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PLANNING & DEVELOPMENT COMMITTEE

Public Hearing

Testimony

03/05/2020

To: Chairpersons Rep. McCarthy Vahey, Sen. Cassano, Ranking Members Rep. Zullo, Sen. Hwang and distinguished Members of the Planning & Development Committee

Support HB 6613, SB 1024, SB 1026 and HB 6107

My name is Eric Santini and I am a builder/developer from a second generation family owned business based in Vernon, CT. We have built hundreds of single-family homes and over 1,200 apartment units in Tolland County over the past 50 years. I am also the President of the Home Builders and Remodelers Association of Connecticut.

I am in support of all these bills because I believe that the prevailing zoning in our 169 towns and cities in Connecticut does not meet today's housing demand. While there will always be demand for single family homes on large 1 or 2 acre lots, today's market also requires a diversity of housing which includes middle housing, affordable housing and accessory dwelling units. Unfortunately, the predominant residential zoning in our state allows for only one type of housing as evidenced by Desegregate Connecticut's CT Zoning Atlas (<http://www.desegratect.org/atlas>). As a multi-family developer, I have experienced the challenges of finding land that is zoned appropriately for multi-family developments. Many towns have not updated their zoning to accommodate for multi-family or have made their zoning requirement for multi-family so onerous that it is unattractive to developers. In addition, many municipalities lack the infrastructure, or refuse to allocate

infrastructure such as sewer capacity, to support multi-family development. Because of this lack of multi-family zoning, many developers are forced to seek zone changes which only raises the risk and the cost of approvals. These shortcomings have exasperated the housing shortage in Connecticut and left our state unable to meet the demand for a diversified housing portfolio. Because of this, many Connecticut municipalities have missed out on much needed economic development and have raised the barrier of entry for living in their towns.

Over our 50 years in the real estate development business, we have witnessed many changes in consumer preferences. The demand for apartment living has changed from primarily a financial decision to that of a lifestyle decision. For example, millennials are getting married later, are more likely to have a two-income household and thus require apartment living for longer than previous generations. Likewise, baby boomers want to stay close to their families without the burden of home ownership. We have witnessed these trends firsthand with our apartment developments in Tolland and Ellington. Unfortunately, this shift in preferences has not been reflected in updated residential zoning in many of our municipalities. Many of our towns continue to zone for a market that existed 40 or 50 years ago.

The approval process for a multi-family developer is also a challenge. When applying for a multi-family development in a town, developers often apply for a special permit or a zone change which gives a tremendous amount of latitude to local planning and zoning commissions. These commissions are often not properly trained and are heavily influenced by attendees of the public hearing. Applicants spend significantly on an array of experts whos' presentations may be completely ignored if there is strong opposition at the public hearing. We have recently experienced this when we applied for a comprehensive zone change for a 56-unit townhome development in Vernon, CT. Our site was located in between our own multi-family developments and high-density single family. The site had access to the necessary infrastructure, and we had a series of productive and cooperative pre-planning meetings with Town staff to go along with strong track record of building, developing and property management in Town. We were denied unanimously by the town's PZC because our development was not deemed appropriate for the area due to traffic concerns (we had previously received

approval from the Town's traffic commission) and that we were not consistent with the character of the area, which consists of multi-family communities and high-density single family. The result of this denial is that the Town lost out on an opportunity to increase its tax base through property and vehicle taxes, support its local businesses (the economic ripple effect of development) and meet its demand for housing. We currently manage over 700 apartment fully occupied units in town and have a waiting list of over 40 people. While we were disappointed that we were not granted the zone change and approval for the project, the town was the ultimate loser in this decision which, unfortunately, was based on many unproven and dated misconceptions about multi-family housing.

The National Association of Home Builders recently conducted a study of the economic impact of a potential 414-unit apartment community in Middletown Connecticut. In the December 2020 study, their model estimated that the project would create 629 local jobs and over \$55 million in local revenues during construction with an ongoing annual impact of \$15 million in local revenues and 224 jobs. This is exactly the kind of economic development that many of our towns sorely need. On a smaller scale, this is what the Town missed out on our proposed project. These are the types of economic opportunities that we cannot afford to lose based on dated zoning regulations that ignore today's housing demand.

These bills provide our towns the opportunity to meet today's changing housing demand. Middle housing, affordable housing and accessible dwelling units will deliver the much-needed housing mix that these towns and our state require. Municipalities will have properly trained land use commissions that have knowledge of a variety of housing types and developments and can help craft model codes in zones that allow as of right housing that will fit the character of their towns and the economic and social needs of their communities. The time for the zoning reform that these bills provide is long overdue.

Thank you for the opportunity to submit testimony in support of H.B. 6613, S.B. 1024, S.B. 1026 and H.B. 6107.