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MILFORD, CT



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April 1, 2024

Mr. Robert H. Smith
Executive Managing Director
Metro Star Companies LLC
41 Cherry Street
Milford, CT 06460

Subject: Affordable Housing
Milford, CT
RCI File: 224108

Mr. Smith:

At your request, I have reviewed and analyzed the City of Milford, CT, proposal to require twenty percent (20.0%) of new apartment complexes constructed in the City of Milford be designated as affordable units to meet the State of Connecticut target that each municipality have ten percent (10.0%) of its residential housing stock be affordable housing.

The Connecticut 2023 Affordable Housing Appeals List-Non-Exempt Municipalities lists Milford, CT, as having 1,257 affordable housing units, based on the 2020 census, out of 23,749 housing units, equating to 5.29% of Milford's residential housing stock as affordable. It should be noted that the State of Connecticut does not restrict affordable housing to only apartments but also includes government assisted units (728 units in Milford), tenant rental assistance (315 units), single family CHFA/USDA mortgages (140 units) and deed restricted units (74 units). Currently, apartments represent about 25% of affordable units in Milford.

The data below demonstrates that Milford has a higher housing affordability index when compared to New Haven County, CT, the State of Connecticut, and the U.S. Milford's housing affordability index is greater than New Haven County, CT, and the nation.

Variable	Milford town, CT	New Haven County, CT	Connecticut	USA
2023 Housing Affordability Index	99	83	89	94
2023 Total Housing Units	23,987	372,017	1,547,996	144,063,309
2021 Total Housing Units	23,363	368,720	1,527,039	139,647,020
2020-2023 Housing Units: Compound Annual Growth Rate	0.31%	0.24%	0.36%	0.77%
2023 Renter Occupied Housing Units	6,070	137,814	502,621	45,630,951
2028 Total Housing Units	24,201	374,176	1,561,174	147,336,052
2023-2028 Owner Occupied Housing Units: Compound Annual Growth Rate	0.44%	0.36%	0.38%	0.66%
2023-2028 Housing Units: Compound Annual Growth Rate	0.18%	0.12%	0.17%	0.45%

Data Source: STDB/ESRI/ US Census Bureau

Variable	Milford town, CT	New Haven County, CT	Connecticut	USA
2023 Housing Affordability Index	99	83	89	94
2021 Poverty Index	45	94	82	100
2023 Total Housing Units	23,987	372,017	1,547,996	144,063,309
2023 Households in Low Income Tier	3,193	77,713	283,827	26,158,032
2021 Total Housing Units	23,363	368,720	1,527,039	139,647,020
2028 Households in Low Income Tier	2,767	70,750	256,428	22,697,958
2020-2023 Housing Units: Compound Annual Growth Rate	0.31%	0.24%	0.36%	0.77%
2023 Renter Occupied Housing Units	6,070	137,814	502,621	45,630,951
2028 Total Housing Units	24,201	374,176	1,561,174	147,336,052
2023-2028 Owner Occupied Housing Units: Compound Annual Growth Rate	0.44%	0.36%	0.38%	0.66%
2023-2028 Housing Units: Compound Annual Growth Rate	0.18%	0.12%	0.17%	0.45%

Data Source: STDB/ESRI/ US Census Bureau

The above data shows that the poverty index for Milford, CT, is at about 45, while New Haven County is 94, the State of Connecticut is 82, and the U.S., which is the benchmark, is 100. In addition, Milford households in the lower income tier are 3,193 units or 4.11% of New Haven County. This data clearly demonstrates that while there is some demand for affordable housing in Milford, the demand is not as great as in other communities due to Milford's higher affordability index, lower poverty index, and modest low-income tier.

The 8-30g 10% goal for affordable housing as mandated by the State of Connecticut is a moving target and will be difficult for Milford to achieve. Based on the Appeals List Data, Milford should have about 2,375 affordable units. When the current affordable housing stock of 1,257 is deducted from the goal of 2,375 the result is 1,118 units short of the threshold. Applying the zoning commission proposal requiring 20% affordable units to new apartment development would require 5,590 units constructed to meet the 8-30g 10% goal. A residential permit analysis for 2018 -2023 for Milford determined an average of 120 units permitted per year. Assuming 120 units can be built and absorbed each year it will take over 45 years to reach the 10% affordable housing goal. Additionally, it will take all property types classified as affordable by the State of Connecticut Department of Housing, not just apartments to contribute to the process. The proposal requiring new apartment developments to include 20% affordable units is not justifiable and will discourage apartment construction in Milford. This proposal is devoid of the adverse fiscal impact it places on new apartment development and will reduce tax revenue to the City of Milford.

Respectfully submitted,



Stanley A. Gniazdowski, CRE, CCIM
Consultant



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Stanley A. Gniazdowski, CRE, CCIM

Mr. Gniazdowski is president of Realty Concepts, Inc. a Guilford Connecticut based International Real Estate Consulting and Advisory Group, which he founded in 1984. He has been in the real estate profession since 1973 as a broker, appraiser and consultant. He was Vice President and a consultant at Cushman & Wakefield prior to forming his own firm.

Mr. Gniazdowski has provided real estate consulting, appraisal, asset management, litigation support and development consulting to national and international corporations, developers, investors, retailers, governmental agencies, lenders and law firms. He specializes in investment analysis and structuring, development market analysis and impact analysis, litigation support, specialized appraisal work and asset management. His experience includes single assets in excess of \$100,000,000.

He holds the Counselor of Real Estate Designation "CRE" of which there are about 1,800 world-wide, the CCIM Institute "CCIM" designation and is a Senior Instructor for the CCIM international education courses. Stan is the recipient of the CI 102 (Market Analysis Course) Instructor of the year. In July of 2022 Stan was honored with the Robert L. Ward Instructor of The Year. He serves on committees for CCIM Institute including 2013 Education Chairman, University Alliance Committee, the Board of Directors of the CCIM Education Foundation, past CCIM Region 11 VP and CCIM Board of Directors. In April 2017 Mr. Gniazdowski was honored by the CCIM Education Foundation with named endowed scholarship. In 2021 Mr. Gniazdowski became president of CCIM Tech and reelected in 2022 and for 2023. CCIM Tech is a subsidiary of CCIM Institute, which administers the CCIM real estate GIS and data system, Site To Do Business (stdb.com). For 25 years, he served as an Adjunct Assistant Professor of Real Estate at New York University and the recipient of the NYU "Award for Teaching Excellence". In 2019 Mr. Gniazdowski taught market analysis GIS workshops at Harvard University in its graduate urban economics and market analysis course. He has consulted internationally in Egypt, Poland, Russia, Slovakia, Taiwan, Hungary and Ukraine. He lectures and trains internationally. In 2008 Mr. Gniazdowski co-authored a book for the American Bar Association titled, "Redevelopment- Planning, Law and Project Implementation" a Guide for Practitioners