REGULAR MEETING – PLANNING AND ZONING COMMISSION
AGENDA
JUNE 18, 2025, 6:00 PM
BY ZOOM VIRTUAL MEETING

To allow public access, anyone may access a meeting by telephone and/or Zoom, or a recording in the City of Norwalk YouTube channel. Specific instructions and links can be found at norwalkct.gov/meetings.

Members of the public may call in to participate. Callers will not be able to see the meeting participants. All participants will be muted upon entering the meeting. To speak, dial *9 on the phone and you will be called on by the host of the meeting during the public comment section. All speakers must state their name and address. Comments must be on a topic on the agenda, and are limited to three minutes. Anyone disrupting the orderly conduct of the meeting, including by using threatening, hateful, or sexually-explicit language, will be removed. Please find the information using the link above.

Members of the public who wish to provide "live comments" may also use the Zoom meeting platform. All participants will be muted upon entering the meeting. To speak, click the “raise your hand indicator” and you will be called by the host of the meeting during the public comment section. All speakers must state their name and address. Comments must be on a topic on the agenda, and are limited to three minutes. Anyone disrupting the orderly conduct of the meeting, including by using threatening, hateful, or sexually-explicit language, will be removed. Please find the information using the link above.

Members of the public who wish to provide public comment are encouraged to submit those via email in advance of the meeting. For these comments to be included into the record, they must be submitted by 12:00 p.m. the day of the meeting. Please email Steve Kleppin, Director of Planning & Zoning, at skleppin@norwalkct.gov with the subject line “Public Comment” to provide written public comment prior to the meeting.

I. CALL TO ORDER

II. ROLL CALL

III. REVIEW AND ACTION ON APPLICATIONS

A. #2024-12 SPR – Main Norwalk LLC – 272-280 Main Avenue (District 5, Block 21, Lots 174 and 97) – EXTENSION OF TIME REQUEST: Proposed construction of three (3) two-story structures; a +/- 19,000sf retail store with 10 apartments on the second floor; a +/- 2,240sf coffee shop; a +/- 2,200sf restaurant building; and electric vehicle charging - Report & recommended action

B. #10-17 SP - JDM YEW LLC - Brierwood Road/Yew Street - Bond release request for conservation subdivision - Report & recommended action

C. #6-18 SPR - EDG Properties - 71-75 Connecticut Avenue - Bond release request for mixed-use development with 33 units and 14,800sf of medical office - Report &

recommended action

IV. PUBLIC HEARINGS

A. #2025-17 R/SP – The Mid Fairfield AIDS Project – 7 Moore Place (District 3, Block 35, Lot 27) – Zoning regulation text amendment application to modify the minimum parking requirement for a Boarding or Rooming House use in conjunction with a special permit application for a Boarding or Rooming House - Public hearing, report & recommended action

B. #2025-13 POCD –Planning & Zoning Commission – Amendment to the 2019-2029 Plan of Conservation and Development (POCD) to adopt the Norwalk Affordable Housing Action Plan, dated 2025, as an addendum to the POCD - Public hearing, report & recommended action

C. #2025-35 R – Planning & Zoning Commission – Zoning Regulation Text Amendment(s) to Articles 4, 6 and 9 regarding details on minimum and maximum ceiling heights for certain uses; allowing Open Space as a principal use in all zones; permitting Townhouses within the SD-MC zone by Special Permit; revisions to the limitations on certain uses that referenced out-of-date road classifications; revisions to the flood zone regulations specifying areas of structures that must be unfinished; deleting the definition of Attic; modifying the definitions of Story, Half-, Story, and Lowest Floor; creating definitions for Unfinished Area and Finished (Habitable) Area - Public hearing, report & recommended action

V. DISCUSSION

A. Public Act No. 25-49 (formerly HB 5002) and Public Act No. 25-33 (formerly SB 9)

VI. ACCEPTANCE OF MINUTES

A. Regular Meeting: June 4, 2025

VII. COMMENTS OF DIRECTOR

VIII. COMMENTS OF COMMISSIONERS

IX. ADJOURNMENT

I ♥ NORWALK

Special Permit Application

City of Norwalk Planning & Zoning Commission
Phone: 203-854-7780
www.norwalkct.gov

Date Received:

Per Section 8.4.8 of the Norwalk Zoning Regulations, Special Permits are for Uses, Buildings, or Structures that are considered to be generally appropriate in the applicable District, but because of their potential for impacts with Adjacent Uses, Buildings, or Structures, require individual review for specific locations.

1. **Address of Subject Property(s):**
   7 Moore Place, Norwalk, CT
2. District: 3 Block: 35 Lot(s): 27
3. Zone: ____, Overlay/Village District: ____
4. Historic Structure(s): ☑ No ☐ Yes
5. Flood Hazard Zone: ☑ No ☐ Yes, Flood Zone(s) ____
6. Coastal Area Management Zone: ☑ No ☐ Yes If yes, include application for Coastal Site Plan Review or specify Section allowing exemption: ____
7. Existing Use of Property:
   1 single family house and 1 detached garage with 2nd floor apartment
8. Proposed Use of Property as Identified per **Table 4.3.9.A:** Building, Lot & Building Site Principal Uses:
   MFAP is applying for a rooming house permit in order to use the existing buildings as a housing program that will help clients move from homelessness to independent living. Under this special permit we expect to convert the garages to a three bedroom apartment. We have thirty years experience in operating housing programs like this.

Applicant Information

Applicant Name: The Mid Fairfield AIDS Project

Billing Address: 618 West Avenue, Norwalk CT 06850

Phone Number: 203 855 9535 x101 Email: slane@mfap.com

Signature: Stuart Lane

Property Owner Information and Authorization

Owner of Record: Edgar Murillo/ MFAP has a purchase contract, closing in April

Billing Address: 135 West Norwalk Road, Norwalk, CT 06850

Phone Number: 203 952 9640 Email: ligiamurillo92@gmail.com

Signature: Edgar Murillo N.

**By signing, the property owner confirms that the Applicant has been authorized to apply for Planning & Zoning approval, and attests that all information provided is true and accurate.*

Proposed Revision to Table 4.3.12. b-1 Vehicular Parking Requirements

Boarding or Rooming Houses:1 parking space per four guest Bedrooms. That is .25 spaces per bedroom. 1 per each 3 employees

Affordable housing is at a premium in Norwalk. Our rooms are $400 per month and most tenants in rooming houses do not have nor can they afford cars. This is in line with the new requirements for parking spaces for affordable housing.

Moore Place at 7 and 9 Moore Place will have twenty rooms on the two properties. We will have seven parking spaces. Only one staff person at a time.

ZONING LOCATION SURVEY

OF PROPERTY PREPARED FOR

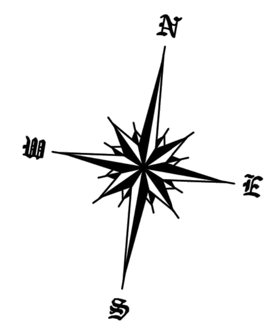
MFAP

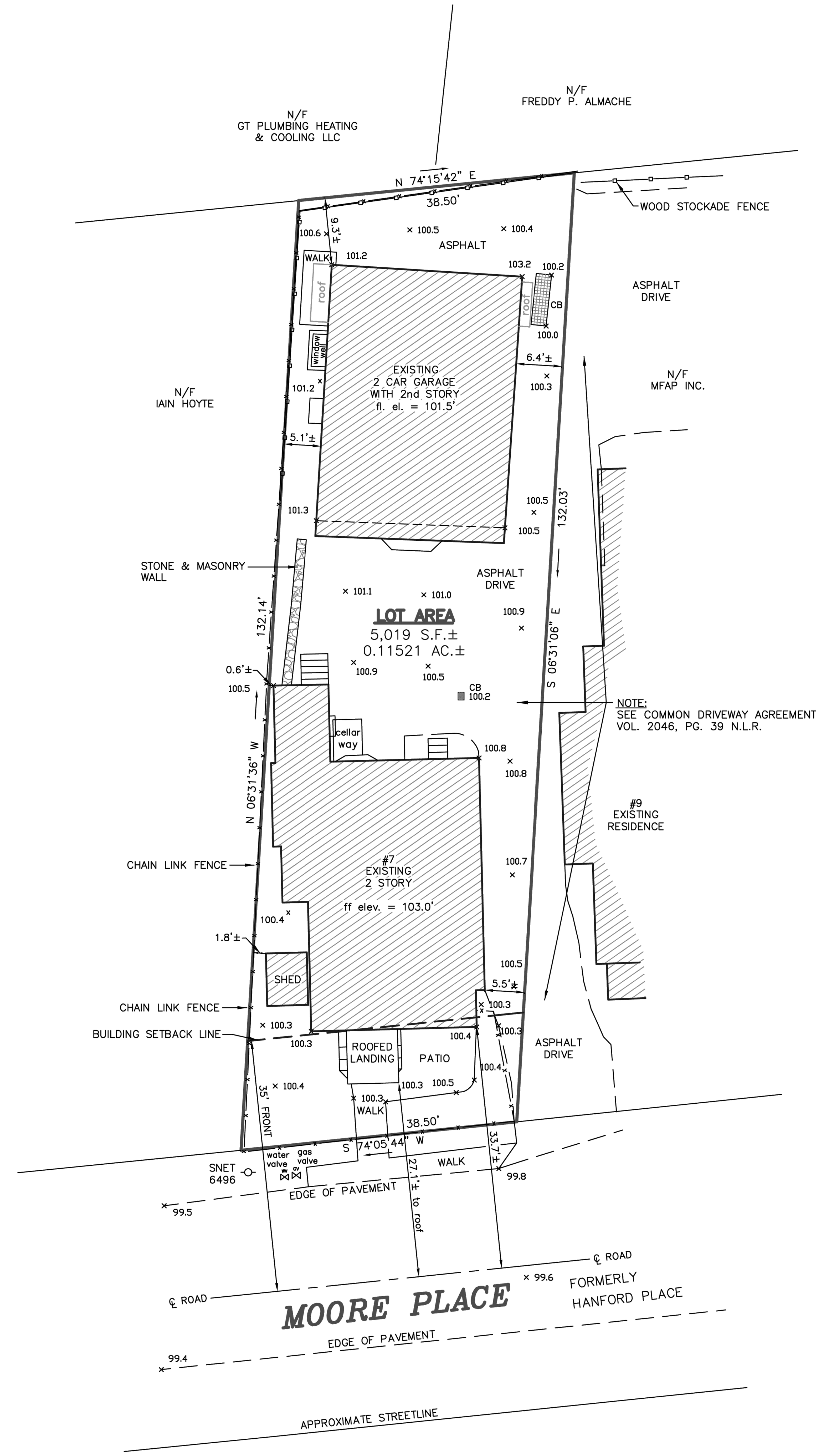
#7 MOORE PLACE, NORWALK, CONNECTICUT

SCALE: 1" = 10'   DATE: DEC. 26, 2024

BY "ARCAMONE LAND SURVEYORS LLC"
4 TAFT STREET, UNIT A-2B
S. NORWALK, CT. 06854
PHONE : 203-866-2058
FAX : 203-838-1217
www.ArcamoneSurveyors.com

MAP NORTH #10374 N.L.R.



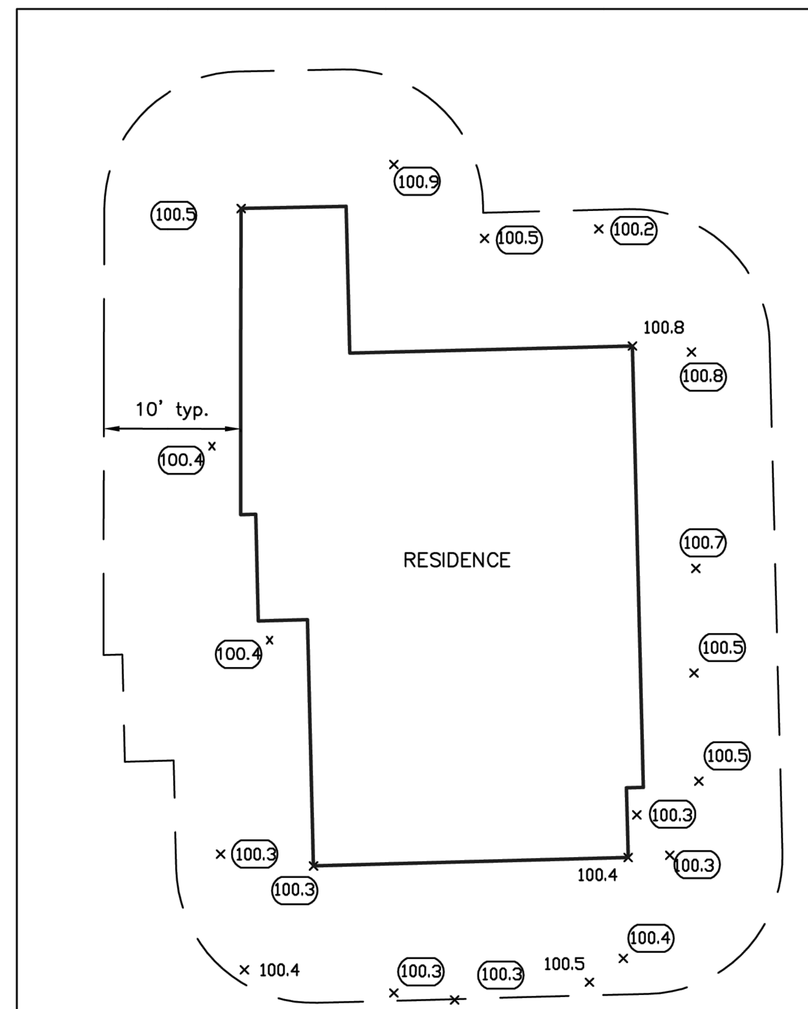


NOTE: EXISTING BUILDINGS OVER 3 YEARS OLD

	REQUIRED/ALLOWED		EXISTING	PROPOSED
FRONT SETBACK	35' FROM CENTERLINE MIN.		33.7'±	
REAR	NONE		66.7'±	
SIDE	NONE		0.6'±/5.5'±	
LOT WIDTH	50'	MIN.	38.50'	
LOT AREA	5,000sf	MIN.	5,019sf	
HEIGHT PEAK ROOF	SEE STORIES		23.9'±*	
# OF STORIES	4	MAX.	2	
IMPERVIOUS SURFACE COVERAGE : BUILDINGS	50%/2510sf	MAX.	43.3%/2172sf	
BUILDINGS & PARKING	90%/4517sf	MAX.	85.7%/4301sf	
DENSITY	1 DWELLING UNIT PER 1,650sf			
ACCESSORY BUILDINGS :				
# OF STORIES	2	MAX.	2	

* USING FINISHED GRADE MEASURED BY AVERAGING THE LOWEST EXTERIOR GROUND ELEVATIONS ON THE SAME LOT OR BUILDING SITE WITHIN 10' OF DESIGNATED SAMPLE POINTS, SUCH SAMPLE POINTS BEING LOCATED APPROXIMATELY 5' APART ALONG A LINE LOCATED 10' OUTSIDE OF THE BUILDING AND/OR STRUCTURE.
(100.4) = SAMPLE ELEVATION USED
AVERAGE EXISTING GRADE AROUND HOUSE = 100.4'

** AVERAGE GRADE AT FRONT HOUSE = 100.3'
BASEMENT CEILING ELEVATION = 102.0'±
102.0'± − 100.3' = 1.7'± (DIFFERENCE)



*AVERAGE FINISHED GRADE AROUND HOUSE DETAIL
SEE NOTES BELOW ZONE CHART

X 100.0 = EXISTING SPOT ELEVATION − DATUM IS ASSUMED.

THIS SURVEY MEETS THE STANDARD OF A CLASS "A-2" SURVEY, "V-2" VERTICAL ACCURACY.

SURVEY TYPE : ZONING LOCATION SURVEY
BOUNDARY DETERMINATION : RESURVEY

THIS SURVEY AND MAP WERE PREPARED IN ACCORDANCE WITH THE "RECOMMENDED STANDARDS FOR SURVEYS AND MAPS IN THE STATE OF CONNECTICUT". SEC. 20-300b-1 to 20-300b-20. EFFECTIVE; JUNE 21,1996 AS ADOPTED BY THE CONNECTICUT ASSOCIATION OF LAND SURVEYORS INC., SEPTEMBER 26, 1996

THE CERTIFICATION SHOWN ABOVE RUNS TO THE PERSON(S) FOR WHOM THE SURVEY WAS PREPARED AND ANY GOVERNMENTAL AGENCY, TITLE INSURANCE CO., OR LENDING INSTITUTION WHOSE NAME APPEARS ABOVE. CERTIFICATION IS NOT TRANSFERABLE & ANY UNAUTHORIZED USE IN WHOLE OR IN PART IS STRICTLY PROHIBITED.

WETLAND OR WETLAND SOIL TYPES IF ANY, ARE NOT DEPICTED

UNDERGROUND IMPROVEMENTS OR ENCROACHMENTS IF ANY, ARE NOT DEPICTED

THIS MAP IS INVALID WITHOUT A LIVE SIGNATURE AND EMBOSSED SEAL.

REFERENCES TO THE ABOVE PROPERTY ARE MADE TO MAP No. 10374 N.L.R.

TAX MAP 15NE DISTRICT 3 BLOCK 35 TAX LOT 27

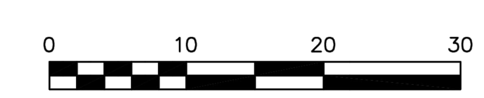
PROPERTY IS LOCATED IN ZONE : "SD-LI" LIGHT INDUSTRIAL SPECIAL DISTRICT

F.I.R.M. ZONE : "X" PANEL 531 of 626 MAP NO. 09001C0531G DATE 7/8/13

PROPERTY LIES WITHIN THE COASTAL AREA MANAGEMENT BOUNDARY

DISTANCES SHOWN +/− FROM BUILDINGS TO PROPERTY LINES ARE NOT TO BE USED TO ESTABLISH BOUNDARIES.

"TO MY KNOWLEDGE AND BELIEF, THIS MAP IS SUBSTANTIALLY CORRECT AS NOTED HEREON"



GRAPHIC SCALE

______________________ CONNECTICUT REG # 15773
WAYNE J. ARCAMONE, LAND SURVEYOR, NORWALK, CONN.

TAX MAP 15NE DISTRICT 3 BLOCK 35 TAX LOT 27

10374-Moore7.DWG

CHANGE OF USE ,7 MOORE PLACE NORWALK, CT

GENERAL NOTES

7 MOORE PLACE Narrative – Residential R-4 Rehabilitation Project

1. Project Overview

The subject property is a two-story building with an integrated basement, located in a zoning district on Moore Street. Originally configured as residential housing with multiple bedrooms and kitchens, the building is targeted for a comprehensive rehabilitation to better serve the housing needs of the homeless population. The planned renovation emphasizes safety, modern conveniences, and energy efficiency while preserving the structural integrity and community context of the neighborhood.

2. Scope of Work

Interior Renovation:

- Unit Layout and Finishes: Each housing unit, comprised of one or more bedrooms with integrated kitchens, will undergo a complete refurbishment. This includes installing new finishes such as high-quality flooring, updated wall treatments, and modern ceiling systems to create a comfortable and contemporary living environment.
- Kitchen Remodeling: Kitchens in each unit will be fully renovated. The work will include:
  - Installation of new cabinetry and countertops.
  - Upgrading fixtures and appliances to current efficiency and safety standards.
  - Reconfiguring layouts where necessary to optimize space and functionality.
- Window Replacements: All existing windows will be replaced with energy-efficient models that offer improved insulation, enhanced natural lighting, and better overall security.
- Safety Enhancements: In compliance with current building codes and fire safety regulations, installation of sprinkler systems will be conducted where required. This work will be coordinated with local authorities to ensure full regulatory compliance.

Exterior Renovation:

- Facade and Structural Repairs: The exterior of the building will be addressed with repairs that improve weather resistance and aesthetic appeal. This includes the replacement of any damaged or inefficient windows, along with general structural remediation where indicated.
- Basement Improvements: The basement, utilized as part of the housing stock, will be remodeled to meet current habitation standards. Improvements will address necessary waterproofing, updated finishes, and any required modifications to ensure structural stability and code compliance.

Systems Upgrades:

- Mechanical, Electrical, and Plumbing (MEP): Evaluations of the existing MEP systems will be conducted. Necessary upgrades—including heating, ventilation, and potentially reconfigured plumbing or electrical layouts—will be implemented to enhance safety, reliability, and efficiency.
- Fire Life Safety: The overall project includes a detailed review of fire safety systems. Integration or upgrades of sprinkler systems, fire alarms, and egress routes are planned to meet or exceed prevailing fire codes.

3. Objectives

- Safety and Code Compliance: Ensure the building adheres to all applicable local, state, and federal building codes, with a focus on life safety, accessibility, and energy conservation.
- Quality Living Environment: Transform the aged structure into a series of contemporary, functional units that offer dignity and comfort to a vulnerable population.
- Community Revitalization: Contribute to the neighborhood's overall improvement by ensuring the property becomes an asset to the community—a safe, well-maintained housing resource that promotes stability and social inclusion.
- Sustainable Renovation: Incorporate energy-efficient upgrades and durable materials to reduce long-term maintenance costs and environmental impact.

4. Methodology

- Pre-Renovation Assessment: A detailed condition assessment of the entire property has been completed to identify critical areas in need of repair, including structural elements, interior finishes, window integrity, and safety systems.
- Phased Implementation: The renovation will be executed in clearly defined phases to minimize disruption. Key phases include:
  1. Demolition and Removal: Safe removal of non-compliant or damaged materials.
  2. Structural & Systems Upgrades: Addressing foundation, framing, and MEP systems first to ensure a stable base for interior and exterior works.
  3. Interior Finishing & Kitchen Remodeling: Sequential installation of new finishes, cabinetry, countertops, and fixtures.
  4. Final Safety Inspections and Adjustments: Installation of sprinkler systems and final regulatory inspections before project close-out.
- Quality Control and Regulatory Coordination: Regular quality control reviews and consultations with local building authorities will be maintained throughout the project to ensure every aspect of the renovation meets or exceeds expected standards.
- Stakeholder Engagement: The project team will maintain open communication with community representatives and local government bodies to align the renovation objectives with broader community support initiatives and ensure a smooth transition throughout the construction process.

5. Conclusion

This renovation project represents a vital investment in community infrastructure by transforming an underutilized structure into a safe, modern residence for a homeless population. Through a meticulous process of interior and exterior upgrades—including new finishes, updated window systems, comprehensive kitchen remodels, and necessary fire safety enhancements—the property will meet modern building codes and offer a quality living environment. The proposed improvements not only secure the longevity and efficiency of the building but also reinforce its role as a cornerstone of community support and revitalization.

Overview

Building B is envisioned as a modern, versatile residential facility that caters to diverse living needs. The 2½-story configuration allows for a balanced mix of private living quarters and communal areas. The design includes five separate bedroom units, two kitchens to serve different culinary needs or shifts, and two dedicated community spaces to foster social engagement and shared activities.

Design and Layout

1. Structure and Floor Plan:

- 2½-Story Configuration:

  The building is planned with two full stories to host the primary living spaces, complemented by an additional half-story that offers flexible areas for either utility purposes or additional communal uses. This configuration maximizes vertical space without compromising accessibility.

- Bedroom Units:

  There are five individual bedroom units, each designed to ensure privacy, optimized natural lighting, and proper ventilation. Special attention is given to the spatial arrangement to ensure functional separation between living and communal areas.

2. Kitchens:

- Dual Kitchen Facilities:

  Two kitchens are strategically located within the building to accommodate different groups or operational schedules. Each kitchen is designed with modern, energy-efficient appliances, durable work surfaces, and ample storage. This approach enhances flexibility, allowing multiple cooking sessions or catering to varied dietary requirements.

- Integration with Dining:

  Both kitchens are paired with adjacent dining spaces that offer informal settings for shared meals and community interaction. This integration is designed to promote a sense of togetherness and efficient meal service.

Overview

Building A is envisioned as a modern, versatile residential facility that caters to diverse living needs. The 2½-story configuration allows for a balanced mix of private living quarters and communal areas. The design includes five separate bedroom units, two kitchens to serve different culinary needs or shifts, and two dedicated community spaces to foster social engagement and shared activities.

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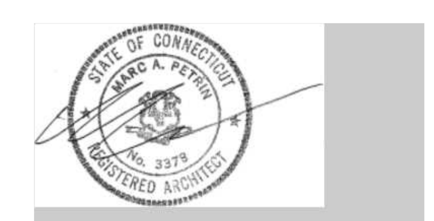


BLDG. A and B
7 MOORE PLACE
NORWALK, CT

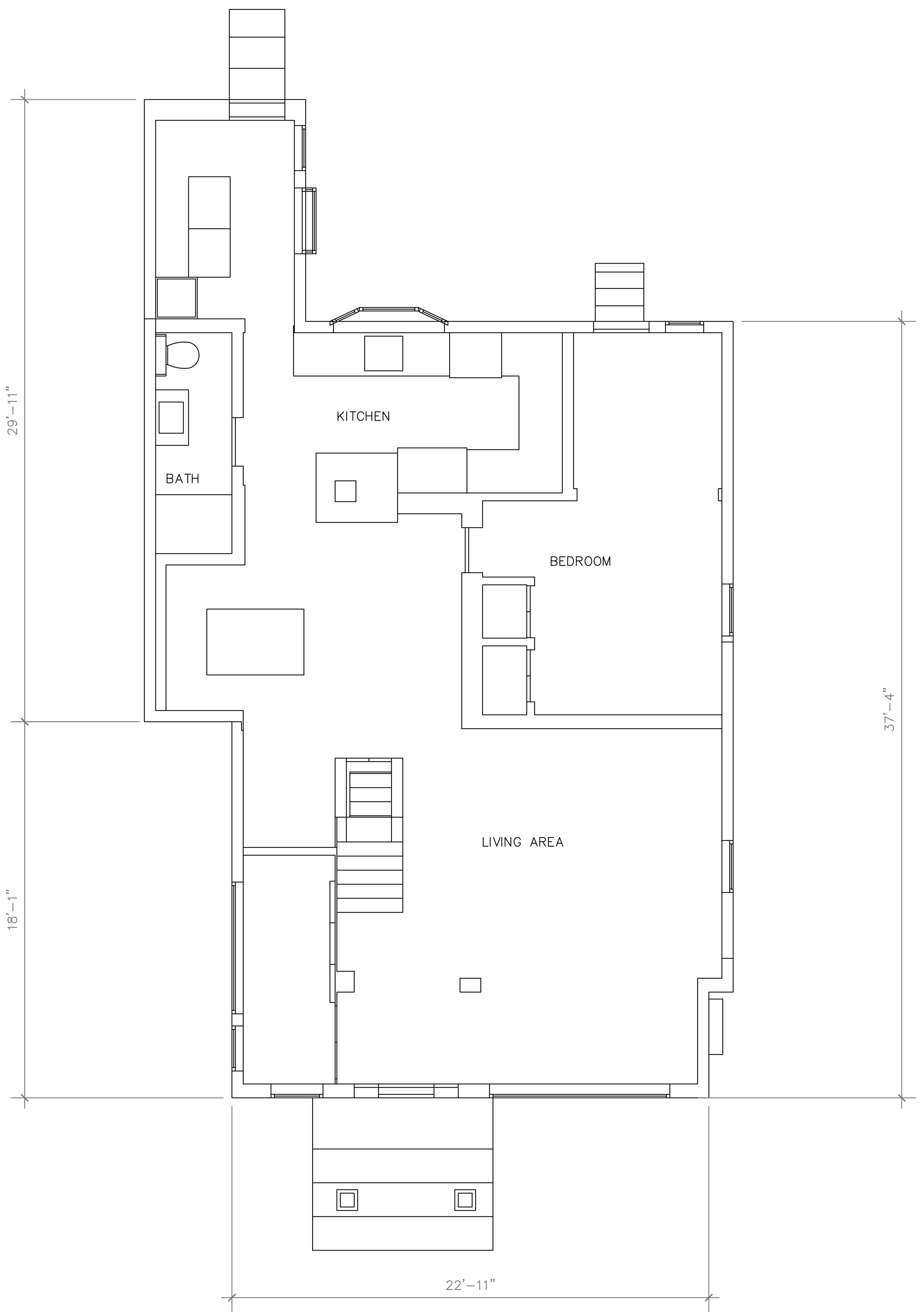
ARCHITECT

MARC A PETRIN
ARCHITECTS LLC
905 EAST JOHNSON AVE
CHESHIRE CT

Revisions
Date:
Scale: VARIES

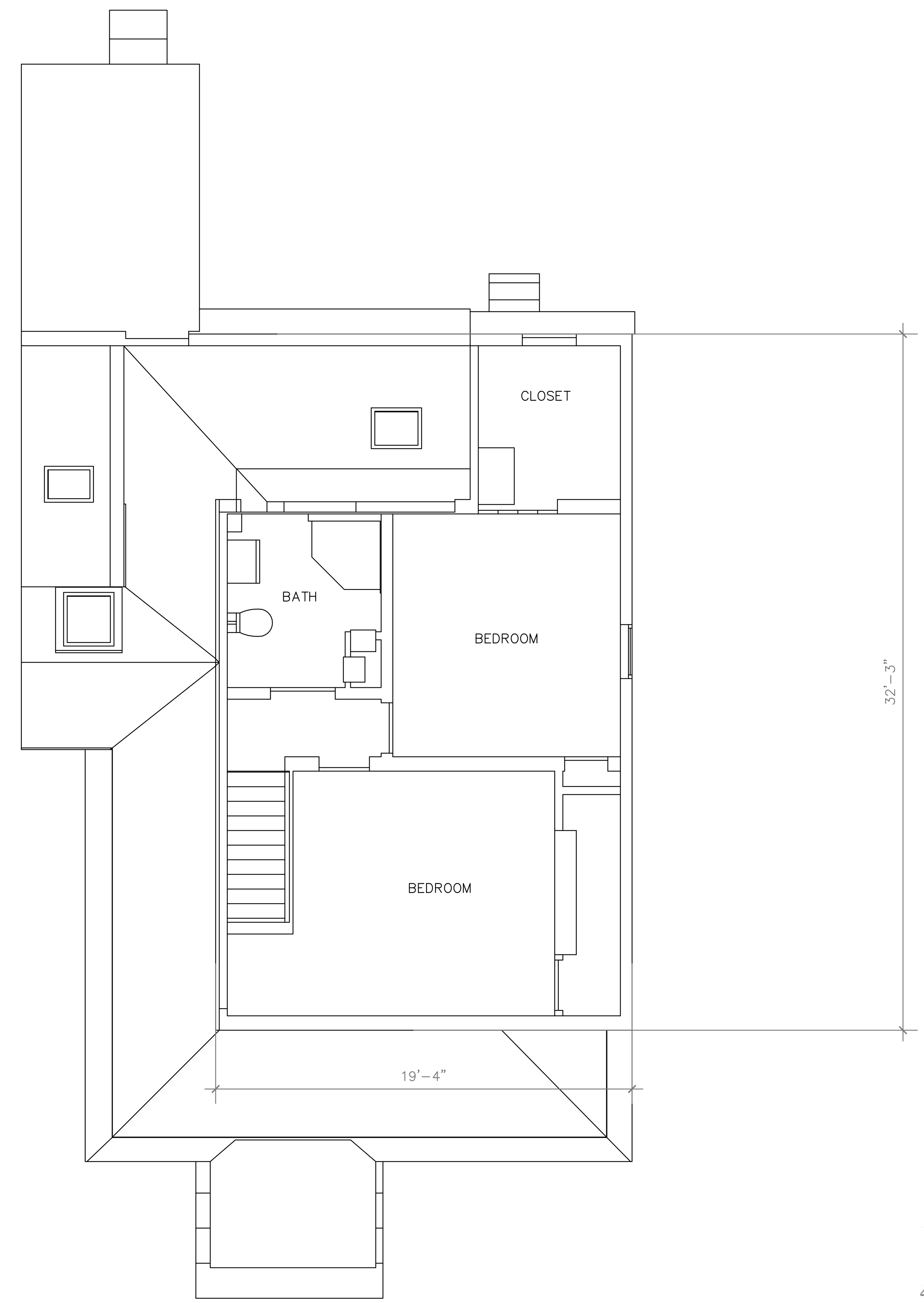
Drawing Name: COVER PLAN

Drawing No.: A—0



1ST FLOOR PLAN

SCALE 1/4



2ND FLOOR PLAN

SCALE 1/4

BLDG A 7 MOORE PLACE
NORWALK, CT

ARCHITECT	Revisions	
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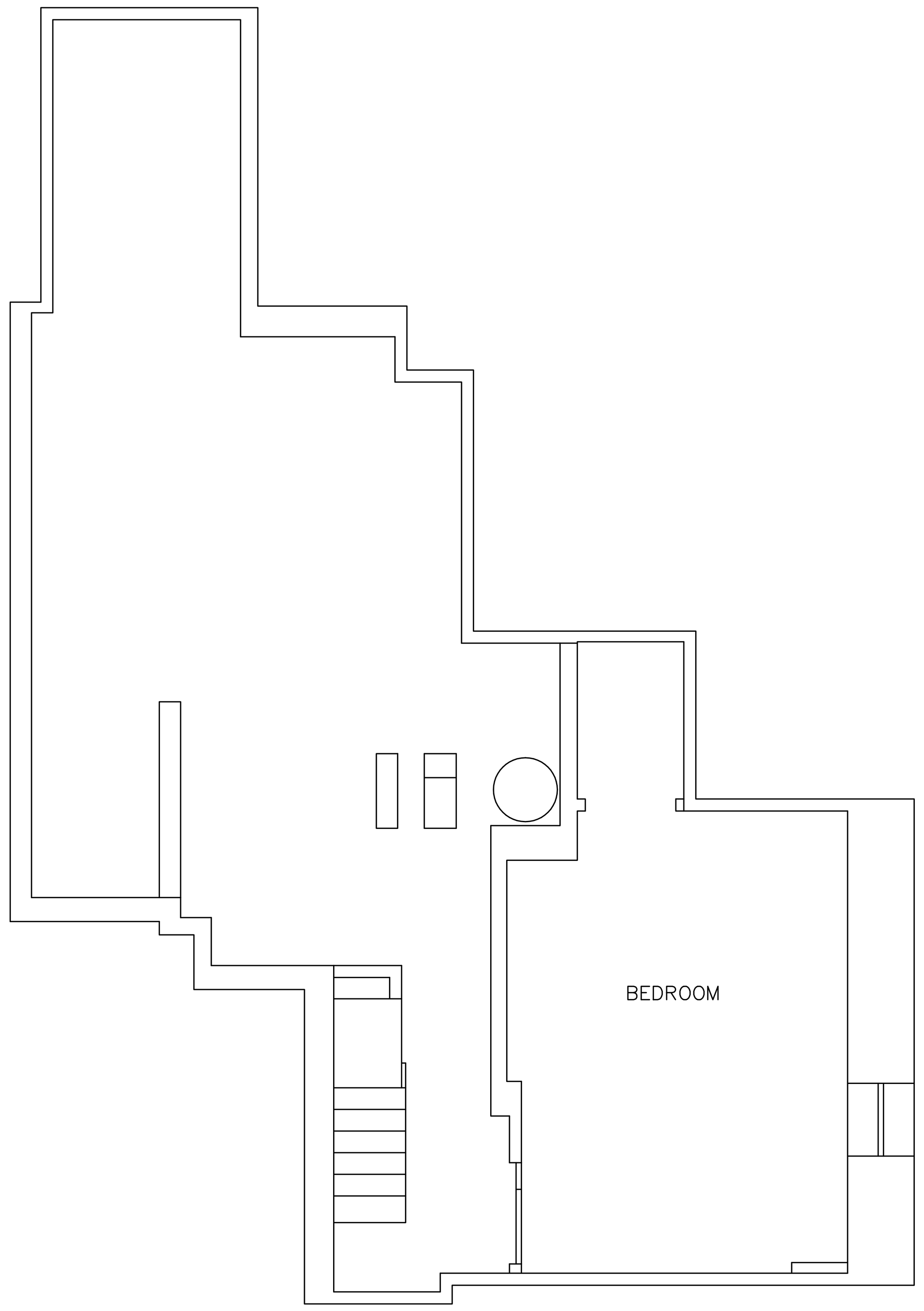


BASEM'T FLOOR PLAN

SCALE 1/4

FRONT ELEVATION 1/4

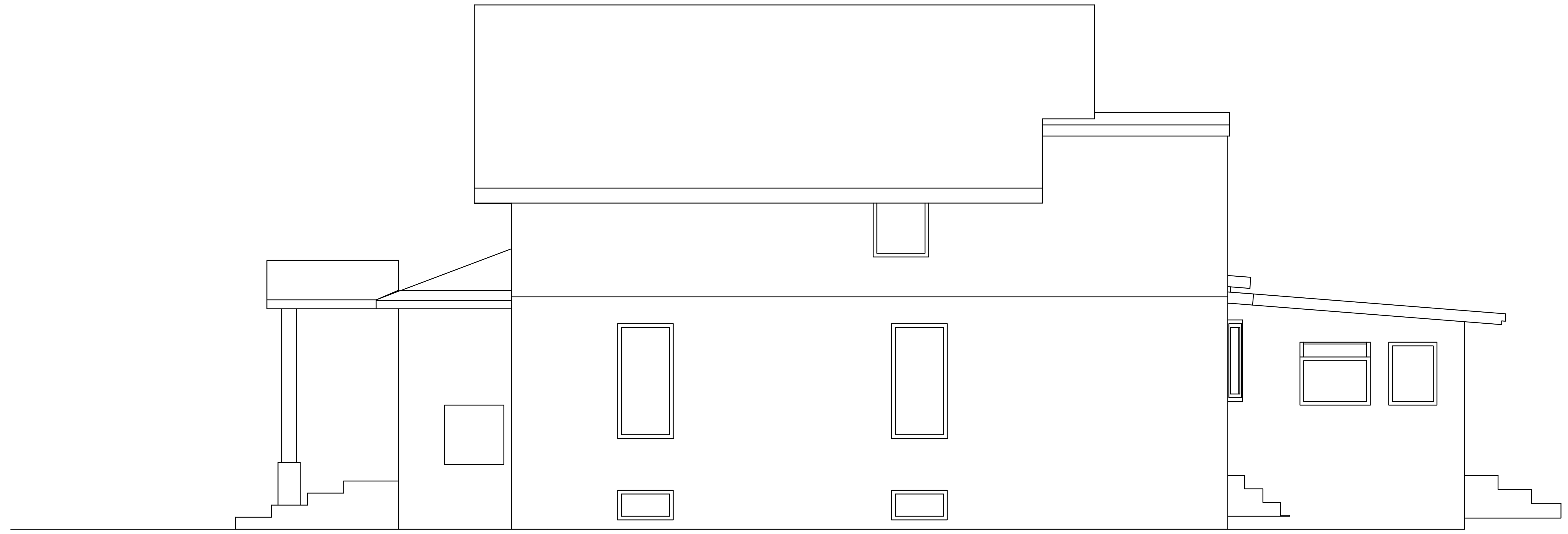
REAR ELEVATION 1/4

BLDG A 7 MOORE PLACE
NORWALK, CT

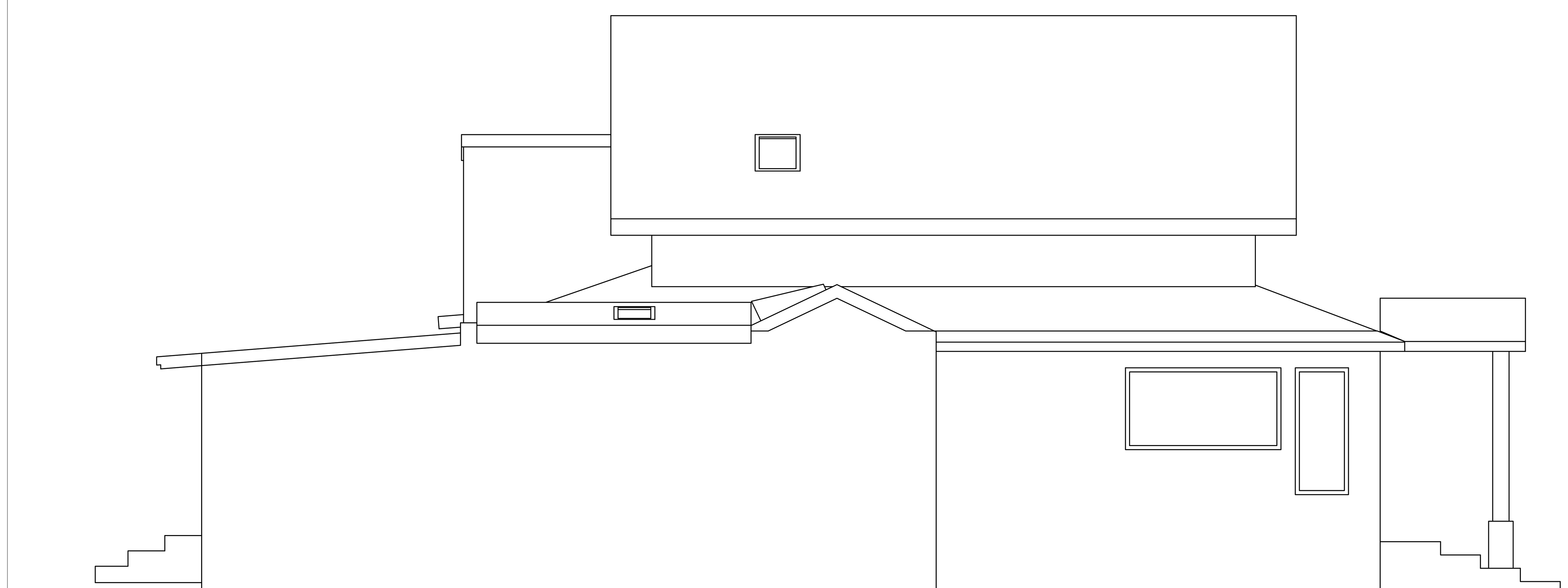
ARCHITECT

MARC A PETRIN ARCHITECTS LLC
905 EAST JOHNSON AVE
CHESHIRE CT

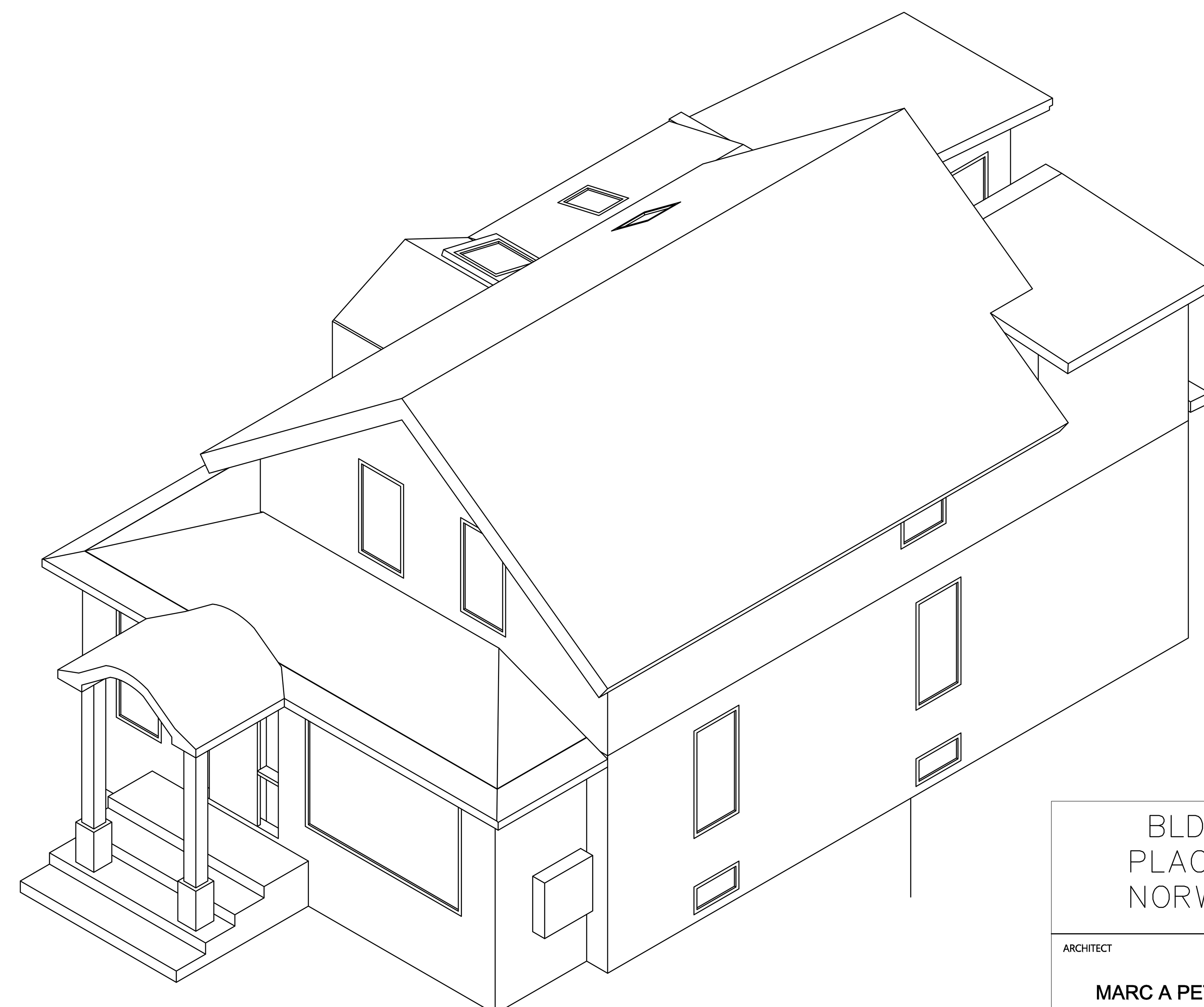
Revisions	
Date:	
Scale:	VARIES
Drawing Name	Drawing No.
FLOOR PLAN	A–2



RIGHT ELEVATION 1/4



LEFT ELEVATION 1/4



BLDG A 7 MOORE PLACE NORWALK, CT

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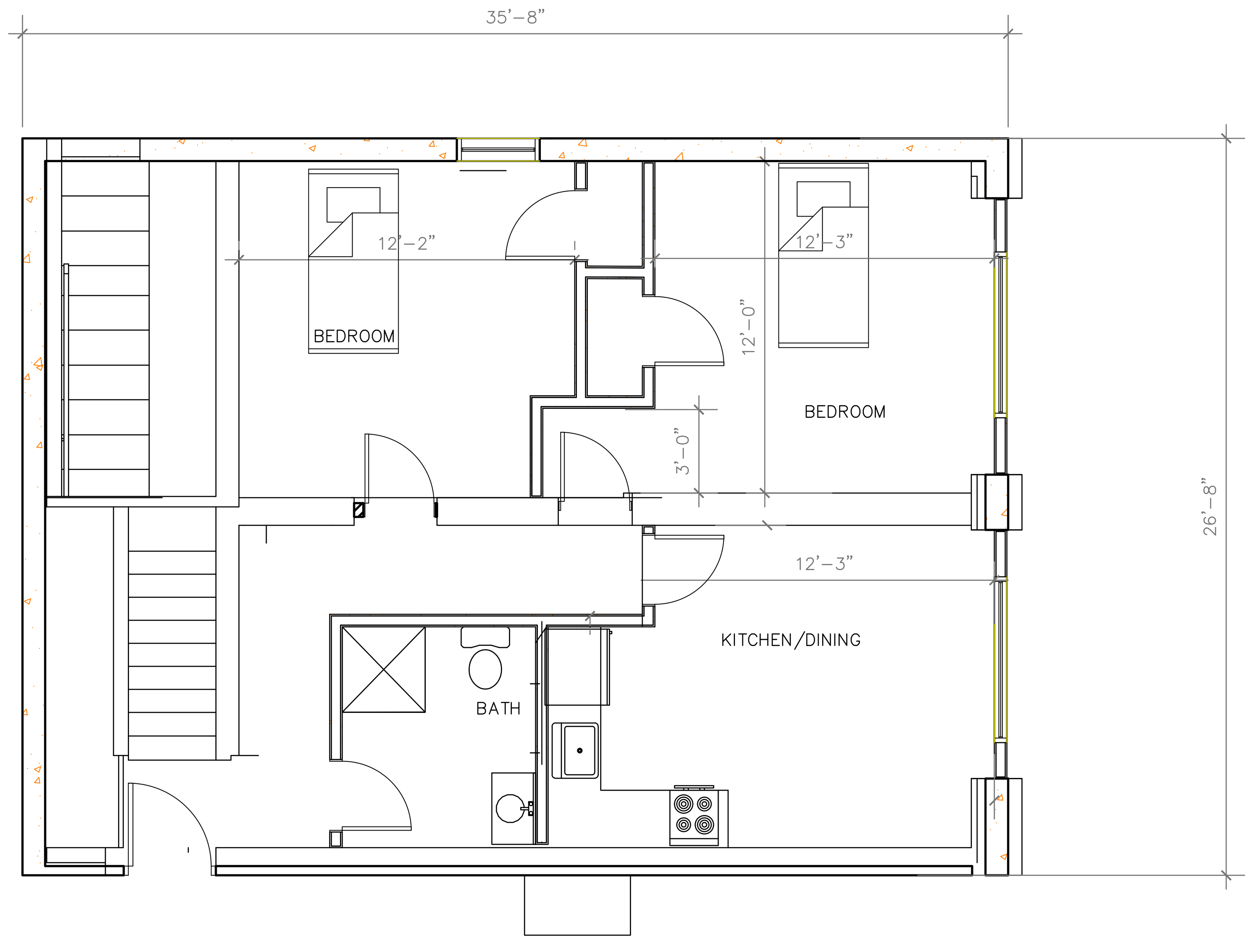
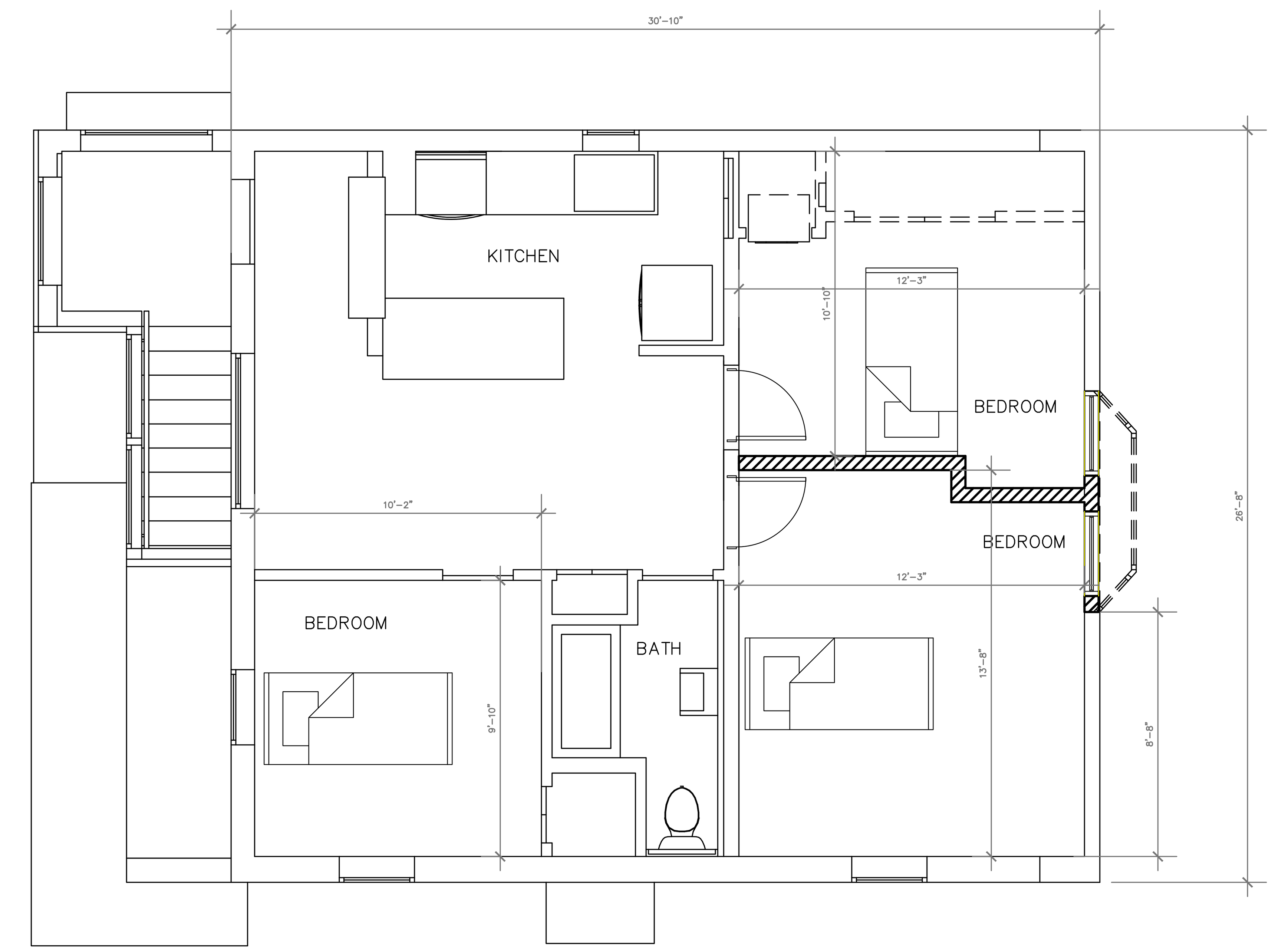


1ST FLOOR PLAN

SCALE 1/4



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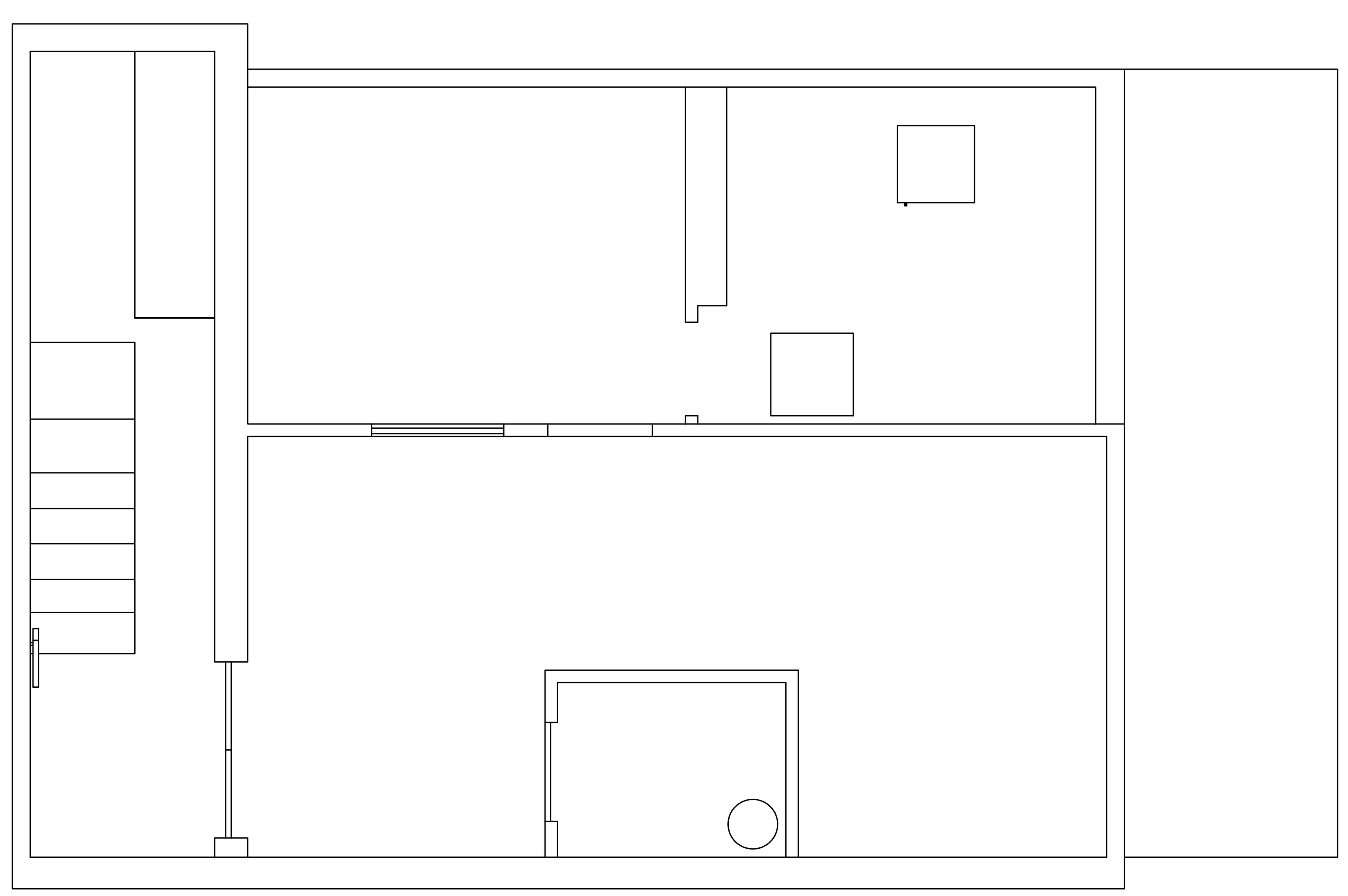
SCALE 1/4



BASEM'T FLOOR PLAN

SCALE 1/4

BLDG. B
7 MOORE PLACE
NORWALK, CT

ARCHITECT	Revisions	
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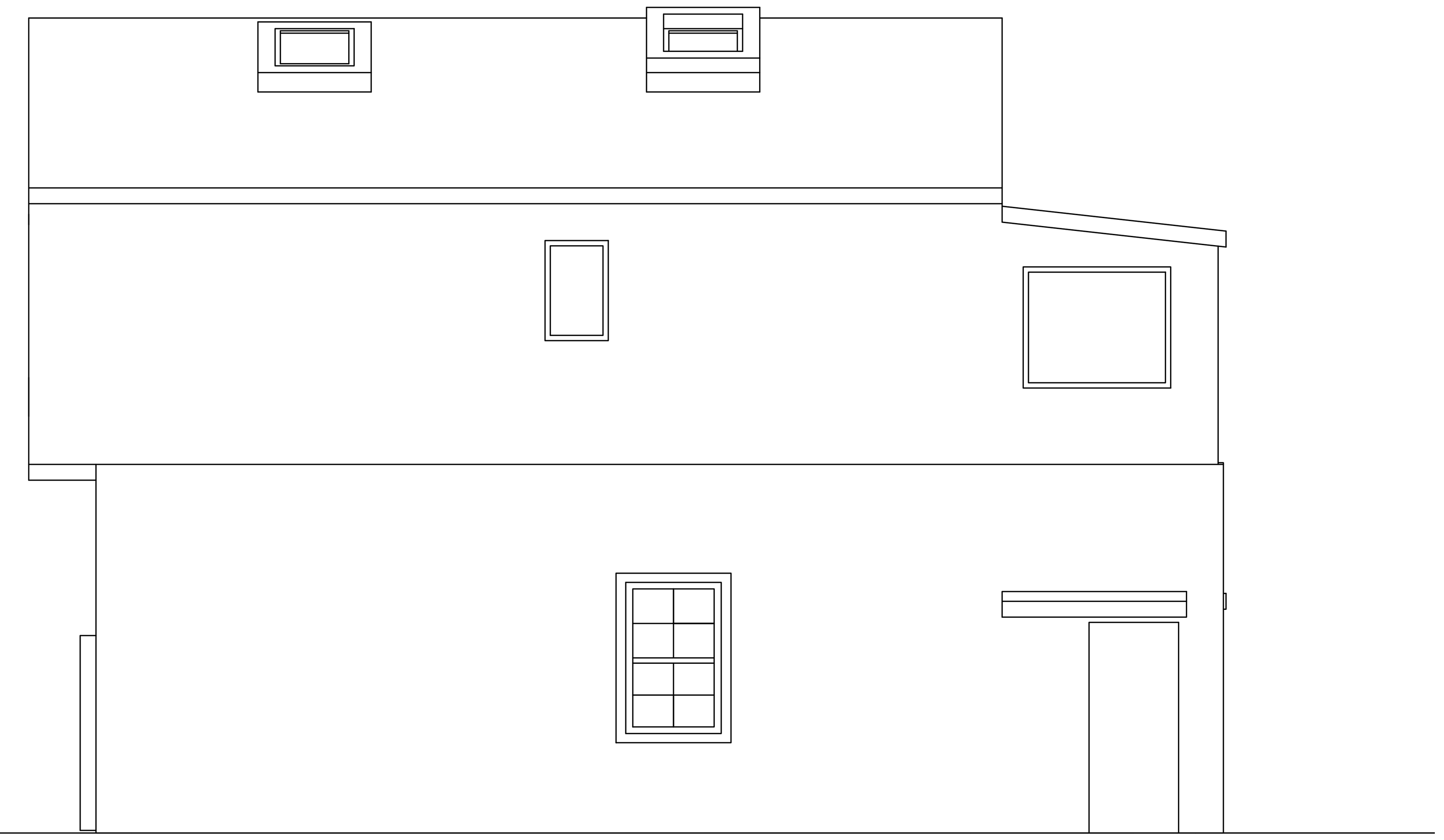
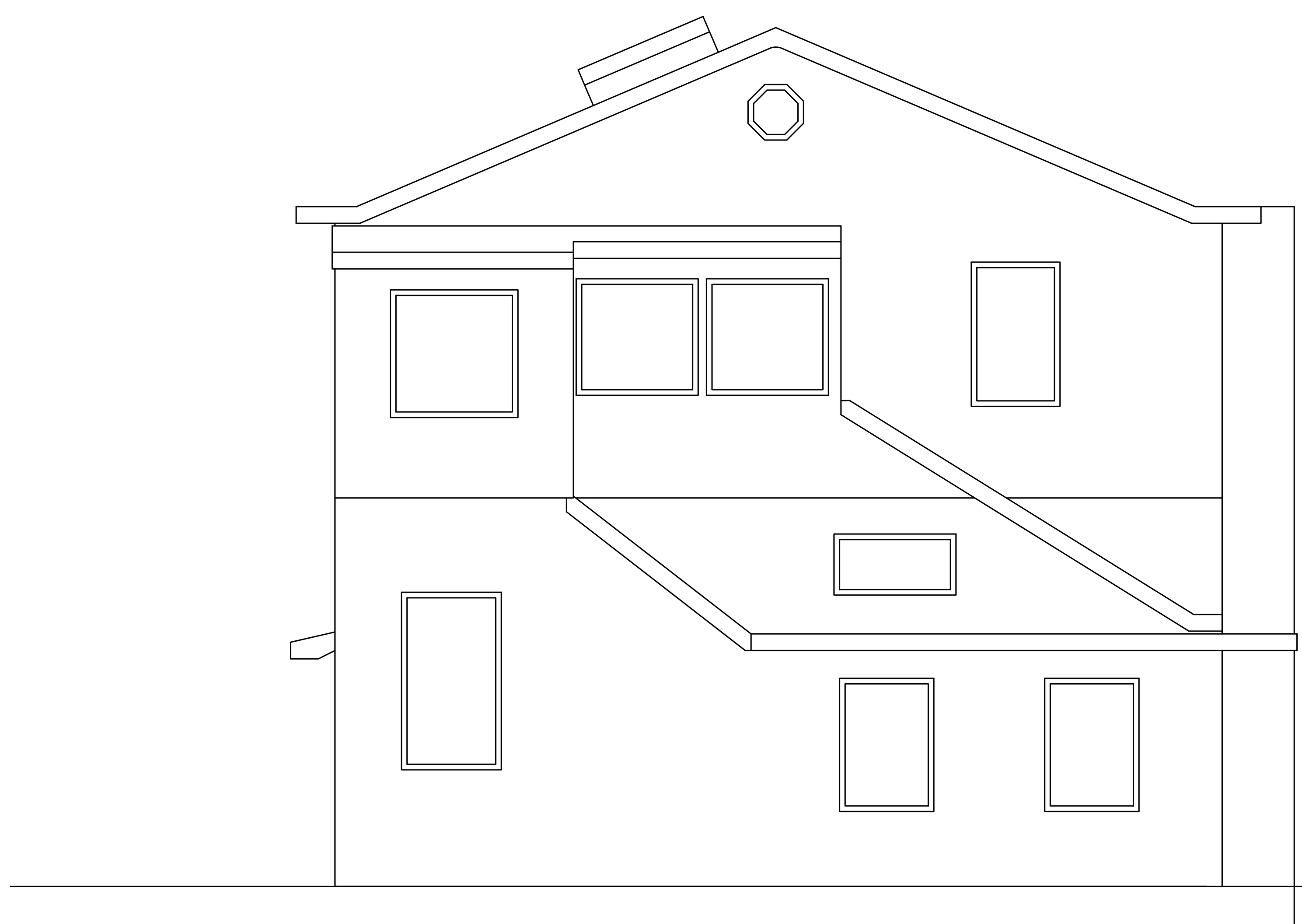
	Drawing Name FLOOR PLAN	Drawing No. A—4

FRONT ELEVATION 1/4



RIGHT ELEVATION 1/4



REAR ELEVATION 1/4

LEFT ELEVATION 1/4

BLDG. B
7 MOORE PLACE
NORWALK, CT

ARCHITECT	Revisions	
	Date:	
	Scale: VARIES	
MARC A PETRIN ARCHITECTS LLC 905 EAST JOHNSON AVE CHESHIRE CT	Drawing Name FLOOR PLAN	Drawing No. A–5

June 16, 2025

Memorandum

To: Planning & Zoning Commission – Galen Wells, Chairwoman

From: Bryan Baker, AICP, Principal Planner

Re: #2025-17 R/SP – The Mid Fairfield AIDS Project – 7 Moore Place (District 3, Block 35, Lot 27) – Zoning regulation text amendment application to modify the minimum parking requirement for a Boarding or Rooming House use in conjunction with a special permit application for a Boarding or Rooming House

Commissioners,

The applicant has applied for a zoning regulation text amendment to modify the minimum parking requirements for a Boarding or Rooming House use as well as a special permit to change the use of the property located at 7 Moore Place to a Boarding or Rooming House.

7 Moore Place is a property in East Norwalk that is within the SD-LI (light industrial) zone and is currently improved with a single-family detached dwelling and a detached garage that has an apartment located on the second floor.

The applicant is proposing to change the use of the property from a single-family detached dwelling to a Boarding or Rooming House which will occupy both the existing single-family detached dwelling as well as the entirety of the detached garage and apartment. The existing single-family detached dwelling, shown as Building A on the architectural plans, will have four bedrooms and the existing detached garage with an apartment above, shown as Building B on the architectural plans, will have five bedrooms.

Per the zoning regulations, Boarding or Rooming House use(s) are permitted by special permit within the SD-LI zone and require a minimum of one parking space per guest bedroom and one parking space per two employees employed at one time. As the applicant was preparing their plans for the Boarding or Rooming House use, it was apparent that the number of parking spaces on site was not adequate to meet the number of rooms that were being planned. In such circumstances, the applicant can either apply for a zoning regulation text amendment to modify the minimum parking requirements or they can seek a variance from the Zoning Board of Appeals. Staff's recommendation was to first seek a zoning regulation amendment for the use.

Based on the plans provided and the existing zoning regulations, a total of at least nine off-street parking spaces would be required to be provided. In discussions with the applicant, the applicant stated that the people that will be living within the building are formerly homeless and/or disabled and generally do not have their own personal automobiles. It should be noted that other housing uses generally have lower minimum parking standards than what is required for Boarding or Rooming House uses, including the recent revision to incentivize primarily affordable housing developments by allowing for up to a 50% reduction in the minimum number of parking spaces required. Therefore, the applicant has requested that the minimum number of parking spaces for Boarding or Rooming House uses be reduced to one parking space per four bedrooms and one parking space per three employees.

The proposed parking calculation is relatively consistent with the other metrics listed within our regulations, including less restrictive requirements for more affordable housing. Other guidelines, such as the Institute of Transportation Engineers Parking Generation Manual, do not include a recommended minimum number of parking spaces for a Boarding or Rooming House. Also, because Boarding or Rooming House uses are permitted by special permit, the Commission has discretion in determining whether there is sufficient parking on a specific site where such use is proposed.

Affordable housing is a constant theme throughout the city's Plan of Conservation and Development (POCD) which also includes the goal of reducing and eliminating homelessness in the city. Staff finds that this application would support such goals.

Staff offers the following resolutions for consideration by the Commission:

THEREFORE, BE IT RESOLVED by the Norwalk Planning & Zoning Commission, that application #2025-17 R/SP – The Mid Fairfield AIDS Project – 7 Moore Place (District 3, Block 35, Lot 27) – Zoning regulation text amendment application to modify the minimum parking requirement for a Boarding or Rooming House use in conjunction with a special permit application for a Boarding or Rooming House be **APPROVED** based on the following findings:

1. That the proposed zoning regulation text amendment and special permit is consistent with the Plan of Conservation and Development, including the following:
    a. Goal that, "Norwalk has a neighborhood and housing strategy that maintains a variety of neighborhood types and housing choices through a variety of mechanisms," with the policy to, "Support housing policies that provide housing for Norwalk's households across a range of preferences and household incomes," and the strategy to, "Seek solutions to provide sufficient safe and affordable housing for low-income and very low-income residents."

BE IT FURTHER RESOLVED that the special permit be subject to the following conditions:

1. That the site shall be developed in accordance with the following plans:
    a. Per architectural drawings entitled "Bldg. A and B 7 Moore Place Norwalk, CT," prepared by Marc A. Petrin Architects, LLC, that was submitted as part of the special permit application; and
2. That a certificate of special permit shall be filed on the Norwalk Land Records prior to the issuance of a zoning permit; and
3. That all conditions as required by the Norwalk Water Pollution Control Authority (WPCA) shall be applicable to this approval; and
4. That all conditions as required by the Norwalk Health Department shall be applicable to this approval; and
5. That all conditions as required by the Norwalk Department of Public Works (DPW) shall be applicable to this approval; and
6. That all conditions as required by the Norwalk Department of Transportation, Mobility, and Parking (TMP) shall be applicable to this approval; and
7. That all conditions as required by the Norwalk Fire Marshal shall be applicable to this approval; and
8. That any revisions to the approved plans shall be submitted to Staff for review and approval prior to implementation, and that should any revisions be determined to be substantive by Staff, shall be submitted to the Commission for review and approval prior to implementation; and

BE IT FURTHER RESOLVED that the effective date of the zoning regulation text amendment shall be June 27, 2025, and the effective date of the special permit application shall be June 28, 2025.

Bryan Baker

Bryan Baker, AICP

Principal Planner
City of Norwalk
125 East Avenue
Norwalk, Connecticut 06851
203-854-7705
bbaker@norwalkct.gov

Memorandum

June 18th, 2025

To: Galen Wells, Chairperson – Planning & Zoning Commission

From: Michelle Andrzejewski, Senior Planner

Re: #2025-13 POCD –Planning & Zoning Commission – Amendment to the 2019-2029 Plan of Conservation and Development (POCD) to adopt the Norwalk Affordable Housing Action Plan, dated 2025, as an addendum to the POCD.

Dear Commissioners,

The City was required to prepare a Citywide Affordable Housing Plan (Plan), per state statute, CGS Sec. 8-30j. Since this Plan has recommendations and direct impact on future zoning, it is good practice to amend the Citywide Plan to "adopt" the Plan as part of the Citywide Plan.

The draft Plan has been vetted thru a steering committee throughout the Plan process. A presentation of the Plan was presented at a joint meeting of Common Council and Planning and Zoning held January 30th where comments were collected and addressed. An amendment to the Citywide Plan requires numerous referrals such as Common Council, WestCOG and Harbor Management Commission. The proposed amendment was posted for viewing on April 1st, 2025 at the City's Town Clerks office per state statute requirement. Legal notices posted twice in the Norwalk Hour within required time frame of public hearing.

The following amendment to the Citywide Plan is proposed:

Page 75, Chapter 4, Housing Choice & Healthy Life, Action V.

v. Implement the recommendations of the Affordable Housing Action Plan (2025, as amended). The City will further evaluate, modify as necessary and implement recommendations within the plan. ~~Develop a Norwalk Housing Plan that establishes a set of housing data to monitor and analyze, a policy framework, and an implementation plan. Before developing the plan itself and hiring a consultant, the housing planner should prepare a housing policy white paper to structure the process--identifying the elements for the plan in terms of data, policy options, types of housing solutions, administration of housing functions, and so on.~~

When: 2025-2029
Who: Common Council; Mayor's office; Planning & Zoning;
Resources: Staff Time

The draft Plan can be view at:
https://www.norwalkct.gov/DocumentCenter/View/35067/Norwalk-AHAP_2025-01-10-merged

For your convenience, I have attached the full page 250 of the Citywide Plan. The Citywide Plan can be viewed at: https://tomorrow.norwalkct.org/wp-content/uploads/2020/10/Norwalk-Citywide-Plan.pdf

Staff offers the following resolution for your consideration:

WHEREAS*,* the Connecticut General Statutes Section 8-30j requires each municipality to prepare and adopt an affordable housing plan;

WHEREAS*,* the City prepared The Norwalk Affordable Housing Action Plan, “the Plan” in response to that state statute;

WHEREAS*,* a committee to oversee the Plan was comprised of members of the Planning and Zoning Commissioners, Common Council members, Norwalk Redevelopment Agency, Norwalk Housing Authority, Norwalk residents, housing industry experts and City Staff;

WHEREAS*,* the Plan provided recommendations on to address affordable housing issues;

WHEREAS*,* at a joint meeting of Common Council and Planning and Zoning Commission was held January 30th, 2025 to present the Plan;

WHEREAS, the proposed amendments to the Citywide Plan were formally referred to Common Council on March 5th, 2025;

WHEREAS*,* the Economic and Community Development Committee of Common Council approved the Plan to be amended to the Citywide Plan, on March 17th, 2025;

WHEREAS, the proposed amendments to the Citywide Plan were also formally referred to WESTCOG on March 18th 2025 and the Harbor Management Commission on March 20th, 2025;

WHEREAS*,* the Common Council approved the amendment to the Citywide Plan, on March 25th, 2025;

WHEREAS, based on recommendations and comments received from Common Council, WestCOG and the Harbor Management Commission revisions to the Plan were implemented where appropriate;

WHEREAS, the Commission conducted a public hearing on the proposed amendment on June 18th, 2025 and considered all testimony presented;

BE IT RESOLVED by the Norwalk Planning and Zoning Commission, that the amendment to page 75 of the Citywide Plan be **APPROVED**; and

BE IT RESOLVED that the reasons for these actions are to implement the Citywide Plan:

1. Chapter 4, Goal A. ii. *Create a Housing Policy Advisory Committee to develop and advise on housing policies that support Norwalk's quality of life, economic development, and affordable housing goals*
2. Chapter 4 Goal A. v. *Develop a Norwalk Housing Plan that establishes a set of housing data to monitor and analyze, a policy framework, and an implementation plan.*
3. Chapter 4, Goal D. i. *As part of the Housing Policy Plan, develop an integrated citywide strategy for affordable housing in Norwalk*

Norwalk Affordable Housing Action Plan

2025

ACKNOWLEDGEMENTS

The City of Norwalk Affordable Housing Plan Advisory Committee was formed to assess the City's affordable housing needs and address their potential economic, environmental, and social equity impacts. The purpose of the Affordable Housing Action Plan is to help the City to identify different levels and types of affordable housing needed, while providing guidance and direction on how to achieve those levels. While the plan was required to comply with CT General Statute 8-30j, the City viewed this planning process as an opportunity to fully understand the City's housing needs at all income levels and develop strategies to ensure there are housing options available to all who seek to live in our great City. We thank the members of this committee, who helped guide this plan through the inclusive planning process.

AFFORDABLE HOUSING PLAN ADVISORY COMMITTEE

Nicol Ayers
Chuck Berman
Brian Bidolli
Adam Bovilsky
Greg Burnett
Michele Conderino
Nicolé Eaddy
Brian Griffin
Nicholas Kantor
Sonja Oliver
Brenda Penn-Williams
Harlan Stone
Ana Tabachneck

CITY OF NORWALK STAFF

Steven Kleppin, Director, Planning and Zoning
Michelle Andrzejewski, Senior Planner, Planning and Zoning
Jessica Vonashek, Chief of Economic and Community Development

CONTENTS

APPENDICES

PLAN PREPARED BY:

akrf

Kevin Dwarka LLC
Land Use & Economic Consulting

LAND USE LAW CENTER
at PACE LAW

GLOSSARY OF TERMS AND ACRONYMS

Term	Acronym	Definition
Accessory dwelling units	ADUs	A smaller, independent residential dwelling unit located on the same lot as a stand-alone (i.e., detached) single-family home.[1]
Area Median Income	AMI	Measure used to define income eligibility, defined by the U.S. Department of Housing and Urban Development. For Norwalk, the AMI is calculated from all households within Fairfield County.[2]
Community Development Block Grant	CDBG	A program which provides annual grants on to municipalities to develop housing and economic opportunities for residents in low and moderate-income groups.[3]
Connecticut General Statutes	CGS	The official codified public acts (as well as special acts that impact the public) of the State of Connecticut.[4]
Connecticut Department of Housing	CT DOH	A State governmental department devoted to housing in the state of Connecticut.
Dissimilarity Index	DI	A measure of evenness regarding segregation ranging from 0.0 to 1.0.
Office of Brownfield Remediation and Development	OBRD	A State governmental department devoted to brownfield redevelopment. It provides financial and technical assistance to municipalities, economic development agencies, brownfield owners, and potential developers.

[1] https://www.planning.org/knowledgebase/accessorydwellings/. Accessed 9/6/2024

[2] https://affordablehousingonline.com/housing-search/Connecticut/Norwalk?page=3. Accessed 9/6/2024

[3] https://www.hud.gov/program_offices/comm_planning/cdbg. Accessed 9/6/2024.

[4] https://libguides.ctstatelibrary.org/law/statutes. Accessed 9/6/2024.

Shared Appreciation Mortgages	SAMS	A type of home loan in which the lender receives an interest that is contingent on the value appreciation of the home.[1]
State Median Income	SMI	The median income for the state of Connecticut.
Western Connecticut Council of Governments	WestCOG	A regional council of governments in western Connecticut that collaborate to address regional issues.[2]

[1] https://www.cga.ct.gov/2019/rpt/pdf/2019-R-0190.pdf. Accessed 9/11/2024.

[2] https://westcog.org/about/what-is-a-cog/. Accessed 9/6/2024.

INTRODUCTION & EXECUTIVE SUMMARY

The Norwalk Affordable Housing Action Plan (the "Plan") assesses the City's affordable housing needs and addresses their potential economic, environmental, and social equity impacts. This Plan fulfills Connecticut General Statutes (CGS), Title 8, Chapter 126a, § 8-30j which requires each municipality in the State of Connecticut prepare an affordable housing plan once every five years. Per the US Department of Housing and Urban Development and CGS Section 8-30g, housing is considered affordable if the cost of rent or home ownership including utilities is not more than 30% of a household's gross monthly income for households with an income at or below 80% of the area median income. Minimum wage, at $15.69 per hour in 2024, has not kept pace with the cost of housing in Norwalk. Based on the HUD formula, the maximum amount a person making minimum wage can spend per month on housing is $816. The average rental cost of a studio apartment in Norwalk is over $1,800 per month, requiring a minimum household income of $72,000 or $35 per hour.

Norwalk strives to be a city with housing accessible to all, a place where residents can live and work because of the affordable, diverse housing stock that accommodates the diversity of its population.

The development of this Plan was guided by empirical data, community engagement, City of Norwalk staff, and the Affordable Housing Plan Advisory Committee. Through this analysis and engagement, Norwalk's vision for affordable housing was established.

A common set of guiding principles emerged through the public engagement process. These principles were used to set goals for achieving housing opportunity, equity, health, sustainability, and inclusivity. In the action plan, several goals are identified to meet each principle, and action items and responsible parties are identified to achieve each goal.

Principle 1: Norwalk is a diverse and inclusive city that strives to provide a diversity of housing types to meet the needs of all residents, as well as those who are employed in Norwalk and desire to live within the city.

Principle 2: Norwalk has a critical need to provide more affordable housing, social services, and economic pathways for its very low-income households. The market alone will not address this gap and public investment is required.

Principle 3: Norwalk recognizes that financial incentives such as tax abatements and grants are needed to bridge the market gap and facilitate the preservation and construction of quality affordable and moderate income housing.

Principle 4: Norwalk recognizes that the housing crisis is a complex regional problem that requires partnerships with state and federal agencies to address its many fronts. Norwalk is committed to advancing equity in housing, and to addressing enduring racial disparities in income levels and housing access.

STATE AND LOCAL CONTEXT

Norwalk prepared this Affordable Housing Action Plan to satisfy the statutory requirements of CGS Section 8-30j. The statute requires that:

1. At least once every five years, every municipality must prepare or amend and adopt an affordable housing plan.
2. The plan must specify how the municipality intends to increase the number of affordable housing developments within the municipality.
3. The municipality may hold public informational meetings or organize other activities to inform residents about the plan development process.
4. The municipality must provide at least 35 days notice for a public hearing on adoption of the plan and must make the draft plan available to the public for review prior to such public hearing.
5. Following adoption, the municipality must regularly review and maintain their affordable housing plan.[1]

Section 8-30j provides a pathway for municipalities to achieve the affordable housing goals in Section 8-30g. The Affordable Housing Land Use Appeals Procedure under CGS § 8-30g establishes an appeals procedure where local zoning denials of affordable housing proposals may be overridden in municipalities where less than 10% of the housing stock is affordable or if they have not been granted a moratorium for taking measurable steps to reach the 10% goal. According to the State's 2023 Land Use Appeals data, 13.34% of Norwalk's housing stock is considered affordable. However, Norwalk is surrounded by communities that fall well

[1] Regional Plan Association (RPA) and Connecticut Department of Housing. "Planning for Affordability in Connecticut: Affordable Housing Plan and Process Guidebook." December 2020. Available at: https://rpa.org/work/reports/connecticut-affordable-housing-plan-process-guidebook

below the State's threshold including: New Canaan (3.93%), Westport (3.77%), and Wilton (3.55%). In Fairfield County, only Bridgeport (20.68%), Danbury (10.51%), Norwalk, and Stamford (13.93%) exceed the 10%.[1]

This discrepancy among Norwalk's neighbors highlights the need for a regional approach to housing. While Norwalk has taken great strides towards meeting the housing needs of its residents and workers, there is still a significant gap. This Plan looks at how Norwalk can continue to exceed the 10% minimum, as well as expand affordable housing opportunities.

Community Listening Session, November 16, 2023

AFFORDABLE HOUSING NETWORK

Various agencies and groups—from the federal to the local level—are involved in affordable housing in Norwalk. The following section identifies the key agencies, organizations, and groups involved in the development and administration of affordable housing in Norwalk.

FEDERAL AND STATE AGENCIES

- Federal and State agencies influence funding and financing of affordable housing units.
- US Housing and Urban Development (HUD) - administers various funding programs such as the Federal Housing Association (FHA) first time homebuyers

[1] Affordable Housing Appeals listing CT.gov. Available at: https://portal.ct.gov/DOH/DOH/Programs/Affordable-Housing-Appeals-Listing (Accessed: 16 August 2024).

loans, Housing Choice Vouchers, HOME Investment Partnerships Program (HOME), and Community Development Block Grant (CDGB).

- Connecticut Housing Finance Authority (CHFA) - provides funding for housing programs through local governments and community groups, distributes the Low-Income Housing Tax Credits (LIHTC), and helps manage lending for first-time homeowners.
- Connecticut Department of Housing (DOH) - offers a range of funding sources for affordable housing such as the Housing Trust Fund and the Affordable Housing Program.

CITY OF NORWALK

- Norwalk Redevelopment Agency - provides grant opportunities that help to maintain naturally affordable housing, such as the South Norwalk Improvement Program and the Residential Improvement Fund.
- Norwalk Economic Development Office - provides financing assistance to larger-scale housing developments, which would include requirements for affordable housing units.
- Norwalk Planning and Zoning Department – makes decisions that affect density and land use, including review of development applications and implementation of long-term planning goals.

NORWALK HOUSING AUTHORITY

- The Norwalk Housing Authority (NHA) - provides affordable housing for low-income and senior residents though construction and maintenance of public housing residences, as well as Section 8 Housing Choice Vouchers (HCV) and the Homeownership Voucher program.

HOUSING DEVELOPERS

- Non-profit Developers - Certain non-profits, including Community Development Corporations (CDCs) and nation-wide developers such as Enterprise and the National Housing Trust, specialize in building, rehabilitating, and managing affordable housing developments.
- Private Developers - Developers of multifamily market-rate housing are often required to include a percentage of affordable housing units or pay into the City's fund to develop affordable housing.

COMMUNITY AND ADVOCACY NON-GOVERNMENT ORGANIZATIONS (NGOS) (EXAMPLES)

- Open Doors - offers affordable housing units to very low-income households, connects low-income households and people experiencing homelessness with educational and housing services.
- Malta House – provides shelter, support services, and independent living skills to pregnant and parenting mothers.
- Homes with Hope – provides emergency shelter, permanent supportive housing, and mentoring services for individuals and families facing homelessness.
- Pacific House – provides emergency shelter and deeply affordable housing to people experiencing homelessness.
- Human Services Council – offer deeply affordable transitional housing that provides a pathway to stability, job training, and community support.

DEVELOPMENT OF THE PLAN

The City of Norwalk established a committee to lead the preparation of the Plan which included representatives from the Norwalk Affordable Housing Committee, the Norwalk Planning Department, the Norwalk Housing Authority, the Norwalk Redevelopment Agency and Open Doors. The City also retained the services of a consultant team including AKRF, KDLLC, and the Land Use Law Center at Pace Law to prepare the Plan. The Affordable Housing Action Plan kicked off in September 2023.

HOUSING NEEDS ASSESSMENT

The first step in the process was initiating public outreach and engagement to facilitate the development of the Housing Needs Assessment. The Housing Needs Assessment, which is summarized in Section 3 and included in full as **Appendix A** of this document, included extensive community input and data analysis. The assessment sought to identify the need for housing at all price points for all income levels. The Housing Needs Assessment led to recommendations for closing the gap in housing including units offered through affordable housing programs as well as units offered on the open market, which are further discussed and elaborated on in this Affordable Housing Action Plan. The Housing Needs Assessment was completed in June 2024, and key findings were presented to the Affordable Housing Plan Advisory Committee and to the public on June 24th, 2024. Four key objectives governed production of Housing Needs Assessment:

1. Engage the Norwalk community and housing stakeholders in robust dialogue about current and future housing needs
2. Compile demographic, housing, and market data to identify the factors, trends, and shifts that are impacting housing needs

3. Identify disparities and the unique needs of different sub-populations including certain lower-income households, racial groups, or age groups.
4. Serve as a tool for housing policy and program design, the next phase in the Norwalk Affordable Housing Plan.

Community Input

The Housing Needs Assessment included a broad community outreach process aimed at collecting qualitative observations about housing needs. This process included an extensive public engagement process; interviews with local housing stakeholders; and collaboration with the Norwalk Redevelopment Agency on a housing preference survey. Roundtable discussions with residents and city staff were held in November 2023. A Housing Needs Webinar and in-person Housing Needs Community forum were held in November of 2023. In addition, pop-up events were hosted throughout the City where residents were encouraged to engage in conversations about housing needs in Norwalk and leave notes with their ideas on poster boards for the committee to review. Other engagement included stakeholder interviews and an online survey.

Post-it note exercise from engagement event on March 3, 2024.

Demographic Trends

Drawing primarily on the most recently available data from the US Census Bureau's American Community Survey (1-year data from 2022), the assessment analyzes both local and regional shifts in demographic composition and considers how these shifts may be impacting changes in the types of housing needed or identify the reasons behind certain housing challenges.

Housing Inventory & Conditions

Drawing upon census data as well as additional data provided by the City of Norwalk, the assessment includes a detailed presentation of the existing supply of housing in Norwalk as well as trends related to housing cost burden.

Market Trends

Shifts in the demand for sales and rental housing for both the locality and the region are presented in the assessment to show how housing costs have been rising while available inventory has been plummeting.

DEVELOPMENT OF THE AFFORDABLE HOUSING ACTION PLAN

The Housing Needs Assessment identified a need to increase the supply of housing at all income levels. The following overarching policy responses to address the critical housing needs of Nowalk residents emerged from this effort. These policy responses are further developed in Section 5, "Vision, Principles, Goals, and Actions" of this document.

Local Zoning and Regulatory Changes

The City can implement additional zoning and regulatory tools to encourage the development of affordable housing. Potential tools include expansion of the City's

PUBLIC ENGAGEMENT SUMMARY

1. *Community and Economic Development Roundtable* 11/9/2023 and 11/14/2024*:* Discussion with City of Norwalk, Norwalk Affordable Housing Committee, and Norwalk Community Service Providers.
2. *Norwalk Talks Housing Public Listening Session* 11/16/2023 and 11/30/2023 with discussions and breakout group activity
3. *Pop-Up City of Norwalk Holiday event* 12/2/2023: Discussions about housing initiatives and issues, interactive post it activity
4. *Pop-Up at Norwalk ESL class* 1/11/2024: Discussions about housing initiatives and issues, interactive post it activity
5. *Pop-Up at Open Doors shelter* 1/18/2024: Discussions about housing initiatives and issues, interactive post it activity
6. *Pop-Up at Norwalk Libraries* 1/31/2024 and 2/4/2024: Discussions about housing initiatives and issues, interactive post it activity
7. *Pop-Up with Family & Children's Agency at Senior Court* 3/4/2024: Discussions about housing initiatives and bingo activity
8. *Interviews* with Norwalk Planning Department, Norwalk Housing Authority, Norwalk Redevelopment Agency, and Open Doors

inclusionary zoning requirements[1]; increasing density bonuses for the provision of affordable housing units; further incentivizing family-sized affordable housing and moderate income housing units; allowance to alternative housing types such as single-room occupancy buildings; and increasing permitted density to facilitate increased supply of all housing types. In addition, the City can further explore transit oriented development incentives, reduction of parking requirements, and reducing the limitations on accessory dwelling units (ADUs). Lastly, the City could streamline the development review and approval process for affordable developments, which decreases the development costs for the applicant and could advance projects in a more efficient manner.

Public Private Partnerships

Underutilized city-owned land could be redeveloped for affordable housing, including family sized and deeply affordable units, through public private partnerships. Through a Request for Proposals process the City could seek development proposals with specific criteria to meet identified housing needs and community goals on identified underutilized parcels. Through this competitive solicitation process, the City could identify a preferred development program that could be implemented through a mix of public land, public funds (e.g., grants), and private capital.

Tax and Financing Innovations

The City can utilize financing innovations to facilitate affordable housing development, as well as the preservation and rehabilitation of existing affordable housing. Financing innovations include micro-grants, community land trusts, and tax abatements. Micro-grants could be used to facilitate capital improvements on existing developments. Community land trusts enable the construction of affordable home ownership units on commonly held land. Tax abatements can be utilized to incentivize affordable housing development.

Administration and Implementation

To realize the policies and implementation measures identified in the Affordable Housing Action Plan, it will be important for the City to track progress. Section 5, "Vision, Principles, Goals, and Actions" identifies key policy strategies, implementation measures, responsibility for the action item, and anticipated timeline. To document progress, the City should

[1] Norwalk's inclusionary zoning requirements are set forth in Section 6.12, Workforce Housing.

implement a tracking system for annual housing starts and demolitions to chart annual shifts in its housing supply.

Federal and State Advocacy

A barrier to certain types of affordable and missing middle housing—in particular, home ownership units—are the tax and financing policies at the state and federal level. Norwalk can utilize its state and federal delegations to lobby for policy changes needed to overcome the institutional, financing, and tax code barriers to multi-family ownership buildings including condominiums and limited equity coops. Such policies that encourage rental over ownership units include the federal IRC §42 Low Income Housing Credit Program. At the state level, programs such as the Department of Housing Homeownership Initiative (PA 22-118) could be expanded. In addition, the City can continue to advocate for more governmental funding for public and affordable housing.

Source: Wall Street 1907, Norwalk Public Library

HISTORY OF AFFORDABLE HOUSING IN NORWALK

Norwalk's history of affordable housing is reflective of national trends in housing policy, including the impact of post-war suburban sprawl, urban renewal, redlining, and discriminatory financing practices. This history influences Norwalk's position in Fairfield County's land use patterns and housing conditions today. As reported in the Commission on Connecticut's Future and Development's *Report of the Affordable Housing Plans Working Group*, February 2023, Connecticut has an imbalance of single-family and multi-family development, which contributes to a regional housing shortage and residential segregation. Half of all 5+ unit buildings in Connecticut are in 13 (including Norwalk) of the 169 municipalities. The Bridgeport-Stamford-Norwalk metropolitan area is residentially segregated as measured by the Dissimilarity Index score (DI) and ranks in the top 20 percent of all metropolitan areas in the country (total of 366). DI compares the distribution of two different groups (in this case, white and non-white) across census tracts within a state and indicates the percent of a particular racial group that would have to relocate to achieve an even distribution.[1]

[1] Commission on Connecticut's Future and Development, Report of the Affordable Housing Plans Working Group, February 2023, p. 9

EARLY SETTLEMENT THROUGH 20TH CENTURY

Norwalk was one of the earliest European settlements in colonial Connecticut, dating back to 1640 as a farming, port, and shell fishing community. It evolved into a manufacturing center between the late nineteenth and early twentieth century. Following regional trends, manufacturing declined post World War II, and Norwalk saw a growth in suburban office parks such as Merritt 7, as well as a suburban housing boom. Norwalk experienced the greatest population growth between 1940 and 1970, which is when many of its suburban single-family residential neighborhoods were built out.[1]

Norwalk has a long history of striving to meet the housing needs of its residents. The Norwalk Housing authority was established in 1939 to provide decent, affordable housing for eligible low-income families and the elderly. South Norwalk experienced urban renewal programs in the 1960s which demolished old buildings on West Washington Street, and replaced them with offices, a shopping center, and public housing. However, in the 1970s historic preservationists pushed back on further urban renewal through the creation of historic districts.[2]

The Fair Housing Act of 1968 prohibited discrimination concerning the sale, rental, and financing of housing based on race, religion, national origin, sex, (and as amended) handicap and family status. The Fair Housing Act grew out of the Civil Rights movement and was in response to national housing policies that contributed to housing segregation, such as the process of "redlining" minority neighborhoods based on perceived investment risk and discriminatory real estate practices such as restrictive covenants.[3] Norwalk spent the next decade advancing Fair Housing Act Policies. By 1978, Norwalk had developed a Fair Housing Plan, established a Human Relations Commission, conducted a Fair Housing Conference with minority-oriented housing groups, advertised fair housing information in the media, and conducted meetings with realtors to inform them of fair housing requirements.[4]

[1] Norwalk Citywide Plan: 2019-2029 Plan of Conservation & Development, pg. 6

[2] Norwalk Citywide Plan: 2019-2029 Plan of Conservation & Development, pg. 7

[3] https://www.hud.gov/program_offices/fair_housing_equal_opp/aboutfheo/history

[4] The Status of Equal Housing Opportunity A Report of the Connecticut Commission on Human Rights and Opportunities, May 1978

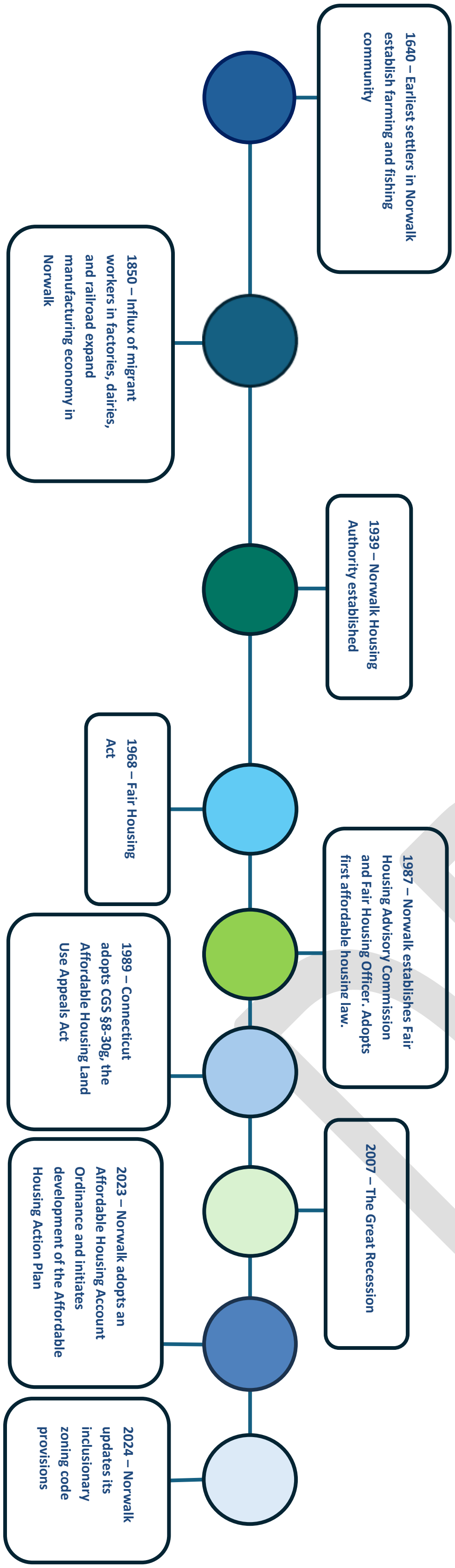
However, in 1983 the NAACP filed a Fair Housing complaint with the United Stated Department of Housing and Urban Development (HUD), which then initiated an investigation into Norwalk's housing practices. HUD's investigation concluded that Norwalk had concentrated subsidized low-income housing projects in minority neighborhoods, particularly in South Norwalk. The report cited a 1979 Common Council decision to reject a plan to construct 45 low-income units on Keeler Avenue, near the Darien border.[1] The complaint was resolved by consent decree in 1986 (which was later amended in 2004), which resulted in the establishment of the Norwalk Fair Housing Advisory Commission and the position of Fair Housing Officer which share a mission to educate, advocate, assist and advise the City and its residents regarding housing discrimination with the goal of eliminating it. The Fair Housing Advisory Commission monitors private and public housing practices for compatibility with fair housing laws and objectives, identifies problem areas and makes recommendations to the Mayor, Common Council, and other appropriate city agencies/commissions. The Fair Housing Officer provides information/assistance regarding landlord/tenant laws, housing discrimination and foreclosure; investigates housing discrimination complaints and assists residents in seeking remedies; conducts educational programs and writes a quarterly newspaper column; works with Norwalk landlords and tenants, property managers and real estate professionals; and assists developers and architects of new multifamily housing as to the accessibility requirements in the Fair Housing Act. [2] Norwalk adopted its first affordable housing regulations in 1987.

In 1989 the State of Connecticut "Blue Ribbon Commission" released a Housing Report to the Governor and General Assembly. This report found a deficit in housing across the state, including a 13.87 percent deficit in the number of units for south western Connecticut, which includes Norwalk.[3] This report, and the 1988 Connecticut Supreme Court decision in *Builders Service Corp. v. East Hampton Planning and Zoning Commission*, which identified exclusionary zoning practices, led to the adoption of Connecticut General Statutes (CGS) §8-30g, the Affordable Housing Land Use Appeals Act, in 1989.

[1] Dudko, R. (1984, May 6). Norwalk Accused of Bias in Housing. *The New York Times*.

[2] https://www.norwalkct.gov/1134/Fair-Housing

[3] Blue Ribbon Commission Housing Report to the Governor and General Assembly, February 1989, p. 9



The Affordable Housing Land Use Appeals Procedure under CGS § 8-30g places the burden of proof on municipalities to defend their land use decisions to reject qualifying affordable housing development applications or approve them with costly conditions. The purpose of this law was to prevent the rejection of new affordable housing developments by local land use boards for arbitrary and capricious reasons. Between 1991 and 2000, the General Assembly revised CGS § 8-30g to promote economic and racial diversity and choice in housing, and to clarify the moratorium procedures. Norwalk is one of the few municipalities in Connecticut that has a sufficient percentage of affordable housing such that it is exempt from the land use appeals procedure under CGS § 8-30g.

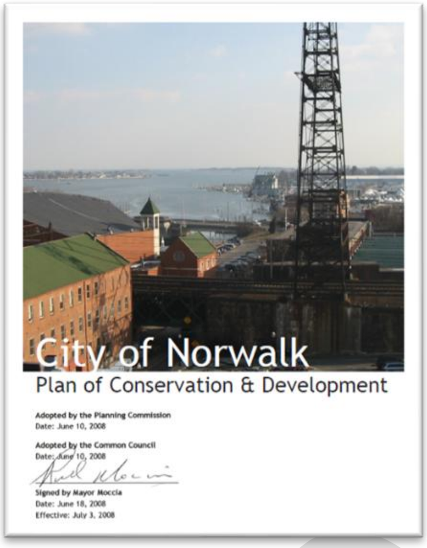
21ST CENTURY

Since 2000, Norwalk has continued to grow as a desirable location for residents and businesses with convenient rail transit, access to Interstate 95, strong and diverse neighborhoods, location on the Long Island Sound, and regional attractions. Norwalk's 2008 Plan of Conservation and Development (2008 POCD) documented an annual increase in housing prices between 2000 and 2008 at a rate of 16% for owner-occupied and 17% for rental housing and identified affordability an increasing concern. The 2008 POCD noted that Norwalk is almost fully built-out, the lack of "greenfields", and the need for advancing infill development to meet housing needs. It also noted that housing for lower- and moderate-income households should be dispersed throughout the city in forms appropriate to the neighborhood/district, as well as through Fairfield County as a whole to ensure surrounding localities are doing their "fair share." In 2004, Norwalk built over 40% of Fairfield County's multifamily structures containing five or more units.[1]

In 2007, the State adopted the voluntary Incentive Housing Program CGS § 8-13m. However, that program's financial incentive provisions then never materialized due to the Great Recession that

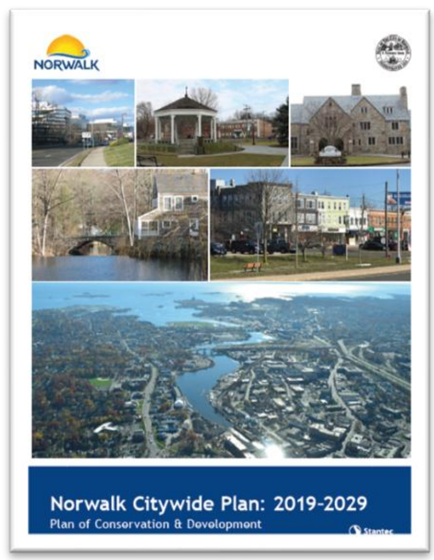
[1] City of Norwalk Plan of Conservation and Development, July 3, 2008.

began in 2008. Norwalk's 2019 Plan of Conservation and Development (2019 POCD) noted that Norwalk, and Connecticut as a whole, were significantly affected by the Great Recession. By 2019, Connecticut had only recovered 76% of the jobs lost during the recession, and that Fairfield County was not yet back to pre-recession job numbers.[1]



During the recession real estate values plummeted but recovered more quickly in Fairfield County compared to the rest of Connecticut. Norwalk remained attractive to households and businesses in the post-recession years, benefiting from its close proximity to New York City, lively urban centers, growth in multi-family residential development, and affordability compared to adjacent municipalities. However, housing prices and rents were expensive for lower-income workers. During that time period, Norwalk's zoning regulations required that a minimum of 10% of units in buildings with no less than 20 units be affordable to income-eligible tenants. The 2019 POCD noted that as of June 2018, the new multi-family developments had produced 172 new affordable units.[2]

In 2017, the State directed all cities and towns to prepare a plan for affordable housing development at lease every five years. Then in 2021, the State mandated that every municipality file an affordable housing plan no later than June 1, 2022, and updated the language of the statutes to require economic and racial diversity in housing. In March of 2022, a State Working Group on Affordable Housing Plans was established to prepare a guidance document for the



[1] Norwalk Citywide Plan: 2019-2029 Plan of Conservation & Development, pg. 7

[2] Norwalk Citywide Plan: 2019-2029 Plan of Conservation & Development, pg. 19

preparation of Affordable Housing Plans. This guidance document was released in February 2023.[1]

In 2024, Norwalk adopted new zoning regulations that included updated inclusionary housing requirements. In an effort to create more affordable and moderate income housing units, the new regulations added a requirement that new developments with three to nine units either include one unit affordable to households earning no more than 80% SMI or be accompanied by an inclusionary zoning fee of $10 per $1,000 of residential construction cost to an Affordable Housing Account.[2] In addition, the new regulations provide an option to developers of more than ten units to either provide a minimum of 10% of the total number of dwelling units as inclusionary zoning units affordable to households earning no more than 60% SMI, or to provide a minimum of 10% of the total number of dwelling units as inclusionary zoning units affordable to households earning no more than 80% SMI accompanied by an inclusionary zoning fee of $10 per $1,000 of residential construction cost to be paid into the Affordable Housing Account. In addition, all new non-residential construction, exceeding twenty-five thousand square feet or more is required to pay an inclusionary zoning fee of $10 per $1,000 of construction cost to be paid into the Affordable Housing Account. The Affordable Housing Account is used to construct, rehabilitate, or repair affordable housing for individuals or families whose annual income does not exceed 60% SMI.

In developing this Affordable Housing Action Plan, Norwalk continues its long history of aiming to meet the housing needs of the Norwalk community. Norwalk continues to embrace its diversity and strives to be a city with housing accessible to all, a place where residents can live and work because of the affordable, varied housing stock that accommodates the multiplicity of its population.

[1] Report of the Affordable Housing Plans Working Group, Commission on Connecticut's Future and Development, February 2023

[2] The Affordable Housing Account was established by ordinance adopted by the Common Council in November 2023.

HOUSING NEEDS ASSESSMENT

INTRODUCTION

A Housing Needs Assessment was prepared as part of the development of Norwalk's Affordable Housing Action Plan. It was based on extensive community input and data analysis. The assessment sought to identifying the need for housing at all price points for all income levels and led to recommendations for closing the gap in housing including units offered through affordable housing programs as well as units offered on the open market. It included a comprehensive inventory of the City's housing stock, much of which is significantly more diverse in type and price points than the housing supplied in the surrounding region. Four key objectives governed production of Housing Needs Assessment:

1. Engage the Norwalk community and housing stakeholders in robust dialogue about current and future housing needs
2. Compile demographic, housing, and market data to identify the factors, trends, and shifts that are impacting housing needs
3. Identify disparities and the unique needs of different sub-populations including certain lower-income households, racial groups, or age groups.
4. Serve as a tool for housing policy and program design, the next phase in the Norwalk Affordable Housing Plan.

The Housing Needs Assessment was completed in June 2024, and key findings were presented to the Affordable Housing Plan Advisory Committee and to the public on June 24th,

2024. This section summarizes the results and key findings of the Housing Needs Assessment. The complete assessment is included as **Appendix A**.

KEY FINDINGS

While meeting Norwalk's housing needs requires broader policy changes at all levels of governance, there are local strategies that Norwalk can undertake to relieve housing cost burdens and enhance accessibility to a wider variety of housing units. The Housing Needs Assessment was designed as a repository of data and observations that can help inform local policy decisions while also attesting to the enduring need for regional, state, and federal support for housing production.

1. **The City has a critical need to provide more affordable housing, social services, and economic pathways for its very low-income households.**

   Although Norwalk has a relatively high median income of $98,000 compared to $92,000 for Connecticut, a large share of its population remains low-income. As shown in the table below, a quarter of all residents, 38% of renters, and 15% of homeowners earn less than $50,000 a year.

Norwalk Households by Income Band, 2022			
Income Band	**All Households**	**Renters**	**Owners**
Below 22% SMI [Less than $20,000]	10%	17%	4%
23% SMI - 39% SMI [$20,000 to $34,999]	8%	11%	5%
40% SMI - 55% SMI [$35,000 to $49,999]	7%	9%	6%
56% SMI - 83% SMI [$50,000 to $74,999]	14%	16%	13%
Under 56% SMI (below $50,000)	25%	38%	15%

Source: US Census, ACS

While some of the households within this income bracket are housed in Norwalk Housing Authority units or receive housing choice vouchers, there are ultimately very few housing options for Norwalk's very low-income population. Some of the housing on the open market that is naturally affordable to very low-income residents is provided at a sub-standard level of condition. The City is currently limited in its legal ability to proactively inspect these homes and ensure their compliance with building codes. As such, very low-income residents are vulnerable not only to poor living conditions but also displacement and homelessness.

Meeting the housing needs of low-income households is challenging because of limited governmental funding for public housing; long waiting lists and low turnover rates for

Housing Authority units and vouchers; limited development sites, and the financial infeasibility of private developers constructing deeply affordable housing without substantial capital and operational subsidies.

However, none of these challenges mean that Norwalk cannot explore options for expanding its supply of housing for very low-income households. Continued advocacy for more governmental funding for public housing; partnerships with non-profit developers; and capitalizing affordable housing funds are all strategies that the City can use to ensure housing security for its most economically challenged residents. However, these housing approaches need to be interlinked with expanded anti-poverty strategies including social service provisions, financial counseling, vocational training, and job search assistance. The effectiveness of supportive services was demonstrated by the significant reduction of chronic homelessness in Norwalk over the last 10 years thanks to a broad range of homelessness prevention programs supported with federal and state monies and implemented by local organizations.

2. **There are some renters and homeowners at all income levels that are financially burdened by the high cost of housing in Norwalk.**

A large segment of Norwalk's households pays more than 30% of their household income toward their housing costs. These households, considered to be housing cost burdened, represent 39% of the city's 36,149 households and include both renters and homeowners. As shown in the table below, almost 14,000 Norwalk households were cost burdened in 2022.

Housing Cost Burdened Households in Norwalk (2022) Including Renters and Owners		
Cost Burdened Units for All Income Bands	**#**	**%**
Total Households	36,149	100%
Total Cost Burdened Households	13,986	39%
Cost Burdened Units by Income Band	**#**	**%**
Below 22% SMI [Less than $20,000]	3,988	99%
23% SMI - 39% SMI [$20,000 to $34,999]	1,870	100%
40% SMI - 55% SMI [$35,000 to $49,999]	1,816	92%
56% SMI - 83% SMI [$50,000 to $74,999]	2,387	60%
Cost Burdened Units Above and Below 83% SMI	**#**	**%**
Over 83% SMI [$75,000 or more]	3,925	17%
Under 83% SMI [Below $75,000]	10,061	85%

Source: US Census, ACS

The rates of cost burden are notably higher for lower-income households. Approximately 85% of the households earning below 83% of Connecticut's State Median Income (SMI) are cost burdened compared to only 17% of households making more than 83% of SMI. Moreover, almost every single household making less than 40% SMI (or $35,0000) is housing cost burdened.

3. **The City needs to significantly expand the supply of rental housing that are affordable to households earning incomes less than $75,000 per year, or 83% of Connecticut's median income of $92,000.**

Although Norwalk residents are broadly cost-burdened, a much greater share (57%) of the city's 14,000 cost burdened households are comprised of renters than homeowners (43%). As shown in the table below, nearly half (47%) of Norwalk's approximately 17,000 renters were cost burdened in 2022. And as is the case with all residents generally, the rates of cost burden are notably higher for renters with lower incomes. Approximately 85% of the renters earning below 83% of Connecticut's SMI are cost burdened compared to only 14% of households making more than 83% of SMI. Moreover, almost every single renter making less than 40% SMI is housing cost burdened.

Housing Cost Burdened Renters in Norwalk (2022)		
Cost Burdened Renters for All Income Bands	**#**	**%**
Total Occupied Rental Units	16,996	100%
Total Cost Burdened Rental Units	7,994	47%
Cost Burdened Renters by Income Band		
Below 22% SMI [Less than $20,000]	3,205	99%
23% SMI - 39% SMI [$20,000 to $34,999]	1,294	100%
40% SMI - 55% SMI [$35,000 to $49,999]	919	89%
56% SMI - 83% SMI [$50,000 to $74,999]	1,395	57%
Cost Burdened Renters Above and Below 83% SMI		
Over 83% SMI [$75,000 or more]	1,181	14%
Under 83% SMI [Below $75,000]	6,813	85%

Source: US Census, ACS

The number of cost burdened households represents a gap between the need for affordable rental housing and the available supply of appropriately priced units. ***As such, to close the gap, Norwalk would need to provide close to 8,000 units of affordable rental housing.*** Specifically, Norwalk needs 3,205 rental units for households under 22% SMI; 1,294 rental units for households between 23% and 39% SMI; 919 rental units for households between 39% and 55% SMI; 1,395 units for households between 55% and 82% SMI; and 1,811 units for households earning 83% SMI and above.

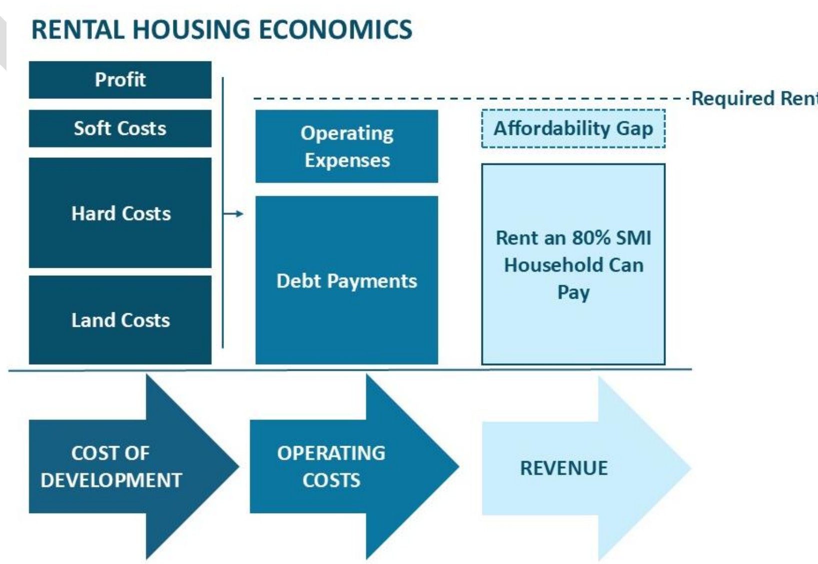
Neither affordable housing providers nor the private housing market is closing this gap in housing need. There is a vast shortage of income restricted housing such as those offered by the Norwalk Housing Authority. Meanwhile, the prices of Norwalk rental units on the open market are not serving households making less than 83% SMI:

- Approximately 76% of the 29 currently listed studio apartments are priced over $1800, a rental cost requiring a minimum household income of $72,000.
- Approximately 86% of the 131 currently listed one-bedroom apartments are priced over $2,000, a rental cost requiring a minimum household income of

  $80,000.
- Approximately 92% of the 90 currently listed two-bedroom apartments are priced over $2,600, a rental cost requiring a minimum household income of $104,000.

Even though there is a supply of 250 rental units currently on the open market, these units are not affordable to a significant share of Norwalk's population. Over the last ten years, Norwalk's median income has risen significantly (16%), climbing to $98,000 in 2022. The median income for all renters is only $71,000, an income level which is lower than the income needed for a large majority of rental units on the market. In addition, there are wide racial disparities in the income levels of Norwalk residents. For example, White households earn a median income of $112,143, about $40,000 higher than the median incomes of Black and Hispanic households. Brokers report that when rental units are affordable to households making less than 83% SMI come to market, these units are almost immediately rented. With zero fluidity in the affordable rental market, these households have no choice but to search for housing in other localities.

For Norwalk to close the affordability gap in its rental market and redress racial disparities in housing access, the City should contemplate a broad variety of tools for expanding the production of affordable rental housing including deeper levels of affordability in the City's inclusionary housing regulations; zoning changes that would enable higher levels of density in exchange for deeper levels and

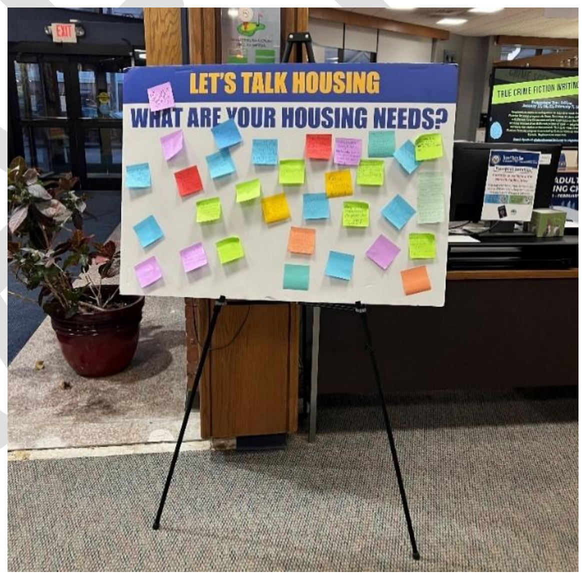


greater amounts of affordable rental housing; significant reduction or elimination of parking requirements for new transit-oriented rental development; streamlining the approval process for affordable housing developments; and tax abatements for affordable rental developments.

4. The City needs wider and more affordable options for homeownership.

Homeownership in Norwalk has fallen considerably both in proportional and absolute terms. Between 2012 and 2022, the homeownership rate fell from 65% of households to 55% of households. During this same period, the actual number of homeownership units dropped by 16% from 22,714 units to 19,513 units. Homeownership units are especially low for Black householders (44%), Asian householders (42%), and Hispanic householders (36%).

The fall in homeownership likely stems from a multiplicity of factors including the increased demand for rental housing, higher mortgage eligibility requirements, rising home values, and limited housing inventory. Barriers to building more homeownership units include limited availability of land for the construction of new single family; federal financing limitations, specifically access to FHA loans; tax policies that favor rental buildings; higher levels of liability for condo developers that in turn translate to increased costs; and the ambivalence of capital markets to finance condominiums given the risk exposure relative to rental buildings.



Amidst these supply constraints, the median sales price for a single-family home in Norwalk rose between rose by 41% from $413,000 in September 2015 to $700,000 in September 2023 while inventory plummeted by 81%. These trends are consistent with the surrounding region. During the same time period, Fairfield County's median sales price for single family homes rose by 55% while inventory declined by 74%.

Though owners are not as cost burdened as renters, just over 30% of Norwalk's homeowners pay more than 30% of their household income toward their housing costs. As shown in the table below, almost 6,000 Norwalk homeowners were cost burdened in 2022. The rates of cost burden are notably higher for lower-income homeowners.

Approximately 85% of the households earning below 83% of Connecticut's State Median Income (SMI) are cost burdened compared to only 18% of households making more than 83% of SMI. Moreover, every single homeowner in Norwalk making less than 40% SMI is housing cost burdened.

Housing Cost Burdened Owners in Norwalk (2022)		
Cost Burdened Owners for All Income Bands	**#**	**%**
Total Occupied Owner Units	19,153	100%
Total Cost Burdened Owner Units	5,992	31%
Cost Burdened Owners by Income Band		
Below 22% SMI [Less than $20,000]	783	100%
23% SMI - 39% SMI [$20,000 to $34,999]	576	100%
40% SMI - 55% SMI [$35,000 to $49,999]	897	96%
56% SMI - 83% SMI [$50,000 to $74,999]	992	65%
Cost Burdened Owners Above and Below 83% SMI		
Over 83% SMI [$75,000 or more]	2,744	18%
Under 83% SMI [Below $75,000]	3,248	85%

Source: US Census, ACS

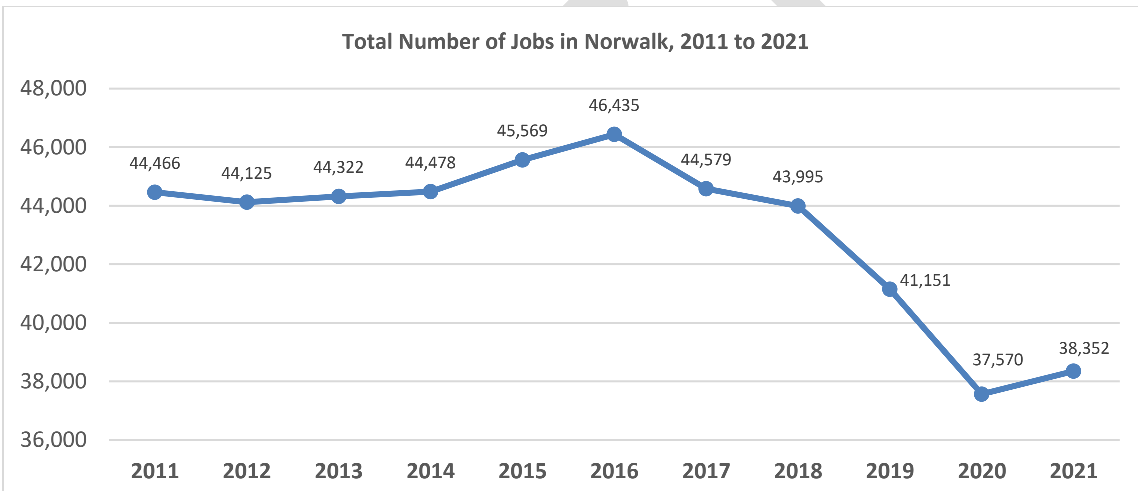
Norwalk needs a greater amount and variety of sales units at different price points to help residents reap the investment benefits of homeownership and ensure long-term housing security. To make it easier and more affordable for residents to own their homes, the City will need to explore more regulatory tools such as zoning changes and lot size requirements that could enable a wider variety of homes including accessory units, townhomes, duplexes, or small cooperatively owned apartment buildings. Broader advocacy at the state and federal level is needed to overcome the institutional, financing, and tax code barriers to multi-family ownership buildings including condominiums and limited equity coops. Other potential pathways include the creation of community land trusts for ownership units that include income restrictions and resale limitations. Tax abatements for affordable ownership buildings may be another tool for helping developers overcome the financing barriers to condominium development. Lastly, affordable ownership units should be fast-tracked through the development approval process.

5. Norwalk needs more housing to accommodate its workers including retail workers, public safety personnel, teachers, and hospital workers.

Approximately 75% of all workers employed within Norwalk do not live within the city. These workers contribute not only to the local economy but also are essential workers critical to the provision of public services. However, a large share of Norwalk workers cannot afford to live in the City. About a third of Norwalk workers make less than $40,000 a year.

Further compounding the housing challenges of Norwalk workers is the lack of affordable rental housing in the communities surrounding Norwalk. As a result, lower income workers are forced to live further distances away from Norwalk, thereby taxing the local and regional road networks and contributing to higher levels of congestion and commuting times.

Meanwhile, the lack of affordable housing makes it harder for Norwalk's employers to secure labor or grow their businesses. Between 2011 and 2021, the number of jobs in Norwalk fell by 16% from 44,446 jobs to 38,352 jobs.



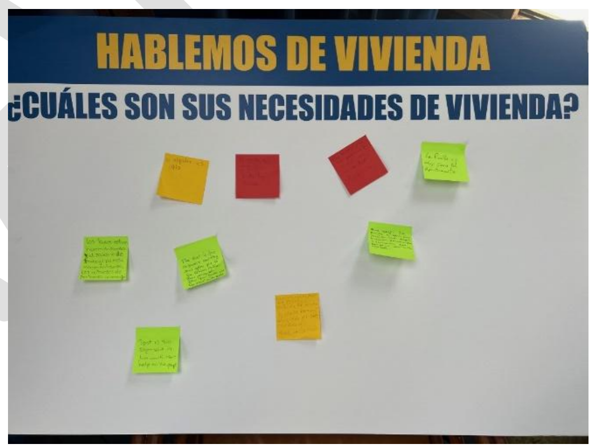
Norwalk needs more affordable and moderate income housing not only for the benefit of its workforce but also to nourish its local economy and commercial tax base. In order to make it easier for local workers to secure housing in Norwalk, the City needs to explore not only the above mentioned approaches for increasing the production of affordable rental housing but also examine options for prioritizing affordable housing for essential workers.

6. **The City has a growing supply of new rental housing that serves the regional housing market but also fulfills local housing, quality of life and economic development needs.**

As mentioned above, Norwalk has a healthy supply of rental housing units on the open market that are affordable to median income households. Moreover, the city's rental housing supply is expected to grow by hundreds of market-rate units over the next three years as approved rental buildings are constructed and come to market.

During the public outreach process for the housing needs assessment, many residents expressed the view that more market rate units are not needed because they are already in abundant supply. Other residents claimed that newer developments fulfill the housing needs of more affluent newcomers to Norwalk rather than long-time cost burdened residents. Some residents speculated that high-priced market rate units contribute to the elevation of all rental prices through the city.

While it is true that Norwalk does indeed have an adequate and growing supply of rental units that serve the regional market, these units are also providing a broad variety of local benefits that may not be readily discernible to all residents. First, the expanded supply of market rate units does in fact serve a sizeable segment of Norwalk's local population, a large share of which can in fact afford apartments priced at median income or higher. Over 35% of Norwalk renters earn more than $100,000 a year. Higher income residents in turn enhance the city's consumer base for local businesses while also serving as a valuable labor supply for companies and organizations seeking to grow within the city. The production of new rental buildings, often built as part of broader redevelopment plans, has also helped to revitalize key parts of the City, especially South Norwalk and the Route 7 corridor. The redevelopment of empty or distressed sites in these areas has not only helped to enhance the overall livability and vitality of the city but also served to expand and diversify Norwalk's fiscal base. Lastly, the development of new rental buildings also resulted in the production of at least some affordable units through enforcement of inclusionary housing regulations generally mandating 10% of new units be affordable to households at 80% SMI.



Whether or not the newer higher priced rental units are more broadly increasing demand for housing in Norwalk and therefore inflating housing prices is less clear. There is no question that Norwalk's rental prices, as has occurred throughout the surrounding region, have risen considerably in recent years. Between 2017 and 2022, the median rent for all housing units in Norwalk increased by 16% from $1,575 to $1,840 per month. During this same period, Norwalk increased its supply of rental units by 755 units.

It is difficult, though, to determine the extent to which these new housing units are truly responsible for heating Norwalk's rental market and elevating citywide housing prices. Besides the fact that the new housing generally represents a unique rather than competing or even complementary market segment, a broad range of regional and demographic factors have also placed pressure on Norwalk's older rental stock. Specifically, a rising demand for multi-family apartment rentals has grown throughout the region as younger families have sought more affordable alternatives to homeownership and seniors have sought to downsize from single family homes.

Rising rental prices in New York City and Westchester has in turn placed increased pressure on cities like Norwalk that offer an urban residential environment with diverse housing choices. Meanwhile, Norwalk's neighboring communities have remained predominantly low-density and single family with little to no increases in rental supply. This mismatch between regional housing demand and regional housing needs has likely had a far greater impact on Norwalk's rental housing prices than its production of market rate units. Moreover, as mentioned, the City's market rate housing generated at least some level of affordable housing as a result of inclusionary housing regulations.

To better meet its local housing needs, Norwalk should explore ways that it can address underserved segments of the housing market. Revising the City's inclusionary housing regulations to require more affordable units and at deeper levels of affordability could help attract developers to Norwalk who are better equipped at developing truly mixed-income projects and qualifying for affordable housing financing programs. Additionally, mixed-income projects with strong economic development benefits as well as deep levels of affordability should be fast-tracked through the development approval process, receive tax abatements, and granted density bonuses.

Norwalk should also continue to advocate for increased production of rental housing at all price points by other localities in its surrounding region. This is not to suggest that Norwalk cannot or should not continue to increase its own housing supply. But if the rental housing supply increased regionally, it would help Norwalk maintain a higher available inventory of its older housing stock at lower price points.

7. All kinds of rental housing are needed but there is an especially acute need for affordable two-bedroom rental apartments and family sized units.

Input gathered from renters and real estate brokers along with analysis of listings data suggests a shortage of affordable rental apartments for all unit types including studios, one-bedroom apartments, and two-bedroom apartments. However, it is noteworthy that affordable two-bedroom apartments are especially in rare supply and that the median price of a two-bedroom has increased by 31% from $1,950 in 2014 to $2,825 in 2023.

During the outreach process for the housing needs assessment, both residents and real estate brokers broadly emphasized the undersupply of affordable two-bedroom apartments and their desirability amongst young couples and starter families without the means to purchase a home. Another growing market for two-bedrooms are seniors who represent almost 1/5th of the city's population. Between 2012 and 2022, the city's senior population grew by 30% or 3,830 individuals. Facing diminishing incomes and rising tax burdens, two-bedroom rentals are an ideal housing type for seniors seeking to reduce overhead expenses and have room for other family members, visitors, or live-in caretakers.

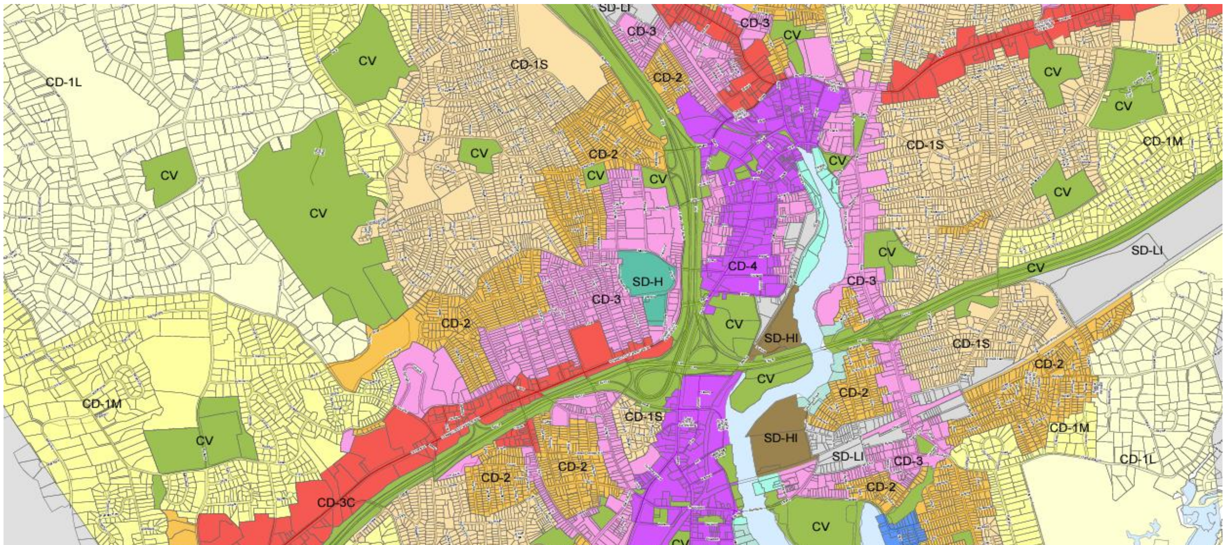
It should not be overlooked, however, that almost 40% of Norwalk's renters live alone. Interviews with housing providers observed that lower-income singles are in great need for affordable studio apartments.

Norwalk has limited ability to control the unit mix of private housing development. However, in its disposition of City-owned land and forging of development partnerships with the Redevelopment Agency, Norwalk Housing Authority, and the non-profit housing developers, the City has an opportunity to pursue higher-density rental buildings with a mix of units that represents the diversity of household types living in Norwalk.

8. The City needs to continue advancing housing linked to transit, walkable neighborhoods, and economic development strategies.

The housing needs assessment did not include an evaluation of potential development sites for new housing. And during the outreach process, neither residents nor stakeholders offered many suggestions for specific sites they thought should be redeveloped as housing. However, both residents and stakeholders broadly expressed a strong need for expanded mass transit options and the interlinking of new housing development with frequent and fast transit connections to both local and regional destinations. With current levels of transit utilization under 2% for work trips to Norwalk job sites, the city is far from being transit accessible.

The City's move toward creating transit-oriented districts and completion of the new Merritt 7 rail station are steps in the right direction of enabling transit supportive densities. However, the City will need to dramatically increase the speed and coverage of its local transit service and integrate job-generating commercial development with housing development in order to expand housing supply without worsening traffic levels. More robust transit service would also help to reduce the transportation costs for households by reducing their need for an automobile while also allowing developers to build new housing with less parking and thereby bring down housing costs.



LAND USE AND ZONING ANALYSIS

LAND USE

Norwalk is a coastal city with diverse neighborhoods—including urban and suburban areas. The existing Land Use Map below (see **Figure 1**) highlights Norwalk's development patterns, with concentrations of mixed-use higher-density development in areas like SoNo and Wall Street, commercial corridors along Route 1 and Route 7, mixed density neighborhoods like Spring Hill and East Norwalk, and single-family neighborhoods throughout the City. Norwalk is substantially developed, with limited acres of undeveloped or underutilized land. Approximately **65 percent** of the total land area in Norwalk is zoned for single-family homes, seven percent permits two-family homes, and 13 percent permits mixed-use development. The remaining land area is zoned for commercial, industrial, and government uses. Of the land zoned for residential use, 77 percent is dedicated to single-family development. With such a large proportion of land zoned for single-family development, the ability to continue to add to the housing stock is limited.

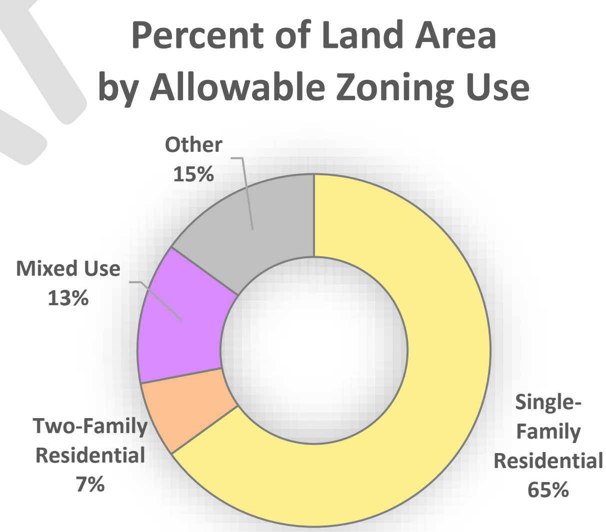
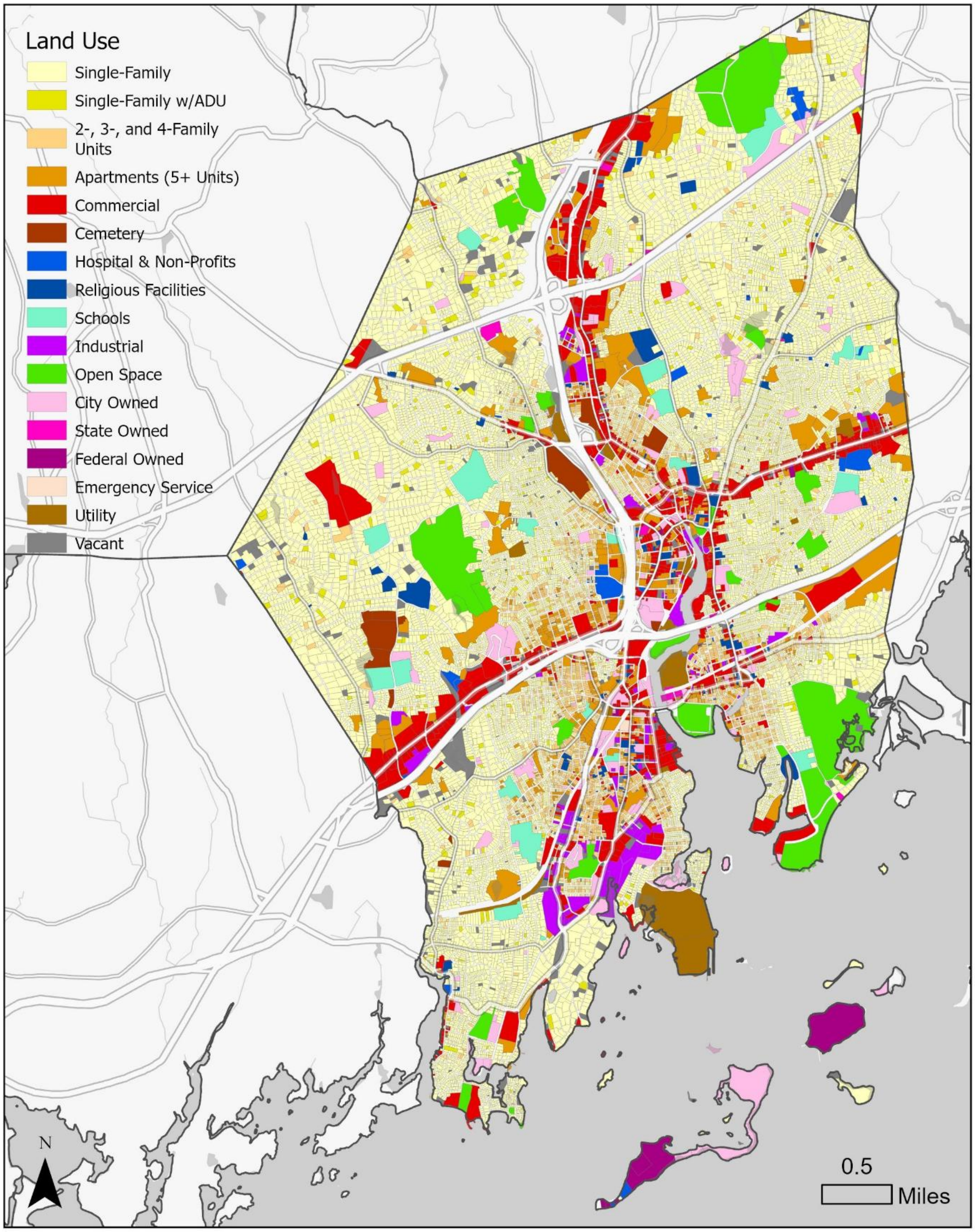
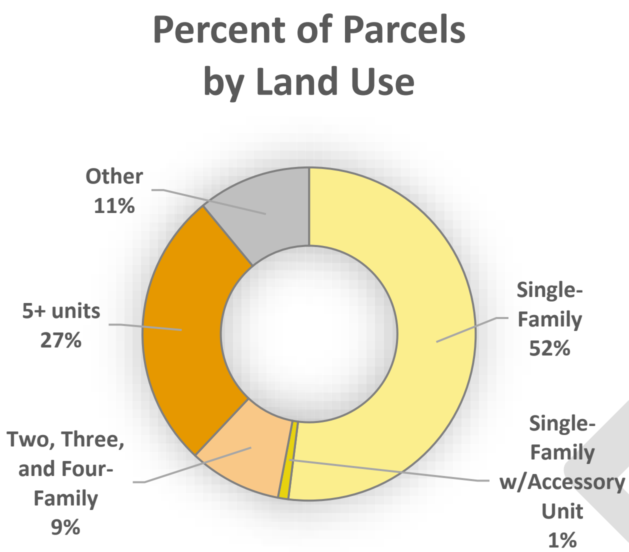


Figure 1: Existing Land Use Map



Source: City of Norwalk, Esri, TomTom, SafeGraph, Geotechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, USFWS



Accessory dwelling units (ADUs) do allow the creation of some new units within the areas zoned for single-family housing, however only one percent of existing single-family homes have ADUs. This could be due to several factors including the requirement for an additional parking space, limitations on the size and location, and the physical limitations of individual properties, as well as homeowner preference.

Nationally, several major cities that relaxed their ADU regulations experienced an increase in ADU production. For example, Seattle Washington updated its ADU regulations in 2019, including providing pre-approved detached ADU plans. In the four years prior to changing the regulations ADU permitting averaged 263 units annually. Following the regulatory changes, annual ADU permits increased steadily to 482 in 2020 to 987 permits in 2023.[1]

South Norwalk and Downtown/Town Green have the highest concentration of mixed-use and multi-family developments within the City and are more urban in scale. These neighborhoods are higher density and have a mix of uses including single-family residential; multifamily residential; civic and institutional; and commercial. South Norwalk also has some industrial uses. There is a growing concentration of multi-family residential along the Route 7 corridor north of the Merritt Parkway. This area has access to the Merritt 7 Train Station on the Danbury Metro-North line and is in an area that was previously dominated by office park uses. East Norwalk and the Spring Hill/Hospital area are characterized by a mix of uses. Zoning in these areas allows for low- and medium-density residential, interspersed with institutional, commercial, and industrial uses.

A substantial portion of Norwalk's land area is made up of suburban single-family residential neighborhoods. Lot sizes nearer to Downtown, South Norwalk, and Calf Pasture tend to be smaller, with larger lot sizes in the West Norwalk, Cranbury, Rowayton and Silvermine neighborhoods. These neighborhoods are characterized by low density residential, with large

[1] Accessory Dwelling Units 2023 Annual Report, July 2024. OPCD-ADU-Report-2023.pdf

residential lots interspersed with civic and institutional uses such as churches, schools, and parks.

Some of the denser neighborhoods with older housing stock, such as Spring Hill and South Norwalk, have "naturally affordable" housing units which are not income restricted, but may be older, smaller, or lack amenities and are therefore less expensive than newer luxury units or single-family homes.

Example in Norwalk's Spring Hill neighborhood of a single-family dwelling in a CD-3 zoning district with varied housing types.

Example of a single-family dwelling in Norwalk's CD-1L zoning district, which has the largest lot requirements in the city.

Approximately seven percent of the land in Norwalk is zoned for commercial purposes. Norwalk is currently experiencing high office vacancy rates. In Quarter 1 (Q1) of 2024, commercial office vacancy rates were 42 percent, notably higher than the overall 28.2 percent vacancy rate in Fairfield County.[1] Prior to the pandemic (Q4 of 2019) Norwalk's office vacancy rate was 35 percent.[2] Long-term high vacancy rates in the commercial office market point to properties that could be converted to housing, whether as a complete redevelopment or adaptive reuse.

UNDERUTILIZED LAND

An analysis of underutilized land was conducted to identify areas that could potentially support housing development. For the purposes of this analysis, underutilized land included:

- Vacant land
- Surface parking lots
- Low-rise buildings where zoning allows for substantially taller structures

[1] *Cushman & Wakefield Research Publication (2024)* 'Marketbeat Fairfield County Office Q2 2024'.

[2] *Cushman & Wakefield Research Publication (2019)* 'Marketbeat Fairfield County Office Q2 2019'.

- Underutilized municipal property (but not parkland)
- Vacant buildings (e.g., office parks, retail)

The Underutilized Land Map (see **Figure 2**) identifies parcels that have the potential to support additional growth under Norwalk's recently adopted Zoning Code. The map also shows local, state, and national historic districts that overlap underutilized parcels. Norwalk values its historic properties and districts, as they further Norwalk's unique identity and sense of place. Redevelopment within historic districts would need to be sensitive to the historic character and contributing features of that district. In addition, historic structures may not be able to realize the full build-out potential under the zoning due to their preservation value and historical significance. As shown on the map, potential growth areas are concentrated along the Route 7/Main Avenue and Route 1 corridors, which have a substantial amount of commercial and retail activity, as well as South Norwalk and Downtown. The Community District CD-4 (CD-4) Zoning District permits a maximum height of 6.5 stories. The parcels identified on the Underutilized Land Map have structures that are less than 3 stories, presenting an opportunity for vertical development, including additional housing. The CD-4 parcels are primarily located in Downtown, South Norwalk, and near the Merritt 7 Train Station.

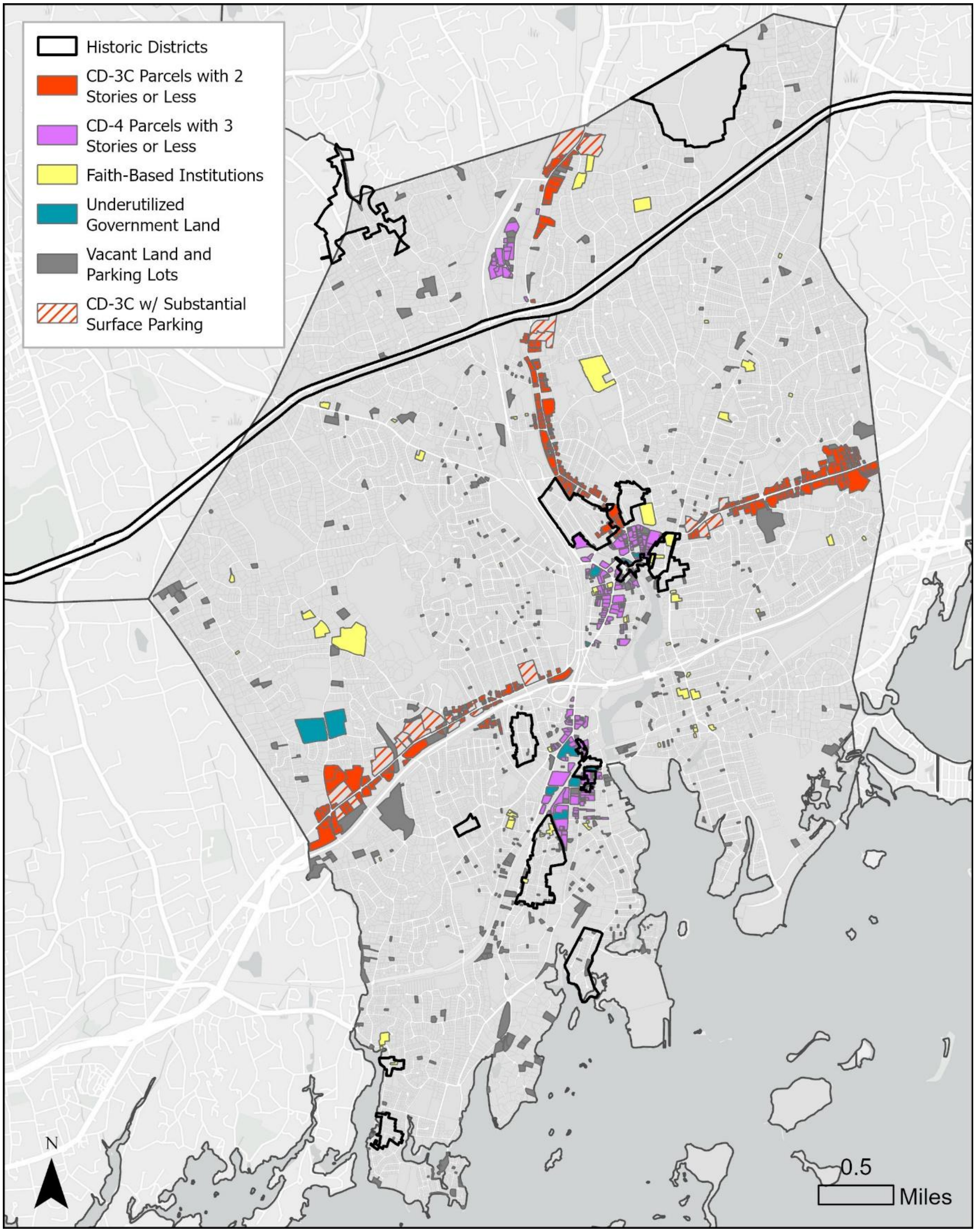
The Community District CD-3C (CD-3C) Zoning District permits a maximum height of 4 stories. The parcels identified on the Underutilized Land Map have structures that are less than 2 stories, presenting an opportunity for vertical development, including additional housing. These CD-3 parcels are concentrated along the Route 1 and Route 7/Main Avenue corridors. The Route 1 corridor between the Darien border and Route 7 is dominated by big box retailers, strip retail centers, and some commercial office space. A large percentage of these buildings are one to two stories and some sit within underutilized parking lots.

The Route 1 corridor between the Darien border and Route 7 is dominated by big box retailers (Costco, Home Depot, Kohl's), strip retail centers, fast food and fast casual restaurants, and medical office space. A large percentage of these buildings are one- to two-stories and set back from the roadway behind underutilized parking lots with limited landscaping. During a windshield survey performed in August 2024, one new multi-family development along this corridor was observed (71 Connecticut Avenue, three-story residential building above surface-level parking). The Route 1 corridor between Route 7 and the Westport border is also heavily commercial, but has a wider mix of large floorplan retailers, retail centers, smaller commercial spaces, and fast-food establishments. The buildings along this corridor are also predominantly one- to two-stories.

Route 1 corridor, near the intersection of Keeler Ave., in the Norwalk CD-3C District.

Based on the August 2024 windshield survey, commercial vacancy along the Route 1 corridor appears to be relatively low, and active construction for three major retailers was observed on Route 1 near I-95 exit 13, including the development of a Wegmans grocery store (675 Connecticut Avenue) and a Target (in the space of a former Walmart at 680 Connecticut Avenue).

Figure 2. Underutilized Land Map



Source: City of Norwalk, Connecticut Department of Energy and Environmental Protection GIS Open Data Website, Esri, TomTom, SafeGraph, Geotechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, USFWS

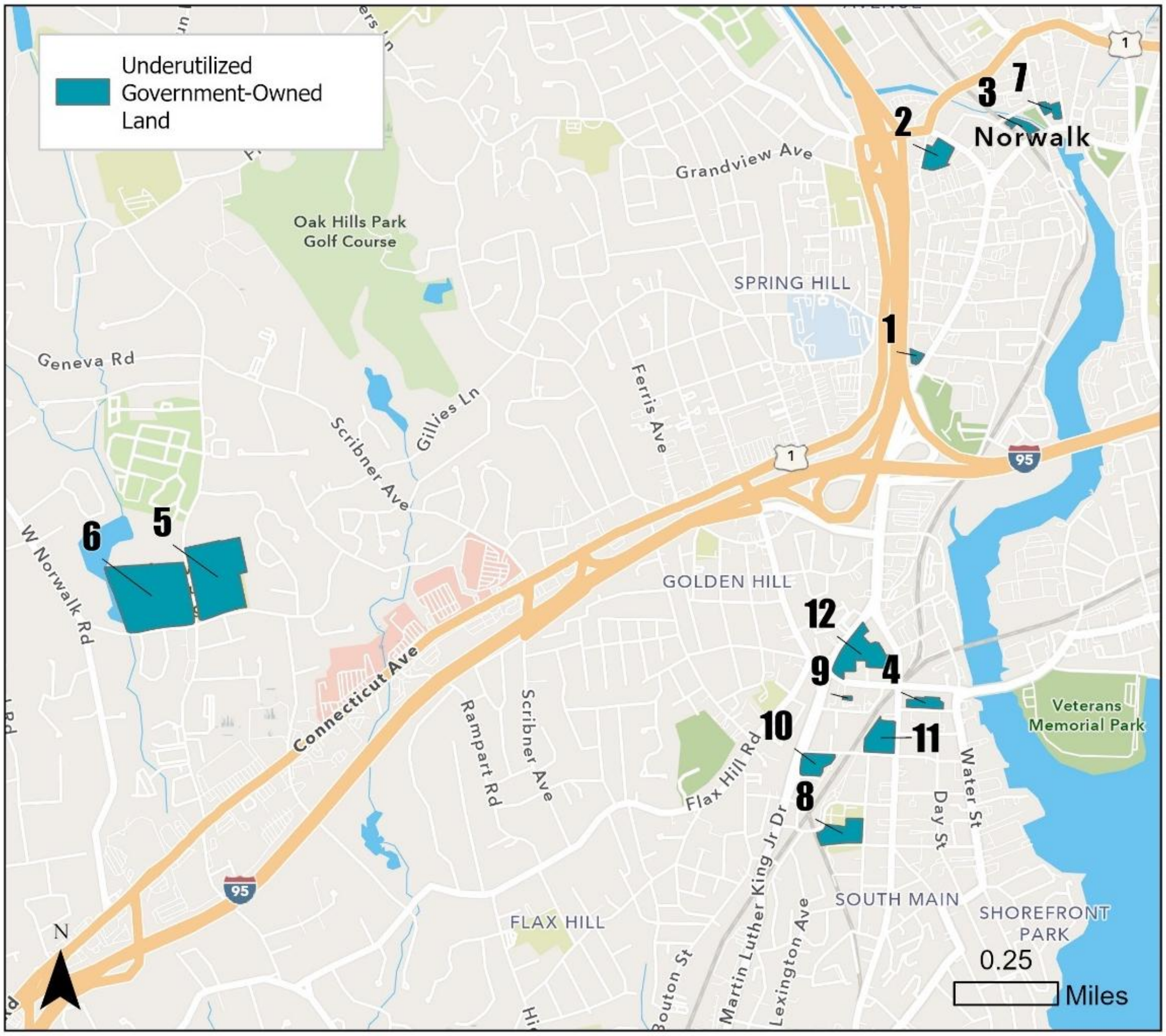
Main Avenue between Route 1 and the Merritt Parkway is characterized by smaller retail centers, restaurants, and small- to mid-sized commercial buildings. There is a big box center just south of the Merritt Parkway with a vacancy and oversized parking lot that has some redevelopment potential. The area just north of the Merritt Parkway is fairly built-out with office and new multi-family residential, particularly on the west side of Main Avenue. Potential for redevelopment beyond what is already contemplated may be more limited in the near term.

Example of an existing CD-3C parcel that is considered underutilized because the site is permitted to have buildings up to 4 stories high.

The Underutilized Land Map also identifies parcels with large surface parking lots, many of which were observed to be underutilized during the August 2024 windshield survey. Surface parking lots are considered potential redevelopment sites because many areas are "overparked" – meaning that the amount of parking provided is significantly greater than the demand. Redeveloping unnecessary parking areas for residential use is more environmentally friendly than developing existing green or open spaces, and structured parking can be developed as necessary to allow for larger building footprints. This approach is consistent with the City's recent zoning changes which lowered some of the required parking, put a cap on the amount of parking required, and requires parking in the rear of buildings in certain districts to improve the streetscape and pedestrian atmosphere.

Throughout the country, faith-based institutions have become partners in developing affordable housing.[1] Such developments are often located on large lots and in existing residential areas. The Underutilized Land Map shows several large faith-based properties where public-private partnerships may be feasible.

Figure 3. Underutilized Government Owned Land



Source: City of Norwalk, Esri, TomTom, SafeGraph, Geotechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, USFWS

Underutilized publicly owned land provides opportunities for public-private partnerships to develop new affordable housing. The Underutilized Government Owned Land map and

[1] Freed, S. (2024) 'Amid a Housing Crunch, Religious Groups Unlock Land to Build Homes', *New York Times*, 24 January.

corresponding table (see **Figure 3** and **Table 1**) identifies government-owned parcels that do not maximize the buildable area under the zoning or contain substantial areas of surface parking. All of the parcels are located in the Civic District (CV) or CD-4 zoning districts.

The CV district is assigned to areas designated for civic purposes owned by a Governmental Agency, or land dedicated and deed restricted as Open Space. Allowable uses include civic purposes such as city halls, post offices, libraries, places of assembly, schools, and community centers. Multi-family affordable housing development on the parcels would require a zoning text or map amendment. As discussed above, the CD-4 zoning district permits multi-family housing and structures up to 6.5 stories. As such, redevelopment of these parcels could proceed under the current regulations. **Table 1** provides additional context for each of the parcels and discusses the redevelopment potential.

Table 1
Underutilized Government owned Land

Map Point	Address	Use	Owner	Acres	Zoning District	Considerations and Challenges
1	340 and 350 West Ave.	Parking Lot	City of Norwalk	0.64	CV	This City-owned surface parking lot abuts the Norwalk River Valley Trail (NRVT) and CT Route 7 just north of the I-95 interchange. The site has been considered for redevelopment in the past, in particular in conjunction with the redevelopment of the adjacent former YMCA. The site currently provides overflow parking for the Lockwood Mathews Mansion Museum across the street. Potential challenges include the displacement of parking for civic uses in the area.
2	17 Belden Ave.	Norwalk Courthouse	State of Connecticut	2.39	CV	The Norwalk Courthouse is a one-story building with a substantial amount of surface parking (approximately 50% of the lot area). The courthouse has been temporarily closed since 2022. Future redevelopment would require a partnership with the State of Connecticut which owns the property, which has not yet determined its long-term plans for the site.
3	46 Wall St.	Parking Lot	City of Norwalk	0.72	CD-4	This municipal surface parking lot is located along the Norwalk River and serves the surrounding retail shops. This site may be suitable for future redevelopment, particularly given its location in an active area. Future redevelopment would likely need to include municipal parking to meet existing parking needs. In addition, this site is located in an area that experiences flooding. Potential flooding

						impacts would need to be addressed in any future redevelopment plans.
4	5 Haviland St.	Parking structure	City of Norwalk	3.59	CV	The Haviland Parking Deck is two levels of paid parking near the waterfront and serves the SoNo area. The site may have potential for redevelopment, particularly due to its location in an active area. The current parking structure is not able to hold additional levels of construction. Future redevelopment would likely need to replace the existing structure and include municipal parking to meet existing parking needs.
5	188 Richards Ave.	Norwalk Community College	State of Connecticut	13.87	CV	Both 181 and 188 Richards Ave are utilized by Norwalk Community College. The lots contain campus buildings and substantial surface parking, which is underutilized. The underutilized parking areas may be suitable for future development, such as student or faculty housing. Future development would require a partnership with the State of Connecticut which owns the property, as well as an analysis of deed restrictions regarding the use of the property. In addition, the site contains wetland and wetland buffer areas which would need to be considered in redevelopment plans.
6	181 Richards Ave.	Norwalk Community College	State of Connecticut	17	CV	See 188 Richards Ave., above.
7	20 Main St.	Parking Lot	City of Norwalk	0.91	CD-4	This large municipal surface parking lot is located near the Norwalk River and Irving Freese Park (pocket park) and serves the surrounding commercial area. The site has potential for future redevelopment. Future redevelopment would likely need to include municipal parking to meet existing parking needs of this active commercial area.
8	46 Concord St.	Elementary School	City of Norwalk	3.25	CV	This site contains the Columbus Magnet School and a large underutilized parking area. The underutilized parking area may be suitable for future redevelopment in the as it is located in the SoNo neighborhood and walkable to the train station. However, the school and associated parking lot is planned to be used in the near term as swing space during the construction of other Norwalk schools. Therefore, it is unavailable for redevelopment in the near to medium term. In the long term,

						future development would need to preserve adequate space for the use of the building and its outdoor recreation and parking needs. Future redevelopment of the parking area could also be considered as part of a larger redevelopment of the surrounding area.
9	12 Washington St.	Parking Lot	City of Norwalk	0.1	CV	Located behind the SoNo Branch Library, this small parking lot may not be suitable for redevelopment due to size constraints.
10	26 Monroe St.	Multi-Family	City of Norwalk	2.18	CD-4	This property is currently developed with NHA senior housing, which is 4 stories and 48 units, parking, and a unused open lawn space. The existing building could be expanded by adding up to 2.5 stories, as the maximum permitted height in the in the CD-4 district is 6.5 stories. A portion of the underutilized lawn space may also be suitable for new construction. The site is directly adjacent to the SoNo Metro North train station.
11	1 Monroe St.	Police Department	City of Norwalk	3.01	CV	This property contains the Norwalk Police Station and a large parking lot, which is underutilized. A portion of the parking lot may have the potential for future redevelopment. The site is walkable to the SoNo Metro North train station. Adequate parking for all Police Department functions and needs would need to be considered in any future redevelopment plans, in addition to adequate security measures.
12	55 Dr. Martin Luther King Jr Dr.	Parking Lot	City of Norwalk	4.97	CD-4	This large surface parking lot is located the SoNo neighborhood and serves the surrounding commercial uses. The site is within walking distance to the train station. Future redevelopment would likely need to include municipal parking to meet existing parking needs.

ZONING ASSESSMENT

Zoning regulations guide development within the City and affect the amount and type of housing that can be constructed. Regulations that permit a balance of housing types, including single-family, missing middle (e.g., duplex, triplex, and townhouse units), and higher-density buildings are necessary to facilitate a diversity of housing stock and meet housing demand. The ability to construct new housing directly affects housing supply and housing affordability.

The City of Norwalk recently underwent a complete update of its zoning ordinance and map (see **Figure 4**). The changes reduce the number of zoning districts, implement a form-based code, and take steps to break down barriers to the creation of affordable housing. While the previous code permitted accessory dwelling units, this update permits them in all residential community districts and amends their governing regulations. In addition, the new zoning expands locations where duplexes or two-family dwellings are permitted and establishes stronger inclusionary zoning standards. It also includes some overlay districts to facilitate affordable housing by promoting a mix of residential uses and higher densities. For example, the East Norwalk Village TOD Overlay (O-EVTZ) promotes a mix of residential in appropriate village clusters and within walking distance of the train station and village area. The Merritt Station Village District Overlay (O-MSVD) promotes density near mass transit.

Example of a large, multifamily building in the CD-3C district in Norwalk. This building provides condominium ownership, a type of ownership opportunity we heard residents say they want more of.

Accessory dwelling units are permitted by-right with restrictions in all Community Districts (CD). An additional parking space is required for all accessory dwelling units and site plan approval is required for detached units. The regulations limit the size of detached units to 700 square feet (SF) and attached units to 1,000 SF. The property must still maintain the look of a single-family dwelling, and the owner is required to reside on the property. Requirements such as site plan approval, and the provision of an additional parking space add costs and potential barriers to building an accessory dwelling units. Requiring an additional parking space may be an unnecessary increase in impervious surface in locations where on street parking or public transportation is available. The strict size limitations do not allow for diversity in size or bedroom count, limiting their availability to certain groups.

The new zoning includes the CD-2 (Sub-Urban Single- and Two-Family Community District) which consists of primarily low density single-family detached and two-family residential areas. It has medium-to-deep front setbacks and medium-to-wide side setbacks. This new district expanded areas where two-family units are permitted. However, it does not permit townhomes or other missing middle housing types. The boundaries of the CD-2 district could be further expanded to encompass adjacent areas zoned CD-1M (Sub-Urban Medium Lot Community District) and CD-1S (Sub-Urban Single Family Community District) that have pre-existing duplexes. The CD-1M and CD-1S are both single-family districts on medium and small lots, respectively. In particular, there are concentrations of duplexes in the CD-1S districts near South Norwalk, East Norwalk, Hospital Hill, and the neighborhood in the Historic District (east of the Norwalk River). Similarly, certain CD-2 zoned areas could be amended to include an allowance for triplex (three-unit) and quadplexes (four-unit) residential uses. There are existing concentrations of triplex units in the CD-2 districts located in the Hospital Hill neighborhood, South Norwalk, and East Norwalk.

Regional example of two neighboring two-family homes that are similar in scale and architectural detail to a single-family home.

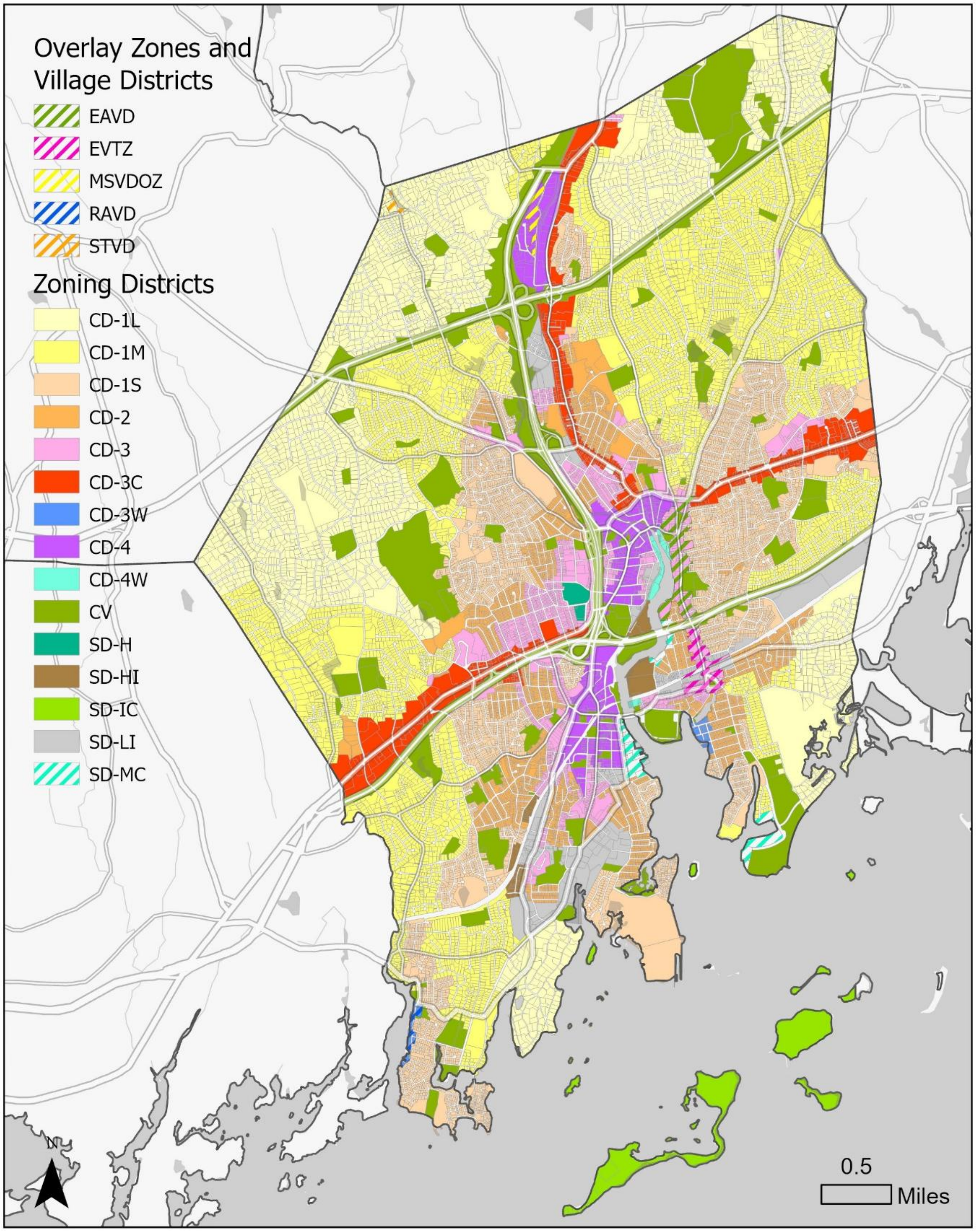
The prohibition of missing middle housing and the large lot size and dimensional requirements for the CD-1L (Sub-Urban – Large Lot) and CD-1M districts inhibit the ability to create entry level homeownership opportunities. There is limited available land in Norwalk, and the cost of land is high. Requiring larger lot sizes constricts the supply of available land. A fundamental economic principle is that limited supply with growing demand results in increased prices. Smaller lot sizes, smaller dimensional requirements, and the ability to construct missing middle housing types such as duplexes and townhomes, allows for increased supply on the same amount of limited land. The CD-1L district has a minimum lot size of 1 acre, maximum 25% -30% impervious surface coverage, and only allows for single-family dwellings and an accessory dwelling unit. The CD-1M district has a smaller lot size requirement of 12,500 SF, however lots in the CD-1S district are as small as 6,250 SF. The City could consider reducing the minimum lot size and lot widths to facilitate some additional density in these areas.

The new zoning regulations expanded inclusionary zoning requirements. Under the new regulations developments with three to nine units are required to have one inclusionary zoning unit for those earning 80% state median income (SMI) or less or pay an inclusionary zoning fee that would go to construct or rehabilitate housing for those earning 60% SMI. Developments with ten units or more are required to have a minimum of 10% of the units affordable to households earning no more than 60% SMI, or 80% SMI if the developer also pays an inclusionary zoning fee. Inclusionary zoning regulations were also expanded to require an inclusionary zoning fee for any non-residential development over 25,000 SF. It will be important to monitor the success of these regulations in generating affordable housing. The required set asides, inclusionary zoning fees, and SMI percentages should be reviewed on an annual basis to see if they should be adjusted to respond to market conditions. In addition, the City can consider density bonuses for the provision of affordable or moderate income housing above and beyond the minimum requirements. Density bonuses could be targeted to the housing types that are in greatest need – such as 2 and 3 bedroom or deeply affordable units. Deeply affordable units target households with less than 60% SMI.

Examples of developments that would be subject to workforce housing standards near Norwalk Hospital.

Some zoning regulations have indirect effects on the creation of affordable housing. For example, the zoning regulations limit the height of an accessory structure to 20 feet at the peak of the roof in a residential district. This height restriction has the potential to inhibit the ability to create an accessory dwelling above a detached garage. Measuring the height to the midline of the roof could avoid this concern.

Figure 4. 2024 Zoning Map

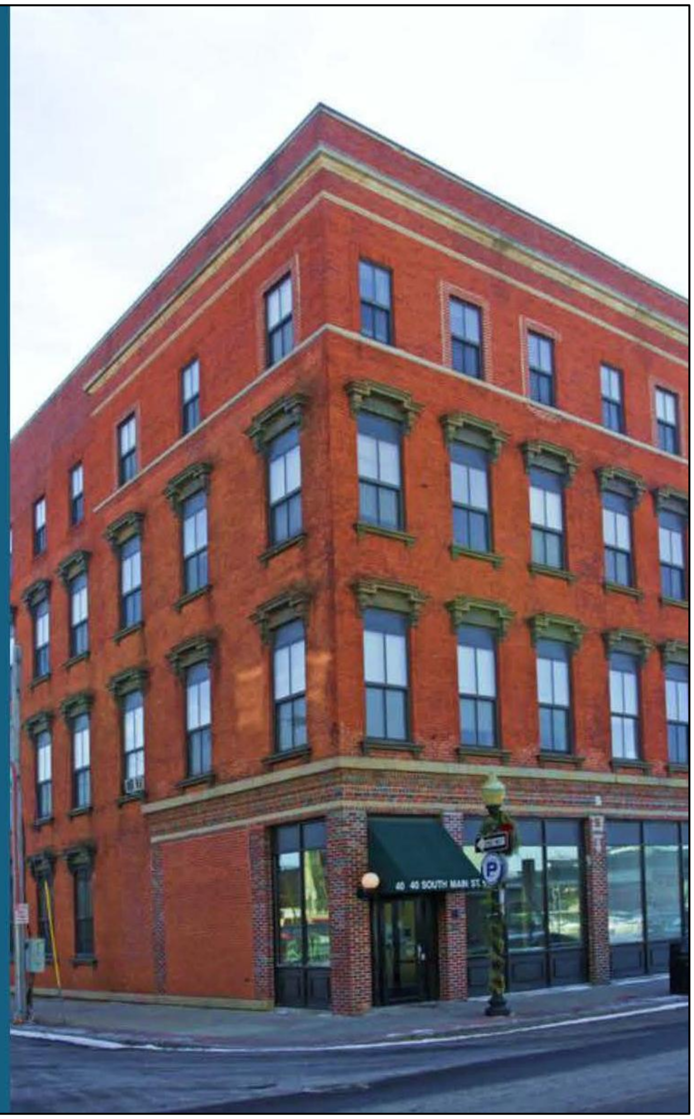


Source: City of Norwalk, Esri, TomTom, SafeGraph, Geotechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA, USFWS

In addition, the City can consider adding alternative housing types, such as single-room occupancy buildings, as permitted uses in certain zoning districts. Single-room occupancy buildings typically contain single rooms without a bathroom, kitchen, or shower, and share a common kitchen and bathroom (similar to a dormitory). This type of use could help target those in need of deeply affordable places to live.

PROJECT SPOTLIGHT: *40 SOUTH MAIN*

The Human Services Council operates 40 South Main Street, a transformative housing initiative located in South Norwalk. This 44-unit single-room occupancy building has provided deeply affordable transitional housing units to the Norwalk community since 1996. It also provides a pathway to stability, job training, and community support.



There is also a need for supportive housing in Norwalk. Supportive housing is a combination of affordable housing and social services, typically administered by a not for profit or government entity. The purpose of supportive housing is to address barriers to housing for people who are formerly unhoused, disabled, or facing other hardships. Social services are provided onsite to help people achieve stability, regain independence, and transition to permanent housing. In Norwalk, supportive housing services are provided by the Human

Services Council.[1] While supportive housing is not specifically defined in Norwalk's zoning ordinance, it would be permitted in locations where community residences, congregate housing, elderly housing, halfway housing, and mixed-use multi-family would be permitted.

While the new form-based zoning code includes provisions for missing middle housing such as duplexes, townhomes, and small multifamily buildings, the locations in which these types of units are permitted could be expanded. Form-based codes are built on the premise that different types of uses should be permitted provided they fit the character—or form—of the neighborhood. Through the form-based code, duplexes, triplexes, and quads could be achieved in traditionally single-family neighborhoods with little effect on the surrounding character. This is achieved through regulating the design, form, setbacks, and other physical characteristics of the structure. For example, a single-family home could be 5,000 square feet and take up the entire building envelope on a site, or a building of the exact size and of similar character could have 5 units in it. If the medium density housing development can meet the parking requirements as well as any other additional requirements, and it generally looks the same, a model form-based code would allow for both.

Regional Example of Quad Housing that looks like a large single-family home

The large amount of land committed to single-family homes not only in Norwalk, but the greater Fairfield County region, is an obstacle in expanding affordable housing. Zoning tools such as form-based codes that allow for missing middle housing can help facilitate additional housing production on a scale that allows for homeownership opportunities and maintains neighborhood and community character.

Parking regulations can also affect the ability to construct affordable housing. Parking requires land, which is a limited resource. In addition, structured parking is costly to construct. The cost incurred by developers to meet parking requirements directly impacts the cost of housing. The new zoning regulations permit shared parking reductions and reduced parking requirements for large multi-family developments and mixed-use projects near the

[1] https://hscct.org/program/supportive-housing/

East Norwalk, SoNo, and Merritt 7 Train Stations, as well as the Norwalk Transit Hub. There are now two districts, the CD-4 and CD-4W, that have no minimum parking requirements. Reducing parking requirements was an important step to minimizing barriers to affordable housing. However, the effect of these new regulations should be revisited annually.

Streamlining development approvals is another tool that can help facilitate the construction of new housing stock. Streamlining measures can include making more types of applications administrative reviews as opposed to requiring site plan approval from the Planning and Zoning Commission and establishing a prescribed impact fee schedule that creates certainty in development costs. Regionally, the City of New Rochelle, NY established a Downtown Overlay Zoning District and Community Benefits Policy specifically designed to fast-track development and generate new housing downtown. New Rochelle did a substantial amount of due diligence up front through the preparation of a Generic Environmental Impact Statement that analyzed potential traffic, infrastructure, school, and other impacts that could result from new development. Through this they established new zoning to provide a clear roadmap for investment to developers and property owners, that also included design standards and community benefit requirements to establish a thriving, attractive, and sustainable city center. A "Fair Share Mitigation Fund" was created to ensure that new development covered public costs associated with growth and that there was a net benefit to tax payers.[1] Undertaking upfront development studies and establishing clear metrics for required community benefits and fair share mitigation are steps that Norwalk could consider to facilitate more housing construction.

EXISTING HOUSING PROGRAMS

NORWALK HOUSING AUTHORITY

The Norwalk Housing Authority (NHA) manages approximately 853 units, usually 30 percent and below the area median income. These units are spread over 18 developments, seven of which are restricted to seniors, and some of which are currently under redevelopment. The majority of these units are within the urban core.

A recent significant redevelopment is Washington Village in South Norwalk. Washington Village, a former low-income public housing development, has been replaced with a mixed-income development known as Soundview Landing. The redevelopment project included 136

[1] https://www.newrochelleny.com/1015/TOD-Downtown-Cluster

replacement public housing units, 67 income-restricted housing units, and 70 market-rate units.

Additionally, the NHA has completed the expansion of Colonial Village, within the Route 1 Corridor, for a total of 269 affordable units across 27 buildings. The development also included a 5,400-square-foot Colonial Village Learning Center, which provides K-12 educational support. Adjacent to Colonial Village, construction is underway for Oak Grove, a US Housing and Urban Development (HUD) project, that will add 69 units of affordable housing and new NHA-managed Learning Center.

While the majority of the units managed by the NHA are in the urban core, the NHA also issues Section 8 vouchers which allow people to rent in more suburban areas, or areas of traditionally higher income.

NORWALK REDEVELOPMENT AGENCY

Housing stabilization is an important part of the City's affordable housing goals. The Norwalk Redevelopment Agency created the Norwalk Renovation Program to implement a pilot program that purchased homes to rehabilitate as two-family homes. These homes were then sold as deed-restricted, creating for-ownership affordable housing.

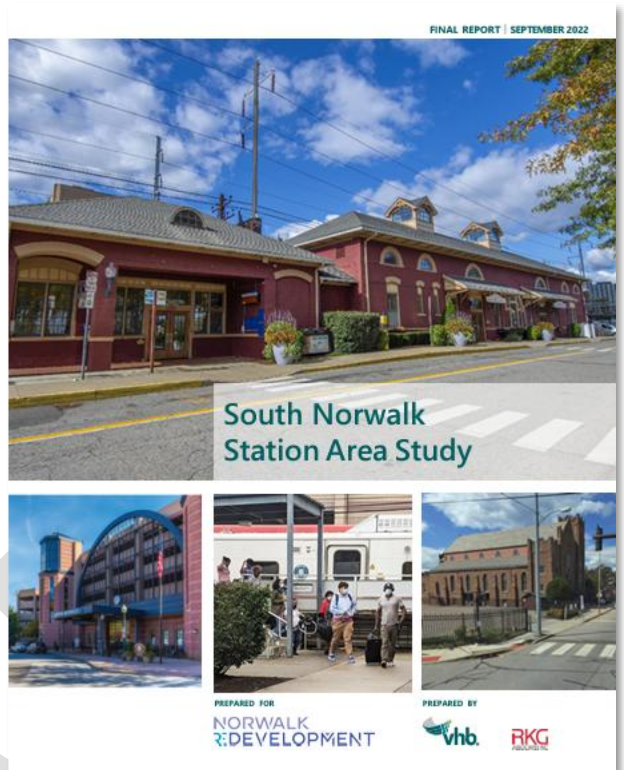
EXISTING POLICY DOCUMENTS

SOUTH NORWALK STATION AREA STUDY 2020-2022

The South Norwalk Station Area Study was undertaken by the Norwalk Redevelopment Agency and the City of Norwalk to promote growth around transportation assets such as the train station. It expands and updates the South Norwalk TOD Redevelopment Plan, adopted in 2016, after the City rezoned South Norwalk (SoNo) to include affordable housing requirements.

The first recommendation of the plan is to couple the city's affordable housing requirements in the zoning ordinance with assistance programs providing down payments for low and moderate-income households. The second recommendation is to establish a Community Land Trust (CLT), which would be either a community or non-profit body that would purchase homes for resale at affordable prices. The CLT would retain the ownership of the land and would ensure deed restrictions would be in place on the building so as to cap resale prices and keep them affordable.

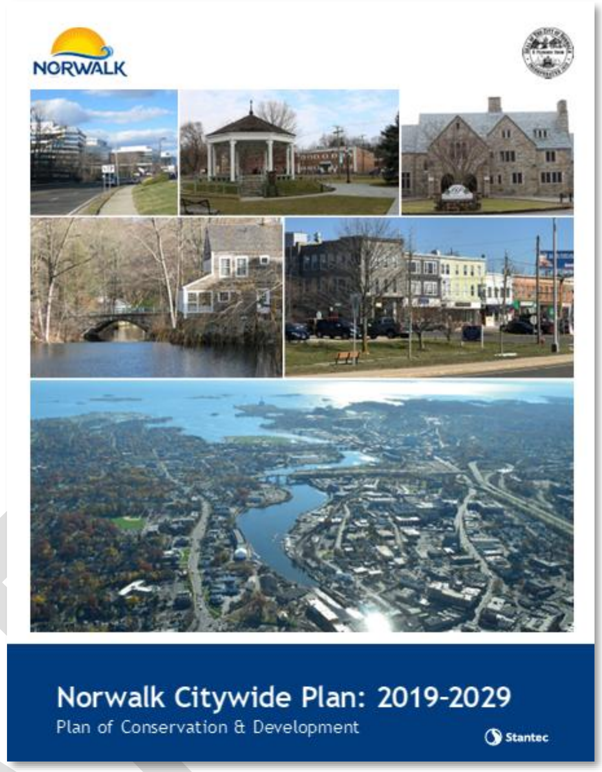
Another incentive to encourage affordable housing is density bonuses. In exchange for a developer building more affordable housing or housing for those of even lower income than required, they get additional density that otherwise would not be allowed by-right. The final option that the plan gives are limited-equity housing co-ops in which resale of condominium style units would be limited to keep them affordable. The plan also recommends a homebuyer education program to help potential new homeowners learn what buying a house entails, as well as potential funding sources.



PLAN OF CONSERVATION AND DEVELOPMENT (CITYWIDE PLAN 2019-2029)

Norwalk's Plan of Conservation and Development (POCD), titled Citywide Plan 2019-2029, was compiled with public input, as well as review and discussion by the Oversight Committee and the Planning Commission. The POCD lays out an implementation matrix for the next ten years and defines a vision that specifically calls for varied housing choices for a range of demographics and income levels. Affordable housing was a high priority theme identified by constituents and officials alike and the POCD identified a disproportionate impact and need on minority populations, the elderly, and the very low-income population that needs to be addressed.

Even though the POCD notes that the City of Norwalk is meeting the requirement from the State of Connecticut that 10 percent of housing units are affordable, as well as its relative affordability compared to the region, the POCD states that 22 percent of households are severely housing cost burdened, and 45 percent are cost burdened. The POCD also acknowledges that even though the state threshold has been met, work is needed to expand options to a wider range of income levels. It also states that in low-income households (88 percent renter occupied and 76 percent of owner-occupied units) experience overcrowding, and others are turning to illegal housing.



Several implementation goals related to affordable housing came out of the POCD. The POCD immediately called for a comprehensive housing policy that addressed varied types of housing, from suburban, single-family homes, to urban, walkable, mixed-use areas to ensure vibrant, healthy, and sustainable neighborhoods. It also suggested conducting a housing study and instituting an implementation structure within the City and across different entities to continue to expand affordable housing opportunities. The following are actions the City of Norwalk identified through the POCD to further affordable housing:

- Prepare Assessment of Fair Housing, as required by the U.S. Dept. of Housing and Urban Development (HUD);
- Ensure existing affordable units stay affordable;
- Institute a Housing Policy Advisory Committee;
- Create a Norwalk Housing Plan, and within that an affordable housing strategy;
- Incorporate live-work units for the artisan community;
- Explore innovative solutions such as a Limited Equity Cooperative or Community Land Trust;
- Evaluate a guaranteed security deposit program for renters;
- Grow programs similar to the South Norwalk Renovation Program; and
- Remain within the State of Connecticut compliance threshold and continue to develop affordable housing.

The POCD states that creating housing options that allow the workforce to stay in the City has benefits such as reduced commutes and traffic. It also attracts a workforce population in addition to new residents, which are needed to support existing and future economic development. Through the planning process the public made it known that a priority was creating affordable housing around employment and transit centers, continuing the existing affordability programs, and creating both affordable rental and homeownership opportunities.

The POCD included a short evaluation of different affordable housing mechanisms already utilized within the City and stated that Norwalk has 4,363 housing units that are below market-rate, achieved/maintained through an array of mechanisms including the City's public housing stock (approximately 853 units operated by the Norwalk Housing Authority, including the availability of housing vouchers), and moderate/affordable units built and operated by nonprofit organizations.

VISION, PRINCIPLES, GOALS, AND ACTIONS

This chapter builds on the key findings of the housing needs assessment and the community and stakeholder engagement process, to establish a vision statement, guiding principles, goals, and actions to implement the plan over the next 5 years.

HOUSING NEEDS ASSESSMENT KEY FINDINGS

The Housing Needs Assessment included the following key findings:

1. The City has a critical need to provide more affordable housing, social services, and economic pathways for its very low-income households.
2. There are some renters and homeowners at all income levels that are financially burdened by the high cost of housing in Norwalk.
3. The City needs to significantly expand the supply of rental housing that are affordable to households earning incomes less than $75,000 per year, or 83% of Connecticut's median income of $92,000. The analysis revealed that even where incomes exceeded the 8-30g threshold of 80% SMI, residents experienced difficulties securing affordable housing.
4. The City needs wider and more affordable options for homeownership.
5. Norwalk needs more housing to accommodate its workers including retail workers, public safety personnel, teachers, and hospital workers.
6. The City has a growing supply of new rental housing that serves the regional housing market but also fulfills local housing, quality of life and economic development needs.
7. All kinds of rental housing are needed but there is an especially acute need for affordable 2BR rental apartments and family sized units.
8. The City needs to continue advancing housing linked to transit, walkable neighborhoods, and economic development strategies.

COMMUNITY VALUES STATEMENT

Norwalk strives to be a city with housing accessible to all, a place where residents can live and work because of the affordable, diverse housing stock that accommodates the diversity of its population.

GUIDING PRINCIPLES

A common set of guiding principles emerged through the public engagement process. These principles were used to set goals for achieving housing opportunity, equity, health, sustainability, and inclusivity.

1. Norwalk is a diverse and inclusive city that strives to provide a diversity of housing types to meet the needs of all residents, as well as those who are employed in Norwalk and desire to live within the city.
2. Norwalk has a critical need to provide more affordable housing, social services, and economic pathways for its very low-income households. The market alone will not address this gap and public investment is required.
3. Norwalk recognizes that financial incentives such as tax abatements and grants are needed to bridge the market gap and facilitate the preservation and construction of quality affordable- and moderate income housing.
4. Norwalk recognizes that the housing crisis is a complex regional problem that requires partnerships with state and federal agencies to address its many fronts. Norwalk is committed to advancing equity in housing, and to addressing enduring racial disparities in income levels and housing access.

GOALS AND IMPLEMENTATION STRATEGY

The Affordable Housing Action Plan's goals and implementation strategy are presented in the matrix below. The goals and strategies are organized by theme, which includes:

1. Zoning and Land Use
2. Public Private Partnerships
3. Tax and Financing Innovations
4. Federal and State Advocacy

The implementation strategy identifies specific actions which are categorized as short-term, medium-term, and long-term. It also identifies the responsible party that would take the lead in advancing the strategy. Within these actions, there are five called out as “high priority” – these are short- and medium-term items most critical to increasing the supply of affordable housing. These high priority items include:

Further incentivize construction of affordable- and moderate income housing through incentives (e.g., density bonuses, height increases, fee waivers, and tax abatements)

Public/private partnerships on City-owned land to develop new affordable units that meet Norwalk’s identified needs.

Develop a micro-grant program to preserve and update "naturally affordable units" (e.g., market rate units in older/less amenitized buildings) in exchange for deed restricted affordable units.

Establish an affordable housing property tax incentive policy for qualified affordable housing units (see CGS Section 12-65b) to incentivize the creation of new deed restricted affordable units, and the improvement/preservation of naturally occurring affordable housing units.

Advocate for more governmental funding for public and affordable housing.

Principle	Goal	Action	Timeframe	Responsible Party	Challenges
Zoning and Land Use					
Norwalk is a diverse and inclusive city that strives to provide a diversity of housing types to meet the needs of all residents, as well as those who are employed in Norwalk and desire to live within the city.	A. Update the City of Norwalk Zoning regulations to further expand affordable and moderate income housing opportunities, and to ensure that regulations are adequately addressing resident financial needs. In particular, the zoning updates should target expanding the supply of rental housing of all types that is affordable to households making between 41% SMI and 85% SMI (or between 35K and 75K a year) and as well as facilitating a greater proportion of two-bedroom and family sized units.	High Priority 1. Consider expanding inclusionary zoning provisions to further incentivize the development of affordable and moderate income housing units—including two-bedroom and family sized units which are in high-demand—as well as increasing the percentage of affordable housing within a particular development. Incentives include increased density bonuses, increased maximum height, and financial incentives (e.g., fee waivers and tax abatements). In the short term, capital funding could be set aside for analyzing and identifying specific per unit financial incentives to create a sliding scale for implementation.	Medium-Term	Norwalk Planning & Zoning Commission	Outreach to the development community and financial modeling revealed that requiring additional inclusionary zoning units could negatively affect housing production due to financial constraints. Incentives, such as density bonuses and tax abatements could mitigate those financial constraints and may be preferable to increasing the required set aside.
		2. Financial analysis revealed that the current 10% set aside is appropriate for the current economic climate of higher interest rates and construction costs. The City should periodically review its inclusionary zoning requirements (Section 6.12, Workforce Housing) to assess whether the percentage of units in new developments required to be designated as affordable could be increased as economic conditions evolve. Also consider adding incentives, such as density bonuses and tax abatements to facilitate construction of affordable housing units above the minimum requirement. This requirement should be monitored to ensure that the increase is not inadvertently adversely affecting housing production in the City. Further monitoring and analysis should be identified as a funding need in the City's budget.	Short-Term	Norwalk Planning & Zoning Commission	Financial modeling revealed that requiring addition al inclusionary zoning units could negatively affect housing production due to financial constraints associated with current interest rates, land values, and construction costs. Multiple sources within the development community (market rate developers as well as affordable housing developers) recommended that any future implementation of a higher set aside be rolled out over a minimum of 5 years to mitigate the effect on land values and the potential stalling of projects that are in the predevelopment phases.
		3. Consider amending Section 6.12 to incentivize through density bonuses or tax abatements housing from 85%-80% State Median Income (SMI). This population is cost burdened but just above the threshold to be eligible for existing affordable housing.	Short-Term	Norwalk Planning & Zoning Commission; Norwalk Corporation Counsel	Prior to implementation, additional review to understand all potential impacts and hurdles of further changes.
		4. To the extent permitted by State statute, consider amending Section 6.12 to allow for existing tenants to increase their annual income at levels consistent with inflation and not lose eligibility until they reach a set cutoff point.	Short Term	Norwalk Planning & Zoning Commission; Norwalk Corporation Counsel	Any proposed language shall be reviewed to be in compliance with State statute.

Principle	Goal	Action	Timeframe	Responsible Party	Challenges
		5. Clarify in the definition of "Workforce Housing Unit" that required fees (e.g., amenity fees, parking fees) should be included in the maximum housing payment calculation or waived for residents of deed restricted affordable and moderate income housing units. Consider updating the term "Workforce Housing Unit" to "Inclusionary Housing Unit."	Short-Term	Norwalk Planning & Zoning Commission	Proposed changes must consider impacts to construction of new units.
		6. Streamline development approvals process for new moderate income and affordable housing developments. Streamlining could include administrative only reviews, and reduced building department fees.	Short-Term	Norwalk Planning & Zoning Commission	Prior to implementation ensure adequate resources (staff & budgetary) are in place
	B. Expand the supply of all housing types to address the substantial number of renters and homeowners of all income levels that are financially burdened by the high cost of housing in Norwalk.	1. Consider lowering large lot size requirements to allow for more land for housing, and the increase the supply.	Medium-Term	Norwalk Planning & Zoning Commission	The city experienced public opposition to similar proposals during the recent zoning regulation rewrite. Future implementation would require public engagement to address community concerns prior to adoption.
		2. Consider reducing the minimum lot sizes and corresponding dimensional requirements for the "Community District" zones (see Article 4, "Building and Lot/ Building Design Standards") to allow for increased density.	Medium-Term	Norwalk Planning & Zoning Commission	
		3. Consider allowing as-of-right conversions from single-family to two-family dwellings in additional areas within the City.	Medium-Term	Norwalk Planning & Zoning Commission	
		4. Consider allowing duplexes, townhouses, small multi-family buildings, mid-rises, and mixed-use buildings in the CD-2 district.	Long-Term	Norwalk Planning & Zoning Commission	These areas recently allowed upzoning to 2-family dwellings on all lots within the CD-2 zone. The city experienced recent push back during the zoning regulation rewrite on these particular incentives. City should evaluate this slowly and carefully and gauge public input before implementing.
		5. Allow alternative housing types (e.g., single-room occupancy buildings) in mixed-use commercial areas, such as locations where hotels are currently permitted.	Medium-Term	Norwalk Planning & Zoning Commission	Where these units are located requires careful analysis and consideration to ensure neighborhood integrity is maintained.
	C. Further reduce minimum parking requirements for all housing types to reduce the cost of construction and minimize barriers to housing development.	1. Target parking reductions in areas that are transit rich areas and locations where on-street or municipal parking is readily available.	Medium -Term	Norwalk Planning & Zoning Commission	Significant reductions were afforded in the recent zoning rewrite. Monitoring impacts and making adjustments over time is warranted.
		2. Amend Article 4, "Building and Lot/ Building Design Standards" to reduce parking requirements from 1.3 per dwelling unit for large multifamily buildings to 1 in areas in close proximity to mass transit.	Medium -Term	Norwalk Planning & Zoning Commission	Monitoring impacts and making adjustments over time is warranted.

Principle	Goal	Action	Timeframe	Responsible Party	Challenges
		3. Amend Article 4, "Building and Lot/ Building Design Standards", to further reduce the parking requirements for developments withing ¼ mile and 1/8 mile from transit centers from 10% less to 15% less.	Medium -Term	Norwalk Planning & Zoning Commission	Monitoring impacts and making adjustments over time is warranted.
	D. Further reduce regulations inhibiting the construction of Accessory Dwelling Units (ADUs).	1. Amend Article 4, "Building and Lot/ Building Design Standards", to reduce the minimum setbacks from the Accessory buildings from 20 ft+ the principal building setback to 10 ft+ the principal building setback.	Short-Term	Norwalk Planning & Zoning Commission	Commission should evaluate whether this is appropriate and whether there will be any impacts.
		2. Develop "pre-approved" detached ADU plans to minimize design costs and facilitate fast-tracked approvals for new accessory dwelling units.	Medium-Term	Building & Code Enforcement Department	Determine whether there are staffing or budgetary hurdles to overcome.
		3. Conduct a GIS mapping analysis to identify properties that have the potential to support an ADU. Initiate a public outreach campaign to build awareness and encourage new ADUs.	Medium-Term	Norwalk Planning & Zoning and Community Services Department	Determine whether there are staffing or budgetary hurdles to overcome.
	E. Improve Administration and Implementation of Affordable Housing.	1. Implement a tracking system for annual housing starts and demolitions to chart annual shifts in housing supply. The monitoring of affordable housing program impacts can be made publicly available online.	Short-Term	Building & Code Enforcement Department	Determine whether there are staffing or budgetary hurdles to overcome.
		2. Publish a table on the City's website that shows affordable housing eligibility based on household income at the time of application.	Short-Term	Norwalk Housing Authority	Determine whether there are staffing or budgetary hurdles to overcome.
		3. Publish an annual housing report to track city spending on affordable housing development and preservation.	Short-Term	Norwalk Housing Authority	Determine whether there are staffing or budgetary hurdles to overcome.
		4. Streamline the application process for prospective workforce housing residents. Create a standardized application form for all workforce housing in Norwalk, and unified waitlist procedures that include automated notifications. Require all buildings with workforce housing units to advertise such units on their website and include information on how to apply and current waitlist information. Require all buildings with workforce housing units to provide Norwalk with full contact information to publish on the Affordable Housing website.	Medium-Term	Norwalk Housing Authority	Determine whether there are legal or statutory hurdles to overcome.

Principle	Goal	Action	Timeframe	Responsible Party	Challenges
	F. Streamline development review and approval process.	1. Implement a publicly accessible checklist of all application materials, as well as a flow chart which details the timeline and review process for the applicant.	Medium-Term	Norwalk Planning & Zoning Commission	Determine whether there are staffing or budgetary hurdles to overcome.
	G. Facilitate connecting residents with affordable and moderate income housing opportunities.	1. Coordinate department resources to support residents seeking affordable units and moderate income housing units.	Short-Term	Norwalk Planning & Zoning and Community Services Department	Determine whether there are staffing or budgetary hurdles to overcome.
Public Private Partnerships					
Norwalk has a critical need to provide more affordable housing, social services, and economic pathways for its very low-income households (e.g., under 30%, 50%, and 60% SMI). The market alone will not address this gap and public investment is required.	A. Facilitate the construction of new affordable housing units targeted below 80% SMI to address the gap in production of deeply affordable units through the use of underutilized City-owned land or City affordable housing funds.	1. Identify underutilized municipal land that can be used for affordable housing development, including properties with excess surface parking.	Short-term	Planning & Zoning Department	Careful consideration regarding all needs and impacts must be considered prior to advancing requests for proposals or development plans for specific properties.
		2. Identify privately owned properties with excess vacant land or excess surface parking that could be used for affordable housing development as part of a public private partnership that includes the use of the City's Affordable Housing Account funds. This could include faith-based institutions and buildings in the CD-3 and CD-4 districts that could be expanded vertically to include new housing units.	Medium-term	Planning & Zoning Department	Careful consideration regarding all needs and impacts must be considered prior to advancing requests for proposals or development plans for specific properties.
		High Priority 3. Conduct a competitive developer Request for Proposal (RFP) process to solicit proposals for the construction of new affordable units on City-owned land. RFP can include specific development criteria to meet the City's identified housing needs and community goals (e.g., minimum number/type of units, community benefits, parking). Ultimate development could include a mix of public land, public funds (e.g., grants), and private capital.	Medium to Long-Term	Norwalk Redevelopment Agency & Planning & Zoning Department	Pending analysis of prior recommendations.
	B. Work with community partners to facilitate the development and preservation of	High Priority 1. Develop a program to preserve/update "naturally affordable units" (e.g., market rate units in older/less amenitized buildings). Program could offer micro-grants/capital funds for building improvements in exchange for deed restricted affordable units.	Medium-Term	Norwalk Economic and Community Development Office	Ensure there is no overlap with existing City programs. Also dependent on City funds and staff availability.

Principle	Goal	Action	Timeframe	Responsible Party	Challenges
	affordable and moderate income housing.	2. Facilitate connecting local development partners with direct grants/subsidies from the State Department of Housing and Connecticut Housing Finance Authority.	Medium-Term	Norwalk Economic and Community Development Office	Dependent on staff availability and budgetary constraints.
		3. Facilitate collaboration between nonprofit housing organizations, private housing developers, and agencies to share resources, technical skills, and knowledge regarding availability of land, capital, and funding resources for affordable housing.	Medium-Term	Norwalk Redevelopment Agency	Dependent on staff availability and budgetary constraints.
	C. Expand both housing and economic development opportunities for low-income residents.	1. Use Community Development Block Grant (CDBG) funding to support local not-for-profit organizations that address housing insecurity and provide training for housing providers, workforce development, and vocational training.	Short-Term	Norwalk Redevelopment Agency	Dependent on staff availability and budgetary constraints.
		2. Support community partners who provide training for housing providers, workforce development and vocational training through the Neighborhood Assistance Act (NAA) Tax Credit Program.	Short-Term	Norwalk Redevelopment Agency	Dependent on staff availability and budgetary constraints.
		3. Provide homeownership counseling and education programs to prepare potential homeowners for the responsibilities of home ownership, including budgeting, maintenance, and financial planning. This could include increasing awareness of existing programs offered by community partners (e.g., the Housing Development Fund, https://hdfconnects.org/first-time-home-buyer/)	Medium-Term	Norwalk Housing Authority	Need to ensure that the Norwalk Housing Authority has capacity.
		4. Provide real estate training and technical assistance for local private market and community-based housing providers in alignment with the Norwalk Redevelopment Agency's Strategic Plan	Short-Term	Norwalk Redevelopment Agency	Dependent on staff availability and budgetary constraints.
Tax and Financing Innovations					
Norwalk recognizes that financial incentives such as tax abatements and grants are needed to bridge the market gap and facilitate	A. Facilitate capital improvements on existing deed restricted affordable and "naturally affordable units" (e.g., market rate	1. Participate in the Neighborhood Assistance Act (NAA) Tax Credit Program.	Short-Term	Norwalk Redevelopment Agency	None, pending further analysis of the program and its impacts.
		2. Leverage Community Development Block Grant (CDBG) funds.	Short/Medium-Term	Norwalk Economic and Community Development Office	Need to assess how this fits into existing programming and budgetary framework.

Principle	Goal	Action	Timeframe	Responsible Party	Challenges
the preservation and construction of quality affordable and moderate income housing.	units in older/less amenitized buildings).	3. Develop a local micro-grant program to provide capital assistance to smaller developers and landlords to facilitate building improvements in exchange for deed restricted affordable units.	Medium-Term	Norwalk Economic and Community Development Office	Sources of funding need to be considered, including budgetary impacts.
		4. Develop a local micro-grant program to provide capital assistance to homeowners to facilitate construction of deed restricted affordable ADUs.	Medium-Term	Norwalk Economic and Community Development Office	Sources of funding need to be considered, including budgetary impacts.
		5. Provide education and application support services to landlords looking to make capital improvements. Facilitate awareness of existing CT DOH programs such as Competitive Housing Assistance for Multifamily Properties (CHAMP) and the CT Housing Development Fund (HDF) LEAP (Landlord Entrepreneurship Affordability Program).	Medium-Term	Norwalk Economic and Community Development Office	Dependent on staff availability and budgetary constraints.
	B. Support the development of affordable homeownership units and pathways for residents to become homeowners.	1. Facilitate participation in the CT DOH Land Bank & Land Trust Program to acquire real property for the purpose of providing existing and future needs of very low-, low-, and moderate income families.	Long-Term	Norwalk Redevelopment Agency	None. Provided funding and staffing impacts are fully analyzed and understood.
		2. Establish a prioritization list for funding streams, made accessible online. Maintain and update list on an annual basis.	Short-Term	Norwalk Economic and Community Development Office	Dependent on staff availability and budgetary constraints.
		3. Collaborate with the Connecticut Office of Brownfield Remediation and Development (OBRD) for financing and technical assistance to redevelop Norwalk's 33 Brownfields land for future affordable and moderate income developments, for properties where residential development is permitted and appropriate.[1] Work with Connecticut Brownfield Land Bank for financial and technical assistance for the acquisition of these sites.[2]	Medium/Long-Term	Norwalk Housing Authority	Consideration should also be given for other needs and uses within the district.

[1] https://portal.ct.gov/deep/remediation--site-clean-up/brownfields/brownfields-site-inventory. Accessed 9/11/2024.

[2] https://ctblb.org/. Accessed 9/11/2024.

Principle	Goal	Action	Timeframe	Responsible Party	Challenges
		4. Facilitate the establishment of a Community Land Trust (CLT) or Land Bank as a mechanism to acquire land for the purpose of creating permanently affordable home ownership opportunities.[1]	Medium-Term	Norwalk Economic and Community Development	Need to ensure that there are no budgetary impacts on change in policy.
		5. Educate community members on the availability of state and local resources to support the development of affordable housing.	Short-Term	Norwalk Housing Authority	Dependent on staff availability and budgetary constraints.
		6. Collaborate with a sponsoring organization or private lenders to facilitate Shared Appreciation Mortgages (SAMS).	Medium-Term	Norwalk Economic and Community Development Office	Need to ensure that there are no budgetary impacts on change in policy.
		7. Create new low-interest or forgivable loan program that provides financial assistance for: affordable housing developers, the rehabilitation of naturally affordable units, first time homeowners who make less than 85% of SMI.	Medium-Term	Norwalk Housing Authority	Need to ensure that there are no budgetary impacts on change in policy.
		8. Provide direct subsidies or down payment assistance to help buyers purchase homes through the implementation of Subsidized Purchase Programs.	Medium-Term	Norwalk Economic and Community Development Office	Need to ensure that there are no budgetary impacts on change in policy.
		9. Implement a Graduated Homeownership Program, where eligible renters can gradually purchase their homes over time, with portions of their rent contributing to their equity in the home.	Medium-Term	Norwalk Housing Authority	Evaluation and consideration of fiscal and budgetary impacts needs to be considered before enaction.
		10. Facilitate lease-purchase agreements that would enable renters to lease a property with an option to buy after a certain period. This type of agreement would typically be between a private or non-profit housing developer and a renter.	Medium-Term	Norwalk Economic and Community Development Office	Dependent on staff availability and budgetary constraints as well as legal review regarding any city liability.
	C. Provide local tax incentives to facilitate affordable housing.	High Priority 1. Establish an affordable housing property tax incentive policy for qualified affordable housing units (see CGS Section 12-65b) to incentivize the creation of new deed restricted affordable units, and the improvement/preservation of naturally occurring affordable housing units.	Medium-Term	Common Council / Board of Estimate and Taxation	Evaluation and consideration of fiscal impacts needs to be considered before enaction.

[1] Community Land Trusts are typically operated by not-for-profit entities whereas Land Banks are typically operated by municipal entities.

Principle	Goal	Action	Timeframe	Responsible Party	Challenges
Federal and State Advocacy					
Norwalk recognizes that the housing crisis is a complex regional problem that requires partnerships with state and federal agencies to address its many fronts. Norwalk is committed to advancing equity in housing, and to addressing enduring racial disparities in income levels and housing access.	A. Expand affordable housing opportunities by lobbying Norwalk's state and federal delegations to address tax and financing policies that act as a barrier to certain unit types (e.g., multi-family ownership buildings including condominiums and limited equity coops) and to expand existing affordable housing programs.	1. Advocate for continued and expanded funding of State Department of Housing and Connecticut Housing Finance Authority programs.	Medium-Term	City of Norwalk Mayor's Office	Dependent on staff availability and budgetary constraints.
		2. Promote Connecticut Housing Finance Authority and United States Department of Agriculture First-Time Homebuyer Mortgage Programs. Lobby for expansion/continuation of these programs to ensure that they remain applicable to buyers in high-income areas such as Fairfield County, and capture all unit types (e.g., condominiums, co-op apartments) and not just single-family dwellings.	Medium-Term	Norwalk Economic and Community Development Office	Dependent on staff availability and budgetary constraints.
		3. Lobby for the expansion of the CT DOH Homeownership Initiative (PA 22-118).	Medium-Term	City of Norwalk Mayor's Office	Dependent on staff availability and budgetary constraints. Confirmation with legal and legislative team also necessary.
		4. Lobby for the federal Affordable Housing Credit Improvement Act (AHCIA) which would strengthen the Low-Income Housing Tax Credit (IRC §42) program that supports the development of affordable housing.	Short-Term	City of Norwalk Mayor's Office	Dependent on staff availability and budgetary constraints. Confirmation with legal and legislative team also necessary.
		5. Lobby for Senate Bill 143, a bill that incorporates eviction reform policies protecting rental tenants from evictions at the end of their lease agreements.	Medium-Term	City of Norwalk Mayor's Office	Dependent on staff availability and budgetary constraints. Confirmation with legal and legislative team also necessary.
		6. Housing affordability is a regional crisis. Work with WestCOG to further fair housing goals and the creation of affordable housing in adjacent municipalities. Support the recommendations in the WestCOG Affordable Housing Finance Study to create an Affordable Housing Resource Center, an Affordable Housing Trust Fund, and a Community Land trust.	Medium-Term	City of Norwalk Mayor's Office / Norwalk Housing Authority	Dependent on staff availability and budgetary constraints.
		High Priority 7. Advocate for more governmental funding for public and affordable housing.	Long-Term	Norwalk Economic and Community Development Office	Dependent on staff availability and budgetary constraints.

Principle	Goal	Action	Timeframe	Responsible Party	Challenges
		8. Advocate for Act Increasing the Minimum Fair Wage to increase the statewide minimum wage.[1]	Long-Term	Norwalk Economic and Community Development Office	Dependent on staff availability and budgetary constraints. Confirmation with legislative team also necessary.

Notes:

CDBG = Community Development Block Grant

CT DOH = CT Department of Housing

CGS = Connecticut General Statutes

SMI = State Median Income

WestCOG = Western Connecticut Council of Governments

[1] https://www.cga.ct.gov/2019/act/pa/pdf/2019PA-00004-R00HB-05004-PA.pdf. Accessed 9/11/2024.

Norwalk Affordable Housing Action Plan: Appendices

2025

APPENDIX A: HOUSING NEEDS ASSESSMENT

NORWALK HOUSING NEEDS ASSESSMENT

August 15th, 2024

Prepared for the City of Norwalk

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EXECUTIVE SUMMARY

The Norwalk Housing Needs Assessment has been prepared as part of the City's Affordable Housing Plan. Based on extensive community input as well as data analysis, the assessment is aimed at identifying the need for housing at all price points for all income levels. The assessment includes a comprehensive inventory of the City's housing stock, much of which is significantly more diverse in type and price points than the housing supplied in the surrounding region. While meeting Norwalk's housing needs requires broader policy changes at all levels of governance, there are local strategies that Norwalk can undertake to relieve housing cost burdens and enhance accessibility to a wider variety of housing units. This assessment has therefore been designed as a repository of data and observations that can help inform local policy decisions while also attesting to the enduring need for regional, state, and federal support for housing production.

1. **The City has a critical need to provide more affordable housing, social services, and economic pathways for its very low-income households.**

   Although Norwalk has a relatively high median income of $98,000 compared to $92,000 for Connecticut, a large share of its population remains low-income. As shown in the table below, a quarter of all residents, 38% of renters, and 15% of homeowners earn less than $50,000 a year.

Norwalk Households by Income Band, 2022			
Income Band	**All Households**	**Renters**	**Owners**
Below 22% SMI [Less than $20,000]	10%	17%	4%
23% SMI - 39% SMI [$20,000 to $34,999]	8%	11%	5%
40% SMI - 55% SMI [$35,000 to $49,999]	7%	9%	6%
56% SMI - 83% SMI [$50,000 to $74,999]	14%	16%	13%
Under 56% SMI (below $50,000)	25%	38%	15%

Source: US Census, ACS

Although some of the households within this income bracket are housed in Norwalk Housing Authority units or receive housing choice vouchers, there are ultimately very few housing options for Norwalk's very low income population. Some of the housing on the open market that is naturally affordable to very low-income residents is provided at a sub-standard level of condition. The City is limited in its legal ability to proactively inspect these homes and ensure their compliance with building codes. As such, very low-income residents are vulnerable not only to poor living conditions but also displacement and homelessness.

Meeting the housing needs of low-income households is challenging because of limited governmental funding for public housing; long waiting lists and low turnover rates for Housing Authority units and vouchers; limited development sites, and the financial infeasibility of private developers constructing deeply affordable housing without substantial capital and operational subsidies.

However, none of these challenges mean that Norwalk cannot explore options for expanding its supply of housing for very low-income households. Continued advocacy for more governmental funding for public housing; partnerships with non-profit developers; and capitalizing affordable housing funds are all strategies that the City can use to ensure housing security for its most economically challenged residents. However, these housing approaches need to be interlinked with expanded anti-poverty strategies including social service provisions, financial counseling, vocational training, and job search assistance. The effectiveness of supportive services was demonstrated by the significant reduction of chronic homelessness in Norwalk over the last 10 years thanks to a broad range of homelessness prevention programs supported with federal and state monies and implemented by local organizations.

2. Renters and homeowners of all income levels are financially burdened by the high cost of housing in Norwalk.

A large segment of Norwalk's households pays more than 30% of their household income toward their housing costs. These households, considered to be housing cost burdened, represent 39% of the city's 36,149 households and include both renters and homeowners. As shown in the table below, almost 14,000 Norwalk households were cost burdened in 2022. The rates of cost burden are notably higher for lower-income households. Approximately 85% of the households earning below 83% of Connecticut's State Median Income (SMI) are cost burdened compared to only 17% of households making more than 83% of SMI. Moreover, almost every single household making less than 40% SMI (or $35,0000) is housing cost burdened.

Housing Cost Burdened Households in Norwalk (2022) Including Renters and Owners		
Cost Burdened Units for All Income Bands	**#**	**%**
Total Households	36,149	100%
Total Cost Burdened Households	13,986	39%
Cost Burdened Units by Income Band	**#**	**%**
Below 22% SMI [Less than $20,000]	3,988	99%
23% SMI - 39% SMI [$20,000 to $34,999]	1,870	100%
40% SMI - 55% SMI [$35,000 to $49,999]	1,816	92%
56% SMI - 83% SMI [$50,000 to $74,999]	2,387	60%
Cost Burdened Units Above and Below 83% SMI	**#**	**%**
Over 83% SMI [$75,000 or more]	3,925	17%
Under 83% SMI [Below $75,000]	10,061	85%

Source: US Census, ACS

3. The City needs to significantly expand the supply of rental housing that is affordable to households earning less than 83% of Connecticut's median income.

Although Norwalk residents are broadly cost-burdened, a much greater share (57%) of the city's 14,000 cost burdened households are comprised of renters than homeowners (43%). As shown in the table below, nearly half (47%) of Norwalk's approximately 17,000 renters were cost burdened in 2022. And as is the case with all residents generally, the rates of cost burden are notably higher for renters with lower incomes. Approximately 85% of the renters earning below 83% of Connecticut's SMI are cost burdened compared to only 14% of households making more than 83% of SMI. Moreover, almost every single renter making less than 40% SMI is housing cost burdened.

Housing Cost Burdened Renters in Norwalk (2022)		
Cost Burdened Renters for All Income Bands	**#**	**%**
Total Occupied Rental Units	16,996	100%
Total Cost Burdened Rental Units	7,994	47%
Cost Burdened Renters by Income Band		
Below 22% SMI [Less than $20,000]	3,205	99%
23% SMI - 39% SMI [$20,000 to $34,999]	1,294	100%
40% SMI - 55% SMI [$35,000 to $49,999]	919	89%
56% SMI - 83% SMI [$50,000 to $74,999]	1,395	57%
Cost Burdened Renters Above and Below 83% SMI		
Over 83% SMI [$75,000 or more]	1,181	14%
Under 83% SMI [Below $75,000]	6,813	85%

Source: US Census, ACS

The number of cost burdened households represents a gap between the need for affordable rental housing and the available supply of appropriately priced units. As such, to close the gap, Norwalk would need to provide close to 8,000 units of affordable rental housing. Specifically, Norwalk needs 3,205 rental units for households under 22% SMI; 1,294 rental units for households between 23% and 39% SMI; 919 rental units for households between 39% and 55% SMI; 1,395 units for households between 55% and 82% SMI; and 1,811 units for households earning 83% SMI and above.

Neither affordable housing providers nor the private housing market is closing this gap in housing need. There is a vast shortage of income restricted housing such as those offered by the Norwalk Housing Authority. Meanwhile, the prices of Norwalk rental units on the open market are not serving households making less than 83% SMI:

- Approximately 76% of the 29 currently listed studio apartments are priced over $1800, a rental cost requiring a minimum household income of $72,000.

- Approximately 86% of the 131 currently listed one-bedroom apartments are priced over $2,000, a rental cost requiring a minimum household income of $80,000.

- Approximately 92% of the 90 currently listed two-bedroom apartments are priced over $2,600, a rental cost requiring a minimum household income of $104,000.

Even though there is a supply of 250 rental units currently on the open market, these units are not affordable to a significant share of Norwalk's population. Over the last ten years, Norwalk's median income has risen significantly (16%), climbing to $98,000 in 2022. The median income for all renters is only $71,000, an income level which is lower than the income needed for a large majority of rental units on the market. In addition, there are wide racial disparities in the income levels of Norwalk residents. For example, White households earn a median income of $112,143, about $40,000 higher than the median incomes of Black and Hispanic households. Brokers report that when rental units are affordable to households making less than 83% SMI come to market, these units are almost immediately rented. With zero fluidity in the affordable rental market, these households have no choice but to search for housing in other localities.

For Norwalk to close the gap in its rental market and redress racial disparities in housing access, the City should contemplate a broad variety of tools for expanding the production of affordable rental housing including deeper levels of affordability in the City's workforce housing regulations; zoning changes that would enable higher levels of density in exchange for deeper levels and greater amounts of affordable rental housing; significant reduction or elimination of parking requirements for new transit-oriented rental development; streamlining the approval process for affordable housing developments; and tax abatements for affordable rental developments.

4. The City needs more affordable options for homeownership

Homeownership in Norwalk has fallen considerably both in proportional and absolute terms. Between 2012 and 2022, the homeownership rate fell from 65% of households to 55% of households. During this same period, the actual number of homeownership units dropped by 16% from 22,714 units to 19,513 units. Homeownership units are especially low for Black householders (44%), Asian householders (42%), and Hispanic householders (36%).

The fall in homeownership likely stems from a multiplicity of factors including the increased demand for rental housing, higher mortgage eligibility requirements, rising home values, and limited housing inventory. Barriers to building more homeownership units include limited availability of land for the construction of new single family; federal financing limitations, specifically access to FHA loans; tax policies that favor rental buildings; higher levels of liability for condo developers that in turn translate to increased costs; and the ambivalence of capital markets to finance condominiums given the risk exposure relative to rental buildings.

Amidst these supply constraints, the median sales price for a single family home in Norwalk rose between rose by 41% from $413,000 in September 2015 to $700,000 in September 2023 while inventory plummeted by 81%. These trends are consistent with the surrounding region. During the same time period, Fairfield County's median sales price for single family homes rose by 55% while inventory declined by 74%.

Though owners are not as cost burdened as renters, just over 30% of Norwalk's homeowners pay more than 30% of their household income toward their housing costs. As shown in the table below, almost 6,000 Norwalk homeowners were cost burdened in 2022. The rates of cost burden are notably higher for lower-income homeowners. Approximately 85% of the households earning below 83% of Connecticut's State Median Income (SMI) are cost burdened compared to only 18% of households making more than 83% of SMI. Moreover, every single homeowner in Norwalk making less than 40% SMI is housing cost burdened.

Housing Cost Burdened Owners in Norwalk (2022)		
Cost Burdened Owners for All Income Bands	**#**	**%**
Total Occupied Owner Units	19,153	100%
Total Cost Burdened Owner Units	5,992	31%
Cost Burdened Owners by Income Band		
Below 22% SMI [Less than $20,000]	783	100%
23% SMI - 39% SMI [$20,000 to $34,999]	576	100%
40% SMI - 55% SMI [$35,000 to $49,999]	897	96%
56% SMI - 83% SMI [$50,000 to $74,999]	992	65%
Cost Burdened Owners Above and Below 83% SMI		
Over 83% SMI [$75,000 or more]	2,744	18%
Under 83% SMI [Below $75,000]	3,248	85%

Source: US Census, ACS

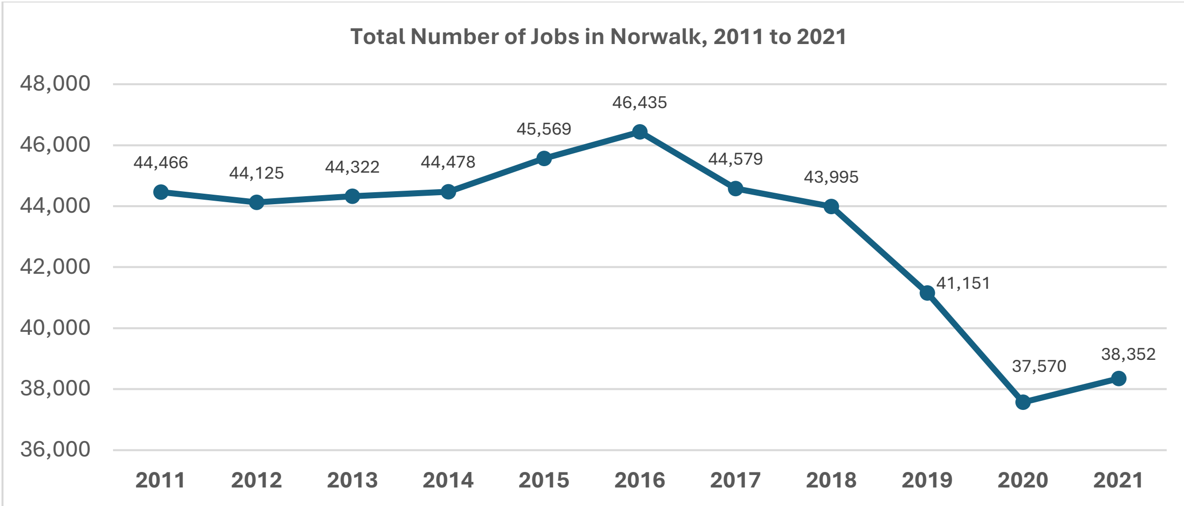
Norwalk needs a greater amount and variety of sales units at different price points to help residents reap the investment benefits of homeownership and ensure long-term housing security. To make it easier and more affordable for residents to own their homes, the City will need to explore more regulatory tools such as zoning changes and lot size requirements that could enable a wider variety of homes including accessory units, townhomes, duplexes, or small cooperatively owned apartment buildings. Broader advocacy at the state and federal level is needed to overcome the institutional, financing, and tax code barriers to multi-family ownership buildings including condominiums and limited equity coops. Other potential pathways include the creation of community land trusts for ownership units that include income restrictions and resale limitations. Tax abatements for affordable ownership buildings may be another tool for helping developers overcome the financing barriers to condominium development. Lastly, affordable ownership units should be fast-tracked through the development approval process.

5. **Norwalk needs more housing for retail workers, public safety personnel, teachers, and hospital workers.**

Approximately 75% of workers employed within Norwalk do not live within the city. These workers contribute not only to the local economy but also are essential workers critical to the provision of public services. However, a large share of Norwalk workers cannot afford to live in the City. About a third of Norwalk workers make less than $40,000 a year.

Further compounding the housing challenges of Norwalk workers is the lack of affordable rental housing in the communities surrounding Norwalk. As a result, lower income workers are forced to live further distances away from Norwalk, thereby taxing the local and regional road networks and contributing to higher levels of congestion and commuting times.

Meanwhile, the lack of affordable housing makes it harder for Norwalk's employers to secure labor or grow their businesses. Between 2011 and 2021, the number of jobs in Norwalk fell by 16% from 44,446 jobs to 38,352 jobs.



Source: US Census, LEHD

Norwalk needs more workforce housing not only for the benefit of its workforce but also to nourish its local economy and commercial tax base. In order to make it easier for local workers to secure housing in Norwalk, the City needs to explore not only the above mentioned approaches for increasing the production of affordable rental housing but also examine options for prioritizing affordable housing for essential workers.

6. New rental housing provides local housing, quality of life and economic development benefits.

As mentioned above, Norwalk has a healthy supply of rental housing units on the open market that are affordable to median income households. Moreover, the city's rental housing supply is expected to grow by hundreds of market-rate units over the next three years as approved rental buildings are constructed and come to market.

During the public outreach process for the housing needs assessment, many residents expressed the view that more market rate units are not needed because they are already in abundant supply. Other residents claimed that newer developments fulfill the housing needs of more affluent newcomers to Norwalk rather than long-time cost burdened residents. Some residents speculated that high-priced market rate units contribute to the elevation of all rental prices through the city.

While it is true that Norwalk does indeed have an adequate and growing supply of rental units that serve the regional market, these units are also providing a broad variety of local benefits that may not be readily discernible to all residents. First, the expanded supply of market rate units does in fact serve a sizeable segment of Norwalk's local population, a large share of which can in fact afford apartments priced at median income or higher. Over 35% of Norwalk renters earn more than $100,000 a year. Higher income residents in turn enhance the city's consumer base for local businesses while also serving as a valuable labor supply for companies and organizations seeking to grow within the city. The production of new rental buildings, often built as part of broader redevelopment plans, has also helped to revitalize key parts of the City, especially South Norwalk and the Route 7 corridor. The redevelopment of empty or distressed sites in these areas has not only helped to enhance the overall livability and vitality of the city but also served to expand and diversify Norwalk's fiscal base. Lastly, the development of new rental buildings also resulted in the production of at least some affordable units through enforcement of workforce housing regulations generally mandating 10% of new units be affordable to households at 80% SMI.

Whether or not the newer higher priced rental units are more broadly increasing demand for housing in Norwalk and therefore inflating housing prices is less clear. There is no question that Norwalk's rental prices, as has occurred throughout the surrounding region, have risen considerably in recent years. Between 2017 and 2022, the median rent for all housing units in Norwalk increased by 16% from $1,575 to $1,840 per month. During this same period, Norwalk increased its supply of rental units by 755 units.

It is difficult, though, to determine the extent to which these new housing units are truly responsible for heating Norwalk's rental market and elevating citywide housing prices. Besides the fact that the new housing generally represents a unique rather than competing or even complementary market segment, a broad range of regional and demographic factors have also placed pressure on Norwalk's older rental stock. Specifically, a rising demand for multi-family apartment rentals has grown throughout the region as younger families have sought more affordable alternatives to homeownership and seniors have sought to downsize from single family homes.

Rising rental prices in New York City and Westchester has in turn placed increased pressure on cities like Norwalk that offer an urban residential environment with diverse housing choices. Meanwhile, Norwalk's neighboring communities have remained predominantly low-density and single family with little to no increases in rental supply. This mismatch between regional housing demand and regional housing needs has likely had a far greater impact on Norwalk's rental housing prices than its production of market rate units. Moreover, as mentioned, the City's market rate housing generated at least some level of affordable housing as a result of workforce housing regulations.

To better meet its local housing needs, Norwalk should explore ways that it can address underserved segments of the housing market. Revising the City's workforce housing regulations to require more affordable units and at deeper levels of affordability could help attract developers to Norwalk who are better equipped at developing truly mixed-income projects and qualifying for affordable housing financing programs. Additionally, mixed-income projects with strong economic development benefits as well as deep levels of affordability should be fast-tracked through the development approval process, receive tax abatements, and granted density bonuses.

Norwalk should also continue to advocate for increased production of rental housing at all price points by other localities in its surrounding region. This is not to suggest that Norwalk cannot or should not continue to increase its own housing supply. But if the rental housing supply increased regionally, it would help Norwalk maintain a higher available inventory of its older housing stock at lower price points.

7. All kinds of rental housing are needed but there is an especially acute need for affordable 2BR rental apartments.

Input gathered from renters and real estate brokers along with analysis of listings data suggests a shortage of affordable rental apartments for all unit types including studios, one-bedroom apartments, and two-bedroom apartments. However, it is noteworthy that affordable two-bedroom apartments are especially in rare supply and that the median price of a two-bedroom has increased by 31% from $1,950 in 2014 to $2,825 in 2023.

During the outreach process for the housing needs assessment, both residents and real estate brokers broadly emphasized the undersupply of affordable two-bedroom apartments and their desirability amongst young couples and starter families without the means to purchase a home. Another growing market for two-bedrooms are seniors who represent almost 1/5th of the city's population. Between 2012 and 2022, the city's senior population grew by 30% or 3,830 individuals. Facing diminishing incomes and rising tax burdens, two bedroom rentals are an ideal housing type for seniors seeking to reduce overhead expenses and have room for other family members, visitors, or live-in caretakers.

It should not be overlooked, however, that almost 40% of Norwalk's renters live alone. Interviews with housing providers observed that lower-income singles are in great need for affordable studio apartments.

Norwalk has limited ability to control the unit mix of private housing development. However, in its disposition of City-owned land and forging of development partnerships with the Redevelopment Agency, Norwalk Housing Authority, and the non-profit housing developers, the City has an opportunity to pursue higher-density rental buildings with a mix of units that represents the diversity of household types living in Norwalk.

8. The City needs to continue linking housing to transit, walkable neighborhoods, and economic development strategies

The housing needs assessment did not include an evaluation of potential development sites for new housing. And during the outreach process, neither residents nor stakeholders offered many suggestions for specific sites they thought should be redeveloped as housing. However, both residents and stakeholders broadly expressed a strong need for expanded mass transit options and the interlinking of new housing development with frequent and fast transit connections to both local and regional destinations. With current levels of transit utilization under 2% for work trips to Norwalk job sites, the city is far from being transit accessible.

The City's move toward creating transit-oriented districts and completion of the new Merritt 7 rail station are steps in the right direction of enabling transit supportive densities. However, the City will need to dramatically increase the speed and coverage of its local transit service and integrate job-generating commercial development with housing development in order to expand housing supply without worsening traffic levels. More robust transit service would also help to reduce the transportation costs for households by reducing their need for an automobile while also allowing developers to build new housing with less parking and thereby bring down housing costs.

INTRODUCTION

The Norwalk Housing Needs Assessment has been prepared as part of the City's Affordable Housing Plan. Based on extensive community input as well as data analysis, the assessment is aimed at identifying the need for housing at all price points for all income levels. The assessment also provides initial recommendations for closing the gap in housing including units offered through affordable housing programs as well as units offered on the open market. Four key objectives governed production of the assessment.

- Engage the Norwalk community and housing stakeholders in robust dialogue about current and future housing needs
- Compile demographic, housing, and market data to identify the factors, trends, and shifts that are impacting housing needs
- Identify disparities and the unique needs of different sub-populations including certain lower-income households, racial groups, or age groups.
- Serve as a tool for housing policy and program design, the next phase in the Norwalk Affordable Housing Plan.

Technical Approach

Community Input

The housing needs assessment included a broad community outreach process aimed at collecting qualitative observations about housing needs. This process included an extensive public engagement process; interviews with local housing stakeholders; and collaboration with the Norwalk Redevelopment Agency on a housing preference survey.

Demographic Trends

Drawing primarily on the most recently available data from the US Census Bureau's American Community Survey (1-year data from 2022), the assessment analyzes both local and regional shifts in demographic composition and considers how these shifts may be impacting changes in the types of housing needed or identify the reasons behind certain housing challenges.

Housing Inventory & Conditions

Drawing upon census data as well as additional data provided by the City of Norwalk, the assessment includes a detailed presentation of the existing supply of housing in Norwalk as well as trends related to housing cost burden.

Market Trends

Shifts in the demand for sales and rental housing for both the locality and the region are presented in the assessment in order to show how housing costs have been rising while available inventory has been plummeting.

SECTION I: COMMUNITY INPUT

Public Engagement

The City of Norwalk, in partnership with a consultant team, organized a series of public engagement efforts to gather input on current and future housing needs. The first community wide event was a listening session that was held in-person on November 16th, 2023. The second session was held online via Zoom on November 30th, 2023.

The consultant team also collected input via direct engagement at City libraries and through targeted engagement at family-oriented events. Engagement efforts also included attendance at programs for seniors, sessions with community providers and the individuals they serve, and classes for those for whom English is a second language.

During these various engagement efforts, residents frequently noted the high cost of the current housing stock and a strong desire for a new housing stock that can meet the needs of current and future residents. They expressed a desire to make the housing stock more diverse, affordable, and inclusive of services. Community members also shared a willingness to be a model for housing reform and opportunity in the State. Below is a summary of the questions asked at the various community engagement efforts and the input received.

Does the current housing stock meet the needs of current residents?

Input provided consistently indicated that the current housing stock does not meet the needs of residents. Many residents indicated that Norwalk has become unaffordable, including current homeowners who shared that they would not be able to buy a home in the city today. Overall, residents noted that Norwalk is becoming a less accessible community to live in.

Some tenants also described deficiencies in the quality of certain housing units including those maintained by the Norwalk Housing Authority. Some of the building condition issues cited were pests, building facades, mold, faulty plumbing, broken fixtures, or malfunctioning appliances. Others observed an insufficient amount of nearby or on-site parking.

Who are we trying to house?

Residents indicated that young adults, students, and first-time home buyers struggle to find housing in Norwalk that meet their needs and/or income level. Many residents expressed concerns that their children would not be able to afford a home in Norwalk later in life. In addition, residents expressed a need for housing that accommodates large family units and the local workforce/public servants. Many residents stressed the importance of being able to live and work in Norwalk in order to help shorten commute times and to foster economic development in the City. Finally, it was noted that the aging population, individuals with mental and physical disabilities, immigrants, and the homeless population also lacked housing.

What type of housing should be built to serve housing needs?

Many residents expressed disenchantment by the narrow choice between single-family housing units and high-end multi-unit rental apartment complexes. Community members expressed a need to increase the housing supply and build a variety of housing types that meet different income levels. The following housing types were identified:

Duplexes and Townhouses: Residents expressed a desire for duplexes and townhouses. Norwalk residents felt that duplexes could be well-designed and promote a sense of community while at the same time fit into available parcels of land especially when built densely.

Units with 2 Plus Bedrooms: Residents expressed a need for units designed with families in mind that included two or more bedrooms.

Accessory Dwelling Units: Norwalk residents supported the inclusion of accessory dwelling units (ADUs) to expand housing options where there are single family homes.

Small/Micro-Units: Some residents were receptive to the idea of smaller housing units or micro-units to support housing availability for young people and students.

Supportive and Transitional Housing: Residents noted a need for both transitional and supportive housing, including housing with wrap-around services and units designed to accommodate people with special needs.

Senior Housing: Residents expressed a need for low-cost quality senior housing.

What are the obstacles to addressing the housing need?

A common issue raised by residents is the stigma around affordable housing. According to residents there is a vocal minority who are resistant to proposals for zoning reform, density, and affordable housing developments. Community members expressed a need to change the vocabulary and educate citizens on the benefits of affordable housing. Other residents observed a lack of sufficient information on public housing, rental assistance, and resources for housing discrimination. Residents consistently noted that high taxes in the City contributed to the high cost of housing.

What are some solutions or opportunities?

Many residents acknowledged the need to monitor planning and zoning efforts to ensure that they align with housing needs. In addition, they noted a desire to partner with developers to build the needed housing stock and incorporate creative options. Community members also expressed that housing developments need to be linked with improvements to the public transit system and transit accessibility as well employment and educational opportunities. Finally, a few residents suggested clustering tiny homes on single-family lots. Residents focused on the need to create homeownership opportunities, especially for first- time homebuyers. They proposed solutions that include multiple housing types at a range of price points for purchasers, including single-family homes and condominiums. In addition, community members suggested that the City provide guidance on home buyer programs, such as financial counseling and downpayment programs.

They also expressed a need to improve communications between the Housing Authority and those seeking housing and residents of the public housing units.

In addition, community members indicated that some of the housing stock is old and needs rehabilitation. They suggested programs to assist not only new home buyers, but existing homeowners, with improvements to their housing condition. Rehabilitation programs and building code enforcement should be utilized to address building condition issues in rental units/developments.

In addition, residents suggested that the City take steps to support the development of Accessory Dwelling Units (ADUs) by relaxing restrictions, targeting outreach to current homeowners, and providing incentives for current homeowners to build ADUs.

Are there sites that you can imagine as housing?

Residents identified some specific sites/areas that could be future locations for housing. Corporate offices, vacant commercial, City-owned lots, industrial sites, and religious institution property were suggested as possible locations to be adaptively reused for housing.

Housing Stakeholders

The consulting team engaged the city's housing stakeholders by meeting with Norwalk City Staff, the Norwalk Affordable Housing Committee, and the Norwalk Community Service Providers. In addition, stakeholder interviews were conducted with representatives from the Norwalk Planning Department, the Norwalk Housing Authority, the Norwalk Redevelopment Agency, and Open Doors. Additional conversations were held with representatives from the real estate development and brokerage community.

Whereas the public engagement effort was focused on identifying housing needs, the conversations with housing stakeholders were mainly focused on collecting information and data that would help enhance both the outreach efforts as well as the quantitative analysis.

Relevant Findings from Norwalk Redevelopment Agency Housing Survey

In February 2024, the Norwalk Redevelopment Agency drafted a survey aimed at gathering public opinions on a proposed mixed-income development near South Norwalk train station. The survey was completed by 580 residents. Presented below are three findings from the survey that may be relevant to the housing needs assessment.

Need for More Housing Development

Survey participants were asked if they believed that the City needed more housing development. One third of the respondents agreed that more housing was needed while half of the respondents disagreed and 15% were neutral.

Threat of Displacement

Almost half of the survey respondents concurred that housing costs would require them to leave Norwalk and find another place of residence.

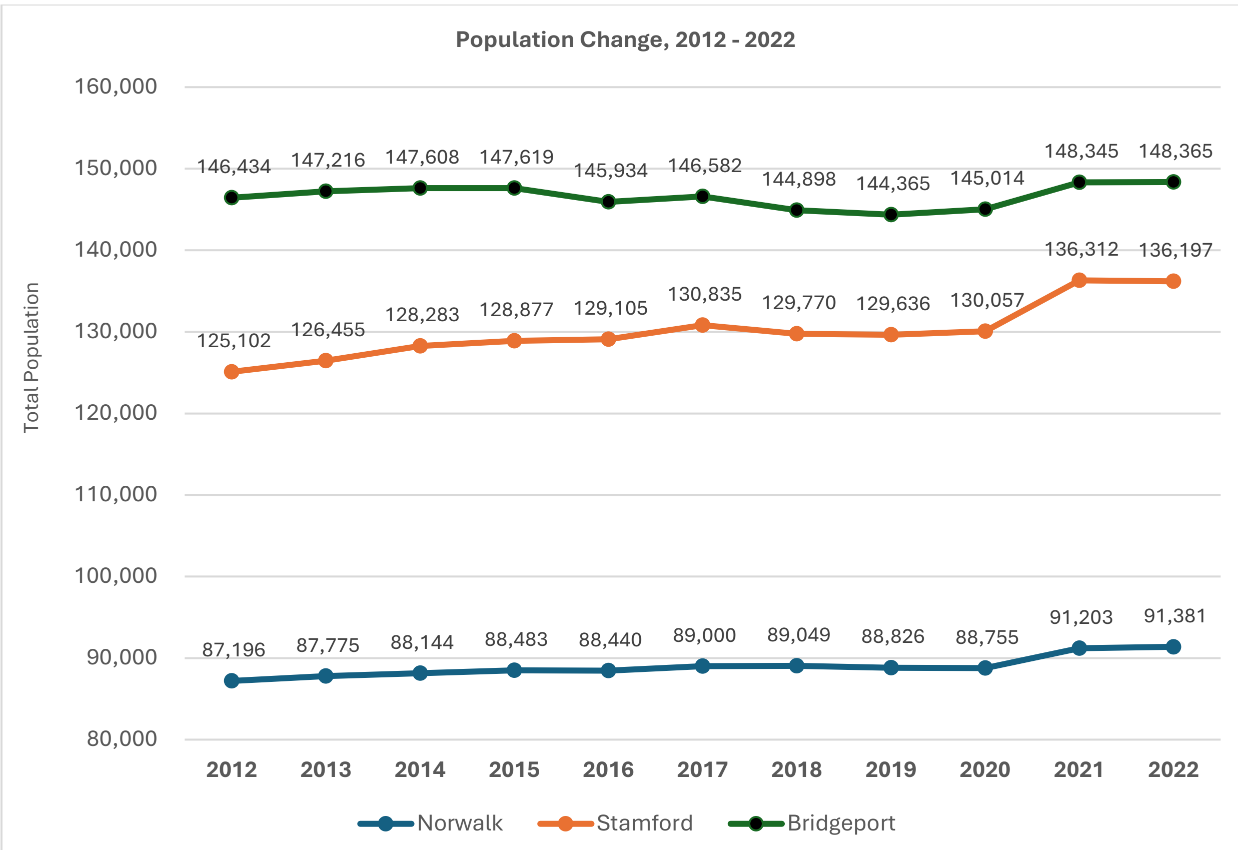
Support for Social Equity and Affordability

Two-thirds of respondents expressed support for improving social equity and affordability of housing and public services.

SECTION II: DEMOGRAPHIC TRENDS

Population Trends

One indicator of future housing needs is population growth. Between 2012 and 2022, Norwalk's population increased by 5% from 87,196 to 91,381. However, for most of the last decade, the city's population remained relatively stable, more demonstrably rising between 2020 and 2021. Norwalk's rate of growth is lower than that of Stamford's (9%) and higher than that of Bridgeport (1%). Norwalk's rate of growth is more similar to that of Fairfield County whose population increased by 4% between 2012 and 2021.



Source: US Census, American Community Survey

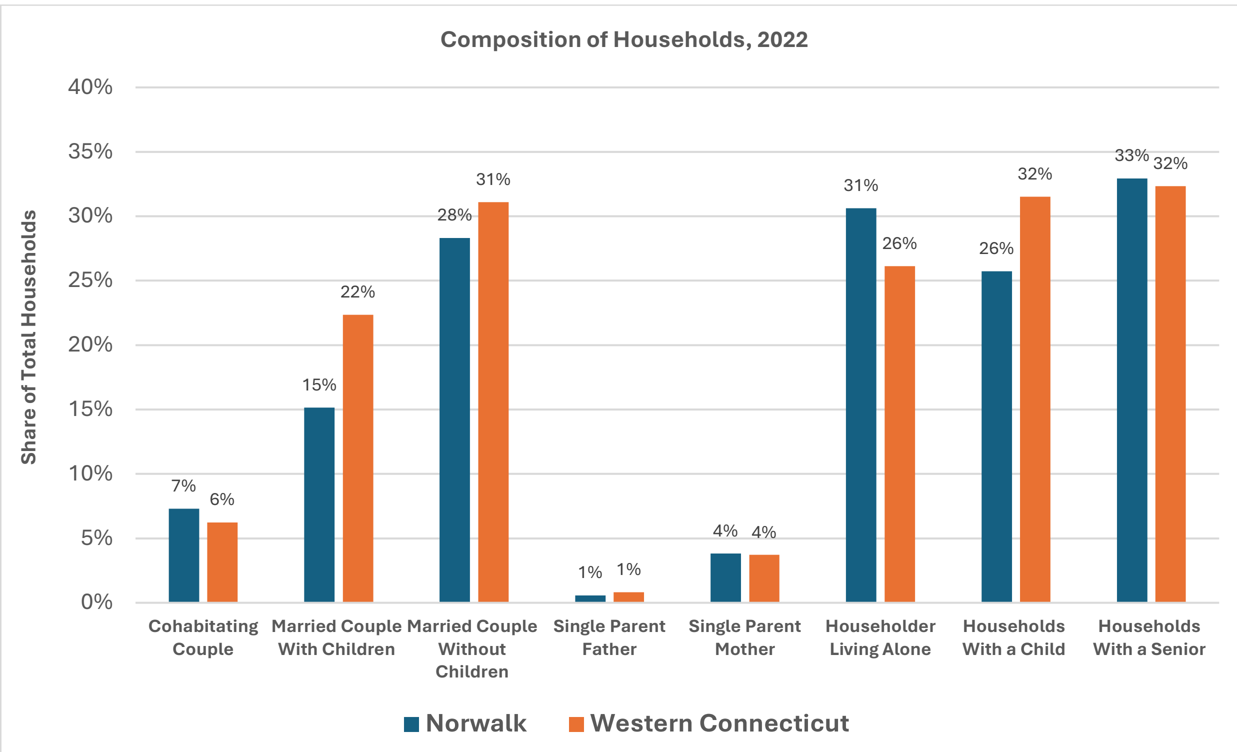
Household Trends

As noted in table below, the number of households in Norwalk has not shifted dramatically over the past ten years, rising only by 3% from 2012 to 2022. Similarly, household size grew only by 2% from an average of 2.47 persons per household to 2.51 persons per household. But what has changed substantially over the last decade is the composition of households. Over the last decade, there was a 23% increase in households with at least one senior person in residence with an 8% drop in households with at least one child.

Shifts in Norwalk's Household Composition, 2012 - 2022			
	2012	2022	Change 2012 - 2022
Total Households	34,957	36,149	3%
Householder Living Alone	10,610	11,068	4%
Household with a Senior (Age 65+)	9,700	11,909	23%
Household with Children	10,058	9,303	-8%
Average Household Size	2.47	2.51	2%

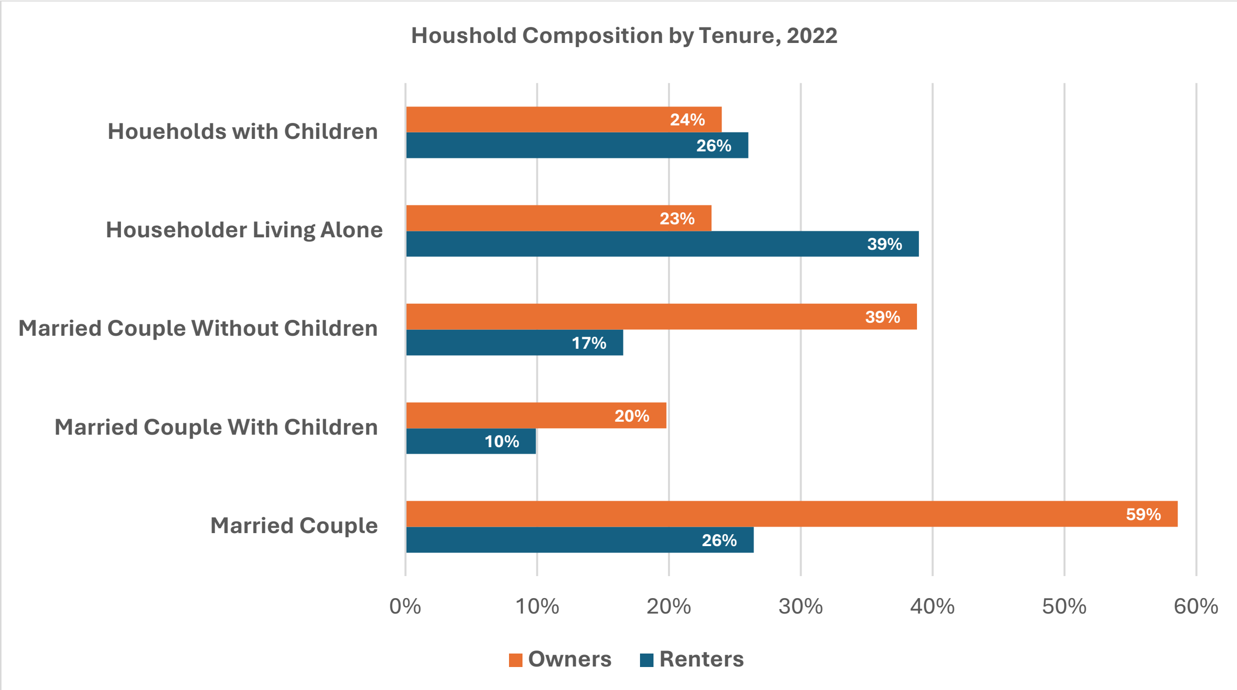
Source: US Census, American Community Survey

The wide variety of Norwalk households is represented in the bar graph below, showing that the married couples with children represent only 15% of total households in Norwalk with a broad range of other household configurations. The graph also reveals that compared to the Western Connecticut Planning Region, Norwalk has a lower share of married couples or households with children while a greater share of households living alone.



Source: US Census, American Community Survey; Western Connecticut refers to the planning region that is coterminous with the localities represented by the Western Connecticut Council of Governments.

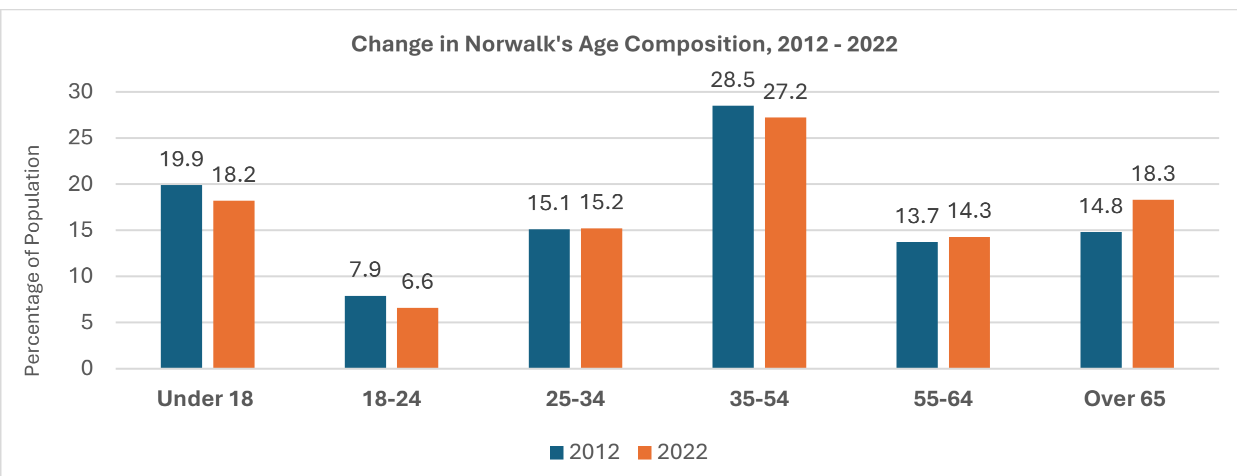
More striking variations in household composition occur on the basis of housing tenure. As shown below, renters are more likely to live alone and owners are more likely to be married.



Source: US Census, American Community Survey

Age Composition

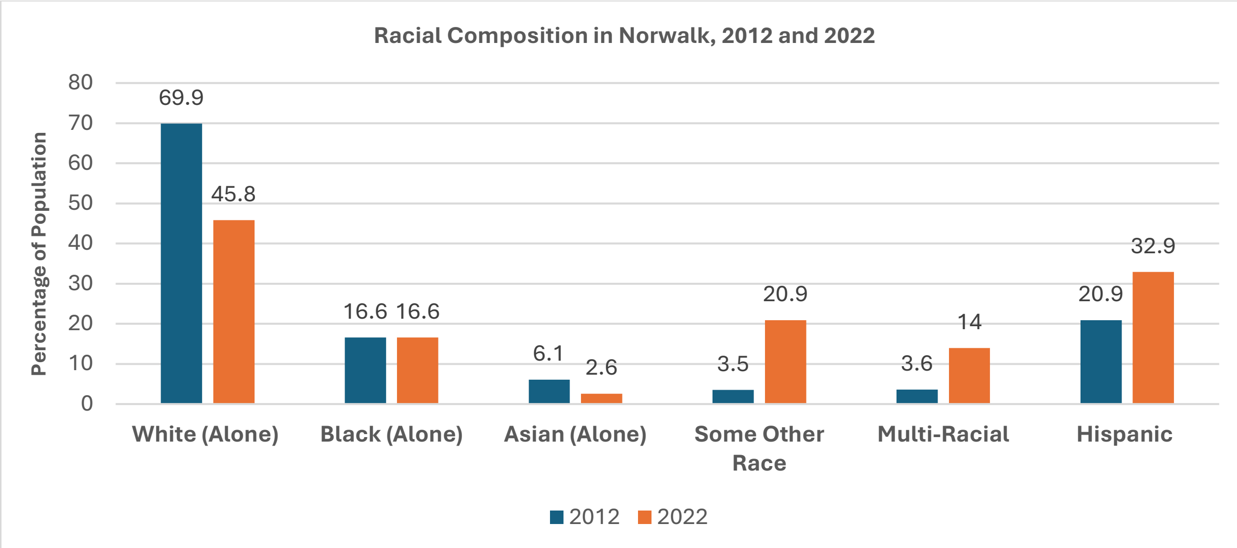
In general, Norwalk's age composition did not change considerably over the past decade, with the median age slightly increasing from 40.5 in 2012 to 41.7 in 2022. The most palpable shift during this period occurred in the senior population whose share of the population increased from 14.8 % in 2012 to 18.3% in 2022. This increase in the population over the age of 65 suggests a rising need for senior housing.



Source: US Census, American Community Survey

Racial Composition

As shown in the chart below, the way in which Norwalk residents identify racially has changed substantially over the past decade. Since 2012, the percentage of residents as identifying as White has fallen from 70% to 46% while the Hispanic population has increased from 21% to 33%.

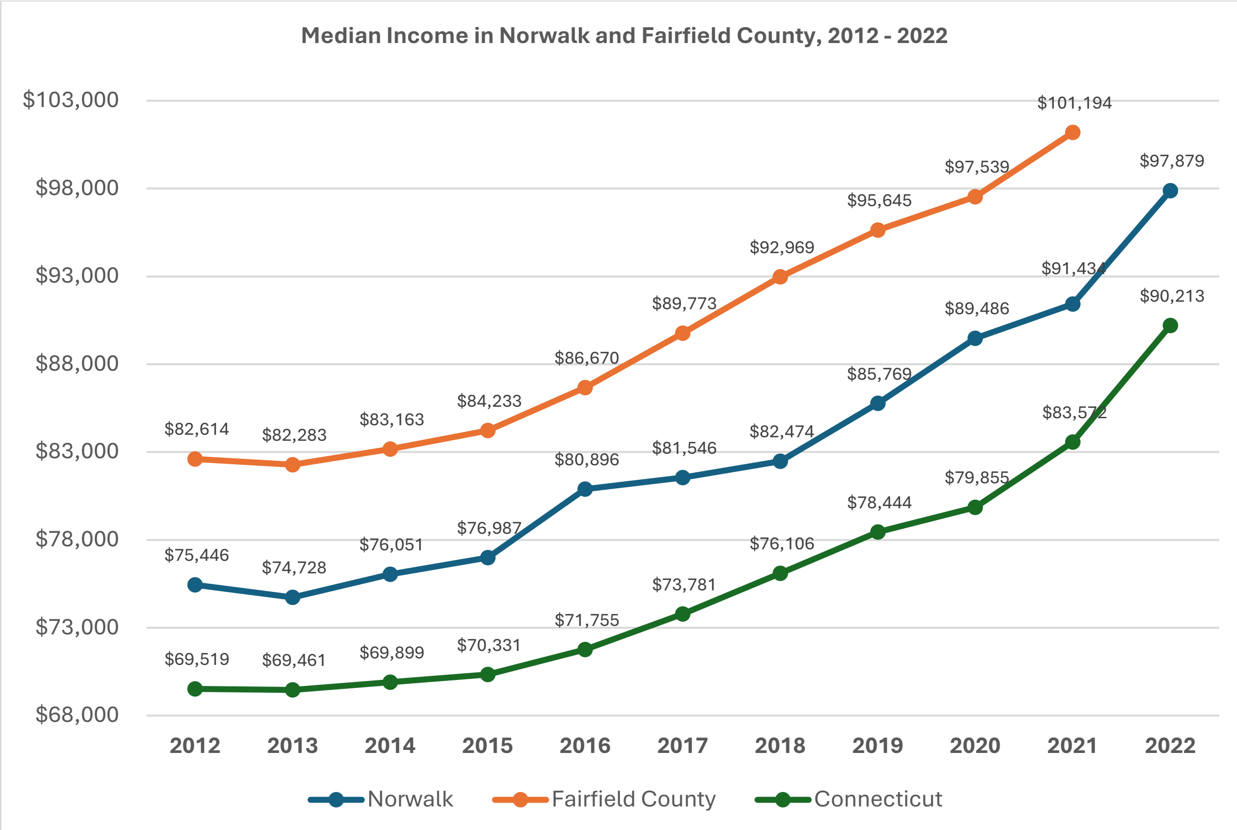


Source: US Census, American Community Survey

Income Levels

A household's housing cost burden is shaped by the monthly cost of housing as well as income levels. While higher income levels might suggest the potential for households to spend more on housing and experience a lower cost burden, higher income levels may also reveal a broader socio-economic transformation occurring in a community that in turn elevates the market price for rental and sales housing.

As shown below, the median income (unadjusted for inflation) increased in Norwalk by 23% between 2012 and 2022, and grew in lockstep with a similar increase in Fairfield County. Norwalk's median income of $97,879 in 2022 was lower than that of Western Connecticut ($122,234) but higher than that of Connecticut generally ($90,213); Stamford ($89,797); and Danbury ($88,132).



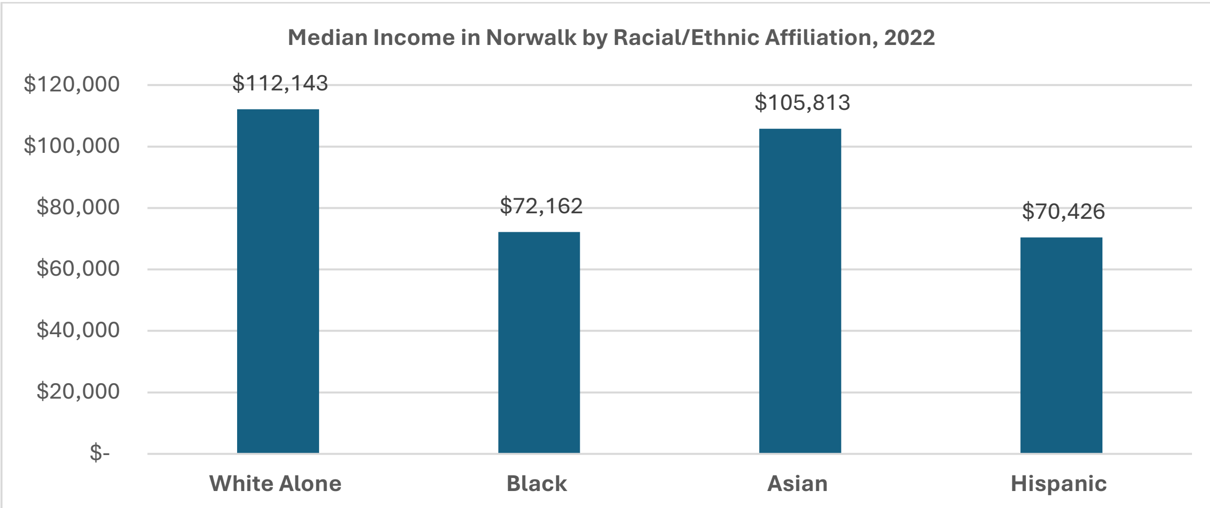
Source: US Census, American Community Survey

In spite of Norwalk's relatively high median income, the city retains a large population with less spending capacity. As shown in the table below, a quarter of Norwalk's population earns less than $50,000 and so would be in need of lower priced housing options.

Distribution of Household Median Income, 2022						
	Norwalk All Households		Owner Households		Renting Households	
	#	%	#	%	#	%
Less than $20,000	3,457	9.7	776	4.0	2,681	16.8
$20,000 - $34,999	2,823	8.0	1,024	5.3	1,799	11.3
$35,000 - $49,999	2,598	7.4	1,103	5.7	1,495	9.4
$50,000 - $74,999	4,953	14.0	2,470	12.8	2,483	15.6
$75,000 to $99,999	4,090	11.6	2,337	12.1	1,753	11.0
$100,000 to $149,999	6,084	17.2	3,337	17.2	2,747	17.2
$150,000 or more	11,267	31.9	8,298	42.9	2,969	18.6
Under $35,000 (39% SMI)	3,457	9.7	776	4.0	2,681	16.8
Under $50,000 (55% SMI)	8,878	25.1	2,903	15.0	5,975	37.5
Under $75,000 (83% SMI)	13,831	39.1	5,373	27.8	8,458	53.1
Median Household Income	$97,879		$126,733		$70,624	

Source: US Census, American Community Survey

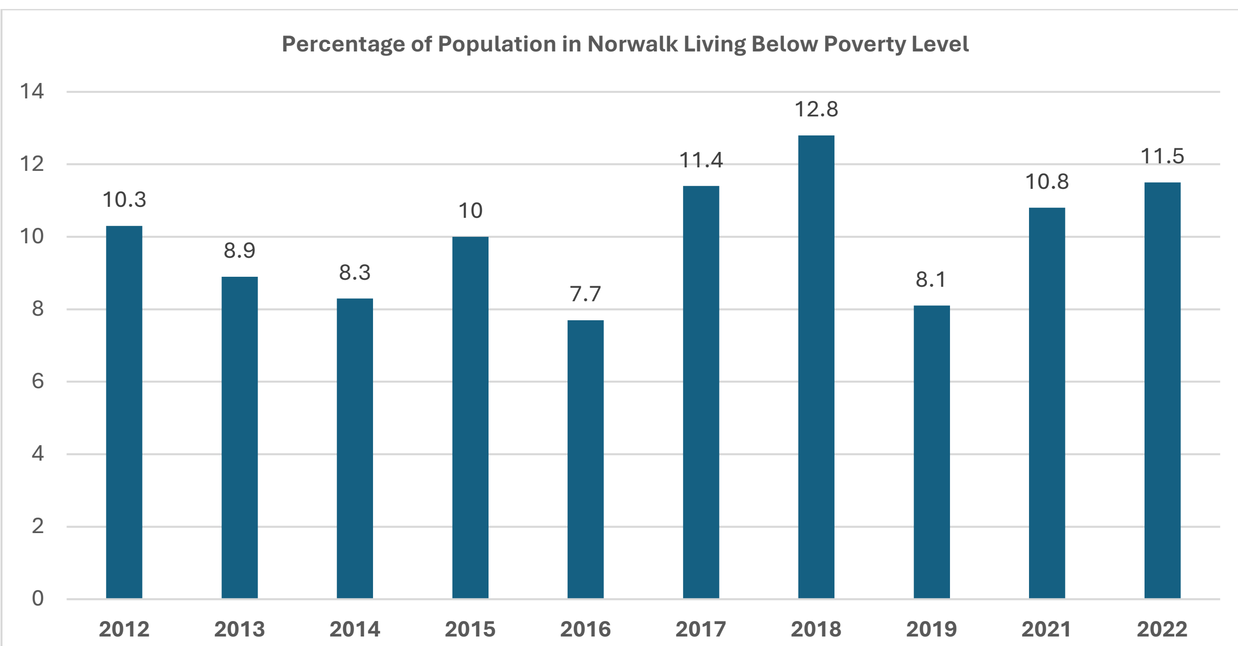
Median income levels in Norwalk vary considerably by race, with White households earning $112,143, about $40,000 higher than the median incomes of Black and Hispanic households.



Source: US Census, American Community Survey

Poverty Levels

While income levels have risen, the percentage of the population in Norwalk living below the poverty levels was higher in 2022 (11.5%) than it was in 2012 (10.3%). Also notable are the higher levels of poverty for the Black and Hispanic population, 13.2% and 18.2% respectively, than for the White and Asian Population, 6.2% and 4.9% respectively,

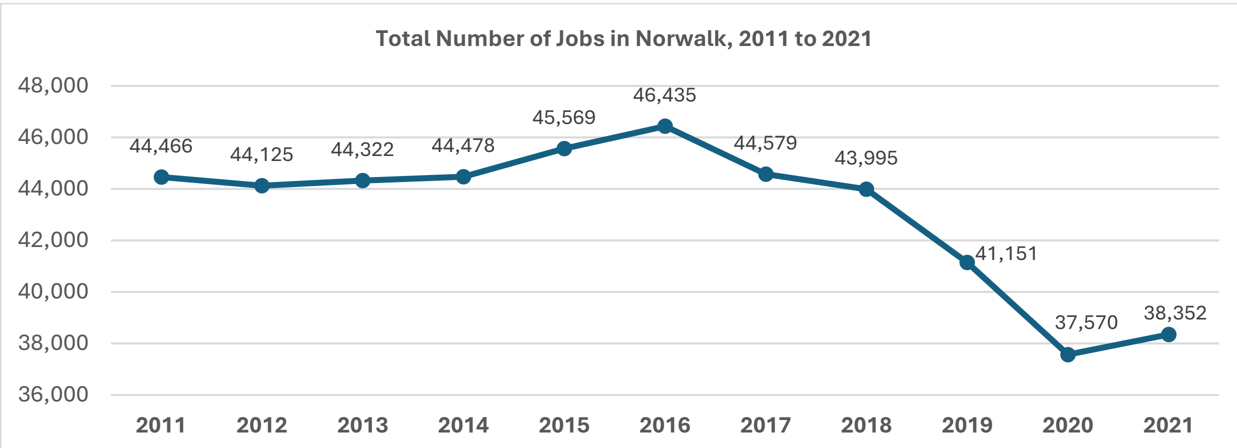


Source: US Census, American Community Survey

SECTION III: EMPLOYMENT AND COMMUTING PATTERNS

Total Number of Jobs in Norwalk

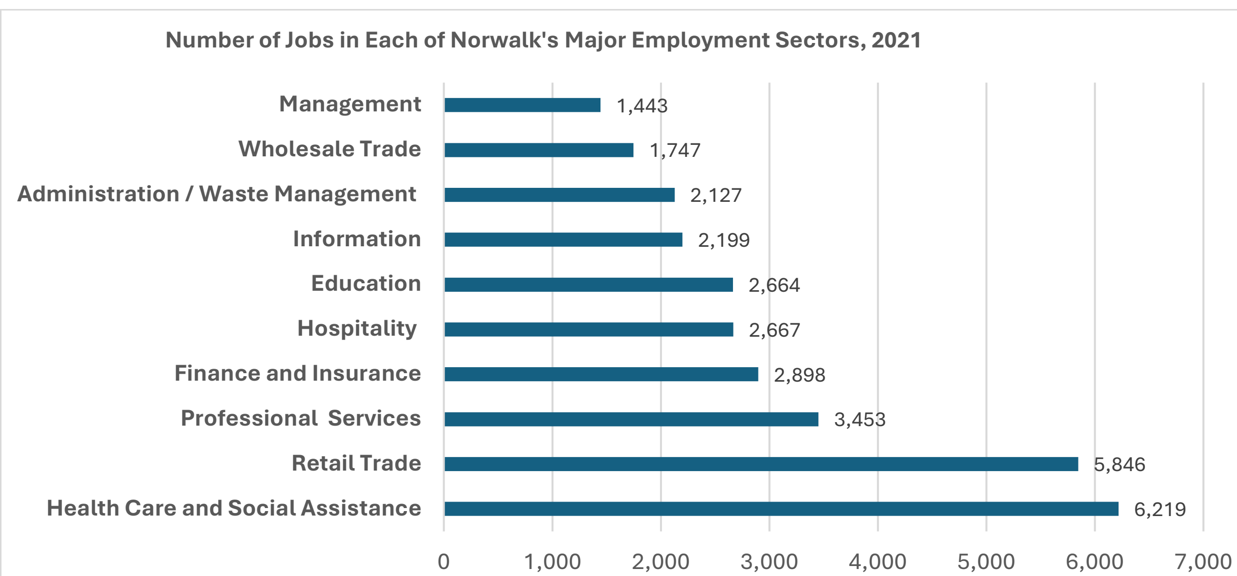
Based on US Census Longitudinal Employment Household Data, there has been a notable contraction of Norwalk's employment base. Between 2011 and 2021, the number of jobs in Norwalk fell by 16% from 44,446 jobs to 38,352 jobs. The number of jobs in Norwalk began to drop in 2016, a few years before the onset of the Covid-19 pandemic.



Source: US Census, Longitudinal Employment-Household Dynamics Data

Sectoral Composition of Norwalk's Economic Base

The three largest employment sectors within Norwalk are Health Care and Social Assistance; Retail Trade; and Professional Services. Combined, these sectors constitute more than 40% of all jobs located within Norwalk.



Source: US Census, Longitudinal Employment-Household Dynamics Data

Wages of Norwalk Workers

Approximately one-third of the jobs in Norwalk offered total annual wages in 2021 that were less than $40,000 a year.

Inflow and Outflow of Workers

As shown in the labor inflow / outflow diagram below, 28,867 or 75% of Norwalk's total workers commute into the city from other locations.

Similarly, 33,256 or 78% of Norwalk residents commute to job sites outside of Norwalk.

Only 9,477 workers employed in Norwalk, representing a quarter of the city's total workers, also reside within Norwalk. This high level of asymmetry between places of work and places of residence is at least partially indicative of the high cost of housing within Norwalk and also serves to explain the high level of traffic congestion on the city's local and regional road network.

Source: US Census, Longitudinal Employment-Household Dynamics Data

Source: US Census, Longitudinal Employment-Household Dynamics Data

Places of Employment and Residence

The municipalities housing the greatest number of Norwalk workers are Norwalk (24.7%); Stamford (9.3%); and Bridgeport (7.6%). The municipalities employing the greatest number of Norwalk residences are Norwalk (22.2%); NYC (14.3%); and Stamford (13.9%).

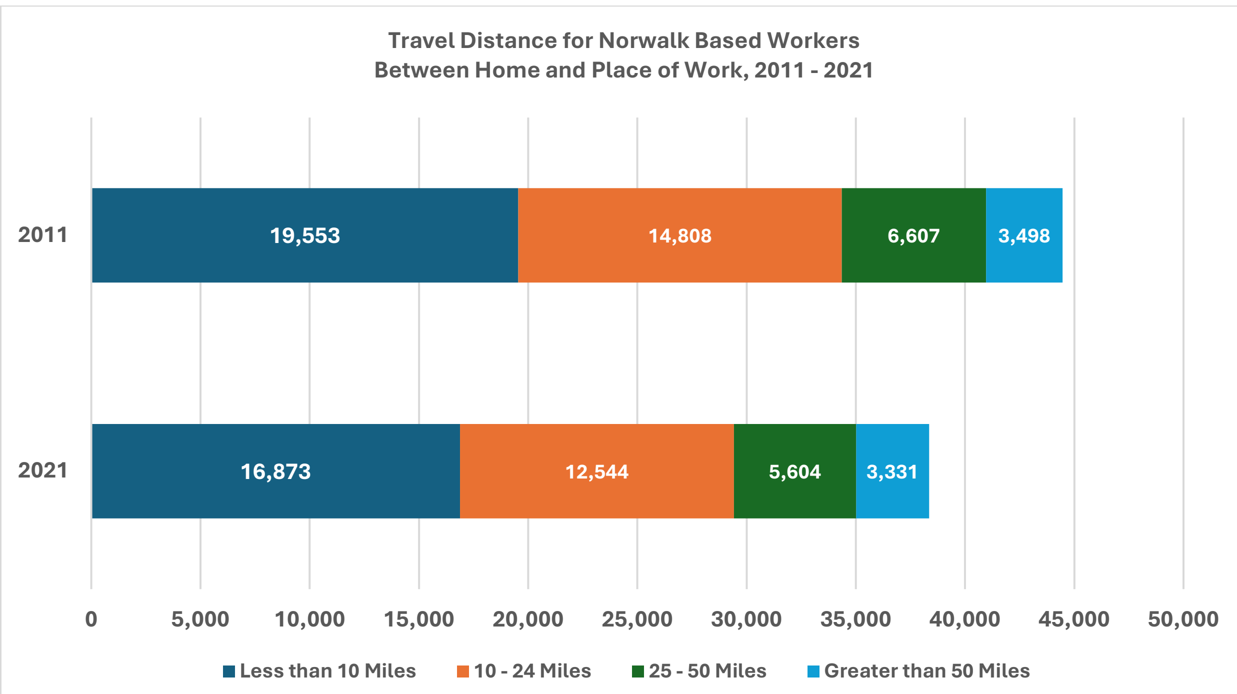
Residential Locations of Norwalk Workers, 2021		
Location	#	%
Norwalk	9,476	24.7%
Stamford	3,562	9.3%
Bridgeport	2,898	7.6%
Danbury	844	2.2%
NYC	798	2.1%
Shelton	772	2.0%
West Haven	498	1.3%
Milford	461	1.2%

Places Employing Norwalk Residents, 2021		
Location	#	%
Norwalk	9,476	22.2%
NYC	6,092	14.3%
Stamford	5,929	13.9%
Greenwich	1,300	3.0%
Bridgeport	1,159	2.7%
Danbury	896	2.1%
South Wilton	620	1.5%
New Canaan	619	1.4%

Source: US Census, Longitudinal Employment-Household Dynamics Data

Commuting Distance

Between 2011 and 2021, there was not a dramatic change in the community distances for Norwalk workers with 44% of workers travelling less than 10 miles; 33% of workers travelling 10-24 miles; 15% travelling 25-50 miles; and 9% travelling more than 50 miles. As shown in the below graphic, the absolute number of commuters fell for all distances over this ten-year period.



Source: US Census, Longitudinal Employment-Household Dynamics Data

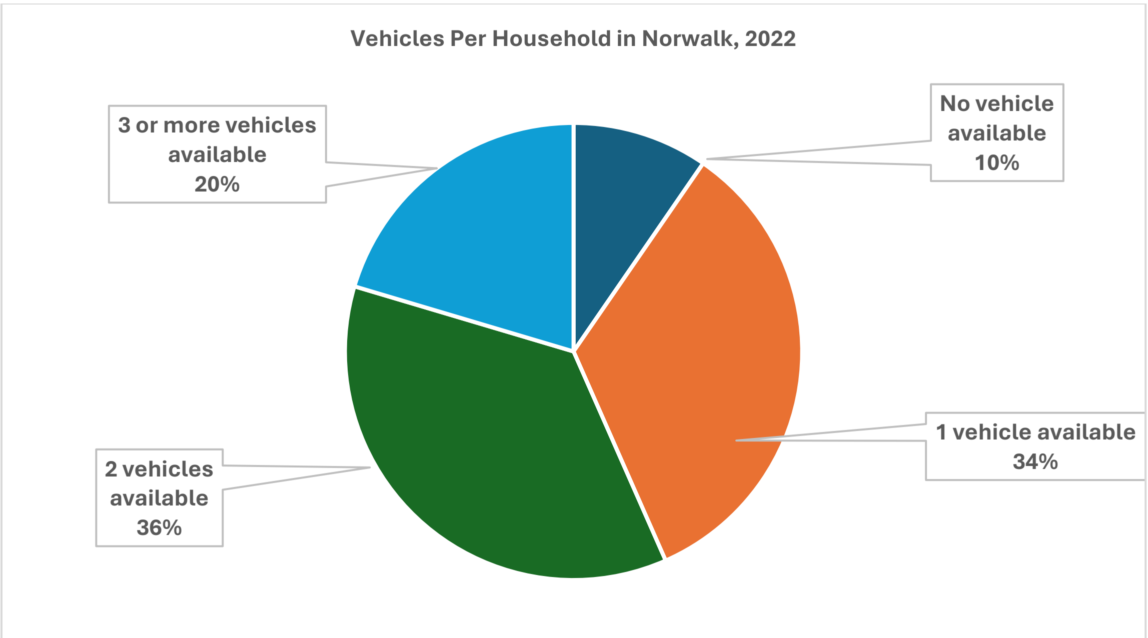
Mode Choice

Based upon a commute analysis using the location-based service data provider, Replica, approximately 90% of workers employed within Norwalk are arriving at their place of work by an automobile. Less than 2% of workers employed in Norwalk arrive by public transit. However, Norwalk residents who live and work within Norwalk do not have notably different modal behavior from Norwalk workers as a whole. Of

Norwalk residents who work within Norwalk, 87% of them reach their place of work by automobile and less than a half percent of them use public transportation.

Vehicular Access

Although Norwalk is served by multiple rail stations and bus routes, approximately 90% have access to at least one vehicle.

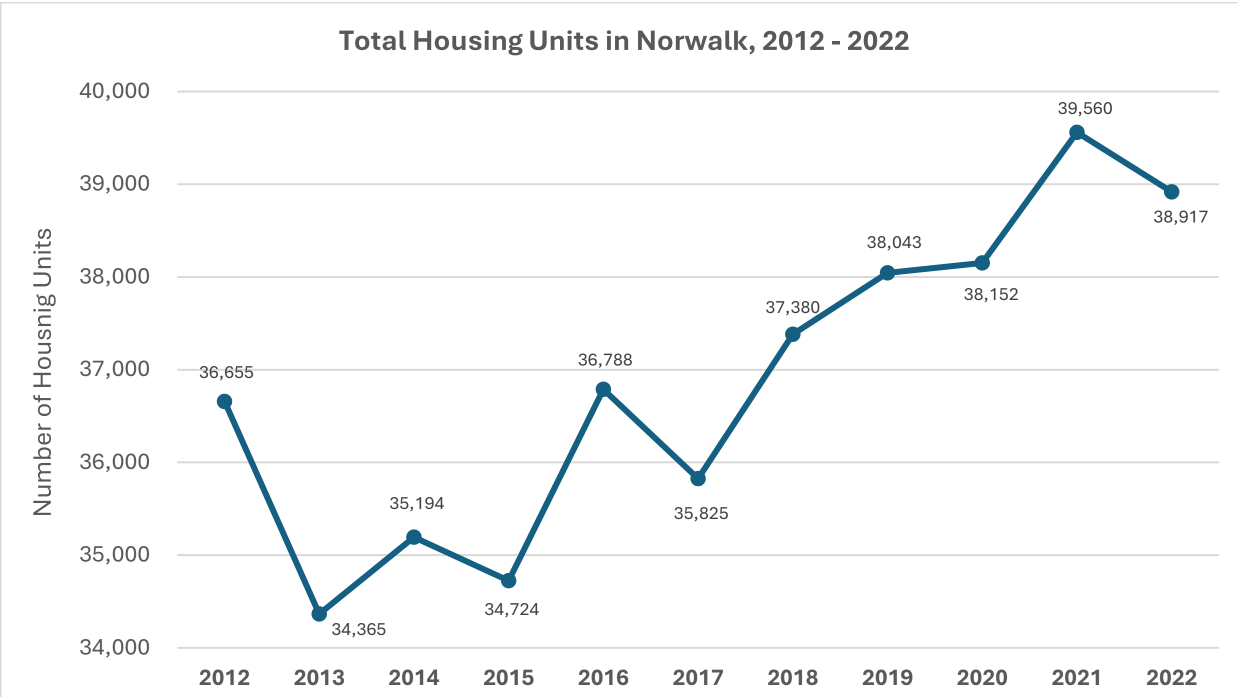


Source: US Census, American Community Survey

SECTION IV: HOUSING INVENTORY AND CONDITIONS

Housing Supply

Between 2012 and 2022, the number of housing units in Norwalk increased by 6% from 36,655 units to 38,917 units. This rate of increase is higher than the rate of increase (5%) of the city's population during the same period. It should be noted that total unit counts may decline in certain years as a result of demolitions performed to enable the construction of additional housing. The City is continuing to track and project its total housing inventory.



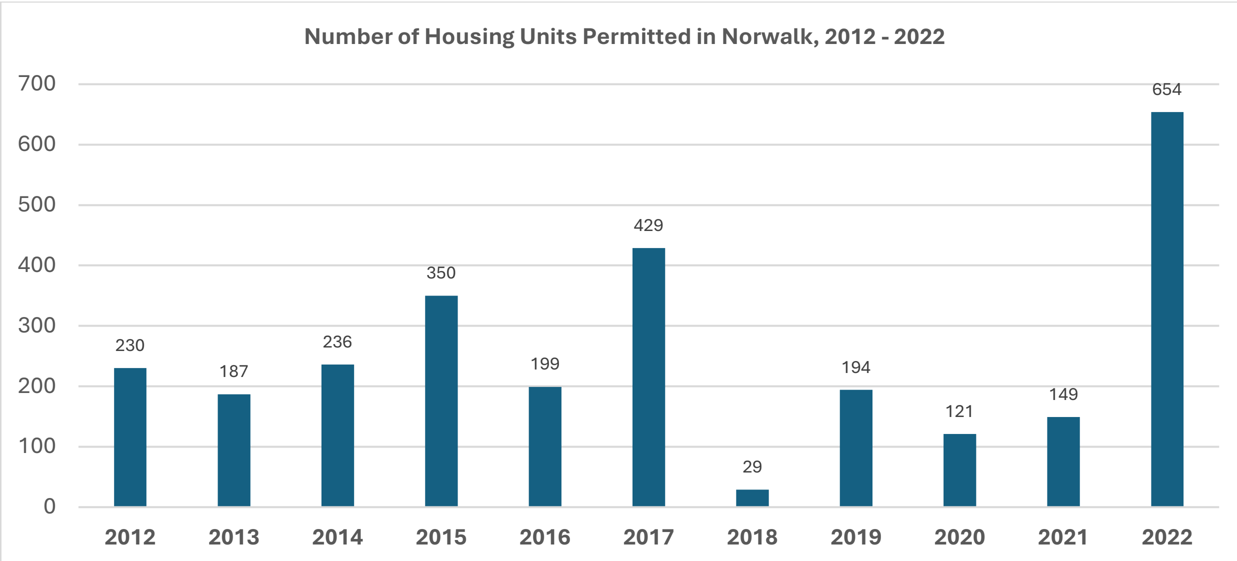
Source: US Census, American Community Survey

The vast majority of Norwalk's housing supply was built before the year 2000, with more than a fifth of the housing supply constructed prior to 1940.

Time of Residential Unit's Construction				
Type of Building	Norwalk		Western Connecticut	
	Units (#)	Units (%)	Units (#)	Units (%)
2020 or later	-	0	2,027	0.9
2010 to 2019	2,421	6.7	19,306	8.2
2000 to 2009	2,346	6.5	22,512	9.6
1980 to 1999	6,435	17.8	44,989	19.1
1960 to 1979	10,140	28.1	65,608	27.9
1940 to 1959	7,138	19.7	43,804	18.6
1939 or earlier	7,669	21.2	36,980	15.7

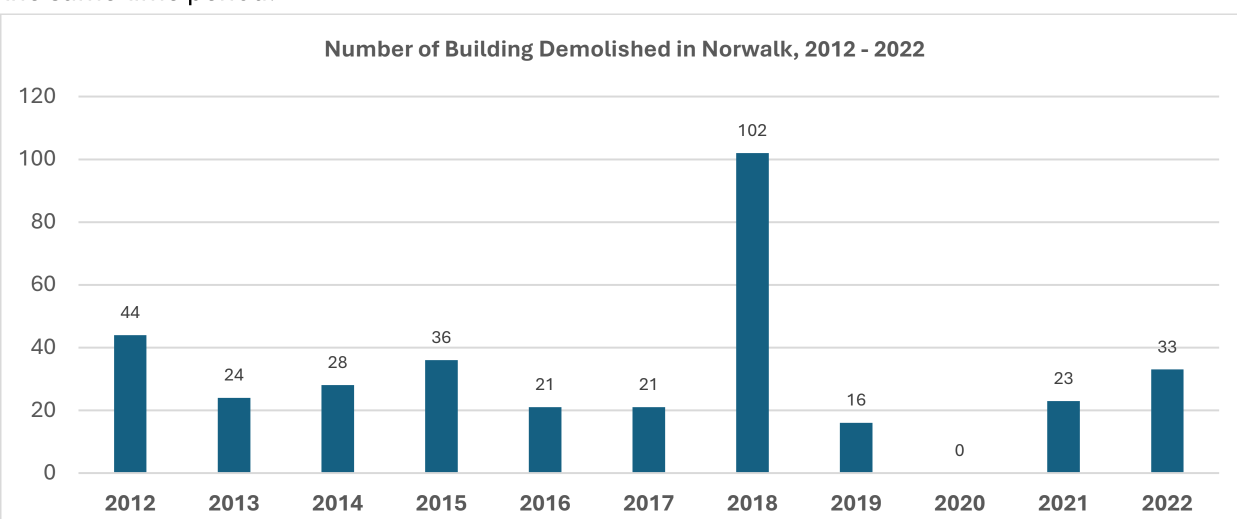
Source: US Census, American Community Survey

Over the last ten years, the annual number of building permits granted for the construction of residential units reached its highest (654 units) in 2022. The vast majority (96%) of the housing permits granted in 2022 were for multi-family units in buildings with more than 5 units.



Source: Connecticut Department of Community and Economic Development

Since 2012, Norwalk has demolished a total of 348 buildings representing an unknown number of units. The data presented below shows that the number of demolitions (102) was greatest in 2018, possibly coinciding with the tear down of Washington Village. In many cases, the demolition of a building was followed by the construction of a larger multi-family building with more units than the original building. This pattern may explain the rise and fall of total building units in Norwalk during the same time period.



Source: Connecticut Department of Community and Economic Development

Density of Residential Buildings

As in the Western Connecticut Region, the majority of housing units (53%) in Norwalk are single family homes, whether attached or detached. However, the share of multi-family units is higher in Norwalk (46%) compared to Western Connecticut (34%), Danbury (40%) but lower than of Stamford (60%) and Bridgeport (58%).

Number of Units by Type of Residential Building, 2022				
Type of Building	Norwalk		Western Connecticut	
	Units (#)	Units (%)	Units (#)	Units (%)
Single Family Detached Home	16,379	45.3	136,547	58
Single Family Attached Home	2,896	8	17,677	7.5
Two-unit Home	3,587	9.9	13,882	5.9
Thee or Four Unit Apartment Building	4,577	12.7	14,294	6.1
Five to Nine Unit Apartment Building	1,687	4.7	7,254	3.1
Apartment Building with 10+ Units	6,907	19.1	44,403	18.9

Source: US Census, American Community Survey

Types of Housing Units

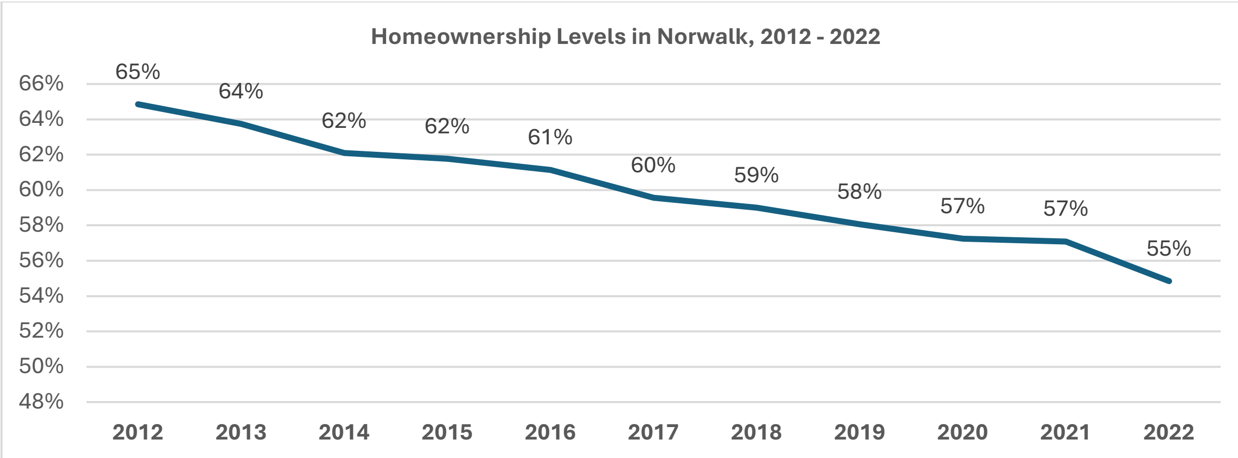
The vast majority (74%) of housing units in Norwalk consist of homes with at least two bedrooms.

Number of Bedrooms in Norwalk Housing Units				
Type of Building	Norwalk		Western Connecticut	
	Units (#)	Units (%)	Units (#)	Units (%)
No bedroom	1259	3.5	7142	3
1 bedroom	7914	21.9	32308	13.7
2 or 3 bedrooms	19143	53	117747	50.1
4 or more bedrooms	7833	21.7	78029	33.2

Source: US Census, American Community Survey

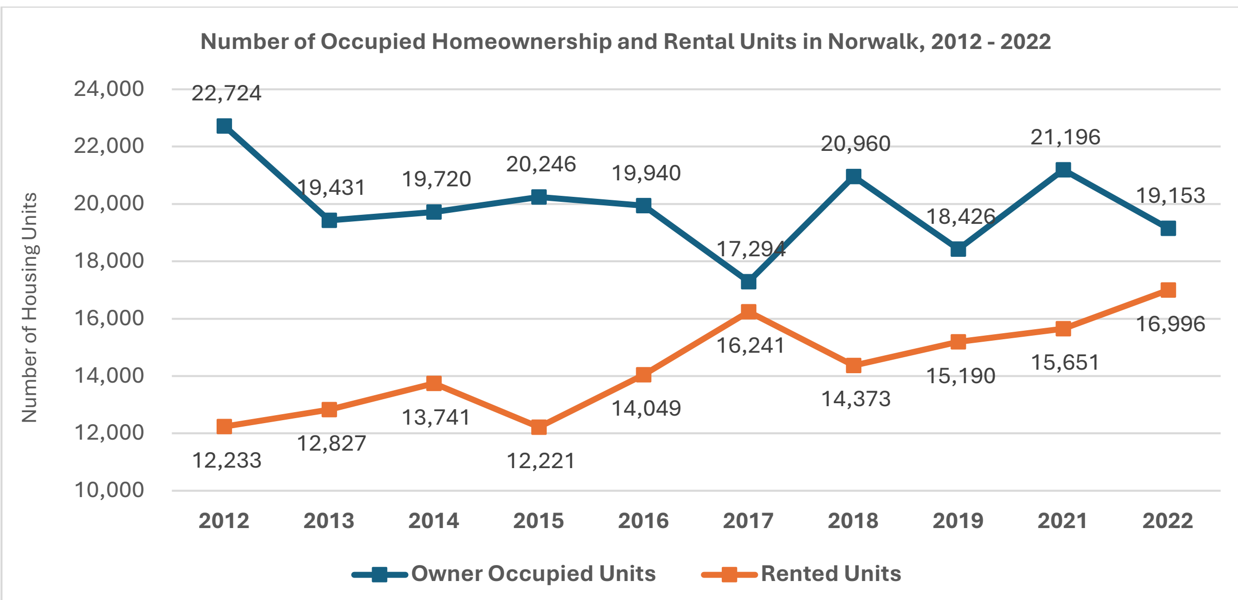
Homeownership Levels

Between 2012 and 2022, the percentage of total housing units occupied the owner fell steadily from 65% to 55%. Homeownership rates are highest for householders identifying as White (68%) compared to other racial or ethnic groups including Black (44%), Asian (42%), and Hispanic (36%).



Source: US Census, American Community Survey

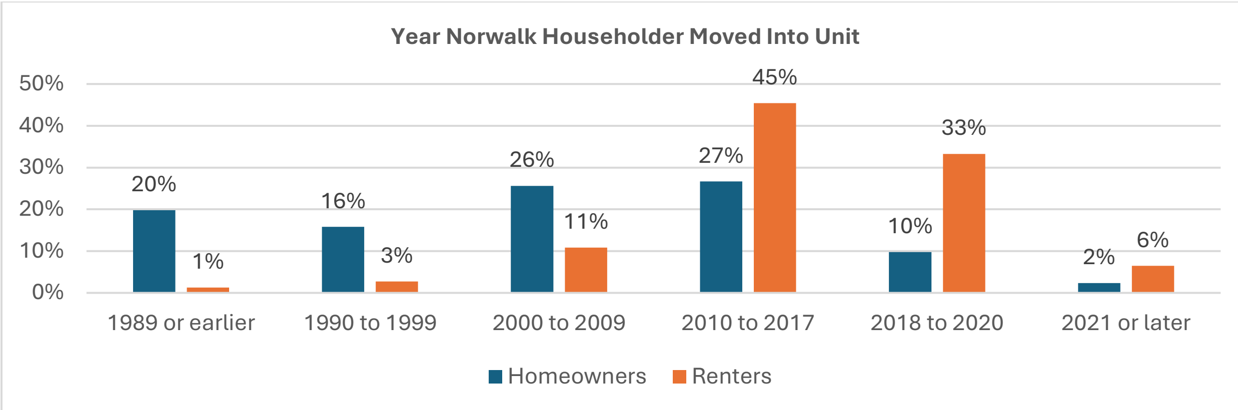
In raw numbers, the number of occupied owner units fell by 16% from 22,724 units in 2012 to 19,153 units in 2022. During this same period, the number of occupied rental units increased by 39% from 12,233 units in 2012 to 16,996 in 2022.



Source: US Census, American Community Survey

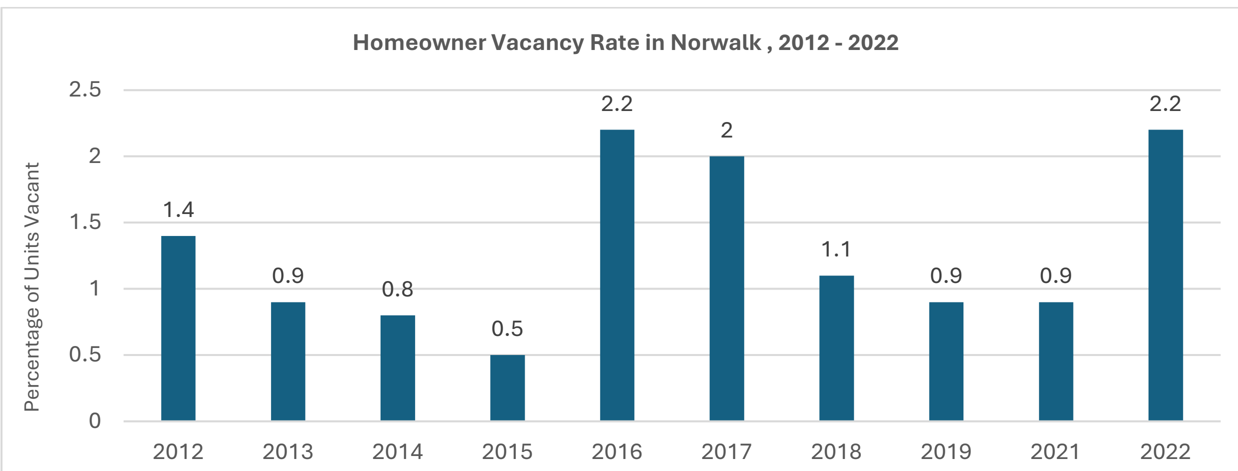
Occupancy Trends

Indicative of the fluidity in Norwalk's rental market is the high percentage (39%) of renters who moved into their units after 2018. In contrast, only 12% of homeowners moved into their homes after 2018.

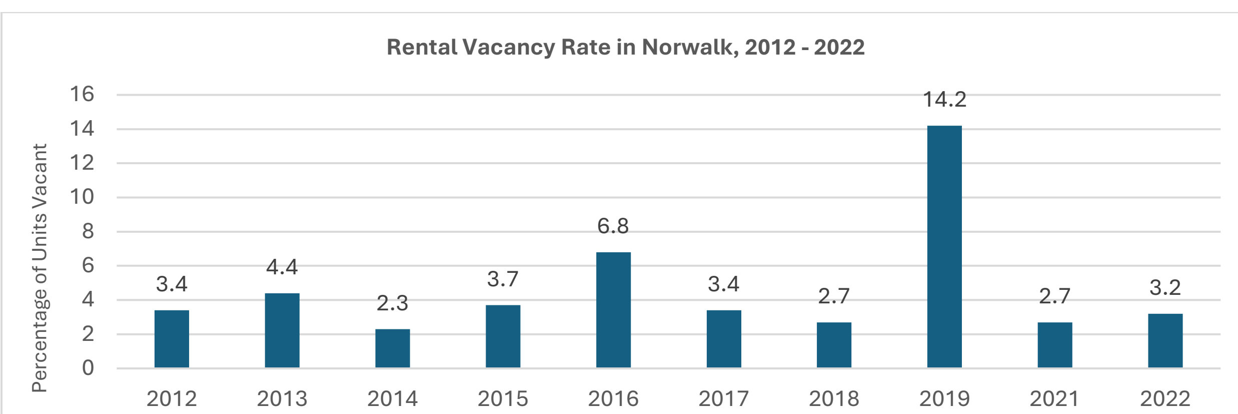


Source: US Census, American Community Survey

The vacancy levels in 2022 for Norwalk's homeownership buildings (2.2%) and rental buildings (3.2%) is not significantly different from these rates in 2012. Overall, for both rentals and ownership units, the level of vacancy in Norwalk has been consistently low, indicative of the great challenge that all households face when seeking housing units as well as the unique threat of displacement experienced by lower income households. The homeownership and rental vacancy levels in 2022 were respectively .9% and 4.3% for Stamford and 1.6% and 2.0% for Bridgeport.

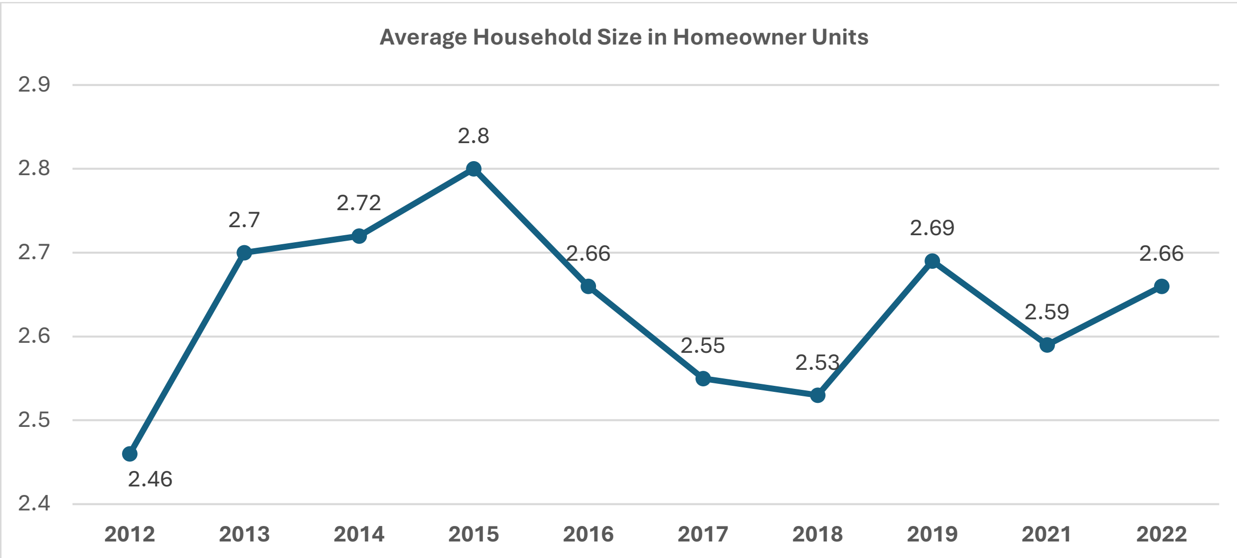


Source: US Census, American Community Survey

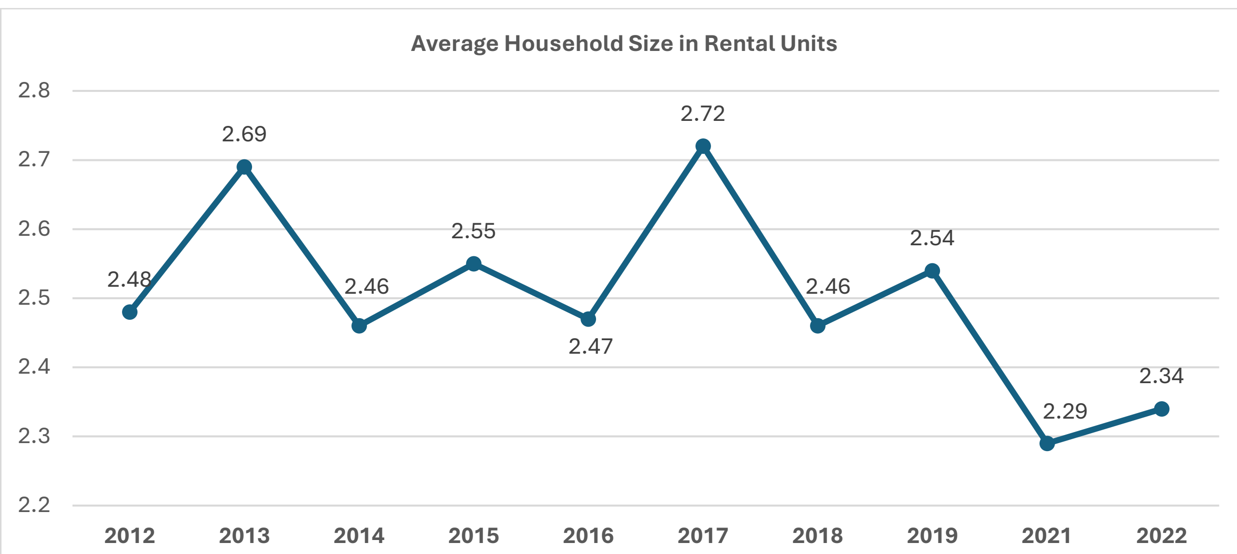


Source: US Census, American Community Survey

As shown in the tables below, the average household size for homeownership units in Norwalk increased from 2.46 persons in a household in 2012 to 2.66 persons. The rental market followed a different trend that perhaps reflects the increased occupancy of rental units by singles, young couples, and seniors without children at home. The average household size of a rental unit in Norwalk fell from 2.48 persons in 2012 to 2.34 persons in 2022.



Source: US Census, American Community Survey; 2020 Data is not available.



Source: US Census, American Community Survey; 2020 data is not available

Affordability Trends

Affordable Units

Norwalk's housing inventory includes units that are considered "affordable" for the purposes of compliance with Connecticut's affordable housing requirements as specified under Connecticut General Statute 8-30g. Under the statute, Connecticut localities can be subject to a state appeals process for proposed affordable housing development if their total inventory of affordable units represents less than 10% of the localities' total supply.

It should be noted that the definition of "affordable" under this statute includes a variety of units including (1) "assisted housing"; (2) housing currently financed by Connecticut Housing Finance Authority mortgages or by US Department of Agriculture; (3) housing subject to deeds and conditions restricting its sale or rental to low-and moderate-income people, and (4) mobile homes or accessory apartments subject to certain deed restrictions.

Housing units may be considered affordable even for households with incomes at 80% of state median income so long as they are paying no more than 30% of their income toward housing. Meanwhile, housing units that may be naturally affordable to a household whether due to market forces, long-term tenure, or paying off a mortgage are not factored within the inventory performed for 8-30g compliance. As such, the inventory of 8-30g units, as presented in the table below, is an imprecise representation of affordability conditions within a locality. Based upon data provided by the City of Norwalk, approximately 13.7% of the city's total housing stock is considered affordable. As such, Norwalk is exempt from the 8-30g appeals process.

HOUSING UNITS CONSIDERED AFFORDABLE AS PART OF SECTION 8-30G COMPLIANCE	
Type of Unit	**Number of Units**
Housing Authority Units	
Senior Housing Units	429
Family Units	848
Soundview Landing Units (Affordable only)	208
Deed Restricted Units	
Workforce Units	240
Other Units	466
Government Assisted Units (excluding Soundview)	2,080
Housing Vouchers	1,061
Total "Affordable" units	5,332
Total Housing Units in Norwalk (2022 ACS)	38,917
Percentage Affordable Units	14%

Source: City of Norwalk

Although the inventory of 8-30g units does not offer an accurate assessment of the affordability of all units within a community, it is helpful to compare the level of compliance of Norwalk with those of its neighboring communities. As shown below, Norwalk's share of affordable units (14%) is higher than that of all of the smaller communities that immediately surround it.

Housing Units Deemed "Affordable" Under 8-30G Compliance Process		
Locality	#	%
Norwalk	5,332	14%
Stamford	7,936	14%
Darien	297	4%
New Canaan	295	4%
Wilton	233	4%
Westport	398	4%
Fairfield	671	3%
Bridgeport	12,174	21%

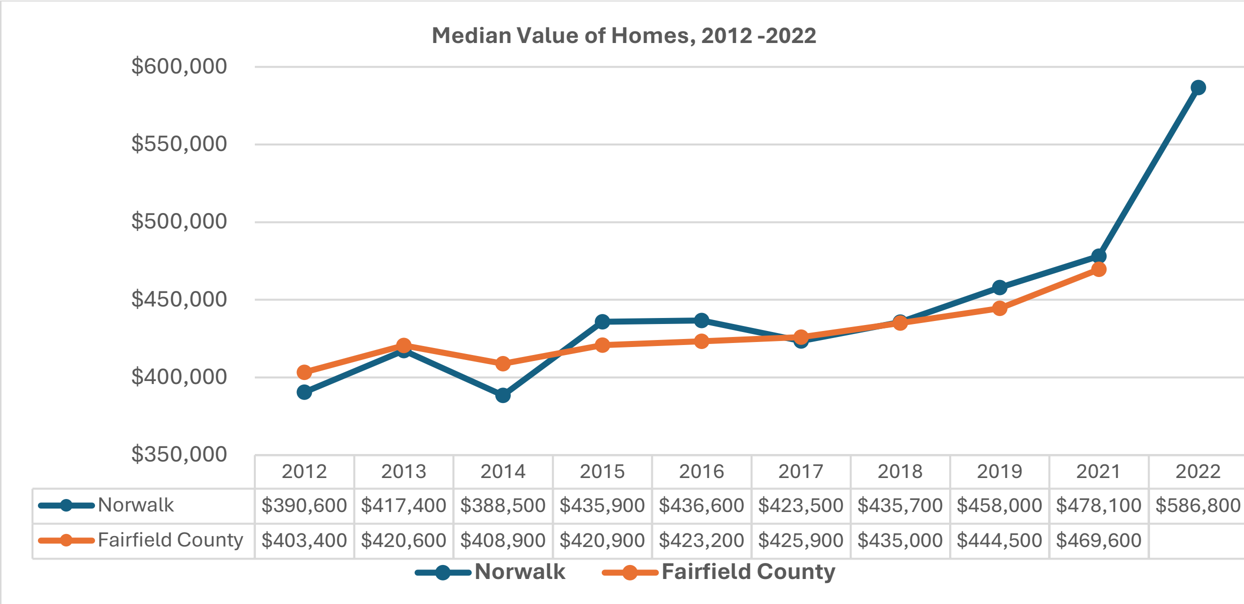
Source: Connecticut Department of Housing, 2023

Norwalk Housing Authority Units and Vouchers

The Norwalk Housing Authority (NHA) serves just over 2,000 low-income families either through Section 8 housing vouchers income or through income restricted housing units that it either owns or operates. There are a large number of households (1,896) on the waiting list for NHA's units including its public housing, senior, Colonial Village, and 16 School Street units. Waiting lists are generally closed due to the large number of applicants waiting for an available NHA unit. Currently, waiting lists are only open for senior housing units and for two bedroom apartments at Colonial Village. The turnover for the Authority's housing units is under 18 units per year for any kind of unit. Similarly, a very low number of housing vouchers (under 25) becomes available to new residents in any given year due to low turnover rates for voucher holders as well as the lack of increase in the net number of vouchers. The Authority is currently increasing the supply of income restricted units through the construction of 60 additional affordable units at Colonial Village and the addition of two additional units at Meadow Gardens upon completion of its rehabilitation.

Housing Costs for Homeowners

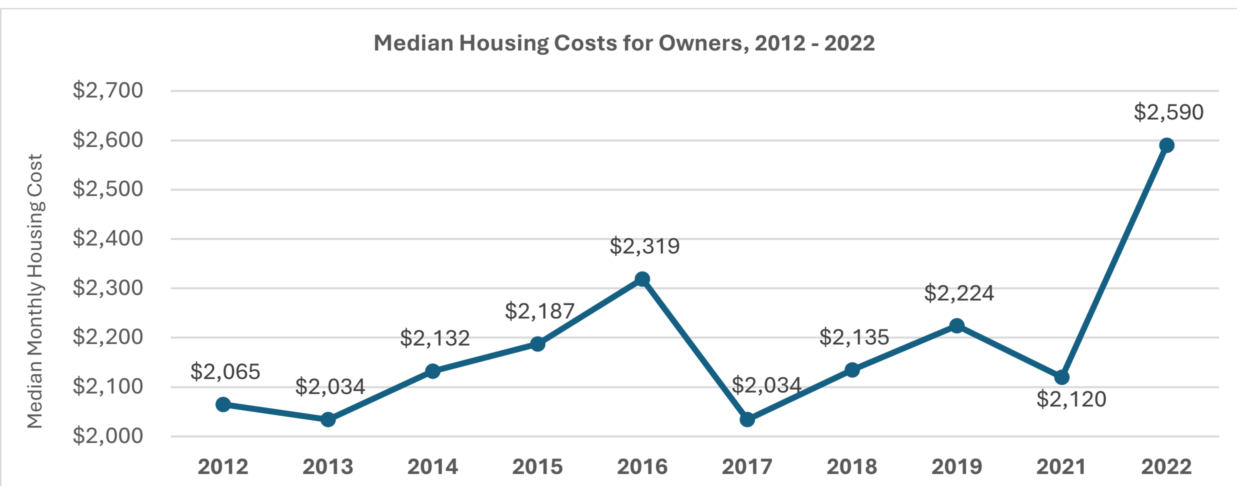
Over the last ten years, the value of homes in Norwalk (not just homes on the market but all homes occupied by owners) gradually increased and then soared from 2021 to 2022, reaching a median value of $586,800. Note that this data refers to the entire universe of homes within Norwalk. Data related to the listing prices of homes on the market is presented in the forthcoming section on market trends.



	2012	2013	2014	2015	2016	2017	2018	2019	2021	2022
Norwalk	$390,600	$417,400	$388,500	$435,900	$436,600	$423,500	$435,700	$458,000	$478,100	$586,800
Fairfield County	$403,400	$420,600	$408,900	$420,900	$423,200	$425,900	$435,000	$444,500	$469,600	

Source: US Census, American Community Survey; Data is not available for 2022 for Fairfield County.

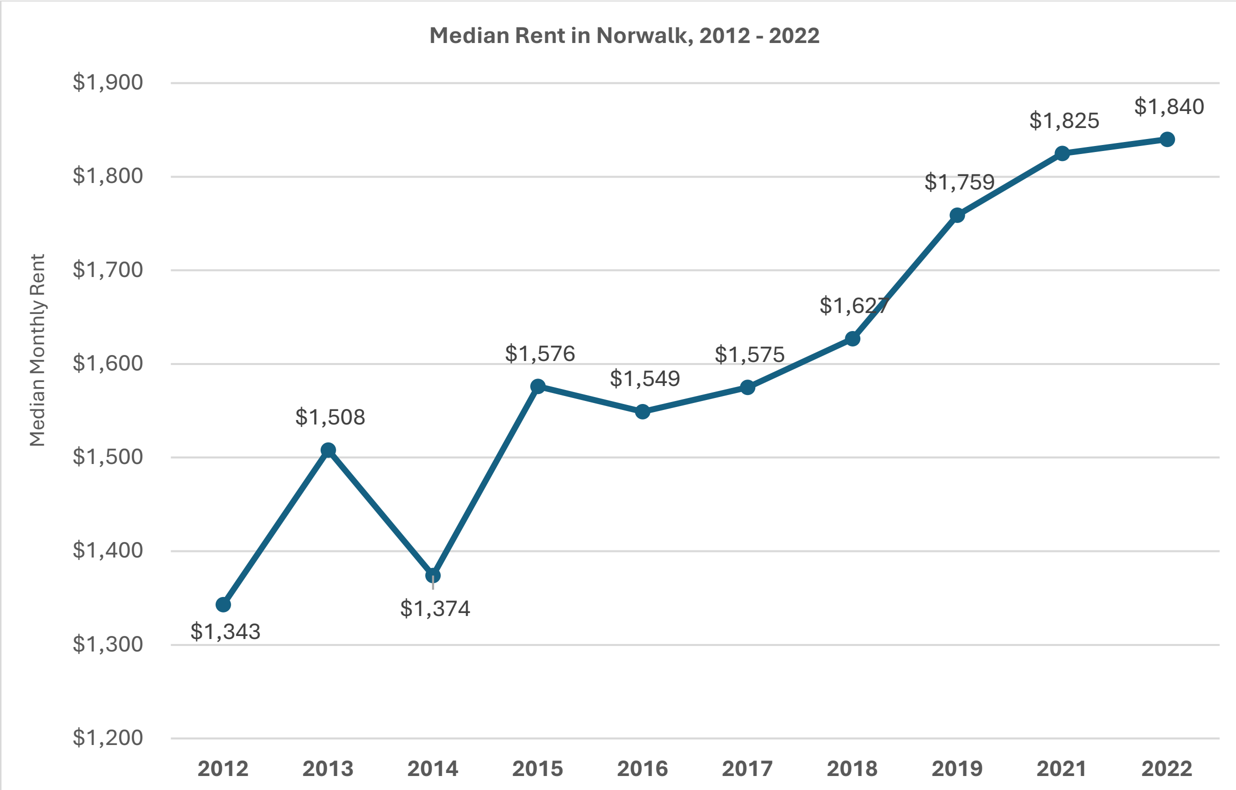
These higher values of Norwalk's homeowner units correlate with higher monthly housing costs for homeowners which similarly jumped from a median monthly cost of $2,120 to $2,590. These monthly housing costs include mortgages or other property debts, rent, real estate taxes, property insurance, utilities, and fuels.



Source: US Census, American Community Survey; Data is not available for 2020.

Housing Costs for Renters

As with homeowners, renters also faced rising monthly housing costs over the last ten years. Between 2012 and 2022, the median rent in Norwalk rose from $1,343 to $1,840.



Source: US Census, American Community Survey; Data is not available for 2020.

Housing Cost Burden Analysis

A household paying more than 30% of its household income toward housing costs is considered to be housing cost burdened. In order to measure the degree to which Norwalk households are cost burdened, data was analyzed from the US census for different income bands for all residents, homeowners, and renters. The table below summarizes the findings from the analysis. Income bands are presented as a percentage of the Connecticut State Median Income in 2022. The data helps to reveal the wide gap between the number of affordable units available to Norwalk residents and the supply of these units.

Percentage of Households Cost Burdened by Income Level in Norwalk (2022)						
	All Occupied Units		Owner Occupied Units		Rental Units	
Income Band	36,149		19,153		16,996	
Below 22% SMI [Less than $20,000]	3,988	99%	783	100%	3,205	99%
23% SMI - 39% SMI [$20,000 to $34,999]	1,870	100%	576	100%	1,294	100%
40% SMI - 55% SMI [$35,000 to $49,999]	1,816	92%	897	96%	919	89%
56% SMI - 82% SMI [$50,000 to $74,999]	2,387	60%	992	65%	1,395	57%
Over 83% SMI [$75,000 or more]	3,925	17%	2,744	18%	1,181	14%
Total Cost Burdened Units	13,986		5,992		7,994	
Percentage of All Units Cost Burdened	39%		31%		47%	

Source: US Census, ACS

Housing Cost Burden for All Residents

The data shows that almost 14,000 or 39% of all Norwalk households are paying more 30% of their income toward housing costs in 2022. Notably, the overall cost burden rate for all residents in 2012 was actually higher at 43%. As is always the case, cost burden levels increase as income levels falls. As such, the majority of households making less than 83% SMI are cost burdened while less than one-fifth of households making more than 85% SMI are cost burdened. The need for more affordable housing is especially acute for households making less than 56% SMI. To meet the most pressing affordable housing needs for Norwalk's population at large, there would need to be 7,674 units affordable to households making less than 56% SMI.

Housing Cost Burden for Homeowners

The data shows that almost 6,000 or 31% of Norwalk homeowner households are paying more 30% of their income toward housing costs in 2022. Notably, the overall cost burden rate for homeowners in 2012 was significantly higher at 43%. The significant decline in cost burdened homeowners over this past decade may be attributable to the general decline in homeownership and the rising representation of homeowners by high income households better able positioned to meet more rigid lending requirements.

As with households in general, the affordability gap is highest for lower income households. Whereas the majority of owners making less than 83% SMI are cost burdened, less than 1/5th of owners making more than 83% SMI are cost burdened. Cost burdens for owners are especially acute for households making less than 56% SMI. In order to close the affordability gap for these residents, there would need to be 2,256 homeownership units affordable to households making less than 56% SMI.

Housing Cost Burden for Renters

Compared to homeowners, a much greater number and share of renter are cost burdened. Almost 8,000 households, representing 47% of all renters in 2022, are cost burdened. Unlike owners, the share of cost burdened renters has increased over the last decade. In 2012, only 44% of renters or 5,358 households were cost burdened. To close the gap for the most cost-burdened income bands, those households making less than 56% SMI, there would need to be 5,418 affordable apartment rentals.

Share of Total Cost Burdened Households by Different Income Bands

The preceding analysis focused on the number and share of cost burdened households within each income class. Another way of analyzing cost burden data is to analyze the entire universe of cost burdened households, summing to almost 14,000 households, and identify its composition by different income bands and tenure classes. This approach allows us to identify the sub-populations most in need of an increased supply of affordable housing.

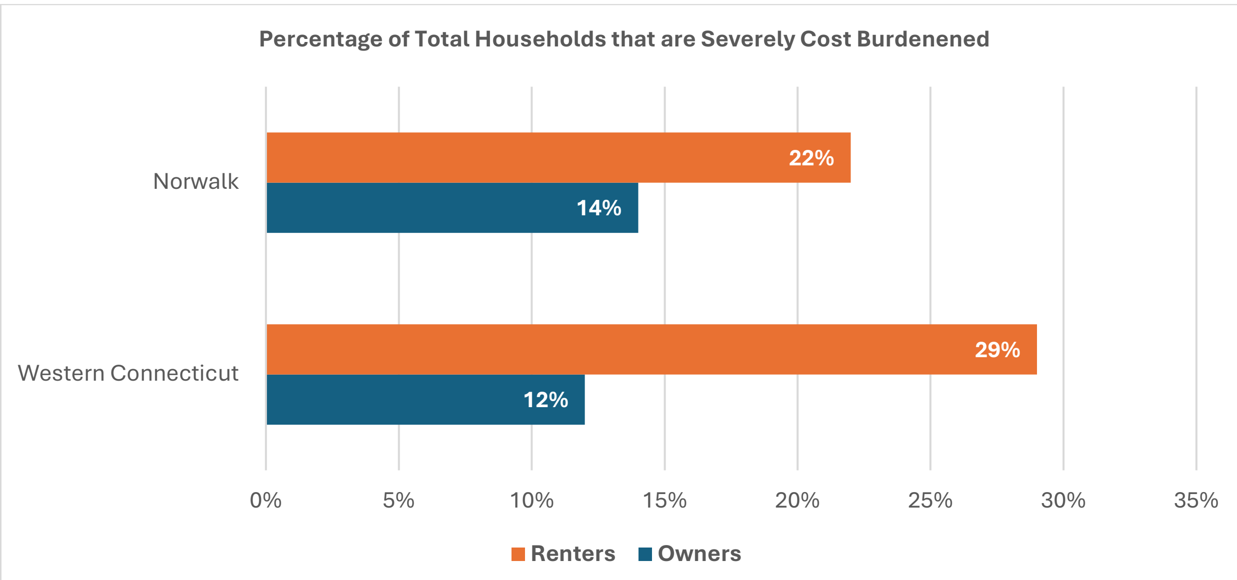
The table below shows that 72% of all cost burdened households in Norwalk consist of households making less than 83% SMI. Moreover, 57% of the City's cost burdened households are renters. The sub-population that represents the greatest share of total cost burdened are renters making less than 22% SMI. This sub-population, constituting 3,205 households, is also at greatest risk of experiencing homelessness or displacement as a result of their high level of housing cost burden.

Share of Cost Burdened Households by Income Level in Norwalk (2022)			
	All Units	Owner Units	Rental Units
Below 22% SMI [Less than $20,000]	29%	6%	23%
23% SMI - 39% SMI [$20,000 to $34,999]	13%	4%	9%
40% SMI - 55% SMI [$35,000 to $49,999]	13%	6%	7%
56% SMI - 83% SMI [$50,000 to $74,999]	17%	7%	10%
Over 83% SMI [$75,000 or more]	28%	20%	8%
Under 83% SMI	72%	23%	49%
Share of Total Cost Burdened Households	100%	43%	57%

Source: US Census, ACS

Severely Cost Burdened Households

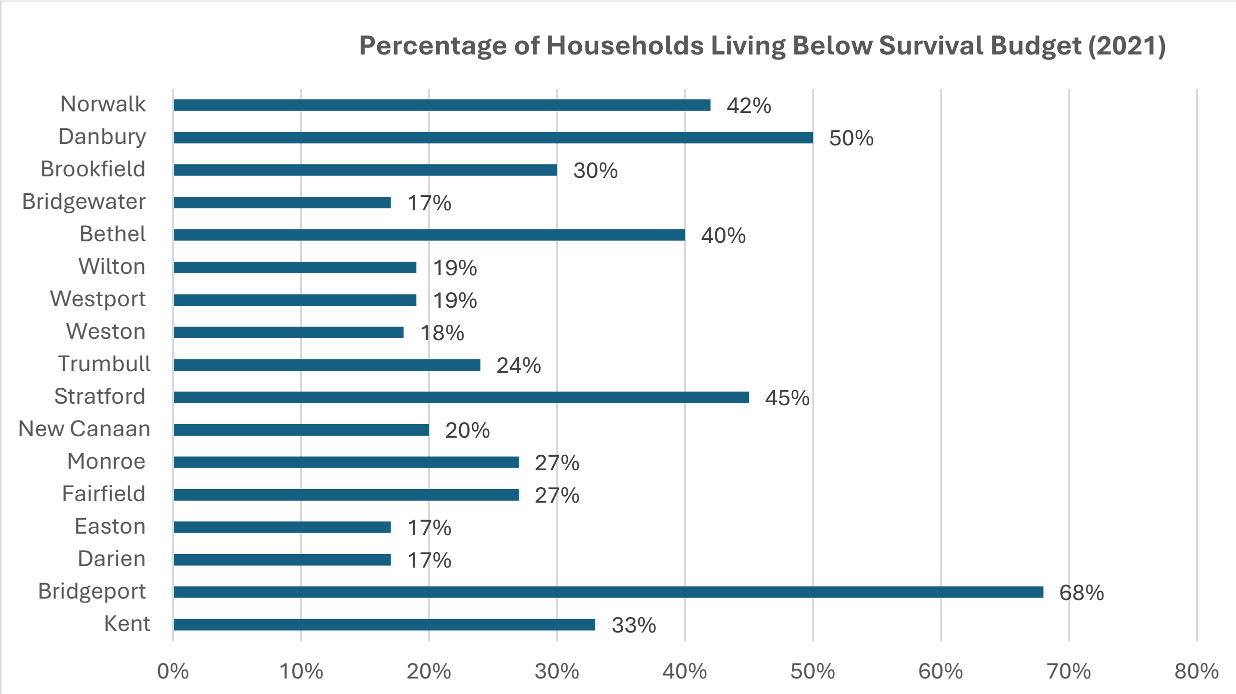
Households spending more than 50% of their income are considered to be severely cost burdened. The chart below shows that 22% of Norwalk's renters and 14% of its owners are severely cost burdened.



Source: US Census, ACS

Cost of Living Burden

Housing cost burden data from the census only includes housing costs and does not estimate the degree to which households are burdened by additional costs of living including childcare, food, transportation, utilities, and taxes. To more accurately determine the degree to which households are burdened not only by housing costs but also the broader costs of living, the United Way determines the percentage of households that are living below an estimated survival budget within each municipality. The table below shows that 44% of Norwalk households are living below the survival budget.

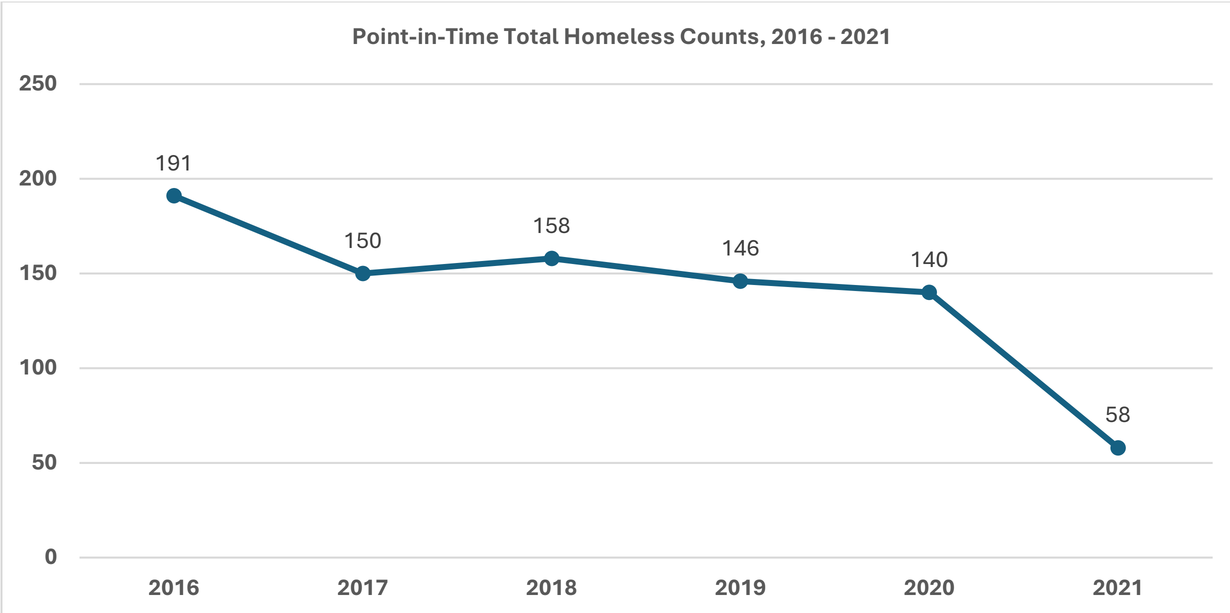


Source: US Census, ACS

Homelessness

Homeless counts, derived from Point-in-Time data collection efforts, shows that the homeless population in Norwalk fell by 70% from 2016 to 2021. This dramatic drop is attributable to a combination of factors including the aggressive intervention of homeless service providers such as Open Doors; housing and vouchers provided by the Norwalk Housing Authority; Connecticut's Zero, 2016 state initiative to end homelessness; and robust federal funding support for homeless prevention programs and shelters.

While this positive trend points to Norwalk's success in curbing chronic homelessness, there are enduring challenges related to housing security in Norwalk. Not all homeless persons are captured by the point-in-time data. Moreover, the long-term effects of the Covid pandemic including the expiration of eviction protections alongside the significant shortage of housing for very low-income households have increased the risk of homelessness. Over the last year, there has been an increased spike in the homeless population in Connecticut generally, which has in turn translated into increased demands on Norwalk's shelter system. In fiscal year 2023, Open Doors served 149 homeless individuals compared to 153 individuals it has served just the first five months of fiscal year 2024. Rising rents and reduced inventory are raising concerns that Norwalk's very-low income households, such as those earning less than 50% of area median income, are becoming increasingly vulnerable to homelessness or at least displacement from the City.

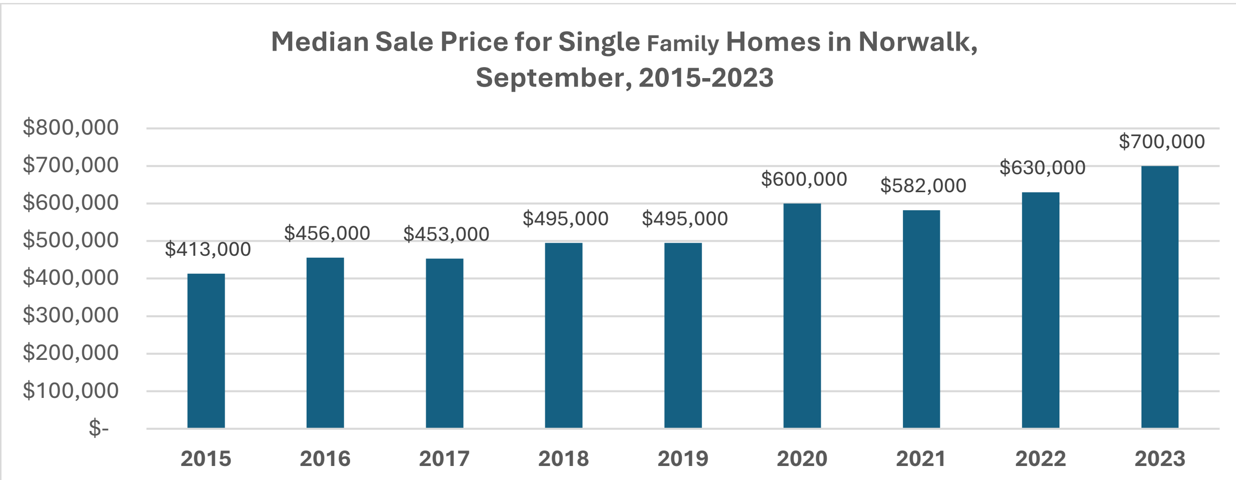


Source: Connecticut Coalition to End Homelessness

SECTION IV: HOUSING MARKET TRENDS

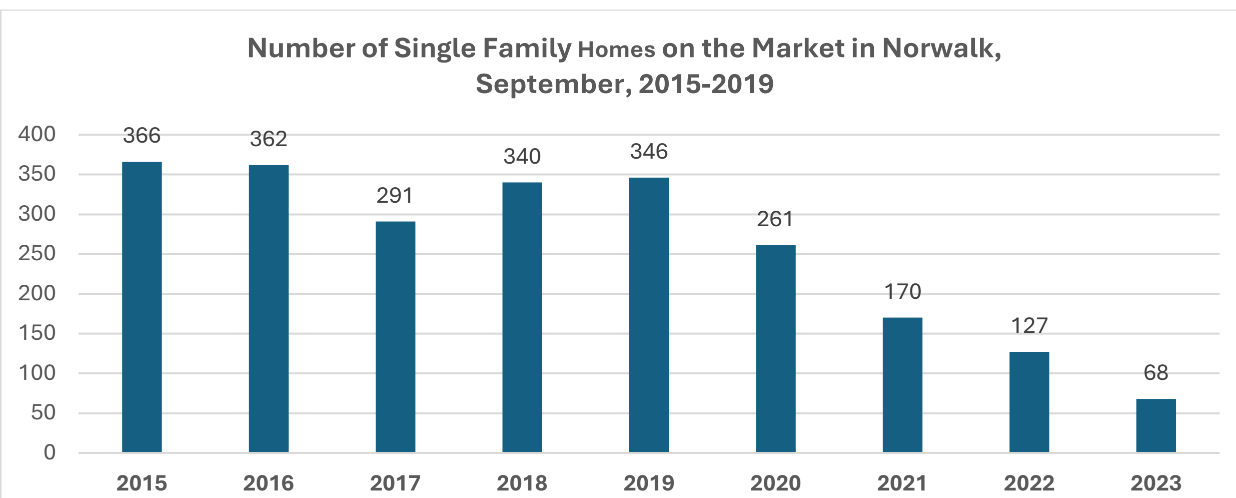
Homeownership Market

Since 2015, there has been a steady increase in the median sales price for single family homes in Norwalk, rising by 41% from $413,000 in September 2015 to $700,000 in September 2023. During this same period, the median sales price for single family homes in Fairfield County grew even more dramatically, rising by 55% from $367,000 in 2015 to $570,000 in 2023.



Source: RedFin

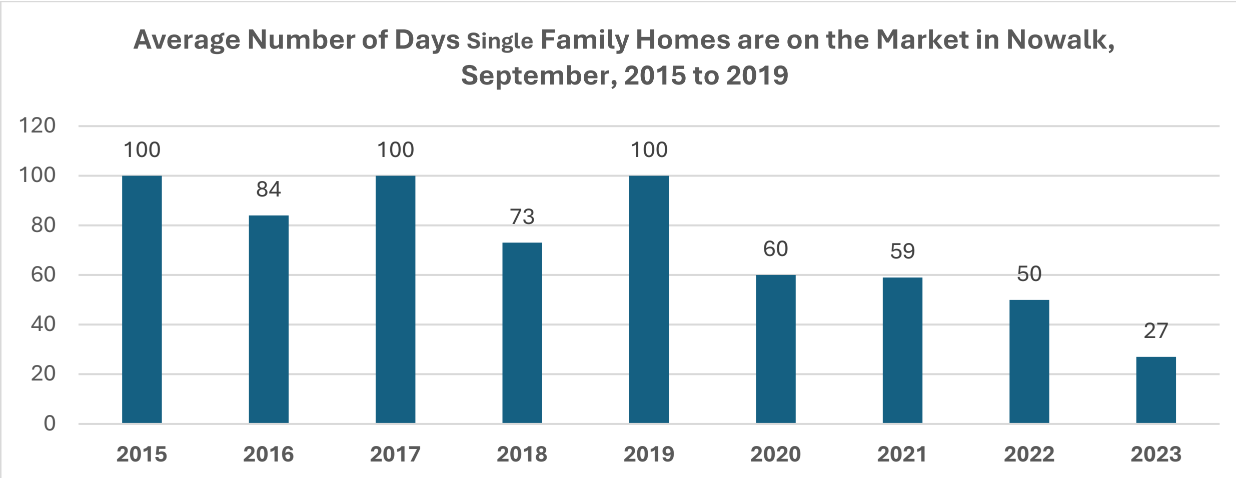
This housing market trend is further reflected by the plummeting of the sales inventory on the market. The number of single family homes on the market in Norwalk fell by 81% from 366 units in September 2015 to only 68 units in September 2023. During this same period in Fairfield County, the inventory declined by 74%



Source: RedFin

Single family homes do not stay on the market very long in Norwalk. Whereas the average number of days that a home was on the market was 100 days in September 2019, the average was only 27 days in

September 2023. In Fairfield County, the average number of days on the market fell during this same period from 90 days to 37 days.

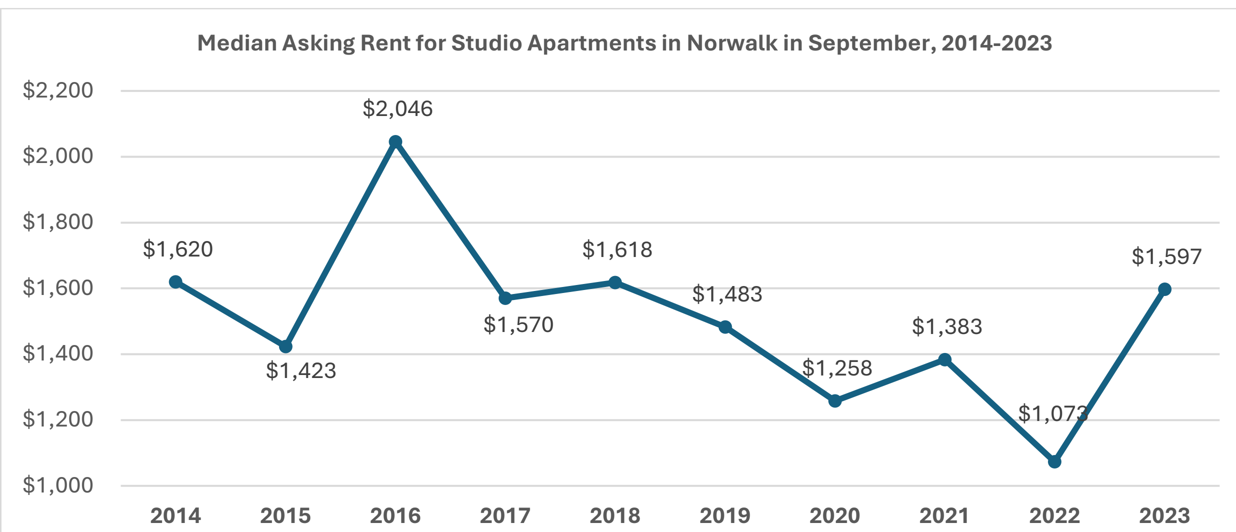


Source: RedFin

Rental Market

Studio Apartments

In spite of the overall rise in housing costs in Norwalk, the median asking rent for studio apartments was actually higher in 2014 ($1,620) than it was in 2023 ($1,597). It should be noted, however, that median rental data becomes increasingly distorted as the total inventory declines.



Source: Rent Café

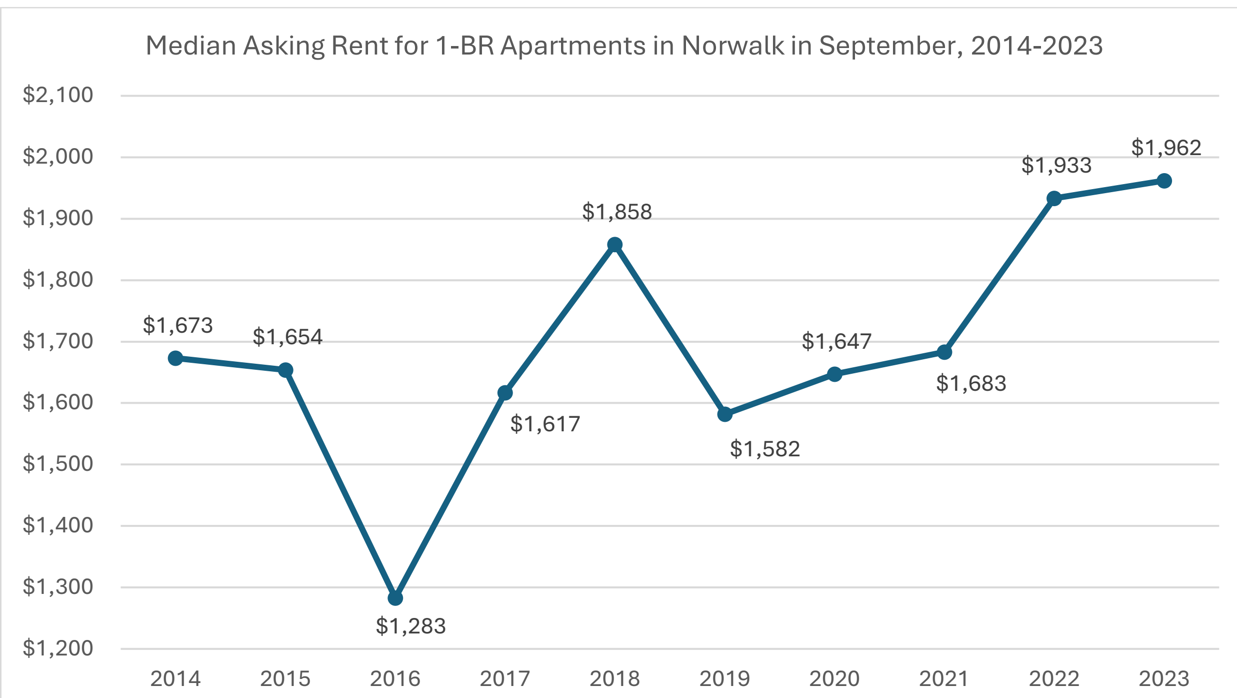
Based on listings data collected from Zillow in April 2024, there are currently 29 studio apartments in Norwalk that are on the market. Approximately 75% of these studio apartments are priced over $1800. A household's annual income would need to be at least $72,000 to afford $1800 in rent and not be cost burdened as measured by paying more than 30% of pre-tax income toward housing costs.

Distribution of Listed Prices for Studio Apartments Currently on the Market in Norwalk (April 2024)		
Price Range	Number of Listings	Percentage of Total Listings
$1000 - $1199	1	3.4%
$1200 - $1399	1	3.4%
$1400 - $1599	1	3.4%
$1600 - $1799	4	13.8%
$1800 - $1999	9	31.0%
$2,000 - $2,199	10	34.5%
$2,200 - $2,399	0	0.0%
$2,400 - $2,599	2	6.9%
$2,600 - $2,799	0	0.0%
$2,800 - $3,000	1	3.4%

Source: Zillow

One-Bedroom Apartments

The price of one bedroom apartments rose from $1,673 in 2014 to $1,962 in 2023.



Source: Rent Café

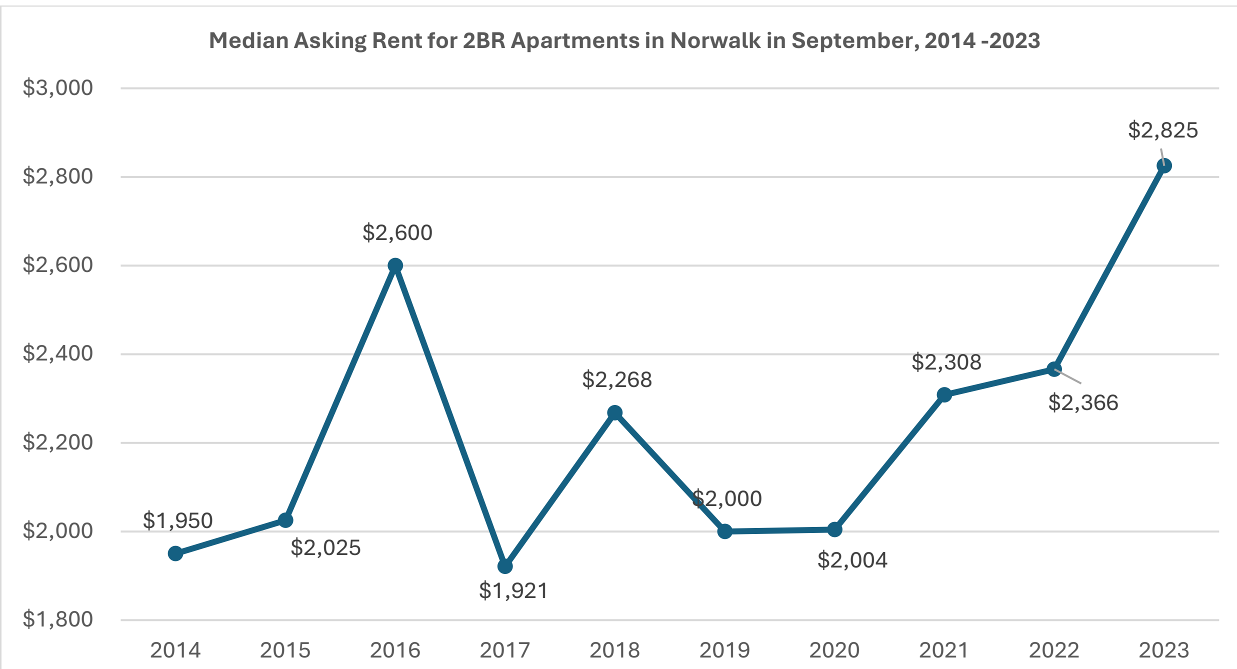
Based on listings data collected from Zillow in April 2024, there are currently 131 one-bedroom apartments in Norwalk that are on the market. The vast majority (86%) of these studio apartments are priced over $2,000. A household's annual income would need to be at least $80,000 to afford $2000 in rent and not be cost burdened as measured by paying more than 30% of pre-tax income toward housing costs.

Distribution of Listed Prices for 1-Bedroom Apartments Currently on the Market in Norwalk (April 2024)		
Price Range	Number of Listings	Percentage of Total Listings
$1000 - $1199	1	0.8%
$1200 - $1399	3	2.3%
$1400 - $1599	1	0.8%
$1600 - $1799	7	5.3%
$1800 - $1999	7	5.3%
$2,000 - $2,199	14	10.7%
$2,200 - $2,399	31	23.7%
$2,400 - $2,599	45	34.4%
$2,600 - $2,799	12	9.2%
$2,800 - $2,999	6	4.6%
$3,000 - $3,200	4	3.1%

Source: Zillow

Two-Bedroom Apartments

The most dramatic increase in prices in recent years has been in two-bedroom apartments, rising by 31% from $1,950 in 2014 to $2,825 in 2023.



Source: Rent Café

Based on listings data collected from Zillow in April 2024, there are currently 90 two-bedroom apartments in Norwalk that are on the market. The vast majority (92%) of these studio apartments are priced over $2,600. A household's annual income would need to be at least $104,000 to afford $2,600 in rent and not be cost burdened as measured by paying more than 30% of pre-tax income toward housing costs.

Distribution of Listed Prices for 2-Bedroom Apartments Currently on the Market in Norwalk (April 2024)		
Price Range	Number of Listings	Percentage of Total Listings
$1,800 - $1,999	1	1.1%
$2,000 - $2,199	1	1.1%
$2,200 - $2,399	2	2.2%
$2,400 - $2,599	3	3.3%
$2,600 - $2,799	12	13.3%
$2,800 - $2,999	11	12.2%
$3,000 - $3,199	11	12.2%
$3,200 - $3,399	14	15.6%
$3,400 - $3,599	10	11.1%
$3,600 - $3,799	11	12.2%
$3,800 - $3,999	3	3.3%
$4,200 - $4,399	4	4.4%
$4,600 - $4,799	6	6.7%
$5,000 - 5,200	1	1.1%

Source: Zillow

SECTION V: POTENTIAL POLICY RESPONSES TO HOUSING NEEDS

The housing needs assessment, which included extensive public engagement and stakeholder meetings and comprehensive demographic and market research, identified a need to increase the supply of housing at all income levels. The following section outlines potential policy responses to address the critical housing needs of Nowalk residents. Note that the pathways suggested below are purely preliminary. Using the housing needs assessment as a tool, the consulting team will be generating a complete policy framework with more specific actions and implementation steps.

Local Zoning and Regulatory Changes

The City can implement additional zoning and regulatory tools to encourage the development of affordable housing. Potential tools include expansion of the workforce housing requirements; increasing density bonuses for the provision of affordable housing units; further incentivizing family-sized affordable housing and workforce housing units; allowance to alternative housing types such as single-room occupancy buildings; and increasing permitted density to facilitate increased supply of all housing types. In addition, the City can further explore transit oriented development incentives, reduction of parking requirements, and reducing the limitations on accessory dwelling units (ADUs). Lastly, the City could streamline the development review and approval process for affordable developments, which decreases the development costs for the applicant and could advance projects in a more efficient manner.

Public Private Partnerships

Underutilized city-owned land could be redeveloped for affordable housing, including family sized and deeply affordable units, through public private partnerships. Through a Request for Proposals process the City could seek development proposals with specific criteria to meet identified housing needs and community goals on identified underutilized parcels. Through this competitive solicitation process, the City could identify a preferred development program that could be implemented through a mix of public land, public funds (e.g., grants), and private capital.

Tax and Financing Innovations

The City can utilize financing innovations to facilitate affordable housing development, as well as the preservation and rehabilitation of existing affordable housing. Financing innovations include micro-grants, community land trusts, and tax abatements. Mico-grants could be used to facilitate capital improvements on existing developments. Community land trusts utilized for ownership units to facilitate income restrictions and resale limitations. Tax abatements can be utilized to incentivize affordable housing development.

Administration and Implementation

To realize the policies and implementation measures identified in the Affordable Housing Action Plan, it will be important for the City to track progress. The Affordable Housing Action Plan will identify key policy strategies, implementation measures, responsibility for the action item, and anticipated timeline. To document progress, the City should implement a tracking system for annual housing starts and demolitions to chart annual shifts in its housing supply.

Federal and State Advocacy

A barrier to certain types of affordable and missing middle housing—in particular, home ownership units—are the tax and financing policies at the state and federal level. Norwalk can utilize its state and federal delegations to lobby for policy changes needed to overcome the institutional, financing, and tax code barriers to multi-family ownership buildings including condominiums and limited equity coops. Such policies that encourage rental over ownership units include the federal IRC §42 Low Income Housing Credit Program. At the state level, programs such as the Department of Housing Homeownership Initiative (PA 22-118) could be expanded. In addition, the City can continue to advocate for more governmental funding for public and affordable housing.

APPENDIX B: INCLUSIONARY ZONING FEASIBILITY ANALYSIS

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Memorandum

To:	Steven Kleppin, AICP, City of Norwalk Planning & Zoning Director
From:	Garryth Hoal, John Neill
Date:	January 7, 2025
Re:	Norwalk AHP Supporting Financial Analysis
Cc:	Ashley Ley (AKRF)

This memorandum describes analyses performed by AKRF to evaluate how requiring deeper levels and/or higher percentages of affordable housing may influence a project's financial feasibility and development potential within Norwalk. As detailed below, AKRF performed *pro forma* financial feasibility modeling on three conceptual development scenarios of varying size (20, 50, and 100 units). Using market assumptions vetted by private developers and public officials, AKRF found that under all conceptual scenario analyzed, requiring increased percentages of affordable housing (from the current 10% to 15% or 20%) or deeper levels of affordability (from the current 80% state median income [SMI] to 60% SMI) could render projects financially unfeasible in the absence of additional incentives.

The theoretical purpose of this analysis is to take the perspective of a developer to understand the potential impact of changing affordability requirements throughout Norwalk. As described above, this is done through evaluating the feasibility of a project at varying sizes and varying affordability requirements, all else equal. It is important to note that the scope of this analysis does not extend into a discussion of policy trade-offs or solutions to financial infeasibility. Additionally, this memo does not seek to assess community needs or examine specific projects or development environments within Norwalk. As discussed in the conclusion, there are many opportunities for future analysis to build upon the conceptual foundations outlined in this memo.

DEVELOPMENT SCENARIOS ANALYZED

AKRF analyzed three development scenarios of varying sizes, expressed through the dwelling unit count. All macro-economic and financial factors such as interest rates, vacancy, unit incomes or expenses, and inflation are held steady under each scenario.[1] The direct financial analysis considers a 10-year period and assumes that the developer exits the deal in year 10.[2] The financial viability of the project may or may not change over a longer period or if the developer decides to exit the project sooner.

Table 1 offers a summary of the development scenarios under analysis. Each scenario was analyzed for affordability levels of 80% of state median income (SMI) and 60% of SMI. As shown in **Table 1**, the land cost, understood as the cost of acquisition for the land on which the development is built, changes throughout the scenarios. The market price of land can fluctuate for many reasons but is usually derived from it's potential to generate future revenues. Per developer feedback, the acquisition cost for land in each scenario was based on a set value for each market rate unit to be constructed.

[1] Variables were held constant to isolate affordability requirements as the main driver of feasibility.

[2] Many factors can affect the holding period a developer may pursue for a project, in some cases a project is evaluated in a five-year or seven-year timeframe. To allow for analysis of affordability based on consistent operations rather than a "develop and sell" model, AKRF elected to assess a 10-year period. A shorter timeline of analysis would typically be expected to negatively impact feasibility.

Table 1
Summary of Development Scenarios

Scenario	Total Units	Affordable Units (%)	Affordable Units	Land Cost
1	20	15%	3	$935,000
1a	20	20%	4	$880,000
2	50	15%	8	$2,337,500
2a	50	20%	10	$2,200,000
3	100	15%	15	$4,675,000
3a	100	20%	20	$4,400,000

Notes: Each scenario is assessed for 80% SMI and 60% SMI as detailed in **Tables 7 and 8.** For 60% SMI, a 10% of unit count scenario was also assessed.

KEY ASSUMPTIONS

As with all types of financial analysis, assumptions are at the core of the model. Market research and analysis of comparable properties were used to formulate a realistic development environment. This analysis is completed with an emphasis on the feasibility of ongoing operations rather than a pure "build and sell" model. The reason for the focus of operational feasibility over a longer-term time frame is due, in part, to the fact that an operationally infeasible project would struggle to attract a buyer in the short term. In the case of operational infeasibility, it can be reasonably assumed that a "build and sell" model would be unattractive to a developer and does not necessarily need to be analyzed independently of an "ongoing operations" model. To develop a realistic assessment of a residential project under the assessed scenarios, AKRF received direct feedback from developers and other stakeholders regarding assumptions, analysis timelines, and methods for evaluating profitability. While important, not all feedback was incorporated directly into the analysis but in some cases served to inform discussion regarding developer behaviors and alternative considerations that may impact future analysis opportunities. The evaluated scenarios are hypothetical and rely on reasonable cost estimates to "ballpark" whether a development is financially viable. In an actual development proposal, the feasibility may change depending on the market environment, the developers risk tolerance or return requirements, and other factors.

Table 2 provides selected assumptions for the scenarios, while the following subsections detail relevant assumptions made in each aspect of the financial model.

Table 2
Selected Scenario Assumptions

Scenario	Unit Mix[3]	Efficiency*	Vacancy	Absorption
1	Studio (10%), 1 Bed (30%), 2 Bed (50%), 3 Bed (10%)	85%	5% once stabilized	"Lease-Up" occurs in Year 2
2	Studio (10%), 1 Bed (30%), 2 Bed (50%), 3 Bed (10%)	85%	5% once stabilized	"Lease-Up" occurs in Years 2 and 3
3	Studio (10%), 1 Bed (30%), 2 Bed (50%), 3 Bed (10%)	90%	5% once stabilized	"Lease-Up" occurs in Year 3

Notes: *Also understood as the percentage of gross sf constructed considered rentable.

Revenues and Expenses

As shown in **Table 3**, each scenario assumes standard incomes, market rate and affordable, across all unit typologies. Although the total units built and total units set aside as affordable varies by scenario, the individual unit incomes do not. Conservatively, one third of the project income has been set aside for

[3] The distribution of unit sizes is based on research into currently available market rentals throughout the Norwalk area. Newer rental stock has focused on studio-2 bed offerings and may differ from the unit mix used in this analysis.

operating expenses. Operating expenses are heavily dependent on project and/or site-specific factors, in some cases operating expenses can be as low as 20% of project revenues or lower.

Table 3
Assumed Incomes by Unit Typology

Unit	Market Income	Affordable Income (80% of SMI)	Affordable Income (60% of SMI)
Studio	$2,012	$1,385	$1,039
One Bedroom	$2,381	$1,811	$1,358
Two Bedroom	$3,088	$2,237	$1,678
Three Bedroom	$3,575	$2,664	$1,998

Notes: Market income is based on the median unit income in Norwalk, CT as of September 2024. Affordable income is based on the 2024 State median income for Connecticut.
Sources: Zillow, Apartments.com, Norwalkct.gov,

Unit Features

A residential unit can vary in size, bedrooms, appliances, amenities, and more. All these factors can have a varying degree of impact on the cost of construction. For this analysis, each unit is assumed to be either a studio, 1-bedroom, 2-bedroom, or 3-bedroom unit; the overall mix is held standard throughout the scenarios at 10%, 30%, 50%, and 10%, respectively.

Vacancy

Residential developments are at risk of losing revenue due to unleased units for a variety of reasons. A residential unit may remain empty due to factors including renovations and repairs or low market demand. Once the project is stabilized (constructed and fully leased) the revenue lost to vacancy is held at 5% of annual revenue. If there was significant risk of higher lost revenue due to vacancy, a developer would be less likely to move forward. Therefore, it is assumed that there is little to no risk in the market for more than 5% vacancy on a regular basis.

Absorption

In real estate development, “absorption” refers to the time it takes to construct and lease out the residential or commercial units being introduced into the market. The amount of time required to fully assimilate units into the market can vary depending upon the size of the development, the saturation of the current market, and other factors. For the development scenarios analyzed in this memo, the absorption time is dependent upon the size of the development. For Scenario 1 the project is assumed to be constructed and fully leased out by year two. For Scenarios 2 and 3 the project is assumed to be constructed and fully leased out by year three. During the construction period, the project will receive no income and in the 12 months following completion (the leasing period), the project will receive 50% of its possible revenue. On the ground, this timeline may be different depending on project specific details and how early in the process a developer begins to pursue tenants.

Efficiency

In all building types, as in the residential construction being analyzed, the rentable square footage is less than the gross square footage being built. All buildings must account for things like piping, heating/cooling vents, elevator shafts, stairways, and common areas. This space obviously cannot be rented to tenants and therefore cannot necessarily generate revenue. The efficiency factor or efficiency ratio refers to the percentage of built square footage that can be considered rentable square footage or revenue generating square footage. For Scenarios 1 and 2 it is assumed that 85% of gross constructed square feet will be rentable. For Scenario 3 it is assumed that 90% of gross constructed square feet will be rentable.

Construction Cost

As with other assumptions, the ability to accurately estimate the cost of construction for a project increases as the project advances through the development timeline. To determine the cost of construction for the three scenarios analyzed in this memo, the costing software RS Means was used. This software uses project features such as square footage, materials used, and geographic location to determine the cost per square foot for a development. The software accounts for both hard and soft costs related to construction. **Table 4** contains the construction cost for each scenario, these costs per square foot remain consistent while the percentage of units set aside as affordable changes.

Table 4
Scenario Cost of Construction

Scenario	Cost per GSF	Total Construction Cost
1	$261	$6,296,486
2	$254	$15,353,867
3	$235	$27,776,442
Source: RS Means data for Norwalk CT, inflated to reflect 2024-dollar values.		

As shown in **Table 4** the cost of construction per gross square foot ranges from $261 for Scenario 1 to $235 for Scenario 3. The total cost of construction ranges from just over $6.2 million to $27.7 million. As the size of the development increases, the total cost per square foot decreases, although, the total cost of development will increase.

AKRF identified various sources of construction costs including developers and other development related stakeholders. These sources offered varying feedback, sometimes presenting higher costs of construction than what is present within **Table 4**. However, these costs often accounted for features that are not present in the theoretical building being analyzed, therefore, these lower costs per square foot remain the basis the analysis. Development costs not only significantly affect financial feasibility but can also fluctuate to a large degree. Aside from macroeconomic or geographic factors that influence construction cost, features of the building can cause an increase or decrease in costs per square foot. Amenities that are common in larger developments such as pools, gyms, parking lots, or community spaces contribute to higher construction costs. A particular building may pay to construct and therefore, generate revenue from parking, gyms, or other commercial spaces either as a standalone fee or included in the cost of rent to residents. As there can be many variations and therefore various costs associated with these types of building features and amenities, this analysis does not include them in project costs or revenues. The theoretical building in this analysis includes only residential space and minimal non rentable space.

Financing

Developing residential projects at scale almost always requires the taking on of debt to finance construction. The model used in this development sizes a construction and permanent loan for each scenario based on its cost of construction per square foot and the net operating income in the first year of stabilization. As shown in **Table 5**, the construction loan uses a loan to cost ratio (LTC) of 60% which is typical for many financial institutions. The permanent loan uses both loan to value (LTV) and debt service coverage ratio (DSCR) to determine the possible size of the loan. The maximum LTV is 65% while the minimum DSCR is 1.25. The model assumes that the lowest value of the two calculated loans will be taken. The interest rate used in the construction loan calculations is 8% while the permanent loan calculations utilize a rate of 6% due to the presence of an income-producing asset when the permanent loan is taken.

Table 5
Project Financing Assumptions

Construction Loan		Permanent Loan		
Loan-To-Cost	Interest Rate	Debt Service Coverage Ratio (DSCR)	Loan-To-Value	Interest Rate
60.0% maximum	8.0%	1.25	65.0% Maximum	6.0%

Equity

All development projects will require equity from the developer to come to market; very few, if any, financial institutions will accept a fully debt-financed development project. The model used in this analysis conservatively estimates that the developer will put down 40% of the cost of construction as equity in the project. A developer may choose to incorporate varying amounts of equity depending upon many factors reliant upon project details and the current market environment.

Unit Size

The size of a residential unit can greatly impact the cost to of construction. A residential unit can vary in size depending upon amenities, layout of the building, and other factors. **Table 6** presents the average unit sizes for all unit typologies considered. The size of each unit was used to generate income per square foot and the cost of construction per square foot, both of which were placed into the model.

Table 6
Average Size of Unit Typologies in Square Feet

Unit	Average Size (SF)
Studio	500
One Bedroom	800
Two Bedroom	1,100
Three Bedroom	1,850

Sources: Zillow, Apartments.com

ANALYSIS FINDINGS

Developers can use a variety of metrics to determine the feasibility of a potential project. One of the most common is the internal rate of return (IRR), which is a measure of the expected annual return that a project will generate. This metric is often compared to the “hurdle rate” which is usually the weighted average cost of capital (WACC). This can also be understood as the minimum return needed to account for the cost of debt and equity involved in a project. The WACC is colloquially referred to as the “hurdle rate” because it usually acts as a “hurdle” to determining the feasibility of a project. If the IRR is lower than the WACC a developer is unlikely to be incentivized to move forward with the project. In the evaluation of financial feasibility, the levered IRR is considered rather than the unlevered or the “project” IRR. This is due to the fact that, barring exceptions within negotiated contracts, any project return/cash flow must first flow through the debt service before reaching the equity investors. Therefore, an unlevered IRR would not provide an accurate view of how investors or developers would evaluate the financial feasibility of a project.

The results of modeling the three scenarios are displayed in **Table 7** and **Table 8**. Each scenario was evaluated at two levels of affordability, 80% and 60% of SMI, with 15% or 20% of units set aside. In the case of 60% SMI, the financial feasibility of 10% of units set aside was also analyzed. The WACC is the same throughout scenarios as it is dependent upon macroeconomic factors in the development environment that have been held steady to allow for comparison in levels of affordability. The IRR has been levered to reflect a rate of return that accounts for the debt that has been used to complete the project.

Table 7
Summary of Analysis at 80% SMI

Scenario	Total Units	Affordable Units	WACC "Hurdle Rate"	Levered IRR	Difference from "Hurdle Rate"	To Be Developed?
1	20	3 (15%)	7.6%	3.47%	-4.13%	Unlikely
1a	20	4 (20%)	7.6%	2.99%	-4.61%	Unlikely
2	50	8 (15%)	7.6%	2.79%	-4.81%	Unlikely
2a	50	10 (20%)	7.6%	2.30%	-5.30%	Unlikely
3	100	15 (15%)	7.6%	4.91%	-2.69%	Unlikely
3a	100	20 (20%)	7.6%	4.50%	-3.10%	Unlikely

Notes: The findings displayed in this table are the result of assumptions made on a variety of factors (financing terms, unit size/features, market rent, etc.) that may change significantly as markets adjust in the future. This table should be understood as a "ballpark" estimate of feasibility at the time of analysis.

Of the six scenarios analyzed at the 80% SMI level, none of the theoretical developments would be likely to come to market without some form of subsidy. Although these levels of affordability are financially infeasible, there exist some useful trends in the levels of infeasibility. Scenario 3, a 100-unit development with 15% of the units set aside as affordable, is the scenario closest to becoming feasible with a levered IRR of 4.91%. This scenario would need roughly a 2.7% boost in return to offer an incentive to development. An increase in the levered IRR to this degree is possible to achieve using subsidy levers such as property tax abatement or land donation.

Generally, as the number of units included in the development increases, the project comes closer to financial feasibility. However, the "mid-range" development option offers the lowest levels of financial return of all the scenarios analyzed. Scenario 2 constructs more units than Scenario 1, which increases the cost of development but does not construct enough units to allow for the revenues necessary to offset this increase in cost from Scenario 1. As mentioned previously, once appropriate scale is allowed as in Scenario 3, the project comes closest to financial feasibility. This would suggest that there exists a threshold of development size, after which the amount of revenue possible due to the large number of units offsets the increased cost of construction. This threshold could shift as levels of affordability required and other project specific factors change.

Table 8
Summary of Analysis at 60% SMI

Scenario	Total Units	Affordable Units	WACC "Hurdle Rate"	Levered IRR	Difference from "Hurdle Rate"	To Be Developed?
1	20	2 (10%)	7.6%	2.84%	-4.76%	Unlikely
1a	20	3 (15%)	7.6%	1.99%	-5.61%	Unlikely
1b	20	4 (20%)	7.6%	1.02%	-6.85%	Unlikely
2	50	5 (10%)	7.6%	2.30%	-5.30%	Unlikely
2a	50	8 (15%)	7.6%	1.48%	-6.12%	Unlikely
2b	50	10 (20%)	7.6%	0.49%	-7.11%	Unlikely
3	100	10 (10%)	7.6%	4.43%	-3.17%	Unlikely
3a	100	15 (15%)	7.6%	3.57%	-4.03%	Unlikely
3b	100	20 (20%)	7.6%	2.70%	-4.90%	Unlikely

Notes: The findings displayed in this table are the result of assumptions made on a variety of factors (financing terms, unit size/features, market rent, etc.) that may change significantly as markets adjust. This table should be understood as a "ballpark" estimate of feasibility at the time of analysis.

Sources: AKRF, Inc.

Unlike the 80% SMI scenarios, at the 60% SMI level, an analysis of 10% of units set aside was conducted in order to understand the impact of keeping the unit requirements the same as what exists now, while offering deeper levels of affordability. In all scenarios analyzed, none of the theoretical developments surpassed the hurdle rate and therefore, none can be expected to come to market without some form of subsidy. Although these scenarios are financially infeasible, there are again trends in the levels of infeasibility. Scenario 3, a 100-unit development with 10% of units set aside as affordable offers the financial return closest to the hurdle rate with a levered IRR of 4.43%. This project would require an increase in the levered IRR of 3.17% to come to market. An increase to the levered IRR of this degree is certainly possible through methods of subsidy, particularly through property tax abatement.

Similar to the 80% SMI scenarios, even with deeper levels of affordability, the larger a development the closer to financial feasibility it comes. Again, we see the "mid-range" development options under Scenario 2 are among the most financially infeasible. This suggests that the threshold of development size discussed above also exists among varying levels of affordability requirements. This theoretical threshold may not present itself in deeper levels of affordability or projects where more units are required to be affordable. However, the fact that the largest development scenario analyzed, Scenario 3, comes closer to financial feasibility would again suggest that scale may be one factor which allows projects under affordable housing requirements to come to market.

Factors Impacting Feasibility

There can be many reasons why a development does not come to market, ranging from macroeconomic changes to issues during construction. Throughout this analysis the largest impacts on financial feasibility have come from the cost of construction, the level of affordability required, the cost of land, and the amount of property tax paid over a 10-year period.

As discussed in the "key assumptions" section above, there can be a wide variation in the cost of construction due to factors beyond what can be considered project specific. Changes in the macroeconomic environment may create costs of development that are simply too high. The cost of the land underneath the development also contributes to the cost of development and if this land is too costly to acquire, a developer may elect to move the project to another geography or wait until the market adjusts. If Norwalk were to require increased percentages and/or levels of affordability, this would effectively reduce a property's future revenue potential as a residential property, and in turn could influence (lower) its resale price.

When operations at a residential development commence, there can be many factors that impact the sustainability of ongoing operations. Among the most important to long term feasibility are the property taxes paid, and the levels of affordability required by regulation. In the case of property taxes, this is typically considered a subsidy “lever” that can be adjusted by the appropriate municipal authority to encourage development when needed. While not explicitly included in this analysis, the scenarios developed could be pushed over the line of financial feasibility by the use of property tax abatement. An important consideration when weighing the abatement of property taxes is the fact that although it may seem like a “sacrifice” of property tax revenue to encourage development, an infeasible development may not come to market at all. In this case, the land that this development was intended to occupy may sit vacant producing little property tax revenue. Therefore, even with subsidy in this manner, a development can easily produce a net increase in property tax revenue.

Perhaps the most important factor affecting feasibility, and the focus of this analysis is the level of affordability required by regulation. If this is set too high, then development will be discouraged, but if this is too low then a municipality may be unable to offer housing at a rate affordable to its residents. As seen in **Tables 7 and 8**, as the percentage of units required to be affordable increases, the projects financial feasibility decreases. Comparing these two tables it can also bee seen that increasing the levels of affordability also negatively impacts the projects financial feasibility.

CONCLUSION

The analysis provided in this memo acts only as a simplified representation of a potential development project. There are many reasons why a project may be successful or unsuccessful in coming to market. Changes in the macroeconomic environment affecting factors such as interest rates, the availability of financing, and the cost of construction can all push a project into financial infeasibility. The location of a project can also heavily weigh on its ability to come to market. Projects located closer to the city center are usually able to demand higher asking rents, something that has not been captured in the model used in this memo. These developments located closer to the city center may also suffer from a higher cost of land acquisition. Components like unit mix, amenities, unit features, and parking can also affect the financial feasibility of a project. Developers can also have preferences and tolerances for risk or return that can lead to a project not materializing. Financial modeling and its assumptions cannot capture every one of these reasons and cannot always predict how these may change in the future.

Inclusionary requirements on residential developments decrease the amount of revenue a developer can generate from a project, and therefore, will always have an impact on financial feasibility. However, this impact does not necessarily have to be to the degree that no development occurs. This analysis shows that an increase in the current requirements of affordability, either in the level of affordability required or in the number of units required to be set aside, would negatively impact residential development at a project level. Therefore, it is recommended that any increases in affordable requirements occur over an extended period or in staged efforts. These changes to requirements should also occur in an environment of open communication with developers and development stakeholders.

The conclusions drawn from the analysis presented in this memo should be understood as a ballpark estimate of feasibility at the time of writing. Any future development should be analyzed in depth, considering more factors and utilizing assumptions from active developers in the area.

Opportunities for Future Analysis

The findings of this memorandum suggest opportunities for future analysis to further inform actions on affordable housing policy. First, the feasibility results produced by this analysis as shown in **Tables 7** and **8** indicate that there is a development size threshold which would make development under the assessed conditions possible. Future studies to determine the effective threshold for feasibility would offer a more fulsome assessment of development potential under the assessed conditions. These future studies should also assess the ability to provide and the impact of subsidy on developments coming to market under the desired affordability regulations.

The assessment of property tax abatement should be given special consideration given that offering subsidy to developers can still result in a net positive property tax revenue to the municipality. Under development conditions that disincentivize development, in this case, regulations that create financial infeasibility, potential development sites sit vacant and do not produce any tax revenue to the municipality. Therefore, any subsidy given to incentivize development is not necessarily a net negative given that the current use on the potential development site produces no revenue. An assessment of individual developments or potential development sites should consider the incremental net positive that offering development subsidy can create.

Finally, future analysis should consider the effects of increasing affordable housing regulations at a scale larger than what is assessed here. As mentioned by some development stakeholders consulted during this analysis, inclusionary zoning can often act as a land tax with the incremental cost of the regulation passed on to the landowner. This could create an environment in which land values decrease due to the lower revenues that can be generated from development upon the land. Future analysis to determine municipality wide effects of regulatory changes is necessary to understand how development could be impacted in the long-term.

✷

Norwalk Planning & Zoning Commission

125 East Avenue
Norwalk, Connecticut

May 14, 2025

Memorandum

To: Mayor Harry Rilling; Planning & Zoning Commission – Galen Wells, Chairwoman; Connecticut Department of Energy and Environmental Protection (DEEP), Norwalk Harbor Management Commission, Five Mile River Commission, Town of Darien, Town of New Canaan, Town of Westport, Town of Wilton, WestCOG

From: Bryan Baker, AICP, Principal Planner

Re: **#2025-35 R – Planning & Zoning Commission – Zoning Regulation Text Amendment(s) to Articles 4, 6 and 9 regarding details on minimum and maximum ceiling heights for certain uses; allowing Open Space as a principal use in all zones; permitting Townhouses within the SD-MC zone by Special Permit; revisions to the limitations on certain uses that referenced out-of-date road classifications; revisions to the flood zone regulations specifying areas of structures that must be unfinished; deleting the definition of Attic; modifying the definitions of Story, Half-, Story, and Lowest Floor; creating definitions for Unfinished Area and Finished (Habitable) Area;**

Please accept this letter as the statutorily required referral for amendments to the City of Norwalk's Zoning Regulations. The Norwalk Planning & Zoning Commission will be holding a public hearing on the following zoning regulations amendments at a meeting that is tentatively scheduled for June 18, 2025.

The zoning map can be found here:
https://www.norwalkct.gov/DocumentCenter/View/32441/ApprovedZoningMap_Effective2_19_24

The existing Zoning Regulations can be found here:
https://www.norwalkct.gov/DocumentCenter/View/34823/Zoning-Regulations_Rev_3_28_25?bidId=

For clarity:

- Each proposed revision will be under a separate page
- New/Proposed text is indicated in red text
- Deleted text is indicated ~~as struck-through text~~

1. Modify Table 4.3.1-G which applies to the CD-3C to include the following amendments:

Ceiling Height
May not exceed 13 ft. from finished floor to finished floor, except for: 1. A first floor Business/Commercial, Office, **Restaurant**, Retail/Personal Service, or Lodging Use which must be a minimum of 15 ft. with a maximum of 25 ft. 2. **Auditoriums, Community Centers or Places of Assembly, Commercial Recreation Establishments, Event Venues, Museums, Performing Arts Theaters, and Places of Worship**

2. Modify Tables 4.3.1-G, H and I which applies to the CD-3W, CD-4 and CD-4W zones, respectively, to include the following amendments:

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May not exceed 13 ft. from finished floor to finished floor, except for: 1. A first floor Business/Commercial, Office, **Restaurant**, Retail/Personal Service, or Lodging Use which must be a minimum of 15 ft. with a maximum of 25 ft. 2. **Auditoriums, Community Centers or Places of Assembly, Event Venues, Museums, Performing Arts Theaters, and Places of Worship**

3. Modify Table 4.3.9.A which applies to the principal use table to include the following amendment:

Principal Use	CD-1L	CD-1M	CD-1S	CD-2	CD-3	CD-3W	CD-3C	CD-4	CD-4W	SD-H	SD-IC	SD-LI	SD-HI	SD-MC	CV
Open Space	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**

4. Modify Tables 4.3.1-N, 4.3.8.A, 4.3.8.B, 4.3.9.A which applies to permitting Townhouses in the SD-MC zone to include the following amendments:

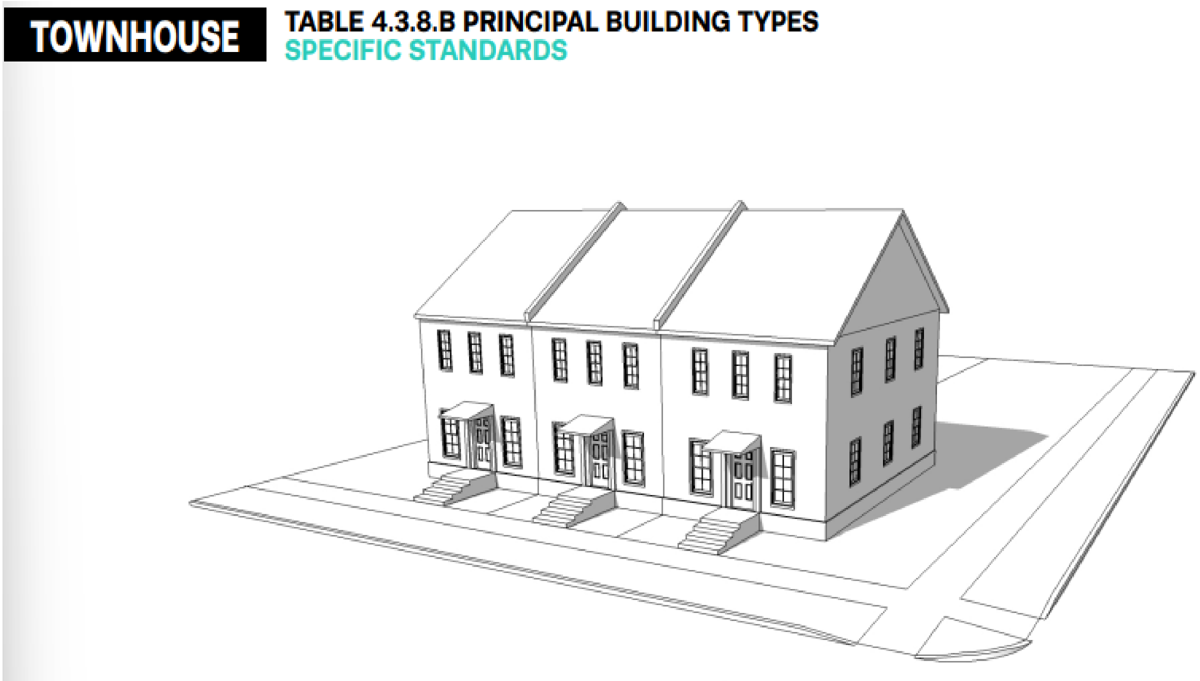
Table 4.3.1-N

Building Types			
Cottage	NP	Jewel Box	P
House	NP	Commercial	P
Estate House	NP	Mixed Use	P
Duplex	NP	Flex	P
Townhouse	~~NP~~ **P**	Mid-Rise	NP
Small Multifamily Building	NP	Large Scale Commercial	NP
Large Multifamily Building	NP	Civic	P
Live/Work	P		

Table 4.3.8.A

Principal Building Type		Permitted Districts
	Townhouse A Principal Building in a collection of very narrow- to medium-sized attached Buildings on contiguous Lots or Building Sites with a back yard (or yard along the side if an end unit), which collection consists of side-by-side Dwelling Units with individual entries facing the street. Each Building occupies the full Frontage Line of its Lot or Building Site and shares at least one party wall with another Building of the same type.	CD-3, -3W & -3C, CD-4 & -4W**, SD-MC**

Table 4.3.8.B



Permitted Districts

CD-3, CD-3W, CD-3C, CD-4, CD-4W, **SD-MC**

Table 4.3.9.A

Principal Use	CD-1L	CD-1M	CD-1S	CD-2	CD-3	CD-3W	CD-3C	CD-4	CD-4W	SD-H	SD-IC	SD-LI	SD-HI	SD-MC	CV
Townhouse	NP	NP	NP	NP	P	P	P	P	P	NP	NP	NP	NP	~~NP~~ **SP U-L**	NP

5. Modify Section 4.3.9.G which applies to limitations on certain uses to include the following amendments:

c. Amphitheater (Civic)
~~(2) The traffic generated by such facility shall be safely accommodated along major streets without traversing local minor streets; and~~
~~(3) Access to such facility shall be by a paved public major arterial or major collector street. Traffic shall not be directed through Residentially zoned or Residentially used property, through areas that are Adjacent to Residentially zoned or Residentially zoned property, or on minor Residential streets traversing Residentially zoned or Residentially used property areas or areas that Adjacent thereto; and~~

d. Amphitheater (Commercial)
~~(2) The traffic generated by such facility shall be safely accommodated along major streets without traversing local minor streets; and~~
~~(3) Access to such facility shall be by a paved public major arterial or major collector street. Traffic shall not be directed through Residentially zoned or Residentially used property, through areas that are Adjacent to Residentially zoned or Residentially zoned property, or on minor Residential streets traversing Residentially zoned or Residentially used property areas or areas that Adjacent thereto; and~~

g. Auditorium, Community Center or other Place of Assembly
~~(2) The traffic generated by such facility shall be safely accommodated along major streets without traversing local minor streets; and~~
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o. Cannabis Dispensary Facility shall be permitted in accordance with the applicable Use Table, subject to the following:
(16) Said facilities shall be located and accessed from a ~~collector or arterial street~~ **Commercial Thoroughfare street typology per the City of Norwalk Complete Streets Design Guide, as amended.**

q. Cannabis Hybrid Retailer shall be permitted in accordance with the applicable Use Table, subject to the following:
(16) Said facilities shall be located and accessed from a ~~collector or arterial street~~ **Commercial Thoroughfare street typology per the City of Norwalk Complete Streets Design Guide, as amended.**

v. Cannabis Retailer shall be permitted in accordance with the applicable Use Table, subject to the following:

(16) Said facilities shall be located and accessed from a ~~collector or arterial street~~ **Commercial Thoroughfare street typology per the City of Norwalk Complete Streets Design Guide, as amended.**

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6. Modify Section 6.9.5.C.1 which applies to construction within the Special Flood Hazard Zone to include the following amendments:

a. Residential Construction.

All new Construction, Substantial Improvements, and repair to Structures that have sustained Substantial Damage which are Residential Structures shall have the bottom of the **Lowest Floor** ~~lowest floor, including Basement~~, elevated two (2) feet above the Base Flood Elevation (BFE). Electrical, plumbing, machinery or other utility equipment that service the structure must be elevated two (2.0) feet above the BFE. **Any level below the Lowest Floor shall be Unfinished Area.**

c. Fully Enclosed Areas Below the Base Flood Elevation **Plus Two (2) Feet** of Elevated Buildings.

All new Construction, Substantial Improvements, or repair to Structures that have sustained Substantial Damage**, whether residential or non-residential,** that include fully enclosed areas formed by a foundation and other exterior Walls shall have the ~~lowest floor~~ **Lowest Floor** elevated to two (2) feet above the Base Flood Elevation (BFE). The elevated Building shall be designed ~~to preclude finished living space~~ **to preclude Finished (Habitable) Area** below the ~~lowest floor~~ **Lowest Floor** and be designed to allow for the entry and exit of Flood waters to automatically equalize hydrostatic flood forces on exterior walls (wet flood-proofing)**, except where dry flood-proofing is allowed per Section 6.9.5.C.1.b**. Designs for complying with this requirement must either be certified by a ~~registered~~ professional engineer or architect **registered within the State of Connecticut,** as meeting the requirements of ASCE 24 Section 2.6.2.2., or meet the following minimum criteria listed in Sections (1)-(8) below:

(5) The area ~~cannot~~ **shall not** be used as ~~finished living space~~ **Finished (Habitable) Area and shall be an Unfinished Area**. ~~Use of the enclosed area shall be the minimum necessary and shall only be used for the parking of vehicles, Building access or limited storage~~. Access to the enclosed area shall **not exceed** ~~be~~ the minimum necessary to allow for the parking of vehicles (Garage door) or limited storage of maintenance equipment used in the connection with the premises (standard exterior door) or entry to the living area (stairway or elevator). The enclosed area shall not be used for human habitation;

(6) All interior Walls, floor, and ceiling materials located below two (2) feet above the BFE shall be **Unfinished Area** ~~unfinished~~ **and be flood damage-resistant in accordance with FEMA Technical Bulletin 2, Flood Damage-Resistant Requirements.**

7. Modify Section 6.9.5.D.12 which applies to construction within the Coastal High Hazard Zone to include the following amendments:

(12) If Breakaway Walls, lattice work or insect screening are utilized, the resulting enclosed space shall not be designed to be used for human habitation **or Finished (Habitable) Area**, but shall be designed to be used only for parking of vehicles, Building access, or limited storage. **Utilization of non-supporting** enclosures of 300 square feet or more are subject to increased insurance premiums.

8. *Modify Section 9.3 Defined Terms, to include the following:*

~~Attic: the interior part of a Building contained within a pitched roof structure. See Illustration 9.3.A-3 (Attic)~~

Unfinished Area: As related to fully enclosed areas below two feet above the base flood elevation (BFE+2'),an enclosed area that is used only for the parking of vehicles, building access or storage purposes and that does not meet the definition of a Finished (Habitable) Area. Drywall required for fire protection is permitted in Unfinished Areas. Unfinished enclosed areas below the BFE+2' shall comply with FEMA Technical Bulletin 2, Flood-Damage Resistant Materials Requirements.

Finished (Habitable) Area – As related to fully enclosed areas below two feet above the base flood elevation (BFE+2), a space that is, but is not limited to, heated and/or cooled, contains finished floors, has sheetrock walls that may or may not be painted or wallpapered, and other amenities such as furniture, appliances, bathrooms, fireplaces and other items that are easily damaged by floodwaters and expensive to clean, repair or replace.

Story: a level within a Building, being that portion between the surface of any floor and the surface of the floor next above it; if there is no floor above it, then the space between the floor and ceiling next above it; unless that space is a Half Story. The number of Stories shall be measured from the Finished Grade along the Principal Frontage of a Structure and/or Building.

(1) A Basement is a Story when the ceiling height is more than three (3) feet above the Finished grade measured along the Principal Frontage of the Structure and/or Building; except that, within the Special Flood Hazard Areas ~~the lowest level~~ **Unfinished Area below the Lowest Floor** is not a Story provided that **more than 50% of the floor-to-ceiling height is below the Base Flood Elevation.**
   - ~~a. It is uninhabitable space and can only be used for Parking or storage; and~~
   - ~~b. More than 50% of the floor height is below the Base Flood Elevation.~~

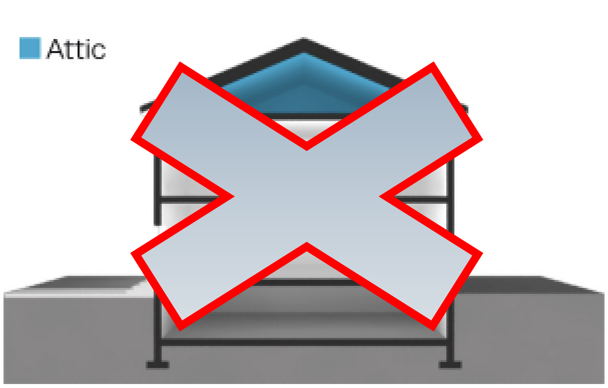
(2) For Structures on pilings within the Special Flood Hazard Area, the area between the ground and the floor next above it shall not count as a Story, provided that more than 50% of the Existing Grade is below the Base Flood Elevation.

Lowest Floor: The lowest floor of the lowest enclosed area (including Basement); except **Within a Special Flood Hazard Area,** an ~~unfinished~~ **Unfinished Area** ~~or flood resistant enclosure usable solely for parking of vehicles, building access or storage., in an area other than a basement area~~ is not considered a Building's lowest floor.

~~**Story, Half-**: a level within a Building or other Structure that is an Attic in which the area with a ceiling height of seven feet six inches (7’-6”) or greater between the surface of the floor and the bottom of the rafters above it when excluding Dormers, is fifty percent (50%) or less of the Attic floor area under that roof, or, when including Dormers, is sixty percent (60%) or less of the Attic floor area under that roof~~

Story, Half-: a level within a Building or Structure, which may have a ceiling, located under a pitched roof, whose height, measured between the floor and the bottom of the roof rafters, does not exceed seven feet six inches (7’-6”) for more than fifty percent (50%) of that floor area, or, when including Dormers, sixty percent (60%); or a level within a Building or Structure, located under a flat roof, whose total floor area does not exceed fifty percent (50%) of the floor below and whose height does not exceed seven feet six inches (7’-6”), measured between the floor and the bottom of the roof rafters, which must be set back a minimum of five (5') from Façade of the Principal Frontage.

ILLUSTRATION 9.3.A-3 ATTIC



CITY OF NORWALK
Harbor Management Commission
www.norwalkct.gov
Norwalk City Hall
Room 129
125 East Avenue, PO Box 5125
Norwalk, CT 06851

VIA EMAIL

May 29th , 2025

Ms. Amelia Williams
Land Use Planner
City of Norwalk Conservation and Planning & Zoning
125 East Ave, Norwalk CT 06851

Subject: **Zoning Regulation Text Amendments from the Norwalk Planning & Zoning Commission. P&Z Referral #2025-35 R – Zoning Regulation Text Amendment(s) to Articles 4, 6 and 9**

Dear Ms. Williams:

The Norwalk Harbor Management Commission (NHMC) has reviewed the #2025-35R – Planning & Zoning Commission – Zoning Regulation Text Amendment to Articles 4, 6 and 9 regarding changes to the flood hazard zone regulations for buffer areas and construction methodology for residential flood compliance, which was prepared by Bryan Baker, Principal Planner. At its May 28th 2025, meeting, the NHMC reviewed the aforementioned amendments from P&Z and approved transmittal of the following additions and modifications **(See Blue Font text)** for items listed in the letter sent to the Harbor Commission.

P&Z amendment: a. Residential Construction.
All new Construction, Substantial Improvements, and repair to Structures that have sustained Substantial Damage which are Residential Structures shall have the bottom of the Lowest Floor elevated two (2) feet above the Base Flood Elevation (BFE). Electrical, plumbing, machinery or other utility equipment that service the structure must be elevated two (2.0) feet above the BFE. Any level below the Lowest Floor shall be Unfinished Area.

Add NHMC Recommendation in Blue Font:
(1) All such activities occurring within the Coastal Boundary shall be consistent with the policies of the Connecticut Coastal Management Act (CGS §22a-90 through §22a-112), and the Norwalk Harbor Management Plan where applicable.

(2) Projects shall be designed to avoid and minimize adverse impacts to coastal resources, including tidal wetlands, coastal waters, beaches and dunes, and floodplains, and shall include erosion and sedimentation controls per the Connecticut Guidelines for Soil Erosion and Sediment Control.
(3) All design elevations and siting must consider the most current projections of sea level rise as published by the Connecticut Institute for Resilience and Climate Adaptation (CIRCA), and applicants are encouraged to elevate structures beyond minimum Base Flood Elevation (BFE) requirements to account for the anticipated lifespan of the building.

Insert new provision after Section (6):
(6A) For development within the Norwalk Harbor area, including all zones adjacent to navigable waters, enclosed areas below the Base flood elevation +2 shall be sited and designed to:

- Preserve public visual access to the waterfront where practicable through appropriate building scale, orientation, and vegetation management.
- Prevent discharge of untreated stormwater runoff into coastal waters through the incorporation of best management practices, such as pervious paving, rain gardens, vegetative buffers, and on-site stormwater retention systems.

P&Z Amendment: (12) If Breakaway Walls, lattice work or insect screening are utilized, the resulting enclosed space shall not be designed to be used for human habitation or Finished (Habitable) Area, but shall be designed to be used only for parking of vehicles, Building access, or limited storage. Utilization of non-supporting enclosures of 300 square feet or more are subject to increased insurance premiums.

Add NHMC recommendation:
(a) In accordance with the Connecticut Coastal Management Act and the Norwalk Harbor Management Plan, all structures within Coastal High Hazard Zones shall be designed to minimize disturbance of natural shoreline processes, including sediment transport and tidal flow. Placement of fill, breakaway enclosures, or accessory structures shall not obstruct drainage, impede stormwater flow, or contribute to erosion of adjacent properties or public trust lands.
(b) All applications for construction or substantial improvement in the Coastal High Hazard Zone within the jurisdiction of Norwalk Harbor shall be reviewed for consistency with the Norwalk Harbor Management Plan by the Norwalk Harbor Management Commission prior to the issuance of any zoning or building permits.

P&Z Section 9.3 – defined terms
P&Z Amendment Story, Half-: A level within a Building or Structure, which may include a ceiling, whose height, measured between the floor and the bottom of the roof rafters, does not exceed seven feet six inches (7’6”) for more than fifty percent (50%) of that floor area, or, when including Dormers, sixty percent (60%); or a level within a Building or Structure, located under a flat roof, whose total floor area does not exceed fifty percent (50%) of the floor below and must be set back a minimum of five feet (5’) from all building faces.
The following comment regarding the half-story provision cited above **was not proposed** by the NHMC but if P&Z wanted to include a statement for a Half-Story located below the Base Flood Elevation, see my suggestion below:

Suggested recommendation:
In the Coastal Boundary and within Special Flood Hazard Areas (SFHAs), a Half Story located below the Base Flood Elevation plus two feet (BFE+2') shall not be designed or used as a Finished (Habitable) Area. Such spaces must comply with FEMA Technical Bulletins 1 and 2 and shall not compromise required flood openings, dry/wet floodproofing, or structural integrity.

FEMA Technical Bulletin 1 (TB 1): "Openings in Foundation Walls and Walls of Enclosures
FEMA Technical Bulletin 2 (TB 2): "Flood Damage-Resistant Materials Requirements

Continued recommendations made by the NHMC.
P&Z Amendment Unfinished Area: As related to fully enclosed areas below two feet above the Base Flood Elevation (BFE+2'), an enclosed area that is used only for the parking of vehicles, building access, or storage purposes and that does not meet the definition of a Finished (Habitable) Area. Drywall required for fire protection is permitted in Unfinished Areas. Unfinished enclosed areas below the BFE+2' shall comply with FEMA Technical Bulletin 2, Flood Damage-Resistant Materials Requirements.
Add NHMC recommendation: Unfinished Areas located within the Coastal Boundary or the Norwalk Harbor Management Area shall not contain plumbing fixtures, fuel storage, or other potentially polluting equipment. All building materials must be flood-resistant and compliant with applicable Harbor Management Plan policies. Storage of hazardous materials or any use that risks water pollution during flood events is prohibited.

P&Z Amendment Finished (Habitable) Area: As related to fully enclosed areas below two feet above the Base Flood Elevation (BFE+2'), a space that is, but is not limited to, heated and/or cooled, contains finished floors, has sheetrock walls that may or may not be painted or wallpapered, and other amenities such as furniture, appliances, bathrooms, fireplaces, and other items that are easily damaged by floodwaters and expensive to clean, repair or replace.
Add NHMC recommendation: Finished (Habitable) Area below BFE+2' is prohibited within Special Flood Hazard Areas (SFHAs), Coastal High Hazard Zones (VE Zones), and within the Coastal Boundary. The inclusion of such areas in design shall be deemed non-compliant with both local floodplain regulations and the Connecticut Coastal Management Act (CGS §22a-92).

P&Z Amendment Story: A level within a Building, being that portion between the surface of any floor and the surface of the floor next above it; if there is no floor above it, then the space between the floor and ceiling next above it; unless that space is a Half Story. The number of Stories shall be measured from the Finished Grade along the Principal Frontage of a Structure and/or Building.
Add NHMC recommendation: A Basement is a Story when the ceiling height is more than three (3) feet above the Finished Grade measured along the Principal Frontage of the Structure and/or Building; except that, within the Special Flood Hazard Areas, Unfinished Area below the Lowest Floor is not a Story provided that more than 50% of the floor-to-ceiling height is below the Base Flood Elevation.

Please be advised that the NHMC reserves its right to continue to review and comment on the proposed changes at such time as they may be modified, additional information may be available, or the proposal is the subject of a public hearing.

If you have any questions, please contact me (203) 984-5339 or pintoj@optonline.net.

Sincerely,

John Thomas Pinto

John Thomas Pinto, Ph.D.
Chairman, NHMC Application Review Committee

cc:
Steve Bartush, Chair, Norwalk Shellfish Commission
Alan Kibbe, Chair, NHMC

Good morning,

Thank you for submitting the attached referral. Regional staff has reviewed the proposed amendments and provides the following comments:

- Regional staff appreciates the added flexibility of allowing townhouses within the Marine Commercial zone. Although the SD-MC zone is a special district, it covers a significant area of shoreline on the harbor/river that would likely be attractive to developers; allowing townhouses in this zone facilitates relatively dense infill housing. This change is an effective step towards the goals of Norwalk's Affordable Housing Action Plan.

- The revisions regarding floor area below BFE+2 in SFHA constitute an effective and necessary response to the risks of flood damage.

Please direct any questions to tbeckett@westcog.org

Best,

Tucker

Norwalk Planning & Zoning Commission

125 East Avenue
Norwalk, Connecticut

June 16, 2025

Memorandum

To: Planning & Zoning Commission – Galen Wells, Chair
From: Bryan Baker, AICP, Principal Planner
Re: #2025-35 R – Planning & Zoning Commission – Zoning Regulation Text Amendment(s) to Articles 4, 6 and 9 regarding details on minimum and maximum ceiling heights for certain uses; allowing Open Space as a principal use in all zones; permitting Townhouses within the SD-MC zone by Special Permit; revisions to the limitations on certain uses that referenced out-of-date road classifications; revisions to the flood zone regulations specifying areas of structures that must be unfinished; deleting the definition of Attic; modifying the definitions of Story, Half-, Story, and Lowest Floor; creating definitions for Unfinished Area and Finished (Habitable) Area

Commissioners,

Staff has proposed the following text amendments for your consideration as part of ongoing discussions with other Staff members on issues that they have been running into with implementation of the new zoning regulations.

A draft resolution is provided at the end of this document.

Sincerely,

Bryan Baker, AICP
Principal Planner
City of Norwalk
125 East Avenue
Norwalk, Connecticut 06851
203-854-7705
bbaker@norwalkct.gov

1. Modify Table 4.3.1-G which applies to the CD-3C to include the following amendments:

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2. Modify Tables 4.3.1-G, H and I which applies to the CD-3W, CD-4 and CD-4W zones, respectively, to include the following amendments:

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Open Space	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**	**NR**

PLANNING & ZONING

4. Modify Tables 4.3.1-N, 4.3.8.A, 4.3.8.B, 4.3.9.A which applies to permitting Townhouses in the SD-MC zone to include the following amendments:

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Duplex	NP	Flex	P
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Principal Building Type		Permitted Districts
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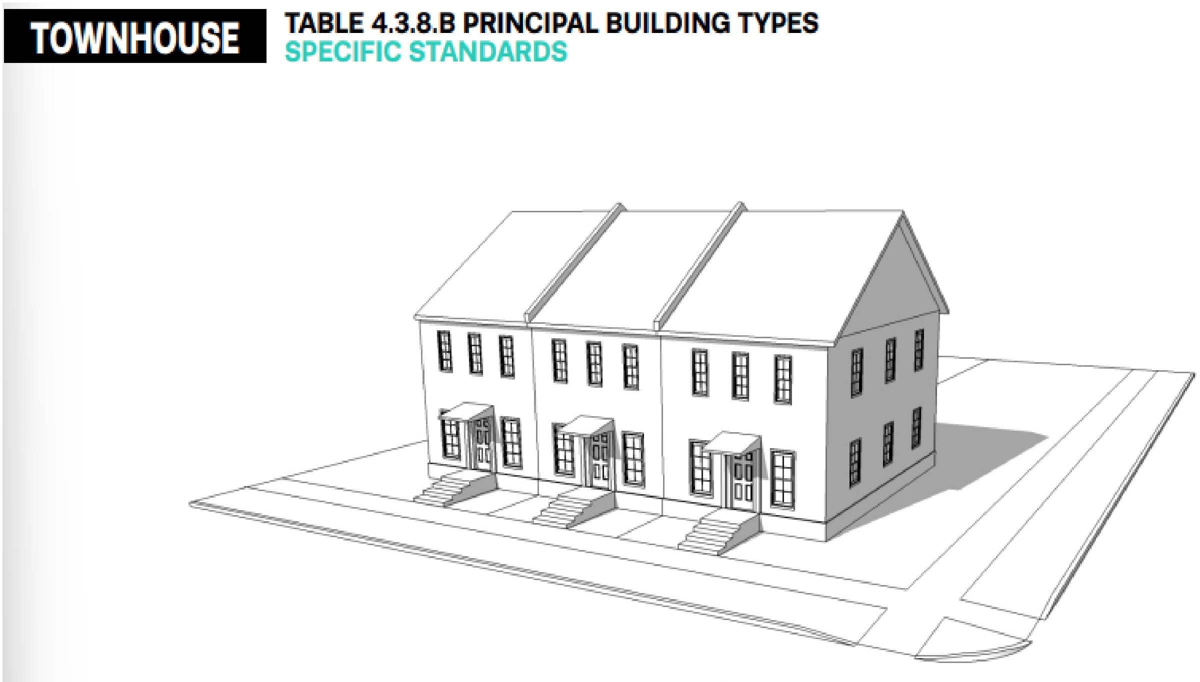

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Townhouse	NP	NP	NP	NP	P	P	P	P	P	NP	NP	NP	NP	~~NP~~ **SPU-L**	NP

6

5. Modify Section 4.3.9.G which applies to limitations on certain uses to include the following amendments:

c. Amphitheater (Civic)
~~(2) The traffic generated by such facility shall be safely accommodated along major streets without traversing local minor streets; and~~
~~(3) Access to such facility shall be by a paved public major arterial or major collector street. Traffic shall not be directed through Residentially zoned or Residentially used property, through areas that are Adjacent to Residentially zoned or Residentially zoned property, or on minor Residential streets traversing Residentially zoned or Residentially used property areas or areas that Adjacent thereto; and~~

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~~(2) The traffic generated by such facility shall be safely accommodated along major streets without traversing local minor streets; and~~
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(16) Said facilities shall be located and accessed from a ~~collector or arterial street~~ **Commercial Thoroughfare street typology per the City of Norwalk Complete Streets Design Guide, as amended.**

6. Modify Section 6.9.5.C.1 which applies to construction within the Special Flood Hazard Zone to include the following amendments:

a. Residential Construction.

All new Construction, Substantial Improvements, and repair to Structures that have sustained Substantial Damage which are Residential Structures shall have the bottom of the **Lowest Floor** ~~lowest floor, including Basement~~, elevated two (2) feet above the Base Flood Elevation (BFE). Electrical, plumbing, machinery or other utility equipment that service the structure must be elevated two (2.0) feet above the BFE. **Any level below the Lowest Floor shall be Unfinished Area.**

c. Fully Enclosed Areas Below the Base Flood Elevation **Plus Two (2) Feet** of Elevated Buildings.

All new Construction, Substantial Improvements, or repair to Structures that have sustained Substantial Damage**, whether residential or non-residential,** that include fully enclosed areas formed by a foundation and other exterior Walls shall have the ~~lowest floor~~ **Lowest Floor** elevated to two (2) feet above the Base Flood Elevation (BFE). The elevated Building shall be designed ~~to preclude finished living space~~ **to preclude Finished (Habitable) Area** below the ~~lowest floor~~ **Lowest Floor** and be designed to allow for the entry and exit of Flood waters to automatically equalize hydrostatic flood forces on exterior walls (wet flood-proofing)**, except where dry flood-proofing is allowed per Section 6.9.5.C.1.b**. Designs for complying with this requirement must either be certified by a ~~registered~~ professional engineer or architect **registered within the State of Connecticut,** as meeting the requirements of ASCE 24 Section 2.6.2.2., or meet the following minimum criteria listed in Sections (1)-(8) below:

(5) The area ~~cannot~~ **shall not** be used as ~~finished living space~~ **Finished (Habitable) Area and shall be an Unfinished Area**. ~~Use of the enclosed area shall be the minimum necessary and shall only be used for the parking of vehicles, Building access or limited storage~~. Access to the enclosed area shall **not exceed** ~~be~~ the minimum necessary to allow for the parking of vehicles (Garage door) or limited storage of maintenance equipment used in the connection with the premises (standard exterior door) or entry to the living area (stairway or elevator). The enclosed area shall not be used for human habitation;

(6) All interior Walls, floor, and ceiling materials located below two (2) feet above the BFE shall be **Unfinished Area** ~~unfinished~~ **and be flood damage-resistant in accordance with FEMA Technical Bulletin 2, Flood Damage-Resistant Requirements.**

7. Modify Section 6.9.5.D.12 which applies to construction within the Coastal High Hazard Zone to include the following amendments:

(12) If Breakaway Walls, lattice work or insect screening are utilized, the resulting enclosed space shall not be designed to be used for human habitation **or Finished (Habitable) Area**, but shall be designed to be used only for parking of vehicles, Building access, or limited storage. **Utilization of non-supporting** enclosures of 300 square feet or more are subject to increased insurance premiums.

8. *Modify Section 9.3 Defined Terms, to include the following:*

~~Attic: the interior part of a Building contained within a pitched roof structure. See Illustration 9.3.A-3 (Attic)~~

Unfinished Area: As related to fully enclosed areas below two feet above the base flood elevation (BFE+2'),an enclosed area that is used only for the parking of vehicles, building access or storage purposes and that does not meet the definition of a Finished (Habitable) Area. Drywall required for fire protection is permitted in Unfinished Areas. Unfinished enclosed areas below the BFE+2' shall comply with FEMA Technical Bulletin 2, Flood-Damage Resistant Materials Requirements.

Finished (Habitable) Area – As related to fully enclosed areas below two feet above the base flood elevation (BFE+2), a space that is, but is not limited to, heated and/or cooled, contains finished floors, has sheetrock walls that may or may not be painted or wallpapered, and other amenities such as furniture, appliances, bathrooms, fireplaces and other items that are easily damaged by floodwaters and expensive to clean, repair or replace.

Story: a level within a Building, being that portion between the surface of any floor and the surface of the floor next above it; if there is no floor above it, then the space between the floor and ceiling next above it; unless that space is a Half Story. The number of Stories shall be measured from the Finished Grade along the Principal Frontage of a Structure and/or Building.

(1) A Basement is a Story when the ceiling height is more than three (3) feet above the Finished grade measured along the Principal Frontage of the Structure and/or Building; except that, within the Special Flood Hazard Areas ~~the lowest level~~ **Unfinished Area below the Lowest Floor** is not a Story provided that **more than 50% of the floor-to-ceiling height is below the Base Flood Elevation.**

~~a. It is uninhabitable space and can only be used for Parking or storage; and~~

~~b. More than 50% of the floor height is below the Base Flood Elevation.~~

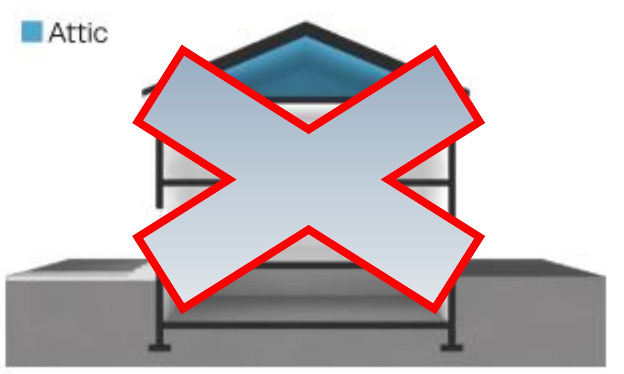
(2) For Structures on pilings within the Special Flood Hazard Area, the area between the ground and the floor next above it shall not count as a Story, provided that more than 50% of the Existing Grade is below the Base Flood Elevation.

Lowest Floor: The lowest floor of the lowest enclosed area (including Basement); except **Within a Special Flood Hazard Area,** an ~~unfinished~~ **Unfinished Area** ~~or flood resistant enclosure usable solely for parking of vehicles, building access or storage., in an area other than a basement area~~ is not considered a Building's lowest floor.

~~**Story, Half-**: a level within a Building or other Structure that is an Attic in which the area with a ceiling height of seven feet six inches (7'-6") or greater between the surface of the floor and the bottom of the rafters above it when excluding Dormers, is fifty percent (50%) or less of the Attic floor area under that roof, or, when including Dormers, is sixty percent (60%) or less of the Attic floor area under that roof~~

Story, Half-: a level within a Building or Structure, which may have a ceiling, located under a pitched roof, whose height, measured between the floor and the bottom of the roof rafters, does not exceed seven feet six inches (7'-6") for more than fifty percent (50%) of that floor area, or, when including Dormers, sixty percent (60%); or a level within a Building or Structure, located under a flat roof, whose total floor area does not exceed fifty percent (50%) of the floor below and whose height does not exceed seven feet six inches (7'-6"), measured between the floor and the bottom of the roof rafters, which must be set back a minimum of five (5') from Façade of the Principal Frontage.

ILLUSTRATION 9.3.A-3 ATTIC



THEREFORE, BE IT RESOLVED by the Norwalk Planning & Zoning Commission that application #025-35 R – Planning & Zoning Commission – Zoning Regulation Text Amendment(s) to Articles 4, 6 and 9 regarding details on minimum and maximum ceiling heights for certain uses; allowing Open Space as a principal use in all zones; permitting Townhouses within the SD-MC zone by Special Permit; revisions to the limitations on certain uses that referenced out-of-date road classifications; revisions to the flood zone regulations specifying areas of structures that must be unfinished; deleting the definition of Attic; modifying the definitions of Story, Half-, Story, and Lowest Floor; creating definitions for Unfinished Area and Finished (Habitable) Area be **APPROVED** to implement the following goals, policies, strategies and actions of the Norwalk Plan of Conservation and Development:

1. Chapter 10, Goal 1: "Norwalk has a comprehensive and balanced transportation system, with safety and multimodal accessibility the top priority of citywide transportation planning."
    a. Policy: "Support Complete Streets policies and multimodal level of service analysis to improve streets for all users and varying abilities."
        i. Strategy B: "Provide roads that serve the needs of Norwalk residents and commerce, and that facilitate safe and convenient access to transit, bicycle facilities, and pedestrian facilities."
            1. Action i: "Make land use decisions that support walking, bicycling, and public transit use."
2. Chapter 12, Goal 1: "General guidelines guide land use decision making."
    a. Policy: "Promote urban design guidelines for walkability for development in urbanized parts of Norwalk."
    b. Policy: "Implement transit-oriented design (TOD) guidelines promoting density, walkability, and mix of uses for development near transit stations (rail and high-frequency bus).
3. Chapter 12, Goal 2: "Neighborhood and corridor activity centers have urban design standards that promote walkability."
    a. Policy: "Support mixed-use redevelopment along commercial corridors."
4. Chapter 12, Goal 3: "The user-friendly zoning ordinance is consistent with the future land use map and achievement of the vision and goals of the POCD."
    a. Policy: "Support revision of the zoning ordinance to promote desired development and design patterns."
    b. Policy: "Support permit streamlining for projects with desired characteristics."
        i. Strategy A: "Modernize the zoning ordinance and the development approval process to achieve the goals of the POCD."
            1. Action i: "Rewrite the zoning ordinance to reflect contemporary best practices in administration and user-friendliness and to be consistent with the POCD."

BE IT FURTHER RESOLVED that the effective date of this action shall be June 27, 2025.

Substitute Senate Bill No. 9

Public Act No. 25-33

AN ACT CONCERNING THE ENVIRONMENT, CLIMATE AND SUSTAINABLE MUNICIPAL AND STATE PLANNING, AND THE USE OF NEONICOTINOIDS AND SECOND-GENERATION ANTICOAGULANT RODENTICIDES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective July 1, 2026*) Each insurer that delivers, issues for delivery or renews in this state a homeowners or renters insurance policy for a residential dwelling shall provide to the insured a notice prescribed or approved by the Insurance Commissioner that explains clearly, conspicuously and in plain language that: (1) Such policy does not provide coverage for loss caused by flood, and (2) insurance is available under separate flood policies, including information regarding flood insurance eligibility and access.

Sec. 2. (NEW) (*Effective July 1, 2026*) (a) Not later than ten days prior to the date of the closing in a mortgage loan transaction, each creditor, as defined in section 49-6a of the general statutes, shall notify the mortgage loan applicant, in writing, that: (1) Standard homeowners insurance policies do not cover flood damage and related losses; (2) flood damage to property may occur regardless of whether the real property is located in a designated flood zone; and (3) the applicant may wish to consult a licensed insurance producer or surplus lines broker concerning the availability and benefits of obtaining flood insurance.

(b) The notice required by subsection (a) of this section shall be written in plain language and signed and dated by the mortgage loan applicant to acknowledge receipt of such notice. Each creditor shall keep and maintain a copy of such notice with the mortgage loan applicant's mortgage records.

Sec. 3. Subdivision (2) of subsection (d) of section 20-327b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(2) Pursuant to the Uniform Property Condition Disclosure Act, the seller is obligated to answer the following questions and to disclose herein any knowledge of any problem regarding the following:

(A) A subsection entitled "Subject Property"

(i) Name of seller(s)

(ii) Street address, municipality, zip code

(B) A subsection entitled "General Information"

(i) Indicate the YEAR the structure was built:

(ii) Indicate HOW LONG you have occupied the property: If not applicable, indicate with N/A.

(iii) Does anyone else claim to own any part of your property, including, but not limited to, any encroachment(s)? If YES, explain:

(iv) Does anyone other than you have or claim to have any right to use any part of your property, including, but not limited to, any easement or right-of-way? If YES, explain:

(v) Is the property in a flood hazard area or an inland wetlands area?

If YES, explain:

(vi) Are you aware of the presence of a dam on the property that has been or is required to be registered with the Department of Energy and Environmental Protection? If YES, explain:

(vii) Do you have any reason to believe that the municipality in which the subject property is located may impose any assessment for purposes such as sewer installation, sewer improvements, water main installation, water main improvements, sidewalks or other improvements? If YES, explain:

(viii) Is the property located in a municipally designated village district, municipally designated historic district or listed on the National Register of Historic Places? If YES, explain:

(ix) Special Statement: Information concerning village districts and historic districts may be obtained from the municipality's village or historic district commission, if applicable.

(x) Is the property located in a special tax district? If YES, explain:

(xi) Is the property subject to any type of land use restrictions, other than those contained within the property's chain of title or that are necessary to comply with state laws or municipal zoning? If YES, explain:

(xii) Is the property located in a common interest community? If YES, is it subject to any community or association dues or fees? Please explain:

(xiii) Do you have any knowledge of prior or pending litigation, government agency or administrative actions, orders or liens on the property related to the release of any hazardous substance? If YES, explain:

(C) A subsection entitled "Leased Equipment"

Does the property include any Leased or Rented Equipment that would necessitate or obligate either of the following: The assignment or transfer of the lease or rental agreement(s) to the buyer or the replacement or substitution of the equipment by the buyer? If YES, indicate by checking ALL items that apply: PROPANE FUEL TANK; WATER HEATER; SECURITY ALARM SYSTEM; FIRE ALARM SYSTEM; SATELLITE DISH ANTENNA; WATER TREATMENT SYSTEM; SOLAR DEVICES; MAJOR APPLIANCES; OTHER

(D) A subsection entitled "Mechanical/Utility Systems"

(i) Heating system problems? If YES, explain. List Fuel Types.

(ii) Hot water heater Type: Age: Hot water problems? If YES, explain:

(iii) Is there an underground storage tank? If YES, give AGE of tank and LOCATION.

(iv) Are you aware of any problems with the underground storage tank? If YES, explain:

(v) During the time you have owned the property, has there ever been an underground storage tank located on the property? If YES, has it been removed? If YES, what was the date of removal and what was the name and address of the person or business who removed such underground storage tank? Provide any and all written documentation of such removal within your control or possession by attaching a copy of such documentation to this form.

(vi) Air conditioning problems? If YES, explain: Air conditioning Type: Central; Window; Other

(vii) Plumbing system problems? If YES, explain:

(viii) Electrical System problems? If YES, explain:

(ix) Electronic security system problems? If YES, explain:

(x) Are there carbon monoxide or smoke detectors located in a dwelling on the property? If YES, state the NUMBER of such detectors and whether there have been problems with such detectors;

(xi) Fire sprinkler system problems? If YES, explain:

(E) A subsection entitled "Water System"

(i) Domestic Water System Type: Public; Private Well; Other

(ii) If Public Water:

(I) Is there a separate expense/fee for water usage? If YES, is the expense/fee for water usage flat or metered? Give the AMOUNT and explain:

(II) Are there any UNPAID water charges? If YES, state the amount unpaid:

(iii) If Private Well:

Has the well water been tested for contaminants/volatile organic compounds? If YES, attach a copy of the report.

(iv) If Public Water or Private Well: Are you aware of any problems with the well, or with the water quality, quantity, recovery, or pressure? If YES, explain:

(F) A subsection entitled "Sewage Disposal System"

(i) Sewage Disposal System Type: Public; Septic; Cesspool; Other

(ii) If Public Sewer:

(I) Is there a separate charge made for sewer use? If YES, is it Flat or Metered?

(II) If it is a Flat amount, state amount and due dates:

(III) Are there any UNPAID sewer charges? If any unpaid sewer charges, state the amount:

(iii) If Private:

(I) Name of service company

(II) Date last pumped: AND frequency:

(III) For any sewage system, are there problems? If YES, explain:

(G) A subsection entitled "Asbestos/Lead"

(i) Are asbestos containing insulation or building materials present? If YES, location:

(ii) Is lead paint present? If YES, location:

(iii) Is lead plumbing present? If YES, location:

(H) A subsection entitled "Building/Structure/Improvements"

(i) Is the foundation made of concrete? If NO, explain:

(ii) Foundation/Slab problems or settling? If YES, explain:

(iii) Basement Water Seepage/Dampness? If YES, explain Amount, Frequency and Location:

(iv) Sump pump problems? If YES, explain:

(v) Do you have any knowledge of any testing or inspection done by a licensed professional related to a foundation on the property? If YES, disclose the testing or inspection method, the areas or locations that were tested or inspected, the results of such testing or inspection and attach a copy of the report concerning such testing or inspection.

(vi) Do you have any knowledge of any repairs related to a foundation on the property? If YES, describe such repairs, disclose the areas repaired and attach a copy of the report concerning such repairs.

(vii) Do you have any knowledge related to the presence of pyrrhotite in a foundation on the property? If YES, explain:

(viii) Roof type; Age?

(ix) Roof leaks? If YES, explain:

(x) Exterior siding problems? If YES, explain:

(xi) Chimney, Fireplace, Wood or Coal Stove problems? If YES, explain:

(xii) Patio/deck problems? If YES, explain:

(xiii) If constructed of Wood, is the Wood Treated or Untreated?

(xiv) Driveway problems? If YES, explain:

(xv) Water drainage problems? If YES, explain:

(xvi) Interior Floor, Wall and/or Ceiling problems? If YES, explain:

(xvii) Fire and/or Smoke damage? If YES, explain:

(xviii) Termite, Insect, Rodent or Pest Infestation problems? If YES, explain:

(xix) Rot or Water damage problems? If YES, explain:

(xx) Is house insulated? If YES, Type: Location:

(xxi) Has a test for Radon been performed? If YES, attach a copy of the report.

(xxii) Is there a Radon Control System in place? If YES, explain:

(xxiii) Has a Radon control system been in place in the previous 12 months? If YES, explain:

(I) A subsection entitled "Flood Risk Awareness"

(i) Is the property located in a Federal Emergency Management Agency designated floodplain? If YES, which zone:

(ii) During the time that the seller has owned the property, has the seller received assistance or is the seller aware of any previous owners receiving assistance from the Federal Emergency Management Agency, the United States Small Business Administration or any other federal or state disaster assistance program for flood damage to the property?

(iii) Is there a current flood insurance policy in effect on the property?

(iv) Is a Federal Emergency Management Agency elevation certificate available?

(v) Has the seller ever filed a claim for flood damage to the property?

(vi) If there is a structure on the property, has the structure experienced any water penetration or damage due to seepage or a natural flood event?

[(I)**]** (J) The Seller should attach additional pages to further explain any item(s) above. Indicate here the number of additional pages attached:

[(J)**]** (K) Questions contained in subparagraphs (A) to **[**(I)**]** (J), inclusive, of this subdivision shall contain checkboxes indicating "yes", "no", "not applicable" or "unknown".

Sec. 4. Subdivision (4) of subsection (d) of section 20-327b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(4) The written residential condition report shall contain the following in a separate section immediately below the seller's certification:

IMPORTANT INFORMATION

(A) RESPONSIBILITIES OF REAL ESTATE BROKERS

This report in no way relieves a real estate broker of the broker's obligation under the provisions of section 20-328-5a of the Regulations of Connecticut State Agencies to disclose any material facts. Failure to do so could result in punitive action taken against the broker, such as fines, suspension or revocation of license.

(B) STATEMENTS NOT TO CONSTITUTE A WARRANTY

Any representations made by the seller on the written residential condition report shall not constitute a warranty to the buyer.

(C) NATURE OF REPORT

This Residential Property Condition Report is not a substitute for inspections, tests and other methods of determining the physical condition of property.

(D) INFORMATION ON THE RESIDENCE OF CONVICTED FELONS

Information concerning the residence address of a person convicted of a crime may be available from law enforcement agencies or the

Department of Public Safety.

(E) BUILDING PERMITS AND CERTIFICATES OF OCCUPANCY

Prospective buyers should consult with the municipal building official in the municipality in which the property is located to confirm that building permits and certificates of occupancy have been issued for work on the property.

(F) HOME INSPECTION

Buyers should have the property inspected by a licensed home inspector.

(G) CONCRETE FOUNDATION

Prospective buyers may have a concrete foundation inspected by a licensed professional engineer who is a structural engineer for deterioration of the foundation due to the presence of pyrrhotite.

(H) DAM

Information concerning the registration and categorization of a dam on the property may be obtained from the Department of Energy and Environmental Protection.

<u>(I) FLOOD INSURANCE, FLOOD MAPS AND FLOOD RISK</u>

<u>Federal law requires owners to obtain and maintain flood insurance for properties financed with a federally regulated or insured mortgage in a Special Flood Hazard Area, also known as a high-risk zone on FEMA's flood insurance rate maps. In addition, for properties that have previously received federal disaster assistance, owners are required to obtain and maintain flood insurance as a condition to be eligible for future assistance. This requirement affixes to the property and applies to all future owners. FEMA flood maps are not designed, nor intended</u>

to be, a reliable tool for buyers to assess a property's flood risk. A property does not have to be near water or in a flood zone to flood. For additional information on obtaining important flood insurance, contact an insurance professional.

Sec. 5. Subsection (b) of section 22a-109 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(b) The zoning commission may by regulation exempt any or all of the following uses from the coastal site plan review requirements of this chapter: (1) Minor additions to or modifications of existing buildings or detached accessory buildings, such as garages and utility sheds; (2) construction of new or modification of existing structures incidental to the enjoyment and maintenance of residential property including but not limited to walks, terraces, elevated decks, driveways, swimming pools, tennis courts, docks and detached accessory buildings; (3) construction of new or modification of existing on-premise structures including fences, walls, pedestrian walks and terraces, underground utility connections, essential electric, gas, telephone, water and sewer service lines, signs and such other minor structures as will not substantially alter the natural character of coastal resources or restrict access along the public beach; **[**(4) construction of an individual single-family residential structure except when such structure is located on an island not connected to the mainland by an existing road bridge or causeway or except when such structure is in or within one hundred feet of the following coastal resource areas: Tidal wetlands, coastal bluffs and escarpments and beaches and dunes; (5)**]** (4) activities conducted for the specific purpose of conserving or preserving soil, vegetation, water, fish, shellfish, wildlife and other coastal land and water resources; **[**(6)**]** (5) interior modifications to buildings; and **[**(7)**]** (6) minor changes in use of a building, structure or property except those changes occurring on property adjacent to or abutting coastal waters.

Gardening, grazing and the harvesting of crops shall be exempt from the requirements of this chapter. Notwithstanding the provisions of this subsection, shoreline flood and erosion control structures as defined in subsection (c) of this section shall not be exempt from the requirements of this chapter.

Sec. 6. Subsection (d) of section 22a-109 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(d) A copy of each coastal site plan submitted for any shoreline flood and erosion control structure, any activity proposed within a FEMA-designated V, VE, A, AE or Limit of Moderate Wave Action (LiMWA) area, or any site that contains tidal wetlands, beaches or dunes shall be referred to the Commissioner of Energy and Environmental Protection within fifteen days of its receipt by the zoning commission or zoning board of appeals. The day of receipt shall be determined in accordance with subsection (c) of section 8-7d. The commissioner may comment on and make recommendations on such plans. Such comments and recommendations shall be submitted to the zoning commission or zoning board of appeals within thirty-five days of the date of receipt of the coastal site plan by the commissioner and shall be considered by the zoning commission or zoning board of appeals before final action on the plan. If the commissioner fails to comment on a plan within the thirty-five-day period or any extension granted by the zoning commission or zoning board of appeals, the zoning commission or zoning board of appeals may take final action on such plan. Failure to comment by the commissioner shall not be construed to be approval or disapproval.

Sec. 7. Subsection (a) of section 25-68o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) (1) On and after October 1, 2019, in the preparation of any municipal evacuation plan or hazard mitigation plan, such municipality shall consider the most recent sea level change scenario updated pursuant to subsection (b) of this section.

(2) On and after October 1, 2027, any such municipal evacuation or hazard mitigation plan shall identify and address (A) threats to surface transportation, critical infrastructure and local land uses as a result of such sea level change, and (B) actions, strategies and capital projects to avoid or reduce the impacts and risks resulting from climate change, including, but not limited to, increased precipitation, flooding, sea level rise and extreme heat. Any such surface transportation, critical infrastructure, local land uses, actions, strategies and capital projects shall be identified in geospatial data, as applicable, in addition to being identified in such plan, and such data shall be made available to the Commissioner of Emergency Services and Public Protection, the Commissioner of Transportation and the Secretary of the Office of Policy and Management upon request. Such geospatial data shall be produced in the plane coordinate system, as described in section 13a-255. Such work may be conducted on a regional basis.

Sec. 8. (NEW) (*Effective July 1, 2025*) On or before May 1, 2028, and annually thereafter, each municipality shall submit a geospatial data file of each culvert and bridge within the control and boundaries of such municipality to the regional council of governments of which it is a member in a form and manner prescribed by the Office of Policy and Management, in consultation with the Departments of Transportation and Energy and Environmental Protection. Such geospatial data shall be produced and provided in the plane coordinate system, as described in section 13a-255 of the general statutes. Such data file shall include, but need not be limited to, geospatial data pertaining to each culvert and bridge, the locational coordinates of each culvert and bridge, the age and dimensions of each culvert and bridge and any additional information deemed necessary by the Office of Policy and Management, in consultation with the Departments of Transportation and Energy and Environmental Protection. On or before July 1, 2028, and annually thereafter, each regional council of governments shall: (1) Submit such geospatial data file to the Secretary of the Office of Policy and Management, and (2) report each municipality that failed to provide such geospatial data file.

Sec. 9. Section 7-364 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

Upon the recommendation of the budget-making authority and approval by the legislative body, any part or the whole of such fund may be used for (1) capital and nonrecurring expenditures, but such use shall be restricted to the financing of all or part of the planning, construction, reconstruction or acquisition of any specific capital improvement, including, but not limited to, planning, construction, reconstruction or acquisition intended to increase the resiliency of a capital improvement against the impacts of climate change, including, but not limited to, increased precipitation, flooding, sea level rise and extreme heat, or the acquisition of any specific item of equipment, (2) costs associated with a property tax revaluation, and (3) costs associated with the preparation, amendment or adoption of a plan of conservation and development pursuant to section 8-23, as amended by this act. Upon the approval of any such expenditure, an appropriation shall be set up, plainly designated for the project, acquisition, revaluation or plan of conservation and development for which it has been authorized, and such unexpended appropriation may be continued until such project, acquisition, revaluation or plan of conservation and development is completed. Any unexpended portion of such appropriation remaining after such completion shall revert to said reserve fund.

Sec. 10. Subsection (a) of section 13a-175a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1,* *2025*):

(a) For each fiscal year there shall be allocated twelve million five hundred thousand dollars out of the funds appropriated to the Department of Transportation, or from any other source, not otherwise prohibited by law, to be used by the towns (1) for the construction, reconstruction, improvement **[**or**]** and maintenance of highways, sections of highways, bridges **[**or**]** and structures incidental to highways and bridges, **[**or the improvement thereof,**]** including (A) construction, reconstruction, improvements and maintenance intended to increase resiliency against increased precipitation, flooding, sea level rise and extreme heat, and (B) the plowing of snow, the sanding of icy pavements, the trimming and removal of trees, the installation, replacement and maintenance of traffic signs, signals and markings, (2) for traffic control and vehicular safety programs, traffic and parking planning and administration, and other purposes and programs related to highways, traffic and parking, and (3) for the purposes of providing and operating essential public transportation services and related facilities.

Sec. 11. Subsections (d) to (f), inclusive, of section 8-23 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(d) In preparing such plan, the commission or any special committee shall consider the following: (1) The community development action plan of the municipality, if any, (2) the need for affordable housing, (3) the need for protection of existing and potential public surface and ground drinking water supplies, (4) the use of cluster development and other development patterns to the extent consistent with soil types, terrain and infrastructure capacity within the municipality, (5) the state plan of conservation and development adopted pursuant to chapter 297, (6) the regional plan of conservation and development adopted pursuant to section 8-35a, as amended by this act, (7) physical, social, economic and governmental conditions and trends, (8) the needs of the municipality including, but not limited to, human resources, education, health, housing, recreation, social services, public utilities, public protection, transportation and circulation and cultural and interpersonal communications, (9) the objectives of energy-efficient patterns of development, the use of solar and other renewable forms of energy and energy conservation, (10) protection and preservation of agriculture, (11) the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, **[**and**]** (12) the need for technology infrastructure in the municipality, and (13) for any such plan adopted on or after October 1, 2027, the most recent hazard and climate projections established by federal and state authorities, including, but not limited to, the National Oceanic and Atmospheric Administration, the Federal Emergency Management Agency, the United States Environmental Protection Agency and The University of Connecticut.

(e) (1) **[**Such**]** Any such plan of conservation and development adopted prior to October 1, 2027, shall (A) be a statement of policies, goals and standards for the physical and economic development of the municipality, (B) provide for a system of principal thoroughfares, parkways, bridges, streets, sidewalks, multipurpose trails and other public ways as appropriate, (C) be designed to promote, with the greatest efficiency and economy, the coordinated development of the municipality and the general welfare and prosperity of its people and identify areas where it is feasible and prudent (i) to have compact, transit accessible, pedestrian-oriented mixed use development patterns and land reuse, and (ii) to promote such development patterns and land reuse, (D) recommend the most desirable use of land within the municipality for residential, recreational, commercial, industrial, conservation, agricultural and other purposes and include a map showing such proposed land uses, (E) recommend the most desirable density of population in the several parts of the municipality, (F) note any inconsistencies with the following growth management principles:

(i) Redevelopment and revitalization of commercial centers and areas of mixed land uses with existing or planned physical infrastructure; (ii) expansion of housing opportunities and design choices to accommodate a variety of household types and needs; (iii) concentration of development around transportation nodes and along major transportation corridors to support the viability of transportation options and land reuse; (iv) conservation and restoration of the natural environment, cultural and historical resources and existing farmlands; (v) protection of environmental assets critical to public health and safety; and (vi) integration of planning across all levels of government to address issues on a local, regional and state-wide basis, (G) make provision for the development of housing opportunities, including opportunities for multifamily dwellings, consistent with soil types, terrain and infrastructure capacity, for all residents of the municipality and the planning region in which the municipality is located, as designated by the Secretary of the Office of Policy and Management under section 16a-4a, (H) promote housing choice and economic diversity in housing, including housing for both low and moderate income households, and encourage the development of housing which will meet the housing needs identified in the state's consolidated plan for housing and community development prepared pursuant to section 8-37t and in the housing component and the other components of the state plan of conservation and development prepared pursuant to chapter 297, and (I) consider allowing older adults and persons with a disability the ability to live in their homes and communities whenever possible. Such plan may: (i) Permit home sharing in single-family zones between up to four adult persons of any age with a disability or who are sixty years of age or older, whether or not related, who receive supportive services in the home; (ii) allow accessory apartments for persons with a disability or persons sixty years of age or older, or their caregivers, in all residential zones, subject to municipal zoning regulations concerning design and long-term use of the principal property after it is no longer in use by such persons; and (iii) expand the definition of "family" in single-family zones to allow for accessory apartments for persons sixty years of age or older, persons with a disability or their caregivers. In preparing such plan the commission shall consider focusing development and revitalization in areas with existing or planned physical infrastructure.

(2) Any such plan of conservation and development adopted on or after October 1, 2027, shall (A) be a statement of policies, goals and standards for the physical and economic development of the municipality; (B) provide for a system of principal thoroughfares, parkways, bridges, streets, sidewalks, multipurpose trails and other public ways as appropriate; (C) be designed to promote, with the greatest efficiency and economy, the coordinated development of the municipality and the general welfare and prosperity of its people and identify areas where it is feasible and prudent (i) to have compact, transit-accessible, pedestrian-oriented mixed use development patterns and land reuse, and (ii) to promote such development patterns and land reuse; (D) (i) include a climate change vulnerability assessment, based on information from considerations described in subsection (d) of this section, which shall consist of an assessment of existing and anticipated threats to and vulnerabilities of the municipality that are associated with natural disasters, hazards and climate change, including, but not limited to, increased temperatures, drought, flooding, wildfire, storm damage and sea level rise, saltwater intrusion and the impacts such disasters and hazards may have on individuals, communities, institutions, businesses, economic development, public infrastructure and facilities, public health, safety and welfare, (ii) identify goals, policies and techniques to avoid or reduce such threats, vulnerabilities and impacts, and (iii) include a statement describing any consistencies and inconsistencies identified between such assessment and any existing or proposed municipal natural hazard mitigation plan, floodplain management plan, comprehensive emergency operations plan, emergency response plan, post-disaster recovery plan, long-range

transportation plan or capital improvement plan in the municipality, and identify and recommend, where necessary, the integration of data from such assessment into any such plans and any actions necessary to achieve consistency and coordination between such assessment and any such plans; (E) recommend the most desirable use of land within the municipality for residential, recreational, commercial, industrial, conservation, agricultural and other purposes and include a map showing such proposed land uses which considers the threats, vulnerabilities and impacts identified in the climate change vulnerability assessment conducted pursuant to subparagraph (D)(i) of this subdivision; (F) recommend the most desirable density of population in the several parts of the municipality; (G) note any inconsistencies with the following growth management principles: (i) Redevelopment and revitalization of commercial centers and areas of mixed land uses with existing or planned physical infrastructure; (ii) expansion of housing opportunities and design choices to accommodate a variety of household types and needs; (iii) concentration of development around transportation nodes and along major transportation corridors to support the viability of transportation options and land reuse and reduction of vehicle mileage; (iv) conservation and restoration of the natural environment, cultural and historical resources and existing farmlands; (v) protection of environmental assets critical to public health and safety; and (vi) integration of planning across all levels of government to address issues on a local, regional and state-wide basis; (H) make provision for the development of housing opportunities, including opportunities for multifamily dwellings, consistent with soil types, terrain and infrastructure capacity, for all residents of the municipality and the planning region in which the municipality is located, as designated by the Secretary of the Office of Policy and Management pursuant to section 16a-4a; (I) promote housing choice and economic diversity in housing, including housing for both low and moderate income households, and encourage the development of housing which will meet the housing needs identified in the state's consolidated plan for housing and community development prepared pursuant to section 8-37t and in the housing component and the other components of the state plan of conservation and development prepared pursuant to chapter 297; (J) consider allowing older adults and persons with disabilities the ability to live in their homes and communities whenever possible; (K) identify infrastructure, including, but not limited to, facilities, public utilities and roadways, that is critical for evacuation purposes and sustaining quality of life during a natural disaster, and that shall be maintained at all times in an operational state; (L) identify strategies and design standards that may be implemented to avoid or reduce risks associated with natural disasters, hazards and climate change; and (M) include geospatial data utilized in preparing such plan or that is necessary to convey information in such plan. Any such plan may: (i) Permit home sharing in single-family zones between up to four adult persons of any age with a disability or who are sixty years of age or older, whether or not related, who receive supportive services in the home; (ii) allow accessory apartments for persons with a disability or persons sixty years of age or older, or their caregivers, in all residential zones, subject to municipal zoning regulations concerning design and long-term use of the principal property after it is no longer in use by such persons; (iii) expand the definition of "family" in single-family zones to allow for accessory apartments for persons sixty years of age or older, persons with a disability or their caregivers; and (iv) identify one or more areas that are vulnerable to the impacts of climate change for the purpose of prioritizing funding for infrastructure needs and resiliency planning. In preparing such plan the commission shall consider focusing development and revitalization in areas with existing or planned physical infrastructure. The commission or any special committee may utilize information and data from any natural hazard mitigation plan, floodplain management plan, comprehensive emergency operations plan, emergency response plan, post-disaster recovery plan, long-range transportation plan, climate vulnerability assessment or resilience plan in the preparation of such plan of conservation and development, including a document coordinated by the applicable regional council of governments, provided such information and data shall not be incorporated by reference, but summarized and applied in such plan to the specific policies, goals and standards of the subject municipality.

[(2)**]** (3) For any municipality that is contiguous to Long Island Sound, such plan shall be (A) consistent with the municipal coastal program requirements of sections 22a-101 to 22a-104, inclusive, (B) made with reasonable consideration for restoration and protection of the ecosystem and habitat of Long Island Sound, and (C) designed to reduce hypoxia, pathogens, toxic contaminants and floatable debris in Long Island Sound.

(f) Such plan may show the commission's and any special committee's recommendation for (1) conservation and preservation of traprock and other ridgelines, (2) airports, parks, playgrounds and other public grounds, (3) the general location, relocation and improvement of schools and other public buildings, (4) the general location and extent of public utilities and terminals, whether publicly or privately owned, for water, light, power, transit and other purposes, (5) the extent and location of public housing projects, (6) programs for the implementation of the plan, including (A) a schedule, (B) a budget for public capital projects, (C) a program for enactment and enforcement of zoning and subdivision controls, building and housing codes and safety regulations, (D) plans for implementation of affordable housing, (E) plans for open space acquisition and greenways protection and development, and (F) plans for corridor management areas along limited access highways or rail lines, designated under section 16a-27, as amended by this act, (7) proposed priority funding areas, (8) a land use program that will promote the reduction and avoidance of risks associated with natural disasters, hazards and climate change, including, but not limited to, increased temperatures, drought, flooding, wildfire, hurricanes, saltwater intrusion and sea level rise, (9) a program for the transfer of development rights, which establishes criteria for sending and receiving sites and technical details for the program consistent with the provisions of section 8-2e, as amended by this act, (10) identification of resiliency improvement districts, as defined in section 23 of this act, and **[**(8)**]** (11) any other recommendations as will, in the commission's or any special committee's judgment, be beneficial to the municipality. The plan may include any necessary and related maps, explanatory material, photographs, charts or other pertinent data and information relative to the past, present and future trends of the municipality.

Sec. 12. Subsection (i) of section 8-23 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(i) (1) After completion of the public hearing, the commission may revise the plan and may adopt the plan or any part thereof or amendment thereto by a single resolution or may, by successive resolutions, adopt parts of the plan and amendments thereto.

(2) Any plan, section of a plan or recommendation in the plan that is not endorsed in the report of the legislative body or, in the case of a municipality for which the legislative body is a town meeting or representative town meeting, by the board of selectmen, of the municipality may only be adopted by the commission by a vote of not less than two-thirds of all the members of the commission.

(3) Upon adoption by the commission, any plan or part thereof or amendment thereto shall become effective at a time established by the commission, provided notice thereof shall be published in a newspaper having a general circulation in the municipality prior to such effective date.

(4) Not more than thirty days after adoption, any plan or part thereof or amendment thereto shall be posted on the Internet web site of the municipality, if any, and shall be filed in the office of the town clerk, except that, if it is a district plan or amendment, it shall be filed in the offices of both the district and town clerks.

(5) Not more than sixty days after adoption of the plan, the commission shall submit a copy of the plan, including geospatial data required pursuant to subparagraph (M) of subdivision (2) of subsection (e) of this section, to the Secretary of the Office of Policy and Management **[**and**]** in a form and manner prescribed by the secretary. The commission shall include with such copy a description of any **[**inconsistency**]** inconsistencies between the plan adopted by the commission and the regional plan of conservation and development applicable to the municipality and the state plan of conservation and development and the reasons **[**therefor**]** for any such inconsistencies.

Sec. 13. Subsections (a) and (b) of section 8-35a of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) At least once every ten years, each regional council of governments shall make a plan of conservation and development for its area of operation, showing its recommendations for the general use of the area including land use, housing, principal highways and freeways, bridges, airports, parks, playgrounds, recreational areas, schools, public institutions, public utilities, agriculture and such other matters as, in the opinion of the council, will be beneficial to the area. Any regional plan so developed shall be based on studies of physical, social, economic and governmental conditions and trends and shall be designed to promote with the greatest efficiency and economy the coordinated development of its area of operation and the general welfare and prosperity of its people. Such plan may encourage resilient and energy-efficient patterns of development, land use strategies to reduce the impacts of climate change, the use of solar and other renewable forms of energy, and energy conservation. Such plan shall be designed to promote abatement of the pollution of the waters and air of the region. Such plan shall consider the need for technology infrastructure in the region. The regional plan shall identify areas where it is feasible and prudent (1) to have compact, transit accessible, pedestrian-oriented mixed use development patterns and land reuse, and (2) to promote such development patterns and land reuse and shall note any inconsistencies with the following growth management principles: (A) Redevelopment and revitalization of regional centers and areas of mixed land uses with existing or planned physical infrastructure; (B) expansion of housing opportunities and design choices to accommodate a variety of household types and needs; (C) concentration of development around transportation nodes and along major transportation corridors to support the viability of transportation options and land reuse; (D) conservation and restoration of the natural environment, cultural and historical resources and traditional rural lands; (E) protection of environmental assets or ecosystem services critical to public health and safety; and (F) integration of planning across all levels of government to address issues on a local, regional and state-wide basis. The plan of each region contiguous to Long Island Sound shall be designed to reduce hypoxia, pathogens, toxic contaminants and floatable debris in Long Island Sound. For plans adopted on or after October 1, 2025, such plan shall (i) demonstrate consistency with the regional long-range transportation plan and the regional summary of the hazard mitigation plan in the case of a multijurisdictional hazard mitigation plan, and (ii) identify critical facilities in the region and include geospatial data relative to such facilities. Such geospatial information shall indicate location, address and general function of the critical facility.

(b) Before adopting the regional plan of conservation and development or any part thereof or amendment thereto the regional council of governments shall hold at least one public hearing thereon, notice of the time, place and subject of which shall be given in writing to the chief executive officer and planning commission, where one exists, of each member town, city or borough. Notice of the time, place and subject of such hearing shall be published once in a newspaper having a substantial circulation in the region. Such notices shall be given not more than twenty days or less than ten days before such hearing. At least sixty-five days before the public hearing the regional council of governments shall post the plan on the Internet web site of the council, if any, and submit the plan to the Secretary of the Office of Policy and Management for findings in the form of comments and recommendations. By October 1, 2011, the secretary shall establish, by regulations adopted in accordance with the provisions of chapter 54, criteria for such findings which shall include procedures for a uniform review of regional plans of conservation and development to determine if a proposed regional plan of conservation and development is not inconsistent with the state plan of conservation and development and the state economic strategic plan. The regional council of governments shall note on the record any inconsistency with the state plan of conservation and development and the reasons for such inconsistency. Adoption of the plan or part thereof or amendment thereto shall be made by the affirmative vote of not less than a majority of the representatives on the council. The plan shall be posted on the Internet web site of the council, if any, and a copy of the plan or of any amendments thereto, signed by the chairman of the council, shall be transmitted to the chief executive officers, the town, city or borough clerks, as the case may be, and to planning commissions, if any, in member towns, cities or boroughs, and to the Secretary of the Office of Policy and Management, or his or her designee. <u>The geospatial data developed pursuant to subsection (a) of this section shall be made available to the Commissioner of Emergency Services and Public Protection, the Commissioner of Transportation or the Secretary of the Office of Policy and Management upon request.</u> The regional council of governments shall notify the Secretary of the Office of Policy and

Management of any inconsistency with the state plan of conservation and development and the reasons therefor.

Sec. 14. Subsection (h) of section 16a-27 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(h) <u>(1)</u> Any revision made after October 1, 2019, shall **[**(1)**]** <u>(A)</u> take into consideration risks associated with increased coastal flooding and erosion, depending on site topography, as anticipated in the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, **[**(2)**]** <u>(B)</u> identify the impacts of such increased flooding and erosion on infrastructure and natural resources, **[**(3)**]** <u>(C)</u> make recommendations for the siting of future infrastructure and property development to minimize the use of areas prone to such flooding and erosion, and **[**(4)**]** <u>(D)</u> take into consideration the state's greenhouse gas reduction goals established pursuant to section 22a-200a.

<u>(2) Any revision made after the adoption of the state plan of conservation and development for 2025 to 2030 shall (A) take into consideration risks associated with (i) changes to the rate and timing of annual precipitation and increased average temperatures resulting in extreme heat, and (ii) increased flooding and erosion, depending on site topography, as anticipated in the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, and by other sources as deemed appropriate by the Secretary of the Office of Policy and Management, (B) identify the impacts of extreme heat, drought and increased flooding and erosion on infrastructure and natural resources, (C) make recommendations for the siting of future infrastructure and property development to minimize the use of areas prone to such flooding and erosion, (D) make recommendations for land use strategies that minimize risks to public health, infrastructure and the environment, and (E) take into consideration the state's greenhouse gas reduction goals established pursuant to section 22a-200a.</u>

Sec. 15. Section 28-5 of the general statutes is amended by adding subsection (h) as follows (*Effective July 1, 2025*):

(NEW) (h) On and after October 1, 2028, the state civil preparedness plan and program established pursuant to subsection (b) of this section shall consider observed and projected climate trends relating to extreme weather events, drought, coastal and inland flooding, storm surge, wildfire, extreme heat and any other hazards deemed relevant by the commissioner.

Sec. 16. Subsections (b) and (c) of section 8-2 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2027*):

(b) Zoning regulations adopted pursuant to subsection (a) of this section shall:

(1) Be made in accordance with a comprehensive plan and in consideration of the plan of conservation and development adopted under section 8-23<u>, as amended by this act</u>;

(2) Be designed to (A) lessen congestion in the streets; (B) secure safety from fire, panic, flood and other dangers; (C) promote health and the general welfare; (D) provide adequate light and air; (E) protect the state's historic, tribal, cultural and environmental resources; (F) facilitate the adequate provision for transportation, water, sewerage, schools, parks and other public requirements; (G) consider the impact of permitted land uses on contiguous municipalities and on the planning region, as defined in section 4-124i, in which such municipality is located; (H) address significant disparities in housing needs and access to educational, occupational and other opportunities; (I) promote efficient review of proposals and applications; and (J) affirmatively further the purposes of the federal Fair Housing Act, 42 USC 3601 et seq., as amended from time to time;

(3) Be drafted with reasonable consideration as to the physical site characteristics of the district and its peculiar suitability for particular uses and with a view to encouraging the most appropriate use of land throughout a municipality;

(4) Provide for the development of housing opportunities, including opportunities for multifamily dwellings, consistent with soil types, terrain and infrastructure capacity, for all residents of the municipality and the planning region in which the municipality is located, as designated by the Secretary of the Office of Policy and Management under section 16a-4a;

(5) Promote housing choice and economic diversity in housing, including housing for both low and moderate income households;

(6) Expressly allow the development of housing which will meet the housing needs identified in the state's consolidated plan for housing and community development prepared pursuant to section 8-37t and in the housing component and the other components of the state plan of conservation and development prepared pursuant to section 16a-26;

(7) Be made with reasonable consideration for the impact of such regulations on agriculture, as defined in subsection (q) of section 1-1;

(8) Provide that proper provisions be made for soil erosion and sediment control pursuant to section 22a-329;

(9) Be made with reasonable consideration for the protection of existing and potential public surface and ground drinking water supplies; **[**and**]**

(10) In any municipality that is contiguous to or on a navigable waterway draining to Long Island Sound, (A) be made with reasonable consideration for the restoration and protection of the ecosystem and habitat of Long Island Sound; (B) be designed to reduce hypoxia,

pathogens, toxic contaminants and floatable debris on Long Island Sound; and (C) provide that such municipality's zoning commission consider the environmental impact on Long Island Sound coastal resources, as defined in section 22a-93, of any proposal for development; and

(11) Provide that proper provisions be made to mitigate and avoid potential negative impacts to public health, public welfare and the environment, due to sea level change, in consideration of the most recent sea level change scenario updated pursuant to section 25-68o, as amended by this act.

(c) Zoning regulations adopted pursuant to subsection (a) of this section may:

(1) To the extent consistent with soil types, terrain and water, sewer and traffic infrastructure capacity for the community, provide for or require cluster development, as defined in section 8-18;

(2) Be made with reasonable consideration for the protection of historic factors;

(3) Require or promote (A) energy-efficient patterns of development; (B) the use of distributed generation or freestanding solar, wind and other renewable forms of energy; (C) combined heat and power; [and] (D) energy conservation; and (E) resilience, as defined in section 16-243y, including, but not limited to, risks related to extreme heat, drought or prolonged or intense exposure to precipitation;

(4) Provide for incentives for developers who use (A) solar and other renewable forms of energy; (B) combined heat and power; (C) water conservation, including demand offsets; [and] (D) energy conservation techniques, including, but not limited to, cluster development, higher density development and performance standards for roads, sidewalks and underground facilities in the subdivision; and (E) flood-risk

reduction building methods;

(5) Provide for a municipal or regional system for the creation of development rights and the permanent transfer of such development rights, which may include a system for the variance of density limits in connection with any such transfer;

(6) Provide for notice requirements in addition to those required by this chapter;

(7) Provide for conditions on operations to collect spring water or well water, as defined in section 21a-150, including the time, place and manner of such operations;

(8) Provide for floating zones, overlay zones and planned development districts;

(9) Require estimates of vehicle miles traveled and vehicle trips generated in lieu of, or in addition to, level of service traffic calculations to assess (A) the anticipated traffic impact of proposed developments; and (B) potential mitigation strategies such as reducing the amount of required parking for a development or requiring public sidewalks, crosswalks, bicycle paths, bicycle racks or bus shelters, including off-site; **[**and**]**

(10) In any municipality where a traprock ridge or an amphibolite ridge is located, (A) provide for development restrictions in ridgeline setback areas; and (B) restrict quarrying and clear cutting, except that the following operations and uses shall be permitted in ridgeline setback areas, as of right: (i) Emergency work necessary to protect life and property; (ii) any nonconforming uses that were in existence and that were approved on or before the effective date of regulations adopted pursuant to this section; and (iii) selective timbering, grazing of domesticated animals and passive recreation; and

(11) Provide for sending and receiving sites in conjunction with any transfer of development rights program established pursuant to section 8-2e, as amended by this act.

Sec. 17. Subsection (b) of section 8-1a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) As used in this chapter:

(1) "Accessory apartment" means a separate dwelling unit that (A) is located on the same lot as a principal dwelling unit of greater square footage, (B) has cooking facilities, and (C) complies with or is otherwise exempt from any applicable building code, fire code and health and safety regulations;

(2) "Affordable accessory apartment" means an accessory apartment that is subject to binding recorded deeds which contain covenants or restrictions that require such accessory apartment be sold or rented at, or below, prices that will preserve the unit as housing for which, for a period of not less than ten years, 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;

(3) "As of right" or "as-of-right" means able to be approved in accordance with the terms of a zoning regulation or regulations and without requiring that a public hearing be held, a variance, special permit or special exception be granted or some other discretionary zoning action be taken, other than a determination that a site plan is in conformance with applicable zoning regulations;

(4) "Cottage cluster" means a grouping of at least four detached housing units, or live work units, per acre that are located around a common open area;

(5) "Live work unit" means a building or a space within a building used for both commercial and residential purposes by an individual residing within such building or space;

(6) "Middle housing" means duplexes, triplexes, quadplexes, cottage clusters and townhouses;

(7) "Mixed-use development" means a development containing both residential and nonresidential uses in any single building; **[**and**]**

(8) "Townhouse" means a residential building constructed in a grouping of three or more attached units, each of which shares at least one common wall with an adjacent unit and has exterior walls on at least two sides;

(9) "Receiving site" means one or more designated sites or areas of land to which development rights generated from one or more sending sites may be transferred and in which increased development is permitted to occur by reason of such transfer; and

(10) "Sending site" means one or more designated sites or areas of land in which development rights are designated for use in one or more receiving sites.

Sec. 18. Section 8-2e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) Any two or more municipalities which have adopted the provisions of this chapter or chapter 125a or which are exercising zoning power pursuant to any special act may, with the approval of the legislative body of each municipality, execute an agreement providing for a system of development rights and the transfer of development rights across the boundaries of the municipalities which are parties to the agreement. Such system shall be implemented in a manner approved by the legislative body of each municipality and by the commission or other body which adopts zoning regulations of each municipality. Such agreement may provide that such system be administered by a regional council of governments or other agency.

(b) Any two or more municipalities that have executed an agreement pursuant to subsection (a) of this section may, by interlocal agreement, establish a transfer of development rights bank. Each such interlocal agreement shall (1) identify potential sending and receiving sites, (2) include the local legislation governing development rights that has been adopted or is intended to be adopted by the municipality or municipalities in which the receiving site is located, (3) describe procedures for the termination of the transfer of development rights bank, and (4) describe the conversion ratio to be used in the receiving site, which may express the extent of additional development rights in any combination of units, floor area, height or other applicable development standards that may be modified by the municipality to provide incentives for the purchase of development rights.

(c) Each receiving site identified pursuant to subsection (b) of this section shall (1) be eligible for connection with a public water system, (2) be located not more than one-half mile from public transportation facilities, as defined in section 13b-79kk, (3) not be located within the boundaries of core forest, as defined in section 16a-3k, (4) not be located within the boundaries of any area impacted by the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, and (5) be located above the one-hundred-year flood elevation.

(d) Eligible sending sites may include, but need not be limited to, (1) core forest, as defined in section 16a-3k, (2) land classified as farm land in accordance with section 12-107c, (3) agricultural land, as defined in section 22-3, (4) areas identified as containing habitat for endangered or threatened species pursuant to (A) federal law, (B) section 26-306 or 26-308, or (C) a written determination of the United States Fish and Wildlife Service or a state and federally recognized tribe that such area is appropriate for the preservation of endangered or threatened species habitat, and (5) areas within the boundaries of any area impacted by the most recent sea level change scenario updated pursuant to subsection (b) of section 25-68o, or a floodplain, as defined in section 25-68i.

Sec. 19. (NEW) (*Effective July 1, 2025*) Notwithstanding the provisions of section 22a-352 of the general statutes, the Water Planning Council, as established pursuant to section 25-33o of the general statutes, shall, in undertaking the next periodic update to the state water plan in accordance with section 22a-352 of the general statutes: (1) Consider the potential impact of climate change on the quality of water resources, (2) take into account past conditions and predictions of future temperatures and precipitation when identifying the quantities and qualities of water that are available for public water supply, health, economic, recreation and environmental benefits on a regional basin scale considering both surface water and groundwater, and (3) include recommendations and an implementation plan to reduce impacts from climate change and extreme weather events on water quality and quantity.

Sec. 20. (NEW) (*Effective July 1, 2025*) (a) Not later than December 31, 2028, and every ten years thereafter, the Departments of Public Health and Energy and Environmental Protection and the Public Utilities Regulatory Authority shall each review their regulations pertaining to water supply and, in accordance with the provisions of chapter 54 of the general statutes, revise such regulations to incorporate the most concurrent projections on precipitation, temperature or other applicable conditions that could impact water quality, quantity and distribution.

(b) Not later than December 31, 2028, and every ten years thereafter, the Departments of Public Health and Energy and Environmental Protection shall each review and revise their permitting processes for sewage disposal systems, and any attendant regulations, in accordance with the provisions of chapter 54 of the general statutes, to incorporate the most concurrent projections on precipitation, flooding, sea level rise or other applicable conditions that could impact public safety and environmental quality.

Sec. 21. (NEW) (*Effective July 1, 2025*) As used in this section and sections 22 to 30, inclusive, of this act, unless the context otherwise requires:

(1) "Captured assessed value" means the amount, as a percentage or stated sum, of increased assessed value that is utilized from year to year to finance project costs pursuant to the district master plan.

(2) "Clean energy project" means a renewable energy project that utilizes Class I renewable sources, as defined in section 16-1 of the general statutes.

(3) "Current assessed value" means the assessed value of all taxable real property within a resiliency improvement district as of October first of each year that the resiliency improvement district remains in effect.

(4) "District master plan" means a statement of means and objectives prepared by the municipality, or two or more municipalities acting jointly under an interlocal agreement, relating to a resiliency improvement district that is designed to (A) reduce the risk of, or exposure to, extreme events, hazards and the effects of climate change, (B) support economic development, (C) provide housing opportunities in existing residential areas, (D) improve or broaden the tax base, and (E) construct or improve the physical facilities and structures necessary for resilience projects, environmental infrastructure or clean energy projects, or any combination thereof, as described in section 28 of this act.

(5) "Environmental infrastructure" has the same meaning as provided in section 16-245n of the general statutes.

(6) "Financial plan" means a statement of the project costs and sources

of revenue required to accomplish the district master plan.

(7) "Increased assessed value" means the valuation amount by which the current assessed value of a resiliency improvement district exceeds the original assessed value of the resiliency improvement district. If the current assessed value is equal to or less than the original assessed value, there is no increased assessed value.

(8) "Increased savings" means the valuation amount by which the current cost of any existing insurance premium, or other premium, surcharge or other fee identified within the resiliency improvement district may be reduced after the implementation of such district, resulting in a monetary savings to a resident of, or a business located in, such district.

(9) "Joint resiliency improvement district" means a resiliency improvement district established by two or more contiguous municipalities that have entered into an interlocal agreement in accordance with sections 7-339a to 7-339*l*, inclusive, of the general statutes.

(10) "Maintenance and operation" means all activities necessary to maintain facilities after they have been developed and all activities necessary to operate such facilities, including, but not limited to, informational, promotional and educational programs and safety and surveillance activities.

(11) "Municipality" means a town, city, borough, consolidated town and city or consolidated town and borough.

(12) "Original assessed value" means the assessed value of all taxable real property within a resiliency improvement district as of October first of the tax year preceding the year in which the resiliency improvement district was established by the legislative body of a municipality.

(13) "Project costs" means any expenditures or monetary obligations incurred or expected to be incurred that are authorized by section 28 of this act and included in a district master plan.

(14) "Resilience" has the same meaning as provided in section 16-243y of the general statutes.

(15) "Resilience project" means a project, including a capital project, that is designed and implemented to address climate change mitigation, adaptation or resilience, including, but not limited to, the following:

(A) A project that mitigates the effects of river, bay or sea level rise, or rising groundwater, including wetlands or marsh restoration, riparian buffers, vegetated dunes, living shorelines, erosion control, road elevation, levees or other flood structures;

(B) A project that mitigates the effects of extreme heat or the urban heat island effect, including increasing shade, deploying building and surface materials designed to reflect or absorb less heat, using pavement materials designed to reflect or absorb less heat, constructing, improving or modifying new or existing facilities or increasing access to cooling opportunities;

(C) A project that mitigates the effects of drought, including the repurposing of land for multiple uses, the reduction of impervious surfaces, groundwater replenishment or groundwater storage or a combination of such uses; or

(D) A project intended to reduce the risk of flooding, including structure elevation or relocation, wetlands restoration, flood easements or bypasses, riparian buffers or levees.

(16) "Tax increment" means real property taxes assessed by a municipality upon the increased assessed value of property in the resiliency improvement district.

(17) "Resiliency improvement district" means an area wholly within the corporate limits of one or more municipalities that has been established and designated as such pursuant to section 22 of this act and that is to be developed in accordance with a district master plan.

(18) "Tax year" means the period of time beginning on July first and ending on the succeeding June thirtieth.

Sec. 22. (NEW) (*Effective July 1, 2025*) (a) Any municipality may, by vote of its legislative body, establish a resiliency improvement district located wholly within the boundaries of such municipality in accordance with the requirements of this section and sections 23 to 30, inclusive, of this act. If a municipality is governed by a home rule charter, and such charter prohibits the establishment of a resiliency improvement district, such municipality shall not establish such district. Except as provided in subsection (d) of this section, the establishment of a resiliency improvement district approved by such municipality shall be effective upon the concurrent approval of such district and the adoption of a district master plan pursuant to section 24 of this act.

(b) Within a resiliency improvement district, and consistent with the district master plan, the municipality, in addition to powers granted to such municipality under the Constitution of the state of Connecticut, the general statutes, the provisions of any special act or sections 23 to 30, inclusive, of this act, shall have the following powers:

(1) To acquire, construct, reconstruct, improve, preserve, alter, extend, operate or maintain property or promote development intended to meet the objectives of the district master plan. The municipality may acquire property, land or easements through negotiation or by other means authorized for any municipality under the general statutes;

(2) To execute and deliver contracts, agreements and other documents relating to the operation and maintenance of the resiliency

improvement district;

(3) To issue bonds and other obligations of the municipality in accordance with the provisions set forth in section 28 of this act;

(4) Acting through its board of selectmen, town council or other governing body of such municipality, to enter into written agreements with a taxpayer that fixes the assessment of real property located within a resiliency improvement district, provided (A) the term of such agreement shall not exceed thirty years from the date of the agreement; and (B) the agreed assessment for such real property plus future improvements shall not be less than the assessment of the real property as of the last regular assessment date without such future improvements. Any such agreement shall be recorded in the land records of the municipality. The recording of such agreement shall constitute notice of the agreement to any subsequent purchaser or encumbrancer of the property or any part of it, whether voluntary or involuntary, and such agreement shall be binding upon any subsequent purchaser or encumbrancer. If the municipality claims that the taxpayer or a subsequent purchaser or encumbrancer has violated the terms of such agreement, the municipality may bring an action in the superior court for the judicial district in which the municipality is located to enforce such agreement;

(5) To accept grants, advances, loans or other financial assistance from the federal government, the state, private entities or any other source, including, but not limited to, such funds as allowable from sections 7-159d, 16-245n, 22a-498 and 25-85 of the general statutes, and undertake any additional actions necessary or desirable to secure such financial aid; and

(6) Upon such terms as the municipality determines, to furnish services or facilities, provide property, lend, grant or contribute funds and take any other action such municipality is authorized to perform for

any other purposes.

(c) The resiliency improvement district may be dissolved or the boundaries of such district may be modified upon the vote of the legislative body of the municipality, except that the resiliency improvement district may not be dissolved nor may the boundaries of the resiliency improvement district be decreased if any bonds or other indebtedness authorized and issued by the municipality under sections 23 to 30, inclusive, of this act remain outstanding. Outstanding obligation bonds of the municipality secured solely by the full faith and credit of the municipality shall not preclude the dissolution of, or the decrease of the boundaries of, a resiliency improvement district.

(d) Two or more contiguous municipalities may enter into an interlocal agreement in accordance with sections 7-339a to 7-339*l*, inclusive, of the general statutes, to establish a joint resiliency improvement district and adopt a district master plan for a district that consists of contiguous properties partially located in each such municipality. Such interlocal agreement shall be adopted prior to the establishment of any such joint district and the adoption of a district master plan for such district. A joint resiliency improvement district shall be deemed established upon the concurrent approval of such district and the adoption of a district master plan by the legislative bodies of all of the municipalities participating in the interlocal agreement.

(e) The interlocal agreement under which two or more contiguous municipalities establish a joint resiliency improvement district shall apportion any power, right, duty or obligation granted to, or required of, any municipality under the provisions of sections 23 to 30, inclusive, of this act among the municipalities participating in the interlocal agreement.

(f) Nothing in this section shall be construed to limit the power granted to a municipality pursuant to any provision of the general statutes or any special act to offer, enter into or modify any tax abatement for real property located in a resiliency improvement district if such real property contains one or more units of affordable housing, as defined in section 8-39a of the general statutes.

Sec. 23. (NEW) (*Effective July 1, 2025*) Prior to the establishment of a resiliency improvement district and approval of a district master plan for such district, the legislative body of the municipality, or the board of selectmen in the case of a municipality in which the legislative body is a town meeting, shall:

(1) Consider whether the proposed resiliency improvement district and district master plan will contribute to the well-being of the municipality or to the betterment of the health, welfare or safety of the inhabitants of the municipality;

(2) Transmit the proposed district master plan to the planning commission of the municipality, if any, requesting a study of the proposed district master plan and a written advisory opinion, which shall include a determination on whether the proposed plan is consistent with the plan of conservation and development of the municipality adopted under section 8-23 of the general statutes, as amended by this act;

(3) Hold at least one public hearing on the proposal to establish a resiliency improvement district and to adopt the proposed district master plan. Notice of the hearing shall be published not less than ten days prior to such hearing in a conspicuous place on the Internet web site of the municipality, or the municipalities acting jointly pursuant to an interlocal agreement, with the date and time such notice was so posted, and such notice shall include (A) the date, time and place of such hearing, (B) the legal description of the boundaries of the proposed resiliency improvement district, and (C) the draft district master plan,

which plan shall be made available for physical review and posted electronically on the Internet web site of any applicable municipality; and

(4) Determine whether the proposed resiliency improvement district meets the following conditions:

(A) The district contains an area that experiences or is likely to experience adverse impacts from hazards or climate change, including, but not limited to, sea level rise, rising groundwater, extreme heat, wildfire, drought or flooding;

(B) The district has been identified in a municipal hazard mitigation plan, local plan of conservation and development or regional plan of conservation and development or has been identified by another related planning process;

(C) The plan demonstrates a reduction of risk in the district from such identified adverse impacts from hazards or climate change;

(D) A portion of the real property within the district shall be suitable for commercial, industrial, mixed use or retail uses or transit-oriented development;

(E) In the case of existing residential use, provides for the replacement of, or renovation to, residential buildings in the district, if the district is in a flood zone or within the boundaries of sea level rise as determined by the requirements of section 25-68o of the general statutes, as amended by this act, to include a height standard of not less than two feet of freeboard above the base flood elevation, or as designated by the State Building Code or municipal building requirements, whichever imposes a greater height standard, and whether construction of or renovation to commercial or industrial buildings shall be flood-proofed or elevated;

(F) Provides for vehicle access to residential buildings in the district if the district is in a flood zone or is impacted by sea level rise, pursuant to section 25-68o of the general statutes, as amended by this act, at a height of two feet above base flood elevation;

(G) The proposed district will not increase the vulnerability and risk to properties adjacent to the district or increase the risk to other hazards within the district; and

(H) The original assessed value of a proposed resiliency improvement district plus the original assessed value of all existing tax increment districts within the relevant municipalities may not exceed ten per cent of the total value of taxable property within the municipalities as of October first of the year immediately preceding the establishment of the tax increment district. Excluded from the calculation in this subparagraph is any tax increment district established on or after October 1, 2015, that consists entirely of contiguous property owned by a single taxpayer. For the purpose of this subdivision, "contiguous property" includes a parcel or parcels of land divided by a road, power line, railroad line or right-of-way.

Sec. 24. (NEW) (*Effective July 1, 2025*) (a) In connection with the establishment of a resiliency improvement district, the legislative body of a municipality shall adopt a district master plan for each resiliency improvement district and a statement of the percentage or stated sum of increased assessed value to be designated as captured assessed value in accordance with such plan. Such legislative body shall adopt such plan after receipt of a written advisory opinion from the planning commission or combined planning and zoning commission of the municipality pursuant to section 23 of this act or ninety days after such request was made, whichever is earlier. The district master plan shall be adopted at the same time that the resiliency improvement district is established as part of the resiliency improvement district adoption proceedings set forth in sections 22 to 30, inclusive, of this act.

(b) The district master plan shall include: (1) The legal description of the boundaries of the resiliency improvement district; (2) a list of the tax identification numbers for all lots or parcels within the resiliency improvement district; (3) a description of the present condition and uses of all land and buildings within the resiliency improvement district and how the construction or improvement of physical facilities or structures will reduce or eliminate risk from any existing or expected hazards; (4) a description of the existing or expected hazards facing the district; (5) a description of the public facilities, improvements or programs within the resiliency improvement district anticipated to be undertaken and financed in whole or in part; (6) in the event of existing residential use within the resiliency improvement district, a plan for the rehabilitation, construction or replacement of any such existing housing in accordance with the state's consolidated plan for housing and community development prepared pursuant to section 8-37t of the general statutes and the state plan of conservation and development prepared pursuant to chapter 297 of the general statutes, which plan shall also include meaningful efforts to reduce displacement plans; (7) a financial plan in accordance with subsection (c) of this section; (8) a plan for the proposed maintenance and operation of the resiliency improvements after the improvements are completed; and (9) the maximum duration of the resiliency improvement district, which may not exceed a total of fifty tax years beginning with the tax year in which the resiliency improvement district is established.

(c) The financial plan in a district master plan shall include: (1) Cost estimates for the public improvements and developments anticipated in the district master plan; (2) cost estimates to support relocation or temporary housing for displaced residents; (3) the maximum amount of indebtedness to be incurred to implement the district master plan; (4) sources of anticipated revenues, including, but not limited to, increased savings, fees, assessments, grants or other sources; (5) a description of the terms and conditions of any agreements, including any anticipated savings agreements, assessment agreements, contracts or other obligations related to the district master plan; (6) estimates of increased assessed values and estimates of increased savings of the resiliency improvement district; and (7) the portion of the increased assessed values and increased savings to be applied to the district master plan as captured assessed values and resulting tax increments in each year of the plan.

(d) The district master plan may be amended from time to time by the legislative body of each applicable municipality. Such legislative body shall review the district master plan not less than once every ten years after the initial approval of the resiliency improvement district and the district master plan in order for the resiliency improvement district and the district master plan to remain in effect, provided no such district may be dissolved for the failure to comply with this section if any bonds or other indebtedness authorized and issued by the municipality under sections 22 to 30, inclusive, of this act remain outstanding. With respect to any district master plan that includes development that is funded in whole or in part by federal funds, the provisions of this subsection shall not apply to the extent that such provisions are prohibited by federal law.

Sec. 25. (NEW) (*Effective July 1, 2025*) (a) In the district master plan, each applicable municipality may designate all or part of the tax increment revenues generated from the increased assessed value and all or part of any additional revenue resulting from the increased savings of a resiliency improvement district for the purpose of financing all or part of the implementation of the district master plan, and, in the case of any existing or planned residential use in such district, the percentage of such revenue necessary to rehabilitate, construct or replace dwellings for such use and to preserve, increase or improve access to affordable housing, as defined in section 8-39a of the general statutes, within the municipality, either within or adjacent to such district. The amount of tax increment revenues to be designated shall be determined by designating the captured assessed value, subject to any assessment agreements.

(b) On or after the establishment of a resiliency improvement district and the adoption of a district master plan, the assessor of the municipality in which such district is located shall certify the original assessed value of the taxable real property within the boundaries of the resiliency improvement district. Each year after the establishment of a resiliency improvement district, the assessor shall certify the amount of the (1) current assessed value; (2) amount by which the current assessed value has increased or decreased from the original assessed value, subject to any assessment agreements; and (3) amount of the captured assessed value. Nothing in this subsection shall be construed to authorize the unequal apportionment or assessment of the taxes to be paid on real property in the municipality. Subject to any assessment agreements, an owner of real property within the resiliency improvement district shall pay real property taxes apportioned equally with real property taxes paid elsewhere in such municipality.

(c) If a municipality has designated captured assessed value under subsection (a) of this section:

(1) Each applicable municipality shall establish a district master plan fund that consists of: (A) A project cost account that is pledged to and charged with the payment of project costs that are outlined in the financial plan, including the reimbursement of project cost expenditures incurred by a public body, which public body may be the municipality, a developer, any property owner or any other third-party entity, and that are paid in a manner other than as described in subparagraph (B) of this subdivision; and (B) in instances of indebtedness issued by the municipality in accordance with section 28 of this act to finance or refinance project costs, a development sinking fund account that is pledged to and charged with the (i) payment of the interest and

principal as the interest and principal fall due, including any redemption premium; (ii) payment of the costs of providing or reimbursing any provider of any guarantee, letter of credit, policy of bond insurance or other credit enhancement device used to secure payment of debt service on any such indebtedness; and (iii) funding any required reserve fund;

(2) The municipality shall annually set aside all tax increment revenues on captured assessed values and deposit all such revenues to the appropriate district master plan fund account established under subdivision (1) of this subsection in the following order of priority: (A) To the development sinking fund account, an amount sufficient, together with estimated future revenues to be deposited to the account and earnings on the amount, to satisfy all annual debt service on the indebtedness issued in accordance with section 28 of this act and the financial plan, except for general obligation bonds of the municipality secured solely by the full faith and credit of the municipality; and (B) to the project cost account, all such remaining tax increment revenues on captured assessed values;

(3) The municipality shall make transfers between district master plan fund accounts established under subdivision (1) of this subsection, provided the transfers do not result in a balance in either account that is insufficient to cover the annual obligations of each respective account;

(4) The municipality may, at any time during the term of the resiliency improvement district, by vote of the legislative body of the municipality, return to the municipal general fund any tax increment revenues remaining in either account established under subdivision (1) of this subsection that exceeds those estimated to be required to satisfy the obligations of the account after taking into account any transfer made under subdivision (3) of this subsection; and

(5) Any account or fund established pursuant to subdivision (1) of

this subsection shall be audited annually by an independent auditor who is a public accountant licensed to practice in this state and who meets the independence standards included in generally accepted government auditing standards. A report of such audit shall be open to public inspection. Certified copies of such audit shall be provided to the State Auditors of Public Accounts.

Sec. 26. (NEW) (*Effective July 1, 2025*) Costs authorized for payment from a district master plan fund, established pursuant to section 25 of this act shall be limited to:

(1) Costs of improvements made within the resiliency improvement district, including, but not limited to, (A) capital costs, including, but not limited to, (i) the acquisition or construction of land, improvements, infrastructure, measures designed to improve resilience, environmental infrastructure, clean energy projects, public ways, parks, buildings, structures, railings, signs, landscaping, plantings, curbs, sidewalks, turnouts, recreational facilities, structured parking, transportation improvements, pedestrian improvements and other related improvements, fixtures and equipment for public or private use, (ii) the demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures and fixtures, (iii) environmental remediation, (iv) site preparation and finishing work, and (v) all fees and expenses associated with the capital cost of such improvements, including, but not limited to, licensing and permitting expenses and planning, engineering, architectural, testing, legal and accounting expenses; (B) financing costs, including, but not limited to, closing costs, issuance costs, reserve funds and capitalized interest; (C) real property assembly costs; (D) costs of technical and marketing assistance programs; (E) professional service costs, including, but not limited to, licensing, architectural, planning, engineering, development and legal expenses; (F) maintenance and operation costs; (G) administrative costs, including, but not limited to, reasonable charges for the time spent by

municipal employees, other agencies or third-party entities in connection with the implementation of a district master plan; and (H) organizational costs relating to the planning and the establishment of the resiliency improvement district, including, but not limited to, the costs of conducting environmental impact and other studies and the costs of informing the public about the creation of resiliency improvement districts and the implementation of the district master plan;

(2) Costs of improvements that are made outside the resiliency improvement district but are directly related to or are made necessary by the establishment or operation of the resiliency improvement district, including, but not limited to, (A) that portion of the costs reasonably related to the construction, alteration or expansion of any facilities not located within the resiliency improvement district that are required due to improvements or activities within the resiliency improvement district, including, but not limited to, roadways, traffic signalization, easements, sewage treatment plants, water treatment plants or other environmental protection devices, storm or sanitary sewer lines, water lines, electrical lines, improvements to fire stations and street signs; (B) costs of public safety and public school improvements made necessary by the establishment of the resiliency improvement district; and (C) costs of funding to mitigate any adverse impact of the resiliency improvement district upon the municipality and its constituents; and

(3) Costs related to environmental improvement projects developed by the municipality related to the resiliency improvement district.

Sec. 27. (NEW) (*Effective July 1, 2025*) (a) (1) Notwithstanding any provision of the general statutes, whenever a municipality constructs, improves, extends, equips, rehabilitates, repairs, acquires or provides a grant for any public improvements within a resiliency improvement district or finances the cost of such public improvements, the proportion of such cost or estimated cost of such public improvements and financing thereof, as determined by the municipality, may be assessed by the municipality, as a benefit assessment, in the manner prescribed by such municipality, upon the real property within the resiliency improvement district that is benefited by such public improvements. The municipality may provide for the payment of such benefit assessments in annual installments, not exceeding fifty years, and may forgive such benefit assessments in any given year without causing the remainder of installments of benefit assessments to be forgiven. Benefit assessments on real property where buildings or structures are constructed or expanded after the initial benefit assessment may be assessed as if the new or expanded buildings or structures on such real property existed at the time of the original benefit assessment.

(2) Any benefit assessment shall be adopted and revised by the municipality not less than annually and not more than sixty days before the beginning of the fiscal year. If any benefit assessment is assessed and levied prior to the acquisition or construction of the public improvements, the amount of any such assessment may be adjusted to reflect the actual cost of such public improvements, including all financing costs, once such public improvements are complete, if the actual cost is greater than or less than the estimated costs.

(b) Before estimating and making a benefit assessment under subsection (a) of this section, the municipality shall hold not less than one public hearing on such municipality's schedule of benefit assessments or any revision thereof. Notice of such hearing shall be published not less than ten days before such hearing in a conspicuous place on the Internet web site of the municipality, or the municipalities acting jointly pursuant to an interlocal agreement, with the date and time such notice was posted. The notice shall include (1) the date, time and place of such hearing; (2) the boundaries of the resiliency improvement district by legal description; (3) a statement that all interested persons owning real estate or taxable property located within the resiliency improvement district will be given an opportunity to be heard at the hearing and an opportunity to file objections to the amount of the assessment; (4) the maximum rate of assessments to be increased in any one year; and (5) a statement indicating that the proposed list of properties to be assessed and the estimated assessments against those properties are available at the city or town office or at the office of the assessor. The notice may include a maximum number of years the assessments will be levied. Not later than the date of the publication, the municipality shall make available to any member of the public, upon request, the proposed schedule of benefit assessments. The procedures for public hearing and appeal set forth in section 7-250 of the general statutes shall apply for all benefit assessments made by a municipality pursuant to this section, except that the board of finance, or the municipality's legislative body if no board of finance exists, shall be substituted for the water pollution control authority.

(c) A municipality may adopt ordinances apportioning the value of improvements within a resiliency improvement district according to a formula that reflects actual benefits that accrue to the various properties because of the development and maintenance.

(d) A municipality may increase assessments or extend the maximum number of years the assessments will be levied after notice and public hearing is held pursuant to subsection (b) of this section.

(e) (1) Benefit assessments made under this section shall be collected and enforced in the same manner as municipal taxes unless otherwise provided in sections 22 to 30, inclusive, of this act. Benefit assessments shall be due and payable at such times as are fixed by the municipality, provided the municipality shall give notice of such due date not less than thirty days prior to such due date by publication in a conspicuous place on the Internet web site of each applicable municipality with the date and time such notice was so posted and by mailing such notice to the owners of the assessed real property at the last-known address of any such owner. All revenues from any assessment under this section shall be paid into the appropriate district master plan fund account established under subsection (c) of section 25 of this act.

(2) If any property owner fails to pay any assessment or part of an assessment on or before the date on which such assessment or part of such assessment is due, the municipality shall have all the authority and powers to collect the delinquent assessments vested in the municipality by law to collect delinquent municipal taxes. Benefit assessments, if not paid when due, shall constitute a lien upon the real property served and a charge against the owners thereof, which lien and charge shall bear interest at the same rate as delinquent property taxes. Each such lien may be continued, recorded and released in the manner provided for property tax liens and shall take precedence over all other liens or encumbrances except a lien for property taxes of the municipality.

Sec. 28. (NEW) (*Effective July 1, 2025*) (a) For the purpose of carrying out or administering a district master plan or other functions authorized under sections 22 to 30, inclusive, of this act, a municipality is authorized, subject to the limitations and procedures set forth in this section, to issue from time to time bonds and other obligations of the municipality that are payable solely from and secured by (1) the full faith and credit pledge of the municipality; (2) a pledge of and lien upon any or all of the income, proceeds, revenues and property of the projects within the resiliency improvement district, including the proceeds of grants, loans, advances or contributions from the federal government, the state or other source; (3) all revenues derived under sections 27 and 29 of this act received by the municipality; or (4) any combination of the methods in subdivisions (1) to (3), inclusive, of this subsection. Except for bonds secured by the full faith credit pledge of the municipality, bonds authorized by this section shall not be included in computing the aggregate indebtedness of the municipality.

(b) Notwithstanding the provisions of any other statute, municipal ordinance or charter provision governing the authorization and issuance of bonds generally by the municipality, any bonds payable and secured as provided in this section shall be authorized by a resolution adopted by the legislative body of the municipality. Such bonds shall, as determined by the legislative body of the municipality or the municipal officers who are designated such authority by such body, (1) be issued and sold; (2) bear interest at the rate or rates determined by the legislative body or its designee, including variable rates; (3) provide for the payment of interest on the dates determined by the legislative body or its designee, whether before or at maturity; (4) be issued at, above or below par; (5) mature at such time or times not exceeding thirty years; (6) have rank or priority; (7) be payable in such medium of payment; (8) be issued in such form, including, without limitation, registered or book-entry form, carry such registration and transfer privileges and be made subject to purchase or redemption before maturity at such price or prices and under such terms and conditions, including the condition that such bonds be subject to purchase or redemption on the demand of the owner thereof; and (9) contain such other required terms and particulars.

(c) The municipality may require that the bonds issued hereunder be secured by a trust agreement by and between the municipality and a corporate trustee, which may be any trust company or bank having the powers of a trust company within the state. The trust agreement may contain covenants or provisions for protecting and enforcing the rights and remedies of the bondholders as may be necessary, reasonable or appropriate and not in violation of law or other provisions or covenants that are consistent with sections 24 to 32, inclusive, of this act and which the municipality determines in such proceedings are necessary, convenient or desirable to better secure the bonds, or will tend to make the bonds more marketable, and which are in the best interests of the municipality. The pledge by any trust agreement shall be valid and binding from time to time when the pledge is made. The revenues or other moneys so pledged and then held or thereafter received by the municipality shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act and the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the board, irrespective of whether the parties have notice thereof. All expenses incurred in carrying out such trust agreement may be treated as project costs. In case any municipal officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be an officer before the delivery of the obligations, the signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until the delivery. Notwithstanding any provision of the Uniform Commercial Code, neither this section, the resolution of the municipality approving the bonds or any trust agreement by which a pledge is created need be filed or recorded, and no filing need be made under title 42a of the general statutes.

(d) While any bonds issued hereunder remain outstanding, the existence of the resiliency improvement district and the powers and duties of the municipality with respect to such resiliency improvement district shall not be diminished or impaired in any way that will affect adversely the interests and rights of the holders of the bonds. Any bonds issued by a municipality pursuant to this section, except for general obligation bonds of the municipality secured by the full faith and credit pledge of the municipality, shall contain on their face a statement to the effect that neither the state nor the municipality shall be obliged to pay the principal of or the interest thereon, and that neither the full faith and credit or taxing power of the state or the municipality is pledged to the payment of the bonds. All bonds issued under this section shall have and are hereby declared to have all the qualities and incidents of negotiable instruments, as provided in title 42a of the general statutes.

(e) Any pledge made by a municipality pursuant to this section shall be valid and binding from the time when the pledge is made, and any revenues or other receipts, funds or moneys so pledged and thereafter received by the municipality shall be subject immediately to the lien of such pledge without any physical delivery thereof or further act. The lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the municipality, irrespective of whether such parties have notice of such lien.

(f) Bonds issued under this section are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control and belonging to them, and such bonds shall be securities that may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds of the state is now or may hereafter be authorized by law. Bonds may be issued under this section without obtaining the consent of the state and without any proceedings or the happening of any other conditions or things other than those proceedings, conditions or things that are specifically required thereof by this section.

(g) Nothing in this section shall be construed to restrict the ability of the municipality to raise revenue for the payment of project costs in any manner otherwise authorized by law.

(h) As used in this section, "bonds" means any bonds, including refunding bonds, notes, interim certificates, debentures or other obligations.

Sec. 29. (NEW) (*Effective July 1, 2025*) The legislative body of each applicable municipality may create an advisory board, whose members include owners or occupants of real property located in or adjacent to a resiliency improvement district. The advisory board may advise the legislative body and any designated administrative entity on the planning, construction and implementation of the district master plan and maintenance and operation of the resiliency improvement district after the district master plan is complete.

Sec. 30. (NEW) (*Effective July 1, 2025*) (a) Within a resiliency improvement district, priority consideration shall be given in the solicitation, selection and design of infrastructure projects designed to increase resilience and that (1) utilize natural and nature-based solutions intended to restore, maintain or enhance ecosystem services and processes that maintain or improve on environmental quality in or adjacent to the district, or (2) address the needs of environmental justice communities, as defined in section 22a-20a of the general statutes, or of vulnerable communities, as defined in section 16-243y of the general statutes.

(b) To the extent that a resiliency project results in the demolition or reduction of affordable housing, as defined in section 8-39a of the general statutes, the municipality, the developer of the resiliency project, a property owner or a third-party entity shall commit to replace such affordable housing units within the district. The replacement of such affordable housing shall occur not later than four years after such demolition or reduction. If the replacement is not feasible within the district boundaries, such affordable housing shall be replaced within a reasonable proximity to the district at a rate of not less than two units for each unit that otherwise would have been replaced within the district.

Sec. 31. Section 22a-50 of the general statutes is amended by adding subsection (m) as follows (*Effective from passage*):

(NEW) (m) Not later than January 1, 2026, the commissioner shall classify all second-generation anticoagulant rodenticides for restricted use pursuant to subdivision (2) of subsection (c) of this section. For the purposes of this subsection, "second-generation anticoagulant rodenticide" means any pesticide product containing any one of the following active ingredients: (1) Brodifacoum; (2) bromadiolone; (3) difenacoum; or (4) difethialone.

Sec. 32. Subsection (l) of section 22a-50 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(l) <u>(1)</u> Not later than January 1, 2018, the commissioner shall classify all neonicotinoids, as defined in section 22-61k, that are labeled for treating plants, as restricted use pursuant to subdivision (2) of subsection (c) of this section.

<u>(2) On and after October 1, 2027, except as provided in subdivision (3) of this subsection, no person shall use any pesticide that contains any neonicotinoid, as defined in section 22-61k, unless, upon receipt of a request, the Commissioner of Energy and Environmental Protection, after consultation with the director of the Connecticut Agricultural Experiment Station, determines that no other effective control option is available. In making any such determination, the commissioner shall consult with the director of the Connecticut Agricultural Experiment Station who may consult with the Pesticide Advisory Council, established pursuant to subdivision (d) of section 22a-65, to determine if such pesticide is the only effective control option available.</u>

<u>(3) The provisions of subdivision (2) of this subsection shall not apply to the use of any neonicotinoid for use in or application to: (A) Agriculture, as defined in subsection (q) of section 1-1, (B) seeds, (C) ornamental shrubbery, or (D) trees.</u>

<u>(4) The Commissioner of Energy and Environmental Protection may</u>

assess a civil penalty of not more than two thousand five hundred dollars to any person who violates the provisions of subdivision (2) of this subsection for each such violation.

(5) The provisions of subdivision (2) of this subsection shall not apply to any neonicotinoid that is not labeled for use on plants, including, but not limited to, neonicotinoids labeled for use in personal care products, pet care, veterinary use or indoor or structural pest control.

Sec. 33. Section 8-2f of the general statutes is repealed. (*Effective July 1, 2025*)

Governor's Action:
Approved June 10, 2025

STATE OF CONNECTICUT

QUI TRANSTULIT SUSTINET

House Bill No. 5002

Public Act No. 25-49

AN ACT CONCERNING HOUSING AND THE NEEDS OF HOMELESS PERSONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 8-68d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

Each housing authority shall submit a report to the Commissioner of Housing and the chief executive officer of the municipality in which the authority is located and post such report on the housing authority's Internet web site not later than March first, annually. The report shall contain (1) an inventory of all existing housing owned or operated by the authority, including the total number, types and sizes of rental units and the total number of occupancies and vacancies in each housing project or development, and a description of the condition of such housing, (2) a description of any new construction projects being undertaken by the authority and the status of such projects, (3) the number and types of any rental housing sold, leased or transferred during the period of the report which is no longer available for the purpose of low or moderate income rental housing, (4) the results of the authority's annual audit conducted in accordance with section 4-231 if required by said section, (5) the rental price levels by income group, as defined in section 8-37aa, of rental units owned or operated by the housing authority, (6) the number of rental units at each such respective rental price level, displayed as a per cent of the area median income, for each respective housing project or development owned or operated by the housing authority, (7) the annual change in the rental price level of rental units owned or operated by the housing authority, (8) the dates when rental units qualified as affordable, and **[**(5)**]** (9) such other information as the commissioner may require by regulations adopted in accordance with the provisions of chapter 54.

Sec. 2. Subsections (b) to (d), inclusive, of section 8-2 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(b) Zoning regulations adopted pursuant to subsection (a) of this section shall:

(1) Be made in accordance with a comprehensive plan and in consideration of the plan of conservation and development adopted under section 8-23;

(2) Be designed to (A) lessen congestion in the streets; (B) secure safety from fire, panic, flood and other dangers; (C) promote health and the general welfare; (D) provide adequate light and air; (E) protect the state's historic, tribal, cultural and environmental resources; (F) facilitate the adequate provision for transportation, water, sewerage, schools, parks and other public requirements; (G) consider the impact of permitted land uses on contiguous municipalities and on the planning region, as defined in section 4-124i, in which such municipality is located; (H) address significant disparities in housing needs and access to educational, occupational and other opportunities; (I) promote efficient review of proposals and applications; and (J) affirmatively further the purposes of the federal Fair Housing Act, 42 USC 3601 et seq., as amended from time to time;

(3) Be drafted with reasonable consideration as to the physical site characteristics of the district and its peculiar suitability for particular uses and with a view to encouraging the most appropriate use of land throughout a municipality;

(4) Provide for the development of housing opportunities, including opportunities for multifamily dwellings, consistent with soil types, terrain and infrastructure capacity, for all residents of the municipality and the planning region in which the municipality is located, as designated by the Secretary of the Office of Policy and Management under section 16a-4a;

(5) Promote housing choice and economic diversity in housing, including housing for both low and moderate income households;

(6) Expressly allow the development of housing which will meet the housing needs identified in the state's consolidated plan for housing and community development prepared pursuant to section 8-37t and in the housing component and the other components of the state plan of conservation and development prepared pursuant to section 16a-26;

(7) Be made with reasonable consideration for the impact of such regulations on agriculture, as defined in subsection (q) of section 1-1;

(8) Provide that proper provisions be made for soil erosion and sediment control pursuant to section 22a-329;

(9) Be made with reasonable consideration for the protection of existing and potential public surface and ground drinking water supplies; **[**and**]**

(10) In any municipality that is contiguous to or on a navigable waterway draining to Long Island Sound, (A) be made with reasonable consideration for the restoration and protection of the ecosystem and habitat of Long Island Sound; (B) be designed to reduce hypoxia,

pathogens, toxic contaminants and floatable debris on Long Island Sound; and (C) provide that such municipality's zoning commission consider the environmental impact on Long Island Sound coastal resources, as defined in section 22a-93, of any proposal for development; and

(11) Allow for the as-of-right development of a middle housing development, as defined in section 19 of this act, on any lot that is zoned for commercial use, except that such regulations may require a determination that a site plan for such middle housing development conforms with applicable zoning regulations and that public health and safety will not be substantially impacted by such middle housing development.

(c) Zoning regulations adopted pursuant to subsection (a) of this section may:

(1) To the extent consistent with soil types, terrain and water, sewer and traffic infrastructure capacity for the community, provide for or require cluster development, as defined in section 8-18;

(2) Be made with reasonable consideration for the protection of historic factors;

(3) Require or promote (A) energy-efficient patterns of development; (B) the use of distributed generation or freestanding solar, wind and other renewable forms of energy; (C) combined heat and power; and (D) energy conservation;

(4) Provide for incentives for developers who use (A) solar and other renewable forms of energy; (B) combined heat and power; (C) water conservation, including demand offsets; and (D) energy conservation techniques, including, but not limited to, cluster development, higher density development and performance standards for roads, sidewalks and underground facilities in the subdivision;

(5) Provide for a municipal system for the creation of development rights and the permanent transfer of such development rights, which may include a system for the variance of density limits in connection with any such transfer;

(6) Provide for notice requirements in addition to those required by this chapter;

(7) Provide for conditions on operations to collect spring water or well water, as defined in section 21a-150, including the time, place and manner of such operations;

(8) Provide for floating zones, overlay zones and planned development districts;

(9) Require estimates of vehicle miles traveled and vehicle trips generated in lieu of, or in addition to, level of service traffic calculations to assess (A) the anticipated traffic impact of proposed developments; and (B) potential mitigation strategies such as **[**reducing the amount of required parking for a development or**]** requiring public sidewalks, crosswalks, bicycle paths, bicycle racks or bus shelters, including off-site; and

(10) In any municipality where a traprock ridge or an amphibolite ridge is located, (A) provide for development restrictions in ridgeline setback areas; and (B) restrict quarrying and clear cutting, except that the following operations and uses shall be permitted in ridgeline setback areas, as of right: (i) Emergency work necessary to protect life and property; (ii) any nonconforming uses that were in existence and that were approved on or before the effective date of regulations adopted pursuant to this section; and (iii) selective timbering, grazing of domesticated animals and passive recreation.

(d) Zoning regulations adopted pursuant to subsection (a) of this section shall not:

(1) (A) Prohibit the operation in a residential zone of any family child care home or group child care home located in a residence, or (B) require any special zoning permit or special zoning exception for such operation;

(2) (A) Prohibit the use of receptacles for the storage of items designated for recycling in accordance with section 22a-241b or require that such receptacles comply with provisions for bulk or lot area, or similar provisions, except provisions for side yards, rear yards and front yards; or (B) unreasonably restrict access to or the size of such receptacles for businesses, given the nature of the business and the volume of items designated for recycling in accordance with section 22a-241b, that such business produces in its normal course of business, provided nothing in this section shall be construed to prohibit such regulations from requiring the screening or buffering of such receptacles for aesthetic reasons;

(3) Impose conditions and requirements on manufactured homes, including mobile manufactured homes **[**, having as their narrowest dimension twenty-two feet or more and**]** built in accordance with federal manufactured home construction and safety standards or on lots containing such manufactured homes, including mobile manufactured home parks, if those conditions and requirements are substantially different from conditions and requirements imposed on (A) single-family dwellings; (B) lots containing single-family dwellings; or (C) multifamily dwellings, lots containing multifamily dwellings, cluster developments or planned unit developments;

(4) (A) Prohibit the continuance of any nonconforming use, building or structure existing at the time of the adoption of such regulations; (B) require a special permit or special exception for any such continuance; (C) provide for the termination of any nonconforming use solely as a result of nonuse for a specified period of time without regard to the intent of the property owner to maintain that use; or (D) terminate or

deem abandoned a nonconforming use, building or structure unless the property owner of such use, building or structure voluntarily discontinues such use, building or structure and such discontinuance is accompanied by an intent to not reestablish such use, building or structure. The demolition or deconstruction of a nonconforming use, building or structure shall not by itself be evidence of such property owner's intent to not reestablish such use, building or structure;

(5) Prohibit the installation, in accordance with the provisions of section 8-1bb, of temporary health care structures for use by mentally or physically impaired persons if such structures comply with the provisions of said section, unless the municipality opts out in accordance with the provisions of subsection (j) of said section;

(6) Prohibit the operation in a residential zone of any cottage food operation, as defined in section 21a-62b;

(7) Establish for any dwelling unit a minimum floor area that is greater than the minimum floor area set forth in the applicable building, housing or other code;

(8) Place a fixed numerical or percentage cap on the number of dwelling units that constitute multifamily housing over four units, middle housing or mixed-use development that may be permitted in the municipality;

(9) Require **[**more than one parking space for each studio or one-bedroom dwelling unit or more than two parking spaces for each dwelling unit with two or more bedrooms, unless the municipality opts out in accordance with the provisions of section 8-2p**]** <u>a minimum number of off-street motor vehicle parking spaces for any residential development except as provided in section 3 of this act</u>; or

(10) Be applied to deny any land use application, including for any site plan approval, special permit, special exception or other zoning

approval, on the basis of (A) a district's character, unless such character is expressly articulated in such regulations by clear and explicit physical standards for site work and structures, or (B) the immutable characteristics, source of income or income level of any applicant or end user, other than age or disability whenever age-restricted or disability-restricted housing may be permitted.

Sec. 3. (NEW) (*Effective July 1, 2026*) (a) Except as provided in subsection (b) of this section, no zoning enforcement officer, planning commission, zoning commission or combined planning and zoning commission shall reject an application for any development solely on the basis that such development fails to conform with any requirement for off-street parking unless such officer or commission finds that a lack of such parking will have a specific adverse impact on public health and safety.

(b) For any proposed residential development that contains twenty-four or more dwelling units, as defined in section 47a-1 of the general statutes, the proposed developer of such development shall submit to the zoning enforcement officer, planning commission, zoning commission or combined planning and zoning commission a parking needs assessment that conforms with the requirements of subsection (c) of this section. Such commission may condition the approval of such development on the construction of off-street parking not exceeding one hundred ten per cent of the parking requirements demonstrated by the submitted needs assessment.

(c) A parking needs assessment submitted pursuant to this section shall be paid for by the proposed developer and shall include an analysis of (1) available existing public and private parking that may be used by residents of the proposed development, (2) public transportation options that may be used by residents of the proposed development that mitigate the need for off-street parking, and (3) current needs and projected future needs for off-street parking for such proposed development.

Sec. 4. (*Effective from passage*) The Commissioner of Social Services shall, within available appropriations, develop and administer a pilot program to provide portable showers and laundry facilities to persons experiencing homelessness. Such program shall be implemented in not fewer than three municipalities and shall provide not less than three portable shower trailers and not less than three traveling laundry trucks. The commissioner may contract with one or more nonprofit organizations to administer the program. Not later than January 1, 2027, the commissioner shall submit a report on the success of the pilot program, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to housing. The pilot program shall terminate on January 1, 2027.

Sec. 5. Subsection (b) of section 8-3 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(b) Such regulations and boundaries shall be established, changed or repealed only by a majority vote of all the members of the zoning commission, except as otherwise provided in this chapter. In making its decision the commission shall take into consideration the plan of conservation and development, prepared pursuant to section 8-23, and shall state on the record its findings on consistency of the proposed establishment, change or repeal of such regulations and boundaries with such plan. If a protest against a proposed change is filed at or before a hearing with the zoning commission, signed by the owners of **[**twenty**]** <u>(1) fifty</u> per cent or more of the area of the lots included in such proposed change<u>, (2) fifty per cent or more of the owners of the lots included in such area,</u> or <u>(3) fifty per cent or more</u> of the lots within five hundred feet in all directions of the property included in the proposed change, such change shall not be adopted except by a <u>majority</u> vote **[**of two-thirds**]** of all the members of the commission.

Sec. 6. Section 8-30j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) **[**(1) Not later than June 1, 2022**]** As used in this section:

(1) "Affordable housing plan" means a plan for the development of affordable housing units in a municipality pursuant to subsection (b) of this section;

(2) "Affordable housing unit" means a dwelling unit conveyed by an instrument containing a covenant or restriction that requires such dwelling unit, for at least forty years after the initial occupation of the unit, to be sold or rented at, or below, a price that will preserve the units as housing for which persons and families pay thirty per cent or less of their annual income where such person or family is considered a low-income household, very low-income household or extremely low-income household;

(3) "Compliance implementation mechanisms" means (A) changes to a municipality's policies and procedures, and (B) proactive steps a municipality may take in order to allow for the development of affordable housing units, including, but not limited to, (i) redevelopment of a site, (ii) seeking funding for the development of affordable housing units or sewer infrastructure, (iii) donating municipal land for development, and (iv) entering into agreements with developers for a development that includes affordable housing units;

(4) "Developable land" means the area within the boundaries of a municipality that feasibly can be developed into residential or mixed uses, not including: (A) Land already committed to a public use or purpose, whether publicly or privately owned; (B) existing parks, recreation areas and open space that is dedicated to the public or subject to a recorded conservation easement; (C) land otherwise subject to an enforceable restriction on or prohibition of development; (D) wetlands

or watercourses as defined in chapter 440; and (E) areas exceeding one-half or more acres of contiguous land that are unsuitable for development due to topographic features, such as steep slopes;

(5) "Discretionary infrastructure funding" means any grant, loan or other financial assistance program (A) administered by the state under the provisions of sections 4-66c, 4-66g, 4-66h, 22a-477 to the extent said section provides financial assistance for municipal drinking water or sewerage system projects, or sections 8-13m to 8-13x, inclusive, or (B) managed by the Secretary of the Office of Policy and Management, the Commissioner of Economic and Community Development or the Commissioner of Transportation, for the purpose of transit-oriented development, as defined in section 13b-79o;

(6) "Dwelling unit" has the same meaning as provided in section 47a-1;

(7) "Extremely low-income household" means a person or family with an annual income less than or equal to thirty per cent of the median income;

(8) "Family units" means a dwelling unit whose occupancy is not restricted by age and has two or more bedrooms;

(9) "Low-income household" means a person or family with an annual income less than or equal to eighty per cent of the median income;

(10) "Median income" has the same meaning as provided in section 8-30g, as amended by this act;

(11) "Municipal affordable housing allocation" or "municipality's affordable housing allocation" has the same meaning as "municipal fair share allocation" as defined in section 4-68ii, as amended by this act;

(12) "Priority affordable housing plan" means a plan for the development of the number of affordable housing units allocated to a municipality pursuant to such municipality's affordable housing allocation pursuant to subsection (e) of this section;

(13) "Realistic opportunity" means utilizing (A) municipal powers, including, but not limited to, adopting planning and zoning regulations, and (B) municipal compliance implementation mechanisms, in order to remove barriers and constraints for the construction, rehabilitation, repair or maintenance of affordable housing units within a municipality and the administrative burdens to construct, rehabilitate, repair or maintain such affordable housing units on developable land for the benefit of low-income households, including fees and hearings, and in time frames that shall be consistent and comparable to those for single-family homes;

(14) "Secretary" means the Secretary of the Office of Policy and Management; and

(15) "Very low-income household" means a person or family with an annual income less than or equal to fifty per cent of the median income.

(b) (1) In accordance with the provisions of subdivision (2) of this subsection, and at least once every five years thereafter, each municipality shall prepare or amend and adopt an affordable housing plan for the municipality and shall submit a copy of such plan to the Secretary of the Office of Policy and Management. Such plan shall specify how the municipality intends to **[**(A)**]** increase the number of affordable housing developments in the municipality. **[**, and (B) for any affordable housing plan submitted after October 1, 2023, improve the accessibility of affordable housing units for individuals with an intellectual disability or other developmental disabilities.**]** The secretary shall post such affordable housing plans submitted pursuant to this subsection on the office's Internet web site.

(2) Except as provided in subdivision (3) of this subsection, each municipality shall submit such municipality's initial affordable housing plan required pursuant to subdivision (1) of this subsection, and each municipality required to prepare a priority affordable housing plan pursuant to subsection (e) of this section shall additionally submit such municipality's initial priority affordable housing plan, in accordance with the following schedule:

(A) Not later than June 1, 2027, for municipalities that begin with the letters "A" to "F", inclusive;

(B) After June 1, 2027, but not later than June 1, 2028, for municipalities that begin with the letters "G" to "P", inclusive; and

(C) After June 1, 2028, but not later than June 1, 2029, for municipalities that begin with the letters "Q" to "Z", inclusive.

[(2)**]** (3) If, at the same time the municipality is required to submit to the Secretary of the Office of Policy and Management an affordable housing plan pursuant to subdivision (1) of this subsection, the municipality is also required to submit to the secretary a plan of conservation and development pursuant to section 8-23, such affordable housing plan may be included as part of such plan of conservation and development. The municipality may, to coincide with its submission to the secretary of a plan of conservation and development, submit to the secretary an affordable housing plan early, provided the municipality's next such submission of an affordable housing plan shall be five years thereafter.

[(b)**]** (c) The municipality may hold public informational meetings or organize other activities to inform residents about the process of preparing the affordable housing plan and shall post a copy of any draft plan or amendment to such plan on the Internet web site of the municipality. If the municipality holds a public hearing, such posting shall occur at least thirty-five days prior to the public hearing. After adoption of the plan, the municipality shall file the final plan in the office of the town clerk of such municipality and post the plan on the Internet web site of the municipality.

[(c)**]** (d) Following adoption, the municipality shall regularly review and maintain such affordable housing plan. The municipality may adopt such geographical, functional or other amendments to the plan or parts of the plan, in accordance with the provisions of this section, as it deems necessary. If the municipality fails to amend and submit to the Secretary of the Office of Policy and Management such plan every five years, the chief elected official of the municipality shall submit a letter to the secretary that (1) explains why such plan was not amended, and (2) designates a date by which an amended plan shall be submitted.

(e) In addition to the affordable housing plan required pursuant to subsection (b) of this section, any municipality identified by the secretary to be in the highest eighty per cent of the adjusted equalized net grand list per capita, as defined in section 10-261, as of the fiscal year prior to the date the municipality's affordable housing plan is due pursuant to subdivision (2) of subsection (b) of this section, shall prepare a priority affordable housing plan. Such plan shall:

(1) Set forth how the municipality intends to create a realistic opportunity for the development of the number of affordable housing units allocated to such municipality pursuant to such municipality's affordable housing allocation or the alternative number of affordable housing units offered by the municipality pursuant to subsection (f) of this section;

(2) Identify (A) specific zones or parcels within the municipality sufficient to build the municipality's affordable housing allocation as of right, and (B) the planned density for such zones or parcels;

(3) Detail how the municipality intends to change its zoning regulations and utilize compliance implementation mechanisms in order to allow for the development of the number of housing units allocated to such municipality pursuant to such municipality's affordable housing allocation or the alternative number of affordable housing units offered by the municipality pursuant to subsection (f) of this section; and

(4) Provide for the creation of a sufficient supply of the different types of affordable housing units required for meeting twenty-five per cent of the municipality's number of affordable housing units allocated to such municipality pursuant to such municipality's affordable housing allocation, including ensuring that:

(A) Not less than fifty per cent of the units are family units;

(B) Not less than twenty-five per cent of the units are rental units, provided at least fifty per cent of such twenty-five per cent are family units;

(C) Not more than twenty-five per cent of the units are restricted by occupant age or disability; and

(D) Not more than twenty per cent of the units are studios or one-bedroom units.

(f) Any municipality asserting that it is unable to satisfy the requirements of subdivision (4) of subsection (e) of this section shall provide an explanation for why the municipality is unable to satisfy such requirements and the steps the municipality has taken or intends to take in order to overcome any impediments to the development of affordable housing units needed to achieve such municipality's affordable housing allocation, including providing an alternative number of affordable housing units the municipality is currently able to develop. Such explanation shall include any evidence of a lack of developable land, if applicable.

(g) (1) Any municipality required to submit a priority affordable housing plan pursuant to subsection (e) of this section shall submit such plan to the secretary for approval, in a form and manner prescribed by the secretary, in accordance with the provisions of subdivisions (1) and (2) of subsection (b) of this section, and at least once every five years thereafter.

(2) Not later than ninety days after receipt of such submission, the secretary shall either approve or reject such submission. Such approval or rejection shall be accompanied by a written statement of the reasons for approval or rejection, pursuant to the provisions of subsection (e) of this section. If the submission is approved by the secretary, the secretary shall issue a letter of approval to the municipality. If the secretary fails to either approve or reject the submission within such ninety-day period, such submission shall be deemed provisionally approved. Such provisional approval shall remain in effect unless the secretary subsequently acts upon and rejects the submission, in which case the provisional approval shall terminate upon notice to the municipality by the secretary.

(h) Following approval of a priority affordable housing plan pursuant to subsection (g) of this section, a municipality shall (1) amend its zoning regulation and implement compliance implementation mechanisms in accordance with such approved plan, and (2) any subsequent priority affordable housing plan submitted by such municipality shall detail how the municipality has amended its zoning regulations and implemented compliance implementation mechanisms in accordance with the previously approved priority affordable housing plan.

(i) (1) The following municipalities shall be eligible for discretionary infrastructure funding on a priority basis, provided such municipality meets the eligibility criteria for such discretionary infrastructure funding:

(A) Any municipality not required to create a priority affordable housing plan pursuant to subsection (e) of this section; and

(B) Any municipality with an approved priority affordable housing plan pursuant to subsection (g) of this section, including municipalities with provisionally approved priority affordable housing plans.

(2) To receive such funding on a priority basis, any such municipality shall submit an application for such funding to the secretary in a form developed by the secretary. The secretary shall make recommendations to the state agency responsible for administering or managing such funding and, if priority funding is permitted for such funding, such agency may prioritize such municipality for the receipt of such funding over any municipality that is not a qualifying municipality pursuant to subdivision (1) of this subsection, based on the secretary's recommendations.

(3) Nothing in this subsection shall be construed to make a municipality that does not have an approved affordable housing plan pursuant to subsection (g) of this section ineligible for discretionary infrastructure funding.

Sec. 7. Section 4-68ii of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) As used in this section:

(1) "Affordable housing unit" means a dwelling unit conveyed by an instrument containing a covenant or restriction that requires such dwelling unit to be sold or rented at or below a price intended to preserve such unit as housing for a low-income household;

(2) "Commission", "zoning commission" or "zoning authority" means a zoning commission, planning commission, planning and zoning commission, zoning board of appeals or other municipal agency exercising zoning or planning authority;

(3) "Commissioner" means the Commissioner of Housing, unless otherwise specified;

(4) "Dwelling unit" means any house or building, or portion thereof, which is occupied, is designed to be occupied, or is rented, leased or hired out to be occupied, as a home or residence of one or more persons;

(5) "Median income" is the state median income, as determined by the United States Department of Housing and Urban Development;

(6) "Multifamily housing" means a residential building that contains three or more dwelling units;

(7) "Municipal fair share allocation" means the portion of the minimum need for affordable housing units in a planning region, as determined pursuant to subsection (b) of this section, that is allocated to a municipality located within such planning region;

(8) "Planning region" means a planning region of the state, as defined or redefined by the Secretary of the Office of Policy and Management, or the secretary's designee, under the provisions of section 16a-4a, except the Metropolitan and Western planning regions shall be considered a single planning region; and

(9) "Secretary" means the Secretary of the Office of Policy and Management.

(b) (1) Not later than December 1, 2024, <u>and every ten years thereafter,</u> the secretary, in consultation with the Commissioners of Housing and Economic and Community Development and, as may be determined by the secretary, experts, advocates, state-wide organizations that represent municipalities, organizations with expertise in affordable housing, fair housing and planning and zoning, shall establish a methodology for each municipality's fair share allocation by:

(A) Determining the need for affordable housing units in each planning region; and

(B) Fairly allocating such need to the municipalities in each planning region considering the duty of the state and municipalities to affirmatively further fair housing pursuant to section 8-2, as amended by this act, and 42 USC 3608. Such methodology shall rely on data from the Comprehensive Housing Affordability Strategy data set published by the United States Department of Housing and Urban Development, or from a similar source as may be determined by the secretary.

(2) Notwithstanding the provisions of this section, on and after October 1, 2025, until December 1, 2034, the secretary shall use the "Alternative Approach A" methodology specified in Appendix A of the Connecticut Fair Share Housing Study, Housing Needs Methodology and Allocation, dated May 2025, to determine each municipality's municipal fair share allocation, subject to the provisions of subdivision (3) of this subsection;

(3) (A) Not later than January 1, 2026, each municipality required to submit a priority affordable housing plan pursuant to subsection (e) of section 8-30j, as amended by this act, shall submit to the majority leader's roundtable established pursuant to section 2-139, in a form and manner established by the majority leader's roundtable, an inventory detailing vacant and developable land, as defined in section 8-30j, as amended by this act, in such municipality and as part of such submission, a municipality may propose an alternative municipal fair share allocation. If no alternative municipal fair share allocation is proposed by a municipality, the municipal fair share allocation for such

municipality shall be as set forth in subdivision (2) of this subsection. For purposes of this subsection, "vacant" means land that is not developed or land that lacks essential appurtenant improvements, above and below water, required for such land to serve a useful purpose, including land that may be an approved subdivision but is not presently being physically improved or sold as lots.

(B) Not later than February 1, 2026, the majority leader's roundtable shall analyze the information submitted pursuant to subparagraph (A) of this subdivision and make recommendations on whether any alternative municipal fair share allocations proposed by a municipality should be approved by the General Assembly. The majority leader's roundtable shall submit such recommendations, in accordance with the provisions of section 11-4a, to the joint standing committee of the General Assembly having cognizance of matters relating to housing, which shall report its approval or disapproval of such recommendations. Each house of the General Assembly, by resolution, shall confirm or reject the recommendations. If either such house rejects the recommendations, the recommendations shall be referred back to the joint standing committee of the General Assembly having cognizance of matters relating to housing for reconsideration.

[(2)**]** (4) The secretary shall ensure that the fair share allocation methodology:

(A) Is designed with due consideration for the duty of the state and each municipality to affirmatively further fair housing in accordance with section 8-2, as amended by this act, and 42 USC 3608;

(B) Relies on appropriate metrics of the minimum need for affordable housing units in a planning region to ensure adequate housing options, including the number of households whose income is not greater than thirty per cent of the area median income and whose housing costs constitute fifty per cent or more of such household's income;

(C) Relies on appropriate factors for fairly allocating such need to each municipality within each planning region, including a municipality's compliance with the requirements of sections 8-2, as amended by this act, and 8-23 with regard to promoting housing choice and economic diversity in housing, including housing for both low and moderate income households, and encouraging the development of housing which meets the identified housing needs and the development of housing opportunities, including opportunities for multifamily housing, for all residents of the municipality and the planning region in which the municipality is located;

(D) Does not assign a fair share allocation to any municipality with a federal poverty rate of twenty per cent or greater based on data reported in the most recent United States decennial census or similar source; and

(E) Increases the municipal fair share allocation of a municipality if such municipality, when compared to other municipalities in the same planning region, has:

(i) A greater dollar value of the ratable real and personal property, as reflected by its equalized net grand list, calculated in accordance with the provisions of section 10-261a, for residential, commercial, industrial, public utility and vacant land;

(ii) A higher median income, based on data reported in the most recent United States decennial census or similar source;

(iii) A lower percentage of its population that is below the federal poverty threshold, based on data reported in such census or similar source; or

(iv) A lower percentage of its population that lives in multifamily housing, based on data reported in such census or similar source.

[(3)**]** (5) (A) Not later than December 1, 2024, and every ten years thereafter, the secretary, in consultation with the Commissioners of Housing and Economic and Community Development, shall, using the methodology established pursuant to this subsection, determine the minimum need for affordable housing units for each planning region and a municipal fair share allocation for each municipality within each planning region.

(B) No municipal fair share allocation determined pursuant to subparagraph (A) of this subdivision shall exceed twenty per cent of the occupied dwelling units in such municipality.

(c) **[**The**]** Not later than January 1, 2035, and every ten years thereafter, the secretary shall submit the methodology established pursuant to subsection (b) of this section to the joint standing committees of the General Assembly having cognizance of matters relating to planning and development and housing, in accordance with the provisions of section 11-4a, and each chamber of the General Assembly for approval.

Sec. 8. (NEW) (*Effective October 1, 2025*) (a) For the purposes of this section, "municipality" has the same meaning as provided in section 7-148 of the general statutes and "hostile architecture" means any building or structure that is designed or intended primarily for the purpose of preventing a person experiencing homelessness from sitting or lying in the building or on the structure at street level, provided "hostile architecture" does not include design elements intended to prevent individuals from skateboarding or rollerblading or to prevent vehicles from entering certain areas.

(b) On and after October 1, 2025, no municipality shall install or construct hostile architecture in any publicly accessible building or on any publicly accessible real property owned by the municipality.

(c) Upon receipt of written notice from any person alleging that a building or structure violates the provisions of subsection (b) of this section, a municipality shall investigate such alleged violation. If after such investigation the municipality determines that such building or structure is hostile architecture in violation of the provisions of subsection (b) of this section, the municipality shall remove such building or structure not later than ninety days after making such determination.

(d) The provisions of this section shall not apply to any hostile architecture installed or constructed prior to October 1, 2025.

Sec. 9. (NEW) (*Effective July 1, 2025*) (a) For the purposes of this section, "middle housing" has the same meaning as provided in section 8-1a of the general statutes, "housing authority" has the same meaning as provided in section 8-39 of the general statutes, and "municipality" has the same meaning as provided in section 7-148 of the general statutes.

(b) The Commissioner of Housing shall, within available bond authorizations, develop and administer a middle housing development grant program to support housing authorities in expanding the availability of middle housing in municipalities having populations of fifty thousand or less persons as determined by the most recent decennial census. The commissioner shall develop and issue a request for proposals from housing authorities for purposes of this program.

(c) The commissioner may award grants under the middle housing development grant program to housing authorities to provide assistance for predevelopment, construction or rehabilitation of middle housing developments or to provide assistance for a land or building acquisition for the purposes of developing middle housing developments.

Sec. 10. (NEW) (*Effective July 1, 2025*) (a) As used in this section:

(1) "Authority" means any of the public corporations created by section 8-40 of the general statutes;

(2) "Commissioner" means the Commissioner of Housing;

(3) "Department" means the Department of Housing;

(4) "Direct rental assistance" means a cash payment made to, or on behalf of, a recipient for the purpose of securing or maintaining housing;

(5) "Direct rental assistance program" or "program" means a program managed by a nonprofit provider to provide direct rental assistance to, or on behalf of, a recipient;

(6) "Recipient" means an individual or household determined by a nonprofit provider to be eligible for its direct rental assistance program; and

(7) "Nonprofit provider" means (A) a nonprofit corporation incorporated pursuant to chapter 602 of the general statutes or any predecessor statutes thereto, having as one of its purposes philanthropy or the ownership or operation of housing, or (B) an authority.

(b) The commissioner, each authority, or one or more authorities acting jointly, may, within available appropriations or funding, provide financial assistance in the form of grants-in-aid to any nonprofit provider for the purpose of administering a direct rental assistance program, provided such program (1) conforms with the requirements of subsections (c) and (d) of this section, (2) is approved by the Commissioner of Social Services pursuant to subsection (e) of this section, and (3) is limited in duration to not later than July 1, 2028.

(c) Any nonprofit provider seeking a grant-in-aid to operate a program pursuant to this section shall develop a proposal to (1) implement program operations, (2) determine recipient eligibility, (3) process direct rental assistance payments, (4) establish privacy policies and procedures and collect data concerning the operation of the program pursuant to such policies and procedures, and (5) report on program operations to the commissioner. Such nonprofit provider shall submit such proposal to the commissioner or participating authority in a form and manner to be prescribed by the commissioner.

(d) (1) Recipients in any direct rental assistance program shall be limited to individuals or families that are (A) eligible for a rental assistance program certificate pursuant to section 8-345 of the general statutes, and (B) currently on the waiting list of the federal Housing Choice Voucher Program, 42 USC 1437f(o).

(2) Direct rental assistance provided by a nonprofit provider shall not exceed the greater of (A) the maximum rent levels established by the commissioner pursuant to section 8-345 of the general statutes, or (B) the fair market rent established for the federal Housing Choice Voucher Program pursuant to 42 USC 1437f(o).

(3) Any nonprofit provider that implements a program pursuant to this section shall comply with state housing policy and program eligibility requirements.

(e) (1) The commissioner or any authority that receives a proposal to operate a program pursuant to this section shall submit such proposal to the Commissioner of Social Services for review. The Commissioner of Social Services shall review any submitted proposal and approve such proposal in accordance with the provisions of this subsection. In reviewing any such proposal, the Commissioner of Social Services shall ensure that any direct rental assistance provided under such program does not adversely affect a recipient's eligibility for, or the amount of, any benefit provided under a state-administered public assistance program, including any program administered by a state or municipal agency that receives federal funding or assistance.

(2) The Commissioner of Social Services shall disregard any direct rental assistance received by a recipient pursuant to this section, or by a member of the recipient's household, to the extent such assistance is provided as part of a direct rental assistance program established pursuant to this section. Such disregard shall apply for the duration of the recipient's participation in such program and may be reauthorized by the Commissioner of Social Services.

(3) If the Commissioner of Social Services determines that a federal, state or local waiver or approval is necessary to authorize such income disregards under applicable benefits programs, the Commissioner of Social Services shall request and promptly pursue any such waiver or approval.

(4) The Commissioner of Social Services shall approve a proposal submitted pursuant to this subsection upon (A) obtaining waivers or approvals pursuant to subdivision (3) of this subsection, or (B) determining that such waivers or approvals are not required.

(f) (1) No nonprofit provider shall initiate the provision of direct rental assistance under a program until the Commissioner of Social Services has approved such provider's proposal pursuant to this subsection.

(2) A nonprofit provider shall provide each recipient participating in a program pursuant to this section with written notice, prior to the provision of direct rental assistance, informing such recipient of any potential impact of participation in the pilot program on the recipient's current or future eligibility for federal or state benefits. Such notice shall include contact information for the recipient to obtain additional information or guidance regarding such impacts.

(g) The commissioner may provide financial or technical support to any nonprofit provider operating a direct rental assistance program pursuant to this section.

(h) Any data collected from a recipient pursuant to policies and procedures implemented or regulations adopted pursuant to subsection (c) of this section shall be confidential and exempt from disclosure under the Freedom of Information Act, as defined in section 1-200 of the general statutes, except to the extent such information is included on an aggregated basis in the report required by subsection (e) of this section.

(i) Not later than July 1, 2029, any nonprofit provider that implements a program pursuant to this section shall submit a report to the commissioner concerning the implementation and outcomes of the program. The commissioner shall submit any such report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to housing. Any such report shall include, but need not be limited to: (1) An analysis of the number of recipients served by the program disaggregated by demographics, including household size, income level and housing insecurity status, (2) the impact of the program on recipients, including any changes in housing stability, ability to relocate to another housing unit, household income and access to employment or educational opportunities, (3) a cost-effective analysis comparing the pilot program to the federal Housing Choice Voucher Program, 42 USC 1437f(o), and the state rental assistance program, (4) any feedback from recipients and landlords participating in the program, and (5) any recommendations for the continuation, expansion or modification of the program.

(j) Any program established pursuant to this section shall terminate not later than July 1, 2028. Any recipient who continues to require housing assistance at the conclusion of any such program may be issued a rental assistance program certificate, if available. Participation in any program pursuant to this section shall not affect a recipient's status on the federal Housing Choice Voucher Program or state Rental Assistance

Program waiting list, and any recipient who is issued a federal or state voucher may elect to exit any such program at the time payment under the voucher begins. A recipient shall no longer be eligible to receive direct rental assistance under a direct rental assistance program during receipt of a rental assistance program certificate, a federal Housing Choice Voucher pursuant to 42 USC 1437f(o) or any other housing subsidy that partially or fully subsidizes such recipient's rental obligation. Any nonprofit provider administering a program pursuant to this section shall reallocate any unexpended funds or vacated program slots resulting from a recipient's exit or ineligibility to another eligible recipient, in accordance with the criteria established by the nonprofit provider for purposes of implementing the program.

Sec. 11. Section 1 of special act 21-26 is amended to read as follows (*Effective July 1, 2025*):

(a) Not later than June 15, **[**2022**]** 2026, the Commissioner of Housing, in consultation with the Commissioner of Education and housing, civil rights and education advocates, shall **[**establish**]** reestablish the Open Choice Voucher pilot program. Such pilot program shall designate twenty rental assistance program certificates under section 8-345 of the general statutes over a period of two years, for use by families who (1) qualify as low income under the rental assistance program, (2) have participated for at least one year in the interdistrict public school attendance program, established under section 10-266aa of the general statutes, **[**in the Hartford region,**]** and (3) would like to move to the town where their child participating in the interdistrict public school attendance program attends school.

(b) The Commissioner of Housing shall develop procedures for landlord recruitment, family recruitment, housing search assistance and counseling for such pilot program. As existing rental assistance certificates become available, the commissioner shall make ten rental assistance certificates available during the school year commencing in

[2022] 2026 and ten additional rental assistance certificates during the school year commencing in [2023] 2027 for such pilot program. All participants in the pilot program shall have access to the residence mobility counseling program established under section 8-348 of the general statutes.

(c) The Commissioner of Housing shall submit an interim report and final report concerning such pilot program, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to housing and education. The commissioner shall submit the interim report on or before August 31, [2022] 2026, and a final report on or before August 31, [2023] 2027. Each report shall include, but need not be limited to: (1) A summary of program implementation, including efforts to inform and educate families about the program, recruit landlords and provide search assistance and counseling, and (2) assessment of program utilization rates, waiting list numbers, and the racial, ethnic and household composition and income demographics of the program participants and those on the waiting list. The final report shall include an assessment of program performance during the pilot period based on available data, including, but not limited to, data concerning both the implementation of the program by the Department of Housing and the use of the program, and any recommendations the commissioner may have regarding future implementation or an extension of the pilot program.

Sec. 12. Section 4-66k of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) There is established an account to be known as the "regional planning incentive account" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Secretary of the Office of Policy and

Management for the purposes of first providing funding to regional planning organizations in accordance with the provisions of this section, next providing grants for the support of regional election advisors pursuant to section 9-229c and then providing grants under the regional performance incentive program established pursuant to section 4-124s.

(b) (1) For the fiscal year ending June 30, 2014, funds from the regional planning incentive account shall be distributed to each regional planning organization, as defined in section 4-124i of the general statutes, revision of 1958, revised to January 1, 2013, in the amount of one hundred twenty-five thousand dollars. Any regional council of governments that is comprised of any two or more regional planning organizations that voluntarily consolidate on or before December 31, 2013, shall receive an additional payment in an amount equal to the amount the regional planning organizations would have received if such regional planning organizations had not voluntarily consolidated.

[(c)**]** (2) For the fiscal years ending June 30, 2015, to June 30, 2021, inclusive, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-124j, in the amount of one hundred twenty-five thousand dollars plus fifty cents per capita, using population information from the most recent federal decennial census. Any regional council of governments that is comprised of any two or more regional planning organizations, as defined in section 4-124i of the general statutes, revision of 1958, revised to January 1, 2013, that voluntarily consolidated on or before December 31, 2013, shall receive a payment in the amount of one hundred twenty-five thousand dollars for each such regional planning organization that voluntarily consolidated on or before said date.

[(d) (1)**]** (3) For the fiscal years ending June 30, 2022, and June 30, 2023, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-

124j, in the amount of one hundred eighty-five thousand five hundred dollars plus sixty-eight cents per capita, using population information from the most recent federal decennial census.

[(2)] (4) For the fiscal [year] years ending June 30, 2024, and [each fiscal year thereafter] June 30, 2025, funds from the regional planning incentive account shall be distributed to [the] each regional council of governments formed pursuant to section 4-124j, in the amount totaling seven million dollars. Such funds shall be distributed under a formula determined by the Secretary of the Office of Policy and Management in consultation with the regional [council] councils of governments, that includes (A) a base payment amount payable to each such regional council, and (B) a per capita payment amount to each such regional council based upon population data for each such regional council from the most recent federal decennial census. [Such formula shall be reviewed and updated every five years after the initial adoption of such formula.]

(5) For the fiscal year ending June 30, 2026, and each fiscal year thereafter, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-124j as follows: (A) Each such regional council shall receive two hundred thousand dollars, for the purpose of funding positions within each such regional council to provide technical support and legal services for the planning and development of additional housing in each such regional council's region, (B) each such regional council shall receive two hundred thousand dollars, for the purpose of funding a regional stormwater management and flood mitigation coordinator position or a regional municipal solid waste and recycling coordinator position within each such regional council, and (C) an amount totaling seven million dollars shall then be distributed pursuant to a formula determined by the Secretary of the Office of Policy and Management in consultation with the regional councils of governments that includes (i)

a base payment amount payable to each such regional council, and (ii) a per capita payment amount to each such regional council based upon population data for each such regional council from the most recent federal decennial census. The secretary, in consultation with the regional councils of governments, shall review and update such formula every five years after the initial adoption of such formula.

[(3)] (c) Not later than July 1, 2021, and annually thereafter, each regional council of governments shall submit to the secretary a proposal for expenditure of the funds described in [subdivision (1) of this] subsection (b) of this section. Such proposal may include, but need not be limited to, a description of [(A)] (1) functions, activities or services currently performed by the state or municipalities that may be provided in a more efficient, cost-effective, responsive or higher quality manner by such council, a regional educational service center or similar regional entity; [(B)] (2) anticipated cost savings relating to the sharing of government services, including, but not limited to, joint purchasing; [(C)] (3) the standardization and alignment of various regions of the state; or [(D)] (4) any other initiatives that may facilitate the delivery of services to the public in a more efficient, cost-effective, responsive or higher quality manner.

Sec. 13. (NEW) (*Effective January 1, 2026*) (a) For the purposes of this section:

(1) "Account holder" means an individual who, either individually or jointly with another individual, establishes a first-time homebuyer savings account;

(2) "Allowable closing costs" means the disbursements listed on a settlement statement concerning a transaction involving the purchase of a one-to-four family residence in this state by a qualified beneficiary to serve as the qualified beneficiary's primary residence;

(3) "Commissioner" means the Commissioner of Revenue Services;

(4) "Eligible costs" means the down payment and all allowable closing costs paid or reimbursed by a qualified beneficiary to purchase a one-to-four family residence in this state to serve as the qualified beneficiary's primary residence;

(5) "Financial institution" means a bank, out-of-state bank, Connecticut credit union, federal credit union or out-of-state credit union, as those terms are defined in section 36a-2 of the general statutes, and any affiliate or third-party provider of such entities;

(6) "First-time homebuyer" means an individual who did not own or purchase, either individually or jointly with another person, a one-to-four family residence prior to the closing date of a real estate transaction involving the purchase of a one-to-four family residence in this state by the individual;

(7) "First-time homebuyer savings account" means an account established by one or more account holders with a financial institution that the account holders designate as an account exclusively containing funds to pay or reimburse eligible costs incurred by the qualified beneficiary of the account;

(8) "One-to-four family residence" means a residential dwelling consisting of not more than four dwelling units, including, but not limited to, a mobile manufactured home, as defined in section 21-64 of the general statutes, or a residential unit in a cooperative, common interest community or condominium, as such terms are defined in section 47-202 of the general statutes;

(9) "Qualified beneficiary" means a first-time homebuyer who (A) is an account holder and designated as the qualified beneficiary of a first-time homebuyer savings account, and (B) resides in the one-to-four family residence in this state that is purchased with the funds deposited

in such account; and

(10) "Settlement statement" means the statement of receipts and disbursements for a transaction related to real estate, including, but not limited to, a statement prescribed pursuant to the Real Estate Settlement Procedures Act of 1974, 12 USC Section 2601 et seq., as amended from time to time, and regulations adopted thereunder.

(b) For purposes of implementing the deduction allowed under subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes, as amended by this act, and the credit allowed under section 15 of this act, the commissioner shall prepare forms for (1) the designation of accounts as first-time homebuyer savings accounts, (2) the designation of qualified beneficiaries, and (3) account holders to submit to the commissioner the information described in subparagraph (B) of subdivision (1) of subsection (d) of this section and any additional information that the commissioner reasonably requires pursuant to the provisions of this section.

(c) An individual may establish one or more first-time homebuyer savings accounts with a financial institution. Two individuals may jointly establish and serve as the account holders of a first-time homebuyer savings account, provided such account holders shall file a joint return for the tax imposed under chapter 229 of the general statutes for each taxable year during which such account exists. The account holder or account holders shall, not later than April fifteenth of the taxable year immediately following the taxable year during which such account holder or account holders established a first-time homebuyer savings account, designate the qualified beneficiary of such account. The account holder or account holders of a first-time homebuyer savings account may designate a new qualified beneficiary of the account at any time, provided there shall not be more than one qualified beneficiary of such account at any time. No individual may establish or serve as an account holder of multiple first-time homebuyer savings accounts that have the same qualified beneficiary. First-time homebuyer savings accounts shall exclusively contain cash and there shall be no limit on the amount of contributions made to, or contained in, such accounts. Any person may contribute to a first-time homebuyer savings account, including, but not limited to, employers of the account holder or account holders of such account. If an account holder of a first-time homebuyer savings account leaves employment with an employer that contributed to such account while such account holder was employed by such employer, such employer shall not seek reimbursement of any contribution to such account. The account holder or account holders may invest funds deposited in a first-time homebuyer savings account in money market funds.

(d) (1) Each account holder shall:

(A) Not use any portion of the funds deposited in a first-time homebuyer savings account to pay any administrative fees or expenses, other than service fees imposed by the depository financial institution, for such account; and

(B) Submit to the commissioner such account holder's tax return for each taxable year beginning on or after January 1, 2026, during which a first-time homebuyer savings account established by such account holder exists, along with:

(i) Any information required by the commissioner concerning such first-time homebuyer savings account for purposes of implementing the deduction allowed under subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes, as amended by this act, and the credit allowed under section 15 of this act;

(ii) The Internal Revenue Service Form 1099 issued by the depository financial institution for such first-time homebuyer savings account; and

(iii) If such account holder withdrew funds from such first-time homebuyer savings account during the taxable year that is the subject of such return, a detailed accounting of all eligible costs and ineligible costs paid or reimbursed using such funds during such taxable year and the balance of funds remaining in such account.

(2) Each account holder may withdraw all, or any portion of, the funds contributed to and deposited in a first-time homebuyer savings account and deposit such funds in another first-time homebuyer savings account established by such account holder at any financial institution.

(e) (1) The commissioner may require that financial institutions furnish certain information about each first-time homebuyer savings account.

(2) No financial institution shall be required to (A) designate an account as a first-time homebuyer savings account, (B) track the use of any funds withdrawn from a first-time homebuyer savings account, or (C) allocate funds in a first-time homebuyer savings account among account holders.

(3) No financial institution shall be liable or responsible for (A) determining whether, or ensuring that, an account satisfies the requirements established in this section concerning first-time homebuyer savings accounts or the funds in first-time homebuyer savings accounts are used to pay or reimburse eligible costs, or (B) disclosing or remitting taxes or penalties concerning first-time homebuyer savings accounts unless such disclosure or remittance is required by applicable law.

(4) Upon receiving proof of the death of an account holder and all other information required by any contract governing a first-time homebuyer savings account established by the account holder, the depository financial institution shall distribute the funds in the first-time homebuyer savings account in accordance with the terms of such

contract.

(f) (1) Except as provided in subdivision (2) of this subsection, each account holder who withdraws funds from a first-time homebuyer savings account for any reason other than paying or reimbursing the qualified beneficiary of such account for eligible costs incurred by such qualified beneficiary shall be liable to this state for a civil penalty in an amount equal to ten per cent of the withdrawn amount. Such civil penalty shall be collectible by the commissioner. If such funds were deducted by an account holder in accordance with subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes, as amended by this act, then such withdrawn funds shall be considered income.

(2) No account holder shall be liable for a penalty under subdivision (1) of this subsection, nor shall funds withdrawn from a first-time homebuyer savings account be considered income, if the funds withdrawn from the first-time homebuyer savings account:

(A) Are deposited in another first-time homebuyer savings account pursuant to subdivision (2) of subsection (d) of this section;

(B) Are withdrawn due to the death or disability of an account holder who established such account;

(C) Constitute a disbursement of the assets of such account pursuant to a filing for protection under the United States Bankruptcy Code, as amended from time to time; or

(D) Are not claimed as a deduction pursuant to subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes, as amended by this act, by the account holder on a return for the tax imposed under chapter 229 of the general statutes.

(g) The commissioner may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the provisions of this section.

Sec. 14. Subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(B) There shall be subtracted therefrom:

(i) To the extent properly includable in gross income for federal income tax purposes, any income with respect to which taxation by any state is prohibited by federal law;

(ii) To the extent allowable under section 12-718, exempt dividends paid by a regulated investment company;

(iii) To the extent properly includable in gross income for federal income tax purposes, the amount of any refund or credit for overpayment of income taxes imposed by this state, or any other state of the United States or a political subdivision thereof, or the District of Columbia;

(iv) To the extent properly includable in gross income for federal income tax purposes and not otherwise subtracted from federal adjusted gross income pursuant to clause (x) of this subparagraph in computing Connecticut adjusted gross income, any tier 1 railroad retirement benefits;

(v) To the extent any additional allowance for depreciation under Section 168(k) of the Internal Revenue Code for property placed in service after September 27, 2017, was added to federal adjusted gross income pursuant to subparagraph (A)(ix) of this subdivision in computing Connecticut adjusted gross income, twenty-five per cent of such additional allowance for depreciation in each of the four succeeding taxable years;

(vi) To the extent properly includable in gross income for federal income tax purposes, any interest income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut;

(vii) To the extent properly includable in determining the net gain or loss from the sale or other disposition of capital assets for federal income tax purposes, any gain from the sale or exchange of obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, in the income year such gain was recognized;

(viii) Any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such interest on indebtedness is not deductible in determining federal adjusted gross income and is attributable to a trade or business carried on by such individual;

(ix) Ordinary and necessary expenses paid or incurred during the taxable year for the production or collection of income which is subject to taxation under this chapter but exempt from federal income tax, or the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such expenses and premiums are not deductible in determining federal adjusted gross income and are attributable to a trade or business carried on by such individual;

(x) (I) For taxable years commencing prior to January 1, 2019, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than sixty thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than sixty thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes;

(II) For taxable years commencing prior to January 1, 2019, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is sixty thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is sixty thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code;

(III) For the taxable year commencing January 1, 2019, and each taxable year thereafter, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes; and

(IV) For the taxable year commencing January 1, 2019, and each taxable year thereafter, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is seventy-five thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is seventy-five thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is one hundred thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is one hundred thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code;

(xi) To the extent properly includable in gross income for federal income tax purposes, any amount rebated to a taxpayer pursuant to section 12-746;

(xii) To the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, any distribution to such beneficiary from any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state;

(xiii) To the extent allowable under section 12-701a, contributions to accounts established pursuant to any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state;

(xiv) To the extent properly includable in gross income for federal income tax purposes, the amount of any Holocaust victims' settlement payment received in the taxable year by a Holocaust victim;

(xv) To the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, as defined in section 3-123aa, interest, dividends or capital gains earned on contributions to accounts established for the designated beneficiary pursuant to the Connecticut Homecare Option Program for the Elderly established by sections 3-123aa to 3-123ff, inclusive;

(xvi) To the extent properly includable in gross income for federal income tax purposes, any income received from the United States government as retirement pay for a retired member of (I) the Armed Forces of the United States, as defined in Section 101 of Title 10 of the United States Code, or (II) the National Guard, as defined in Section 101 of Title 10 of the United States Code;

(xvii) To the extent properly includable in gross income for federal income tax purposes for the taxable year, any income from the discharge of indebtedness in connection with any reacquisition, after December 31, 2008, and before January 1, 2011, of an applicable debt instrument or instruments, as those terms are defined in Section 108 of the Internal

Revenue Code, as amended by Section 1231 of the American Recovery and Reinvestment Act of 2009, to the extent any such income was added to federal adjusted gross income pursuant to subparagraph (A)(xi) of this subdivision in computing Connecticut adjusted gross income for a preceding taxable year;

(xviii) To the extent not deductible in determining federal adjusted gross income, the amount of any contribution to a manufacturing reinvestment account established pursuant to section 32-9zz in the taxable year that such contribution is made;

(xix) To the extent properly includable in gross income for federal income tax purposes, (I) for the taxable year commencing January 1, 2015, ten per cent of the income received from the state teachers' retirement system, (II) for the taxable years commencing January 1, 2016, to January 1, 2020, inclusive, twenty-five per cent of the income received from the state teachers' retirement system, and (III) for the taxable year commencing January 1, 2021, and each taxable year thereafter, fifty per cent of the income received from the state teachers' retirement system or, for a taxpayer whose federal adjusted gross income does not exceed the applicable threshold under clause (xx) of this subparagraph, the percentage pursuant to said clause of the income received from the state teachers' retirement system, whichever deduction is greater;

(xx) To the extent properly includable in gross income for federal income tax purposes, except for retirement benefits under clause (iv) of this subparagraph and retirement pay under clause (xvi) of this subparagraph, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, (I) for the taxable year commencing January 1, 2019, fourteen per cent of any pension or annuity income, (II) for the taxable year commencing January 1, 2020, twenty-eight per cent of any pension or annuity income, (III) for the taxable year commencing January 1, 2021, forty-two per cent of any pension or annuity income, and (IV) for the taxable years commencing January 1, 2022, and January 1, 2023, one hundred per cent of any pension or annuity income;

(xxi) To the extent properly includable in gross income for federal income tax purposes, except for retirement benefits under clause (iv) of this subparagraph and retirement pay under clause (xvi) of this subparagraph, any pension or annuity income for the taxable year commencing on or after January 1, 2024, and each taxable year thereafter, in accordance with the following schedule, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars:

Federal Adjusted Gross Income	Deduction
Less than $75,000	100.0%
$75,000 but not over $77,499	85.0%
$77,500 but not over $79,999	70.0%
$80,000 but not over $82,499	55.0%
$82,500 but not over $84,999	40.0%
$85,000 but not over $87,499	25.0%

$87,500 but not over $89,999	10.0%
$90,000 but not over $94,999	5.0%
$95,000 but not over $99,999	2.5%
$100,000 and over	0.0%

(xxii) To the extent properly includable in gross income for federal income tax purposes, except for retirement benefits under clause (iv) of this subparagraph and retirement pay under clause (xvi) of this subparagraph, any pension or annuity income for the taxable year commencing on or after January 1, 2024, and each taxable year thereafter, in accordance with the following schedule for married individuals who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred fifty thousand dollars:

Federal Adjusted Gross Income	Deduction
Less than $100,000	100.0%
$100,000 but not over $104,999	85.0%
$105,000 but not over $109,999	70.0%
$110,000 but not over $114,999	55.0%
$115,000 but not over $119,999	40.0%
$120,000 but not over $124,999	25.0%
$125,000 but not over $129,999	10.0%
$130,000 but not over $139,999	5.0%
$140,000 but not over $149,999	2.5%
$150,000 and over	0.0%

(xxiii) The amount of lost wages and medical, travel and housing expenses, not to exceed ten thousand dollars in the aggregate, incurred by a taxpayer during the taxable year in connection with the donation to another person of an organ for organ transplantation occurring on or after January 1, 2017;

(xxiv) To the extent properly includable in gross income for federal income tax purposes, the amount of any financial assistance received from the Crumbling Foundations Assistance Fund or paid to or on behalf of the owner of a residential building pursuant to sections 8-442 and 8-443;

(xxv) To the extent properly includable in gross income for federal income tax purposes, the amount calculated pursuant to subsection (b) of section 12-704g for income received by a general partner of a venture capital fund, as defined in 17 CFR 275.203(l)-1, as amended from time to time;

(xxvi) To the extent any portion of a deduction under Section 179 of the Internal Revenue Code was added to federal adjusted gross income pursuant to subparagraph (A)(xiv) of this subdivision in computing Connecticut adjusted gross income, twenty-five per cent of such disallowed portion of the deduction in each of the four succeeding taxable years;

(xxvii) To the extent properly includable in gross income for federal income tax purposes, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, for the taxable year commencing January 1, 2023, twenty-five per cent of any distribution from an individual retirement account other than a Roth individual retirement account;

(xxviii) To the extent properly includable in gross income for federal income tax purposes, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, (I) for the taxable year commencing January 1, 2024, fifty per cent of any distribution from an individual retirement account other than a Roth individual retirement account, (II) for the taxable year commencing January 1, 2025, seventy-five per cent of any distribution from an individual retirement account other than a Roth individual retirement account, and (III) for the taxable year commencing January 1, 2026, and each taxable year thereafter, any distribution from an individual retirement account other than a Roth individual retirement account. The subtraction under this clause shall be made in accordance with the following schedule:

Federal Adjusted Gross Income	Deduction
Less than $75,000	100.0%
$75,000 but not over $77,499	85.0%
$77,500 but not over $79,999	70.0%
$80,000 but not over $82,499	55.0%
$82,500 but not over $84,999	40.0%
$85,000 but not over $87,499	25.0%
$87,500 but not over $89,999	10.0%
$90,000 but not over $94,999	5.0%
$95,000 but not over $99,999	2.5%
$100,000 and over	0.0%

(xxix) To the extent properly includable in gross income for federal income tax purposes, for married individuals who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred fifty thousand dollars, (I) for the taxable year commencing January 1, 2024, fifty per cent of any distribution from an individual retirement account other than a Roth individual retirement account, (II) for the taxable year commencing January 1, 2025, seventy-five per cent of any distribution from an individual retirement account other than a Roth individual retirement account, and (III) for the taxable year commencing January 1, 2026, and each taxable year thereafter, any distribution from an individual retirement account other than a Roth individual retirement account. The subtraction under this clause shall be made in accordance with the following schedule:

Federal Adjusted Gross Income	Deduction
Less than $100,000	100.0%
$100,000 but not over $104,999	85.0%
$105,000 but not over $109,999	70.0%
$110,000 but not over $114,999	55.0%
$115,000 but not over $119,999	40.0%
$120,000 but not over $124,999	25.0%
$125,000 but not over $129,999	10.0%
$130,000 but not over $139,999	5.0%
$140,000 but not over $149,999	2.5%
$150,000 and over	0.0%

(xxx) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing January 1, 2022, the amount or amounts paid or otherwise credited to any eligible resident of this state under (I) the 2020 Earned Income Tax Credit enhancement program from funding allocated to the state through the Coronavirus Relief Fund established under the Coronavirus Aid, Relief, and Economic Security Act, P.L. 116-136, and (II) the 2021 Earned Income Tax Credit enhancement program from funding allocated to the state pursuant to Section 9901 of Subtitle M of Title IX of the American

Rescue Plan Act of 2021, P.L. 117-2;

(xxxi) For the taxable year commencing January 1, 2023, and each taxable year thereafter, for a taxpayer licensed under the provisions of chapter 420f or 420h, the amount of ordinary and necessary expenses that would be eligible to be claimed as a deduction for federal income tax purposes under Section 162(a) of the Internal Revenue Code but that are disallowed under Section 280E of the Internal Revenue Code because marijuana is a controlled substance under the federal Controlled Substance Act;

(xxxii) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing on or after January 1, 2025, and each taxable year thereafter, any common stock received by the taxpayer during the taxable year under a share plan, as defined in section 12-217ss;

(xxxiii) To the extent properly includable in gross income for federal income tax purposes, the amount of any student loan reimbursement payment received by a taxpayer pursuant to section 10a-19m;

(xxxiv) Contributions to an ABLE account established pursuant to sections 3-39k to 3-39q, inclusive, not to exceed five thousand dollars for each individual taxpayer or ten thousand dollars for taxpayers filing a joint return; **[**and**]**

(xxxv) To the extent properly includable in gross income for federal income tax purposes, the amount of any payment received pursuant to subsection (c) of section 3-122a;

(xxxvi) For an account holder, as defined in section 13 of this act, who files a return under the federal income tax as an unmarried individual, a married individual filing separately or a head of household, whose federal adjusted gross income for the taxable year is less than one hundred twenty-five thousand dollars or who files a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for the taxable year is less than two hundred fifty thousand dollars:

(I) To the extent not deductible in determining federal adjusted gross income, for the taxable year commencing January 1, 2027, an amount equal to the contributions deposited during the taxable years commencing January 1, 2026, and January 1, 2027, in a first-time homebuyer savings account established pursuant to subsection (c) of section 13 of this act, less any amounts withdrawn during said taxable years by the account holder from such account under subparagraph (D) of subdivision (2) of subsection (f) of section 13 of this act. The amount claimed under this subclause shall not exceed two thousand five hundred dollars for each such taxable year for an unmarried individual, a married individual filing separately or a head of household and five thousand dollars for each such taxable year for married individuals filing jointly;

(II) To the extent not deductible in determining federal adjusted gross income, for the taxable year commencing January 1, 2028, and each taxable year thereafter, an amount equal to the contributions deposited during the taxable year in a first-time homebuyer savings account established pursuant to subsection (c) of section 13 of this act, less any amounts withdrawn during the taxable year by the account holder from such account pursuant to subparagraph (D) of subdivision (2) of subsection (f) of section 13 of this act. The amount allowed to be claimed under this subclause for the taxable year shall not exceed two thousand five hundred dollars for an unmarried individual, a married individual filing separately or a head of household and five thousand dollars for married individuals filing jointly; and

(III) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing January 1, 2027, and each taxable year thereafter, an amount equal to the sum of all interest accrued on a first-time homebuyer savings account, established pursuant to subsection (c) of section 13 of this act, during the taxable year; and

(xxxvii) To the extent properly includable in gross income for federal income tax purposes, for an account holder who is a qualified beneficiary of a first-time homebuyer savings account, as those terms are defined in section 13 of this act, and who files a return under the federal income tax as an unmarried individual, a married individual filing separately or a head of household, whose federal adjusted gross income for the taxable year is less than one hundred twenty-five thousand dollars or who files a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for the taxable year is less than two hundred fifty thousand dollars, for taxable years commencing on or after January 1, 2027, an amount equal to any withdrawal from such account that is used to pay or reimburse such qualified beneficiary for eligible costs, as defined in section 13 of this act, incurred by the qualified beneficiary.

Sec. 15. (NEW) (*Effective January 1, 2026*) (a) (1) For the taxable or income year commencing on or after January 1, 2027, but prior to January 1, 2028, there shall be allowed a credit against the tax imposed under chapter 208 or 229 of the general statutes, other than the liability imposed by section 12-707 of the general statutes, for contributions deposited by the employer of an account holder in a first-time homebuyer savings account established pursuant to subsection (c) of section 13 of this act during the taxable or income years commencing on or after January 1, 2026, but prior to January 1, 2028, provided such account holder was employed by such employer at the time such contributions were made.

(2) For the taxable or income years commencing on or after January 1, 2028, there shall be allowed a credit against the tax imposed under chapter 208 or 229 of the general statutes, other than the liability

imposed by section 12-707 of the general statutes, for contributions deposited by the employer of an account holder in a first-time homebuyer savings account established pursuant to subsection (c) of section 13 of this act during the taxable or income year, provided such account holder was employed by such employer at the time such contributions were made.

(3) The amount of the credit allowed under subdivisions (1) and (2) of this subsection shall be equal to ten per cent of the amount of the contributions made by the taxpayer into the first-time homebuyer savings accounts of account holders of such accounts during the income or taxable year, provided the amount of the credit allowed for any income or taxable year with respect to a specific account holder shall not exceed two thousand five hundred dollars.

(b) If the taxpayer is an S corporation or an entity treated as a partnership for federal income tax purposes, the credit may be claimed by the shareholders or partners of the taxpayer. If the taxpayer is a single member limited liability company that is disregarded as an entity separate from its owner, the credit may be claimed by such limited liability company's owner, provided such owner is a person subject to the tax imposed under chapter 208 or 229 of the general statutes. Any taxpayer claiming the credit shall provide to the Department of Revenue Services documentation supporting such claim in the form and manner prescribed by the Commissioner of Revenue Services.

Sec. 16. Section 3-129g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) The Attorney General may investigate, intervene in or bring a civil or administrative action in the name of the state, seeking injunctive or declaratory relief, damages, and any other relief that may be available under law, whenever any person is or has engaged in a practice or pattern of conduct that:

(1) Subjects, or causes to be subjected, other persons to the deprivation of any rights, privileges or immunities secured by the constitutions or laws of this state or the United States; or

(2) Interferes, or attempts to interfere, by threats, intimidation or coercion, with the exercise or enjoyment by other persons of any rights, privileges or immunities secured by the constitutions or laws of this state or the United States.

(b) In conducting any investigation under this section, the Attorney General may issue subpoenas and interrogatories, and otherwise gather information, in the same manner and to the same extent as is provided in section 35-42. No information obtained pursuant to the provisions of this subsection may be used in a criminal proceeding.

(c) If the Attorney General prevails in a civil action brought pursuant to this section, the court shall order the distribution of any award of damages to the injured person. In a matter involving the interference or attempted interference with any right protected by the constitutions of this state or the United States, the court may also award civil penalties against each defendant in an amount not exceeding two thousand five hundred dollars for each violation, provided such violation has been established by clear and convincing evidence. Any civil penalty that is received pursuant to this subsection shall be deposited in the General Fund.

(d) In lieu of bringing a civil action under this section, the Attorney General may accept an assurance of the discontinuance of any allegedly unlawful or unconstitutional practice from any person engaged in such practice. Thereafter, any evidence of a violation of such assurance shall constitute prima facie proof of violation of the applicable law or right in any action commenced by the Attorney General.

(e) Nothing in this section shall limit the right of a person adversely affected by a violation of chapter 814c to file a complaint with the Commission on Human Rights and Opportunities.

(f) Nothing in this section shall limit the jurisdiction of the Commission on Human Rights and Opportunities under chapter 814c.

(g) The Attorney General shall not bring an action under the provisions of this section during the pendency of a matter involving the same parties and the same alleged facts and circumstances before the Commission on Human Rights and Opportunities.

(h) Nothing in this section shall permit the Attorney General to bring an action that would otherwise be barred under the applicable statute of limitations or repose.

(i) The Attorney General shall post on the Attorney General's Internet web site information on how to properly file a complaint with the Commission on Human Rights and Opportunities. The Attorney General may, as appropriate, refer cases to the Commission on Human Rights and Opportunities.

(j) Nothing in this section shall permit the Attorney General to assert any claim against a state agency or a state officer or state employee in such officer's or employee's official capacity, regarding actions or omissions of such state agency, state officer or state employee. If the Attorney General determines that a state officer or state employee is not entitled to indemnification under section 5-141d, the Attorney General may, as relates to such officer or employee, take any action authorized under this section.

<u>(k) With regard to any action brought pursuant to this section against a person for a pattern or practice of conduct in violation of section 46a-64, 46a-64c, 46a-81d or 46a-81e, or, as a result of an investigation conducted pursuant to this section, of a potential violation of section 46a-64, 46a-64c, 46a-81d or 46a-81e, the Attorney General may petition</u>

the superior court for the judicial district in which the violation or alleged violation occurred for any relief available under section 46a-89.

Sec. 17. Subsection (g) of section 8-30g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(g) Upon an appeal taken under subsection (f) of this section, the burden shall be on the commission to prove, based upon the 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. In addition, if the court finds, after a hearing, that the commission's decision denying an affordable housing application or approving such application 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 was made in bad faith or to cause undue delay, the court may award reasonable attorney's fees to the person who filed the appeal under subsection (f) of this section, provided the total number of units in the affordable housing development or affordable dwelling units in the set-aside development ordered by the court to be built is at least ninety per cent of the units proposed in the original application of such person to the commission.

Sec. 18. (NEW) (*Effective October 1, 2025*) (a) As used in this section:

(1) "Revenue management device" means a device commonly known as revenue management software that uses one or more programmed or automated processes to perform calculations of nonpublic competitor data concerning local or state-wide rents or occupancy levels, for the purpose of advising a landlord on (A) whether to leave a unit vacant; or (B) the amount of rent that the landlord may obtain for a unit. "Revenue management device" includes a product that incorporates a revenue management device, but does not include: (i) A report that publishes existing rental data in an aggregated manner but does not recommend rental rates or occupancy levels for future leases; or (ii) a product used for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a local, state or federal program.

(2) "Nonpublic competitor data" means information that is not available to the general public, including information about actual rent amounts, occupancy levels, lease start and end dates and other similar data, regardless of whether the information is (A) attributable to a specific competitor or anonymized, and (B) derived from or otherwise provided by another person that competes in the same or a related market.

(b) It shall be an unlawful practice in violation of chapter 624 of the general statutes for any person to use a revenue management device to set rental rates or occupancy levels for residential dwelling units.

(c) Any violation of subsection (b) of this section shall be subject to the investigation and enforcement provisions of chapter 624 of the general statutes.

Sec. 19. (NEW) (*Effective October 1, 2025*) (a) As used in this section and sections 20 and 21 of this act:

(1) "Discretionary infrastructure funding" has the same meaning as provided in section 8-30j of the general statutes, as amended by this act;

(2) "Downtown area" means a central business district or other commercial neighborhood area of a municipality that serves as a center of socioeconomic interaction, characterized by a cohesive core of commercial and mixed-use buildings, often interspersed with civic, religious and residential buildings and public spaces, that are typically arranged along a main street and intersecting side streets and served by public infrastructure;

(3) "Middle housing development" means a residential building containing not less than two dwelling units but not more than nine such units, including, but not limited to, townhomes, duplexes, triplexes, perfect sixes and cottage clusters;

(4) "Perfect six" means a three-story residential building with a central entrance containing two dwelling units per story;

(5) "Qualifying bus transit community" means any municipality that contains not less than one regular bus service station operating not less than five days a week within a transit-oriented district adopted by such municipality, provided such transit-oriented district is of reasonable size, as determined by the secretary, or the secretary's designee, in accordance with the provisions of subsection (e) of this section, and either (A) includes land of such municipality located within a one-half-mile radius of any such station, or (B) is located within a reasonable distance, as determined by the secretary, or the secretary's designee, of any other transit service, a commercial corridor or the downtown area

of such municipality;

(6) "Qualifying rapid transit community" means any municipality that contains not less than one rapid transit station or a planned rapid transit station, contained within a transit-oriented district adopted by such municipality, provided such transit-oriented district is of reasonable size, as determined by the secretary, or the secretary's designee, in accordance with subsection (e) of this section, and either (A) includes land of such municipality located within a one-half-mile radius of any such station, or (B) is located within a reasonable distance, as determined by the secretary, or the secretary's designee, of any other transit service, a commercial corridor or the downtown area of such municipality;

(7) "Qualifying transit-oriented community" means any municipality that is a qualifying rapid transit community or qualifying bus transit community;

(8) "Rapid transit station" means any public transportation station serving any rail or rapid bus route;

(9) "Regular bus service station" means any fixed location where a bus regularly stops, not less than once every sixty minutes during peak operating hours, for the loading or unloading of passengers along a defined route operating on a fixed schedule;

(10) "Secretary" means the Secretary of the Office of Policy and Management, or the secretary's designee;

(11) "Transit-oriented district" means a collection of parcels of land in a municipality designated by such municipality and subject to zoning criteria designed to encourage increased density of development, including mixed-use development and a concentration of developments utilizing discretionary infrastructure funding; and

(12) "Zoning commission" means any zoning commission, a planning commission in a municipality that has adopted a planning commission but not a zoning commission or a combined planning and zoning commission.

(b) A qualifying transit-oriented community or municipality that has adopted a resolution pursuant to subsection (c) of this section shall be eligible for the receipt of discretionary infrastructure funding on a priority basis, provided such community meets the eligibility criteria for the discretionary infrastructure funding. Any funding provided on a priority basis pursuant to this section shall be used exclusively for the development, renovation, expansion, management or maintenance of improvements located in a transit-oriented district. To receive such funding on a priority basis, any such community or municipality shall submit an application for such funding to the secretary in a form developed by the secretary. The secretary shall make recommendations to the state agency responsible for administering or managing such funding and, if priority funding is permitted for such funding, such agency may prioritize such community or municipality for the receipt of such funding over any municipality that is not a qualifying transit-oriented community or that has not adopted a resolution pursuant to subsection (c) of this section, based on the secretary's recommendations. Nothing in this subsection shall be construed to limit the use of funding received pursuant to this section if the use of such funding to develop, renovate, expand, manage or maintain improvements within a transit-oriented district also benefits real property located outside of a transit-oriented district.

(c) A municipality that is not a qualifying transit-oriented community shall be eligible for discretionary infrastructure funding on a priority basis pursuant to this section if the legislative body of the municipality adopts a resolution stating that such municipality intends to enact zoning regulations that enable such municipality to become a qualifying transit-oriented community, provided such municipality meets the eligibility criteria for the discretionary infrastructure funding. Such municipality shall enact such zoning regulations not later than eighteen months after the adoption of such resolution. If such municipality does not enact such regulations within eighteen months after the adoption of such resolution, unless the secretary grants an extension to such municipality at the secretary's discretion, such municipality shall return any discretionary infrastructure funding provided to such municipality on a priority basis pursuant to this section and such municipality shall be ineligible for discretionary infrastructure funding on a priority basis until such municipality enacts zoning regulations that enable the municipality to become a qualifying transit-oriented community. Nothing in this section shall be construed to make a municipality that is not a qualifying transit-oriented community ineligible for discretionary infrastructure funding.

(d) The zoning commission of the municipality shall consult with the inland wetlands agency of the municipality to establish the boundaries of any proposed transit-oriented district within the municipality. If any proposed activity in such proposed district may be a regulated activity, as defined in section 22a-38 of the general statutes, such commission shall collaborate with such agency to determine whether such proposed activity would constitute a regulated activity for which a permit is required.

(e) In determining whether a transit-oriented district is of reasonable size, the secretary, or the secretary's designee, in consultation with the zoning commission of the municipality, shall (1) determine whether the area of such district is adequate to support greater density of development in an equitable manner, as determined by the secretary, or the secretary's designee, considering the geographic characteristics of the municipality; (2) consider municipal and regional housing needs; and (3) not require the inclusion of the following lands in any such district: (A) Special flood hazard areas designated on a flood insurance rate map published by the National Flood Insurance Program, (B) wetlands, as defined in section 22a-38 of the general statutes, (C) land designated for use as a public park, (D) land subject to conservation or preservation restrictions, as defined in section 47-42a of the general statutes, (E) coastal resources, as defined in section 22a-93 of the general statutes, (F) areas necessary for the protection of drinking water supplies, and (G) areas designated as likely to be inundated during a thirty-year flood event by the Marine Sciences Division of The University of Connecticut pursuant to the division's responsibilities to conduct sea level change scenarios pursuant to subsection (b) of section 25-68o of the general statutes. The zoning commission may consult with any other agency of the municipality to determine whether a transit-oriented district is of reasonable size.

(f) (1) A qualifying transit-oriented community shall allow the following developments as of right in any transit-oriented district: (A) Middle housing developments, if such development contains nine or fewer dwelling units; (B) developments that contain ten or more dwelling units where not less than thirty per cent of such units qualify as a set-aside development pursuant to section 8-30g of the general statutes, as amended by this act; and (C) developments on land owned by (i) the municipality in which such land is located, (ii) the state, (iii) the public housing authority of the municipality in which such district is located, (iv) any not-for-profit entity, and (v) any religious organization, as defined in section 49-31k of the general statutes, if such development is composed entirely of units that are subject to a deed restriction that requires, for not less than forty years after the initial occupation of the proposed development, that such units be sold or rented at, or below, a cost in rent or mortgage payments equivalent to not more than thirty per cent of the annual income of individuals and families earning sixty per cent of the median income of the state or the area median income as determined by the United States Department of

Housing and Urban Development, whichever is less.

(2) A qualifying transit-oriented community shall allow, as of right, the conversion of any residential development or commercial development into any development described in subdivision (1) of subsection (f) of this section on any lot located in a transit-oriented district.

(3) Notwithstanding the provisions of this subsection, if a proposed development is required to have a public hearing by the inland wetlands agency of the municipality, such proposed development must receive such public hearing prior to such development's approval.

(g) Each qualifying transit-oriented community shall require that any proposed development within any transit-oriented district that contains ten or more dwelling units that are not allowed as of right under subsection (f) of this section be subject to (1) a deed restriction that requires, for not less than forty years after the initial occupation of the proposed development, that a percentage of dwelling units, as set forth in subsection (h) of this section, be sold or rented at, or below, a cost in rent or mortgage payments equivalent to not more than thirty per cent of the annual income of individuals and families earning sixty per cent of the median income of the state or the area median income as determined by the United States Department of Housing and Urban Development, whichever is less; or (2) a contribution agreement pursuant to subsection (i) of this section.

(h) The percentage of deed-restricted dwelling units required pursuant to subdivision (1) of subsection (g) of this section shall be determined based upon sales market typologies as described in the most recent Connecticut Housing Finance Authority Housing Needs Assessment:

(1) Ten per cent for any municipality designated High

Opportunity/Heating Market;

(2) Ten per cent for any municipality designated High Opportunity/Cooling Market; and

(3) Five per cent for any municipality designated Low Opportunity/Heating Market.

(i) Any municipality that has adopted a transit-oriented district before October 1, 2025, shall be eligible for the receipt of discretionary infrastructure funding on a priority basis for developments in such district, regardless of whether such municipality is a qualifying transit-oriented community, provided such municipality meets the eligibility criteria for the discretionary infrastructure funding. Nothing in this section shall be construed to (1) require that a municipality that has adopted a transit-oriented district be determined to be a qualifying transit-oriented community, or (2) authorize the secretary to deem a municipality a qualifying transit-oriented community without the approval of such municipality.

(j) Each qualifying transit-oriented community shall be eligible for additional funding pursuant to any program administered by the secretary if such community implements additional zoning criteria, including, but not limited to, higher density development, greater affordability of housing units than is required in subsection (h) of this section, the development of public land or public housing, the implementation of programs to encourage homeownership opportunities within such community and any additional criteria determined by the secretary.

(k) (1) The secretary, in consultation with the interagency council on housing development established pursuant to section 21 of this act, shall develop guidelines concerning transit-oriented districts within qualifying transit-oriented communities, including, but not limited to, prioritizing mixed-use and mixed-income developments; increasing the availability of affordable housing; ensuring appropriate environmental considerations in the development of such districts, with an emphasis on the analysis of any potential impacts on environmental justice communities, as defined in section 22a-20a of the general statutes; increasing ridership of mass transit systems; increasing the feasibility of walking, biking and utilizing other means of mobility other than motor vehicle travel; reducing the need for motor vehicle travel; maximizing the availability of developable land; increasing the economic viability of development projects; reducing the length of time to approve applications for development; lot size; lot coverage; setback requirements; floor area ratio; height restrictions; and inclusionary zoning requirements. Such guidelines may include model ordinances, regulations or bylaws that may be adopted by a municipality pursuant to section 8-2 of the general statutes, as amended by this act. Except as provided in subdivision (2) of this subsection, regulations developed by a qualifying transit-oriented community concerning transit-oriented districts within such community shall substantially comply with the guidelines adopted by the secretary. The secretary, or the secretary's designee, may offer technical assistance to any qualifying transit-oriented community concerning the adoption of such regulations.

(2) If a qualifying transit-oriented community seeks to adopt regulations concerning a transit-oriented district that do not substantially comply with the guidelines developed pursuant to subdivision (1) of this subsection, or subsection (f) or (g) of this section, such community shall seek an exemption by submitting an application, in a form and manner prescribed by the secretary, that specifies the reasons such community seeks to adopt regulations that do not substantially comply with the guidelines developed by the secretary, or subsection (f) or (g) of this section, except no community may seek an exemption from the provisions of subsection (f) or (g) of this section unless the secretary determines such community is a qualifying transit-

oriented community pursuant to subsection (i) of this section. Not later than sixty days after the receipt of any such application, the secretary shall approve or deny such exemption in writing. The secretary shall not unreasonably withhold approval for any such exemption.

(3) If an application submitted pursuant to subdivision (2) of this subsection is denied by the secretary, the transit-oriented community that submitted such application may opt out of the provisions of this section and no longer qualify for discretionary infrastructure funding on a priority basis pursuant to this section, provided such community shall return any discretionary infrastructure funding such community received pursuant to this section.

(l) Notwithstanding the provisions of subsection (b) of this section, any qualifying transit-oriented community with one or more transit-oriented districts located in an activity zone, as identified in the state plan of conservation and development adopted under chapter 297 of the general statutes for the years 2025 to 2030, inclusive, shall be awarded discretionary infrastructure funding by the agency administering any such funding at a higher priority than a qualifying transit-oriented community without any such district located in any such zone.

(m) The secretary, or the secretary's designee, may provide a municipality with an interpretation or written guidance concerning whether zoning regulations adopted or proposed to be adopted by such municipality, if such regulations apply to a transit-oriented district, comply with the requirements of section 8-2 of the general statutes, as amended by this act. Nothing in this subsection shall be construed to allow the secretary to impose any additional requirement upon any such district or municipality that is not specified in this section or section 8-2 of the general statutes, as amended by this act.

Sec. 20. (NEW) (*Effective October 1, 2025*) (a) For the purposes of this section, "qualifying transit-adjacent community" means a municipality

(1) without a rapid transit station, (2) that borders a municipality that has one or more rapid transit stations or regular bus service stations, and (3) that designates a transit-oriented district in or adjacent to a downtown area located in such municipality;

(b) A municipality may, by resolution of the municipality's legislative body, request that the State Responsible Growth Coordinator deem such municipality a qualifying transit-adjacent community. The coordinator shall designate such municipality a qualifying transit-adjacent community if the coordinator finds that such municipality (1) meets the definition of such community provided in subsection (a) of this section, and (2) is not a qualifying transit-oriented community.

(c) A municipality deemed by the coordinator to be a qualifying transit-adjacent community shall be entitled to any discretionary infrastructure funding available to a qualifying transit-oriented community on a priority basis if such municipality adopts a transit-oriented district that complies with the requirements concerning such districts provided in section 19 of this act.

Sec. 21. (NEW) (*Effective from passage*) (a) There is established an interagency council on housing development to advise and assist the State Responsible Growth Coordinator in reviewing regulations, developing guidelines and establishing programs concerning transit-oriented districts to support the responsible growth of housing in the state.

(b) The council shall consist of the following regular members: (1) The State Responsible Growth Coordinator; (2) the Secretary of the Office of Policy and Management, or the secretary's designee; (3) the Commissioner of Housing, or the commissioner's designee; (4) the Commissioner of Economic and Community Development, or the commissioner's designee; (5) the Commissioner of Energy and Environmental Protection, or the commissioner's designee; (6) the

Commissioner of Public Health, or the commissioner's designee; (7) the Commissioner of Transportation, or the commissioner's designee; (8) the chief executive officer of the Connecticut Housing Finance Authority, or the chief executive officer's designee; and (9) the chief executive officer of the Municipal Redevelopment Authority, or the chief executive officer's designee.

(c) In addition to the regular members set forth in subsection (b) of this section, the council may consist of any ad hoc members that the State Responsible Growth Coordinator determines are necessary to complete the work of the council.

(d) The chairperson of the council shall be the State Responsible Growth Coordinator.

(e) The council shall convene not later than July 1, 2025, and meet not less than once every six months and more often upon the call of the chairperson, to:

(1) Review and evaluate the plans, programs, regulations and policies of state or quasi-public agencies for opportunities to combine efforts and resources of such agencies to increase housing development;

(2) Develop consistent reporting methods concerning data and documentation related to housing development;

(3) Provide a forum to develop approaches to housing growth that balance both needs for conservation and development, including the need for additional housing and economic growth, the protection of natural resources and the maintenance and support for existing infrastructure;

(4) Review existing discretionary grant programs to make recommendations to state or quasi-public agencies concerning the adherence of such programs with the goals established in the state plan

of conservation and development adopted under chapter 297 of the general statutes. Such recommendations shall include, but need not be limited to, methods to increase the development of deed-restricted housing in transit-oriented districts and middle housing, as defined in section 8-1a of the general statutes; and

(5) Develop guidelines, in consultation with the Secretary of the Office of Policy and Management and consistent with the requirements of subsection (l) of section 19 of this act, concerning the adoption and development of transit-oriented districts within qualifying transit-oriented communities.

(f) Not later than October 1, 2026, the council shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to planning and development and housing, concerning the recommendations and guidelines developed by the council pursuant to subdivisions (4) and (5) of subsection (e) of this section. The coordinator shall publish such recommendations and guidelines on the Internet web site of the Office of Policy and Management.

(g) Not later than October 1, 2026, and annually thereafter, the council shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to planning and development and housing, concerning the recommendations of the council.

Sec. 22. (NEW) (*Effective October 1, 2025*) The Secretary of the Office of Policy and Management may, within available appropriations, establish a program to provide grants to regional councils of governments for the development of projects related to public transit infrastructure, bicycle infrastructure or pedestrian infrastructure.

Sec. 23. Subsection (a) of section 8-169tt of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) As used in this section, "housing growth zone" means (1) any area within a municipality in which applicable zoning regulations adopted pursuant to section 8-2, as amended by this act, are designed to facilitate substantial development of new dwelling units consistent with subsection (c) of this section, or (2) any transit-oriented district established by a municipality pursuant to section 19 of this act. Any housing growth zone shall encompass an entire development district and may include areas outside such district.

Sec. 24. Subsection (f) of section 8-2o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(f) Notwithstanding the provisions of subsections (a) to (d), inclusive, of this section, the zoning commission or combined planning and zoning commission, as applicable, of a municipality, by a two-thirds vote, may initiate the process by which such municipality opts out of the provisions of said subsections regarding the allowance of accessory apartments, provided such commission: (1) First holds a public hearing in accordance with the provisions of section 8-7d on such proposed opt-out, (2) affirmatively decides to opt out of the provisions of said subsections within the period of time permitted under section 8-7d, (3) states [upon its] in the records of such commission the reasons for such decision, and (4) publishes notice of such decision in a newspaper having a substantial circulation in the municipality not later than fifteen days after such decision has been rendered. Thereafter, the municipality's legislative body or, in a municipality where the legislative body is a town meeting, [its] such municipality's board of selectmen, by a two-thirds vote, may complete the process by which such municipality opts out of the provisions of subsections (a) to (d), inclusive, of this section, except that, on and after January 1, 2023, no municipality may opt out of the provisions of said subsections.

Sec. 25. Section 8-2o of the general statutes is amended by adding subsection (g) as follows (*Effective October 1, 2025*):

(NEW) (g) Notwithstanding any prior action of the municipality to opt out of the provisions of subsections (a) to (d), inclusive, of this section, pursuant to subsection (f) of this section, any owner of real property located within a transit-oriented district, as defined in section 19 of this act, who has owned real property in the municipality for not fewer than three years may construct an accessory apartment as of right on such real property, provided such accessory apartment complies with any structural or architectural requirements imposed by any zoning regulations adopted pursuant to section 8-2, as amended by this act.

Sec. 26. (*Effective from passage*) The Secretary of the Office of Policy and Management shall, within available appropriations and in coordination with the interagency council on housing development established pursuant to section 21 of this act, conduct a state-wide wastewater capacity study that evaluates the capacity, flows, physical conditions, regulatory compliance and vulnerabilities to natural hazards of publicly and privately owned wastewater infrastructure. In conducting the study, the secretary shall identify areas underserved by wastewater infrastructure and existing wastewater capacity limitations and make recommendations for efficient investments in wastewater infrastructure to support housing and economic development while protecting public and environmental health. Not later than July 1, 2026, the secretary shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, on the secretary's findings and recommendations to the joint standing committees of the General Assembly having cognizance of matters relating to planning and development, housing, economic development and the environment.

The secretary shall also submit such report to the members of the interagency council on housing development.

Sec. 27. *(Effective January 1, 2026)* (a) The Commissioner of Housing shall, within available bond authorizations, develop and administer a program to provide funding for proposed projects that create employment opportunities in the construction industry to develop affordable housing.

(b) On and after July 1, 2026, an eligible project sponsor may submit an application, in a form and manner provided by the commissioner, to receive funds from the program for a proposed project. The commissioner shall establish criteria for awarding funds pursuant to this section. Such criteria for awarding funds pursuant to this section shall include, but need not be limited to, a requirement that (1) an applicant secure coinvestment funding in the proposed project by a union pension fund or comingled fund of union pension fund investments with a demonstrated record of successful investment in the construction of affordable housing, (2) the proposed project be covered by a project labor agreement, and (3) an applicant be committed to workforce training by adhering to state-registered apprenticeship standards and apprenticeship readiness programs.

(c) All housing built with funds received from the program established pursuant to this section shall remain affordable, through the use of deeds containing covenants or restrictions that require such housing to be sold or rented at, or below, prices that will preserve the unit as housing, for a period of not less than forty years, 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 or other means selected by the commissioner.

(d) The commissioner shall not approve financing for a proposed project later than three years after the Department of Housing is allocated funds for the program established pursuant to this section.

Sec. 28. Section 7-148b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) For purposes of this section and sections 7-148c to 7-148f, inclusive, "seasonal basis" means housing accommodations rented for a period or periods aggregating not more than one hundred twenty days in any one calendar year, **[**and**]** "rental charge" includes any fee or charge in addition to rent that is imposed or sought to be imposed upon a tenant by a landlord, and "municipality" means a town, city or consolidated town and city.

(b) Any **[**town, city or borough**]** municipality may, and **[**any town, city or borough**]** each municipality with a population of **[**twenty-five**]** fifteen thousand or more, as determined by the most recent decennial census, shall, through its legislative body, adopt an ordinance that (1) creates a fair rent commission, (2) establishes or joins the municipality in a joint fair rent commission pursuant to subsection (d) of this section, or (3) joins the municipality in a regional fair rent commission pursuant to subsection (e) of this section. Any such commission shall make studies and investigations, conduct hearings and receive complaints relative to rental charges on housing accommodations, except those accommodations rented on a seasonal basis, within its jurisdiction, which term shall include mobile manufactured homes and mobile manufactured home park lots, in order to control and eliminate excessive rental charges on such accommodations, and to carry out the provisions of sections 7-148b to 7-148f, inclusive, as amended by this act, section 47a-20 and subsection (b) of section 47a-23c. The commission, for such purposes, may compel the attendance of persons at hearings, issue subpoenas and administer oaths, issue orders and continue, review, amend, terminate or suspend any of its orders and decisions. The commission may be empowered to retain legal counsel to advise it.

(c) Any [town, city or borough] municipality required to create a fair rent commission pursuant to subsection (b) of this section shall adopt an ordinance creating [such] a fair rent commission, or joining a joint fair rent commission or regional fair rent commission, on or before [July 1, 2023] January 1, 2028. No municipality required to create a fair rent commission pursuant to subsection (b) of this section that has created a fair rent commission prior to July 1, 2025, shall abolish such commission before January 1, 2028, unless such municipality joins a joint fair rent commission or regional fair rent commission pursuant to this section. Not later than thirty days after the adoption of such ordinance, the chief executive officer of such [town, city or borough] municipality shall (1) notify the Commissioner of Housing that such commission has been created or joined by such municipality, and (2) transmit a copy of the ordinance adopted by the [town, city or borough] municipality to the commissioner.

(d) [Any two] Two or more [towns, cities or boroughs not subject to the requirements of subsection (b) of this section] contiguous municipalities may, [through their legislative bodies, create] by concurrent ordinances adopted by their legislative bodies, establish a joint fair rent commission. Any municipality that is contiguous to a municipality that is a member of an existing joint fair rent commission may become a member of such joint fair rent commission upon the adoption of an ordinance by such municipality's legislative body. Any municipality that is a member of a joint fair rent commission may, by vote of its legislative body, elect to withdraw from such commission, provided such withdrawing municipality creates its own fair rent commission or joins another joint fair rent commission or regional fair rent commission in compliance with the requirements of this section.

(e) A regional council of governments formed pursuant to section 4-124j may establish a regional fair rent commission. Any municipality that is a member of such council may join such regional fair rent commission upon the adoption of an ordinance by such municipality's legislative body. Any regional fair rent commission shall prescribe a form and manner in which complaints to such commission shall be made.

(f) Upon the request of a party to a matter pending before a regional fair rent commission, a meeting or a portion of a meeting during which the participation of such party is required shall be conducted by means of electronic equipment, as defined in section 1-200, in conjunction with an in-person meeting of such commission.

Sec. 29. (*Effective July 1, 2025*) The Connecticut Housing Finance Authority shall, as part of the homeownership loan program, and within the resources allocated by the State Bond Commission to the Department of Housing for the purposes of said program, expand the pilot program known as the Smart Rate Pilot Interest Rate Reduction Program to provide additional mortgage borrowers who are eligible for such pilot program with the benefits provided pursuant to the pilot program.

Sec. 30. Subsection (a) of section 47a-23 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) When the owner or lessor, or the owner's or lessor's legal representative, or the owner's or lessor's attorney-at-law, or in-fact, desires to obtain possession or occupancy of any land or building, any apartment in any building, any dwelling unit, any trailer, or any land upon which a trailer is used or stands, and (1) when a rental agreement or lease of such property, whether in writing or by parol, terminates for any of the following reasons: (A) By lapse of time; (B) by reason of any expressed stipulation therein; (C) violation of the rental agreement or lease or of any rules or regulations adopted in accordance with section 47a-9 or 21-70; (D) nonpayment of rent within the grace period provided for residential property in section 47a-15a<u>, as amended by this act,</u> or 21-83<u>, as amended by this act, except this subparagraph shall not apply if the owner or lessor's online rental payment system prevents such payment of rent within the grace period provided for residential property in section 47a-15a, as amended by this act, or 21-83, as amended by this act</u>; (E) nonpayment of rent when due for commercial property; (F) violation of section 47a-11 or subsection (b) of section 21-82; (G) nuisance, as defined in section 47a-32, or serious nuisance, as defined in section 47a-15 or 21-80; or (2) when such premises, or any part thereof, is occupied by one who never had a right or privilege to occupy such premises; or (3) when one originally had the right or privilege to occupy such premises but such right or privilege has terminated; or (4) when an action of summary process or other action to dispossess a tenant is authorized under subsection (b) of section 47a-23c for any of the following reasons: (A) Refusal to agree to a fair and equitable rent increase, as defined in subsection (c) of section 47a-23c, (B) permanent removal by the landlord of the dwelling unit of such tenant from the housing market, or (C) bona fide intention by the landlord to use such dwelling unit as such landlord's principal residence; or (5) when a farm employee, as described in section 47a-30, or a domestic servant, caretaker, manager or other employee, as described in subsection (b) of section 47a-36, occupies such premises furnished by the employer and fails to vacate such premises after employment is terminated by such employee or the employer or after such employee fails to report for employment, such owner or lessor, or such owner's or lessor's legal representative, or such owner's or lessor's attorney-at-law, or in-fact, shall give notice to each lessee or occupant to quit possession or occupancy of such land, building, apartment or dwelling unit, at least three days before the termination of the rental agreement or lease, if any, or before the time specified in the notice for the lessee or occupant to quit possession or occupancy.

Sec. 31. Section 47a-15a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) If rent is unpaid when due and the tenant fails to pay rent within nine days thereafter or, in the case of a one-week tenancy, within four days thereafter, the landlord may terminate the rental agreement in accordance with the provisions of sections 47a-23 to 47a-23b, inclusive, as amended by this act, except that such nine-day or four-day time period shall be extended an additional five days if a landlord's online rental payment system prevented the payment of rent when due. For purposes of this section, "grace period" means the nine-day or four-day time periods or the extension of such time periods identified in this subsection, as applicable.

(b) If a rental agreement contains a valid written agreement to pay a late charge in accordance with subsection (a) of section 47a-4 a landlord may assess a tenant such a late charge on a rent payment made subsequent to the grace period in accordance with this section. Such late charge may not exceed the lesser of (1) five dollars per day, up to a maximum of fifty dollars, or (2) five per cent of the delinquent rent payment or, in the case of a rental agreement paid in whole or in part by a governmental or charitable entity, five per cent of the tenant's share of the delinquent rent payment. The landlord may not assess more than one late charge upon a delinquent rent payment, regardless of how long the rent remains unpaid.

Sec. 32. Section 21-83 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(a) An owner and a resident may include in a rental agreement terms and conditions not prohibited by law, including rent, term of the agreement and other provisions governing the rights and obligations of the parties. No rental agreement shall contain the following:

(1) Any provision by which the resident agrees to waive or forfeit

rights or remedies under this chapter and sections 47a-21, 47a-23 to 47a-23b, inclusive, as amended by this act, 47a-26 to 47a-26h, inclusive, 47a-35 to 47a-35b, inclusive, 47a-41a, 47a-43 and 47a-46, or under any section of the general statutes or any municipal ordinance, unless such section or ordinance expressly states that such rights may be waived;

(2) Any provision which permits the owner to terminate the rental agreement for failure to pay rent unless such rent is unpaid when due and the resident fails to pay rent within (A) nine days thereafter, or (B) fourteen days thereafter if an online rental payment system prevented the payment of rent when due;

(3) Any provision which permits the owner to collect a penalty fee for late payment of rent without allowing the resident a minimum of nine days beyond the due date in which to remit or which provides for the payment of rent in a reduced amount if such rent is paid prior to the expiration of such grace period;

(4) Any provision which permits the owner to charge a penalty for late payment of rent in excess of five per cent of the total rent due for the mobile manufactured home space or lot or four per cent of the total rent due for the mobile manufactured home and mobile manufactured home space or lot;

(5) Any provision which allows the owner to increase the total rent or change the payment arrangements during the term of the rental agreement;

(6) Any provision allowing the owner to charge an amount in excess of one month's rent for a security deposit or to retain the security deposit upon termination of the rental agreement if the resident has paid his rent in full as of the date of termination and has caused no damage to the property of the owner or to waive the resident's right to the interest on the security deposit pursuant to section 47a-21;

(7) Any provision allowing the owner to charge an entrance fee to a resident assuming occupancy;

(8) Any provision authorizing the owner to confess judgment on a claim arising out of the rental agreement;

(9) Any provision which waives any cause of action against or indemnification from an owner, by a resident for any injury or harm caused to such resident, his family or his guests, or to his property, or the property of his family or his guests resulting from any negligence of the owner, his agents or his assigns in the maintenance of the premises or which otherwise agrees to the exculpation or limitation of any liability of the owner arising under law or to indemnify the owner for that liability or the costs connected therewith;

(10) Any provision permitting the owner to dispossess the resident without resort to court order;

(11) Any provision consenting to the distraint of the resident's property for rent;

(12) Any provision agreeing to pay the owner's attorney's fees in excess of fifteen per cent of any judgment against the resident in any action in which money damages are awarded;

(13) Any provision which denies to the resident the right to treat as a breach of the agreement, a continuing violation by the owner, substantial in nature, of any provision set forth in the rental agreement or of any state statute unless the owner discontinues such violation within a reasonable time after written notice is given by the resident by registered or certified mail.

(b) A provision prohibited by this chapter included in a rental agreement is unenforceable.

Sec. 33. Section 29-195 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) Each elevator or escalator shall be thoroughly inspected by a department elevator inspector at least once each eighteen months, except (1) elevators located in private residences shall be inspected upon the request of the owner, and (2) as provided in subsection (b) of this section. More frequent inspections of any elevator or escalator shall be made if the condition thereof indicates that additional inspections are necessary or desirable.

(b) Each elevator at a privately owned multifamily housing project, as defined in section 29-453a, shall be thoroughly inspected by a department elevator inspector at least once each twelve months. For each such inspection, the department elevator inspector shall submit a report to the State Building Inspector that describes the status of each elevator at such housing project, describes the status of any elevator repair and estimates the duration of time during which any inoperable elevator at such housing project is expected to remain inoperable.

Sec. 34. Subsection (l) of section 8-30g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

(l) (1) Except as provided in subdivision (2) of this subsection, the affordable housing appeals procedure established under this section shall not be applicable to an affordable housing application filed with a commission during a moratorium, which shall commence after (A) a certification of affordable housing project completion issued by the commissioner is published in the Connecticut Law Journal, or (B) notice of a provisional approval is published pursuant to subdivision (4) of this subsection. Any such moratorium shall be for a period of four years, except that for any municipality that has (i) twenty thousand or more dwelling units, as reported in the most recent United States decennial census, and (ii) previously qualified for a moratorium in accordance with this section, any subsequent moratorium shall be for a period of five years. Any moratorium that is in effect on October 1, 2002, is extended by one year.

(2) Such moratorium shall not apply to (A) affordable housing applications for assisted housing in which ninety-five per cent of the dwelling units are restricted to persons and families whose income is less than or equal to sixty per cent of the median income, (B) other affordable housing applications for assisted housing containing forty or fewer dwelling units, or (C) affordable housing applications which were filed with a commission pursuant to this section prior to the date upon which the moratorium takes effect.

(3) Eligible units completed before a moratorium has begun, but that were not counted toward establishing eligibility for such moratorium, may be counted toward establishing eligibility for a subsequent moratorium. Eligible units completed after a moratorium has begun may be counted toward establishing eligibility for a subsequent moratorium.

(4) (A) **[**The**]** Except as provided in subparagraph (B) of this subdivision, the commissioner shall issue a certificate of affordable housing project completion for the purposes of this subsection upon finding that there has been completed within the municipality one or more affordable housing developments which create housing unit-equivalent points equal to (i) the greater of two per cent of all dwelling units in the municipality, as reported in the most recent United States decennial census, or seventy-five housing unit-equivalent points, or (ii) for any municipality that has (I) adopted an affordable housing plan in accordance with section 8-30j, as amended by this act, (II) twenty thousand or more dwelling units, as reported in the most recent United States decennial census, and (III) previously qualified for a moratorium in accordance with this section, one and one-half per cent of all dwelling

units in the municipality, as reported in the most recent United States decennial census.

(B) If a municipality has received a final letter of eligibility from the commissioner pursuant to sections 38 and 39 of this act, the commissioner shall issue a certificate of affordable housing completion to such municipality at such time as, upon application, the commissioner determines, in the commissioner's discretion, that the municipality is in compliance with the following conditions: The municipality remains in compliance with all requirements for a final letter of eligibility, and there has been completed within the municipality one or more affordable housing developments which create housing unit-equivalent points equal to (i) the greater of one and three-quarter per cent of all dwelling units in the municipality, as reported in the most recent United States decennial census, or sixty-five housing unit-equivalent points, or (ii) for any municipality that (I) has adopted an affordable housing plan in accordance with section 8-30j, as amended by this act, (II) has twenty thousand or more dwelling units, as reported in the most recent United States decennial census, and (III) previously qualified for a moratorium in accordance with this section, one and one-half per cent of all dwelling units in the municipality, as reported in the most recent United States decennial census.

[(B)**]** (C) A municipality may apply for a certificate of affordable housing project completion pursuant to this subsection by applying in writing to the commissioner, and including documentation showing that the municipality has accumulated the required number of points within the applicable time period. Such documentation shall include the location of each dwelling unit being counted, the number of points each dwelling unit has been assigned, and the reason, pursuant to this subsection, for assigning such points to such dwelling unit. Upon receipt of such application, the commissioner shall promptly cause a notice of the filing of the application to be published in the Connecticut

Law Journal, stating that public comment on such application shall be accepted by the commissioner for a period of thirty days after the publication of such notice. Not later than ninety days after the receipt of such application, the commissioner shall either approve or reject such application. Such approval or rejection shall be accompanied by a written statement of the reasons for approval or rejection, pursuant to the provisions of this subsection. If the application is approved, the commissioner shall promptly cause a certificate of affordable housing project completion to be published in the Connecticut Law Journal. If the commissioner fails to either approve or reject the application within such ninety-day period, such application shall be deemed provisionally approved, and the municipality may cause notice of such provisional approval to be published in a conspicuous manner in a daily newspaper having general circulation in the municipality, in which case, such moratorium shall take effect upon such publication. The municipality shall send a copy of such notice to the commissioner. Such provisional approval shall remain in effect unless the commissioner subsequently acts upon and rejects the application, in which case the moratorium shall terminate upon notice to the municipality by the commissioner.

(5) For the purposes of this subsection, "elderly units" are dwelling units whose occupancy is restricted by age, "family units" are dwelling units whose occupancy is not restricted by age, and "resident-owned mobile manufactured home park" has the same meaning as provided in subsection (k) of this section.

(6) For the purposes of this subsection, housing unit-equivalent points shall be determined by the commissioner as follows: (A) No points shall be awarded for a unit unless its occupancy is restricted to persons and families whose income is equal to or less than eighty per cent of the median income, except that (i) unrestricted units in a set-aside development shall be awarded one-quarter point each, **[**;**]** and (ii) dwelling units in middle housing developed as of right pursuant to

section 8-2s shall be awarded one-quarter point each; **[**.**]** (B) **[**Family**]** family units restricted to persons and families whose income is equal to or less than eighty per cent of the median income shall be awarded one point if an ownership unit and one and one-half points if a rental unit; **[**.**]** (C) **[**Family**]** family units restricted to persons and families whose income is equal to or less than sixty per cent of the median income shall be awarded one and one-half points if an ownership unit and two points if a rental unit; **[**.**]** (D) **[**Family**]** family units restricted to persons and families whose income is equal to or less than forty per cent of the median income shall be awarded two points if an ownership unit and two and one-half points if a rental unit; **[**.**]** (E) **[**Elderly**]** elderly units restricted to persons and families whose income is equal to or less than eighty per cent of the median income shall be awarded one-half point; **[**.**]** (F) **[**A**]** a set-aside development containing family units which are rental units shall be awarded additional points equal to twenty-two per cent of the total points awarded to such development, provided the application for such development was filed with the commission prior to July 6, 1995; **[**.**]** (G) **[**A**]** a mobile manufactured home in a resident-owned mobile manufactured home park shall be awarded points as follows: (i) One and one-half points when occupied by persons and families with an income equal to or less than eighty per cent of the median income, **[**;**]** (ii) two points when occupied by persons and families with an income equal to or less than sixty per cent of the median income, **[**;**]** and (iii) one-fourth point for the remaining units; and (H) any unit described in subparagraphs (A) to (G), inclusive, of this subdivision shall be awarded an additional one-quarter point, provided such unit was constructed by or in conjunction with a housing authority, as defined in section 8-40, of a neighboring municipality.

(7) Points shall be awarded only for dwelling units which (A) were newly-constructed units in an affordable housing development, as that term was defined at the time of the affordable housing application, for which a certificate of occupancy was issued after July 1, 1990, (B) were

newly subjected after July 1, 1990, to deeds containing covenants or restrictions which require that, for at least the duration required by subsection (a) of this section for set-aside developments on the date when such covenants or restrictions took effect, such dwelling units shall be sold or rented at, or below, prices which will preserve the units as affordable housing for persons or families whose income does not exceed eighty per cent of the median income, or (C) are located in a resident-owned mobile manufactured home park.

(8) Points shall be subtracted, applying the formula in subdivision (6) of this subsection, for any affordable dwelling unit which, on or after July 1, 1990, was affected by any action taken by a municipality which caused such dwelling unit to cease being counted as an affordable dwelling unit.

(9) A newly-constructed unit shall be counted toward a moratorium when it receives a certificate of occupancy. A newly-restricted unit shall be counted toward a moratorium when its deed restriction takes effect.

(10) The affordable housing appeals procedure shall be applicable to affordable housing applications filed with a commission after a three-year moratorium expires, except (A) as otherwise provided in subsection (k) of this section, or (B) when sufficient unit-equivalent points have been created within the municipality during one moratorium to qualify for a subsequent moratorium.

(11) The commissioner shall, within available appropriations, adopt regulations in accordance with chapter 54 to carry out the purposes of this subsection. Such regulations shall specify the procedure to be followed by a municipality to obtain a moratorium, and shall include the manner in which a municipality is to document the units to be counted toward a moratorium. A municipality may apply for a moratorium in accordance with the provisions of this subsection prior to, as well as after, such regulations are adopted.

Sec. 35. (*Effective from passage*) The majority leaders' roundtable group on affordable housing, established pursuant to section 2-139 of the general statutes, shall review the potential issues and benefits of changing the exemption threshold provided in subsection (k) of section 8-30g of the general statutes from a percentage of certain dwelling units located in a municipality to a flat numerical value. Not later than February 1, 2026, the roundtable group shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, on its findings and any recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to housing.

Sec. 36. (*Effective July 1, 2025*) The Commissioner of Housing shall, within available resources, establish and administer an Affordable Housing Real Estate Investment Trust pilot program. Such pilot program shall be for the purpose of providing grants to entities for purposes of acquiring housing units that are subject to long-term deed restrictions requiring the units to be maintained as affordable housing, provided such units are located in municipalities in the state with populations of at least one hundred thirty thousand but less than one hundred forty thousand, as determined by the most recent federal decennial census. Participation in such pilot program shall be by application, submitted in a form and manner prescribed by the commissioner. For the purposes of this section, "municipality" has the same meaning as provided in section 7-148 of the general statutes.

Sec. 37. (NEW) (*Effective July 1, 2025*) As used in this section and sections 38 and 39 of this act:

(1) "Approved priority housing development zone" means a priority housing development zone for which a final letter of eligibility has been issued by the Commissioner of Housing pursuant to section 38 of this act.

(2) "Developable land" means the area within the boundaries of an approved priority housing development zone that feasibly can be developed into residential uses consistent with the provisions of this section. "Developable land" does not include: (A) Land already committed to a public use or purpose, whether publicly or privately owned; (B) existing parks, recreation areas and open space that is dedicated to the public or subject to a recorded conservation easement; (C) land otherwise subject to an enforceable restriction on or prohibition of development; (D) wetlands or watercourses as defined in chapter 440 of the general statutes; and (E) areas of one-half or more acres of contiguous land that are unsuitable for development due to topographic features, such as steep slopes.

(3) "Dwelling unit" has the same meaning as provided in section 47a-1 of the general statutes.

(4) "Eligible location" means an area within existing residential or commercial districts suitable for development as a priority housing development zone.

(5) "Historic district" means a historic district established pursuant to chapter 97a of the general statutes.

(6) "Priority housing development zone" means a zone adopted by a zoning commission pursuant to this section and sections 38 and 39 of this act as an overlay to one or more existing zones in an eligible location.

(7) "Letter of eligibility" means a preliminary or final letter issued to a municipality by the commissioner pursuant to section 39 of this act.

(8) "Multifamily housing" means a building that contains or will contain three or more residential dwelling units.

(9) "Open space" means land or a permanent interest in land that is

used for or satisfies one or more of the criteria listed in subsection (b) of section 7-131d of the general statutes.

(10) "Commissioner" means the Commissioner of Housing, or the commissioner's designee.

(11) "Townhouse housing" means a residential building consisting of single-family dwelling units constructed in a group of three or more attached units in which each unit extends from foundation to roof and has exterior walls on at least two sides.

(12) "Zoning commission" means a municipal agency designated or authorized to exercise zoning powers under chapter 124 of the general statutes or a special act and includes an agency that exercises both planning and zoning authority.

Sec. 38. (NEW) (*Effective July 1, 2025*) (a) Notwithstanding the provisions of any charter or special act, a zoning commission may adopt regulations, as part of any zoning regulations adopted under section 8-2 of the general statutes, as amended by this act, or any special act, that establish a priority housing development zone in accordance with the provisions of this section.

(b) A priority housing development zone shall satisfy the following requirements:

(1) The zone shall be consistent with the state plan of conservation and development and be located in an eligible location.

(2) The commissioner determines, in the commissioner's discretion, that the regulations establishing a priority housing development zone are likely to substantially increase the production of new dwelling units necessary to meet housing needs within the zone, including addressing the provisions identified in subdivisions (4) to (6), inclusive, of subsection (b) of section 8-2 of the general statutes, as amended by this

act.

(3) The regulations establishing a priority housing development zone shall permit, as of right, multifamily housing, as provided in this section.

(4) The minimum allowable density for a priority housing development zone, per acre of developable land, shall be: (A) Four units per acre for single-family detached housing; (B) six units per acre for duplex or townhouse housing; and (C) ten units per acre for multifamily housing.

(5) The minimum densities prescribed in subdivision (4) of this subsection shall be subject only to site plan or subdivision procedures, submission requirements and approval standards of the municipality and shall not be subject to special permit or special exception procedures, requirements or standards.

(6) A priority housing development zone may consist of one or more subzones, provided each subzone and the zone as a whole comply with the requirements of this section.

(7) A priority housing development zone shall be not less than ten per cent of the total developable land within a municipality.

(8) The regulations establishing a priority housing development zone shall satisfy the provisions set forth in section 8-2 of the general statutes, as amended by this act, including, but not limited to, subdivisions (4) to (6), inclusive, of subsection (b) of said section.

(c) A zoning commission may modify, waive or eliminate dimensional standards contained in the zone or zones that underlie a priority housing development zone in order to support the minimum or desired densities, mix of uses or physical compatibility in the priority housing development zone. Standards subject to modification, waiver or elimination by a zoning commission include, but shall not be limited to, building height, setbacks, lot coverage, parking ratios and road design standards.

(d) The regulations of a priority housing development zone may allow for a mix of business, commercial or other nonresidential uses within a single zone or for the separation of such uses into one or more subzones, provided that the zone as a whole complies with the requirements of this section, and such uses are consistent with as-of-right residential uses and densities required under this section.

(e) A priority housing development zone may overlay all or any part of an existing historic district, and a municipality may establish a historic district within an approved priority housing development zone, provided, if the requirements or regulations of such historic district render the approved priority housing development zone out of compliance with the provisions of this section, the commissioner shall deny or revoke a preliminary or final letter of eligibility and deny or revoke a certificate of affordable housing project completion, as provided in subdivision (4) of subsection (l) of section 8-30g of the general statutes, as amended by this act, as applicable.

(f) The provisions of this section shall not be construed to affect the power of a zoning commission to adopt or amend regulations under chapter 124 of the general statutes or any special act.

Sec. 39. (NEW) (*Effective July 1, 2025*) (a) Any municipality that has adopted a priority housing development zone consistent with this section and sections 37 and 38 of this act may request a final letter of eligibility from the commissioner.

(b) The commissioner may issue a preliminary letter of eligibility upon a municipality's request, provided such municipality has submitted proposed modifications that would allow it to create a priority housing development zone. The commissioner may issue a final letter of eligibility when a municipality has implemented such proposed modifications and is in compliance with the requirements of a priority housing development zone set forth in this section and sections 37 and 38 of this act.

(c) The commissioner shall review such requests not later than ninety days after receipt of such a request. The commissioner may approve, reject or request modifications concerning a priority housing development zone consistent with the requirements of this section and sections 37 and 38 of this act.

(d) If a municipality modifies a priority housing development zone or a new historic district is created within or overlapping such zone after application for or receipt of a letter of eligibility, the municipality, not later than seven days after such modification, shall notify the commissioner of such modification, and the commissioner may deny or rescind such letter of eligibility, as applicable, if the commissioner determines that such modifications do not comply with the requirements of this section and sections 37 and 38 of this act.

(e) If after one year following the date on which a municipality received a final letter of eligibility from the commissioner, the commissioner determines, in the commissioner's discretion, that, considering market conditions in the municipality and the state, there exists a lack of building permits or other indications of progress towards construction of dwelling units in the zone, the commissioner may rescind such final letter of eligibility.

(f) If any letter of eligibility is rescinded pursuant to this section, the commissioner shall also rescind any current certificate of affordable housing completion awarded to the municipality pursuant to subparagraph (B) of subdivision (4) of subsection (l) of section 8-30g of the general statutes, as amended by this act.

Sec. 40. (NEW) (*Effective October 1, 2025*) Any municipality eligible to receive discretionary infrastructure funding, as defined in section 8-30j of the general statutes, as amended by this act, pursuant to the provisions of both section 8-30j of the general statutes, as amended by this act, and section 19 of this act, shall be given preference in the award of such funding over any municipality that is eligible for such funding under either section 8-30j of the general statutes, as amended by this act, or section 19 of this act, but not both. The Secretary of the Office of Policy and Management shall make recommendations to the state agency responsible for administering or managing such funding and, if priority funding is permitted for such funding, such agency shall prioritize such funding in accordance with this section.

Sec. 41. Section 8-446a of the general statutes is repealed. (*Effective July 1, 2025*)

Sec. 42. Sections 8-2c and 8-2p of the general statutes are repealed. (*Effective July 1, 2026*)

CITY OF NORWALK
PLANNING & ZONING COMMISSION MINUTES
June 4, 2025

PRESENT: Galen Wells, Chair; Diana Lenkowsky; Louis Schulman; Richard Roina; Tammy Langalis; Chapin Bryce; Ana Tabachneck; Nick Kantor; Darius Williams (arrived at 6:06 pm)

STAFF: Steven Kleppin; Bryan Baker; Amelia Williams

OTHERS: Atty Adam Blank; Atty Emma Dignoti; Edward Gormbley; Andy Soumelidis; Mark Hopper; Brian Dempsey; Keith Wilberg; Wilbur Giron; Bradford Siff; Greg Biancardi; Keith Boczer; John Ruhnke; Kim Ruhnke; Peter Faust; Dori Harris; Emily Ruhnke; Mark Roach; Mark Vincent; Curt Lowenstein; Maria Genovese; Tim Rath

I. CALL TO ORDER

Ms. Wells called the meeting to order at 6:03 p.m. It should be noted that this meeting was held on Zoom.com with participants calling in, separately.

II. ROLL CALL

Mr. Kleppin called the roll. Ms. Wells changed the order of the agenda at this point. None of the commissioners objected to the changes.

III. PUBLIC HEARINGS

A. #2025-33 SP – 204 Flax Hill LLC c/o Edward Gormbley – 204 Flax Hill Road (District 2, Block 48, Lot 44) – Special permit for a historic preservation development to renovate existing historic building, demolish a separate non-historic building, and construct a new 21-unit multifamily building for a total of 53-units on-site (36-units existing), and other site improvements - Public hearing, report & recommended action

Mr. Bryce opened the public hearing. Atty Adam Blank introduced his colleague Atty Emma Dignoti who began the presentation by explaining the purpose of the public hearing which was for a special permit modification. She gave a brief description of the property by showing them an aerial photo. She noted that the structure on the property, The Mansion, was listed on the local historic registry. Notices had been sent to abutting neighbors and certificates of mailing had been provided to the Planning & Zoning

Department staff. She also discussed the prior special permit for the property but that the work had not started. The applicant had revised their plans based upon the updated zoning regulations. She described the upgrades that were being proposed, as well as showed them the new renderings. The parking currently in front of the Mansion House would be removed. She then introduced the project team.

She described the business of Workforce Partners which was to rehabilitate properties in Norwalk and lease them to Norwalk residents at modest rents. It owned numerous mult-family properties in Norwalk. She then discussed the proposed improvements on this property which would increase the number of rental units as well as the number of workforce housing units. The applicant was requesting a change in density from what is normally allowed in this zone.

Atty Dignoti gave a brief history of The Mansion and then discussed the renovations specific to it. She described the changes to the other buildings, some of which would remain unchanged. She then described the landscaping of the property, as well as the findings of the revised traffic study that the increased number of units would not impact traffic. She also discussed the number of parking spots which was the required number without a reduction from historic preservation. She discussed the signoffs from various departments as well as which departments had comments. TMP had comments that the applicant had issues with, including those about parking, curb cuts and the drive aisle.

There was a discussion about a discount to local heroes which included teachers, fire etc. which Edward Gormbley said was typically $25-50 a month.There was a discussion about the applicant having a website so that people can apply for housing.

Andy Soumelidis, the engineer on the project, continued the presentation by showing the commissioners the current site plan as well as the current conditions. He addressed the comments from Traffic, Mobility and Parking (TMP) and Department of Public Works (DPW), including the driveway. He also described the shrubs in front of the historic structure. They would work with a landscape architect for this as well.

Mark Hopper, the architect on the project, continued the presentation by showing the commissioners the renderings of the project. The project had gone through historic review and approval. He also showed them the elevations. He also discussed the existing layout and the proposed layout. He said that the improvements were the same as the previous approval. He discussed the materials that would be used on the existing building and the other buildings. He then discussed the plans for the other buildings which were similar to the previous plans. He also discussed the lower and upper floor plans. He also discussed the parking spaces. The exterior building and roof have been modified from the previous submission.

There was a discussion about the workforce unit. He also discussed the building materials. There was also a discussion about the building that was being demolished and why it wasn't preserved. Mr. Hopper said that it was not in good shape and there were structural difficulties.

Brian Dempsey, the traffic engineer on the project, continued the presentation. He noted that there are additional units from the previous submission which added vehicle trips to the study.

Atty Dignoti summarized the presentation by reminding them that the applicant was requesting a change in connection with density. She noted that the application met all zoning requirements, including the POCD and the special permit criteria and requested that the commission grant the special permit modification.

Ms. Wells opened the hearing for public comments.

Keith Wilberg, 208 Flax Hill Road, said that he works as the town engineer for DPW in Westport. He said he was in favor of the project and appreciated that the issue about the drainage had been addressed. He had comments about the new driveway, as well as revising the easement in the rear.

There were no other speakers who spoke for or against the application. Atty Dignot said that they did not have any rebuttal.

Ms. Langalis asked about the tenants who are living in the current building that will be demolished. Mr. Gormley said it was vacant. Ms. Wells closed the public hearing.

** **MR. SCHULMAN MOVED: THEREFORE BE IT RESOLVED** by the Norwalk Planning & Zoning Commission that application #2025-33 SP – 204 Flax Hill LLC c/o Edward Gormbley – 204 Flax Hill Road (District 2, Block 48, Lot 44) – Special permit for a historic preservation development to renovate existing historic building, demolish a separate non-historic building, and construct a new 21-unit multifamily building for a total of 53-units on-site (36-units existing), and other site improvements be **APPROVED** subject to the following conditions:

1. That the site shall be developed in accordance with the following plans:

a. Per the Site Plans entitled “Site Improvements for a Proposed Multi-Family Residential Building,” prepared by LandTech, dated 9/24/2024; and

b. Per Architectural Plans entitled “204 Flax Hill Road,” prepared by Crosskey Architects, dated March 21, 2025 and revised to May 21, 2025; and

2. That the site plans and architectural drawings shall be modified as follows:

a. That a landscaping streetscreen shall be provided to screen the parking as much as possible; and

b. That the driveway shall be aligned with Taylor Avenue as shown on the site plans presented on June 4, 2025, by LandTech; and

3. That a certificate of special permit and mylar map of the approved site (as revised by any conditions of approval) shall be filed on the Norwalk Land Records prior to the issuance of a zoning permit; and

4. That a surety be submitted, in an amount to be determined by Staff, to guarantee the installation of the required erosion and sediment controls prior to the issuance of a zoning permit; and

5. That all erosion and sediment controls shall be installed and maintained prior to the start of any construction or site work and that additional controls shall be installed at the direction of the Commission’s Staff (Staff), if necessary; and

6. That a final Workforce Housing Plan showing a total of one new workforce housing unit(s), and a total of five workforce housing units on-site, shall be submitted for Staff review and approval and shall include deed restriction documents, architectural floor plans, and a list of the number of studio, one-bedroom, two-bedroom and three-bedroom workforce housing units, prior to the issuance of a Certificate of Zoning Compliance; and

a. Further provided that such workforce housing units shall be deed restricted in perpetuity and meet all requirements of Section 6.12 of the Norwalk Zoning Regulations; and

b. That the Workforce Housing Plan shall be filed on the Norwalk Land Records; and

7. That all mechanical equipment shall be adequately screened from the Front Lot or Building Site Line and from adjacent and abutting property(s); and

8. That a Connecticut licensed engineer shall certify that all of the required improvements were installed to all applicable City standards prior to the issuance of a Certificate of Zoning Compliance; and

9. That a surety shall be submitted, in an amount to be determined by Staff, to guarantee the completion and maintenance of the site plan and all modifications to the plan as well as all work required as a condition of approval under this special permit prior to the issuance of a Certificate of Zoning Compliance; and

10. That all conditions as required by the Norwalk Water Pollution Control Authority (WPCA) shall be applicable to this approval; and

11. That all conditions as required by the Norwalk Department of Public Works (DPW) shall be applicable to this approval; and

12. That all conditions as required by the Norwalk Department of Transportation, Mobility, and Parking (TMP) shall be applicable to this approval; and

13. That all conditions as required by the Norwalk Fire Marshal shall be applicable to this approval; and

14. That any revisions to the approved plans shall be submitted to Staff for review and approval prior to implementation, and that should any revisions be determined to be substantive by Staff, shall be submitted to the Commission for review and approval prior to implementation; and

BE IT FURTHER RESOLVED that this application complies with all applicable sections of the Norwalk Zoning Regulations; and

BE IT FURTHER RESOLVED that the effective date of this action is June 13, 2025.

Mr. Roina seconded.

At this point, the commissioners reviewed the resolution. Mr. Baker said that he had made some updates to the resolution during the applicant's presentation. There was a discussion about the workforce housing units and inclusionary zoning fees. Mr. Baker said that everyone should be seated for the remainder of the meeting.

Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Tammy Langalis; Chapin Bryce; Ana Tabachneck; Nick Kantor; Darius Williams approved.
No one opposed.
No one abstained.

B. #2025-34 SP – Norwalk Housing Ventures II LLC c/o Edward Gormbley – 1 Elmcrest Terrace (District 1, Block 30, Lot 10) – Special permit for a historic preservation development to renovate an existing historic structure and construct a new 13-unit multifamily building - Public hearing, report & recommended action

Ms. Wells opened the public hearing.

Atty Blank began the presentation by orienting the commissioners as to the location of the property. He showed them the historic structure as well as the other structures on the property. He then introduced the project team. He said that the applicant had an approval but that they were making modifications to it.

There would have been 30 units but they were now asking for 10 more units, including an additional workforce housing unit. He discussed the modifications under the historic preservation regulation which was an increase in density. He also discussed the comments that they had received from various departments. There was also an Architectural Review from Redevelopment whose comments would become part of the commission's resolution. He said that there where comments from WPCA, TMP and DPW. There were concerns about the number of parking spots. He noted that the applicant had agreed to stripe one crosswalk. There was a comment about one of the driveway, as well as a landscaping island. Atty Blank said that this could be a problem for large delivery and emergency vehicles. There was a structure on the property that TMP should be preserved as historic but Atty Blank said that this was not their purview, nor was the structure on any local or national registry.

At this point, Atty Blank showed them pictures of the current home as well as a retaining wall that extends around the site. They would clean it up and add some junipers to it. They could not take it down. He also discussed rental limits for the number of bedroom units in an apartment. He showed them the rents for typical units in Norwalk. Mr. Gormbley explained how they were able to construct affordable housing units. He said that they refurbish existing units since it is less expensive than building new ones to keep them affordable.

There was a discussion about the retaining wall and how to make it look nicer. Mr. Gormbley said that since it is a big wall it would be expensive to take down. They have worked with their landscape architect to beautify it. He said there was another idea to paint a mural but that would deteriorate. There was also a discussion about the other two buildings on the property and how many units were in them.

Atty Blank showed them a picture of the house as the existing conditions as well as a rendering of the proposed structure. He gave a brief history of the property as well as discussing the decommissioning of the basement unit. They were not going to preserve the buildings in the back, only the Victorian house. New parking and drive aisles would be added and some of the property would be landscaped. He said that the drainage improvements and traffic would be discussed later.

Andy Soumelidis, the engineer on the project, continued the presentation by discussing the current conditions on the site. He then discussed the building they are proposing as well as the parking spaces. He also discussed the landscaping plan. There was a discussion about the types of trees that should be planted at the front of the property.

Mark Hopper, the architect on the project, continued the presentation by showing them the rendering of the building. He showed them the floor plans for the new building, as well as the parking. He showed them the exterior elevations. He also discussed the building materials and the lighting plan. There was a discussion about lowering the light fixtures and whether it would reflect into some of the rental units.

Brian Dempsey, the traffic engineer on the project, discussed the traffic generation study that he had prepared. He said that there would not be a significant amount of traffic.

Atty Blank said that they were asking for a couple of modifications. There would be fire suppression in the units which would preserve the units.

Ms. Wells opened the hearing for public comments. There were no comments from the public either for or against the application. She closed the public hearing.

At this point, Ms. Tabachneck made a motion which Mr. Bryce seconded. However, the commissioners made modifications to the resolution. Ms. Wells said that she is not in favor of the juniper over the retaining wall. She made a suggestion for a facing on the wall. Mr. Chapin and Mr. Williams agreed. There was a discussion about having the applicant work with the staff for a solution. There was a review of other conditions.

** **MS. TABACHNECK MOVED: THEREFORE, BE IT RESOLVED** by the Norwalk Planning & Zoning Commission that application #2025-34 SP – Norwalk Housing Ventures II LLC c/o Edward Gormbley – 1 Elmcrest Terrace (District 1, Block 30, Lot 10) – Special permit for a historic preservation development to renovate an existing historic structure and construct a new 13-unit multifamily building be **APPROVED**, as amended, subject to the following conditions:

1. That the site shall be developed in accordance with the following plans:

a. Per the Site Plans entitled “Site Improvements for a Proposed Multi-Family Residential Building,” prepared by LandTech, dated 11/26/2024; and

b. Per Architectural Plans entitled “1 Elmcrest Terrace (50 Connecticut Avenue),” prepared by Crosskey Architects, dated 3/21/25 and revised to 5/9/25; and

2. That the site plans shall be modified as follows:

a. That a plan detailing proposed improvements to the concrete wall along the frontage of the property, including but not limited to the exploration of a stone or brick veneer installed along the wall in addition to the junipers/plantings, be submitted to Staff for review and approval prior to the issuance of a certificate of zoning compliance; and

b. That a landscaping plan be submitted to Staff that includes street trees, as feasible, along the frontage of the property for review and approval prior to the issuance of a zoning permit; and

3. That a certificate of special permit and mylar map of the approved site (as revised by any conditions of approval) shall be filed on the Norwalk Land Records prior to the issuance of a zoning permit; and

4. That a surety be submitted, in an amount to be determined by Staff, to guarantee the installation of the required erosion and sediment controls prior to the issuance of a zoning permit; and

5. That all erosion and sediment controls shall be installed and maintained prior to the start of any construction or site work and that additional controls shall be installed at the direction of the Commission’s Staff (Staff), if necessary; and

6. That a final Workforce Housing Plan showing a total of one (1) workforce housing unit(s) shall be submitted for Staff review and approval and shall include deed restriction documents, architectural floor plans, and a list of the number of studio, one-bedroom, two-bedroom and three-bedroom workforce housing units, prior to the issuance of a Certificate of Zoning Compliance; and

a. Further provided that such workforce housing units shall be deed restricted in perpetuity and meet all requirements of Section 6.12 of the Norwalk Zoning Regulations; and

b. That the Workforce Housing Plan shall be filed on the Norwalk Land Records; and

7. That all mechanical equipment shall be adequately screened from the Front Lot or Building Site Line and from adjacent and abutting property(s); and

8. That a Connecticut licensed engineer shall certify that all of the required improvements were installed to all applicable City standards prior to the issuance of a Certificate of Zoning Compliance; and

9. That a surety shall be submitted, in an amount to be determined by Staff, to guarantee the completion and maintenance of the site plan and all modifications to the plan as well as all work required as a condition of approval under this special permit prior to the issuance of a Certificate of Zoning Compliance; and

10. That all conditions as required by the Norwalk Water Pollution Control Authority (WPCA) shall be applicable to this approval; and

11. That all conditions as required by the Norwalk Department of Public Works (DPW) shall be applicable to this approval; and

12. That all conditions as required by the Norwalk Department of Transportation, Mobility, and Parking (TMP) shall be applicable to this approval; and

13. That all conditions as required by the Norwalk Fire Marshal shall be applicable to this approval; and

14. That any revisions to the approved plans shall be submitted to Staff for review and approval prior to implementation, and that should any revisions be determined to be substantive by Staff, shall be submitted to the Commission for review and approval prior to implementation; and

BE IT FURTHER RESOLVED that this application complies with all applicable sections of the Norwalk Zoning Regulations; and

BE IT FURTHER RESOLVED that the effective date of this action is June 13, 2025.

Mr. Bryce seconded.
Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Tammy Langalis; Chapin Bryce; Ana Tabachneck; Nick Kantor; Darius Williams approved.
No one opposed.
No one abstained.

IV. REVIEW AND ACTION ON APPLICATIONS

A. #2025-42 - 8-24 Referral - City of Norwalk - 1 Calf Pasture Beach Road - Proposed expansion of public parking lot - Report & recommended action

Wilbur Giron, from the Department of Public Works, began the presentation by showing the commissioners a plan to extend a parking lot on Canfield Avenue for a dog park. He said that the city must also adhere to the drainage regulations. Because of the location they had to submit a CAM application.

There was a discussion about the address for the associated lot number. There was a discussion about using pervious pavers.

** **MR. BRYCE MOVED: THEREFORE, BE IT RESOLVED** by the Norwalk Planning & Zoning Commission that application #2025-42 - 8-24 Referral - City of Norwalk - 1 Calf Pasture Beach Road - for the proposed expansion of public parking lot**,** be **APPROVED.**

Mr. Roina seconded.
Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Chapin Bryce; Ana Tabachneck; Darius Williams approved.
Tammy Langalis and Nick Kantor opposed.
No one abstained.

B. #2025-44 - 8-24 Referral - Shawn's Lawns - 2 Muller Avenue - Sanitary sewer extension - Report & recommended action

Wilbur Giron, from DPW, began the presentation by showing the commissioners the site plan for the property. They are facilitating a connection to the city's sanitary sewer system. A hearing was held by WPCA and the extension was approved. He showed them the existing sewer main. He said that DPW will confirm that it meets city standards. He noted that the owner would be donating the system to the city.

Mr. Baker said that this is a required step for the applicant to get their aquifer approval. Mr. Schulman noted that Shawn's Lawns had not been in compliance for years. Mr. Kleppin said that they do need this to be in compliance. Mr. Giorn said that the goal is to limit the septics. There was a request to add this to the approval. There was a discussion about whether there are timeframes for this approval. Mr, Roina said he would vote in favor of this application. Mr. Baker reminded them that this is a necessary step for the applicant.

**** MR. ROINA MOVED: THEREFORE, BE IT RESOLVED** by the Norwalk Planning & Zoning Commission that application #2025-44 - 8-24 Referral - Shawn's Lawns - 2 Muller Avenue - Sanitary sewer extension be **APPROVED.**

Ms. Langalis seconded.
Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Chapin Bryce; Ana Tabachneck; Tammy Langalis; Nick Kantor; Darius Williams approved.
No one opposed.
No one abstained.

C. #2025-29 SP - MOCA Westport Holdings, LLC - 19 Newtown Turnpike (District 5, Block 31, Lot 26) - Modification to existing special permit to allow for manufacturing use - Public hearing, report & recommended action

Ms. Wells opened the public hearing.

Attorney Blank began the presentation by orienting the commissioners as to the location of the property on an aerial map. He gave a brief history which he noted the applicant was requesting the modification of a special permit. In 2019 the front portion of the building became a museum while the remainder of the building is a pre-existing nonconforming for commercial use. He said that they were requesting the amendment to allow BioWave to become a tenant in the building.

He introduced the project team. He discussed the signoffs that they had received. He said that the application had been referred to Westport since it was on the town line. He then showed them the site plan which included how the space in the building would be used. He also showed them pictures of the front of the building. He showed them pictures of what the building looked like to the neighbors. He said the neighbors were shielded from their site. He said that he did not expect impacts from BioWave becoming a tenant. He also discussed the parking on the site which he believed should not be a problem. He said that the site predated the residential structures around it. It had always been a manufacturing use, including as Martha Stewart's studios. He then discussed the use of BioWave which would use it as their headquarters and light manufacturing.

Bradford Siff, founder and president of BioWave, which is a medical device company, continued the presentation by describing what the device did and then some of the uses, including use in VA hospitals and sports teams. The devices are manufactured in the United States. He explained the business process. He even showed them some of the medical devices that people buy. He said that there would be offices, conference rooms. He described the work process for shipping. There was also a discussion about the number of employees in the office.

Ryan DeSilva, the architect on the project, continued the presentation by introducing his partner Greg Biancardi, who would discuss the exterior. Mr. Biancardi showed them the proposed site plan. He explained that they are converting a walkway to a drive aisle for a turnaround. He also noted that no additional parking spaces are needed since there is an excess. He showed them the office space and warehouse space and where the receiving of pallets would occur. He also showed them the interior offices. He said that the building was below grade. He showed them pictures of the main door of the existing space and where the delivery door would be. He also discussed the exterior lights above the main entrance and garage door, as well as other lights to be added to the rear. He discussed the other doors and lights to be added, and he showed them the renderings. He discussed the exterior changes, including the specifications for the lights.

Mr. DeSilva continued the presentation with descriptions of the interior spaces, including the warehouse and office components and conference room. There would be glass partition walls, cubicles and a demising wall in between the office and warehouse space. There would be a kitchenette, foyer and break area. He also showed on the renderings where the doors would be located between the office and warehouse space.

Brian Dempsey, the traffic engineer, continued the presentation by discussing how his study was completed. He also discussed Amazon trucks and other delivery trucks arriving at the site. Some employees would work at home a few days a week. There was a discussion about whether the other tenant, the wallpaper factory, also received deliveries. Mr. Dempsey said that they do but was unsure about how many.

Since the application had been referred to the Town of Westport, Atty Blank addressed those concerns which included additional traffic on Newtown Turnpike, violations of the fire code, landscaping and lighting among other things. He said that the application had been referred to the Western Connecticut Council of Governments (WestCog) which found it to be a beneficial use of the property. He believed it was consistent with the Plan of Conservation and Development (POCD) and special permit regulations. He said that they were keeping a business and jobs in Norwalk. Tom Hofstetter said that the current tenants, Fasano and MOCA, do get deliveries every day.

There was a discussion about whether the delivery trucks would use the driveway to the back. There was a discussion about whether this was an intensification of use in this residential zone, since it was a nonconforming use. There was a concern about the back up of the trucks. There was a discussion of the amount of pallets that would arrive. Their lease was for 10 years.

At this point, Ms. Wells suggested a break until 9 pm. She opened the public comment portion of the meeting at this point.

Keith Boczer, 20 Columbine Lane, said that he had sent pictures because he is the closest to the MOCA building. He said that Martha Stewart had built an 8 foot fence but it had fallen down. MOCA replaced it with a 6 ft. fence. He said that they had tried to work with MOCA about the fence but they had not solved the issue. They want their privacy. He invited the commissioners to his house to see what he sees.

John Ruhnke, 1 Thistle Road, said that he did not think manufacturing should be in this area. He thought that there would be deadlines and understood that they said they wouldn't have much noise.

Kim Ruhnke, 1 Thistle Road, said she had the same concerns as her neighbors. She had concerns about the noise from the manufacturing.

Peter Faust, 48 Crawford Road, was concerned about setting a precedent of allowing manufacturing activities in a residential area, especially if MOCA was to close. He had concerns about increased traffic. He thought there were other viable options to promote art and culture in an established commercial zone.

Dori Harris, 5 Newtown Turnpike, Westport showed a map of the area, noted that she had lived in this area her whole life. She noted that the building had not been used for manufacturing since the 1960s. Her parents had bought her house in the 1960s as well. She was concerned about the growth of the company in the next 10 years, as well as the precedent set by allowing this use. She asked them not to turn it into a manufacturing site.

Emily Ruhnke, 1 Thistle Road, said that she believed that they could hear trucks going to MOCA. She had concerns about the noise and how it would affect property values.

Mark Roach, 2 Thistle Road, had concerns about setting a precedent which would then later allow for manufacturing in the whole building. He thought the growth should be managed. He also noted that bamboo is encroaching on his property. He also had concerns about the lighting in his upper floor.

Mark Vincent, 16 Columbine, said that the fence does not help but that the trees do when they are full in the summer. There is no trust from MOCA. He said that there were concerns about the lighting from MOCA.

At this point, Ms. Wells closed the comment portion of the public hearing.

Atty Blank said they would put up an eight ft. fence. He said that they expected reasonable conditions for the hours. He also noted that these devices are mostly made at other locations. Mr. Siff said that other locations are open at 7 am. They basically ship the products. The hours are 8:30 am to 5:30 pm. He said that this location is half a mile from his home and is cognizant of how it would affect the neighborhood. Atty Blank said that they would put in blinds to help with the internal light issue. This was a less intense use than in the past. He addressed the comments about the decrease in property values.

There was a question about the permit for the other tenant which Mr. Kleppin said was a wallpaper manufacturer. If the applicant had not requested an additional driveway and loading dock, they would have been issued an over the counter permit.

There was a discussion about the photos that Mr. Blank had shown which he had recently taken of the property. He said that they had been taken in the prior weekend. There was a discussion about previous violations of outdoor events at MOCA. There was a discussion about the use of the driveway.

Mr. Hofstetter said that MOCA was not the owner when they first moved into the building. At that time, they were leasing the property. They would address the concerns about the bamboo. Ms. Wells then closed the public hearing.

Before they reviewed the resolution, they reviewed the prior approval. They then reviewed the proposed resolution with Mr. Kantor making the motion and Ms. Tabachneck seconding it.

**** MR. KANTOR MOVED: THEREFORE BE IT RESOLVED** by the Norwalk Planning & Zoning Commission, that the Special Permit application #2025-29 SP, 19 Newtown Tpk., MOCA be **APPROVED,** subject to the following conditions:

1. All conditions imposed by the Zoning Commission, as part of Zoning Commission for application #13-28SP remain in effect.

2. Any change in tenancy requires Commission approval.

3. That any additional exterior lighting proposed or lighting replaced on the exterior of the building comply with Article 4.3.17 Private Lighting Standards of the Zoning Regulations.

4. Prior to obtaining the Zoning Permit, the Applicant shall provide a modified landscape plan, including:

a. evaluating the removal of any existing bamboo and preventing the off-site spread of the bamboo,

b. the installation of an 8’ fence where required; and

c. confer with Staff to ensure that there is adequate screening, including vegetative screening and fencing, between the site and neighboring properties, prior to receipt of the Certificate of Zoning Compliance.

5. There shall be no outdoor events on the site, unless approved by the Commission as part of an additional Special Permit application and provided the uses are allowed within the regulations.

BE IT FURTHER RESOLVED that the effective date of this action be June 13, 2025.

Ms. Tabachneck seconded.

They then discussed the fence, screening, hours of operation, among others. At this point, Mr. Kantor made a motion to accept the amended resolution.

Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Chapin Bryce; Ana Tabachneck; Tammy Langalis; Nick Kantor; Darius Williams approved.
No one opposed.
No one abstained.

Ms. Wells suggested that they end the meeting by 11 pm, as well as putting an item at the end of the aquifer agenda for next week.

C. #2025-26 CAM – PMB Services, LLC – 145 Water Street – Change in use from storage to office within the Coastal Area Management boundary - Report & recommended action

Ms. Williams said that she had not prepared any materials since she had not received any from the applicant. She also said that there is a violation on the property.

WHEREAS, the Date of Receipt of the application was April 2, 2025;

WHEREAS, proof of initial neighbor notification within ten (10) days of submission has not been provided;

WHEREAS, City Staff consulted with the applicant and reviewed the submission to find the materials were insufficient;

WHEREAS, the applicant has not submitted revised materials nor provided an extension for the Commission to make their decision;

WHEREAS, the applicant has not indicated the submission has been referred to the Fire Marshal and Building Department;

WHEREAS, the property is currently in violation of the Norwalk Zoning Regulations and obtaining a Coastal Site Plan approval is necessary to legalize the existing use;

WHEREAS, the application is incomplete and does not comply with sections 6.10 and 8.4 of the Norwalk Zoning Regulations;

**** MR. ROINA MOVED: THEREFORE, BE IT RESOLVED** by the Norwalk Planning & Zoning Commission, that #2025-26 CAM – PMB Services, LLC – 145 Water Street – Change in use from storage to office within the Coastal Area Management boundary be **DENIED**.

Mr. Williams seconded.
Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Chapin Bryce; Ana Tabachneck; Tammy Langalis; Nick Kantor; Darius Williams approved.
No one opposed.
No one abstained.

Ms. Williams and Mr. Kleppin said that it was difficult dealing with this applicant.

D. #2025-36 CAM – LANDTECH – 18 Marion Avenue – Construct a new single-family residence and dock with associated site improvements on a vacant lot adjacent to the Norwalk Harbor - Report & recommended action

Curt Lowenstein, the engineer on the project, showed the commissioners the current site plan. The property lies within the flood zone. He described the coastal resources. He also described the proposed project of constructing a new single family residence. He discussed the new Coltex system which was in accordance with the

Norwalk drainage standards. He then showed them the proposed site plan and described the buffer.

There was a discussion about the height of the first floor of the new house. Maria Genovese, from Andriopolous Design, continued the presentation by explaining that the structure is one foot above because the zoning regulations had changed.

Ms. Williams said that the application is consistent with the Coastal Area Management Act goals, but also discussed her comments about the VE zone and the revised plans for the landscaping.

** **MR. BRYCE MOVED: THEREFORE BE IT RESOLVED** that application #2025 - 36 CAM – LANDTECH – 18 Marion Avenue – Construct a new single-family residence and dock with associated site improvements on a vacant lot adjacent to the Norwalk Harbor be **APPROVED** subject to the following conditions:

1. That the building and site be developed in accordance with the following plans:

a. Per site development plans dated 4/15/2025 and revised 5/5/2025 prepared by LANDTECH, Westport, CT

b. Per architectural plans dated 9/27/2024 and revised 5/9/2025 prepared by ADA Architects, Norwalk, CT

2. That all department sign-offs are obtained prior to issuance of any Zoning Permit; and

3. That a permit is obtained from the Department of Public Works regarding City storm-water management requirements; and

4. That all required soil sedimentation and erosion controls are in place prior to the start of any construction; and

5. That any additional needed soil sedimentation and erosion controls be installed at the direction of Staff; and

6. That any changes to the plans be reviewed by Staff prior to implementation; and

7. That a revised landscape plan with an expanded buffer that includes trees be submitted and approved by Staff prior to the issuance of a zoning permit; and

8. That all plantings be implemented prior to COZC; and

9. That all plantings be maintained, and any dead plantings must be replaced in accordance with the approved planting plan; and

10. That flood certifications be submitted prior to issuance of a zoning permit and prior to obtaining a Certificate of Zoning Compliance (COZC), prepared by a CT licensed engineer or architect; and

11. That flood compliance be achieved and demonstrated with a FEMA elevation certificate prior to COZC; and

12. That no changes to the seawall are permitted without City review and DEEP approval; and

13. Nothing in this permit shall obviate the requirements for the applicant to obtain any other assents, permits or licenses required by law or regulation by the City of Norwalk, State of Connecticut, or the Government of the United States, including any approval required by the Connecticut Department of Environmental Protection and U.S. Army Corps of Engineers- obtaining such assents, permits or licenses is the sole responsibility of the applicant; and

BE IT FURTHER RESOLVED that this proposal complies with all applicable coastal resource and use policies and with all applicable sections of the Zoning Regulations for the City of Norwalk; and

BE IT FURTHER RESOLVED that the preceding conditions and modifications of this application are integral to the Commission's approval because, if not for those conditions and modifications, the Commission would have denied this application.

BE IT FURTHER RESOLVED that the effective date of this approval shall be June 13th, 2025.

You must obtain a zoning approval and a building permit prior to any work on the site.

Ms. Langalis seconded.

At this point, the commissioners reviewed the resolution.

Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Chapin Bryce; Ana Tabachneck; Tammy Langalis; Darius Williams approved.
Nick Kantor opposed.
No one abstained.

E. #2025-37 CAM – Tim Rath – 22 Harbor View Avenue – Raise an existing single-family residence to be FEMA flood compliant adjacent to the Norwalk Harbor - Report & recommended action

Tim Rath explained that they were raising the house and had submitted a new landscaping plan. The application was to elevate the house to be flood compliant. Ms. Williams said that the only other modification would be to the rear deck to pull it away from the coastal resources.

** **MR. SCHULMAN MOVED: BE IT RESOLVED** that application #2025 - 37 CAM – Tim Rath – 22 Harbor View Avenue – Raise an existing single-family residence to be FEMA flood compliant adjacent to the Norwalk Harbor be **APPROVED** subject to the following conditions:

1. That the building and site be developed in accordance with the following plans:

a. Per sedimentation and erosion control plan (site plan) dated 5/14/2025 prepared by Fairfield County Engineering LLC, Norwalk, CT

b. Per architectural plans dated 10/10/2024 and revised 4/23/2025 prepared by AWA Design Group P.C., Stamford, CT

c. Per architectural plans (garage sheet) dated 10/10/2024 and revised 5/8/2025 prepared by AWA Design Group P.C., Stamford, CT

d. Per zoning location survey dated 2/11/2025 and revised 4/24/2025 prepared by Arcamone Land Surveyors, LLC, Norwalk, CT

2. That all department sign-offs are obtained prior to issuance of any Zoning Permit; and

3. That all required soil sedimentation and erosion controls are in place prior to the start of any construction; and

4. That any additional needed soil sedimentation and erosion controls be installed at the direction of Staff; and

5. That any changes to the plans be reviewed by Staff prior to implementation; and

6. That any utilities comply with setbacks and flood regulations; and

7. That flood certifications be submitted prior to issuance of a zoning permit and prior to obtaining a Certificate of Zoning Compliance (COZC), prepared by a CT licensed engineer or architect; and

8. That flood compliance be achieved and demonstrated with a FEMA elevation certificate prior to COZC; and

9. That a landscape plan be submitted to and approved by Staff prior to the issuance of a zoning permit; and

10. That all plantings be implemented prior to COZC; and

11. That all plantings be maintained, and any dead plantings must be replaced in accordance with the approved planting plan; and

12. That no changes to the seawall are permitted without City review and DEEP approval; and

13. Nothing in this permit shall obviate the requirements for the applicant to obtain any other assents, permits or licenses required by law or regulation by the City of Norwalk, State of Connecticut, or the Government of the United States, including any approval required by the Connecticut Department of Environmental Protection and U.S. Army Corps of Engineers- obtaining such assents, permits or licenses is the sole responsibility of the applicant; and

BE IT FURTHER RESOLVED that this proposal complies with all applicable coastal resource and use policies and with all applicable sections of the Zoning Regulations for the City of Norwalk; and

BE IT FURTHER RESOLVED that the preceding conditions and modifications of this application are integral to the Commission's approval because, if not for those conditions and modifications, the Commission would have denied this application.

BE IT FURTHER RESOLVED that the effective date of this approval shall be June 13th, 2025.

You must obtain a zoning approval and a building permit prior to any work on the site.

Mr. Bryce seconded.

At this point, they reviewed the resolution that Ms. Williams had drafted.

Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Chapin Bryce; Ana Tabachneck; Tammy Langalis; Nick Kantor; Darius Williams approved.
No one opposed.
No one abstained.

V. DISCUSSION A. #2025-41 R - Planning & Zoning Commission - Zoning Regulation Text Amendment to Article(s) 1, 4 and 9 regarding non-conforming parking; clarification on the permits required for cluster housing in the Silvermine Tavern District Overlay; modifying where Commercial Recreation Establishments are permitted and associated limitations - Discussion

Mr. Kleppin said that the changes were mostly cleanup and corrections from the zoning re-write. One of them was about parking spaces. There was also a change to the definition of the commercial recreation establishment. Another change was for language for special permits. He said that they would vote on the changes at their July meeting.

VI. ACCEPTANCE OF MINUTES

A. Regular Meeting: April 2, 2025; April 16, 2025; May 21, 2025

**** MR. SCHULMAN MOVED to approve the April 2, 2025 minutes.**
Mr. Bryce seconded.
Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Chapin Bryce; Ana Tabachneck; Tammy Langalis; Nick Kantor; Darius Williams approved.
No one opposed.
No one abstained.

**** MR. SCHULMAN MOVED to approve the April 16, 2025 minutes.**
Ms. Langalis seconded.
Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Ana Tabachneck; Chapin Bryce; Tammy Langalis; Nick Kantor; Darius Williams approved.
No one opposed.
No one abstained.

**** MR. BRYCE MOVED to approve the May 21, 2025 minutes.**
Mr. Schulman seconded.
Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Ana Tabachneck; Chapin Bryce; Tammy Langalis; Darius Williams approved.
No one opposed.
Nick Kantor abstained.

VII. COMMENTS OF DIRECTOR

Mr. Kleppin said that if they had questions about setting up the emails for the commissioners. He reminded them that they had a meeting for the Aquifer Protection Commission the following week. Mr. Schulman said that they could wait to discuss the housing bill since it was late. They decided to defer the conversation to the next meeting or at the aquifer meeting the following week.

VIII. COMMENTS OF COMMISSIONERS

Ms. Langalis asked about a Planning & Zoning meeting on June 12th. Mr. Kleppin said this was an optional meeting.

Mr. Roina asked about an agenda for the aquifer meeting.

IX. ADJOURNMENT

Mr. Williams made a Motion to Adjourn.
Mr. Bryce seconded.
Galen Wells; Diana Lenkowsky; Louis Schulman; Richard Roina; Ana Tabachneck; Chapin Bryce; Tammy Langalis; Nick Kantor; Darius Williams approved.
No one opposed.
No one abstained.

The meeting was adjourned at 10:42 p.m.

Respectfully submitted,

Diana Palmentiero