Regional Plan Association

February 16, 2017

RE: SB 535: An Act Revising the Affordable Housing Land Use Appeals Process and Requirements for Affordable Housing Applications and Obtaining a Municipal Monitor, HB 6880: An Act Concerning the Affordable Housing Land Use Appeals Process and Related Bills

Dear Members of the Housing Committee of the Connecticut General Assembly,

My name is Melissa Kaplan-Macey and I am the Connecticut Director for Regional Plan Association. RPA is a research and advocacy organization that develops and promotes ideas to improve economic opportunity, mobility and sustainability in the New York-New Jersey-Connecticut metropolitan region. In the nearly 90- year history of our organization, we have developed three long-range plans for the region, each addressing the major issues of its time.

**The purpose of this testimony is to state our strong opposition to provisions in SB 535, HB 6880 and related bills that would weaken the existing 8-30g statue which allows developers to appeal denial of affordable housing applications in municipalities where less than 10% of the housing stock is affordable and hinder development of multifamily and affordable housing, critical to Connecticut's economic future.**

RPA is preparing to release its fourth regional plan this fall. We have spent the past few years doing research and engaging communities throughout the region to understand the challenges we face and create a roadmap that will guide us toward a prosperous future. One of the most significant findings of our research is that the rising cost of living in New York, Connecticut and New Jersey threatens prosperity and quality of life for all the region's residents, not just those who struggle to make ends meet. When incomes don't keep pace with housing prices, the difficulties of living here outweigh the advantages, it becomes harder to attract and retain talented workers. People and companies leave. Our economy suffers. And of the three states in our region, this reality has hit Connecticut the hardest.

Over the past 20 years, housing costs have skyrocketed. In 1990, less than 25% of Connecticut's households spent more than 35% of their income on housing. Today, over 35% of them do. A story we've heard in Connecticut over and over again is that of the family who moved to Connecticut in the 1980s to get away from the city and raise children, driving to work at one of the many corporate office parks in the state. The problem is that suburban dream that worked so well for Connecticut for so long isn't working in the new economy. Companies like GE Capital are leaving Connecticut office parks for places with a mix of land uses and people. Increasingly, young people can't afford a single-family home in the suburbs. And if they could afford one, they are eager to have more housing choices: apartments near transit, near where they work, closer to entertainment. If land use patterns in Connecticut don't evolve to meet this changing reality, Connecticut will continue to lose jobs and

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workers as well as income tax revenue. And as homes on large lots far from transit continue to sit on the market longer and ultimately sell for less, municipalities will lose property tax revenue as well.

SB 535 HB 6880 and related bills would weaken the existing 8-30g statute and reduce the number of new multifamily and affordable homes built in the state. While individual municipalities may oppose being pushed to plan for multifamily and affordable housing or be forced by a developer to do so, 8-30g is one of the state's best tools for addressing a real and growing housing crisis in Connecticut. If Connecticut municipalities don't create more housing for more people, they will continue to face shrinking grand lists and increasing property taxes. This isn't a sustainable trajectory for individual communities, and over time it will critically compromise the state's already faltering economy.

Our specific concerns with the proposals being considered are as follows:

1) There are a limited number of developers currently willing to develop multifamily housing in Connecticut. Limiting the number of times these few developers can use 8-30g will reduce the number of multifamily housing development applications in the state. A developer might decline to submit an application if they are up against the limit and would have no recourse if such application was declined by the local municipality. This represents a significant business risk and will negatively affect developers' willingness to pursue such applications.

2) While RPA applauds the goal of increased affordable housing and supports efforts to increase deed restricted units, any changes to affordability requirements should be undertaken carefully in order to make sure financial feasibility is maintained and affordable housing gets built. If affordability is increased, state subsidies or other incentives may be needed in order to maintain this feasibility.

3) Creating a three-person panel to hear appeals to the 8-30g statute will politicize the appeals process, taking it out of the hands of impartial judges and the judicial system that has a library of case law to rely upon in making decisions on these contentious applications.

4) Limiting 8-30g's application to projects that have more than 25 units will undermine efforts to create multifamily and affordable housing on smaller sites, which are often found in downtown, transit-served locations. These sites are where it makes the most sense to encourage multifamily and affordable housing. Eliminating 8-30g's application in such areas would be counter productive to this goal.

5) Requiring a fixed percentage of open space in affordable housing developments is counter to good land use planning practice. Percent open space requirements should relate to land uses within specific zoning districts within a municipality. "Affordable housing" is not a land use category and could potentially be included on sites of different sizes and character in different parts of a municipality.

6) Giving more moratorium points for units for the elderly and disabled is counter to the intent of the 8-30g statute, which is to facilitate the development of more affordable housing. Placing greater value on housing for the elderly and disabled, which towns have favored over affordable housing units open to all those who qualify, would provide an "out" for towns who perceive elderly and disabled housing as a more desirable form of affordable housing and would undermine efforts to create more housing choice for everyone in support of the state's economic growth.

7) Requiring a certificate of appropriateness for any affordable housing development located within a ¼ mile radius of a structure identified as historic by the Historic Preservation Council is discriminatory, treating affordable housing development differently from market rate housing development. This is an arbitrary requirement, which implies that affordable housing is potentially detrimental to a historic building located ¼ mile away, by virtue of the fact that it is affordable to low and moderate income individuals or families. We take strong exception to this provision.

We believe it is critical that the State of Connecticut maintain a strong stance in its efforts to support the creation of multifamily and affordable housing in municipalities across the state. This is not just about a moral imperative to do the right thing by creating more housing for more people in more places; rather, it is an economic imperative for the state. In this time of budget crisis and economic challenge, Connecticut cannot afford to weaken its 8-30g statute and hurt efforts to create more multifamily and affordable housing.

Respectfully,

Melissa Kaplan-Macey

Melissa Kaplan-Macey, AICP
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