



Local Regulatory Affairs Fact Sheet

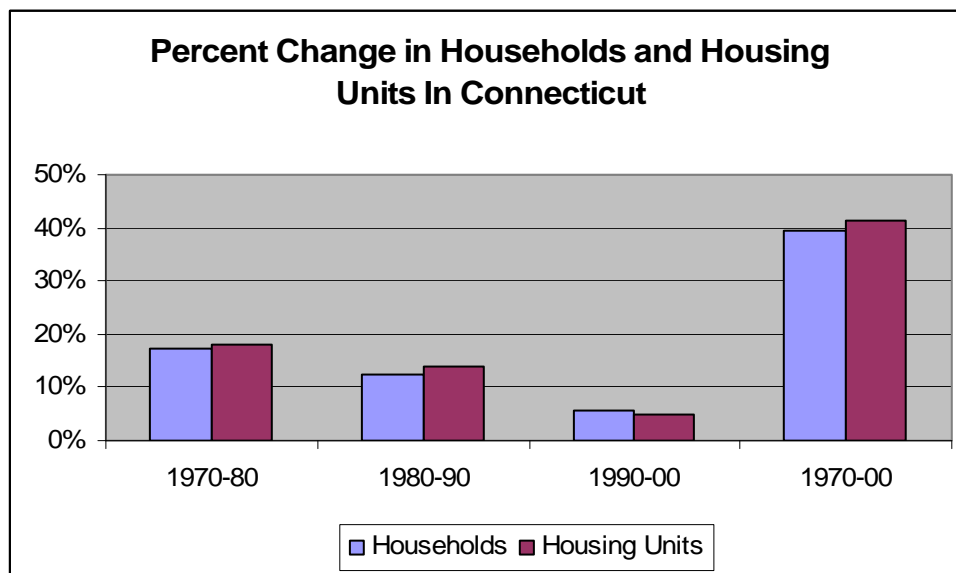
DEVELOPMENT PATTERNS AND DATA FACT SHEET

Revised June 2007

This fact sheet contains miscellaneous data and information on development in Connecticut. All of the facts contained here are derived from independent sources. This data paints a more accurate picture of development in Connecticut and the impact of new housing that are often overlooked by opponents of development.

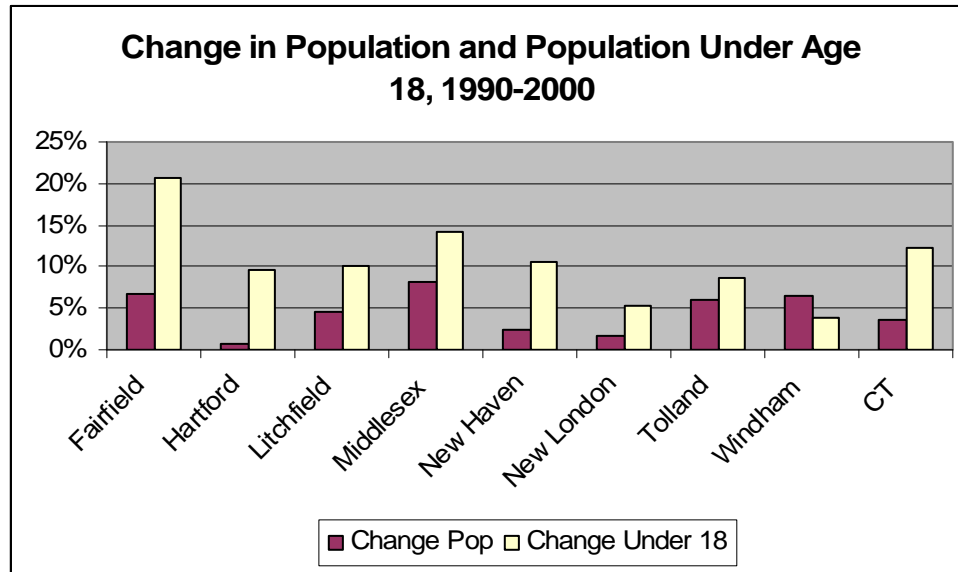
Data

- According to the U.S. Census Bureau, forests comprised 60 percent of Connecticut's land in 1997. In addition, farms comprised 12 percent of the land in 1997. The land cover data from UCONN found similar percentages (see our HBA/LRA Land Cover Fact Sheet).
- Non-farm employment in Connecticut grew by 41.4 percent from 1970-2000. These jobs translate to increased demand for commercial and industrial development.
- Household formations grew by 39.5 percent from 1970-2000 in Connecticut, while overall population grew by 12 percent. Thus, household formations have much more to do with demographic changes in society, such as divorce rates and smaller household sizes. Combined with employment growth, household formations (not population growth) are significant drivers of land use development, both residential and commercial.
- Growth in housing units is directly comparable to the growth in households.

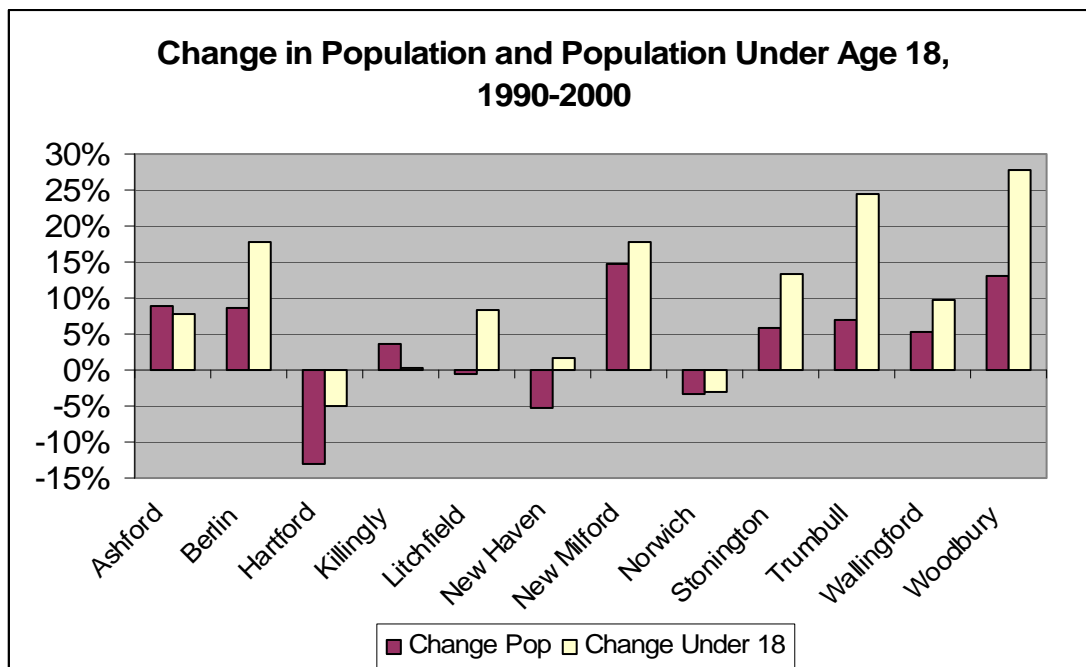


Source: Census Bureau

- There is little correlation between the increase in school-aged children and overall population growth. If there was a direct correlation, the percentages for each town would be closely aligned, as they are with households and housing units shown above, and the changes would be consistently aligned across each municipality. Here are data on population changes for Connecticut, its eight counties, and a sample of cities and towns.

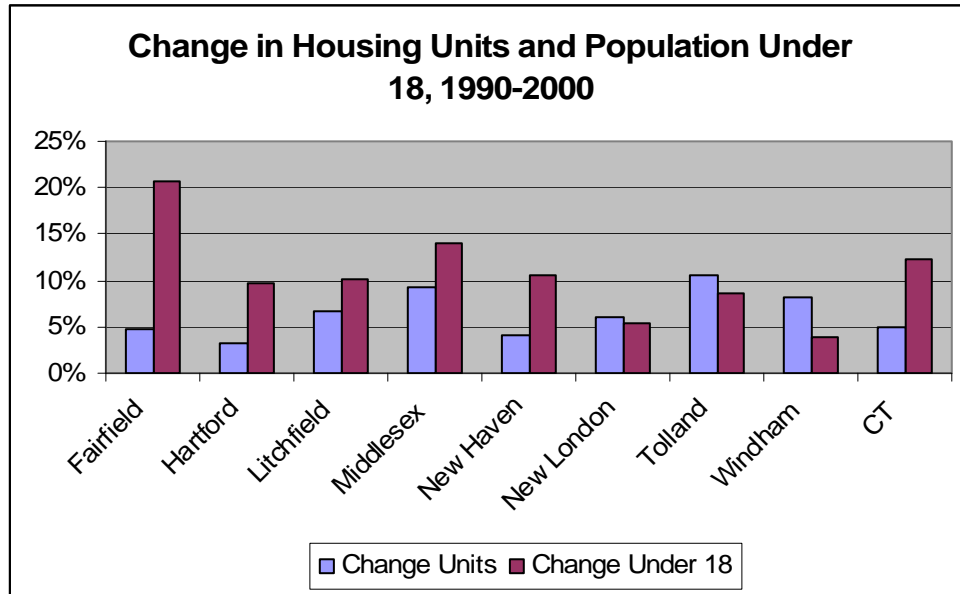


Source: Census Bureau

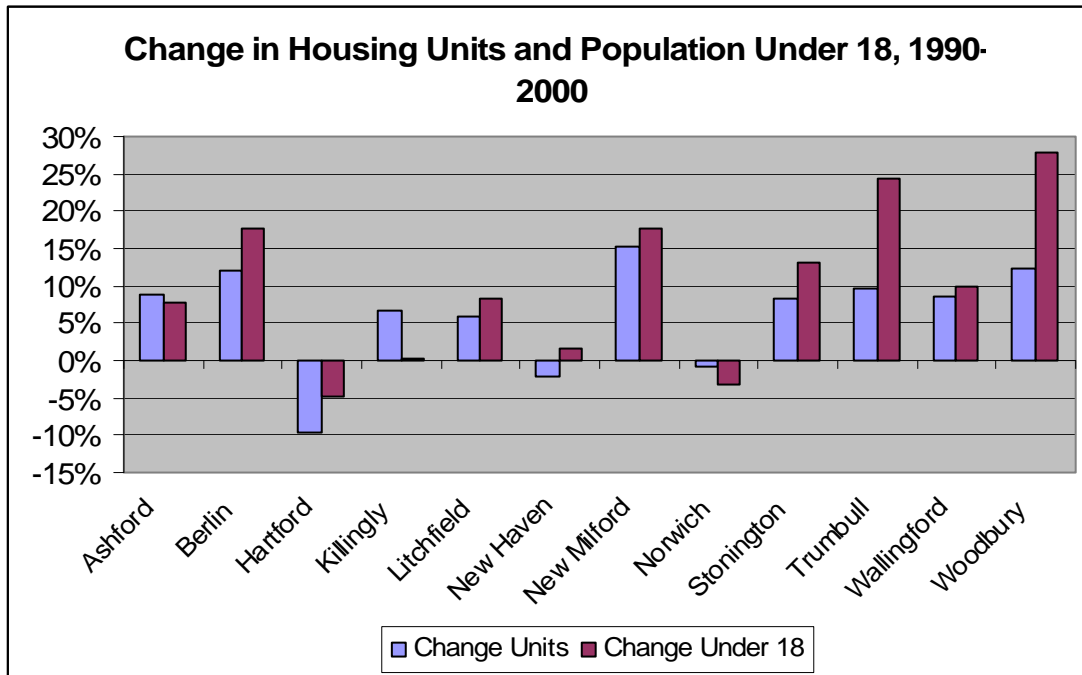


Source: Census Bureau

- More importantly, there is little correlation between the increase in school-aged children and new housing units. Here are data on housing unit and school-aged population changes for Connecticut, its eight counties, and a sample of cities and towns.



Source: Census Bureau



Source: Census Bureau

- New homes generally have a higher market value than existing homes. This translates to higher property taxes paid. **Combined with the actual number of public school-age children in homes (averaging about 0.6/home), this means – contrary to popular belief - that new homes are usually a net tax benefit to a municipality.** The following is an example from the town of Wallingford.

Education Budget	\$67,396,904
State Share	\$21,037,008
Local Share	\$46,359,896
School Enrollment	7,289
Local Cost Per Student	\$6,360
Housing Units	17,540
Students Per Housing Unit	0.42
% Property Tax Budget Designated for Education	64%
Average Price Of Existing Single-Family Home	\$196,000
Taxes Paid	\$3,114
Taxes Paid Toward Education (64%)	\$1,993
Education Cost Per Existing Home	\$2,671
Net Cost Per Existing Home After Education Cost	(\$678)
Average Price Of New Single-Family Home	\$325,000
Taxes Paid	\$5,164
Taxes Paid Toward Education (64%)	\$3,305
Education Cost Per Existing Home	\$2,671
Net Benefit Per New Home After Education Cost	\$634

Source: Town of Wallingford Plan of Conservation and Development, 2003; HBACT

Connecticut Metropatterns

Connecticut Metropatterns is a report that was commissioned by the Archdiocese of Hartford. The purpose of the report was to show how development patterns were negatively impacting the quality-of-life in Connecticut. **The report’s analysis of Census data grossly inflates the real amount of land that has been developed in CT.** One of the most cited statistics in the report – and repeated often since its publication – is that the amount of land in residential uses increased by over 100 percent between 1970 and 2000 in Connecticut, while the population grew by 12 percent. This analysis is flawed for the following reasons:

- The analysis uses census tracts as its geographic base. It defines an urbanized census tract as containing 160 housing units per square mile (or one unit per four acres);
- The study uses the state average population per housing unit (460 persons / 160 housing units = 2.875 persons per housing unit). However, each census tract has a different population per housing unit value, so using an “average” number does not offer a true representation for each individual census tract.

- The density of 460 persons per square mile used in the study is eight percent lower than the 500 persons per square mile that the Census Bureau uses to define urbanized. Under the study's assumption of persons per household (2.875), 174 housing units per square mile should be the threshold to meet the Census definition of urbanized. But the study uses 160 units per square mile, potentially increasing the number of census tracts defined as urban.
- **The finding that land in residential use has increased by over 100 percent is further inaccurate as follows.** For example, assume that the number of "urbanized" census tracts has increased by 100 percent as stated in the study. This does not mean that there has been a 100 percent increase in residential land use as stated in the study because most of the census tracts already contained some development prior to 2000. The following are two examples of how the *Connecticut Metropatterns*' use of Census data can be misleading:
 - Census tract 5205.01 (Glastonbury) was listed as becoming urbanized from 1990-2000. In 1990, this census tract had 428 people and 158 housing units per square mile. This translates to one unit per 4.05 acres. In 2000, the tract had 514 people and 190 housing units per square mile. This translates to one unit per 3.37 acres. While this is considerable growth on a percentage basis, due to the high desirability of the area as a place to live, it does not represent a 100 percent increase in developed land;
 - Census tract 5501 (East Hampton) became urbanized from 1980-1990. However, from 1990-2000, the density in this tract actually stayed the same. In 1990, the tract had 399 people and 175 units per square mile. In 2000, those numbers were 401 and 175, respectively.
- **A comparison of growth in the number of urbanized census tracts to "population" growth is also not an appropriate comparison to make judgments about land use development.** A more relevant indicator than population growth is growth in the number of households because, as demonstrated above, residential development occurs to accommodate household formations, not population growth. And household formations grew by 39.5 percent between 1970 and 2000 in Connecticut;
- **The *Connecticut Metropatterns* report also does not account for replacement of demolished units.** This replacement often occurs in urban areas. The demolished units may be replaced by non-residential uses (e.g., commercial buildings, parking lots, etc.), increasing the need for replacement housing in other areas.

General Development-Related Points on Interest

The following are important considerations when discussing housing, sprawl and smart growth.

- The housing industry is often blamed for causing sprawl. However, the housing industry is only responding to two dynamics of which it has little control – market demand and local regulations. Market demand is directly correlated with household formations, which are related to societal demographic trends and job growth. Local regulations are a direct contributor to pushing development further out as lot sizes and other development restrictions increase and communities deny acceptance of higher density development.

- Most towns in Connecticut do not allow “smart growth” development. Their regulations are written to limit density, which is the only alternative to sprawl short of stopping growth altogether. And stopping growth altogether would be economic and social suicide.
- When a developer or builder proposes a higher-density development, he or she is often denied due to density concerns. These concerns are often expressed by residents who are the same people decrying sprawl and loss of open space.
- While there is a demand for living in a high-density, urban environment, the majority of individuals prefer to live in a detached, single-family home.
- Social ills such as crime and poor schools are a key driver of sprawl as individuals move to communities that offer more safety and better educational opportunities.
- Contrary to popular belief and claims that new development forces infrastructure costs on municipalities, developers provide their own infrastructure for their developments, such as roads, sewers, water and other utilities. Once dedicated and accepted by municipalities, they then incur maintenance costs but these are generally less than older infrastructure in existing neighborhoods and more than paid for from the higher taxes derived from newer developments.
- In most cases, new homes are priced higher than existing homes and, therefore, new homes work to subsidize the services provided to existing homes. But, if new homes do not pay their own way in a community, it is highly likely that existing homes in that community are paying even less of their way. In almost all cases, public services in a community are being further subsidized by non-residential development.
- Non-residential development, especially commercial development, occurs only after residential development is in place. Commercial development wants to see a robust residential market for their goods and services before committing to a community. So stopping residential growth, by default, limits commercial development.
- CT is not over-developing its land area. The amount of CT’s land cover that is considered developed by the most accurate assessment to date, UCONN’s satellite land cover study of the state, finds that our developed area increased from 16.3% of the state in 1985 to 18.7% in 2002 (see our Land Cover Data Fact Sheet).
- Housing is a critical component to economic development. Connecticut will not be able to compete economically if it does not provide sufficient, affordable housing for its workforce and provide this housing at all income levels. **Affordable housing programs help to alleviate the housing needs at the low to moderate income level. But our land use policies, the single largest driver of high housing costs, must adjust to support the housing needs of our middle class, the moderate income populations that are the bulk of our economy’s workforce.**

HBA/LRA Fact Sheets are produced by the Home Builders Association of Connecticut, Inc., 1245 Farmington Avenue, 2nd Fl, West Hartford, CT 06107. All reported data in this Development Patterns Data Fact Sheet comes directly from independent sources. The HBA can be reached at 860-521-1905.