### An Act Concerning



## **M**unicipal

# **O**pportunity

### Reimbursement for

## **E**ducational Equity

#### The Problem:

Families with children often decide where they will live based on the quality of the public school options in a community. Suburban communities regularly include provisions in zoning ordinances that effectively prohibit the construction of affordable housing (e.g., by requiring large lot sizes, establishing moratoriums on the building of new affordable housing, reducing the local supply of multi-family units). Practices like these reinforce both segregation and Connecticut's persistent academic achievement gap. In fact, two Connecticut metro areas (Bridgeport and Hartford) have among the ten largest national gaps for housing costs, each with a large socioeconomic elementary test score gap.<sup>1</sup>

#### **Quick Facts:**

- Since 2011, the state's 10
  wealthiest towns have
  opened just 5% of new public
  housing.
- During that same period, 75% of new public housing has been within the 10 poorest CT communities, even though they represent only 20% of the state's housing stock.
- Several high-opportunity towns have not built <u>any</u> affordable housing in nearly 3 decades.

#### **ERN's Proposed Legislative Fix:**

Our proposed bill links educational opportunity to affordable housing opportunity by incentivizing municipalities to adopt inclusive zoning policies and build affordable housing in order to receive a higher overall school construction grant.

Enacting inclusive zoning policies locally will enable students from lower-income families to live in more communities with high-performing schools, allow many Connecticut towns to benefit from a more diverse community, and provide the well-documented economic gains of increased housing options. This proposal would also save municipalities and local taxpayers millions.

<sup>&</sup>lt;sup>1</sup> Rothwell, Jonathan. "Housing Costs, Zoning, and Access to High-Scoring Schools," Metropolitan Policy Program, Brookings, April 2012. Retrieved from: https://www.brookings.edu/wp-content/uploads/2016/06/0419\_school\_inequality\_rothwell.pdf

#### **How It Works Now:**

Currently, municipalities apply for state school construction grants to pay for local projects through an online State Department of Education (SDE) portal, and once approved by the SDE and the Department of Administrative Services, the project is included on the school construction priority list to be approved by the General Assembly.

#### **How It Would Work:**

Effective January 2022, under the **MORE Act**, a municipality would follow the same process; and—if it chose to—could also apply to be an "inclusive municipality." DAS, SDE and Department of Housing (DOH) would collaborate to review eligibility before placing the project on the school construction priority list—making it eligible for 10 additional bonus points on state reimbursement grants for school construction.

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#### **About the Bonus:**

Municipality wants to build a new middle school at a cost of \$60M. It is eligible for a **30% state**reimbursement grant.

Municipality applies and is designated as an "inclusive municipality," making it eligible for 10 additional bonus points.

Municipality is now eligible for an increased 40% state reimbursement.

#### How To Qualify as an "Inclusive Municipality:"

A qualifying inclusive municipality would be a town or city that:

- (1) Has a population greater than 6,000, and housing units of which less than 10% are affordable.
- (2) Adopts zoning regulations that:
- Affirmatively further fair housing;
- Permit multifamily housing of three units or more by-right;
- Permit mixed-use development;
  and
- Allow for accessory dwelling units.
- (3) Demonstrates that new affordable housing units (equal to 1% of total housing units) have been constructed during the previous three years.

#### **School Construction Bond Funding:**

Until recently, the state spent close to \$1 billion a year on school construction. However, the state has reduced the amount it spends on school construction to approximately \$500-\$600 million in the past few years. In 2020, the number of school construction projects has significantly decreased, and the state commitment is only \$209 million.

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#### **About Education Reform Now CT**

The state chapter of a national organization and affiliate of DFER CT, Education Reform Now CT is a 501(c)(3) that operates as a think tank and policy advocate, promoting great educational opportunities and achievement for all by increasing equity, protecting civil rights, and strengthening the social safety net.