland, Sterling, Thompson, Union, Voluntown, and Woodstock.

If the overall projection proves to be accurate, and if the New London LMA maintains its 80% share of the total employment in the projection region, by 2008 total employment in the New London LMA would reach 155,000. The Connecticut Department of Labor estimates that in October of 2001 the New London LMA, less its Rhode Island municipalities of Westerly and Hopkinton, had a total employment of 132,000. With its Rhode Island portion, the estimated total employment increases to nearly 149,000.

This overall projection may prove to be optimistic. The driving force of major employment growth in this region over the last decade has been the Tourism & Entertainment Cluster, which is subject to possible negative effects from at least three different causes in future years.
These include:

- transportation problems related to traffic congestion on I-95;
- the unknown effects on the travel and leisure industry resulting from the war on terrorism;
- the likelihood of competition from new casinos in nearby states that will tap the same metropolitan markets as do the southeastern Connecticut casinos. [John Markowicz, Executive Director, Southeastern Connecticut Enterprise Region. Personal communication, 10/26/01.]

Less important than the numerical accuracy of the employment numbers is the forecast of which occupational areas are most likely to grow significantly. Three occupational groups are identified above as having brighter prospects for employment growth in the projection region between 1998 and 2008. These are: Executive, Administrative and Managerial; Professional Specialty Occupations; Service Workers. Low prospects for growth are forecast above for: Administrative Support & Clerical Workers; Operators/Fabricators/Laborers; Precision Production/Craft/Repair Workers.

A more specific analysis indicates that nine of the ten occupations with the highest number of projected annual openings over the 1998-2008 period are in the Services industries. In rank order by the number of the projected annual openings, these nine high-growth Services occupations include: Cashiers; Waiters and Waitresses; Retail Salespersons; Food Preparation Workers; Blackjack Dealers; Janitors and Cleaners; General Office Clerks; Counter Attendants--Lunchroom, Cafeteria; Combined Food Preparation; and Service Workers. [Connecticut Department of Labor. *Information for Workforce Investment Planning, Connecticut's 2001 Economic and Client Data for Southeast Workforce Investment Area.* 2001.]

These forecasts suggest that southeastern Connecticut should expect continued growth in the Services sector of its economy into the short-range future. As we have noted earlier, this element of the region's economy offers lower wages than some other sectors, particularly Manufacturing. Further growth in the Services industries will heighten the need for more housing affordable by low-moderate wage earners.

FINDINGS AND CONCLUSIONS

1. The Tourism and Entertainment Cluster now dominates southeastern Connecticut's economy. Employment in this economic cluster is estimated to account for 40% of all civilian, non-farm employment in New London County. In contrast, the Defense Technology, Engineering, and Advanced Manufacturing Cluster, which until the 1990s led the region's economy, now provides only about 10% of the county's employment.

2. Major growth in the Tourism and Entertainment Cluster is due overwhelmingly to the development and growth of two tribal casinos. Foxwoods Resort Casino and the Mohegan Sun together now employ nearly 24,000 workers, far more than any other corporate employers in the region. Two-thirds of the casinos' workforce lives in southeastern Connecticut.

3. As a result of these substantial economic shifts, the service-producing sector of the region's economy now employs about eight out of every ten workers in southeastern Connecticut. This economic sector is expected to grow further in the short-range future.

4. Annual wages in Services industries, the most rapidly growing segment within the service-producing sector, average about $32,000. This is slightly more than half the

average annual wage of workers in the Manufacturing sector and is below the average for all industries in the area.

5. Continued significant growth in the Services portion of southeastern Connecticut's economy will maintain the need for low/moderate income housing for both owner occupancy and, especially, rental.

3. POPULATION TRENDS AND CHARACTERISTICS

TOTAL POPULATION TRENDS

In terms of net change, southeastern Connecticut's total population remained stagnant during the decade after 1990. In that year the region had a total population of 240,432, and by 2000 this had grown by only 1% to a total of 242,759. This compares with a growth rate of 3.6% for the State of Connecticut as a whole.

The region's sluggish overall population growth from 1990-00 was substantially lower than the rates of population gain in the 1970-80 decade (2.4%) and the 1980-90 decade (6.5%). From an historical perspective, southeastern Connecticut's population growth rate from 1990-00 was the lowest since the decade of 1800-10, when the region experienced a small decline.

However, it would be a mistake to assume from the very limited growth of the region's population in the past decade that little was happening within the demographics of southeastern Connecticut. As is clearly evident from the data in Table 3.1 below and Appendix Table A.4, individual municipalities and groups of municipalities experienced population gains or losses that varied widely from the overall regional pattern.

Table 3.1: Total Population, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	1990	2000	Numerical Change	Percent Change
Urban Towns	111,075	101,695	-9,380	-8.4
Suburban Towns	114,943	125,495	10,552	9.2
Rural Towns	14,414	15,569	1,155	8.0
Regional Totals:	240,432	242,759	2,327	1.0

Sources: U.S. Census Bureau; SCCOG.
Urban municipalities: Groton, New London, and Norwich.
Suburban municipalities: Colchester, East Lyme, Griswold, Ledyard, Lisbon, Montville, Preston, Sprague, Stonington, and Waterford.
Rural municipalities: Bozrah, Franklin, North Stonington, Salem, and Voluntown.

Among the three groupings of municipalities (urban, suburban, and rural), it was the urban group that contributed most to the region's low net population gain. This group of three municipalities lost a total of 9,380 residents, a decline of 8.4%. Among these, the largest decline was in Groton, which saw its population drop by 5,237. In contrast, the ten suburban communities and the five rural towns collectively gained population. Together, the suburban and rural communities added nearly 12,000 new residents. The growth rate for the suburban group was 9.2%, while that of the rural group was a respectable 8.0%. The differences among the urban, suburban and rural groups of municipalities from 1990-00 reflect the continuation of a long-term trend of population movement outward from the older, more densely settled urban communities to what is perceived by many as a more favorable residential environment in the suburban and rural areas.

This trend is very evident when one looks at the rates of population change among selected towns. (See Appendix Table A.4.) In contrast to the population losses for all three of the urban municipalities, five of the suburban or rural towns had double digit rates of population growth. These include: Colchester (32.5%); Voluntown (19.6%); East Lyme (18.1%); Salem (16.6%); Montville (11.2%). Interestingly, three suburban towns lost population. These were: Preston (-6.4%); Ledyard (-1.5%); Sprague (-1.2%). In the case of Preston, the loss seems to have been due primarily to the closure of the Norwich State Hospital.

POPULATION DISTRIBUTION

Southeastern Connecticut's population is distributed unevenly throughout the region. This has a significant effect on the need and demand for new housing in different parts of the region.

Figure 3.1 displays population distribution as identified in the 2000 U.S. Census of Population and Housing. That map shows a distinct concentration along the coast and up either side of the Thames River. This pattern of development was clearly recognizable more than forty years ago. It encompasses all three of the urban municipalities and several smaller but concentrated settlements within suburban communities. In general, the suburban and rural population distribution reflects a low-density, sprawling land use pattern.

Another view of population is its general geographic distribution within the region. As of the 2000 Census, nearly two-thirds of the region's total population was residing in the eight municipalities in the southern half of the region. These are: East Lyme, Groton, Ledyard, Montville, New London, North Stonington, Stonington, and Waterford. This area of the region contains a mix of older urban centers and suburban towns experiencing continued population growth.

As the region's urban communities have either lost population or had only minimal growth over several decades, the suburbs have gained a greater share of the total regional population. The significant differences in population growth from 1990-2000 among the urban, suburban, and rural towns demonstrates this phenomenon clearly, as Table 3.2 below shows. For the first time, in 2000, a substantial majority of the region's residents were living in its suburban communities. As population shifts geographically, so too does the demand for housing change, both as to location and type of housing.

Table 3.2: Changes in Population Distribution, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	1990 Population	% of Region	2000 Population	% of Region
Urban Towns	111,075	46.2	101,695	41.9
Suburban Towns	114,943	47.8	125,495	51.7
Rural Towns	14,414	6.0	15,569	6.4
Regional Totals:	240,432	100.0	242,759	100.0

Sources: U.S. Census Bureau; SCCOG.

Figure 3.1: Distribution of Population, 2000

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AGE CHARACTERISTICS

Median Age: During the 1990-00 decade southeastern Connecticut's population continued a long-term trend of increasing age. By 2000 the average median age among the region's 18 municipalities was 37.7 years, up from 33.7 years in 1990. The median age for Connecticut's population as a whole in 2000 was 37.4 years. As Table 3.3 below shows, there was not a wide variation among the average median ages of the municipalities within the urban, suburban, and rural classifications. Municipal-level data in Appendix Table A.5 reveal that four towns had populations with median ages above 40 years. These are: Stonington (41.7 years); Waterford (41.7 years); Preston (41.0 years); Bozrah (40.1 years). Only two communities had populations with median ages below 35 years: New London (31.2 years) and Groton (32.5 years). Both of these communities are home to military installations and/or colleges with younger populations living in group quarters.

Table 3.3: Median Age (Years) of the Population, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	1990	2000	Increase (Years)	Percent Increase
Mean Among Three Urban Town Medians	29.8	33.5	3.7	15.7
Mean Among Ten Suburban Town Medians	34.6	38.5	3.9	12.4
Mean Among Five Rural Town Medians	34.4	38.6	4.2	12.2
Mean Among Eighteen Regional Town Medians:	33.7	37.7	4.0	11.9

Sources: U.S. Census Bureau; SCCOG.

Age Cohorts: A review of three major age cohorts is provided in Table 3.4 below and in Appendix Table A.6.

- The largest age group within the general population is those 18-64 years of age, who account for 62.7% of the total regional population. For Connecticut as a whole, this age group represents 61.5% of the total population. This is the group from which most of the region's workforce is drawn.

- The next largest age group consists of those not yet 18 years of age, who are 24.3% of the total regional population, compared to 24.7% for the state as a whole. While some workers are drawn from this cohort, it is made up chiefly of young children and students.

- Finally, the elderly, those 65 years of age and over, account for 13.0% of Southeastern Connecticut's population. This is roughly the same percentage as that of the entire state (13.8%). Members of this group are less likely to be in the active workforce.

Overall, the age structure of southeastern Connecticut's population does not differ markedly from that of the statewide population.

Table 3.4: Population by Age, 2000
Southeastern Connecticut Planning Region

Municipal Classification	< 18 Years	18-64 Years	65+ Years	Total Population
Urban Towns	24,476	63,738	13,481	101,695
Suburban Towns	30,574	78,511	16,410	125,495
Rural Towns	4,058	9,933	1,578	15,569
Regional Totals:	59,108	152,182	31,469	242,759
% of Regional Totals:	24.3	62.7	13.0	100.0

Sources: U.S. Census Bureau; SCCOG.

Elderly Population: During the 1990-00 decade, the region's elderly population grew at ten times the rate of growth for the total population, making it the most rapidly growing age cohort of southeastern Connecticut's population. Table 3.5 below and Appendix Table A.7 document this point. At a time when the region's general population increased by a mere 1.0%, those residents age 65 or more increased by 10.0%. The rate of growth for the elderly population was even more dramatic in the rural and suburban groups of towns, which saw increases of 23.9% and 19.7%, respectively.

Only New London and Norwich witnessed a decline in their elderly populations from 1990-2000, losing collectively more than 875 such residents. The largest absolute increase in elderly population was in Groton, which added 733 persons 65 or more years of age. Other towns with substantial elderly growth in this decade were East Lyme (650), Montville (540), Ledyard (409), Stonington (371), and Waterford (325).

All of the communities with large increases in their elderly populations contain sizable populations in nursing homes or senior housing alternatives.

Table 3.5: Changes in Total and Elderly Population (65+ Years), 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	Change in Total Pop.	% Change in Total Pop.	Change in Pop. 65+	% Change in Pop. 65+
Urban Towns	-9,380	-8.4	-149	-1.1
Suburban Towns	10,552	9.2	2,703	19.7
Rural Towns	1,155	8.0	304	23.9
Regional Totals:	2,327	1.0	2,858	10.0

Sources: U.S. Census Bureau; SCCOG.

Within the three municipal classifications of urban, suburban, and rural, the elderly population is distributed throughout the region in approximate proportion to the distribution of the general population. (See Table 3.6 below.) However, individual municipalities vary more widely in their shares of the region's total population and its elderly citizens. (See Appendix Table A.8.) Communities with a higher share of elderly than their share of the region's general population are: Bozrah, Norwich, Stonington, and Waterford. Towns with 3,000 or more elderly residents in 2000 include: Norwich (5,545), Groton (4,829), Waterford (3,644), Stonington (3,125), and New London (3,107).

Table 3.6: Distribution of Total and Elderly Population (65+ Years), 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Population	% of Region	Population 65+	% of Region
Urban Towns	101,695	41.9	13,481	42.8
Suburban Towns	125,495	51.7	16,410	52.2
Rural Towns	15,569	6.4	1,578	5.0
Regional Totals:	242,759	100.0	31,469	100.0

Sources: U.S. Census Bureau; SCCOG.

Another aspect of the elderly of interest from a housing standpoint is the number living alone. As Table 3.7 below shows, the urban municipalities contain the greatest number and the highest percentages of those elderly who live alone. Half of the region's elderly who live alone reside in the three urban municipalities of Groton, New London, and Norwich. Norwich has by far the greatest number of elderly living alone in this region, nearly 2,000. Collectively, the ten suburban towns account for another 47%. (See Appendix Table A.9 for further municipal-level data.)

Table 3.7: Elderly Population (65+ Years) Living Alone, 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Pop. 65+	Pop. 65+ Living Alone	% Living Alone	% of Region
Urban Towns	13,481	4,443	33.0	49.6
Suburban Towns	16,410	4,175	25.4	46.5
Rural Towns	1,578	347	22.0	3.9
Regional Totals:	31,469	8,965	28.5	100.0

Sources: U.S. Census Bureau; SCCOG.

RACIAL/ETHNIC CHARACTERISTICS

Southeastern Connecticut at the start of the 21st century is a more racially and ethnically diversified region than in 1990. Data from the 1990 U.S. Census show that fully 91.4% of the region's population at that time was White. Ten years later, this racial group had dropped to 86.3% of the total regional population. During this same period, the population identifying itself as Non-White in Census returns grew by 29.2%, while the White population declined by 5.0%. (It should be noted that the 2000 Census provided an option for respondents to identify themselves as a member of two or more races, and 6,817 individuals in this region did so. This optional classification was not available in the 1990 Census. As a result, racial data from the 1990 and 2000 are not entirely comparable, but the general trend toward increased diversity is clear.)

Tables 3.8 and 3.9 below and Appendix Tables A.10 and A.11 present pertinent data from the 1990 and 2000 Censuses that illustrate the significant racial and ethnic changes noted above.

In 2000, Non-Whites accounted for less than 14 out of every 100 regional residents, but this segment of southeastern Connecticut's population grew by a remarkable 29.2% from 1990-2000. During this same time period the region's total population grew by only 1% and the White segment of the population actually declined by -5.0%.

Table 3.8: Population by Race, 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total	White	Non-White	Two or More Races	% White
Urban Towns	101,965	79,696	17,751	4,248	78.4
Suburban Towns	125,495	114,927	8,213	2,355	91.6
Rural Towns	15,569	14,904	451	214	95.7
Regional Totals:	242,759	209,527	26,415	6,817	86.3

Sources: U.S. Census Bureau; SCCOG.

Table 3.9: Non-White Population, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	Non-White Pop., 1990	% of Total Pop., 1990	Non-White Pop., 2000	% of Total Pop., 2000	% Increase, 1990-2000
Urban Towns	15,811	14.2	17,751	21.6	12.3
Suburban Towns	4,397	3.8	8,213	8.4	86.9
Rural Towns	235	1.6	451	4.3	91.9
Regional Totals:	20,443	8.5	26,415	13.7	29.2

Sources: U.S. Census Bureau; SCCOG.

Even with this strong rate of growth, the Non-White population continued its historic concentration in the urban communities of the region. More than two-thirds of southeastern Connecticut's Non-White population in 2000 lived in Groton, New London or Norwich.

Of interest, however, are the very high relative rates of growth in Non-White residents in the suburban communities (86.9%) and the rural towns (91.9%). Six of these municipalities had growth rates in their Non-White populations in excess of 100%. These included: Voluntown (166.7%); Griswold (118.5%); East Lyme (118.4%); Bozrah (107.1%); North Stonington (105.2%); Montville (104.6%).

The 1990-2000 decade was notable in the suburban and rural communities not simply in the growth rates of Non-White population but also in the absolute numbers involved. Of the nearly 6,000 Non-White residents added to the region's population, more than 4,000 (better than two-thirds of the total) located in the suburban or rural towns. Not only did the region as a whole become more racially diversified in the 1990-2000 period, but for the first time a major share of the additional Non-White residents located outside the urban communities.

Growth in the Non-White portion of the region's population in the 1990-2000 period was not homogeneous, as can be seen from Tables 3.10 and 3.11 below.

Over the decade the segment of the population listing itself as Black was the slowest growing portion of the region's Non-White population, 13.2%. However, Blacks remained by far the largest element in the Non-White population, accounting for more than one out of every two Non-White residents in 2000. Nearly three out of every four Black residents were living in the region's three urban communities.

Table 3.10: Growth Trends of the Non-White Population, 1990-2000
Southeastern Connecticut Planning Region

Components of the Non-White Population	Population, 1990	Population, 2000	Numerical Change	Percent Change
Black	12,038	13,627	1,589	13.2
American Indian, Alaskan Native	1,294	2,438	1,144	88.4
Asian, Native Hawaiian, Other Pacific Islander	3,298	5,090	1,792	54.3
Other	3,813	5,260	1,447	37.9
Total:	20,443	26,415	5,972	29.2

Sources: U.S. Census Bureau; SCCOG.

Table 3.11: Composition of the Non-White Population, 1990-2000
Southeastern Connecticut Planning Region

Components of the Non-White Population	Population, 1990	Percent of 1990 Total	Population, 2000	Percent of 2000 Total
Black	12,038	58.9	13,627	51.6
American Indian & Alaskan Native	1,294	6.3	2,438	9.2
Asian, Native Hawaiian Other Pacific Islander	3,298	16.1	5,090	19.3
Other	3,813	18.7	5,260	19.9
Total:	20,443	100.0	26,415	100.0

Sources: U.S. Census Bureau; SCCOG.

The fastest growing portions of southeastern Connecticut's Non-White population between 1990 and 2000 were American Indian and Alaskan Native (88.4%) and Asian, Native Hawaiian, and Other Pacific Islanders (54.3%). Together, these two groupings represented nearly 30% of the region's total Non-White population in 2000. A little more than half of the persons identified as American Indian or Alaskan Native were living in the suburban or rural towns of the region. In contrast, more than half of those identified as Asian, Native Hawaiian or Other Pacific Islander resided in the region's urban municipalities.

Residents of Hispanic, or Latino, extraction are an ethnic segment of the region's population that encompasses several different races. Southeastern Connecticut's Hispanic population grew very rapidly during the 1990-00 decade. Compared to a very modest 1% increase in the total regional population and a strong increase of 29% in the Non-White population, the Hispanic population in Southeastern Connecticut surged, with a growth rate of 56%. (See Table 3.12 below and Appendix Table A.12.)

Table 3.12: Hispanic Population, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	1990	2000	% Increase, 1990-2000	% of Total Population, 2000
Urban Towns	6,269	9,270	47.9	9.1
Suburban Towns	1,954	3,546	81.5	2.8
Rural Towns	123	213	73.2	1.4
Regional Totals:	8,346	13,029	56.1	5.4

Sources: U.S. Census Bureau; SCCOG.

In spite of a notable growth rate, Hispanics in 2000 accounted for less than 6% of southeastern Connecticut's population. But a decade earlier they represented less than 4%. To date, nearly three out of every four persons of Hispanic background living in this region are residing in the group of three urban towns, Groton, New London, and Norwich. Of these, New London has by far the greatest number of Hispanics, accounting for nearly four out of every five persons of Hispanic extraction living in southeastern Connecticut. Within New London, Hispanics are nearly one-fifth of the city's entire population.

HOUSEHOLD CHARACTERISTICS

Households/Group Quarters*:* Southeastern Connecticut's population is structured in several different ways, with each subgroup differing in its housing needs. The most fundamental division of the population is between those persons living in a household and those living in group quarters. Populations in households typically live in traditional single- or multi-family housing units either as owners or renters. Representative living accommodations for those in group quarters are convalescent homes, group homes, college dormitories, military barracks or correctional institutions.

Table 3.13: Population in Households and Group Quarters, 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Population	In Households	In Group Quarters	% in Households
Urban Towns	101,965	95,599	6,096	94.0
Suburban Towns	125,495	119,937	5,558	95.6
Rural Towns	15,569	15,500	69	99.6
Regional Totals:	242,759	231,036	11,723	95.2

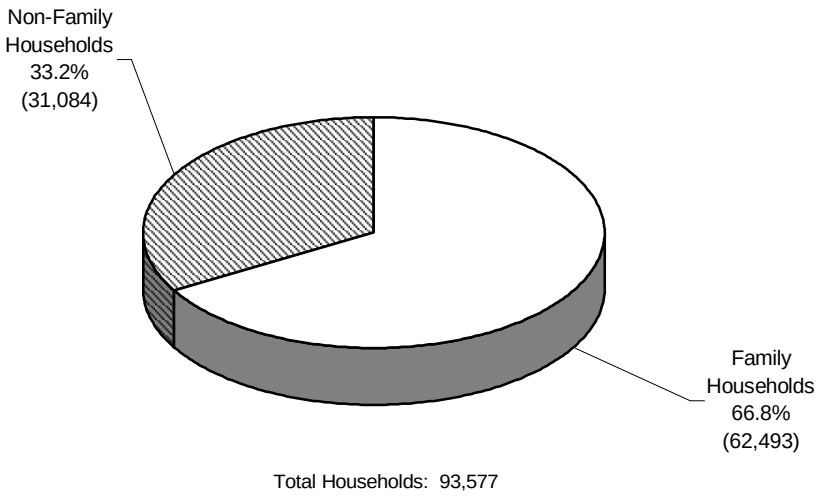
Sources: U.S. Census Bureau; SCCOG

As Table 3.13 above and Appendix Table A.13 show, nearly all (95.2%) of the region's population is living in households. The range among the three classifications of urban, suburban, and rural towns is quite narrow, with the rural towns having virtually all of their populations living in households. In only two communities, New London and East Lyme, do the percentages of their populations living in households drop below 90%. New London is home to three residential colleges, and East Lyme is the site of a major state correctional institution.

Of the nearly 12,000 persons living in group quarters in 2000, half (5,897) were living in institutions. The greatest concentrations of these were in East Lyme (2,341) and Montville (1,589). Both communities are the sites of State of Connecticut correctional institutions, which collectively in 2001 had about 3,600 inmates.

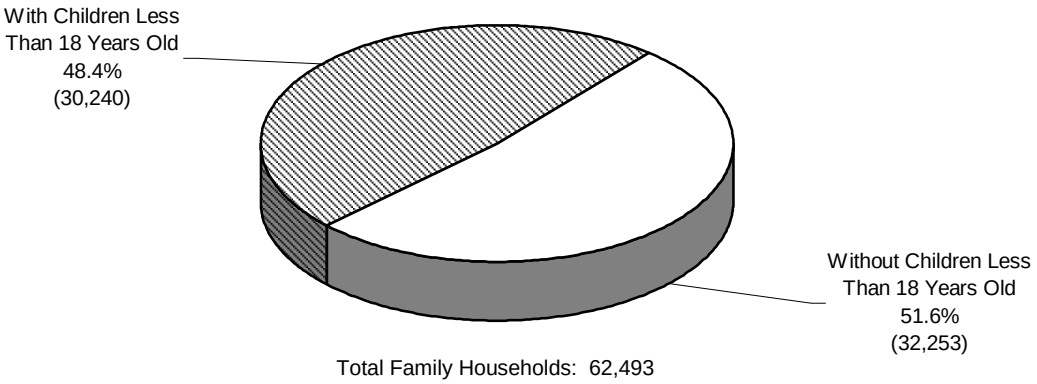
Family and Non-Family Households*:* Households may be divided further into traditional family households consisting of related individuals or into non-family households, which would consist of non-related individuals residing in the same housing unit or of individuals living alone. Two out of every three households in southeastern Connecticut in 2000 were defined as family households. (See Figure 3.2). Table 3.14

Figure 3.2: Households by Type, 2000
Southeastern Connecticut Planning Region



Sources: U.S. Census Bureau and SCCOG.

Figure 3.3: Family Households by Type, 2000
Southeastern Connecticut Planning Region



Sources: U.S. Census Bureau and SCCOG.

below and Appendix Table A.14 show that the percentage of family households is highest in the rural and suburban groups of towns (76.9% and 71.4%, respectively) and lowest in the group of urban towns (60%).

Table 3.14: Households by Type, 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Family Households	Non-Family Households	Total	% Family Households
Urban Towns	24,437	16,308	40,745	60.0
Suburban Towns	33,663	13,456	47,119	71.4
Rural Towns	4,393	1,320	5,713	76.9
Regional Totals:	62,493	31,084	93,577	66.8

Sources: U.S. Census Bureau; SCCOG.

Family Characteristics*:* Family households may be further subdivided by the nature of the family structure. Table 3.15 below and Appendix Table A.15 examine a fundamental difference among family households: those that include children and those that do not. A little less than half of the family households in southeastern Connecticut in 2000 included children under the age of 18. There was not a great difference in this characteristic among the urban, suburban, and rural groups of towns.

During the 1990-2000 period, the number of family households in this region with children under 18 years of age actually fell by nearly 650 families. This was a decline of a bit more than 2%, resulting in a drop in the percentage of all family households with children from 49.6% of all family households in 1990 to 48.4% in 2000. This trend is compatible with the reduction in household size discussed below.

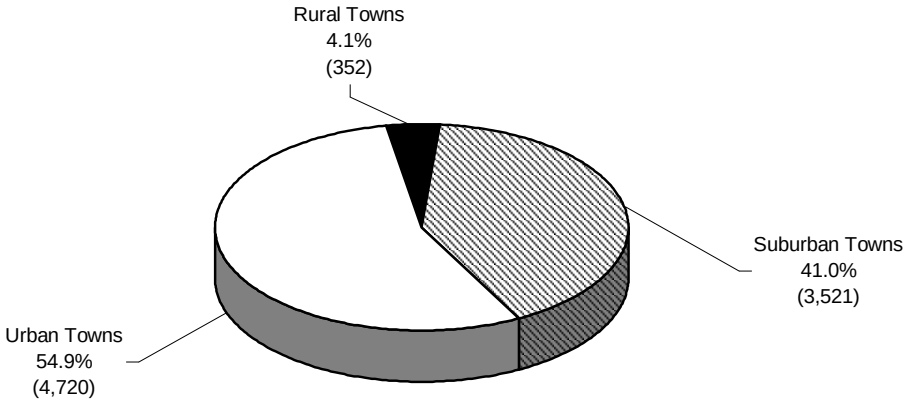
Table 3.15: Family Households by Type, 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Family Households	With Children <18 Years	Without Children <18 Years	Families W/ Children As % Of Total
Urban Towns	24,437	12,353	12,084	50.1
Suburban Towns	33,663	15,778	17,885	46.9
Rural Towns	4,393	2,109	2,284	48.0
Regional Totals:	62,493	30,240	32,253	48.4

Sources: U.S. Census Bureau; SCCOG.

The number of families with children headed by a single parent increased by 30% in this region between 1990 and 2000. By 2000, nearly three out of every ten family households with children living in southeastern Connecticut were headed by a single parent, either male or female. (See Table 3.16 and Figure 3.4 below and Appendix Table A.16.) Single-parent families with children were most common in the group of three urban communities, where they constituted nearly 40% of all family households with children. Together, the three urban communities of Groton, New London, and Norwich were home to more than half of all single-parent families with children residing in southeastern Connecticut. New London had the highest percentage of families with children headed by single parents (53.2%), but Norwich had by far the largest number of such families

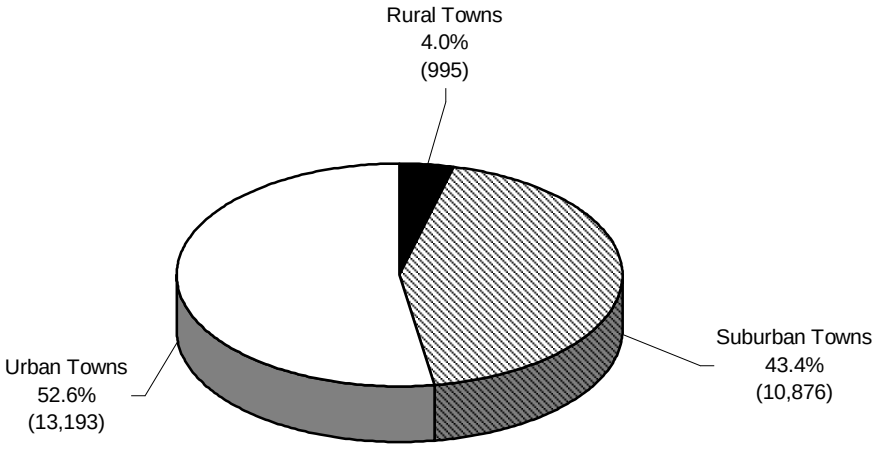
Figure 3.4: Distribution of Single-Parent Family Households With Own Children Under Age 18, 2000
Southeastern Connecticut Planning Region



Total Single-Parent Families: 8,593

Sources: U.S. Census Bureau and SCCOG.

Figure 3.5: Distribution of Single-Person Households, 2000
Southeastern Connecticut Planning Region



Total Single-Person Households: 25,064

Sources: U.S. Census Bureau and SCCOG.

(1,852) of any community in the region. In 2000, about one out of every five single-parent families with children in southeastern Connecticut lived in Norwich.

Table 3.16: Family Households Headed by Male or Female,
No Spouse Present, With Own Children Under Age 18, 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Families W/Children <18 Years	Families W/Children Headed By One Parent	Families W/Children Headed By One Parent As % Of Total Families W/Children
Urban Towns	12,353	4,720	38.2
Suburban Towns	15,778	3,521	22.3
Rural Towns	2,109	352	16.7
Regional Totals:	30,240	8,593	28.4

Sources: U.S. Census Bureau; SCCOG.

Single-Person Households: In 2000, about one out of every four households in this region consisted of only one person. This is a notable increase from 1990. In that year, the region had 20,509 single-person households. By 2000 this household type had grown to 25,064, an increase of 22.2%. This rate of growth is dramatically higher than the increase of only 1% in the region's total population and of 6.6% in total households. Table 3.17 below and Appendix Table A.17 review the data for 2000 by groups of municipalities and by individual municipalities.

More than half of the region's single-person households are concentrated in the urban group of towns. (See Figure 3.5 above.) At the municipal level, the largest numbers of single-person households are: Norwich (4,834); Groton (4,512); New London (3,847); Stonington (2,300); Waterford (1,998). The five rural towns collectively have fewer than a thousand single-person households.

Table 3.17: Householder Living Alone, 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Households	Householder Living Alone	Percent Living Alone
Urban Towns	40,745	13,193	32.4
Suburban Towns	47,119	10,876	23.1
Rural Towns	5,713	995	17.4
Regional Totals:	93,577	25,064	26.8

Sources: U.S. Census Bureau; SCCOG.

Slightly more than one out of every three single-person households in 2000 consisted of a person 65 or more years of age. These totaled nearly 9,000 households. (See Table 3.7 and Appendix Table A.9 for further information on the region's elderly living alone.)

Household Size: Southeastern Connecticut mirrors the national trend toward smaller household size. (See Table 3.18 below and Appendix Table A.18.) This trend has been fueled not only by smaller multi-person households but, as noted above, by the growing number of single-person households.

For the region as a whole, the average household size in 2000 was 2.47 persons, down from 2.58 a decade earlier. Average household size is lowest in the group of urban municipalities (2.35 persons) and highest in the rural towns (2.71 persons). Among the

Table 3.18: Average Household Size, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	Persons/ Household, 1990	Persons/ Household, 2000	Decline in Persons/ Household
Urban Towns	2.48	2.35	-0.13
Suburban Towns	2.65	2.55	-0.10
Rural Towns	2.85	2.71	-0.14
Regional Totals:	2.58	2.47	-0.11

Sources: U.S. Census Bureau; SCCOG.

region's 18 municipalities, in 2000 New London had the lowest average household size (2.26 persons), while rapidly growing Salem had the largest (2.84 persons).

The reduction in average household size from 1990 to 2000 continues a long-term trend. In 1980, for example, the region's average household size was 2.77 persons. By 2000 only two municipalities (Ledyard and Salem) exceeded that twenty-year-old regional average.

HOUSEHOLD INCOME

Median Household Income: Household income has a direct bearing on the ability of the region's population to purchase or rent housing suitable to their needs. This section of the report will examine the growth in median household income in southeastern Connecticut from 1989 to 2000.

A cautionary note is needed with regard to this analysis. While the 1989 income data are derived from the official U.S. Census of Population and Housing conducted in 1990, comparable data from the 2000 Census have not been released as of this writing. The 2000 median household income (MHI) data for 2000 presented below in Table 3.19 and in Appendix Table A.19 are estimates prepared by the Connecticut Department of Economic and Community Development.

Table 3.19: Median Household Income (MHI), 1989-2000 ($)
Southeastern Connecticut Planning Region

Municipal Classifications	1989	2000	Percent Increase	2000 MHI as % of Regional MHI
Mean Among Three Urban Town Medians	29,886	41,955	40.4	74.3
Mean Among Ten Suburban Town Medians	42,130	60,411	43.4	106.9
Mean Among Five Rural Town Medians	43,474	57,409	32.1	101.6
Mean Among Eighteen Regional Town Medians	40,463	56,501	39.6	100.0

Sources: U.S. Census Bureau; Connecticut Department of Economic & Community Development; SCCOG.

The data above suggest that for the region as a whole median household income increased by about 40% during the 1989-2000 period. This also was true for both the

urban and the suburban groups of municipalities. However, the available data indicate that income rose more modestly in the group of rural towns.

Southeastern Connecticut's overall rate of growth in median household income, as estimated above, barely kept pace with the cost of living. The annual average Consumer Price Index for Northeast Urban Consumers grew by 39.5% during the 1989-2000 period. [Bureau of Labor Statistics, U.S. Department of Labor.]

The region's rate of growth in median household income fell below the 43.1% rate of growth in the estimated statewide MHI. The state MHI in 2000 also was estimated at $59,697, about 6% higher than that for southeastern Connecticut.

In spite of an apparently healthy growth rate in median household income in the group of urban towns, these three communities (Groton, New London, and Norwich) collectively had an estimated average median household income that was only three-quarters of that for the region as a whole. In the cases of both the suburban and the rural groups of towns, their average median household incomes for each group were slightly above that of the regional average.

Among southeastern Connecticut's 18 municipalities, the median household income estimates for 2000 identify four communities as housing the poorest populations. These are: New London ($35,420); Norwich ($41,215); Voluntown ($42,134); Griswold ($45,872). Groton fared somewhat better, with an estimated MHI in 2000 of $48,231. All other regional municipalities (13) had estimated 2000 median household incomes above $50,000. The wealthiest towns include: Ledyard ($72,367); Salem ($71,957); East Lyme ($69,032); North Stonington ($68,020); Colchester ($67,207); Waterford ($63,604); Preston ($60,338).

The gap in median household income between the region's wealthiest town (Ledyard) and its poorest (New London) is estimated to have been $36,947 in 2000. The gap between the poorest and the wealthiest municipality in southeastern Connecticut appears to have widened in the 1990-2000 decade. In 1989 the median household income of the poorest community was 53% of that of the wealthiest. In 2000 this is estimated to have dropped to 49%.

Differences in income among the region's communities have a major effect on the types of housing families and individuals can afford and on where they may be able to find such housing.

Distribution of Income: While the median household income figures provide a general indication of the financial status of the region's population, it is useful to know more specifically how the range of income varies for both the region as a whole and for different types of municipalities. In the absence of data from the 2000 Census as of this writing, the only way to examine income distribution is by developing estimates. The results of this process are shown in Table 3.20 below. The income distribution pattern shown in Table 3.20 is based on the actual distribution identified in the 1990 Census,

adjusted for the growth in incomes and in the number of households between 1989/1990 and 2000.

Table 3.20: Estimated Distribution of Household Income by Number of Households, 2000
Southeastern Connecticut Planning Region

Income Sets ($)	Urban Towns		Suburban Towns		Rural Towns		SECT Region	
	No.	%	No.	%	No.	%	No.	%
<7,000	1,671	4.1	1,037	2.2	57	1.0	2,765	3.0
7,000-13,999	3,545	8.7	2,356	5.0	154	2.7	6,055	6.5
14,000-20,999	3,097	7.6	2,309	4.9	131	2.3	5,537	5.9
21,000-34,999	7,415	18.2	5,277	11.2	720	12.6	13,412	14.3
35,000-48,999	7,538	18.5	6,926	14.7	960	16.8	15,424	16.5
49,000-69,999	7,782	19.1	10,555	22.4	1,348	23.6	19,685	21.0
70,000-104,999	6,315	15.5	12,015	25.5	1,617	28.3	19,947	21.3
105,000-139,999	1,752	4.3	4,005	8.5	480	8.4	6,237	6.7
140,000>	1,630	4.0	2,639	5.6	246	4.3	4,515	4.8
Total Households:	40,745	100.0	47,119	100.0	5,713	100.0	93,577	100.0

Sources: U.S. Census Bureau; SCCOG.

The data of Table 3.20 highlight the disparities in income among the urban, suburban, and rural groups of municipalities. Particularly revealing are the distributions of incomes below $35,000 (approximately 60% of the regional median household income of $56,501). For the region as a whole, 30% of all households in 2000 are estimated to have had incomes below $35,000. For the urban group of towns this rises to nearly 40% of all households. In the suburban group, less than 25% of all households had incomes of less than $35,000, and for the rural group of towns the figure was less than 20%. Viewed another way, the group of three urban towns, Groton, New London, and Norwich, are estimated to be home to 56% (nearly 16,000) of the total number of households (28,000) in southeastern Connecticut in 2000 that had annual incomes of less than $35,000.

The relative concentration of lower income households in the urban areas is equally pronounced for incomes of less than $21,000. Fully one out of five of the households in the group of urban towns is estimated to have a household income of less than $21,000. This compares with 12% of all suburban households and only 6% of rural households. As was the case with respect to incomes below $35,000, households in the group of urban municipalities having annual incomes of less than $21,000 are estimated to account for 56% of the total number of regional households in this income class. This is substantially higher than the 43% share of all regional households that live within the three urban municipalities.

Even allowing for some level of error in the above estimates, it is clear that residents of the urban towns are at a financial disadvantage in relation to the rest of the region in competing for housing. Chapter 4 will discuss more fully the issue of housing affordability.

THE HOMELESS POPULATION

Homelessness is relatively easy to observe but very difficult to measure. This fact should not diminish the significance of homelessness as a social issue facing southeastern Connecticut in the 21st century.

Data on the extent of homelessness within this region are not provided through the U.S. Census of Population and Housing. The only comprehensive set of estimates of the extent and nature of homelessness within New London County is a single-point-in-time survey conducted by the Continuum of Care for New London County (now called Partnership on Housing and Homelessness) in 2001. From that survey, the Continuum estimated the number and characteristics of the county's homeless population. This information is reported in Table 3.21 below. An analysis of the availability of housing for the homeless is provided in Chapter 4.

Table: 3.21: Estimated Homeless Population, by Type, 2001
New London County

Subpopulations	Individuals		Persons in Families With Children		Estimated Total Homeless Population	
	Number	% of Total	Number	% of Total	Number	% of Total
Chronic Substance Abuse	128	30	43	23	171	28
Seriously Mentally Ill	112	26	48	25	160	26
Dually Diagnosed	43	10	7	4	50	8
Veterans	17	4	0	0	17	3
Persons With HIV/AIDS	26	6	27	14	53	8
Victims of Domestic Violence	57	13	63	34	120	19
Youth	47	11	0	0	47	8
TOTALS:	430	100	188	100	618	100

Sources: Continuum of Care for New London County; SCCOG.

In considering the data in Table 3.21, one should keep in mind three points. First, the numbers are estimates based on a single snapshot in time. Anecdotal information suggests that the above estimates may well understate the actual homeless population. Second, anecdotal information, again, indicates that some individuals and families are not publicly visible for counting because they are living with relatives or friends. This doubling-up phenomenon has the effect of masking to some degree the true extent of homelessness. Third, homelessness is a very dynamic condition that shifts continually, making it difficult to know with any certainty its true severity over time. Data that accurately profile homelessness today may be misleading tomorrow. Within these limitations, some generalizations can be made from the Continuum of Care survey data.

The first observation: The numbers of homeless appear to be a very small fraction (<0.5%) of the region's total population, although they undoubtedly constitute a more significant share of the populations of the urban towns. This is not to suggest that homelessness is insignificant as a social issue. For those afflicted by it, homelessness is a daily crisis. For the communities within which they live, it is a challenge to social responsibility and support services.

A second observation: The Continuum data indicate that three subpopulations account for the well over half of all the homeless within the region. These groups are: those suffering from Chronic Substance Abuse; those Seriously Mentally Ill; those who are Victims of Domestic Violence. These three subcategories are estimated to contain about seven out of every ten persons identified as homeless Individuals, and eight out of ten

Persons in Families With Children. This finding points up the fact that housing is only one issue faced by the homeless.

RELATIVE CHANGES IN DEMOGRAPHIC CHARACTERISTICS

From the preceding discussion in this chapter, it is evident that in spite of virtually no net increase in the region's total population from 1990 to 2000, many of that population's characteristics changed significantly, in some cases remarkably. Table 3.22 and Figure 3.6 below highlight the more notable of these demographic shifts.

Table 3.22: Relative Changes in Demographic Characteristics, 1990-2000
Southeastern Connecticut Planning Region

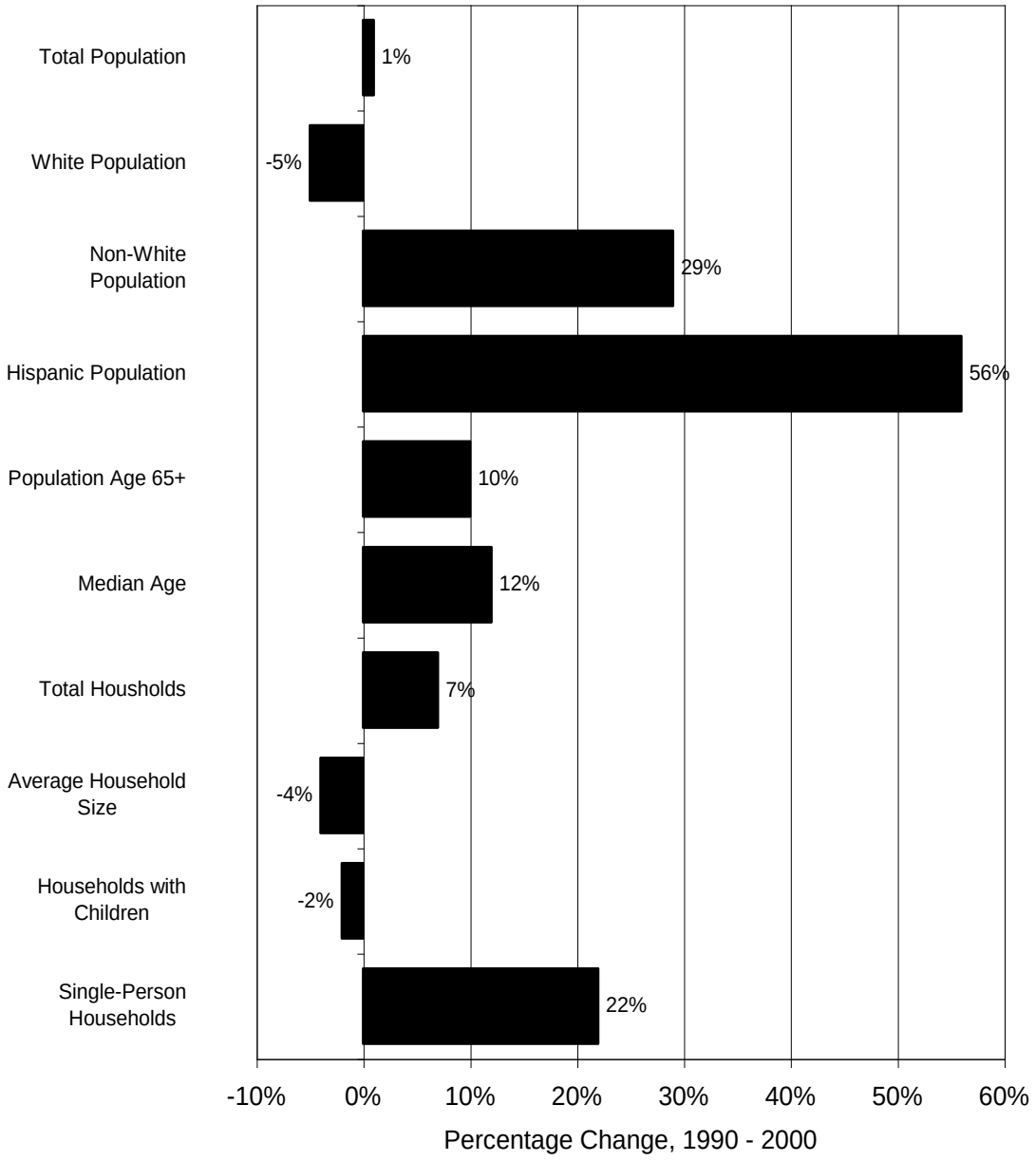
Characteristics	SECT Region	Urban Towns	Suburban Towns	Rural Towns
Total Population	1.0%	-8.4%	9.2%	8.0%
White Population	-4.8%	-16.3%	4.0%	5.1%
Non-White Population	29.2%	12.3%	86.9%	91.9%
Hispanic Population	56.1%	47.9%	81.5%	73.2%
Population 65 Years or More	10.0%	-1.1%	19.7%	23.9%
Median Age	11.9%	12.4%	11.3%	12.5%
Total Households	6.6%	0.4%	11.7%	13.4&
Average Household Size	-4.3%	-5.2%	-3.4%	-4.9%
Family Households With Children	-2.1%	-10.6%	-5.6%	-0.7%
Single-person Households	22.2%	17.5%	27.7%	30.2%
Median Household Income	39.6%	40.4%	43.4%	32.1%

Sources: U.S. Census Bureau; Connecticut Department of Economic & Community Development; SCCOG.
Notes:
Urban Towns: Groton, New London, and Norwich.
Suburban Towns: Colchester, East Lyme, Griswold, Ledyard, Lisbon, Montville, Preston, Sprague, Stonington, and Waterford.
Rural Towns: Bozrah, Franklin, North Stonington, Salem, and Voluntown.
Median household income data are for the period 1989-2000.

Population growth rates were strikingly diverse among demographic subgroups and geographically among the three groups of urban, suburban, and rural communities. As a result, southeastern Connecticut at the beginning of the 21st century is in several ways a different place from what it had been at the start of the last decade of the 20th. By 2000 the region's population was older, more racially and ethnically diverse, and more suburbanized than ten years earlier.

We also can see fundamental shifts in how the region's population is organized into functional units. Family households with children dropped substantially. At the same

Figure 3.6: Relative Changes in Demographic Characteristics, 1990 – 2000
Southeastern Connecticut Planning Region



Sources: U.S. Census Bureau and SCCOG.

time, single-person households rose by more than 20%. The combination of the two trends produced a significant drop in household size.

Overall, the region's median household income kept pace with increases in the cost of living between 1990 and 2000. But this general finding masks a wide gap between the more affluent and the poorer municipalities of the region that, in fact, appears to have widened during the decade.

From the viewpoint of a future historian, the ten years after 1990 may well be viewed as a watershed period in the demographic evolution of southeastern Connecticut.

POPULATION PROJECTIONS

Projecting future population trends is, at best, an uncertain exercise. So many factors influence population growth or decline that it is difficult to identify all current forces for change let alone foresee those likely to be significant in the future. It also should be clear from the preceding discussion that even in a time of virtually no net population growth much of significance may happen within the demographics of a region. The uncertainties of projection suggest that such forecasts be considered and used with caution and that they be re-examined and revised regularly.

The population projections for southeastern Connecticut and its municipalities presented in this report (Table 3.23 below and Appendix Table A.20) are preliminary forecasts produced as part of a statewide program by the Connecticut Department of Transportation (CONNDOT), Bureau of Policy and Planning. These are the latest in a series of population studies performed by the department over several decades. The projections in these tables may be modified by CONNDOT at some future date following further analysis. Table 3.24 below provides an SCCOG adjustment of these projections.

Table 3.23: Projection of Total Population, 2000-2010
Southeastern Connecticut Planning Region

Municipal Classifications	Census, 1990	Census, 2000	% Change, 1990-00	Projected, 2010	% Change, 2000-10
Urban Towns	111,075	101,695	-8.4	108,071	6.3
Suburban Towns	114,943	125,495	9.2	132,400	5.5
Rural Towns	14,414	15,569	8.0	16,290	4.6
Regional Totals:	240,432	242,759	1.0	256,761	5.8

Sources: U.S. Census Bureau; Connecticut Department of Transportation; SCCOG.

Table 3.24: Adjusted Projection of Total Population, 2000-2010
Southeastern Connecticut Planning Region

Municipal Classifications	Census, 1990	Census, 2000	% Change, 1990-00	Projected, 2010	% Change, 2000-10
Urban Towns	111,075	101,695	-8.4	103,730	2.0
Suburban Towns	114,943	125,495	9.2	134,280	7.0
Rural Towns	14,414	15,569	8.0	16,350	5.0
Regional Totals:	240,432	242,759	1.0	254,360	4.8

Sources: U.S. Census Bureau; SCCOG adjustment of projections by the Connecticut Department of Transportation.

In comparison with the region's population growth during the 1990-00 decade, CONNDOT's growth projections for 2000-10 appear optimistic with respect to the region as a whole and especially so for the urban group of towns. On the other hand, the forecasts for the suburban and rural groups of towns may be a bit conservative. For purposes of analysis in this report, the rates of projected population growth in the above table have been adjusted in Table 3.24 to reflect relative changes in population among the urban, suburban, and rural groups of towns over the 1990-2000 decade.

FINDINGS AND CONCLUSIONS

1. Southeastern Connecticut's total population increased by only one percent from 1990 to 2000, to reach 242,759. This was the slowest rate of growth for this region since 1800-10. All three urban communities, Groton, New London, and Norwich, lost population over the decade of the 1990s. As a result, all of the net population gain was in suburban and rural towns. The suburban and rural portions of the region are expected to continue to be the focus of most population growth in southeastern Connecticut for the foreseeable future. This means that these towns will be under more pressure to accommodate additional housing.

2. Ninety-five percent of the region's population in 2000 lived in households. Two-thirds of these households were families. Nearly 30% of the households with children under the age of 18 were headed by a single parent. One out of every two single-parent households in this region was located in the group of three urban municipalities, Groton, New London, and Norwich.

3. Approximately one out of four regional households in 2000 consisted of a single person. More than one-third of these were persons age 65 or older. Single-person households in southeastern Connecticut grew by 22% from 1990 to 2000. This compares with a 7% increase in all households and only 1% in the region's total population. The highest concentrations of single-person households are in Groton, New London, and Norwich.

4. As single-person households increase and average household size decreases, more housing units are required, even if the total population grows only modestly. Additionally, the housing needs and desires of single-person households, in most cases, are different from those of the traditional four-person family.

5. Median household income for the region is estimated to have risen by nearly 40% during the 1990-2000 decade to $56,501. The group of three urban towns, Groton, New London, and Norwich, in 2000 collectively had an estimated median household income that was 25% less than that for the region as a whole. These communities are estimated to be home to more than half (nearly 16,000) of the total number of households (28,000) with median incomes of less than $35,000 in 2000.

4. HOUSING TRENDS AND CHARACTERISTICS

As we have seen in earlier chapters, southeastern Connecticut's economy refocused from defense to tourism during the 1990-2000 decade. The effects of this shift were not confined to the economy. Economic restructuring stimulated a number of parallel adjustments in southeastern Connecticut's population. Together, economic and demographic changes create new pressures on the region's housing stock and housing industry. And they raise serious issues regarding the ability of a growing segment of the region's population to afford suitable housing within the current regional housing market.

This chapter examines housing in southeastern Connecticut at the beginning of the 21st century. It also will identify areas of concern that will be discussed more specifically in later chapters of this report.

CHANGES IN THE HOUSING STOCK, 1990-2000

In theory, the housing stock of a municipality or region should adjust to changes in the characteristics of the population that affect housing needs and the ability to pay for housing. In reality, changes in the housing stock and market do not always parallel demographic shifts. The housing market may for some time lag behind changes in housing demand. This can produce housing market conditions, such as limited choice and higher prices, that are unfavorable to home buyers and/or renters. At other times, the 1980s being a prime example, the housing industry may misjudge demand and over-produce, build the wrong types of units or develop units at prices higher than demand will bear. For these reasons, trends in housing stock need to be looked at in conjunction with shifting economic and population characteristics.

Table 4.1 and Figure 4.1 below compare two demographic characteristics in relation to changes in housing supply over the decade from 1990-2000.

Southeastern Connecticut shows substantial differences among the relative rates of increase from 1990-2000 in total population (1.0%), households (6.6%), and housing units (5.8%). The difference between the increase in total population and in total housing units reflects the drop in average household size and the considerable increase in the number of single-person households, which grew by 22% in this decade. (See Chapter 3.) By 2000 one out of every four regional residents lived alone.

The growth of households at a faster rate than that for the total population was common to all three groups of municipalities, whether urban, suburban or rural. Only in the rural group of towns did the growth rate for housing units exceed that for the increase in households.

The differences noted above had the effect of increasing the number of housing units needed even though the region's net population growth was barely measurable. But, as can be seen in Table 4.1, the increase in housing units for the region as a whole was a bit

less than the increase in the formation of households. This points to a tighter housing market in 2000 than in 1990.

Table 4.1: Trends in Total Population, Households, and Housing Units, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	1990	2000	Numerical Change	Percent Change
A. Total Population				
Urban Towns	111,075	101,695	-9,380	-8.4
Suburban Towns	114,943	125,495	10,552	9.2
Rural Towns	14,414	15,569	1,155	8.0
Regional Totals:	240,432	242,759	2,327	1.0
B. Total Households				
Urban Towns	40,583	40,745	162	0.4
Suburban Towns	42,198	47,119	4,921	11.7
Rural Towns	5,040	5,713	673	13.4
Regional Totals:	87,821	93,577	5,756	6.6
C. Total Housing Units				
Urban Towns	45,040	44,977	-63	-0.1
Suburban Towns	46,144	50,892	4,748	10.3
Rural Towns	5,533	6,426	893	16.1
Regional Totals:	96,717	102,295	5,578	5.8

Sources: U.S. Census Bureau; SCCOG.
Urban municipalities: Groton, New London, and Norwich. Suburban municipalities: Colchester, East Lyme, Griswold, Ledyard, Lisbon, Montville, Preston, Sprague, Stonington, and Waterford. Rural municipalities: Bozrah, Franklin, North Stonington, Salem, and Voluntown.

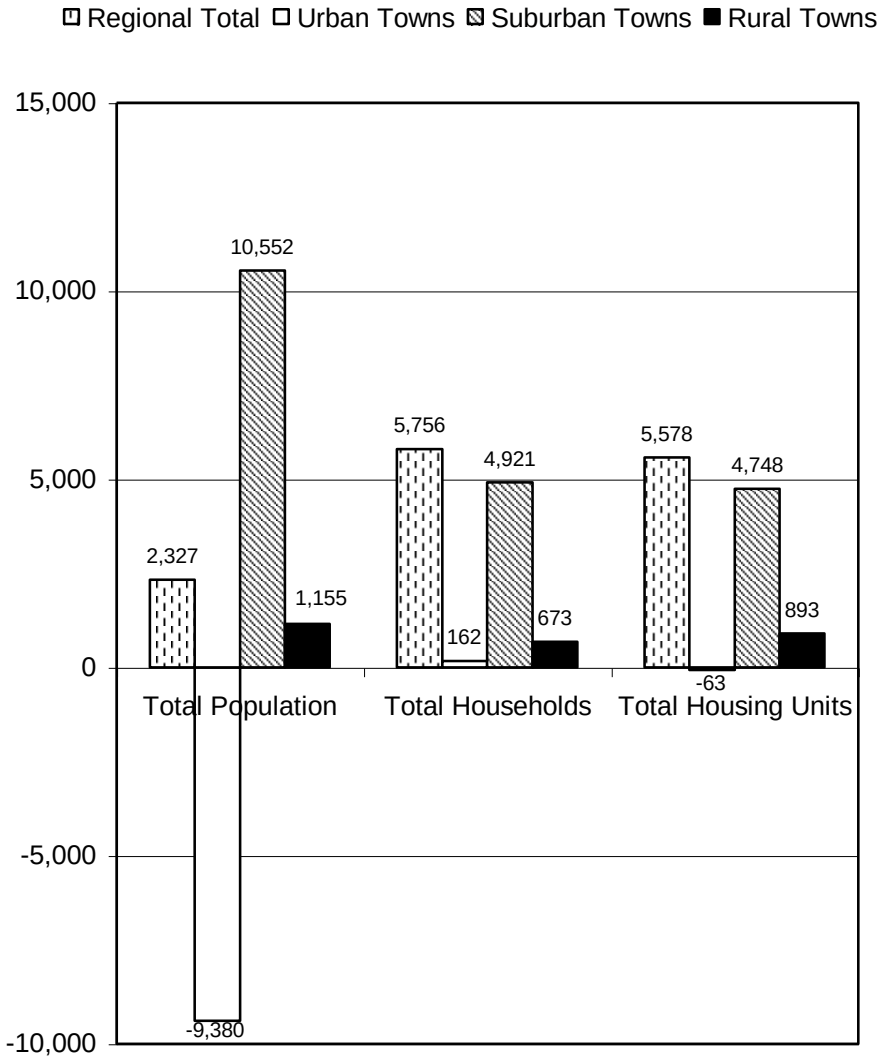
Relative changes in housing stock at the municipal level varied widely from 1990-2000. (See Appendix Table A.21.) These ranged from a high increase of nearly 33% in Salem to more than a 3% decline in New London. Table 4.2 below summarizes the relative growth of housing in the region's municipalities in the last decade of the 20th century. Notable differences among the communities include the following:

- More than half (3,124) of the net addition of units to southeastern Connecticut's housing inventory in the 1990-2000 period was accounted for by the seven municipalities with growth rates in housing of more than 10%. Among this group, Colchester stands out as the location of more than 20% of the net total of new housing units added to the region in that decade. All of the municipalities in the group with high housing growth rates are classified as suburban or rural.

- Five communities with moderate rates of growth (6-9%), all of which are suburban or rural, collectively generated nearly 2,200 housing units, 39% of the net total regional growth.

- The group of six municipalities with the weakest housing performance in the 1990-2000 period added fewer than 300 net new units to the regional housing inventory. This was less than one-tenth of the production level of the group of towns with the highest rates of growth in housing. The three urban communities, Groton, New

Figure 4.1: Trends in Total Population, Households and Housing Units, 1990 – 2000
Southeastern Connecticut Planning Region



Sources: U.S. Census Bureau and SCCOG.

London, and Norwich fell dead last in rates of growth in housing from 1990-2000. New London actually had fewer units in 2000 than it did in 1990. (See Table 4.2 and Figure 4.2 and Appendix Table A.21.)

Table 4.2: Absolute and Relative Changes in Total Housing Units, 1990-2000
Southeastern Connecticut Planning Region

Municipalities	Municipal Classifications	Numerical Change	Percent Change
A. Municipalities With Increases in Housing Units of 10% or More			
Salem	Rural	410	32.9
Colchester	Suburban	1,257	30.3
Voluntown	Rural	201	22.6
Preston	Suburban	212	12.6
Lisbon	Suburban	163	11.6
North Stonington	Rural	194	10.4
East Lyme	Suburban	687	10.1
Subtotal:		3,124	17.4
B. Municipalities With Increases in Housing Units of 6-9%			
Waterford	Suburban	629	8.5
Stonington	Suburban	668	8.4
Montville	Suburban	522	8.3
Griswold	Suburban	319	7.6
Franklin	Rural	45	6.8
Subtotal:		2,183	8.3
C. Municipalities With Increases in Housing Units of Less Than 6%			
Sprague	Suburban	55	5.0
Bozrah	Rural	43	4.9
Ledyard	Suburban	236	4.5
Groton	Urban	219	1.3
Norwich	Urban	128	0.8
New London	Urban	-410	-3.4
Subtotal:		271	0.5
Regional Total::		5,578	5.8

Sources: U.S. Census Bureau; SCCOG.

The pattern of growth in the region's housing stock in the decade of the 1990s mirrors the long-term movement of population into suburban and rural towns of the region discussed in Chapter 3. One implication of these related population and housing growth trends is that the production of new housing stock is likely to focus on single-family units. Over time, this will limit the range of choice in housing types, cost, and location.

Changes in the make-up of the region's housing stock between 1990 and 2000 are estimated in Table 4.3 below. While the 2000 Census count of total housing units by town was available, data for housing types had not been released as of this writing. The basis for the 2000 estimates of housing types is the percentage distribution for single-family housing in each town calculated from a tabulation of 1999 data on housing types compiled by the Connecticut Department of Economic & Community Development. The relative share of single-family housing compared to other types of housing in each town in 1999 was assumed to be valid in 2000 and was applied to the total housing unit tally from the U.S. Census for each municipality. Because of the potential for error, these estimates, although calculated at the municipal level, are published here only for the

Figure 4.2: Changes in Total Housing Units, 1990 - 2000

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region as a whole and for the three groups of towns, urban, suburban, and rural. Upon release of Census-validated data on housing types, this analysis should be re-examined and adjusted as necessary.

Table 4.3: Estimated Trends in Types of Housing Units, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Housing Units	Single-Family Units	Other Types of Housing Units	Single-Family as % of All Units
A. Actual 1990 Distribution of Types of Housing Units				
Urban Towns	45,040	20,409	24,631	45.3
Suburban Towns	46,144	35,693	10,445	77.4
Rural Towns	5,533	4,876	657	88.1
Regional Total:	96,717	60,978	35,739	63.0
B. Estimated 2000 Distribution of Types of Housing Units				
Urban Towns	44,977	20,824	24,153	46.3
Suburban Towns	50,892	39,747	11,145	78.1
Rural Towns	6,426	5,681	745	88.4
Regional Total:	102,295	66,252	36,043	64.6

Sources: U.S. Census Bureau; Connecticut Department of Economic & Community Development; SCCOG.
Note: Other Types of Housing Units include multi-family units, mobile homes, and any other type of unit.

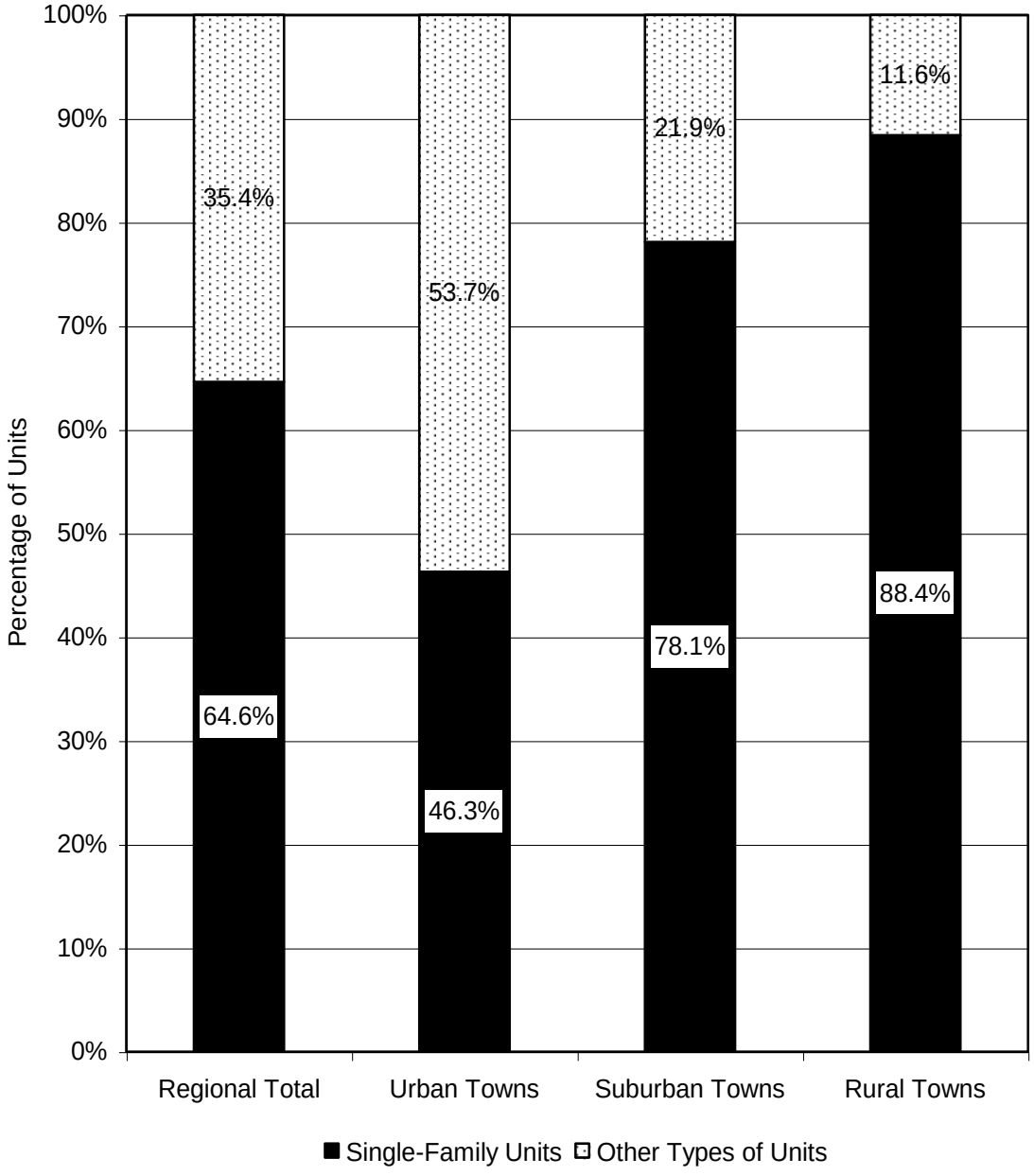
The data in Tables 4.1, 4.2, and 4.3 and Figure 4.3 show several interesting trends:

- The group of three urban communities actually lost a small portion of their net housing inventory between 1990 and 2000. In contrast, the ten suburban towns and the five rural towns collectively gained more than 5,600 net new housing units. The housing stock in the suburban group of municipalities grew by 10%, while that in the rural towns increased at a rate of 16%. This contrasts with a slight decline in the housing inventory of the group of three urban communities and an overall growth rate for the region as a whole of about 6%.

- Nearly all of the net growth in housing stock in southeastern Connecticut between 1990 and 2000 was in the form of single-family units. Of the 5,578 net housing units added to the region's total inventory in this period, nearly 5,200 are estimated to have been single-family units. In other words, more than nine out of every ten housing units added to the net inventory were of the single-family type. This had the effect of increasing the dependence on single-family units to house the region's population. Single-family units as a share of the region's total housing stock are estimated in 2000 to have increased to nearly 65% from their 1990 level of 63%.

  Another measure, residential building permits, shows that in southeastern Connecticut during the five years of 1996 to 2000, more than 95% of the permits issued were for single-family detached homes. Out of 3,675 residential building permits issued, 3,513 were for single-family homes. (See Appendix Table A.22.)

Figure 4.3: Estimated Types of Housing, 2000
Southeastern Connecticut Planning Region



Sources: Connecticut Department of Economic & Community Development and SCCOG.

A distinct dichotomy exists between the types of housing available in the urban towns as opposed to the suburban and rural. In 2000, approximately two out of every three single-family homes within southeastern Connecticut were located in the suburban and rural towns. Conversely, approximately two out of every three housing units that were not single-family, principally multi-family units, were found in the group of urban municipalities, Groton, New London, and Norwich. This clear separation of housing types among different groups of municipalities carries with it several economic, demographic, and social implications of long-term significance.

- The suburban and rural towns now dominate net housing growth in southeastern Connecticut. Under this condition, which is likely to continue for the foreseeable future, single-family homes will constitute a growing share of all the housing types available to regional residents. This means fewer options for those who do not want or cannot afford single-family homes in suburban or rural settings. It also means that the existing stock of multi-family housing, much of which is rental, will be under increased market pressure that can only result in higher housing costs.

CHANGES IN HOUSING OCCUPANCY AND TENURE, 1990-2000

For the housing market to function effectively, some portion of the housing stock must be vacant. A rule of thumb used as a guide in this study is that a desirable minimum vacancy rate for year-round housing to be occupied by homeowners is 2.5% of all such units. For units to be occupied by renters, the desirable minimum vacancy rate is assumed to be 5.0% of the total inventory of rental units. Vacancy rates below these levels reduce the range of choice and may increase the cost of housing.

Table 4.4 below identifies overall trends in housing occupancy from 1990-2000.

Table 4.4: Occupied and Vacant Housing, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Housing Units	Occupied Housing Units	Vacant Units for Seasonal, Recreational or Occasional Use	Other Vacant Units	Other Vacant Units as % of Total Housing Units
A. 1990 Housing Units					
Urban Towns	45,040	40,583	595	3,862	8.6
Suburban Towns	46,144	42,198	1,937	2,009	4.4
Rural Towns	5,533	5,040	269	224	4.0
Regional Totals:	96,717	87,821	2,801	6,095	6.3
B. 2000 Housing Units					
Urban Towns	44,977	40,745	875	3,357	7.5
Suburban Towns	50,892	47,119	1,896	1,877	3.7
Rural Towns	6,426	5,713	556	157	2.4
Regional Totals:	102,295	93,577	3,327	5,391	5.3

Sources: U.S. Census Bureau; SCCOG.

Table 4.4 points to a tightening regional housing market in the 1990-decade. The table shows a consistent decline in vacant housing potentially available for sale or rent over the decade. The Census category Other Vacant Units declined both absolutely and relatively,

and this pattern was true for all three groups of municipalities, urban, suburban, and rural. Calculations from the absolute data presented above show that the region's total inventory of housing units increased by 5.8%, the occupied housing units grew by 6.6%, and the Other Vacant Units trailed both with a decrease of 11.6%. As noted in Chapter 3, total households in the region grew by 6.6% from 1990-2000, even though the total population rose only 1%.

Municipal-level data on housing occupancy in 2000, presented in Appendix Table A.23, reveal a wide variation in housing classified as Other Vacant Units. These represent a greater proportion of the total units in urban municipalities than in the suburban or rural towns. New London had the highest ratio (nearly 11%) of its total housing units identified as Other Vacant Units of any municipality in the region. In Norwich, nearly 8% of its housing inventory fell into the Other Vacant Units category. Among the 15 suburban or rural towns, only Stonington had more than 5% of its housing stock classified as Other Vacant Units. In most of these towns, the Other Vacant Units represented less than 4% of their total housing units. These numbers suggest that the tightest segment of the regional housing market lies in the suburban and rural towns. Although these communities, as a group, experienced the greatest growth in housing units in southeastern Connecticut from 1990-2000, they also were the focus for the greatest increase in total population and in the number of new households. To date, the housing industry appears hard-pressed to satisfy this growing demand.

Data from both the 1990 and 2000 Censuses distinguish between the vacancy rates for housing units for homeowners and those for renters. These are summarized below in Table 4.5 and are available for the municipal level in Appendix Table A.24.

Table 4.5: Housing Vacancy Rates, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	Homeowner Vacancy Rate		Rental Vacancy Rate	
	1990	2000	1990	2000
Mean for 3 Urban Towns	3.1%	1.8%	8.9%	7.0%
Mean for 10 Suburban Towns	1.6%	1.2%	6.4%	5.2%
Mean for 5 Rural Towns	1.2%	0.6%	6.7%	3.7%
Mean for 18 Regional Towns:	1.7%	1.4%	6.9%	6.4%

Source: U.S. Census Bureau.

In comparison with vacancy rates in 1990, the region's housing market in 2000 was tighter. Vacancy rates for both homeowner and rental units dropped by 2000 from their levels in 1990.

For the region as a whole, in 2000 the average homeowner vacancy rate of 1.4% falls far below the 2.5% considered to be a desirable minimum to assure a reasonably good range of choice for potential home buyers. While the situation appears to be less constrained in the urban group of towns, their collective vacancy rate was less than 2%. Based on the Census data, the rental market situation seemed to be somewhat better in 2000, due primarily to the urban group of communities where the average rental vacancy rate was

7.0%, well above the 5% minimum considered desirable. For all three groups of towns the vacancy rates for rental units are down notably from 1990.

The constriction of the typical single-family home market in 2000 is clear from the data in Appendix Table A.24. None of the 15 suburban or rural towns had vacancy rates for homeowner units higher than 1.5%, and in seven of these towns the vacancy rate was less than 1.0%.

Rental vacancy rates among the 18 municipalities were more favorable. In New London the rental vacancy rate reached nearly 10%, the highest in the region. Seven other municipalities ranked above the theoretically desirable 5.0% minimum rental vacancy rate. These were: Franklin (7.9%), Sprague (7.6%), East Lyme (7.5%), Norwich (7.0%), North Stonington (6.3%), Stonington, and Montville (5.6%). All other municipalities fell below this level. These data suggest a relatively easier market for rentals than for single-family homes at the time of the 2000 Census. But this conclusion should be viewed with caution for several reasons. First, the region's housing market currently is very dynamic, can change quickly, and appears to have changed significantly since the Census. Second, continued growth in employment is increasing the need for additional housing units, particularly low-moderately-priced units. Third, the Census data do not reflect the cost, location or condition of rental units available on the market.

The trends noted in the preceding discussion point to single-family units as the favored type of housing in southeastern Connecticut. This conclusion is borne out by an analysis of the changes in owner-occupied housing and renter-occupied housing between 1990 and 2000. The data for this analysis are provided Table 4.6 below and in Appendix Table A.25. See also Figure 4.4 below.

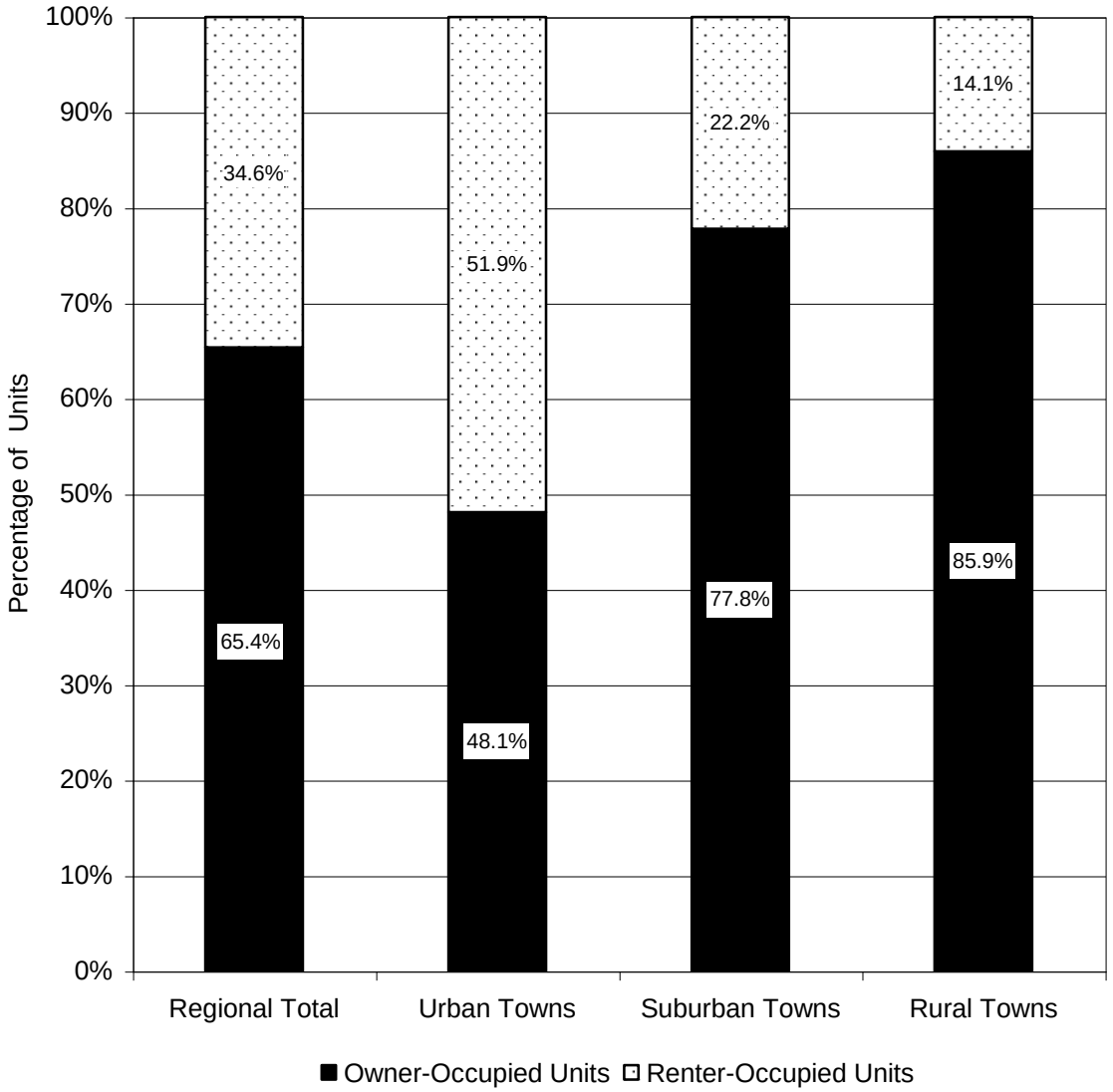
Table 4.6: Trends in Housing Occupancy, 1990-2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Occupied Housing Units	Owner-occupied Housing Units	Renter-occupied Housing Units	% of Units Renter-occupied
A. 1990 Housing Occupancy Characteristics				
Urban Towns	40,583	18,921	21,622	53.4
Suburban Towns	42,198	32,540	9,658	22.9
Rural Towns	5,040	4,266	774	15.4
Regional Totals:	87,821	55,727	32,094	36.5
B. 2000 Housing Occupancy Characteristics				
Urban Towns	40,745	19,600	21,145	51.9
Suburban Towns	47,119	36,664	10,455	22.2
Rural Towns	5,713	4,909	804	14.1
Regional Totals:	93,577	61,173	32,404	34.6

Sources: U.S. Census Bureau; SCCOG.

Owner-occupied housing and renter-occupied housing fared quite differently in the 1990-2000 decade. In a period when total occupied housing units in the region grew by 6.6%, owner-occupied housing jumped by nearly 10%. In sharp contrast, renter-occupied housing grew by only 1%. By 2000, renter-occupied housing had slipped to a bit less than 35% of the region's total occupied housing units.

Figure 4.4: Housing Occupancy, 2000
Southeastern Connecticut Planning Region



Sources: U.S. Census Bureau and SCCOG.

About two of every three occupied rental units in 2000 were located in the group of three urban towns. Ironically, the urban communities, as a group, actually had fewer rental units occupied in 2000 than in 1990, having dropped by 477 units. The suburban and rural groups of towns together had 827 more occupied rental housing units in 2000 than they did in 1990. Even renters appear to find the suburban and rural portions of southeastern Connecticut more desirable than the older urban communities as places to live. The difficulty is that most of the new housing added to the inventories in suburban and rural towns is single-family units. This combination of attractiveness and limited types of housing has the effect of increasing pressure on the modest rental housing supply in the suburban and rural towns.

For the region as a whole, about one out of three occupied housing units in 2000 was a rental unit. Among the region's 18 municipalities, in 2000 only the three urban communities exceeded this relative concentration of renter-occupied housing. Rental units accounted for six out of ten of the total occupied housing units in New London and nearly half the total occupied housing units in both Groton and Norwich. (See Appendix Table A.25.)

In the groups of suburban and rural towns, where it appears that renters would like to locate, the percentage of all occupied housing units that were renter-occupied declined slightly from 1990-2000. This reflects the fact that new housing construction in suburban and rural towns is overwhelmingly of the single-family, owner-occupied type. Even when housing intended for rental is built in these groups of towns, the numbers pale in comparison to single-family construction. For all of the 15 suburban or rural towns, the percentage of their total occupied housing units that was renter-occupied fell below the average rate of 34.6% for the region. In the case of nine of these communities, less than one out of five of the total occupied housing units was renter-occupied.

THE COST OF HOUSING

Changes in housing cost over time reflect shifts in market conditions. The level of demand for housing in relation to supply, the types of housing desired, the size and quality of units, location, financing, and construction costs all affect the cost of housing. How housing costs rise relative to increases in income within a municipality or region determines how affordable housing may be at any point in time. And affordability is the key issue affecting how well or poorly a population will be housed.

This section of the report examines trends in housing cost and affordability within southeastern Connecticut. Unfortunately, a single, comprehensive database to support such analysis does not exist. Data from a variety of sources will be used to examine several aspects of housing cost and affordability. While the dates for the different data sources are not all consistent, they are all close enough to be suitable for reaching general conclusions as to housing cost and affordability trends.

Owner-Occupied Housing: Data compiled from municipal sources by the Connecticut Department of Economic & Community Development provide a consistent basis for comparing absolute and relative changes in the cost of housing for purchase among southeastern Connecticut communities over the decade of the 1990s. These are summarized from a regional perspective in Table 4.7 below and from a municipal viewpoint in Appendix Table A.26.

Table 4.7: Median Sales Prices (MSP), All Housing Units, 1989-1999
Southeastern Connecticut Planning Region

Municipal Classifications	1989		1999		% Change in MSP, 1989-99
	Median Sales Prices ($)	%Variation from MSP for All Regional Towns	Median Sales Prices ($)	% Variation from MSP for All Regional Towns	
Urban Towns (3)	117,950	-9.5	91,550	-26.8	-22.4
Suburban Towns (10)	136,250	5.5	128,000	2.4	-6.1
Rural Towns (5)	147,000	13.8	125,000	0	-15.0
All Regional Towns (18):	129,125	0	125,000	0	-3.2

Sources: Connecticut Department of Economic & Community Development; SCCOG.
Note: Preston data for 1999 not available.

These data show a modest decline in the median sales price for housing units at the regional level over the ten-year period. This downward trend was most pronounced in sales prices within the group of urban communities. Median sales prices for this group declined by more than one-fifth between 1989 and 1999. The group of five rural towns also saw a significant drop (-15%) in median sales prices for housing. For the ten suburban towns, the deflation of housing sales prices between 1989 and 1999 was the lowest among the three classifications of municipalities, but it still exceeded 6%. This broad downward shift of median sales prices for housing reflects an adjustment to the inflated housing market of the 1980s and economic and demographic changes after 1990 that affected the housing market. A main contributor to the sharp decline in housing sales prices in the urban communities was their continued loss of population relative to the suburban and rural towns.

Housing for purchase was least expensive in the urban group of municipalities, which as a group lost population in the past decade. The 1999 median sales price for this group was less than 75% of the median among all southeastern Connecticut communities. However, it should be remembered that the database for the urban group of towns consists of only three municipalities, which could skew the median somewhat. But the data show that in 1999 it was 35-40% more expensive to buy a home in the suburban and rural portions of the region than in the urbanized area. As Chapter 3 shows, the suburban and rural towns were the focus of the region's limited population growth after 1990.

Appendix Table A.26 provides a profile at the municipal level of the range of median sales prices for housing units in 1989 and 1999. This table shows median prices in 1999 ranging downward from a high to $175,000 in Salem to a low of $86,000 in Norwich. This is a difference of $89,000, or more than 50%. Besides Salem, Stonington and North Stonington had median sales prices in 1999 above $150,000. Eleven other towns, all

suburban or rural, logged median sales in the $100,000-150,000 range. In two communities, New London and Norwich, median sales prices for housing units fell below $100,000.

The data provided in Table 4.7 and discussed above reflected sales of all types of housing units throughout the region. As noted earlier in this chapter, nearly all of the net growth in southeastern Connecticut's housing stock from 1990-2000 came from single-family homes. To provide some insight into the cost of this most important element of new housing, the data in Table 4.8 below and in Appendix Tables A.27 and A.28 distinguish between sales prices for single-family units and condominium units in 2001. These tables also reflect the sharp increase in housing cost since 1999. [John Bolduc, Executive Vice President, Eastern Connecticut Association of REALTORS®. Personal communication, 1/24/02.]

Table 4.8: Median Sales Prices (MSP), Single-family Homes and Condominium Units, 2001
Southeastern Connecticut Planning Region

	Single-Family Homes		Condominium Units	
Municipal Classifications	Median Sales Price ($)	% Variation from MSP for All Regional Towns	Median Sales Price ($)	% Variation from MSP for All Regional Towns
Urban Towns (3)	134,230	-14.8	74,900	1.4
Suburban Towns (10)	164,040	4.3	80,370	8.8
Rural Towns (5)	157,500	0.1	32,000	-56.7
All Regional Towns (18)	157,250	0	73,890	0

Sources: Eastern Connecticut REALTORS® Information Service, Inc.; SCCOG.
Notes: 1) Number of units: 2,388 single-family homes; 396 condominium units. 2) Condominium sales in Stonington, with a median sales price of $260,000, were excluded from the sales price calculations for the suburban group of towns. The Stonington median was considered to be anomalous when compared with other communities.

Median sales prices for single-family homes presented in Table 4.8 are higher than those for all housing units in 1999, shown in Table 4.7, and the sales prices for condominium units are considerably lower. In spite of this, the broad pattern of the least expensive housing being found in the group of urban towns and the most expensive being found in the suburban and rural towns is repeated in the data of Table 4.8. Noteworthy on this table is the roughly 50% difference between the regional median single-family home sales price ($157,250) and the median for condominium units ($73,890). For single-family units, the median sales price for the less expensive urban group of towns ($134,230) is about 20% below the median for the group of suburban towns.

A review of the specific differences in median sales prices for single-family homes among the region's 18 municipalities in 2001 is available in Appendix Table A.27. These data show a range in median prices from a high of $215,000 in Stonington to a low of $119,200 in Norwich. Nine municipalities had median sales prices exceeding the regional median of $157,250 (Colchester, East Lyme, Groton, Ledyard, North Stonington, Preston, Salem, Stonington, and Waterford). In none of the region's towns did the median sales price for single-family homes dip as low as $100,000. The lowest median prices were found in the urban communities of New London and Norwich.

Appendix Table A.28 provides comparable municipal-level data on condominium unit sales for 2001. If we discount an anomalous median sales price of $260,000, in Stonington, condominium sales prices varied from a high of $116,250 in East Lyme to a low of $32,000 in Salem. For seven of the 10 towns for which sales data are available, the median sales price of condominium units was no higher than $75,000. Compared to the regional median sales price of $157,250 for single-family units, the regional median for condominium units, excluding Stonington, is more than 50% lower ($73,890). But condominiums accounted for only 15% of the total sales of housing units reported on in Appendix Tables A.27 and 28. This re-emphasizes the dominance of single-family housing within southeastern Connecticut's housing market.

When the data on housing sales for 2001 tabulated by the Eastern Connecticut REALTORS® Information Service, Inc., are compared with sales data for 1999/2000, it is evident that the demand for and price of housing has risen dramatically in a relatively short period of time.

Housing cost alone is not a good indicator of whether the housing market adequately serves the needs of the population. The ability of families and individuals to find suitable housing is heavily dependent on their capacity to pay. This is true for both homeowner and rental housing. Affordability is the fundamental issue that affects how well, or how poorly, the residents of a municipality or region are housed. We will examine this issue first from the standpoint of single-family homes, the dominant housing type in southeastern Connecticut.

"Affordable housing" is defined in Section 8-39a of the Connecticut General Statutes as "…housing for which persons and families pay thirty per cent or less of their annual income, where such income is less than or equal to the area median income for the municipality in which such housing is located, as determined by the United States Department of Housing and Urban Development." For purposes of this study, housing costing more than 30% of annual income is assumed to be unaffordable.

A measure of housing affordability may be obtained by comparing actual sales prices with the theoretical maximum housing sales price that could be supported at the median household income level for each municipality. The following chart provides the basis for this calculation.

Elements of Owner-Occupied Housing Affordability Calculation	
Assumptions:	Values:
Home Sales Price	$130,000
Down Payment	$13,000
Term of Mortgage	30-Year
Mortgage Rate	7.0%
Maximum Housing Cost as % of Household Income	28.0%
Annual Housing Costs:	
Mortgage Payment	$ 9,400
Taxes	2,400
Insurance	400
Total:	$12,200
Required Annual Income	$12,200/0.28=$43,600
Ratio of Home Sales Price to Required Annual Income	$130,000/43,600=2.98 Say: 3.0

Notes: 1) The assistance of Charles Treat, Senior Vice President, Residential Lending, Dime Savings Bank, is acknowledged. 2) Values have been rounded.

Using 3.0 as the maximum ratio of home sales price to a household's annual income, Table 4.9 below and Appendix Table A.29 analyze the relative affordability of owner-occupied housing in southeastern Connecticut in 2001.

Of the three groups of municipalities analyzed in Table 4.9, the urban group exceeds the maximum affordable sales price relative to the median income of their population. Both the suburban and rural groups of towns had median sales prices for single-family homes in 2001 that were less than 10% below the maximum level considered affordable. For the region as a whole, home sales prices were only 7% below the affordability maximum. Among the three groups of municipalities, the data indicate that owner-occupied housing is least affordable in relation to the buying capacity of their populations in the group of

Table 4.9: Housing Affordability, Single-Family Units, 2001
Southeastern Connecticut Planning Region

Municipal Classifications	Median Household Income ($), 2000	Max. Affordable Home Sales Prices ($)	Actual Median Home Sales Prices ($), 2001	Actual Sales Price as % of Maximum
Urban Towns (3)	41,955	125,865	134,233	106.6
Suburban Towns (10)	60,411	181,200	164,035	90.5
Rural Towns (5)	57,409	172,200	157,500	91.5
Regional Total (18):	56,501	169,500	157,255	92.8

Sources: U.S. Census Bureau; Connecticut Department of Economic & Community Development; Eastern Connecticut REALTORS® Information Service, Inc.; SCCOG.
Notes: 1) The median household income and median home sales prices are the means of the medians for all towns in each of the municipal classifications. 2) The maximum affordable home sales prices are 3.0 times the median household income.

three urban towns. The ten suburban towns, as a group, offer the most favorable levels of household income vs. housing prices, with actual sales prices being 9.5% below the maximum affordability.

Municipal-level data from Appendix Table A.29 permit us to examine more closely the range of affordability for single-family housing among southeastern Connecticut's 18 municipalities in 2001. Based on that Appendix table, Table 4.10 below summarizes in rank order the relative affordability of single-family housing for each community. Data in Table 4.10 show that four municipalities exceed the theoretical affordability maximum for single-family housing. Interestingly, these include one suburban, one rural, and two urban municipalities. For the group of ten towns considered to have the most affordable housing prices in relation to income levels, the actual home sales prices ranged from 9-26% below the affordability maximum. Seven of these ten communities are classified as suburban and three as rural.

It is clear from the most recent sales data, summarized in Table 4.9 and Appendix Table A.29, that single-family homes in southeastern Connecticut were less affordable in 2001 than in 1999. Throughout the region by 2001 the prices of single-family homes had risen to levels either exceeding or close to exceeding the estimated maximum for affordability.

Table 4.10: Relative Housing Affordability Among Municipalities,
Single-Family Units, 2001
Southeastern Connecticut Planning Region

Municipalities/ Classifications	Actual Median Home Sales Prices as % of Maximum Affordable Home Sales Prices
A. Least Affordable Home Sales Prices	
Stonington/Suburban	124.2
New London/Urban	116.7
Groton/Urban	110.7
Voluntown/Rural	108.8
Franklin/Rural	98.9
Griswold/Suburban	98.0
Norwich/Urban	96.4
East Lyme/Suburban	95.1
REGIONAL MEAN:	92.8
B. Most Affordable Home Sales Prices	
Preston/Suburban	91.2
Colchester/Suburban	89.3
Sprague/Suburban	88.7
Waterford/Suburban	87.0
Bozrah/Rural	85.8
North Stonington/Rural	85.7
Salem/Rural	85.7
Lisbon/Suburban	83.7
Montville/Suburban	79.7
Ledyard/Suburban	73.7

Source: SCCOG.
Note: Maximum Affordable Home Sales Price is defined as a median sales price 3.0 times the median household income for the municipality.

It will be recalled from Chapter 2 that the fastest growing sector of the region's economy is Services, and this industry has an annual average wage of less than $32,000. And estimates presented in Table 3.20 of Chapter 3 indicate that about 28,000 households in southeastern Connecticut have annual incomes no higher than $35,000. This would impose $105,000 as the maximum affordable price for an owner-occupied house. To find significant numbers of single-family homes in good condition and in suitable locations at this price would be a challenge. An alternative would be a condominium unit, which would likely be below the $105,000 maximum for affordability. However, condominiums constitute only a small share of the region's housing stock. An individual or family in this situation may have little choice but rental housing.

Renter-Occupied Housing: The data available to estimate the affordability of renter-occupied housing in southeastern Connecticut differ from the data used to assess the affordability of owner-occupied housing. Rental cost estimates are based on the Fair Market Rent for different types of rental units for the New London-Norwich, CT-RI Metropolitan Statistical Area (MSA) as a whole, as defined by the U.S. Department of Housing and Urban Development. The definitions of various levels of low income also are from HUD. The median income estimate for the MSA is the product of the Connecticut Department of Economic & Community Development.

Based on the database described above, Table 4.11 below provides an analysis of rental housing affordability within the New London-Norwich MSA for two-person and four-person families.

Table 4.11: Fair Market Rents in Relation to Income, 2001
New London-Norwich, CT-RI Metropolitan Statistical Area

A. For A Two-Person Family			
	Number of Bedrooms		
Comparative Data Sets	None	One	Two
Annualized Fair Market Rent	$6,216	$7,524	$9,168
Median Family Income	$57,300	$57,300	$57,300
Rent as % of Median Family Income	10.8%	13.1%	16.0%
Low Income Threshold	$37,300	$37,300	$37,300
Rent as % of Low Income Threshold	16.7%	20.2%	24.6%
Very Low Income Threshold)	$23,300	$23,300	$23,300
Rent as % of Very Low Income Threshold	26.7%	32.3%	39.3%
Extremely Low Income Threshold	$14,000	$14,000	$14,000
Rent as % of Extremely Low Income Threshold	44.4%	53.7%	65.5%
Minimum Annual Income Needed to Meet Annualized Fair Market Rent Without Spending More than 30% of Income on Housing	$20,720	$25,080	$30,560
B. For A Four-Person Family			
	Number of Bedrooms		
Comparative Data Sets	Two	Three	Four
Annualized Fair Market Rent	$9,168	$11,460	$13,104
Median Family Income	$57,300	$57,300	$57,300
Rent as % of Median Family Income	16.0%	20.0%	22.9%
Low Income Threshold	$46,650	$46,650	$46,650
Rent as % of Low Income Threshold	20.0%	24.6%	28.1%
Very Low Income Threshold	$29,150	$29,150	$29,150
Rent as % of Very Low Income Threshold	31.5%	39.3%	45.0%
Extremely Low Income Threshold	$17,500	$17,500	$17,500
Rent as % of Extremely Low Income Threshold	52.4%	65.5%	74.9%
Minimum Annual Income Needed to Meet Annualized Fair Market Rent Without Spending More than 30% of Income on Housing	$30,560	$38,200	$43,680

Sources; U.S. Dept. of Housing & Urban Development; Connecticut Department of Economic & Community Development; Low Income Housing Coalition; SCCOG.

As a general rule, it is undesirable for a family to spend more than 30% of its annual income on housing costs. That figure is a useful indicator of whether a family can afford the housing it now occupies, and it is a measure of whether the family can afford alternative housing. The 30% upper limit on housing cost as a percentage of family income is used in this study to define housing affordability. Rental costs no higher than 30% of family income are considered affordable; costs above the 30% level are not. The analysis which follows examines the relationship of rental housing costs for two different size families, five different sizes of rental units, and for four different levels of income. To the extent that the Annualized Fair Market Rent for different types of units would exceed 30% of the income of specific income levels of the MSA's population, we have

identified the combinations of housing types and income where housing costs become excessive.

In such situations a family would have only limited options. It could pay more than 30% of its income to remain in the housing of its choice. It could downgrade its housing quarters to a smaller or less desirable unit. Or, if the family qualified, it could seek some type of assisted housing.

A family of any size earning at least the MSA median family income of $57,300 could afford the Fair Market Rents of all five sizes of rental units and remain well below the 30% maximum defining affordability. Families earning $57,300 would spend less than 11% of their income on a studio or efficiency unit without a separate bedroom. The cost of housing for a family at this income level would rise to about 23% of total annual income if the household were large enough to require a rental unit with four bedrooms. However, it should be remembered that the Fair Market Rents are for the MSA as a whole and that rents could vary from these figures at the municipal level.

As we move down the income curve, affordability issues begin to emerge. When family income drops from the median for the MSA to the defined threshold limits of low-income population, the percentage of total income devoted to housing rises. This is true for both the two- and four-person families analyzed in Table 4.11. For a two-person household, with an annual income of $37,300, defined as the threshold of low income for a family of two, housing costs would range from about 17% of their income for a unit without a separate bedroom to nearly 25% for a unit with two bedrooms. In the case of a low-income family of four with an annual income of $46,650, housing costs for a two-bedroom unit would require 20% of their income. This would jump to nearly 30% if the family needed four bedrooms. While housing costs consume more of the financial resources of families in the low-income category, in none of the examples examined here do these costs exceed 30% of the family's annual income, regardless of the type of rental unit. The closest the examples came to this level was 28.1% for a four-person family earning $46,650 (the low-income threshold for a family of this size) and renting a four-bedroom unit.

It is at the threshold of very low income that affordability issues become the norm. For a two-person household the very low income threshold in this MSA is $23,300 and for a four-person family it is $29,150. Only a two-person family in the very-low-income category renting a unit without a separate bedroom would pay less than 30% of their annual income on housing. For one- to four-bedroom units, families would pay from 32% to 45% of their income on housing. Very-low-income, two-person households renting a two-bedroom unit at the Fair Market Rent could expect to pay 40% of their income for housing. And the situation of a four-person, very-low-income family requiring four bedrooms is worse. This family would need to devote 45% of its income to rent. Very-low-income families of this size would pay more than 30% of their income for housing whether they were renting two-, three- or four-bedroom units.

For those in the extremely-low-income category, the issue of housing affordability can only be described as desperate. Incomes for this group of the population simply are not

high enough to cover housing costs within the affordability definition of this study. For both the two-person and four-person families, the percentage of their limited annual incomes that would be spent to cover the Fair Market Rents ranges from a low of nearly 45% to a high of 75%. With rare exceptions, the population in the extremely-low-income group must rely on subsidy assistance in one form or another if they are to secure safe and sanitary housing.

A further housing obstacle for families and individuals in all three of the low-, very-low-, and extremely-low-income groups is the deposit required when one rents a house or an apartment. Even families who may somehow manage to cover rental costs in excess of 30% of their household income may simply not have accumulated sufficient cash reserves to cover the deposit on the unit. Anecdotal information suggests that this is a growing problem in southeastern Connecticut.

To provide a broader perspective on rental housing costs in relation to incomes, Table 4.12 below compares this region with six other Connecticut metropolitan regions. This table measures rental housing costs by examining the annualized Fair Market Rent, based on definitions of the U.S. Department of Housing & Urban Development, for two-bedroom units, in relation to family income.

Table: 4.12: Relative Affordability of Two-Bedroom Rental Units, 2001
Connecticut Metropolitan Statistical Areas

Metropolitan Statistical Areas (MSAs)	Annualized Fair Market Rent	Median Family Income	Rent as % of Income
Bridgeport MSA	$9,384	$72,000	13.0
Danbury MSA	$12,084	$93,500	12.9
Hartford-New Britain-Middletown MSA	$8,892	$64,900	13.7
New Haven-Meriden MSA	$10,476	$63,500	16.5
New London-Norwich MSA	$9,168	$57,300	16.0
Stamford-Norwalk MSA	$16,608	$109,800	15.1
Waterbury MSA	$9,828	$60,700	16.2

Sources: U.S. Department of Housing & Urban Development; SCCOG.

Of the seven Metropolitan Statistical Areas studied, the New London-Norwich MSA ranked second lowest in the Fair Market Rent for a two-bedroom unit. Only the Hartford-New Britain-Middletown MSA was marginally lower. However, on the other side of the housing affordability equation, median family income for the New London-Norwich MSA was dead last among the seven metropolitan areas. Measured by the criteria of Table 4.12, housing was more affordable in four of Connecticut's seven metropolitan areas than it was in southeastern Connecticut. Even the notoriously expensive Stamford-Norwalk metropolitan area proved to be more affordable when housing costs are measured against regional incomes.

Available data show that over the 1990-2000 period the relative affordability of different housing types varied within southeastern Connecticut. Table 4.13 below compares changes in the cost of single-family homes and one type of rental unit over this time period.

Data in Table 4.13 indicate that, relative to income, housing in southeastern Connecticut became more affordable over the 1990s decade. While median household income rose by nearly 40%, the median sales price for owner-occupied housing units declined by nearly 4% and the ratio of sales prices to income dropped by 31%. Rental costs for a two-bedroom unit for a family of two persons increased absolutely and relatively, rising by more than 25%. But, when the rent is viewed as a percentage of the region's median income, in both years the rent was well below the 30% maximum discussed above. However, Table 4.11 above demonstrates that it is the population earning below the low-income threshold, rather than those with incomes at or above the median level, who face really difficult issues of housing affordability.

Table 4.13: Trends in Affordability, Owner-Occupied Units and Rental Units, 1989/1990-2000/2001

A. Household Income, SECT Planning Region			
Median Household Income, 1989	Median Household Income, 1999	Absolute Change in Income, 1989-99	Percent Change in Income, 1989-99
$40,463	$56,501	$16,038	39.6%
B. Owner-Occupied Housing Units, SECT Planning Region			
Median Sales Price, 1989	Median Sales Price, 1999	Absolute Change in Sales Prices, 1989-99	Percent Change in Sales Prices, 1989-99
$131,445	$126,370	-$5,075	-3.9%
Ratio of Sales Price to Income, 1989	Ratio of Sales Price to Income, 1999	Absolute Change in Ratio, 1989-99	Percent Change in Ratio, 1989-99
3.2	2.2	-1.0	-31%
C. Fair Market Rent for Two-Bedroom Rental Unit for a Two-Person Family, New London-Norwich MSA			
Annualized Fair Market Rent, 1990	Annualized Fair Market Rent, 2001	Absolute Change, 1990-2001	Percent Change, 1990-2001
$7,272	$9,168	$1,896	26.1%
Rent as % of Median Income, 1990	Rent as % of Median Income, 2001	N.A.	N.A.
18.0%	16.0%	N.A.	N.A.

Sources: U.S. Census Bureau, U.S. Dept. of Housing & Urban Development; Connecticut Department of Economic & Community Development; SCCOG.

General Conclusions as to Housing Cost: While housing affordability has not been a major concern for most of southeastern Connecticut's population, it clearly exists as a chronic/critical issue for those households whose annual incomes fall below $35,000. Income distribution estimates presented in Chapter 3, Table 3.20, suggest that as many as 28,000 households in southeastern Connecticut may be in this difficult position. Even more pressured by housing cost are the nearly 15,000 households estimated to have annual incomes of less than $21,000, more than half of whom are believed to reside in the group of three urban communities, Groton, New London, and Norwich. It also is evident from the strong rise in the sales prices of single-family homes between 1999 and 2001 that housing cost will be a growing concern even for those whose income levels permit the purchase of this favored type of housing.

In addition to the effects of upward pressure on housing cost, two trends identified in Chapters 2 and 3 suggest that housing affordability will become a greater, more visible issue in future years. 1) The region's economy continues to shift from relatively high-

paying jobs in the Manufacturing sector to much lower-paying employment in Service industries. 2) The number of single-person households is growing at a much more rapid rate than either the total number of households or the total population. Both trends will place increased pressure on the regional rental housing market with respect to numbers of available units, types of units, and affordability.

HOUSING CONSTRUCTION COSTS

In the course of this study, we were unable to obtain reliable estimates of the cost of constructing housing that related specifically to southeastern Connecticut or New London County. Site costs and construction costs, along with market demand in relation to supply, are major forces affecting the price of housing. This topic warrants future research, outside the scope of this present study.

ASSISTED HOUSING

Data compiled annually by the Connecticut Department of Economic and Community Development indicate that southeastern Connecticut contained more than 12,000 units of assisted housing out of a total inventory of 102,295 units in 2000. Assisted housing inventoried by the DECD accounted for 12% of the region's total housing units in 2000. (See Table 4.14 below and Appendix Table A.30.)

Table 4.14: Assisted Housing Units, 2000
Southeastern Connecticut Planning Region

Municipal Classifications	Total Housing Units	Types of Assisted Housing				Assisted Units as % of Total Housing units
		Governmentally Assisted Units	CHFA/FmHA Mortgages	Deed Restricted	Total Assisted Units	
Urban Towns	44,977	7,596	1,533	9	9,138	20.3
Suburban Towns	50,892	1,429	1,559	0	2,988	5.9
Rural Towns	6,426	25	132	0	157	2.4
Regional Totals:	102,295	9,050	3,224	9	12,283	12.0

Sources: U.S. Census Bureau; Connecticut Department of Economic & Community Development; SCCOG.
Note: The figure for Governmentally Assisted Units includes 2,125 units of family housing owned by the U.S. Navy.

DECD provides the following explanation of the categories of assisted housing described in the Table 4.14 and Appendix Table A.30:

> The units counted for this list are: (1) Assisted Housing Units-housing which is receiving financial assistance under any governmental program for the construction or substantial rehabilitation of low and moderate income housing which was occupied or under construction by September 30, 2000, and any housing occupied by persons receiving rental assistance under Chapter 138a of the Connecticut General Statutes (State Rental Assistance) or Section 124f of Title 42 of the United States Code (Section 8); (2) Ownership Housing-currently financed by Connecticut Housing Finance Authority and/or Farmer's Home Administration mortgages or (3) Deed Restricted Properties-deeds containing covenants or restrictions which require that such dwelling units be sold or rented at or below prices which will preserve the units as affordable housing as defined in C.G.S. 8-39a for persons and families whose incomes are less than or equal to eighty percent of area median income.

Governmentally assisted housing accounted for seven out of ten assisted housing units within southeastern Connecticut in 2000. Units financed with mortgages from the Connecticut Housing Finance Authority (CHFA) and/or the Farmer's Home Administration (FmHA) represented nearly all of the balance. Properties with deed

restrictions to assure sale or rental to persons and families whose incomes are no higher than 80% of the area median income were a negligible part of the assisted housing inventory.

The group of three urban towns had a much higher percentage of their total housing stock provided by assisted units (20.3%) than did the group of ten suburban towns (5.9%) or

Table 4.15: Distribution of Assisted Housing Units, 2000
Southeastern Connecticut Planning Region

Municipalities	Total Housing Units	Total Assisted Housing Units	**Assisted Units as % of Total Housing Units**	Municipal Share of Region's Total Assisted Housing Units
A. Municipalities Where Assisted Units Account for 10% or More of All Housing Units				
Groton	16,817	3,762	**22.4%**	30.6%
New London	11,560	2,331	**20.2%**	19.0%
Norwich	16,600	3,045	**18.3%**	24.8%
Colchester	5,407	648	**12.0%**	5.3%
B. Municipalities Where Assisted Units Account for 5-9% of All Housing Units				
Griswold	4,530	387	**8.5%**	3.1%
Voluntown	1,091	68	**6.2%**	0.6%
Montville	6,805	392	**5.8%**	3.2%
Lisbon	1,563	86	**5.3%**	0.7%
Sprague	1,164	59	**5.1%**	0.5%
C. Municipalities Where Assisted Units Account for Less than 5% of All Housing Units				
Ledyard	5,486	263	**4.8%**	2.1%
East Lyme	7,459	343	**4.6%**	2.8%
Stonington	8,591	377	**4.4%**	3.1%
Waterford	7,986	353	**4.4%**	2.9%
Preston	1,901	80	**4.2%**	0.6%
Bozrah	917	26	**2.8%**	0.2%
Franklin	711	16	**2.3%**	0.1%
Salem	1,655	22	**1.3%**	0.2%
North Stonington	2,052	25	**1.2%**	0.2%
Regional Totals:	102,295	12,283	**12.0%**	100.0%

Sources: U.S. Census Bureau; Connecticut Department of Economic & Community Development; SCCOG.

the group of five rural towns (2.4%). About 75% of all assisted housing units in southeastern Connecticut in 2000 were situated in the urban communities. This geographic disparity is even more noticeable for the governmentally assisted units. For these, nearly 85% of the regional total are located in the group of three urban towns. Only for housing assisted with CHFA or FmHA financing do the suburban/rural towns collectively contain more units than the group of three urban towns.

Data in Table 4.15 above, in Figure 4.5 below and in Appendix Table A.30 illustrate the distribution pattern for assisted housing among all southeastern Connecticut municipalities. In only four municipalities, Colchester, Groton, New London, and Norwich, do assisted housing units make up more than 10% of the municipality's total housing stock. In nine municipalities, half of the total towns within the Southeastern

Connecticut Planning Region, assisted housing accounts for less than 5% of the community's total housing stock.

The analysis in Table 4.15 supports the conclusion that the urban municipalities carry a much heavier share of assisted housing in southeastern Connecticut than do the suburban and rural towns. Of the suburban towns, only in Colchester does assisted housing exceed 10% of all housing units

In absolute numbers of assisted units, Groton is by far the leader, with nearly 3,800. Groton contains three out of every ten assisted housing units in southeastern Connecticut. Norwich provides more than 3,000 assisted units, and New London has more than 2,300. These three communities together provide more than 9,000 assisted housing units, nearly three-quarters of the regional total.

SPECIAL HOUSING

Within the total housing stock some units are intended for occupancy by specific subgroups of the region's population. Such housing makes it easier for certain segments of the population to find suitable accommodations and reduces pressures on the general housing supply. This section of the report reviews the status of the more significant elements of special housing types.

Housing for Navy Families: The U.S. Navy provides the largest number of specialized housing units in southeastern Connecticut. Officials at the Naval Submarine Base report that in the fall of 2001 the total number of Permanent Party Families was 3,704. Of these, 2,125 live in housing owned by the Navy. The balance of 1,579 families secured housing in the regional community. Permanent Party Families living in other than Navy housing are entitled to a Basic Allowance for Housing. (Data on housing owned by the Navy are included in Tables 4.14 and 4.15.) At the time of the SCCOG survey, the waiting list for admission into Navy housing contained 315 families.

Comparison of the current data with a regional housing study conducted in 1987 shows that the number of Navy families declined by 3,182 (-46%), the supply of family housing owned by the Navy dropped by 502 units (-19%), and the waiting list for Navy family housing fell by 656 families (-68%).

All housing units under Navy control are undergoing renovation or replacement. This upgrading is expected to be completed in FY 2010. Navy officials see little change in the demand for family housing to FY 2008, with a slight increase thereafter.

Problems cited regarding the housing of Navy families include: 1) a very tight housing market in southeastern Connecticut and 2) housing cost increases that exceed raises in military pay. [Barbara Beeler, Navy Family Housing Director, U.S. Naval Submarine Base New London. Personal communication, 10/26/01.]

Figure 4.5: Assisted Units as a Percentage of All Housing Units, 2000

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Housing Provided by Local Housing Authorities: Twelve municipalities within southeastern Connecticut have established local housing authorities, and eleven of these own and manage housing units. Housing provided through local housing authorities may be dedicated for occupancy by families of limited income or for the elderly with limited income. Public housing for the elderly, under Connecticut law, must also accommodate the non-elderly who are disabled. Table 4.16 below reviews the current status of housing provided by local housing authorities in this region. (It should be noted that these units are included in the inventory of assisted housing provided in Tables 4.14 and 4.15.)

Table 4.16: Rental Housing Units Provided by Local Housing Authorities, 2001
Southeastern Connecticut Planning Region

Local Housing Authorities	Family Units	Elderly Units	Total Units	% of Regional Total
Colchester	0	70	70	3.5
Griswold	0	60	60	3.0
Groton (Town)	0	175	175	8.9
Ledyard	0	30	30	1.5
Montville	0	80	80	4.1
New London	427	310	737	37.3
Norwich	403	283	686	34.7
Preston	0	40	40	2.0
Sprague	0	20	20	1.0
Stonington	0	60	60	3.0
Voluntown	0	20	20	1.0
Waterford	0	0	0	0
Regional Total:	830	1,148	1,978	100.0

Sources: Local Housing Authorities; SCCOG.
Note: Elderly housing also may house non-elderly disabled persons.

Collectively, the local housing authorities manage nearly 2,000 units of assisted housing. About 60% of these are intended for the elderly, although non-elderly disabled persons also may occupy these units. In only two municipalities, New London and Norwich, have housing authorities constructed assisted housing for families. These two communities also contain the largest number of assisted units for the elderly. Of all the housing units in southeastern Connecticut developed and managed by local housing authorities, about three out of four are sited in New London and Norwich.

As a group, the local housing authorities see the lack of affordable housing as a growing concern. They also are troubled by the state mandate that non-elderly disabled persons be accommodated in elderly housing. This requirement is viewed as creating a stressful environment for senior residents.

None of the local housing authorities reported having plans to construct additional units of either family or elderly housing.

Housing for the Elderly: This study has identified approximately 2,200 units of assisted housing reserved for the elderly. This does not include accommodations in group quarters. As noted above in Table 4.16, the local housing authorities manage more than 1,100 units of elderly housing. Additionally, the U.S. Department of Housing and Urban

Development has assisted through grants, loans or mortgage insurance the development of more than 1,000 elderly housing units in 14 separate projects. HUD-assisted units are included in the data of Tables 4.14 and 4.15. [Suzanne Baran, Director, Connecticut Multifamily Program Center, U.S. Department of Housing and Urban Development. Personal communication, 11/30/01.]

The American Hellenic Education Progressive Association (AHEPA) owns and manages the largest number of HUD-assisted elderly housing units in southeastern Connecticut. AHEPA provides 250 elderly units in five projects, located in East Lyme, Groton, Norwich (2) and Waterford. HUD recently awarded AHEPA a grant of $5 million to develop 46 additional units of elderly housing in Norwich. [*The Day*. "Plans Announced to Build More Elderly Housing Units". 11/13/01.]

Tribal Housing: Housing constructed with federal assistance on tribal reservations constitutes a very minor portion of the total housing inventory in southeastern Connecticut. From the early 1980s through the early 1990s, the Mashantucket Pequot Tribal Nation undertook five separate housing projects with assistance from the U.S. Department of Housing and Urban Development. These resulted in the construction of a total of 45 units of family housing. Additionally, with tribal funds, the Mashantucket Pequots have constructed 15 units of elderly homeownership housing. [Leon Jacobs, Tribal Manager, Mashantucket Pequot Tribal Nation. Personal communication, 11/30/01.].

As of this writing, the Mohegan Tribe was completing construction of 36 units of housing for elderly tribal members. This project was built with tribal funding. [*The Day*. "A Haven for the Elders". 12/30/01.]

Shelter for the Homeless: In Chapter 3 we saw that the Continuum of Care for New London County estimated that in 2001 the homeless population of New London County totaled about 600 persons. The Continuum study also inventoried a range of assisted housing and housing programs that, to varying degrees, contribute to sheltering the homeless or enabling them to move into standard housing. That information is summarized in Tables 4.17, 4.18, and 4.19 below.

Table 4.17: Emergency Shelters for the Homeless, 2001
New London County

Location	Capacity	Population Served
Catholic Charities	6 Beds	Pregnant women and teens.
City of Norwich (Scattered Sites)	17 Beds	Single women and families.
Covenant Shelter, New London	35 Beds	Individuals and families.
Mystic Area Shelter & Hospitality	3 Apts.	Families.
Reliance House	8 Beds	Individuals.
TVCCA	45 Beds	Families.
YMCA	4 Beds	Adult males.
Women's Center Shelter, NLC	15 Beds	Domestic violence victims and children.
Waterford Country School	12 Beds	Youth.
TOTAL:	142 Beds; 3 Apartments	

Source: Continuum of Care for New London County (now called Partnership on Housing and Homelessness).

The most basic of housing types for the homeless, and probably the most critical, is that provided by emergency shelters. Shelters offer refuge for homeless individuals and families in time of crisis and assistance toward gaining more standard accommodations.

The inventory of emergency shelters (Table 4.17) shows that most of their capacity is sited in the urban communities. This raises two fundamental questions. First, how seriously does the concentration of the homeless in a small number of municipalities strain the social services of those communities? Second, what access do the homeless in suburban and rural towns have to shelters? For there are homeless individuals and families in suburban and rural municipalities.

In Stonington, the Town's Human Services Director recently identified 21 homeless families consisting of 26 adults and 12 children. Additionally, another 78 adults and 67 children were living in 56 households paying 70% or more of their income for housing or in families that have been served eviction notices. In the words of the director: "These families are living in shelters, campgrounds, and with friends and family. Some individuals are living in cars, on the street and in the woods." [Beth-Ann Stewart, Human Services Director, Town of Stonington. Personal communication, 10/24/01.]

Two other points also are evident. First, most shelters serve a targeted population. This tends to reduce flexibility in finding vacant emergency accommodations. Second, the total capacity of current emergency shelters amounts to only about 25% of the estimated homeless population within New London County. (See Chapter 3.)

The Continuum report says of the emergency shelters:

> Sites are accessed primarily by walk-ins and referrals from outreach efforts, social service agencies, churches, soup kitchens, police departments, hospitals and domestic violence/sexual assault hotlines. Upon entering the shelter, the person is assessed for basic needs. The degree of sophistication of these assessments varies according to site. Most shelters provide meals, a bed and, according to the individual's cooperation and length of stay, attempt to make appropriate referrals based on the person's most apparent needs….Shelters assist individuals and families in moving to transitional housing or obtaining permanent housing.

Transitional housing is intended to assist individuals to move toward self-sufficiency with respect to housing. Table 4.18 below provides data from the Continuum survey on the inventory of transitional housing for the homeless within the region in 2001.

With one exception, the transitional housing sites are in the three urban communities of Groton, New London, and Norwich. Their collective capacity is less than half the estimated total number of homeless in New London County.

Table 4.18: Transitional Housing for the Homeless, 2001
New London County

Location	Capacity	Population Served
Brent Crandall Dually Diagnosed Program, Groton	13 Beds	Adults with dual psychiatric substance abuse disorder.
Cochegan House, Montville	15 Beds	Formerly incarcerated men.
Katie Blair House, Norwich	8 Beds	Single women in recovery.
Martin House, Norwich	54 Beds	Adults with mental illness living in poverty.
Mother's Retreat, Groton	16 Beds	Pregnant women; mothers with children under age two.
SCADD, New London	22 Beds	Male/female substance abusers.
SCADD, Norwich	12 Beds	Male substance abusers.
Thames River Family Program, Norwich	24 Apts.	Women with children.
Phoenix House, New London	9 Apts.	Homeless women and their children; survivors of domestic violence.
TOTAL:	140 Beds; 33 Apartments	

Source: Continuum of Care for New London County.

Table 4.19: Unmet Needs/Gaps in Housing for the Homeless, 2001
New London County

Types of Housing	Number of Persons Exceeding the Current Inventory of Beds/Units in Appropriate Types of Housing		
	Individuals	Persons in Families with Children	Total Number of Persons
Emergency Shelter	57	110	167
Transitional Housing	42	81	123
Permanent Supportive Housing	75	0	75
TOTAL:	174	191	365

Source: Continuum of Care for New London County.

The Continuum report describes the services and functions of the transitional housing programs as follows:

> Once a homeless person has been identified and placed in a transitional living program, he or she is assessed for basic needs. All programs provide a variety of supportive services dependent on the population served. All programs provide specialized case management; other services such as life skills training, education, vocational, social and recreation programs, support groups and mental health services, before/after school programs for children, [and] health care management are available on site or through cooperative arrangements with other specialized agencies. All programs make appropriate referrals based on the client's needs.

Individuals and families moving out of transitional housing for the homeless typically do not have the financial resources to compete for accommodations in the general housing market. In most cases, they must look for permanent housing that is assisted in some form by governmental or charitable programs. Information gathered by the Connecticut Department of Economic and Community Development and by the SCCOG in the course of this study indicates that southeastern Connecticut has about 12,000 subsidized or assisted housing units. (See Tables 4.14 and 4.15 above.)

Regarding permanent housing, the Continuum report finds: "Affordable housing in New London County is very limited….The wait for permanent affordable rental units is longer

than a maximum shelter stay. Families and individuals can often rise to the top of a waiting list during the second year of a two-year stay in transitional housing."

The Continuum of Care for New London County estimated unmet needs/gaps in the supply of various types of housing for the homeless population within the county. Table 4.19 above summarizes this assessment.

For both homeless individuals and persons in families with children, the Continuum study identified the need for more transitional housing and more permanent supportive housing as high priorities. Additional emergency shelter accommodations received a low priority ranking from the Continuum study review panel.

FINDINGS AND CONCLUSIONS

1. Southeastern Connecticut's total housing stock increased by 5.8% between 1990 and 2000 to reach a total of 102,295 units. This rate of growth lagged behind the 6.6% increase in total households. In 2000, the vacancy rate for owner-occupied units was only 1.4% and for rental units was 6.4%. Both rates were down significantly from 1990. As a result, the region's housing market was much tighter in 2000. All available evidence indicates that the housing market has tightened even further since 2000.

2. Suburban and rural towns accounted for 90% of the net increase in housing units in southeastern Connecticut during the 1990s. Reflecting this, nine out of ten units added to the region's housing supply were single-family homes. Suburban and rural towns now dominate the region's housing market and will exert an increasing influence on how the region's housing supply changes over time.

3. By 2000, two-thirds of the region's total single-family housing units were located in suburban and rural towns. In contrast, two-thirds of all other housing types, mostly multi-family, were found within the three urban municipalities of Groton, New London, and Norwich.

4. Owner-occupied housing in southeastern Connecticut increased by nearly 5,500 units (10%) over the 1990-2000 decade, while renter-occupied housing rose by only 310 units (1%). In 2000, two-thirds of the renter-occupied housing was in the urban municipalities.

5. Statistical and anecdotal information indicates that housing costs have risen substantially since the 2000 Census. Housing affordability is a growing regional concern. For the approximately 28,000 regional households estimated to have annual incomes below $35,000, housing cost is a chronic/critical issue. For the 15,000 households with estimated annual incomes below $21,000, more than half of whom live in the urban towns, affordable housing is a desperate issue.

6. Economic shifts from a regional economy based on defense manufacturing to one dominated by substantially lower-paid (on average, about 50% less) service industries

plus a very steep increase (22%) in the number of single-person households since 1990 will significantly increase the problem of housing supply and affordability.

7. Southeastern Connecticut contains about 12,000 units of assisted housing for lower income individuals and families. This figure includes family housing owned by the U.S. Navy. Assisted housing represents 12% of the region's total housing units. Three out of four assisted housing units in southeastern Connecticut are located in the urban communities of Groton, New London, and Norwich.

8. Those at greatest risk in the competition for housing are the homeless, whose resources are minimal or non-existent. One study estimates that New London County in 2001 had about 600 homeless persons. (This estimate is considered to be conservative.) To serve these, emergency shelters provide 142 beds and three apartments. Another 140 beds and 33 apartments are available as transitional housing for homeless individuals and families seeking to move to self-sufficiency in housing. Again, nearly all of the emergency and transitional housing to assist the homeless is located in Groton, New London, and Norwich.

5. ZONING FOR HOUSING

Under the Connecticut General Statutes, Chapter 124, municipalities are authorized to establish zoning districts for the regulation of land use. How each municipality responds to this authorization will, over time, shape the pattern of land use for that community. Through its zoning, a town may encourage certain types of land use while discouraging others. Local zoning alone cannot cause the development of specific types of land use; it can only create a regulatory environment within which such development is encouraged or permitted. Zoning is more effective in preventing or discouraging land uses seen as inappropriate or undesirable. To the extent that local zoning permits, discourages or prohibits specific types of residential development it affects the ability of the housing industry and market to meet the changing housing needs of the population.

In this chapter we will examine the general pattern of zoning in southeastern Connecticut to see how the local regulations collectively deal with housing. This discussion is based largely on a 1999 study of zoning by the Southeastern Connecticut Council of Governments. [SCCOG. *Zoning in Southeastern Connecticut,1999*. 1999.]

The enactment of zoning regulations by local governments is not mandatory under Connecticut law, but all municipalities within southeastern Connecticut have done so. Two, the Towns of Groton and Stonington, contain several political subdivisions that are entitled to enact zoning separate from the towns, and they have. The region also contains two Native American tribal reservations that are federally recognized and that do not fall under the zoning authority of the local towns. These are the Mashantucket Pequot Tribal Reservation of approximately 2,260 acres, located within Ledyard, and the Mohegan Tribal Reservation in Montville, consisting of about 250 acres.

In its 1999 study, the SCCOG analyzed local zoning patterns for eight different types of land uses: Residential (five different categories), Commercial, Industrial, and Other. Within this structure, the zoning regulations and map for each local jurisdiction were inventoried and studied. The product was a picture in text, statistics, and maps of the major land use zoning policies in effect at that time throughout southeastern Connecticut. The 1999 study was the latest in a series of six studies of zoning within the region extending back nearly 40 years.

HOUSING WITHIN THE TOTAL ZONING PATTERN

Of particular interest to this housing study is the fact that the SCCOG's 1999 zoning study found that 90% of the land area of southeastern Connecticut is zoned for some type of residential use. Zoning districts permitting industrial uses accounted for 5% of the total area, and commercial activities were permitted within 3% of the total area. The miscellaneous zoning category called "Other" in the SCCOG study covered 2% of the region's land area. It should be noted that many commercial and industrial uses fall under the Other category, which often permits a mix of uses. Also, additional uses often are allowed either by right or by special permit/exception in each of the zoning districts. For example, residential uses may be allowed in commercial districts, while certain

commercial uses may be permitted in residential districts. The SCCOG study found that the shares of the region's land area zoned for Residential, Commercial, Industrial, and Other has remained relatively constant within the region over the past 25 years.

Table 5.1 and Figure 5.1 below compare the degree to which local zoning policies have divided the region's land area among Residential, Commercial, Industrial, and Other zoning districts.

Table 5.1: Comparison of Zoning Districts, 1999
Southeastern Connecticut Planning Region

Zoning Districts	Municipal Classifications						Regional Totals	
	Urban Towns		Suburban Towns		Rural Towns			
	Acres	% of Total	Acres	% of Total	Acres	% of Total	Acres	% of Total
Residential	33,591	79.7	187,922	89.4	98,921	94.4	320,434	89.7
Commercial	2,373	5.6	6,497	3.1	1,361	1.3	10,231	2.9
Industrial	4,207	10.0	9,176	4.4	2,781	2.7	16,164	4.5
Other	1,974	4.7	6,647	3.1	1,642	1.6	10,263	2.9
Total:	42,145	100.0	210,242	100.0	104.705	100.0	357,092	100.0

Source: SCCOG.
Urban Towns: Groton, New London, and Norwich.
Suburban Towns: Colchester, East Lyme, Griswold, Ledyard, Lisbon, Montville, Preston, Sprague, Stonington, and Waterford.
Rural Towns: Bozrah, Franklin, North Stonington, Salem, and Voluntown.

Residential zoning dominates in all three classifications of municipalities. Residential zoning accounts for the smallest share of all zoning in the group of three urban towns. But, even here, nearly 80% of the land area in the urban group of towns is zoned for residential use. In the rural group of towns it approaches 95%.

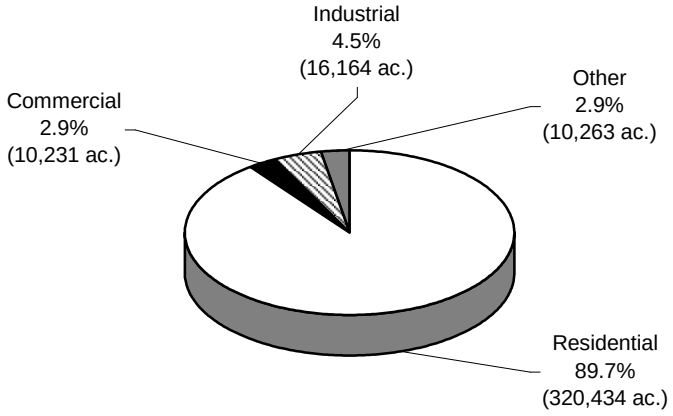
All told, southeastern Connecticut contains more than 500 square miles of land zoned for residential use. The group of ten suburban towns contains nearly 60% of this total, while the rural group of five towns accounts for another 30%. The three urban municipalities of Groton, New London, and Norwich together provide only 10% of the total acreage zoned for residential use in southeastern Connecticut. However, the urban communities make a much higher contribution to housing southeastern Connecticut's population, particularly those in rental housing, than is suggested by their modest share of the region's residentially-zoned acreage. (See Table 5.2 below.)

Table 5.2: Relative Shares of Residential Zoning, Population, and Housing, 1999/2000
Southeastern Connecticut Planning Region

Variables Compared	Municipal Shares as % of Regional Totals			Regional Totals
	Urban Towns	Suburban Towns	Rural Towns	
Residentially-zoned Acreage	10%	60%	30%	100%
Total Population	42%	52%	6%	100%
Households	41%	52%	7%	100%
Total Housing Units	44%	50%	6%	100%
Renter-occupied Housing Units	65%	32%	3%	100%

Source: SCCOG.

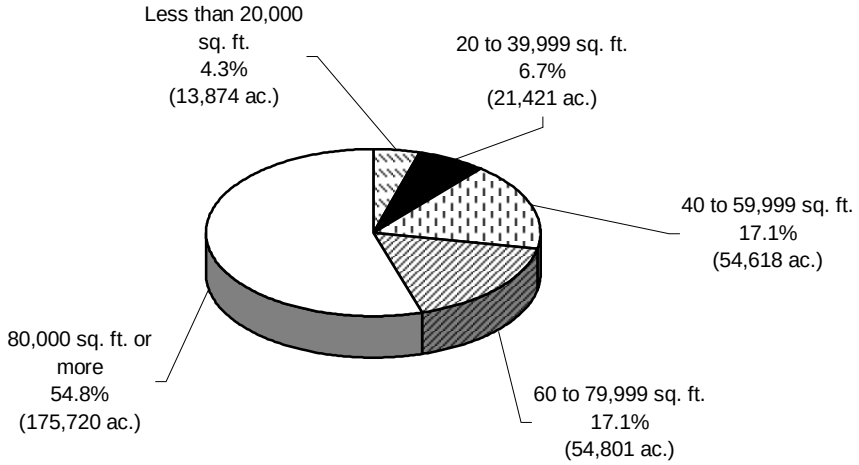
Figure 5.1: Comparison of Zoning Districts, 1999
Southeastern Connecticut Planning Region



Total Acreage: 357,092

Source: SCCOG.

Figure 5.2: Residential Zoning by Minimum Lot Size, 1999
Southeastern Connecticut Planning Region



Total Acreage: 320,434

Source: SCCOG.

For the urban group of towns, their shares of the region's population, households, and housing units are four times larger than their share of residentially-zoned land. And for renter-occupied housing, the urban towns' share of the regional total is more than six times their residential zoning share. This contrasts with the suburban and rural municipalities, with much larger shares of residentially-zoned land and lower shares of population and housing.

Clearly, it is the suburban and rural communities that have the greatest potential for accommodating additional housing in the future. Both absolutely and relatively these two groups of towns far exceed the urban towns with respect to acreage zoned for housing. Suburban and rural municipalities also were the focus of the region's net population gain in the 1990-2000 period. These factors underscore the importance of the residential zoning policies in the suburban and rural towns. Those policies will, to a large extent, determine whether an appropriate mix of housing at affordable prices will be available to southeastern Connecticut's population in the future.

RESIDENTIAL ZONING DENSITY

In its 1999 zoning study the Council of Governments tabulated residential zoning districts into five different categories, based on minimum lot size requirements. These are 80,000 square feet (approximately two acres) or more, 60-79,999 square feet, 40-59,999 square feet, 20-39,999 square feet, and less than 20,000 square feet (less than a nominal half-acre). Table 5.3 below and Figure 5.2 above summarize this information for the region. Appendix Table A.31 provides municipal-level data.

Table 5.3: Residential Zoning by Minimum Lot Sizes, 1999
Southeastern Connecticut Planning Region

Residential Zoning Districts by Minimum Lot Sizes (Square Feet)	Municipal Classifications						Regional Totals	
	Urban Towns		Suburban Towns		Rural Towns			
	Acres	% of Total	Acres	% of Total	Acres	% of Total	Acres	% of Total
R-80,000>	3,548	10.6	78,719	41.9	93,453	94.5	175,720	54.8
R-60-79,999	0	0	51,556	27.4	3,245	3.3	54,801	17.1
R-40-59,999	9,458	28.1	42,937	22.9	2,223	2.2	54,618	17.1
R-20-39,999	10,484	31.2	10,937	5.8	0	0	21,421	6.7
R-<20,000	10,101	30.1	3,773	2.0	0	0	13,874	4.3
Totals:	33,591	100.0	187,922	100.0	98,921	100.0	320,434	100.0

Source: SCCOG.

Of the more than 500 square miles of land zoned for residential uses in southeastern Connecticut in 1999, nearly 90% required minimum lot sizes of 40,000 square feet (a nominal acre) or greater. More remarkable yet is the fact that more than 70% of the total area zoned for residential use had minimum lot sizes of 60,000 square feet (1.5 acres) or greater. For the region as a whole, lot sizes less than 20,000 square feet (0.5 nominal acre) accounted for less than 5% of the total area zoned for housing. From a regional perspective, the density norm in residential zoning is two acres or higher. At such a high minimum size, building lots are likely to be used only for relatively expensive, single-family housing units for owner occupancy.

If we compare the residential zoning pattern for the three urban communities with that in the group of ten suburban towns and the group of five rural towns, we see sharp differences. More than 60% of the residentially-zoned land in the urban municipalities requires a minimum lot size of less than one acre, and 30% is zoned at less than one-half an acre. For the suburban group of towns, nearly 70% of their residential zoning requires lot sizes of 1.5 acres or larger. Minimum lot size requirements of 1.5 acres or greater account for more than 95% of the residential zoning in the group of five rural towns. At the other density extreme, only 2% of the suburban residential zoning calls for minimum lots of less than one-half acre, and the rural group of towns has no acreage zoned for this higher density. Part of the consideration of local officials in establishing such a pattern of residential zoning density is the availability or lack of central water supply and/or sewerage systems. These are much more widely available in the urbanized area of the region than in the suburban or rural towns.

Table 5.4 below tracks the relative changes in residential zoning at various densities between 1989 and 1999.

Table 5.4: Comparison of Residentially-Zoned Acreage, 1989-1999
Southeastern Connecticut Planning Region

Residential Zoning Districts by Minimum Lot Sizes (Square Feet)	Percent of Total Residentially-Zoned Acreage							
	Urban Towns		Suburban Towns		Rural Towns		Regional Totals	
	% of Total, 1989	% of Total, 1999	% of Total, 1989	% of Total, 1999	% of Total, 1989	% of Total, 1999	% of Total, 1989	% of Total, 1999
R-80,000>	10.9	10.6	38.6	41.9	94.4	94.5	52.7	54.8
R-60-79,999	0	0	28.9	27.4	3.3	3.3	18.4	17.1
R-40-59,999	26.0	28.1	25.9	22.9	2.3	2.2	18.8	17.1
R-20-39,999	29.8	31.2	4.9	5.8	0	0	5.8	6.7
R-<20,000	33.3	30.1	1.7	2.0	0	0	4.3	4.3
Totals:	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Sources: SCRPA and SCCOG.

For southeastern Connecticut as a whole, the relative shifts among the minimum lot sizes of residential zoning districts over the decade were minimal. The total regional acreage zoned for minimum lot sizes of 1.5 acres or larger accounted for a little more than 70% of all residentially-zoned acreage in both years. Zoning requiring minimum lots of two acres or more increased from about 53% of all residentially-zoned land in 1989 to nearly 55% in 1999. This was due to growth of this low-density zoning category in the group of ten suburban towns. At the higher-density end of the range, in 1989 10% of all residentially-zoned land required less than a one-acre minimum lot size, while in 1999 this had risen modestly to 11%.

This overall stability in residential zoning policy shows that the dominance of large-lot residential zoning is firmly established in southeastern Connecticut. This situation is not likely to change significantly in the foreseeable future. For potential homebuyers, this means very limited opportunities to purchase housing on compact lots outside the urbanized area. But the growth of population and housing in the suburban towns of the region in the 1990s, while the urban area was declining, suggests that many people found large-lot zoning attractive and could afford to purchase homes at these low densities.

Unfortunately, many of the region's residents earn incomes that limit them to more modest housing on smaller lots. Such housing under current zoning policies is likely to be more difficult to find in the future and certainly will be limited geographically.

One zoning approach for easing the large-lot constraints somewhat is cluster zoning under which residential developments may be permitted to construct homes in a tighter pattern, or cluster, provided that a portion of the development site is reserved for open space. While this technique has some potential for reducing housing costs, it is not a substitute for higher density housing on lots of one-half acre or less. Of 20 local zoning regulations within southeastern Connecticut examined as part of this study, 13 contained provisions to permit some type of cluster development. However, anecdotal information indicates that these cluster provisions actually have been used infrequently.

ZONING FOR MULTI-FAMILY HOUSING

The analysis above is relevant principally for single-family, owner-occupied homes. As noted in Chapter 4, these make up about two-thirds of the region's housing stock. However, more than 30,000 households occupy rental units. For many of these individuals and families, rental units are the only viable option for housing. Thus, it is of more than academic interest to know how multi-family housing is treated within local zoning regulations.

In its 1999 study of zoning, the SCCOG defined multi-family housing as structures containing three or more housing units. The analysis focused on areas where new multi-family housing could be built and did not identify zoning districts where existing buildings could be converted into multiple dwelling units. The Council's review of local zoning regulations identified three types of zoning categories related to multi-family housing. These are: 1) where multi-family housing is permitted by right; 2) where multi-family housing is permitted through a special permit or exception; 3) where multi-family housing is permitted through a special permit or exception but is limited to housing for the elderly. Table 5.5 and Figure 5.3 below summarize data on these types of multi-family zoning as of 1999. Figure 5.4 shows the geographic distribution of multi-family residential zoning. Appendix Table A.32 provides this information at the municipal level.

In evaluating the data presented in Table 5.5, one must bear in mind the difference between a zoning district where multi-family housing is permitted by right and one where it is allowed only as a special permit or exception. Securing local approval of projects that are allowed only under a special permit or exception generally presents more of a challenge to a developer than do projects permitted by right. Even more restrictive are those zoning districts that limit multi-family housing to the elderly and require a special permit or exception for such development. The data of Table 5.5 could suggest that southeastern Connecticut enjoys a generous allocation of land for multi-family housing, nearly 100,000 acres. However, only 6% of this, about 6,300 acres, lies in zoning districts where multi-family housing is permitted by right. The overwhelming share (94%) of the multi-family zoning is limited by the requirements associated with special

permits or exceptions. And fully 60% of the regional total of land zoned to permit multi-family housing is limited to elderly housing.

Table 5.5: Zoning Districts Permitting Multi-Family Housing, 1999
Southeastern Connecticut Planning Region

Municipal Classifications	Acres	Percent of Regional Total
A. Multi-Family Housing Permitted by Right		
Urban Towns	4,838	4.9
Suburban Towns	1,303	1.3
Rural Towns	226	0.2
Regional Subtotal:	6,367	6.4
B. Multi-Family Housing Permitted by Special Permit or Exception		
Urban Towns	864	0.9
Suburban Towns	15,105	15.4
Rural Towns	17,205	17.5
Regional Subtotal:	33,174	33.8
C. Multi-Family Housing Limited to Elderly Permitted by Special Permit or Exception		
Urban Towns	458	0.5
Suburban Towns	24,028	24.4
Rural Towns	34,329	34.9
Regional Subtotal:	58,815	59.8
Regional Total:	98,356	100.0

Source: SCCOG.

Most of the land zoned to accommodate multi-family housing by right is in the urban municipalities, and much of that land is developed already. Of the 6,300 acres in this zoning category throughout the region, three out of four acres are within the group of urban towns consisting of Groton, New London, and Norwich. Even more shocking is the finding that 3,728 acres (nearly 60%) of the region's entire inventory of land zoned to accept multi-family housing by right is located in Norwich. This is an extraordinarily high concentration of a critically important zoning category in a single municipality. Clearly, the range of options for developing additional for-rent, multi-family housing is geographically very limited.

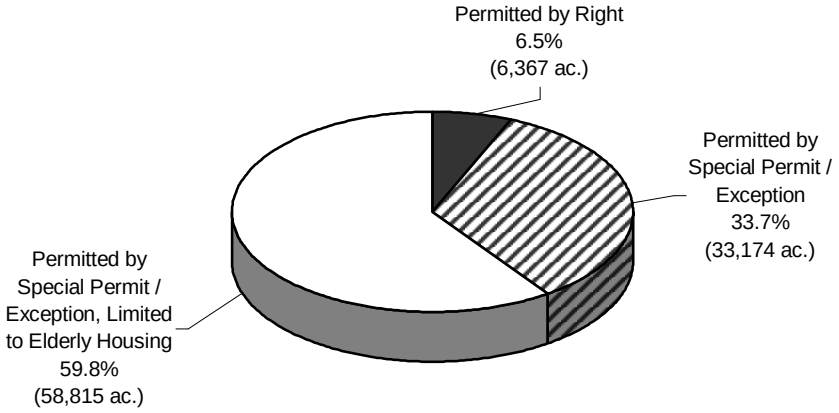
STATUTES AFFECTING AFFORDABLE HOUSING WITHIN ZONING

The Connecticut General Statutes (CGS) provide two avenues to encourage construction of affordable housing even where such housing may not meet the specific provisions of a municipality's zoning regulation.

The first of these is Section 8-2g, Special Exemption From Density Limits For Construction of Affordable Housing. This provides that:

> Notwithstanding the provisions of any special act, any zoning commission existing pursuant to this chapter and any municipal agency exercising the powers of a zoning commission pursuant to any special act may provide by regulation for a special exemption from density limits established for any zoning district, or special exception use, in which multi-family dwellings are permitted….Such special exemption shall allow the construction of a designated number of such permitted multi-family dwelling units in excess of applicable density limits, in accordance with a

Figure 5.3: Zoning Districts Permitting Multi-Family Housing, 1999
Southeastern Connecticut Planning Region



Total Acreage: 98,356

Source: SCCOG.

Figure 5.4: Zoning Districts Permitting Multi-family Housing, 1989
Southeastern Connecticut Planning Region

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> contract entered into between a developer applying for the special exemption and the municipality. [Reference should be made to the CGS for the full text of Section 8-2g.]

Section 8-2g further stipulates that for each dwelling unit constructed by the developer in excess of the number of units permitted by applicable density limits the developer shall construct in the municipality a unit of affordable housing, within the affordability definition of Section 8-39a. Affordable housing is defined in Section 8-39a of the Connecticut General Statutes as "…housing for which persons and families pay thirty per cent or less of their annual income, where such income is less than or equal to the area median income for the municipality in which such housing is located, as determined by the United States Department of Housing and Urban Development." Under Section 8-2g, the agreement between a municipality and a developer to construct affordable housing units must provide that such affordable units may be sold or rented only to persons or families with incomes below the area median income of the municipality, as determined by the U.S. Department of Housing and Urban Development.

Municipalities are not compelled to make use of Section 8-2g of the Connecticut General Statutes. The statutes merely authorize municipalities to adopt regulations under which the community and developers may agree to terms for the provision of affordable housing. This section of the General Statutes is quite clear that no compulsion on municipalities is intended. It states: "Nothing in this section shall be construed…to require any such municipality, zoning commission or municipal agency to change the requirements contained in any ordinance or zoning regulation." A review of local zoning regulations currently in effect throughout southeastern Connecticut disclosed no evidence that Section 8-2g of the General Statutes has been used to stimulate the construction of affordable housing.

The second statutory provision of note is Chapter 126a, Section 8-30g, Affordable Housing Land Use Appeals, of the Connecticut General Statutes. This chapter establishes the conditions and procedures under which a developer may submit an affordable housing application to a local commission or agency exercising municipal zoning powers. [Reference should be made to the CGS for the full text of Chapter 126a.]

Chapter 126a further provides that:

> Any person whose affordable housing application is denied or is approved with restrictions which have a substantial adverse impact on the viability of the affordable housing development or the degree of affordability of the affordable dwelling units in a set-aside development, may appeal such decision….Appeals taken pursuant to this subsection shall be privileged cases to be heard by the court as soon after the return day as is practicable….Upon an appeal taken under subsection (f) of this section, the burden shall be on the commission to prove, based upon evidence in the record compiled before such commission that the decision from which such appeal is taken and the reasons cited for such decision are supported by sufficient evidence in the record. The commission shall also have the burden to prove, based upon the evidence in the record compiled before such commission, that (1)(A) the decision is necessary to protect substantial public interests in health, safety, or other matters which the commission may legally consider; (B) such public interests clearly outweigh the need for affordable housing; and (C) such public interests cannot be protected by reasonable changes to the affordable housing development, or (2)(A) the application which was the subject of the decision from which such appeal was taken would locate affordable housing in an area which is zoned for industrial use and which does not permit residential uses,

> and (B) the development is not assisted housing….If the commission does not satisfy its burden of proof under this subsection, the court shall wholly or partly revise, modify, remand or reverse the decision from which the appeal was taken in a manner consistent with the evidence in the record before it.

Chapter 126a also sets forth circumstances under which the affordable housing appeals procedure established by the chapter shall not be available to a developer. This exemption includes municipalities where at least ten per cent of all dwelling units are: 1) assisted housing; 2) currently financed by Connecticut Housing Finance Authority mortgages; or 3) subject to deeds containing covenants or restrictions which require that such dwelling units be sold or rented at, or below, prices which will preserve the units as housing for which persons and families pay thirty per cent or less of income, where such income is less than or equal to eighty per cent of the median income. Only four municipalities in southeastern Connecticut (Colchester, Groton, New London, and Norwich) currently are exempted from the provisions of Chapter 126a by virtue of the degree to which their housing stock contains affordable units. [Connecticut Department of Economic & Community Development. *Affordable Housing Appeals Program*. 2001.]

On its face, Chapter 126a of the Connecticut General Statutes provides developers with a significant vehicle for pursuing the construction of affordable housing units. Unfortunately, it casts the developers in a confrontational role with the local zoning authorities, with the ultimate resolution of differences being judicial. Legal appeal is not an avenue developers pursue lightly. As a course of action, it is time-consuming, costly, and uncertain as to outcome. During this study, we have been unable to identify any affordable housing appeals relating to southeastern Connecticut municipalities adjudicated or filed over the last three years.

In 2000 the Connecticut Office of Legislative Research (OLR) completed a study of the Affordable Housing Land Use Appeals statutes and their effect on encouraging affordable housing. [Connecticut Office of Legislative Research. *Housing Projects Developed Under the Affordable Housing Land Use Appeals Procedure.* 2000.] This study summarized the direct effects of Chapter 126a for the State as a whole as follows:

> Since 1990, the courts have ruled favorably for the developer with respect to 27 projects that were appealed under the procedure…Developers have completed seven of these, accounting for 666 units, 218 of which are affordable….Five projects are under construction (299 total units, 166 affordable), 12 are on the drawing boards (842 total units, 275 affordable), and three have been canceled.

For the entire State of Connecticut over the decade between 1990 and 2000, only 218 affordable housing units are identified as completed products of the appeals process provided by Chapter 126a. Even counting those units under construction in 2000, the total affordable housing production that can be credited to Chapter 126a requirements is a very modest 384 units. This is an average of less than 40 units per year throughout all of Connecticut. It appears that the affordable housing appeals process authorized under the Connecticut General Statutes, while it may be useful in specific instances, is of only minimal benefit to meeting directly the widespread need in Connecticut for affordable housing.

The OLR study findings suggest that the indirect effects of Chapter 126a may be significant in influencing local zoning authorities to provide within their regulations provisions to improve housing affordability and access. Connecticut's affordable housing appeals laws also may encourage local zoning authorities to avoid litigation by responding positively to proposals involving affordable housing.

While Chapter 126a testifies to legislative interest in and support of affordable housing, clearly, it does not assure the construction of significant numbers of such units.

FINDINGS AND CONCLUSIONS

1. The overall residential zoning pattern for southeastern Connecticut is divided into two extremes. The group of three urban municipalities, Groton, New London, and Norwich contain most of the region's zoning for higher-density minimum lot sizes and for multi-family housing treated as a use permitted by right. The 15 suburban or rural communities, taken as a whole, are typically zoned for low-density minimum lot sizes of 1.5 acres or higher. And in the suburban and rural towns multi-family housing generally is permitted only through a special permit or exception and may be restricted to occupancy by the elderly. This regional pattern of residential zoning has persisted over several decades and is not likely to shift any time soon.

2. The implications of this zoning pattern on meeting the housing needs of the region's changing population are significant. Those unable to afford single-family homes on large lots in suburban or rural settings will, for the most part, have to look within the urban area to find more affordable housing to rent or to purchase. As Chapters 2, 3, and 4 show, housing affordability increasingly is an issue for those with incomes below the regional median. Shifts in the regional economy have produced a growing number of individuals and families whose incomes are well below the regional median.

3. Creating the environment within which the residential zoning pattern described here might be altered would require two things. 1) Expansion of central water supply and sewerage systems into areas previously limited to on-lot systems would be needed to support higher residential densities. 2) Overhaul of the tax system under which local government is funded to reduce dependence on local property taxes should create a more favorable climate for housing development at higher densities. Both courses of action would be controversial, costly, and difficult to achieve.

4. Within the short-range focus of this study, one must conclude that southeastern Connecticut's current pattern of residential zoning policies is the one within which any actions to meet housing needs will have to work.

6. POTENTIAL AREAS FOR HIGHER-DENSITY HOUSING

The production of housing is highly dependent on the availability of land suitably zoned to accommodate the type(s) of housing desired. To the extent that housing sites are plentiful, housing will be easier to develop and, potentially, less expensive. The reverse is true when land suitable for residential use is in short supply. Housing site availability is particularly an issue for affordable housing, where every effort must be made to control cost. This chapter will examine, in a preliminary way, the degree to which housing site availability may inhibit the region's efforts to meet affordable housing needs in the future. In pursuing such an analysis, the SCCOG first asked local municipal planners to identify undeveloped sites in each of their communities that they felt were suitable for higher-density housing. The responses to this approach were insufficient in number and too variable in criteria to produce a consistent assessment at the regional level. Given this, the following methodology was devised to permit analysis using a regional-level database.

METHODOLOGY

The reader should keep in mind several limitations when considering the findings of the following analysis:

- The identification of possible housing sites was based on a map analysis at the regional level. No potential sites were surveyed in the field.

- Possible environmental constraints on potential housing sites were not studied.

- The analysis identified only undeveloped land areas of at least 25 acres. This minimum acreage was selected as appropriate for such a study at a regional scale. Smaller areas that might accommodate new housing were not considered, although they certainly exist.

- The study identified only land zoned to permit housing at minimum lot sizes of less than one acre or zoned to allow multi-family housing by right. These areas could accommodate higher-density housing, which, as a general rule, is more affordable housing.

- The study did not assess the potential for housing development through the renovation or rehabilitation of older structures throughout the region that either are vacant or do not currently meet code requirements.

- The determination that a site was vacant was based on land use data compiled by the SCCOG between 2000 and 2002. Sites were not field checked in this study to verify whether their status as undeveloped had changed.

Figure 6.1: Undeveloped Land Potentially Available for Affordable Housing

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- Zoning regulations used in the site analysis were compiled by the SCCOG in 1999 and do not reflect recent changes that might affect the suitability of certain sites for residential use.

- The study did not analyze proximity to public water and sewerage systems. Proximity to either of these utilities would enhance the potential of a site for higher-density residential use.

- Lastly, the study did not examine the land ownership of the sites identified as having potential to accommodate higher-density housing.

Based on these limitations, the survey of potential areas for higher-density housing development in southeastern Connecticut should be viewed as a preliminary reconnaissance rather than as definitive. Should resources be available, it would certainly by useful to conduct a more precise analysis in the future.

The analysis depicted on Figure 6.1 and summarized statistically in Table 6.1 was performed through use of the Geographic Information System of the SCCOG. Both land use and zoning information are available within the GIS database. By analyzing these two data overlays together, it was possible to identify areas of at least 25 acres that were undeveloped and were zoned either for residential use at minimum lot sizes below one acre or to permit multi-family housing by right.

OBSERVATIONS

The map analysis of Figure 6.1 shows graphically how limited are even moderately sized undeveloped areas that could potentially accommodate housing at higher densities. Figure 6.1 includes 87 areas, ranging in size from 25 to 440 acres, that are undeveloped and zoned for residential use at lot sizes less than one acre. For multi-family housing, the number of areas drops to 25, ranging in size from 25 to 190 acres.

It also is evident that Norwich has by far the highest concentration both of vacant sites of 25 or more acres zoned for residential use at minimum lot sizes of less than one acre and of vacant land zoned to permit multi-family housing by right. Moderate amounts of vacant land in blocks containing at least 25 acres and with minimum lot sizes of less than one acre are found in Colchester, Groton, and Waterford. But for most communities, potential sites for future higher-density housing, likely to be more affordable, are very limited or non-existent.

This observation is confirmed by the statistical analysis. Table 6.1 below provides an overview of the sites that could be considered as possible for higher-density housing in relation to the total acreage of undeveloped land in southeastern Connecticut.

Table 6.1: Undeveloped Land Potentially Available for Higher-Density Housing
Southeastern Connecticut Planning Region

Land Categories	Acres	% of Total Undeveloped Land
Total Land Area	358,100	N.A.
Developed Land and Reserved Open Space, Recreation Areas, and Agricultural Reserves	162,600	N.A.
Total Undeveloped Land	195,500	100.0%
Undeveloped Land, Minimum of 25 Acres, Minimum Lot Area of Less than One Acre	5,800	3.0%
Undeveloped Land, Minimum of 25 Acres, Permits Multi-family Housing by Right	1,700	0.9%

Source: SCCOG.
Note: Acreage data rounded to nearest 100.

FINDINGS AND CONCLUSIONS

1. Under the definitions of this study, the cumulative undeveloped area considered to have potential for future higher-density, affordable, housing consists of 7,500 acres out of nearly 200,000 undeveloped acres within southeastern Connecticut. This amounts to less than 4% of all undeveloped acreage.

2. Of this total, 5,800 acres of undeveloped land are in sites of at least 25 acres with minimum lot sizes of less than an acre for single-family residential development. Undeveloped sites of at least 25 acres that are zoned to permit multi-family housing by right account for another 1,700 acres.

7. HOUSING EDUCATION PROGRAMS

The responsibilities of home ownership can be intimidating. This is especially so for first-time homebuyers. Aside from the fundamental issue of responsible, realistic financial management, there are day-to-day issues of insurance, property maintenance and repair, and dealing with lenders, realtors, and contractors. One way to reduce the stress of first-time home owners is through educational programs that alert them to what to expect and to prepare them to deal with the issues and demands that go with home ownership.

This chapter summarizes the primary housing educational programs currently being offered within southeastern Connecticut by five non-profit corporations and the Connecticut Housing Finance Authority. It should be noted that this review is far from all-inclusive. It does not cover one-on-one counseling offered by lending institutions or others. It does not include housing educational programs offered to clients by social service agencies as part of a broader based assistance effort. And it does not include courses on home financing or repair that may be sponsored by adult education programs in various municipalities.

DESCRIPTION OF EDUCATION PROGRAMS

We have identified five non-profit agencies that are conducting programs specifically aimed at educating people for the financial responsibilities and practical issues related to housing. These are: Eastern Connecticut Housing Opportunities (ECHO), Housing Opportunities for PEople (HOPE), Thames Valley Council for Community Action (TVCCA), Alliance for Living, and Shiloh Development Corporation.

Eastern Connecticut Housing Opportunities: ECHO operates an Individual Development Account program to which participants make monthly deposits (minimum of $35) over a minimum period of 12 consecutive months. When an individual purchases a home, ECHO matches their total deposit in the Individual Development Account at a 2:1 ratio, up to a total match of $2,000. Matching funds may be used only for the down payment or closing costs on the purchase of a home. Financial support for the program is provided by the United Way of Southeastern Connecticut and Citizens Bank.

Participants in this program are required to attend 12 monthly training sessions to learn about the practical responsibilities of owning a home, including budgeting and the use of credit. In July of 2001 ECHO graduated its first class of nine participants who successfully completed the required course.

ECHO describes the program objectives as assisting families to:

- Accumulate the savings needed for the down payment on a house.
- Establish the good credit rating needed to obtain a mortgage.
- Gain the knowledge required to become an informed homebuyer.

The curriculum includes the following subject areas:

Month 1: Introduction to Program and Goal Setting.
Month 2: Credit Review/The Credit Report.
Month 3: Budgeting Workshop.
Month 4: Mortgage Prequalification.
Month 5: Credit Review/Budgeting Review.
Month 6: Mortgage Program Availability.
Month 7: Realtor Introduction/Home Inspection.
Month 8: Legal Introduction/Emergency Funds.
Month 9: Credit Review/Budgeting Review.
Month 10: Mortgage Documentation/Application.
Month 11: Credit Review/Budgeting Review.
Month 12: Peer Review/Home Repair.

[Peter Battles, President, ECHO. Personal communication, 9/26/01.]

Thames Valley Council for Community Action: TVCCA has begun an Individual Development Account program similar to that operated by ECHO. TVCCA describes its IDA effort as follows:

> This is a savings program for working families and individuals. Participants attend economic literacy classes and a monthly savings club. If all criteria are met, savers will have their dollars matched 2:1 up to $2,000.00. If a participant saves $2,000, the program will match that with $4,000 additional dollars for a total of $6,000. The money from the account must be spent on either the start of a small business, the down payment for a first home or the participant's education.

The TVCCA program differs from that offered by ECHO in that the funds deposited in or earned through the IDA may be used for purposes other than housing. Thus the curriculum for the training sessions in not exclusively focused on housing.

TVCCA's Individual Account Program can accommodate about 36 participants at any one time. Four participants successfully completed the first educational program in 2001. A second group will begin training shortly. [Lisa Shippee, Director of Comprehensive Neighborhood Services, TVCCA. Personal communication, 11/19/01.]

Shiloh Development Corporation: Shiloh operates an Individual Development Account program similar to those described above. Participants may deposit funds that are matched dollar for dollar up to a maximum combined total of $3,000 over a three-year period. One requirement for participation in the program is attendance at eight two-hour housing education classes over the course of a year. This program currently has seven enrollees. The classroom education is supplemented by one-on-one counseling.

The curriculum for Shiloh's IDA educational program covers the following areas of instruction:

Session 1: Introduction
Session 2: Understanding Credit Reports
Session 3: Setting Up a Budget
Session 4: Qualifying for a Mortgage

Session 5: Mortgage Loan Programs
Session 6: Finding the Right Home
Session 7: Documentation/Closing
Session 8: Home and Credit Maintenance

Financial support for Shiloh's Individual Development Account program is provided by the United Way of Southeastern Connecticut and Liberty Bank.

Shiloh Development Corporation is a HUD-affiliated Housing Counseling Agency. In this area of its operations, Shiloh provides a Housing Education Learning Program Seminar that is separate from the IDA-related educational program. The Housing Education Learning Program Seminar is open to any interested party. The program provides eight hours of classroom instruction and is offered quarterly. Enrollment averages 12 individuals per cycle. This educational effort began in 2000.

The curriculum covers the following topics:

1. Budget and Credit Management
2. Shopping for a Home
3. Shopping for a Loan
4. Ready for Closing
5. Maintenance and Financial Upkeep of Your Home After Purchase

[Sylvia Hemphill, Executive Director, Shiloh Development Corporation. Personal communication, 1/17/02.]

Housing Opportunities for PEople: HOPE offers a nine-week series of workshops on home repairs. The curriculum covers carpentry, electrical systems, and plumbing systems. The program can accommodate 20-25 participants at any one time. HOPE also provides individual counseling, as needed, outside the context of the home repairs workshops. [Marilyn Graham, Executive Director, HOPE. Personal communication, 10/9/01.]

Alliance for Living: Participants in the Alliance's Scattered Site Housing Program, involving 20 assisted housing units, are required to participate in quarterly sessions focused on housing education. The topics covered include budgeting, energy efficiency and housing assistance programs. [Michael Rosenkrantz, Executive Director, Alliance for Living. Personal communication, 11/29/01.]

Connecticut Housing Finance Authority: In addition to the above local programs, it should be noted that the Connecticut Housing Finance Authority requires all borrowers who apply for Downpayment Assistance Program Loans to attend a CHFA-sponsored or approved homebuyer education class to help prepare them for the responsibilities of homeownership. Currently, such classes are offered at 13 locations around the state. Only one of these sites, Norwich, is in southeastern Connecticut. The CHFA homebuyer education curriculum includes the following topics:

- Contract Contingencies and Home Inspection.
- Truth in Lending: Understanding Mortgage Terms.
- Loan Application Processing.

- Getting Ready for Closing.
- Closing.
- Responsibilities of Homeownership.
- Protecting Your Investment.
- Home Maintenance.
- Energy Conservation.

Financial Planning. [http://www.chfa.org]

The Connecticut Housing Finance Authority also has partnered with the One Stop Center of the Southeastern Connecticut Workforce Investment Area, which provides workforce/employer support and training within southeastern Connecticut. The partnership between the CHFA and the One Stop Center is designed to inform clients of CHFA programs. The One Stop Center reports that:

> The partnership with the Connecticut Housing Finance Authority provides collaborative teamwork at the One Stop Center in Norwich and New London by informing the general public about the programs that they offer. One of the ways this is accomplished is through training and information sessions that CHFA provides to staff of the One Stop Centers about their many single-family and multi-family housing programs. This information can then be shared with customers of the centers. It is not the intention that center staff will become experts in CHFA programs, but rather to equip center staff to inform the general public and clients of the range of CHFA programs. Printed materials on CHFA programs also are available at both of the One Stop Centers serving this region. [Carol LaBelle, Program Manager, Southeastern Connecticut Workforce Investment Board. Personal communication, 1/22/02.]

FINDINGS AND CONCLUSIONS

1. Only a limited number of housing education programs are available at this time, and these generally are designed for the clients of the agency sponsoring the program.

2. There is no regional or countywide coordinated housing education program.

3. There is no standard curriculum among the several agencies offering housing education programs.

4. The number of individuals reached through the current housing education programs is quite small.

5. Viewed as a whole, the present limited and fragmented housing education programs cannot successfully attract and effectively serve significant numbers of individuals who could benefit from learning about the housing system and the rights and responsibilities of renters and owners.

8. SELECTED HOUSING ASSISTANCE PROGRAMS

Efforts in both the public and private sectors to respond to housing needs that cannot be met through the general housing market depend upon support from various assistance programs of the federal and state governments. A number of federal or state agencies now offer housing aid through a broad variety of programs. Most of these programs are targeted to specific populations or to particular types of communities or project sponsors. The level of resources provided by the housing assistance programs varies widely, as does their ease of access and effectiveness.

This chapter reviews a selected sampling of the federal and state housing assistance programs that have been applied within southeastern Connecticut or have the potential to be used in the future. It should be emphasized that the following discussion does not address every federal or state housing assistance program, nor does it discuss programs that may be sponsored or funded by private entities. Information has been obtained from the *2001 Catalog of Federal Domestic Assistance* (CFDA), from the web sites of federal and state agencies, and through the state or regional offices of such agencies. Where applicable, the program's numerical identifier in the CFDA is provided. To the extent that information was obtained, the following discussion, on a selective basis, identifies the use of certain programs in southeastern Connecticut.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

General Comments on the Use of HUD Programs in Southeastern Connecticut:

HUD is a major player in the development and operation of assisted housing within southeastern Connecticut, either as the source of direct funding or through its various mortgage insurance programs. Some projects involve assistance through more than one HUD program. In some instances, HUD participation may be linked with support provided through State of Connecticut programs. This study identified 28 multi-family residential projects within southeastern Connecticut for which HUD provided or continues to provide support in the form of loans, grants or mortgage insurance. These total nearly 3,000 housing units. Approximately 1,000 units are for the elderly. HUD also participated in the funding for nearly 200 nursing home beds. HUD's participation in assisted housing in this region is complex and extensive. Because of this, not all aspects of the use of HUD programs in southeastern Connecticut will be addressed in detail in the general discussion that follows.

Community Development Block Grant Program/Entitlement Grants, CFDA No. 14.218:

Purpose: To develop viable urban communities by providing decent housing and a suitable environment, and by expanding economic opportunities for persons of low and moderate income.

Program Description: The CDBG program is authorized by Title I of the Housing and Urban Development Act of 1974, as amended, and provides annual grants on a formula basis to entitled metropolitan cities and urban counties to implement a wide variety of activities directed toward neighborhood revitalization, economic development

and the provision of improved community facilities and services, CDBG activities are initiated and developed at the local level based upon a community's perceptions of its local needs, priorities, and benefits to the community. Each entitlement grantee receiving CDBG funds is free to determine what activities it will fund as long as certain requirements are met, including that each activity is eligible and meets one of the following broad national objectives: benefit persons of low and moderate income, aid in the prevention or elimination of slums or blight, or meet other community development needs of particular urgency.

Use in Southeastern Connecticut: New London and Norwich are designated Entitlement Cities for the receipt of CDBG grants. In FY 2001, New London received a total CDBG allocation of $1,179,000. The allocation for Norwich in FY 2001 was $1,237,000. CDBG entitlement funds may be used for a broad range of purposes, not simply for meeting housing needs. Each entitlement community prepares and adopts a five-year consolidated strategy and plan and an annual action plan to define its priorities for using its CDBG funding.

Community Development Block Grant Program/Small Cities, CFDA No. 14.219:

Purpose: Same as that for the CDBG Entitlement Grant Program.

Program Description: Under this program, the Department of Housing and Urban Development makes annual grants to states, which then award grants to smaller communities not eligible under the CDBG Entitlement Grant Program. In Connecticut, the Small Cities CDBG Program is administered by the Connecticut Department of Economic and Community Development. As is the case for the CDBG Entitlement Program, funds may be used for a variety of purposes. Housing, infrastructure, economic development, education and job training to enhance employment opportunities, some public services, law enforcement, and code enforcement are all potentially eligible for funding under the Small Cities CDBG Program. To secure funding, eligible communities must conform to the state's current consolidated plan and an action plan. Grants are awarded by the DECD for eligible activities that comply with the state's priorities and the municipality's consolidated plan and action plan.

Use in Southeastern Connecticut: Municipalities in this region that recently have received funding under the Small Cities CDBG Program include Colchester, East Lyme, Griswold, Groton, Jewett City, Preston, Sprague, and Stonington.

HOME Investment Partnerships Program, CFDA No. 14.239:

Purposes: 1) To expand the supply of safe, sanitary, and affordable housing, particularly rental housing, for very-low-income and low-income families. 2) To strengthen the abilities of state and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing. 3) To provide both financial and technical assistance to participating jurisdictions, including the development of model programs for developing affordable low-income housing. 4) To extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of affordable housing.

Program Description: HOME funds for use in New London County are administered by the Connecticut Department of Economic and Community Development.

Funds are awarded through an open application process. Any applicant seeking funding under this program must conform to the state's consolidated plan and an action plan. Non-profit organizations also are eligible to compete for funding. HOME grants may be used to fund a wide variety of housing activities related to low- and very-low-income families. These include: housing rehabilitation, tenant-based rental assistance, assistance to homebuyers, acquisition of housing and new construction of housing. Funding also may be used for necessary and reasonable activities related to developing housing. Examples include site acquisition and improvement, demolition, and relocation.

Use in Southeastern Connecticut: The HOME program has been used for housing in Colchester, Groton, New London, and Norwich.

Public and Indian Housing Program, CFDA No. 14.850:

Purpose: To provide and operate cost effective, decent, safe and affordable dwellings for lower income families through an authorized public housing agency (PHA).

Program Description: Operating subsidy funds are provided to public housing agencies to achieve and maintain adequate operating and maintenance service and reserve funds. Grant awards are based on the extent to which projected total allowable expenses of the PHA exceed the projected income from rent and all other sources.

Use in Southeastern Connecticut: Some of the region's public housing authorities currently are receiving HUD operational assistance.

Rural Housing and Economic Development Program, CFDA No. 14.250:

Purpose: To expand the supply of affordable housing and access to economic opportunities in rural areas.

Program Description: Local, rural, and non-profit community development corporations and Indian tribes are eligible applicants under this program. Grants may be used for capacity building and support of innovative housing and economic development activities.

Section 8 Housing Choice Vouchers, CFDA No. 14.871:

Purpose: To aid very-low-income families in obtaining decent, safe, and sanitary rental housing.

Program Description: This program provides housing assistance payments to participating owners on behalf of eligible tenants for decent, safe, and sanitary housing for very-low-income families at rents they can afford. Housing assistance payments are generally the difference between the local payment standard and 30 percent of the family's adjusted income. In Connecticut, this program is administered through the Connecticut Department of Social Services. Local management of the Section 8 vouchers in New London County is provided by the public housing authorities in New London and Norwich and by Thames Valley Council for Community Action, for the balance of the county.

Use in Southeastern Connecticut: Approximately 900 Section 8 vouchers are available for use within New London County. In round numbers, these are distributed for administrative purposes as follows: City of Norwich Housing Authority, 500; Thames Valley Council for Community Action, 300; City of New London Housing Authority, 100.

Section 8 Moderate Rehabilitation Single Room Occupancy Program, CDFA No. 14.249:

Purpose: To provide rental assistance to homeless individuals.

Program Description: HUD enters into Annual Contribution Contracts with public housing agencies in connection with the moderate rehabilitation of residential properties that, when rehabilitation is completed, will contain multiple single-room dwelling units.

Emergency Shelter Grants Program, CFDA No. 14.231:

Purposes: 1) To help improve the quality of emergency shelters and transitional housing for the homeless. 2) To make available additional shelters. 3) To meet the costs of operating shelters. 4) To provide essential social services to homeless individuals. 4) To help prevent homelessness.

Program Description: Grants under this program may be used for the following purposes. 1) Renovation, major rehabilitation or conversion of buildings for use as shelters for the homeless. 2) Provision of essential services to the homeless. 3) Payment of operations, maintenance, rent, repair, security, fuel, equipment, insurance, utilities, and furnishings. 4) Homelessness prevention activities.

Supportive Housing Program, CFDA No. 14.235:

Purposes: To promote the development of supportive housing and supportive services to assist homeless persons in the transition from homelessness and to enable them to live as independently as possible.

Program Description: Eligible applicants for funding under the Supportive Housing Program are: states, local governments, other governmental entities, private non-profit organizations, and community mental health associations that are public non-profit organizations. Seven types of assistance may be provided for supportive housing: 1) Acquisition of structures for use as supportive housing or to provide supportive services. 2) Rehabilitation of structures for use as housing or in providing services. 3) New construction of buildings for use as housing. 4) Leasing of structures for use as housing or to provide services. 5) Operating costs of supportive housing. 6) The costs of providing supportive services to homeless persons. 7) Administrative costs.

Use in Southeastern Connecticut: This program provides supportive housing to 50 households (25 singles and 25 families) in New London County. Thames Valley Council for Community Action manages this program in collaboration with the Town of Groton, the Cities of New London and Norwich, The Alliance for Living, Reliance House, United Community & Family Services, and the Southeast Mental Health Authority. HUD recently awarded $514,000 to Bethsaida Community, Inc., located in Norwich. The funds will assist in the operation of the Katie Blair House and toward the construction of a new structure, the Flora O'Neill House, that will provide four apartments for women.

Lead-Based Paint Hazard Control in Privately-Owned Housing Program, CFDA No. 14.900:

Purposes: 1) To assist state, tribal, and local governments to eliminate lead-based paint hazards in all housing. 2) To prevent childhood lead poisoning through lead-based paint hazard identification and control. 3) To mobilize public and private resources in identifying and controlling lead-based paint hazards. 4) To develop community approaches to address lead hazards in housing. 5) To integrate lead-safe practices into housing maintenance, repair, weatherization, rehabilitation, and other programs. 6) To develop a public registry of lead-safe housing. 7) To promote job training, employment, and other economic opportunities for low-income residents in project neighborhoods.

Program Description: Lead abatement grants are awarded on a competitive basis. Grant funds may be used for a range of activities to reduce hazards from lead-based paint. These include: risk assessments, inspections, testing, lead hazard control activities, relocation of families and individuals affected by lead hazard remedial actions, blood lead testing of young children, minimal housing rehabilitation associated with the removal of lead hazards, training for workers, contractors, and homeowners, and program planning, coordination, and management.

Use in Southeastern Connecticut: New London and Norwich currently are operating lead-based paint hazard control programs under multi-year grants. New London's total HUD grant for lead abatement is $1,200,000, while the grant to Norwich is $2,600,000. Additionally, Norwich received another $2,551,000 in a combination of federal and state funding through the Connecticut Department of Economic and Community Development.

Section 202 Supportive Housing for the Elderly Program, CFDA No. 14.157:

Purpose: To help expand the supply of affordable housing with supportive services for the elderly.

Program Description: Section 202 provides capital advances to private, non-profit organizations to finance the construction and rehabilitation of structures that will provide supportive housing for very-low-income elderly persons. Section 202 also provides rent subsidies for such projects to help make them affordable. Capital advances may be used for property acquisition, site improvements, building conversion or demolition, relocation, and other expenses associated with supportive housing for the elderly. The capital advance does not have to be repaid as long as the project serves very-low-income persons for at least 40 years.

Section 811 Supportive Housing for Persons with Disabilities Program, CFDA No. 14.181:

Purpose: To allow persons with disabilities to live independently by increasing the supply of rental housing with supportive services and related facilities.

Program Description: The Section 811 program grants interest-free capital advances to non-profit sponsors for financing the development of rental housing with supportive services for persons with disabilities. The capital advance may be used for the construction or rehabilitation of supportive housing. The advance does not have to be repaid as long as the housing remains available to very-low-income persons with disabilities for at least 40 years.

Housing Opportunities for Persons with Aids (HOPWA) Program, CFDA No. 14.241:

Purpose: To provide states and localities with the resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with AIDS or related diseases and their families.

Program Description: HOPWA grants in Connecticut are administered by the Connecticut Department of Social Services. Grant recipients and project sponsors may use HOPWA funds for the following purposes: 1) Housing information services. 2) Identification, coordination, and development of housing resources. 3) Acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services. 4) New construction. 5) Tenant-based rental assistance. 6) Short-term rent, mortgage, and utility payments to prevent homelessness. 7) Supportive services. 8) Operating costs for housing. 9) Technical assistance in establishing and operating a community residence. 10) Administrative expenses.

Use in Southeastern Connecticut: The Alliance for Living receives funding from this program via the Connecticut Department of Social Services for 20 units of scattered-site housing within New London County.

Selected Mortgage Insurance Programs:

- Mortgage Insurance for Low- and Moderate-income Buyers, CFDA No. 14.120: Authorizes the insurance of mortgage loans made by private lenders to finance the purchase, construction or rehabilitation of low-cost, one- to four-family housing.

- Mortgage Insurance for Rental Housing in Urban Areas (Section 220), CFDA No. 14.122:
  Section 220 authorizes the insurance of multi-family housing projects in urban areas where local governments have undertaken concentrated revitalization activities. Subsection 220(h) authorizes the insurance of home improvement loans for single-family homes in urban areas.

- Mortgage Insurance for One- to Four-family Homes (Section 203(b), CFDA No. 14.117:
  Through this program, HUD's Federal Housing Administration insures mortgages made by qualified lenders to people purchasing or refinancing a home of their own.

- Mortgage Insurance for Single Room Occupancy (SRO) Projects (Section 221(d), CFDA No. 14.184:
  This program provides mortgage insurance for multi-family properties consisting of single-room units. No rent subsidies are associated with this program. Projects under this program generally will require assistance from local government or charitable organizations to achieve affordable rents.

- Rental Housing Insurance (Section 207), CFDA No. 14.134:
  Section 207 authorizes mortgage insurance to finance the construction or rehabilitation of a broad range of rental housing.

- Mortgage Insurance for Rental and Cooperative Housing (Sections 221(d)(3) and 221(d)(4), CFDA No. 14.135:
  Through the 221(d) Market Rate Program, the Federal Housing Administration insures mortgages for the new construction or substantial rehabilitation of multi-family rental properties. Non-profit and cooperative sponsors use Section 221(d)(3); for-profit sponsors use Section 221(d)(4).

- Cooperative Housing (Section 213), CFDA No. 14.126:
  Non-profit cooperative ownership housing corporations or trusts are eligible to use Section 213. Section 213 insures mortgages on cooperative housing projects in which each member shares in the ownership of the whole property, but with a right to occupy a specific unit.

U.S. DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT

Rural Housing Direct Loans Program (Section 502), CFDA No. 10.410:

Purpose: To assist very-low- and low-income individuals or households to buy, build or improve permanent housing in rural areas.

Program Description: Rural Housing Direct Loans are funded directly by the federal government. These loans are available to low- and very-low-income households. Eligible applicants may obtain 100% financing to purchase an existing dwelling, purchase a site and construct a dwelling or purchase newly constructed dwellings located in rural areas. No down payment is required. Funds may be used to build, repair, renovate or relocate a home or to purchase and prepare sites, including providing water and sewerage facilities.

Use in Southeastern Connecticut: The USDA Rural Development regional manager reports that in FFY 2001 USDA had eleven direct housing loans totaling $944,950 in New London County. In total, this program has assisted 477 housing units in New London County. [Johan Strandson, Rural Development Manager, USDA Rural Development. Personal communication, 11/27/01. All further references to USDA housing activity are from this source.]

Single-Family Housing Loan Guarantees Program (Section 502), CFDA No. 10.410:

Purpose: To assist individuals or households to purchase or construct homes in rural areas.

Program Description: Under this program, loans made by lenders approved under the Single-family Housing Guaranteed Loan Program may be guaranteed by the Federal Government. Loans guaranteed under this program may be used for the purchase, construction, repair, renovation or relocation of a home in a rural area or for site purchase and preparation.

Use in Southeastern Connecticut: In FFY 2001, the USDA had nine loans totaling $949,900 under this program in New London County. The program has assisted a total of 58 housing units within this county.

Rural Housing Site Loans Program (Sections 523 and 524), CFDA No. 10.411:

Purpose: To assist public or private, non-profit organizations to provide sites for housing in rural areas.

Program Description: Loans provided under this program may be used for the purchase and development of adequate housing sites. Section 523 loans are limited to private or public non-profit organizations that will provide sites solely for self-help housing. Section 524 loans are available to private or public non-profit organizations, and sites financed under this program may be sold to low- or moderate-income families utilizing Rural Housing Service or other mortgage financing.

Rural Housing Repair and Rehabilitation Loans Program (Section 504), CFDA No. 10.417:

Purpose: To assist very-low-income homeowners to repair, improve or modernize their dwellings or to remove health and safety hazards.

Program Description: Rural Housing Repair and Rehabilitation Loans are funded directly by the federal government. To obtain a loan, homeowner-occupants must be unable to obtain affordable credit elsewhere and must have very-low incomes.

Rural Housing Repair and Rehabilitation Grants Program (Section 504), CFDA No. 10.417:

Purpose: To assist homeowner-occupants who are 62 years of age or older to repair, improve or modernize their dwellings, to remove health and safety hazards, or to make the dwelling accessible for household members with disabilities.

Program Description: Rural Housing Repair and Rehabilitation Grants are funded directly by the federal government. To be eligible, homeowner-occupants must be unable to obtain affordable credit elsewhere and must have very-low incomes. Grants are available only to homeowners who are 62 years of age or older and cannot repay a Section 504 loan.

Use in Southeastern Connecticut: The USDA Rural Development manager reports that three grants and one loan were awarded in New London County in FFY 2001. These totaled $23,100.

Mutual Self-Help Housing Loans Program (Section 502), CFDA No. 10.410:

Purpose: To help low- and very-low-income households construct their own home.

Program Description: This program is targeted to families who are unable to buy clean, safe housing through conventional methods. Families participating in the Mutual Self-help Housing Loan Program must perform approximately 65% of the construction labor on each other's homes under qualified supervision. To be eligible to participate in this program, families must be without adequate housing, but they must be able to afford the mortgage payments, including principal, interest, taxes and insurance.

Rural Rental Housing Loans Program (Section 515), CFDA No. 10.415:

Purpose: To assist in the provision of affordable rental housing in rural areas.

Program Description: Rural Rental Housing Loans are direct, competitive mortgage loans made to provide affordable multi-family rental housing for very-low, low-, and moderate-income families, the elderly, and persons with disabilities. Loans may be made to individuals, trusts, associations, partnerships, limited partnerships, state

or local public agencies, consumer cooperatives, and profit or non-profit corporations. For new projects, at least 95% of the tenants must have very-low incomes.

Use in Southeastern Connecticut: USDA Rural Development activity under this program in New London County in FFY 2001 consisted of one loan for $300,000. A total of 334 units in twelve projects have been assisted through this program in New London County.

Rural Rental Housing Guaranteed Loan Program (Section 538), CFDA No. 10-438:

Purpose: To assist in the development of affordable multi-family rental housing in rural areas through partnerships between the USDA Rural Housing Service and major lending sources, state and local finance agencies, and bond issuers.

Program Description: Loan guarantees are provided under this program for the construction, acquisition or rehabilitation of rural multi-family rental housing. Loan guarantees may be provided to: a citizen of the United States or a legally admitted alien for permanent residence in the United States; a non-profit organization, such as a local government, community development group or an American Indian tribe, band, group or nation; a for-profit corporation. Occupants of housing assisted under this program must be very-low-, low- or moderate-income households, elderly, handicapped or disabled persons with income not in excess of 115% of the area median income.

Rental Assistance Program (Section 521), CFDA No. 10.427:

Purpose: To assist persons with very-low- and low- incomes, the elderly, and persons with disabilities if they are unable to pay their basic monthly rent within 30% of their adjusted monthly income.

Program Description: Projects eligible to participate in this program are those developed with assistance under the Rural Rental Housing Program (Section 515) or under the Farm Labor Housing Program (Section 514). To be eligible, projects must be established on a non-profit or limited profit basis.

Rural Housing Preservation Grant Program (Section 533), CFDA No. 10-433:

Purpose: To assist in the repair or rehabilitation of low- and very-low-income housing in rural areas.

Program Description: Grants under this program are competitive. Eligible applicants include: state agencies, units of local government, Native American tribes, and non-profit organizations. Grants awarded under the Housing Preservation Grant Program may be used to repair or rehabilitate individual housing, rental properties or co-ops owned or occupied by very-low- or low-income rural persons.

Farm Labor Housing Loan and Grant Program (Section 514), CFDA No. 10-405:

Purpose: To assist in the development of safe, sanitary, low-rent housing and related facilities for domestic farm workers.

Program Description: Loans through this program are made to: farmers, associations of farmers, family farm corporations, Indian tribes, non-profit organizations, public agencies, and associations of farm workers. Grants are made to: associations of farm workers, non-profit organizations, Indian tribes, and public agencies. Loans and grants may be used to build, improve or repair housing for farm laborers, including those

engaged in aquaculture or on-farm processing. Funds may be used: to purchase a site or a leasehold interest in a site; to construct housing, day care facilities or a community room; to pay fees to purchase durable household furnishings; and to pay construction loan interest.

CONNECTICUT DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT (DECD)

Community Development Block Grant Program/Small Cities:

See the discussion of this program under the U.S. Department of Housing and Urban Development section above. DECD administers this program throughout Connecticut.

HOME Investment Partnerships Program:

See the discussion of this program under the U.S. Department of Housing and Urban Development section above. DECD administers this program throughout Connecticut.

Rental Rehabilitation Program:

Purpose: To assist in rehabilitation and major repairs, including any repair, replacement or installation for energy conservation, of existing rental housing projects developed with state financial assistance to restore projects to sound, habitable and energy-efficient condition.

Program Description: Eligible applicants are public housing authorities, non-profit corporations, community housing development corporations, municipal developers or other eligible developers. State financial assistance for successful applications may be in the form of a grant-in-aid, deferred loan, loan or any combination thereof, including project reserves or other sources of funds. Funds provided under this program may be for rehabilitation, repair and energy efficiency improvement of eligible housing projects.

Flexible Housing and Community Development Programs:

Purpose: To assist in providing affordable housing through a consolidated, flexible housing development program which would be available for proposals that do not fit into other categorical programs.

Program Description: 1) Eligible projects are those designed to provide affordable housing. These may include, but are not limited to, acquisition, construction, rehabilitation, repair, and maintenance of residential or mixed use structures. Eligible projects also may include acquisition, construction, rehabilitation, repair, and maintenance of related infrastructure, facilities, and amenities incidental and pertinent to the provision of affordable housing. 2) Eligible applicants include: non-profit entities, municipalities, housing authorities, a business corporation incorporated pursuant to Chapter 601 of the Connecticut General Statutes having as one of its purposes the construction, acquisition, rehabilitation or operation of affordable housing. 3) Aid under this program may be in the form of grants, loans, loan guarantees, deferred loans or any combination of these.

Use in Southeastern Connecticut: This is a new program, authorized by the General Assembly in its 2001 session.

Private Rental Investment Mortgage and Equity Program (PRIME):

Purpose: To assist in the development of rental housing affordable by low-income households.

Program Description: 1) The Commissioner of Economic and Community Development may enter into a contract with the Connecticut Housing Finance Authority (CHFA) to provide state financial assistance in the form of grants-in-aid or deferred loans to housing projects financed by the CHFA through the means of a loan secured by a first mortgage. Grants or deferred loans shall be for the construction or rehabilitation of developments containing rental units. The level of state financial participation is related to the percentage of the total units in the project that are reserved for low-income households. 2) The DECD also is authorized to provide rental subsidy certificates for each low-income unit in the project. 3) The DECD may enter into a contract with the CHFA to provide state financial assistance to a mortgagor for any housing project for which the authority has provided financial assistance in the form of a loan secured by a first mortgage.

Use in Southeastern Connecticut: PRIME has been used for several housing developments, totaling 322 units. These are located in Colchester, East Lyme, and Norwich.

CONNECTICUT DEPARTMENT OF SOCIAL SERVICES (DSS)

Emergency Shelter Grants:

See the discussion of this program under the U.S. Department of Housing and Urban Development section above. DSS administers this program throughout Connecticut.

Housing Opportunities for Persons with AIDS (HOPWA):

See the discussion of this program under the U.S. Department of Housing and Urban Development section above. DSS administers this program throughout Connecticut.

Security Deposit Program:

This program helps to remove a barrier for individuals with limited resources by providing landlords with the equivalent of one month's rent.

Rent Bank:

The Rent Bank provides assistance in meeting their rent to low- and moderate-income households at risk of becoming homeless or in imminent danger of eviction or foreclosure.

Assessment and Mediation Program for Families at Risk of Becoming Homeless:

This program assists low- and moderate-income households at risk of becoming homeless or losing their homes due to inability to pay their rent or mortgage. Services

include assessment, community-based mediation, conflict resolution, and use of the Rent Bank.

Rental Assistance Program – Section 8 Certificates and Vouchers:

DSS administers two rental assistance programs for low-income families: the Rental Assistance Program and the federal Section 8 Program. (See the discussion of the Section 8 Program under the U.S. Department of Housing and Urban Development section above.) These two programs provide direct rental subsidies to landlords that fill the gap between what a renter can afford to pay and the fair market rent charged by the landlord. The programs guarantee that minimum housing quality standards are met to insure safe, sanitary, and decent housing. Within New London County, the housing authorities of the Cities of New London and Norwich and Thames Valley Council for Community Action manage approximately 900 Section 8 vouchers. TVCCA manages certificates available within the entire county under the Rental Assistance Program. The number of RAP certificates fluctuates over time. These totaled 65 at the time of this writing.

Emergency Rental Assistance for TANF Families in Hotels/Motels:

The department maintains a fund to help clients pay for emergency housing.

Shelter and Services for Victims of Domestic Violence:

The department contracts with non-profit groups to provide shelter services to victims of domestic violence and to offer community education programs to the general public. Services include emergency shelter, security deposit assistance, counseling, advocacy, a 24-hour hotline, and information and referral.

CONNECTICUT HOUSING FINANCE AUTHORITY (CHFA)

Homebuyer Mortgage Program:

Homebuyer Mortgages are 30-year, fixed rate loans, carrying an interest rate below comparable market rates. Homebuyer Mortgages are available to first-time homebuyers with low or moderate incomes who are buying moderately priced homes within CHFA sales price limits or persons who have not had an ownership interest in a home in the previous three years.

Downpayment Assistance Program (DAP):

This program assists eligible homebuyers who are unable to provide their own downpayments. The DAP loan is secured by a second mortgage on the home.

Ownership Program (For Residents of Public Housing):

CHFA offers 30-year, fixed rate mortgages for tenants in public housing and selected publicly assisted housing. Down payment assistance also is available. Home purchase prices must be within CHFA sales price limits.

Military Homeownership Program:

Under this new program, CHFA offers 30-year, fixed rate mortgages to members of the armed forces. Qualified applicants also are eligible for assistance in meeting the down payment and closing costs.

Home of Your Own Program:

Persons with disabilities are offered 30-year, fixed rate mortgages under this program to purchase their first home.

Urban Rehabilitation Homeownership Program:

This program targets state, municipal and private sector employees who want to live in the urban municipalities where they work. The program offers a low-interest rate 30-year CHFA mortgage loan, with low-cost down payment assistance.

CHFA Mortgage Financing for Multi-family Housing:

CHFA offers a variety of financing programs for multi-family housing.

Rehabilitation Mortgage Loan Program:

A Rehabilitation Mortgage Loan can finance the purchase or refinancing of a home in need of repair. In the case of a home purchase, the loan funds the home purchase price and the expenses for renovation. When used to refinance a home, the Rehabilitation Mortgage Loan includes funds to pay off the first mortgage as well as the cost of repairs.

Apartment Conversion for the Elderly (ACE):

ACE provides financing for elderly homeowners to construct an addition to their home or to renovate part of their home to create an accessory apartment.

Employer Assisted Housing Tax Credit (EAHTC) Program:

The aim of this program is to assist employees with the purchase of a home or to rent housing in Connecticut. Participating employers establish a revolving loan fund from which eligible employees may borrow to meet their housing needs. The company's contribution may be as little as $1,000 or as much as $100,000. Corporations earn a dollar-for-dollar reduction in tax liability for their investments.

Housing Tax Credit Contribution Program (HTCC) Allocations:

The HTCC Program generates equity for housing initiatives undertaken by non-profit organizations. A non-profit that is developing, sponsoring or managing housing for very-low-, low- and moderate-income individuals and families may apply to CHFA for an allocation of up to $400,000 in state tax credits. The non-profit may then offer the credits to businesses that make cash contributions to support the housing development. Business firms receive a dollar-for-dollar reduction in their state tax liability in exchange for their support of the affordable housing program.

Low-Income Housing Tax Credits

The Internal Revenue Code makes low-income housing tax credits available to each state for allocation by housing credit agencies. In Connecticut that agency is the CHFA. CHFA allocates tax credits on a competitive basis through one or more funding rounds per year. Through this program, owners of qualifying low-income housing projects receive a dollar-for-dollar reduction in tax liability, not just a tax reduction. Developers may keep their tax credits or sell them to corporations or investor groups that, as owners of these properties, will be able to reduce their own federal tax payments. The developers of Artspace in Norwich have received tax credits under this program.

FINDINGS AND CONCLUSIONS

1. A very broad menu of public programs exists to assist in the production, maintenance, and operation of housing and to aid economically-disadvantaged individuals and families in securing safe, sanitary housing. Many of these programs have been used by a variety of entities within southeastern Connecticut.

2. The very breadth and variety of the housing assistance programs can be confusing to the inexperienced. Selecting an appropriate program and working through the application process successfully calls for specialized expertise that is not always available within the organization that would like to seek assistance. An organization in this situation may need to seek advice from among a wide variety of consultants specializing in housing assistance programs.

3. The funding trail for some programs can be very complex. The popular Section 8 vouchers program provides a case in point. Funding for the program originates with the U.S. Department of Housing and Urban Development. The Section 8 funds allocated to Connecticut are assigned to the Department of Social Services, which enters into agreements with the housing authorities of New London and Norwich and Thames Valley Council for Community Action to administer the program in New London County. The result is multiple layers of administration and oversight.

4. Anecdotal information suggests that the general complexity of housing assistance programs is a difficult challenge for many agencies, particularly the smaller ones. Interviews during the course of this study (See Chapter 9.) revealed that compliance requirements associated with housing assistance programs are a common concern at the local agency level.

9. OPINIONS AND COMMENTS GATHERED THROUGH SURVEYS OR INTERVIEWS

The study process included surveys sent to 19 municipal planners in southeastern Connecticut, 12 municipal housing authorities, and two tribal nations. Additionally, more than 45 individuals participated in personal interviews. All told, more than 80 individuals contributed to the research for this study through surveys or interviews. This aspect of the study produced data, which is presented elsewhere in this report, and opinions or views that are summarized in this chapter. The results of the surveys and interviews are of particular importance, since they are current assessments by a broadly varied group of individuals who deal on a regular basis with specific aspects of housing issues. We are grateful for their cooperation and frank insights.

RESPONSES TO SURVEY OF MUNICIPAL PLANNERS

Housing-Related Issues in Southeastern Connecticut:

- The housing issues facing southeastern Connecticut include the supply, quality, and affordability of housing throughout the region to meet the needs of the new major employers in the region. We have been told by housing developers that there is not a sufficient supply of apartment/condominium type housing for casino employees and for employees of Pfizer in the area.

- Southeastern Connecticut's major housing issues at this time are a limited supply and a lack of affordability.

- Generally, the current problem is the cost and lack of supply of both rental and ownership housing, particularly for those in the middle and lower income brackets and those new to the region and/or the homeownership market. Behind this is the increase in demand due to the strong economy and the additional employment created by the casinos.

- The biggest problem facing southeastern Connecticut and the various communities concerning housing is an inadequate understanding of the current housing situation. As a result of casino development there is an ever-increasing demand for affordable housing units within the region. More and more communities do not want low cost housing, and those who have historically provided low cost housing opportunities are more and more coming to the opinion that they have their fair share and that low cost moderate income housing developments need to go elsewhere.

- If the current housing situation cannot be adequately and equitably addressed on a regional basis, those communities that provide moderate-income housing opportunities will be greatly impacted. These communities will in all likelihood have additional demands placed on their current infrastructure, roads, water, sewer, and increased demand on other services such as schools, social services, libraries, etc. If there is not a reasonable accommodation by all the communities of southeastern

Connecticut, those communities which currently provide this type of needed housing [moderate-income] will bear the brunt of the negative social and economic impacts associated with the lack of affordable housing to service the growing service sector employees.

- Affordability and the lack of options for seniors are current housing issues.

- [My town] is quickly becoming unaffordable.

- …excessive demand raises prices, and eliminates options for families of moderate or limited means. Persons employed in occupations of minimum wage cannot support rents of $1000 per month or more and cannot qualify for mortgages to purchase even basic housing priced beyond its worth due to demand.

- The region has insufficient housing for mid- to low-income owners and renters, such as many of the Foxwoods and Mohegan Sun employees.

- There is only a limited number of low-income and starter homes for new in-town families and Foxwoods.

- The advent of the Foxwoods and Mohegan casinos has brought thousands of new individuals and families into the region. Older existing multi-family units that barely meet housing codes are renting for several times the normal rate, especially if the units are within walking distance of the casinos or are along a public transportation route.

- The development of the two casino operations has had a marked effect on all of our communities. …The demand on available housing has forced the land values to rise out of reach of many families at median incomes under $35,000.

- Affordable home ownership opportunities are limited.

- Young people cannot afford to enter the housing market…The average [monthly] rent in the area is about $600, and the average home sales price is $283,000. A median income of $35,000 cannot readily support either of these costs, particularly ownership.

- The town has few duplex and multi-family residences and very few rental apartments.

- The need for rental housing is significant.

- There is a lack of affordable rental housing.

- There is a lack of quality rental housing.

- Rental units for all income levels are in short supply.

- Although housing values are considered affordable in [my city], they have been increasing steadily since 1999.

- Affordable housing is concentrated in specific towns, while there is a lack of choice in other towns.

- Quality and diversity are lacking in currently available affordable housing.

- Over-crowding of units, both single-family and rental raises a safety concern.

- There is a lack of affordable multi-family housing and higher quality multi-family housing.

- There continues to be a demand for housing in this region—especially for housing in the lower price ranges. If the [housing] problems are not addressed, the quality of life issues and character of the region will be compromised.

- Three current housing issues regionally and locally are: a) a lack of affordable, quality housing units; b) a concentration of low income and substandard housing in urban communities; c) the fact that the suburban areas are not sharing the responsibility to provide affordable housing.

- Two current housing issues are: a) inadequate property maintenance of housing occupied by persons over the age of 65; b) public perception of what affordable housing is and what the income limits are to qualify.

- The current housing issue facing southeastern Connecticut is quality affordable housing units that offer on-site amenities for active and passive recreation forms. Typically throughout southeastern Connecticut the majority of the affordable units are located in old run down converted buildings that lack recreational space [and] off-street parking. These units usually rent for rather high rates given the condition of the units.

- These [housing] problems, if unaddressed, will certainly compound the difficult situation for business owners trying to attract workers into the area….I could also envision the increase in resistance to further residential development in high growth towns…due to both the more difficult nature of land from a natural resources and buildability perspective and a growing awareness of the adverse fiscal impacts of residential development. This…would only exacerbate the growing regional [housing] problem.

- The failure to address regional housing issues could [adversely] affect economic growth.

- If affordable quality housing is not addressed then the current problems identified will continue to deteriorate. Areas that have historically been identified as “low income

areas" or "slum areas" will continue and become larger and more of a problem as time goes on. Any significant concentration of this type of housing will adversely affect the local economy….

- The [housing] issues are already impacting the region and will continue to do so: a) The concentration of low income and/or substandard housing in urban communities will continue to drive economic demographics down. b) Urban communities will continue to carry the burden of providing the majority of social services. c) Urban communities will continue to experience slow or negative growth. d) Regionally, urban communities will continue to be considered less desirable places to live.

- …the demand and continued development of new housing stock in rural communities…will adversely impact older residential areas in more urban areas. Investment into these older residential areas is very risky. These neighborhoods will continue to deteriorate and become burdensome to the urban communities that contain them.

- In [my city] we have experienced an unprecedented interest in residential development in the City. We have several residential projects in the development pipeline and the existing housing market is very strong. However, we do not have a lot of land area suitable for residential development, we continue to have a very low rate of home ownership and we continue to maintain a large share of the region's affordable housing.

- …the development of land for residential purposes will involve the loss of important agricultural land because the newer generation does not want to take over family farms. If good planning practices are not implemented, the rural atmosphere of communities like [my town] will eventually be lost.

- In general, housing in [my town] is becoming less affordable, even to middle-income families. The influx of Pfizer employees …continues to drive the $350,000 and up housing market. Over the last 5-10 years, several new elderly housing developments have been constructed, but they too are in the upper price range ($250,000). There is a need for lower to middle income housing.

- Local restaurants have reported a shortage in labor which may be the result of a lack of affordable housing in the area. Lack of available workforce may preclude certain industries from locating in town.

Obstacles to Dealing with Regional Housing Issues:

- The biggest obstacle facing our ability to deal with housing issues effectively is the clear lack of understanding of the housing dynamics that are currently occurring in southeastern Connecticut. The real challenge will be convincing each and every community that they have a role to play in addressing this growing crisis. Until there

is a regional understanding of the housing need, the dynamics of housing, and a willingness to cooperate between the various communities, I'm afraid that very little in the way of a real solution to our growing housing dilemma will be identified.

- The financial impacts of direct and indirect costs of road maintenance, education and other services are housing related issues.

- Affordability is the major obstacle to dealing with the region's housing needs.

- The demand for coastal land is very high, thus very expensive.

- Environmental impacts from housing development are a concern.

- Lack of infrastructure to support denser development and the increased burden on the tax base are obstacles to encouraging the development of affordable housing projects in [my town]. Furthermore, due to a lack of economic incentive, developers have not chosen to pursue this type of development in [my town]. Inadequate public transportation from suburbs to areas of employment is also an obstacle.

- Many towns lack infrastructure to support higher density housing.

- There is a lack of infrastructure, particularly public water and sewer systems.

- The lack of public sewers poses environmental constraints on new housing development.

- There is a lack of municipal capacity to participate in the supply of housing.

- As we all know, residential development does not pay for itself. A large increase in such housing stock would not be as troublesome if there was commercial development to compensate for the residential development. Such commercial or other similar development is not occurring in communities like [my town] because of the lack of municipal sewer and water facilities to serve these areas.

- The high dependency on property taxes and the high cost of education create negative attitudes toward more family housing.

- Municipal reliance on the property tax as the primary source of revenue impedes the region's ability to deal effectively with housing issues.

- Municipal commissions are conscious of the tax burden associated with residential development.

- Two obstacles to meeting housing needs are the zoning approaches in many towns and long-term water supply issues.

- Most suburban communities do not want new apartment buildings constructed. The most commonly cited reasons for this are impacts on the school system and public safety services. Residents of existing neighborhoods would strongly oppose the construction of apartment units within their communities.

- The "not in my back yard" and/or "not in my town" [attitude] will be the biggest obstacle to have to deal with throughout the region.

- Dependence on the local tax base for funding schools discourages towns from permitting low- to mid-value dwellings.

- The casinos have aggressively recruited new employees from outside the region with no follow-up to insure that the workers have adequate housing.

- To increase the supply of affordable housing to meet the needs of the casino workforce, much of the new residential development will have to be at a denser pattern. This will stress the cities of New London and Norwich and will increase stress on the more developed suburban towns.

- The private sector housing market seems to be wary of large rental projects that are primarily dependent on one sector (gaming) of the region's economy.

- There is a general resistance to affordable housing because there is a negative perception of who lives in affordable housing.

- The obstacles to dealing effectively with housing issues can be summed up in one word: politics.

- The multiplicity of participants in the regulation, development, marketing, financing and construction of housing constitutes an obstacle to dealing with housing issues. At various stages in the supply and transfer of properties these interests and their constituents may have divergent interests.

Possible Actions to Deal with Regional Housing Issues:

- Housing should be viewed as a component of long-term growth that has specific financial and environmental impacts. The issue of allowing municipalities to assess impact fees should be re-visited by the state legislature.

- I would strongly recommend that the findings of the [housing] study be presented in a…proactive environment, such as a regional forum, possibly sponsored by the United Way and/or a coalition of housing/social service/government entities.

- A disincentive needs to be established for communities who are not pulling their weight with respect to affordable housing needs. The lack of adequately zoned land

for this type of housing needs to be addressed along with incentives that will encourage developers and others to put forth these types of projects.

- Four courses of action to be considered are:
  a) The incorporation of mandatory set-asides for affordable housing within the subdivision and zoning regulations.
  b) The transfer of development rights from environmentally sensitive areas to areas with adequate infrastructure, including public transportation options.
  c) The development of a more equitable method of funding school systems other than property taxes.
  d) Greater financial incentives from the state for developers of affordable housing.

- We believe that addressing our housing issues by developing a more appropriate mix of housing opportunities is an integral part of our economic development.

- The private sector will fill the housing gaps based on demand within a particular sector of that market. However, they may be slower to provide moderate-priced housing in a thriving market.

- State codes should be re-examined for the purpose of making rehabilitation more economically feasible.

- The state and federal governments have to provide "incentives" to the "host" towns. Typically incentives are used to attract developers and builders into the housing development market. If incentives were offered more towns might just see the advantage of having affordable housing in their respective communities.

- The development of a statewide minimum housing code would be beneficial to the smaller towns throughout the region….A minimum housing code would insure that tenants are getting safe and habitable space for their families.

- Elect politicians who are willing to enact legislation mandating that suburban communities provide at least a minimal level of low income and affordable housing for the region's working population.

- Property tax relief, education cost sharing, and education funding issues must be seriously addressed by the legislature in order to make suburban and rural towns more financially able to provide more affordable housing for families.

- Eliminate or substantially reduce dependence on the local tax base for funding schools.

- Public transportation throughout the region needs to be improved and increased to allow people to commute.

- Much of the need for affordable housing is exacerbated by the casinos. The casinos should be part of the solution. Perhaps they could serve as housing developers for the purpose of providing for their workforce.

- The SCCOG could support regional workshops on the need for specified housing.

- Any long-term solution must include tribal participation. Low-key, planner-level discussions among the tribes and the municipalities would be a good place to start to explore this issue.

- People need to understand what affordable housing is and who lives in it. The myths/negative perceptions need to be dispelled.

- Consider the following actions for dealing more effectively with housing issues:

  A) Land Use:
     1) Encourage the development of accessory apartments.
     2) Encourage residential uses as part of commercial development.
     3) Undertake a cooperative effort to write and encourage adoption of a standard set of development regulations for zoning residential land.
  B) Program:
     1) Work with non-profit housing sponsors to develop scattered site single-family, owner occupied housing.
     2) Facilitate the development of housing for employees of the tribal nations on or adjacent to the gaming sites.
     3) Conduct a regional housing consumer preference survey to determine the types of housing not being provided, group(s) of the population under served and future expectations for housing as personal needs change.
  C) Financial:
     1) Facilitate direct communication between the financing institutions and towns for the transfer of property information, including permitting, prior property use and tax payment status.
     2) Use Geographic Information System technology to analyze development scenarios in advance of the commitment of substantial resources.
     3) Assist towns with calculating the impacts on municipal infrastructure and services from various types of development.

- Possible courses of action to deal with the region's housing issues:
  a) Prepare a comprehensive analysis of the housing market needs...to understand where the needs exist.
  b) Review municipal regulations…to ensure that regionally the puzzle fits together and complements the needs of the region rather than the municipality. Issues that should be reviewed are municipal infrastructure and natural resources.

c) Review the affordable housing statutes to determine consistency with regional needs and goals, and if there is a need to amend the statutes as a result of this review this should also be completed.
d) In order to ensure the goals of the region are met, funding and regulation amendments will be necessary to implement the goals.

RESPONSES TO SURVEY OF LOCAL PUBLIC HOUSING AUTHORITIES

- In the last decade [my town's] population has grown by over thirty percent while affordable senior and disabled housing has not. We at the Housing Authority would certainly like to build more housing, for at the present time we have forty-three people on our waiting list.

- There is a great need for housing for younger disabled people; NOT IN ELDERLY UNITS.

- The [state's] fair housing regulations are troubling. We have never denied anyone housing because of color, creed, sex, etc. That's not the concern. Our problem is that we prefer the first-come, first-served approach to our waiting list; and, [the state] wants either lottery or the point system (both of which do not favor the elderly). They also want us to advertise in papers…like Hartford, New Haven, Bridgeport, etc…We feel that we should be serving people in our Southeastern Connecticut area.

- We have 80 units of so-called elderly housing. So-called because we are also obliged to take non-elderly disabled, which is depleting our stock of elderly housing. Protests by most public housing authorities have been made to legislators and DECD.

- Lack of available rental units in [my city] has negatively impacted the authority's ability to utilize Section 8 vouchers.

RESPONSES TO SURVEY OF TRIBAL NATIONS

Mashantucket Pequot Tribal Nation

- …many towns in Southeastern Connecticut lack affordable housing. It seems that some of this is caused by restrictive zoning laws within the towns….In addition to the issue of restrictive zoning, it is possible to observe that there is a lack of financing options for many families of moderate income.

- A review of regional circumstances relative to employment and housing in nearby towns reveals a dramatic difference between the urbanized places and the smaller, more rural communities that are adjacent to the reservation….The Reservation's immediate neighbors, the towns of Preston, Ledyard, and North Stonington, are comparatively smaller communities which primarily consist of single family homes on individual dwelling lots that tend to be more expensive….The Reservation's urbanized neighbors are the largest communities in the region and are less expensive

to live in and are about two thirds attached dwelling units….The Reservation's immediate neighbors have generally adopted zoning and building codes that have in many ways operated to restrict the more affordable, denser, attached housing configurations.

- The dearth of affordable housing impedes the ability of the Mashantucket Pequot Tribal Nation and Foxwoods Resort Casino to find and hire adequate numbers of employees at many levels….We believe than an enterprise cannot expect to get and retain the best workforce without adequate amenities such as housing. Since the lack of affordable housing directly impacts upon many employees' quality of life, we see it clearly has a direct impact upon employee morale and performance which in turn indirectly impacts upon employee retention and ultimately upon the quality of the patron experience and the enterprise's competitive position….We see the limited availability of affordable housing as an extremely serious problem….

- Despite the desire of developers to construct affordable housing, the restrictive zoning laws of the region's towns often preclude such development….We have come to view the nature of Connecticut's property tax laws as possessing inherent dis-incentives to affordable housing and as the most significant factor driving most of the region's towns into the development of restrictive zoning laws….Until the Connecticut General Assembly either alters the built in dis-incentives of Connecticut property tax laws or begins funding the very real deficit between taxes and the cost of services associated with affordable housing, we can expect that the region's towns will continue to enact restrictive zoning laws.

- The Mashantucket Pequot Tribal Nation/Foxwoods Resort Casino may soon find it possible to incorporate into its existing Employee Relations Department an employee housing program that would assist employees with affordable housing issues. In addition, the Mashantucket Pequot Tribal Nation/Foxwoods Resort Casino can work with existing regional coalitions who are working on the issue of affordable housing. We can serve to set minimum standards and explore methods for lowering the cost of entry into rental housing/home ownership.

The Mohegan Tribe

- We believe there is a lack of …housing to meet the current market demand. In turn, this has driven the price of housing to a range that is not affordable by many households, and has made the availability of housing limited and scarce for many of those individuals relocating to Southeastern Connecticut.

- The Mohegan Sun has received numerous complaints and concerns from employees regarding the lack of adequate housing. This is especially true from employees in the Puerto Rican and Asian employee populations who have relocated.

- Effectively addressing housing issues will require more development of housing (both owner-occupied housing and rental housing) to meet demand in the area. The high

cost of labor, the high cost of real property, the lack of available land for development (e.g. areas where wetlands and planning and zoning are not obstacles) and the bureaucratic obstacles developers must face with development are some of the most important obstacles that stymie development of housing.

- State and local governments can stimulate development of housing by offering various regulatory and tax incentives for developers interested in developing larger scale housing/apartment complexes.

- Because of the size of the employment population of the Casino, the involvement of Mohegan Sun is limited to assisting employees to retain housing through its Human Resources Department. The Casino can provide some guidance on what is available and who to contact, and in some instances, provide assistance with transportation to and from work. For those employees relocating, the Casino provides new employees with a relocation package.

- Securing adequate housing is more of an issue for those new employees who have relocated from other areas. The ability to find suitable housing affects employees of all income levels, though due to the lack of the supply of housing, the…housing options available for lower-income employees are probably not as abundant relative to higher-income employees. We would estimate that approximately 5% of current employees at Mohegan Sun find it difficult or impossible to secure appropriate, affordable housing in southeastern Connecticut.

- We believe that the housing problem affects both single-family, owner-occupied and rental housing. The underlying cause of the housing problem is the lack of adequate supply. Based upon the fundamental principles of supply and demand, the lack of supply has driven up the cost of housing to levels which are not affordable for many families.

- On average, approximately 30% of the casino's employment leaves and is replaced in a typical year. We do not believe housing is an issue for those employees leaving…or for the recruitment of replacements.

- Approximately 500 new employee positions are expected to be created by the Casino over the next three years. Of this 500, approximately 80% will have annual wages of $30,000 or less. We do not anticipate housing to be an issue in filling these new positions, but again, we would expect that many of these new employees, especially those who are relocating, will have difficulty in securing suitable housing within the area.

- Our Human Resources Department provides general assistance with new employees relocating to the area, including guidance on location of available housing as well as certain written relocation materials….Generally, the Casino does not provide financial assistance for housing to new employees.

OPINIONS AND COMMENTS EXPRESSED IN INTERVIEWS

Housing-Related Issues in Southeastern Connecticut:

- A rental crisis exists in southeastern Connecticut. Hundreds of additional units are needed. The supply of single-family homes is very tight.

- There is a growing pressure for more single-family home subdivisions.

- The housing situation is the worst I have ever seen and for rental housing has reached a critical point.

- Southeastern Connecticut has a housing crisis. The dream of home ownership is vanishing. It is difficult to find a good home in the area for less than $200,000, and the situation is worse along the shoreline. The housing problem is likely to worsen over the next five years as the region's economy continues to grow.

- The shift in the region's economy to gaming and tourism has resulted in lower average wages and increased demand for lower-cost rental housing.

- Segments of the population particularly at risk with respect to finding safe, affordable housing are: low income individuals and families, minorities, mothers with children, children with elevated lead levels, the elderly, and unemployed middle-aged females.

- Priorities of housing need are: units for single-room occupancy, efficiencies, and three to four-bedroom rentals.

- The shortage/cost of rental housing is a serious problem.

- The regional housing market is extremely tight.

- Housing problems are at a crisis level. The growth of employment at the two casinos has placed heavy pressure on existing rental housing. Currently, there are very few rental vacancies. The most urgent housing need at this time is additional affordable rental units. These are not likely to be provided through the general housing market process. Some statewide program/effort is needed.

- Rental vacancies are very limited and the single-family home market is very tight. The public, generally, is not supportive of more housing. The low-moderate-housing needs are not being met: there is no incentive to do so.

- As housing costs rise, it will be harder for people with Section 8 housing vouchers to find housing below the Fair Market Rent set by the U.S. Department of Housing and Urban Development.

- The housing situation at present in this region is worse than ever. It is reflected in a sharp increase in demand for food assistance as more of a family's income is required to meet rising housing costs.

- Inter-related issues: a) People with problems tend to come to cities in the belief that they will find services to assist them. b) Housing problems are regional in scope. c) One-parent families are very fragile. d) Child-care for single-parent families is a real challenge. e) Transportation inadequacies are part of the region's housing problem.

- The shortage of housing and its high cost are serious problems for [our hospital] in recruiting and retaining qualified staff. Housing issues also adversely affect staff morale. Inadequate public transportation is a related problem.

- If unresolved, housing issues could become a limiting factor for economic growth in southeastern Connecticut. The two biggest economic issues for the region are housing for an expanding workforce and an effective transportation system.

- Housing in southeastern Connecticut is a huge problem. Rents are skyrocketing. Overcrowding of housing units is increasing significantly. Inadequate public transportation is a related issue.

- Transportation and housing are integral problems. Lower incomes mean a greater need and demand for public transportation.

- Transportation is a significant part of the housing problem.

- Everyone with moderate-low income is at a disadvantage in today's regional housing market. The most difficult to serve with affordable housing are singles, who frequently are unemployed, and families with three or more children.

- Elements of the region's housing problem include an emphasis on home ownership in new construction, rapidly rising rents, and a generally anti-low-income attitude.

- Some individuals and families need the support of social services as well as housing assistance.

- The limited availability of affordable units for single-room occupancy is a growing and difficult problem.

- Moving families with children out of housing with lead-based paint hazards into safe units is difficult because of the shortage of available housing.

- Homelessness is much more pervasive than many think.

- The occupancy of emergency shelters for the homeless has been rising steadily.

- More assistance is needed for the homeless and those in imminent danger of becoming homeless.

- Housing is a major issue for people with AIDS.

- Southeastern Connecticut has a severe shortage of affordable housing, both for ownership and rental. Three-four-bedroom units are particularly in short supply.

- Most casino employees cannot afford current rents.

- Rental housing is our most critical need. This is worsened by the fact that many workers are not earning a living wage.

Obstacles to Dealing with Regional Housing Issues:

- Obstacles to meeting housing needs include dependence on the property tax to fund local government and the general public bias against non-market-rate housing.

- Obstacles to meeting housing needs include the following: a) There is a disparity between rising housing costs and modest wage rates for many people. b) The up-front costs of rental housing, including the security deposit, are a serious hurdle for many. c) Community attitudes do not support low-moderate-income housing. d) Some housing complexes have opted out of the property-based Section 8 housing assistance program, have upgraded their housing units and have raised the rents. e) The complexity of most of the housing assistance programs constitutes an obstacle itself.

- Obstacles to meeting housing needs include: a) a shortage of affordable, buildable sites appropriately zoned; b) a shortage of builders and labor in the construction trades; c) complexity of the approval process for constructing housing; d) an anti-residential bias in many communities.

- Obstacles to dealing effectively with housing issues include the difficulty of working with state agencies and a widespread public attitude against housing because of its associated cost to the local education system.

- DECD's HOME Program has been slow and difficult to work with.

- Many small-scale builders are active in southeastern Connecticut, but the region currently does not have many large-scale developers who might undertake sizable housing projects.

Possible Actions to Deal with Regional Housing Issues:

- Government needs to loosen the bureaucratic constraints on the production of housing and, instead, create incentives for builders to construct more units.

- Condominiums could provide more affordable opportunities for home ownership, but most towns do not view this housing type with favor. Most current condominium construction is in-fill on sites approved quite some time ago. More sites are needed.

- Solutions to the housing difficulties will require public leadership at the regional level and involvement of the Mashantucket Pequot and Mohegan Tribes.

- Southeastern Connecticut needs a regional response to regional housing problems. The Council of Governments and its member local chief elected officials are key to developing an effective response.

- The region's housing crisis will get worse unless the towns, through the Council of Governments, and the legislature seriously address the issue. Two areas for action are: a) legislative action to increase state funding for education, thereby reducing dependence on the local property tax; b) greater standardization of local regulations and review practices to reduce the complexity and length of time of the development application process. The Council of Governments needs to be proactive in addressing housing issues.

FINDINGS AND CONCLUSIONS

Summarizing the range of comments from individuals responding to surveys or participating in interviews is at best difficult and at worst presumptuous. The following is a modest summary of major points made by a significant number of individuals sharing their views on housing during the course of this study.

1. The shift of the region's economy from relatively high-paying jobs in the defense sector to large numbers of lower-paying jobs in gaming and tourism has sharply increased the demand for housing, especially for rental units in the low-moderate price range.

2. Southeastern Connecticut is in a housing crisis characterized by a limited supply of units, limited choice of housing types and locations, and an increasing lack of affordability. The problem adversely affects single-family housing opportunities but is particularly severe for rental housing.

3. Housing for lower-income households is concentrated in the region's urban communities. Most suburban or rural towns are viewed as not doing their share to accommodate needed affordable housing.

4. If not addressed effectively, the region's current housing problems will worsen and could adversely affect southeastern Connecticut's ability to attract and retain the workforce necessary for a growing economy.

5. Obstacles to dealing with regional housing issues are many. They include the following:
   - Sites physically suitable and appropriately zoned for needed housing are limited and expensive.
   - The availability of public water and sewerage systems is limited.
   - Residential builders and labor in the construction trades are in short supply.
   - Most suburban and rural towns have adopted restrictive residential zoning policies.
   - The local regulatory process affecting residential development is complex.
   - The high dependence on the property tax to fund local government makes residential development financially undesirable to most municipalities.
   - Public attitudes generally do not support the construction of additional housing, particularly lower-cost housing.

6. Segments of the population least able to compete in the tight regional housing market are: the homeless, low income individuals and families, single mothers with children, families with children at risk from lead poisoning, the lower-income elderly, and unemployed middle-aged women.

7. The housing problem does not stand alone. It is intimately interwoven with regional economic development, changes in the region's population characteristics, demands on and resources of the social services system, local land use policies and regulation, and the region's infrastructure, particularly water supply, sewerage, and transportation systems.

8. The scale and complexity of southeastern Connecticut's housing crisis calls for a regional response. Participants in such an effort should include the Council of Governments in a leadership role, the region's municipalities, the State of Connecticut, appropriate federal and state agencies, the two tribal nations operating casinos, other large employers, the building industry, and the many non-profit organizations concerned with some aspect of housing.

10. ESTIMATES OF HOUSING NEED, 2000-2005

METHODOLOGY

Five population or housing variables are critical to developing estimates of housing need for the region over the period 2000-2005:

- Regional population growth from 2000-05.
- The number of regional residents living in group quarters in 2005.
- The median number of persons per household in 2005.
- The shares of housing units occupied by owners vs. renters in 2005.
- The components of vacant housing units within the total regional housing stock in 2005.

These variables are discussed individually below.

Regional Population Growth, 2000-05: Southeastern Connecticut's total population in 2000 was 242,759, an increase of 1% over 1990. The population projection in this housing study (Chapter 3) estimates a regional population of 254,360 in 2010. This is an increase of 4.8% over the decade, or an average annual rate of population growth of 0.48%. For the five-year period of 2000-05, we have assumed a total population growth rate of 2.4% (0.48% x 5). If realized, this will result in a total regional population of 248,600 in 2005.

Population Living in Group Quarters: This population variable in 2000 totaled nearly 12,000. For purposes of this housing study, that figure is held constant for 2005. The population in group quarters is subtracted from the total population to arrive at a net figure of population needing to be housed.

Persons Per Household: This is the most critical variable in estimating the number of housing units needed by 2005. The historical trend has been toward a reduced household size. Over the past two decades the median number of persons per household within the region has dropped from 2.77 in 1980 to 2.58 in 1990 and to 2.47 in 2000. Over the 20-year period, the median household size fell by 0.30 persons. Two-thirds of that decrease occurred in the 1980-1990 decade. While the decline in median household size continued through the 1990-2000 period, the level of decline had dropped by nearly half.

For purposes of estimating housing needs, this study assumes that between 2000 and 2005 the median number of persons per household within southeastern Connecticut will range between 2.47 and 2.45. The factor of 2.47 (the actual median household size for the region in 2000) provides a more conservative (fewer units) estimate of housing need. The household size of 2.45 assumes a continuation of the downward trend in persons per household, although at a slower rate, and results in an estimate of a greater number of housing units being required to house the region's population in 2005.

Owner-Occupied vs. Renter-Occupied Housing Units: In 2000 approximately 65% of all occupied housing units in the region were owner-occupied, with renter-occupied units accounting for the remaining 35%. This study assumes that this ratio will hold through 2005. The analysis of housing issues facing southeastern Connecticut presented in Chapter 4 of this report and the opinions and comments summarized in Chapter 9 point to a continued need for significant numbers of rental units. The balance between owner-occupied and renter-occupied housing (65:35%) utilized in this study speaks to the need to maintain rental housing as a viable element in the total regional housing inventory.

Accounting for Vacant Housing Units: In estimating future housing needs one must consider vacant housing units, which form the "lubricant" of the regional housing market. To do so, we first must identify the components of all the vacant housing units in 2000. This analysis is summarized in Table 10.1.

Table 10.1: Components of Vacant Housing, 2000
Southeastern Connecticut Planning Region

Components of Vacant Housing Units	Units
Total Vacant Housing Units	8,718
Units Vacant for Seasonal, Recreational or Occasional Use	-3,327
Other Vacant Housing Units	5,391
a. Ownership Units for Sale	-839
Balance	4,552
b. Rental Units for Rent	-2,207
c. Balance of Other Vacant Units	2,345

Sources: U.S. Census Bureau; SCCOG.

The estimates of the vacant units of ownership and rental housing in 2005 presented in Table 10.2 below were developed within the parameters noted above. However, for purposes of this analysis, the 2005 estimates are based on a desired 3.0% vacancy rate for the ownership units and 7.0% for the rental units. These are above the generally accepted minimum vacancy rates of 2.5% for ownership units and 5.0% for rental units. The intent in selecting rental vacancy rates above the minima is to encourage an easing of the tight regional housing market, to create a range of choice in housing types and locations, and to avoid further inflation of housing cost due to limited supply. For the Balance of Other Vacant Units, the 2005 housing need estimates assume that these will account for 27% of all vacant housing units, as they did in 2000.

ESTIMATES OF HOUSING NEED, 2000-2005

Gross Estimates of Housing Need: Table 10.2 below presents a range of estimates of housing needs for both ownership and rental over the 2000-2005 period. These are based on the rationale discussed above. As was the case with the population projection provided in Chapter 3, the housing need projection should be considered with caution. The estimates are not certainties; however, they do provide a numerical framework within which action plans to deal with regional housing issues can be developed and assessed. As new information regarding changes in the region's population, in housing demand, and in housing production and supply becomes available, the estimates of housing need should be reconsidered and revised as appropriate.

Table 10.2: Estimates of Housing Need, 2000-2005
Southeastern Connecticut Planning Region
(All estimates rounded to nearest 100.)

Population and Housing Variables	Estimates of Population Growth and Housing Unit Needs, 2005		Comments
	Low Estimate	High Estimate	
1. Total Population	248,600	248,600	2.4% increase from 2000.
2. Population in Group Quarters	12,000	12,000	11,773 in 2000.
3. Population to be Housed	236,600	236,600	
4. Median Persons per Household	2.47	2.45	2.47 in 2000; 2.58 in 1990; 2.77 in 1980.
5. Households to be Housed	95,800	96,600	
6. Housing Units Needed			
a. Owner-occupied Units	62,300	62,800	65% of total, as in 2000.
b. Vacant-for-sale Ownership Units	1,900	1,900	3.0% of all ownership units.
c. Subtotal, Ownership Units	64,200	64,700	
d. Renter-occupied Units	33,500	33,800	35% of total, as in 2000.
e. Vacant-for-rent Rental Units	2,500	2,500	7.0% of all rental units.
f. Subtotal, Rental Units	36,000	36,300	
g. Units Vacant for Seasonal, Recreational or Occasional Use	3,500	3,500	3,327 in 2000.
h. Other Vacant Units	2,900	2,900	27% of all vacant units, as in 2000.
i. Total Units Needed, 2005 (c+f+g+h)	106,600	107,400	
7. Total Units Available, 2000	102,300	102,300	
8. Additional Units Needed, 2000-05			
a. Total Units	4,300	5,100	
b. Ownership Units	2,800	3,300	65% of all additional units.
c. Rental Units	1,500	1,800	35% of all additional units.

Source: SCCOG.

The housing needs estimated in Table 10.2 are built upon the projected regional population in 2005 by applying to that figure a series of demographic and housing characteristics that either are assumed to be likely or are considered desirable. This process produced a low estimated need for 4,300 additional housing units between 2000 and 2005 and a high estimate of 5,100 units. Achieving either of these estimates will be a challenge. The low estimate is the equivalent of adding 8,600 new housing units over a ten-year period, or about 3,000 more net units than were created in the 1990-2000 decade. For the high estimate, its ten-year equivalent is 10,200 new housing units, approximately 4,600 more than were produced in the decade prior to 2000.

The types of housing that would contribute most to creating more affordable ownership units are modest starter homes, duplexes, townhouses, and condominiums. Within the rental market, information gathered in this study suggests a need for more Single-Room-Occupancy units, units suitable for the elderly, units to accommodate two-person households, and units with three to four bedrooms for larger families.

While Table 10.2 addresses three fundamental housing elements, total units, units for ownership, and units for rental, it does not specifically deal with the housing needs of certain segments of the region's population that have special housing needs. These are discussed in the following section of this chapter.

Estimated Need for Assisted Housing: It is clear from the analysis in preceding chapters that the most fundamental housing need is for additional units, both ownership and rental, that will be affordable by the region's changing population. Meeting this need will call for the construction of more assisted housing. As used in this report, assisted housing includes housing that was constructed, rehabilitated, renovated, purchased or rented with some form of governmental financial support. Such support might include direct grants, loans, mortgage insurance or guarantees, or rent assistance payments.

As noted in Chapter 4, assisted housing constituted some 12% of the total housing units in southeastern Connecticut in 2000. If that relative share for assisted housing is applied to the general housing estimates of Table 10.2, then the range of estimated need for new assisted housing between 2000 and 2005 would be 510-610 units. However, with the shifts in the region's economy resulting in most workforce growth occurring in lower-paying service employment, it is probable that the population group that needs low-moderate income housing is growing more rapidly than other population segments. This argues for a greater share of assisted units in the total housing stock developed between 2000 and 2005. Based on this rationale, this study estimates that assisted housing ought to account for 15% of the region's total new housing units between 2000 and 2005. Applying 15% to the range of estimates for all new housing needed between 2000 and 2005 (Table 10.2 above.) results in an estimate of 650-770 new assisted units.

From both statistical data and anecdotal information examined in the course of this study, several population groups have been identified as being in need of additional assisted housing opportunities. These groups include the homeless, low-income families with children, households with children at risk of lead poisoning, low-income elderly households, and individuals who are unemployed or are earning very low wages. While the resources available to this study are not adequate to quantify the needs of each these population segments, such detailed housing market analysis would be useful as a follow-up activity. This could appropriately be done once more detailed demographic and housing data from the 2000 Census are available.

Producing More Housing Units: The production of additional housing is dependent on action by non-profit sponsors, local public housing authorities or by the for-profit housing industry.

While the non-profit sponsors currently operating in southeastern Connecticut have commendable records of achievement producing units for specific population segments or neighborhoods, their capacity for construction or renovation currently is quite limited. Where possible, the non-profits should be given greater resources to carry on their work and should be encouraged to consolidate or coordinate their activities. A recent example toward this objective is House New London, which is a cooperative effort involving four

non-profit agencies, a bank, a regional industry, and two charitable foundations. This may be a useful model for the future and should be studied closely as it moves from conception and organization to action.

Twelve municipalities within southeastern Connecticut have public housing authorities. One of these is inactive, only two manage family housing, and none currently has plans to construct more housing. In theory, the local public housing authorities should be key players in responding to the region's housing crisis. But unless they are reinvigorated and are provided more resources, their ability to contribute additional units to meeting housing needs over the next few years is in doubt.

Even with enhanced capabilities for the non-profits or public agencies, the bulk of the housing constructed or renovated within southeastern Connecticut over the next decade will be produced by the for-profit housing industry. This industry can be both flexible and innovative, and it has a substantially greater production capability than the non-profit housing sponsors. But, as its name makes clear, the for-profit housing industry is driven by the need for a positive return on investment. Disincentives to producing certain types of housing will discourage builders from pursuing their construction. On the other hand, where incentives exist, for-profit builders will be encouraged to construct housing. In the course of this study, builders have identified a series of disincentives to constructing affordable housing. These include the following:

- Physically suitable, affordable building sites that are appropriately zoned are limited and expensive.
- Less-expensive housing offers a lower potential for profit.
- There is a bias against residential construction in most communities.
- Most municipal residential land use regulations are restrictive.
- The local project review and approval process is complex, time-consuming, and costly.
- There is a shortage of builders and labor in the construction trades.

To deal with the current housing crisis and to meet the estimates of housing need in 2005 will require an accelerated and, possibly, redefined role for the for-profit housing industry. To secure and maintain the interest of this industry in affordable housing, the region will have to address currently perceived disincentives regarding this type of housing and must seek to create new incentives for private entrepreneurs.

Housing development, whether by non-profits, public agencies or the for-profit housing industry, will be possible only within the context of what is permitted by local land use policies and regulations. As we have seen in Chapter 5, most current zoning regulations do not favor higher density housing, particularly multi-family units. Collectively, the local regulations have the potential to prevent achievement of the housing numbers and types estimated to be needed by 2005. This suggests that a review of local land use policies and regulations would be essential in any regional effort to deal with housing issues.

FINDINGS AND CONCLUSIONS

1. The range of estimated total housing units needed by the region's projected population in 2005 is between 106,600 and 107,400. To achieve these figures will require the addition of 4,300-5,100 units to the regional housing inventory of 2000. In comparison, the net gain in housing units over the entire 1990-2000 decade was 5,600.

2. An effort should be made to maintain rental housing as a significant element in the total housing inventory in 2005. To do so, this study suggests that at least 35% of all units added to the regional housing inventory between 2000 and 2005 be rental. This would amount to 1,500-1,800 new units. Additional units for owner-occupancy (2,800-3,300) are assumed to account for the remainder of the growth in housing units.

3. It is suggested that approximately 15% of all housing units added to the regional inventory between 2000 and 2005 be governmentally-assisted units. The range of estimated additional assisted units is 650-770.

4. Population segments least able to compete for housing and most in need of assisted housing include the homeless, low-income families with children, households with families with children at risk of lead poisoning, low-income elderly households, and individuals who are unemployed or are earning very low wages.

5. Producing more housing over the 2000-2005 period will require vigorous efforts by non-profit housing sponsors, public agencies, and the for-profit housing industry.

6. Local land use policies and regulations are a key element in any regional effort to meet housing needs. It would be useful to reassess local zoning regulations and practices in an effort to reduce regulatory barriers to affordable housing.

11. NEXT STEPS

The housing challenge facing southeastern Connecticut is to produce sufficient numbers of affordable homeowner and rental units to meet the needs of all segments of the region's population. Successfully meeting this challenge will be neither easy nor swift. To do so will require that rarest and most fragile of commodities, regional cooperation. The present housing crisis can be addressed effectively only through cooperative efforts of the municipalities, tribal nations, the State of Connecticut, private non-profit agencies, major employers, and the housing industry. This chapter will suggest some initial steps toward the development of such a cooperative effort.

Before considering these next steps, it may be useful to re-emphasize the complexity of the forces within the region that, collectively, have created the conditions within which a regional housing crisis developed. The current housing problems are not the product of any single agent. Rather, they stem from the interaction of at least five major variables that influence housing demand, supply, and affordability. These forces are intimately interwoven and influence one another in complex ways. The five factors are:

- **Economic shifts** have replaced high-wage jobs in manufacturing with large numbers of lower-paying jobs in service industries.

- **Population trends** have resulted in a continued movement away from urban communities and into suburban areas and in a sharp increase in the number of single-person households.

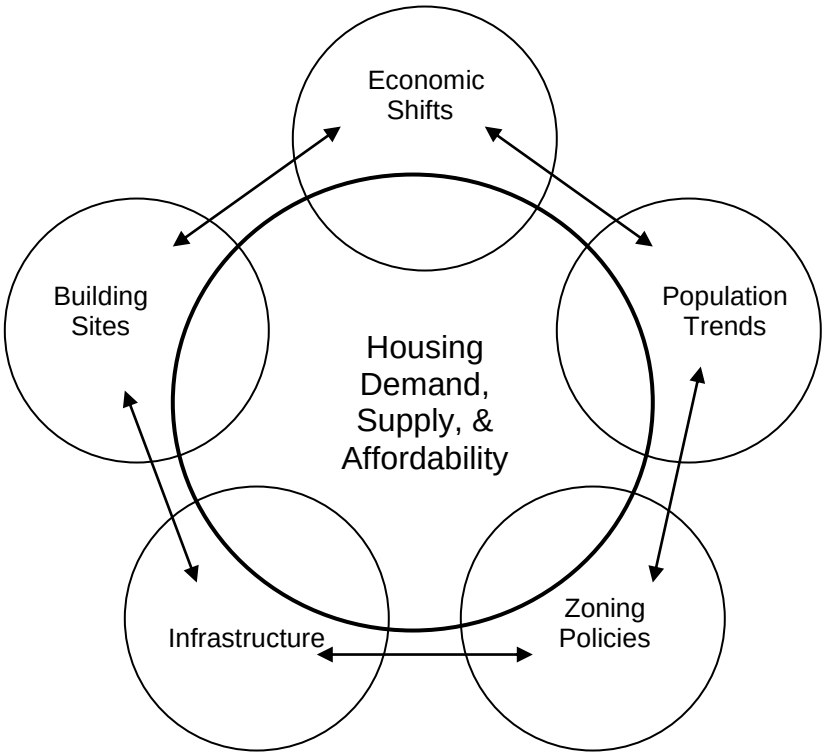
- **Zoning policies** at the municipal level, particularly in the suburban and rural towns, limit the types and location of housing that would be affordable by low-moderate-income households. Zoning policies themselves reflect a complex set of issues, including community attitudes toward affordable housing, the dependence of local government on property taxes, the "quality of life", environmental protection, and the availability or lack of water and sewerage systems.

- **Limited infrastructure**, especially water supply, sewerage, and transportation systems, inhibits the development of higher density housing.

- **Limited building sites** that are physically suitable, appropriately zoned, and priced reasonably make it more difficult to develop affordable housing.

The inter-relationship of these five forces on housing demand, supply, and affordability is suggested graphically in Figure 11.1 below. Two of these factors, economic shifts and population trends, are essentially beyond local control or influence. Limited building sites might be addressed by innovative site design, infrastructure improvement, higher density uses of suitable sites, and infill within presently developed areas. Infrastructure improvements are a long-term public policy and investment issue that is unlikely to be resolved in the short-run. Zoning policies and regulations are the products of local governmental action and, as such, could be amended to respond to housing needs.

Figure 11.1: Factors Affecting Housing Demand, Supply, and Affordability in Southeastern Connecticut



Creating an environment within which the regional community can formulate specific courses of action to address housing issues calls for a high level of interactive communication. A regional consensus on what should be done, how it should be done, and who should be responsible for specific actions is an essential first step. Absent such community agreement, efforts toward meeting housing needs will continue to be fragmented and, potentially, working at cross-purposes.

Consensus-building focused on a regional response to housing issues will involve three phases of activity. These are identified here and discussed more fully below.

- **Phase One** is raising community awareness of the extent and nature of the housing crisis.

- **Phase Two** is providing an opportunity for community stakeholders to commit to assisting in designing a housing response.

- **Phase Three** is the establishment of a regional coalition within which alternative courses of action to deal with housing problems will be identified, evaluated, and selected.

Phase One: Raising Community Awareness

The primary objective of this activity will be to disseminate as widely as possible the findings and conclusions of the regional housing study. A secondary objective will be to stimulate discussion of housing issues throughout the region. To be effective, Phase One should begin as soon after release of the published regional housing study as possible. To maintain momentum, the formal part of Phase One should be completed within four to six weeks after its initiation. However, the objective of raising community awareness of housing needs must be considered a continuing task for the foreseeable future.

Primary responsibility for conducting Phase One of the consensus-building effort lies with the four agencies that sponsored the housing study and participated in its preparation. These are: the Southeastern Connecticut Council of Governments, the United Way of Southeastern Connecticut, the Southeastern Connecticut Workforce Investment Board, and the Connecticut Department of Economic and Community Development. It may be most efficient to have one lead agency to coordinate the public awareness program. Because of its legal standing under the Connecticut General Statutes and its formal relationship to the region's municipalities it would be logical for the Southeastern Connecticut Council of Governments to fill this lead agency role.

Actions that can be taken to raise public awareness of housing issues include the following:

- Brief the boards of directors of sponsoring agencies on the findings and conclusions of the housing study.

- Offer special briefings on the study for local chief elected officials and state legislators.

- Brief Congressman Simmons on the study and its implications at the federal level.

- Hold a news conference to present publicly the findings of the study.

- Distribute widely a succinct, graphically attractive summary of the findings and conclusions of the regional housing study.

- Encourage the media to cover and to editorialize on the housing problem and on the need for regional cooperation toward finding and implementing solutions.

- Provide speakers from among the study's sponsoring agencies who could talk to local groups about the study and its findings and who would be available for interviews by the news media.

- Distribute copies of the regional housing study to appropriate federal, state, and local officials, to the two tribal nations, to key non-profit agencies, to U.S. Navy and U.S.

Coast Guard officials, to large employers, to the housing industry, and to the news media. Offer to respond to questions or to meet to discuss the subject of housing.

- Place copies of the regional housing study in area libraries.

Phase Two: Seeking Stakeholder Commitment

Phase Two will have two main objectives. The first is to move from building community awareness to seeking community agreement on the need for action. The second is obtaining through a public forum some form of community endorsement of a representative coalition to coordinate future activities on housing issues. Phase Two could be initiated before Phase One is completed. In any event, not too much time should pass between the release of the study and the scheduling of a forum. An appropriate time might be four to six weeks after the release of the report.

The conduct of Phase Two will require the sponsorship and support of the four agencies that partnered on the housing study. Again, it would be most efficient to have a single lead agency to handle arrangements for this phase of the consensus building program. This could be the same agency that served as the lead in Phase One or it could be a different agency. It would be desirable that the lead agency for Phase Two be perceived as "regional".

The principal technique for securing regional stakeholder commitment will be one or more public forums. The suggested theme is: Organizing for Action on Housing. The key element in making the forum(s) productive is advance preparation. The following are points that need to be considered in organizing the event(s).

- One of the most important decisions is who will sponsor the forum(s). Is this only the four sponsoring agencies, or should other organizations, such as the Partnership on Housing and Homelessness, be invited to have a role at this stage?

- Who will chair/moderate the forum(s) is equally significant. For most effect, this should be an individual with name recognition, stature within the region, and high credibility. The person filling this important function also must be adept at guiding discussion into productive channels, keeping the overall program focused, and managing time.

- Where and when the forum(s) is (are) held will affect participation. There is no perfect time for everyone. Therefore, it is important that the key participants be identified early and a date, time and location be selected that is most likely to be compatible with their schedules. The issues of handicapped access and access by public transportation need to be considered in this decision.

- An agenda for the forum(s) must be developed. This need not be lengthy, but it must make clear the important purpose of the event and set forth a specific list of what will

be accomplished. It should compel a resounding Yes to the question: Is participation in this forum worth my time?

- Of equal importance is the distribution list for invitations to the forum(s). For critically important individuals or organizations, a personal letter urging attendance and a follow-up telephone call would be desirable.

- Press coverage in advance of the forum(s) and following the events is very important, both to stimulate participation and to confirm the legitimacy of the decisions made as a result of the discussions.

- The format of the forum(s) should be selected early. Will there be presentations by one or more individuals? Will there be a panel of "experts" either to give presentations or to respond to questions? Or, will the program be an open-ended discussion? How will the discussion reach the real point of the meeting: providing legitimacy to the formation of a regional coalition on housing? The form that this takes could be as simple as a voice vote on the question: Should the sponsoring agencies of the regional housing study now proceed to organize a representative regional coalition on housing to pursue an action plan for dealing with southeastern Connecticut's housing issues?

- A record of the proceedings of the forum(s) should be kept, and a summary report on the discussion and decisions would be desirable.

Phase Three: Establishing a Regional Coalition on Housing

Initiating Phase Three depends on the outcome of the public forum(s) held in Phase Two. In a worst case, the forum discussion could be inconclusive as to the need for a housing coalition. Or the conclusion could be that some existing entity could serve that function. Possibilities include the United Way, the Council of Governments or the Partnership on Housing and Homelessness. Assuming that the forum discussion supports the formation of a regional coalition on housing, the immediate follow-up tasks include:

- The individuals or agencies to be represented on the coalition must be identified and invited to serve.

- While the coalition itself would select a chair, it would be well to have one or more strong candidates in mind before the coalition meets for the first time. The desirable chair will be forceful but diplomatic, a good organizer, and a credible, recognized figure in the regional community.

- The coalition will require some staff support. How this might be provided should be considered before the organization meets. Options include staff loaned by some existing agency, new staff (to be paid for by some as yet unidentified funding), or consultant assistance on an as-needed basis (again involving cost). Assistance needed will range from simple logistical support to technical research and guidance.

- Although the coalition would determine its own agenda for action, it would be prudent for the sponsoring agencies of the housing study to develop a suggested set of priority activities that could be considered by the coalition once it forms. Some potential priority actions include:

  - ✓ Work with local zoning officials to review, and potentially revise, local regulations so as to minimize or eliminate disincentives to housing production.

  - ✓ Work with representatives of the building industry to seek ways to create incentives for housing production.

  - ✓ Work with legislators and other state officials to identify and remove systemic impediments to housing production.

  - ✓ Seek to assist in strengthening the housing production capacities of local public housing authorities and non-profit housing sponsors.

  - ✓ Seek the cooperation of major employers to meet the housing needs of the region's workforce.

  - ✓ Monitor changing economic, demographic, and housing characteristics to refine and update estimates of housing needs upon which to base regional action.

* * *

Activities beyond this point fall outside the scope to this study and are best reserved to a regional coalition on housing should it be formed.

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OTHERS: Barbara Beeler, Navy Family Housing Director, U.S. Naval Submarine Base.

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Table A.1: Labor Force and Employment Base, 1999/2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Resident Labor Force, 1999	In-Town Employment Base, 2000	In-Town Employment Base as % of Resident Labor Force
URBAN:			
Groton	17,370	26,630	153.3
New London	11,916	15,150	127.1
Norwich	18,560	17,770	95.7
URBAN TOTALS:	47,846	59,550	124.5
SUBURBAN:			
Colchester	6,412	3,500	54.6
East Lyme	9,149	5,200	56.8
Griswold	5,655	1,620	28.6
Ledyard	7,909	12,440*	157.3*
Lisbon	2,222	600	27.0
Montville	9,631	6,960*	72.3*
Preston	2,757	760	27.6
Sprague	1,645	800	48.6
Stonington	9,721	7,230	74.4
Waterford	10,206	12,600	123.5
SUBURBAN TOTALS:	65,307	51,710*	79.2*
RURAL:			
Bozrah	1,442	860	59.6
Franklin	1,072	960	89.6
North Stonington	2,847	1,380	48.5
Salem	2,063	710	34.4
Voluntown	1,269	280	22.1
RURAL TOTALS:	8,693	4,190	48.2
REGIONAL TOTALS:	121,846	115,450*	94.8*

Source: Connecticut Department of Labor, except as noted.
Note: In Tables A.1 and A.2 those figures followed by an asterisk are estimates by the SCCOG because these data were suppressed by the Department of Labor to avoid disclosure of the employment by the region's two casinos.

Table A.2: Non-Farm Employment, June, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total Non-Farm Employment	Goods Producing Industries	Service Producing Industries	Service Employment as % of Total Non-Farm Employment
URBAN:				
Groton	26,630	12,600	14,030	52.7
New London	15,150	1,030	14,120	93.2
Norwich	17,770	2,200	15,570	87.6
URBAN TOTALS:	59,550	15,830	43,720	73.4
SUBURBAN:				
Colchester	3,500	720	2,780	79.4
East Lyme	5,200	540	4,660	89.6
Griswold	1,620	260	1,360	84.0
Ledyard	12,440*	440	12,000*	96.5*
Lisbon	600	70	530	88.3
Montville	6,960*	960	6,000*	86.2*
Preston	760	120	640	84.2
Sprague	800	550	250	31.3
Stonington	7,230	1,510	5,720	79.1
Waterford	12,600	910	11,690	92.8
SUBURBAN TOTALS:	51,710*	6,080	45,630*	88.2*
RURAL:				
Bozrah	860	190	670	77.9
Franklin	960	170	790	82.3
North Stonington	1,380	380	1,000	72.5
Salem	710	70	640	90.1
Voluntown	280	50	230	82.1
RURAL TOTALS:	4,190	860	3,330	79.4
REGIONAL TOTALS:	115,450*	22,770	92,680*	80.3*

Source: Connecticut Department of Labor, except as noted.

Table A.3: Casino Employees, Place of Residence Within SECT Region, Summer/Fall of 2001

Place of Residence/ Municipalities	Foxwoods Resort Casino, 8/01	Mohegan Sun, 11/01	Total, Both Casinos	% of Regional Total
URBAN:				
Groton	1,078	569	1,647	11.0
New London	767	808	1,575	10.5
Norwich	2,329	2,208	4,537	30.4
URBAN TOTALS:	4,174	3,585	7,759	51.9
SUBURBAN:				
Colchester	122	141	263	1.8
East Lyme	151	199	350	2.3
Griswold	539	383	922	6.2
Ledyard	871	308	1,179	7.9
Lisbon	100	88	188	1.3
Montville	389	1,048	1,437	9.6
Preston	199	110	309	2.1
Sprague	112	104	216	1.4
Stonington	684	218	902	6.0
Waterford	293	325	618	4.1
SUBURBAN TOTALS:	3,460	2,924	6,384	42.7
RURAL:				
Bozrah	53	61	114	0.8
Franklin	37	42	79	0.5
North Stonington	205	39	244	1.6
Salem	45	54	99	0.7
Voluntown	190	78	268	1.8
RURAL TOTALS:	530	274	804	5.4
REGIONAL TOTALS:	8,164	6,783	14,947	100.0

Sources: Foxwoods Resort Casino; Mohegan Sun; SCCOG.

Table A.4: Total Population, 1990-2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	1990	2000	Numerical Change	Percent Change
URBAN:				
Groton	45,144	39,907	-5,237	-11.6
New London	28,540	25,671	-2,869	-10.1
Norwich	37,391	36,117	-1,274	-3.4
URBAN TOTALS:	111,075	101,695	-9,380	-8.4
SUBURBAN:				
Colchester	10,980	14,551	3,571	32.5
East Lyme	15,340	18,118	2,778	18.1
Griswold	10,384	10,807	423	4.1
Ledyard	14,913	14,687	-226	-1.5
Lisbon	3,790	4,069	279	7.4
Montville	16,673	18,546	1,873	11.2
Preston	5,006	4,688	-318	-6.4
Sprague	3,008	2,971	-37	-1.2
Stonington	16,919	17,906	987	5.8
Waterford	17,930	19,152	1,222	6.8
SUBURBAN TOTALS:	114,943	125,495	10,552	9.2
RURAL**:**				
Bozrah	2,297	2,357	60	2.6
Franklin	1,810	1,835	25	1.4
North Stonington	4,884	4,991	107	2.2
Salem	3,310	3,858	548	16.6
Voluntown	2,113	2,528	415	19.6
RURAL TOTALS:	14,414	15,569	1,155	8.0
REGIONAL TOTALS:	240,432	242,759	2,327	1.0

Source: U.S. Census Bureau; SCCOG.

Table A.5: Median Age (Years) of the Population, 1990-2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	1990	2000	Increase in Median Age (Years)	Percent Increase
URBAN:				
Groton	28.1	32.5	4.4	15.7
New London	28.4	31.2	2.8	9.9
Norwich	33.0	36.9	3.9	11.8
URBAN MEANS:	29.8	33.5	3.7	12.4
SUBURBAN:				
Colchester	32.4	35.3	2.9	9.0
East Lyme	35.7	39.0	3.3	9.2
Griswold	31.7	36.7	5.0	15.8
Ledyard	32.2	37.1	4.9	15.2
Lisbon	33.6	39.0	5.4	16.1
Montville	32.8	36.5	3.7	11.3
Preston	37.6	41.0	3.4	9.0
Sprague	32.2	37.1	4.9	15.2
Stonington	37.8	41.7	3.9	10.3
Waterford	39.9	41.7	1.8	4.5
SUBURBAN MEANS:	34.6	38.5	3.9	11.3
RURAL**:**				
Bozrah	35.6	40.1	4.5	12.6
Franklin	36.1	39.9	3.8	10.5
North Stonington	34.7	39.6	4.9	14.1
Salem	32.8	37.1	4.3	13.1
Voluntown	32.5	36.3	3.8	11.7
RURAL MEANS:	34.4	38.6	4.3	12.5
REGIONAL MEANS:	33.7	37.7	4.0	11.9

Source: U.S. Census Bureau; SCCOG.

Table A.6: Population by Age, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Under 18 Years	18 – 64 Years	65 Years and Over	Total	% 65 Years and Over
URBAN:					
Groton	9,914	25,164	4,829	39,907	12.1
New London	5,857	16,707	3,107	25,671	12.1
Norwich	8,705	21,867	5,545	36,117	15.1
URBAN TOTALS:	24,476	63,738	13,481	101,695	13.3
SUBURBAN:					
Colchester	4,342	8,876	1,333	14,551	9.2
East Lyme	3,969	11,865	2,284	18,118	12.6
Griswold	2,773	6,812	1,222	10,807	11.3
Ledyard	4,155	9,212	1,320	14,687	9.0
Lisbon	1,059	2,545	465	4,069	11.4
Montville	4,386	12,148	2,012	18,546	10.8
Preston	1,049	2,983	656	4,688	14.0
Sprague	772	1,850	349	2,971	11.7
Stonington	3,884	10,897	3,125	17,906	17.5
Waterford	4,185	11,323	3,644	19,152	19.0
SUBURBAN TOTALS:	30,574	78,511	16,410	125,495	13.1
RURAL**:**					
Bozrah	553	1,473	331	2,357	14.0
Franklin	443	1,158	234	1,835	12.8
North Stonington	1,255	3,217	519	4,991	10.4
Salem	1,136	2,469	253	3,858	6.6
Voluntown	671	1,616	241	2,528	9.5
RURAL TOTALS:	4,058	9,933	1,578	15,569	10.1
REGIONAL TOTALS:	59,108	152,182	31,469	242,759	13.0
% of REGIONAL TOTAL:	24.3	62.7	13.0	100.0	N.A.

Source: U.S. Census Bureau; SCCOG.

Table A.7: Population 65 Years and Over, 1990 and 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	1990	2000	Numerical Change	Percent Change
URBAN:				
Groton	4,096	4,829	733	17.9
New London	3,664	3,107	-557	-15.2
Norwich	5,870	5,545	-325	-5.5
URBAN TOTALS:	13,630	13,481	-149	-1.1
SUBURBAN:				
Colchester	1,100	1,333	233	21.2
East Lyme	1,634	2,284	650	39.8
Griswold	1,206	1,222	16	1.3
Ledyard	911	1,320	409	44.9
Lisbon	369	465	96	26.0
Montville	1,472	2,012	540	36.7
Preston	631	656	25	4.0
Sprague	311	349	38	12.2
Stonington	2,754	3,125	371	13.5
Waterford	3,319	3,644	325	9.8
SUBURBAN TOTALS:	13,707	16,410	2,703	19.7
RURAL**:**				
Bozrah	275	331	56	20.4
Franklin	201	234	33	16.4
North Stonington	383	519	136	35.5
Salem	214	253	39	18.2
Voluntown	201	241	40	19.9
RURAL TOTALS:	1,274	1,578	304	23.9
REGIONAL TOTALS:	28,611	31,469	2,858	10.0

Source: U.S. Census Bureau; SCCOG.

Table A.8: Distribution of Total Population and Population 65 Years and Over, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total Population	% of Total Population	Population 65+ Years	% of Regional Pop. 65+ Years
URBAN:				
Groton	39,907	16.4	4,829	15.3
New London	25,671	10.6	3,107	9.9
Norwich	36,117	14.9	5,545	17.6
URBAN TOTALS:	101,695	41.9	13,481	42.8
SUBURBAN:				
Colchester	14,551	6.0	1,333	4.2
East Lyme	18,118	7.4	2,284	7.3
Griswold	10,807	4.5	1,222	3.9
Ledyard	14,687	6.1	1,320	4.2
Lisbon	4,069	1.7	465	1.5
Montville	18,546	7.6	2,012	6.4
Preston	4,688	1.9	656	2.1
Sprague	2,971	1.2	349	1.1
Stonington	17,906	7.4	3,125	9.9
Waterford	19,152	7.9	3,644	11.6
SUBURBAN TOTALS:	125,495	51.7	16,410	52.2
RURAL**:**				
Bozrah	2,357	1.0	331	1.1
Franklin	1,835	0.7	234	0.7
North Stonington	4,991	2.1	519	1.6
Salem	3,858	1.6	253	0.8
Voluntown	2,528	1.0	241	0.8
RURAL TOTALS:	15,569	6.4	1,578	5.0
REGIONAL TOTALS:	242,759	100.0	31,469	100.0

Source: U.S. Census Bureau; SCCOG.

Table A.9: Population 65 Years and Over Living Alone, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total 65 Years and Over	Living Alone	Percent Living Alone
URBAN:			
Groton	4,829	1,464	30.3
New London	3,107	1,092	35.1
Norwich	5,545	1,887	34.0
URBAN TOTALS:	13,481	4,443	33.0
SUBURBAN:			
Colchester	1,333	310	23.3
East Lyme	2,284	555	24.3
Griswold	1,222	367	15.1
Ledyard	1,320	267	20.2
Lisbon	465	122	26.2
Montville	2,012	475	23.6
Preston	656	149	22.7
Sprague	349	98	28.1
Stonington	3,125	910	29.1
Waterford	3,644	922	25.3
SUBURBAN TOTALS:	16,410	4,175	25.4
RURAL**:**			
Bozrah	331	56	16.9
Franklin	234	60	25.6
North Stonington	519	114	22.0
Salem	253	57	22.5
Voluntown	241	60	24.9
RURAL TOTALS:	1,578	347	22.0
REGIONAL TOTALS:	31,469	8,965	28.5

Source: U.S. Census Bureau; SCCOG.

Table A.10: Population by Race, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total Population	White	Non-White	Two or More Races	Percent White
URBAN:					
Groton	39,907	33,368	5,162	1,377	83.6
New London	25,671	16,299	7,917	1,455	63.5
Norwich	36,117	30,029	4,672	1,416	83.1
URBAN TOTALS:	101,965	79,696	17,751	4,248	78.4
SUBURBAN:					
Colchester	14,551	1,900	459	192	95.5
East Lyme	18,118	15,815	1,972	331	87.3
Griswold	10,807	10,189	437	181	94.3
Ledyard	14,687	12,959	1,337	391	88.2
Lisbon	4,069	3,935	64	70	96.7
Montville	18,546	15,956	2,060	530	86.0
Preston	4,688	4,483	153	52	95.6
Sprague	2,971	2,835	93	43	95.4
Stonington	17,906	17,156	495	255	95.8
Waterford	19,152	17,699	1,143	310	92.4
SUBURBAN TOTALS:	125,495	114,927	8,213	2,355	91.6
RURAL**:**					
Bozrah	2,357	2,272	58	27	96.4
Franklin	1,835	1,798	17	20	98.0
North Stonington	4,991	4,707	197	87	94.3
Salem	3,858	3,684	123	51	95.5
Voluntown	2,528	2,443	56	29	96.6
RURAL TOTALS:	15,569	14,904	451	214	95.7
REGIONAL TOTALS:	242,759	209,527	26,415	6,817	86.3

Source: U.S. Census Bureau; SCCOG.

Table A.11: Non-White Population, 1990-2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Non-White Pop., 1990	% of Total Pop., 1990	Non-White Pop., 2000	% of Total Pop., 2000	% Increase in Non-White Pop., 1990-00
URBAN:					
Groton	4,853	10.8	5,162	16.4	6.4
New London	7,712	27.0	7,917	36.5	2.7
Norwich	3,246	8.7	4,672	16.9	43.9
URBAN TOTALS:	15,811	14.2	17,751	21.6	12.3
SUBURBAN:					
Colchester	280	2.6	459	4.5	63.9
East Lyme	903	5.9	1,972	12.7	118.4
Griswold	200	1.9	437	5.7	118.5
Ledyard	697	4.7	1,337	11.8	91.8
Lisbon	67	1.8	64	3.3	-4.5
Montville	1,007	6.0	2,060	14.0	104.6
Preston	175	3.5	153	4.4	-12.6
Sprague	78	2.6	93	4.6	19.2
Stonington	254	1.5	495	4.2	94.9
Waterford	736	4.1	1,143	7.6	55.3
SUBURBAN TOTALS:	4,397	3.8	8,213	8.4	86.9
RURAL**:**					
Bozrah	28	1.2	58	3.6	107.1
Franklin	9	0.5	17	2.0	88.9
North Stonington	96	2.0	197	5.7	105.2
Salem	81	2.4	123	4.5	51.9
Voluntown	21	10.0	56	3.4	166.7
RURAL TOTALS:	235	1.6	451	4.3	91.9
REGIONAL TOTALS:	20,443	8.5	26,415	13.7	29.2

Source: U.S. Census Bureau; SCCOG.

Table A.12: Hispanic Population, 1990-2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	1990	2000	% Increase, 1990-00	% of Total Pop., 2000
URBAN:				
Groton	1,649	2,001	21.3	5.0
New London	3,459	5,061	46.3	19.7
Norwich	1,161	2,208	90.2	6.1
URBAN TOTALS:	6,269	9,270	47.9	9.1
SUBURBAN:				
Colchester	118	280	137.3	1.9
East Lyme	365	832	127.9	4.6
Griswold	102	210	105.9	1.9
Ledyard	230	401	74.3	2.7
Lisbon	43	23	-46.5	0.6
Montville	435	1,010	132.2	5.4
Preston	93	65	-43.1	1.4
Sprague	38	33	-13.2	1.1
Stonington	220	233	5.9	1.3
Waterford	310	459	48.1	2.4
SUBURBAN TOTALS:	1,954	3,546	81.5	2.8
RURAL**:**				
Bozrah	23	42	82.6	1.8
Franklin	12	22	83.3	1.2
North Stonington	39	72	84.6	1.4
Salem	10	47	370.0	1.2
Voluntown	9	30	233.3	1.2
RURAL TOTALS:	123	213	73.2	1.4
REGIONAL TOTALS:	8,346	13,029	56.1	5.4

Source: U.S. Census Bureau; SCCOG.

Table A.13: Population in Households and Group Quarters, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total Population	Population in Households	Population in Group Quarters	% of Total Population in Households
URBAN:				
Groton	39,907	37,266	2,641	93.4
New London	25,671	22,965	2,706	89.5
Norwich	36,117	35,368	749	97.9
URBAN TOTALS:	101,695	95,599	6,096	94.0
SUBURBAN:				
Colchester	14,551	14,343	208	98.6
East Lyme	18,118	15,777	2,341	87.1
Griswold	10,807	10,690	117	98.9
Ledyard	14,687	14,677	10	99.9
Lisbon	4,069	4,069	0	100.0
Montville	18,546	16,899	1,647	91.1
Preston	4,688	4,688	0	100.0
Sprague	2,971	2,922	49	98.4
Stonington	17,906	17,688	218	98.8
Waterford	19,152	18,184	968	94.9
SUBURBAN TOTALS:	125,495	119,937	5,558	95.6
RURAL**:**				
Bozrah	2,357	2,327	30	98.7
Franklin	1,835	1,830	5	99.7
North Stonington	4,991	4,965	26	99.5
Salem	3,858	3,850	8	99.8
Voluntown	2,528	2,528	0	100.0
RURAL TOTALS:	15,569	15,500	69	99.6
REGIONAL TOTALS:	242,759	231,036	11,723	95.2

Source: U.S. Census Bureau SCCOG.

Table A.14: Households by Type, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Family Households	Non-Family Households	Total Households	% Family Households
URBAN:				
Groton	9,977	5,496	15,473	64.5
New London	5,386	4,795	10,181	52.9
Norwich	9,074	6,017	15,091	60.1
URBAN TOTALS:	24,437	16,308	40,745	60.0
SUBURBAN:				
Colchester	3,997	1,228	5,225	76.5
East Lyme	4,534	1,774	6,308	71.9
Griswold	2,894	1,300	4,194	69.0
Ledyard	4,104	1,182	5,286	77.6
Lisbon	1,182	343	1,525	77.5
Montville	4,681	1,745	6,426	72.8
Preston	1,360	477	1,837	74.0
Sprague	798	313	1,111	71.8
Stonington	4,896	2,769	7,665	63.9
Waterford	5,217	2,325	7,542	69.2
SUBURBAN TOTALS:	33,663	13,456	47,119	71.4
RURAL**:**				
Bozrah	662	221	883	75.0
Franklin	528	159	687	76.9
North Stonington	1,424	409	1,833	77.7
Salem	1,076	282	1,358	79.2
Voluntown	703	249	952	73.4
RURAL TOTALS:	4,393	1,320	5,713	76.9
REGIONAL TOTALS:	62,493	31,084	93,577	66.8

Source: U.S. Census Bureau; SCCOG.

Table A.15: Family Households by Type, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total Family Households	With Children <18 Years	Without Children <18 Years	% of Families With Children
URBAN:				
Groton	9,977	5,173	4,804	51.8
New London	5,386	2,807	2,579	52.1
Norwich	9,074	4,373	4,701	48.2
URBAN TOTALS:	24,437	12,353	12,084	50.1
SUBURBAN:				
Colchester	3,997	2,246	1,751	56.2
East Lyme	4,534	2,090	2,444	46.1
Griswold	2,894	1,449	1,445	50.1
Ledyard	4,104	2,094	2,010	51.0
Lisbon	1,182	563	619	47.6
Montville	4,681	2,233	2,448	47.7
Preston	1,360	557	803	41.0
Sprague	798	406	392	50.9
Stonington	4,896	2,010	2,886	41.1
Waterford	5,217	2,130	3,087	40.8
SUBURBAN TOTALS:	33,663	15,778	17,885	46.9
RURAL**:**				
Bozrah	662	288	374	43.5
Franklin	528	232	296	43.9
North Stonington	1,424	642	782	45.1
Salem	1,076	591	485	55.9
Voluntown	703	356	347	50.6
RURAL TOTALS:	4,393	2,109	2,284	48.0
REGIONAL TOTALS:	62,493	30,240	32,253	48.4

Source: U.S. Census Bureau; SCCOG.

Table A.16: Family Households Headed by Male or Female, No Spouse Present,
With Own Children Under Age 18, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total Families W/Children <18 Years	Families W/ Children Headed By One Parent	Families With Children Headed By One Parent as % of Total Families With Children
URBAN:			
Groton	5,173	1,376	26.6
New London	2,807	1,492	53.2
Norwich	4,373	1,852	42.4
URBAN TOTALS:	12,353	4,720	38.2
SUBURBAN:			
Colchester	2,246	430	19.1
East Lyme	2,090	431	20.6
Griswold	1,449	417	28.8
Ledyard	2,094	428	20.4
Lisbon	563	115	20.4
Montville	2,233	536	24.0
Preston	557	105	18.9
Sprague	406	124	30.5
Stonington	2,010	469	23.3
Waterford	2,130	466	21.9
SUBURBAN TOTALS:	15,778	3,521	22.3
RURAL**:**			
Bozrah	288	47	16.3
Franklin	232	42	18.1
North Stonington	642	110	17.1
Salem	591	82	13.9
Voluntown	356	71	19.9
RURAL TOTALS:	2,109	352	16.7
REGIONAL TOTALS:	30,240	8,593	28.4

Source: U.S. Census Bureau; SCCOG.

Table A.17: Householder Living Alone, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total Households	Householder Living Alone	Living Alone As % of Total
URBAN:			
Groton	15,473	4,512	29.2
New London	10,181	3,847	37.8
Norwich	15,091	4,834	32.0
URBAN TOTALS:	40,745	13,193	32.4
SUBURBAN:			
Colchester	5,225	953	18.2
East Lyme	6,308	1,468	23.3
Griswold	4,194	1,013	24.2
Ledyard	5,286	869	16.4
Lisbon	1,525	284	18.6
Montville	6,426	1,370	21.3
Preston	1,837	385	21.0
Sprague	1,111	236	21.2
Stonington	7,665	2,300	30.0
Waterford	7,542	1,998	26.5
SUBURBAN TOTALS:	47,119	10,876	23.1
RURAL**:**			
Bozrah	883	173	19.6
Franklin	687	130	18.9
North Stonington	1,833	299	16.3
Salem	1,358	212	15.6
Voluntown	952	181	19.0
RURAL TOTALS:	5,713	995	17.4
REGIONAL TOTALS:	93,577	25,064	26.8

Source: U.S. Census Bureau; SCCOG.

Table A.18: Average Household Size, 1990-2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Persons/ Household, 1990	Persons/ Household, 2000	Decline in Persons/Household
URBAN:			
Groton	2.65	2.41	-0.24
New London	2.29	2.26	-0.03
Norwich	2.44	2.34	-0.10
URBAN TOTALS:	2.48	2.35	-0.13
SUBURBAN:			
Colchester	2.76	2.75	-0.01
East Lyme	2.62	2.50	-0.12
Griswold	2.69	2.55	-0.14
Ledyard	2.93	2.78	-0.15
Lisbon	2.82	2.67	-0.15
Montville	2.74	2.63	-0.11
Preston	2.75	2.55	-0.20
Sprague	2.79	2.63	-0.13
Stonington	2.40	2.31	-0.09
Waterford	2.49	2.41	-0.08
SUBURBAN TOTALS:	2.65	2.55	-0.10
RURAL**:**			
Bozrah	2.76	2.64	-0.12
Franklin	2.79	2.66	-0.13
North Stonington	2.89	2.71	-0.18
Salem	2.95	2.84	-0.11
Voluntown	2.73	2.66	-0.07
RURAL TOTALS:	2.85	2.71	-0.14
REGIONAL TOTALS:	2.58	2.47	-0.11

Source: U.S. Census Bureau; SCCOG.

Table A.19: Median Household Income (MHI), 1989-2000 ($)
Southeastern Connecticut Planning Region

MUNICIPALITIES	1989	2000	Percent Increase	2000 MHI as % of Regional MHI
URBAN:				
Groton	33,967	49,231	44.9	87.1
New London	26,336	35,420	34.5	62.7
Norwich	29,354	41,215	40.4	72.9
Mean of Urban Town Medians:	29,886	41,955	40.4	74.3
SUBURBAN:				
Colchester	46,386	67,207	44.9	118.9
East Lyme	46,979	69,032	46.9	122.2
Griswold	32,907	45,872	39.4	81.2
Ledyard	49,811	72,367	45.3	128.1
Lisbon	38,192	55,767	46.0	98.7
Montville	42,140	59,611	41.5	105.5
Preston	42,823	60,338	40.9	106.8
Sprague	38,247	52,625	37.6	93.1
Stonington	39,651	57,688	45.5	102.1
Waterford	44,162	63,604	44.0	112.6
Mean of Suburban Town Medians:	42,130	60,411	43.4	106.9
RURAL**:**				
Bozrah	43,553	54,375	24.8	96.2
Franklin	41,780	50,563	21.0	89.5
North Stonington	47,070	68,020	44.5	120.4
Salem	49,278	71,957	46.0	127.4
Voluntown	35,699	42,134	18.0	74.6
Mean of Rural Town Medians:	43,474	57,409	32.1	101.6
Mean of All Town Medians:	40,463	56,501	39.6	100.0

Sources: 1989 median household income: U.S. Census Bureau. 2000 median household income estimate: Connecticut Department of Economic and Community Development, *Connecticut Market Data 2000.*

Table A.20: Projection of Total Population, 2000-2010
Southeastern Connecticut Planning Region

MUNICIPALITIES	Census, 1990	Census, 2000	% Change, 1990-00	Projected, 2010	% Change, 2000-10
URBAN:					
Groton	45,144	39,907	-11.6	43,201	8.3
New London	28,540	25,671	-10.1	27,490	7.1
Norwich	37,391	36,117	-3.4	37,380	3.5
URBAN TOTALS:	111,075	101,695	-8.4	108,071	6.3
SUBURBAN:					
Colchester	10,980	14,551	32.5	16,260	11.7
East Lyme	15,340	18,118	18.1	19,160	5.8
Griswold	10,384	10,807	4.1	11,590	7.2
Ledyard	14,913	14,687	-1.5	15,300	4.2
Lisbon	3,790	4,069	7.4	4,220	3.7
Montville	16,673	18,546	11.2	19,390	4.6
Preston	5,006	4,688	-6.4	5,190	10.7
Sprague	3,008	2,971	-1.2	3,140	5.7
Stonington	16,919	17,906	5.8	18,430	2.9
Waterford	17,930	19,152	6.8	19,720	3.0
SUBURBAN TOTALS:	114,943	125,495	9.2	132,400	5.5
RURAL**:**					
Bozrah	2,297	2,357	2.6	2,400	1.8
Franklin	1,810	1,835	1.4	1,890	3.0
North Stonington	4,884	4,991	2.2	5,150	3.2
Salem	3,310	3,858	16.6	4,070	5.5
Voluntown	2,113	2,528	19.6	2,780	10.0
RURAL TOTALS:	14,414	15,569	8.0	16,290	4.6
REGIONAL TOTALS:	240,432	242,759	1.0	256,761	5.8

Sources: U.S. Census Bureau; Connecticut Department of Transportation; SCCOG.

Table A.21: Total Housing Units, 1990-2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	1990	2000	Numerical Change	Percent Change
URBAN:				
Groton	16,598	16,817	219	1.3
New London	11,970	11,560	-410	-3.4
Norwich	16,472	16,600	128	0.8
URBAN TOTALS:	45,040	44,977	-63	-0.1
SUBURBAN:				
Colchester	4,150	5,407	1,257	30.3
East Lyme	6,772	7,459	687	10.1
Griswold	4,211	4,530	319	7.6
Ledyard	5,250	5,486	236	4.5
Lisbon	1,400	1,563	163	11.6
Montville	6,283	6,805	522	8.3
Preston	1,689	1,901	212	12.6
Sprague	1,109	1,164	55	5.0
Stonington	7,923	8,591	668	8.4
Waterford	7,357	7,986	629	8.5
SUBURBAN TOTALS:	46,144	50,892	4,748	10.3
RURAL**:**				
Bozrah	874	917	43	4.9
Franklin	666	711	45	6.8
North Stonington	1,858	2,052	194	10.4
Salem	1,245	1,655	410	32.9
Voluntown	890	1,091	201	22.6
RURAL TOTALS:	5,533	6,426	893	16.1
REGIONAL TOTALS:	96,717	102,295	5,578	5.8

Sources: U.S. Census Bureau; SCCOG.

Table A.22: Residential Units Authorized by Building Permits, 1996-2000
Southeastern Connecticut Planning Region

Municipal Classifications	Single-Family Detached Units	Other Units	Total Units	Single-Family as % of Total Units
URBAN:				
Groton	522	78	600	87.0
New London	3	0	3	100.0
Norwich	120	2	122	98.4
URBAN TOTALS:	645	80	725	89.0
SUBURBAN:				
Colchester	482	24	506	95.3
East Lyme	385	0	385	100.0
Griswold	220	32	252	87.3
Ledyard	238	6	244	97.5
Lisbon	102	0	102	100.0
Montville	223	0	223	100.0
Preston	99	0	19	100.0
Sprague	19	0	51	100.0
Stonington	394	3	397	99.2
Waterford	352	17	369	95.4
SUBURBAN TOTALS:	2,514	82	2,596	96.8
RURAL:				
Bozrah	45	0	45	100.0
Franklin	18	0	18	100.0
North Stonington	105	0	105	100.0
Salem	91	0	91	100.0
Voluntown	95	0	95	100.0
RURAL TOTALS:	354	0	354	100.0
REGIONAL TOTALS:	3,513	162	3,675	95.6

Sources: Connecticut Department of Economic & Community Development; SCCOG.

Table A.23: Housing Occupancy, 2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total Housing Units	Occupied Housing Units	Vacant Units for Seasonal, Recrea-tional or Occasional Use	Other Vacant Units	Total Vacant Housing Units	Other Vacant Units as % of Total Housing Units
URBAN:						
Groton	16,817	15,473	520	824	1,344	4.9
New London	11,560	10,181	131	1,248	1,379	10.8
Norwich	16,600	15,091	224	1,285	1,509	7.7
URBAN TOTALS:	44,977	40,745	875	3,357	4,232	7.5
SUBURBAN:						
Colchester	5,407	5,225	37	145	182	2.7
East Lyme	7,459	6,308	889	262	1,151	3.5
Griswold	4,530	4,194	131	205	336	4.5
Ledyard	5,486	5,286	32	168	200	3.1
Lisbon	1,563	1,525	10	28	38	1.8
Montville	6,805	6,426	106	273	379	4.0
Preston	1,901	1,837	18	46	64	2.4
Sprague	1,164	1,111	3	50	53	4.3
Stonington	8,591	7,665	480	446	926	5.2
Waterford	7,986	7,542	190	254	444	3.2
SUBURBAN TOTALS:	50,892	47,119	1,896	1,877	3,773	3.7
RURAL:						
Bozrah	917	883	18	16	34	1.7
Franklin	711	687	2	22	24	3.1
North Stonington	2,052	1,833	151	68	219	3.3
Salem	1,655	1,358	275	22	297	1.3
Voluntown	1,091	952	110	29	139	2.7
RURAL TOTALS:	6,426	5,713	556	157	713	2.4
REGIONAL TOTALS:	102,295	93,577	3,327	5,391	8,718	5.3

Sources: U.S. Census Bureau; SCCOG.

Table A.24: Housing Vacancy Rates, 1990-2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Homeowner Vacancy Rate (%)		Rental Vacancy Rate (%)	
	1990	2000	1990	2000
URBAN:				
Groton	4.5	1.0	7.9	4.6
New London	2.3	2.5	10.4	9.8
Norwich	2.6	2.3	8.4	7.0
URBAN TOTAL:	3.1	1.8	8.9	7.0
SUBURBAN:				
Colchester	2.2	0.9	8.1	4.5
East Lyme	1.4	1.3	7.7	7.5
Griswold	1.7	1.2	7.2	5.0
Ledyard	1.1	1.2	4.9	3.7
Lisbon	1.1	0.5	7.2	1.1
Montville	1.2	1.5	9.1	5.6
Preston	1.4	1.2	2.0	2.5
Sprague	1.5	0.5	5.9	7.6
Stonington	2.6	1.5	6.6	5.6
Waterford	1.5	1.1	5.4	4.3
SUBURBAN TOTAL:	1.6	1.2	6.4	5.2
RURAL**:**				
Bozrah	0.4	0.4	5.2	1.9
Franklin	0.5	1.3	5.7	7.9
North Stonington	1.5	0.6	4.5	6.3
Salem	1.7	0.3	13.8	3.0
Voluntown	1.7	0.6	4.3	1.1
RURAL TOTAL:	1.2	0.6	6.7	3.7
REGIONAL TOTAL:	1.7	1.4	6.9	6.4

Source: U.S. Census Bureau.

Table A.25: Housing Occupancy, 1990-2000
Southeastern Connecticut Planning Region

MUNICIPALITIES	Total Occupied Housing Units, 1990	Owner-Occupied Housing Units, 1990	Renter-Occupied Housing Units, 1990	% of Units Renter-Occupied, 1990	Total Occupied Housing Units, 2000	Owner-Occupied Housing Units,2000	Renter-Occupied Housing Units, 2000	% of Units Renter-Occupied, 2000
URBAN:								
Groton	14,853	7,048	7,805	52.5	15,473	7,815	7,658	49.5
New London	10,712	3,954	6,758	63.1	10,181	3,861	6,320	62.1
Norwich	15,018	7,919	7,099	47.3	15,091	7,924	7,167	47.5
URBAN TOTALS:	40,583	18,921	21,662	53.4	40,745	19,600	21,145	51.9
SUBURBAN:								
Colchester	3,895	3,046	849	21.8	5,225	4,027	1,198	22.9
East Lyme	5,503	4,326	1,177	21.4	6,308	4,954	1,354	21.5
Griswold	3,833	2,614	1,219	31.8	4,194	2,961	1,233	29.4
Ledyard	5,048	4,049	999	19.8	5,286	4,354	932	17.6
Lisbon	1,342	1,174	168	12.5	1,525	1,351	174	11.4
Montville	5,949	4,595	1,354	22.8	6,426	4,973	1,453	22.6
Preston	1,621	1,382	239	18.1	1,837	1,520	317	17.3
Sprague	1,034	655	379	36.7	1,111	735	376	33.8
Stonington	7,017	4,821	2,196	31.3	7,665	5,418	2,247	29.3
Waterford	6,956	5,878	1,078	15.5	7,542	6,371	1,171	15.5
SUBURBAN TOTALS:	42,198	32,540	9,658	22.9	47,119	36,664	10,455	22.2
RURAL**:**								
Bozrah	825	679	146	17.7	883	725	158	17.9
Franklin	648	566	82	12.7	687	617	70	10.2
North Stonington	1,670	1,456	214	12.8	1,833	1,624	209	11.4
Salem	1,122	947	175	15.6	1,358	1,164	194	14.3
Voluntown	775	618	157	20.3	952	779	173	18.2
RURAL TOTALS:	5,040	4,266	774	15.4	5,713	4,909	804	14.1
REGIONAL TOTALS:	**87,821**	**55,727**	**32,094**	**36.5**	**93,577**	**61,173**	**32,404**	**34.6**

Sources: U.S. Census Bureau; SCCOG.

Table A.26: Median Sales Prices (MSP), All Housing Units, 1989-1999
Southeastern Connecticut Planning Region Municipalities

	1989			1999	
Municipalities, Rank Order	Median Sales Prices ($)	% Variation from MSP Among All Municipalities	Municipalities, Rank Order	Median Sales Prices ($)	% Variation from MSP Among All Municipalities
Salem	161,500	25.1	Salem	175,000	40.0
Colchester	150,000	16.2	Stonington	162,000	29.6
North Stonington	150,000	16.2	North Stonington	159,000	27.2
East Lyme	149,900	16.1	East Lyme	145,500	16.4
Ledyard	147,750	14.4	Colchester	140,000	12.0
Franklin	147,000	13.4	Ledyard	133,000	6.4
Stonington	145,000	12.3	Groton	128,500	2.8
Preston	142,500	10.4	Waterford	128,000	2.4
Waterford	130,000	0.7	Franklin	125,000	0
MEDIAN AMONG ALL MUNICIPALITIES: $129,125			MEDIAN AMONG ALL MUNICIPALITIES: $125,0000		
Bozrah	128,250	-0.7	Montville	118,250	-5.4
Montville	122,450	-5.2	Bozrah	116,500	-6.8
New London	121,000	-6.3	Lisbon	114,500	-8.4
Groton	117,950	-8.7	Voluntown	114,000	-8.8
Lisbon	117,250	-9.2	Sprague	106,500	-15.2
Norwich	116,900	-9.5	Griswold	105,000	-8.0
Griswold	115,000	-10.9	New London	91,550	-26.8
Voluntown	106,125	-17.8	Norwich	86,000	-31.2
Sprague	97,500	-24.5			

Sources: Connecticut Department of Economic & Community Development; SCCOG.
Note: Preston data for 1999 not available.

Table A.27: Variations in Median Sales Prices (MSP), Single-Family Homes, 2001
Southeastern Connecticut Planning Region Municipal

Municipalities	Median Sales Prices ($)	Variations from MSP Among All Municipalities ($)	% Variations from MSP Among All Municipalities
Stonington	215,000	60,025	38.7
East Lyme	197,000	42,025	27.1
Salem	185,000	30,025	19.4
Colchester	180,000	25,025	16.1
North Stonington	175,000	20,025	12.9
Waterford	166,000	11,025	7.1
Preston	165,000	10,025	6.5
Groton	163,500	8,525	5.5
Ledyard	159,950	4,975	3.2
MEDIAN AMONG ALL MUNICIPAL MSPs: $154,975			
Franklin	150,000	-4,975	-3.2
Montville	142,500	-12,475	-8.0
Bozrah	140,000	-14,975	-9.7
Lisbon	140,000	-14,975	-9.7
Sprague	140,000	-14,975	-9.7
Voluntown	137,500	-17,475	-11.3
Griswold	134,900	-20,075	-13.0
New London	124,000	-30,975	-20.0
Norwich	119,200	-35,775	-23.1

Sources: Eastern Connecticut REALTORS® Information Service, Inc.; SCCOG.
Total Number of Units: 2,388.

Table A.28: Variations in Median Sales Prices (MSP), Condominium Units, 2001
Southeastern Connecticut Planning Region Municipalities

Municipalities	Median Sales Prices ($)	Variations from MSP Among All Municipalities ($)	% Variations from MSP Among All Municipalities
Stonington	260,000	187,800	260.1
East Lyme	116,250	44,050	61.0
Waterford	104,900	32,700	45.3
Groton	89,000	16,800	23.3
Colchester	72,500	300	0.4
New London	72,200	0	0
MEDIAN AMONG ALL MUNICIPAL MSPs: $72,200			
Ledyard	71,000	-1,200	-1.7
Norwich	63,500	-8,700	-12.2
Montville	62,250	-9,950	-13.8
Griswold	55,300	-16,900	-23.4
Salem	32,000	-40,200	-55.7

Sources: Eastern Connecticut REALTORS® Information Service, Inc.; SCCOG.
Total Number of Units: 422.

Table A.29: Housing Affordability, Single-Family Units, 2000/2001, Southeastern Connecticut Planning Region

MUNICIPALITIES	Median Household Incomes ($), 2000	Maximum Affordable Home Sales Prices ($)	Median Home Sales Prices ($), 2001	Median Sales Prices as % of Maximum
URBAN:				
Groton	49,231	147,700	163,500	110.7
New London	35,420	106,260	124,000	116.7
Norwich	41,215	123,600	119,200	96.4
Mean of Urban Town Medians:	41,955	125,865	134,233	106.6
SUBURBAN:				
Colchester	67,207	201,600	180,000	89.3
East Lyme	69,032	207,100	197,000	95.1
Griswold	45,872	137,600	134,900	98.0
Ledyard	72,367	217,100	159,950	73.7
Lisbon	55,767	167,300	140,000	83.7
Montville	59,611	178,800	142,500	79.7
Preston	60,338	181,000	165,000	91.2
Sprague	52,625	157,900	140,000	88.7
Stonington	57,688	173,100	215,000	124.2
Waterford	63,604	190,800	166,000	87.0
Mean of Suburban Town Medians:	60,411	181,200	164,035	90.5
RURAL**:**				
Bozrah	54,375	163,100	140,000	85.8
Franklin	50,563	151,700	150,000	98.9
North Stonington	68,020	204,100	175,000	85.7
Salem	71,957	215,900	185,000	85.7
Voluntown	42,134	126,400	137,500	108.8
Mean of Rural Town Medians:	57,409	172,200	157,500	91.5
Mean of All Town Medians:	56,501	169,500	157,255	92.8

Sources: Connecticut Department of Economic & Community Development; Eastern Connecticut REALTORS® Information Service, Inc.; SCCOG.
Note: The maximum affordable home sales prices are 3.0 times the median household income.

Table A.30: Assisted Housing Units, 2000, Southeastern Connecticut Planning Region

Municipal Classifications	Total Housing Units	Types of Assisted Housing				Assisted Units as % of Total Housing units
		Governmentally Assisted Units	CHFA/FmHA Mortgages	Deed Restricted	Total Units	
URBAN:						
Groton	16,817	3,331	422	9	3,762	22.4
New London	11,560	1,819	512	0	2,331	20.2
Norwich	16,600	2,446	599	0	3,045	18.3
URBAN TOTALS:	44,977	7,596	1,533	9	9,138	20.3
SUBURBAN:						
Colchester	5,407	487	161	0	648	12.0
East Lyme	7,459	227	116	0	343	4.6
Griswold	4,530	174	213	0	387	8.5
Ledyard	5,486	42	221	0	263	4.8
Lisbon	1,563	7	79	0	86	5.3
Montville	6,805	96	296	0	392	5.8
Preston	1,901	42	38	0	80	4.2
Sprague	1,164	28	31	0	59	5.1
Stonington	8,591	244	133	0	377	4.4
Waterford	7,986	82	271	0	353	4.4
SUBURBAN TOTALS:	50,892	1,429	1,559	0	2,988	5.9
RURAL:						
Bozrah	917	4	22	0	26	2.8
Franklin	711	1	15	0	16	2.3
North Stonington	2,052	0	25	0	25	1.2
Salem	1,655	0	22	0	22	1.3
Voluntown	1,091	20	48	0	68	6.2
RURAL TOTALS:	6,426	25	132	0	157	2.4
REGIONAL TOTALS:	102,295	9,050	3,224	9	12,283	12.0

Sources: U.S. Census Bureau; Connecticut Department of Economic & Community Development; SCCOG.
Notes; CHFA: Connecticut Housing Finance Authority; FmHA: Farmer's Home Administration.

Table A. 31: Acreage Within Residential Zoning Districts, 1999, Southeastern Connecticut Planning Region

Municipal Classifications	Residential Zoning Districts, Minimum Lot Sizes (Square Feet)										Total Residential Zoning	
	80,000>		60-79,999		40-59,999		20-39,999		<20,000			
	Acres	% of Total	Acres	% of Total	Acres	% of Total	Acres	% of Total	Acres	% of Total	Acres	% of Total
Urban:												
Groton	1,125	7	0	0	5,496	34	6,131	38	3,367	21	16,119	100
New London	0	0	0	0	0	0	0	0	1,875	100	1,875	100
Norwich	2,423	16	0	0	3,962	25	4,353	28	4,859	31	15,597	100
Urban Totals	3,548	11	0	0	9,458	28	10,484	31	10,101	30	33,591	100
Suburban:												
Colchester	0	0	19,544	75	4,564	18	1,549	6	346	1	26,003	100
East Lyme	7,043	34	0	0	12,173	60	0		1,189	6	20,405	100
Griswold	11,779	55	4,515	21	4,773	22	221	1	217	1	21,505	100
Ledyard	4,200	20	10,954	53	5,234	25	295	2	0	0	20,683	100
Lisbon	2,023	21	3,872	40	3,727	39	0	0	0	0	9,622	100
Montville	16,769	74	0	0	3,790	17	2,100	9	0	0	22,659	100
Preston	4,714	26	12,671	70	798	4	0	0	0	0	18,183	100
Sprague	6,104	77	0	0	1,238	16	424	5	114	2	7,880	100
Stonington	18,682	82	0	0	1,321	6	1,859	8	1,038	4	22,900	100
Waterford	7,405	42	0	0	5,319	30	4,489	25	599	3	17,812	100
Suburban Totals:	78,719	42	51,556	27	42,937	23	10,937	6	3,773	2	187,922	100
Rural:												
Bozrah	11,750	100	0	0	0	0	0	0	0	0	11,750	100
Franklin	11,294	100	0	0	0	0	0	0	0	0	11,294	100
N. Stonington	28,163	85	3,245	10	1,687	5	0	0	0	0	33,095	100
Salem	17,283	97	0	0	536	3	0	0	0	0	17,819	100
Voluntown	24,963	100	0	0	0	0	0	0	0	0	24,963	100
Rural Totals:	93,453	95	3,245	3	2,223	2	0	0	0	0	98,921	100
Regional Totals:	175,720	55	54,801	17	54,618	17	21,421	7	13,874	4	320,434	100

Source: SCCOG.

Table A.32: Zoning Districts Permitting Multi-Family Housing Units, 1999, Southeastern Connecticut Planning Region

Municipal Classifications	Permitted by Right		Special Permit/Exception		Special Permit/ Exception, Elderly Only		Total Multi-family Zoning	
	Acres	% of Region	Acres	% of Region	Acres	% of Region	Acres	% of Region
Urban:								
Groton	736	11.6	275	0.8	458	0.8	1,469	1.5
New London	374	5.9	442	1.3	0	0	816	0.8
Norwich	3,728	58.5	147	0.5	0	0	3,875	3.9
Urban Totals:	4,838	76.0	864	2.6	458	0.8	6,160	6.2
Suburban:								
Colchester	0	0	2,382	7.2	9	0	2,382	2.4
East Lyme	0	0	1,174	3.5	0	0	1,174	1.2
Griswold	204	3.2	270	0.8	0	0	474	0.5
Ledyard	581	9.1	5,519	16.6	0	0	6,110	6.2
Lisbon	7	0.1	0	0	9,622	16.4	9,629	9.8
Montville	0	0	2,259	6.8	3,790	6.4	6,049	6.2
Preston	0	0	892	2.7	0	0	892	0.9
Sprague	0	0	553	1.7	573	1.0	1,126	1.1
Stonington	147	2.3	1,896	5.7	0	0	2,043	2.1
Waterford	364	5.7	150	0.5	10,043	17.1	10,557	10.7
Suburban Totals:	1,303	20.4	15,105	45.5	24,028	40.9	40,436	41.1
Rural:								
Bozrah	0	0	0	0	275	04	275	0.3
Franklin	0	0	0	0	365	0.6	365	0.4
N. Stonington	0	0	4,932	14.9	28,163	47.9	33,095	33.7
Salem	226	3.6	12,011	36.2	5,526	9.4	17,763	18.0
Voluntown	0	0	262	0.8	0	0	262	0.3
Rural Totals:	226	3.6	17,205	51.9	34,329	58.3	51,760	52.7
Regional Totals:	6,367	100	33,174	100.0	58,815	100.0	98,356	100.0

Source: SCCOG.