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**CT Metropatterns**

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Connecticut Metropatterns
A Regional Agenda for Community and Prosperity in Connecticut

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Metropolitan Area Research Corporation
Ameregis

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## Foreword

Ameregis is a research and geographic information systems (GIS) firm that documents evolving development patterns in U.S. metropolitan regions, and the growing social and economic disparities within them. Ameregis is dedicated to integrating GIS mapping and traditional research methods to inform decision-making. Metropolitan Area Research Corporation is a research and advocacy organization that participated in this project. These two organizations assist individuals and groups in fashioning local remedies that address these concerns. Both were founded by Myron Orfield, a nationally recognized leader in promoting reform around issues of land use, social and fiscal equity and regional governance.

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OUA created the CenterEdge Coalition to promote public education about the issues addressed in this report (see inside back cover for a list of members). Most Reverend Peter A. Rosazza chairs the CenterEdge Coalition.

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Opinions expressed in this study are those of Ameregis and do not necessarily reflect those of the funding organizations, reviewers or CenterEdge Coalition member organizations.

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Executive Summary

Connecticut is a wealthy state. In 1999, per capita income in the state was the nation’s highest, 10 percent greater than in the next-highest states, Massachusetts and New Jersey, and 37 percent higher than in the U.S. as a whole. Despite its overall wealth, the beauty of its landscape, the strength of its institutions and the rich history of its cities and towns, Connecticut is not immune from patterns of inequality and sprawl that are straining states across the nation.

Connecticut Metropatterns finds that the way the state is growing is hurting all communities—from the most impoverished to the most affluent.

Here are the report’s main findings:

Simple contrasts between cities, suburbs and rural areas are out of date.

- A growing number of small cities and older suburbs, home to nearly half of the state’s population, face significant and growing poverty with weak local tax bases. Their tax bases are 25 to 35 percent below average and poverty in schools is growing even more quickly in these places than in the major cities.¹

- Another group of outlying areas must cope with rapidly growing populations with lower-than-average tax bases that are also growing much more slowly than in the rest of the state.

- A large group of fast-growing, middle-class suburbs is struggling to provide the schools and infrastructure they need with just average resources.

- Only a small share of the population lives in affluent suburbs with sizeable tax bases and few social needs.

All types of communities are hurt by the way the state is growing.

- The state’s fiscal system pits local governments against one another in a competition for tax base. This competition needlessly undermines the character of local communities, wastes resources, discourages cooperation and increases fiscal disparities. In fact, the disparity between Connecticut’s low- and high-tax base communities increased by more than 50 percent during the 1990s.

- Geographic stratification concentrates the state’s poor in cities and towns with inadequate tax bases. Especially hard hit are Connecticut’s central cities. As a group, they must cope with poverty rates nearly three times the statewide average with local tax bases that are just 40 percent of average and growing slowly. In part due to subtle housing discrimination, Connecticut’s black and Latino residents are more likely than other groups to live in these struggling communities.

- Sprawling development threatens the state’s natural resources and farmland. The amount of land in urban or suburban uses increased more than eight times faster than population between 1970 and 2000.

All places would benefit from regional and statewide reforms.

- Cooperative land-use planning can strengthen communities and preserve the environment.

- Tax and state aid reforms can stabilize fiscally stressed schools, help communities pay for needed public services and reduce competition for tax base.

- Enhanced roles for state government, councils of government or other regional organizations can help solve regional problems while ensuring that all
communities have a say in decision-making.

**Change is possible.**

Cooperative efforts like these can encourage environmentally sensitive development, reduce inequalities among communities, encourage regional economic-development efforts and expand the opportunities of the state’s most vulnerable residents. These endeavors are already in effect in various forms throughout the country, and have impassioned, thoughtful advocates in Connecticut.
Connecticut Metropatterns

In many people’s minds, Connecticut is comprised of three distinct zones—large, troubled cities, blocks of affluent suburbs and sleepy rural areas. But such labels and boundaries disguise a far more complex reality. In fact, analysis of Connecticut communities uncovered a diversity of fiscal and social conditions that crossed traditional boundaries.

This report relied on cluster analysis to classify communities according to several fiscal, social and physical characteristics. (See sidebar on page 4 for a description of the clustering technique, page 5 for a map and page 34 for a summary of characteristics of each group.) The analysis dispels the myth of an affluent suburban monolith. In fact, more than half of all Connecticut residents live in small cities or suburbs facing the stresses of low and slow-growing tax resources. Another 14 percent of the state’s population lives in fiscally and socially strained central cities.

Here are the six community types identified in this report:

Central cities (14 percent of the state’s population, 4 communities): As a group, Connecticut’s central cities are severely stressed. These places must provide for their great social needs with tax resources less than half the statewide average and growing at one-eighth of the average rate. Their school poverty rates—measured by eligibility for the federal free-lunch program in elementary schools—are nearly three times the statewide average of 28 percent. Three of every four elementary students in the central cities are eligible. These factors dramatically hurt the prospects of these cities, discouraging investment and dramatically limiting the opportunities of residents.

Despite these troubling traits, cities also have strengths—among them colleges and universities, historic buildings, arts and entertainment venues and attractive public spaces—that help them survive despite their difficulties. Although slipping slightly, the state’s large cities continue to have by far the greatest density of jobs of any community type, and they also have an above-average concentration of jobs to residents. Because of cities’ densities and locations, residents have the highest rate of mass transit use of any community type and among the shortest average commute times.

Stressed (17 percent of population, 12 communities): Like the largest cities, these communities have below-average commute times—the lowest of any group, in fact—and a slightly smaller-than-average share of workers who drive to work alone. Also like central cities, stressed communities are suffering from significant and growing social needs and diminishing fiscal resources. Already high free-lunch eligibility rates in the stressed group increased five times faster than the state average while school poverty levels in other community types declined or rose just slightly over the late 1990s.

Low and slow-growing tax bases further compound the problems of stressed communities. In some instances these places find themselves in fiscal positions as difficult as the major cities. The number of jobs per resident worker in stressed communities is below average and stagnant as well. Aging infrastructure also contributes to high costs in these places.

At-risk (28 percent of population, 43 communities): These places are still stable by many measures—they have slightly below-average poverty rates in their schools, an average number of jobs per resident and greater-than-average job growth. But there are signs of stress afoot in these cities and towns. School poverty rates edged up slightly faster in this group than in the state as a whole during the 1990s. And although greater than in central cities or stressed communities on a per capita basis, property tax base and growth in property tax base in
these communities are still below the state averages, a fact that hinders their ability to adequately meet social and physical needs.

These fiscal stresses are important because these places are growing—they contain 25 percent of the land that urbanized during the 1980s and 1990s. Policies to help local governments manage growth are critical to this group of communities because they feel tremendous pressure to attract development that will expand their tax bases. This pressure can drive land-use planning decisions and discourage a cooperative, regional approach to planning.

**Fringe-developing (6 percent of population, 31 communities):** These communities are home to just a small fraction of the state’s residents. But they are experiencing the most rapid population gains—more than twice the rate of growth of the state as a whole. The speed and scale of growth in these communities brings its own stresses—requiring major investments in roads, sewers or schools that often strain even the hardiest tax bases. However, most fringe-development places do not command such big tax bases—on average, tax base within this group is slightly below the state average and growing much more slowly than average.

As in the at-risk category, how these very low-density places manage their growth has important implications for the long-term development of the state—although they contained just 6 percent of the state’s population in 2000, 13 percent of the land that urbanized during the 1980s and 1990s was in these places. They are especially susceptible to the incentives in the tax system encouraging competition for tax base and discouraging cooperative planning.

**Bedroom-developing (24 percent of population, 57 communities).** Bedroom-developing communities are what many would regard as prototypical suburbs—fast-growing communities of mostly low-density residential development. Indeed, with their higher-achieving schools, spacious new homes and low levels of congestion, these places appear to offer an alternative to declining communities at the urban core.

But the resulting growth can erode their advantages over time. Nearly half of the land in Connecticut that urbanized during the 1980s and 1990s was in these communities. This level of growth causes stress, as valued open space is lost to development and traffic congestion makes getting around more and more difficult. It also has serious fiscal implications. On average, property tax bases in this group are above the state average, but growing slowly—slower, even, than in the central cities and at-risk categories.

**Affluent (11 percent of population, 22 communities):** Mostly on the border with New York, these communities have a large share of the state’s expensive homes and a small share of the social strains. They have tax bases, on average, nearly three times the state average, and growing considerably faster than in every other community type. In fact, these places appear to reap all of the benefits of regional competition with few of the costs.

But the opportunities of these prosperous suburbs are limited to just a lucky few. Many of these places have deep and growing job pools, but most have little racial or economic diversity, and few residential opportunities for low- and moderate-income households. Although their moderate rate of population growth assures that they can keep up with needed and locally funded infrastructure without overtaxing local resources, they rely heavily on infrastructure funded by other levels of government. Workers’ commute times are by far longer than those in any other community type. The share of workers using mass transit was also above average, largely due to the significant number heading into New York City by rail.

All types of communities are hurt by the way Connecticut is growing
Nearly two-thirds of the state’s population—65 percent—lives in cities or suburbs struggling with social or fiscal stresses. Stressed suburbs have problems typically associated with large cities, including weak tax bases and significant and growing poverty in their schools. At-risk suburbs must cope with continuing population growth and increasing social needs with below average tax bases that are barely growing. Fringe-developing places have fewer social needs, but are facing growth-related costs with stagnant, below-average tax bases and modest household incomes.

Even middle-class, bedroom-developing suburbs struggle to provide needed schools and infrastructure with largely residential tax bases. Just a small share of the population lives in affluent suburbs with expensive housing and plentiful commercial development. But even these places are suffering from the loss of valued open space, growing traffic congestion resulting from inefficient development and the extra costs felt statewide as a result of highly concentrated poverty.

Sidebar:
Cluster analysis: How it works

Because there are 169 jurisdictions included in this study, it is impossible to individually measure each one against the others. Instead this study relies on a statistical procedure called cluster analysis to assign municipalities to groups that are as internally homogeneous and as distinct from one another as possible, based on specified social, fiscal and physical characteristics.²

The characteristics used to group Connecticut municipalities were property tax base per household (2000), growth in property tax base per household (1995 to 2000), the percentage of elementary students eligible for free lunches (2000), population growth (1990 to 2000) and population density (2000).³ These variables provide a snapshot of a community in two dimensions—its ability to raise revenues from its local tax base and the costs associated with its social and physical needs. Fiscal capabilities are measured by tax base and the change in tax base.

“Need” measures were selected to capture a range of local characteristics that affect the cost of providing public services. High poverty, measured by the percentage of elementary students eligible for the free-lunch program, is a well-documented contributor to public service costs. It both generates greater needs for services and increases the cost of reaching a given level of service. Both population declines and large increases tend to increase the per-person costs of long-lived assets like sewers, streets or buildings. When population declines, the costs of these assets must be spread across fewer taxpayers. When population is growing rapidly, the costs for new infrastructure tend to fall disproportionately on current residents (compared to future residents) because of the difficulty of spreading the costs over the full lifetime of the assets. Density is another important predictor of cost. Very low densities can increase per-person costs for public services involving transportation—schools, police and fire protection—and for infrastructure—roads and sewers. Moderate to high densities, on the other hand, can help limit per-person costs.

These variables also capture a cross-section of the socioeconomic characteristics that define a place’s political character. School demographics and population growth and density are among the factors people examine when deciding if a community is “their kind of place.”

Because of their unique history and characteristics, Hartford, New Haven, Bridgeport and Waterbury were placed in their own group—called central cities—before clustering.
Map 1. Community Classification

There are great inequalities in fiscal and social condition among Connecticut’s 169 towns and cities—differences that don’t break along traditional city-suburb lines. The state’s four socially and fiscally stressed central cities, home to 14 percent of the state’s residents, struggle with poverty and fiscal strain. But a growing number of smaller cities, suburban and rural communities do, too. In fact, more than half of Connecticut residents live in suburban communities facing the stresses of either low and stagnant tax resources or high and increasing social and physical needs—stressed, at-risk or fringe developing communities. Just a small share of the state’s population lives in affluent communities with very high tax bases and few social strains.
Social Separation and Sprawl

Connecticut is a wealthy state. In 1999, per capita income in the state was the nation’s highest, 10 percent greater than in the next-highest states, Massachusetts and New Jersey, and 37 percent higher than in the U.S. as a whole. Despite its overall wealth, the beauty of its landscape, the strength of its institutions and the rich history of its cities and towns, Connecticut is not immune from patterns of inequality and sprawl that are straining states across the nation.

In fact, geographic stratification has already had devastating consequences for the poor, leaving many of them trapped in segregated neighborhoods with limited economic and educational opportunities. Now it has begun to diminish the quality of life and opportunities of working- and middle-class residents. No group—not even the wealthiest suburbs—is fully satisfied with the status quo.

Population and employment change

Population growth has been modest in Connecticut for decades. However, the distribution of population across the state has changed dramatically, with new development consuming previously undeveloped land at alarming rates. Between 1970 and 2000, the amount of land settled at urban densities more than doubled—increasing by 102 percent. During the same period, the state’s population increased by just 12 percent.4

Connecticut’s modest overall 3 percent population growth during the 1990s hid dramatic shifts in population within the state. In spite of efforts to revitalize the state’s largest cities, most continued to lose significant numbers of residents, as did older, stressed small cities and suburban communities. As those places declined, many of the state’s outlying, suburban communities experienced rapid population growth.

The effects of these unbalanced growth patterns have perhaps been most harmful in Hartford. During the 1990s, Hartford proper experienced a population loss of 13 percent—the largest decline of any municipality in Connecticut.5 The tremendous population and job loss continued a long-term trend of concentrating the poor within Hartford, resulting in a poverty rate of 31 percent in 2000 (up from 28 percent in 1990)—one of the highest rates of any city in the country.6

Meanwhile, outlying communities across Connecticut are growing and attracting increasing shares of the state’s wealth. These places are developing at much lower densities than older communities did. Density is such an important characteristic of a place because density shapes many aspects of life. Moderate- to high-density development can help preserve open space, reduce the length of car trips, make mass transit a more viable option for commuters, and reduce housing prices by decreasing land costs.

Low-density development, like much of what is taking place in fast-growing Connecticut communities, exacerbates the need for roads, provides few opportunities for effective mass transit and harms the environment. It is also associated with increased per-person costs for some services including schools, police and fire and, often, with higher housing prices.

Changing employment patterns place similar stresses on communities. Employment in Connecticut is growing, but it is increasingly diffused. Between 1993 and 1998, the at-risk, fringe developing, bedroom-developing and affluent categories all experienced job growth, while stressed communities and central cities experienced job decline. Hartford again proves an extreme example: from 1992 to 1997, the city lost 12 percent of its job base, while nearby suburban employment grew by 3 percent.
This outward movement of population, jobs and housing development has important implications for all of Connecticut. Rapid increases in population and jobs often burden communities with significant public costs, such as roads, sewers and schools. In the places left behind, population decline takes its toll, too, leaving fewer people—and often those with fewer personal resources—to fund public services and support local businesses.

**Environmental harm**

The way the state is growing harms not only its citizens, but also its natural and built environment. Unmanaged growth threatens air and water quality, natural habitat and valuable farmland. In the Connecticut River Valley near Hartford, new development often replaces farmland. In Fairfield County, it often replaces forests. Loss of forest and farmland means loss of wildlife habitat and fragmentation of essential breeding areas for songbirds.

As homes, office parks and shopping centers rise in these areas, impervious surfaces increase. As a result, less rain is absorbed into the ground. By impeding the recharge of groundwater, the expansion of impervious surfaces increases runoff, which can cause local flooding and pollute lakes and rivers. Increased lawn and garden areas also lead to increased—and often excessive—use of fertilizer and pesticides, which run off into groundwater and rivers, reducing water quality and harming fish and shellfish in local waters and Long Island Sound. Traffic resulting from sprawling development contributes to the pollution of Connecticut’s air and water.

The state’s $2 billion a year agricultural industry is also feeling the squeeze. Between 1987 and 1997, the state lost 39,087 acres of farmland, nearly a 10 percent drop. The loss of farmland is important for many reasons. Farms are a valuable part of the state’s tourism industry. In addition, owners of farmland and forests pay more in local taxes than it costs local government to service their properties.

**Traffic congestion**

The result of sprawling development perhaps most apparent to Connecticut’s residents is the state’s strained transportation system. By 2000, Connecticut workers experienced median commutes of 24 minutes, up 16 percent from 1990—a faster increase than in the U.S. as a whole. Fully 80 percent of Connecticut’s 1.6 million workers drove to work alone in 2000, up nearly three percentage points from the previous decade. The largest drop from 1990 to 2000 was among those who carpooled and those who walked to work. In 2000, fewer than 9 percent of commuters carpooled and 2.5 percent walked to work. Another 2.5 percent took the bus. Although ridership on Metro North has increased in recent years, fewer than 2 percent of commuters take the train. The shift in commuting habits can have both short- and long-term effects upon traffic congestion and the environment.

Faced with more cars and longer trips, state transportation officials are continuing to add and expand roads. Connecticut was once infamous for failed bridges. A recent report credits the state Department of Transportation for their maintenance but more investment in the existing road system will be required to keep pace with needs. Connecticut motorists spend an average of 372 hours driving on highways in poor, mediocre or fair condition, accumulating a total annual cost of over $29 million in auto repairs resulting from their condition—three-quarters as much as the Connecticut highway department has spent fixing these same roads.

Considering that significant investments in infrastructure and housing have already been made in core areas, state (and often federal) investments in roads and highways in previously undeveloped areas are an inefficient use of taxpayers’ limited
resources. They not only encourage more sprawling development in outlying communities but they also further divert resources from existing highways and communities that arguably need them the most.
Captions:


Changes in population help show which communities are burdened with the costs of rapid growth and which are hurt by population losses. During the 1990s, population grew fastest in southwestern and east-central portions of Connecticut. Municipalities experiencing the biggest declines include Hartford and Norfolk. Sprawl strains both fast-growing and declining communities by increasing the per-person costs of public facilities like sewers, streets or buildings. That’s because population declines require communities to spread costs across fewer taxpayers, while rapid growth pushes its costs disproportionately on existing residents, not the ones who will take advantage of new facilities in the future.

**Map 3. Sprawl map**

Despite the fact that population is growing at only modest rates, housing development continues to consume more and more previously undeveloped land. Between 1970 and 2000, population grew by just 12 percent but the amount of land in residential uses increased by more than 100 percent. The trend improved in the 1990s, but land consumption still outpaced population growth by more than 2.5-to-1 (9.4 percent compared to 3.6 percent).

**Map 4. Connecticut: Total Jobs per 100 Persons by Municipality, 1998**

Places with more jobs than workers are the destination of a significant number of commuters. In Connecticut, most are located along major highways. There is a significant employment center in and around Hartford, including Avon, Bloomfield, East Hartford, East Windsor, Farmington, Granby, Newington, Windsor, and Windsor Locks. Elsewhere in the state, there are sizable employment clusters in the southwestern corner, including Danbury, Greenwich, Norwalk, Stamford, and Westport; in and around New Haven; and the mouth of the Thames River, including New London, Waterford and Groton. Areas with few jobs per resident include many of the outlying communities of eastern and western Connecticut.

**Map 5. Connecticut: Percentage Change in Jobs per 100 Persons by Municipality, 1993-1998**

Job shifts contribute significantly to the costs of sprawl, increasing infrastructure needs—especially for roads—in growing places. Jobs decentralized even more quickly than population during the 1990s—central cities and many nearby towns saw declines in the number of jobs per 100 residents. In the Hartford area, the northern suburbs fared well while those to the south did not. Nearly all of the suburbs bordering Bridgeport fared poorly as jobs moved outward to the north or westward along the coast. Coastal areas fared best in the New Haven area while all of the towns adjacent to Waterbury increased their ratio of jobs to residents.
Poverty and Race

Connecticut is not immune from the devastating pattern of social stratification that is dividing American metropolitan areas. Separation by race and income, a pattern that has developed concurrently with sprawling growth, limits the opportunities available to large segments of the population. Connecticut’s communities are highly segregated, with poor people of color disproportionately located in its large cities and stressed communities, places with the highest shares of affordable housing and low and slow-growing tax bases.

The problems associated with concentrated poverty—everything from higher crime and troubled schools to poor health—place a significant burden on city resources, discourage investment in those neighborhoods and dramatically limit the opportunities of residents. Ultimately people living in high-poverty neighborhoods become isolated from educational, employment and social opportunities available in other parts of the region, making it extremely difficult for them to participate fully in the regional economy.

This divide is also reflected in the state’s schools. Community stability depends greatly on the performance of schools, because when the perceived quality of a school declines, it can set in motion a vicious cycle of middle-class flight and disinvestment.15

Many schools in smaller cities and older suburbs are now showing the same patterns of social change that occurred a generation ago in central cities. From 1993 to 2000, most of the communities classified as stressed experienced significant increases in student poverty. In Meriden, New Britain and West Haven, for instance, school poverty increased by more than 10 percentage points. But rapid increases were not limited to these places. A number of at-risk communities—Windsor and Eastford, for example—and fringe-developing places like Hampton and Preston experienced sharp increases in poverty during the period.

This shifting socioeconomic pattern has serious effects. Eventually, when schools reach certain thresholds of poverty, middle-class families with children—those of all races—will leave the public schools and often the community, and they will eventually be followed by other middle-class segments of the housing market.

The departure of the middle class from a neighborhood strains both old and new communities. In fast-growing communities at the edge of the region, the middle class is streaming into increasingly overcrowded, underfunded schools. But this exodus has an even greater effect on those who have been left behind in communities of concentrated poverty. Concentrated poverty destroys the lives of the people trapped in them, leaving them with few opportunities for good education and good jobs.16 Schools with concentrated poverty often suffer from risk factors—everything from inexperienced teachers to unstable enrollment—that lower educational achievement among students and diminish their prospects for the future.17

The degree of segregation of poor students in Connecticut is high even when compared to major U.S. metropolitan areas. In the 25 largest metropolitan areas in the late 1990s, an average of 54 percent of poor children would have to change schools in order to achieve an identical mix of poor and non-poor students. In Connecticut as a whole, 58 percent of poor children would have to change schools to achieve such a mix of students.18

While poverty and its consequences underlie this pattern of social separation, it is difficult to separate poverty from race and ethnicity—particularly for African Americans and Hispanics who are strongly discriminated against in the housing market, and disproportionately suffer from the effects. Asian students were not included in the analysis of racial segregation in this
Percentage of Housing Affordable

Cities: 80%
Stressed: 60%
At-Risk: 50%
Fringe-Developing: 40%
Bedroom-Developing: 30%
Affluent: 20%
report because research has shown that they tend to experience less educational and housing segregation than blacks and Hispanics. 21

When black and Latino students are segregated in schools where the majority of students are non-white, they are also likely to find themselves in schools where the majority of students are poor. Across the state, the percentage of non-Asian minority students attending high-poverty schools was 72 percent, compared to just 12 percent for white and Asian students. 22

In fact, 68 percent of minority students in Connecticut would have to move to achieve an identical mix of minority and non-minority students in each school, compared to an average of 61 percent in the nation’s 25 largest metropolitan areas.

It is in the state’s older, stressed suburbs and small cities where the fastest racial change is taking place. The gradually expanding black and Latino middle class, in pursuit of the American dream, begins moving away from poverty. In their search for new homes, they are frequently steered to areas where their presence will be the least controversial. 23

When these new residents reach a critical mass in a neighborhood and its schools, white homebuyers, perceiving the community to be in decline, choose not to buy there, and before long, whites already living in the neighborhood move away.

The consequent decline in demand causes housing prices to fall, and poorer individuals of all races move into the homes vacated by the middle-class whites. The earlier perceptions become reality. In a short time, the new middle-class migrants find themselves in the same kind of neighborhoods they sought to escape just a few years earlier. These patterns perpetuate both the outward expansion of social strain and flawed assumptions about the contributions of minority residents to a community.

Urban minority residents in Connecticut are subjected to other, subtler forms of discrimination as well. For example, towns in Connecticut are replacing their old “town dumps” with regional solid waste disposal systems. A recent analysis found that these regional facilities, which degrade air quality in adjacent areas, are located closer to minority and poor neighborhoods. 24 In addition, rates of hospitalization and emergency room visits for children with asthma were disproportionately high in the state’s five largest cities and low-income towns. 25 In New Haven, for instance, there was a 78 percent increase in admissions among children under 14 between 1992 and 1996. 26 In addition, asthma rates and mortality rates from asthma are considerably higher for blacks and Hispanics than for Connecticut’s white population. 27

**Affordable housing**

A system of local governance like Connecticut’s—a highly fragmented system where municipal governments are required by the state to rely heavily on property taxes for revenues—creates strong incentives for local governments to limit their supply of affordable housing. From their point of view, housing affordable to moderate- or low-income households does not “pay its way” because the local service costs (schools, public safety and other local services) exceed the resulting property tax revenues.

When played out over an entire metropolitan area or state, this process can result in overall shortages of affordable housing and severe limitations on where households of limited means can live. Both of these outcomes can be seen in Connecticut.

The cost of housing is a serious problem in Connecticut. Nearly 68,000 new or rehabilitated units of affordable housing would be needed to meet the current needs of the poorest Connecticut households. 28 A full-time worker requires a wage of $17.03 per hour to afford a two-bedroom apartment
in the state. At present the minimum wage is $6.70 per hour.

Problems finding affordable housing extend well beyond the state’s low-income community. Many people with moderate incomes—police, firefighters and teachers—have difficulty finding adequate housing. When affordability was computed separately within 10 housing markets across the state, there were 56 cities and towns in the state where less than 28 percent of the housing (including rental units) was affordable to a household with 80 percent of the regional median income (see Map 12). In another 32 places, the affordability rate was between 28 and 38 percent. Even affluent people are often concerned that their children won’t be able to afford to live in the towns in which they grew up. Lack of affordable housing also means that many workers must commute long distances.

This problem has a racial component as well. Connecticut ranks at the bottom—48th out of 50 states—in minority homeownership. Fewer than 32 percent of African Americans own homes in Connecticut compared to 44 percent nationwide and only 26 percent of Hispanics in Connecticut are homeowners compared to 46 percent nationwide. A recent nationwide study also documents the continued spatial mismatch between where black and Latino citizens live and where jobs are. Affordable housing and transportation policies are the keys to closing the gap.
Map 6. Percentage of Elementary Students Eligible for Free Lunch by School, 2000

The percentage of students eligible for free lunches is a commonly used measure of a community’s current health and its future well-being. (See footnote 1 for the eligibility rules.) Connecticut’s major urban centers and other stressed communities—among them Bridgeport, Hartford, Waterbury, New Britain, Danbury, Stamford, Meriden, Middletown, Ansonia, Derby and East Hartford—contain the highest concentrations of poor children. In the eastern portion of the state, Windham, Norwich and New London also suffer from high levels of student poverty. Poverty levels are quite low in most outlying areas of the state.


Some of the already poorest schools in the state got rapidly poorer between 1993 and 2000. They include schools in New Britain, Bridgeport, Norwich and Waterbury, where rates of student poverty grew by more than 10 percentage points. However, increases in school poverty are not limited to the urban and stressed communities. Although many outlying areas still had low rates of poverty in 2000, many experienced relatively rapid rates of increase in poverty in the preceding years. Many schools in Hartford and New Haven saw stable or declining poverty, although levels at the end of the period remained quite high.

Map 8. Percent of Non-Asian Minority Elementary Students by School, 2000

The lack of regional cooperation among Connecticut communities helps create great extremes among places. Those extremes show up clearly in schools. Due in part to subtle discrimination in the housing market, schools in Connecticut are highly segregated not just by income, but also by race. In fact, although patterns of income and race tend to mirror one another, the degree of racial segregation is even more severe. Minority students are largely concentrated in and around the state’s central cities and stressed communities.


Bolstered by the growing number of immigrants arriving in the state, as a group, Connecticut schools are becoming more racially diverse. But gains in the enrollment of students of color are not evenly distributed across the state. Central cities are a major locus. While the share of minority students in local schools is growing across the community types, the greatest increases are in stressed and at-risk communities, including Windsor, Windham and West Haven. Although many schools in central cities, starting from a very high base of minority students, did not increase their share of minority enrollment, the overall trends perpetuated existing patterns of racial segregation.

Map 10. Connecticut: Median Income

Connecticut’s communities are highly stratified by income. Households with lower median incomes are disproportionately located in Connecticut’s cities, stressed and at-risk communities. Hartford is the most impoverished community, with a median income that is one-sixth that of Connecticut’s most affluent municipality. Following closely behind Hartford are New Haven, New Britain and Waterbury. The four communities with the highest median income—Darien, Weston, New Canaan and Wilton—are all New York suburbs located on Connecticut’s “Gold Coast.”
Map 11. Connecticut: Median Income Change

Many of the state’s lowest income places saw significant declines in median household income (adjusted for inflation) during the 1990s. They include places like Hartford, East Haven, New Haven, Bridgeport, and Windham. However, declines were not limited to low-income places. Many moderate- and high-income communities also experienced similar declines, including Stamford, Norwalk, West Hartford, Sherman and South Windsor.

Map 12. Percentage of Housing Units Affordable to Households with 80 percent of the Regional Median Income by Municipality, 2000

The distribution of affordable housing in Connecticut is very uneven. An even distribution of affordable housing gives people of all incomes greater choice in where they live, reduces the costs of dealing with poverty by ensuring that it is not concentrated in just a few places and increases the chances that people live close to their jobs. Communities with very little affordable housing are in the western half of the state for the most part, especially in the southwest. However, affordability rates are relatively low in many towns spread across the state.
**Fiscal Inequality**

As a rich state, Connecticut is viewed by many as nearly uniformly wealthy, with urban pockets of decline and blight. But the fiscal story in Connecticut makes it clear that there are far more communities facing fiscal strains than most people suspect.

That’s because the local fiscal landscape in Connecticut is dominated by much greater-than-average reliance on property taxes to finance municipal services and schools. This places tremendous pressure on most communities to attract development that will expand their property tax bases. This can drive local land-use planning decisions, encourage sprawl and increase economic and social stratification—all without contributing to the regional economy.

To win the most profitable land uses, local governments may offer public subsidies or infrastructure improvements. But perhaps the most common approach is “fiscal zoning”—making land-use decisions not based on the intrinsic suitability of the land or the long-term needs of the region, but on the tax revenue it can generate right away. For example, a region as a whole benefits when most communities contain a mix of housing choices because workers have a choice of communities to live in. But individual localities can reap fiscal benefits by severely limiting the land zoned for multifamily development or by requiring very large (and therefore more expensive) homes and lots, effectively excluding low- and moderate people from their borders.

**Disparities are growing**

The effects of this competition are evident in the dramatically different abilities of Connecticut’s local governments to finance public services. One way to measure the disparities among communities is the ratio of tax base in a high-capacity place (the one at the 95th percentile) to the tax base in a low-capacity community (the one at the 5th percentile). In 2000, if all the municipalities in the state had levied the state’s average property tax rates, the revenues coming to the 95th percentile municipality would have been 5.3 times the revenue of the 5th percentile municipality. Put another way, for all residents of the state to receive equal levels of public services, municipalities with the lowest tax bases would have to tax residents at over 5 times the rate of those with the highest tax bases—something that no place can afford to do if it hopes to succeed in the competition for businesses and residents.34

State and federal aid reduces these disparities, but it doesn’t eliminate them. For municipal services, the ratio narrows to 4.3 when state aid is included. In Connecticut, as elsewhere, state government takes a much stronger role in school finance than in municipal finance. As a result, the 95th-to-5th ratio for public schools narrows more after aid is added, falling from 5.3 to 2.3.

The fiscal disparities among communities have been getting worse over time. In 1990 the ratio of tax base in the 95th percentile municipality to that in the 5th percentile municipality was just 3.4. That means the disparity between low- and high-tax base communities increased over 50 percent in a decade.

**Competition for tax base**

The competition for tax base among local governments creates the potential for a vicious, self-reinforcing cycle of decline in places that “lose” the competition early in the game. As a municipality loses tax base, it faces a choice—it can levy high tax rates in order to provide competitive public services or provide relatively few, or low quality, services at competitive tax rates. Either choice puts it at a disadvantage in the competition for jobs and residents, leading to further losses and further declines in its ability to compete.
Older communities in Connecticut’s urban cores are doubly hurt by these trends. These places must contend with aging infrastructure, industrial pollution, concentrations of poverty, higher crime rates, and other factors that strain their limited resources. With their low property values, they have few resources to provide for their great needs. They cannot reinvest to rebuild sewer systems and roads, rehabilitate housing, maintain parks or clean up polluted land without state or federal aid. Those burdens make it even more difficult for these communities to remain competitive with newer communities that offer cheaper land, newer homes and more open space.

Meanwhile, places that “win” the most lucrative homes and businesses can provide high-quality services at more reasonable rates, in turn attracting even more economic activity.

But there are actually few winners in this competition. For many communities on the urban edge, all is not well, either. The same patterns that hurt older, struggling communities also discourage long-term planning that would allow growing communities to develop in an orderly and efficient way. Because competition for certain land uses can be so intense—and the impact of losing so severe—communities often feel they have to grab all the development they can before it leaves for another place. That is especially true in newly developing communities, trying to build an adequate tax base to pay for their growing needs and to pay off debts on new infrastructure. But these low-capacity places are rarely in a good position to win the competition for the most “profitable” land uses, ending up instead with moderately priced single-family housing that generates more costs—for schools, roads and sewers—than they produce in revenues.

The result of fiscal zoning and the other strategies communities embrace to attract tax base is the concentration of households with the greatest need for public services in communities that are the least able to generate the revenue to provide them.

**Tax policies discourage investment**

Connecticut’s property tax is structured in a way that adversely impacts new development. While the property tax covers both land and buildings, the major burden of the tax is applied to the buildings or improvements made on that land. This creates a disincentive to maintain existing buildings, rehabilitate them or add new structures. The result is often land speculation, in which the owner holds the land without making improvements to it, since the land itself will not be taxed at the rate that a new development would. When that happens, the existing buildings deteriorate over time, and vacant lots accumulate in the cities. When land speculation occurs, leapfrog development often follows, resulting in loss of farmland and open space for new developments.

In urban centers, which urgently need the new development to boost their tax rolls and stabilize income streams, the tax effect is disastrous as the cities physically decline and potential new commercial development projects end up in neighboring municipalities.

**School finance**

Schools provide another dramatic example of the mismatch between needs and resources. School districts comprise an important part of Connecticut’s local fiscal landscape. In fact, the majority of property tax payments in the state go to schools—55 percent in 2001.

When districts’ needs are compared to their fiscal capacities, disparities are more evident. To measure the combined effects of capacity and needs, this study created a classification system for school districts.

In this system, districts were first grouped by revenue capacity per pupil. That’s the
revenue a district would generate for each student if it assessed the state’s average tax rate to its own tax base, plus state and federal aid. Districts with capacities per pupil at least 20 percent above the statewide average were classified as high capacity. Those with capacities at least 20 percent below average were classified as low capacity. The remaining districts—about half of the total—were considered moderate capacity. Then districts were categorized as either low- or high-cost. High-cost districts fit at least one of three criteria—a free lunch eligibility rate among elementary students greater than 40 percent, enrollment growth exceeding 30 percent (about 4 percent per year) over a seven-year period, or an enrollment decline of any size during the period (see Map 13).36

The results reveal that 57 percent of students are enrolled in districts showing at least one sign of stress—low fiscal capacity or high costs. Stressed districts are spread relatively evenly across the state.

Comparing school district classifications to municipality classifications (Map 1), we can see that the bulk of the high-stress municipalities—central cities, stressed and at-risk communities—are served by school districts facing at least one type of stress. This magnifies disparities as school and municipal services compete for scarce public resources. Connecticut’s existing state aid for education, while important, does not equalize schools sufficiently to pull the plug on the outmigration of families seeking the best education for their children.
Captions:

Map 13. Property Tax Base per Household, 2000

The ability of a community to pay for needed public services depends on both the costs of providing the services and its capacity to raise revenues. Many of the communities with high tax base are affluent ones with few social needs. Low tax bases are found in many of the places struggling with social strain—large cities and stressed and at-risk communities. Tax base per capita in the western portion of the state is higher than elsewhere, due largely to its proximity to the New York region and the presence of expensive second homes. By contrast, the state’s central and smaller cities, as well as municipalities such as Naugatuck and Windham, clearly lag behind the rest of the state, with property tax bases far below the statewide average. Near central cities there are affluent enclaves, such as Avon, Madison and Woodbridge.

Map 14. Percentage Change in Property Tax Base per Household by Municipality, 1995-2000

When a municipality’s tax base shrinks, officials must choose either to increase tax rates in order to maintain services or hold the line on taxes and provide fewer or lower quality services. Either choice puts them at a disadvantage in the regional competition for jobs and residents. This dilemma is in play in the state’s large cities, and in stressed and at-risk municipalities, including rural places like Hartland, Haddam and most of eastern Connecticut. Many communities in the western part of the state saw significant gains in tax base during the 1990s.

Map 15. School District Classification

Like municipalities, school districts must provide needed services with the revenues their tax bases produce. In Connecticut, 40 percent of elementary students are enrolled in districts struggling with relatively high costs but with only low to moderate ability to pay for them. Another 30 percent are in districts facing just high costs or low capacities.

A district’s ability to raise revenues is measured by revenue capacity—the amount of money the district would receive per pupil if it assessed the state’s average school tax rate to its own tax base plus its actual state and federal aid.
LOOKING FORWARD: STRATEGIES FOR ENHANCING CONNECTICUT’S QUALITY OF LIFE

Connecticut has great strengths in its people, its natural beauty, and the enviable quality of life enjoyed by many. However, the state is changing, and not solely for the better. Future economic vitality and quality of life are at risk.

Connecticut’s present fiscal system promotes an unhealthy competition between municipalities for the property tax-base growth they need to pay for public services. This in turn often leads to land-use decisions that promote uncoordinated growth and costly, inefficient development. These forces conspire to promote negative socioeconomic outcomes that now directly harm many in Connecticut, and threaten to harm even those who may think they live a safe distance away from such problems.

Social separation and reduced access to opportunity prevent many low-income people from making a good life and contributing to the state’s overall economic vitality. The state faces environmental degradation of key assets such as farmland, ridgelines and watersheds unless current trends are faced and corrective action is taken. The dominance of the automobile generates more and more congestion, which slowly chips away at the character of suburban and rural towns. Left unchecked, the pace of sprawl is likely to accelerate and low-density, uncoordinated development will likely become the dominant pattern in the state.

Connecticut Metropatterns is designed to provide a new perspective on and reliable information about these broad trends, and to contribute to the debate on how Connecticut can promote economic vitality and access to a high quality of life for its citizens.

Connecticut can build on its strengths and reshape the trends that work against it. Positive change is possible. Leaders in government and the private sector need to engage Connecticut’s citizens in a high-profile effort to develop and implement regional and statewide strategies addressing three areas:

- Greater fiscal capacity and equity among local governments.
- Smarter planning in land use, transportation, environmental protection and affordable housing.
- More effective regional leadership and decision-making.

Successful, substantive initiatives in these three areas will benefit urban, suburban and rural communities.

In addition to addressing specific problems, these strategies are mutually reinforcing. Successfully implementing one makes implementing the others much easier, both substantively and politically.

Fiscal Equity

An area ripe for reform is Connecticut’s state-local revenue system. Municipalities’ heavy reliance on the property tax to fund local public services, particularly K-12 public education, drives several destructive trends, including municipal competition for tax base, social and economic separation, unequal educational opportunity and sprawling development. In too many communities, the need for public services far outstrips the ability of the property tax base to raise the monies needed to pay for such services. The fiscal imperatives of the present system work against inter-municipal and regional cooperation, particularly in land use.

Connecticut currently faces a large state budget deficit. The present pattern of development requires vast expenditures of public money, costing citizens and businesses dearly. It cannot be justified. The problems with both the state and local
components of Connecticut’s revenue system underscore the need and the opportunity for structural reform. Such reform should strive to improve the ability of both the state and municipal governments to effectively and equitably raise the revenues needed to fund public services. The following ideas should be considered:

- Reduce municipal reliance on the property tax to fund public services. The present over-reliance hurts almost all cities and towns in different, though related, ways.

- Move more of the cost of K-12 public education from local property taxes to the statewide revenue system, at least to the 50-50 cost-sharing level long identified as a goal for Connecticut.

- Improve the incentives in the property-tax system. A split-rate property tax—where land is taxed more heavily than improvements—would create incentives for more intensive use of land, discouraging abandonment and sprawl. The current system does the opposite.37

- Consider different forms of regional and statewide revenue or tax-base sharing. Such programs can improve the incentives in the property-tax system, reduce fiscal inequities and provide much needed resources to invest in regional assets and service delivery. Map 16 shows the great potential of this kind of program. A modest tax-base sharing program during the 1990s could have improved the fiscal position of cities and towns serving 70 percent of the state’s residents. At the same time, it would have reduced the incentive for wasteful competition for tax base by sharing the benefits of development, no matter where it occurs.

- Re-evaluate and make other needed adjustments in the state-local revenue system. Reforms should focus on increasing the capacity, stability and equity of the system.

Although Connecticut has made in-roads in some of these areas already, there is much more to be done. The state has increased its education funding in the three decades since the Supreme Court ruled in Horton v. Meskill that a system of school financing relying largely on local property taxes is unconstitutional.38 However, Connecticut’s public education system is still more reliant on local property taxes than all other states in the nation and the state’s share of school spending is only 40 percent (below all but seven other states) and declining.39 In addition, Connecticut’s wealthiest towns still spend about 20 percent more per pupil than the poorest towns despite the fact that, adjusted for income, citizens of the wealthy places have a lower tax burden.40 The state must take greater steps toward reducing disparities by reducing reliance on the property tax to fund education.

State tax policies should also encourage residents and businesses to locate in central cities, stressed cities and towns and at-risk places. Connecticut has enacted three pieces of legislation within the last two years that move in this direction. The Connecticut Municipal Fiscal Disparities Act establishes a process to identify and assist municipalities suffering from fiscal distress, and sets out the steps that the state and nearby municipalities must take to address those towns’ fiscal capacity. Other new laws allow any two or more municipalities to jointly provide public services and to share real and personal property tax revenue. Such efforts offer tangible ways to strengthen communities facing fiscal and social stress, but have yet to come into wide use in the state.

**Smarter Planning**

Connecticut is a small state. If it is to compete successfully in the global economy without ruining its precious suburban and rural places, it must devise a much more
highly coordinated system of planning—one that encourages, empowers and equips municipalities, regions and the state to make land-use decisions that further common goals.

The present system of uncoordinated planning creates many problems for the state. It destroys farmland and sensitive open space. It increases traffic congestion, requires expensive public infrastructure investments at the urban edge and squanders past investment in more developed cities and towns. It promotes social and economic separation and unequal housing opportunity.

Policies should be established that encourage local planning with a regional and statewide perspective. The following ideas should be considered:

- Equip the state, local governments and regional planning organizations with better tools to make more informed and coordinated decisions in land-use and transportation planning. These tools should include a statewide geographic information system (GIS) usable at every level of government, a build-out analysis for all 169 municipalities, and a statewide cost-of-sprawl study.

- Strengthen the state’s capacity to carry out strategic planning and support municipalities and regional organizations. Additional staff and resources should be devoted to this effort.

- Use a reinvigorated State Plan of Conservation and Development as a statewide planning tool. Such a plan can be used to promote consistency among municipal and regional plans and to promote development in desired locations.

- Use the state’s considerable investments in infrastructure and schools to encourage “smart growth” development by focusing funding in target areas.

- Coordinate planning for economic development, public transit and housing to provide people with more choice in where they live and work and how they get around.

- Encourage growth where the infrastructure and public facilities to support it already exist. Promote reinvestment in cities and urbanized towns as a springboard to revitalization and livability.

- Promote the use of rental-housing vouchers in more towns. Enforcement of existing state and federal fair housing laws should be a priority.

- Vigorously promote homeownership for African Americans and Hispanics.

- Expand funding for agricultural and open-space preservation programs and promote transit-oriented development in key corridors.

Current institutions take the state only part way to these goals. For example, towns must consider the state plan and note any inconsistency with it when amending their own plans but they are not required to reconcile any differences. There are 15 councils of government (COGs) and regional planning agencies across the state, but they have no statutory authority to review or determine local land-use decisions. Many state agencies produce plans but they often work independently of each other, and they may use different regional boundaries for their service delivery. There is a state executive branch agency with responsibility for policy and management, but no state agency explicitly responsible for planning.

The state legislature’s bipartisan Legislative Program Review and Investigations Committee recently noted the need for increased coordination in planning. The report criticized the Department of
Transportation for the absence of both a vision statement and a strategic plan. It also criticized the DOT and the Department of Economic and Community Development for their joint failure to think strategically about how transportation investments can influence economic growth.42

There are a variety of models available across the country. At least 16 states have adopted comprehensive smart growth acts, and their ranks are growing. Regional land use planning efforts help officials coordinate investments in roads, highways, sewers and utilities. A number of states, including Massachusetts, New Hampshire, Rhode Island, Maine and Connecticut are creating planning mechanisms to equitably address their water needs while promoting clean water and protecting aquatic habitat. Concurrency requirements like those in Florida mandate that infrastructure be on-line by the time development takes place. Some states offer incentives for the use of New Urbanist design principles.43

Regional Leadership and Decision-Making

A primary theme of the Connecticut Metropatterns study is the interdependence of cities and towns. The cumulative impacts of uncoordinated decision-making from 169 individual actors are increasingly detrimental to the long-term health of Connecticut. Social and economic separation and sprawling development patterns harm not just Connecticut’s urban centers, but the state as a whole. Individual municipalities cannot effectively address these problems. They require regional and statewide action.

There are Councils of Governments already established in some parts of Connecticut that, if strengthened, could encourage regional cooperation while honoring Connecticut’s tradition of local control. The chief elected officials of the participating towns hold the power in a COG, which provides a means for democratic control and accountability. Strengthened COG-like structures could make headway on a whole host of regional issues, such as land-use planning, housing and redevelopment efforts, investment in regional priorities and the protection of farmland and other open space.

By modifying and strengthening existing regional entities and emphasizing consensus building, it is possible for Connecticut to preserve its essential character, improve its economic prospects and address its difficult problems of concentrated poverty and racial segregation.

Conclusion

There are ways to strengthen Connecticut’s capacity to address its biggest public policy challenges while preserving local prerogatives. However, the framework for addressing these challenges is inherently regional and statewide in nature.

• Many initiatives that can help address Connecticut’s challenges, such as reforms to the state-local revenue system and the way K-12 public education is financed, can and should be carried out by state government. But some will require action at the regional and municipal level.

• When regional responses are necessary, Connecticut should build on existing frameworks and promote broad input and accountability. Policymakers should empower existing regional entities to generate and share more resources at the regional level and to gather regional input into land-use, transportation and environmental issues. The state should use strong incentives—including financial ones—to promote regional cooperation and decision-making.

These ideas serve as a starting point for a larger discussion on how Connecticut can retake control of its future. A course correction is needed to put the state on the
path to greater economic vitality and enhanced quality of life. The costs of inaction are incalculable. A credible and effective system that promotes local, regional and statewide cooperation will pay dividends for Connecticut and its people for generations to come.
Map 16: Simulated Change in Tax Base per Household Resulting from a Tax-Base Sharing Program, 1990 to 1999

Tax-base sharing can both reduce inequality among municipalities and decrease the incentives for wasteful competition for tax base. Because all communities keep a majority (but not all) of the growth within their borders, the program reduces the incentives for inter-local competition for tax base while still allowing communities to cover the local costs of development. The tax-base sharing scenario also reduced tax-base disparities among communities. The ratio between the 95th and 5th percentile places in 2000 dropped from 5.3 without tax-base sharing to 4.1 with tax-base sharing—a decrease of 22 percent. The tax base-sharing pool—representing 8 percent of the total tax base statewide after nine years—increased the local tax base available to 70 percent of the state’s population.
Table 1: Characteristics of the Community Types

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<th>Percentage Growth in Jobs 1993-1998</th>
<th>Percentage of Property Tax Base Residential 2000</th>
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Endnotes

1 Poverty in elementary schools is measured by eligibility for free school lunch, a commonly used measure of poverty. Students are eligible for free lunches if they are from a household with income below 130 percent of the federal poverty line.


3 All variables were calculated as percentages of the statewide average and standardized by the number of standard deviations from the mean so that the effects of variables with very wide variations, like population density, did not overwhelm the effects of variables with narrower variations, such as tax capacity.

4 Map 3 defines urbanized land as census tracts with more than one housing unit per four acres. Given the average population per housing unit in the state, this represents about 460 people per square mile, a density commensurate with the cutoff that the Bureau of the Census uses to define “urbanized” in outlying areas (500 people per square mile).


19 These percentages are dissimilarity indexes. The dissimilarity index is commonly used to measure the degree to which two groups are evenly distributed in a given geographic area. In this case, they can be interpreted as the percentage of one of the groups that would have to change schools to achieve a perfectly integrated enrollment—for example, an equal mix of minority and non-minority students, or poor and non-poor students, in each building. For more on school segregation, see John R. Logan, “Choosing Segregation: Racial Imbalance in American Public Schools, 1990-2000” Lewis Mumford Center for Comparative Urban and Regional Research, University at Albany, Albany 2002. www.albany.edu/mumford/census/.


22 High-poverty schools are those with free-lunch eligibility rates of 40 percent or greater, a commonly used cut-off to define “high poverty.” Students in families below 130 percent of the poverty line are eligible for free lunches.


26 Connecticut Hospital Information Management Exchange, Inc.


28 State Blue Ribbon Commission on Housing (Hartford: 2000).


30 Website of the Connecticut Department of Labor.


34 This assumes that a dollar of spending generates the same amount of services in all parts of the region. In reality, however, the areas with the lowest capacities are also likely to be the places with the highest service costs, implying that the actual disparities are even greater than this simple comparison indicates.


36 These measures reflect a range of factors that increase costs. A high rate of free lunch eligibility, a commonly used proxy for poverty, generates greater needs for services and increases the cost of reaching a given level of service. Enrollment declines increase costs per pupil because fixed costs are spread over fewer students and because some variable costs are often difficult to reduce over relatively short time periods. Quickly growing enrollments increase costs because it is often difficult to spread the associated capital costs over the full lifetime of the assets.

37 The “two-tier” tax is used most extensively in Pennsylvania. Fifteen cities in Pennsylvania have approved the system during the last century to lower the taxes on the buildings and improvements, and raise the tax on land values. By shifting the tax burden from the improvements to the land itself, participating municipalities promote smart growth by encouraging construction where road and sewer services already exist. The effects of the split-rate tax have been especially impressive in Pittsburgh. In seven of the eight largest metropolitan areas in Pennsylvania, the property tax base per household in the central cities is just 46 to 66 percent of the regional average, indicating how much greater the property tax bases are in the suburbs surrounding the central cities. But central city Pittsburgh’s property tax base is a startling 90 percent of the regional average, bolstered in part by the split-rate tax. See Wallace E. Oates and Robert M. Schwab “The Pittsburgh Experience with Land-Value Taxation,” in Helen F. Ladd Local Government Tax and Land Use Policies in the United States, Helen F. Ladd, (Boston: Lincoln Institute of Land Policy 1998).


40 Digest, Public School Finance, (Hartford: Legislative Program Review and Investigation Committee, 2001).

41 John Rappa, OLR Report (Hartford: July 2002).


43 See Orfield 2002 for more discussion of land-use planning tools.