

Valerie Grimes  
Director of Planning & Development

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June 7, 2023

Urban Affairs Committee  
Nebraska Legislature  
PO Box 94604  
Lincoln, NE 68509

Re: Municipal Density & Missing Middle Housing Act 2023 Report

Dear Urban Affairs Committee:

In accordance with Neb. Rev. Stat. §19-5504, the City of Norfolk is herein providing the required information prior to the July 1, 2023 statutory due date. The statute requires reporting from the last five (5) years but, since the statute does not specify, the dates used are calendar years, so the following information is January 1, 2018 – December 31, 2022. The contents of the City of Norfolk’s report are as follows:

(a) An overview of the city’s current residential zoning requirements;

The city has multiple zoning districts in which residential, including missing middle and multi-family, are permitted. The zoning code makes consideration for the smaller, older, existing lots for infill/rehab in that it shall not prohibit the erection of a single-family dwelling when the lot has less area and/or width as required by the current district. The zoning also permits a small house with just 650 square feet on a residential lot.

In the time since the last report, the city has adopted zoning code to encourage smaller, and therefore hopefully more affordable, housing in a couple different forms. The code was amended to permit accessory dwelling units on single-family detached lots in all the residential zoning districts. The city also adopted a new code for tiny houses. By definition tiny houses are 70 SF to 649 SF because the existing code without any revisions currently permits a 650 SF house on a residential lot.

(b) The percentage of areas in the city zoned for residential use which permit the construction of multi-family housing and middle housing;

12% (does not include the zoning districts allowing ADUs because as per N.R.S. 19-5503, Terms Defined, ADU is not listed under the middle housing definition and is not multi-family)

(c) A breakdown of new residential construction in the city over the previous five years, including the percentage of such construction that was single-family housing, multi-family housing, and middle housing;

222 Single-family units (SFD); 24%

138 Middle Housing units; 14.8%

567 Multi-family units (MF); 61.2%

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(d) A breakdown of residential units annexed by the city over the previous five years, including percentage of such units that were single-family housing, multi-family housing, and possible middle housing;

The annexations that have taken place over the last 5 years have annexed some existing residential structures which consisted of 342 single-family housing units.

The annexed land over the last 5 years with new residential structures, in-progress structures or planned structures are a combination of single-family houses and multi-family. There is a property annexed within the last year in which platting has not begun. We only have the discussion with the developer who says they are planning on a mixture of single-family detached, single-family attached and some middle housing with triplexes and/or quadplexes. As no definitive breakdowns are known yet for this property, those units are not included in the numbers below.

The percentage of what is existing, newly built or in process of being built on the residential annexed land is: 524 total units; 364 SFD DU= 69.5%, 160 MF DU= 30.5%.

(e) An estimate of the per-unit cost of housing in the city;

\$280,143 SFD

\$122,930 Middle

\$80,244/unit MF

\$134,471 average of new residential construction combined

(f) Whether such zoning codes, ordinances, and regulations provide for density bonuses or other concessions or incentives which encourage residential density, and the frequency with which such bonuses, concessions or incentives are utilized;

None utilized, as of the time of this report

(g) Whether such zoning codes, ordinances, and regulations allow the construction of accessory dwelling units;

The zoning code was amended to permit an accessory dwelling unit on single-family detached lots in all the residential and agricultural zoning districts.

(h) What incentives the city applies to encourage the development of affordable housing, including both direct incentives and regulatory relief;

Tax Increment Financing (TIF) has been used by multiple housing developers within the last five years. However, as these applications have proceeded through requisite city council and community development agency approval, the TIF has been provided without specifying these incentives should be used for building more affordable housing within the area.

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(i) A demographic analysis of the city with trends and estimates of the housing need classified by housing type and price range;

Below is the best available data for estimates of housing needs for Norfolk.

The City of Norfolk had a housing study performed in 2016 which showed the need for 762 total units with 444 being owner and 318 being rental. In the 2016 study, the owner average affordable price was \$172,000 and rental average affordable price was \$765. The most requested for both owner and rental were units with 3+ bedrooms.

Madison County did a more recent housing study which included demographics for the City of Norfolk. This study was done in 2019. This housing study showed the need for 596 total units with 349 being owner and 247 being rental. In the 2019 study, the owner average affordable price was \$195,000 and rental average affordable price was \$850. The most requested for the owner units remained 3+ bedrooms and the rental units lowered to 2 bedrooms.

(j) Efforts to adopt an affordable housing action plan as required under section 19-5505.

The action plan is in progress to meet the deadline provided in Neb. Rev. Stat. § 19-5505 on or before January 1, 2024, for a city with less than fifty thousand inhabitants.

If there are any questions regarding the above report information, please contact me at (402) 844-2280 or vgrimes@norfolkne.gov.

Sincerely,



Valerie Grimes  
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