

**MINUTES OF WORKSHOP
HELD BY THE PLANNING AND ZONING COMMISSION
MAY 3, 2021**

VIRTUAL MEETING HELD VIA ZOOM

ROLL CALL:

Members Present: Eric Prause, Chairman
Patrick Kennedy, Vice Chairman
Michael Stebe, Secretary
Jessica Scorso
Jessica Poland

Alternate Members: Julian Stoppelman
Bonnie Potocki
Teresa Ike

Also Present: Gary Anderson, Director of Planning
Megan Pilla, Senior Planner
Kyle Shiel, Senior Planner/Comprehensive Planning
Nancy Martel, Recording Secretary

The Chairman opened the Workshop at 7:30 P.M.

Ms. Pilla laid out the topics to be discussed:

- Inclusionary Zoning
- Accessory Dwelling Units (ADUs)
- Residential Uses Above First Floor Commercial Uses

Ms. Pilla noted that these are important topics in the state. There is a push for equity in the state of Connecticut as well as diversity and inclusion in the Town of Manchester. The main question is whether the Commission would like Town Staff to pursue action on the topics via regulation amendments.

Inclusionary Zoning

- Municipal regulations/ordinances that require a given share of housing to be affordable to people with low to moderate incomes.
- Involves deed restrictions or some other mechanism of maintaining affordability.
- Purpose is to counter exclusionary practices which exclude low income residents from a municipality through zoning code.

Ms. Pilla stated that it is common in single-family zoning with expensive homes and no affordable housing. Different municipalities have chosen to approach it in different ways and going forward we will see the results of that.

Inclusionary Zoning Variables

- Mandatory or voluntary
- Percentage of units to be dedicated as affordable
- Minimum size of development that the regulation applies to
- Whether fees can be paid in lieu
- Income level or price defined as affordable
- Longevity of price restrictions
- Whether housing rehabilitation triggers the requirement, or only new construction
- Which types of housing the regulation applies to

There are not many categories in Connecticut that have inclusionary zoning in practice that are easy to find. Ms. Pilla reported that there is no database that lists them.

Inclusionary Zoning Examples

Colchester, CT

- **Affordable Housing** subsection under Housing Standards
- Any development with more than 6 single-family or more than 3 multi-family units triggers requirement
- Min. 10% of units must be affordable for persons with income less than or equal to 80% or the area median income or statewide median income, whichever is less
- Density Bonus – if more than 15% of units in a development are affordable, the development can qualify for a 20% increase in gross density

Simsbury, CT

Housing Overlay Zones

Housing Opportunity Development Zone

- Min. 30-year deed restriction
- Min. 15% of units must be for persons with income less than or equal to 80% or the area median income or statewide median income, whichever is less
- Min. 10% of units must be for persons with income less than or equal to 60% of the area median income or statewide median income, whichever is less

Workforce Housing Overlay Zone

- Min. 30-year deed restriction
- Min. 20% of units must be for persons with income less than or equal to 80% of the area median income for Simsbury

Stamford, CT

Below Market Rate Housing Program

- Applies to all new, converted, or expanded residential developments with 10 or more units
- For substantial renovations or upgrades of existing units – min. 5% must become affordable to persons with income less than or equal to 65% of the area median income
- All elderly housing – min. 5% of all units must be below market rate

- Fee in lieu is an option – money goes to production of affordable housing elsewhere

Ms. Pilla wanted to start the conversation and gauge the Commission members' thoughts on inclusionary zoning practices.

Mr. Shiel added that the research he has cuts both ways. The question is what research is believable. One argument against inclusionary zoning is whether the cost would be passed on to the rest of the tenants.

Mr. Anderson observed in looking at these communities is it is difficult to find a community similar to Manchester that has inclusionary zoning. The best reason he has come across to consider something like this in Manchester is the opinion that we have affordable housing, we have more than other places, and we are doing our share. However, in recent years it has not been equitable in terms of the housing produced. Luxury apartments developed in the CUD district are not affordable housing. Another example is the Parkade – at this point there is no plan to make any of those units affordable. The argument is that, in new production of housing, some of that should be set aside for people of moderate income in Manchester (80% is average in Manchester).

Ms. Potocki observed discussions on the Planners List Serve webinar on inclusionary zoning. There was an argument about inclusionary zoning being statewide so municipalities are on equal footing, and she questioned what the current thought is.

Mr. Anderson replied that the effort is still active. He referred to the Town of Westbrook, which is much different than Manchester, where there is a legal case. His understanding is that there is one zone in town, which would require them to allow up to 4-family housing in the entire zone. He added that Desegregate CT and the equity conversation continue at the state level. There are multiple bills before the legislature. Every community is different and coming up with a one size fits all approach is very difficult. He noted that there is a state law that requires municipalities to set aside 10% of their housing as affordable, but the law has no teeth and the only thing it does is, if towns do not meet that threshold, the burden of proof is on the town denying the application rather than on the applicant.

However, according to Mr. Anderson, in Massachusetts there is a law that allows a developer to go outside of the zoning process if they do not meet 10%, through an unusual method, which has not resulted in much affordable housing. He noted that Manchester is above 14%.

Ms. Potocki speculated what CRCOG's stance has been on this subject. Since Manchester has been doing well with being equitable in its housing, she does not know the incentive for moving forward. In her opinion, unless there was a state-wide effort, she is unsure whether she would be a proponent.

Mr. Shiel reported that CRCOG has not weighed in as they represent many different towns.

Mr. Kennedy stated that the Town is basically exempt from 8-30G. Some of the towns may be trying to get ahead of a moratorium, which is not an issue for Manchester. The complexity of the

regulations is enormous. Considerations of affordability will change over time and monitoring that will be a nightmare. He noted that, in bedroom suburbs, the real drain on resources is a single-family subdivision, which is not true in Manchester. Another issue with this provision would be the impact on the school system as well as the impact on Town resources, which may be substantial. There would be a lot of work in this while Staff has the Plan of Conservation and Development coming up in addition to their usual workload.

Mr. Stebe interjected that inclusionary zoning could be approached as looking at where the Town can improve the roads to access. For example, in the Parkade development, there will be residential above first floor commercial and they will be market rate. It is difficult to say we will implement inclusionary zoning where there are no areas to expand into anymore. We need to look at how to reuse properties and locations to make it more accessible to a broad spectrum. There are more imaginative ways to build it in and have that as a driving factor. Where can some of the items to be looked at in the Plan of Conservation and Development flex a bit in order to allow more opportunities? There will be pushback if the Town just says it will revise everything in order to make it more inclusionary. His opinion is that it is a moving forward process rather than a rewriting entirely when the Town is doing a good job and the State needs to step up to offer more incentives and funding for developers to make it worth their while.

Mr. Stoppelman questioned what 80% of Hartford County median income is for a 4-person family. He had no objection to making it voluntary with incentives, but as Mr. Anderson said, we have not (other than the Section 8 mill housing) done anything in the last 15-20 years to create affordable housing in town. Another possibility is to let the Housing and Fair Rent Commission take a look at this before it is rejected entirely. Manchester has made tremendous progress integrating the town, especially attracting low to middle class families.

Mr. Shiel reported that a 4-person household 80% AMI is \$77,920 per year.

Mr. Stoppelman felt that may be high because Manchester does not have as high a median income as Hartford County. He stated that a certain number of those who need Section 8 housing cannot afford that. We use a figure of 30% for housing costs, not including heat, which is a substantial rent.

Ms. Poland questioned Mr. Shiel about the amount of affordable housing units: Bennet, Oxford, Squire, and MARC, which Mr. Shiel felt was accurate. He added that the way the Housing Department counts it is strange: deed restricted, CHFA mortgages, the big complexes mentioned. She acknowledged that we meet the threshold but wondered about it exactly. Mr. Shiel replied that the threshold for the statute is 10%, and we are 14%.

Mr. Prause observed that the State requires in 830J that there is a 5-year affordability plan, which he thought was produced by the Manchester Housing Authority.

Mr. Shiel responded that it would be the Town and the Planning Department, but as an entitlement community, we have a substantial HUD consolidated plan to meet the State requirement. It is a matter of adapting what we already have and tailoring it to the specific State requirement.

Mr. Prause remarked that, when he was looking at the Manchester Housing Authority website, it seems that is meant to comply with that requirement. He stated that he sees the point that we have a lot of affordable housing in Manchester. It is a statewide problem we have and we have a hard time retaining people who want affordable housing. They can move to the Midwest and get the same pay with cheaper housing. On the one hand, Manchester is doing its part and we could let the communities that are not doing it catch up to us. He noted that there are two other commissions in town that are focused on this (the Housing Authority, which looks over the MHA; and the Housing and Fair Rent Commission, which Mr. Stoppelman is Chair of). He asked if those commissions are giving signals that we do not have enough and speculated on whether they should weigh in as to whether we have enough affordable housing. Their commissions deal with the issue as their focus and if they feel we need to do something, we should. If their opinion is that Manchester has done well and we want to maintain the amount, we should take that input.

Mr. Anderson replied that both groups advocate that there is definitely not enough supply to meet the needs of people requiring affordable housing. He was unsure if either of those groups would have a position on whether that translates into inclusionary zoning.

Mr. Prause thought that, when working on the Plan of Conservation and Development, the Commission should reach out to those groups. If there is a push that we should be doing something in zoning, then that would be a good influence.

Mr. Stoppelman thought the general feeling is that we should be looking to provide workforce housing.

Ms. Scorso agreed that it should be reviewed by the appropriate commissions. This is a standard that we should look at through Planning and Zoning, and she supports exploring it. She questioned whether there is anything the Commission can give for questions that we need more information, or if the Commission wants to wait for the additional review by the other commissions.

Mr. Anderson stated that the Planning Department can put together information regarding the location of affordable housing in the town and what form it takes. The Housing and Fair Rent Commission could be involved in that. We could talk more about what the affordable housing appeals list means and can look at some of the other ideas brought up tonight. There are different ways to approach: maybe it is not a requirement, maybe it would be a bonus or that type of thing. At this point, we are trying to get a feel of whether it is worth Staff time to pursue if it is important to the Commission.

Mr. Stoppelman commented on Mr. Stebe's reference to the Parkade. He clarified that there is no indication that there will be any affordable housing built there, which Mr. Anderson confirmed. Mr. Anderson stated that was driven by the Board of Directors and the Redevelopment Agency from the beginning of the process.

Ms. Potocki asked Mr. Shiel whether, outside of the state of Connecticut, there are any case studies showing what incentives have been successful regarding inclusionary zoning.

Mr. Stoppelman commented that Rachel Road has 191 units of very affordable 2-bedroom rentals for less than \$600. Many of those residents have gone on to purchase their own houses in Manchester. It would be interesting to find out how many of the residents have done that.

Ms. Pilla thanked the Commission members for their input. She noted Mr. Stebe made a great point that some of the lower hanging fruit, smaller projects, may actually accomplish more by supporting inclusion through flexibility and the availability of options.

Accessory Dwelling Units (ADU)

- A smaller, independent residential dwelling unit located on the same lot as a stand-alone single-family home
- Types:
 - Internal (a converted portion of an existing home)
 - Attached (additions to new or existing homes)
 - Detached (new or converted portions of stand-alone accessory structures)
- Creates a wider range of housing options and affordability within the community

SB-1024

If passed, would include requirement for zoning regulations to allow accessory apartments in any zone where single-family homes are allowed.

339 Sec. 5 (NEW) (*Effective October 1, 2021*)(a) Any zoning regulations
340 adopted pursuant to section 8-2 of the general statutes, as amended by
341 this act, shall:

342 (1) Designate locations or zoning districts within the municipality in
343 which accessory apartments are allowed, provided at least one
344 accessory apartment shall be allowed as of right on each lot that contains
345 a single-family dwelling and no such accessory apartment shall be
346 required to be an affordable accessory apartment

Ms. Pilla explained that an in-law apartment is more specifically meant for family members. She noted that West Hartford recently made a change to allow accessory dwelling units in all single family zones. The various types of structures and how they are zoned were detailed.

Residential Uses Above First Floor Commercial Uses

Ms. Pilla reported that Manchester does allow this use in most of our commercial and mixed use zones. It is permitted up to 4 units by right, and 5 or more units/greater than 5,000 sq. ft. with a special exception. A table of residential uses above first floor commercial by zone was displayed and explained. She explained that the Central Business District, the downtown area, does not list it as a permitted use, but there are apartments above first floor commercial uses. Some may be grandfathered in.

Ms. Pilla stated that she wanted to discuss this topic because it was a goal in Manchester 2020. However, of the three topics at this meeting, we are in pretty good shape on this one.

Mr. Anderson added that, practically, the multi-family units above commercial are allowed in the Central Business District. We need to speak with Jim Davis, the Zoning Enforcement Officer, about how he sees that, though it has never been an issue. He stated that one change to consider is whether we should allow more by right or whether that is the right level for special exception, 5 or more units.

Ms. Potocki observed that something she finds striking now that we have had a pandemic, the togetherness everyone felt may no longer be desired. She wondered how many accessory units are related to older housing stock, any concerns from a health perspective and whether we should be promoting residential uses. Perhaps we should have a conversation with the Health Director.

Mr. Shiel responded that the correlation was with overcrowding as opposed to density.

Ms. Pilla added that, in the approval process for any dwelling unit, there will be all the same building permits and inspections for construction.

Regarding ADUs, Mr. Shiel reminded the members that there was legislation over the summer. There are already provisions via special permit to allow a conversion to two or three family units from a single family home.

Mr. Kennedy offered that most towns allow accessory dwelling units at this point. He understands the difference between an in-law and an accessory dwelling, but people have gotten used to in-law apartments. Most people recognize that it doesn't have an impact on neighborhoods if someone has an additional apartment. He would be in favor of adopting regulations to allow that. In terms of residential above commercial, he is in favor of that conceptually. The regulations we have seem to be working for the Central Business District. If there is no issue with the way regulations are operating now, we don't need to change it.

Mr. Stoppelman noticed that the Colchester regulation on ADUs states nothing within 50 ft. of the property line. Obviously, that would not do well in Manchester, but we have to figure out in residential zoning what will work in town.

Ms. Scorso questioned whether there are separate utilities in ADUs. Ms. Pilla replied that there are. She is in support of exploring this as well.

Mr. Prause asked what the next step for Staff would be. He thought the presentation showed what other towns are doing regarding inclusionary zoning and wondered if Staff wants to know the Commission's opinion of other towns' regulations.

Ms. Pilla said that, at this stage, particularly with inclusionary zoning, that will be Step 2. Step 1 is whether we want to pursue this at all. If we decide to move forward, the next step would be to determine how we want to frame the regulations for Manchester. However, if we make the decision to hold off for a time, she felt we do not need to dive too deep into the details.

Mr. Stoppelman suggested having the Housing and Fair Rent Commission look at it, with which Ms. Pilla agreed.

Mr. Prause feels there are differing opinions on what to do next; some people want to move forward and some people don't. There are those that want more information from other stakeholders. He asked Staff whether we should formally ask other commissions if they have input.

Mr. Anderson reported that the Housing and Fair Rent Commission meets this month, which would be a good topic of conversation to start. They are an advisory board, and it would be appropriate to talk to them. We can have a side conversation with the president of the Housing Authority. He felt that most people seem to be on board with looking at ADUs further.

Ms. Pilla concurred that members are on board with the ADUs. Perhaps moving forward with notation of them in the regulations to clarify what they are and where they are permitted would be a good direction.

Mr. Anderson suggested waiting to see if the legislation passes this session. If that doesn't pass, perhaps we can take further steps. He added that, on the 3rd one, there isn't a lot to do. We will talk with the ZEO to ensure downtown is OK. There is not a lot to do at this time, in his opinion, unless someone feels very strongly.

The Workshop closed at 8:30 P.M.