



Report Submitted by the Long-Term Recovery Committee of New Milford, Connecticut
to
The Mayor and Town Council of New Milford, Connecticut

March, 2021



New Milford Long Term Recovery Committee

Action Plan

12th March 2021

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1. Executive Summary

a. Overview

New Milford, Connecticut's largest town by area, was settled in 1707, and played a role in the early history of the nation as the home of Roger Sherman, the only person to have signed all four documents of our nation's early history that started our journey towards liberty, justice, and the pursuit of happiness for all.

New Milford grew as an agricultural and artisan community, and a center for the adjoining small towns. In the second half of the 19th century, the railroad arrived and with it new industries. The Housatonic River provided waterpower for mills. Factories produced buttons, paint, hats, furniture, and pottery. Tobacco became the major crop and was world-renowned for its quality as cigars' outer leaf wrapper.

By the mid-1950s the town had lost its tobacco industry and other mainstays but gained much industrial activity-- Kimberly-Clark, Nestle, Century Brass, and others were the major employers. Yet by 2000, many of these plants had closed, relocated, or downsized. New Milford's economy was now underpinned by day-tourism, small businesses, skilled artisans, and robust healthcare services. Smaller retailers and restaurants clustered around its picture-perfect Village Green, the state's largest, and Big Box stores lined up on Rt 7 and served the region.

Yet even before the pandemic hit, New Milford had to battle a number of negative trends. Many of them were those of the state, the region, and the nation. These include de-industrialization, a lower availability of housing to low-income people and seniors, environmental degradation, and greater demands on the social safety net.

Despite these challenges New Milford was trending positively: property values climbed back from the tough days of the Great Recession. There were fewer residents below the poverty line. Employment, after several years of de-industrialization that affected the country as a whole and in particular the Northeast, had stabilized, with job growth in retail, healthcare, and hospitality. Incomes were rising, for both low wage and higher-wage employment. In its governance, the town was reversing a trend towards higher taxes; its bond rating was up; crime rates were staying low (though substance abuse was rising); environmental resources were being enhanced. True, the population was aging, and there were fewer children in the school system, but that was something shared with our region and indeed with most developed countries. And there was more diversity in the mix of residents.

Thus, New Milford was maintaining a role as an integrative community that balanced world-class professionals and blue-collar workers, rich and poor, newcomers and long-established residents, retail bustle and environmental beauty, and a New England feel with a New York touch. With all of its diverse elements interacting positively, it has been a remarkably healthy community, with a well-functioning two-party system that included mayors from both parties. It was neither a bedroom suburb of commuters, nor a rural exclusive retreat, nor a depressed industrial town, but a well-functioning microcosm of Connecticut and America, and a focus of its sub-region.

Before the pandemic, the aggregate of 38 economic and social indicators in New Milford trended mildly positive. Negatives were mostly part of broad national trends. Into the cautiously positive trend of improvement entered the Covid-19 pandemic. Its short-term implications are well-understood— shuttered restaurants, failed retailers, missed visitors, and more. But it is the long- term effects that should concern us most. On almost every dimension, the pandemic has been a shock to the social and economic fabric that will endure beyond the public health emergency.

Our recommendations proceed along several dimensions, with goals shared by the community:

- To assume local responsibility to resolve our problems, in collaboration with the state.
- To create a social and economic environment conducive to the development of business activity that is forward-looking in its product and in its process.
- To strengthen infrastructure that underpins a revival, in particular in upgrades of communications networks and public transportation.
- To protect and enhance central community assets that strengthen the town’s attractiveness, in particular its environmental resources.
- To strengthen the learning and skills-training environment that serves people and business, and to create information tools for residents to connect to public resources.
- To assist New Milford residents to stay in their community by creating affordable housing options for the elderly and those who have been hurt by the pandemic, and to ensure a safety net of public and non-profit support that matches needs.
- To find new revenue sources to accomplish these goals, in cooperation with the state and with the philanthropic sector.

We make concrete recommendations, such as restoring the commuter rail system to New Milford, providing affordable housing, upgrading high speed data communications, expanding opportunities in hospitality, medical services, and local agriculture, protecting our environmental assets against specific encroachments, preparing for the potential legalization of cannabis, and attracting and supporting industries of the future.

Based on the united and determined efforts of the Mayor, Town Council, local businesses, churches, not-for-profit organizations and residents, we firmly believe that this plan will offer a pathway to sustained economic recovery for New Milford, and an example of what Connecticut towns might accomplish when they take responsibility, define goals, and collaborate with the state to achieve them.

Some of our recommendations will be accomplished through our own local effort. Others will require assistance from the State.

b. Summary of Recommendations

What New Milford can primarily achieve by itself

i. Human Service Focus

- Increase the stock of local affordable and universal housing by 300 units (~200 for-sale and ~100 for rent) by 2025, to accommodate existing and growing demand from younger workers and older adults.
- Add a case-worker model to the Social Services program to more effectively and efficiently address the cross-disciplinary needs of the town’s most vulnerable residents.

ii. Economic Focus

- Aid the growth of promising local employers via a needs assessment study, followed by specific, measurable recommendations for removing growth roadblocks, developing “intrapreneur” coaching and networking programs, and developing a local technical skill base. Progress and outcomes will be measured.

- Develop the riverfront for mixed use recreation, green space, affordable housing, commercial space, and a river trail connecting to Boardman Bridge and to the trails to Kent and Brookfield, as part of a regional greenway.
- Increase local vocation skills by developing and conducting a needs analysis linked to the school curriculum, as part of a larger evaluation of the economic and academic strengths and weaknesses of the school district with specific and actionable recommendations. With the town's new education leadership team, develop a 5-year plan of performance targets and budget incentives to meet them.
- Economic - Identify and target desirable industries for capital investment in New Milford that align to the town's employment diversification plans and competitive strengths and create and approve a town-wide incentive policy to encourage capital investment with these industries.

iii. Town Management Focus

- Update development and conservation plan and harmonize to existing recommendations, including updating zoning ordinances.
- Create a user-friendly app to link into town-related information of numerous kinds. This will more efficiently connect residents to a host of existing resources, and improve overall town engagement and resource awareness.
- Complete the Economic Development Strategic Plan and implement local development incentives.
- Recognize the centrality of New Milford's environmental beauty as an attraction for residents and for potential new employers and professionals, and explicitly protect the town from activities that despoil it.
- Implement alternative local revenue streams to diversify the town revenue base away from property tax.
- Produce a comprehensive policy on New Milford's response to a potentially legalized cannabis industry, addressing key implications including direct and indirect business development, zoning, health, policing, tax revenues, and education impacts.
- Create and market local events to support existing retail and hospitality.
- Identify and engage with philanthropic and governmental funding sources to assist with the above plans.

While New Milford will take primary responsibility for the above actions it will endeavor to identify and engage with relevant philanthropic and governmental funding sources to assist.

However New Milford will require assistance from State and Federal source to take action on the following key infrastructure programs:

- **Mass Transport:** Improve and expand by reopening the New Milford train line to passenger trains, and enhance and augment the routes and frequencies of the local bus service.
- **Telecommunications:** Improve local telecommunications infrastructure by evaluating existing and expected commercial and residential communications needs for high-speed wireline and mobile broadband connectivity, collaborating with existing operators, and facilitating the entry of competitors, including by a public-private partnership to create an infrastructure provider, if the service upgrade of existing operators remains inadequate for our needs.
- **Brownfield:** Act on agreed list of target brownfield sites for redevelopment (e.g. brass works and riverfront).
- **Environment:** To protect the town's environmental assets which are a key element for its residents and the economy, we strongly request the state end its push to approve the environmentally disastrous Candlewood Mountain power facility.
- **Legislators Approve a Statewide Comprehensive Development Policy Including Clarity on Financial Incentives** to remain competitive with surrounding states at attracting employers.
- **Roll out Police Community Care Programs Statewide to Reduce Overdose Deaths.** New Milford's successful pilot can meaningfully improve overdose outcomes if adopted statewide.
- **Allow Professionals and Specialists to Obtain Modified Teaching Certificates to Teach Vocationally in Schools.** Tremendous experience exists in our town and should be utilized to pass necessary skills to a new generation.
- **Stop the Connecticut Siting Council from Pursuing the Candlewood Mountain power plant.** This committee requests that the state intervene to stop Connecticut Siting Council from attempting to impose its views on

New Milford. The consequences of continuing this project will have long term detrimental effects on New Milford.

- **Provide Centralized Guidance on Town Eligibility for Federal and State Grants** to improve the efficiency of grant making and probability of overall success from pooling expertise and resources.

c. How to Implement the Recommendations

- The town of New Milford takes responsibility for implementing this plan as laid out by this committee and will establish an accountable party to monitor progress.

2. Introducing the Long-Term Recovery Committee (LTRC)

a. Purpose of the LTRC

The New Milford LTRC was formed in October 2020 to assess the impact of the COVID-19 crisis on the town, including urgent unmet needs, and to develop action plans to address those needs and design a town-wide strategy for creating resiliency and ultimately recovery in the long term. All towns in Connecticut are required to submit a long-term recovery plan to the state's Long Term Recovery Planning group.

The tasks of LTRC as outlined by the state are to:

- Identify unmet needs and work with partners to respond.
- Plan for long-term economic recovery across our state

b. Responsibilities of the LTRC

Responsibilities of the LTRC as laid out by the state are as follows:

1. Participate in damage and impact assessments with other recovery partners.
2. Organize recovery planning process for the community.
3. Ensure inclusiveness in the community recovery process.
4. Communicate recovery priorities to the state and federal partners.
5. Incorporate mitigation, resilience, sustainability, and accessibility-building measures into recovery efforts.
6. Lead the development of community recovery plans that are actionable and feasible, build public support.
7. Work with state officials to develop a unified and accessible communication strategy.

c. LTRC Members

1. Social Services: Social Services Director - Ivana Butera
2. New Milford Police Department: Justin Cullmer
3. Economic Development - Karen Pollard
4. Chamber of Commerce - Denise Del Mastro
5. Health Dept - Mike Crespan
6. Donations - Katy Francis
7. Permitting/ Land use - Laura Regan
8. Senior Services - Jasmin Ducusin-Jara
9. COAD/CERT - James Ferlow
10. Dana Bezerra (resident)
11. Eli Noam (resident)
12. Emily Harvey (resident)
13. Paul Murphy (resident)
14. Chairman - Jeremy Levin (resident)
15. Board of Education - Alisha DiCorpo

16. New Milford Hospital - Dr. Thomas Koobatian
17. Mike Nahom (resident)

Support Team

Research and evaluation

Alvin Josi and Lukasz W. Zbroszczyk - Students: Western Connecticut State University

Administration and coordination

Corinne Rigdon (resident)

3. Overview of New Milford

Many of the social, demographic, economic, and governance details are provided in and sourced from the background report for the committee, written by Eli Noam, Alvin Josi, and Lukasz Zbroszczyk, “New Milford After the Pandemic: Trends, Data, and Underlying Factors” March 2021. Please see page 48 of this report (Section 8, Appendix b) for the full analysis, which was the foundation for this report’s recommendations.

a. Demographic and Economic Context

i. Geography

New Milford is a town of approximately 27,000 residents located on the western edge of Connecticut, at the southwest corner of Litchfield County. It is approximately 50 miles west of Hartford, 85 miles southeast of Albany, NY and 77 miles northeast of New York City.

New Milford is the largest town in Connecticut by land area, comprising nearly 62 square miles with a wide range of topographies from flat open river plains to mountainous deciduous forests. The town is on the northern shore of the large Candlewood and Lillinonah lakes, and the Housatonic, Aspetuck and Still Rivers flow through town.

As of 2010, land uses in New Milford by proportion of total land area were:

- Vacant/Undeveloped/Uncommitted: 36%
- Residential: 30%
- Open Space: 24%
- Other (transport, utility, water): 6%
- Commercial & Industrial: 3%
- Institutional & Community Facilities: 2%

Source: Town of New Milford Assessor’s Office

New Milford has evolved into rough geographic areas of specialty and its large size means that each of those areas has critical mass, e.g., south = industry; north and west = agriculture and tourism; and center = shopping and entertainment. To create a sustainable economy, this diversity could be more effectively leveraged by regulations and incentives specific to each area.

The Market Analysis completed in 2019 by Camoin & Associates found that Downtown had little to no commercial vacancy, while New Milford overall had a 9.5% rate. While that commercial vacancy rate might be tolerable and could attract new entry, the pandemic, coupled with the accelerating trend to online shopping, could push it to a level that would seriously harm the local economy. The same study found that New Milford has a significant opportunity to add industrial flex space, with a vacancy rate of 2.4% and projected growth in demand for industrial warehousing, trades and professional services. (S&P New Milford Rating Summary for 2020 Bond Issuance)

Meanwhile when surveyed, the overwhelming majority of New Milford residents (>70%) wished to increase conservation of land and maintain existing farmland, and were willing to spend tax revenue on protecting properties in order to achieve this (Source: 2010 POCD)

New Milford has an extensive and attractive frontage on the Housatonic River directly adjacent to the historic and scenic village green. It currently houses legacy industrial assets and the Department of Public Works, which would be more efficiently and aesthetically sited in an industrial area. Redevelopment of this area would be ideal for high density affordable houses, green public space and attractive retail. Plans for the redevelopment of the area were produced in 2010 but have not materially progressed subsequently.

Current Housatonic Riverfront



Artist's Impressions of a Redevelopment Proposal



ii. Demography

Population and Age Structure

The population of New Milford peaked in 2006 and has been in more-or-less steady but slow decline since, at an annualized rate of about -0.46% per year, compared to a Connecticut average growth of +0.15% per year and US average growth of +0.80% over the same time period (Source: Macrotrends.net). Pre-pandemic, the population was expected to continue to decline as deaths exceed births and migration due to few job opportunities for young people.

Shrinking household size has contributed to this trend. Household size has dropped by half a person since 2010, from 3.13 to 2.62 in 2018. As children grow up and leave their empty-nester parents behind, and new, younger families do not come in to replace them, the number of people in the town's households continues to fall (Source: New Milford Economic Development Office).

School enrollment has declined as household size has declined, but with modest increases in recent years in the youngest (pre-k to 2nd grade) ages.

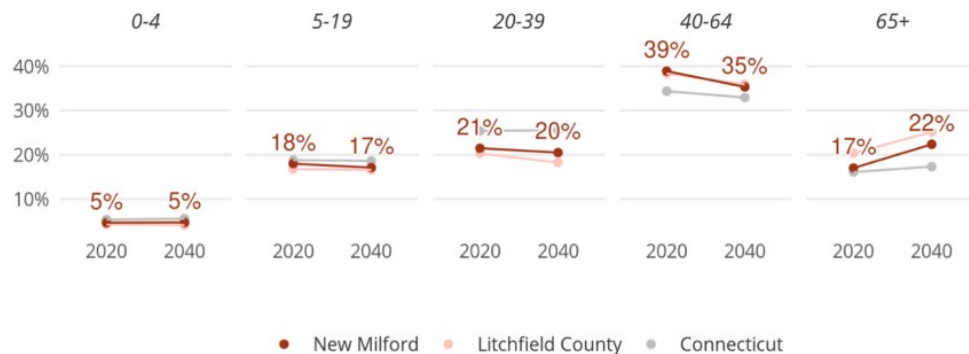
School Enrollments

School Year	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
14-15	71	262	274	309	314	338	341	345	366	315	408	330	326	333	4332
15-16	84	242	268	277	315	308	334	338	337	356	359	360	328	298	4204
16-17	105	273	242	271	278	308	317	344	342	339	366	341	362	298	4186
17-18	104	232	275	253	272	290	315	325	339	342	357	351	319	326	4101
18-19	89	242	233	270	260	268	288	322	323	345	347	345	349	287	3968
19-20	94	271	256	230	271	266	267	292	323	325	356	329	329	316	3925
20-21	115	271	257	232	219	269	272	290	320	322	345	331	336	326	3905
21-22	117	268	271	257	248	219	269	284	290	320	334	345	331	332	3885
%change 2014-21	62%	3.40%	-6.20%	-33.2	-30.2	-20.4	-20.2	-15.9	-12.6	2.2	-15.4	0.3	3	-2	-9.9

Based on: New Milford Public Schools, 2021-2022 Budget Workshop Enrollment Projection

Additionally, the adult population is overall aging as there are more retirement-age residents. The 40-64 yr old cohort is projected to decline, predominantly from aging into the 65+ cohort, without being fully replaced by the next age group.

People age 65+ are projected to grow the most in the next 20 years in New Milford



Source: Partnership for Strong Communities, 2020 Housing Data Profiles New Milford, 2020.

Camoin Associates' 2019 market analysis study projected that New Milford's older adult population (60+) would grow in both absolute numbers and share of residents, with 1,400 new seniors by 2030 comprising 29% of the population versus 21% in 2015. However, the projected school-age population decline more than offsets the rise in the absolute number of seniors, projecting a continued modest downward population trend. This trend is in line with Litchfield County; in fact, Camoin & Associates predicts that by 2030, greater New Milford (including surrounding towns and Danbury) will lose 6,300 or -3% of its population. Excluding Danbury, the population loss would be -6%.

The region as a whole lacks individuals in the 20-29 group compared to the state and nation, and New Milford is no exception. As noted by Camoin & Associates, "it is critical to attract younger adults, as this is the age when they begin to form households, purchase homes, and put down roots in a community. Because of the high share of homeownership versus rental opportunities in New Milford, the town's tax base and overall economic health relies on households choosing to purchase homes within the community. About 78% of New Milford's housing units are owner-occupied, compared to 72% in the region overall, and 64% in Connecticut. Residential properties account for 80% of the value of real property in the town."

"Currently, the largest age cohort in New Milford [is] 55-59-year-olds, followed closely by 50-54-year-olds. These groups are just beginning to consider where they might want to live as they approach retirement and may begin to contemplate

independent living options for seniors. Peak demand for senior active/independent living is likely to occur in the next five to ten years (2025 to 2030) as this group enters their sixties.” (Camoin & Associates 2019)

There are several factors driving the increase in older age demographics.

- Higher life expectancy
- Reluctance to leave a comfortable community with a low crime rate, convenient access to social needs, and excellent healthcare resources.
- Homes are often smaller in size than neighboring communities, which accommodate elderly couples.
- An accelerating reluctance from the pandemic to move to nursing homes and assisted living, in favor of home care.

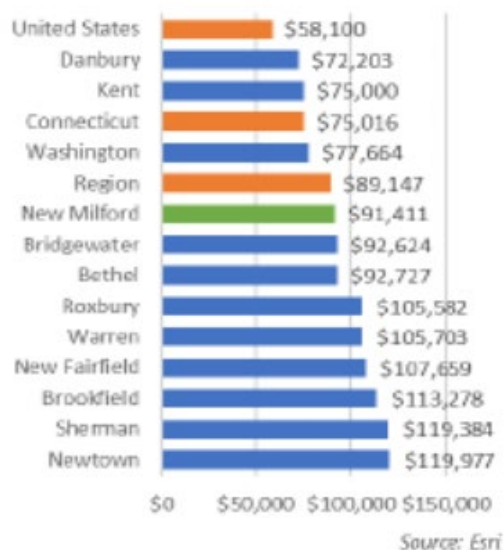
On the other hand, the relative scarcity of senior-housing arrangements in NM will become more acute. This might be partly mitigated by the pandemic-induced reluctance to move to nursing homes or assisted living, and instead opt for in-home care. But that contributes further to an aging population.

The aging population also presents opportunities for economic growth, particularly in assisted living, home health services, and nursing facilities.

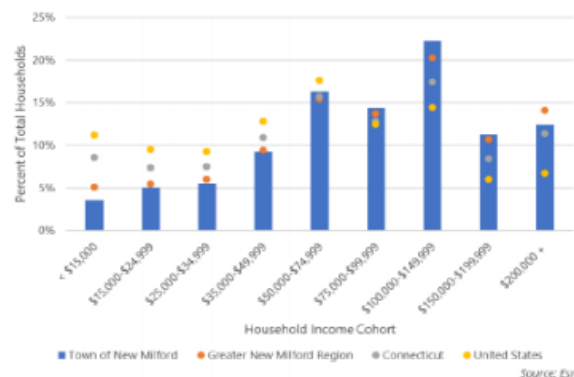
Household Wealth

The median household income in New Milford is approximately \$91k (2018, Esri), in-line with the regional average and above Danbury (\$72k), and the US average (\$58k) while being below neighboring towns. Compared to the region, New Milford has a slightly higher share of upper middle-class households (incomes in the \$100,000 to \$200,000 range), but there are fewer \$200,000+ households, and within the region several towns have higher median incomes.

Median Household Income, 2018



Income Distribution by Households, 2018



Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

As the number and proportion of retirees grows in New Milford, the town is forecasting an increase in higher income distribution brackets, as New Milford retirees are wealthier than the town average, with many in income brackets >\$150,000 per annum (New Milford Development Office).

Town of New Milford Change in Households by Income and Age of Householder, 2018 – 2023.

	<25	25-34	35-44	45-54	55-64	65-74	75+	Total
<\$25,000	(8)	(13)	(20)	(49)	(54)	(26)	(7)	(177)
\$25,000-\$49,999	(9)	(12)	(22)	(70)	(36)	41	65	(43)
\$50,000-\$74,999	(7)	(34)	(36)	(90)	(60)	10	26	(191)
\$75,000-\$99,999	(1)	(8)	(4)	(60)	(21)	39	25	(30)
\$100,000-\$149,999	(1)	16	41	(65)	28	72	45	136
\$150,000-\$199,999	0	(3)	9	(58)	(10)	26	15	(21)
\$200,000+	0	7	41	(31)	28	55	26	126
Total	(26)	(47)	9	(423)	(125)	217	195	(200)

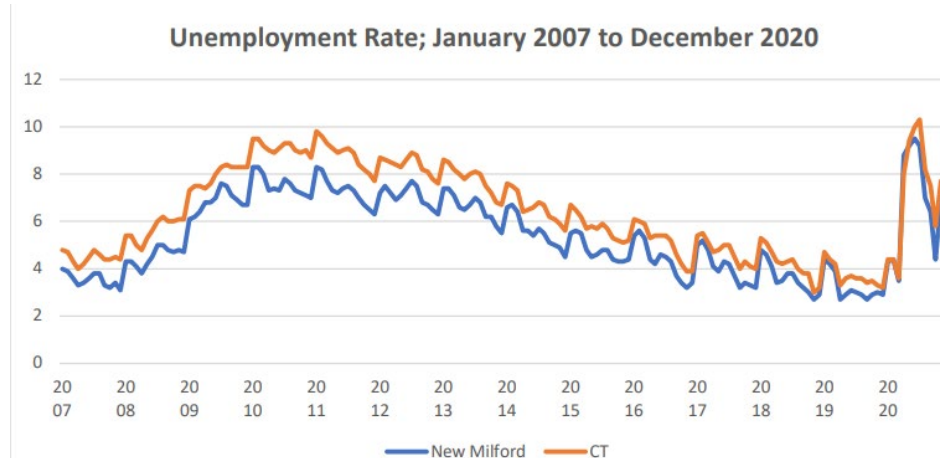
Source: Esri

Unemployment & Poverty

New Milford's unemployment rate was very low as of 2019 at 2.9%. As the pandemic hit, unemployment more than tripled within a few weeks, to 9.5%. Since then, it declined to a still high 6.9 in early 2021. Generally, unemployment in New Milford has been about one percentage point lower in New Milford than in Connecticut as a whole.

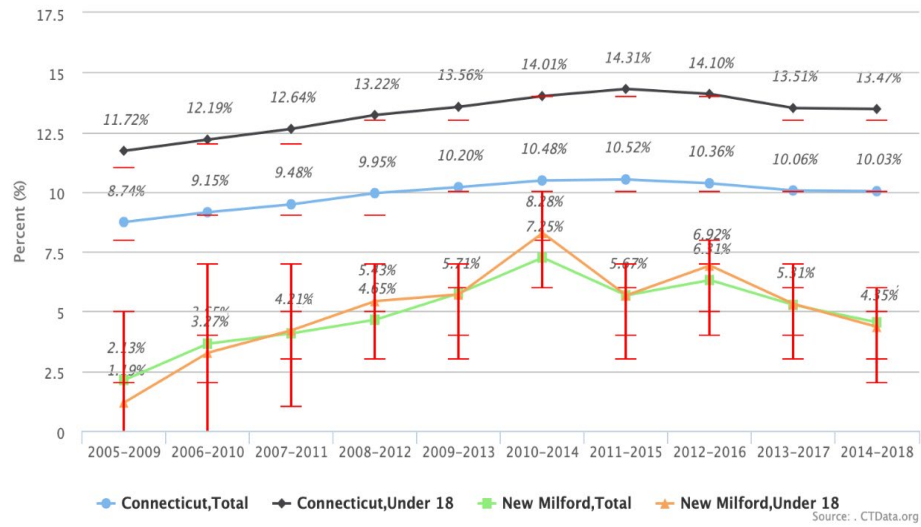
While this is welcome, the New Milford Department of Social Services estimates that it works, in a variety of ways, with roughly 650 economically vulnerable households in town: These household live paycheck to paycheck with no capacity to absorb even small financial setbacks (Source: New Milford Department of Social Services, Annual Report, 2007-2008).

Unemployment Rates in New Milford and Connecticut

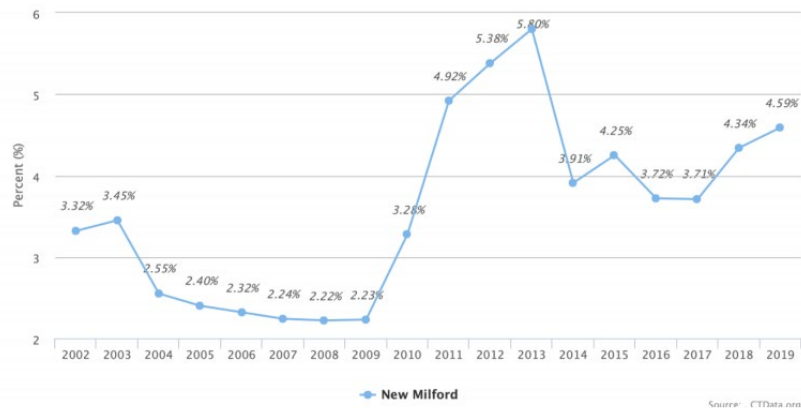


Graph by Josi, Alvin, data from U.S. Bureau of Labor Statistics, U.S. Census Bureau; accessed via <https://data.knoxnews.com/unemployment/new-milford-town-ct/CS0952630000000/2020-november>

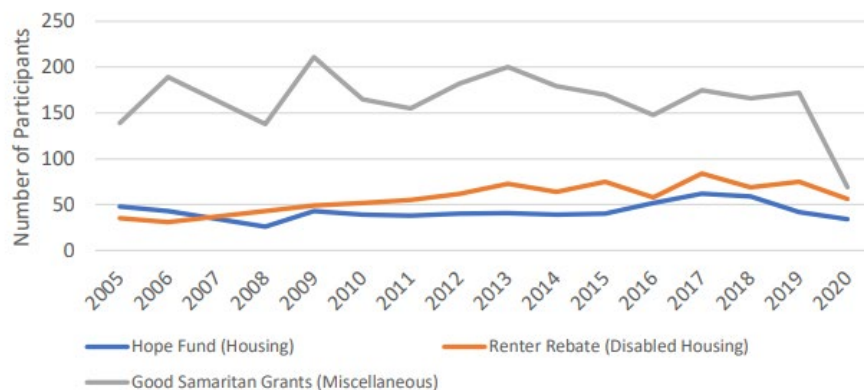
Households Below Poverty Line (New Milford and Connecticut)



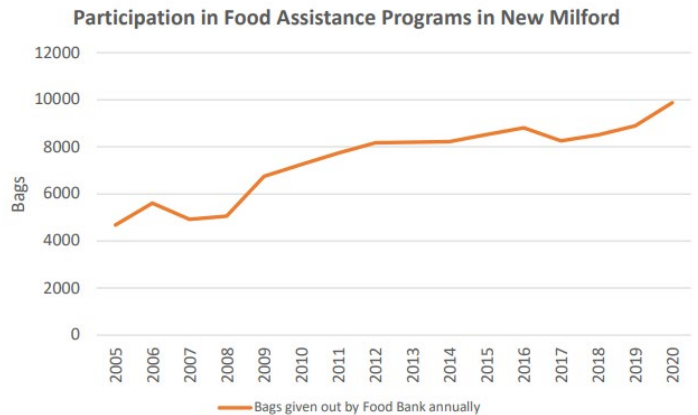
Percentage of Housing Units Receiving Government Assistance in New Milford



Participation in Housing and Other Aid Programs in New Milford



Social Services and other community service groups have also noted a marked rise in need for food support in 2020. Food insecurity is addressed locally through food banks (New Milford Food Bank, Our Daily Bread Food Pantry, and Camella's Cupboard for school-age children), Loaves & Fishes Hospitality (charity offering a daily hot meal and bag lunch to go), the Community Culinary School, and food stamps (SNAP). Use of food assistance rose sharply in 2008 and has continued growing ever since, accelerating in 2020.



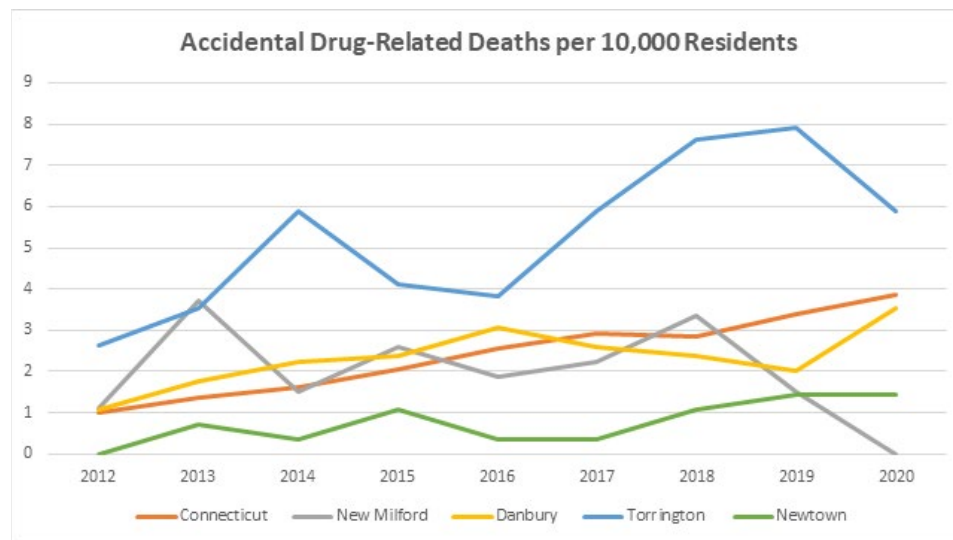
According to the Household Pulse Survey, released by the Connecticut Agriculture Department in collaboration with the United Way of Western Connecticut, and conducted between January 6-18 2021, 11% of adults in New Milford reported their household sometimes or often did not have enough to eat in the last seven days. This was far above the pre-pandemic rate of 3.4% a full 12 months earlier.

Despite the increase in demand for nutrition support, the existing long-established programs in town have managed to meet demand through a combination of federal and state assistance and local volunteering and contributions.

Chart Source: Zbroszczyk, Lukasz W., Social Services Graphs, January 17, 2021, from data in Annual Reports of Social Services Department

Substance Abuse

The number of deaths by opioid overdose has received nationwide attention and New Milford was no exception. According to the data, the local historical death rate tracked the state rates, in an upward direction. However, once the problem was recognized in New Milford, it resulted in remedial and preventative programs which helped bring down the rate after 2018 to zero by 2020, whereas the rate for the state as a whole kept rising.



Graph by Josi, Alvin, data from Connecticut Department of Mental Health and Addiction Services accessed via the Connecticut State Data Center; Accidental Drug Intoxication Report accessed via Office of the Chief Medical Officer.

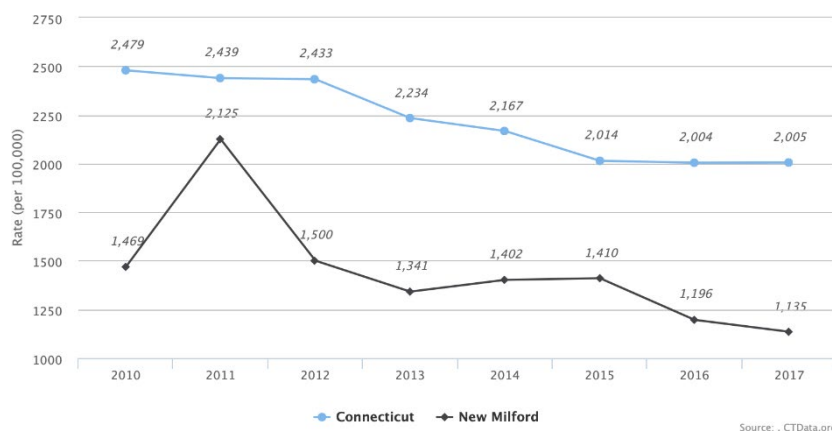
New Milford's substantial success in addressing drug overdose deaths recently is based on a new, nationally unique police program likely driving the results. New Milford began piloting the integration of a community care coordinator into the town police force in September 2019, who works with the police department when responding to crisis calls varying from overdose, homelessness, suicide, domestic violence or severe mental health crises. The coordinator then connects those in

need with an interdisciplinary range of resources which, depending on the circumstances, may include addiction treatment, housing, therapy or family support resources, and remains engaged in their assistance. Since the implementation of this program, deaths from overdoses have dropped by -20%, while Connecticut overdose deaths have increased by +16% and national overdose deaths have increased by +20% (Source: CT Insider, 31 Jan 2021). The LTRC recommends that the state implement similar programs statewide (see Section 6).

Crime

New Milford has a low crime rate compared to the CT average. Additionally, of the more than 27,000 calls for assistance to the New Milford police department in 2019, less than 0.005% were for violent crimes including assault, robbery and homicide, and 0.005% of calls were for domestic violence. New Milford had 2 calls for homicides in 2018 and none in 2019 (Source: New Milford 2019 Annual Report).

Uniform Crime Report Crime Index (# of violent and property crimes), per 10,000, NM versus CT



Source: Connecticut Department of Emergency Services and Public Protections; accessed via data.ct.gov; NMPD

iii. Economy

New Milford's economy has a number of strengths and some challenges. As summarized by the S&P: "Medical, retail and hospitality continue to be strong sectors for the community, providing robust growth in facilities and equipment purchase and as job creation generators. An additional focus area is entrepreneurship and small business growth in trades, technology and professional services. Data show strong wage growth in legal and professional fields, technology and growth in utilities and trade." (S&P New Milford Rating Summary for 2020 Bond Issuance)

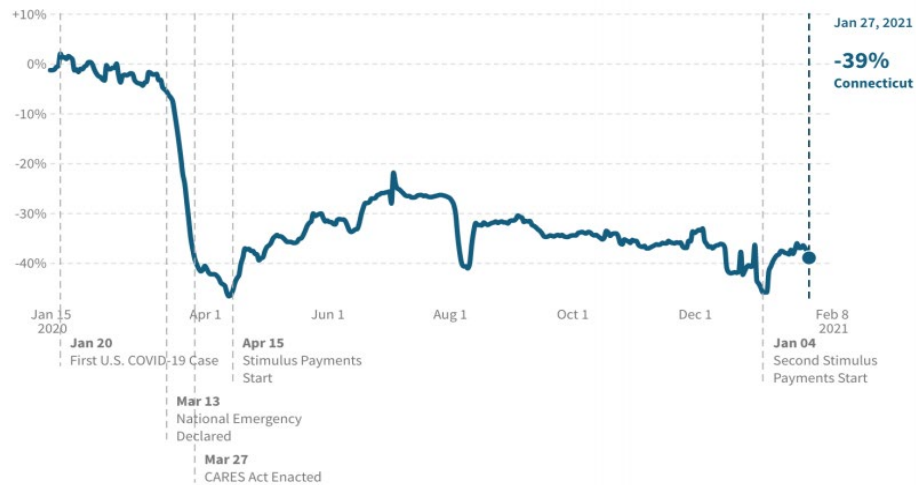
While employment growth in New Milford has been robust since the 2008-2009 financial crisis, the town's employment sources have rotated away from manufacturing and now have a high concentration in retail and hospitality. This mirrors the experience of the state of CT as a whole: CT experienced job growth in the last decade, but jobs rotated out of high skill jobs (with incomes >\$80k) to low skill jobs in tourism, hospitality, and logistics, where full time income averages \$40k, with most of these roles not being full time (Source: CCM webinar 11 December with Fred Carstensen)

Like all of Connecticut and much of the United States, the COVID crisis has been particularly felt by small businesses and low wage workers.

Small Businesses Open in Connecticut: Pandemic Period

In **Connecticut**, as of January 27, 2021, the number of small businesses open decreased by **39%** compared to January 2020.

[DOWNLOAD CHART](#)

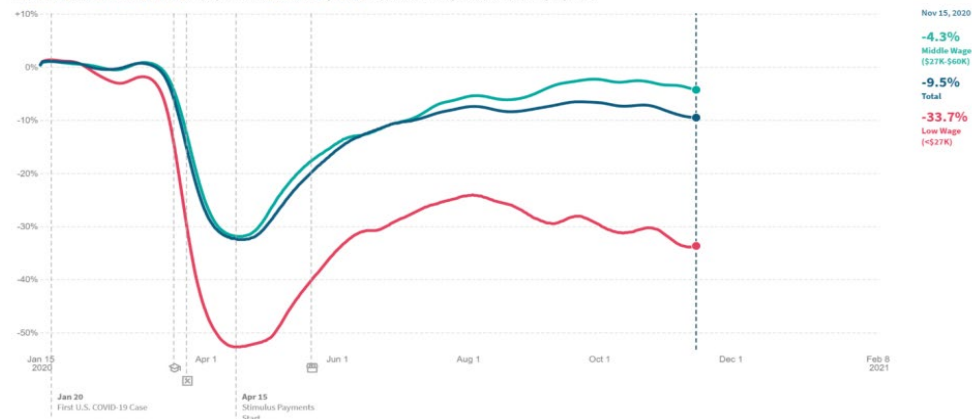


Human Services

Pandemic Period Employment Changes in Litchfield County

Percent Change in Employment*

In Litchfield, as of November 15 2020, employment rates decreased by 9.5% compared to January 2020 (not seasonally adjusted).



Source: *Economic Tracker, Opportunity Insights, Harvard University, tracktherecovery.org*

Employment

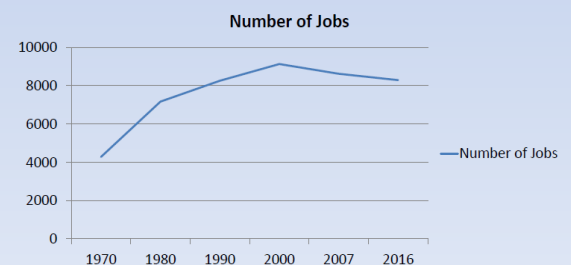
Jobs in New Milford peaked around 2000 and have subsequently declined modestly. However, this slow decline masks the rotation from higher wage manufacturing jobs into lower wage retail and hospitality work. Retail comprises 19% of all jobs in New Milford versus a state average of 11%. This makes the town particularly vulnerable to post-pandemic structural shifts towards e-commerce, where online substitutes are available.

As noted by Camoin & Associates “Highly skilled individuals may be less likely to find employment in New Milford that meets their salary requirements, and highly skilled New Milford residents are likely to

commute outside of town to higher-paying jobs elsewhere in the region.”

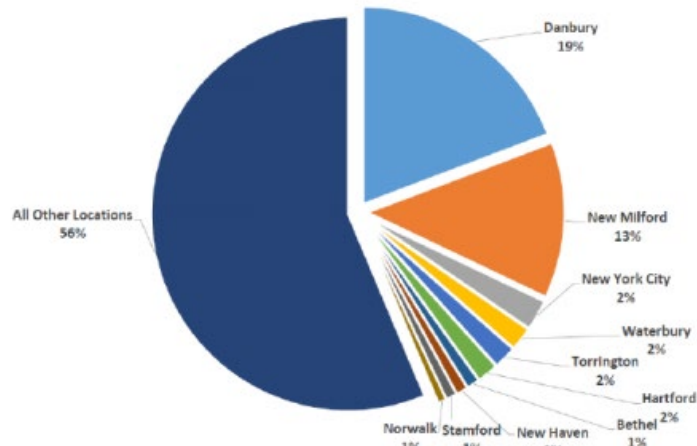
Part of the reason for the concentration in retail employment is that New Milford serves as a retail hub for much of the region, particularly to the north.

Total New Milford Jobs 1970-2016



Source: CTDOL and CERC

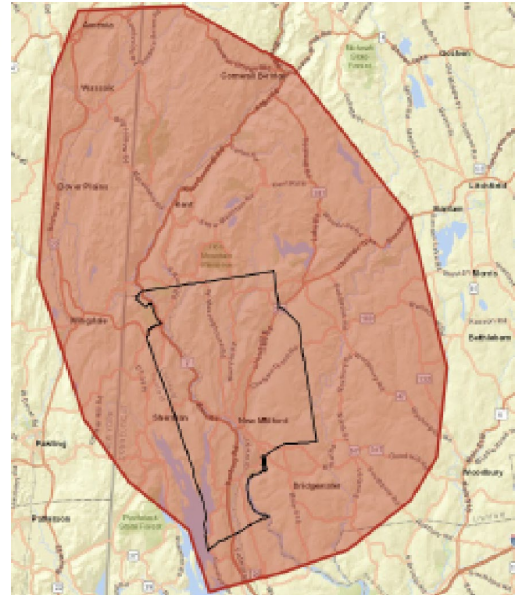
Where Residents Work (Top 10)



Source: U.S. Census Bureau, LEHD Origin Destination Employment Statistics, 2014.

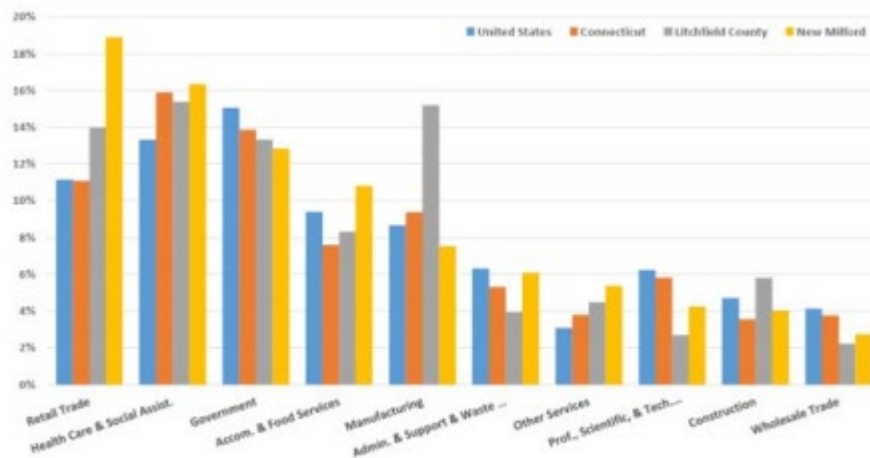
Source: Camoin Associates

Retail Trade Area



- New Milford's top employment sectors include retail (19%), health care and social assistance (12%), government including public schools (11%) and food services (9%) (Source: S&P New Milford Rating Summary for 2020 Bond Issuance).
- New Milford's concentration of retail employment may go some way to explaining the substantially lower earnings per job in New Milford versus neighboring towns: as of 2019, average earnings per job in New Milford is \$55,237, nearly \$35,000 lower than the average in the nearby Town of Bethel and the lowest of all the comparison regions (Source: Camoin & Associates 2019).

Largest Industries by Employment



Source: Economic Modeling Specialists, Inc.

Compared to 2010 POCD data, for New Milford all sectors lost jobs except "Accom&Food Services" increased by 50%

Educational levels in NM are about average for the state, but higher skilled than the local jobs available, causing skilled (and higher wage) residents to seek employment elsewhere and risk their relocation. However, the COVID pandemic may dampen or even reverse this trend, as the proportion of the population working from home increases from 5.1% pre-pandemic to unspecified but almost certainly substantially higher numbers today (Source E Noam et al 2021). This trend of decoupling residential and work locations will likely continue. Residents will be able to work in more distant places while still taking advantage of New Milford's affordable housing and environmental amenities. New Milford residents

seeking employment in professional sectors will search outside town, but there will also be an in-migration of professionals to New Milford with remote work who need not rely on the regional market.

However, New Milford employers who create ~300 STEM jobs locally are increasingly concerned about finding suitably skilled employees, as the number of residents employed in STEM fields has decreased by 18% in the past five years as STEM workers age out of the workforce (Source New Milford Economic Development Office).

Thus, there is an overall mismatch between the type of residential community that New Milford is (low-density, largely owner-occupied), and its economy, which is dominated by relatively low-paying jobs in retail and food service. This disconnect risks the higher wage residential community seeking employment elsewhere and leaving the town, when the town wishes to encourage the attraction and retention of higher wage employment in order to rebalance the economy. Meanwhile it prevents lower wage workers in the retail economy from having access to affordable housing, which the town is also promoting to accommodate demographic trends and a diversified and resilient resident population and economy. Therefore, a number of the LTRC's recommendations target addressing this rebalance through promoting higher-wage employer attraction and growth while increasing affordable housing and improving public transportation (see Sections 5 recommendations v-vii and xiii).

Educational Attainment **Years of School Completed Age 25 and Over**

	Town of New Milford		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade.....	374	1.9%	101,068	4.1%
9th to 12th grade.....	788	4.0	134,758	5.4
High School graduate.....	5,007	25.5	670,519	27.1
Some college, no degree.....	3,909	19.9	416,267	16.8
Associate's degree	1,705	8.7	190,869	7.7
Bachelor's degree.....	5,054	25.7	538,924	21.7
Graduate or professional degree.....	2,810	14.3	426,303	17.2
Total.....	19,647	100.0%	2,478,708	100.0%
Total high school graduate or higher (%).....	94.1%		90.5%	
Total bachelor's degree or higher (%).....	40.0%		38.9%	

Source: American Community Survey 2014-2018

iv. Housing

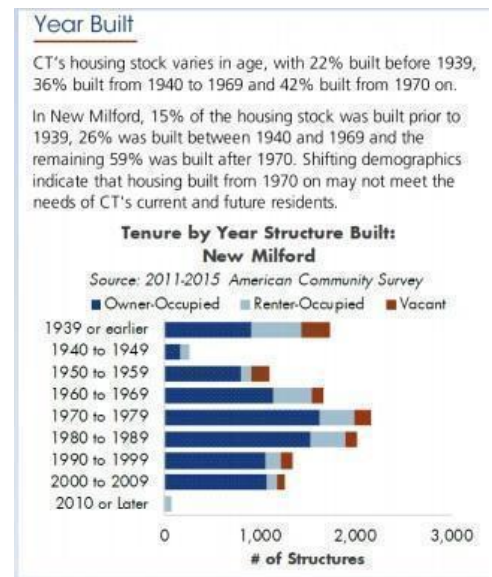
New Milford's housing stock is concentrated in single family, owner-occupied houses that are relatively affordable for the region, with a 2019 median home value of \$308,000 compared to \$364,000 in the region (Source E Noam et al 2021).

Vacancy rates were low pre-pandemic, 0.8% for homeowner houses, and 5.5% for rentals, in comparison to CT rates of 1.9% and 6.6%, respectively (ACS, 2014-18) and are likely lower still mid-pandemic based on the 2020 demand surge (see below).

New Milford is attractive to new residents of two types:

- Older people, often from New York and Westchester, who move to New Milford for its attractive environment, buying or upgrading higher end properties.
- Younger people from the region looking for affordable first homes.

These two trends are likely to lead to two diverging demographics, with the latter seeking services such as schools, and the former seeking low taxes. It



has been a strength of New Milford to be a community that spans and includes these different constituencies, more than several of the nearby towns.

While New Milford's housing stock is relatively young for the region, new construction is now very slow after a peak in 2000-2010.

Renters live in 19% of New Milford's housing stock, compared to 20% for Litchfield County and 30% for Connecticut.

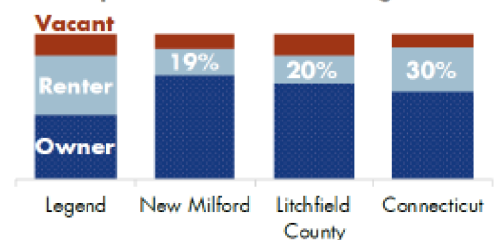
The Great Recession lowered property values. The pandemic crisis has the opposite effect in the New Milford region. Construction activity responds to *increases* in property value, rather than the property value itself. This suggests that the COVID-driven growth in housing prices could lead to a renewed interest in residential construction.

Tenure

	New Milford	Litchfield County	Connecticut
Total	11,592	87,447	1,491,786
Owner-Occupied	8,295	57,397	906,227
Renter-Occupied	2,199	17,121	446,356
Vacant	1,098	12,929	139,203

Source: 2011-15 American Community Survey

Percent of Owner-Occupied, Renter-Occupied and Vacant Housing Units

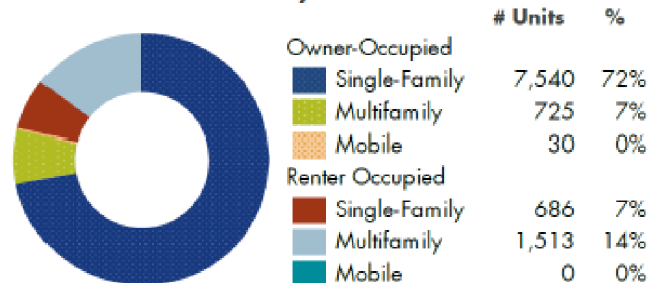


Units in Structure

Overall, 66% of CT's occupied housing stock is comprised of single-family housing, while 33% is multifamily housing (2+ units in structure) and 1% is mobile homes.

In New Milford, 78% of occupied homes are single-family, 21% are multifamily (2+ units in structure), and 0% are mobile homes. Renters live in 68% of New Milford's 2,238 multifamily homes, and owners occupy 92% of its 8,226 single-family homes.

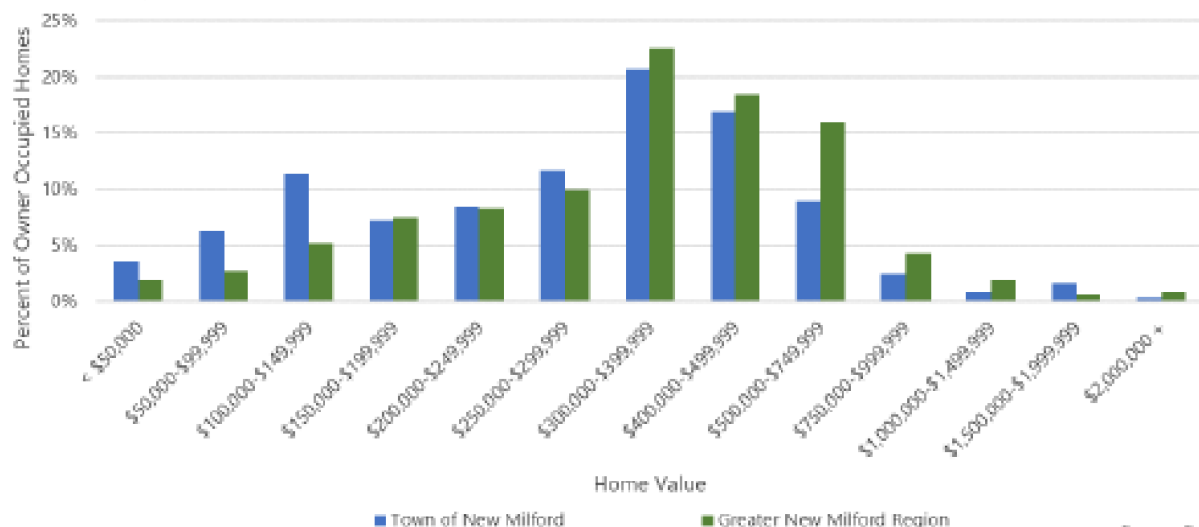
Units in Structure by Tenure: New Milford



Source: 2011-15 American Community Survey

Source: New Milford 2020 POCD Update, Update of Conditions and Trends, 12-20-2018

Owner Occupied Home Values, 2018



Source: Esri

Housing Affordability

The Federal Government defines housing as affordable if no more than 30% of a household's income is spent on housing costs. The State, pursuant to CT General Statutes, Chapter 126, The Affordable Housing Land Use Appeals Act, Section 8-30g, commonly referred to just as "8-30g" considers a housing unit to be "affordable" only if it is: a) governmentally assisted, b) governmentally financed, or c) deed restricted for at least 40 years for households making less than 80% of the Area Median Income (AMI).

New Milford currently has 538 State-recognized affordable housing units or 4.59% of its housing stock. While still below the State's 10% goal required under CGS 8-30g, the number of units meeting the State's definition of affordable more than doubled the 249 units, or 2.22% reported in the 2010 POCD, and New Milford currently has the fourth highest percentage of affordable units in the Region. In addition, according to the Residential Development Pipeline Table, another 102 State recognized affordable units have been approved.

New Milford also has the most affordable median home value in the Region and has many "naturally occurring affordable housing units that meet the Federal Government's definition of affordable. These naturally affordable units are not subject to any deed or resale restrictions protecting them as affordable, so they do not meet the State's definition of affordable, and cannot count towards the Town's 10% goal. However, these units have and will continue to play a critical role in meeting the Town's and Region's affordable housing needs.

Diverse housing makes a community more sustainable and is essential for the social well-being and vitality of the Town. It is also a critical part of the Town's economic development infrastructure. A declining and aging population trajectory impacts the Town's ability to grow its economy and strengthen its tax base. As a result, there is a growing realization among residents that New Milford should expand and diversify its housing stock, not only to support and maintain an aging population, but also to attract and retain young adults, families, and a healthy workforce.

Today, New Milford's housing prices are more affordable than other communities in the surrounding region, making it an attractive location and key selling point for the Town. However, The Town-Wide Market Analysis (Camoin, 2020) reported the existing inventory of housing units on the market, especially rentals and affordable smaller single-family homes, is limited. This lack of supply limits options and makes it more difficult for New Milford to attract new residents and a diverse workforce, as well as retain older residents as they age. New Milford should take advantage of these market demands and development opportunities for more diverse housing options.

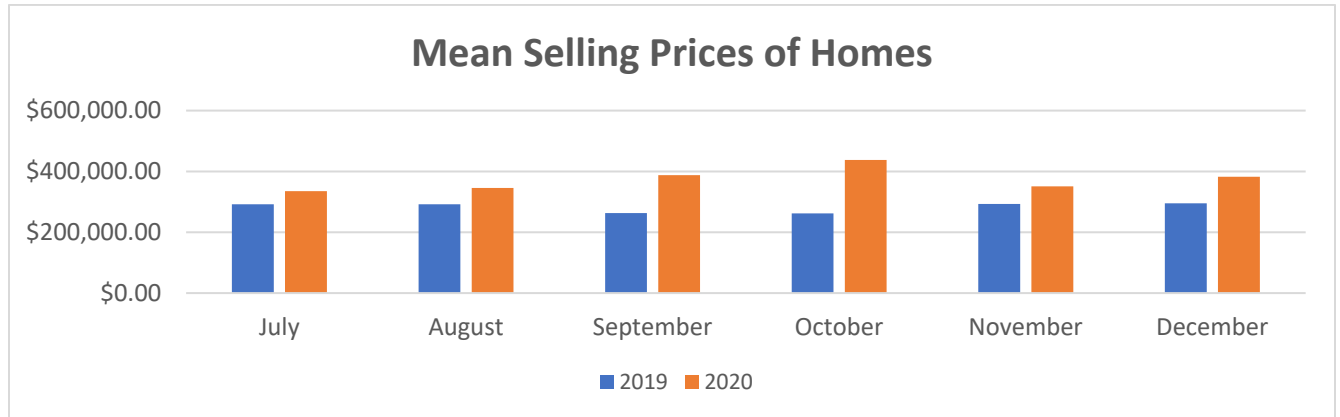
State-Recognized Affordable Housing Units	
Town	% of Housing Stock
Danbury	10.91
Bethel	5.66
Brookfield	5.58
New Milford	4.59
Kent	4.02
Ridgefield	3.01
Newtown	2.65
Washington	2.07
Roxbury	2.06
New Fairfield	1.50
Redding	0.47
Sherman	0.44
Bridgewater	0.11
Source: CT Department of Housing 2019 Affordable Housing Appeals List	

Sales

New Milford has experienced an increase in the value of homes sold in 2020, likely due to individuals and families relocating to lower density areas, as experienced across the region.

- On average, there has been a 9% increase in selling prices of homes from 2019 to 2020 (Source E Noam et al)
 - 7% increase in price per square foot.
 - Mean selling prices higher than the median.
- This indicates a higher level of interest in the expensive properties that previously spent more time on the market.

Home Prices 2019 versus 2020



The pandemic has changed this dynamic, with demand for homes by New Yorkers for first and second residences rising.

Multi-family Supply and Demand

“Despite the very low multifamily vacancy rate in New Milford, the town has seen minimal new construction of multifamily units” (Camoin Associates). Though a number of multifamily projects have been approved in recent years (most as 8-30g projects with an affordable housing component), they remain unbuilt and are seeking developers. There are a total of 314 multifamily units that have been approved yet remain undeveloped. The largest of these is at 189 Danbury Road, which is approved for 150 units. New Milford currently has 19 affordable units under construction and 64 approved and not yet built (Laura Regan “LTRC Housing Comments 2-22-21”).

New Milford Residential Development Pipeline

Residential Development Pipeline, 2020					
Property	Description	Total Units	Market-Rate Units	Affordable Units (State Recognized)	Status
35 Old Park Lane Rd	Multifamily	6	4	2	Completed in 2019
177 Wellsville Ave	Multifamily	3	2	1	Completed in 2019
7 Thomas Ln	Supportive Housing	12	0	12	Completed in 2019
Tall Oaks I & II, Aspetuck Ridge Rd	Active Adult	19	19	0 Affordable 19 Age-Restricted	Under Construction, partially occupied
Laurel Ridge, Kent Rd	Active Adult	28	28	0 Affordable 28 Age-Restricted	Under Construction, majority completed and occupied
River Walk by the Housatonic, Kent Rd	Housing Subdivision	33	23	10	Under Construction, Modification Application recently filed with Wetlands Commission
69 Lanesville Rd	Multifamily	30	21	9	Under Construction
64 Boardman Road	Multifamily	12	8	4	Permits recently issued for site work
Total Recently Completed, Partially Occupied, or Under Construction		143	105	38 Affordable 47 Age-Restricted	
189 Danbury Rd	Mixed Use, Multifamily & Retail	150	105	45	Undeveloped
143 West St	Multifamily	109	109	0	Undeveloped
1 & 2 Buczek Ln / Poplar St	Multifamily	32	22	10	Undeveloped
38-46 Lanesville Rd	Multifamily	23	16	7	Undeveloped
69 Sunny Valley Rd	Housing Subdivision	6	4	2	Undeveloped
Total Approved & Undeveloped		320	256	64	
Total, Development Pipeline		463	361	102 Affordable 47 Age-Restricted	

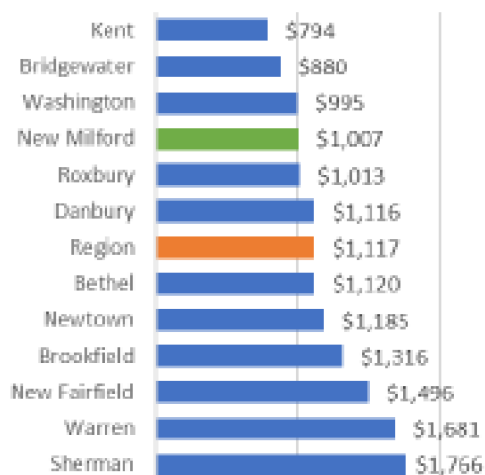
Source: Town of New Milford Land Use Department Records, Feb. 2021

Camoin Associates concluded that ~250 new units would need to be built that were for-sale options that can accommodate seniors. Young commuters and families are likely to desire a similarly profiled development (e.g., low maintenance, modest size, high affordability, easy access to transport routes/mass transit). Another ~100 rental units would be required. Camoin Associates recommended that price points should target those earning ~\$75,000 and up and should start at about \$275,000 for for-sale options and at about \$1,600 for monthly rentals.”

Rentals

While rentals in New Milford when available are lower than regional averages and broadly affordable, the short supply of overall rental units results in supply remaining challenging despite affordability. In addition, during 2020 average rental prices have increased, and supply has been further constricted.

Median Contract Rent, 2016



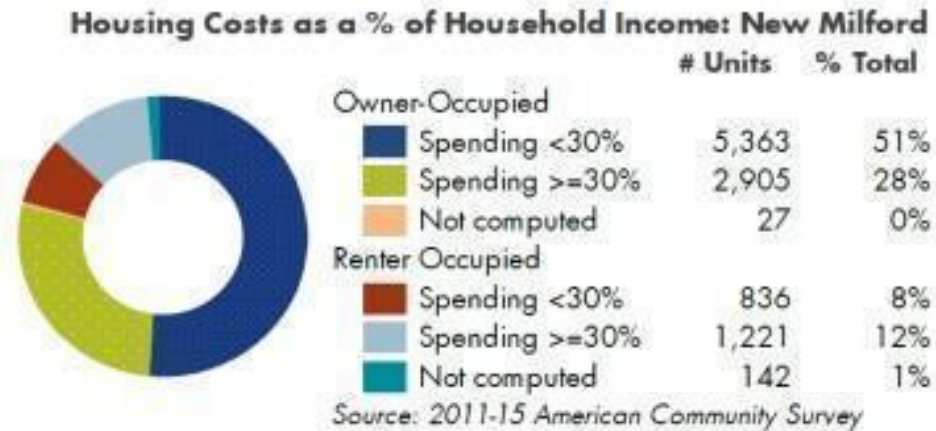
Source: ACS 2012-2016

Rent Paid, 2016

	Town of New Milford		Greater New Milford Region	
	Units	% Total	Units	% Total
Less than \$500	115	5.3%	1,852	9.9%
\$500 to \$749	326	14.8%	1,815	9.7%
\$750 to \$999	594	26.9%	3,695	19.7%
\$1,000 to \$1,249	661	29.9%	4,330	23.1%
\$1,250 to \$1,499	189	8.6%	3,283	17.5%
\$1,500 to \$1,999	183	8.3%	2,744	14.6%
\$2,000 to \$2,499	41	1.9%	778	4.1%
\$2,500 to \$2,999	-	0.0%	123	0.7%
\$3,000 to \$3,499	-	0.0%	119	0.6%
\$3,500 or more	-	0.0%	37	0.2%
No cash rent	100	4.5%	1,010	5.4%
Total	2,209	100.0%	18,776	100.0%
Median Contract Rent	\$ 1,007		\$ 1,117	
Average Contract Rent	\$ 1,008		\$ 1,130	

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

A family of four looking for a 3-bedroom apartment will find it challenging to pay less than \$1500 plus heat and utilities. The average CT household of four would have to make at least \$90,000 to survive, according to the United Way's ALICE report. Moreover, an average minimum wage worker would have to work 96 hours/week to afford a 2-bedroom apartment in CT, according to Out of Reach 2020. (Source New Milford Department of Social Services, 2019-2020).



Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

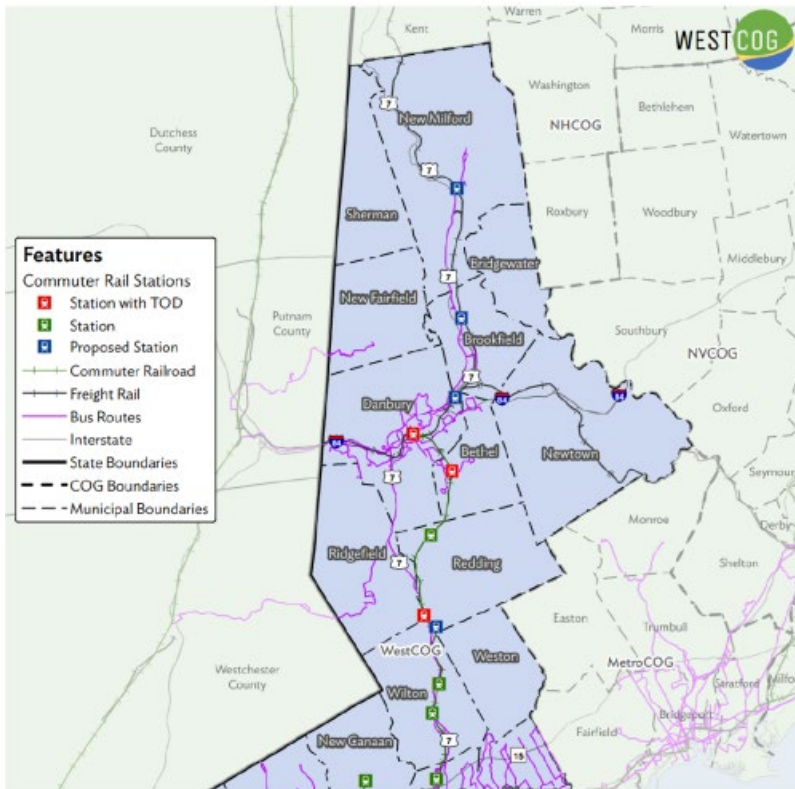
v. **Infrastructure**

Southerly, highways have improved considerably in the last decade, raising the range of commuting, shopping and freight, while also raising road traffic levels.

Mass transit options in New Milford are limited and restrict economic growth by restricting the employment options of individuals who do not own cars, making the community less attractive to those who do not wish to drive much/at all, narrowing tourism to those willing to drive to town, and restricting the employment pool for local employers. Bus service is limited in frequency and confined to a relatively small part of New Milford. Train services are 15-40 minutes away (closer to the south and west of town).

As cited by a Fitzgerald & Halliday: "A commuter train service and a station adjacent to Downtown would be a tremendous asset to the community, and potentially generate new development opportunities. As New Milford's transportation network is severely constrained, rail service could be a key to unlocking the town's future growth and prosperity."

Existing and Proposed Bus and Train Services



Source: Housatonic Valley Metropolitan Planning Organization, 2019-2045 Long-Range Transportation Plan, 2017

A proposed passenger train service would connect to Metro North's Harlem line at Metro North's Southeast station for through trains or connecting trains to continue into New York City. The track already exists for freight service and could be utilized much more once upgraded. The service would operate on Housatonic Railroad's right-of-way known as the Berkshire Line into Danbury and along a short section of the line known as the Maybrook Line across the state line to Southeast, in Brewster, NY.

Southbound travel time to New York, by a sample schedule[1] might have a train depart New Milford at 7:18 and arrive in Grand Central Station at 9:10, and half an hour earlier in White Plains, without the stress of driving. While this might be long for a daily commute, it would be increasingly attractive in the emerging work-from-home environment where a commute might be required only perhaps twice a week. Similarly, it would allow commutes to Norwalk, Stamford, and other Fairfield County towns, by way of the Danbury branch.

[1] [Housatonic-Rail-Station-Locations-Study-BRPC-2014.pdf](#)

Train service would bring commuters from the surrounding towns to New Milford, which would also generate business for retailers, services, and restaurants in the town center, balancing the automobile-centered activity on Rt. 7. It would also support the creation

of a bus service to nearby towns such as Kent and Washington, thus also generating more regional bus service. All this would strengthen New Milford as a regional hub. On weekends, it would generate northbound traffic from day-trip visitors. Train service would be valuable for older residents reluctant to drive or for students without a license, and it would enable employees from beyond the town to get to work in New Milford.

Short-term economic advantages for the region include the construction and engineering jobs during the upgrade period. Longer term, it would make New Milford more attractive and convenient as a residential and employment location, raise property values, and increase commercial activity, employment, and tax revenues.

These advantages were quantified a few years ago by a study by the Center for Creative Community Development at William College. It was done for a proposed line between Danbury and Pittsfield, and hence reflects benefits to towns north of New Milford, too.

Table 9.2: Accrued Benefits During First Decade of Proposed Passenger Rail Service

The Economic Report projects that the re-introduction of passenger rail service along the Berkshire Line will generate more than \$625 million dollars from the production/sale of additional goods and services during its first decade of service. Additionally, the Economic Report projects that more than 600 new local jobs will be created, local tax revenue will grow and municipalities will experience decreased road maintenance costs.

The following chart highlights the major economic benefits of the reinstatement of passenger rail service over the first ten years as projected in the Economic Report.

Increases in ...	Connecticut	Massachusetts	Combined
Economic output over ten years	\$271,495,767	\$343,970,290	\$625,074,159
Employment	221	425	610
State and local tax revenues	\$11,353,143	\$17,510,471	\$29,452,747
Federal tax revenues	\$22,654,920	\$27,944,938	\$55,020,326
Property values	\$202,695,948	\$101,206,932	\$309,678,630
Decreases in ...	Connecticut	Massachusetts	Combined
Road maintenance costs	\$481,719	\$899,157	\$1,380,869
Costs due to fatal accidents	\$2,644,180	\$4,560,668	\$7,204,848
Traffic fatalities (persons)	2.94	5.04	7.98
Global mean temperature	2.2 10 ⁻⁷ degrees Celsius		

Source: Stephen Sheppard and Kay Oehler "Economic Benefits of Housatonic Railroad Passenger Service," Center for Creative Community Development, Williams College, 2011

There are disadvantages, too. Connecting New Milford by more convenient public transportation might reduce its relative isolation from metropolitan areas and affect its character, while noting that the town's current character was significantly molded in the 137 years when the town was connected by regular passenger train service. Periodic noise and vibration would be an issue for those living close-by. The safety of crossings would have to be strengthened. Parking areas need to be established near the tracks, but these could be a substantial revenue source for the town.

A survey of residents conducted a few years ago showed 91% support for restoring passenger service (Testimony by Councilman Tom Esposito to the Connecticut Public Transportation Commission).

Data Connectivity

Local data connectivity, specifically wireline and wireless broadband, is limited in options, is slow by metropolitan standards, and is especially a problem in the northern half of New Milford. There are a number of consequences to this, exacerbated by COVID:

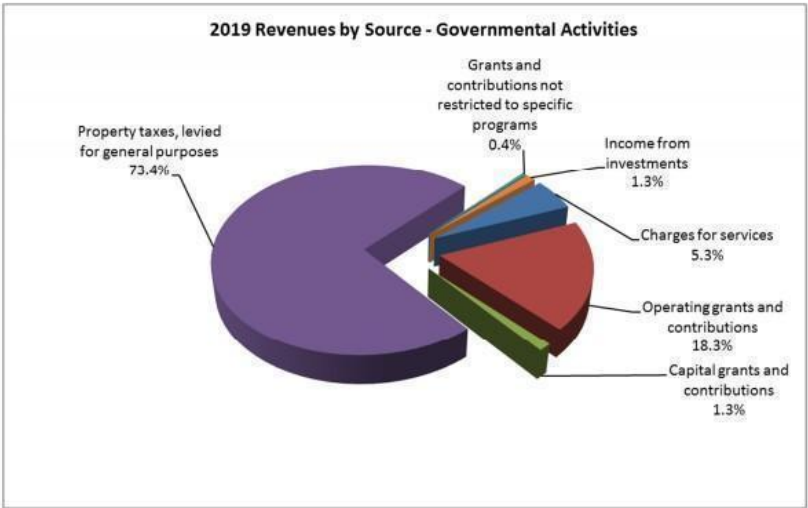
1. Teleworking workers have an unreliable connection to their job.
2. School children studying remotely are subject to a poorer educational experience and academic achievement.
3. Homebound seniors experience greater isolation.
4. Spotty mobile coverage creates public safety issues.
5. Companies that are heavy data and communications users would be discouraged from investing in New Milford.
6. Medical services are less connected to remote specialists and data, and hence less effective.

The pandemic has demonstrated that we need direct broadband today in the same way that we need electricity and telephone access. The typical U.S. household now has 11 internet-connected devices, and that number keeps rising with the emerging "internet -of things". Examples for Applications are driverless cars, energy sensors, tracking of parking spaces, and public health applications. Every day new things are being developed that make our homes and work smarter.

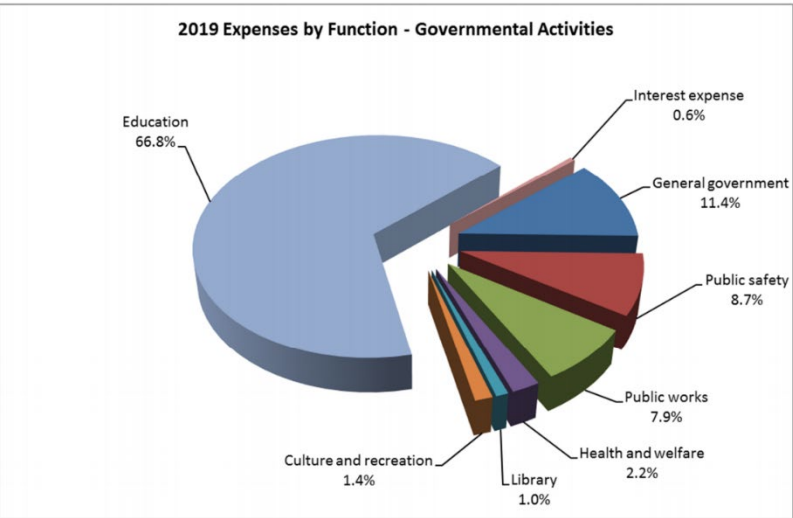
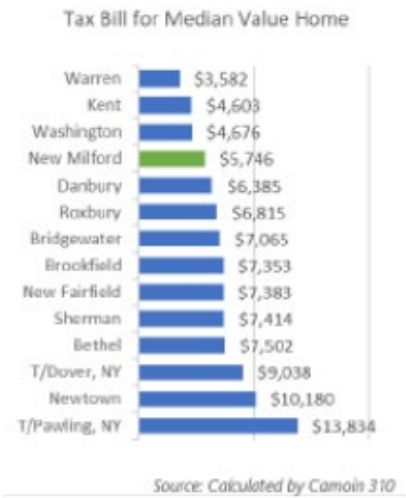
The LTRC concluded this is a critical issue for improvement upon which New Milford’s resiliency and prosperity are dependent. Addressing this issue requires long-term planning as well as collaboration with the existing carriers and State agencies, in particular the Department of Public Utilities and the Siting Council. We should also consider the option of creating, together with adjoining towns, a municipal system as a backup in the event that commercial providers service level remains unsatisfactory. We should consider providing a free WIFI service on the Village Green to attract social and business activity. These issues are addressed in Sections 5e – Long Term Focus Areas and Action Plans.

vi. Local Government

The town’s revenues are heavily concentrated in property tax, and while taxes are perceived to be high, when they are applied to the lower home prices, annual payments are at the lower end of regional averages.



Tax Bill for Median Value Home



Source: Phoenix Advisory, New Milford Bond Prospectus, Preliminary Official Statement, July 7, 2020

**NEW MILFORD TOP 10 COMBINED TAXPAYERS
2017 GRAND LIST**

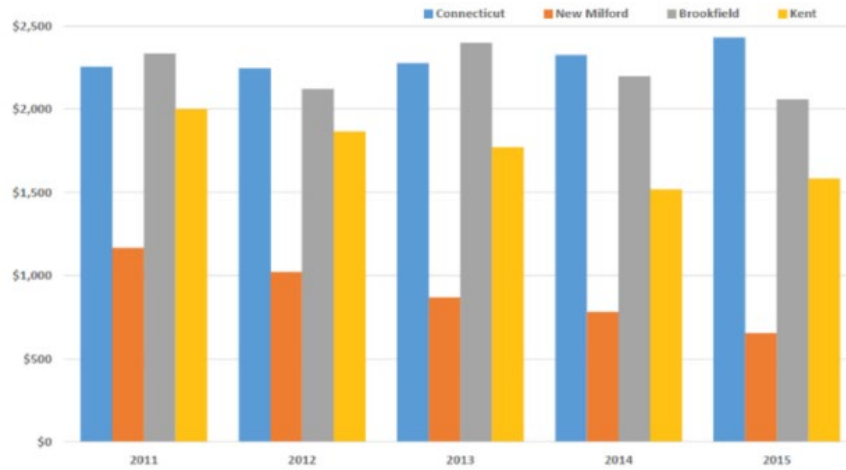
NAME OF TAXPAYER	10/1/2017 GRAND LIST AMOUNT	% NET TAXABLE GRAND LIST	CLASS	% OF 15 Grand List
KIMBERLY CLARK CORPORATION	\$100,795,270	0.035	P RE+PP	0.03%
EVERSOURCE ENERGY	\$66,460,390	0.023	P PP	0.02%
U B LITCHFIELD LLC	\$15,334,830	0.005	R RE	0.01%
LITCHFIELD CROSSING LLC	\$13,737,500	0.005	R RE	0.00%
FIRSTLIGHT HYDRO GENERATING CO	\$13,654,250	0.005	R M RE	0.00%
AQUARIAN WATER CO OF CT	\$11,844,230	0.004	R P PP	0.00%
HOME DEPOT USA INC	\$8,595,440	0.003	R RE	0.00%
UB NM FAIRFIELD PLAZA LLC	\$5,561,780	0.002	R RE	0.00%
U B NEW MILFORD LLC	\$5,184,200	0.002	M RE	0.00%
O & G INDUSTRIES INC	\$4,806,780	0.002	MV R	
Net Taxable Grand List 10/01/17	<u>\$245,974,670</u>	0.083		
Net Taxable Grand List 10/01/17 Amount	\$2,899,588,245	8.48%		

Despite the concentration of revenues in property tax, New Milford overall enjoys strong town financial health. As noted by S&P in 2020, “our assessment of the town's available reserves includes \$12.3 million in its waste management settlement fund, which can be made available subject to approval by town council. The town reached a \$43.1 million settlement in 1998 with a solid waste facility for zoning violations. The balance on the settlement was \$10.8 million as of June 30, 2019, and the town expects to receive payments of \$2.7 million per year through 2023. These funds are set aside in the waste management ordinance fund, 10% of which can be used annually for tax relief” and in our view, the town has strong access to external liquidity if necessary. New Milford has issued GO debt regularly over the past ten years, which supports our view of its strong access to external liquidity.” Unusually, New Milford enjoys a fully funded public pension, further demonstrating its financial stability and responsibility. The town made its full annual required pension contribution in 2019 and 2020.

“In our view, New Milford's debt and contingent liability profile is very strong. Total governmental fund debt service is 4.2% of total governmental fund expenditures, and net direct debt is 35.7% of total governmental fund revenue. Overall net debt is low at 1.0% of market value, which is, in our view, a positive credit factor. With these issuances, the town will have about \$54.2 million in total direct debt, including \$9 million in short-term debt. Officials indicate the town currently plans to issue about \$4.3 million in additional debt over the next two-to-three years for road improvements and a library project.” (S&P New Milford Rating Summary for 2020 Bond Issuance)

The town restructured its management team in 2019 and hired an economic development director to harness the ongoing development through strategic growth in the following five sectors: retail, health care, scientific and technical services, utilities and construction, and manufacturing. (S&P New Milford Rating Summary for 2020 Bond Issuance)

Bonded Long Term Debt Per Capita



Source: Municipal Fiscal Indicators, CT Office of Policy and Management, 2016.

Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018.

Current Debt Ratios As of July 24, 2020 (Pro Forma)

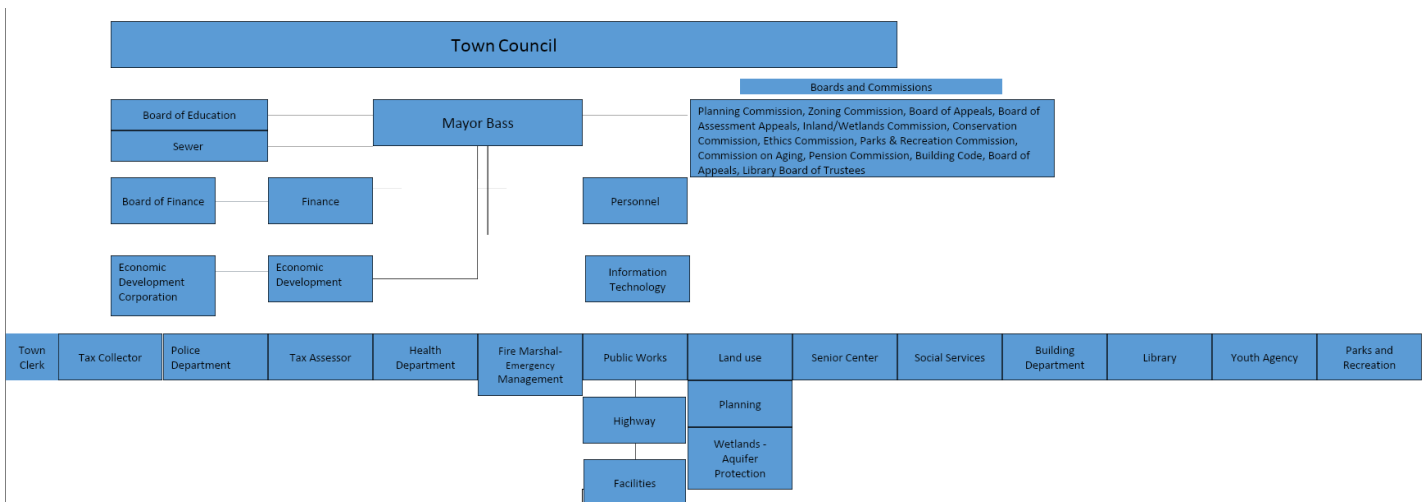
Population (2018) ¹	27,196
Net Taxable Grand List (10/1/19)	\$ 2,946,641,998
Estimated Full Value (70%)	\$ 4,209,488,569
Equalized Grand List (10/1/17) ²	\$ 4,343,771,207
Money Income per Capita (2018) ¹	\$ 42,708

	Total Direct Debt	Total Overall Debt / Overall Net Debt
Per Capita.....	\$2,072.11	\$2,072.11
Ratio to Net Taxable Grand List.....	1.91%	1.91%
Ratio to Estimated Full Value.....	1.34%	1.34%
Ratio to Equalized Grand List.....	1.30%	1.30%
Debt per Capita to Money Income per Capita (2018)....	4.85%	4.85%

¹ American Community Survey 2014-2018

² Office of Policy and Management, State of Connecticut.

Town Organizational Chart



Education

New Milford's schools have an overall score in the GreatSchools rankings of 5, down from its previous 6, out of 10, though it has areas of strength that are under-noticed. While this is a satisfactory score from an overall state comparison, the town is working hard to move into the top ranks. The school system, due to management turnover and low expenditure per pupil, has gone through difficulties, but we now have a new management team, and together with the town leadership they recognize the problem, and they are about to turn it around. While neighboring school districts are ranked higher, these differences in ratings are partly an issue of greater expenditure by other school districts. While the cost per pupil is rising (as it is across the state), the cost per pupil in New Milford remains <50% of that of several neighboring towns, and in real terms has been declining for >5 years, as education budgets with proposed expenditure increases

greater than inflation have been rejected annually by the town's voters for several consecutive years. New Milford spent \$16,573 per pupil in 2019/20, while region 12 east of New Milford (Washington, Roxbury and Bridgewater) spent nearly twice as much per pupil, including an astonishing \$49,102 per pupil at the Burnham School in Bridgewater (this is higher than the annual tuition rates

for day students at the private prep schools Exeter, Groton, or Choate, which are about \$45,000).

Many neighboring school districts are more affluent, smaller, or more rural than New Milford, therefore the state organizes school districts into Demographic Reference Groups (DRGs) to aid equitable comparisons. Within New Milford's DRG, New Milford is the 4th lowest spending school district per pupil, spending -11% below the DRG mean. Indeed, New Milford's expenditure per pupil ranks 152 out of 166 districts in the

Spend per Pupil and Great Schools Rank of Demographic Reference Group

District	Spend per Pupil	Average
Southington	\$15,919	7
Watertown	\$16,281	6
Cromwell	\$16,332	6
New Milford	\$16,573	5
Shelton	\$16,798	7
Ledyard	\$16,945	5
Rocky Hill	\$17,352	6
North Haven	\$17,357	7
Colchester	\$17,380	6
East Hampton	\$17,463	6
Wethersfield	\$17,990	6
Bethel	\$18,116	6
East Lyme	\$18,246	8
Stonington	\$18,618	7
Newington	\$19,346	5
Wallingford	\$19,449	5
Clinton	\$19,807	5
Branford	\$19,872	5
Waterford	\$20,597	7
Milford	\$20,787	5
Old Saybrook	\$21,082	7
East Granby	\$21,248	9
Windsor	\$23,338	5

Spend per Pupil and Great Schools Rank of Nearby Districts

Nearby School Dis	Spend per Pupil	Average
New Fairfield	\$17,316	8
Region 6	\$20,661	8
Newtown	\$18,410	7
Region 12	\$31,337	7
Kent	\$26,987	7
Sherman	\$22,586	7
Brookfield	\$16,875	6
Bethel	\$18,116	6
New Milford	\$16,573	5
Danbury	\$14,246	5

state. The New Milford school district is educating students very economically. In fact, it is remarkable how it is stretching its more limited resources. Its student-to-teacher ratio is 11:1, and there are few districts in the states that have lower ones (several that do are special cases without high schools). However, cost per pupil and district performance are not always tightly linked. Some neighboring districts (e.g. New Fairfield, or Bethel, which is also in New Milford's DRG) spends about the same per pupil but is ranked higher than New Milford. In New Milford's DRG, the district spending the least is ranked substantially higher than the district spending the most per pupil.

Another question is whether the town supports its schools proportionally to other towns i.e., how much does an average household contribute to the school system, through taxes and other charges? This is a somewhat different measure than per-student spending. High numbers might be simply the result of a small number of students in an aging town. In New Milford, the per-household spending is \$4,416, about \$500 above state average but well below that of adjoining towns. However, the financial resources of a town must also be taken into account. We therefore define another measure, the financial effort by a town, which is the average amount spent per household for the school system, as a percentage of average household income. By that calculation, New Milford spends 4.9% of average household income on schools. This is slightly lower than the state average, but well within the range of many towns with higher-scoring schools. It is, however, below the neighboring towns of Region 12, Brookfield, and New Fairfield. What the numbers therefore show is that several towns, beyond being wealthier in terms of tax base per capita (see the graph below), also contribute at a higher percentage of that wealth to schools. In other words, they contribute a higher percentage of a higher base (other high-income towns, on the other hand, are able to spend more per student even with a lower per-household school spending-to-income ratio).

Therefore, while financial resources have a connection to educational performance, New Milford's educational attainment cannot be explained by spending in isolation. Other difficulties include leadership: progress and accountability has been challenged in recent years by very high leadership turnover (5 school superintendents in 6 years, including acting ones). This has recently been addressed by the appointment of a dedicated local leader into the superintendent's position; next steps for the district include creating specific, actionable objectives with measurable progress targets, and communicating these broadly.

Overcoming the performance gap is a task for the new leadership of the school system. Its success would result in higher property values and a greater attraction for young families and for professionals with a high propensity for education to move to New Milford. Thus, education policy is a key element in economic development policy.

(Sources: US Census 2019 ACS, accessed via censusreporter.org, GreatSchools.org as of 24 Feb 2021)

b. New Milford Trends, Strengths, Weaknesses, Opportunities and Threats

Before the pandemic, the aggregate of 38 economic and social indicators in New Milford trended mildly positive. Negatives were mostly part of broad national trends. The pandemic was a shock to almost all of them, and its long-term impact is to reverse the aggregate trend in a negative direction.

Social and Economic Trends in New Milford: Scale from +1 (extremely positive) to -1 (extremely negative)

Trend Category	Pre-Pandemic Trend	Anticipated Pandemic Effect	Anticipated Post-Pandemic Trend
Social Conditions Indicators ¹	-0.029	-0.182	-0.212
Economics ²	0.114	-0.057	0.057
Governance ³	0.020	-0.140	-0.120
Schools ⁴	-0.150	-0.050	-0.200
Infrastructure ⁵	-0.050	0.050	0.000
Environment ⁶	0.400	-0.100	0.300
Housing ⁷	-0.013	-0.113	-0.125
Overall trend	+0.042	-0.085	-0.043

Source: E Noam, A Josi, L Zbroszczyk; *New Milford After the Pandemic: Trends, Data, and Underlying Factors, March 2021*

The results show that the pandemic has negatively affected the long-term prospects of Social Conditions Indicators, Economics, Governance, Schools, and Housing. Only Infrastructure is potentially improved, through an expected greater emphasis on high-speed broadband connectivity. Looking at the future, we anticipate still positive -- though weakened -- trends in Economics and the Environment. We expect a more negative trend in Housing and Social Conditions Indicators. Schools and local Governance will be under pressure to meet these added demands with their existing resources. In the aggregate, these numbers show a positive pre-pandemic trend, but a negative aggregate long-term post-pandemic trend, due to the shock of Covid-19 and its after-effects.

To deal with these issues, one must look at strengths, weaknesses, opportunities, and threats, as shown in this SWOT analysis:

¹ Average of the following trends: Housing Assistance, Energy Assistance Cases, Homelessness Cases, Foreclosures, Food Assistance Cases, Poverty Count, Medicaid Recipients, Senior Assistance Requests, Mental Health Admissions, Population, Senior Citizens, Diversity, Crime Rate, Substance Abuse, Rental Price, Rental Housing Affordability, and Availability of Affordable Housing.

² Average of the following trends: Foreclosures, Poverty Count, Low-Wage Employment, High-Wage Employment, New Milford Jobs for New Milford Residents, New Milford Jobs for Non-New Milford Residents, Retail, Hospitality, Health Care, Manufacturing, Professional Services, Connectivity, Residential Construction, and Home Prices.

³ Average of the following trends: Schools, Taxes, Town Debt, Town Budget, and Crime Rate.

⁴ Average of the following trends: Student Count, and Schools.

⁵ Average of the following trends: Transportation, and Connectivity.

⁶ Average of the following trend: Environment

⁷ Average of the following trends: Housing Assistance, Energy Assistance Cases, Homelessness Cases, Residential Construction, Home Prices, Rental Prices, Rental Housing Affordability, and Availability of Affordable Housing.

New Milford SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> -Skilled workforce -Excellent town financial health -Low crime -Relatively affordable housing stock -Attractive landscape (eg, river, lake, town green, public and protected lands) -Low price-adjusted taxes -Proximity to large "new economy" centers (NYC, Boston) -Competitive local labor costs -Comprehensive land use, development and conservation plans in place -Geographic size allows economic diversity (industry, tourism, agriculture) 	<ul style="list-style-type: none"> -Employment Concentrated in retail and other low wage work -Residents are more skilled than the local jobs available -School system in difficult transition -Limited affordable housing for new families & retirees -Limited public transportation infrastructure -Poor telecommunications infrastructure -Lacking explicit investment incentive structure -Lacking explicit tourism strategy -Town revenues highly concentrated in residential property tax base -Difficult river crossings limit transportation paths
Opportunities	Threats
<ul style="list-style-type: none"> -Flight from more populous cities to rural places like New Milford -Cultural change favoring growth in telecommuting/remote working -Average household income is growing as population ages -Aging population creates demand for healthcare and services -Brownfield sites likely qualify for federal and state grants -Intense employer demand for vocational training -Post-COVID travel resurgence can increase tourism market share & spending -Existing train spur can be extended/improved 	<ul style="list-style-type: none"> -Rising house prices reduce affordability -Population ageing reduces workforce and economic diversity -Insufficient local job opportunities encourage skilled residents to relocate -State failure to implement a CT-wide development and incentive plan

4. Short-Term Unmet Needs and Recommendations

A key part of the LTRC's remit is to identify the acute needs of the local community and how they have been affected by the COVID-19 crisis. The committee identified four key areas to assess (housing, food, fuel, and data connectivity) and created action plans where appropriate, which are outlined below in section 3b. Overall, the LTRC concluded that under current federal and state housing policy (eviction/foreclosure moratoriums), the housing situation is stable for the short term, and existing food and fuel support is sufficient for current needs. However, an overarching issue is insufficient community awareness of the options available in times of crisis: the LTRC addresses this in the action plan in Section 3c.

a. Unmet Needs Analysis

i. Housing

Two primary elements to the housing challenge were identified.

1. The COVID crisis and associated job losses have increased the number of households at risk of losing their housing through either eviction (renters) or foreclosure (homeowners), with the latter representing a higher share of the at-risk population. The LTRC estimates that without a significant economic upturn, ~50 households in town will be very likely to lose housing when the eviction moratorium and mortgage forbearance programs end. The LTRC addresses this risk in the action plan in section 5b.
2. New Milford has a chronic and (due to population aging) growing undersupply of affordable housing, defined as housing that costs $\leq 30\%$ of 80% of median income, therefore 30% of \$73k. For renting this is estimated at \$1,400/month for a studio, \$1,600 for a one-bedroom, and \$1,800 for a two-bedroom. While New Milford only has about 5% of its housing stock in state affordable housing programs (the state target is 10%) in reality this understates the affordability of the local rental market as supply/demand dynamics result in many more properties renting as "naturally occurring affordable housing units" that meet the Federal Government's definition of affordable ($\leq 30\%$ of a household's income is

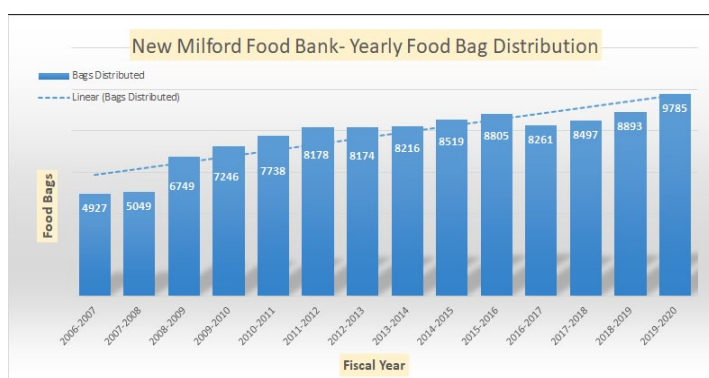
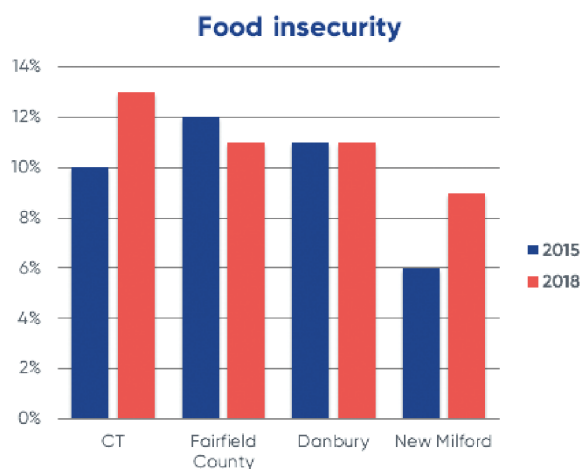
State-Recognized Affordable Housing Units	
Town	% of Housing Stock
Danbury	10.91
Bethel	5.66
Brookfield	5.58
New Milford	4.59
Kent	4.02
Ridgefield	3.01
Newtown	2.65
Washington	2.07
Roxbury	2.06
New Fairfield	1.50
Redding	0.47
Sherman	0.44
Bridgewater	0.11
Source: CT Department of Housing 2019 Affordable Housing Appeals List	

spent on housing costs). However extremely low vacancy rates indicate that rental demand continues to significantly outstrip supply. The problem will grow as the number of seniors is projected to rise and as the pandemic has shifted their preferences decisively away from senior facilities to in-home care.

ii. Food

Use of food assistance rose sharply in 2008 and has remained above this level subsequently, accelerating in 2020. Food insecurity is addressed locally by food banks (New Milford Food Bank, Our Daily Bread Food Pantry, and Camella's Cupboard for school-age children), Loaves & Fishes Hospitality (charity offering a daily hot meal and bag lunch to go), the Community Culinary School, and food stamps (SNAP).

Based upon the recommendations of the directors of the Social Services and Senior Center programs and the data available, the LTRC concluded that there was adequate local supply and infrastructure to address the increased food needs observed and expected, therefore are limiting our recommendations to broader communication and education about the resources available (see Section 4b – Short Term Unmet Needs Action Plan)



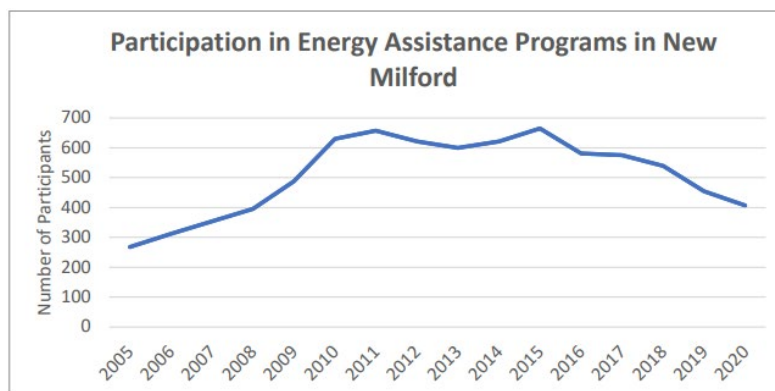
Sources: (Left) Nuvance Health, *Greater Danbury Region Community Health Needs Assessment and Community Health Improvement Plan, 2019*; (Right) *New Milford Social Services*

iii. Fuel

Local heating assistance for households consists of access to the CT Energy Assistance Program, non-profit Operation Fuel, and the New Milford Community Fuel Bank. Over the last 6 years New Milford Social Services has assisted about 400 households/ year with an average of \$325,500 in financial assistance. New Milford Senior Center adds to these numbers with assistance to the local senior population. At this point these support programs appear to be adequate to

address existing needs. However, all financial resource requirements are interlinked, therefore if the eviction and foreclosure moratoriums are lifted, the LTRC expects fuel support needs to rise. Based on current state and federal policy the LTRC concluded local supply is sufficient, but that the situation will need to be readdressed if policy changes. Therefore, recommendations are limited to the status quo of federal and state support.

Graph by Zbroszczyk, Lukasz W., *Social Services Graphs*, January 17, 2021, from data in *Annual Reports of Social Services Department*



iv. **Data Connectivity**

Local data connectivity, specifically wireline and wireless broadband, is limited in options, slow by metropolitan standards, and becomes increasingly poor in the northern half of New Milford. There are a number of short term and long-term consequences to this, exacerbated by COVID (see Section 3 a v for further information).

The LTRC concluded this is a critical issue for improvement upon which New Milford's resiliency and prosperity are dependent. While some short-term fixes were put in place during COVID (e.g. the school district provided hot spots for all children in need), structurally addressing this issue requires long-term planning, as well as collaboration with the existing carriers. We should also consider the option of creating, together with adjoining towns, a municipal system as a backup in the event that commercial providers service level remains unsatisfactory. These issues are addressed in Section 5e– Long Term Focus Areas and Action Plans.

b. Short Term Action Plans

The LTRC concluded that while New Milford is fortunate to have significant local resources to aid vulnerable residents in the short term, the awareness of the resources available was patchy, resulting in under-utilization of resources and significant investment in communication on the part of social service – associated organizations (e.g., Community Care Coordinator, Senior Center, Social Services). Therefore, the LTRC proposes to create a centralized, broad, accessible repository for resource-related information, available by app download to a smartphone. The town of New Milford is already underway in developing an app via QScend software, this resource would be embedded, further improving efficiency by consolidating town communications.

i. **New Milford Local Resources Smartphone Application**

information and to cover and linked to:

- Public health announcements and information
- First responders
- Bus routes & timetables (existing documentation is confusing)
- Social safety net resources (e.g., food banks and hours, fuel support, housing assistance, and relevant contact information, from Federal, State, and local governments)
- Services (mental health, substance use, employment, town agencies etc.)
- Local business discounts/specials (drive people to restaurants etc.)
- What Public Works is doing already (pothole/trees down/signs)
- School Calendar and notifications (e.g. snow delays)
- Social media blasts (mayor's office/town departments)
- Push notifications for storm related events, road closures, construction, etc.
- Recreation
- Special events

Action Plan Objective: Improve resident awareness of available resources, to reduce negative consequences of the COVID-19 crisis.

Key Results:

- Complete additions to town local app offering that include the target information described above.
- Use QScend Technologies software (a Waterbury, CT, company) for such an app, to better coordinate interdepartmental communications.
- Advertise the app's availability, with a target of 2k downloads, and monitor app usage.
- Develop crowdsourcing mechanisms for events and feedback, such as for storm damage and public works.
- Roll-out communications training to residents to reduce burdens on town services. (For example, teach residents to check if a tree down on a power line has been reported via looking at the identified issues map on the app.

Determine Feasibility of adding a case-worker model to Social Services

New Milford's most vulnerable residents frequently struggle with challenges across the financial/health/social/education spectrum. To improve the resiliency of this population, the LTRC recommends reviewing the feasibility of adding a financial/ life skill case worker to Social Services. The focus of this model is to improve self-reliance in employability and financial literacy in order to achieve economic independent living. This model would consist of a management style that would address the needs and strengths of the person at risk, assessing employable skills and financial literacy, coordinating a plan to increase employability, financial education and self-sufficiency to maintain independent living and housing. Collaboration of resources, monitoring, re-assessing, and evaluation are also included in this management model. The worker would carry a caseload of individuals referred by the Departments of Senior Services, Social Services, and the NYPD Community Care Coordinator. The goal would be to follow people for 3-6 months, focusing on securing a job and maintaining it, along with financial skills such as budgeting, bill payments, and saving.

Action Plan Objective: Assess the feasibility of adding a holistic case worker model to Social Services.

Key Results:

- Formally assess the cost/benefit of the case worker model addition to Social Services. Identify the practical changes implementation would create and require.
- Define the proposed offering, prepare an analysis of the local need for it, and agree a recommendation.
- Implement the case worker model if appropriate.

ii. Policy in Readiness for CT's legalization of Cannabis

Connecticut is anticipated to legalize the sale of marijuana sometime in 2021. This may offer several potential benefits, such as employment, day tourism, customers for restaurants and shops, and tax revenues (e.g. Massachusetts currently has a combined excise and sales tax rate of 17% and allows cities and towns the option of an additional local tax of up to 3%), But there may also be negative consequences for local communities (e.g. mental health and policing challenges), and an increase of low-wage retail jobs.

Action Plan Objective: Develop a local policy for cannabis sale, growth, processing and use to be better prepared to optimize the benefits and minimize the risks of statewide legalization.

Key Results:

- Prepare a comprehensive policy on the business presence of cannabis in New Milford, including economic development, tourism, zoning, health, police, tax revenues, and education input.
- Design the policy to optimize the benefits to New Milford of legalization, while minimizing the risks
- Present the policy recommendations to the Town Council (possibly Zoning Committee first) for review and agreement on implementation or if a referendum vote is required.

5. Long-Term Resiliency Plan- Focus Areas and Associated Action Plans

The majority of the actions the town of New Milford needs to take to improve resilience and recovery post the COVID-crisis require long-term planning and investment. The LTRC defined activities requiring input, analysis and action of >1 year as long-term. While achieving these objectives will take time, they are expected to measurably improve the quality of life in New Milford and further improve the town's financial position, while also benefiting the state's revenue intake and maintaining or improving environmental health.

However, New Milford governance is set up best for steady-state governance, not for emergency action or sustained long-term change processes. To be maximally effective, the manner in which recommendations are reviewed and implemented will

require process change as well as specific actions. Accordingly, it is recommended that the Town Council consider creating a task force headed by the Mayor's Office and composed of Town Councilors and potentially others, whose sole objective is to review all decision-making processes with the objective to streamline decision making, remove all overlapping committees and reduce if appropriate, the number of committees. This task force should deliver its report within 3 months of being convened.

The focus will be to achieve early wins to galvanize future activities while setting in place long-term changes with measurable and public milestones.

a. Complete the Economic Development Strategic Plan and Implement Development Incentives

New Milford Economic Development Office will publish a strategic plan outlining long term economic development targets and recommendations.

Action Plan Objective: To grow New Milford's economy in line with town strategy and with the help of transparent, consistent incentives.

Key Results:

- Harmonize the recommendations of the Development and Conservation Plan with the recommendations put forth by the LTRC and updated Economic Development Strategic Plan.
- Propose specific incentives to the town that align with the strategic plan, with estimates of the economic benefit of each to aid decision making.
- Implement economic development incentives through the appropriate town committees.
- Collaborate with the Corporation for New Milford Economic Development.
- Promote development with a sensitivity to the environment, since it is a major resource for the community. We therefore support a continuation of the town's opposition to the building of a power plant facility on Candlewood Mountain.

b. Housing

As outlined in Sections 2 and 3, New Milford requires more affordable, higher density housing stock to serve both the projected aging population and young people and families looking for starter homes and employment in the area.

Action Plan Objective: Increase the stock of local affordable and senior-oriented housing by 300 units (~200 for-sale and ~100 for rent) as rapidly as possible.

Key Results:

- Identify and agree with the zoning commission the target areas for development, including re-confirming legacy plans to check for their current relevance that support these 300 units.
- Review the status of the residential development pipeline, and score projects by likelihood, desirability and affordability. Design and agree an action plan to move these projects to completion. Identify and incentivize new projects if the current pipeline is insufficient after review.
- Include in housing strategy prioritization of universal design.
- Identify potential test areas (connected to town water and sewage system) for changing zoning restrictions to more easily accommodate converting single family residences into duplexes or adding auxiliary units.

c. Aid the Growth of Local Employers

The local economy will be more resilient and recover more quickly from the COVID crisis if more jobs are created locally, particularly outside of retail and hospitality, so that the local employment landscape is more diversified and median incomes are raised. Employment growth can be driven both by attracting new employers (see section j), but also by aiding existing successful local businesses with growth through knowledge sharing, problem solving and incentives.

Action Plan Objective: Aid the growth of existing local businesses to boost local employment, particularly of skilled positions with medium to high incomes.

Key Results:

- Identify local businesses with above average growth potential through defined quantitative and qualitative metrics.
- Identify how local businesses can be embedded into anchor institution supply chains in order to benefit both parties.
- Interview leaders at each identified business to identify existing growth plans and barriers to growth.
- Develop specific, actionable recommendations for each business where the town can aid growth.
- Develop and implement an “intrapreneur” coaching and networking program, possibly based on a cadre of volunteer former managers and consultants.

d. Improve and Expand Mass Transit

Mass transit options in New Milford are limited and restrict economic growth by limiting the employment options of individuals who don't own cars, making the community less attractive to those who don't wish to drive much/at all, limiting tourism to those willing to drive to town, and restricting the employment pool for local employers. Bus service is limited in frequency and restricted to a relatively small part of New Milford. Practicable train services are 30-40 minutes away (closer to the south and west of town).

As cited by a Fitzgerald & Halliday study: “A commuter train service and a station adjacent to Downtown would be a tremendous asset to the community, and potentially generate new development opportunities. As New Milford's transportation network is severely constrained, rail service could be a key to unlocking the town's future growth and prosperity.”

The Biden administration/Buttigieg-led Transportation Dept is emphasizing commuter rail expansion. The LTRC encourages utilizing this moment of urgent national focus to include New Milford's transportation in this larger national plan. Upgrading the existing cargo rail track to a commuter rail track is the low hanging fruit of commuter rail expansion and should be a state focus when advocating for federal infrastructure funding. Regrettably, the State DOT has not shown initiative or support. We need to put the restoration of passenger train service on a faster track in Hartford.

Action Plan Objective: To increase mass transit use to and in New Milford to aid its economic development, reduce traffic congestion and increase its attractiveness to new residents.

Key Results:

- Bus: Increase the length of existing bus routes by to improve the geographic area serviced by bus transportation.
- Bus: Increase the frequency of bus service overall to improve the utility of bus service.
- Bus: Add a bus route between New Milford and Torrington to facilitate resident court appearances and reduce the transport and New Milford prison burden on the police department (and ultimately taxpayers).
- Train: Create a broad-based committee to identify the options to reopen the New Milford to Danbury rail line for passenger trains, and to modify and reopen the existing New Milford train station. Publish committee findings, including recommendations and specific next steps. Seek CT DOT approvals as a priority project, and engage with the Housatonic Railroad company and the State in creating engineering plans to apply for Federal infrastructure funding. Seek the spearheading of such efforts in Hartford through our elected representatives.
- Lobby federal legislators to ensure New Milford receives federal infrastructure funding, and that the extension of passenger service is on the state's DOT priority list. Lobby the state government and agencies to reopen the Southeast to Danbury express Metro North rail line (see section 5 Requests and Recommendations to the State of Connecticut) and lobby to include New Milford on the onward schedule for any such trains to Danbury from NYC.
- As part of rail station opening include ZipCar options and preferential parking near the station for rideshares to improve last-leg transport options for tourists and to support the retail, hospitality and recreational economy outside the town center.

- For as long as New Milford is the terminal station for passenger service, plan for bus service to Kent and Washington.

e. Telecommunications Connectivity

Broadband communications are essential today. They have been the lifeline during the pandemic, linking us to telemedicine, distance education, telework, online shopping, access to governmental services, and home entertainment. In the process, high-speed connectivity -- both wireline and mobile wireless-- has moved from convenience to necessity. It has become a significant factor in residential and commercial location decisions, and a signal to prospective new businesses about the community's seriousness in assuring the infrastructure for their economic future. There is a strong correlation between businesses' use of Internet applications and revenue growth and productivity.⁸

For children, we must assure the virtual access of students at home to education, in the same way that we assure that students from all parts of town have physical transportation to a physical school. For households, a better broadband delivers opportunities and an enriched lifestyle.

For homeowners, a quality internet connectivity is expected, and increasingly affects the price buyers are willing to pay for a home.⁹ For professionals and small businesses, it enables work at home for customers, clients, and employers anywhere in the world.

But there are significant barriers. One issue is the uneven access to quality connectivity. Local broadband communications services vary meaningfully in quality and price across town, deteriorating northwards. For some locations, Charter Communications now provides a decent speed option of "up to" 940 Mbps for \$135/month for residents and \$250 for businesses. But in other parts of town, this speed is not available. Frontier's top offering is "up to" 115 Mbps for \$55.¹⁰ No commercial quality telecoms options are currently available north of downtown, and the commercial options in southern New Milford are essentially at the same speed as the fastest residential options. We should ensure that upgrades reach, within a reasonable time, all residents and businesses.

A second and related issue is competitive options. Practically speaking, consumer choice is limited to two wireline companies (or even fewer) – Frontier and Charter. Both of these companies have emerged from bankruptcies, ownership turnovers, and intense M&A activities in recent years, and their attention has often been on financial deals rather than investments and upgrades. Partly as a result, Connecticut has been one of the states to upgrade its network speeds the least. (More on that below.)

Organizations with significant data communications needs can also get fiber-based high-speed business services from Crown Castle Communications, but for a significant price. Consumers can also get satellite-based internet service from HughesNet (a sister company of the satellite TV company Dish Network) and from ViaSat. These services, however, are slower and costlier,¹¹ and they make sense only for remote homes where no alternatives exist.

Thus, only the cable company Charter currently has a network capable of providing high speed service at gigabit speed. The telecom company Frontier needs to upgrade its copper network from the slower DSL technology to a costly fiber or hybrid infrastructure, and, beyond possibly a few dense locations such as the Rt 7 corridor and downtown, it is unlikely to be financially ready to do so. The implications are that as consumers require and get used to increasing transmission speeds for their numerous personal and professional activities, they will have only one address for such service and will face a monopoly situation, with its negatives in terms of customer service, price, and

⁸ whatis.techtarget.com/definition/digital-divide

⁹ Knutson, Ryan. "How Fast Internet Affects Home Prices." *Wall Street Journal*, June 30, 2015. In the UK, the mere announcement of a governmental plan to assure the connectivity of houses in low-density areas led their market prices jump by about \$5,000, far beyond the actual cost to the government.

¹⁰ This is the advertised price. A recent call to the company resulted in a service available, for a Bank Street location, of 18 Mbps for \$38, as an introductory price for one year.

¹¹ ViaSat's Platinum service, its fastest, is "up to" 100 Mbps at 150\$/ month, with a ceiling on total data usage.

innovation. This situation needs to be avoided, and the way to do so is by encouraging new entrants and new networks.

Mobile wireless is a logical alternative, especially in its most recent 5th generation that is just emerging. But wireless coverage for the earlier 3G and LTE generations is incomplete in New Milford, even on the northern parts of busy US Rt 7 and in other stretches. Where mobile connectivity is presently available, upgrade by the network providers to the next network generation 5G should be assured. This will require smaller cells and hence more towers, though these could be smaller than the current ones that try to cover a larger range. It will also require easier access to utility poles and rights of way by companies other than Charter and Frontier.

That said, it should also be recognized that mobile networks are not a full substitute. 17% of Americans are “smartphone only,” including 26% of low-income households. Relying on smartphones for internet access means a higher per-bit price, worrying about data limits, unfavorable ergonomics, and next-level video applications not functioning well. The quality differential and limitations could be observed in the learning experience of low-income students with only smartphones for remote classroom access,

Action Plan Objective: To increase the availability and quality of broadband across New Milford to aid the economic growth of both new and existing businesses and to aid resident telecommuting, increasing the attractiveness of the town to employers and residents alike.

Key Results:

- Form a task force to assess the telecommunications needs of the residents and employers of New Milford. Publish a list of recommended next steps, with specific action plans. Include an evaluation of the data capacity and speeds required to attract businesses on the list of desirable industries (see action item j).
- Establish leadership through town officials passionate about connectivity.¹²
- Cooperate with wireline and wireless companies in planning and facilitating network extensions and upgrades.
- Cooperate with state agencies PURA and Siting Council, on the basis of mutual respect for our respective responsibilities.
- Support state efforts to facilitate the entry of alternative service providers by the use of rights of way and pole attachment, provided they are coordinated with the town.
- Consider the option of authorizing a public-private partnership (municipally owned, privately run) broadband network operator, as a backup to step in if the service of existing operators is inadequate.
- Support state efforts to facilitate the entry of alternative service providers by the use of rights of way and pole attachment, provided they are coordinated with the town.
- Consider the option of authorizing a public-private partnership (municipally owned, privately run) broadband network operator, as a backup to step in if the service of existing operators is inadequate.
- Consider providing free WIFI service on the Village Green, as part of encouraging social and business activity.
- Encourage the state to lease communications capacity on state-controlled fiber infrastructure that runs on the roadside of major highways as part of a tolling system.¹³

f. Update Development and Conservation Plan

New Milford has maintained a development and conservation plan for >50 years. This document is updated approximately once a decade, with the last update published in 2010. A review is currently underway to update recommendations and bring policy in-line with current conditions (e.g. the 2010 policy encouraged retail growth, which has been so successful there is now an over-concentration of employment in retail).

Action Plan Objective: Refresh and publish a new New Milford Development and Conservation Plan, reflecting the latest town circumstances, development targets, and areas of focus.

Key Results:

¹² The Anatomy of a Community Broadband Manager (Next Century Cities)

¹³ Connecticut has about 175 miles of fiber optic cable installed along some of its highways and would require the installation of another 360 miles of cable for complete coverage of a toll system.

- Harmonize the recommendations of the Development and Conservation Plan with the recommendations put forth by the LTRC and updated Economic Development Strategic Plan
- Review existing zoning regulations to explicitly distinguish and protect different geographic portions of the town, including consideration to divide the town into regions where zoning would be targeted to encourage mixed use development in some areas (e.g. industrial/retail/manufacturing/residential/commercial/medical/educational) and historical, rural, agricultural and recreational preservation and enhancement in others)

g. River Front Development

New Milford has an extensive and attractive frontage on the Housatonic River directly adjacent to the historic and scenic village green. It currently houses legacy industrial assets and the Department of Public Works, which would be more efficiently and aesthetically sited in an industrial area. Redevelopment of this area would be ideal for high density affordable houses such as for seniors, green public space and attractive retail. A pedestrian track has been started along the waterfront, and it should be extended to connect to Boardman Bridge and the trail that reaches Gaylordsville. The River Front Development would be a significant step in drawing on the scenic beauty of the Housatonic to create a further recreational and residential opportunity downtown and further increase the draw of the area.

Plans for the redevelopment of the area were produced in 2010 but progress has stalled. The LTRC recommends prioritizing this project to assist in addressing several of the town's objectives outlined in this plan and in the town's economic and conservation plans.

Action Plan Objective: Redevelop the Housatonic waterfront to include affordable housing, green space, attractive retail and commercial space, and to extend the recreational river trail to Boardman Bridge. Affordable housing should be universal design housing so that it can cater to both target growth populations: young workers and older adults.

Key Results:

- Approve the existing redevelopment plan, including a recommendation on where to relocate the DPW, a plan for working with existing landowners, project costs, projected benefits, and proposed funding sources.
- Approve a plan with the town council, secure funding, and commence development.
- Define and advance a Phase I of the Riverfront Revitalization Plan by making town-owned or town-controlled properties available for development. Create an RFP and submit it for bids.

h. Education

While the district has done a remarkable job of doing more with less, the district's absolute academic performance will need to improve to be a key draw of new residents. The schools are ranked as average compared to schools across Connecticut and behind schools in neighboring towns. However, while the cost per pupil is rising (as it is across the state), the cost per pupil remains <50% of some neighboring towns. The town's school system has had frequent leadership changes, and the school's budget has been below inflation for >5 years. Both aspects have been an aspect of concern. It is the LTRC view that there is great potential given the current leadership and direction.

Additionally, New Milford's graduates tend to leave the town instead of seeking local employment and starting families here, further accelerating the trend towards an aging population with limited employees for employers.

Employers have frequently cited the shortage of technical skill sets and lack of work-life skills in the local population as headwinds to expansion due to insufficient skilled labor. This not only includes strictly technical skills, but work-ready attributes e.g. communication, perseverance, responsibility. A successful career-connected learning program will address both strictly technical and softer aspects of work (see also section 6. g below on vocational learning recommendations where the state can assist).

The LTRC recommends expanding local career-oriented training to incentivize young adults to remain in the area, and relieve employer growth restrictions resulting from an aging workforce. The school district has already begun work

on several fronts to address these needs pre-COVID through a career-connected learning model, but these plans were temporarily put on hold during the pandemic and should be refreshed in 2021.

Career connected learning is the concept that career awareness, exploration, preparation, and work experience are woven into the school experience K-12. The goal of career connected learning is to help students see the connections between their work in academic and elective courses and possible careers and to make more informed choices about the path they will take after high school. Career connected learning is applicable to all students and is an umbrella that would include personal discovery, learning about careers, and exploring career interests through work-based learning opportunities. Career connected learning encompasses all careers, including vocational careers.

When implemented correctly, career connected learning leads students to better career fit, reduced money spent on post-secondary education (often students end up over credited because they switch majors, take extra semesters/years, or drop out altogether), smoother transition from high school to post-secondary opportunities/adulthood because they have a plan, stronger social and economic mobility, and a strong/more productive workforce.

Action Plan Objective: Improve the quality of the school district by realistically assessing its strengths and challenges and communicating specific objectives and measurable progress markers, including increasing local vocational training opportunities by restarting the career connected learning program. Recommend a process to the town whereby the town will make additional financial support commitments in the next budget following the school district's meeting of specific performance goals.

Key Results:

- Identify the root sources of underperforming areas in the school district.
- Create an action plan with specific targets and timelines to address root cause issues, and measure progress quarterly.
- Conduct a survey of graduating/recently graduating students to gain insight into relocation plans and motives (e.g. are they pushed out of New Milford due to lack of local employment or pulled out by specific opportunities).
- Form an interdisciplinary task force to identify the training gaps faced by local employers. Evaluate and recommend what method of training would close those gaps (e.g. formal degrees, certifications, badges, work experience).
- Create and present to the town council a proposal for a vocational training initiative, including training offered, partnerships with existing educational institutions and employers, costs and fees.
- Contact neighboring town governments to potentially collaborate in vocational training and graduate retention.

i. Brownfield Site Redevelopment

New Milford has several brownfield sites to redevelop, including the former brass works and Pettibone school. Redevelopment of brownfield sites creates employment, increases the attractiveness of the town, and raises local revenues. Several redevelopment projects are likely to qualify for state and federal funding.

Action Plan Objective: Develop brownfield sites in a manner aligned to New Milford's economic development, riverfront revitalization and conservation priorities.

Key Results:

- Organize an interdisciplinary committee or working group to identify all existing brownfield sites, and evaluate each for redevelopment potential, including unique assets and drawbacks, and recommend a few potential alternative uses for each site.
- Estimate redevelopment costs for each site, and identify potential tenants/purchasers.
- Include within bid estimate process preference for MWBE (minority & women business enterprises) and local contracts.
- Identify available federal and state funding for which each site is eligible (see Section 5d for how the state can assist in this process).
- Agree with the town council the order in which sites will be addressed, the goal of redevelopment of each, and begin funding applications.

j. Identify and Target Desirable Industries

New Milford's employment opportunities are disproportionately concentrated in retail. This relatively low-wage employment base (along with hospitality) has been particularly hard-hit by the COVID crisis. In addition, many of these jobs have not been attractive to residents of the town. The LTRC recommends that the town actively pursues diversifying the employment base in town through support of both existing businesses (see Section 5c) as well as actively recruiting new businesses to the community through incentives and addressing potential hurdles to relocation. Consideration should be given to businesses which could support other local businesses and those that will take advantage of the future changes in the way businesses operate. Potential industries that would suit New Milford's strengths and plans include:

- Healthcare and Assisted Living.
- Agrotechnology
- In-home/tiny house/eco-tourism lodging in northern New Milford, and a larger hotel with convenience to the lake, waterfront, medical and education amenities further south
- Professional services
- Contractors serving the region
- High-end craftsmanship (steel, tool manufacturing, stone and wood)
- Institutional (including healthcare) laundry services
- Biopharmaceutical manufacturing
- High tech manufacturing
- Professional craftsman training
- Vocational training center, town funded if necessary
- Cannabis distribution, processing and retailing

In addition to these steps to gain businesses, the trend towards greater working from home creates opportunities to attract individual professionals to locate and operate in New Milford. Their presence contributes to the economy and social fabric of the town. The chief elements such people seek are environmental amenities, a healthy community, a strong broadband infrastructure, proximity to metropolitan areas and transportation, and a congenial atmosphere with fellow professionals.

Action Plan Objective: Expand and diversify New Milford's employment base, specifically in medium to high wage positions and in growth industries.

Key Results:

- Create an interdisciplinary working group to identify promising business segments that would be attracted to New Milford's existing attributes, as well as existing headwinds/drawbacks to relocation. This would be done in collaboration with the Corporation for New Milford Economic Development and the NM Economic Development Commission.
- Identify and recommend specific actions the town can take to ameliorate those drawbacks.
- Identify and recommend specific actions to attract work-from-home professionals.
- Develop and secure funding for down payment assistance programs for employees that are relocating e.g., nurses, home health workers, etc.
- Identify a list of businesses and contacts with which to discuss opportunities.
- Monitor progress and modify the strategic list at least quarterly.

k. Implement Alternative Local Revenue Streams

The town's revenue is highly concentrated in property tax (almost 75%). While this is common in the state, it is highly regressive, concentrates town revenue risk, and puts the majority of the expense burden of maintaining infrastructure for the larger region (e.g. New Milford's retail corridor) on town residents (including town businesses). Diversifying the town revenue base can start to address these issues. Additionally, municipal bond issuances are anchored to revenue streams: diversifying the revenue base could further improve New Milford's ability to leverage financial markets.

Action Plan Objective: Diversify town revenue streams so that property tax levies are a lower proportion of revenues.

Key Results:

- Create an interdisciplinary working group to identify and evaluate a list of potential alternative revenue streams, for example:
 - Commercial vacancy tax (to discourage landlords from leaving commercial buildings vacant).
 - Accommodation tax.
 - Fees or fines aligned with conservation or development strategies.
 - A local surtax on cannabis revenues, if such business becomes legalized. (in Massachusetts, a 3% local tax is authorized.)
- Evaluation will include feasibility of implementation and enforcement, projected revenue estimates, and alignment of the incentive the fee creates to town business climate and planning goals. Any recommendations are then sent to the Town Council for approval and implementation.

I. Create and Market Local Events to Support Existing Retail and Hospitality

New Milford's attractive natural landscape (Candlewood Lake, Housatonic River, rural scenic beauty) and quintessential New England green suit the development of tourism as part of the local economy. Tourism attracts revenue with modest incremental expense, therefore yielding excellent returns.

Action Plan Objective: Grow local tourism throughput, increasing revenues for local retailers and hospitality businesses.

Key Results:

- Update the New Milford Tourism Plan to incorporate the new development and conservation priorities identified above.
- Create a working group to identify the highest potential tourism-associated events the town can host that are compatible with development, conservation and tourism goals. Potential areas to consider:
 - Cultural or artistic festivals.
 - Discussion forums (e.g. invite alumni of local schools or residents with interesting backgrounds).
 - Showcase locally grown food e.g. Sullivan Farm October Festival, Best Litchfield County Grass-fed Beef.
 - consider day tourism based on passenger rail transportation.
- Identify most effective advertising channels for events in the greater New Milford area and nearby metropolitan areas e.g. New York City
- Select and trial an event in 2022. Modify plan and extend pipeline based on trial results.
- Encourage further tourism and lodging of varying scales by town region (e.g. ecotourism and tiny house hospitality to the north and east, larger lodging to the south and west (see recommendation j)). Review zoning and public health policies to align policies with strategic goals.
- Encourage establishment of a river-front hotel.

m. Identify Philanthropic and Governmental Funding Sources

Several of the LTRC's proposed action plans will require funding. This funding may come from philanthropic organizations, governmental grants or loans, municipal debt issuances, or increased taxation. The LTRC recommends thoroughly investigating grants prior to considering debt markets or increased taxation.

Action Plan Objective: Raise private and government funds to fund a proportion of town action plans.

Key Results:

- Create a list of philanthropic organizations with an interest in New Milford, or the projects proposed in the LTRC plan. Include contact information and as many specifics as possible on areas of interest, requirements for donations, and scale of potential funding.
- Create a list of state and federal grants whose requirements match the projects proposed in the LTRC plan. Include as many specifics as possible on project qualification requirements, restrictions, application deadlines and the scale of potential funding.
- Match proposed projects to the most likely and appropriate funding sources.
- Organize a working group to apply for funds for each project.

6. Requests and Recommendations to the State of Connecticut

State policies have a profound impact on towns and will impact how effectively this plan can be implemented. While we recognize that it is us who must solve many of our problems, we cannot do it alone. The New Milford LTRC has identified the following state actions as key to the recovery of New Milford, and likely many other towns across the state.

a. Legislators approve a statewide comprehensive development policy including clarity on financial incentives

Connecticut does not have a coherent or comprehensive development strategy, relying instead on bilateral negotiations with major employers who threaten to leave, resulting in uncertainty of negotiation outcomes for employers contemplating relocation to Connecticut, and alienation of existing employers who perceive themselves as disadvantaged. Local policies can only go so far: state policies are fundamental and strategic, because they enhance confidence and predictability for employers considering moving into Connecticut. We strongly encourage state legislatures to prioritize legislative time to draft a development policy including specific incentive policies for employers to bring clarity, consistency and predictability around development priorities, rules and incentives. Without these, Connecticut will remain at a disadvantage to neighboring states when attracting and retaining employers, which will be reflected in our economic development.

b. Reopen passenger train service from New Milford to Danbury, and reopen the rail spur Danbury to Southeast (Brewster) for speedy passenger train service.

Improving train access to New York City, as well as to Norwalk, Greenwich, Westchester and Fairfield counties would be a tremendous boost to the towns around Danbury, including New Milford. Commuting times would reduce considerably, further increasing the attractiveness of these communities for permanent relocation or weekend recreation in both directions. It would increase regional labor mobility, reduce the burden on congested highways, and lower carbon emissions. It would also widen the range of employees and employers available to Connecticut residents and employers, improving economic efficiency. With Federal infrastructure support likely to be forthcoming, it is essential that the CT DOT make this plan a priority.

c. Improve Connecticut's Telecommunications Infrastructure

Nationally, average speeds rose during the pandemic by 11.4%, to 94.6 Mbps. In Connecticut, however, they rose by only 6%, with only three states making less progress.¹⁴ In contrast, other states forged ahead: Wyoming (+51%),¹⁵ Alaska (40%), Kentucky (+37%),¹⁶ Kansas (+36%), and Missouri (+31%).¹⁷

What can the State of Connecticut do?

- Facilitate entry. The state needs to help alternative providers in a variety of ways: enabling commercial leased access to state-controlled telecommunications infrastructure; facilitating the use of utility poles, ducts, and rights of way; and facilitating independent wireless internet service providers.
- Prevent Interference by State agencies. The state should not disenfranchise New Milford in critical siting decisions that affect its character, as the state Siting Council has done with its misguided persistence on pushing through the solar power station on top of Candlewood Mountain. This is opposed by the community, which does not benefit in any way from the diminution of one of its major environmental assets. This needless conflict poisons the relationship of the town with the state, and should be overcome.
- Incentives to upgrade. PURA should provide incentives for existing telecom providers to upgrade their networks to fiber. It should also require Frontier to provide a capital investment and upgrade plan as part of its bankruptcy reorganization. Currently, only 4% of state residents connect to fiber-optic telecom networks. 23% of all households lack high speed internet access. Among Hispanic and Black households, it is about 35%.
- Funding. New Milford requires state support for infrastructure companies to wire up its more rural sections and build cell sites, and to dedicate staff time to assure implementation. It also requires support to create and maintain a free Wi-Fi service on its Village Green, and to create and operate an app that provides smartphone users with access to all town services.
- Leadership. We believe that the Governor, who is highly knowledgeable in this field, should make such a "CONNECTicut plan" a signature initiative. And when he does, New Milford should be ready.

d. Provide Centralized Guidance on Town Eligibility for Federal and State Grants

Many of the action items identified by New Milford and other CT towns would be strong candidates for federal funding. A state-wide project to identify the options for federal funding and communicate those to the towns is the most efficient way to maximize funding into Connecticut, instead of each town running the same process in parallel. Connecticut is the worst state in the nation at getting federal funds back, sending net \$2.5k per capita per year outbound (Source: Fred Carstensen, Director, Connecticut Center for Economic Analysis). This is an opportunity to rebalance that dynamic.

e. Provide funding for Development Projects that are Economically and Environmentally Additive

Many of New Milford's objectives (e.g. improving mass transit, developing brownfield sites, improving the riverfront, and building telecommunications infrastructure) are both economically additive and have the extra benefit of being environmentally friendly. Programs like these have a long-term vision and support the state's economic development and revenue growth. They should therefore be strong candidates for state funding.

¹⁴ <https://www.techrepublic.com/article/86-of-us-states-increased-internet-speeds-during-covid-19-lockdown/>

¹⁵ A factor for such rapid increase in speed is the result of a [statewide push](https://buckrail.com/wyoming-wants-to-know-more-about-your-internet-speeds/) by the Wyoming Broadband Council to bring better internet connectivity to low-density populations (<https://buckrail.com/wyoming-wants-to-know-more-about-your-internet-speeds/>)

¹⁶ The KentuckyWired project will build out more than 3,000 miles of fiber internet cables to speed up rural areas.

¹⁷ Missouri has more than \$50 million earmarked for increased broadband access, which is already being built

f. Roll out Police Community Care Programs Statewide to Reduce Overdose Deaths

The COVID-19 pandemic has contributed still further to social problems leading in some cases to drug addiction. It is a state-wide problem requiring a state-wide effort. Other towns and the State might benefit from a NM pilot program. In less than 12 months New Milford is already experiencing significant success from the rollout of its pilot program of embedding a community care coordinator in the police department, a program we believe currently unique in the nation. This approach has been ahead of increasingly national calls for widening the tool set deployed by police departments. Since the implementation of this program, deaths from overdoses have dropped by -20% in New Milford, while Connecticut overdose deaths have increased by +16% and national overdose deaths have increased by +20% (Source: CT Insider, 31 Jan 2021). While further economic analysis is outstanding, this program's success likely also substantially reduces costs in the community from repeat policing and ambulance calls, fewer ER admittance, etc. The LTRC recommends to the State that Connecticut roll out such a program statewide.

g. Allow professionals and specialists to obtain modified teaching certificates to teach vocationally in schools

The state currently requires teaching certificates for all teaching in K-12 schools. This hinders professionals and specialists, many who are local residents, who have valuable vocational experience from offering official courses in schools that could aid vocational skill development to help students prepare for the local and regional workforce. Allowing modified teaching certificates would immediately improve students' opportunities to acquire valuable knowledge and skills from licensed industry professionals, build experience, increase employment prospects and foster economic growth. This impact will be felt widely including on business dependent on trades such as plumbing, carpentry, machining, welding and, specific to New Milford, agriculture and local food processing including those dependent on butcher, bakers and chefs. Additionally, as Federal and State investment in infrastructure accelerates, these skills will be critical to long term success.

h. Stop the Connecticut Siting Council (CSC) from pursuing the Candlewood Mountain power plant

The Connecticut Siting Council (CSC) continues to attempt to force New Milford to accept a 70-acre clearcutting of core forest to create a solar power generation plant. The proposed plant puts in jeopardy vulnerable species and significantly exacerbates runoff and erosion around Candlewood Lake, a core tourist and economic asset for the town. The town has reviewed in depth all aspects of the project and repeatedly expressed its desire to refuse the development, but despite the considered local opposition, the CSC continues to persist despite the severe risk of irreparable environmental damage and concomitant short- and long-term risk to the local economy. The State needs to require CSC to cease all actions to greenlight this anti-green, anti-economic development project and meet the responsibilities under its charter "to protect the environment and ecology of the state and to minimize damage to scenic, historic, and recreational values." Not doing so puts at risk core aspects of New Milford's long-term economic recovery. (ref:<https://portal.ct.gov/CSC/Common-Elements/Common-Elements/Connecticut-Siting-Council---Description>)



7. References

A background report of 150 pages was provided to the Committee by one of its members, Eli Noam, as a foundational input for this Action Plan. It includes tables and graphs of New Milford's business, demographic, and societal conditions, aggregating information from a number of scattered outside sources and analyzing the trends of 38 different social and economic indicators, pre- and post-pandemic. It is reference number 1 below, and item b in the Appendix.

1. E Noam, A Josi, L Zbroszczyk; *New Milford After the Pandemic: Trends, Data, and Underlying Factors*, March 2021
2. Camoin Associates, *Town-wide Market Analysis*, December 2019
3. Fitzgerald & Halliday, Inc., *Town of New Milford Transportation Management Plan Final Report*, October 2013
4. Nuvance Health, *Greater Danbury Region Community Health Needs Assessment and Community Health Improvement Plan*, 2019
5. S&P New Milford Rating Summary for 2020 Bond Issuance
6. Webinar 11 December 2020: Whither Connecticut? The State's Economic Future & Implications for Business, Government, and Residents; Presented by Fred Carstensen, Professor of Finance and Economics, Director, Connecticut Center for Economic Analysis, University of Connecticut
7. New Milford 2019 Annual Report
8. CT Insider, 31 Jan 2021k, "'We are dealing with two epidemics': New Milford organization pushes to fight the opioid epidemic at home."

8. Appendix

a. New Milford Town Profile 2019 by Connecticut Data Collaborative – CT Economic Resource Center

New Milford, Connecticut

CERC Town Profile 2019 Produced by Connecticut Data Collaborative

Town Hall
10 Main Street
New Milford, CT 06776
(860) 355-6000

Belongs To
Litchfield County
LMA Danbury
Western Planning Area



Incorporated in 1712

Demographics

Population

	Town	County	State
2000	27,121	182,193	3,405,565
2010	28,142	189,927	3,574,097
2013-2017	27,380	184,454	3,594,478
2020	26,718	193,116	3,604,591
'17 - '20 Growth / Yr	-0.8%	1.5%	0.1%

	Town	County	State
Land Area (sq. miles)	62	921	4,842
Pop./Sq. Mile (2013-2017)	445	200	742
Median Age (2013-2017)	44	47	41
Households (2013-2017)	10,274	74,605	1,361,755
Med. HH Inc. (2013-2017)	\$83,676	\$76,438	\$73,781

	Town	State
Veterans (2013-2017)	1,598	180,111

Age Distribution (2013-2017)

	0-4	5-14	15-24	25-44	45-64	65+	Total
Town	1,009 4%	3,265 12%	3,622 13%	6,319 23%	9,122 33%	4,043 15%	27,380 100%
County	7,668 4%	20,218 11%	21,158 11%	38,329 21%	61,693 33%	35,388 19%	184,454 100%
State	186,188 5%	432,367 12%	495,626 14%	872,640 24%	1,031,900 29%	575,757 16%	3,594,478 100%

Race/Ethnicity (2013-2017)

	Town	County	State
White Non-Hisp	23,483	164,992	2,446,049
Black Non-Hisp	342	2,843	350,820
Asian Non-Hisp	809	3,516	154,910
Native American Non-Hisp	0	267	5,201
Other/Multi-Race Non-Hisp	462	2,320	84,917
Hispanic or Latino	2,284	10,510	551,916

	Town	County	State
Poverty Rate (2013-2017)	5.3%	6.8%	10.1%

Educational Attainment (2013-2017)

	Town		State	
High School Graduate	4,867	25%	673,582	27%
Associates Degree	1,515	8%	188,481	8%
Bachelors or Higher	7,734	40%	953,199	38%

Economics

Business Profile (2018)

Sector	Units	Employment
Total - All Industries	882	8,123
23 - Construction	102	373
31-33 - Manufacturing	44	693
44-45 - Retail Trade	98	1,397
62 - Health Care and Social Assistance	70	1,231
72 - Accommodation and Food Services	66	881
Total Government	16	975

Top Five Grand List (2018)

	Amount
Eversource	\$78,090,680
Kimberly Clark Corporation	\$25,574,038
Firstlight Hydro Generating Company	\$15,675,440
UB Litchfield LLC	\$15,334,830
Litchfield Crossing LLC	\$13,793,360
Net Grand List (SFY 2016-2017)	\$2,871,440,640

Major Employers (2018)

Kimberly Clark	Candlewood Valley Health & Rehab
Big Y World Class Market	New Milford Hospital - WCHN
Stop & Shop	

Education

2018-2019 School Year

	Grades	Enrollment
New Milford School District	PK-12	3991

Smarter Balanced Test Percent Above Goal (2017-2018)

	Grade 3	Grade 4	Grade 8
	Town State	Town State	Town State
Math	51.1% 53.8%	45.2% 51.3%	38.9% 43.0%
ELA	58.8% 53.1%	46.8% 54.9%	57.1% 56.1%

Pre-K Enrollment (PSIS)

	2018-2019
New Milford School District	89

Rate of Chronic Absenteeism (2017-2018)

	All
Connecticut	10.7%
New Milford School District	8.0%

4-Year Cohort Graduation Rate (2017-2018)

	All	Female	Male
Connecticut	88.3%	91.8%	85.1%
New Milford School District	91.8%	91.7%	92.0%

Public vs Private Enrollment (2013-2017)

	Town	County	State
Public	83.8%	84.0%	86.8%
Private	16.2%	16.0%	13.2%

Government

Government Form: Mayor - Council

Total Revenue (2017)	\$103,652,352	Total Expenditures (2017)	\$102,311,450	Annual Debt Service (2017)	\$5,412,121
Tax Revenue	\$76,919,619	Education	\$68,472,228	As % of Expenditures	5.3%
Non-tax Revenue	\$26,732,733	Other	\$33,839,222	Eq. Net Grand List (2017)	\$4,102,917,657
Intergovernmental	\$22,095,965	Total Indebtedness (2017)	\$21,890,738	Per Capita	\$151,405
Per Capita Tax (2017)	\$2,834	As % of Expenditures	21.4%	As % of State Average	100.3%
As % of State Average	96.7%	Per Capita	\$808	Moody's Bond Rating (2017)	Aa1
		As % of State Average	32.1%	Actual Mill Rate (2017)	26.77
				Equalized Mill Rate (2017)	18.72
				% of Net Grand List Com/Ind (2017)	12.4%

Housing/Real Estate

Housing Stock (2013-2017)

	Town	County	State
Total Units	11,568	88,068	1,507,711
% Single Unit (2013-2017)	71.8%	73.6%	59.2%
New Permits Auth (2017)	25	142	4,547
As % Existing Units	0.2%	0.2%	0.3%
Demolitions (2017)	4	32	1,403
Home Sales (2017)	270	1,753	21,880
Median Price	\$289,100	\$250,100	\$270,100
Built Pre-1950 share	17.2%	31.2%	29.3%
Owner Occupied Dwellings	7,988	57,330	906,798
As % Total Dwellings	77.8%	76.8%	66.6%
Subsidized Housing (2018)	509	4,817	167,879

Distribution of House Sales (2017)

	Town	County	State
Less than \$100,000	0	57	536
\$100,000-\$199,999	17	563	5,237
\$200,000-\$299,999	105	538	6,681
\$300,000-\$399,999	97	315	3,863
\$400,000 or More	51	280	5,563

Rental (2013-2017)

	Town	County	State
Median Rent	\$1,172	\$995	\$1,123
Cost-burdened Renters	59.9%	47.3%	52.3%

Labor Force

	Town	County	State
Residents Employed	14,637	101,000	1,827,070
Residents Unemployed	547	4,014	78,242
Unemployment Rate	3.6%	3.8%	4.1%
Self-Employed Rate	10.2%	13.0%	10.0%
Total Employers	882	6,177	122,067
Total Employed	8,123	61,496	1,673,867

Connecticut Commuters (2015)

Commuters Into Town From:		Town Residents Commuting To:	
New Milford, CT	3,213	New Milford, CT	3,213
Danbury, CT	707	Danbury, CT	2,720
Brookfield, CT	299	Brookfield, CT	757
Torrington, CT	213	Bethel, CT	416
Washington, CT	175	Newtown, CT	343
Bethel, CT	147	Ridgefield, CT	336
Newtown, CT	144	Waterbury, CT	277

Quality of Life

Crime Rates (per 100,000 residents) (2017)

	Town	State
Property	1,040	1,777
Violent	95	228

Disengaged Youth (2013-2017)

	Town	State
Female	2.6%	4.2%
Male	1.2%	5.6%

	Town
Library circulation per capita	7.16

Distance to Major Cities

	Miles
Hartford	40
New York City	70
Providence	104
Boston	134
Montreal	273

Residential Utilities

Electric Provider	Eversource Energy (800) 286-2000
Gas Provider	Eversource Energy (800) 989-0900
Water Provider	Municipal Provider Local Contact
Cable Provider	Charter Communications of Western CT (800) 827-8288

NEW MILFORD AFTER THE PANDEMIC: Trends, Data, and Underlying Factors

Report to the New Milford Long-Term Recovery Committee

March 10, 2021

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1. INTRODUCTION

This study provides background information for the Final Report of the New Milford Long-Term Recovery Committee as well as for other interested parties. It was compiled by Committee member Eli Noam with WCSU students Alvin Josi and Lukasz Zbroszczyk. Thanks go to Prof. Oluwole Owoye for sponsoring the work, and to WCSU Provost Missy Alexander, a New Milford resident, for arranging the connection.

With a timeline of only a few weeks available to us, we compiled and organized materials scattered in over a dozen public and private reports and in several data sources, including Federal and State ones, and also developed our own presentation materials. Other information was received from town agencies and was organized for this report. We thank Dana Bezerra, Ivana Butera, Justin Cullmer, Alicia DiCorpo, Jasmin Ducusin-Jara, Katy Francis, Emily Harvey, Thomas Koobatian, Jessica Kubicki, Paul Murphy, Mike Nahom, Karen Pollard, Laura Regan, Corinne Rigdon, Linda Scoralick, and Michele Shackelford for their inputs and feedbacks. And we appreciate, in particular, Jeremy Levin and Mayor Pete Bass for leading and initiating this effort. All responsibility for the data and its analysis lies with the authors and does not necessarily reflect the views of the Committee or any of its members.

1.1 OVERVIEW

As this report shows, even before the pandemic hit, New Milford had to battle a number of negative trends. Many of them were not local but those of the state, the region, and the nation. These include a lower affordability and availability of housing by low-income people and seniors and related housing issues, which together accounted for almost half of the negative trends. There was little new residential construction. Industrial jobs were declining. And there were greater demands on the social safety net.

But by other measures, New Milford was trending positively, as the report shows: even on housing, it was improving along several dimensions. Property values had climbed back from the tough days of the Great Recession. There were fewer residents below the poverty line. Employment, after several years of de-industrialization that affected the country as a whole and in particular the Northeast, had stabilized, with job growth in retail, healthcare, and hospitality. Incomes were

rising, for both low wage and higher-wage employment. In its governance, the town was reversing a trend towards higher taxes; its bond rating was up; crime rates were staying low (and substance abuse was declining from an earlier peak); environmental resources were being enhanced; and there was more diversity in the mix of residents. True, the population was aging and there were fewer children in the school system, but that was something shared with our region and indeed with most developed countries.

Thus, New Milford was maintaining its role as an integrative community that balanced professionals and blue collar, rich and poor, newcomers and long-established residents, retail bustle and environmental beauty, and a New England feel with a New York touch. With all of its diverse elements interacting positively, it has been a remarkably healthy community, with a well-functioning two-party system that included mayors from both parties. It was neither a bedroom suburb of commuters, nor a rural exclusive retreat, nor a depressed industrial town, but a well-functioning microcosm of Connecticut and America.

Into the cautiously positive trend of social and economic improvement crashed the Covid-19 pandemic. Its short-term implications are clear — shuttered restaurants, failed retailers, missing visitors, and more. But it is the long-term effects that should concern us most. What the analysis of this study shows is that on almost every dimension, the pandemic is a shock to the social and economic fabric that will endure beyond the public health emergency. Of 38 long-term trends analyzed, 27 are likely to be affected negatively. The only positive impacts are on home prices (positive for owners, at least), residential construction, telecommunications connectivity, and immigration (in particular from the New York metropolitan region), all of them interrelated trends.

The Covid-induced changes are found to move eight trend lines from a positive direction to a negative one, including low-wage employment; taxes; foreclosures; people below the poverty line. It moves only one negative trend into positive territory, namely residential construction. It exacerbates several existing negative trends, making it harder to overcome them. And it reduces existing positive trends that could have had larger multiplier effects across the community.

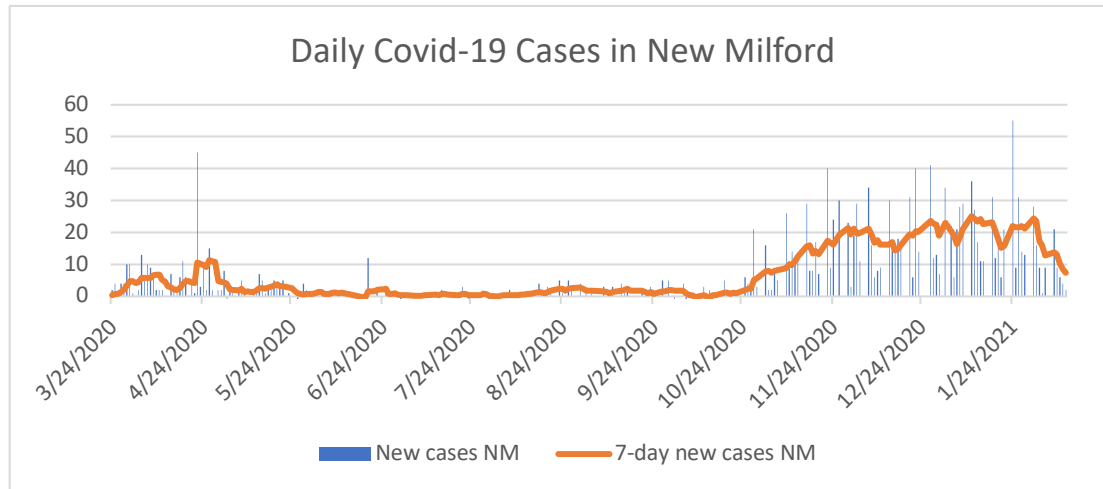
In that situation, the role of local and state government, beyond the immediate need to protect the health of people and of the economy, has to be along several priorities:

- To create a social and economic environment conducive to the development of business activity that is forward-looking in its product and process.
- To strengthen infrastructure that underpins a revival, in particular in upgrades of communications networks and public transportation.
- To protect central community assets that strengthen the town's attractiveness, in particular its environmental resources.
- To create a learning and skills-training environment that serves people and business, and information tools for residents to connect to public resources.
- To assist New Milford residents to stay in their community by creating affordable housing options for the elderly and those who have been hurt by the pandemic, and to ensure a safety net of public and non-profit support that matches the needs.
- To find new revenue sources to accomplish these goals, in cooperation with the state and with the philanthropic sector.

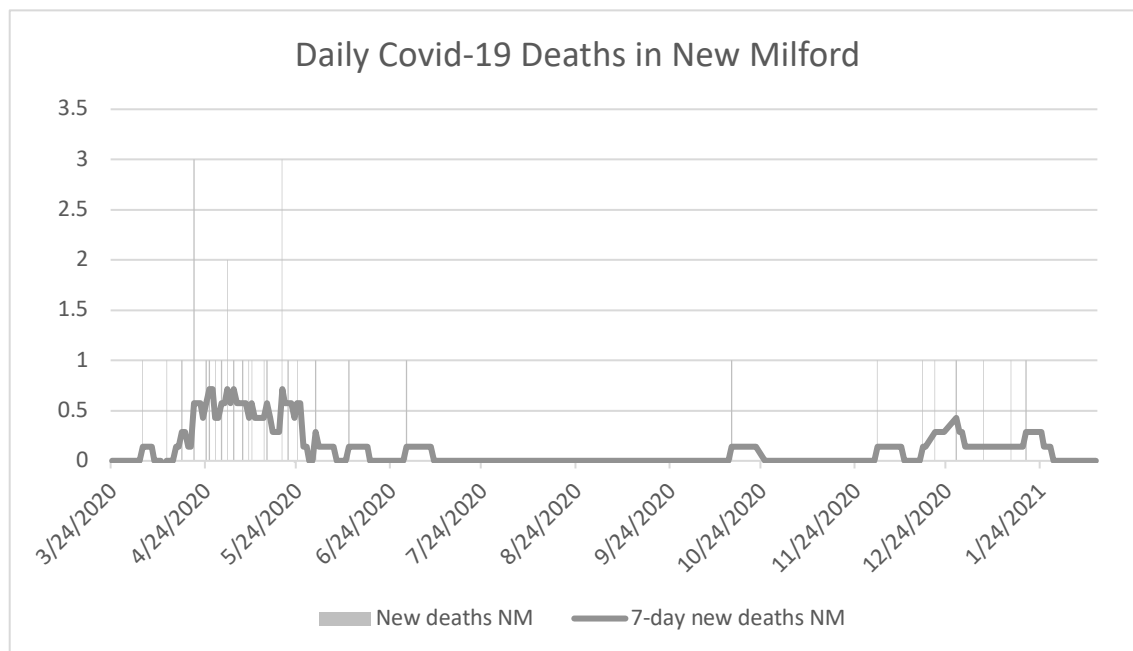
The report that follows aims to provide an information base for public and private decisions that further these goals.

1.2 THE PANDEMIC IN PUBLIC HEALTH NUMBERS

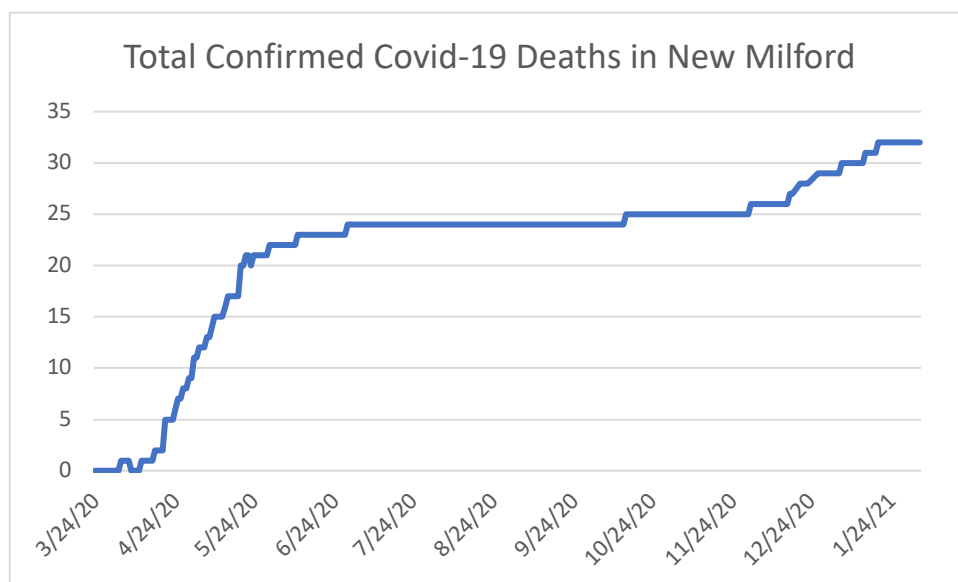
In New Milford, there have been 32 deaths since the beginning of the pandemic, and 1,703 cases by mid-February of 2021.



Graph by Zybroszczyk, Lukasz data from <https://data.ct.gov/Health-and-Human-Services/Covid-19-Tests-Cases-and-Deaths-By-Town-/28fr-igqx>

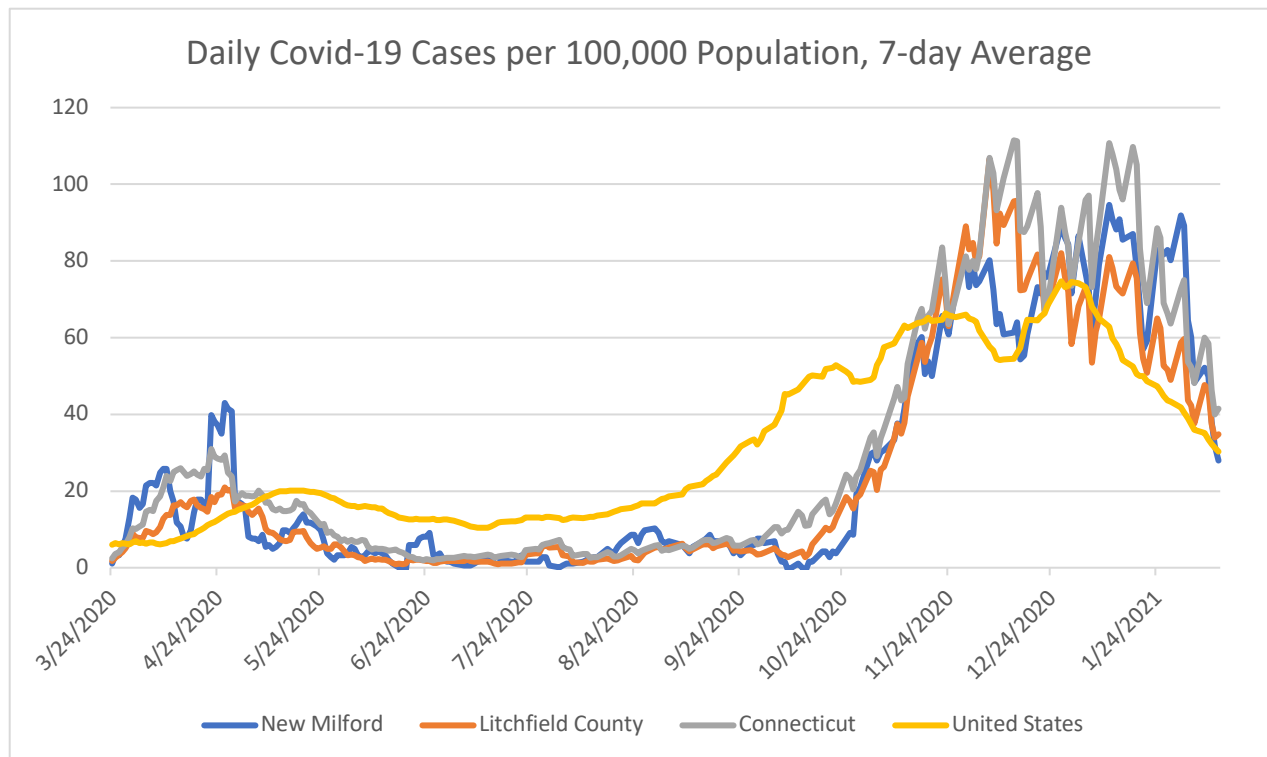


Graph by Zybroszczyk, Lukasz data from <https://data.ct.gov/Health-and-Human-Services/Covid-19-Cases-Hospitalizations-and-Deaths-By-Coun/bfnu-rgqt>



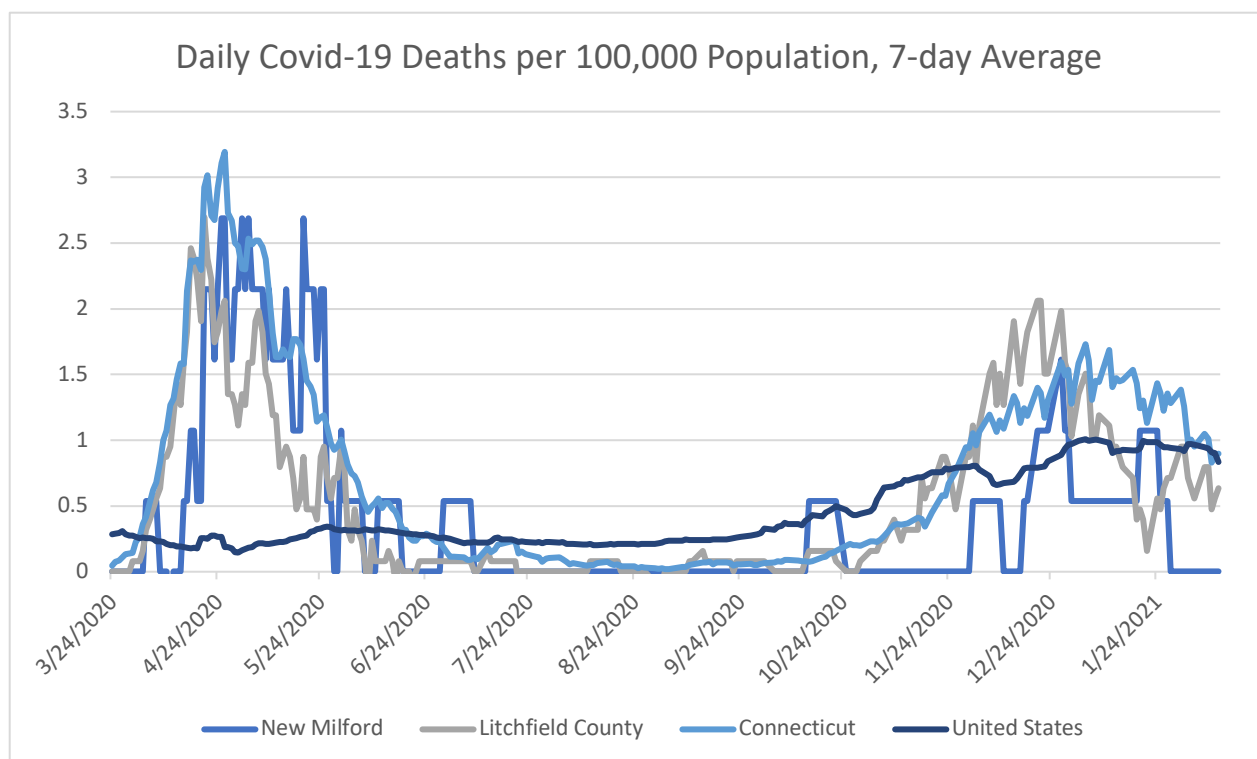
Graph by Zybroszyk, Lukasz data from <https://data.ct.gov/Health-and-Human-Services/Covid-19-Cases-Hospitalizations-and-Deaths-By-Coun/bfnu-rgqt>

The trend of Covid-19 infections in New Milford has been almost identical to the trend lines of Litchfield County and of Connecticut. In comparison to the United States as a whole, they were considerably higher in the early phases of the pandemic, and in April the New Milford figures were higher than those for the United States, Connecticut, and Litchfield. (For consistency, we use the CDC figures throughout) Subsequently, the New Milford case rates were low and much lower than the national average, and generally tracking those of the state and county. But since about Thanksgiving 2020, per capita Covid cases in New Milford, Connecticut, and Litchfield, have been above the already high national figures.



Graph by Zbroszczyk, Lukasz from data: CT Health and Human Services for CT numbers, CDC for USA numbers.

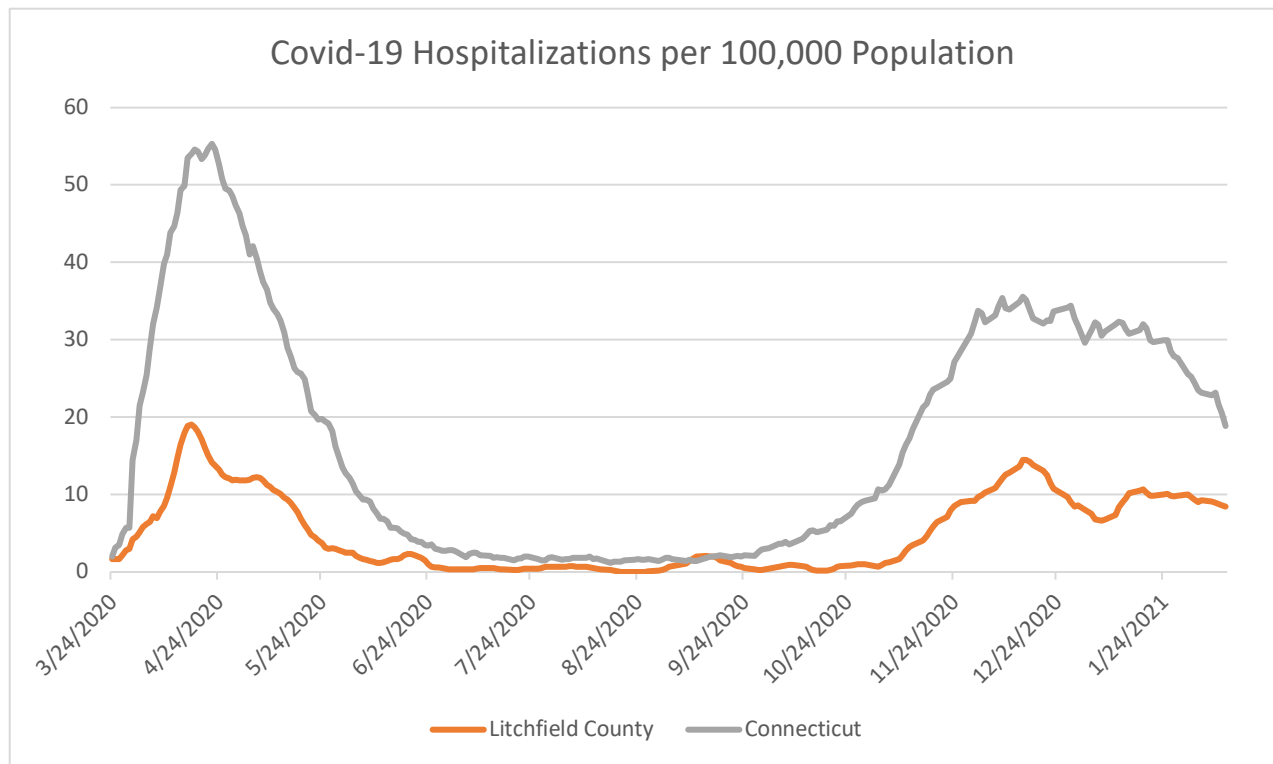
On the other hand, the death rate from Covid has since June 2020 been lower in New Milford than in the US, state, and county, apart from brief spikes induced by the low absolute number.



Graph by Zbroszczyk, Lukasz from data: CT Health and Human Services for CT numbers, CDC for USA numbers.

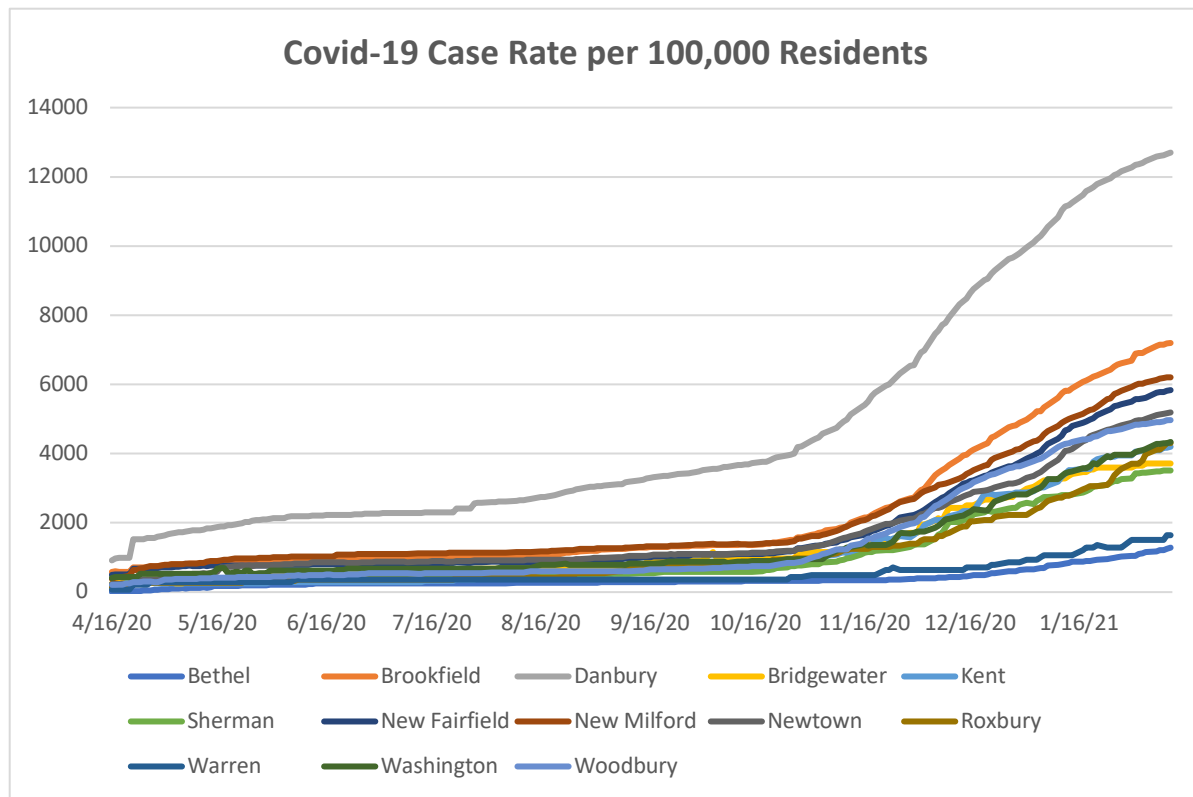
However, despite the similarity in cases, the rate of hospitalizations was much lower in Litchfield County than in the state, as can be seen in the graph below. Unless the cases in Litchfield County are systematically less severe than those in the rest of the state, which is unlikely, the explanation would be that the serious Covid cases are moved to larger out-of-county hospitals such as those in Danbury or New Haven.⁴ The net result would be a somewhat lower pandemic-induced pressure on the local hospital relative to that of other systems, and thus a better service level.

⁴ A disclaimer for the hospitalization data used for our graph notes that they “represent the number of patients currently hospitalized by location of the hospital and not the patient residence”. In contrast, case and death numbers are residence-based.



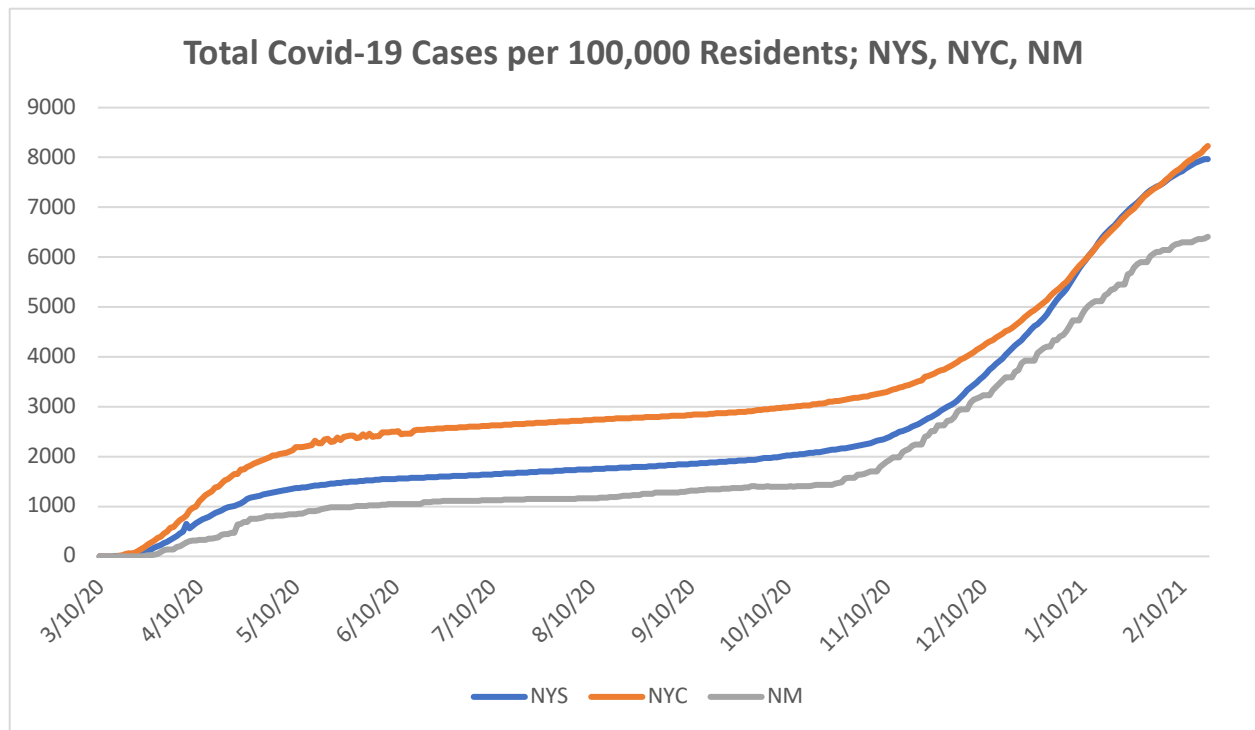
Graph by Zbroszczyk, Lukasz from data from <https://data.ct.gov/Health-and-Human-Services/Covid-19-Cases-Hospitalizations-and-Deaths-By-Coun/bfnu-rgqt> for Litchfield County numbers; <https://data.ct.gov/Health-and-Human-Services/Covid-19-Tests-Cases-Hospitalizations-and-Deaths-S/rf3k-f8fg> for CT statewide numbers.

In comparison with the case rate per capita of other towns in the region, New Milford is in the middle pack, well below Danbury and Brookfield, but well above Bethel and Warren.



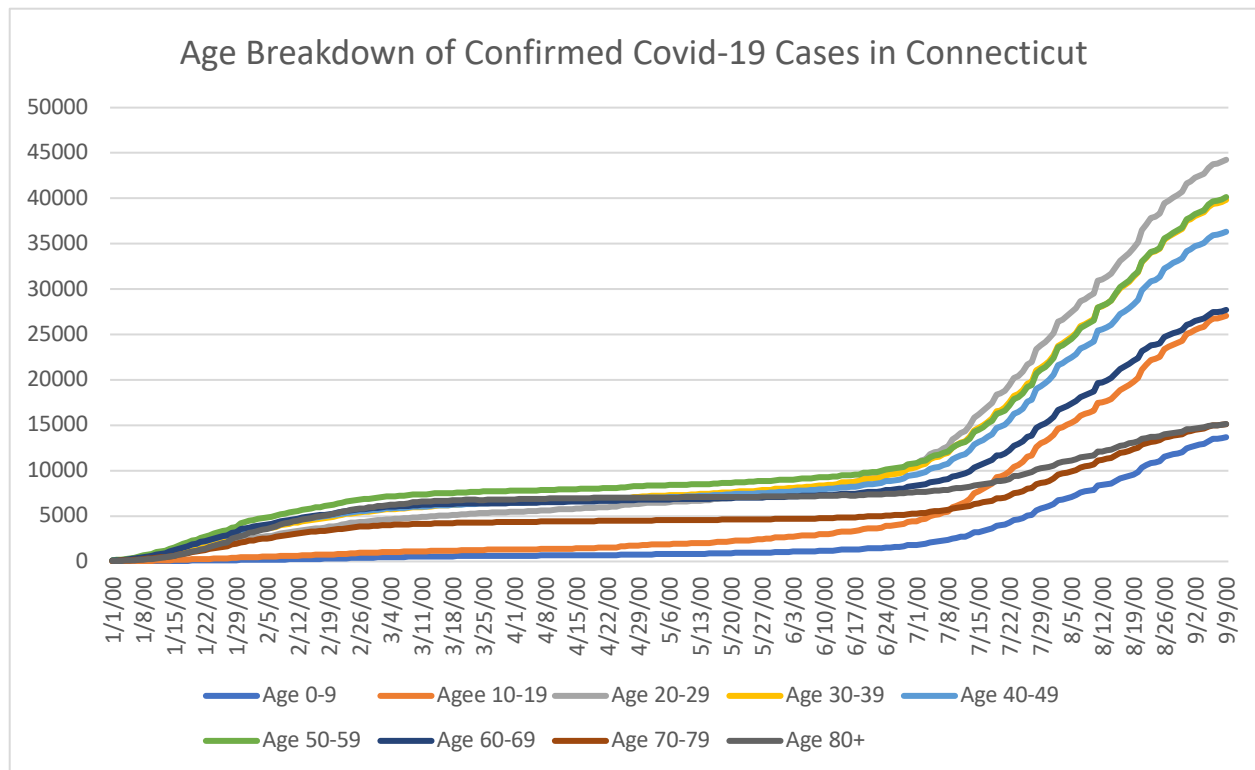
Graph by Josi, Alvin data from <https://data.ct.gov/Health-and-Human-Services/Covid-19-Tests-Cases-and-Deaths-By-Town-/28fr-iqnx>

When we compare the New Milford Covid case rate with those of nearby New York State and New York City, we can see that for a long time, New York City's numbers were, on a per capita basis, almost three times as high. More recently, however, the numbers for New Milford and Litchfield County have crept up, and in February 2021, that difference was less than 30%.



Graph by Josi, Alvin, data from https://covid.cdc.gov/covid-data-tracker/#compare-trends_totalcases for NYS/NYC; <https://data.ct.gov/Health-and-Human-Services/Covid-19-Tests-Cases-and-Deaths-By-Town-/28fr-iqnx> for NM

The number of cases varied over age groups. This is shown below. While there is a frequent belief that older age cohorts were the most likely to be infected, this is not correct. They were, however, the ones most likely to succumb to an infection. The cohorts with most identified cases (and not including those without symptoms who are mostly unidentified, and who were mostly younger) were those 20-29 old. Those 70-79 and 80+ of age were significantly lower in overall cases, partly perhaps because they were smaller pools.



Graph by Josi, Alvin, data from <https://data.ct.gov/Health-and-Human-Services/COVID-19-Cases-and-Deaths-by-Age-Group/ypz6-8qyf>.

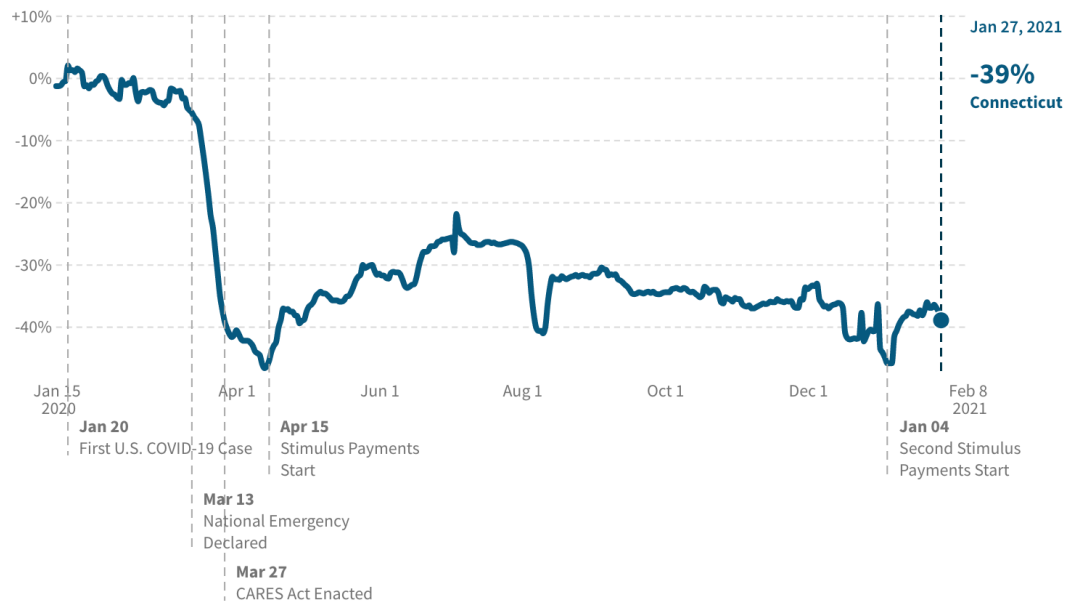
1.3 THE SHORT-TERM IMPACT OF THE PANDEMIC ON ECONOMIC ACTIVITY

The pandemic led to a shut-down of economic activity that was hard to imagine in its suddenness and severity. Within days, almost 50% of small businesses in the state had closed. This crept up to a slightly better 39%. In Litchfield County, it was only marginally better (36.35)

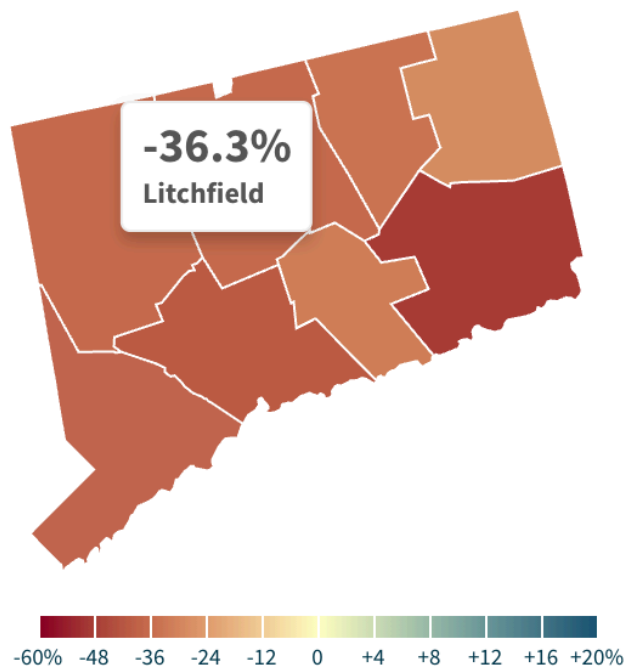
Small Businesses Open in Connecticut – Pandemic-Period

In **Connecticut**, as of January 27, 2021, the number of small businesses open decreased by **39%** compared to January 2020.

DOWNLOAD CHART 



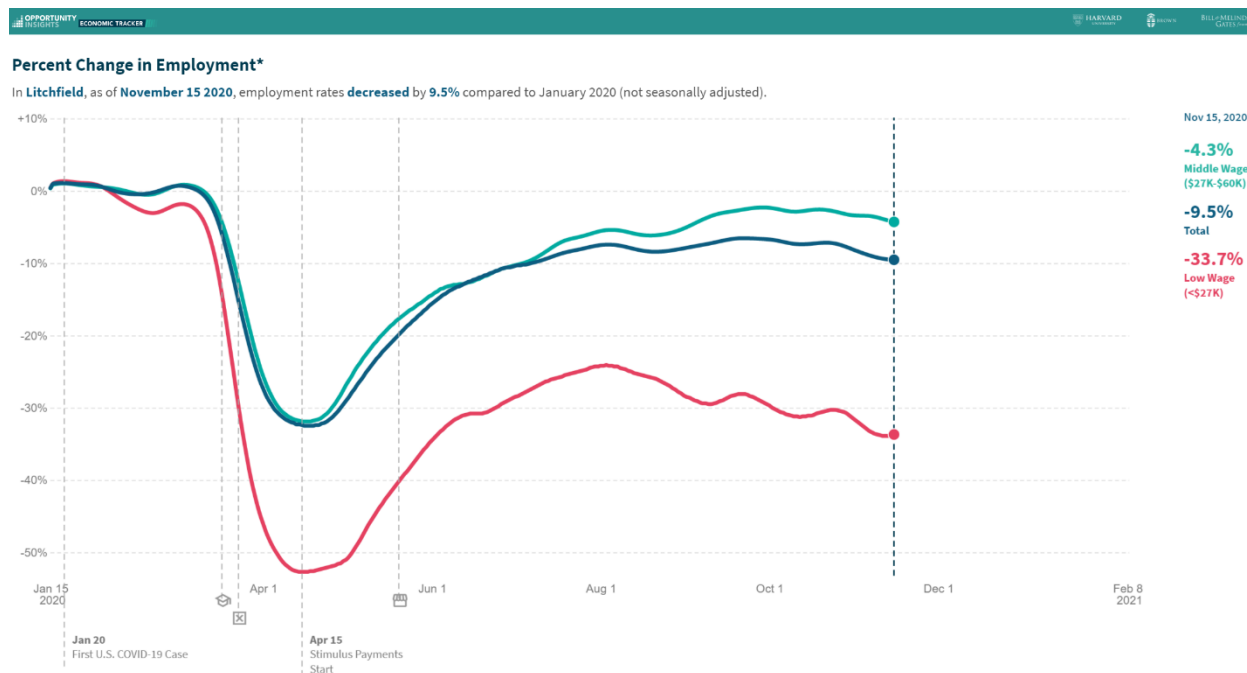
Source: CT Health and Human Services



Source: Opportunity Insights <https://tracktherecovery.org>

In consequence, employment dropped instantly and dramatically. As the data for Litchfield County show, the hardest impact was on low-wage employment. Middle-income employment was back to almost previous levels by the Fall of 2020. Thus, the pandemic exacerbated income differences.

Pandemic-Period Employment Changes in Litchfield County



Source: Opportunity Insights <https://tracktherecovery.org>

These shocks affect several societal and economic dimensions of New Milford. The question is how they will play out in the long term. To answer this question, we will look at the trends that existed before the pandemic and analyze how the pandemic is likely to affect a particular trend: in some cases, they will accelerate an existing trend. In other cases, they will retard it. And in still other cases, they will not affect it. We will also refer to the impacts of the most recent serious shock, that of the “Great Recession,” as an instructive case study.

1.4 METHODOLOGY

1. We identify the pre-pandemic trends, on a scale of +1 (strong upturn) to -1 (strong downturn). This is based on the numbers from the recent past.

2. We analyze the likely impact of the pandemic on these trends, with +1 or -1 indicating a strong acceleration or strong retardation of the existing trend. This is based on an interpretation and extrapolation of varied information and is a judgment call.
3. We then combine these numbers.

We describe socially positive trends with positive numbers (+), and socially negative trends with negative numbers. There are several issues that must be understood:

A first issue is whether a trend is positive or negative for the community. Each change has winners and losers. For example, a trend of higher unemployment is socially negative. But a higher unemployment might, in the short run, make it easier for local employers to hire. Thus, the characterization of a trend as positive or negative for the community may depend on the perspective. We choose the likely perspective of an average resident, based on the likely impact on such a person.

A second issue is standardizing what a plus or minus sign mean. For example, an increase in the crime rate is mathematically positive in terms of the numbers but negative socially. Giving it a plus-rating as a trend would be confusing. In consequence, we define such indicators as the *reduction* in the unfavorable activity. Thus, an increased crime rate would be described as a lower reduction in the crime rate, and hence get a minus sign.

A third issue is the intermingling of cause and effect. For example, an increase in the number of meals served to needy people might be an indicator of a larger number of such people, and hence reflect a negative development. But it might also be the result of a greater willingness to help rather than of a higher case count, and this would be a positive development. In many cases, both are true—a greater willingness to help arises when needs becomes more urgent—and hence we interpret a rise in case load to indicate an increase in the needy population, even as the support mechanisms also rise.

2. SOCIETAL ISSUES

Average per capita income in New Milford is about \$83,000⁵. Compared with the US (\$58,000), New Milford ranks high. It is also higher than the average for Connecticut (\$76,000), and Connecticut ranks third highest in the nation. And yet, things have been difficult for some in the community, and the pandemic crisis has made things still harder. In the midst of the previous major disruption, the “Great Recession” of 2008/9, the NM Social Services Department reported: “Despite the relative affluence of Connecticut residents, many people in New Milford are struggling. Unstable economic times, unprecedented numbers of foreclosures and extraordinarily high utility and gas prices are bringing new people to this office for help every week...These roughly 650 households are our neighbors, service providers and fellow parents or grandparents.”⁶

The question is whether the Covid-19 pandemic will create similar hardships. According to the Household Pulse Survey released by the Connecticut Agriculture Department in collaboration with the United Way of Western Connecticut conducted between January 6-18 2021: in January 35% of adults in Connecticut reported it was somewhat or very difficult for their household to cover usual expenses in the past seven days.

2.1 HOUSING INSECURITY

Housing instability has no standard definition, encompassing a number of challenges such as having trouble paying rent, overcrowding, moving frequently, staying with relatives, or spending the bulk of household income on housing.⁷ These experiences may also negatively affect physical health, make it harder to access health care, and prevent social attachments to neighbors and to the town more generally.

⁵ Another source with a different methodology has it at \$91,000, and still another source reports it as \$113,000. One must also be careful to distinguish per-capita and per-household incomes.

⁶ New Milford Department of Social Services, *Annual Report*, 2007-2008

⁷ Kushel MB, Gupta R, Gee L, Haas JS. Housing instability and food insecurity as barriers to health care among low-income Americans. *J Gen Intern Med*. 2006;21(1):71-7. doi: 10.1111/j.1525-1497.2005.00278.x.; Frederick TJ, Chwalek M, Hughes J, Karabanow J, Kidd S. How stable is stable? Defining and measuring housing stability. *J Community Psychol*. 2014;42(8):964-79.).

In the current crisis, the State established a temporary moratorium against evictions, which mitigates the immediate problem by pushing it into the future. Rent is still owed, and arrears are often accumulating. In April 2020, Governor Lamont issued Executive Order 7X requiring landlords to grant 60- day rent extensions to residential tenants for April (automatically) and May (by request due to loss of income). Residential landlords, in turn, could satisfy the requirement to show income decline simply by complying with Order 7X, and for the Deferment Program by confirming they will do so in an e-mail to the tax collector.⁸ This Executive Order was renewed several times, most recently on December 23, 2020 (EO 9T) until February 9. It has been extended “for the duration of the public health and civil preparedness emergency.”⁹

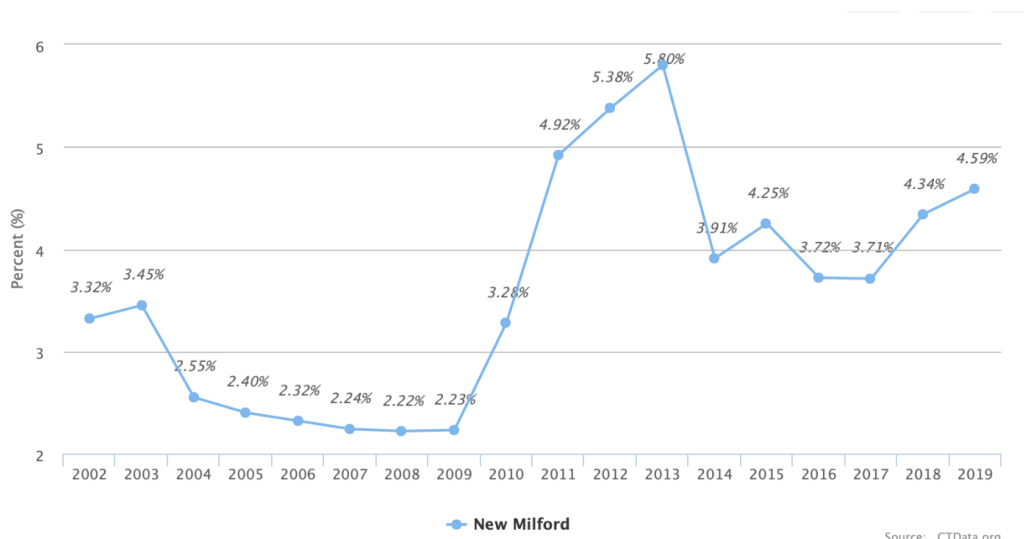
2.1.1 HOUSING ASSISTANCE

In the previous economic downturn, the number of cases of housing assistance increased dramatically for four years.

⁸ Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020

⁹ <https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-10A.pdf>

Percentage of Housing Units Receiving Government Assistance in New Milford¹⁰



Graph by Josi, Alvin, data from Connecticut Department of Housing accessed via the Connecticut State Data Center.

Pre-pandemic Trend in Housing Assistance Case Declines: -0.1. After a steep rise and drop in the period of the Great Recession, the trend in housing assistance cases, starting in 2014, was slightly rising.

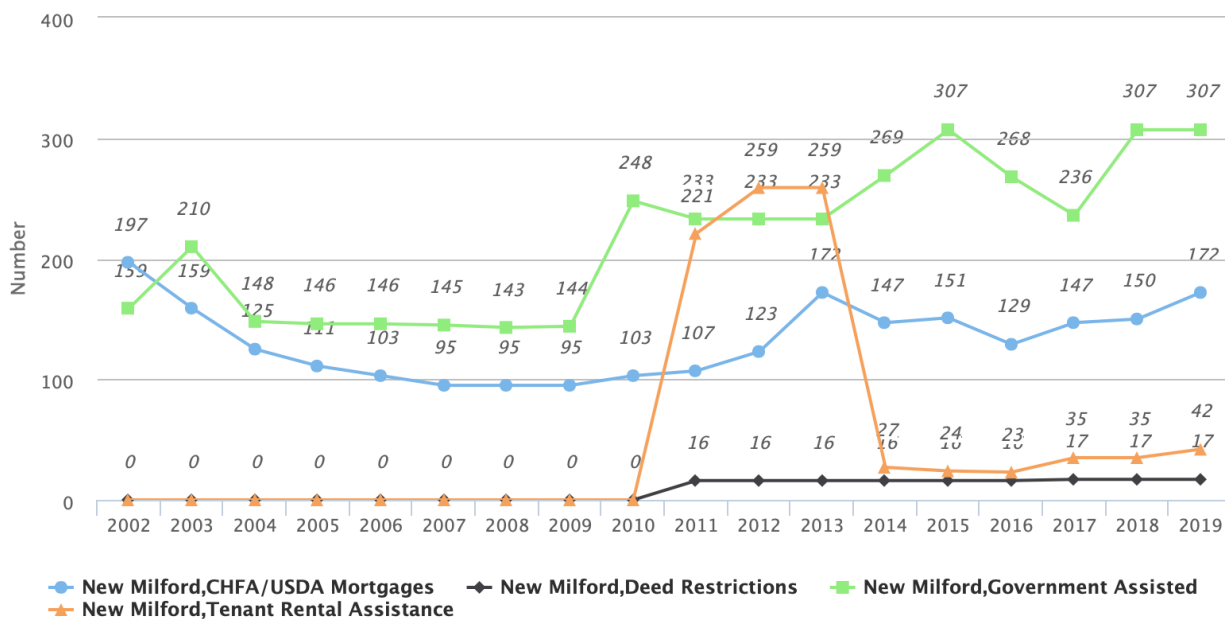
Anticipated Pandemic effect: -0.2; more moderate long term impact on housing assistance,

Anticipated Post-Pandemic Trend: -0.3, moderate growth in housing assistance over the next five years.

When subsidized housing is decomposed into several components, one can see that the major pre-pandemic increase had been for government assisted housing, plus a temporary spike in tenant rental assistance.

¹⁰ The total number of housing units per the Decennial Census, characterized by the total number of housing units receiving government assistance, Section 8 tenant rental assistance, CHFA/USDA mortgages, or deed restrictions. As a percentage of total housing units.

New Milford's Subsidized Housing Numbers by Type



Graph by Josi, Alvin, data from Connecticut Department of Housing accessed via the Connecticut State Data Center.

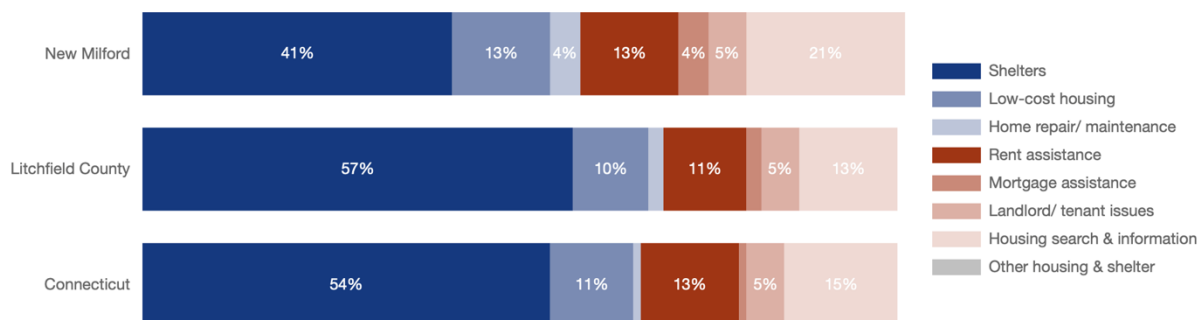
The spike in Tenant Rental Assistance reflects changes in the law. In response to the 2007-2009 financial crisis, Connecticut introduced Section 8 housing choice vouchers (federally funded by the US Department of Housing and Urban Development) in 2009, and the Rental Assistance Program (RAP) program in 2011. Both lowered eligibility requirements for assistance. Due to the financial needs required to fund the programs, state mandate in 2014 tightened eligibility and introduced a lottery system.

There was less of a rise in local housing and other aid programs.

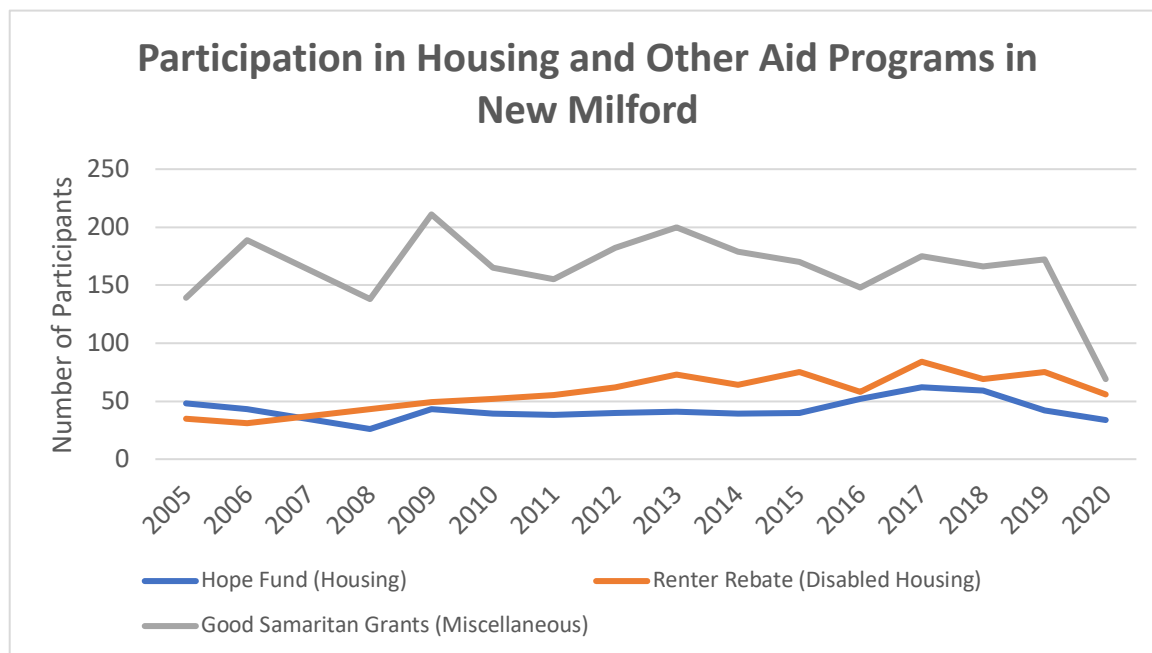
2-1-1 Calls

“211” provides people in need with a shortcut through what can be a bewildering maze of health and human service agency phone numbers. Callers are referred, and sometimes connected, to appropriate agencies and community agencies. The bar charts below show 211 calls related to shelter and housing in New Milford, Litchfield County, and Connecticut for 2020. The data

suggests that the housing problems reported in New Milford are at a level somewhat higher than basic and urgent overnight shelter, and deal more with resolving housing search and mortgage problems.

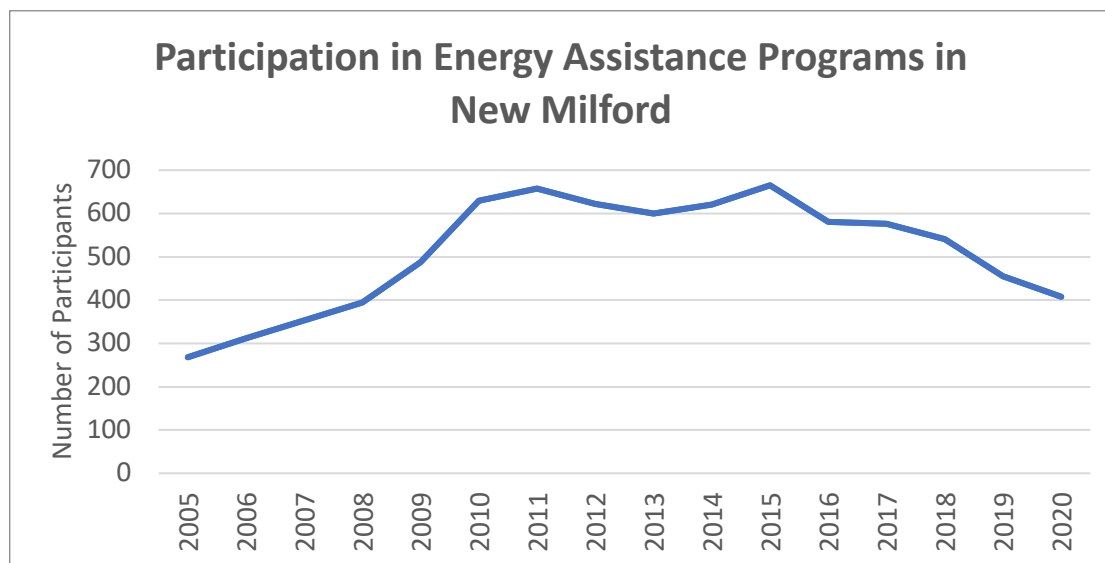


Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford*, 2020



Graph by Zbroszczyk, Lukasz W., *Social Services Graphs*, January 17, 2021, from data in Annual Reports of Social Services Department.

During the previous crisis, the number of households seeking energy assistance rose sharply. It took over seven years to decline again.



Graph by Zbroszczyk, Lukasz W., *Social Services Graphs*, January 17, 2021, from data in Annual Reports of Social Services Department

Participation in energy assistance spiked in the Great Recession to a peak in 2011, driven by economic hardship due to the recession and slow economic recovery. Participation began to decline after 2015.

Future trends:

- Rising energy costs may drive hardship for those families whose livelihood remains disrupted due to the pandemic.

Pre-pandemic Trend in Energy Assistance Decline: +0.3, moderate decline in the numbers of people in need of such support

Anticipated Pandemic Effect: -0.3, moderate increase in cases.

Anticipated Post-Pandemic Trend: 0, a limited change.

2.1.2 HOMELESSNESS

During the 1980s, a combination of factors led to a rise in homelessness across the country: cuts to federal assistance program, stagnant wages, rising housing costs, and deinstitutionalization

from mental hospitals. New Milford, too, experienced this problem, and a tent encampment arose near a shopping center on Rt. 7. This led to the creation of the New Milford Homeless Shelter Coalition, a collaboration of local churches, which provided overnight lodging during the winter months. When the coalition began offering the overnight lodging at area churches, an average of two to three guests stayed each night, rising to 12 in 2008 at the peak of the Great Recession.

On the town level, the Department of Social Services and the Senior Center provided assistance and guidance. The Police Department created a community care coordinator in 2017¹¹ as part of a shift to be more community-driven approach, to address pressing social issues such as homelessness. The emphasis shifted to actively find regular housing for people in need. These efforts proved successful and as a result the homelessness population in New Milford dropped from about 10 guests per night¹² in the winter of 2017/8, to near zero in the winter of 2019/20.

In contrast, Households accessing shelter in nearby Danbury were much higher, and significantly rising during the pandemic.¹³

2020- 149 individuals, 14 families

2019- 92 individuals, 16 families

2018-83 individuals, 13 families

2017- 94 individuals, 13 families

Source: Jessica Kubicki, Director of Programs, Supportive Housing Works, 2021.

We have no detailed data on New Milford homelessness over an extended period of time, but the numbers available show a marked increase after 2008 for northwest Connecticut (Region 5), in particular, for African Americans. That number dropped, however, after about a year.

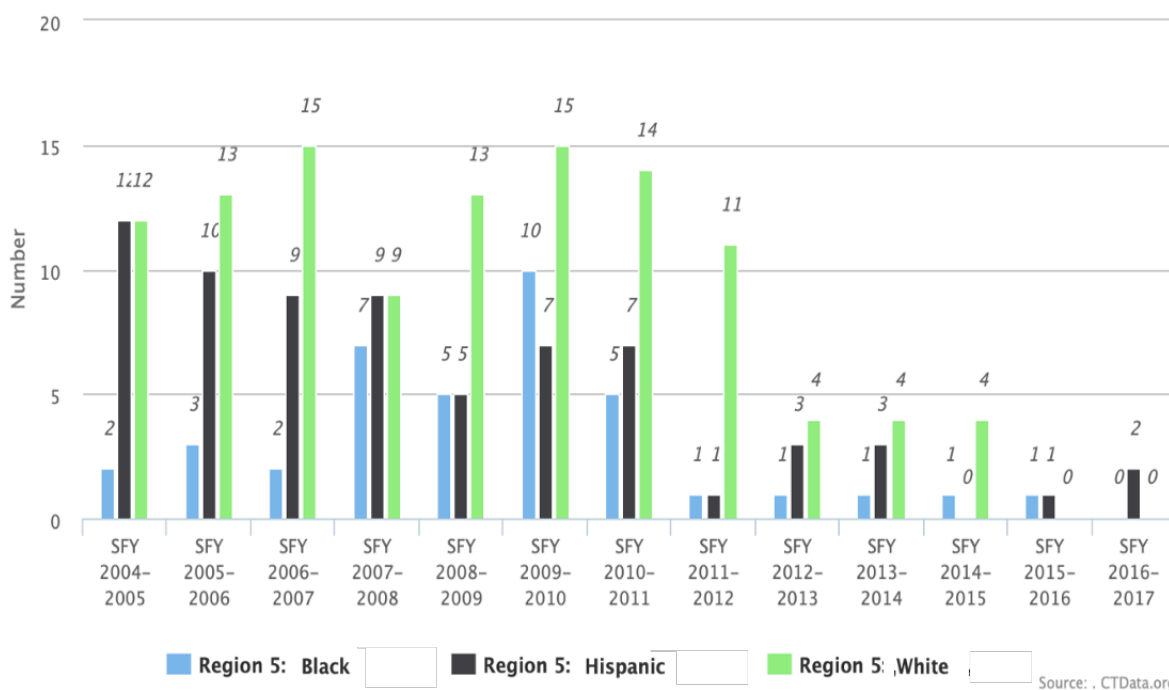
¹¹ <http://www.newmilfordpolice.org>.

¹² Data is based on 211 incident reports for New Milford as reported by the Homeless Management Information System <https://www.cceh.org/data/ct-hmis/>

¹³ Several shelters in Danbury are not included in this count, including Dorothy Day and Good Samaritan.

If housing assistance is not provided at the local, state, or federal level for residents, we expect a moderate acceleration in the request for shelter assistance or a temporary housing venue.

Families Seeking Shelter by Race (Region 5)¹⁴



Graph by Josi, Alvin, data from Connecticut Department of Children and Families accessed via the Connecticut State Data Center.

Pre-pandemic Trend in Homelessness Decline: +0.4, a decline in overall cases after 2009; across all ethnicities

Anticipated Pandemic Effect: -0.3, an acceleration of needs for shelter.

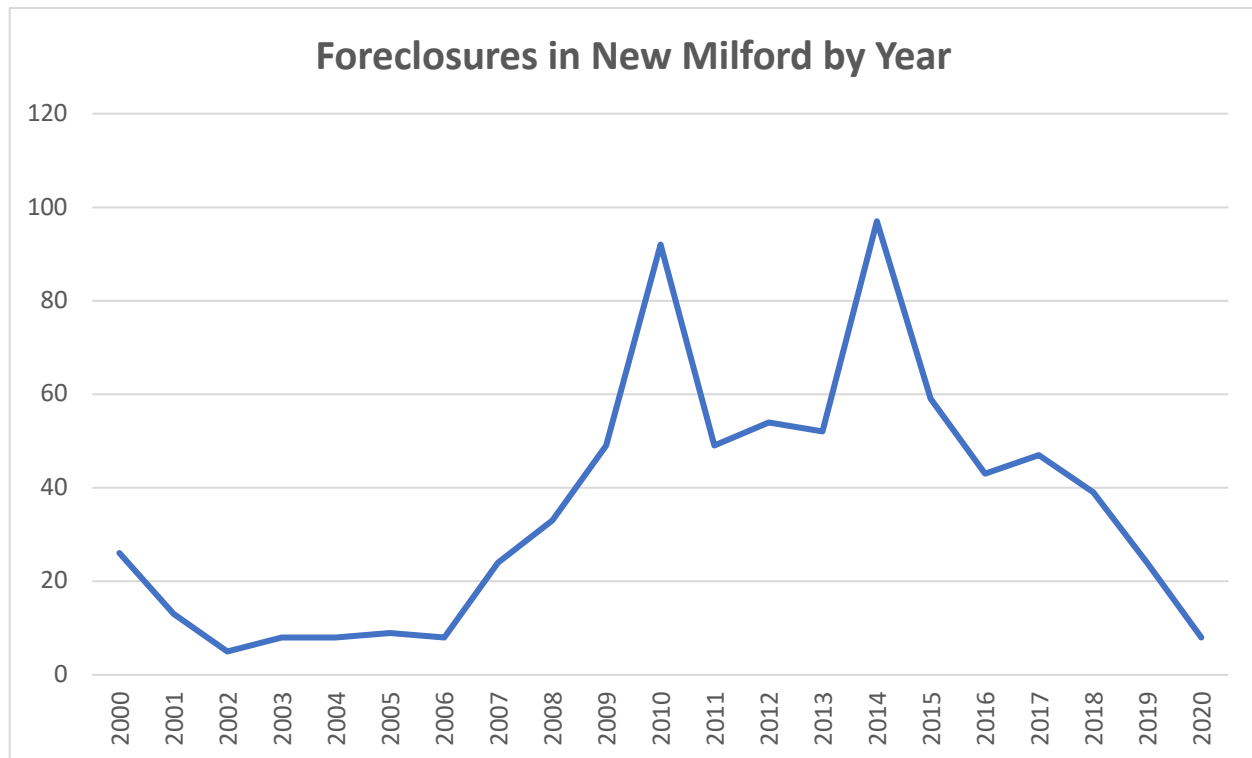
Anticipated Post-Pandemic Trend: +0.1, a moderately impact need for shelter need

¹⁴ Region 5 comprises of the following municipalities: Barkhamsted, Beacon Falls, Bethel, Bethlehem, Bridgewater, Brookfield, Canaan, Cheshire, Colebrook, Cornwall, Danbury, Goshen, Hartland, Harwinton, Kent, Litchfield, Middlebury, Morris, Naugatuck, New Fairfield, New Hartford, New Milford, Newtown, Norfolk, North Canaan, Oxford, Prospect, Redding, Ridgefield, Roxbury, Salisbury, Sharon, Sherman, Southbury, Thomaston, Torrington, Warren, Washington, Waterbury, Watertown, Winchester, Winsted, Wolcott, and Woodbury.

2.1.3 FORECLOSURES

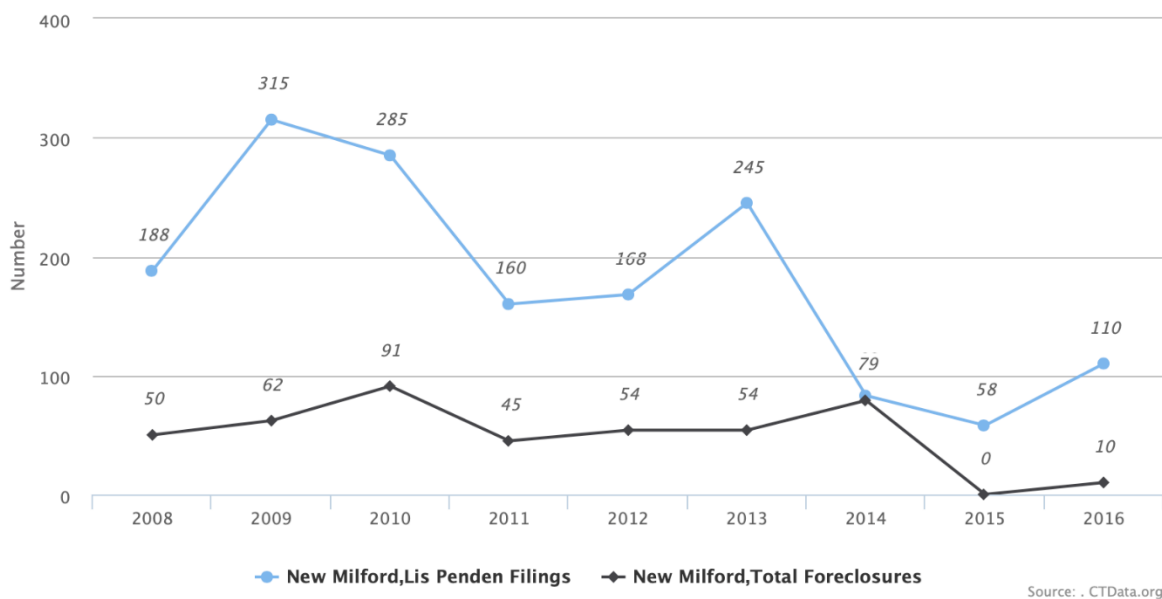
Housing costs higher than what a household can afford can lead to foreclosure or eviction. Foreclosures cause loss of money and possessions and can damage the social fabric of neighborhoods. Evictions that go through the court system result in a permanent record, which can cause potential landlords to refuse to rent to evictees in the future.

Foreclosures rose before 2008, as a bellwether for the sub-prime mortgage crisis. They rose in after 2006 ninefold, until 2010 and then dropped after 2014 to low levels. it took about 8 years for the number to come down. Foreclosure *filings*, many of which do not lead to actual foreclosures, were much more frequent, and rose 68% in 2008. It has zigzagged downwards until 2016.



Graph by Zbroszczyk, Lukasz from data from the NM Town Clerk's Office

New Milford's Actual Foreclosures and Foreclosure Filings¹⁵



Graph by Josi, Alvin, data from Connecticut Department of Children and Families accessed via the Connecticut State Data Center

- In 2007-2009, foreclosures rose sharply as home prices collapsed and unemployment rose.
- There is a dip in foreclosures in 2020 due to forbearance programs and government intervention. But even as the economy improves, homeowners will be impacted by the end of these protective policies and some may face the possibility of losing their homes.
- However, on the Covid-induced crisis, the trend is inverted: home values in the area have risen during a period of unemployment. This enables such households to sell their homes under more favorable conditions instead of a formal foreclosure.
- Therefore, on balance, there would be a moderate negative effect (i.e., more foreclosures) on foreclosures compared to the 2018-2019 period.

¹⁵ “Lis Pendens” filings indicates that a legal action has been filed against the property owners but does not necessarily lead to actual foreclosure).

Pre-pandemic Trend in Foreclosure Declines: +0.2 (fewer foreclosures)¹⁶

Anticipated Pandemic long-term effect: -0.3 (more foreclosures)

Anticipated Post-Pandemic Trend: -0.1, somewhat more residential foreclosures.

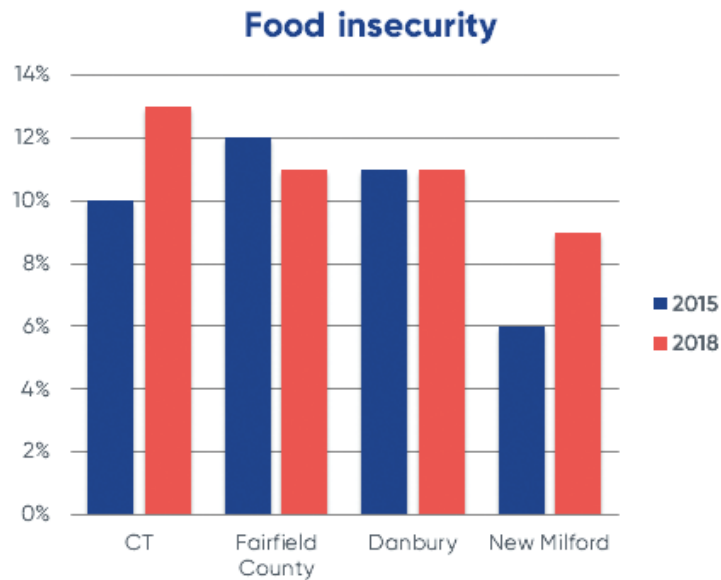
2.2 FOOD INSECURITY

According to the POCD, 1,563 residents rely on food stamps. 22.7% of school children participate in the free/reduced lunch program. The Food Bank provided weekly bags of groceries to 173 households, for a total of 8,500 bags. The Senior Center served 8,000 meals to 200 participants in 2017-2018. Meals on Wheels delivered 30,000 meals in that year. Loaves and Fishes Hospitality House serves 14-40 meals daily.

- Data suggest a sharp increase in the number of families reporting difficulty affording adequate food and other basic needs compared to pre-pandemic times.
- The far-reaching health and economic effects of Covid-19 and widespread business closures to limit its spread have made it even more difficult for many low-income households to afford food and other needs.
- The Families First Coronavirus Response Act gave the US Agriculture Department authority to make it easier for families to continue participating or apply for SNAP benefits. It also boosts emergency supplementary benefits and school meals.

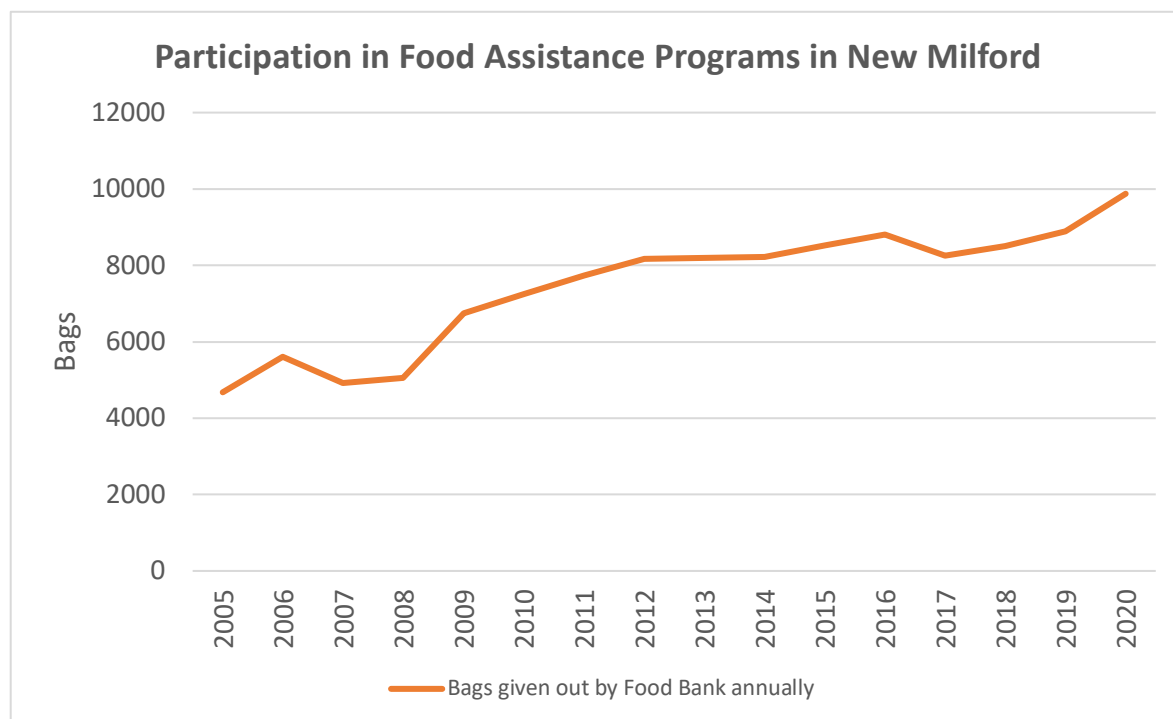
Food insecurity has already gone up since 2015. It is lower in New Milford than for the state, and in comparison, with Danbury and the adjoining Fairfield County. However, it has risen more in percentage terms.

¹⁶ There were relatively few foreclosures in 2019. A continuation of the 2019 trend would have meant zero annual foreclosures by 2021.



Source: Nuvance Health, *Greater Danbury Region Community Health Needs Assessment and Community Health Improvement Plan*, 2019

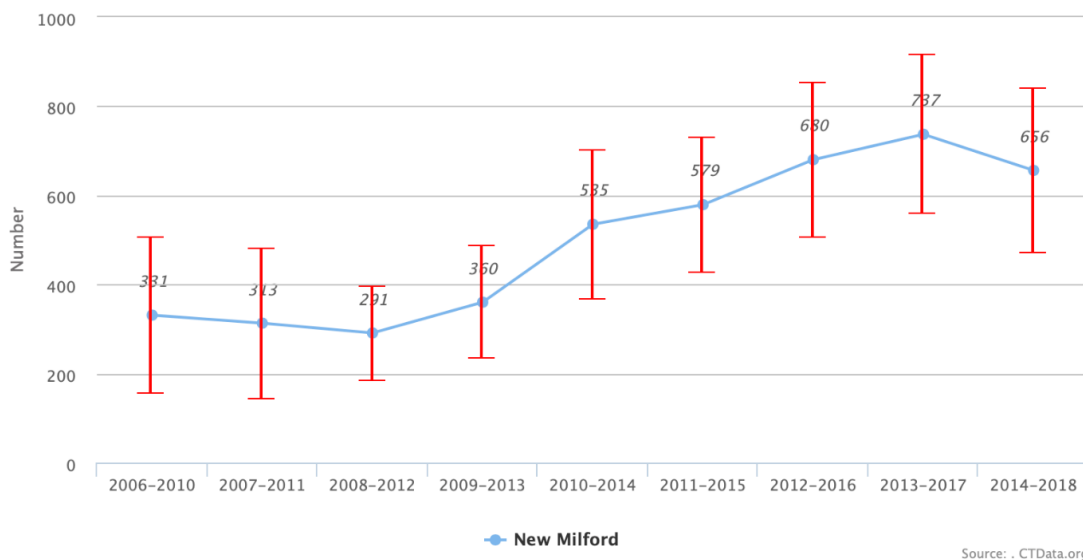
Use of food assistance rose sharply in 2008 and has kept growing ever since, accelerating in 2020.



Graph by Zbroszczyk, Lukasz W., *Social Services Graphs*, January 17, 2021, from data in Annual Reports of Social Services Department

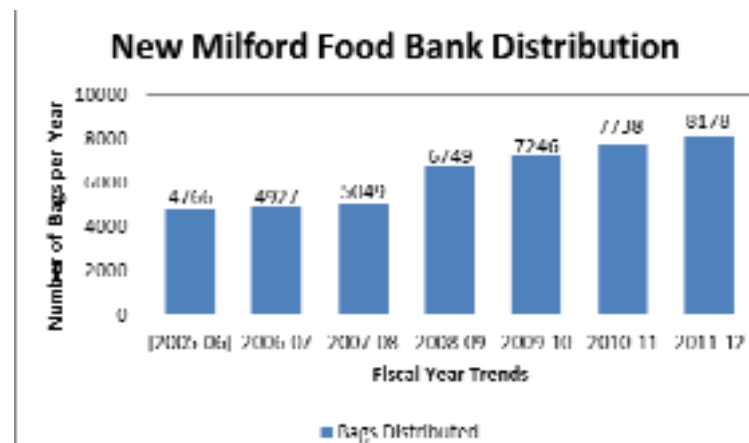
Food stamp (SNAP) recipients also increased, more than tripling after 2008, and declining only partly five years later.

SNAP Food Stamp Recipients



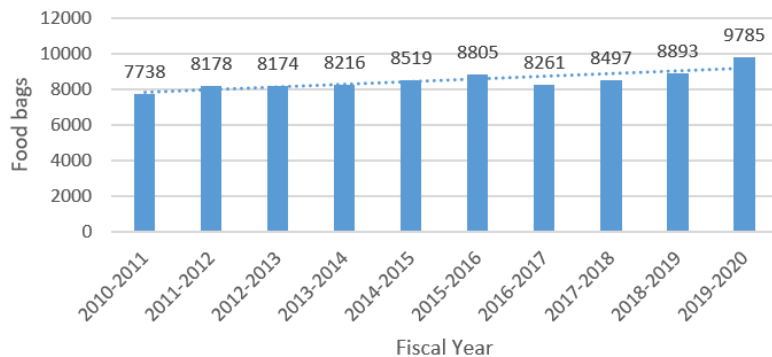
Graph by Josi, Alvin, data from the US Census Bureau's American Community Survey 5-Year Estimates Tables B22005A-I accessed via the Connecticut State Data Center.

It is similar for NM Food Bank Distribution, which rose rapidly after 2008, declined somewhat seven years later, and then rose again significantly in 2020.



Source: NM Department of Social Services

(cont.) New Milford Food Bank – Yearly Food Bag Distribution (2011-2020)



Source: NM Department of Social Services

- According to the Household Pulse Survey, released by the Connecticut Agriculture Department in collaboration with the United Way of Western Connecticut, and conducted between January 6-18 2021, 11% of adults in New Milford reported their household sometimes or often did not have enough to eat in the last seven days. This was far above the pre-pandemic rate of 3.4% a full 12 months earlier.

Pre-pandemic Trend in Food Assistance Case Declines: -0.2, a rising rate of food insecurity

Anticipated Pandemic Effect: -0.2, an acceleration

Anticipated Post-Pandemic Trend: -0.4

2.3 POVERTY

Poverty status in the United States is assigned to people that do not meeting a certain income threshold, which is set by the Department of Health and Human Services. In 2020, the United States poverty income threshold for a family of four was an annual income of \$26,200 per year¹⁷.

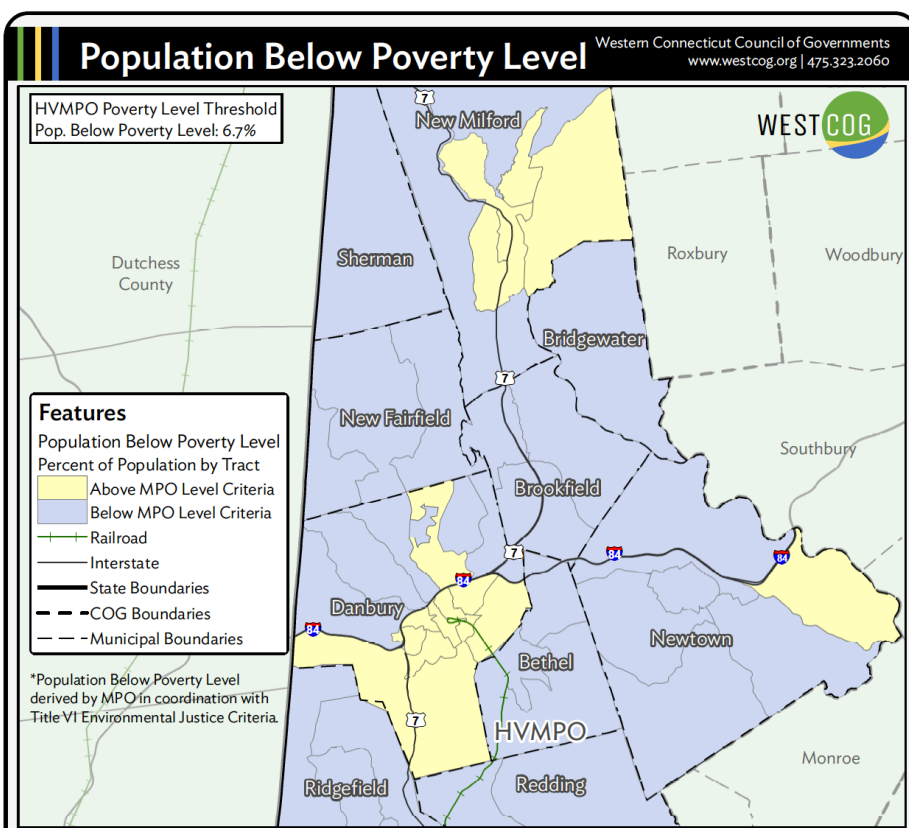
¹⁷ U.S. Census Bureau. "Poverty Thresholds", <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>

Households below the poverty line are significantly less prevalent in New Milford than in Connecticut as a whole (4.75% vs 10.03%). They rose in the 2008 Great Recession and declined after 2010 into 2018.

The 2020 ALICE Report¹⁸, released by the Connecticut United Ways, found that for the 2019 fiscal year, “27% of Connecticut households met the criteria for ‘ALICE’”, describing an asset limited, income constrained, employed population. “11% of households earned below the federal poverty line”.

ALICE households and those below the federal poverty line do not have enough income to cover both current and unforeseen expenses, meaning that an emergency expense, change in income, or damage from a natural disaster can be devastating.

New Milford Poverty by Geography

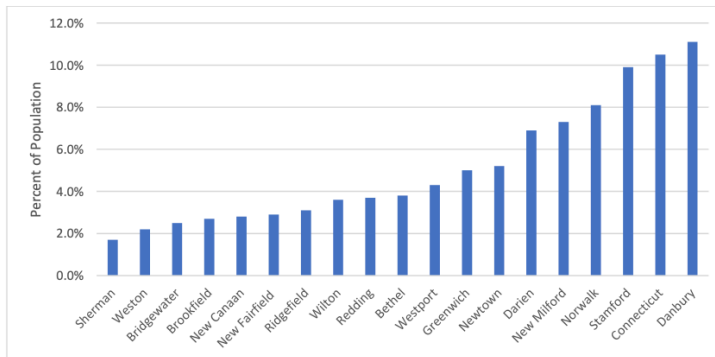


Source: Housatonic Valley Metropolitan Planning Organization, 2019-2045 Long-Range Transportation Plan, 2017

¹⁸ https://alice.ctunitedway.org/wp-content/uploads/2020/11/ALICE-2020-Executive-Summary_-8.25.2020-1.pdf

New Milford Poverty in Regional Comparison

Figure 21: Western CT Municipalities Poverty Rates (by Individual)

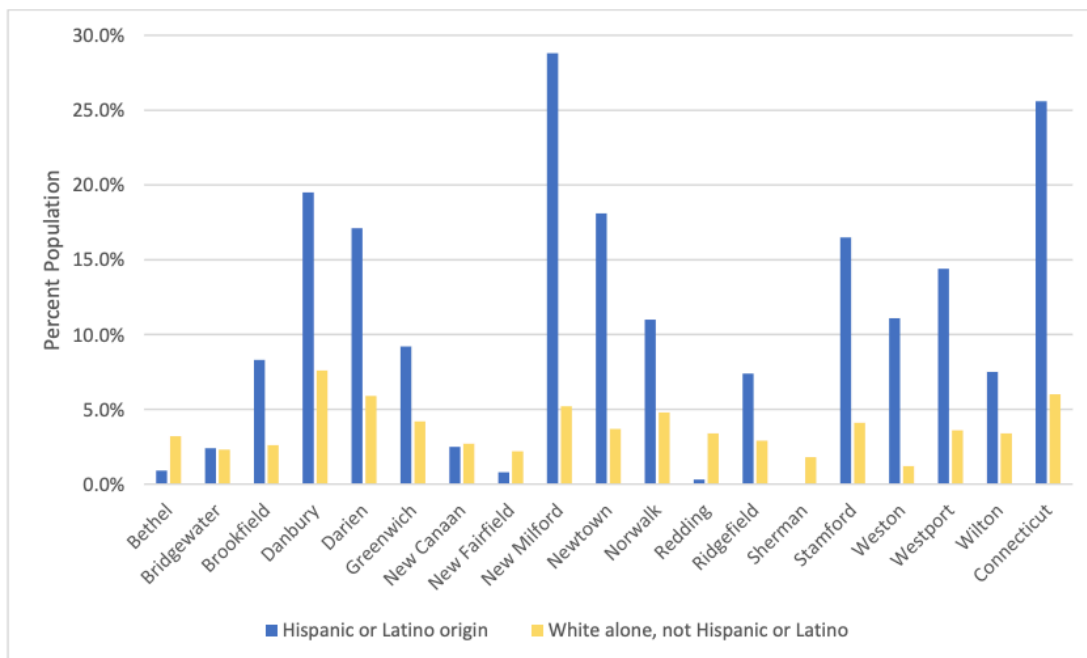


Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Source: Western Connecticut Council of Governments, Western Connecticut Economic Development Plan 2017-2022. 2017

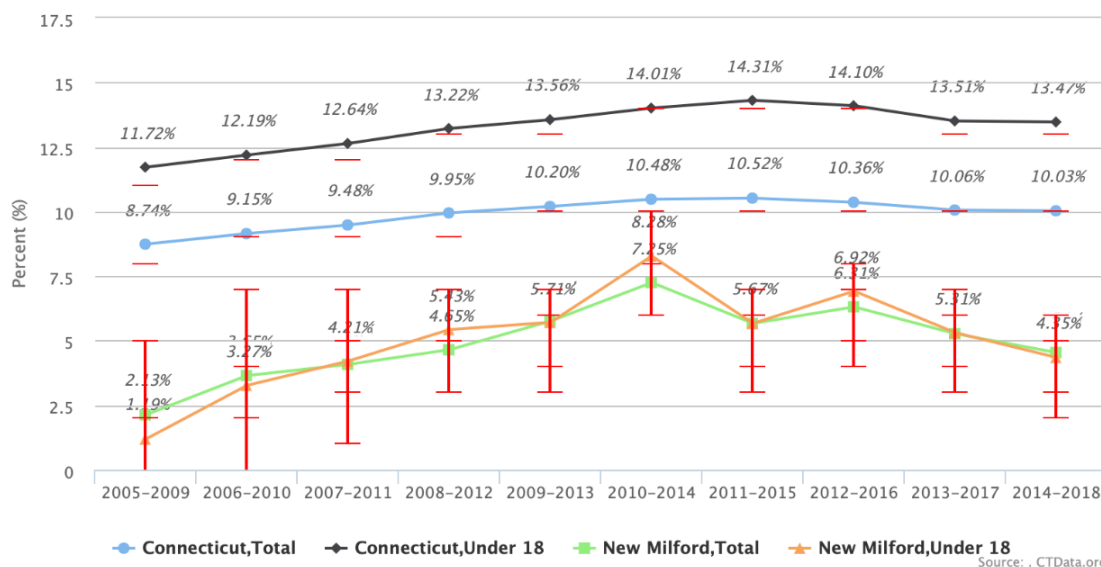
About ten years ago, data identified a significant part of the poverty rate to be that of the Hispanic/Latino population.

Figure 23: Western CT Municipalities Poverty Rates by Ethnicity (by Individual)



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Households Below Poverty Line (New Milford and Connecticut)



Graph by Josi, Alvin, data from the US Census Bureau's American Community Survey 5-Year Estimates Tables B17001 accessed via the Connecticut State Data Center

Pre-pandemic Trend in Poverty Count Decline: +0.2; moderately improving in New Milford, 0; high for Connecticut overall but stable.

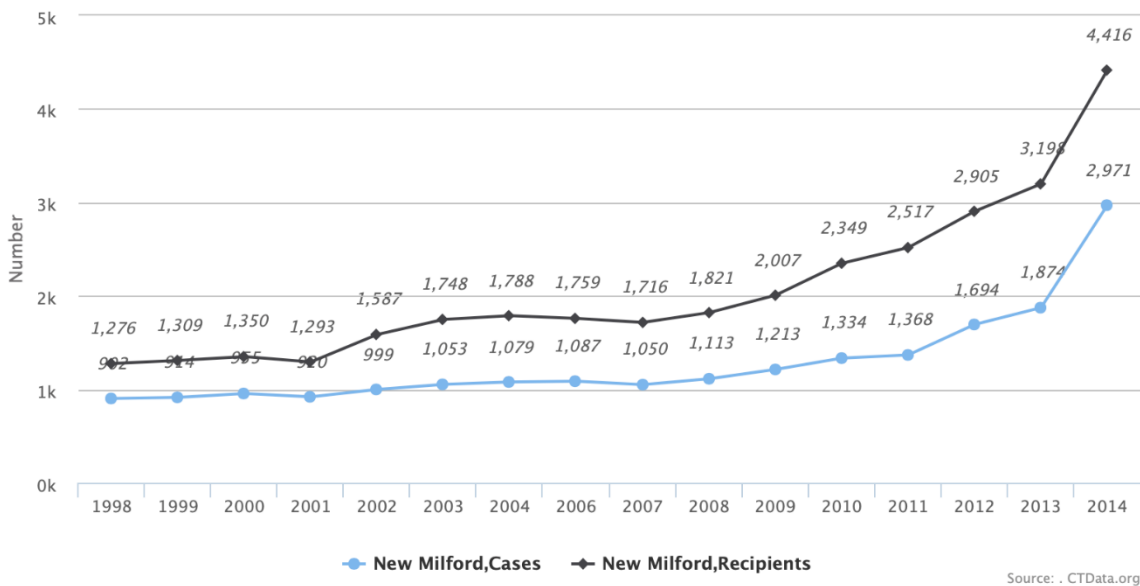
Anticipated Pandemic Effect: -0.3; strong increase short-term but declining slowly over time.

Anticipated Post-Pandemic Trend: -0.1

2.4 MEDICAID RECIPIENTS¹⁹

Medical care assistance based on income or disability rose steadily after at least 1998.

¹⁹ "Cases" represents number of households, "Recipients" include total number of recipients to account for households with multiple recipients.



Graph by Josi, Alvin, data from Connecticut Department of Social Services accessed via the Connecticut State Data Center.

Pre-pandemic Trend in Medicaid Recipients Decline: -0.2; steadily increasing case numbers.

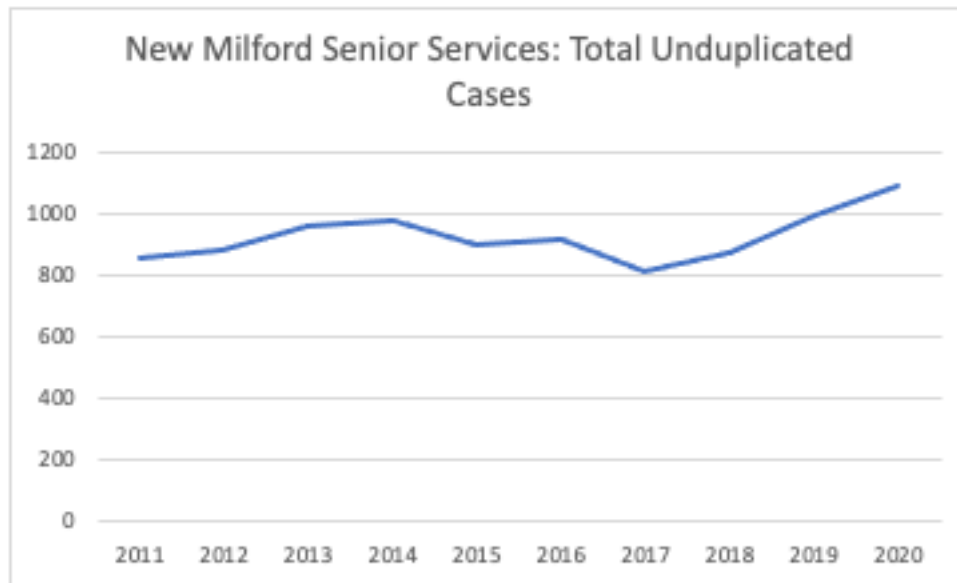
Anticipated Pandemic Effect: -0.2; increase to continue.

Anticipated Post-Pandemic Trend: -0.4

2.5 SENIOR ASSISTANCE

The Commission on Aging/Senior Services provides Municipal Agent (MA) services: information, advocacy and support concerning programs and benefits. It serviced approximately 1,500 seniors in 2017/8.²⁰ Within its various services, “The Housing category increased drastically during the 2017-2018 fiscal year, indicating the need for more senior housing. “ (POCD)

²⁰ Energy Assistance, Department of Social Services, Medical Insurance, Renter’s Rebate, Homeowner’s Tax Credit, Housing, Food Stamp, Food Pantry, Adult Protective Services, Chore Program, etc.



Graph by Josi, Alvin, data from New Milford's MySeniorCenter Report 2011 to 2020 via New Milford's Senior Center.

Case load rose strongly after 2017 and was expected to grow with the graying population. Covid-19 will exacerbate this trend, as numerous phone calls are expected regarding vaccine distribution and signups, in 2021 and beyond.

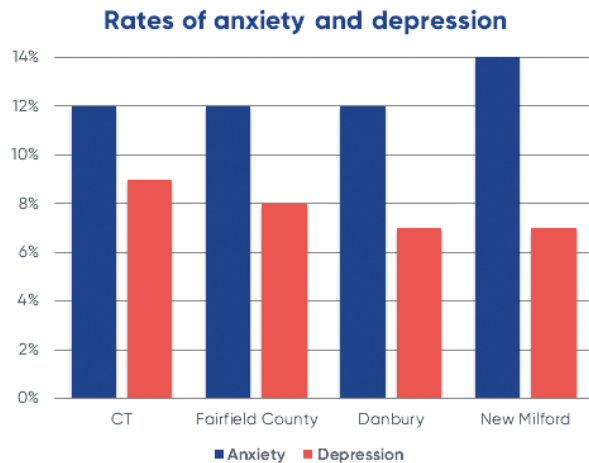
Pre-pandemic Trend in Senior Assistance Requests Decline: -0.3 (greater need for services due to aging population)

Anticipated Pandemic Effect: -0.2, modest change.

Anticipated Post-Pandemic Trend: -0.5

2.6 MENTAL HEALTH ADMISSIONS

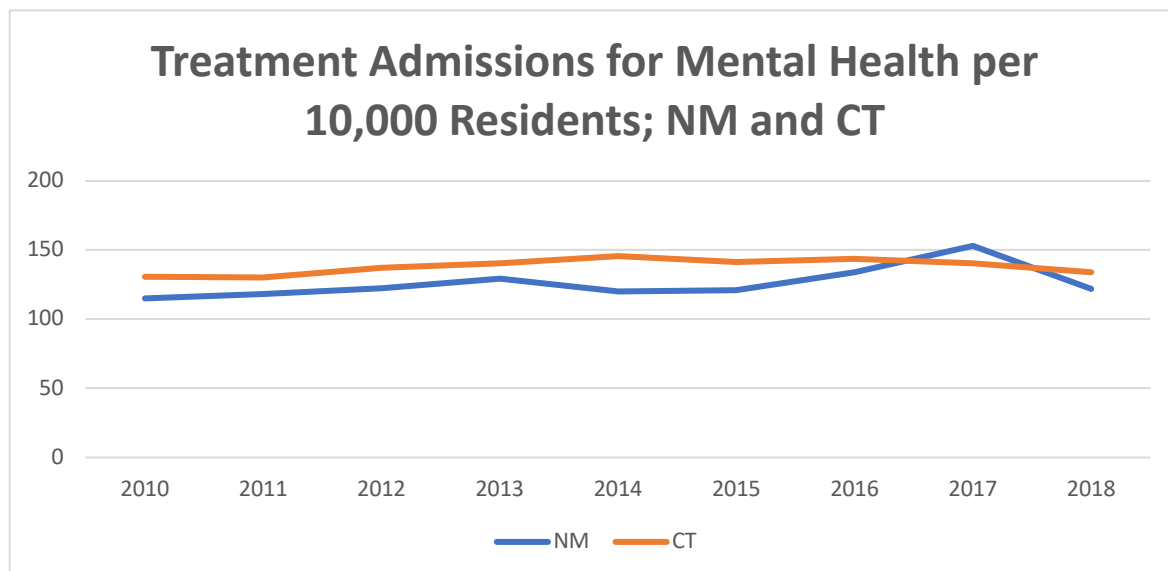
A fairly high percentage (14%) of New Milford residents report anxiety, higher than the state average. They are, however, less depressed.



Source: Nuvance Health, *Greater Danbury Region Community Health Needs Assessment and Community Health Improvement Plan*, 2019

The number of mental health treatment admissions has been steady, with slight drops after 2013. Drug admissions have risen steadily, as can be seen in the section on crime and substance abuse below.

Mental Health Treatment Admissions for Residents 18+, per 10,000



Graph by Josi, Alvin, data from Connecticut Department of Mental Health and Addiction Services accessed via the Connecticut State Data Center.

The pandemic is likely to increase the demand for mental health services and use of illicit drugs:

- Bereavement, isolation, loss of income and fear are triggering mental health conditions or exacerbating existing ones.
- Increased levels of alcohol and drug use, insomnia and anxiety due to widespread social isolation, or because of the stress of high-risk essential jobs.
- Throughout the pandemic, young adults have experienced sudden job or income loss, which already affects mental health.
 - Closing of colleges, transitioning to remote work contribute to social isolation.
 - All of which can lead to increase use of substance use or suicidal ideation.
 - Prior to the pandemic, young adults were already at a higher risk of poor mental health and substance use disorder.

Pre-pandemic Trend in Mental Health Admissions Decline: -0.2; slightly increasing mental health.

Anticipated Pandemic Effect: -0.2; increase due to stress and isolation.

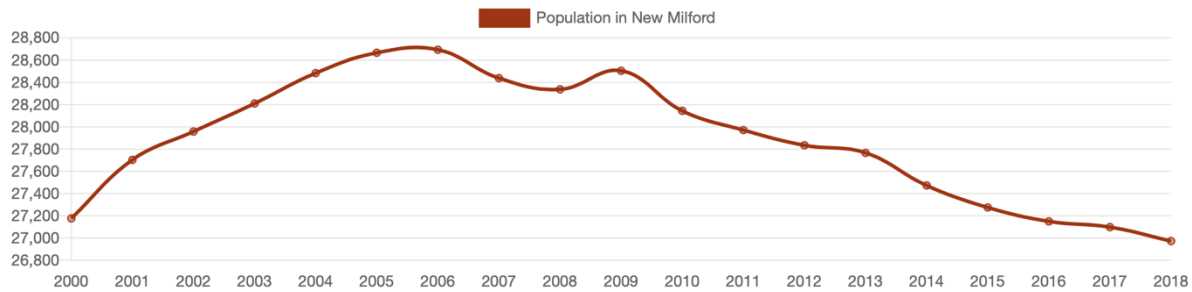
Anticipated Post-Pandemic Trend: -0.4

3. POPULATION TRENDS

3.1 POPULATION SIZE

The total population has been dropping.

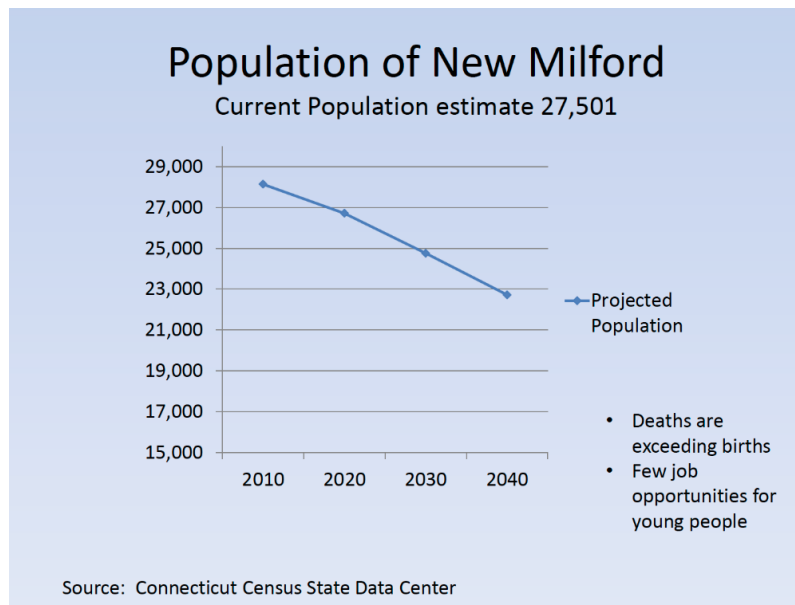
But note the uptick during the 2008/9 economic crisis.



Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford*, 2020.

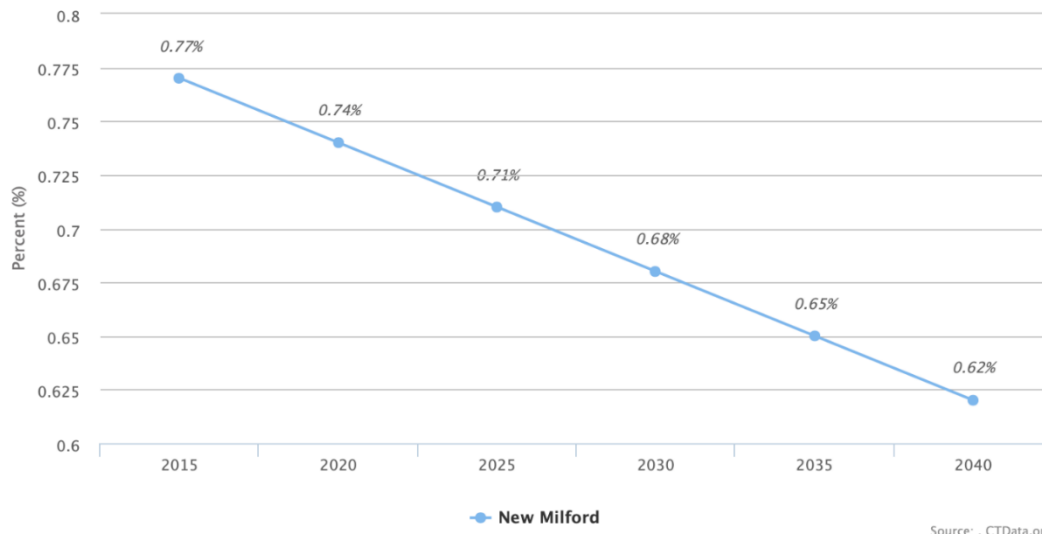
Between 2000 and 2018, New Milford's population decreased by -204 residents, or -0.8%. The population of Litchfield county decreased by -0.7%, and rose in Connecticut by 4.8%.

Pre-pandemic projections expected New Milford population to continue dropping.



The decline in population, expressed as a percentage.

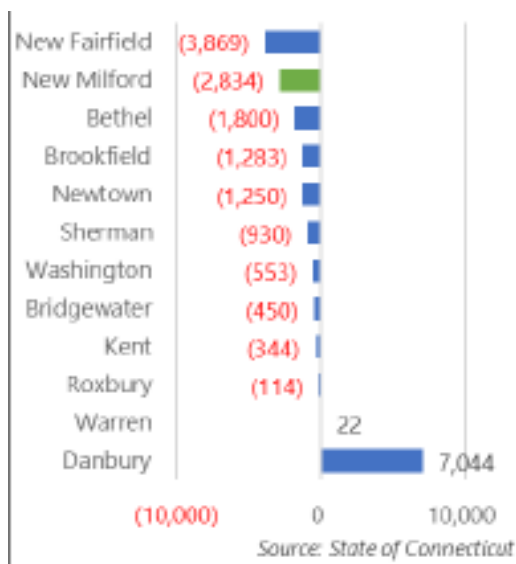
(Note that the straight linear shape of the forecast below suggests a simple mathematical projection based on the trend of recent years projected forward to 20140, not on any underlying factual analysis. It should therefore be used with caution)



Graph by Josi, Alvin, data from Connecticut Department of Public Health, annual population estimates accessed via the Connecticut State Data Center.

New Milford is not unique in this trend, but its projected decline is higher than most towns in the region in absolute numbers.

Greater New Milford Region Projected Population Change, 2015 – 2030



Greater New Milford Region Projected Population Change, 2015 – 2040

	New Milford	Litchfield County	Connecticut
Population	27,196	183,031	3,581,504
Population Projection (2030)	24,760 -9.0% ↓	180,866 -1.2% ↓	3,633,994 1.5% ↑
Population Projection (2040)	22,723 -16.4% ↓	170,303 -7.0% ↓	3,654,015 2.0% ↑
Households	10,434	73,987	1,367,374
Average Household Size	2.6	2.4	2.5
Average Family Size	3.1	3.0	3.1
Median Age	41.8	46.1	39.1

Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford*, 2020.

- New Milford’s population peaked in 2007, and steadily declined through the 2010s.
 - Loss of approximately 130 people per year from 2006 to 2019.
- This is typical of Connecticut and this region of the country:
 - Better job growth in other regions of the country (South, West)
 - Urban renewal, people moving to cities for work and social life.
 - Aging population (discussed in detail below)
 - Smaller families, “empty nesters”
 - Has the Covid pandemic lessened this trend? New Yorkers are moving to New Milford. However, given the low number of new construction and of an inventory of vacant homes, most of the new buyers replace previous owners, and they tend to be relatively older and with fewer children. In addition, as prices rise, it becomes more difficult for younger families with children to afford to buy homes.

Pre-pandemic Trend in Population Size: -0.2

Anticipated Pandemic Effect: +0.1

Anticipated Post-Pandemic Trend: -0.1

3.2 SCHOOL AGE POPULATION

One major factor is that households are becoming smaller: fewer children, and older residents without live-in children.

New Milford Economic Development Office: The drop in the town's average household is indicative of these trends. It has dropped by half a person since 2010, from 3.13 to 2.62 in 2018. As children grow up and leave their empty-nester parents behind, and new, younger families do not come in to replace them, the number of people in the town's households continues to fall.

There are fewer school-age children. Enrollments in grades 205 have dropped over 7 years by 2-33%, and that decline has accelerated.

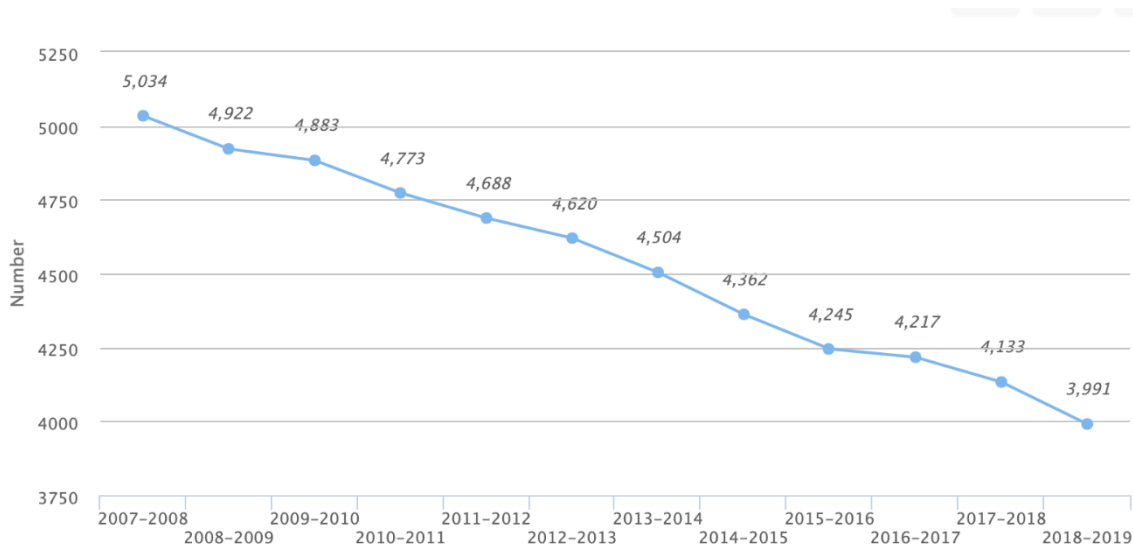
However, grades PK and K have increased in enrollment, and the decline in grade 1 is much smaller, suggesting a possible reversal of the trend. The number of students near graduation (grades 10-12) has also stayed fairly steady, and this might indicate higher graduation rates, as well as non-resident students.

School Enrollments

School Year	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
14-15	71	262	274	309	314	338	341	345	366	315	408	330	326	333	4332
15-16	84	242	268	277	315	308	334	338	337	356	359	360	328	298	4204
16-17	105	273	242	271	278	308	317	344	342	339	366	341	362	298	4186
17-18	104	232	275	253	272	290	315	325	339	342	357	351	319	326	4101
18-19	89	242	233	270	260	268	288	322	323	345	347	345	349	287	3968
19-20	94	271	256	230	271	266	267	292	323	325	356	329	329	316	3925
20-21	115	271	257	232	219	269	272	290	320	322	345	331	336	326	3905
21-22	117	268	271	257	248	219	269	284	290	320	334	345	331	332	3885
%change 2014-21	+62%	+3.4%	-6.2%	-33.2	-30.2	-20.4	-20.2	-15.9	-12.6	+2.2	-15.4	+0.3	+3.0	-2.0	-9.9

Change percentage calculations based on: New Milford Public Schools, *2021-2022 Budget Workshop Enrollment Projection*, December 8, 2020, two tables

Total Number of Students



Graph by Josi, Alvin, data from Connecticut State Department of Education accessed via the Connecticut State Data Center and New Milford Public School Administrative Office.

Corresponding to the lower enrollments, the schools, judging by rated capacity vs enrollments, are not at space limits, though NMH is relatively close.

School Facilities					
School	Grades	Date of Construction (Additions, Remodeling)	Number of Classrooms	10/1/2019 Enrollment ¹	Rated Capacity ²
Hill and Plain.....	K-3	1967 (1986, 1993)	34	375	720
Northville.....	K-3	1982 (1993)	34	476	720
Sarah Noble Middle.....	4-6	1962 (2001)	63	804	1,350
Schaghticoke Middle.....	7-8	1973 (1993)	58	940	1,200
New Milford High.....	9-12	2000	84	1,330	1,600
Total.....			273	3,925	5,590

¹ Does not include special education outplacements nor Vo-Ag and Vocational students.

² Original design capacity. Does not reflect modified educational objectives and State-mandated programs.

Source: Town of New Milford, Board of Education

Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020.

- School population tracks with the overall population.
- After peaking in 2007-2010, there has been a steady decline in the public-school population.
- Families moving into New Milford in 2020 do not appear to have changed this trend – public school population declined again in Fall 2020, at a similar pace to previous years.

- Age may drive this – people moving into New Milford appear to be middle-aged.
- Covid concerns might lead others to home-school their children.
- Thus, the long-term trend appears to be unchanged.

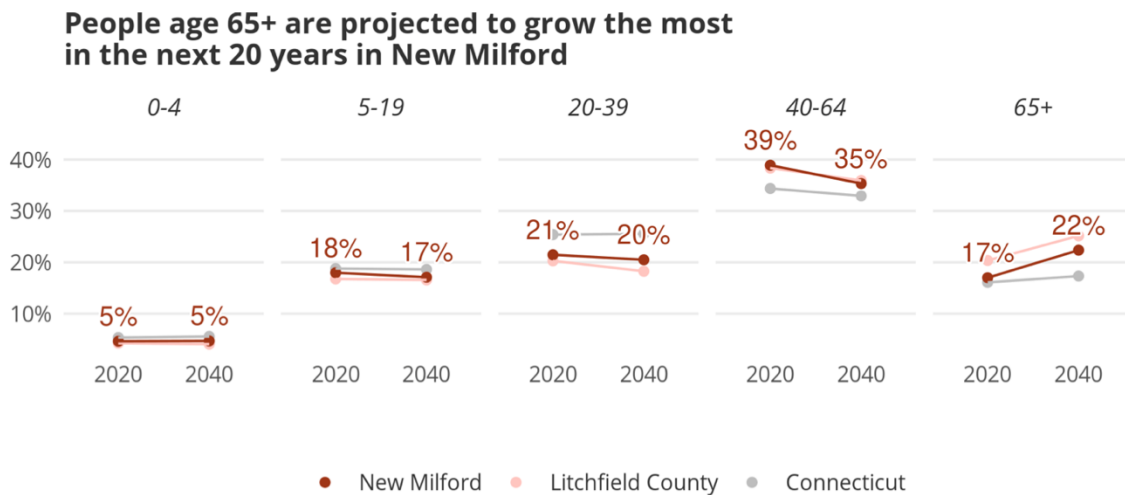
Pre-pandemic Trend in Student Population: -0.2, decline in school-age population

Anticipated Pandemic Effect: 0.0

Anticipated Post-Pandemic Trend: -0.2, decline

3.3 THE AGING OF THE POPULATION

In addition to fewer children, there are more retirement-age residents. The 40-64 year old cohort is projected to decline, probably not so much due to moving away but from aging into the 65+ cohort, without being fully replaced by the next age group.



Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford*, 2020.

“The makeup of the population will shift as well, with older adults (60+) growing both in absolute number and as a share of total residents. New Milford will have 1,400 new seniors by 2030, as the youngest of the Baby Boom generation age into the senior cohort. In 2015, seniors made up 21% of the town’s population, and by 2030 they will account for 29%.”

Source: <https://data.ct.gov/Government/2015-2040-Population-Projections-Town-Level/p6hp-fnp7>

- Younger people are less likely to afford houses, and home prices are rising.
- Younger peoples' preferences for city living are less susceptible to Covid-related shocks.
 - Falling rents in cities may in fact attract younger people in the post-Covid period.
- The distribution of homes sold in 2020 is skewed towards more expensive properties. It is therefore likely that the individuals driving home sales in New Milford are wealthier and older.
 - These individuals occupy the 39-49 and 50-59 age brackets.

Source: Town of New Milford, *Plan of Conservation & Development - Working Draft*, 11-20-19

Meanwhile, a declining school-age population (ages 5-19) will neutralize growth added by seniors. The town will have nearly 1,400 fewer residents in this age group by 2030, falling from 19% of the overall population to 16%. Another shrinking age group is middle-age adults (40-59), which will decrease in number by 2,500. The decline in these groups suggests that parents are leaving the community once their children finish school, but they are not being replaced at the same rate by younger families. This is evidenced by declining school enrollment. According to the Connecticut State Department of Education, enrollment in the New Milford School district decreased from 4,600 in 2012 to 4,133 students in 2017, a 10% decrease over a 5-year period.

The drop in the town's average household is indicative of these trends. It has dropped by half a person since 2010, from 3.13 to 2.62 in 2018. As children grow up and leave their empty-nester parents behind, and new, younger families do not come in to replace them, the number of people in the town's households continues to fall.

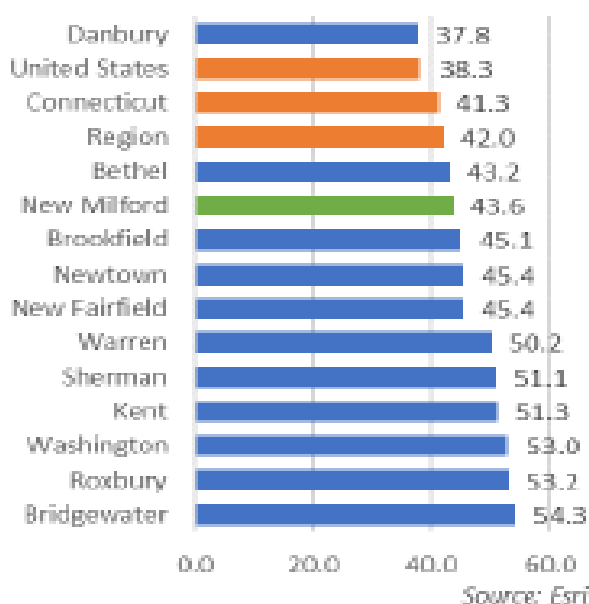
New Milford's population trajectory is not unique among Connecticut's communities. Of the state's 169 communities, 99 are expected to lose population by 2030 (nearly 60%). As a whole, this state of over 3.5 million people will grow by only 41,000 residents over that period. Growth in many of the state's more urban communities will be largely negated by losses in suburban and exurban communities like New Milford.

This pattern can be observed locally within the 12 communities that comprise the Greater New Milford region. As a whole, the region of 200,000 will lose 6,300 residents by 2030. However, excluding Danbury, the population loss would be more than double that number.

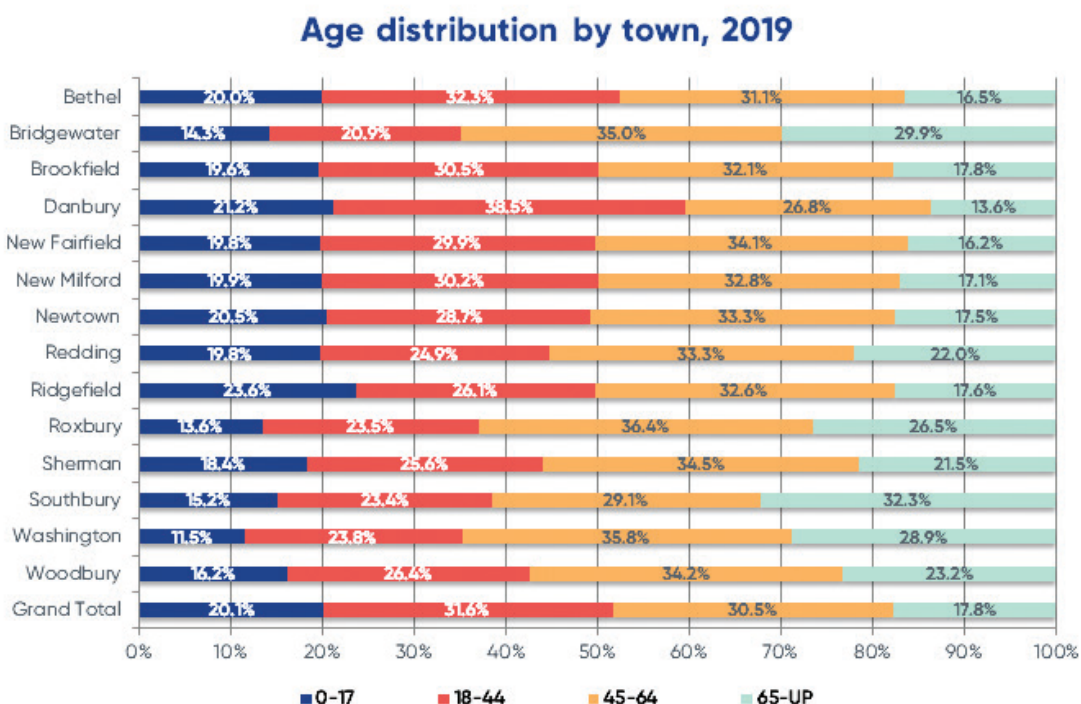
Such stark differences in growth trajectories for communities within the same small region can be attributed to differences in demographics that are reinforced by the availability of housing options that are affordable. The median age for the region is 42.0, which is slightly older than that of Connecticut (41.3) and somewhat older than that of the US as whole (38.3). Of the 12 communities in the region, only Danbury has a median age below the regional median, while the other 11 communities have high median ages. New Milford's median age is among the youngest (43.6), but still six years older than that of Danbury, which is considerable. The six towns in the region with populations under 5,000 people all have median ages over 50.

Overall New Milford has a lower share of younger adults in the 20-39 age cohort compared to the region, Connecticut, and the US. The region as a whole especially lacks individuals in the 20-29 group compared to the state and nation. It is critical to attract younger adults, as this is the age when they begin to form households, purchase homes, and put down roots in a community. Because of the high share of homeownership versus rental opportunities in New Milford, the town's tax base and overall economic health relies on households choosing to purchase homes within the community. About 78% of New Milford's housing units are owner-occupied, compared to 72% in the region overall, and 64% in Connecticut. Residential properties account for 80% of the value of real property in the town." (Camoin.)

Median Age, 2018



Source: Camoin Associates, *Town-wide Market Analysis*, December 2019



Source: Nuvance Health, *Greater Danbury Region Community Health Needs Assessment and Community Health Improvement Plan*, 2019

“Without a significant shift in the town’s ability to attract new employers from outside the region, new residents to New Milford will primarily be from elsewhere within the twelve communities of the New Milford labor shed. Less than a quarter (22%) of New Milford residents who moved within the last year came from outside of Connecticut, and 38% moved from within Litchfield County.

Currently, the largest age cohort in New Milford are 55-59-year-olds, followed closely by 50-54-year-olds. These groups are just beginning to consider where they might want to live as they approach retirement and may begin to contemplate independent living options for seniors. Peak demand for senior active/independent living is likely to occur in the next five to ten years (2025 to 2030) as this group enters their sixties.”

There are several factors for the increase in older age demographics.

- Higher life expectancy

- reluctance to leave a comfortable community with a low crime rate, convenient access to social needs, and excellent healthcare resources.
- homes are often smaller in size, which accommodate elderly couples
- With the pandemic, an accelerating reluctance to move to nursing homes and assisted living, in favor of home care.
- The rising price of housing affects seniors (who already are homeowners) less than young people who are first-time buyers.

On the other hand, the relative scarcity of senior-housing arrangements in New Milford will become more acute. This might be partly mitigated by the pandemic-induced reluctance to move to nursing homes or assisted living, and instead opt for in-home care. But that contributes further to an aging of the population.

“New Milford’s population trajectory is not unique among Connecticut’s communities. Of the state’s 169 communities, 99 are expected to lose population by 2030 (nearly 60%) ... New Milford’s median age is among the youngest (43.6), but still six years older than that of Danbury, which is considerable. The six towns in the region with populations under 5,000 people all have median ages over 50. “

Aging Population in Connecticut

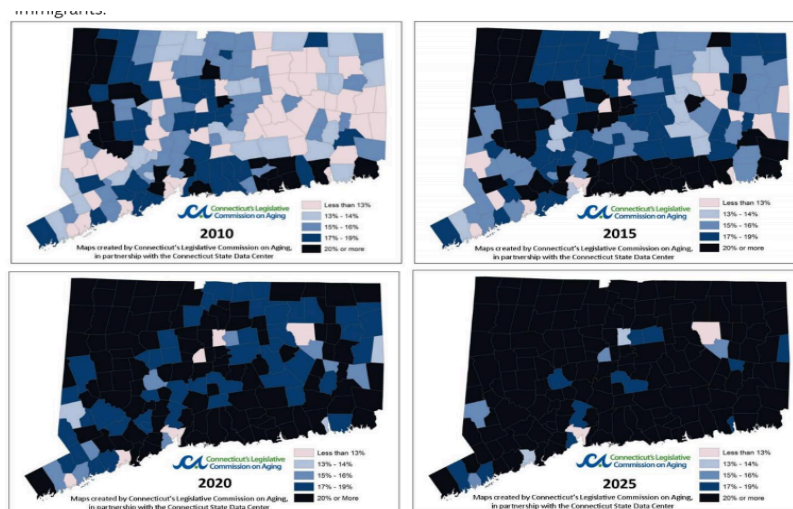


Figure 7. Percentage of People Age 65 and Older as Proportion of Total Population (Source: CT's Legislative Commission on Aging)

Source: Housatonic Valley Metropolitan Planning Organization, 2019-2045 Long-Range Transportation Plan, 2019

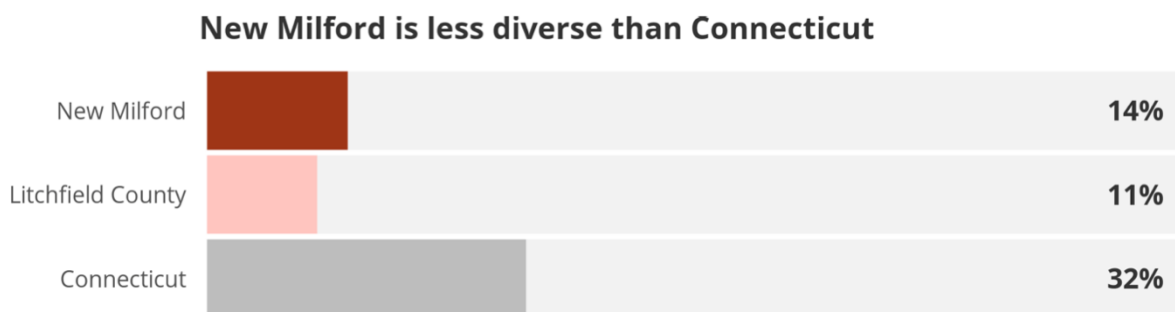
Pre-pandemic Trend in Young/Aging Population: -0.3, moderately aging population

Anticipated Pandemic Effect: -0.1, moderate acceleration of negative trend

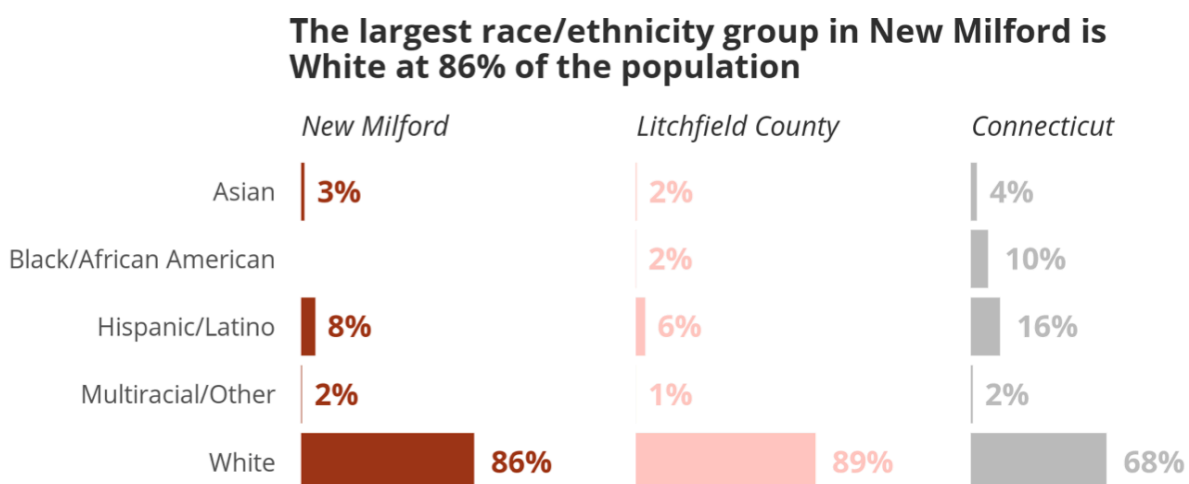
Anticipated Post-Pandemic Trend: -0.4, a stronger aging trend.

3.4 DIVERSITY

The diversity of population is low but rising. Approximately 20% of NM's population speaks English as a second language. Latinx is the largest minority group.²¹



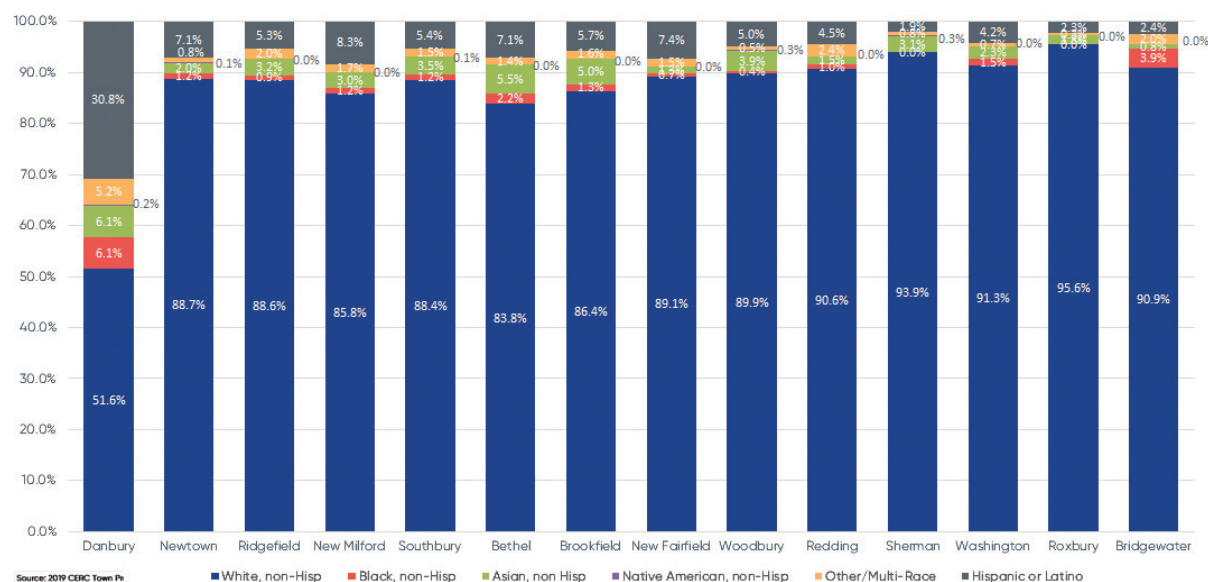
Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford*, 2020



²¹ New Milford Economic Development Office, *Economic Development Strategic Plan for the Town of New Milford, CT*, February 24, 2020

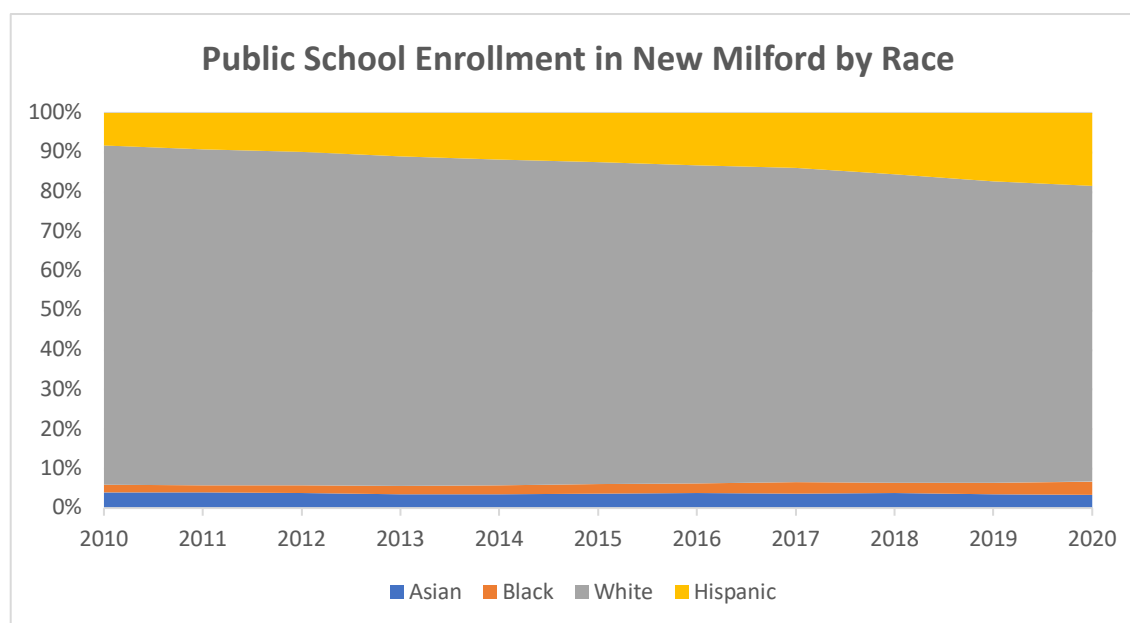
Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford, 2020*

Racial Composition of Area Towns



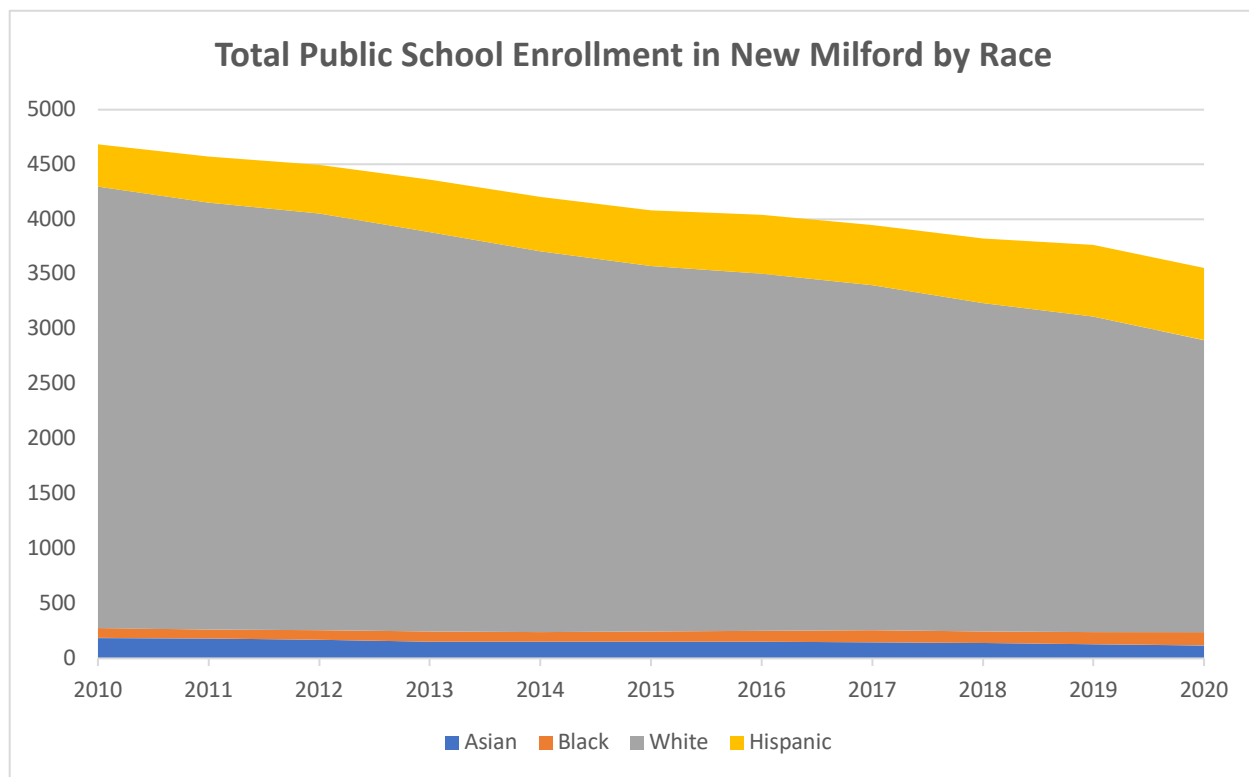
Source: Nuvance Health, *Greater Danbury Region Community Health Needs Assessment and Community Health Improvement Plan, 2019*

Given national and regional trends, diversity in NM will increase. The much greater share of Hispanic/Latinos in Danbury suggests that this population segment will gradually rise, as it has over the past decade.



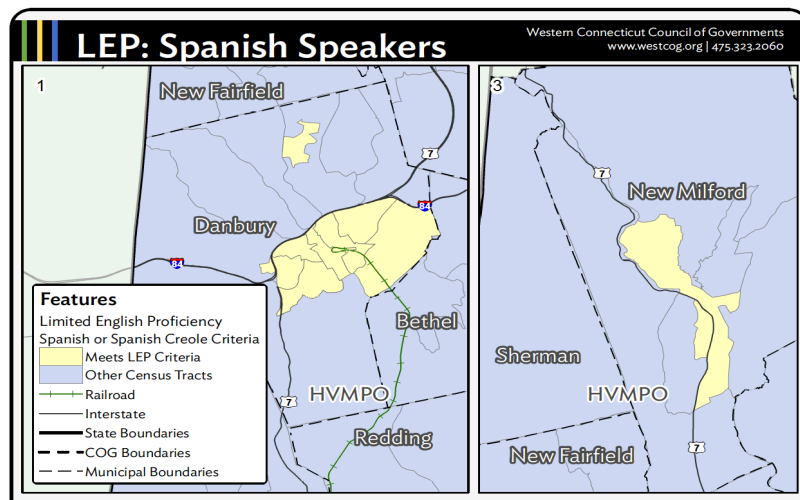
Graph by Zbroszczyk, Lukasz from data provided by the New Milford School District.

The share of Hispanic students rose from 8.1% to 17.7%. (For the first grade it is 19.1%.) Black and Asian students comprise each 3.2%. White students's share declined from 84.6% to 71.6%.



Graph by Zbroszczyk, Lukasz from data provided by the New Milford School District. CT Public School Information System, *Racial Survey by District*, 2010-2020

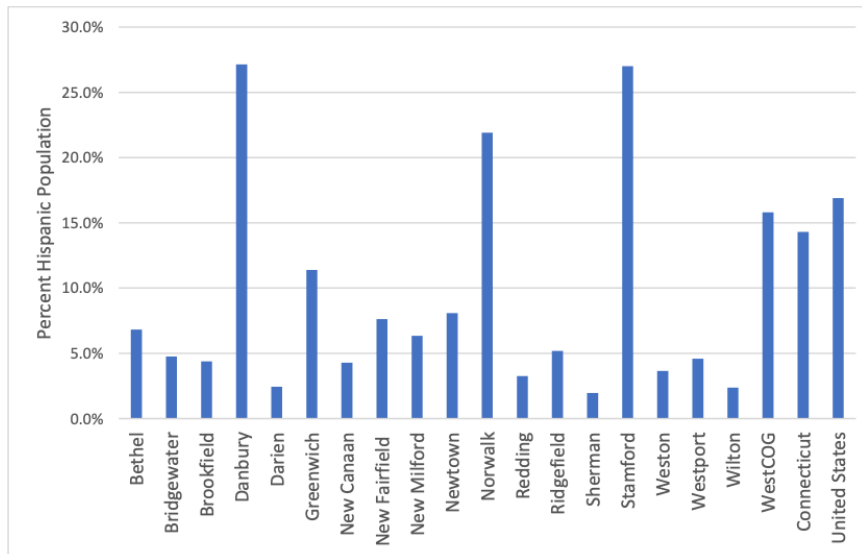
Residential Locations with Limited English Proficiency



Source: Housatonic Valley Metropolitan Planning Organization, 2019-2045 Long-Range Transportation Plan, 2019

Hispanic Population in Western Connecticut

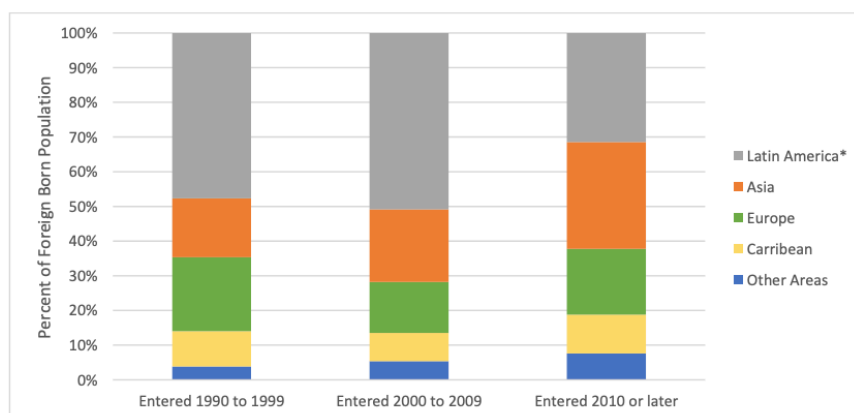
Figure 12: Hispanic Population of Western CT Municipalities



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

According to the information provided in the next graph, the share of immigrants to Western Connecticut has shifted, and it has become larger for entrants from Asia than for Latin America.

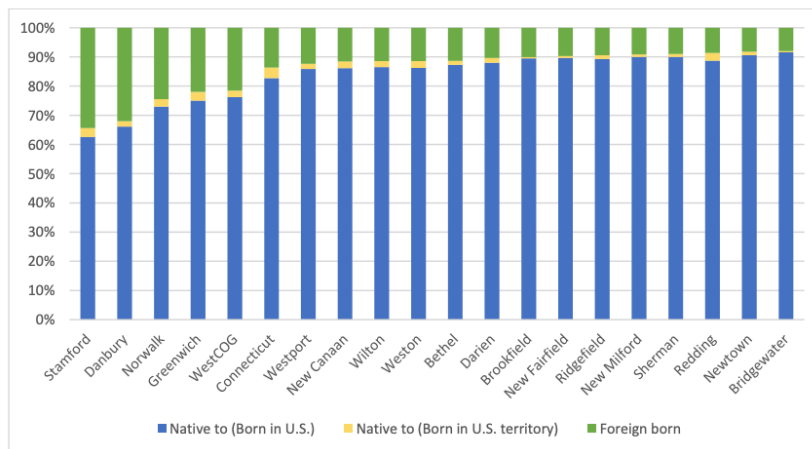
Figure 14: Western CT Foreign Born Population by Region of Origin



* Latin America refers to Mexico, Central America, and South America.
Source: U.S. Census American Community Survey Five Year (2009-2014)

respectively.

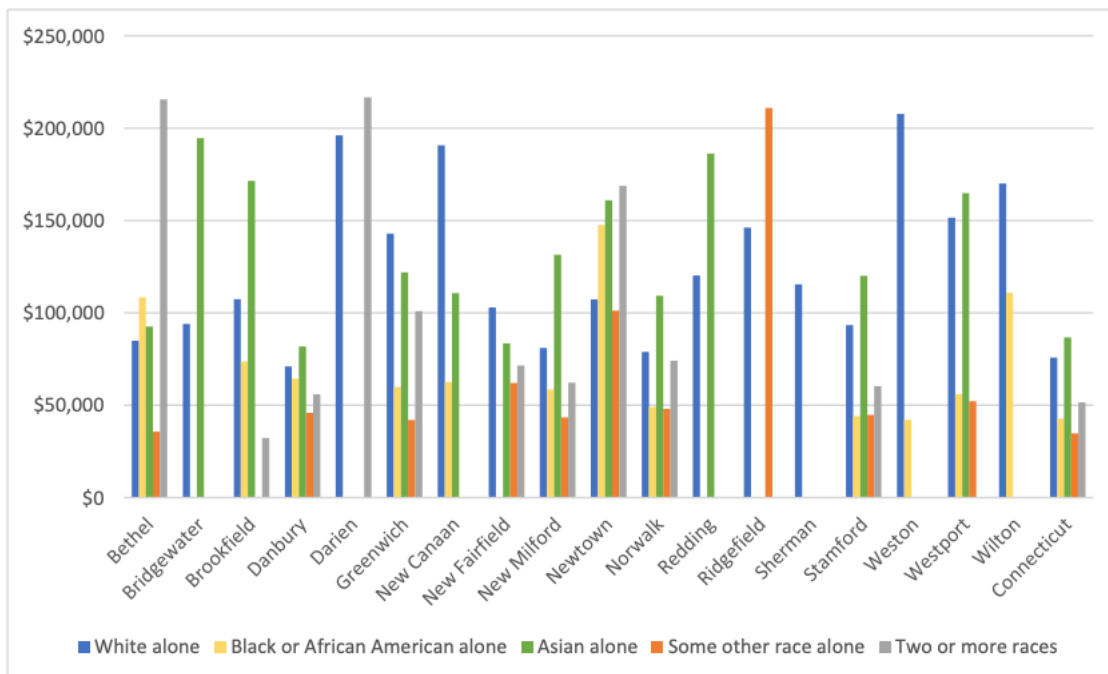
Figure 13: Foreign Born Population² in the Western CT Region



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

The next graph shows the income distribution by race. In New Milford, according to the data, Asians have the highest income, followed at some distance by Whites, Blacks, and Hispanics. Except for the much higher figures for Asians, incomes in would be less divergent by race than in many of the other towns.

Figure 20: Western CT Municipalities Median Household Income by Race



*"Some other race alone" does not include "American Indian and Alaska Native alone", and "Native Hawaiian and Other Pacific Islander alone." Combined those groups consist of less than 1% of the population, they have not been included in this analysis.

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Pre-pandemic Trend in Diversity: +0.2, a moderate rise in diversity

Anticipated Pandemic Effect: -0.1, a moderate slowdown in diversity trend due to rising housing prices.

Anticipated Post-Pandemic Trend: +0.1 a moderate but slower rise.

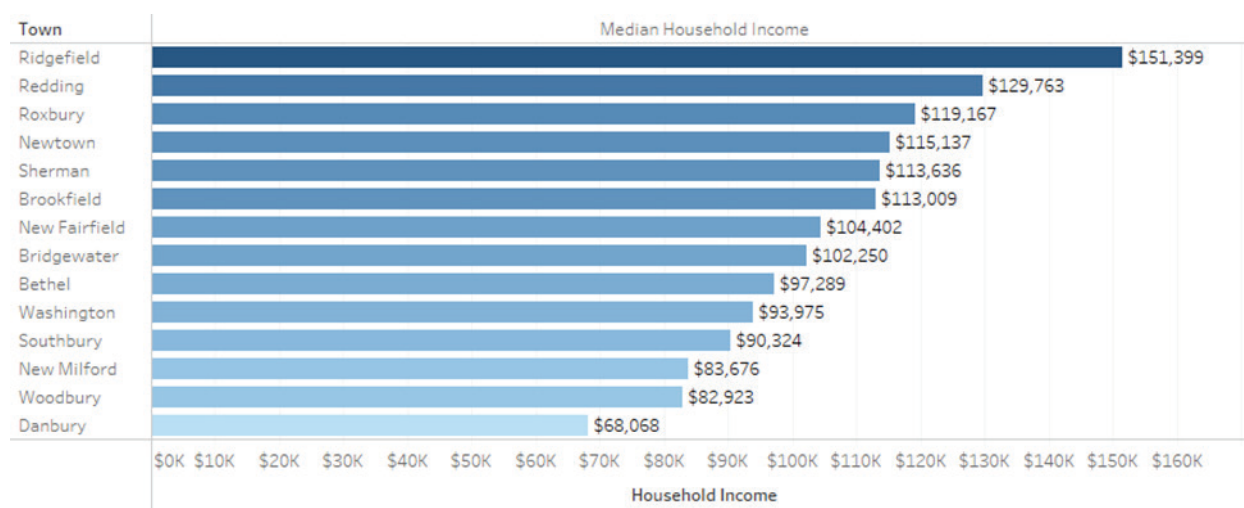
4. INCOME AND EMPLOYMENT TRENDS

4.1 INCOME

Median household income in New Milford is about \$83,000 (another source below has it at \$91,000). Compared to the region, New Milford has a slightly higher share of upper middle-class households (incomes in the \$100,000 to \$200,000 range). But there are fewer \$200,000+ households.

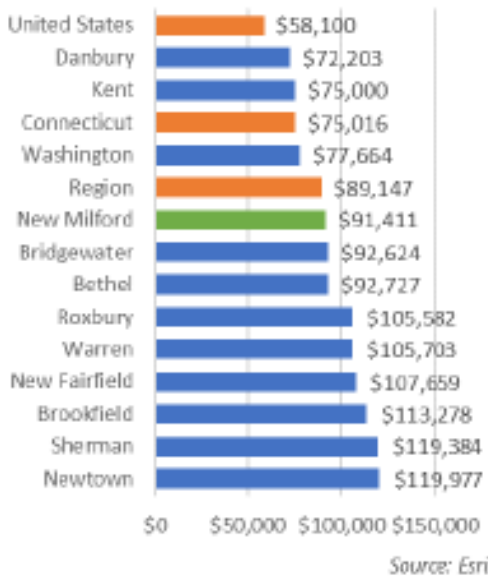
Compared with the US (\$58,000), New Milford ranks high. CT per capita income is near the top national, with only Massachusetts and New York slightly higher. Within the immediate region, several towns in the region have a higher income. Ridgefield's is twice as high.

Median Household Income

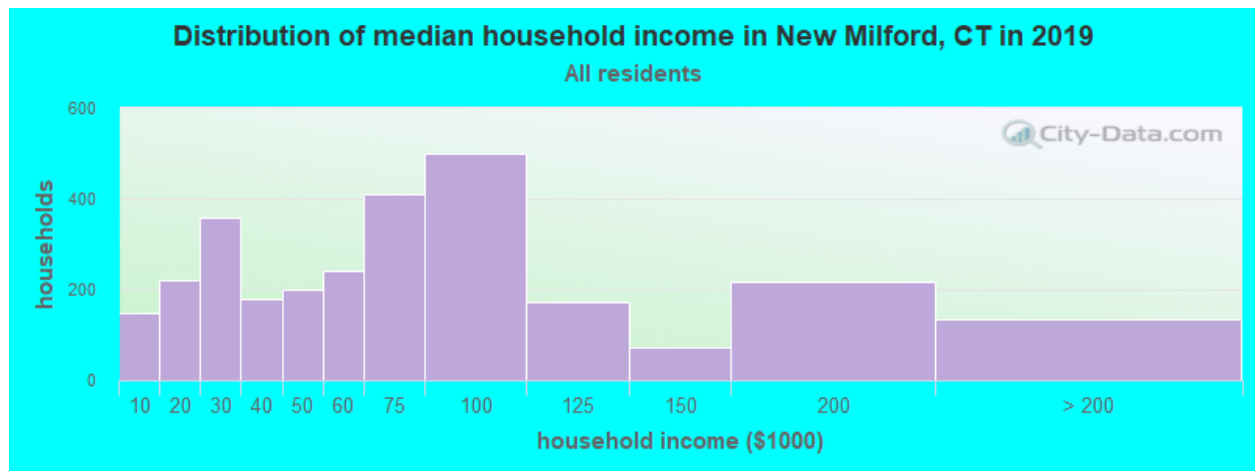


Source: Nuvance Health, *Greater Danbury Region Community Health Needs Assessment and Community Health Improvement Plan*, 2019

Median Household Income, 2018



Income Distribution by Households, 2019



Source: <http://www.city-data.com/city/New-Milford-Connecticut.html>

“New Milford is expected to decline in households in all income cohorts earning less than \$100,000. Conversely, New Milford can expect to see increases in households earning between \$100,000 and \$149,000 as well as \$200,000+.”²²

²² Camoin Associates, *Town-wide Market Analysis*, December 2019

Town of New Milford Change in Households by Income and Age of Householder, 2018 – 2023

	<25	25-34	35-44	45-54	55-64	65-74	75+	Total
<\$25,000	(8)	(13)	(20)	(49)	(54)	(26)	(7)	(177)
\$25,000-\$49,999	(9)	(12)	(22)	(70)	(36)	41	65	(43)
\$50,000-\$74,999	(7)	(34)	(36)	(90)	(60)	10	26	(191)
\$75,000-\$99,999	(1)	(8)	(4)	(60)	(21)	39	25	(30)
\$100,000-\$149,999	(1)	16	41	(65)	28	72	45	136
\$150,000-\$199,999	0	(3)	9	(58)	(10)	26	15	(21)
\$200,000+	0	7	41	(31)	28	55	26	126
Total	(26)	(47)	9	(423)	(125)	217	195	(200)

Source: Esri

By these numbers, lower and lower-middle income residents (as well as younger) would decline, while higher-income (as well as older) residents rise.

- Incomes in New Milford fell amid large-scale unemployment during the Great Recession of 2008 and its aftermath. They have recovered since then.
- The income distribution is trimodal: a good number of households have low incomes, in the \$30,000 range; and a good-sized number in the comfortable range, around 200K. The largest category is for those earning around 100K.
- The Covid pandemic exacerbates this inequality in incomes, with the recovery being what economists call K-shaped: lower incomes occupations doing poorly, while higher-paying, white collar professions are less likely to face unemployment or loss of income since they tend to be easier to convert to remote work.
- There is also a Covid-induced influx of New Yorkers, often with higher paying jobs tied to the City's pay scale.

Pre-pandemic Trend in Income (Low-Wage Employment): +0.2

Anticipated Pandemic Effect (Low-Wage Employment): -0.3

Anticipated Post-Pandemic Trend (Low-Wage Employment): -0.1

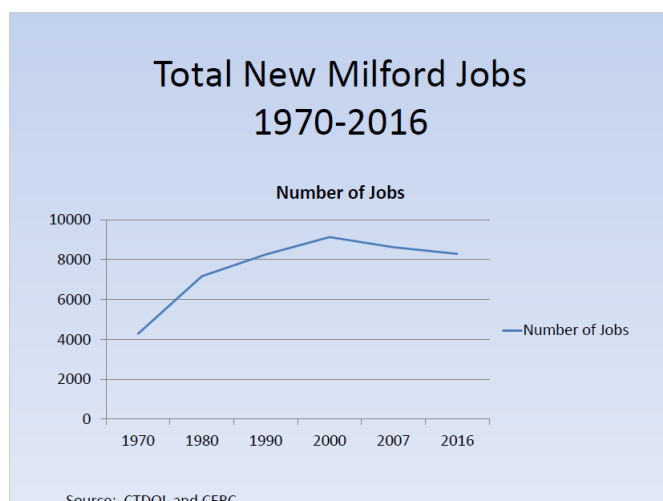
Pre-pandemic Trend in Income (High-Wage Employment): +0.2

Anticipated Pandemic Effect (High-Wage Employment): 0

Anticipated Post-Pandemic Trend (High-Wage Employment): +0.2

4.2 EMPLOYMENT

Jobs in New Milford have declined slightly since 2000, after previous growth.



Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

The labor force is split nearly equally between white- and blue-collar, with a projected need for additional white-collar employees.

Compensation is lower than regional averages. “Across occupations, New Milford jobs pay a median hourly equivalent of about \$20, compared to \$24 in the region as a whole, or \$0.83 on the dollar. The occupations with the highest pay differential are Computer and Mathematical Occupations (\$0.70 on the dollar), Management Occupations (\$0.76 on the dollar), and Architecture and Engineering Occupations (\$0.82 on the dollar).²³

This pay differential works well for New Milford businesses such as retailers, but it also leads New Milford residents to seek employment elsewhere. “Highly skilled individuals may be less likely to find employment in New Milford that meets their salary requirements, and that highly skilled New Milford residents are likely to commute outside of town to higher-paying jobs elsewhere in the region.”²⁴

This can be seen in the data on employment destinations, provided further below.

²³ US Census Bureau’s Public Use Microdata Sample, *Economy*, “Wages” and “Occupations” via <https://datausa.io/profile/geo/new-milford-ct>

²⁴ US Census Bureau’s Public Use Microdata Sample, *Economy*, “Industries” and “Domestic Trade” via <https://datausa.io/profile/geo/new-milford-ct>

Educational levels in New Milford are about average for the state.

Educational Attainment **Years of School Completed Age 25 and Over**

	Town of New Milford		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade.....	374	1.9%	101,068	4.1%
9th to 12th grade.....	788	4.0	134,758	5.4
High School graduate.....	5,007	25.5	670,519	27.1
Some college, no degree.....	3,909	19.9	416,267	16.8
Associate's degree	1,705	8.7	190,869	7.7
Bachelor's degree.....	5,054	25.7	538,924	21.7
Graduate or professional degree.....	2,810	14.3	426,303	17.2
Total.....	19,647	100.0%	2,478,708	100.0%
Total high school graduate or higher (%).....	94.1%		90.5%	
Total bachelor's degree or higher (%).....	40.0%		38.9%	

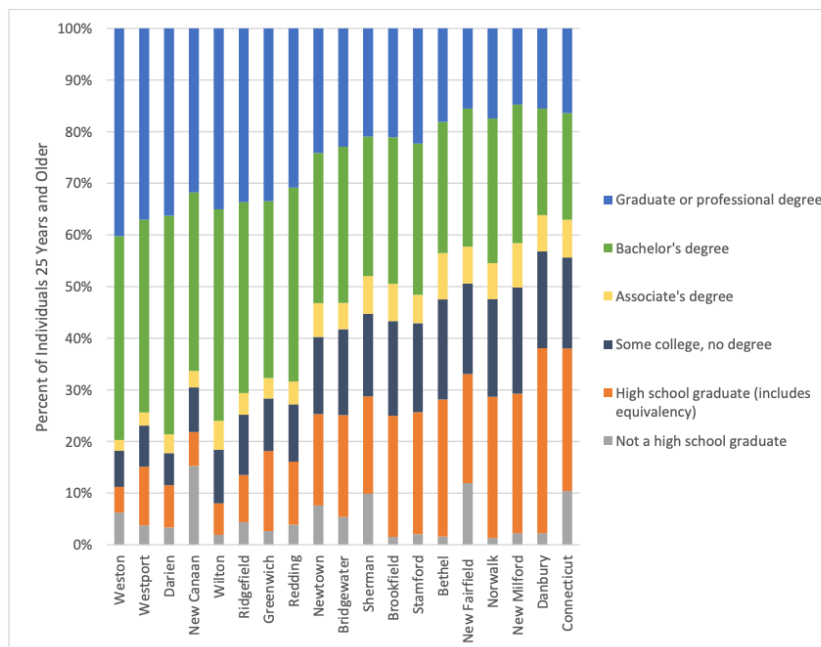
Source: American Community Survey 2014-2018

Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020.

40% of New Milford residents have a BA or graduate degree, slightly above Connecticut as a whole. The percentage of people with less than a high school degree is 5.9%, vs. 9.5% for the state.

The Labor Pool by Education

Figure 25: Western CT Municipalities Educational Attainment by Degree Completion (Individuals 25 years of age and older)



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

What are the prospects for employment growth?

According to the New Milford Economic Development Office, small-sized manufacturing, trades, and energy jobs show high potential economic value.²⁵

Prior to the pandemic, another source reported: “New Milford’s job change was positive, adding about 100 jobs over this period, and growing by about 1%, while the region as a whole lost nearly 900 jobs, a decline of just under 1%. Both the town and region underperformed Connecticut job growth of 2.4% and national job growth of 8.2%. Industries that drove growth in New Milford included Food Services (+90 jobs), Professional, Scientific and Technical Services (+51 jobs), and Services to Buildings and Dwellings (e.g. landscaping and janitorial services (+48 jobs). Local government, which includes town government and local school district employees, accounted for the largest employment declines (-72 jobs)Looking forward to 2023, New Milford is expected to expand by an additional 220 jobs, or about 44 jobs per year, for a growth rate of 2.3%. However, New Milford’s growth is projected to fall short of growth at the state level of 2.7%. From 2018 to 2023, New Milford can expect to see the largest job gains in Health Care and Social Assistance; Professional, Scientific, and Technical Services; and Food Services, mirroring regional projections.”²⁶

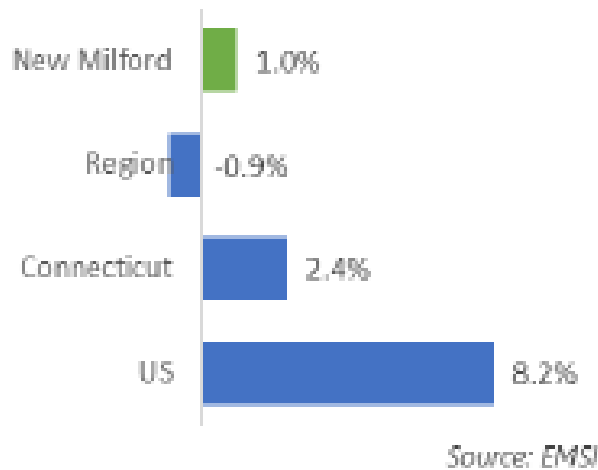
According to the New Milford Economic Development office, the growth targets are:

1. Health care, medical space, elder services
2. Advanced manufacturing and Agri-business
3. Sustainable and “green” industries and technologies, energy and utilities
4. Residential and industrial products and services, B2B and B2C
5. Arts, entertainment, recreation, and leisure services

²⁵ New Milford Economic Development Office, *Economic Development Strategic Plan for the Town of New Milford, CT*, February 24, 2020

²⁶ Camoin Associates, *Town-wide Market Analysis*, December 2019

Job Trends, 2013 - 2018



Pre-pandemic Trend in Low-Wage Jobs: +0.1

Anticipated Pandemic Long-term Effect: -0.3

Anticipated Post-Pandemic Trend: -0.2

Pre-pandemic Trend in High-Wage Jobs: +0.2

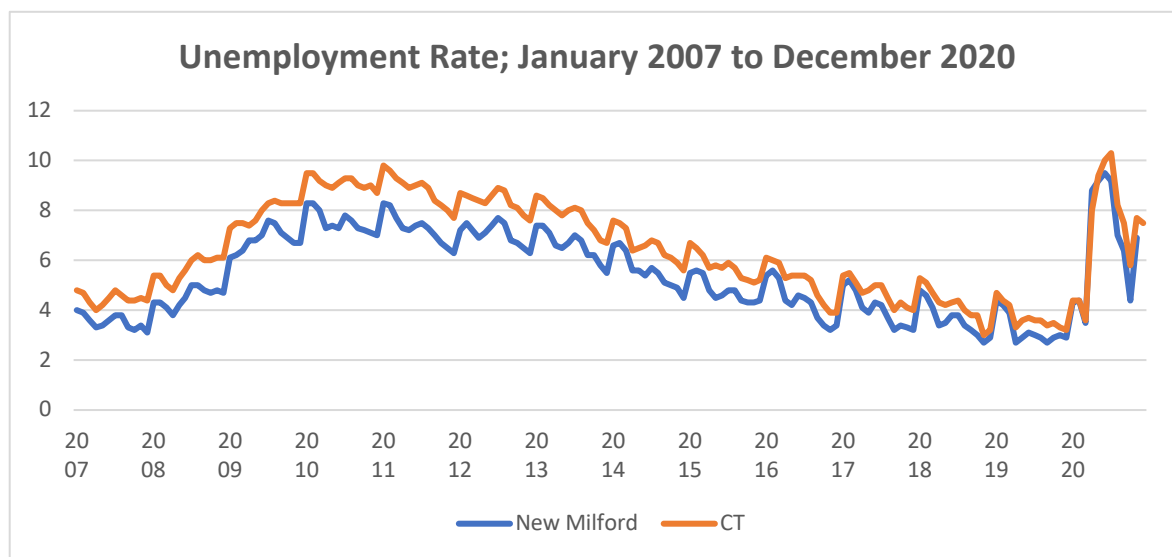
Anticipated Pandemic Long-term Effect: 0.0

Anticipated Post-Pandemic Trend: +0.2

4.2.1 UNEMPLOYMENT

In the 2008 downturn, unemployment in New Milford rose sharply, to 8.2%. After two years, it declined gradually and reached very low levels (2.9%) before the pandemic. As the pandemic hit, unemployment more than tripled within a few weeks, to 9.5%. Since then, it declined to a still high 6.9 in early 2021. Generally, unemployment in New Milford has been about one percentage point lower in New Milford than in Connecticut as a whole.

Unemployment Rates in New Milford and Connecticut

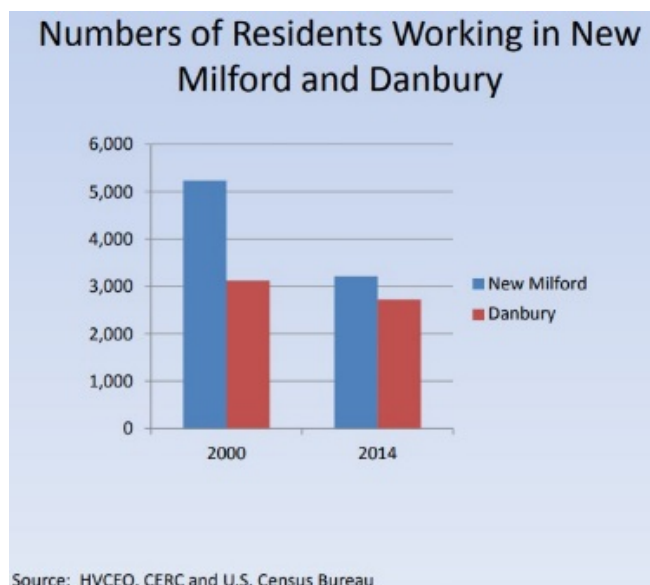


Graph by Josi, Alvin, data from U.S. Bureau of Labor Statistics, U.S. Census Bureau; accessed via <https://data.knoxnews.com/unemployment/new-milford-town-ct/CS0952630000000/2020-november/>.

4.3 WORK MOBILITY

4.3.1 NON-COMMUTING JOBS BY LOCAL RESIDENTS

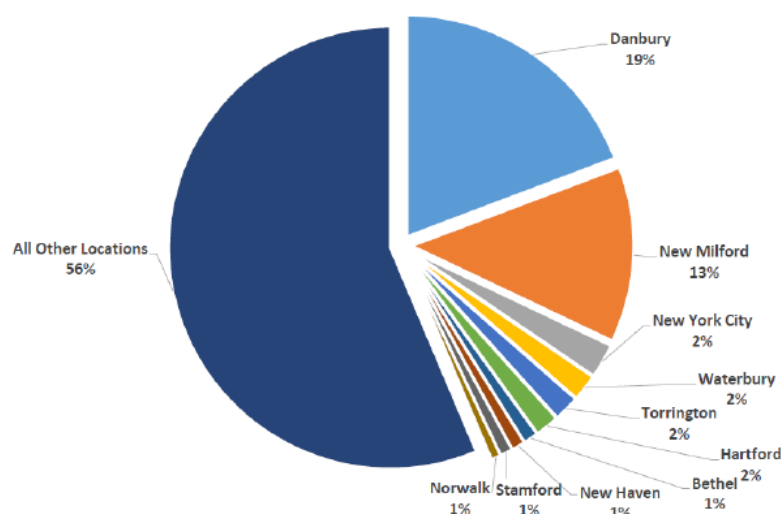
The share and number of jobs taken by New Milford residents in New Milford itself has declined considerably. From 2000 to 2014, that number dropped from about 5,100 to about 3,100.



Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

According to the Camoin report, approximately 40% of New Milford residents worked in New Milford prior to the pandemic.²⁷ The Covid pandemic will lower that percentage due to the far greater ease and acceptability to work from home for an out-of-town employer. (This is somewhat offset by those who now work as independents from their NM home.) For example, a good number of new home buyers work for New York City employers. This trend will continue beyond the immediate pandemic.

Where Residents Work (Top 10)



Source: U.S. Census Bureau, LEHD Origin Destination Employment Statistics, 2014.

Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

This trend of decoupling residential and work locations will continue. Residents will be able to work in more distant places while still taking advantage of New Milford's affordable housing and environmental amenities. New Milford residents seeking employment in professional sectors will search outside town. But there will also be an in-migration of professionals to NM with remote work who need not rely on the regional market.

²⁷ The US Census numbers are lower, because they limit the scope of their commuting numbers to residents of the NM core district, comprising less than one quarter of the overall town population. <https://censusreporter.org/profiles/16000US0952560-new-milford-ct/>.

Pre-pandemic, the number of work-at-home (for pay) residents was actually fairly low, at 5.1% of the work force, which in turn is only a share of overall population. Almost certainly, that number has grown significantly during the pandemic, and is likely to remain higher than before.

Commute to Work				
	Town of New Milford		State of Connecticut	
	Number	Percent	Number	Percent
Drove alone	12,828	83.0%	1,391,925	78.2%
Car pools	1,197	7.7	143,527	8.1
Used public transportation	272	1.8	84,347	4.7
Walked	180	1.2	49,525	2.8
Used other means	85	0.6	20,763	1.2
Worked at home	888	5.7	90,566	5.1
Total	15,450	100.0%	1,780,653	100.0%
Mean travel to work (minutes)		28.4		26.3

Source: American Community Survey 2014-2018

Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020

Pre-pandemic Trend in Local Jobs for Local Residents: -0.1, a moderate decline in NM residents working in NM

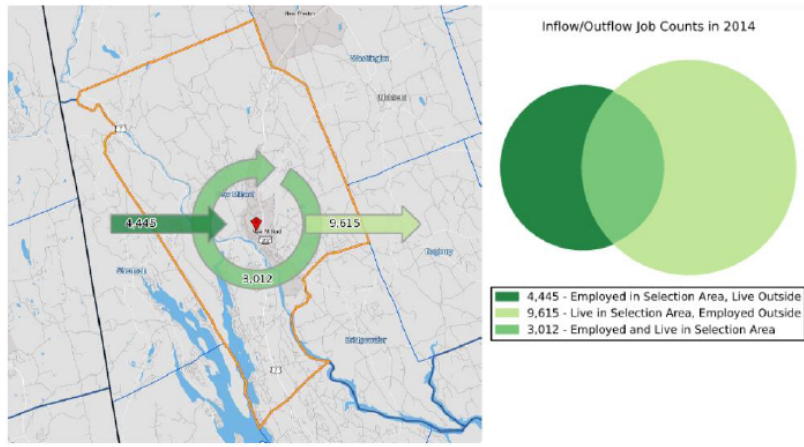
Anticipated Pandemic Effect: -0.3, due to pandemic-induced telecommuting, which makes it easier for residents to work for an out-of-town employer.

Anticipated Post-pandemic Trend: -0.4

4.3.2 THE NON-RESIDENT WORKFORCE

According to the US Census, in 2014, 3,012 people lived as well as worked in New Milford. 9,615 out-commuted. And 4,445 in-commuted. Such job-based commuting, both inbound and outbound, is likely to increase, which will have an impact on transportation, demographics, and the mix of economic activities.

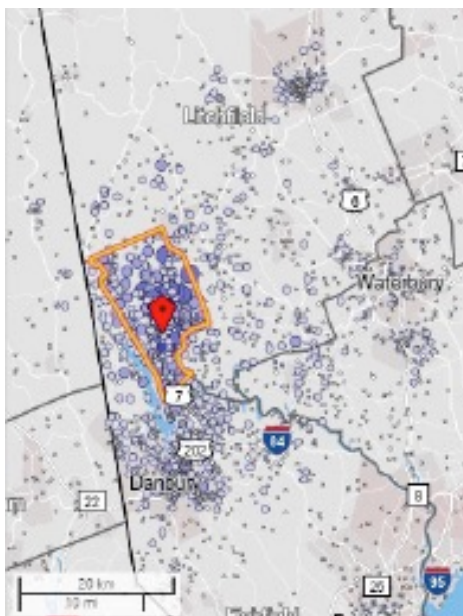
Commuting Patterns (2014)



Source: U.S. Census Bureau, LEHD Origin Destination Employment Statistics, 2014.

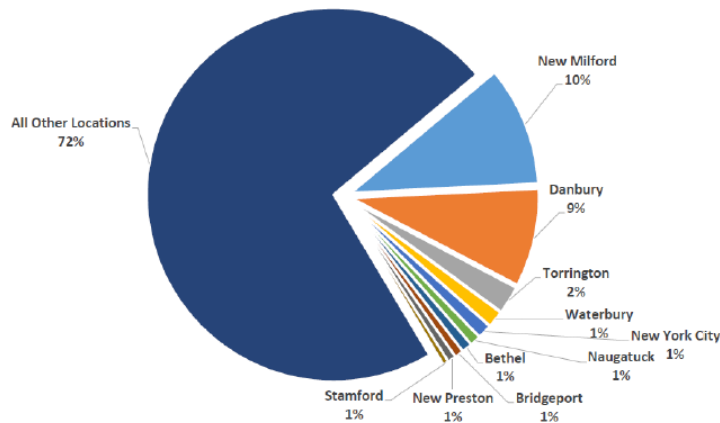
Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018.

The graphs below show where people working in NM reside. As one can see, many live south of NM. Danbury (8.7%) and Brookfield (3.7%) are the most frequent places of residence outside of New Milford itself. Torrington and Waterbury provide 2.7% and 1.7%.



Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

Where Workers Live (Top 10)



Source: U.S. Census Bureau, LEHD Origin Destination Employment Statistics, 2014.

Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

According to the numbers in the pie chart above, from the US Census, only 10% of workers in New Milford live in town. (This number seems to be too low, and possibly explainable by being swamped by the reported 72% from unspecified and possibly unidentified places.)

- Over the last five years, the number of resident workers in New Milford has dropped by about 9%. By comparison, regionally the pool of workers has increased slightly.
- Therefore, New Milford has to import workers from other communities, especially for retail and hospitality jobs.

New Milford Economic Development Office: “Some companies interviewed for this analysis expressed concerns about workforce availability, an issue that is likely to worsen into the future. The decline in resident workers parallels the overall population decline in town and the growth in residents who have aged out of the workforce and entered retirement, which is having a measurable impact on the size of the labor pool. Without a steady pipeline of younger residents to replace retirees, it will be increasingly difficult for existing and future businesses to find workers. This challenge is amplified when it comes to STEM (science, technology, and engineering and math) workers. There are about 300 STEM jobs in New Milford, roughly 7% of all STEM jobs in the

region. The town is home to about 690 residents who are employed in STEM fields; however, this number has decreased nearly 18% in the past five years as these workers continue to age out of the workforce and are not being replaced with younger residents. Businesses that employ STEM workers are beginning to feel this impact and may be challenged to continue operations in town if trends continue.”²⁸

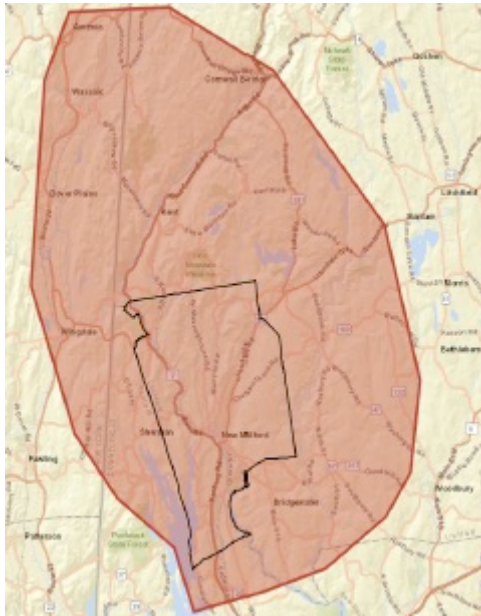
Thus, there is a mismatch between the type of residential community that New Milford is (low-density, largely owner-occupied, middle-to-upper income), and its economy, which is increasingly dominated by relatively low-paying jobs in retail and food service.

Out-of-town employees currently employed in New Milford are normally an important source for residential in-migration, replenishing New Milford resident workers who are retiring. However, the rising costs of homes is likely to be a retardant for such migration.

The flip side of an inflow of employees is an inflow of retail, restaurant, and healthcare customers from out-of-town. New Milford is the hub for many services for the adjoining towns, although the upgrade of Rt 7 has also shifted local business southwards. The Trade area is depicted in the Graph below, and includes 67 thousand people as potential customers, more than three times of the town’s population. Their median household income is \$90,309. In retailing, many consumers, live beyond town borders, thereby contributing to New Milford’s economy though not necessarily to its residents’ employment. Neither does the town benefit from the sales tax generated by such businesses. It does, however, incur added costs, such as for policing.

²⁸ New Milford Economic Development Office, *Economic Development Strategic Plan for the Town of New Milford, CT*, February 24, 2020

New Milford's Retail Trade Area



Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

Pre-pandemic Trend of Resident/Non-resident Workforce: -0.1, rise in New Milford workers non-resident in New Milford. (This is given a negative number insofar as it would be socially preferable to have local jobs filled locally when possible and reduce the need for commuting.)

Anticipated Pandemic Effect: +0.1

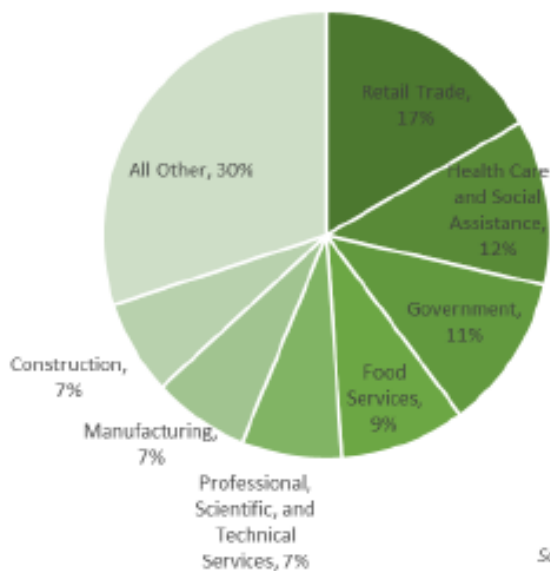
Anticipated Post-Pandemic Trend: 0.0

5. BUSINESS TRENDS

New Milford, *Plan of Conservation & Development*: “The relationship between place and economy is constantly evolving, and continually shaping the growth, development, and decay of our communities. Today, new ideas and innovations are fostering the creation of products and services that increase productivity and raise overall standards of living. But this digital revolution is also benefiting some industries, workers, and communities over others. The findings suggest a need for New Milford to embrace policies and investment strategies that advance more concentrated growth patterns, while also supporting transformative placemaking

solutions that help such dense places become vibrant communities where businesses and workers thrive keeping residents in New Milford for opportunities of employment.”

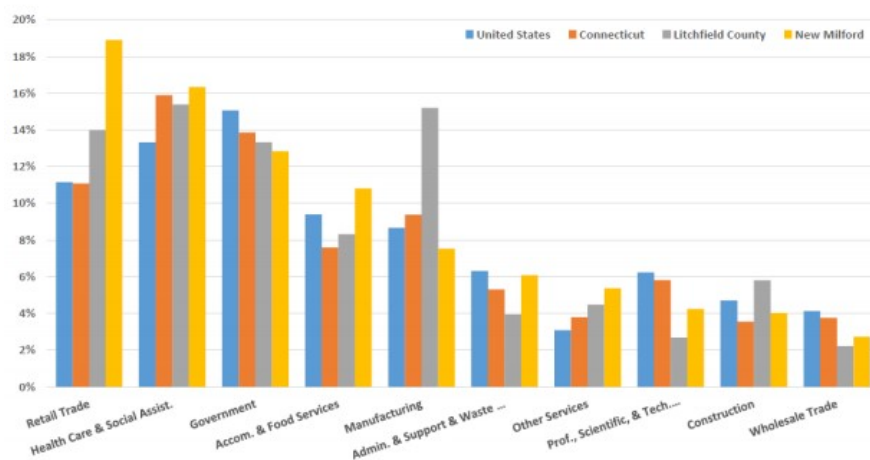
5.1 TOP EMPLOYMENT SECTORS IN NEW MILFORD



Source: EMSI

Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

Largest Industries by Employment



Source: Economic Modeling Specialists, Inc.

Compared to 2010 POCD data, for New Milford all sectors lost jobs except “Accom&Food Services” increased by 50%

Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

Larger Employers - New Milford, CT		
Company	Industry	Employees
Buck's Rock Performing Arts C Camps		100 - 249
Candlewood Valley Hlth & Reh Health Services		100 - 249
Village Crest Ctr For Health	Health Services	100 - 249
New Milford Hospital	Health Services	500 - 999
Neeltran Inc	Manufacturing	100 - 249
Kimberly-Clark	Manufacturing	500 - 999
Big Y World Class Market	Retail	100 - 249
Home Depot	Retail	100 - 249
Kohl's	Retail	100 - 249
Super Stop & Shop	Retail	100 - 249
Walmart	Retail	100 - 249
Canterbury School-Main Offic Schools		100 - 249
All Star Transportation	Transporation	100 - 249
<i>Source: CT Dept of Labor</i>		

Source: Pinnacle Advisory Group, *Hotel Advisory Services – New*

What are the post-COVID prospects of New Milford's major industries? The Covid pandemic will accelerate structural shifts away from businesses that have an online substitute and have much less effect on those that do not.

5.2 RETAIL

Retail will be under pressure as New Milford's largest employment sector. The Covid-19 pandemic has greatly accelerated the past decade's national trends away from brick-and-mortar retailing and towards e-commerce. In New Milford, the expansion of the Rt. 7 retail presence of large national retailers partly offset that trend. But there are several reasons to expect a general decline in retail employment in the long run.

- Some retail businesses that closed permanently during the pandemic are unlikely to return or be replaced.
- While pent-up demand will drive short-term growth in this sector in the immediate aftermath of the pandemic, consumers' shopping behavior might be affected in the

long term. Consumers who have gotten used to online shopping during the pandemic may be unwilling to change their preferences back towards brick-and-mortar shopping.

- Cost-conscious retailers adopted less labor-intensive practices during the pandemic out of necessity may find it unnecessary to re-hire employees at pre-pandemic levels, a structural change.

On the other hand, several types of retail business would gain, such as specialized ‘touch-and feel’ products, or home office supplies.

Pre-Pandemic Trend in the Retail Business: +0.2

Anticipated Pandemic Effect: -0.3

Anticipated Post-Pandemic Trend: -0.1

5.3 HOSPITALITY AND FOOD SERVICE

The restaurant business has been impacted severely by the pandemic, but there will be bounce-back effect as pent-up demand is released and people return to in-person social activities, just not significant. Unlike retailing, food services have no real online substitute; even food that is ordered online for delivery needs to be prepared nearby. Restaurants and bars are not merely vendors of food and beverage, and people choose to visit them for recreational and social purposes. On the negative side, some customers might continue to be hesitant to return to go back to full-service restaurants. Loss of income will affect others. This suggests a long term mildly impact of the pandemic.

Pre-Pandemic Trend in the Hospitality Industry: +0.4

Anticipated Pandemic Effect: -0.2

Anticipated Post-Pandemic Trend: +0.2

5.4 HEALTH AND WELLNESS

The health and wellness industry had already been experiencing growth amid broader awareness of health and fitness practices. Given the long run demographic trends in the region, with the share of seniors growing, there will be continued growth in the sector, together social assistance services. The pandemic should accelerate this trend somewhat, in two ways.

- people may become more aware of their wellness and adopt more health-conscious habits.
- demographic changes -- an influx of affluent families, and the aging of the population-- may drive growth

Pre-Pandemic Trend in Health and Wellness Industry: +0.3

Anticipated Pandemic Effect: +0.2

Anticipated Post-Pandemic Trend: +0.5

5.5 MANUFACTURING

Deindustrialization has impacted much of the US, in particular the Northeast and the Midwest. Most of such deindustrialization in New Milford already happened well before the pandemic, for example with the closing of Nestle and Century Brass, and the downsizing by Kimberly Clark. On the other hand, Neeltran, another manufacturer, has expanded its operations in New Milford in the 2010s. Nonetheless, in Connecticut there are now fewer manufacturing jobs than there were 10 years ago.²⁹

Pre-Pandemic Trend in manufacturing: -0.2

Anticipated Pandemic Effect: -0.2

Anticipated Post-Pandemic Trend: -0.4

5.6 PROFESSIONAL SERVICES

There had been growth in this sector prior to the pandemic amid a shift to “gig” work and decentralized environments. The pandemic has accelerated this trend by making work in virtual

²⁹ <https://ctmirror.org/2019/12/24/connecticut-bets-on-manufacturing-renaissance-but-hurdles-remain/>

environments the new norm. This shift affords an opportunity for New Milford to attract independent professionals working remotely, and for New Milford residents to reach a broader market.

Pre-Pandemic Trend in Professional Services: +0.2

Anticipated Pandemic Effect: +0.2

Anticipated Post-Pandemic Trend: +0.4

5.7 COMPETITIVENESS

A useful way to look at New Milford's economic prospects is through a Competitive Effectiveness Analysis.³⁰ Such an analysis looks beyond specific local changes at overall growth or decline of an industry. An industry might show local growth but still have a negative competitive effect because it has not grown as much as in other parts of the country.³¹

“The competitive analysis tells us that New Milford is adding jobs at a higher than average rate compared to some of its competitors, but these are primarily lower-wage jobs as the overall average earnings per job in New Milford is among the lowest. The average household income, unemployment, and educational attainment rates suggest that New Milford is exporting its talent to other communities. Said another way, many of New Milford's more educated and higher-wage earners commute out of town to other communities for employment.”³²

This trend affects not only New Milford but Connecticut as a whole, as well as the Northeast.³³

³⁰ Camoin: The competitiveness of a geographic area can be measured using shift share analysis. Shift share analysis is a standard economic analysis method that attempts to determine how much of local job growth can be attributed to national trends and how much is due to unique local factors. The “competitive effect” component of shift share is the difference between the expected employment growth in a particular industry within a local area, based on national growth in that industry and overall national economic growth, and actual employment growth experienced by that locality's industry. If competitive effect is positive, this means the locality is relatively competitive compared to other metros. A negative competitive effect means it is less competitive.

³¹ Camoin Associates, *Town-wide Market Analysis*, December 2019

³² New Milford Economic Development Office, *Economic Development Strategic Plan for the Town of New Milford, CT*, February 24, 2020

³³ Camoin Associates, *Town-wide Market Analysis*, December 2019

New Milford Employment Shift Analysis, 2013 – 2018

NAICS	Description	A	B	C	D	E
		Nat'l Growth Effect	Ind. Mix Effect	Expected Change (A + B)	Actual Change	Competitive Effect (D - C)
11	Agriculture, Forestry, Fishing and Hunting	0	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	0	(1)	(1)	Insf. Data	1
22	Utilities	3	(3)	0	(6)	(7)
23	Construction	52	63	115	8	(106)
31	Manufacturing	56	(22)	34	(23)	(57)
42	Wholesale Trade	23	(18)	5	(5)	(10)
44	Retail Trade	129	(54)	75	(5)	(80)
48	Transportation and Warehousing	18	28	46	(4)	(50)
51	Information	4	(2)	2	(9)	(12)
52	Finance and Insurance	19	(3)	16	(39)	(56)
53	Real Estate and Rental and Leasing	8	3	11	6	(6)
54	Professional, Scientific, and Technical Services	52	27	79	51	(28)
55	Management of Companies and Enterprises	0	0	0	0	0
56	Administrative and Support and Waste Management and Remediation Services	50	15	65	47	(18)
61	Educational Services	20	2	22	(17)	(39)
62	Health Care and Social Assistance	91	29	120	14	(106)
71	Arts, Entertainment, and Recreation	22	18	40	9	(31)
72	Accommodation and Food Services	63	38	101	89	(12)
81	Other Services (except Public Administration)	59	(12)	47	58	12
90	Government	93	(71)	22	(83)	(105)
99	Unclassified Industry	0	0	0	Insf. Data	0
Total		764	38	802	92	(710)

Source: EMSI

Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

New Milford Economic Development Office: “Looking at the economy as a whole, if employment in New Milford grew at the same pace as it did nationally, the town would have added 764 new jobs between 2013 and 2018. Adjusting for mix of industries present in town, an additional 38 jobs would have been added if individual industries grew at the same rate as they did nationally. The total expected change for New Milford is therefore 802 jobs. In reality, the town added only 92 jobs, just 11% of the expected number. Examining individual sectors, virtually all industries have a negative or neutral competitive effect. This indicates that the town is considerably less competitive than (and is losing job share to) other places nationally.”³⁴

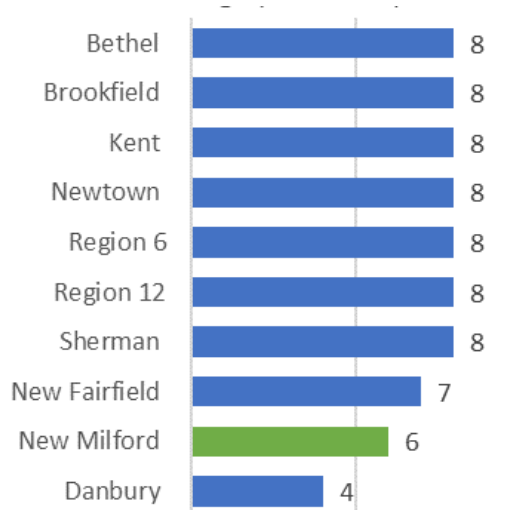
³⁴ New Milford Economic Development Office, *Economic Development Strategic Plan for the Town of New Milford, CT*, February 24, 2020

6. FACTORS AFFECTING A MOVE TO NEW MILFORD

6.1 SCHOOLS

The school system is not a draw, though it has areas of strength that are under-noticed, and its brand-new leadership is a promise for the future. Its overall score in the GreatSchools rankings is 5, down from its previous 6, out of 10.

GreatSchools School District Ratings



Note: Region 6 includes Warren, Morris, and Goshen. Region 12 includes Bridgewater, Roxbury, and Washington.

Source: GreatSchools

Source: <https://www.greatschools.org/connecticut/new-milford/new-milford-school-district/>

This difference in rating is partly an issue of the greater expenditure by other school districts. From CT state numbers: New Milford spent in 2018/9 per pupil 16,325\$. Of 169 Connecticut school systems, New Milford reportedly is 17 from the bottom. In that year, many nearby towns spent more, with the exception of Danbury. Region 12 to the east of New Milford (Washington, Roxbury, and Bridgewater) spent almost twice as much per student. Such high spending is partly based on a significant decline in pupils without similar cost reductions.)

However, the school districts of Bethel and Brookfield are perceived to be better performing than New Milford, yet without a higher spending. Brookfield spends approximately the same amount

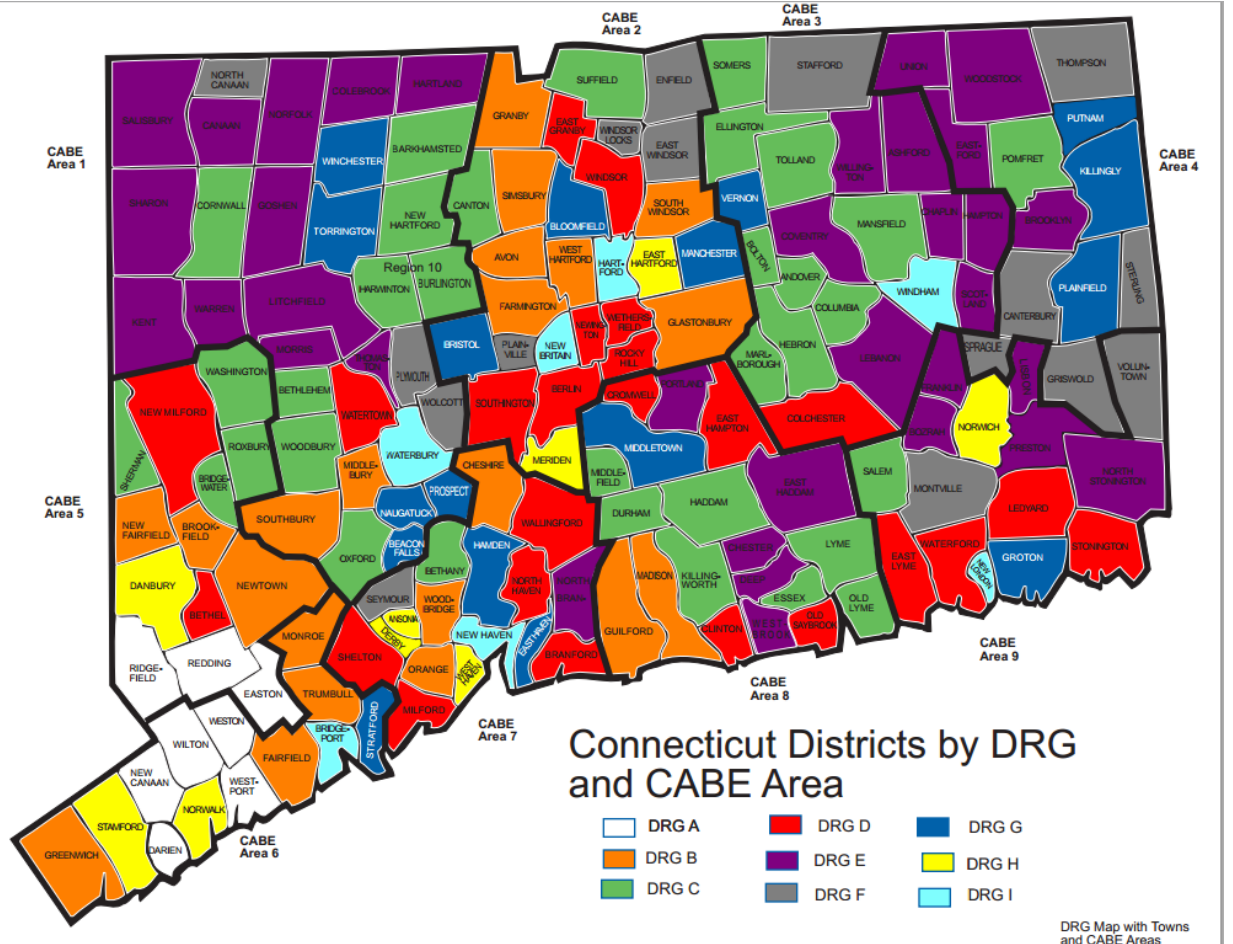
as New Milford but has higher GreatSchools ratings. Kent spends \$10,000 more per student than Brookfield yet has the same ranking. Bethel spends less than New Milford yet has better rankings.

Bethel	\$15,968
Brookfield	\$16,514
Kent	\$27,281
Newtown	\$18,488
Region 6	\$21,554
Region 12	\$30,285
Sherman	\$22,354
New Fairfield	\$18,796
New Milford	\$16,325
Danbury	\$13,521

To identify the performance of schools we looked at the data provided by GreatSchools.com, a system that reports a variety of objective measures across schools and districts and combines them into a score from 1-10. Many of these metrics are reported by the Connecticut Department of Education, and in turn provided to it by the districts themselves. As far as can be ascertained, there are no subjective elements of perception incorporated into that index, though the weights assigned to various factors in the index might be subjective. On that system, New Milford had scored 6, and has now dropped to 5. To compare, we report here a subgroup of districts that consists of:

- a. The top performing districts ranked by the average (not median) scoring of its schools.
- b. Districts near New Milford. (They are shaded in blue)
- c. Districts of comparable socio-demographic student population to New Milford (known as DRGs, District Reference Group.) They are shaded in orange.
- d. Several large cities

District Reference Groups



e.

New Milford's School System in Comparison with the Top Districts in Connecticut

(Peer schools in the same District Reference Group are shaded orange; nearby districts are shaded blue; New Milford shaded red)

District	Outputs						Inputs				Socio-dem.		
	Average Score	Math Prof.	English Prof.	% going to college	Students per Teacher	Teachers >3yrs Exp.	Teacher Salary	\$ Spending/Student	% Funded Locally	\$ Financial Effort	% Financial Effort	% Low Income	\$ Med Household Income
Connecticut Avg		48%	56%	71%	12	90%	90,078	17,629	57%	3,994	5.1%		78,833
New Canaan	9.8	88%	90%	86%	13	94%	103,728	22,449	86%	11,449	6.0%	0%	190,227
Westport	9.4	83%	83%	88%	13	97%	83,856	22,692	85%	10,835	5.2%	4%	206,466
Darien	9.1	85%	85%	90%	15	90%	97,717	20,744	84%	12,103	5.2%	2%	232,523
Region 18	9.0	79%	79%	82%	10	99%	55,317	23,550	86%	6,062	6.2%	7%	97,093
Weston	9.0	75%	75%	93%	12	98%	80,105	23,320	85%	13,393	6.0%	2%	222,535
Wilton	9.0	75%	75%	92%	13	97%	96,690	21,924	85%	12,298	6.4%	2%	193,292
E. Granby	9.0	68%	68%	84%	10	95%	67,266	21,248	77%	6,764	6.5%	13%	104,336
Ridgefield	8.9	78%	84%	91%	12	98%	74,404	19,554	84%	8,956	5.5%	2%	163,945
Farmington	8.7	75%	82%	82%	12	93%	85,564	18,601	81%	5,900	6.3%	10%	93,053
Region 05	8.7	80%	83%	88%	10	96%	80,832	19,489	87%	3,767	2.8%	5%	135,532
Easton	8.5	74%	74%	74%	12	93%	67,081	21,168	84%	5,743	3.6%	3%	157,448
Redding	8.5	78%	78%	78%	10	98%	74,510	25,349	84%	5,632	4.2%	3%	132,838
Guilford	8.4	78%	81%	80%	12	95%	66,787	18,730	82%	6,151	5.5%	9%	111,870
Monroe	8.4	73%	73%	87%	13	97%	81,241	19,517	75%	6,883	5.8%	8%	118,669
Mansfield	8.3	71%	76%	71%	11	97%	91,613	22,363	46%	2,031	3.9%	23%	51,911
Region 13	8.3	65%	65%	84%	12	93%	74,489	22,336	72%	5,930	5.2%	9%	113,507
Granby	8.0	63%	63%	80%	13	95%	72,376	16,820	70%	5,298	4.4%	9%	121,250
Kent	8.0	74%	74%	74%	8	86%	64,772	26,987	87%	4,492	5.7%	14%	78,125
Litchfield	8.0	71%	71%	75%	10	94%	76,995	21,308	80%	4,552	5.4%	11%	84,694
Orange	8.0	69%	69%	69%	10	100%	n.r.	19,474	79%	3,628	3.0%	6%	121,308
Region 07	8.0	47%	47%	77%	12	96%	73,766	18,904	87%	3,383	3.2%	8%	105,000
Region 15³⁵	7.9	71%	71%	82%	11	89%	66,157	19,057	80%	5,132	4.9%	6%	105,450
Fairfield	7.8	73%	78%	85%	11	98%	75,136	18,894	83%	7,543	5.4%	10%	139,122
E. Lyme	7.8	68%	74%	77%	12	93%	76,474	18,246	73%	4,992	5.2%	14%	95,217
Greenwich	7.7	73%	73%	84%	13	73%	117,858	24,150	85%	8,306	5.4%	15%	152,577
New Fairfield	7.7	67%	73%	83%	11	93%	74,853	17,316	77%	6,169	5.5%	8%	112,457

³⁵ The Region School District 15 serves the towns of Middlebury and Southbury.

Region 06³⁶	7.5	67%	67%	68%	10	94%	66,772	20,661	79%	5,888	5.8%	10%	102,232
W. Hartford	7.2	62%	70%	83%	13	96%	72,964	17,827	65%	4,535	4.3%	21%	104,281
Newtown	7.1	67%	67%	86%	12	97%	72,735	18,410	84%	6,860	5.4%	8%	127,602
Region 12³⁷	7.0	78%	78%	74%	9	88%	80,508	31,337	86%	6,233	5.5%	8%	113,224
Sherman	7.0	59%	59%	59%	9	99%	82,165	22,586	88%	4,070	4.0%	8%	101,818
Stonington	7.0	66%	66%	78%	11	99%	66,168	18,618	81%	3,806	4.7%	20%	81,667
N. Haven	6.8	65%	73%	84%	12	97%	73,609	17,357	79%	4,744	4.9%	13%	96,598
Waterford	6.8	65%	70%	78%	12	92%	93,212	20,597	84%	5,642	6.2%	20%	90,893
Milford	6.8	61%	68%	75%	11	90%	80,478	20,787	70%	3,726	4.1%	18%	91,799
Rocky Hill	6.8	69%	76%	86%	11	94%	71,419	17,352	71%	3,858	4.5%	15%	85,125
Shelton	6.6	62%	71%	76%	13	86%	128,236	16,798	79%	3,849	4.0%	22%	97,131
Southington	6.4	63%	68%	77%	13	84%	56,649	15,919	65%	3,897	4.1%	15%	94,463
Brookfield	6.3	63%	68%	87%	12	90%	59,650	16,875	84%	6,008	5.2%	11%	114,615
Region 14³⁸	6.3	51%	51%	79%	10	98%	77,331	20,297	76%	4,938	5.8%	9%	84,443
Colchester	6.3	70%	70%	77%	14	93%	80,033	17,380	56%	3,963	3.8%	16%	105,281
Wethersfield	6.1	58%	58%	79%	16	85%	82,629	17,990	66%	3,888	4.5%	19%	86,216
Region 01³⁹	6.0	44%	44%	68%	6	90%	78,289	25,216	79%	1,154	1.6%	21%	74,011
E. Hampton	6.0	57%	57%	78%	13	97%	71,693	17,463	47%	3,162	3.3%	12%	95,513
Clinton	5.8	55%	55%	74%	10	91%	71,254	19,807	50%	3,236	4.1%	24%	79,554
Cromwell	5.7	60%	60%	83%	12	78%	68,845	16,332	71%	3,856	4.3%	18%	89,243
Bethel	5.6	59%	67%	75%	12	89%	71,690	18,116	71%	5,471	5.4%	20%	101,968
Watertown	5.5	52%	64%	75%	12	86%	67,340	16,281	62%	3,287	4.1%	26%	79,576
Branford	5.4	56%	56%	69%	11	97%	71,730	19,872	81%	3,774	4.9%	26%	77,640
Newington	5.3	53%	53%	75%	12	92%	67,670	19,346	69%	4,375	5.4%	22%	81,646
Wallingford	5.1	43%	43%	74%	12	99%	51,914	19,449	66%	4,006	5.0%	22%	80,793
New Milford	5.0	52%	56%	81%	11	95%	61,272	16,573	68%	4,416	4.9%	23%	89,969
Hamden	4.9	45%	49%	77%	10	96%	59,251	22,980	66%	3,602	4.7%	38%	77,274
Windsor	4.8	44%	44%	69%	10	63%	63,636	23,338	69%	4,846	5.3%	36%	92,199
Danbury	4.7	38%	46%	67%	15	80%	74,486	14,246	58%	3,157	4.3%	58%	73,297
Ledyard	4.6	47%	53%	68%	12	92%	78,102	16,945	54%	3,835	4.1%	21%	94,099
Meriden	4.6	38%	48%	52%	11	86%	67,058	16,950	33%	1,721	2.9%	69%	58,843
Norwalk	4.6	41%	48%	66%	14	98%	93,716	19,391	74%	4,824	5.6%	51%	85,769
Bristol	4.2	38%	48%	64%	13	88%	57,663	15,892	47%	2,390	3.5%	43%	67,507
Bloomfield	3.3	31%	31%	70%	11	94%	72,349	25,926	64%	4,059	5.3%	49%	76,717
Waterbury	3.3	20%	30%	65%	12	86%	183,464	17,213	30%	2,386	5.6%	67%	42,401
New Haven	3.2	23%	34%	59%	14	88%	65,417	18,690	24%	1,954	4.6%	54%	42,222
Manchester	3.2	29%	35%	56%	12	74%	87,208	21,407	56%	3,134	4.2%	51%	74,503
Bridgeport	2.9	16%	27%	60%	15	73%	64,000	15,915	18%	1,173	2.5%	57%	46,662
Hartford	2.8	18%	25%	61%	13	84%	81,578	20,118	18%	1,517	4.2%	72%	36,278

³⁶ The Region 06 School District serves the towns of Warren, Morris, and Goshen.

³⁷ The Region 12 School District serves the towns of Bridgewater, Roxbury, and Washington.

³⁸ The Region 14 School District serves the towns of Bethlehem and Woodbury.

³⁹ The Region 01 School District serves the towns of Kent, Sharon, Salisbury, North Cannon, Falls Village, and Cornwall.

New Britain	2.2	11%	20%	48%	14	80%	59,176	16,601	17%	1,000	2.2%	75%	46,499
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Table created by Zbroszczyk, Lukasz, with data from <https://www.greatschools.org/connecticut/college-success-award/?csaYears=2020&page=1> and US Census 2019 ACS, accessed via censusreporter.org.

New Milford and Connecticut are the top rows. The other districts are listed in the order of their overall score, averaging the scores of the various schools in the district. Thus, New Milford’s score is 5.0, and New Canaan has the top score, 9.8. New Fairfield is 7.7, Region 12 is 7.0, and Brookfield 6.3. Several towns have only partial systems, without their own high school, such as Kent (8.0) and Sherman (7.0). The scores are based on a number of performance factors, such as students meeting Math proficiency, English proficiency, % going on to college, graduation rate, etc.

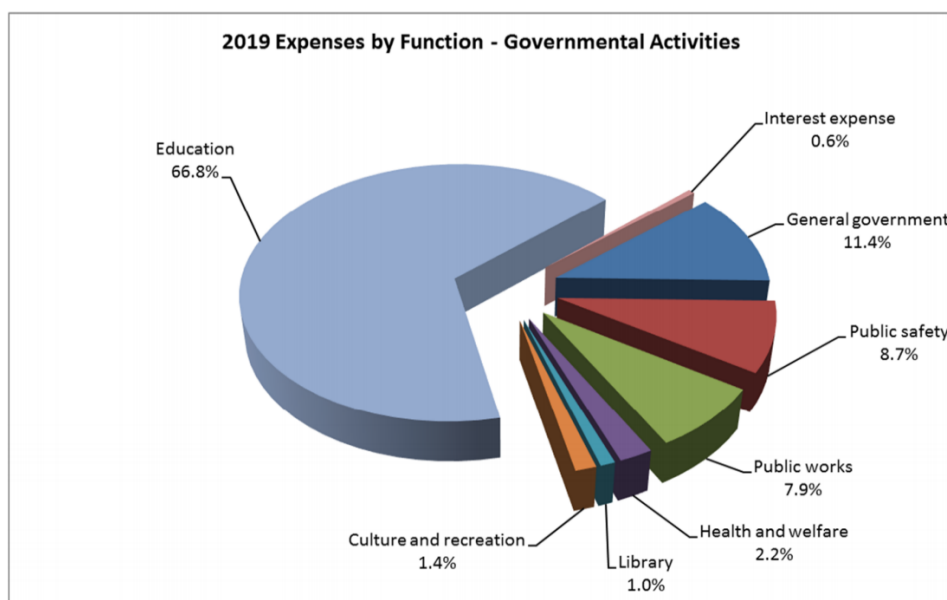
The scores also reflect various socio-demographic factors. In New Milford, 23% of pupils are from low-income households whereas New Canaan has zero such students. The peer schools to New Milford, the so-called district reference group schools (DRGs), are highlighted in orange. The table above permits a review of the relative performance of the DRG peer districts.

As important as the DRG comparison is for evaluating the performance of similarly situated school districts, one must also recognize its limitations for parents. When families consider locating in the area, they do not check out how New Milford compares with DRG peers Ledyard or Windsor located in other ends of the state. What interests them is a comparison with nearby towns such as Brookfield and New Fairfield, whatever their DRG group might be. Such interest is then reflected in a greater willingness to pay, and in higher home values and rental prices. The table above permits a comparison of New Milford with its neighboring districts. Such neighboring districts are marked in blue.

Several factors stand out beyond the scores and the per-pupil spending. The first is how remarkable New Milford performs in stretching the district’s more limited resources. Its student-to-teacher ratio is 11, and there are few districts that have a more favorable ratio. (several that do are special cases without high schools). New Canaan’s ratio is 13. Also, New Milford’s teachers seem to stay -- 95% have over 3 years of experience, a high number and above that of top-scoring New Canaan

and neighboring Brookfield, New Fairfield, and Region 12. And this despite the fact that New Milford is at the low end of teacher salaries. It pays well below state average, and below neighboring districts, except for Brookfield, which is still lower.

This gap exists despite the fact that education is by far the biggest expense category of New Milford's budget.

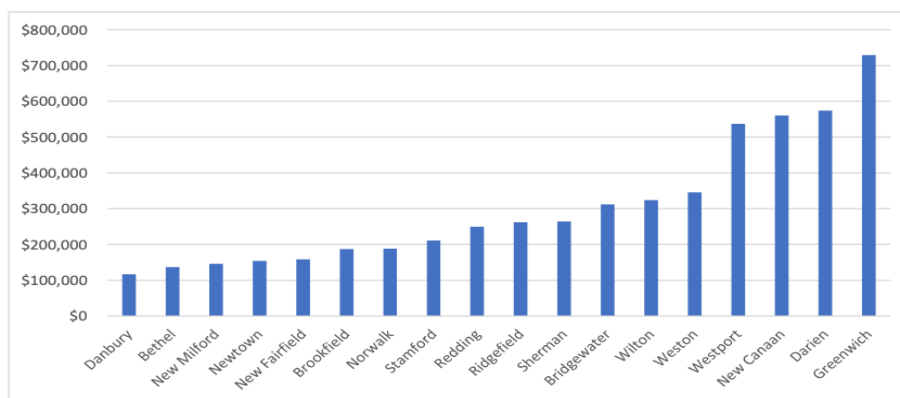


Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020

A question is whether the town supports its schools as much as other towns do. How much does an average household contribute to the school system, through taxes and other charges? This is a somewhat different measure than per-student spending. High per-pupil spending numbers might simply be the result of a small number of students in an aging town. For example, Bridgewater spends an astonishing \$49,102 per pupil at its Burnham School, partly because there are only a few students left. (This is higher than the tuition rates for day students at the tony private prep schools Exeter, Groton, or Choate, which are about \$45,000.) In New Milford, the per-household spending on public education is \$4,416, about \$500 above the state average but well below that of adjoining towns. However, the financial resources of a town must also be taken into account. We therefore define another measure, the *Financial Effort by a Town*, which is the average amount

spent per household for the public school system, as a percentage of such an average household's income.⁴⁰ By that calculation, New Milford spends 4.9% of an average household's income on schools. This is slightly lower than the state average, but well within the range of many towns with higher-scoring schools. It is, however, below the neighboring towns of Region 12, Brookfield (5.2%), and New Fairfield (5.5%). What the numbers therefore show is that several towns, beyond being wealthier in terms of tax base per capita (see the graph below), also contribute at a *higher percentage* of that wealth to schools. In other words, they contribute a higher share of a higher base. (Other high-income towns, on the other hand, are able to spend more per student while taxing themselves at a lower rate, because they are richer. That is, they have a lower per-household school spending to income ratio.)

Figure 33: Equalized Net Grand List per Capita by Western CT Municipalities, 2014



Source: Connecticut Economic Resource Center, Town Profiles, 2014.

A lower funding level and a lower tax base are factors, leading to lower teacher salaries. But they do not fully explain a school system's performance scores. Overcoming that performance gap is a task for the new leadership of the school system. Its success would result in higher property values and a greater attraction for young families and for professionals with a high propensity for education to move to New Milford. Thus, education policy is a key element of economic development policy.

⁴⁰ We calculate this by multiplying the per-student spending by the number of students, then multiplying this result by the share of school funding that is local. This is then divided by the number of households in the district, and again, by the median income. The result can be interpreted as the approximate financial burden for the median household in the school district.

Pre-Pandemic Trend in Schools System: -0.1

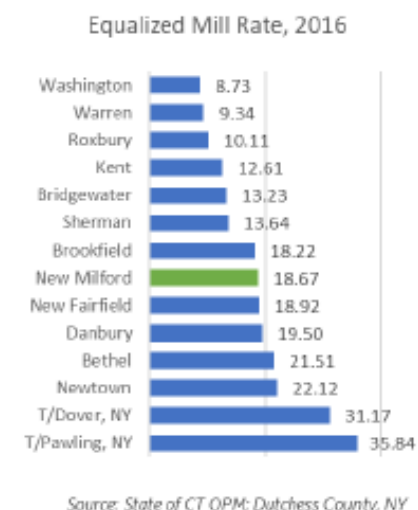
Anticipated Pandemic Effect: -0.1, due to the lingering effects of the disruption of the educational process.

Anticipated Post-Pandemic Trend: -0.2

6.2 TAXES AND TOWN DEBT

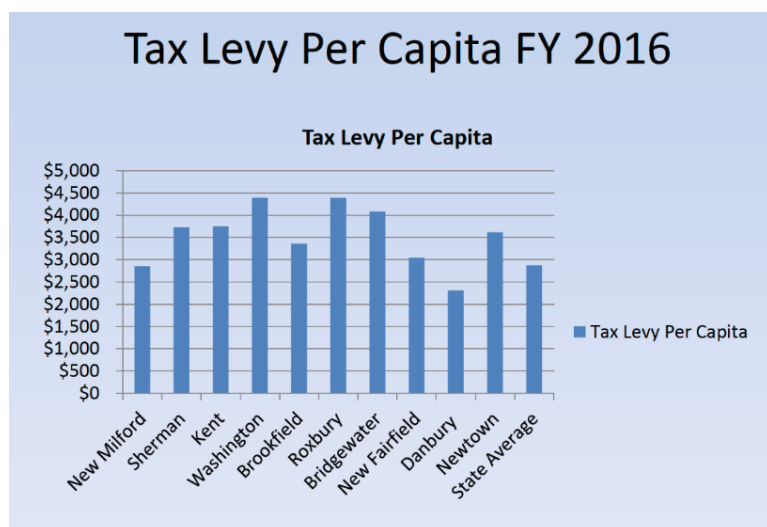
The tax rate is favorable relative to nearby New York State towns and Connecticut towns to the south, but it is higher than for towns to the north and east. And this despite headwinds: The town experienced a harsh decline in revenue with the downsizing or departure of manufacturing business.

Equalized Mill Rate, 2016(A tax rate of 1.0 mills is equivalent to \$1.00 in taxes per 1,000 of net assessed value.)



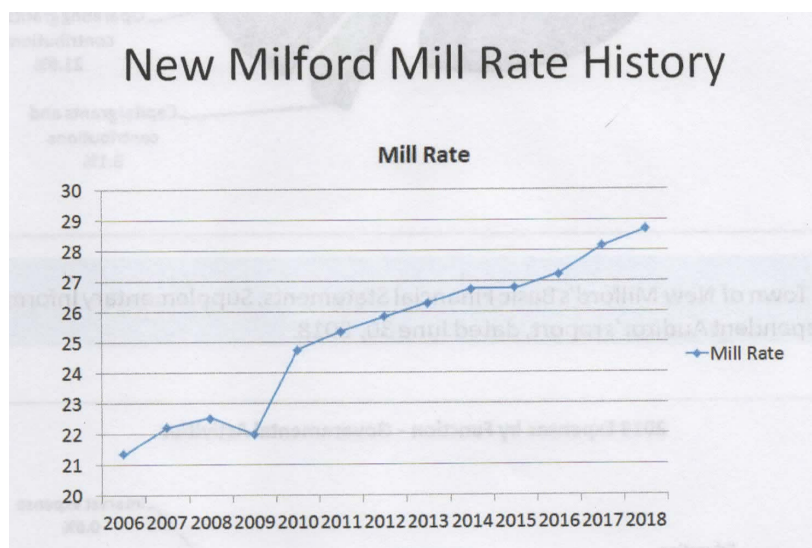
Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

A favorable measure is the actual tax burden per capita (mill rate times assessed value, per capita)



Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018.

For several years, the mill rate has been rising, 32% over 12 years. But this trend was reversed. In 2020/21 and 2021/2, the rate was lowered, most recently by an anticipated 2.47%.



Current Trend in Tax Reduction: -0.1, a gradually rising tax burden. (It rose for a while, then declined again in 2020-22.)

Anticipated Pandemic Effect: -0.1. Rising post-pandemic expenses and lagging state contributions due to Connecticut's budget stress will lead to a somewhat higher town budget and

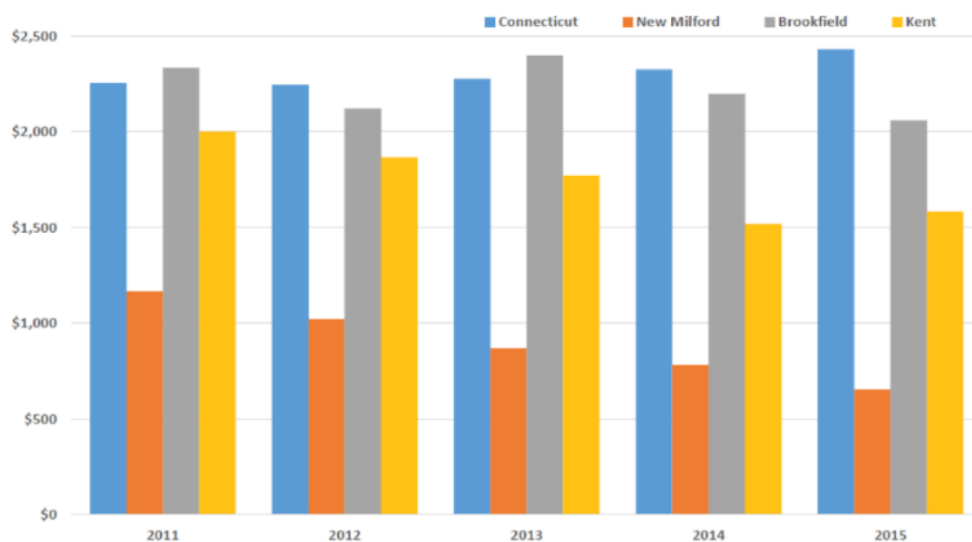
a greater tax burden. However, tax rates would rise more slowly because property values will be higher in the aftermath of the pandemic.

Anticipated Post-Pandemic Trend: -0.2

Town Debt

The town debt is relatively low at \$2,072 per capita, which contains debt repayment as a budget item.

Bonded Long-Term Debt Per Capita



Source: Municipal Fiscal Indicators. CT Office of Policy and Management. 2016.

Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018.

**Current Debt Ratios
As of July 24, 2020
(Pro Forma)**

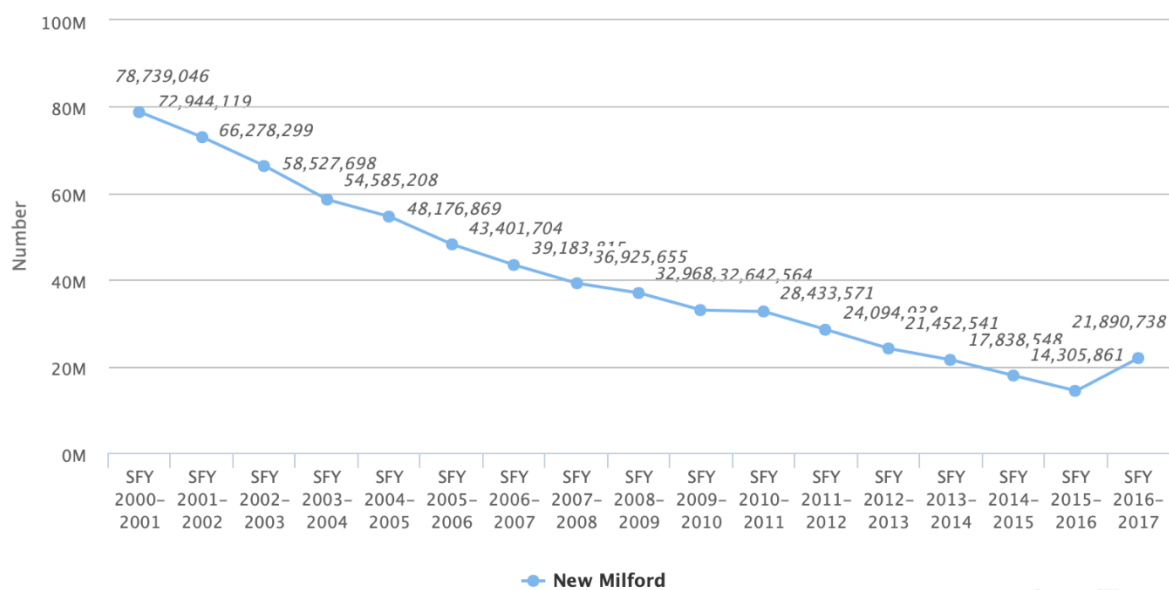
Population (2018) ¹	27,196
Net Taxable Grand List (10/1/19)	\$ 2,946,641,998
Estimated Full Value (70%)	\$ 4,209,488,569
Equalized Grand List (10/1/17) ²	\$ 4,343,771,207
Money Income per Capita (2018) ¹	\$ 42,708

	Total Direct Debt	Total Overall Debt / Overall Net Debt
Per Capita.....	\$2,072.11	\$2,072.11
Ratio to Net Taxable Grand List.....	1.91%	1.91%
Ratio to Estimated Full Value.....	1.34%	1.34%
Ratio to Equalized Grand List.....	1.30%	1.30%
Debt per Capita to Money Income per Capita (2018)....	4.85%	4.85%

¹ American Community Survey 2014-2018

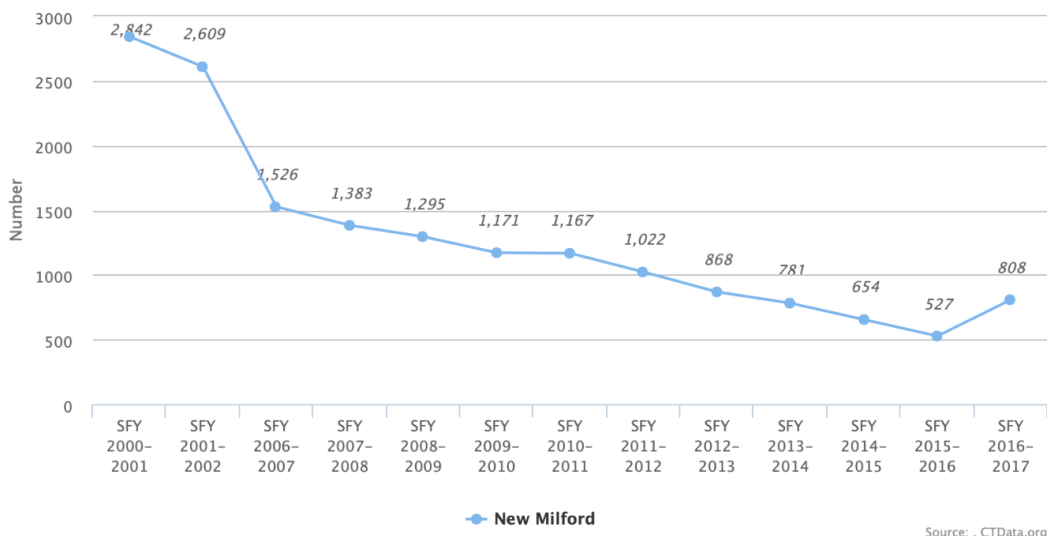
² Office of Policy and Management, State of Connecticut.

Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020



Graph by Josi, Alvin, data from Connecticut Office of Policy Management accessed via the Connecticut State Data Center.

Debt per Capita



Graph by Josi, Alvin, data from Connecticut Office of Policy Management accessed via the Connecticut State Data Center.

Credit rating agencies consider a town's debt load for its bond rating, in particular the debt service expenditures as a percentage of total town budget. New Milford's debt repayment amounts to 0.6% of annual budget, and its bond rating by S&P rose to a strong AA+.

Pre-pandemic Trend in Town Debt Reduction: +0.2. Debt has been declining.

Anticipated Pandemic Effect: -0.3. Proposed infrastructure project will require a higher debt load.

Anticipated Post-Pandemic Trend: -0.1

6.3 TOWN EXPENDITURES

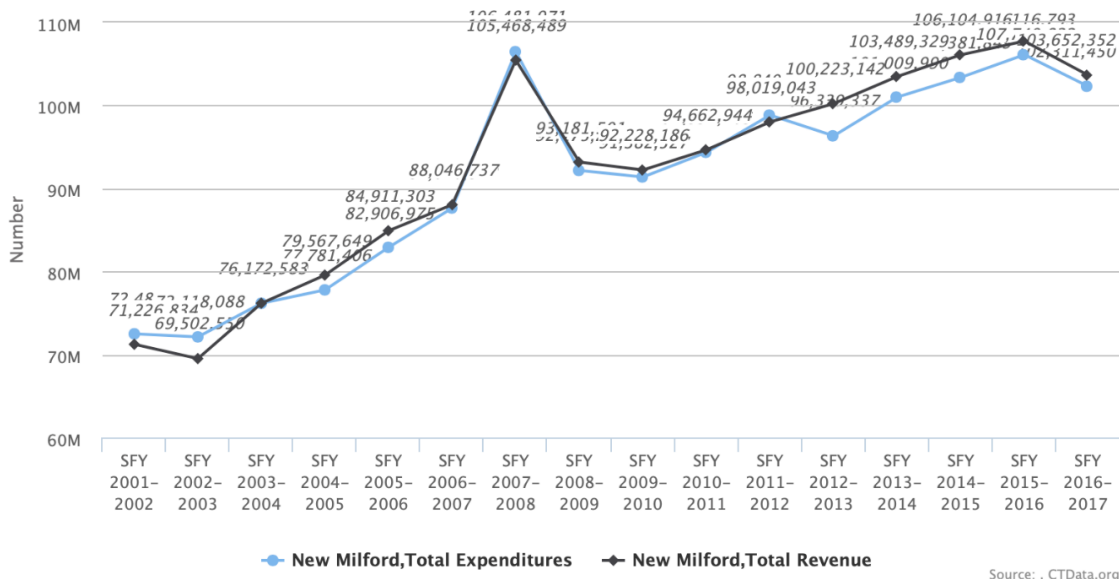
Town budgets have grown fairly moderately. The town budget grew in 15 years (2001/2 to 2016/7) from \$72.5 mil (\$98.3 mil in 2017 dollars) to \$103.7 mil. Adjusting for inflation, the increase was only \$5.4 mil, about \$360,000/yr. Per capita town expenditure was about \$3,825. The tax levy per capita was about \$2,800. The difference is accounted for by grants from the state, Washington, and others (20% of the budget), in particular for education, as well as by user charges.

During the Great Recession, expenditures spiked for a year, with a sharp drop back afterwards. Looking ahead:

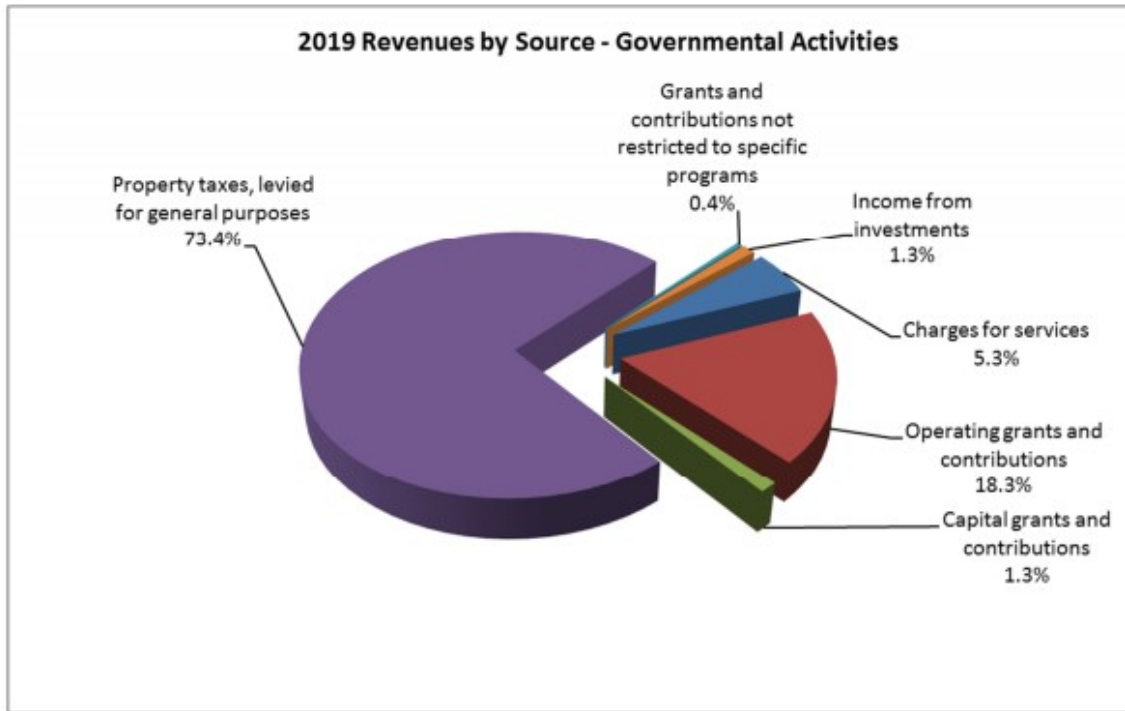
- The aging population will utilize more social services on a regular basis. For example, programs for the Senior Services center.
- The pandemic is placing a strain on health departments.

The difference between actual expenditure and total revenue helps evaluate how well a town is managing its spending. The target is to spend in line with revenues and not in excess of them. As the graph below shows, since 2002/3 the town has been consistently in the black, or nearly so.

Expenditures versus Revenue



Graph by Josi, Alvin, data from Connecticut Office of Policy Management accessed via the Connecticut State Data Center.



Source: Town of New Milford, *Plan of Conservation & Development - Working Draft*, 11-20-19

Municipal Employees ¹

The following table reflects total Town employment for the past five fiscal years:

	2019	2018	2017	2016	2015
General Government.....	191	187	189	187	186
Board of Education.....	637	630	632	628	628
Total.....	828	817	821	815	814

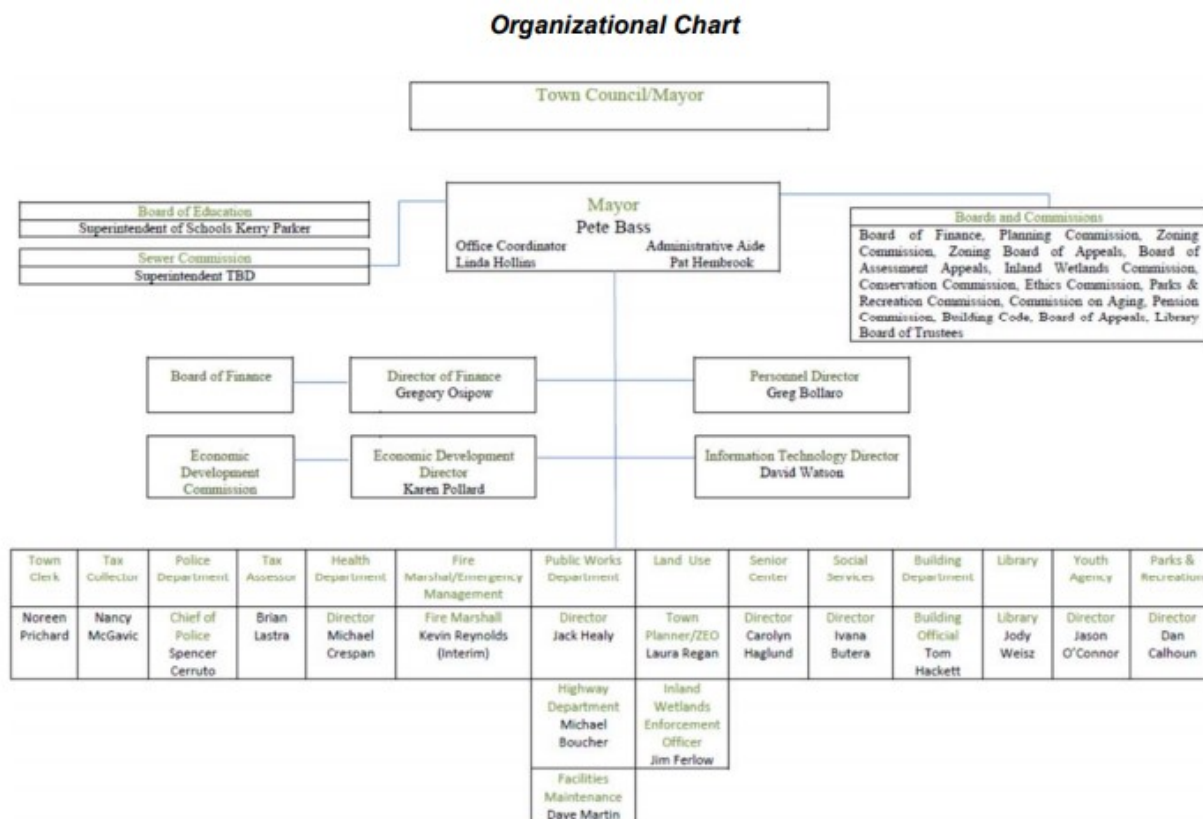
¹ Full-time equivalent.

Source: Town of New Milford.

Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020

The number of town employees rose by 14 in 4 years (0.43 of 1% per year), 9 of them for the Board of Education. There are about 32 residents per local public employee. In comparison, San Francisco leads major cities with 28 residents per local employee (in a state where many public services are provided by state employees), and New York City has 32. For towns in the New

Milford region, the ratios are 28.9 for both Newtown and Bethel (i.e., they have a higher staffing level), and a comparable 32.9 for New Fairfield and 33.2 for Brookfield.⁴¹



Source: Phoenix Advisory, *New Milford, CT Bonds Bans Preliminary Official Statement*, July 7, 2020

Pre-pandemic Trend of Budget Expenditure Reduction: -0.1 (rising budget expenses)

Anticipated Pandemic Effect: -0.1

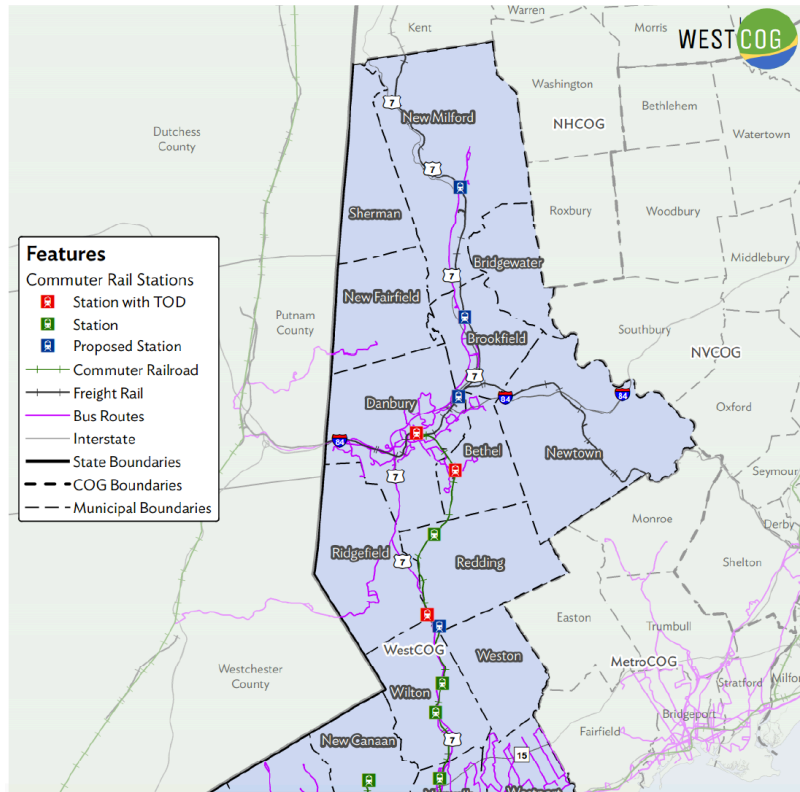
Anticipated Post-Pandemic Trend: -0.2

⁴¹ Source: Phoenix Advisory, Brookfield Bond Prospectus, *Final Official Statement*, July 30, 2020; Bethel Bond Prospectus, *Final Official Statement*, July 15, 2020; New Fairfield Bond Prospectus, *Final Official Statement*, April 7, 2020; Newtown Bond Prospectus, *Final Official Statement*, April 2, 2020.

6.4 TRANSPORTATION

Bus service is limited. New Milford is at the end of a bus line to Danbury, with slow service during rush hours.

Bus and Train Lines



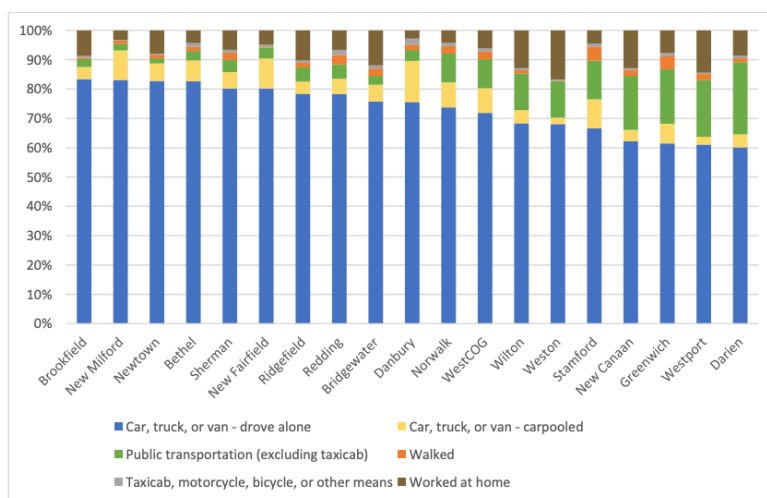
Source: Housatonic Valley Metropolitan Planning Organization, 2019-2045 Long-Range Transportation Plan, 2017

Southerly, the Rt 7 highway has improved considerably, raising the range of commuting and shopping. But this has raised road traffic, congestion, and carbon emissions during rush hours to high levels, which needs to be addressed. The percentage of New Milford residents who use cars to get to work is higher than in any other town described by the regional transportation study, below. This is likely to grow as more non-residents work in New Milford, while more residents work out-of-town. The other town at the high end of daily commuting by car is next-door Brookfield, and the large numbers for both towns underlines the importance of re-opening the passenger train line to both towns.

Efforts should also be dedicated to expanding electric car infrastructure.

There is also a slice of residents who commute to New York and Hartford. Downtown New Milford is 55 miles from Hartford and 80 miles from New York City. While the Covid pandemic and the shift towards telecommuting reduces the need for daily commutes, it is also anticipated that it brings more part-time commuters to live in New Milford.

Figure 71: Means of Transportation to Work in the Western CT Region, 2014



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Western Connecticut Council of Governments, Western Connecticut Economic Development Plan 2017-2022. 2017

The proposed reopened passenger train service would connect to Metro North's Harlem line at Metro North's Southeast station for through trains or connecting trains to continue into New York City. The track already exists for freight service and could be utilized much more – though it would require upgrade. The service would operate on Housatonic Railroad's right-of-way known as the Berkshire Line into Danbury and along a short section of the line known as the Maybrook Line across the state line to Southeast, in Brewster, NY.

Southbound travel time to New York, by a sample schedule⁴² might have a train depart New Milford at 7:18 and arrive in Grand Central Station at 9:10, and half an hour earlier in White Plains, without the stress of driving. While this might be long for a daily commute, it would be increasingly attractive in the emerging work-from-home environment where a commute might be required only perhaps twice a week. Similarly, it would allow commutes to Norwalk, Stamford, and other Fairfield County towns, by way of the Danbury branch.

Train service would bring commuters from the surrounding towns to New Milford, which would also generate business for retailers, services, and restaurants in the town center, balancing the automobile-centered activity on Rt. 7. It would also support the creation of a bus service to nearby towns such as Kent and Washington, thus generating more of regional bus service, too. All this would strengthen New Milford as a regional hub. On weekends, it would generate northbound traffic of day-trip visitors. Train service would be valuable for older residents reluctant to drive or for students without a license, and it would enable employees from beyond the town to get to work in New Milford.

Short-term economic advantages for the region include the construction and engineering jobs during the upgrade period. In the long term, it would make New Milford more attractive and convenient as a location, raises property values, and increase commercial activity, employment, and tax revenues.

These advantages were quantified, a few years ago, by a study by the Center for Creative Community Development at William College. It was done for a proposed line Danbury to Pittsfield, and hence also reflects the benefits to towns north of New Milford.

Economic Benefits of Housatonic Passenger Train Service

⁴² Housatonic-Rail-Station-Locations-Study-BRPC-2014.pdf

Table 9.2: Accrued Benefits During First Decade of Proposed Passenger Rail Service

The Economic Report projects that the re-introduction of passenger rail service along the Berkshire Line will generate more than \$625 million dollars from the production/sale of additional goods and services during its first decade of service. Additionally, the Economic Report projects that more than 600 new local jobs will be created, local tax revenue will grow and municipalities will experience decreased road maintenance costs.

The following chart highlights the major economic benefits of the reinstatement of passenger rail service over the first ten years as projected in the Economic Report.

<i>Increases in ...</i>	Connecticut	Massachusetts	Combined
Economic output over ten years	\$271,495,767	\$343,970,290	\$625,074,159
Employment	221	425	610
State and local tax revenues	\$11,353,143	\$17,510,471	\$29,452,747
Federal tax revenues	\$22,654,920	\$27,944,938	\$55,020,326
Property values	\$202,695,948	\$101,206,932	\$309,678,630
<i>Decreases in ...</i>	Connecticut	Massachusetts	Combined
Road maintenance costs	\$481,719	\$899,157	\$1,380,869
Costs due to fatal accidents	\$2,644,180	\$4,560,668	\$7,204,848
Traffic fatalities (persons)	2.94	5.04	7.98
Global mean temperature	2.2 10 ⁻⁷ degrees Celsius		

Source: Stephen Sheppard and Kay Oehler "Economic Benefits of Housatonic Railroad Passenger Service," Center for Creative Community Development, Williams College, 2011

There are disadvantages, too. Connecting New Milford by more convenient public transportation might reduce its relative isolation from metropolitan areas and affect its character. (Yet one must recognize that such character was significantly molded in the 137 years when the town was connected by regular passenger train service.) Periodic noise and vibration would be an issue to those close-by. The safety of crossings would have to be strengthened. Parking areas need to be established near the tracks, but these could be a substantial revenue source for the town.

In consequence, a survey of residents conducted a few years ago showed a 91% support for restoring passenger service (Testimony by Councilman Tom Esposito to the Connecticut Public Transportation Commission.)

The 2013 town- commissioned transportation study found that: "Commuter train service and a station adjacent to Downtown would be a tremendous asset to the community, and potentially

generate new development opportunities. As New Milford's transportation network is severely constrained, rail service could be a key to unlocking the town's future growth and prosperity."⁴³

Pre-pandemic Trend: -0.2, increase in use of cars

Anticipated Pandemic Effect: 0.0

Anticipated Post-Pandemic Trend: -0.2, further traffic congestion

Source: Town of New Milford, *Plan of Conservation & Development - Working Draft*, 11-20-19

6.5 TELECOMMUNICATIONS CONNECTIVITY

High-speed connectivity -- both wireline and mobile wireless-- has moved from convenience to necessity. It has become a significant factor in residential and commercial location decisions, and a signal to prospective new businesses about the community's seriousness in assuring the infrastructure for the economic future. There is a strong correlation between businesses' use of Internet applications and revenue growth and productivity. For homeowners, a quality internet connectivity is expected, and increasingly affects the price buyers are willing to pay for a home.⁴⁴ For professionals and small businesses, it enables work at home for customers, clients, and employers anywhere in the world.

New Milford's local data connectivity, specifically wireline and wireless broadband, is limited in options, is slower than metropolitan performance, and is especially a problem in the northern half of New Milford. There are a number of consequences to this, exacerbated by Covid-19:

1. Teleworking employees have an unreliable connection to their job.
2. School children studying remotely are subject to a poorer educational experience and academic achievement.
3. Homebound seniors experience greater isolation.

⁴³ Fitzgerald & Halliday, Inc., *Town of New Milford Transportation Management Plan Final Report*, October 2013

⁴⁴ Knutson, Ryan. "How Fast Internet Affects Home Prices." *Wall Street Journal*, June 30, 2015. In the UK, the mere announcement of a governmental plan to assure the connectivity of houses in low-density areas led their market prices jump by about \$5,000, far beyond the actual cost to the government.

4. Spotty mobile coverage creates public safety issues.
5. Companies that are heavy data and communications users would be discouraged from investing in New Milford.
6. Medical services are less connected to remote specialists and data, and hence less effective.

The pandemic has demonstrated that we need direct broadband today in the same way that we need electricity and telephone access. The typical U.S. household now has 11 internet-connected devices, and that number keeps rising with the emerging “internet -of things”.

Nationally, average speeds rose during the pandemic by 11.4%, to 94.6 Mbps. In Connecticut, however, they rose by only 6%, with only three states making less progress.⁴⁵ In contrast, other states forged ahead: Wyoming (+51%),⁴⁶ Alaska (40%), Kentucky (+37%)⁴⁷, Kansas (+36%), and Missouri (+31%).⁴⁸ Currently, only 4% of state residents connect to fiber-optic telecom networks. 23% of all households lack high speed internet access. Among Hispanic and Black households, it is about 35%.

There are significant barriers. One issue is the uneven access to quality connectivity. Local broadband communications services vary meaningfully in quality and price across town, deteriorating northwards. For some locations, Charter Communications provides a decent speed option of up to 940 Mbps for \$135/month for residents and \$250 for businesses. But in other parts of town, this speed is not available. Frontier service top offering is up to 115Mbps for \$55⁴⁹. No commercial quality telecoms options are currently available north of downtown, and the commercial options in southern New Milford are essentially at the same speed as the fastest residential options.

⁴⁵ <https://www.techrepublic.com/article/86-of-us-states-increased-internet-speeds-during-covid-19-lockdown/>

⁴⁶ A factor for such rapid increase in speed is the result of a statewide push by the Wyoming Broadband Council to bring better internet connectivity to low-density populations. (<https://buckrail.com/wyoming-wants-to-know-more-about-your-internet-speeds/>)

⁴⁷ The KentuckyWired project will build out more than 3,000 miles of fiber internet cables to speed up rural areas.

⁴⁸ Missouri has more than \$50 million earmarked for increased broadband access, which is already being built.

⁴⁹ This is the advertised price. A recent call to the company resulted in a service available, for a Bank Street location, of 18 Mbps for \$38, as an introductory price for one year.

A second and related issue are competitive options. Practically speaking, consumer choice is limited to two wireline companies (or even fewer) – Frontier and Charter. Both of these companies have emerged from bankruptcies, ownership turnovers, and intense M&A activities in recent years, and their attention has often been on financial deals rather than investments and upgrades. Partly as a result, Connecticut has been one of the states to upgrade its network speeds the least.

Organizations with significant data communications needs can also get fiber-based high-speed business services also from Crown Castle Communications, but for a significant price. Consumers can also get satellite-based internet service from HughesNet (a sister company of the satellite TV company Dish Network) and from Viasat. These services, however, are slower and costlier⁵⁰, and they make sense only for remote homes where no alternatives exist.

Thus, only the cable company Charter currently has the network capable to provide high speed service at gigabit speed. The telecom company Frontier would need to upgrade its copper network from the slower DSL technology to a costly fiber or hybrid infrastructure, and, beyond possibly a few dense locations such as the Rt 7 corridor and downtown, it is unlikely to be financially ready to do so. The implications are that as consumers require and get used to increasing transmission speeds for their numerous personal and professional activities, they will have only one address for such service and will face a monopoly situation, with its negatives in terms of customer service, price, and innovation. This situation needs to be avoided, and the way to do so is by encouraging new entrants and new networks.

Mobile wireless is a logical alternative, especially in the 5th generation that has emerged after 2020. But wireless coverage for the earlier 3G and LTE generations is incomplete in New Milford, even on the northern parts of busy US Rt 7 and in other stretches. 5G is based on smaller cells and hence more but smaller towers. One must recognize that mobile networks are not a full substitute. Relying on smartphones for internet access means a higher per-bit price, worrying about data limits, unfavorable ergonomics, and next-level video applications not functioning well. The quality differential and limitations could be observed in the learning experience of low-income students with only smartphones for remote classroom access.

⁵⁰ Viasat 's Platinum service, its fastest, is "up to" 100 Mbps at 150\$/ month, with a ceiling on total data usage.

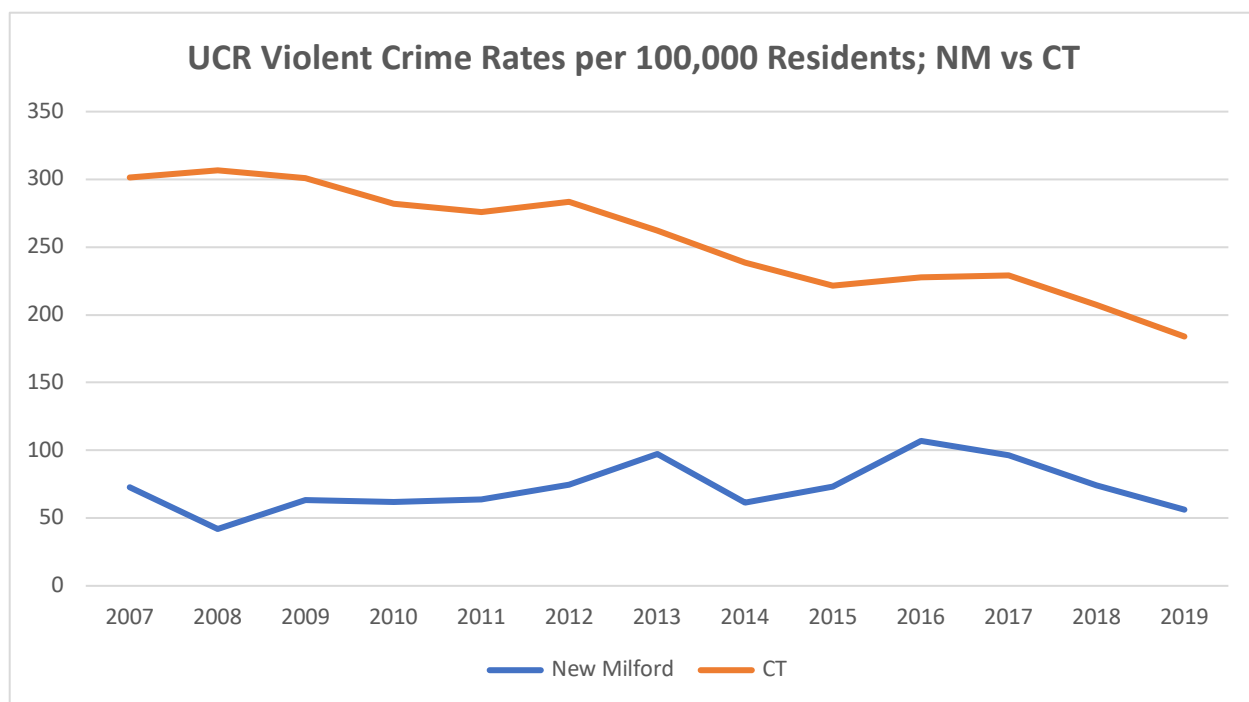
Pre-Pandemic Trend in Connectivity: +0.1

Anticipated Pandemic Effect: +0.1

Anticipated Post-Pandemic Trend: +0.2

6.6 CRIME

The crime rate is low, only one third of state average, and has remained flat through recent years. “New Milford’s finest work hard every day to keep our community safe and we are proud to have been recently ranked as the 8th safest town in the state.” (NMPD report in 2019/20 Annual Town Report)



Graph by Josi, Alvin, data from Federal Bureau of Investigation – Crime in the United States; reports from 2007 to 2019.

The New Milford Police Department reported a 10% overall reduction in crime in 2019.

The rising number of drug admissions also points to problems of substance abuse. New Milford’s numbers have gone up and surpassed those of the state after 2016.

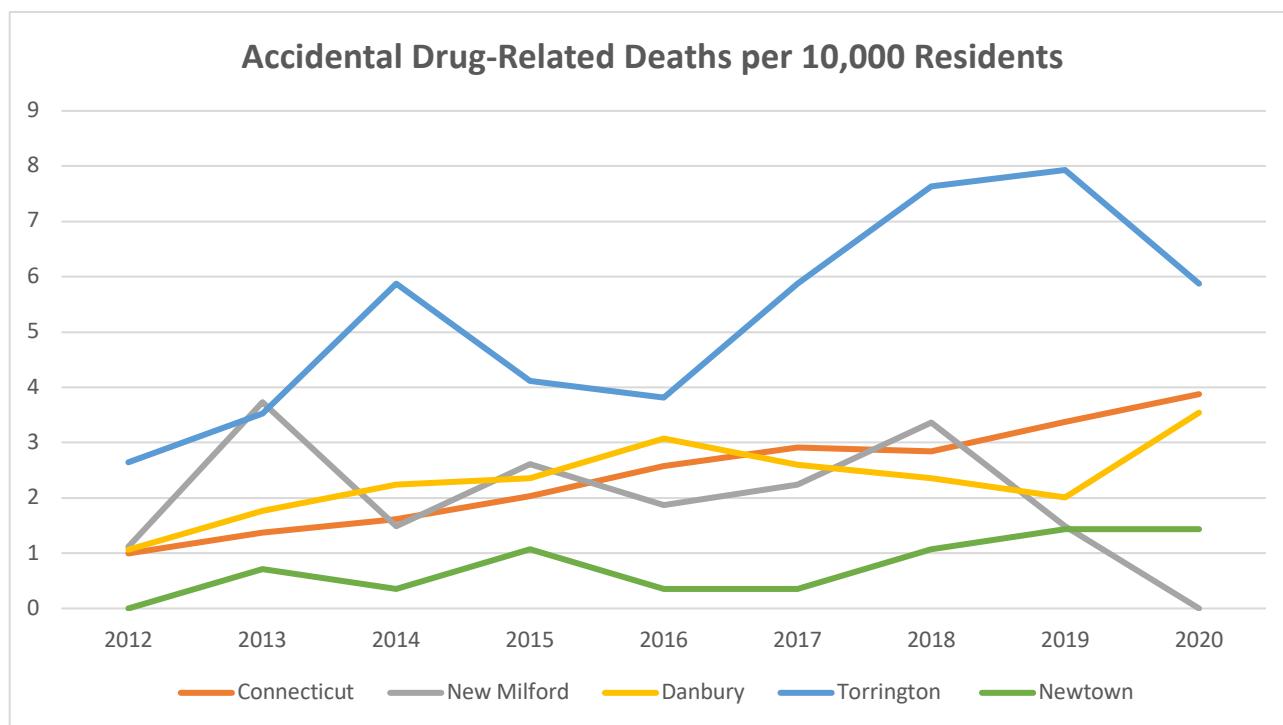
Pre-pandemic Trend on Crime Reduction: +0.2; decreasing crime.

Anticipated Pandemic Effect: -0.1, due to disruption, unemployment, disruption of social patterns, alcohol, and drug use. Somewhat offset by an aging population and greater daytime occupancy of homes.

Anticipated Post-Pandemic Trend: +0.1

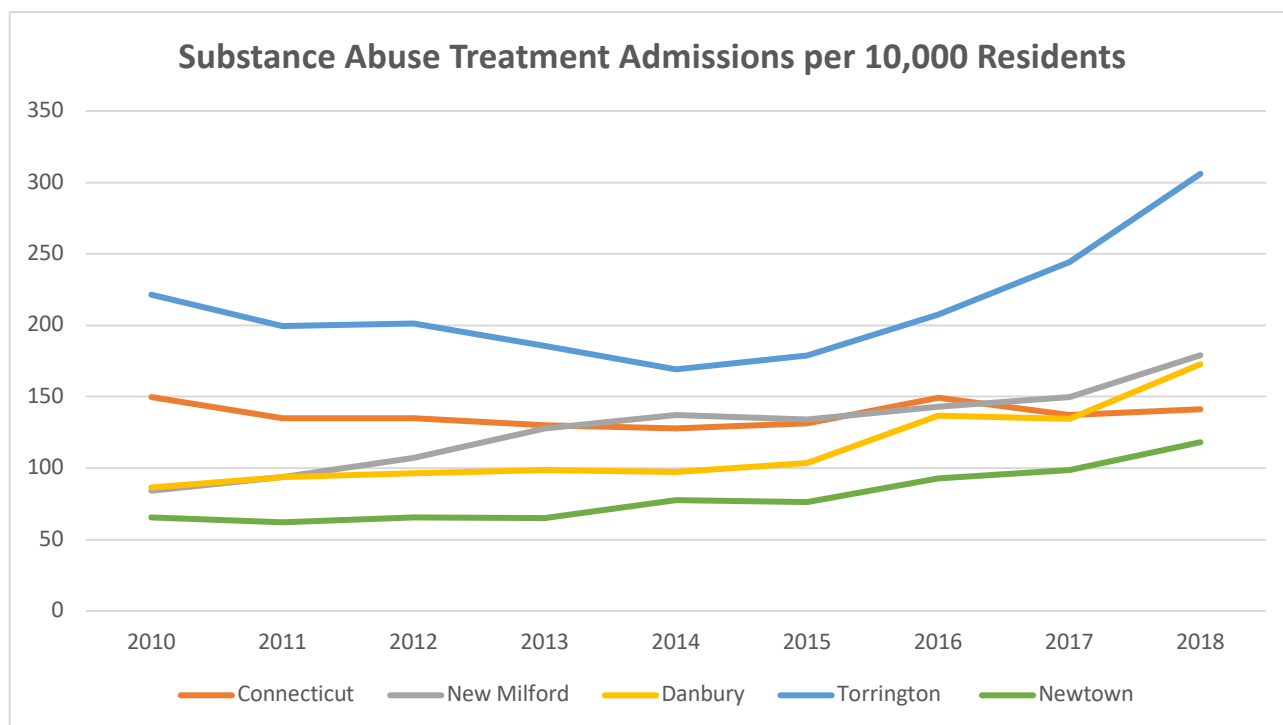
6.7 SUBSTANCE ABUSE

According to the New Milford Police Department, there was an increase in drunk driving arrests in 2019, from 119 to 141. When it comes to drugs, the number of deaths by opioid overdose received nationwide attention. New Milford was no exception. According to the data, the death rate tracked the state rates, in an upward direction. However, once the problem was recognized in New Milford, it resulted in remedial and preventative programs which helped bring down the rate after 2018 to zero by 2020, whereas the rate for the state as a whole kept rising.



Graph by Josi, Alvin, data from Connecticut Department of Mental Health and Addiction Services accessed via the Connecticut State Data Center; Accidental Drug Intoxication Report accessed via Office of the Chief Medical Officer.

During that period, treatment admissions due to substance abuse rose fairly steadily. These numbers include cases of alcoholism which are its major component. The rate for all jurisdictions depicted in the graph below have risen. It is not clear, however, whether they reflect a greater incidence of abuse, or of better treatment options were made available.



Graph by Josi, Alvin, data from Connecticut Department of Mental Health and Addiction Services accessed via the Connecticut State Data Center.

Pre-pandemic Trend in Substance Abuse Reduction: +0.2; partly due to new programs to alleviate abuse

Anticipated Pandemic Effect: -0.1; increase due to stress, isolation, disruption, unemployment, and disruption of social patterns might encourage misuse or abuse for the consumption of alcohol or drugs for residents.

Anticipated Post-Pandemic Trend: +0.1 for substance abuse.

6.8 ENVIRONMENT

6.8.1 IMPORTANCE

Owing to its large geographic size (it is the largest town, by area, in Connecticut), New Milford combines several types of natural and social environments. In addition to a New England type town core and several suburban-type sections, New Milford has large forested and agricultural areas, parkland, and spectacular lakes and river. New Milford has more urban amenities than adjoining towns like Sherman, Kent, or Washington but more environmental assets than Brookfield or Danbury.

The Town's "sacred spaces" which tie the Town together are the Village Green, Candlewood Lake, and the Housatonic River (POCD). Other natural assets include Lake Lillinonah and its Lover's Leap State Park, the Aspetuck and Still rivers, numerous town parks and land trust preserves, hiking trails, and scenic mountains including Bear Hill, Mount Tom, and Candlewood Mountain. Candlewood and Lillinonah are the two largest lakes in Connecticut.

New Milford was profiled by the *New York Times* in 2013 and was described as "several towns in one. The familiar tentacles of suburbia spread outward from the busy village center. Farther north, the subdivisions eventually give way to farmland, storied estates and dazzling vistas — New York weekender territory."⁵¹

New Milford's appeal to newcomers has evolved since then and accelerated due to the Covid pandemic. According to realtors, people moving to New Milford today are more intent on staying there permanently rather than spending weekends. A major factor is interest in the town's natural environments and outdoor activities.

"In addition to providing a home to almost 30,000 full-time residents, New Milford contains a significant number of weekend and seasonal homes. Candlewood Lake, Lake Lillinonah and the Housatonic River provide freshwater recreational activities, causing New Milford's population to increase significantly during the summer months."

Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020

The notion that most people who enjoy these locations are wealthy weekenders and newcomers needs correction. According to a survey commissioned by the Candlewood Lake Authority for the five adjoining towns:

⁵¹ Lisa Prevost, "New Milford, Conn.: One Town, Many Neighborhoods," *The New York Times*, June 18, 2013.

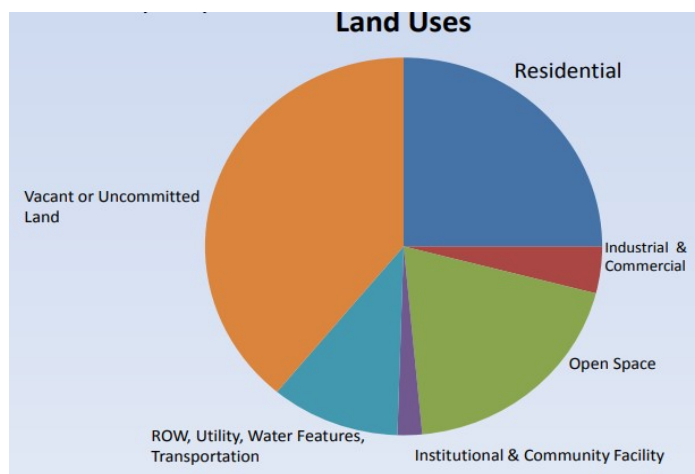
- Of residents on the lake, 72% live there year-round.
- 46% had household incomes below 100K in 2001; and 78% below 200K.
- 70% were non-retired.
- 55% owned their house for more than 15 years.

The quality of the environment has major impact on property values and hence on property tax revenues. The same study estimated that property values of houses on that lake would drop by 30% if its recreational value would suffer significantly. The community is strongly pro-environment. 80% favor no development, and 15.5 only a little development. The protection of open space is very important to 88% of surveyed residents, and somewhat important to another 9%.

Among New Milford residents, the POCD Community Input survey found that almost 70% have concern for New Milford's character, over 80% are concerned about the loss of the Town's farmland and/or rural character and over 70% are concerned with the loss of historic buildings. Preserving the character of New Milford is especially important to its residents. Everyone supports improving the river front, and the building of a walking and biking trail. New Milford residents have envisioned a 13-mile long biking and walking trail that follows the Housatonic and Still Rivers from Kent in the north to Brookfield in the south, and beyond. The town, in February 2021, authorized another phase of that development.

Among those who follow this issue, there is wide support for the designation of the Housatonic River as part of the National Wild and Scenic River System. There is also strong opposition by the town government and by residents to the construction of a solar power plant on top and the slopes of scenic Candlewood Mountain, which would require the cutting down of 70 acres of pristine core forest sloping down almost to Candlewood Lake, a major regional environmental resource.

6.8.2 LAND USE TRENDS



Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

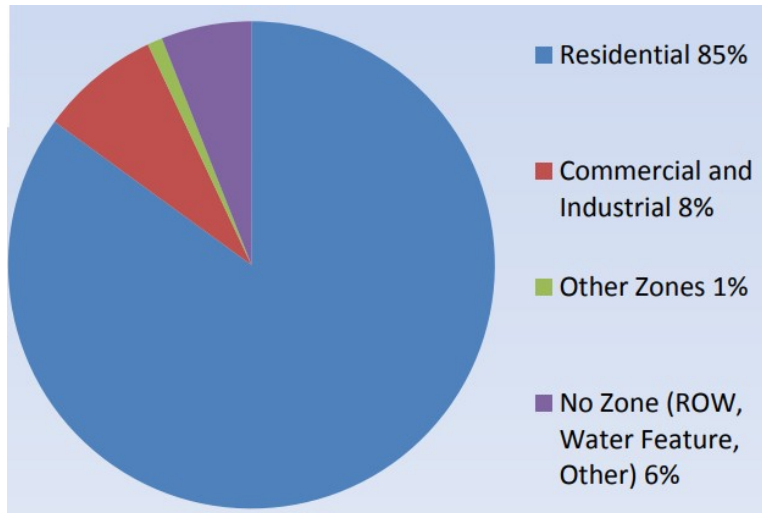
Land Use Breakdown

Land Use Category	Acreage	Percent
Agriculture.....	5,399	13.4%
Cemetery.....	142	0.4
Commercial.....	726	1.8
Conservation.....	1,830	4.6
Industrial.....	575	1.4
Institutional.....	243	0.6
Park.....	1,051	2.6
Utility.....	1,417	3.5
Private Recreation.....	264	0.7
Residential.....	12,141	30.2
Semi-public.....	246	0.6
Vacant.....	14,399	35.9
Water Company Lands.....	360	0.9
Water.....	1,358	3.4
Subtotal.....	40,151	96.8
Roads.....	1,321	3.2
Total.....	41,472	100.0%

Source: Town of New Milford Assessor's Office

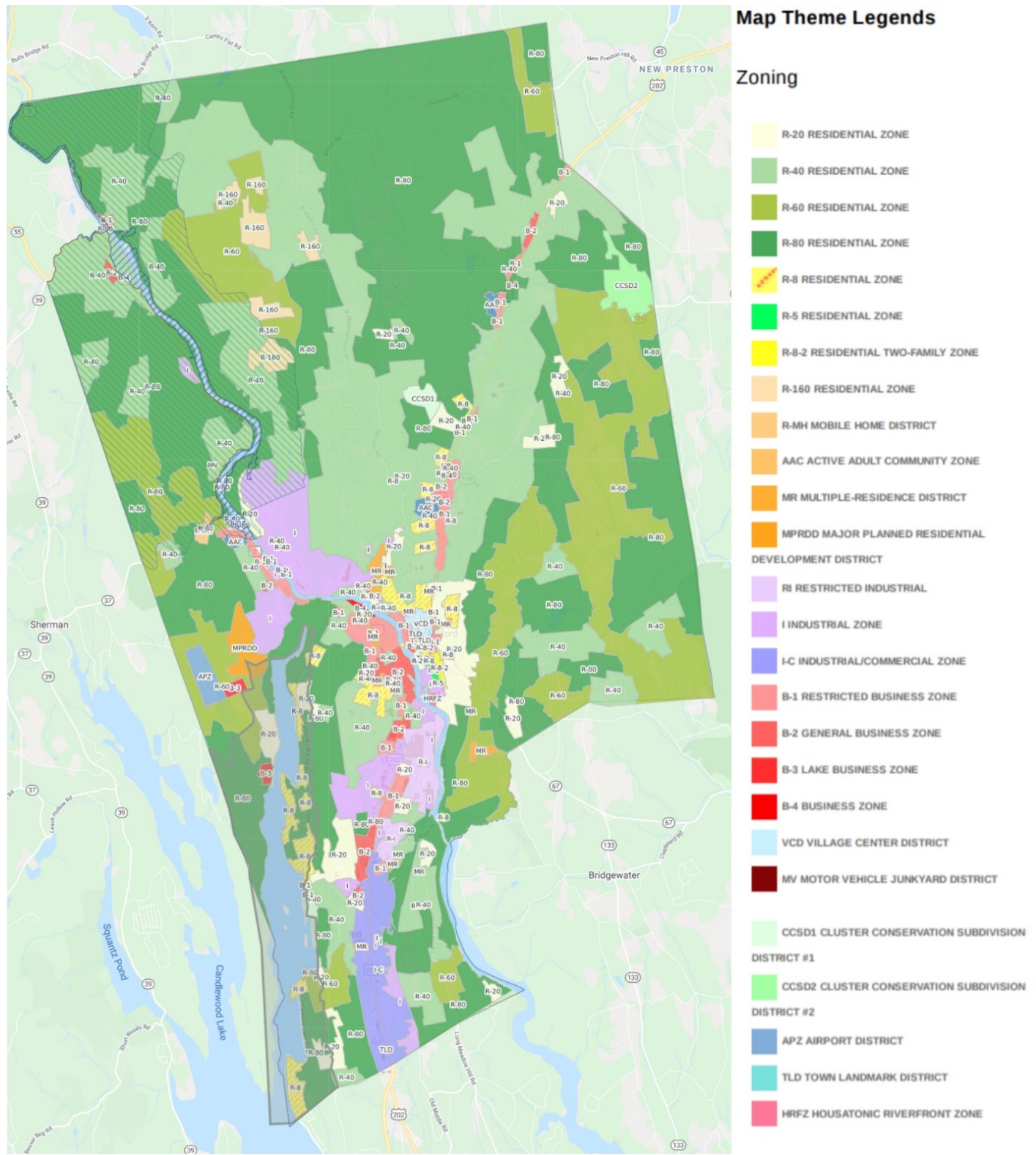
Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020

6.8.3 ZONING



Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

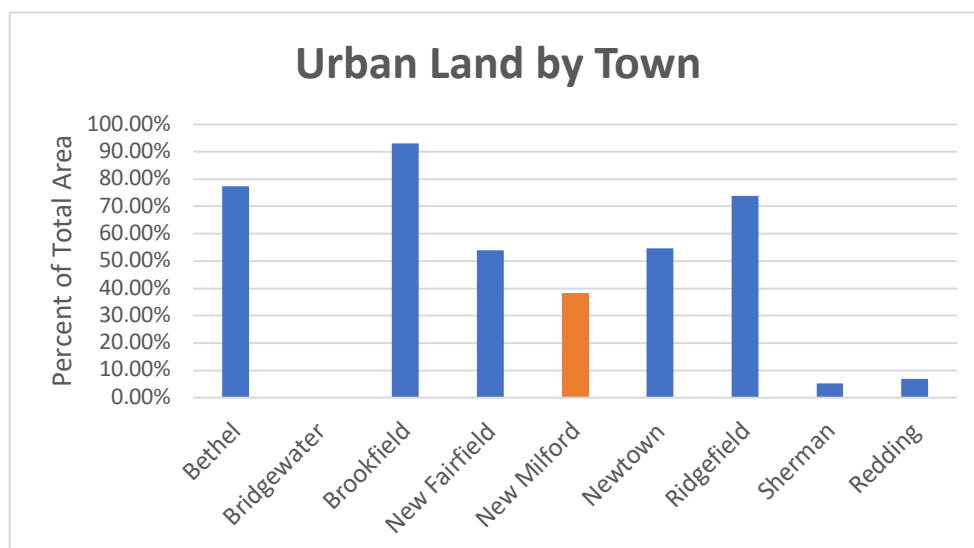
Zoning



Source: New Milford Zoning Department. <https://www.newmilford.org/content/3088/3158/3280/default.aspx>

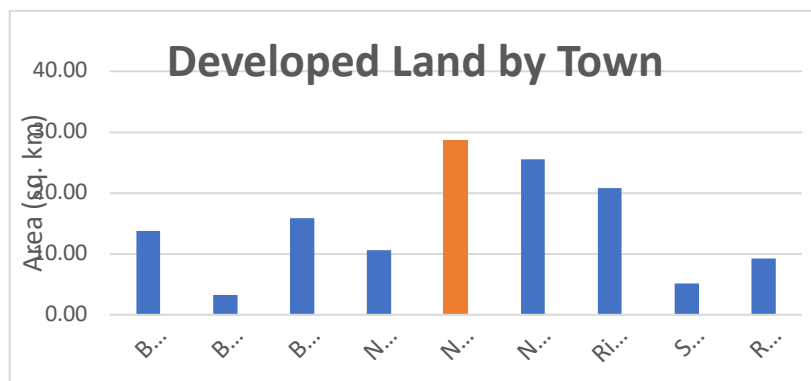
6.8.4 URBAN LAND

New Milford's urbanization of land is about 39%, much lower than Brookfield, Redding, Newtown, New Fairfield, and Bethel, but much higher than Bridgewater, Sherman, and Redding.



Graph by Zbroszczyk, Lukasz from data from US Department of Agriculture Forest Service, Northern Research Station (data from 2008 but similar today)

But when it comes to developed land, New Milford has more of it than the other towns. This is partly due to the depiction in terms of acreage rather than share of land. Land use is shown below in terms of absolute area rather than percentages, because ultimately what matters is how much land there is, not how much there is in proportion to a town's size.⁵² Bridgewater, for example, is 17% agricultural, more than New Milford as a proportion of its total area, but this only amounts to 7 km², less than one-third of New Milford's total agricultural area.

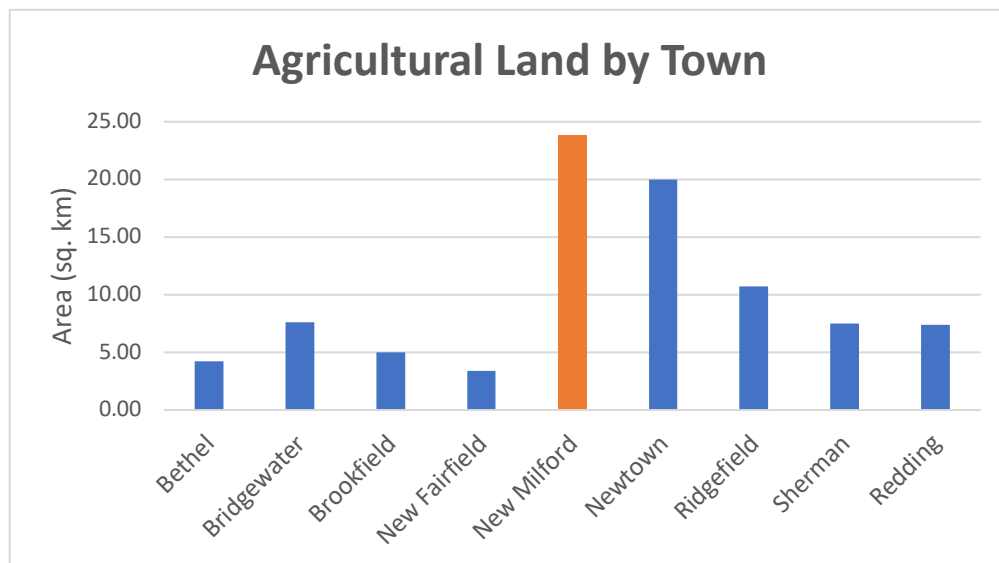


⁵² Urban land was only available as a percentage.

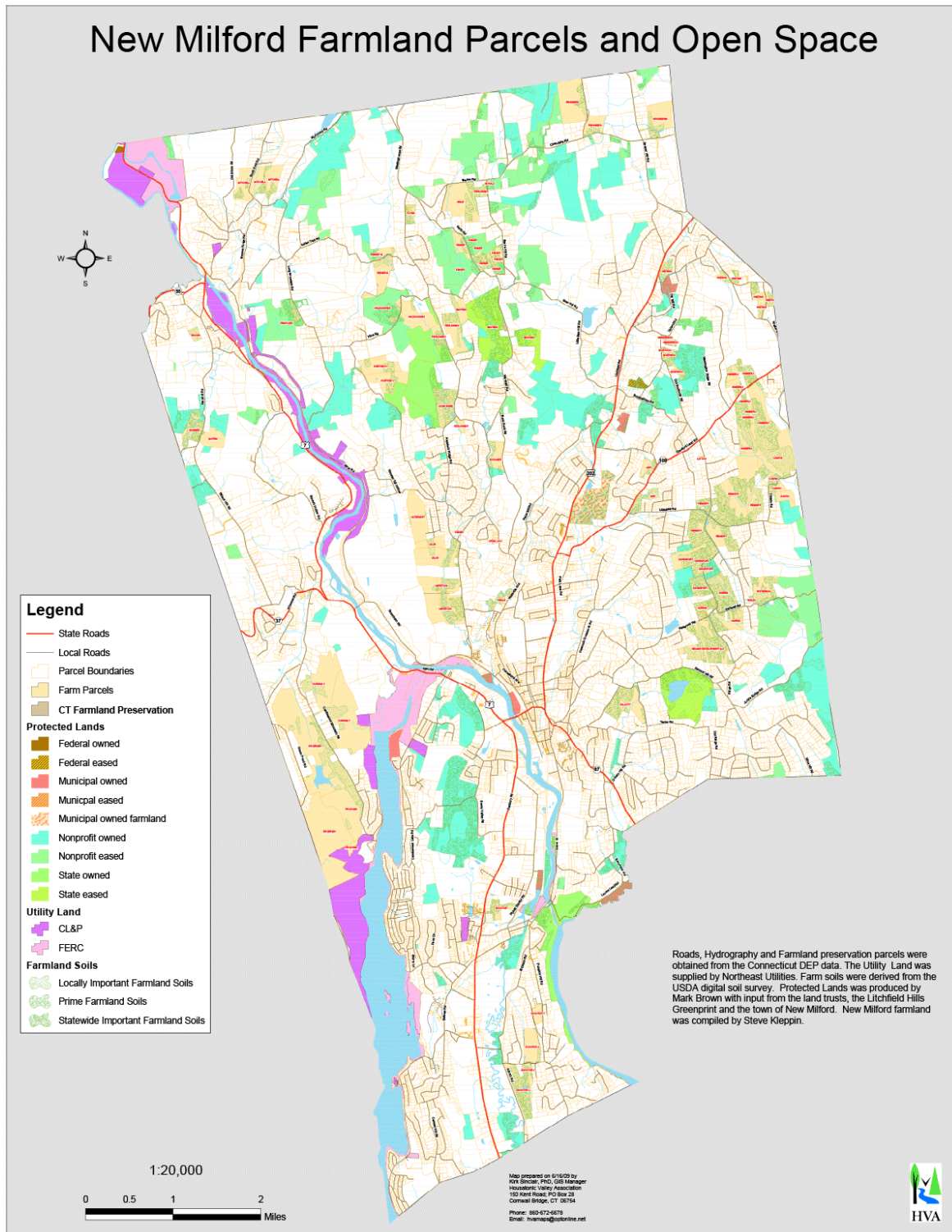
Graph by Zbroszczyk, Lukasz from data from US Department of Agriculture Forest Service, Northern Research Station (data from 2008 but similar today)

6.8.5 FARMLAND

New Milford's farmland and open space are concentrated in the less dense north and east of town. Agricultural activity in New Milford is facilitated by the New Milford Farmland & Forest Preservation Committee. There are 28 locations in New Milford where one may purchase farm-produced goods. Locally sourced agricultural products reduce transportation costs and emissions and contribute to the town's "New England feel".



Graph by Zbroszczyk, Lukasz from data from US Department of Agriculture Forest Service, Northern Research Station (data from 2008 but similar today)

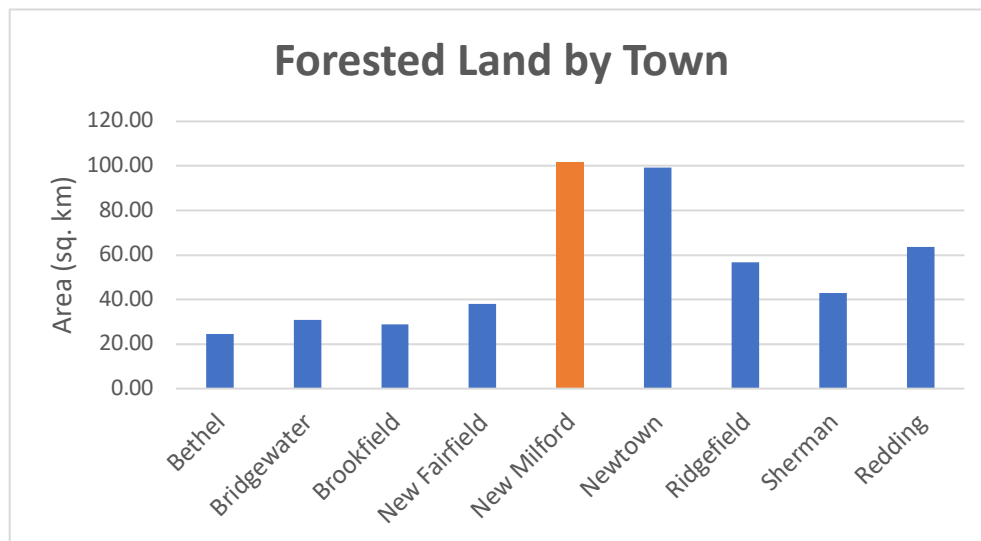


Source: <http://newmilfordfarmlandpres.org/wp-content/uploads/2013/09/farmparcels096openmap.png>

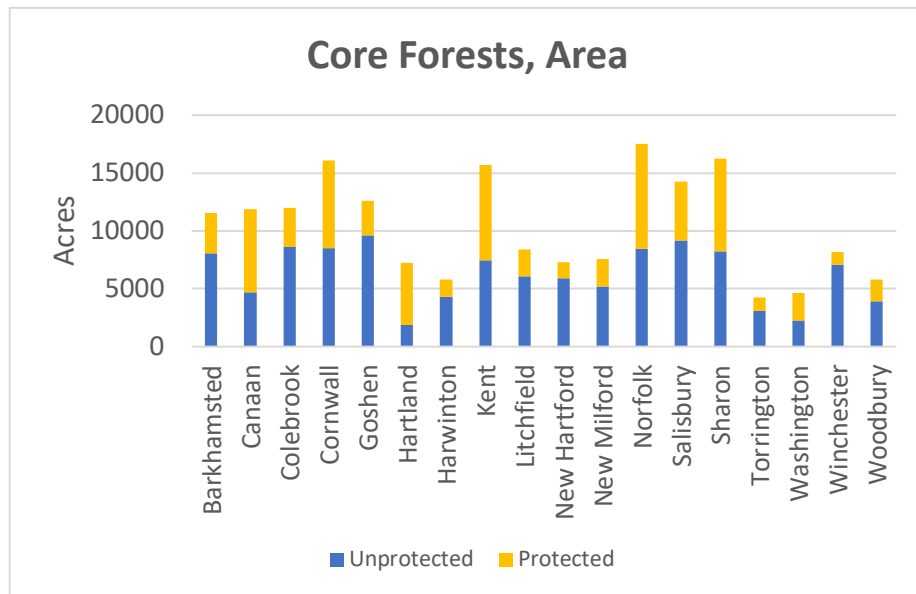
6.8.6 FORESTED LAND

New Milford has many forests, and the football team is called the “Green Wave”. Yet the numbers should offer a warning, and the color is amber, not green. For example, when it comes to “core

forests” (large contiguous forests surrounded by other growth) New Milford is fairly low in comparison to other town in the region, and even lower as a share of land area. To maintain its environmental attractiveness, the town must protect its wooded areas.

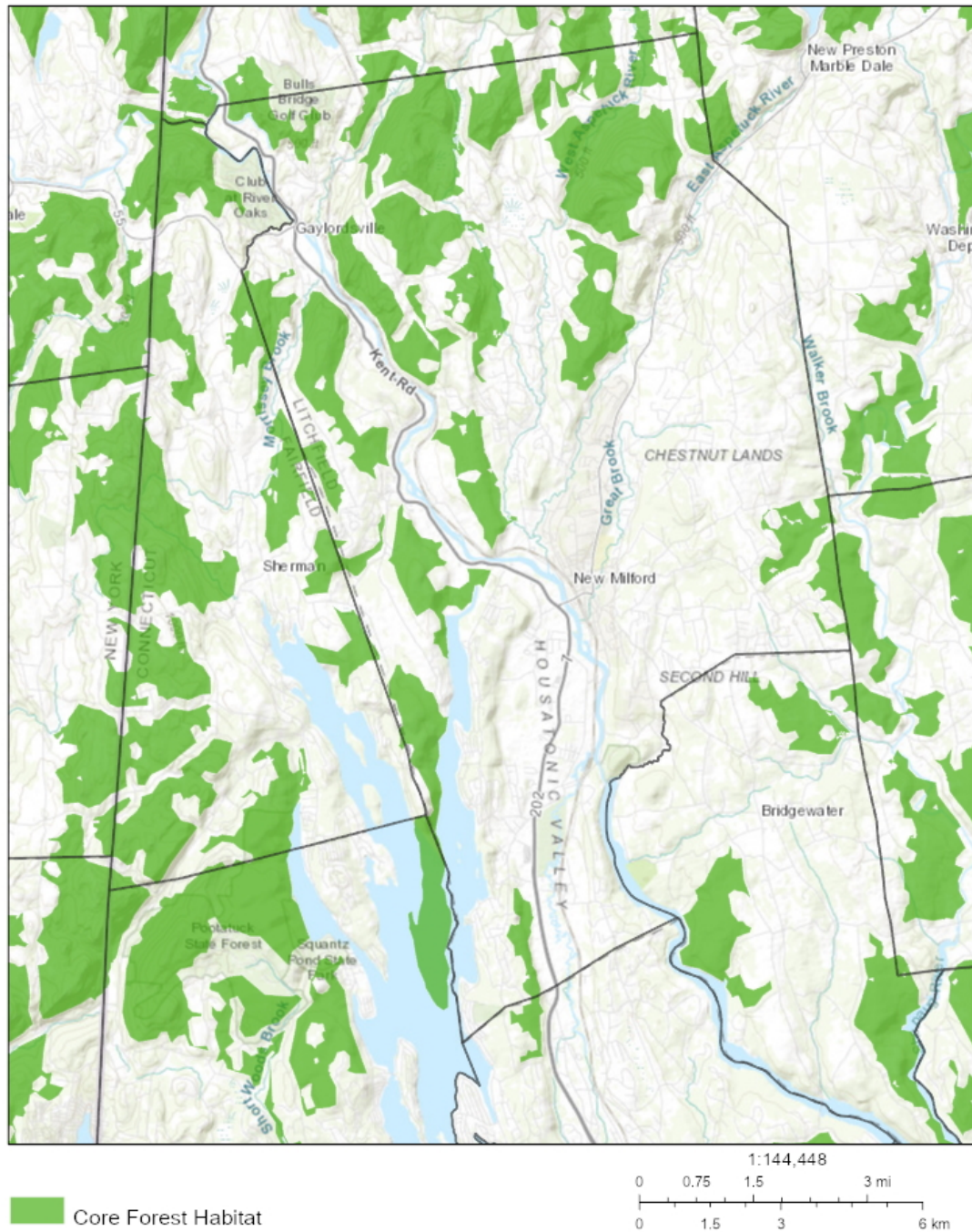


Graph by Zbroszczyk, Lukasz from data from US Department of Agriculture Forest Service, Northern Research Station (data from 2008 but similar today)



Graph by Zbroszczyk, Lukasz from data provided by Catherine Rawson, Northwest Connecticut Land Trust

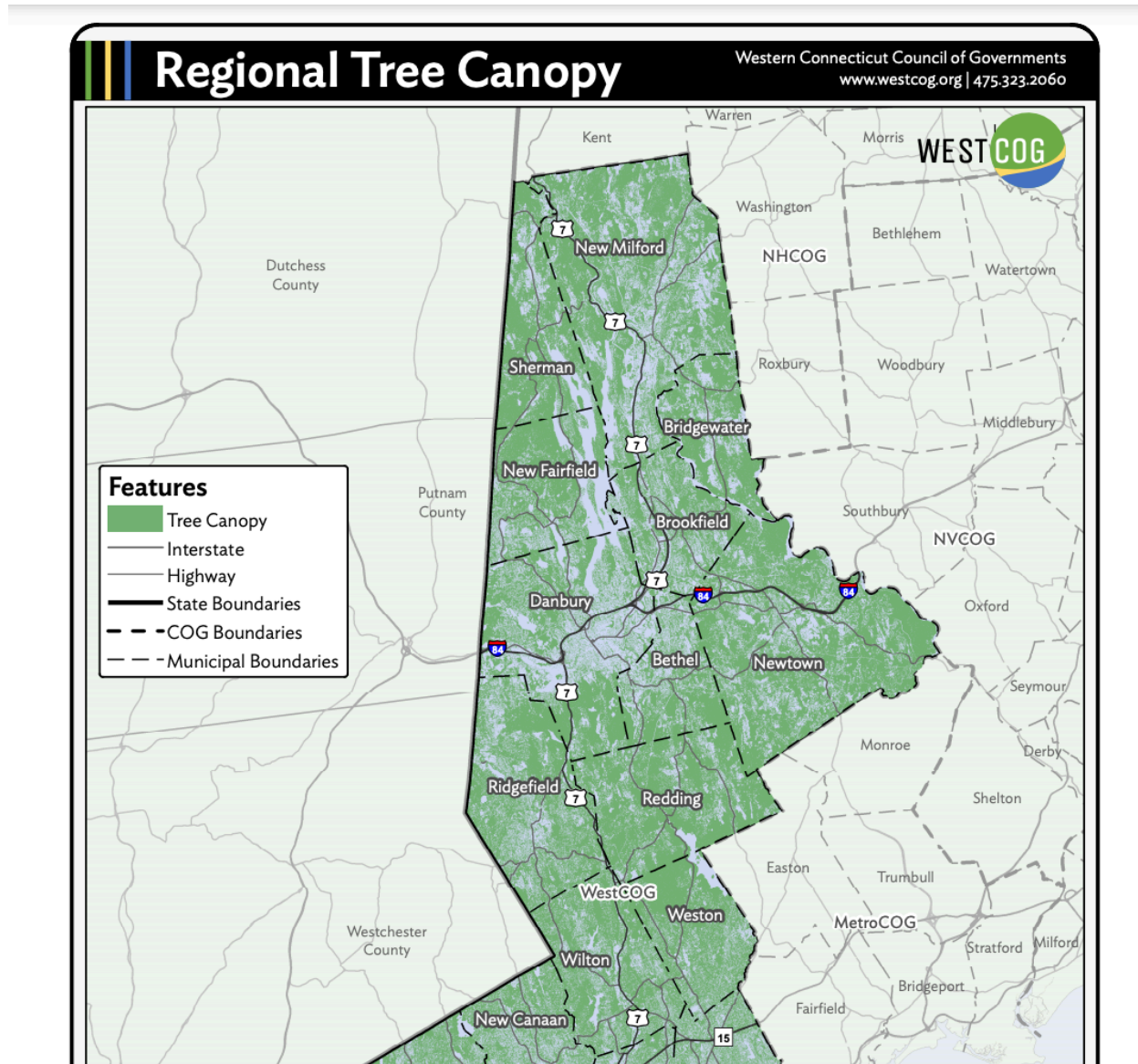
Core



MassGIS, UConn/CTDEEP, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS

MassGIS, UConn/CTDEEP, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS | Copyright:© 2013 National Geographic Society, i-cubed | USGS, MassGIS | UCONN CLEAR, CT DEEP | CT
 ArcGIS Web AppBuilder

Source: Connecticut Environmental Conditions Online, University of Connecticut

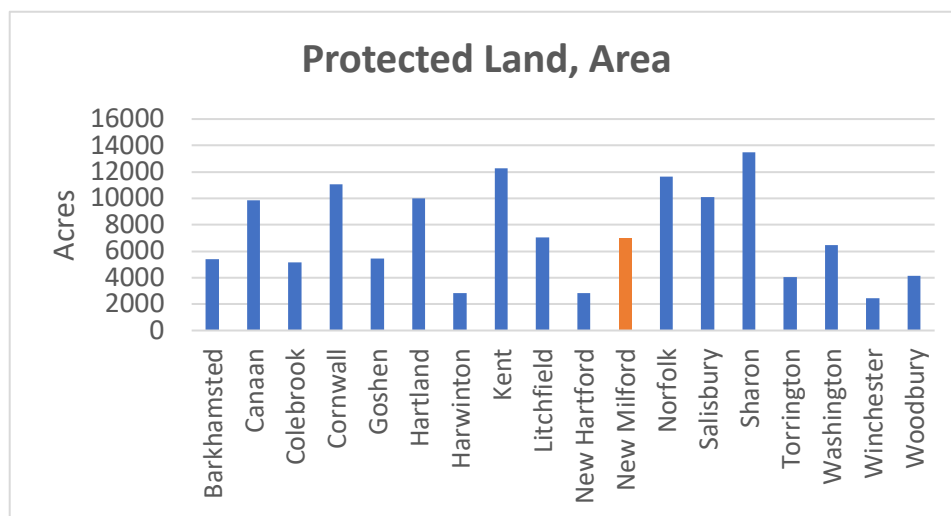


6.8.7 PROTECTED LAND

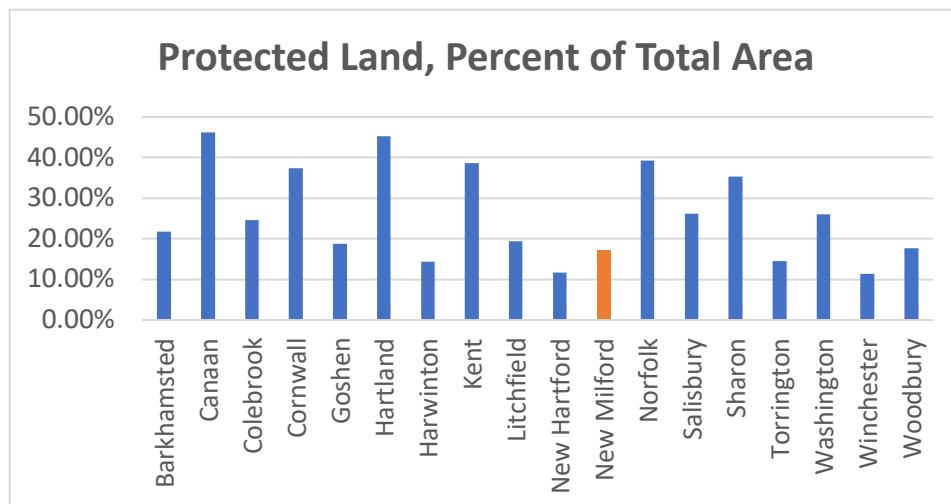
Despite its large area, New Milford protects only a moderate amount of land, both by absolute area, and even more so, as a percentage of the total town area, relative to other Litchfield County towns. Whereas 17% of New Milford's land is protected (by another measure, 19.5%), it is 38% in Kent and 26% in Washington. Furthermore, most of this land is in the northern part of New

Milford. All this means that it is important for the share of protected land to be maintained or increased, in particular in the southern part of town.⁵³

In 2018, 7,413 acres of land in New Milford had been set aside as protected open space, about 19.5% of the developable land of New Milford. (POCD) The State’s target is to preserve and protect 21% of Connecticut’s land as open space by 2023. The town has been gradually increasing its protected open space.



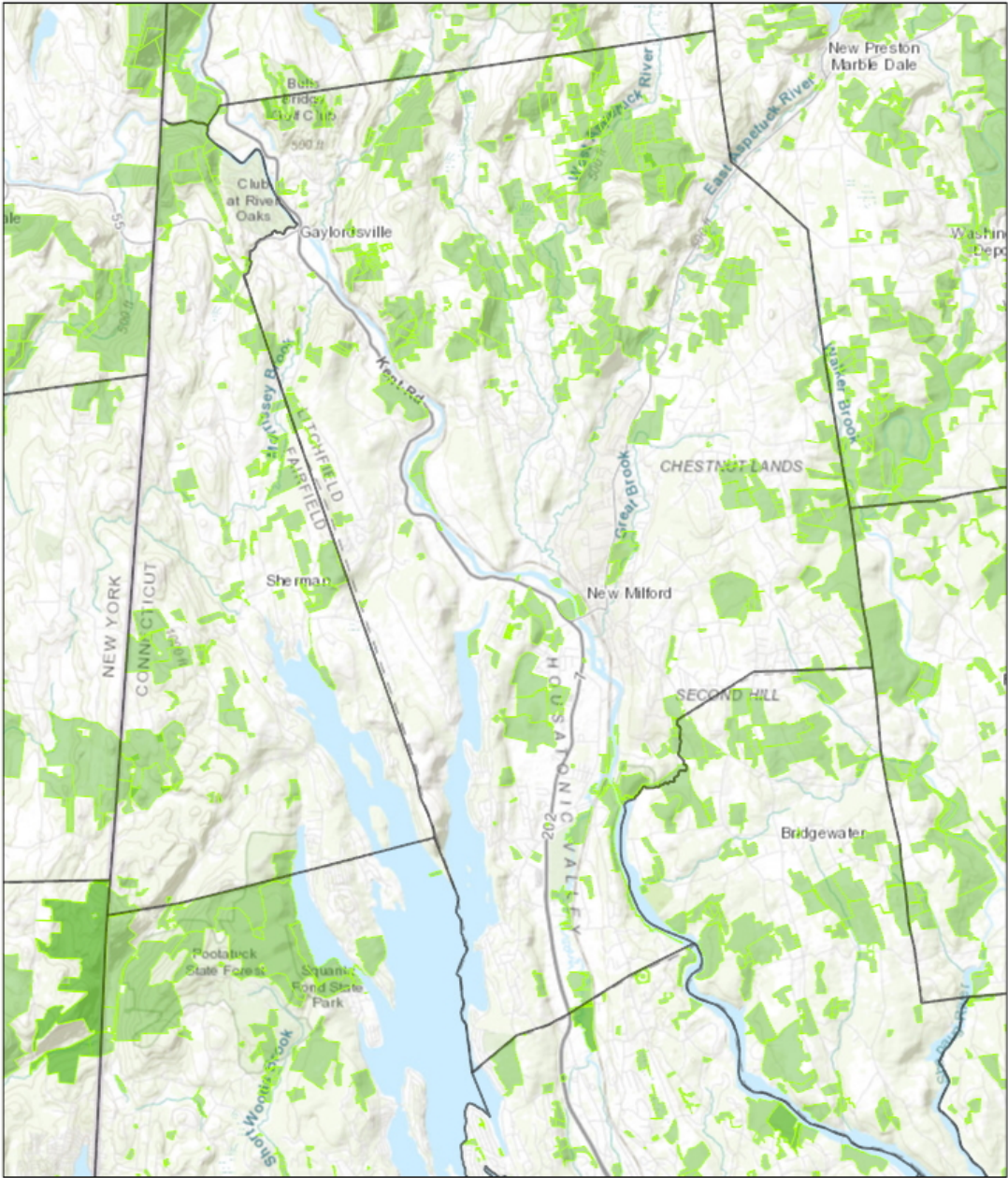
Graph by Zbroszczyk, Lukasz from statistics provided by Catherine Rawson



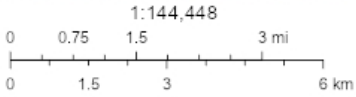
Graph by Zbroszczyk, Lukasz from statistics provided by Catherine Rawson, Northwest Connecticut Land Trust

⁵³ https://www.thewesterlysun.com/news/stonington/conservation-plan-calls-for-hundreds-of-acres-to-be-preserved-in-eastern-ct/article_872114c6-f92e-11e9-998a-7322329ef069.html

Protected



Protected Lands - CT/MA/NY/VT



MassGIS, UConn/CTDEEP, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS

MassGIS, UConn/CTDEEP, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS | Copyright: © 2013 National Geographic Society, i-cubed | USGS, MassGIS | UCONN CLEAR, CT DEEP | CT

Source: Connecticut Environmental Conditions Online, University of Connecticut

6.8.8 ENVIRONMENTAL INITIATIVES

- The State of Connecticut and the Town of New Milford have made expansion of environmental protection a priority.
- New Milford is still short of the State's goals for land protection.,
- Preservation of natural spaces also impacts the town's desirability and property values.
- Preservation of these resources is particularly important for weathering the impacts of climate change.

New Milford received a Bronze certification from the SustainableCT initiative at Eastern Connecticut State University in 2018. It is presently pursuing a Silver certification.

Actions taken include:

- Housatonic Riverfront Redevelopment Project:
 - Redevelop former industrial sites along the Housatonic River, including the Century Brass site
- Protection of woodlands, in particular from the substantial clearcutting by the proposed Candlewood Mountain electric generation plant.
 - Protection of wildlife habitats in the above
 - New zoning regulations for Housatonic and Candlewood Lake Watershed Districts
- Promotion of Local Farms
- Watershed Protection and Restoration
 - Protecting watershed areas near Candlewood Lake and the Housatonic river from water runoff from the town, as well as from planned industrial sites such as the Candlewood Mountain electric generation plant.
- Agriculture-friendly practices

Environmental Trends

Pre-pandemic Trend in Environmental Improvements: +0.4, increase in environmental protection.

Anticipated Pandemic Effect: -0.1, due to greater stress on development over environment.

Anticipated Post-Pandemic Trend: +0.3

7. HOUSING TRENDS

7.1 HOUSING STOCK

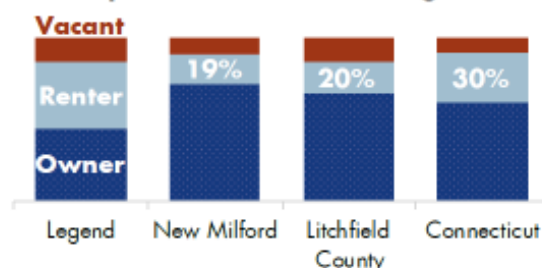
New Milford saw its number of housing units increase 8% from 2000 to 2015. Renters live in 19% of New Milford's housing stock, similar to Litchfield County (20%) and much lower than the average for Connecticut (30%).

Tenure

	New Milford	Litchfield County	Connecticut
Total	11,592	87,447	1,491,786
Owner-Occupied	8,295	57,397	906,227
Renter-Occupied	2,199	17,121	446,356
Vacant	1,098	12,929	139,203

Source: 2011-15 American Community Survey

Percent of Owner-Occupied, Renter-Occupied and Vacant Housing Units



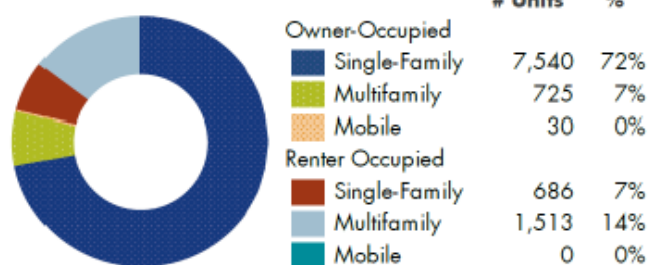
74% of New Milford's housing stock is single family, more than in the Greater New Milford region at large.

Units in Structure

Overall, 66% of CT's occupied housing stock is comprised of single-family housing, while 33% is multifamily housing (2+ units in structure) and 1% is mobile homes.

In New Milford, 78% of occupied homes are single-family, 21% are multifamily (2+ units in structure), and 0% are mobile homes. Renters live in 68% of New Milford's 2,238 multifamily homes, and owners occupy 92% of its 8,226 single-family homes.

Units in Structure by Tenure: New Milford



Source: 2011-15 American Community Survey

Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

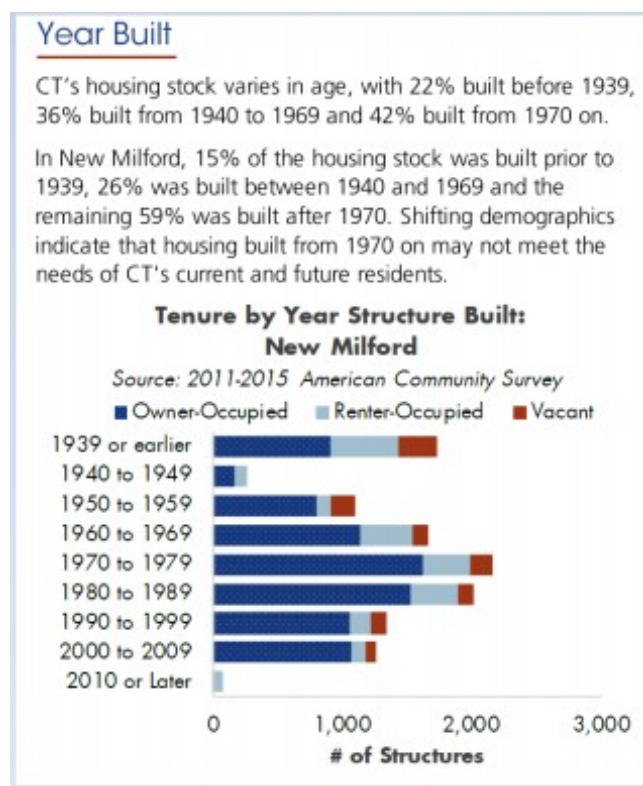
Housing Units in Structure

The table below shows housing by the number of units in the structure. Higher density areas tend to be built up a higher share of multi-family housing, such as apartment buildings. Lower density

areas have more one-unit detached homes. In 2018, there were 23.4% of multi-family homes in New Milford, 22.8% in Litchfield County, and 35.8% in Connecticut.

	New Milford		Litchfield County		Connecticut	
Total	11,899	100.0%	88,153	100.0%	1,512,305	100.0%
1, detached	8,422	70.8%	64,746	73.4%	892,608	59.0%
1, attached	611	5.1%	3,212	3.6%	80,684	5.3%
2	566	4.8%	6,683	7.6%	123,908	8.2%
3 or 4	671	5.6%	5,298	6.0%	130,948	8.7%
5 to 9	610	5.1%	3,374	3.8%	84,021	5.6%
10 to 19	585	4.9%	2,066	2.3%	57,153	3.8%
20 to 49	155	1.3%	1,179	1.3%	52,380	3.5%
50 or more	201	1.7%	1,246	1.4%	78,492	5.2%
Mobile home	78	0.7%	294	0.3%	11,734	0.8%
Boat, RV, van, etc.	0	0.0%	55	0.1%	377	0.0%

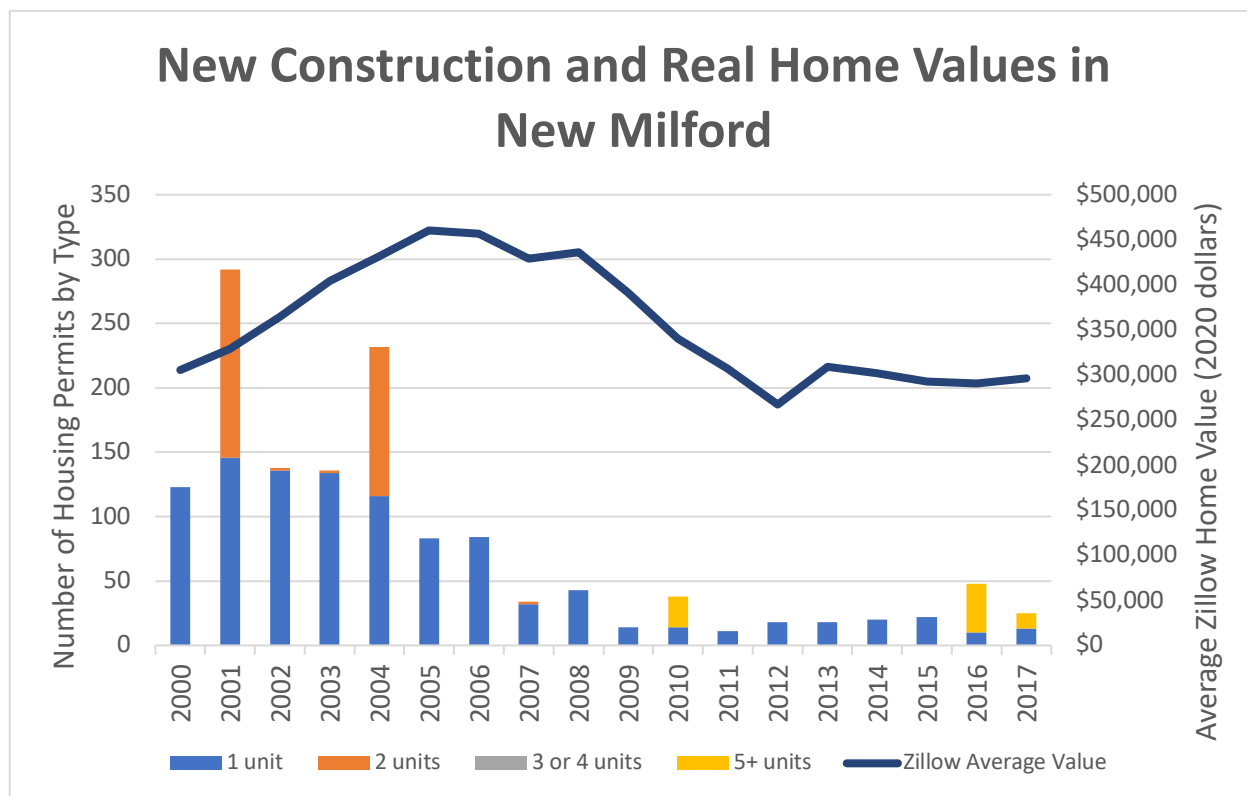
Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford, 2020*



Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

The median age of the housing stock has been younger relative to other towns in the area, but new housing construction has been slow after 2010.

7.2 RESIDENTIAL CONSTRUCTION TRENDS



Graph by Zbroszczyk, Lukasz data from https://portal.ct.gov/DECD/Content/About_DECD/Research-and-Publications/01_Access-Research/Exports-and-Housing-and-Income-Data.

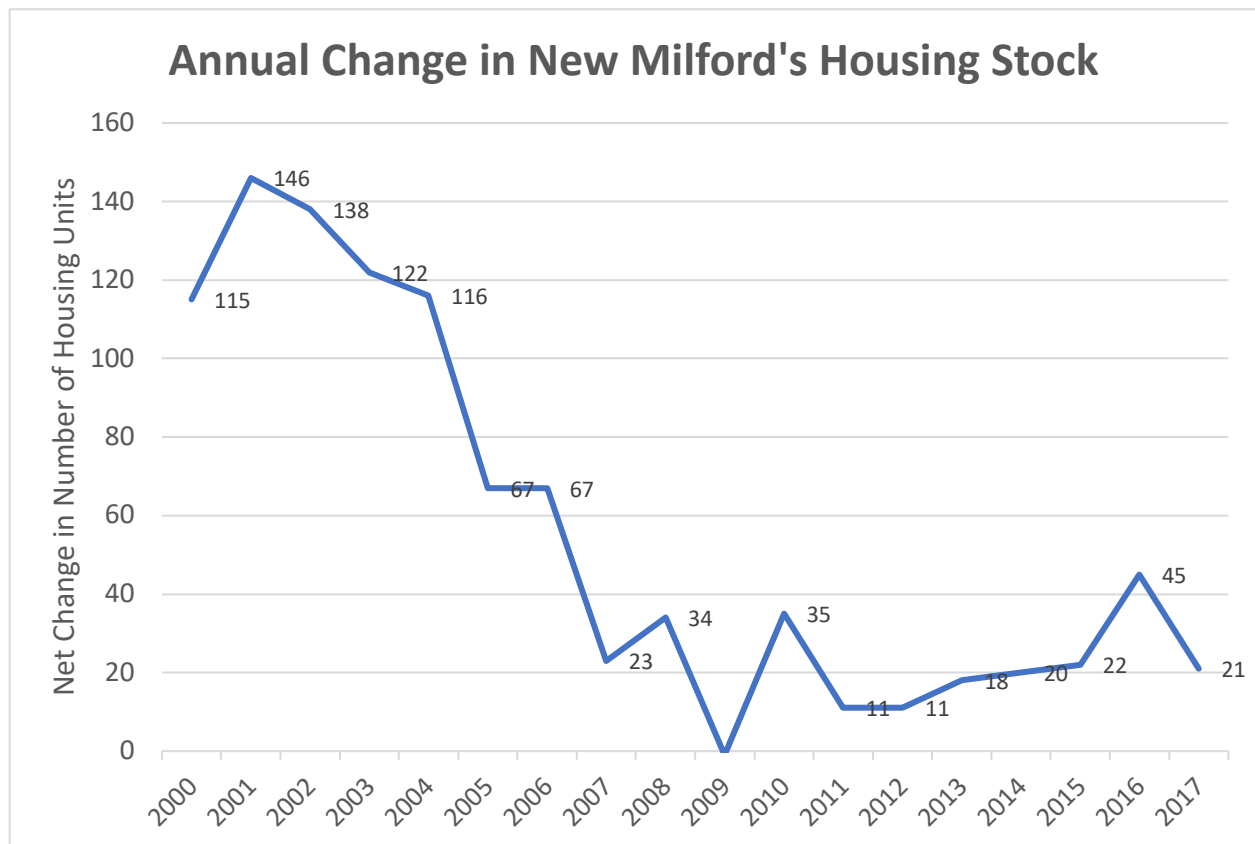
- Construction activity has tracked home values historically.
- Housing stock grew during the 2000s, then stagnated:
 - 100 new units per year from 2000 to 2004
 - 67 units in 2005 and 2006 each
 - 23 and 24 in 2007 and 2008
 - New Milford's housing stock actually shrank in 2009 (-1)
 - Slow growth in the 2010s, fewer than 25 units most years.
- Prior to 2010, nearly all construction had been 1-unit or 2-unit.

- The collapse of the housing market in 2008 led annual new units to fall below 50 per year, from pre-recession peaks well over 100. 2009 saw more demolitions than new units, a net loss of housing stock.
- New construction remained sluggish even during the post-2009 recovery; rarely over 25 units per year. Large (5+ unit) multifamily projects in 2010 and 2016 boosted housing stock during those years.
- The rise in home values because of the Covid pandemic, as well as low interest rates during the recovery, are likely to stimulate growth in construction.
- The demand-side shock due to the Covid-19 pandemic is likely to drive growth in housing supply in New Milford and the surrounding area once again.
- The Covid-19 recession is fundamentally different from the Great Recession in this regard: it is not accompanied by a collapse in the suburban housing market.
- Instead, it is a shock that could reverse the trend of urbanization, with the upscaling of exurban areas and a decline of urban centers that had been, for several decades, in the ascendancy.
- The Great Recession lowered property values. The pandemic crisis has the opposite effect in the New Milford region. Construction activity responds to *increases* in property value, rather than the property value itself.
 - This implies that the Covid-driven growth in housing prices could lead to a renewed interest in residential construction.
- While a repeat of the 2000s housing boom is unlikely, there might be a rebound in the number of new constructions in New Milford: between 50 and 100 new housing units per year from 2021 to 2026.
- The type of construction activity is likely to be determined by the profile of the New Milford newcomer:
 - Higher income homeowners are likely to drive demand for larger single-family development, similar to the 2000s.
 - Less wealthy, younger homeowners are more likely to drive demand for multifamily developments.
 - However, the Covid pandemic has not increased rent prices to the same extent (Zillow); multifamily construction may therefore be less attractive to developers.

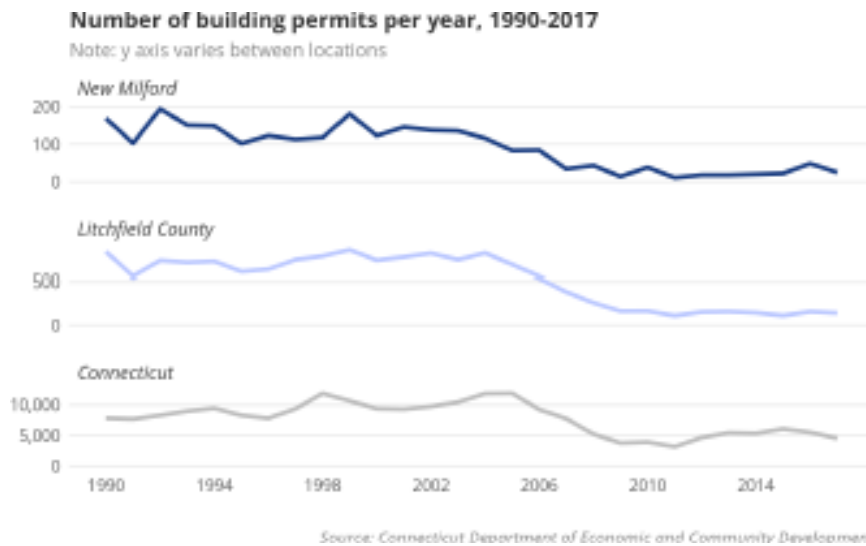
- The New Milford Housing Workshop in 2018 identified a need for Multi-use construction and multifamily construction, both market-rate and mixed-rate.
- The tight housing market drives construction in another way.
 - High costs and low inventory force buyers to settle for lower-quality properties and fixer-uppers.
 - Many buyers choose to renovate or remodel immediately after buying a home.

7.2.1 CHANGE IN BUILDING PERMITS, 1990-2017

169 building permits were issued in 1990 and 25 in 2017, representing a 85% decrease. (In Connecticut, there has been a 42% decrease in building permits in that period.)



Graph by Zybroszczyk, Lukasz data from https://portal.ct.gov/DECD/Content/About_DECD/Research-and-Publications/01_Access-Research/Exports-and-Housing-and-Income-Data.



Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford*, 2020

The next table, from data by the town of New Milford, has the count for all building permits beyond construction permits, including for additions and alterations. It shows a pre-pandemic decline into 2017 of permits and dollar value of construction, but a substantial increase in 2019/20, possibly fueled by construction projects in the nature of home improvements.

Building Permits

The following is a schedule of building permits and their estimated values over the last ten years:

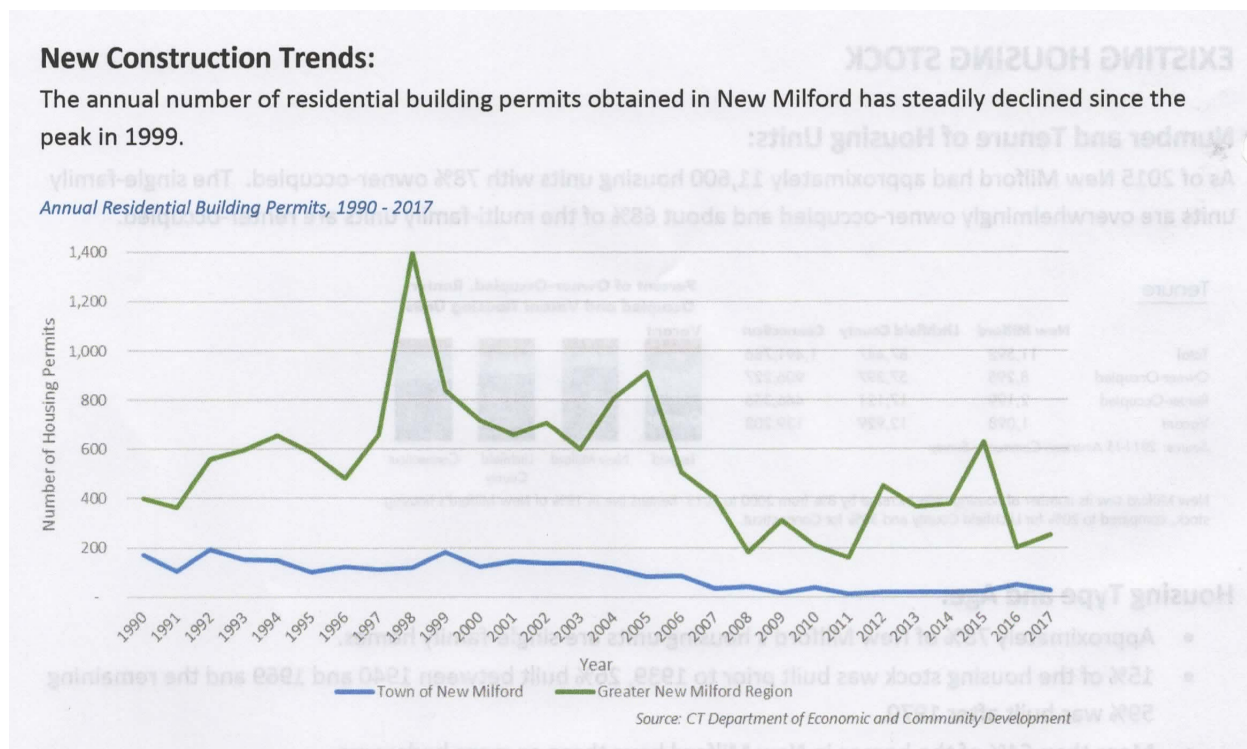
Fiscal Year	Permits	Total Value
2020 ¹	789	\$ 39,138,922
2019	722	13,681,568
2018	1,512	28,093,835
2017	931	16,904,414
2016	847	31,407,836
2015	1,230	24,649,900
2014	1,215	33,446,954
2013	1,219	26,093,542
2012	156	22,863,418
2011	211	25,469,355
2010	216	30,255,751

¹ Represents July 1, 2019 through April 1, 2020.

Source: Town of New Milford, Building Official

Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020

Another local governmental source reports: “Building Permit Activity in 2019 was 304% higher than in 2018, with 49.14% of the \$34,336,734 total as commercial or industrial. (Institutional building permit data was removed due to the major Library renovation and expansion started in 2019.) 2020 performance indicators were trending even higher in January 2020 with permits of \$2.277 Million, +34.4% higher than 2019 January.”



Source: Phoenix Advisory, *New Milford Bond Prospectus, Preliminary Official Statement*, July 7, 2020

7.2.2 PIPELINE OF UPCOMING DEVELOPMENT

- In the short run, growth is constrained by costs of materials, labor, and time lags associated with construction.
 - There is opportunity for growth in the housing stock by converting 1-family residences to 2-family.
- In the long run, sustained elevated home values may drive a renewed interest in construction.

- Though a number of multifamily projects have been approved in recent years (most as 8-30 projects with an affordable housing component), they remain unbuilt and are seeking developers. (*Plan of Conservation & Development - Working Draft*, 11-20-19.)

“Despite the very low multifamily vacancy rate in New Milford, the town has seen minimal new construction of multifamily units. There are currently 101 housing units approved and under construction in the town. Of those, 47 are within active adult (age-restricted) communities, 33 are part of a housing subdivision, 12 are supportive housing, and 9 are multifamily units.

Though several multifamily projects have been approved in recent years (most as 8-30g projects with an affordable housing component), they remain unbuilt and are seeking developers. There are a total of 164 multifamily units that have been approved yet remain undeveloped. The largest of these is at 143 West Street (adjacent to the Bleachery), which is approved for about 100 units. An additional 56 multifamily units across 3 projects had approvals that have since expired, and a 150-unit multifamily project at 189 Danbury Road (just south of Litchfield Crossings retail plaza) is currently going through the approvals process.

Overall, there are 421 units in the residential development pipeline, either under construction, approved but undeveloped, or pending approval. However, just 9 of these are multifamily units actually being built.”⁵⁴

⁵⁴Camoin Associates, *Town-wide Market Analysis*, December 2019

New Milford Approved Residential Development Pipeline (2020)

As of the summer of 2020, along with several undeveloped approved residential subdivision lots, New Milford's Land Use Boards and Commissions have also approved the construction of a total of 463 new housing units, of which 361 are market-rate, 102 are protected affordable, and 47 are age-restricted.

Residential Development Pipeline, 2020					
Property	Description	Total Units	Market-Rate Units	Affordable Units (State Recognized)	Status
35 Old Park Lane Rd	Multifamily	6	4	2	Completed in 2019
177 Wellsville Ave	Multifamily	3	2	1	Completed in 2019
7 Thomas Ln	Supportive Housing	12	0	12	Completed in 2019
Tall Oaks I & II, Aspetuck Ridge Rd	Active Adult	19	19	0 Affordable 19 Age-Restricted	Under Construction, partially occupied
Laurel Ridge, Kent Rd	Active Adult	28	28	0 Affordable 28 Age-Restricted	Under Construction, majority completed and occupied
River Walk by the Housatonic, Kent Rd	Housing Subdivision	33	23	10	Under Construction, Modification Application recently filed with Wetlands Commission
69 Lanesville Rd	Multifamily	30	21	9	Under Construction
64 Boardman Road	Multifamily	12	8	4	Permits recently issued for site work
Total Recently Completed, Partially Occupied, or Under Construction		143	105	38 Affordable 47 Age-Restricted	
189 Danbury Rd	Mixed Use, Multifamily & Retail	150	105	45	Undeveloped
143 West St	Multifamily	109	109	0	Undeveloped
1 & 2 Buczek Ln / Poplar St	Multifamily	32	22	10	Undeveloped
38-46 Lanesville Rd	Multifamily	23	16	7	Undeveloped
69 Sunny Valley Rd	Housing Subdivision	6	4	2	Undeveloped
Total Approved & Undeveloped		320	256	64	
Total, Development Pipeline		463	361	102 Affordable 47 Age-Restricted	

Source: Town of New Milford Land Use Department Records, Feb. 2021

“After adjusting for homes that are likely to become vacant due to demographic changes, we project a need for between 346 (status quo) and 791 (growth) new homes in New Milford by 2023. More than half of the need will be for for-sale options that can accommodate seniors.

Price points for those earning at least \$75,000 should start at about \$275,000 for for-sale options and at about \$1,600 for monthly rentals.”⁵⁵

New Milford Projected Market-Rate Housing Demand, 2023

New Milford Projected Market-Rate Housing Demand, 2023						
Housing Type	Regional Demand	New Milford Share of Regional Demand		Net Available in New Milford	New Milford Future Demand	
		Status Quo (10%)	Growth (20%)		Status Quo (10%)	Growth (20%)
Rental Units	653	65	131	(4)	61	127
Senior Rentals	566	57	113	-	57	113
Starter Homes (For-Sale)	250	25	50	-	25	50
Family Homes (For-Sale)	771	77	154	(95)	(17)	60
Senior Homes (For-Sale)	2,210	221	442	-	221	442
Total	4,449	445	890	(99)	346	791

Source: Camoin 310, Esri, ACS

Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

“After accounting for market-rate housing units already in the development pipeline (including those under construction and those approved but undeveloped), there will be net demand for 122 units under the status quo, and 567 units under the growth scenario. Under the status quo scenario, demand for market-rate rental units (including senior units) is likely to be more or less satisfied if all units in the pipeline are constructed over the next five years. A growth scenario could potentially support up to 135 more rental units. Successful rental projects will ensure that units appeal to seniors as well as a more general demographic. New for-sale demand will come primarily from seniors. There are few senior-oriented developments in the pipeline, and there will be significant demand for additional construction of these kinds of units. We forecast that demand from seniors in the next five years would support at least 100 new for-sale units, and up to 350 units.”⁵⁶

⁵⁵ Camoin Associates, *Town-wide Market Analysis*, December 2019

⁵⁶ Camoin Associates, *Town-wide Market Analysis*, December 2019

New Milford Net Market-Rate Housing Demand, 2023

New Milford Net Market-Rate Housing Demand, 2023							
Housing Type	New Milford Future		Pipeline (Market Rate)			Net Demand	
	Status Quo (10%)	Growth (20%)	Under Construction	Approved, Undeveloped	Total	Status Quo (10%)	Growth (20%)
Rental Units	61	127	6	99	105	(44)	22
Senior Rentals	57	113	-	-	-	57	113
Starter Homes (For-Sale)	25	50	23	49	72	(47)	(22)
Family Homes (For-Sale)	(17)	60	-	-	-	(17)	60
Senior Homes (For-Sale)	221	442	47	-	47	174	395
Total	346	791	76	148	224	122	567

Source: Camoin 310, Esri, ACS

Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

“New Milford currently has 25 affordable units under construction and 22 approved and not yet built.”⁵⁷

Residential Construction Trends

Pre-pandemic Trend in Residential Construction: -0.1, stagnation at low levels

Anticipated Pandemic Effect: +0.2 long term.

Anticipated Post-pandemic Trend: +0.1, moderate growth.

7.3 TRENDS IN HOUSING AFFORDABILITY

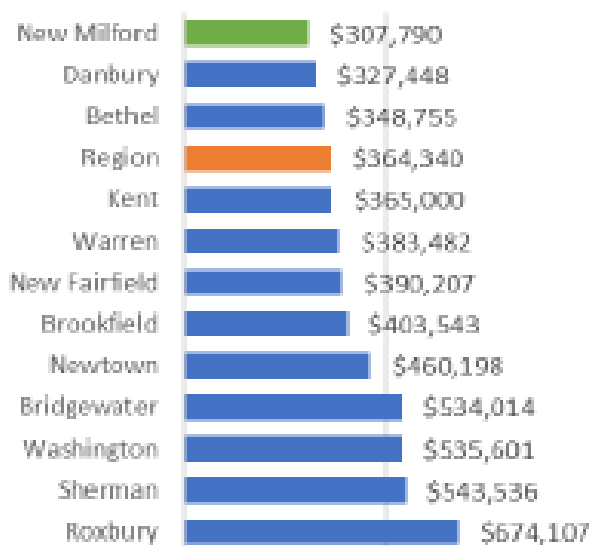
7.3.1 TRENDS IN HOUSING PRICES

New Milford is relatively affordable in its region. In 2019, medium value of homes was \$308,000, compared to \$364,000 in the region.

⁵⁷Camoin Associates, *Town-wide Market Analysis*, December 2019

Vacancy rates were low pre-pandemic, 0.8% for homeowner houses, and 5.5% for rentals, in comparison to Connecticut rates of 1.9% and 6.6%, respectively. (ACS, 2014-18)

Median Home Value, 2018



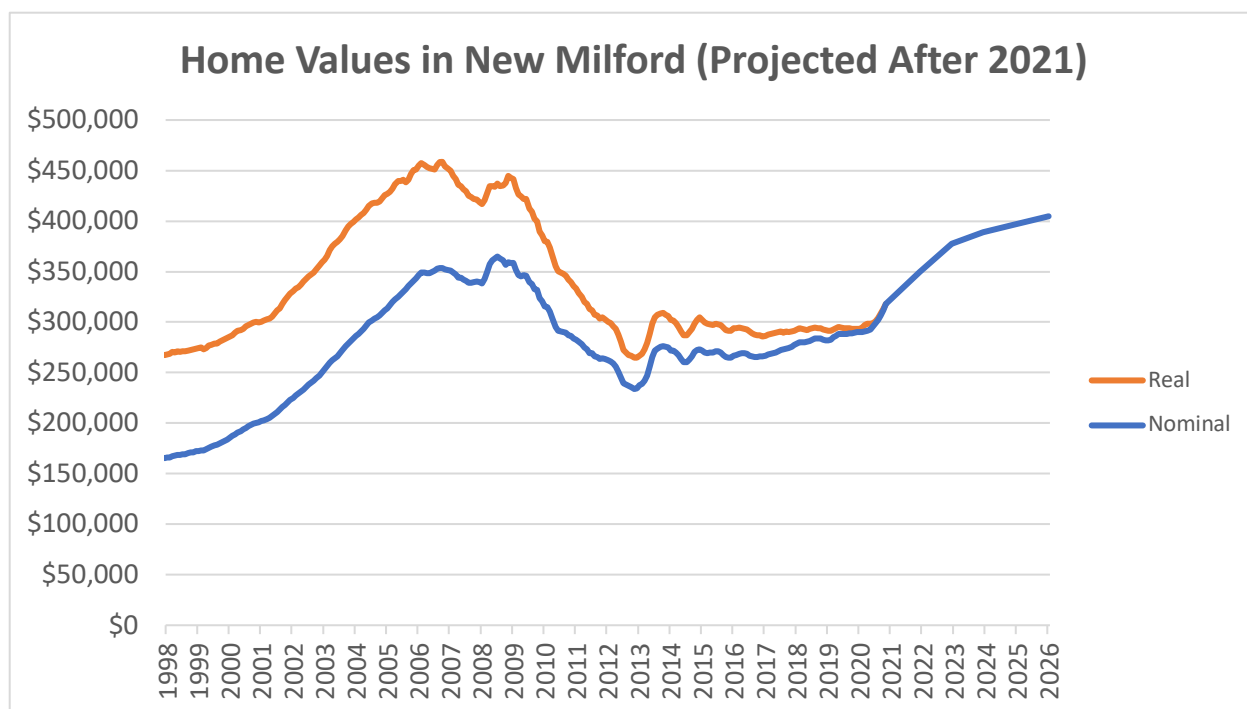
Source: Esri

Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

When it comes to new residents, New Milford is attractive to two types:

- a. Younger people from the region looking for affordable first homes.
- b. Middle aged or older people, often from New York and Westchester, who move to New Milford for its attractive environment, buying or upgrading higher-end properties.

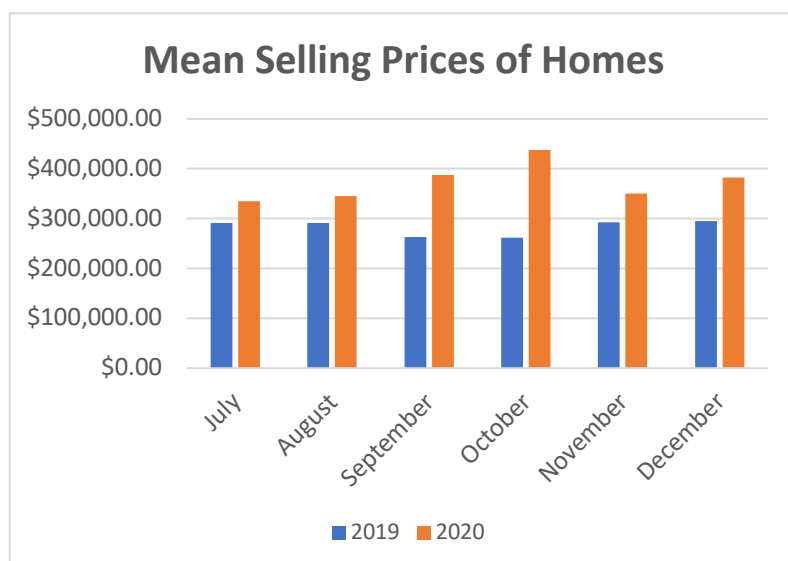
These two trends are likely to lead to two diverging demographics, with the former seeking services such as schools, and the latter seeking low taxes and environmental amenities. It has been a strength of New Milford to be a community that spans and includes these different constituencies, more than several of the nearby towns.



Graph and projection by Zbroszczyk, Lukasz from data from Zillow Home Value Index. Real home values calculated using CPI from the Bureau of Labor Statistics. Adjusted for inflation using CPI from the Bureau of Labor Statistics, accessed via FRED: <https://fred.stlouisfed.org/series/CPIAUCSL>. Projected forward based on observed trends in home sales between 2019-2020, as well as Zillow projections for 2021.⁵⁸

In 2020, during the pandemic, home prices rose considerably.

Home Prices 2019 vs 2020



Graph by Zbroszczyk, Lukasz from data from Zillow Home Value Index

⁵⁸Projection is based on the observed rise in home values, with the expectation that price growth will taper off by 2025. In the absence of further exogenous events, we anticipate 10% growth in 2021, 8% in 2022, 6% in 2023, 3% in 2024, and 2% beyond 2024.

Home Prices Per Square Feet, 2019 vs 2020

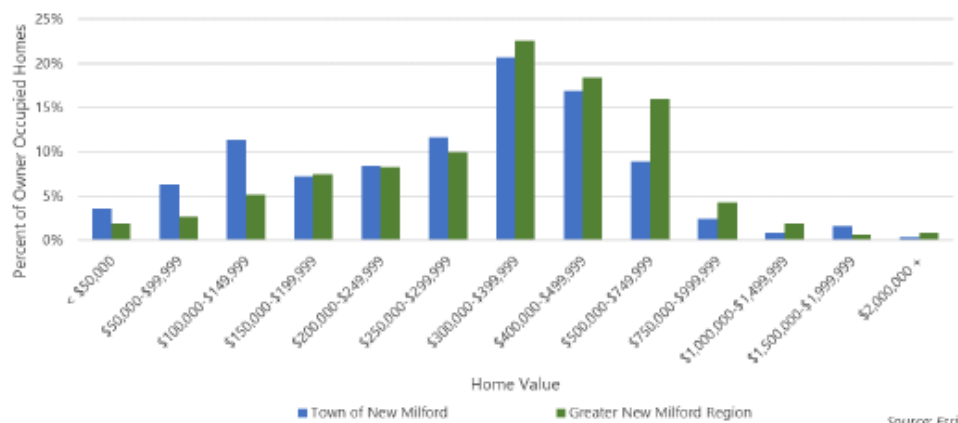
	July		August		September		October		November		December	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
N	46	41	46	58	49	53	48	77	41	45	41	23
Average	\$162	\$180	\$162	\$178	\$146	\$190	\$140	\$197	\$149	\$180	\$155	\$170
Median	\$168	\$171	\$168	\$158	\$148	\$172	\$142	\$168	\$156	\$173	\$152	\$153
% Change	1.84%		-5.79%		15.99%		18.32%		10.58%		0.95%	

Table by Zbroszczyk, Lukasz from data from Zillow.

This data shows the change in the price per square foot of a home sold in New Milford by month (to avoid seasonal effects), from 2019 to 2020. Both the mean (average) and median, in terms of dollars per square foot, are provided to determine skew. One can observe that means have become much greater than medians, indicating a skew towards more expensive homes. Whereas the average house in 2019 was mostly cheaper than the median house, indicating many below average home sales, in 2020 the more expensive homes pulled the average above the median. The last row shows the percent change in the median selling price of a home in New Milford during this time period.

- On average, there has been a 9% increase in selling prices of homes from 2019 to 2020.
 - 7% increase in price per square foot.
 - Mean selling prices higher than the median.
- This indicates a higher level of interest in the expensive properties that previously spent more time on the market.

Owner Occupied Home Values, 2018



Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

“Home values in the town peaked during the 2006 housing bubble and have yet to return to those levels [by 2019]. As shown in the chart below, values rose quickly from the late 1990s until 2006, when they began to fall until about 2013. Since then, they have risen very gradually. According to the Zillow Home Value Index, the median home value in 2006 was \$350,000, about 30% higher than the current value of \$270,000. Home values today are essentially equivalent to what they were in 2003. Homeowners who purchased their homes between 2003 and 2010 have yet to realize an increase in value. New Milford is not unique in this regard, with suburban areas throughout Connecticut, New York’s Hudson Valley, New Jersey, and Rhode Island experiencing similar trends. The vast majority of homes in these areas, with the exception of locations in very close proximity to New York City and Boston, have yet to fully recover to pre-recession peak values.”⁵⁹

The pandemic raised the price and decrease the affordability of owner-occupied housing (with mortgage), in absolute terms, compared to the price trends. Evidence for this can be found in the analysis of homes sold in New Milford in 2019 and 2020. On average, the selling price of a home in New Milford has increased by about 10% between 2019 and 2020. The price per square foot, on the other hand, has increased by approximately 7%. This suggests that relatively more above average-sized houses were sold.

Expectations post-Covid

- Zillow predicts continued high demand, with 10% growth in property values between 2020 and 2021.
- This rate of growth seems reasonable, although it will be tempered in real terms by higher-than-normal inflation in the wake of fiscal and monetary expansion.
- Beyond 2021, post-lockdown
 - In the absence of further exogenous events, the growth of the average price of a home might return to pre-pandemic levels in the second half of the decade. In nominal towns, homes increase by about 33% in value over the decade, from \$300K to about 410K.

⁵⁹ Camoin Associates, *Town-wide Market Analysis*, December 2019

- The Covid-induced growth in housing values is different than the pre-2008 situations.
 - The subprime crisis was a speculative bubble, driven by expectations of rising home prices and a loose credit environment.

While the Covid era has seen historically low interest rates, interest rates on mortgages had also been low for most of the 2010s, lower in fact than during the 2000s and the subprime bubble.⁶⁰

- Instead, Covid should be viewed as a shift in consumer preferences.
 - The trend towards remote work is likely to persist even after the pandemic has waned.

“Demand for new housing in New Milford will be driven by two groups, seniors and younger adults. The number of individuals over the age of 65 will continue to rise and drive demand for senior housing across the continuum of care spectrum, from independent living to assisted living to memory care and hospice. This growth will occur locally and regionally, with the number of senior households projected to increase over the next five years by 400 in New Milford, and 3,000 in the region.

While higher-end homes have tended to sit on the market for a while, more modest homes are harder to come by and move quickly off the market.⁶¹

The pandemic has changed this dynamic, with demand for homes by New Yorkers for first and second residences rising.

Pre-pandemic Trends

- Home values peaked in 2008 during the subprime mortgage bubble and remained relatively stagnant since.
 - Between 2000 and 2006 approximately 10% year-over-year growth in housing price
 - Only 2% growth between post-recession low point in 2012 and the end of 2019
- Sluggish demand could be explained by New Milford’s declining population.

⁶⁰ Source: Freddie Mac, 30-Year Fixed Rate Mortgage Average in the United States [retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MORTGAGE30US>, January 26, 2021.

⁶¹ Camoin Associates, *Town-wide Market Analysis*, December 2019

- Nonetheless, there was some tightness in the market:
 - “While higher-end homes have tended to sit on the market for a while, more modest homes are harder to come by and move quickly off the market.”
- Elevated home values after the Great Recession were almost entirely due to inflation:
 - In real terms, the average home in 2020 is worth only slightly more than one in 1998.

Covid Impacts

- The above graph suggests that the Covid pandemic may have ushered in another period of growth in housing prices in New Milford.
- Bird’s-eye view: The Covid pandemic is a shock to household preferences in the New York City area, including western Connecticut and, ultimately, New Milford.
 - The shift to remote during the pandemic means that commuting times are not as important as before.
 - Exodus of families and offices from New York City
- Evidence for Covid’s impacts can be seen in 2019-2020 trends in sale prices of homes.
- Camoin report (2019):
 - “there will be net demand for 122 units under the status quo, and 567 units under the growth scenario.”
 - Under the status quo scenario, demand for market-rate rental units (including senior units) is likely to be more or less satisfied if all units in the pipeline are constructed over the next five years.
 - A growth scenario could potentially support up to 135 more rental units.
- The Covid pandemic and the influx of new residents puts New Milford into the “growth scenario.”
- depleted housing stock and rising prices indicate higher levels of demand for housing in New Milford.
- This result is already empirically verified for the year 2020:
 - In 2020, home sale process grew by about 10% year-over-year growth (price per square foot growth slightly lower).

- However, this growth is not likely to be sustainable in the long term as cities rebound from the pandemic and the pool and urgency of potential buyers shrink.
- In the early 2000s, Home prices spiked amid New Milford's population peak and the nationwide subprime mortgage bubble. By 2006, the average home in New Milford cost \$450,000 in today's money.
- The burst of the bubble brought these prices down under \$300,000 by 2013.
- As discussed, this trend is different from the 2000s – this is a change in preferences rather than a speculative bubble.

Data sources: *Zillow*, and Town of New Milford, *Plan of Conservation & Development - Working Draft*, 11-20-19

Long run trends for housing affordability are determined by supply constraints; it is unlikely that affordability will improve without an increase in the housing stock. Yet affordability is also a measure that is relative to a buyer's alternatives. New Milford is not unique in experiencing this phenomenon; if the same trend holds for surrounding towns, New Milford may retain its status as an affordable area relative to other towns.

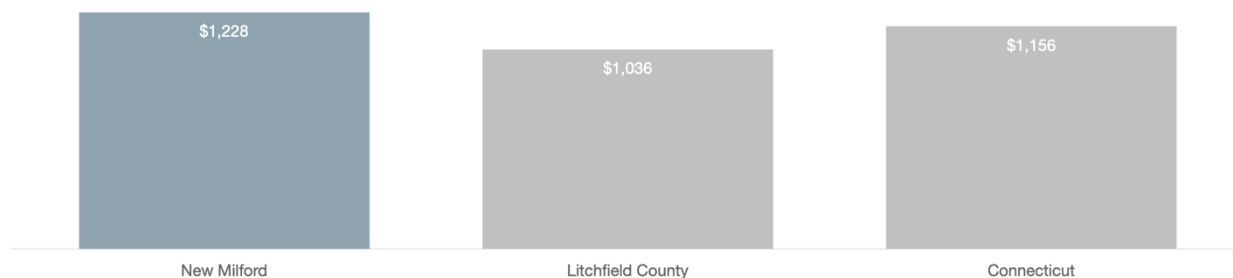
Pre-pandemic Trend in Home Prices: +0.1 slow recovery

Anticipated Pandemic Effect: +0.3 (moderate) long term

Anticipated Post-pandemic Trend: +0.4, moderate growth over the next five years

7.3.2 RENTAL PRICES

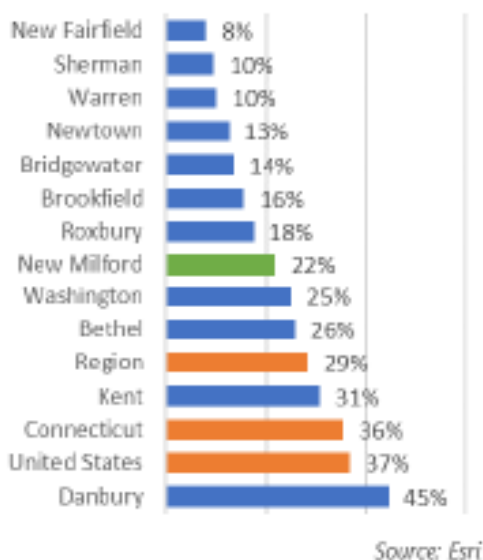
In New Milford, the average rent per month is \$1,228; \$192 more than in Litchfield County and \$72 more than in Connecticut.



Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford*, 2020

New Milford has only limited rental housing. Its renter-occupied housing units are 22% of total, in contrast to 36-37% for Connecticut and the US., or 31% in Kent, 25% in Washington, CT., and 45% in Danbury. It is, however, higher than in Sherman or Brookfield.

Housing by Percent Renter-Occupied, 2018

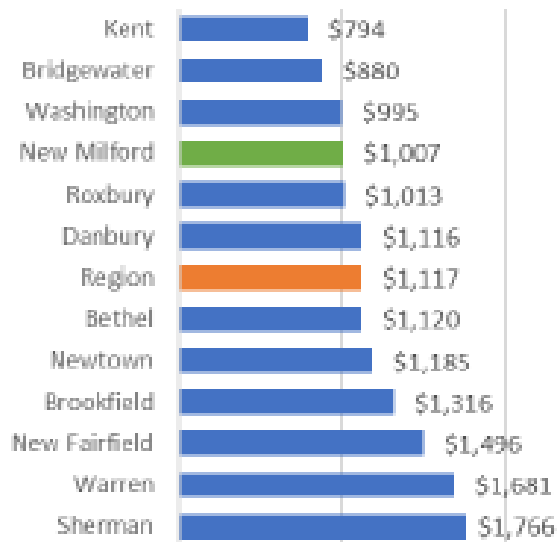


Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

“The short supply of rental units in town creates challenges for existing and prospective residents who are inclined to rent. Renter households in the town and region have a median income of approximately \$45,000, which translates to a maximum rental price point of \$1,125 per month. This is in line with contract rents in the town and region (i.e., what existing renters report they are actually paying), but finding rental units that are available for rent was cited in stakeholder interviews as a significant challenge.”

Rents were on the low end in the region, at \$1,007 in 2016, somewhat below the regional average of \$1,117, significantly lower than in Sherman, at \$1,766, but well above those in Kent (\$794) and Washington (\$995).

Median Contract Rent, 2016



Source: ACS 2012-2016

Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

Distribution of Rental Prices, 2016

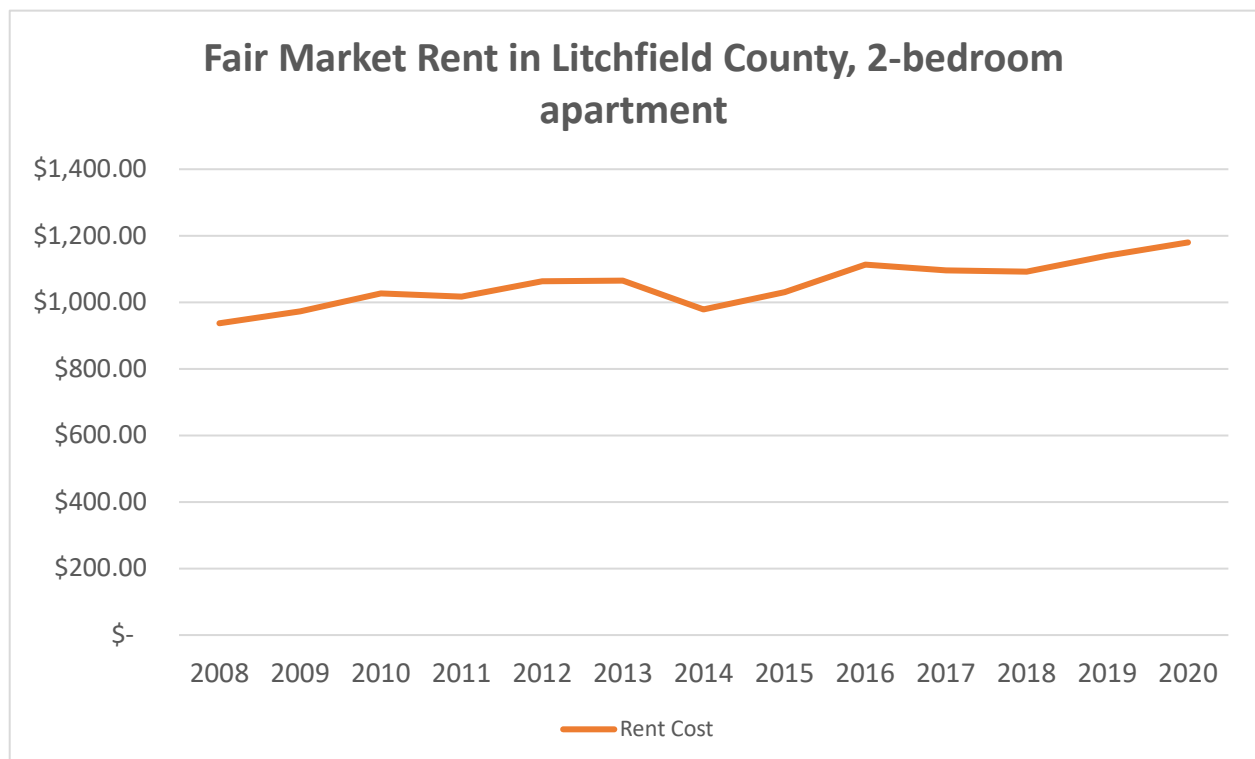
	Town of New Milford		Greater New Milford Region	
	Units	% Total	Units	% Total
Less than \$500	115	5.3%	1,852	9.9%
\$500 to \$749	326	14.8%	1,815	9.7%
\$750 to \$999	594	26.9%	3,695	19.7%
\$1,000 to \$1,249	661	29.9%	4,330	23.1%
\$1,250 to \$1,499	189	8.6%	3,283	17.5%
\$1,500 to \$1,999	183	8.3%	2,744	14.6%
\$2,000 to \$2,499	41	1.9%	778	4.1%
\$2,500 to \$2,999	-	0.0%	123	0.7%
\$3,000 to \$3,499	-	0.0%	119	0.6%
\$3,500 or more	-	0.0%	37	0.2%
No cash rent	100	4.5%	1,010	5.4%
Total	2,209	100.0%	18,776	100.0%
Median Contract Rent	\$ 1,007		\$ 1,117	
Average Contract Rent	\$ 1,008		\$ 1,130	

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Source: Camoin Associates, *Town-wide Market Analysis*, December 2019

- New Milford is relatively affordable compared to nearby towns.

- Rental prices rose, despite (or perhaps because) of the mortgage crisis, through the 2008 recession even as home values declined, although this increase was less than in other places such as Danbury.
- Rents continued to rise through 2020, reaching nearly \$1200 per month.
- The pandemic is not expected to change this; in fact, the departure of individuals from cities may drive rental costs higher.



Trend Conclusion

Pre-pandemic Trend of Rental Prices Reduction: -0.2, moderate rise in rental prices

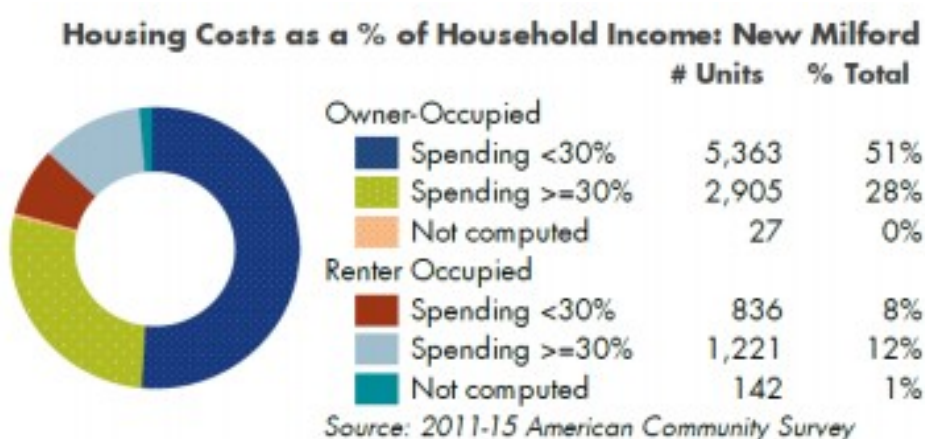
Anticipated Pandemic Effect: -0.2

Anticipated Post-pandemic Trend: -0.4, steady rise in rental prices.

7.3.3 HOUSING AFFORDABILITY

New Milford Social Services: The cost of housing for New Milford renters and homeowners in lower income brackets is a serious and longstanding problem that has gotten worse in recent years.⁶²

According to the Federal government’s definition, no more than 30% of a household’s income can be spent on housing costs to be considered affordable. According to the POCD, “in New Milford, 56% of renters spend more than 30% of their income on housing, while 35% of owners do the same.” These numbers are higher than for CT, where they are 50% and 32%, respectively.



Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018

- On the one hand, New Milford is relatively affordable relative to the region.
 - “...New Milford has the most affordable median home value of any community in the region. However, the availability of for-sale units at or near the median value is limited. While higher-end homes have tended to sit on the market for a while, more modest starter homes are harder to come by and move quickly off the market.”⁶³
 - Rent is also more affordable in New Milford than in many towns in the region (e.g., \$1,007 vs. \$1,766 in Sherman and 1,316 in Brookfield.
 - However, home prices (and with it rents) have been rising relative to incomes.

⁶² New Milford Department of Social Services, *Annual Report*, 2007-2008

⁶³ Camoin Associates, *Town-wide Market Analysis*, December 2019

New Milford Social Services: “Since the last recession, the rental market has grown and an extremely low vacancy rate has driven prices up, further burdening lower income renters. Connecticut continues as one of the most expensive states in the country for housing costs. Out of Reach 2018 finds that a Connecticut household must earn \$24.90 an hour (or \$51,799 per year) to afford a fair market two-bedroom apartment. Yet, in 2018, the average Connecticut renter working 40 hours per week earns \$17.38 per hour or \$36,150 a year. A parent earning Connecticut's minimum wage of \$10.10 an hour would have to work 98 hours per week to pay for a two-bedroom apartment!”⁶⁴

New Milford Social Services:” Local rents continue to rise. A family of four looking for a 3-bedroom apartment will find it challenging to pay less than \$1500 plus heat and utilities. The average Connecticut household of four would have to make at least \$90,000 to survive, according to the United Way’s ALICE report. Moreover, an average minimum wage worker would have to work 96 hours/week to afford a 2-bedroom apartment in Connecticut, according to Out of Reach 2020.”⁶⁵

Affordability will also be an issue for homeowners. Foreclosures have declined after 2015, after a period of increase (2006-2015.) In the midst of the pandemic, foreclosures have been put on hold, but they are likely to return and reach levels higher than before.

“Affordable housing” has many meanings including, subsidized, low income, and workforce housing. The Federal Government defines housing as affordable if no more than 30% of a household’s income is spent on housing costs.

“The most current median income for Connecticut used for the purposes of calculating 8-30g [affordable] housing unit price points is \$91,600 for a three-person household. 80% of that income is \$73,280, and 60% is \$54,960. The corresponding affordable price points for rental housing for households at 80% of median income are estimated at \$1,400 per month for a studio apartment, \$1,600 for a one-bedroom, and \$1,800 for a two-bedroom. It should be noted that while these are

⁶⁴ New Milford Department of Social Services, 2017-2018

⁶⁵ New Milford Department of Social Services, 2019-2020

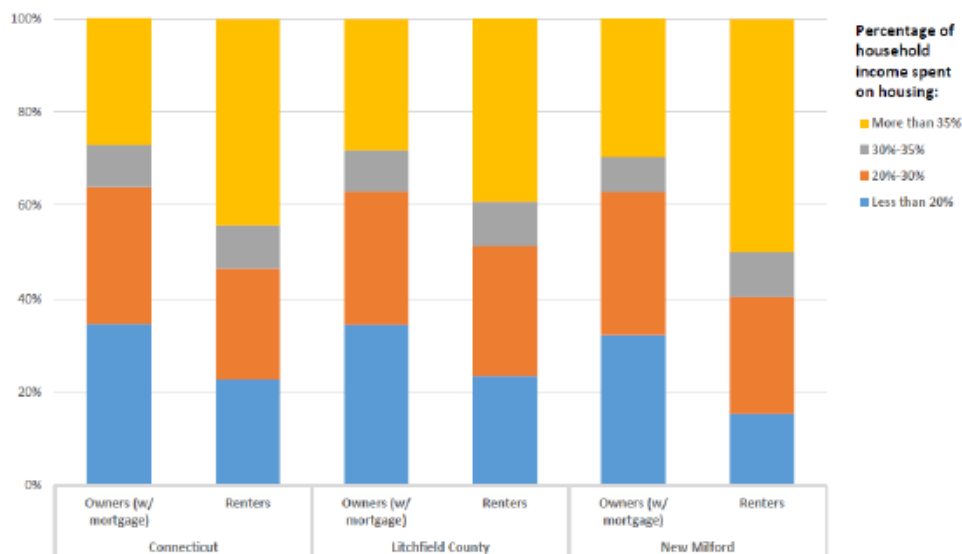
technically “affordable” units, rents at the 80% income level are more or less in line with new-build market-rate units.

For households at 60% of median income, affordable rents are estimated \$1,050 for a studio, \$1,200 for a one-bedroom, and \$1,400 for a two-bedroom.

For for-sale units, units affordable at 80% of median income would generally be priced between \$250,000 (1-bedroom condo) to \$325,000 (3-bedroom home). At 60% affordability, prices are estimated to range from \$190,000 (1-bedroom condo) to \$250,000 (3-bedroom home).”(Camoin)

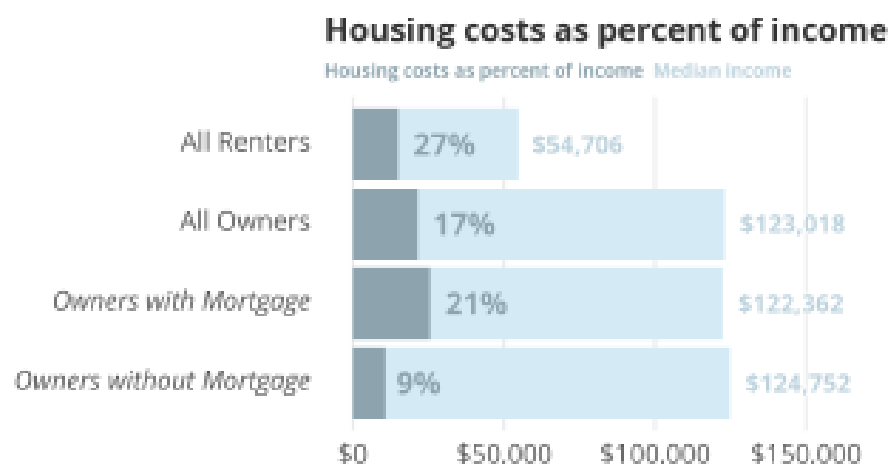
New Milford’s median home value is \$308,000. Using the federal government’s definition that no more than 30% of a household’s income can be spent on housing costs to be considered affordable, the minimum income needed to afford a home valued at \$308,000 is about \$92,000, which is somewhat higher than the town median household income of \$91,000 and region median household income of \$89,000. This means that the median household can barely afford the median house. To improve that situation, either the demographics of New Milford must rise in income over time, or more affordable housing must be offered.

Housing Affordability



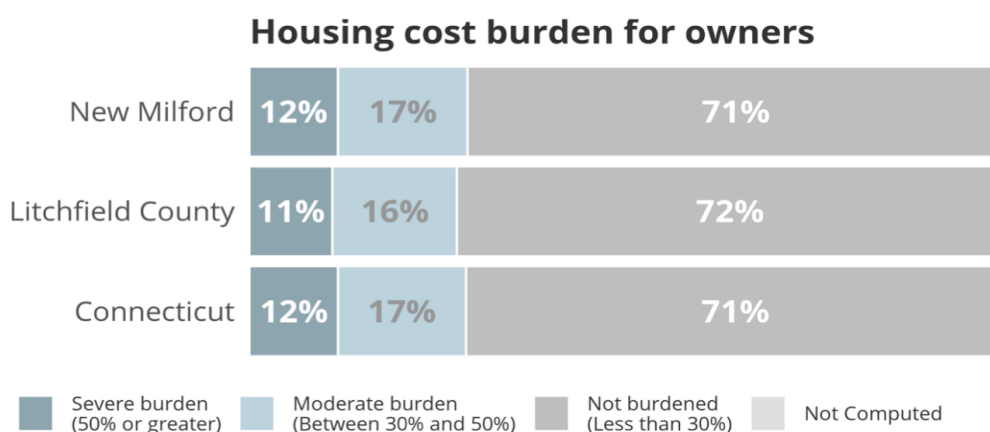
Source: U.S. Census Bureau, American Community Survey Five Year Estimates 2011-2015.
Note: Affordability for owner-occupied housing is only for households with a mortgage.

Source: New Milford 2020 POCD Update, *Update of Conditions and Trends*, 12-20-2018



Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford, 2020*

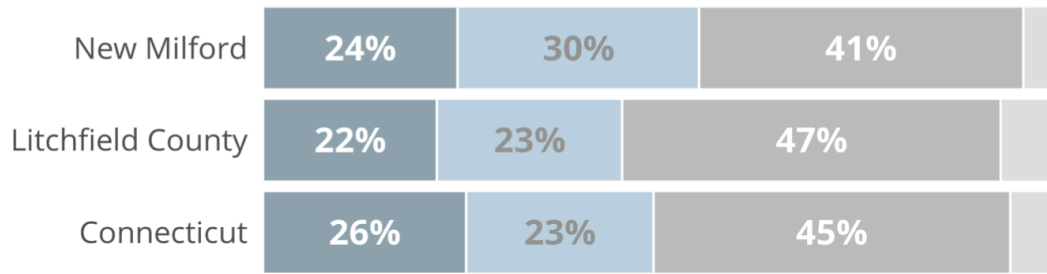
Households are considered to be ‘cost-burdened’ if they spend more than 30% of their income on housing, and ‘severely cost burdened’ if they spend more than 50% of their income on housing. Cost-burdened households have little left over each month to spend on other necessities such as food, clothing, utilities, and health care.⁶⁶ Housing costs for homeowners include utility, tax, mortgage, insurance, and related payments for the home while renters’ housing costs are gross rental and related payments. In the years 2006 -2018, the share of all homeowners that were cost-burdened fell significantly while renters have seen a continual increase within the same period.



Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford, 2020*

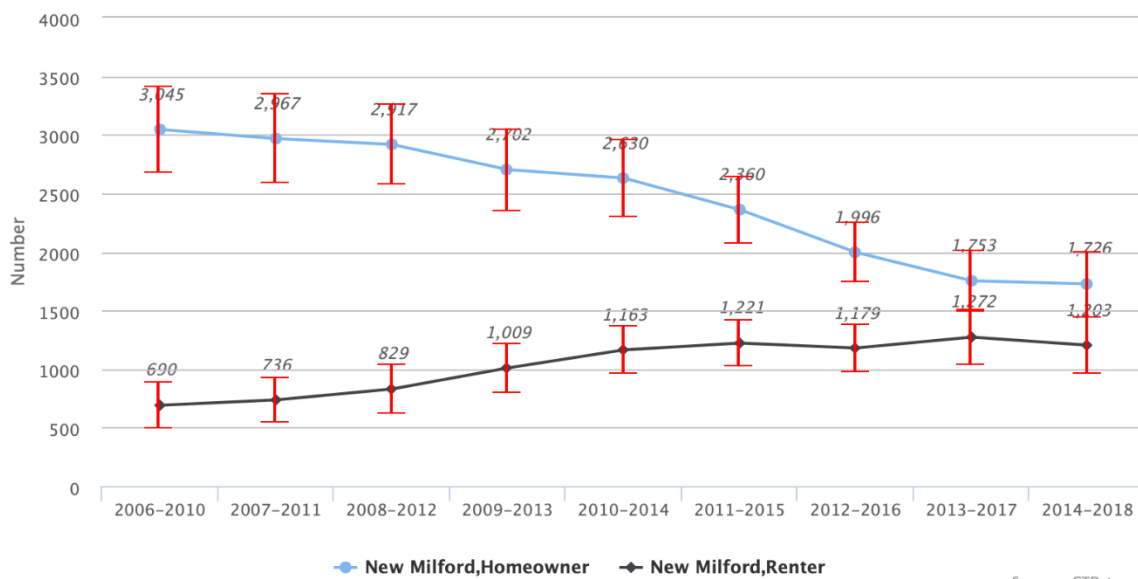
⁶⁶ Bailey KT, Cook JT, Ettinger de Cuba S, Casey PH, Chilton M, Coleman SM, et al. Development of an index of subsidized housing availability and its relationship to housing insecurity. *Housing Policy Debate*. 2015;26(1):172-87. doi: 10.1080/10511482.2015.1015042. Jeffrey Lubell, Rosalyn Crain, and Rebecca Cohen. 2007. “Framing the Issues — the Positive Impacts of Affordable Housing on Health.”

Housing cost burden for renters



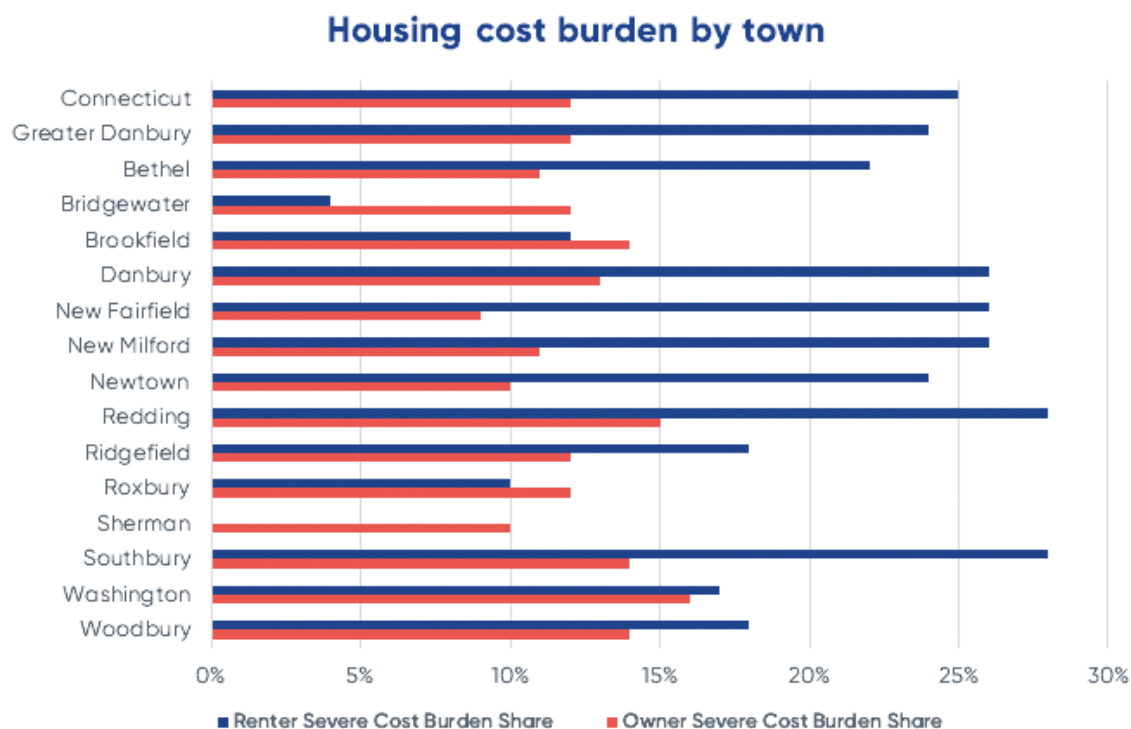
Source: Partnership for Strong Communities, 2020 Housing Data Profiles New Milford, 2020

New Milford Cost-Burdened Households Count

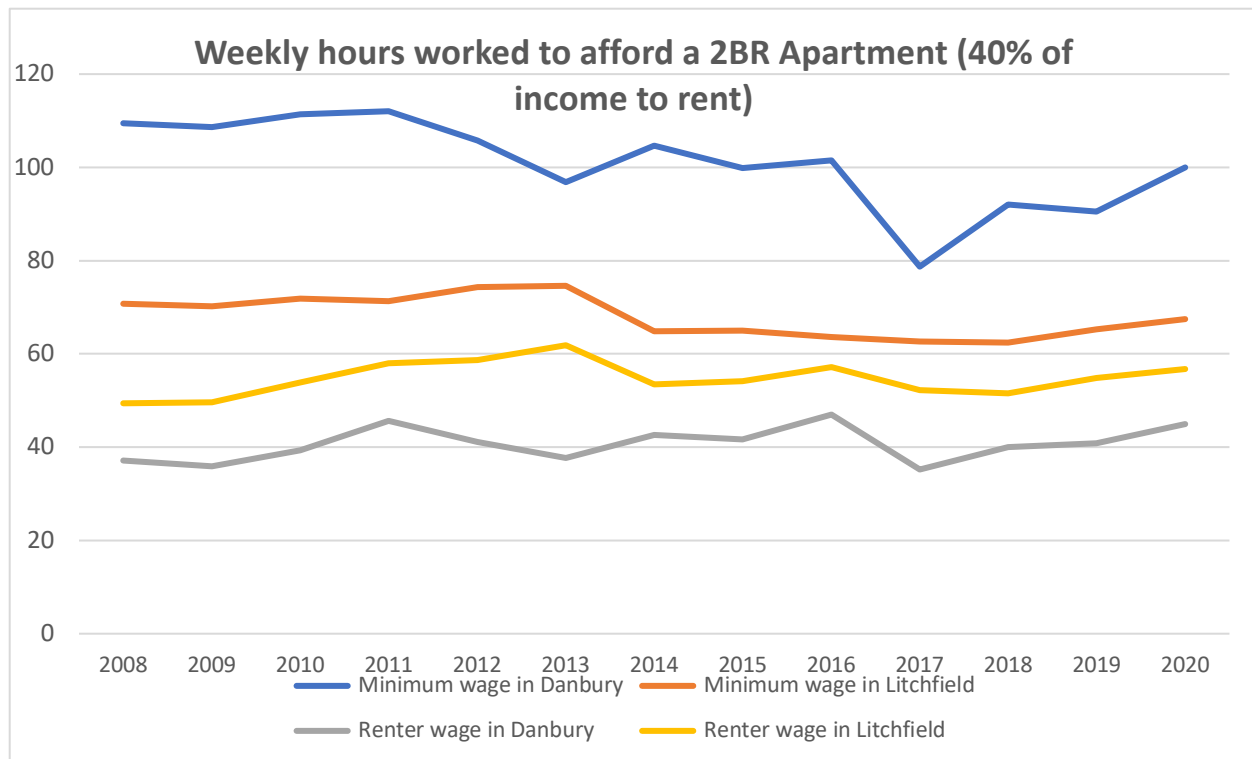


Graph by Josi, Alvin, data from the US Census Bureau's American Community Survey 5-Year Estimates accessed via the Connecticut State Data Center.

A similar stress of a cost-burden can be observed in most towns of the region, except in the wealthiest.



- Housing affordability is a function of rental costs and income.
- In the 2007-2009 period, incomes had fallen more than rent costs, decreasing housing affordability.
- In 2008, a household in Litchfield County making the “average renter wage” of \$10.95 per hour would have had to work for 49 hours to afford a two-bedroom apartment with a 40% rent-to-income ratio. In Danbury, by comparison, only 37 hours were needed.
 - This peaked at 62 hours in 2013, when incomes had dropped more than rents.
- Since then, this number had fallen somewhat, mainly due to rising incomes. By 2018, a household in Litchfield County required 52 hours of work at the renter wage to afford the same apartment, an improvement from 2013 but still a decline from 2008.
- By 2020, however, this trend reversed itself again due to rising rental costs – 57 hours were needed to afford the same apartment.



Source: National Low-Income Housing Coalition “Out of Reach” Reports, 2020-2008. <https://reports.nlihc.org/oor/>. Aggregated by Lukasz Zbroszczyk.

This graph shows the number of hours that one would have to work in a week in order to afford a two-bedroom apartment in the City of Danbury or Litchfield County, either at the Connecticut minimum wage, or at the “average renter wage.” We assume a rent-to-income ratio of 40% to calculate these hours. The hours can be worked by any number of earners in the household. This information is not available for New Milford itself.

Pre-pandemic Trend in Rental Affordability: -0.2, decline in affordability.

Anticipated Pandemic Effect: -0.2, moderate acceleration of decline.

Anticipated Post-pandemic Trend: -0.4, decline in affordability.

7.4 AVAILABILITY OF AFFORDABLE HOUSING

- Housing became more affordable in 2007-2009 as prices fell, before steadily rising in value again throughout the 2010s.

- However, new constructions also fell during this time.
- The trajectory of the Covid economic recovery will determine affordability.
 - It is unlikely that rents will fall without an increase in the supply of housing.
- Affordable Housing Plan (SustainableCT, 2018)
 - Identifies relative lack of affordable housing.
 - Houses in New Milford are too big!⁶⁷
 - 65% have more than 3 bedrooms – unnecessary if household sizes are shrinking.
- New Milford citizens expressed preference for “village-style” multi-use developments, as well as more multifamily construction.
- Developers tend to focus on large, expensive homes of the kind desired by higher-income newcomers.

POCD: The State of Connecticut, in its Affordable Housing Statute, known as 8-30g, provides developers an opportunity to develop homes in towns that are “averse” to affordable housing. New Milford has 509 “affordable” deed-restricted units, or 4.34% of the total number of housing units. Until the town reaches 10%, developers can use 8-30g to develop affordable housing projects by overriding zoned densities through the affordable housing land use appeal process.

The CT Department of Housing calculates the percentage of affordable units in a municipality annually for the Affordable Housing Appeals List. Affordable units are units that are subsidized below market-rate through programs like Housing Choice Vouchers or CHFA/USDA mortgages. Of the 11,731 total units in New Milford, 538 are considered affordable. This percentage at 4.59%

⁶⁷ This is a finding of the New Milford Housing Workshop report under the SustainableCT initiative: <https://sct-site-prod-persistent.s3.amazonaws.com/fileadmin/cicbase/documents/2018/7/23/15323633434678.pdf>

is well below the state target of 10%, but higher than in many nearby towns.

State-Recognized Affordable Housing Units	
Town	% of Housing Stock
Danbury	10.91
Bethel	5.66
Brookfield	5.58
New Milford	4.59
Kent	4.02
Ridgefield	3.01
Newtown	2.65
Washington	2.07
Roxbury	2.06
New Fairfield	1.50
Redding	0.47
Sherman	0.44
Bridgewater	0.11
Source: CT Department of Housing 2019 Affordable Housing Appeals List	

Assisted Housing Units

Assisted units receive government financial assistance for construction and/or rehabilitation and rent. In 2019, 4.6% of housing in New Milford are assisted units, compared to 5.7% in Litchfield County, and 11.6% in Connecticut.

	New Milford	Litchfield County	Connecticut
Total Assisted	538 (4.6%)	5,033 (5.7%)	172,277 (11.6%)
CHFA/USDA Mortgages	172	1,536	29,519
Governmentally Assisted Units	307	2,675	91,303
Tenant Rental Assistance	42	715	46,289
Deed Restrictions	17	107	5,166

Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford*, 2020

As of September 2020, New Milford has 191 federally assisted housing units, of which 0% were at risk of loss within the next 5 years. At-risk units are those rental homes that face an expiring affordability restriction in the next 5 years. The number of such units is much lower in New Milford than in the state or county.

	New Milford	Litchfield County	Connecticut
Active Units	191	2,632	77,095
At Risk	0 (0.0%)	870 (33.1%)	11,444 (14.8%)

Source: Partnership for Strong Communities, *2020 Housing Data Profiles New Milford, 2020*

New Affordable Units in the Development Pipeline

For the overall pipeline of approved housing development pipeline, see the table in Section 7.2.2, Pipeline of Upcoming Development.

The POCD Community Outreach Process found that

- More housing and mixed-use options are desired in higher-density walkable nodes like downtown, while maintaining existing building and/or neighborhood character.

New Milford had 25 affordable units under construction and 22 approved and not yet built. In 2020, a developer purchased an approved affordable development of less than 20 units on Lanesville Rd. Approval in 2019 for 150 units on Danbury Road, 30% of which will be affordable. A new developer is in the process of buying it and plans to do the housing first.⁶⁸

Affordable housing is usually built as multi-family units.

POCD: “The New Milford Zoning Regulations allow multi-family housing to be constructed in the MR Multiple Residence District. The MR District is a floating zone, meaning the Zoning Commission could allow the zone to be applied to any property provided it can be served by public sewer and water and contains 150’ at minimum on a public highway or roadway. Few developers have taken advantage of this regulation in recent years, preferring to apply under CGS 8-30g as an affordable housing development. One of the reasons for developers not using the regulation may

⁶⁸ Communication from NM Economic Development Office, January 11, 2021

be because of the limited density of 10 units per acre. In comparison, projects applied for under the affordable housing statutes have no limit on the number of units per acre.”

The Town’s POCD find that this has not been necessarily without problems: “New Milford has experienced 8-30g housing developments that have not enhanced community character.” It also observes that fiscal costs to the town need to be covered: “The taxable property value per lower-income occupied unit is assessed at a lower rate than market-rate units and may not completely cover all costs to the Town, per unit.”

Another approach to generating affordable housing units, other than by new construction, is by loosening zoning restrictions against two families residing in a single-family house.

Similarly, the POCD concludes that smaller lot sizes should be considered for properties with access to public water and sewer.⁶⁹

Availability of Affordable Housing

Pre-pandemic Trend of Affordable Housing: -0.3, decline in affordability.

Anticipated Pandemic Effect: -0.2 moderate acceleration of decline.

Net result: -0.5, decline

7.5 HOUSING STRATEGY FOR NEW MILFORD, BY THE NM ECONOMIC DEVELOPMENT OFFICE

- Expand housing options that are attractive to young adults and families – Modest price (\$300,000 - \$400,000) starter homes, duplex, and small multi-family options. Close to schools, shopping, parks, and amenities.
- Meet the needs of the growing senior population for single story and low-maintenance lifestyles, with or without additional services. Close to

⁶⁹ Town of New Milford, *Plan of Conservation & Development - Working Draft*, 11-20-19

Downtown amenities (Senior Center, Library, hospital, and shopping) and on the public transportation system.

- Increase the amount of affordable and workforce housing in New Milford beyond the current 4% to reach the 10% mandated by the state of Connecticut. Identify and market appropriate land tracts for development with relevant infrastructure.
- Complete the Affordable Housing Assessment required and consider additional analysis of market rate demands for housing types.
- Support housing development and analysis with the Housing Partnership, and New Milford Housing Authority, Community Development Block Grant and other organizational and funding resources.
- Develop and Communicate a Consistent Message (Branding).
- Signature successful events supported by a coalition of organizations.⁷⁰

8. SUMMARY

8.1 SUMMARY OF TREND ANALYSES

Recapitulating the Methodology:

1. We identify the pre-pandemic trends, on a scale of +1 (strong upturn) to -1 (strong downturn).
2. We analyze the likely impact of the pandemic on these trends, with +1 or -1 indicating a strong acceleration or strong retardation of the existing trend.
3. We then combine these numbers.

⁷⁰ New Milford Economic Development Office, *Economic Development Strategic Plan for the Town of New Milford, CT*, February 24, 2020

We describe positive trends with positive numbers (+), and negative trends with negative numbers.⁷¹

Summary Table of Social and Economic Trends in New Milford, Pre-Pandemic and Post-Pandemic

	Pre-Pandemic Trend	Anticipated Pandemic Effect	Anticipated Post-Pandemic Trend
A. Social Indicator Trends			
Housing Assistance Case Decline	-0.1	-0.2	-0.3
Energy Assistance Case Decline	+0.3	-0.3	0.0
Homelessness Case Decline	+0.4	-0.3	-0.1
Foreclosures Decline	+0.2	-0.3	-0.1
Food Assistance Case Declines	-0.2	-0.2	-0.4
Poverty Count Decline	+0.2	-0.3	-0.1
Medicaid Recipients Decline	-0.2	-0.2	-0.4
Senior Assistance Requests Decline	-0.3	-0.2	-0.5
Mental Health Admissions Decline	-0.2	-0.2	-0.4
B. Population Trends			
Population Size	-0.2	0.1	-0.1
Student Count	-0.2	0.0	-0.2
Young/Aging Population	-0.3	-0.1	-0.4
Diversity	+0.2	-0.1	+0.1
C. Income and Employment Trends			
Income Trends (Low-Wage)	+0.2	-0.3	-0.1
Income Trends (Higher-Wage)	+0.2	0.0	+0.2
Low-Wage Jobs	+0.1	-0.3	-0.2
Higher-Wage Jobs	+0.3	0.0	+0.5
Non-commuting jobs by NM Residents	-0.1	-0.3	-0.4
Non-resident/resident Workforce	-0.1	+0.1	0.0
A. Business Trends			

⁷¹ For example, higher unemployment is a lower unemployment reduction, and hence comes with a minus sign. But as mentioned each change has winners and losers. For example, higher unemployment may make it easier and cheaper to hire. Thus, the characterization of a trend as positive or negative would be from the likely perspective of on an average resident.

Retail	+0.2	-0.3	-0.1
Hospitality	+0.4	-0.2	+0.2
Health Care	+0.3	+0.2	+0.5
Manufacturing	-0.2	-0.2	-0.4
Professional Services	+0.2	+0.2	+0.4
E. Factors Affecting Move to NM			
Schools	-0.1	-0.1	-0.2
Tax Reduction	-0.1	-0.1	-0.2
Town Debt Reduction	+0.2	-0.3	-0.1
Town Expenditure Reduction	-0.1	-0.1	-0.2
Transportation	-0.2	0.0	-0.2
Connectivity	+0.1	+0.1	+0.2
Crime Rate Reduction	+0.2	-0.1	+0.1
Substance Abuse Reduction	+0.2	-0.1	+0.1
Environment	+0.4	-0.1	+0.3
F. Housing Trends			
Residential Construction	-0.1	+0.2	+0.1
Home Prices	+0.1	+0.3	+0.4
Rental Price Reductions	-0.2	-0.2	-0.4
Rental Housing Affordability	-0.2	-0.2	-0.4
Availability of Affordable Housing	-0.3	-0.2	-0.5

Positive Trends	19	7	12
Negative Trends	19	27	23
Flat Trends	0	4	3

What do these numbers show? As we wrote in the opening of this report, even before the pandemic hit, New Milford had to battle a number of negative trends. Many of them were not local but problems of the state, the region, and the nation. These include a lower affordability and availability of housing by low-income people and seniors, as well as related housing issues, which together accounted for almost half of the negative trends. Industrial jobs were declining. And there were greater demands on the social safety net.

But by other measures, New Milford was trending positively, as our analysis shows: even on housing it was improving along several dimensions. Property values had climbed back from the tough days of the Great Recession. And there were fewer residents below the poverty line. Employment, after several years of de-industrialization that affected the country as a whole and in particular the Northeast, had stabilized, with job growth in retail, healthcare, and hospitality. Incomes were rising, for both low wage and higher-wage employment. In its governance, the town was reversing a trend towards higher taxes; its bond rating was up; crime rates were staying low (and substance abuse was declining after a spike); environmental resources were being enhanced; and there was more diversity in the mix of residents. True, the population was aging and there were fewer children in the school system, but that was something shared with the region, and with most developed countries.

Into this cautiously positive trend crashed the Covid-19 pandemic. Its short-term implications are clear— shuttered restaurants, failed retailers, missing visitors, and more. But it is the long- term effects that should concern us most. What the analysis of this study shows is that on almost every dimension, the pandemic is a shock to the social and economic fabric that will endure far beyond the public health emergency. Of 38 long-term trends analyzed, 27 are affected negatively. The main positive impacts are on home prices (positive for owners, at least), residential construction, telecom connectivity, and in-migration (in particular from the New York metropolitan area), all of them interrelated trends.

The Covid-induced changes were found to move eight trend lines from a positive direction to a negative or flat one, including low-wage employment; taxes; foreclosures; people below the poverty line. It moves only one negative trend into positive territory, namely residential construction. It exacerbates several existing negative trends, making them harder to overcome. And it reduces existing positive trends that could have had larger multiplier effects across the community.

8.2 SUMMARY OF SUMMARIES

As the next step we aggregated the 38 trends into seven larger baskets and calculated their average trends. These baskets are:

- Social Indicators⁷²
- Economics⁷³
- Governance⁷⁴
- Schools⁷⁵
- Infrastructure⁷⁶
- Environment⁷⁷
- Housing⁷⁸

Several of the sub-trends were included in more than one basket. For example, residential construction fits into ‘Housing’ as well as into ‘Economics.’

The results are shown in the table below

Social and Economic Trends in New Milford by Category

Trend Category	Pre-Pandemic Trend	Anticipated Pandemic Effect	Anticipated Post-Pandemic Trend
Social Conditions Indicators	-0.029	-0.182	-0.212
Economics	0.114	-0.057	0.057
Governance	0.020	-0.140	-0.120

⁷² Average of the following trends: Housing Assistance, Energy Assistance Cases, Homelessness Cases, Foreclosures, Food Assistance Cases, Poverty Count, Medicaid Recipients, Senior Assistance Requests, Mental Health Admissions, Population, Senior Citizens, Diversity, Crime Rate, Substance Abuse, Rental Price, Rental Housing Affordability, and Availability of Affordable Housing.

⁷³ Average of the following trends: Foreclosures, Poverty Count, Low-Wage Employment, High-Wage Employment, New Milford Jobs for New Milford Residents, New Milford Jobs for Non-New Milford Residents, Retail, Hospitality, Health Care, Manufacturing, Professional Services, Connectivity, Residential Construction, and Home Prices.

⁷⁴ Average of the following trends: Schools, Taxes, Town Debt, Town Budget, and Crime Rate.

⁷⁵ Average of the following trends: Student Count, and Schools.

⁷⁶ Average of the following trends: Transportation, and Connectivity.

⁷⁷ Average of the following trend: Environment

⁷⁸ Average of the following trends: Housing Assistance, Energy Assistance Cases, Homelessness Cases, Residential Construction, Home Prices, Rental Prices, Rental Housing Affordability, and Availability of Affordable Housing.

Schools	-0.150	-0.050	-0.200
Infrastructure	-0.050	0.050	0.000
Environment	0.400	-0.100	0.300
Housing	-0.013	-0.113	-0.125

The results show

- the pandemic has negatively affected the long-term prospects of Social Conditions Indicators, Economics, Governance, Schools, and Housing.
- Only Infrastructure is potentially improved, through an expected greater emphasis on high-speed broadband connectivity.
- Looking at the future, we anticipate still positive -- though weakened – trends in Economics and the Environment.
- We expect a more negative trend in Housing and Social Conditions Indicators.
- Schools and local Governance will be under pressure to meet these added demands with their existing resources.

8.3 THE BOTTOM LINE

As a final step we aggregate the seven baskets into one composite measure of social and economic trends

The Aggregate Social and Economic Trend of New Milford

Trend Category	Pre-Pandemic Trend	Anticipated Pandemic Effect	Anticipated Post-Pandemic Trend
Overall ⁷⁹	0.042	-0.085	-0.043

The results confirm our previous analysis:

- in the aggregate, a positive pre-pandemic trend.
- And a negative aggregate long-term post-pandemic trend, due to the shock of Covid-19 and its after-effects.

⁷⁹ Derivation of the trend is based on the cumulative average of the following: Social Indicators, Economics, Governance, Schools, Infrastructure, Environment, and Housing.

- In its magnitude, the negative aggregate post-pandemic trend is almost identical to the positive aggregate trend that existed before the pandemic.

In this situation, the role of local and state government, beyond the immediate need to protect the health and livelihood of people has to be along several priorities:

- To create a social and economic environment conducive to the development of business activity that is forward-looking in its product and process.
- To strengthen infrastructure that underpins a revival, in particular in upgrades of communications networks and public transportation.
- To protect central community assets that strengthen the town's attractiveness, in particular its environmental resources.
- To create a learning and skills-training environment that serves people and business, and information tools for residents to connect to public resources.
- To assist New Milford residents to stay in their community by creating affordable housing options for the elderly and those who have been hurt by the pandemic, and to ensure a safety net of public and non-profit support that matches the needs.
- To find new revenue sources to accomplish these targets.

The aim of this report has been to provide an information base for public and private decisions that support these goals.

Report Submitted by the Long-Term Recovery Committee of New Milford, Connecticut
to
The Mayor and Town Council of New Milford, Connecticut

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