



2020 PLANNING STUDIO

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NEw Attainable House

A Planning Perspective on Attainable Housing: **Recommendations**

For thousands of Nebraskans, high housing costs place an undue burden on lower-income households. Several policy recommendations were formulated following our examination of the status of attainable housing in the state of Nebraska. These recommendations vary in scope and specificity, from individual projects to federal government policy responses, and were drafted with the intention of bringing about meaningful change to existing affordable housing policy and re-examining our traditional approach to building affordable homes. Our responses include measures to expand housing assistance programs, increase low-income housing inventory, and reducing the cost burden on developers.

Recommendations

I. Land acquisition, exactions, impact fees, permit costs, as well as, loan application fees, and all other costs associated with housing development limit the incentives for low-income housing development. Municipalities should review the fees assessed. Options may be available to reduce the fees assessed to projects developing low-income or affordable housing to not equal more than 5% of the expected home value.

- a. Local governments should consider reducing the fees required during the planning and construction phase of development, and also, credit a portion of the fees paid back to developers once the project meets the municipality's low-income housing expectation. This may provide great opportunities for public-private partnerships with funding to replace the loss in revenue sought out by foundations, civic-minded businesses, or government grants.
- b. Developing infill lots or replacing dilapidated properties with affordable housing units is likely to raise the tax base as new construction or updated properties will have a higher value. This approach is similar to the argument that supports the use of Tax Increment Financing or TIF. It also contributes to most communities' goals to reduce sprawl by infilling empty lots, thereby maximizing as much leasable or buildable space.

II. Finding comprehensive information about affordable housing programs is difficult for potential renters/buyers and developers. The current structure of affordable housing funding and information is widely spread and communicated among layers of government and private agencies. This disjointed effort lacks a clearly stated, shared vision and possibly, missed opportunities to better serve those in need of affordable housing.

- a. Each local jurisdiction with an affordable housing initiative or program should organize a coalition to hold regular meetings bringing together local, state, and federal levels of government and key local not-for-profit and business partners.
- b. To meet the goal of increasing housing diversity, housing development should be intertwined with other programs outside of housing. Agency partners should include those from related agencies such as transportation, labor, and education in addition to those whose core focus is housing for a more holistic approach.
- c. Each coalition should have a resources web page available to the public with current information for developers, property owners, and those seeking affordable housing. Additionally, to promote information sharing and the implementation of housing-related goals, representatives of state agencies for housing should regularly meet on a regional or nationwide basis to explore current best practices and exchange research program results.

III. Current housing assistance programs are disproportionately allocated, and long waitlists overwhelm systems.

- a. Local governments should consider incorporating a type of triaging system to direct people seeking affordable housing assistance to the appropriate agency or partner best able to meet their needs on time.
- b. Regulations on migratory displacements and new home construction should be in place to preserve affordable housing stock in all neighborhoods, specifically low-income neighborhoods to prevent the displacement of current residents due to rising home values.

IV. The price of rents is exceeding incomes at a rate greater for the majority of neighborhoods, specifically neighborhoods that are experiencing new development.

- a. New housing developments should consider building homes for users with comparable income levels as existing residents in the community. Offering existing residents' primary opportunity for new housing units in the neighborhood should be considered through a process of "grand-fathering", and further assistance for these types of home buyers and renters. For example, those currently renting in a neighborhood and who are interested in purchasing a home should have an opportunity to buy the home with some assistance, such as, low-income mortgages and down payment assistance programs.

V. People of color, disabled individuals, the elderly, and veterans are disproportionately in greater need of affordable housing.

- a. Systemic racism including, discriminatory housing practices, and school re-segregation, gaps in employment, and other areas must be addressed to foster social capital, equity, and justice. Strategies for assessing land-use patterns associated with social injustice should be included in comprehensive planning and policies.

VII. Many local government ordinances throughout Nebraska were reviewed during this project which limited housing options by restricting residential housing types. Single-family homes, duplexes, apartments, and condominiums are typically the only allowed residential housing types. Alternate housing types such as group homes, dormitories, cooperative housing, accessory dwelling units (ADU), and micro-housing were either not allowed or were limited to select demographics such as college students and parolees in a monitored residential program.

- a. Consider incorporating the “missing middle” approach to increase housing inventory, provide more housing types that meet the needs of different households, and to offer housing at a variety of price points. Additionally, local governments should consider amending zoning restrictions to allow for the building of ADUs, micro-housing, cooperative housing, and single room occupancy housing types (SRO). These different housing types may help achieve housing density and increase affordable housing stock, among others.

VIII. Older affordable housing buildings and units are mostly energy-inefficient, thereby, costing residents more in utilities.

- a. Encourage and provide financial incentives for the construction of more energy-efficient affordable housing projects. Promote the use of inexpensive, but sustainable and healthy building materials.
- b. Design and site homes that allow for natural or passive heating and cooling.

Conclusion

This analysis provides further insight on racial segregation, the potential for correlating migratory patterns to affordable housing, current programs and housing opportunities for low-income families and individuals, and current housing affordable housing stock in Nebraska. Potential solutions for Local communities, Statewide governments, and the Nation are considered. Further review and analysis of Affordable Housing are necessary to successfully implement community plans and accommodate future growth. Community partnerships are encouraged and communication efforts between non-profits, stakeholders, governments and developers are necessary.

Further analysis on the racial disparities in Nebraska, is required to ensure dignity and achieving equal opportunity for residents of the state. Many efforts exist to create a secure stock of affordable housing. A gap in the success of programs and creativity prevails. While continued research provides substance for decision-makers, policy changes are of immediate concern. Housing insecurity foregoes the “American Dream” and damages the veracity of such a statement. Equal housing opportunities in the United States, and Nebraska, must address concerns of racism, sexism, unfair employer biases, and unjust rental agreements.