



OPEN COMMUNITIES ALLIANCE

HR 6611: Fair Share Zoning The Right Thing to Do – and the Smart Thing to Do

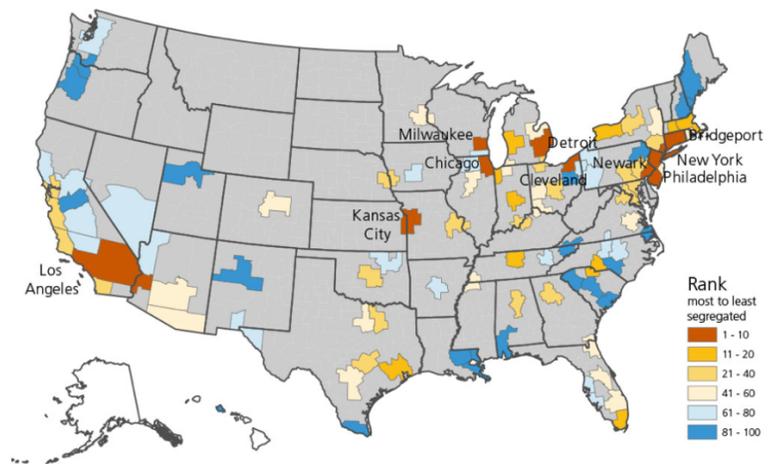
Fair Share Zoning is a new approach to zoning that sets some "rules of the road" but largely leaves the development of planning and zoning up to towns, as long as their efforts are working to generate housing that contributes to meeting the regional need for affordable housing. Likely to generate almost 300,000 units of sorely needed market rate and affordable units over 10 years, Fair Share Housing is not only the right thing to do to address Connecticut's affordable housing and housing segregation crises, it is also the smart thing to do to boost our economy overall, especially as we emerge from a global health pandemic.

Fair Share Zoning – The Right Thing to Do

CT has a Housing Segregation Crisis

- CT is one of the most segregated states in the nation.
- 74% of Blacks and 68% of Latinos live in census tracts assessed as "lower opportunity" which are more likely to have struggling schools and higher rates of crime.
- Some families living in lower opportunity areas want to stay and work towards equitable revitalization. Others want housing choices elsewhere in the state. Exclusionary zoning policies make both of these efforts hard.
- Exclusionary zoning limits housing choices for families in need of affordable housing options, who are disproportionately Black and Latino, to only certain areas of the state.
- Exclusionary zoning contributes to poverty concentration in communities that have historically been Black and Latino, drives involuntary displacement, and can undergird gentrification.

Comparing the Nation: Ranking of Segregation in 100 Largest U.S. Metro Areas, 2010



Source: ACS, Gregory, Rolf Pendall, Mark Treskon, and Amy Khare. 2017. *The Cost of Segregation: National Trends and the Case of Chicago: 1990–2010*. Washington, D.C.: Urban Institute.

CT has an Affordable Housing Crisis

- CT has the 10th highest housing wage in the nation.
- A family would need to work 96 hours a week at minimum wage to afford the average two-bedroom apartment in Connecticut.
- Over the next 10 years, Fair Share Zoning will help CT meet its need for 135,000 new affordable housing units.

More Housing Choices through More Equitable Zoning = Better Outcomes

- Low-income children who, through Fair Share Zoning, gain access to mixed income communities are likely to earn more as adults and attend high quality colleges. All communities need to be empowered to produce such results.
- Fair share zoning will take the affordable housing pressure off of disinvested communities, helping them thrive.



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HR 6287: Fair Share Zoning The Right Thing to Do – and the Smart Thing to Do

Fair Share Zoning – The Smart Thing to Do

Let's work together to meet our state's affordable housing needs, create thousands of new jobs, and generate billions of dollars in additional tax revenue.

Connecticut Needs a Housing Boost

We have known for over two decades that Connecticut's lack of affordable housing is a driver of its economic stagnation. Affordable housing options, available to households earning \$80,000/year and less for a family of four, are critical to attracting businesses to Connecticut, allowing CT families to free up income for other critical investments, like education, generating a pathway to middle-income stability.

With Fair Share Zoning, CT towns can use thoughtful planning and zoning to unleash the market's ability to generate mixed income housing with affordable units and play a foundational role in launching a new wave of economic growth for the state while guiding their own destinies.

Fair Share Zoning will generate about 300,000 units of market rate and affordable housing all across the state over the next 10 years. The economic impact of this housing is tremendous.

The Deep Impact of Fair Share

- ***More housing means more jobs.*** Research shows that job growth is tied to the new housing construction; these are conservative estimates of the economic gains from Fair Share Zoning over ten years:
 - 79,299 jobs (full time equivalents sustained for ten years)
 - \$12.2 Billion in state and local tax revenue
 - \$59.1 Billion in income for Connecticut residents
- ***Relocating Businesses Look at the Availability of Housing.*** Due primarily to CT's relatively low taxes and hosting of corporate headquarters, it is ranked in the top 10 of states "Best for Business" by U.S. News and World Report, and yet we are at the bottom of the rankings for fiscal stability and infrastructure and in the bottom third for economic growth and mobility. A recent report by the Urban Institute shows that high housing costs make it difficult for businesses to recruit and retain employees, which hurts economic growth across entire regions.
- ***Impact on Cities.*** The severe restrictions on multifamily and affordable housing development in the suburbs exacerbate gentrification and involuntary displacement pressure in our cities. The lack of affordable housing options throughout the state leads to non-competitive slumlord practices among landlords in our cities.
- ***Economic Mobility = \$2 billion of Tax Revenue.*** Even if only 50,000 families with kids move out of high poverty areas, research from economist Raj Chetty and his team at Harvard University predicts that the average of two children in each household will earn \$302,000 more over their lifetimes than they would have otherwise. Putting aside the likely savings coming from a decreased reliance on government programs and the income produced from revitalized city centers, the state tax revenue from this income increase alone is projected to be \$1.6 billion.