



Southbury Housing Needs Assessment



This assessment was prepared for the Town of Southbury by the Naugatuck Valley Council of Governments.

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This Housing Needs Assessment (HNA) was completed using 2020 Comprehensive Housing Affordability Strategy (CHAS) data.

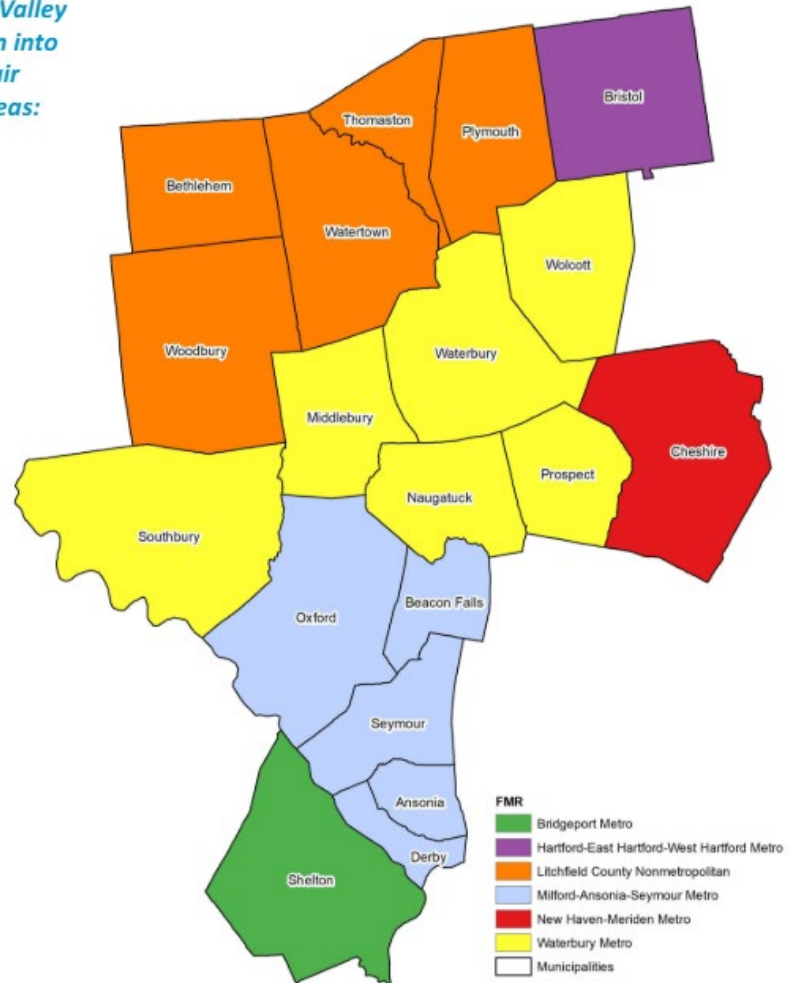
Southbury's Current Housing Stock

Southbury's current housing stock can be evaluated using two different measures. First, examining how many households are cost burdened. Second, understanding where gaps exist between Southbury's housing stock and resident's current household income.

Both methods of evaluation can be completed using Comprehensive Housing Affordability Strategy (CHAS) data published by the United States Department of Housing and Urban Development (HUD).¹

To conduct both evaluations, the State and Federal government use the Area Median Income (AMI) to organize households into income groups based on specific percentages of the AMI. These groups are then used to determine eligibility for various rental and homeowner assistance programs. This number is comparable to the Median Family Income (MFI), which is also calculated for geographic areas called Fair Market Rent (FMR) areas, as shown on the map.

The Naugatuck Valley Region is broken into the following Fair Market Rent Areas:



Southbury is located in the Waterbury Metropolitan FMR area, along with Middlebury, Naugatuck, Waterbury, Wolcott, and Prospect.

The 2020 Average Median Income in Southbury is \$80,300²

¹ [Comprehensive Housing Affordability Strategy \(CHAS\) Data](#)

² [CT DOH Income Limits based on HUD Median Incomes](#)

Southbury's Cost Burdened Households

What households are considered cost burdened?

A household is considered cost burdened when they spend more than 30% of their income on housing costs such as rent and mortgage payments. Cost burdened households have less income to spend on other needs such as food, transportation, and healthcare.

What households are considered severely cost burdened?

A household is considered severely cost burdened when they spend more than 50% of their income on housing costs such as rent and mortgage. Severely cost burdened households will have even less money available to spend on necessities such as food and healthcare and may not be able to economically participate in their communities.

What is included in 'housing costs'?

For renter households: The cost of rent, common charges in the case of a rental in a common interest community, and heat and utility costs.

For owner households: Periodic mortgage payments, real property taxes, real property insurance, common charges in the case of a common interest community, and heat and utility costs.

Television, telecommunications, and information technology services are not included as utility costs in the housing costs of either renter or owner households.³



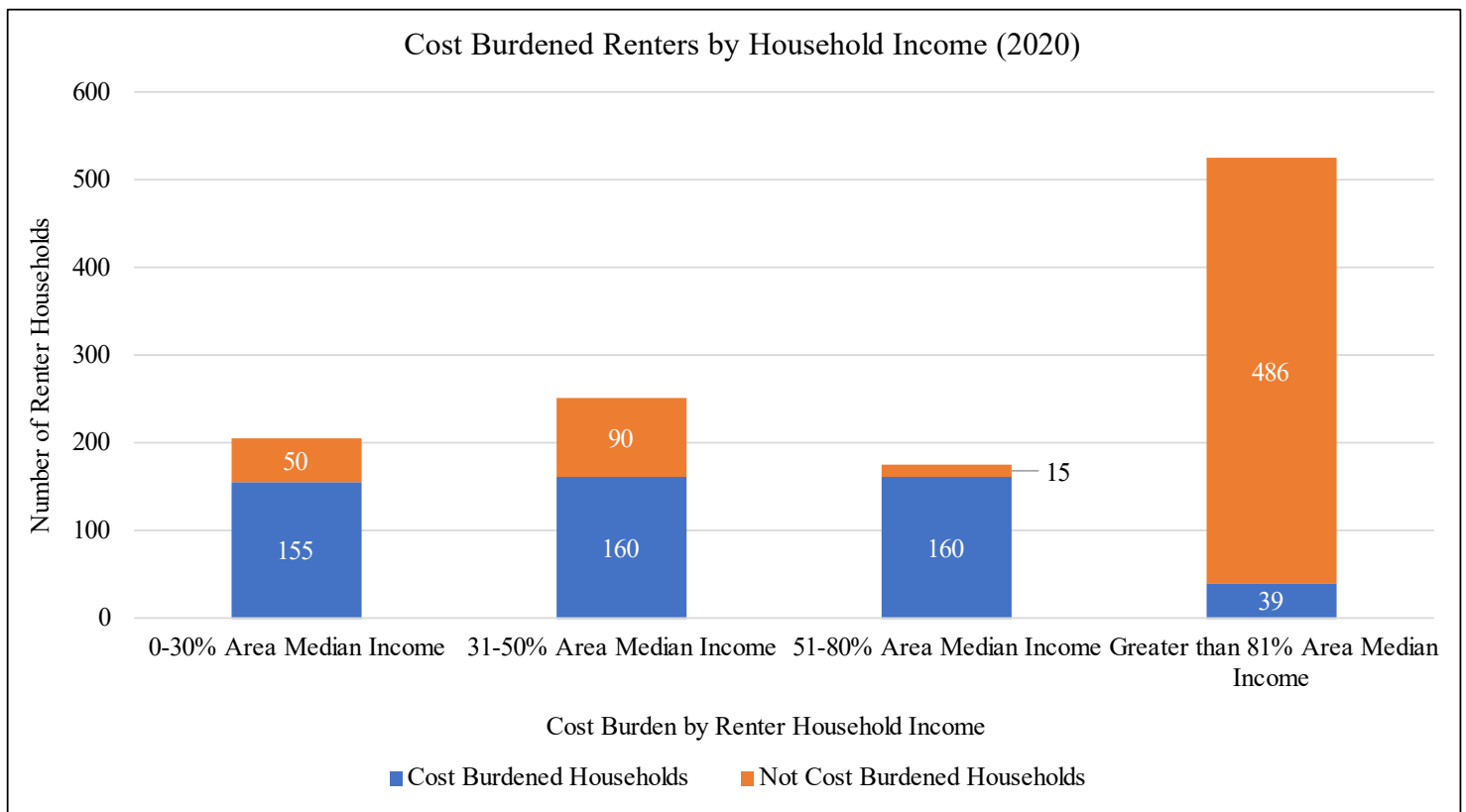
What is included as a "housing cost" for...

- 1) Renters:** the cost of rent, common charges in the case of a rental in a common interest community; and heat and utility costs, excluding television, telecommunications, and information-technology services.
- 2) Homeowners:** periodic mortgage payments, real property taxes, real property insurance, common charges in the case of common interest community, and heat and utility costs, excluding television, telecommunications and information-technology services.

³ [CT Housing Assessment Report](#)

Cost Burdened Renter Households

Cost Burdened Renter Households (2020)				
Household Income as Percent of AMI	Household Income Estimates	Total Renter Households	Total Cost Burdened Renter Households	Percent Cost Burdened
0-30% Area Median Income	\$0.00 - \$24,090	205	155	76%
31-50% Area Median Income	\$24,893 - \$40,150	250	160	64%
51-80% Area Median Income	\$40,953 - \$64,240	175	160	91%
Greater than 81% Area Median Income	\$65,043 and Greater	525	39	7%
Total		1,155	514	45%



Key Findings

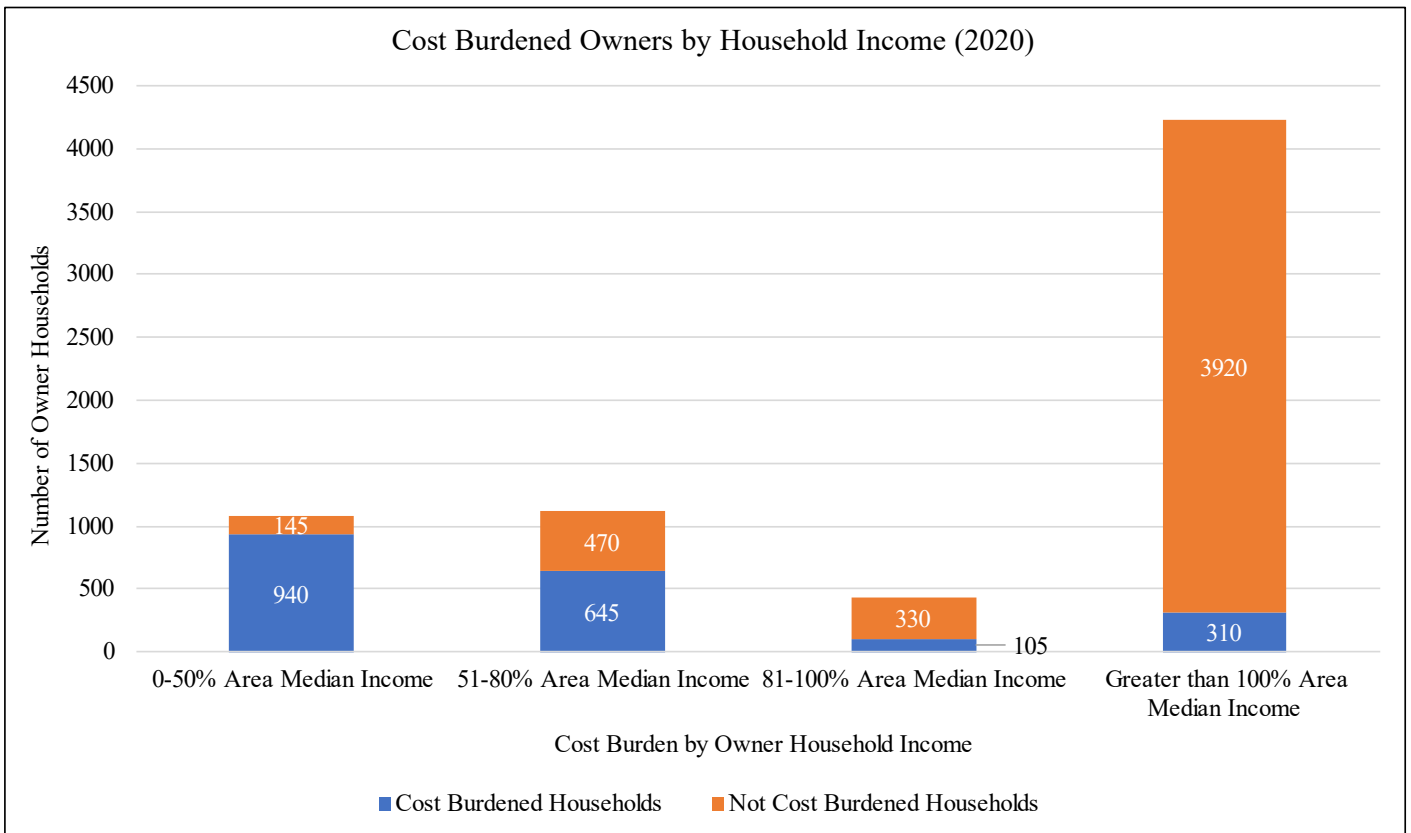
In Southbury, 45% of renter households (514 households) are considered cost burdened, or are spending more than 30% of their household income on housing costs. Renter households making between 51-80% of the Area Median Income are the most likely to be cost burdened in Southbury, with 91% (160 households) spending more than 30% of their household income on housing costs. Renter households earning between 0-30% of the Area Median Income are the next most likely to be cost burdened. Of this group, 76% (155 households) are spending more than 30% of their household income on housing costs. Of the renter households who earn between 31-50% of the Area Median Income, 64% (160 households) are considered cost burdened. Finally, renter households earning greater than 81% of the Area Median Income are least likely to be cost burdened, with only 7% (39 households) spending more than 30% of their household income on housing costs.

Cost Burdened Owner Households

Cost Burdened Owner Households (2020)

Household Income as Percent of AMI	Household Income Estimates	Total Households	Total Cost Burdened Households	Percent Cost Burdened
0-50% Area Median Income	\$0.00 - \$40,150	1,085	940	87%
51-80% Area Median Income	\$40,953 - \$64,240	1,115	645	58%
81-100% Area Median Income	\$65,043 - \$80,300	435	105	24%
Greater than 101% Area Median Income	\$81,103 and Greater	4,230	310	7%
Total		6,865	2,000	29%

Cost Burdened Owners by Household Income (2020)



Key Findings

In Southbury, 29% of owner households (2,000 households) are considered cost burdened because they are spending more than 30% of their household income on housing costs. Owner households making between 0-50% of the Area Median Income are most likely to be cost burdened in Southbury, with 87% of this group (940 households) spending more than 30% of their household income on housing costs. 58% of owner households in Southbury making between 51-80% of the Area Median Income (645 households) are considered cost burdened. Of the owner households in Southbury who earn between 81-100% of the Area Median Income, 24% (105 households) are spending more than 30% of their household income on housing costs. Finally, owner households in Southbury who earn more than 101% of the Area Median Income are least likely to be cost burdened, with 7% of this group (310 households) spending more than 30% of their household income on housing costs.

Southbury Compared to Other Municipalities in The Waterbury Metropolitan Fair Market Rent (FMR) Area⁴

Renter Household Cost Burden in Neighboring Communities in the Waterbury Metropolitan FMR Area

Other Municipalities in the Waterbury FMR Area	Middlebury	Naugatuck	Prospect	Southbury	Waterbury	Wolcott
Total Renter-Occupied Housing Units	375	3,835	160	1,155	23,160	950
Households Spending 30-50% of Household Income on Housing Costs	5%	30%	34%	16%	20%	21%
Households Spending More Than 50% of Household Income on Housing Costs	9%	20%	28%	28%	28%	15%

Owner (with mortgage) Household Cost Burden in Neighboring Communities in the Waterbury Metropolitan FMR Area

Other Municipalities in the Waterbury FMR Area	Middlebury	Naugatuck	Prospect	Southbury	Waterbury	Wolcott
Total Owner-Occupied Housing Units	2,535	8,010	3,055	6,865	18,980	5,460
Households Spending 30-50% of Household Income on Housing Costs	15%	15%	13%	18%	17%	9%
Households Spending More Than 50% of Household Income on Housing Costs	7%	7%	8%	11%	14%	15%

Key Findings

16% of Southbury’s renter households are cost burdened, or spending more than 30% of their income on housing costs. This number is higher than Middlebury, but lower than percentages in the rest of the communities that make up the Waterbury Metro FMR area. Of the renter occupied households in Southbury, 28% are severely cost burdened, or spending more than 50% of their income on housing costs. This is on par with the percentages in Prospect and Waterbury, but higher than those in Middlebury, Naugatuck, and Wolcott.

18% of Southbury’s owner (with mortgage) households are cost burdened and 11% are severely cost burdened. The percentage of cost burdened owner households in Southbury is higher than in the other communities that make up the Waterbury Metro FMRA. Southbury’s severely cost burdened owner households percentage, however, sits right in the middle with higher percentages in Waterbury and Wolcott, but lower percentages in Middlebury, Naugatuck, and Prospect.

⁴ [Naugatuck Valley Council of Governments Regional Housing Profile](#)

Gaps in Southbury's Housing Stock

What does it mean to have a 'gap' in your housing stock?

A housing gap occurs when the demand for housing at a specified income group is larger than the supply of units affordable to that group.

CHAS data can help us to determine where gaps in housing stock exist using:

1. The number of households earning a given percentage of their area's median income (AMI). (CHAS groups renter and owner households into income groups, such as 0-30% AMI for renter households and 0-50% AMI for owner households).
2. The number of units, both occupied and vacant, that are available and affordable for each defined income group. (These units represent housing costs that are 30% or less of the income for each group).
3. Each housing units' level of affordability and the income of the households currently occupying the units. (Example: A housing unit may be affordable to households earning 0-30% of the AMI, and occupied by a household earning 51-80% of the AMI.)

Why does a gap in your housing stock matter?

When a household occupies a unit that is considered affordable for a higher income group, that household is more likely to be spending more than 30% of their income on housing needs. For example, if a household that earns 81-100% AMI occupies a unit that is affordable to households earning 100%+ AMI, the household earning 81-100% AMI is more likely to become cost burdened or severely cost burdened.

When a household occupies a unit that is considered affordable for a lower income group, the household is more likely to be spending less than 30% of their income on housing needs. For example, a household earning between 51-80% AMI occupying a unit that is affordable to a household earning 30-51% AMI will be spending less of their income on housing but will reduce the number of units available to those in the lower income group.

When this happens throughout a municipality, it creates gaps in housing affordability for each income group. A decrease in the number of vacant units can raise the price of those that are available and significantly impact the supply of affordable housing for lower income groups. **A housing needs assessment identifies the total number of current Southbury households at specific income groups that would not be able to find an available unit corresponding to their income group.**

A housing needs assessment can be used to better understand who is occupying Southbury's housing stock, and the amount of housing that is needed to create equitable access to affordable housing for all income groups.

Housing Unit Gap for Renter Households

Housing units are considered affordable to a specific income group if the total housing costs do not exceed 30% of the household's annual income. The table below outlines the estimated annual income for each AMI group and the corresponding housing cost range that would be considered affordable.

Annual "Affordable" Housing Cost Ranges for Each Renter Household Income Group (2020)			
Renter Household Income as Percent of AMI	Renter Household Income Estimates	Annual "Affordable" Housing Cost Range	Monthly "Affordable" Housing Cost Range
0-30% Area Median Income	\$0.00 - \$24,090	\$0.00 - \$7,227	\$0.00 - \$602
31-50% Area Median Income	\$24,893 - \$40,150	\$7,468 - \$12,045	\$622 - \$1,004
51-80% Area Median Income	\$40,953 - \$64,240	\$12,286 - \$19,272	\$1,024 - \$1,606
Greater than 81% Area Median Income	\$65,043 and Greater	\$19,513 and Greater	\$1,626 and Greater

Note on Reading the Following Graphs

The housing gap for renter households in Southbury can be examined closer on the following pages. Each graph was completed using AMI groups and is labeled accordingly. You can refer to the tables on this page when reading each graph to help identify the corresponding household income for each income group.

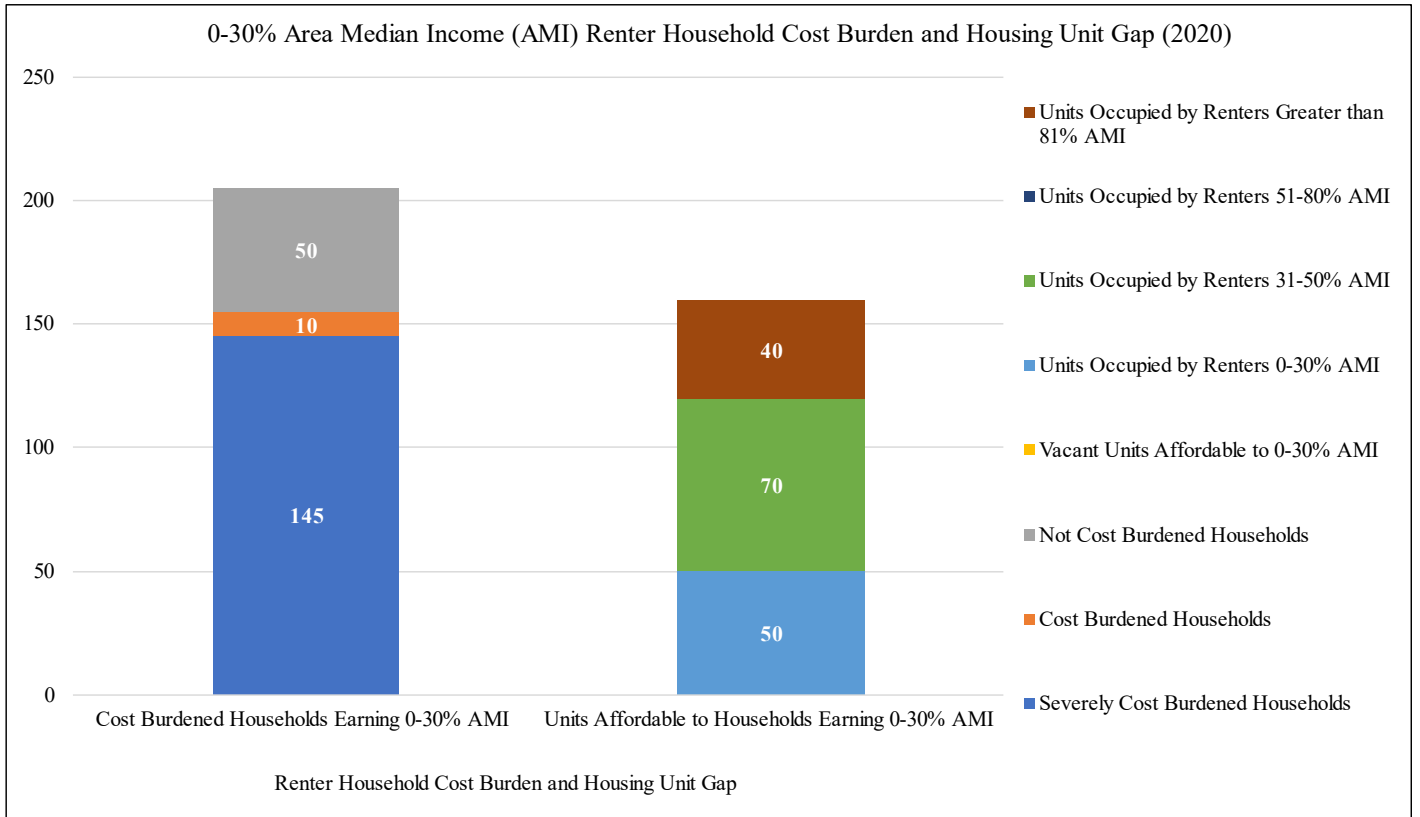
Each graph looks at:

- The total number of units (vacant and occupied) that would be affordable to the specific income group and the composition of households occupying those units by household income group; and
- The total number of households in each income group (AMI) and the breakdown of which households are cost burdened.

The table below summarizes the housing unit gap data that is broken down in the graphs on the following pages.

Renter Household Unit Gap (2020)					
Household Income as Percent of AMI	Household Income Estimates	Total Households	Affordable Housing Units	Units Occupied by Households of Different AMI Group	Unit Gap
0-30% Area Median Income	\$0.00 - \$24,090	205	160	110	155
31-50% Area Median Income	\$24,893 - \$40,150	250	70	18	200
51-80% Area Median Income	\$40,953 - \$64,240	175	535	435	75
Greater than 81% Area Median Income	\$65,043 and Greater	525	350	185	365

Renter Households 0-30% AMI Cost Burden and Housing Unit Gap



Key Findings

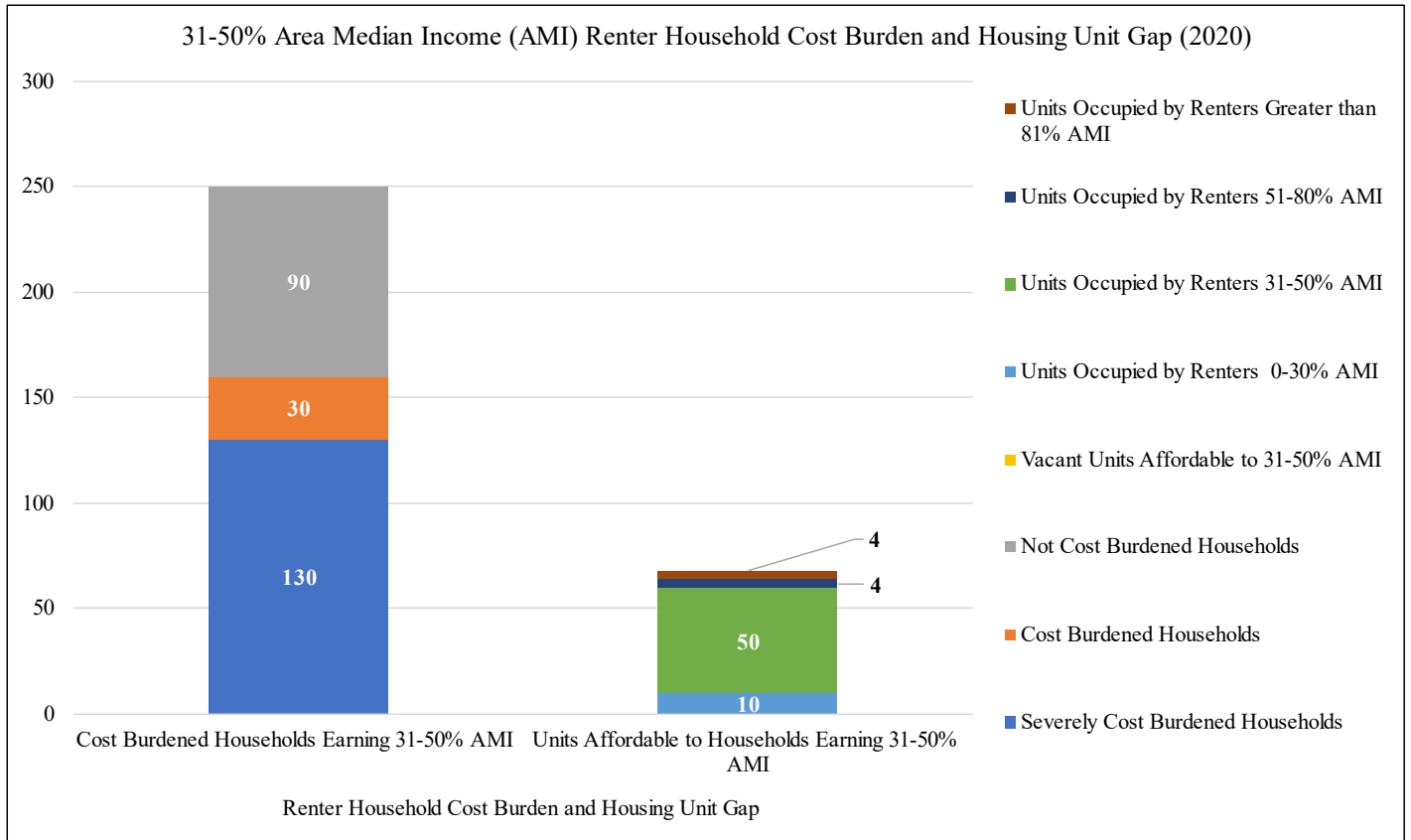
Cost Burden

There are 205 renter households that earn between 0-30% of the Area Median Income (AMI) (\$0.00 - \$24,090) in Southbury. 70.73% (145) of these households are severely cost burdened, or spending more than 50% of their household income on housing costs. 4.88% (10) of renter households in this income group are considered cost burdened, or are spending more than 30% of their household income on housing costs. Of the 160 units in Southbury considered affordable to households making 0-30% AMI, 110 of them are occupied by households in a higher income group. These households are less likely to be cost burdened as they are occupying a unit considered affordable for a lower income group.

Housing Gap

There are currently 0 vacant units available to renter households in this income group. Of the 160 units that are considered affordable to households earning 0-30% AMI, 31.25% (50) are occupied by households in that same income group. 43.75% (70) of the units considered affordable to households earning 0-30% AMI are occupied by renter households earning 31-50% AMI, and 25% (40) are occupied by renter households earning greater than 81% AMI. With 50 of the 205 renter households earning 0-30% AMI occupying units considered affordable to this income group and 0 vacant units, the result is a housing gap of 155 units.

Renter Households 31-50% AMI Cost Burden and Housing Unit Gap



Key Findings

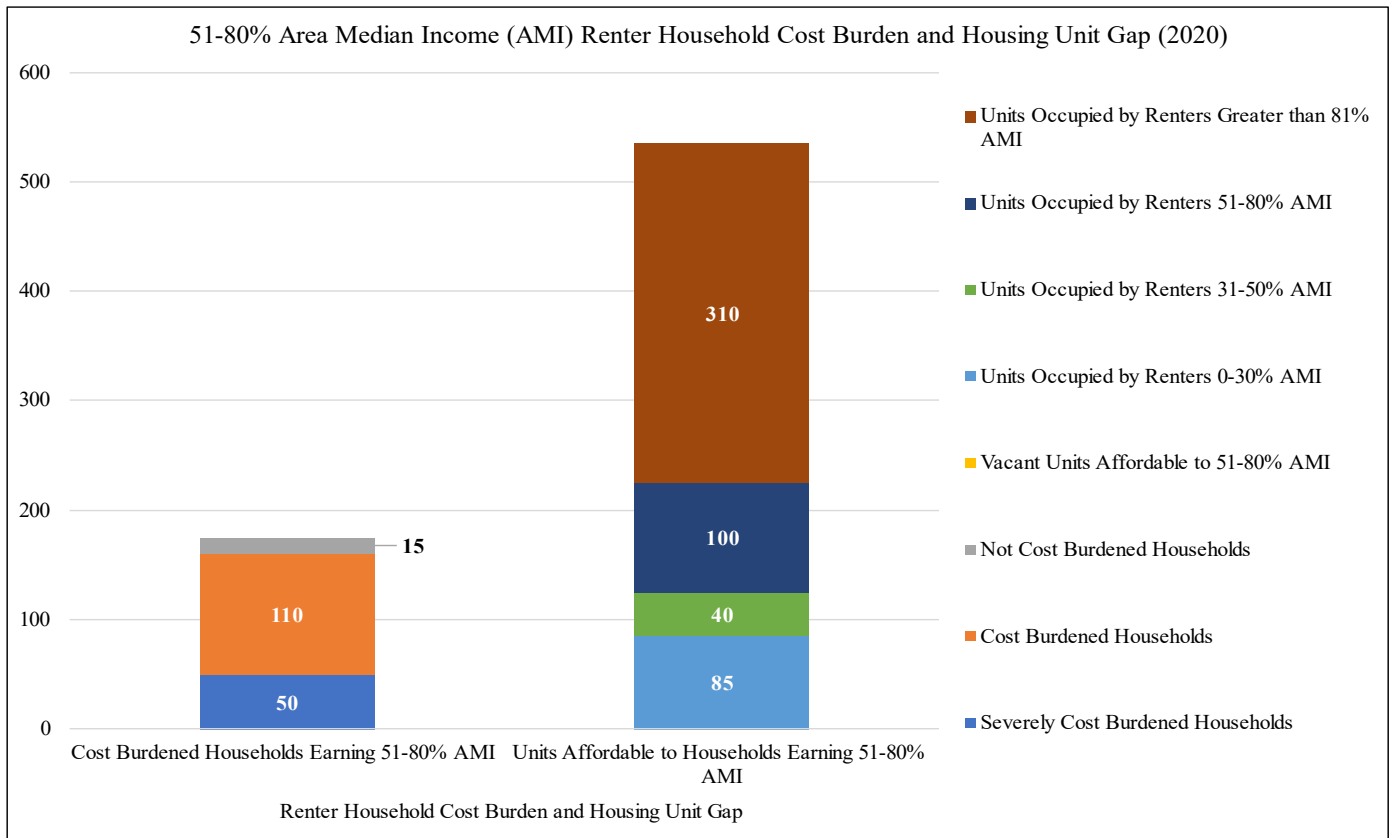
Cost Burden

There are 250 renter households in Southbury that earn between 31-50% of the Area Median Income (AMI) (\$24,893 - \$40,150). 52% (130) of these households are considered severely cost burdened, or are spending more than 50% of their household income on housing costs. Additionally, 12% (30) of renter households in this income group are considered cost burdened, or are spending more than 30% of their household income on housing costs. Of the 70 units considered affordable to this income group, 14.29% (10) are occupied by households earning less than 31-50% AMI. These households are more likely to be cost burdened as they are occupying housing considered affordable for a higher income group. 11.43% (8) units are occupied by households earning more than 31-50% AMI. These households are less likely to be cost burdened, as they are occupying housing considered affordable to a lower income group.

Housing Gap

There are currently 0 vacant units available to renter households in this income group. Of the 70 units that are considered affordable to renter households earning 31-50% AMI, 71.43% (50) are occupied by households in that same income group. 14.29% (10) are occupied by households earning 0-30% AMI, 5.71% (4) are occupied by households earning 51-80% AMI, and 5.71% (4) are occupied by households earning greater than 81% AMI. With 50 of the 250 renter households earning 31-50% AMI occupying housing considered affordable to them and 0 vacant units, there is a housing gap of 200 units.

Renter Household 51-80% AMI Cost Burden and Housing Unit Gap



Key Findings

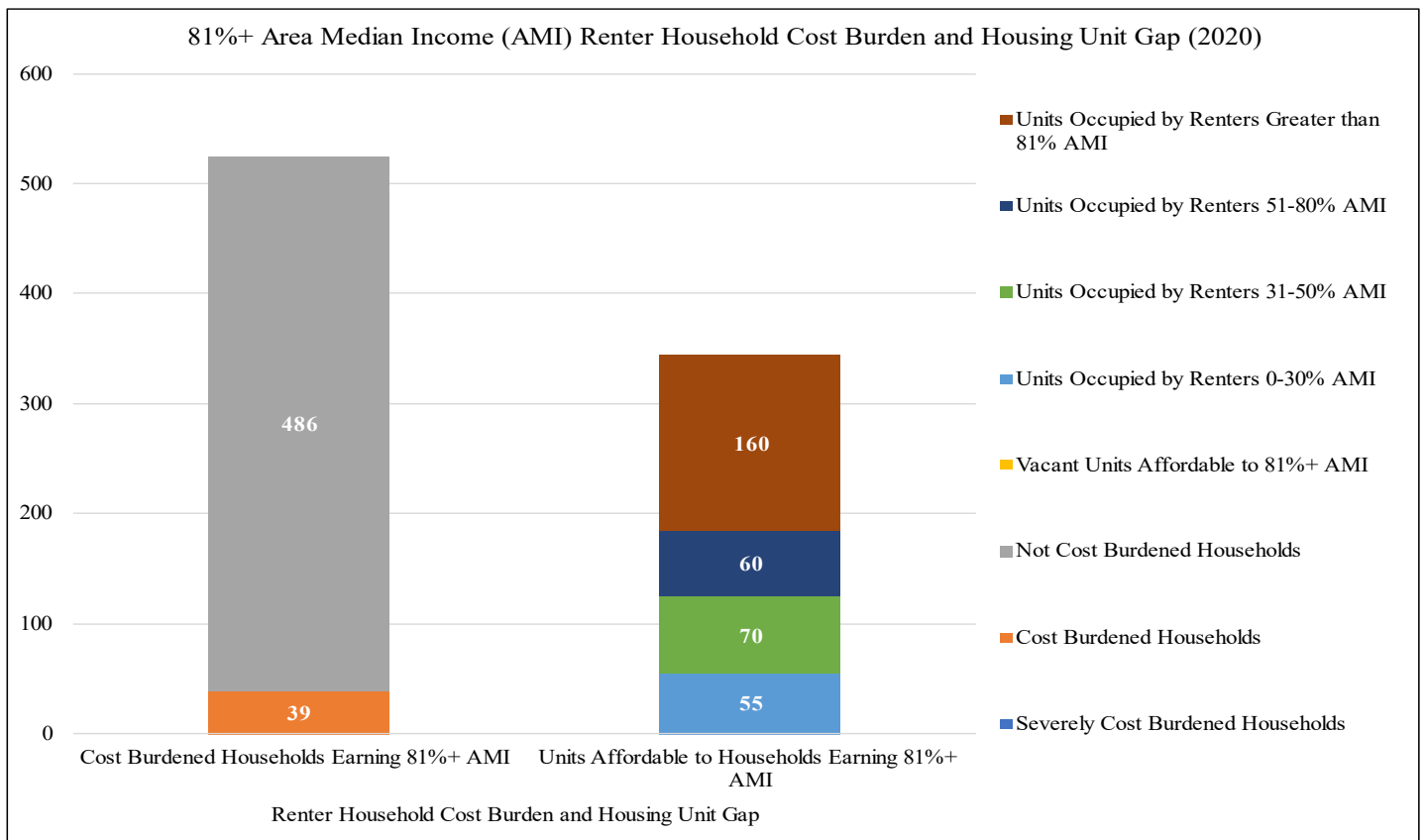
Cost Burden

There are 175 renter households earning 51-80% of the Area Median Income (AMI) (\$40,953 - \$64,240) in Southbury. 28.57% (50) of these households are considered severely cost burdened, or are spending more than 50% of their household income on housing costs. 62.86% (110) of renter households in this income group are considered cost burdened, or are spending more than 30% of their household income on housing costs. Of the 535 units considered affordable to this income group, 23.36% (125) are occupied by households earning less than 51-80% AMI and 57.94% (310) are occupied by households earning more than 51-80% AMI. Households are less likely to be cost burdened if they are occupying housing that is considered affordable for their income group or an income group lower than their own.

Housing Gap

There are currently 0 vacant units available to renter households in Southbury earning 51-80% AMI. Of the 535 units that are considered affordable to this income group, 15.89% (85) are occupied by households earning 0-30% AMI, 7.48% (40) are occupied by households earning 31-50% AMI, and 57.94% (310) are occupied by households earning greater than 81% AMI. With 100 of the 175 renter households earning 51-80% AMI occupying housing considered affordable to them and 0 vacant units, there is a housing gap of 75 units. As there is a surplus of housing units for this income level, this gap is caused by households of other income levels occupying housing considered affordable to households earning 51-80% AMI.

Renter Household 81%+ AMI Cost Burden and Housing Unit Gap



Key Findings

Cost Burden

There are 525 renter households that earn greater than 81% of the Area Median Income (AMI) (\$65,043 and Greater) in Southbury. 0 of those households are considered severely cost burdened, or are spending more than 50% of their household income on housing costs. 7.43% (39) of these households are considered cost burdened, or are spending more than 30% of their income on housing costs. Of the 350 units in Southbury considered affordable to this group, 52.86% (185) are occupied by households earning less than 81% AMI. These households are more likely to be cost burdened as they are occupying housing that is considered affordable to a higher income group.

Housing Gap

There are currently 0 units available to renter households earning greater than 81% AMI in Southbury. Of the 350 units considered affordable to this income group, 15.71% (55) are occupied by households earning 0-30% AMI, 20.00% (70) are occupied by households earning 31-50% AMI, and 17.14% (60) are occupied by renter households earning 51-80% AMI. With 160 of the 525 renter households earning greater than 81% AMI occupying housing that is considered affordable to them and 0 vacant units, there is a housing gap of 365 units.

Housing Unit Gap for Owner Households

Housing units are considered affordable to a specific income group if the total housing costs do not exceed 30% of the household's annual income. The table below outlines the estimated annual income for each AMI group and the corresponding housing costs range that would be considered affordable.

Annual "Affordable" Housing Cost Ranges for Each Owner Household Income Group (2020)			
Owner Household Income as Percent of AMI	Owner Household Income Estimates	Annual "Affordable" Housing Cost Range	Monthly "Affordable" Housing Cost Range
0-50% Area Median Income	\$0.00 - \$40,150	\$0.00 - \$12,045	\$0.00 - \$1,004
51-80% Area Median Income	\$40,953 - \$64,240	\$12,286 - \$19,272	\$1,024 - \$1,606
80-100% Area Median Income	\$65,043 - \$80,300	\$19,513 - \$24,090	\$1,626 - \$2,008
Greater than 101% Area Median Income	\$81,103 and Greater	\$24,331 and Greater	\$2,028 and Greater

Note on Reading the Following Graphs

The housing gap for owner households can be examined closer on the following pages. Each graph was completed using AMI groups and is labeled accordingly. You can refer to the tables on this page when reading each graph to help identify the corresponding household income.

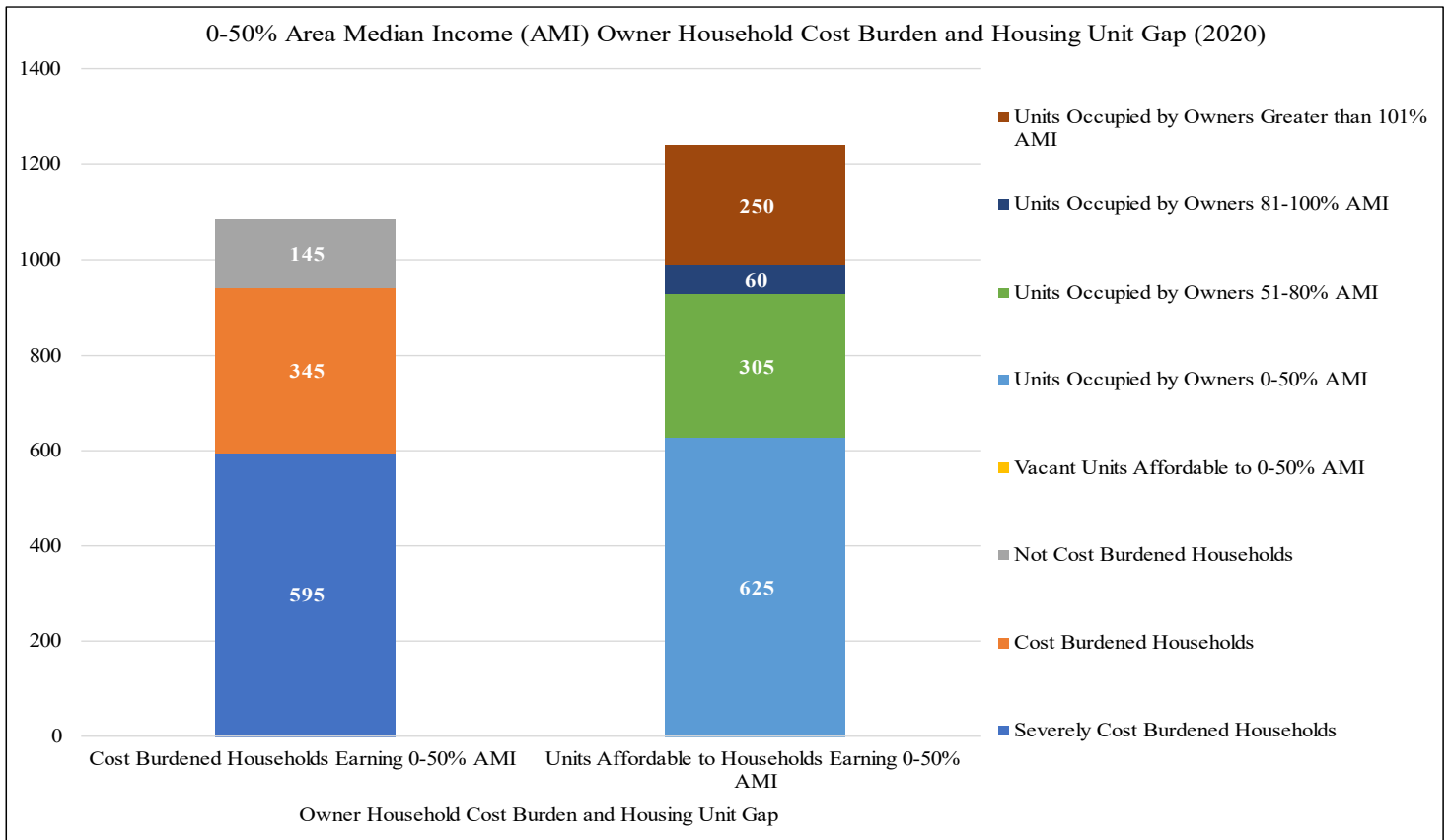
Each graph looks at:

- The total number of units (vacant and occupied) that would be affordable to the specific income group and the composition of households occupying those units by household income group; and
- The total number of households in each income group (AMI) and the breakdown of which households are cost burdened.

The table below summarizes the housing unit gap data that is broken down in the graphs on the following pages.

Owner Household Unit Gap (2020)					
Household Income as Percent of AMI	Household Income Estimates	Total Households	Affordable Housing Units	Units Occupied by Households of Different AMI Group	Unit Gap
0-50% Area Median Income	\$0.00 - \$40,150	1,085	1,240	895	460
51-80% Area Median Income	\$40,953 - \$64,240	1,115	1,605	1,200	720
80-100% Area Median Income	\$65,043 - \$80,300	435	1,640	1,550	345
Greater than 101% Area Median Income	\$81,103 and Greater	4,230	2,410	455	2,275

Owner Households 0-50% AMI Cost Burden and Housing Unit Gap



Key Findings

Cost Burden

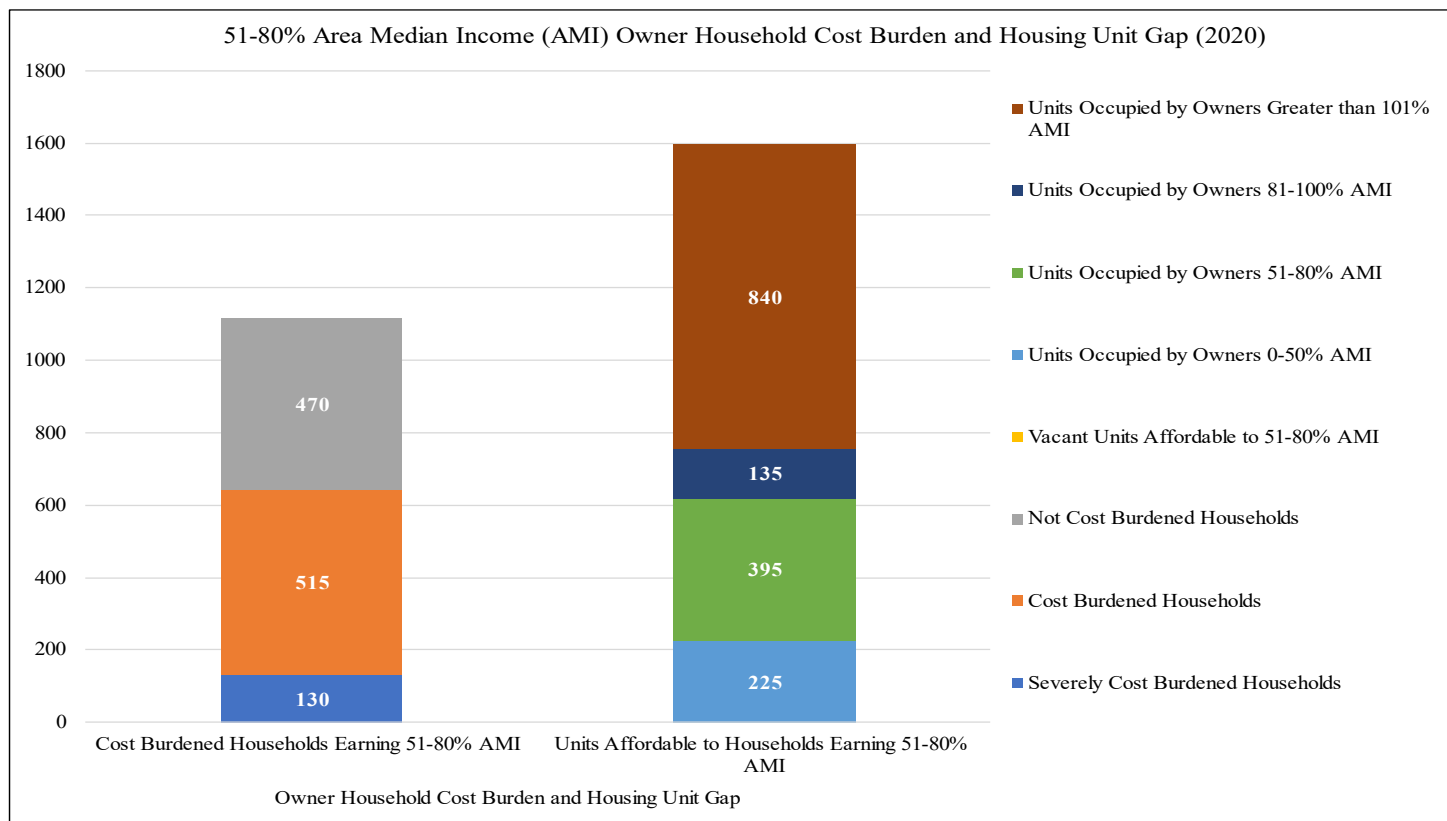
There are 1,085 owner households that earn 0-50% of the Area Median Income (AMI) (\$0.00 - \$40,150) in Southbury. 54.84% (595) of these households are considered severely cost burdened, or are spending more than 50% of their household income on housing costs. 31.80% (345) of these households are considered cost burdened, or are spending more than 30% of their household income on housing costs. Of the 1,240 units considered affordable to this income group, 49.60% (615) are occupied by owner households earning more than 0-30% AMI. These households are less likely to be cost burdened as they are occupying housing that is considered affordable to households in a lower income group.

Housing Gap

There are currently 0 vacant units available to owner households earning 0-50% AMI in Southbury. Of the 1,240 units considered affordable to this income group, 24.60% (305) are occupied by households earning 51-80% AMI, 4.84% (60) are occupied by households earning 81-100% AMI, and 20.16% (250) are occupied by owner households earning more than 101% AMI. With 625 of the 1,085 owner households earning 0-50% AMI occupying units considered affordable to this income group and 0 vacant units, there is a housing gap of 460 units.

While there is a surplus of housing units existing and affordable to owner households earning 0-50% AMI, the housing unit gap is a result of households from higher income groups occupying these units.

Owner Household 51-80% AMI Cost Burden and Housing Unit Gap



Key Findings

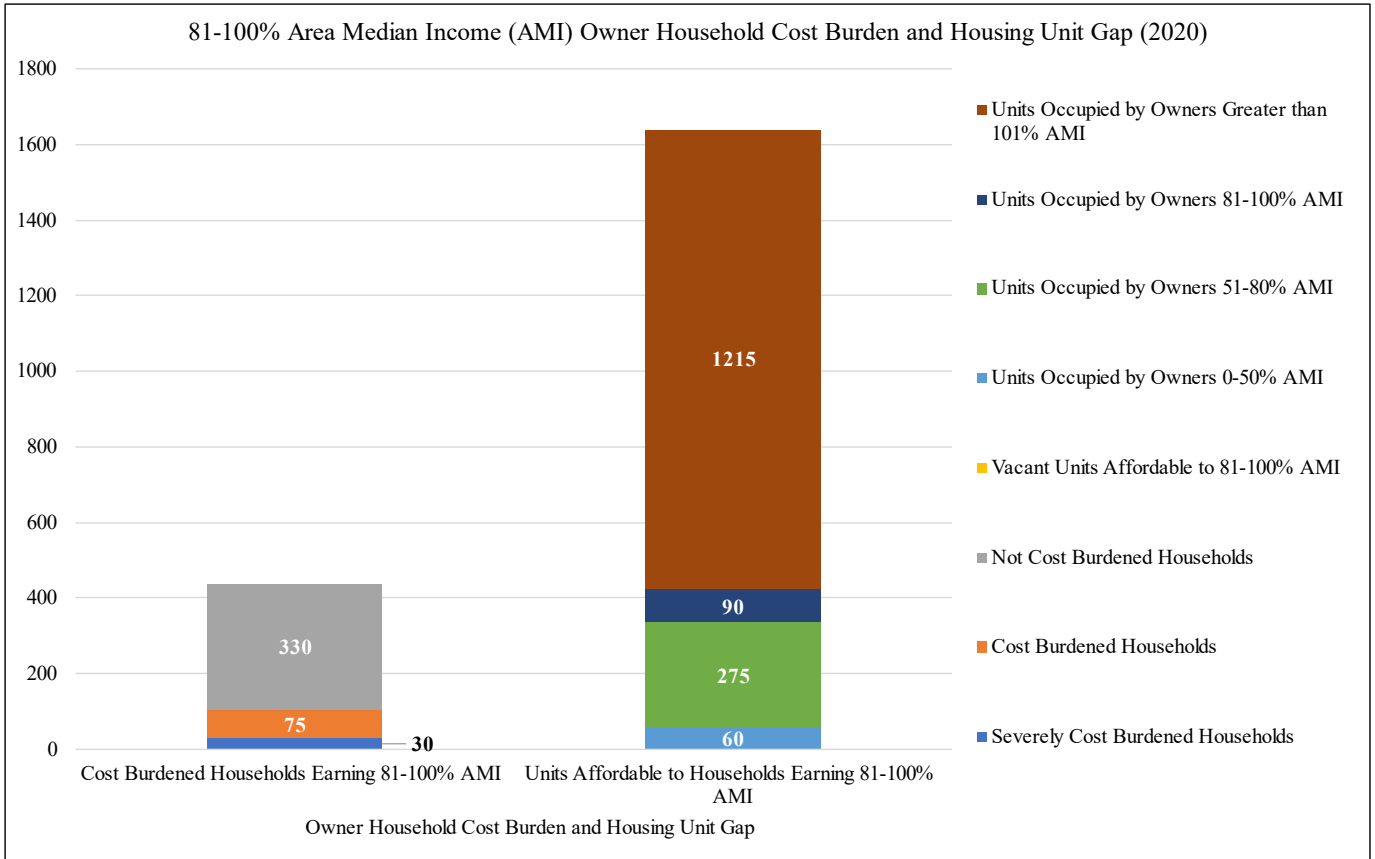
Cost Burden

There are 1,115 owner households earning 51-80% of the Area Median Income (AMI) (\$40,953 - \$64,240) in Southbury. 11.66% (130) of these households are considered severely cost burdened, or are spending more than 50% of their household income on housing costs. 55.16% (515) of these households are considered cost burdened, or are spending more than 30% of their household income on housing costs. Of the 1,605 units in Southbury considered affordable to this income group, 14.02% (225) are occupied by households earning less than 51-80% AMI. These households are more likely to be cost burdened as they are occupying housing considered affordable to a higher income group. 60.75% (975) units are occupied by households earning more than 51-80% AMI. These households are less likely to be cost burdened as they are occupying housing considered affordable to a lower income group.

Housing Gap

There are currently 0 vacant units available to owner households earning 51-80% AMI in Southbury. Of the 1,605 units considered affordable to this income group, 14.02% (225) are occupied by households earning 0-50% AMI, 8.41% (135) are occupied by households earning 81-100% AMI, and 52.34% (840) are occupied by households earning greater than 101% AMI. With 395 of the 1,115 owner households earning 51-80% AMI occupying units considered affordable to this income group and 0 vacant units, there is a housing gap of 720 units. As there is a surplus of units, this gap is a result of households of other income groups occupying housing considered affordable to those earning 51-80% AMI.

Owner Households 81-100% AMI Cost Burden and Housing Unit Gap



Key Findings

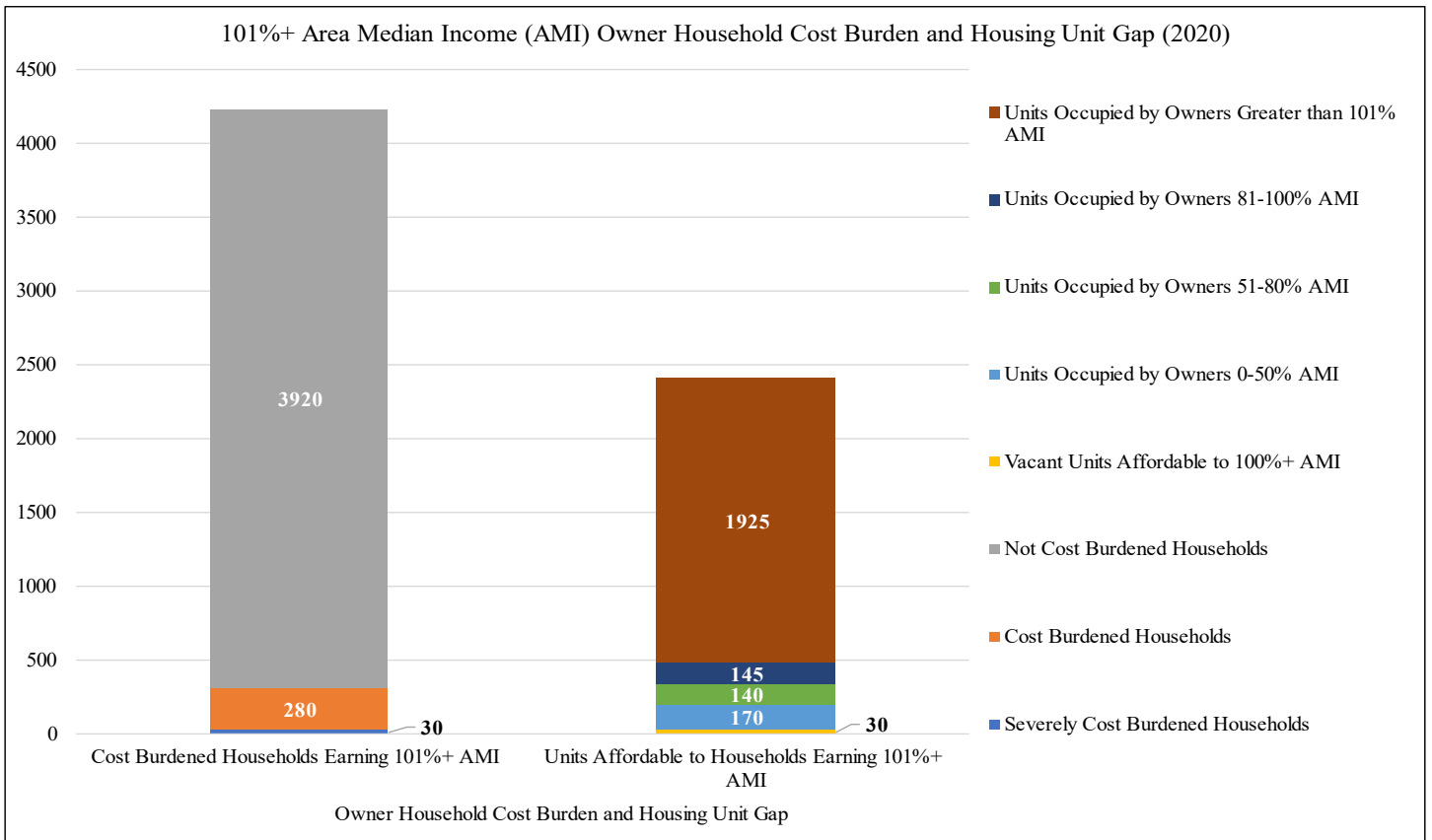
Cost Burden

There are 435 owner households earning 81-100% of Area Median Income (AMI) (\$65,043 - \$80,300) in Southbury. 6.90% (30) of these households are considered severely cost burdened, or are spending more than 50% of their household income on housing costs. 17.24% (75) of these households are considered cost burdened, or are spending more than 30% of their household income on housing costs. Of the 1,640 units considered affordable to this income group, 20.43% (335) are occupied by households in a lower income group. These households are more likely to be cost burdened as they are occupying housing considered affordable to a higher income group. 74.09% (1,215) units are occupied by households in a higher income group. These households are less likely to be cost burdened as they are occupying housing considered affordable to a lower income group.

Housing Gap

There are currently 0 vacant units considered affordable to households earning 81-100% AMI in Southbury. Of the 1,640 units that are occupied, 3.66% (60) are occupied by households earning 0-50% AMI, 16.77% (275) are occupied by households earning 51-80% AMI, and 74.09% (1,215) are occupied by households earning greater than 101% AMI. With 90 of the 435 owner households earning 81-100% AMI occupying housing that is considered affordable to this income group and 0 vacant units, there is a housing gap of 345 units. As there is a housing unit surplus, this unit gap is a result of households in other income groups occupying housing considered affordable to owner households earning 81-100% AMI.

Owner Households 101%+ AMI Cost Burden and Housing Unit Gap



Key Findings

Cost Burden

There are 4,230 owner households earning greater than 101% of the Area Median Income (AMI) (\$81,103 and Greater) in Southbury. 0.71% (30) of these households are considered severely cost burdened, or are spending more than 50% of their household income on housing costs. 6.62% (280) of these households are considered cost burdened, or are spending more than 30% of their household income on housing costs. Of the 2,410 units considered affordable to this income group, 18.88% (455) are occupied by households in a lower income group. These households are more likely to be cost burdened as they are occupying housing considered affordable to a higher income group.

Housing Gap

There are currently 30 vacant units available to owner households earning greater than 101% AMI in Southbury. Of the 2,380 that are occupied, 7.14% (170) are occupied by households earning 0-50% AMI, 5.88% (140) are occupied by households earning 51-80% AMI, and 6.09% (145) are occupied by households earning 81-100% AMI. With 1,925 of the 4,230 owner households earning greater than 101% AMI occupying housing considered affordable to this income group and 30 vacant units, there is a housing gap of 2,275 units.

Citation and Acknowledgement

This assessment was completed using the United States Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data. Thank you to the Connecticut Housing Finance Authority (CHFA) for their assistance in compiling the data for this assessment and to the Naugatuck Valley Council of Governments (NVCOG) for their assistance in summarizing the data.