

# DRAFT Town of New Fairfield Housing Affordability Plan



## Executive Summary

**A State law passed in 2017 (Statute 8-30j) requires every municipality to prepare and adopt an affordable housing plan** at least once every five years. In 2021, the Town of New Fairfield’s Board of Selectmen created the New Fairfield Housing Opportunities Committee. This Committee has been meeting monthly since May 2022 to study the housing needs of those who live, work, and volunteer in town and develop strategies to address these needs.

Housing is considered affordable if it costs no more than 30% of a household’s income. This is important because when households have to spend more than 30% of their income on housing costs there is often not enough remaining to pay for all their other needs including food, gas, clothing, healthcare, childcare, etc. In New Fairfield:

- 1,280 households were spending more than 30% of their income on housing costs; and 485 of those households were severely cost burdened, spending more than 50% of their income.<sup>1</sup>
- There are 1,405 households that earn 80% of the area median income and would qualify to live in affordable housing if it were available in town. Currently the town has just 66 housing units that are dedicated to remaining affordable to these households.

Housing affordability is not just a challenge in New Fairfield, it is a statewide and nationwide challenge. There are a few key reasons for this: 1) **The cost of housing has risen faster than household incomes over the last 30 years** and 2) the **supply of new homes being built cannot keep up with demand**. The ability to meet demand, especially for “downsizing” options for older adults and starter homes is affected by the cost and availability of buildable land, high construction costs, and long or uncertain permitting processes.

Why does New Fairfield need a plan?

How do you define housing affordability?

Why has housing become unaffordable for so many households?

**HUD-defined income limits for Danbury area, 2023**

	Household Size			
	1 person	2 people	3 people	4 people
<b>80% of AMI</b>	<b>\$76,880</b>	<b>\$87,840</b>	<b>\$98,800</b>	<b>\$109,760</b>
<b>50% of AMI</b>	<b>\$48,050</b>	<b>\$54,900</b>	<b>\$61,750</b>	<b>\$68,600</b>
<b>30% of AMI</b>	<b>\$28,830</b>	<b>\$32,940</b>	<b>\$37,050</b>	<b>\$41,160</b>

Finding and keeping housing that is affordable is most challenging for households that earn under **80% of the area median income** which is shown in the chart. Because of this, the State Department of Housing keeps a list of how many housing units in each town are dedicated to remaining affordable to households below this income. This list is referred to as the “Affordable Housing Appeals List”.

<sup>1</sup> Source: “CHAS” data (Comprehensive Housing Affordability Strategy), HUD released on September 29, 2021, for the 2014-2018 period.

## What qualifies for the State's Affordable Housing Appeals List?

The town has 66 housing units that qualify on the State's List because they are owned, managed, and/or provided funding by an entity that assures the State that the households who live there do not have to pay more than 30% of their income on housing costs and that these households are earning less than 80% AMI. Such entities include the CT Housing Finance Authority (CHFA).

- 45 of these housing units are single family homes owned by income eligible families who received a subsidized mortgage from the CT Housing Finance Authority (CHFA) or USDA.
- 17 are deed restricted to remain affordable to income eligible households for as long as the restriction is in place.
- 4 households are receiving rental assistance through a state program

## What do residents say?

In 2023, New Fairfield's Housing Opportunities Committee conducted a survey to collect feedback from residents. 447 households responded to the survey:

- **48% anticipate that they, their children, or their parents will have to move out of New Fairfield to find the housing they need.**
- 57% think the town needs options that allow older adults to "downsize"
- 46% think the town needs housing options that are affordable to entry level teachers and other workers who provide essential services.

## Will the town have to pay for affordable housing?

**There are many existing state and federal programs that pay for the construction of new affordable homeownership and rental opportunities.** Organizations like the New Fairfield Housing Trust, a local non-profit housing organization, could apply to those funding programs to create the housing options identified as needed in this Plan.

## What are the 6 goals of New Fairfield's DRAFT Housing Affordability Plan?

The Housing Opportunity Committee's objective when developing the goals and strategies below was to satisfy the State statutory requirement that the town have an affordable housing plan while also creating more "Housing Opportunity" for residents of all ages, incomes, and backgrounds. The plan lays out strategies that could help create **20 housing units over the next 5 years** that would be dedicated to remaining affordable to the 1,405 households in New Fairfield earning under 80% of the area median income by doing the following:

- 1. Support the New Fairfield Housing Trust**
- 2. Support affordable first-time homebuyer options**
- 3. Allow the development of smaller sized homes that could be downsizing options for older adults**
- 4. Increase awareness about the housing opportunity that accessory apartments can create**
- 5. Continue to raise awareness about housing needs and solutions**
- 6. Make sure the strategies in the plan are implemented**

## Where can I go for more information?

To see a full copy of the DRAFT Town of New Fairfield Housing Affordability Plan, visit the town's website:

<https://www.newfairfield.org/our-town/boards-and-commissions/housing-opportunities-committee>

If you have questions or comments, contact the committee at:

**[housing@newfairfield.org](mailto:housing@newfairfield.org)**