

# Town of Seymour, CT



## Affordable Housing Plan

Adopted:

## Introduction

Seymour is a small, suburban community located in the Naugatuck Valley. It began as a classic New England mill town centered around waterfalls on the Naugatuck River, which early industrialists used to power their factories. A small, vibrant community developed with factories and housing in bottom of the river valley and farms on the surrounding hillsides.

As the 20<sup>th</sup> Century progressed, development spread along the river valley before slowly building out farmland in the post-World War II development boom. Development continued steadily for over half a century following larger national trends of primarily single family housing. Small, dense neighborhoods on quarter-acre plots gave way to larger homes on 1-acre plots as trends changed. The 2008 financial crisis stopped this trend and led to a decade of extremely slow growth of housing stock. Seymour, and the Naugatuck Valley more generally, have long had lower median housing costs, but Seymour remains below the State of Connecticut's affordable housing target.

While housing demand had already begun to outpace supply prior to the COVID-19 pandemic, the combination of factors resulting from the pandemic exacerbated the situation leading to a housing crisis in Connecticut. Connecticut has one of the lowest rental vacancy rates in the country and home prices remain inflated from their pre-pandemic levels due to an influx of out-of-state residents during the pandemic.

Housing affordability is a crucial social determinant of health and wellness. When housing costs begin to exceed the recommended 30% of income threshold, other measures of wellbeing begin to suffer. Ensuring sufficient access to affordable housing is a vital strategy to increasing quality of life for residents.

The Town of Seymour is committed to expanding its affordable housing stock to ensure a higher quality of life for all its residents. Pursuant to Connecticut General Statutes Sec. 8-30j, and in alignment with Seymour's 2016 Plan of Conservation & Development, what follows is Seymour's affordable housing plan.

## What is Affordable Housing?

### Section 8-30g

Affordable housing is defined by State statute. CT CGS Section 8-30g. There are two types of affordable housing:

1. Assisted
2. Set-aside

**Assisted housing** is “Housing which is receiving, or will receive, financial assistance under any governmental program for the construction or substantial rehabilitation of low- and moderate-income housing, and any housing occupied by persons receiving rental assistance.” It can include:

1. Housing constructed or rehabilitated through Federal or State programs
2. Home ownership financed through Federal and State programs
3. Rental assistance programs.

**Set-aside development** is “a development in which not less than 30% of the dwelling units will be conveyed by deeds containing covenants or restrictions, which shall require that, for at least forty years after the initial occupation of the proposed development, such dwelling units shall be sold or rented at, or below, prices which will preserved the units as housing for which persons and families pay 30% or less of their annual income, where such income is less than or equal to 80% of the median income. In a set-aside development, of the dwelling units conveyed by deeds containing covenants or restrictions, a number of dwelling units equal to not less than 15% of all dwelling units in the development shall be sold or rented to persons whose income is less than or equal to 60% of the median income.”

### Affordable Housing

Additionally, the State of Connecticut defines affordable housing as housing for which persons and families pay thirty percent or less of their annual income on housing costs.

Household Income						
	1 Person	2 People	3 People	4 People	5 People	6 People
<b>80% of Area Median Income (2021)</b>	\$55,950	\$63,950	\$71,950	\$79,900	\$86,300	\$92,700
Monthly Housing Costs (Rent/Mortgage + Utilities)						
	1 Person	2 People	3 People	4 People	5 People	6 People
<b>30% of income for a household at 80% of Area Median Income (2021)</b>	\$1,398.75	\$1,698.75	\$1,798.75	\$1,997.50	\$2,157.50	\$2,317.50

### Goals

The State of Connecticut requires municipalities to do two things:

1. Adopt and update at least every five years, a municipal affordable housing plan.
2. Reach and maintain 10% of the municipal housing stock as affordable.

The purpose of this plan is provide a roadmap of the strategies the Town of Seymour intends to employ to reach this goal.

### Demographic Information

In order to understand Seymour’s housing needs, we must first understand its population trends. Seymour’s population has grown dramatically in the post-World War II era but has slowed over time, remaining relatively stable during the last decade, aligning with the regional trend.

<b>Seymour Historic Population</b>		
Year	Population	Percent Increase
2000	15,454	8.2%
2010	16,540	7.0%
2020	16748	1.3%

While Seymour’s population has been relatively stable, it is aging.

<b>Seymour Age Data</b>			
Age	2000	2010	2020
Under 5	6.2%	4.3%	3.0%
5 to 9 Years	5.8%	5.1%	4.6%
10 to 14 Years	7.8%	7.4%	6.2%
15 to 19 Years	6.4%	8.0%	11%
20 to 24 Years	3.8%	6.9%	7.0%
25 to 34 Years	13.9%	10.9%	11.0%
35 to 44 Years	18.9%	15.0%	11.1%
45 to 54 Years	14.4%	19.0%	16.1%
55 to 59 Years	5.0%	8.2%	7.2%
60 to 64 Years	3.3%	3.7%	6.9%
65 to 74 Years	6.9%	6.1%	8.6%
75 to 84 Years	6.1%	3.7%	5.6%
85 Years and over	1.4%	1.8%	1.6%
Median Age	38.8	40.5	42.1

Seymour is also a diversifying community.

<b>Seymour Race &amp; Ethnicity Data</b>			
Race/Ethnicity	2000	2010	2020
White Alone	14,655	15,287	13,807
Black or African American Alone		427	737
American Indian and Alaska Native Alone		26	23
Asian Alone		365	461
Native Hawaiian and Other Pacific Islander Alone		1	5
Some Other Race Alone		205	524
Two or More Races		229	1,221

Seymour’s household size remains relatively stable, unlike many communities in the region, where it has decreased significantly.

<b>Seymour Average Household Size</b>		
<b>2000</b>	<b>2010</b>	<b>2020</b>
2.49	2.46	2.64

## Housing Information

Next, we must look at Seymour’s existing housing stock in order to understand what can be done to ensure a good supply of affordable housing for Seymour’s residents as we look to meet the State’s requirements.

### Housing Supply

Like many communities, Seymour saw its housing supply begin to stagnate after the 2008 financial crisis after a long period of steady growth.

Seymour Housing Supply							
Total Units					Percent Change		
2020	2010	2000	1990	1980	2010 - 2020	2000 - 2010	1990 - 2000
7,112	6,898	6,356	5,877	5,081	2.1%	9.6%	10.3%

As a suburban community, Seymour’s housing stock remains primarily single-family.

Seymour Housing Composition				
Total Units	1 Unit	2 Units	3 – 4 Units	5 + Units
6,573	4,380 (66.6%)	730 (11.1%)	242 (3.7%)	1,221 (18.6%)

Seymour’s housing stock is primarily older, with a small percentage having been built after the year 2000. The median age of housing stock exactly matches the regional and State medians.

Seymour Housing Age						
Total Units	Year Built					Median Year Built
	After 1999	1980 – 1999	1960 – 1979	1940 – 1959	Before 1940	
6,573	479 (7.3%)	1,226 (18.6%)	1,998 (30.3%)	1,392 (21.2%)	1,478 (22.5%)	1965

Finally, Seymour’s housing is predominantly owner-occupied, although increasingly formerly owner-occupied homes are being rented.

Seymour Housing Ownership		
Occupied Units	Owner-Occupied	Renter-Occupied
6,203	4,409 (71.1%)	1,794 (28.90%)

## Housing Cost

Controlling housing costs is vital to ensuring higher quality of life for residents. It is recommended that housing costs remain below 30% of incomes. In Seymour, in 2021, this equates to an hourly wage of \$27.37 or an annual salary of \$56,930. Those who spend over 50% of their income are said to be severely burdened.

<b>Seymour Households with Mortgages</b>			
<b>Total Units with Mortgage</b>	<b>Percent of Population by Mortgage Costs as a Percentage of Household Income</b>		
	<b>Under 30%</b>	<b>30-50%</b>	<b>Over 50%</b>
3,215	65.6%	24.5%	9.9%

<b>Seymour Households without Mortgages</b>			
<b>Total Units without Mortgage</b>	<b>Percent of Population by Mortgage Costs as a Percentage of Household Income</b>		
	<b>Under 30%</b>	<b>30-50%</b>	<b>Over 50%</b>
1,194	82.6%	5.6%	8.5%

<b>Renter Households</b>					
<b>Total Housing Units</b>	<b>Renter Occupied Units</b>		<b>Population by Monthly Costs as a Percentage of Household Income</b>		
	<b>Number</b>	<b>Percent</b>	<b>Under 30%</b>	<b>30%-50%</b>	<b>Over 50%</b>
6,203	1,794	28.90%	48.60%	19.10%	26.30%

<b>Seymour Affordable Housing</b>						
<b>2010 Census Housing Units</b>	<b>Government Assisted Units</b>	<b>Tenant Rental Assistance Units</b>	<b>Single Family CHFA/USDA Mortgages</b>	<b>Deed Restricted Units</b>	<b>Total Assisted Units</b>	<b>Percent Affordable</b>
6,968	262	28	113	0	403	5.78

As of November 2022, Seymour's housing market, like many others saw dramatic increases both in home values and in rents. Previously, Seymour's median home values had decreased dramatically from 2010, when it was \$297,500, to \$253,300, a decrease of 14.86%. Seymour's rents, however, had increased between 4.8% and 8.2% in the same period. Seymour also has one of the region's highest municipal property tax burdens, \$6,383 in 2019. While Seymour increased its affordable housing stock by 11.63% between 2010 and 2020, there is more work to be done.

## **Strategies to Increase Affordable Housing Development**

What follows are the strategies the Town of Seymour intends to employ to increase its affordable housing stock.

### **Financial Support**

The simplest way to increase affordability of housing is to direct residents and developers to various State and Federal programs designed to make housing more affordable.

#### **Purchasers**

The Connecticut Housing Finance Authority (CHFA) has a variety of homebuyer mortgage programs that can help residents finance a home. In order to promote CHFA programs, the Town of Seymour intends to:

1. Include educational resources at Town Hall and on the Town's website
2. Educate staff on the availability of these resources to aid residents
3. Work with CHFA to provide additional educational programming

#### **Developers**

**Low Income Housing Tax Credit (LIHTC)** – The CHFA administers the Federal LIHTC program. They allocate up to \$10 million annually, via both a 9% credit and a 4% credit. In order to promote the LIHTC, the Town of Seymour intends to:

- 1) Review zoning regulations to promote favorable categories outlined in the LIHTC Qualified Allocation Plan
- 2) Communicate with developers to understand barriers to assisted housing development and consider modifying zoning regulations accordingly.

**Housing Tax Credit Contribution (HTTC)** – The State of Connecticut administers the HTTC program to help nonprofit developers building affordable housing. The HTTC has an annual \$10 million cap. Non-profit developers apply for funding the comes in the form of tax credit vouchers that businesses can invest in. In order to promote the HTTC, the Town of Seymour intends to:

- 1) Identify and collaborate with developers who have leveraged HTTC funding in the past
- 2) Educate municipal staff that can work with local investors to support projects

**Affordable Housing Program (FLEX)** – FLEX provides grants, loans loan guarantees, deferred loans or any combination thereof for the development and preservation of affordable housing. In order to promote FLEX, the town of Seymour intends to:

- 1) Educate municipal staff on the eligibility of FLEX funding

#### **Renters**

**Housing Choice Vouchers (Section 8)** - This program is relatively well known and assists very low-income families in the private market. Participants can find their own housing where the owner agrees to rent under the program. In order to promote Housing Choice Vouchers, the Town of Seymour intends to:

- 1) Work with the Ansonia Housing Authority, who administers Seymour's vouchers, to share resources at Town Hall and on the municipal website.

**Rental Assistance Program (RAP Certificates)** – RAP is a State-funded program that helps families with low income afford housing in the private market. In order to promote RAP, the Town of Seymour intends to:

1. The wait list for RAP is currently closed, but municipal staff will coordinate information sharing if and when it opens back up.

### **Regulation**

**Set-Aside Development** – Deed-restricted units that are managed through a public or private entity. To promote set-aside development, the Town of Seymour intends to:

1. Review zoning regulations to facilitate development of set-aside developments including reduced parking requirements or density bonuses.

**Accessory Dwelling Units (ADU)** – ADU's are secondary housing units located on the same lot as a single-family home ("in-law" apartments are an example). Seymour's Planning & Zoning Commission has opted-out of Connecticut's accessory dwelling unit regulations. Seymour has accessory dwelling unit regulations in place. The Planning & Zoning Commission intends to revise its regulations to facilitate additional ADU development.

**Inclusionary Zoning** – Seymour's zoning regulations have historically favored traditional, single-family development. In order to facilitate affordable development, the Planning & Zoning Commission can review municipal zoning to eliminate barriers to affordable development through means including: modified density requirements, reduced parking requirements, reduction of setback requirements and residential infill development.

**Tax Incentives** – The Town of Seymour intends to investigate the feasibility of including affordable housing development in its tax incentive plan in order to encourage further development.