



City of Grand Island Nebraska Affordable Housing Report

Presented to the Urban Affairs Committee

Unicameral of Nebraska

June 30, 2021

As Mandated in N.R.S.S §19-5504



THE REGIONAL PLANNING COMMISSION of Hall
County, Grand Island, Wood River and the Villages
of Alda, Cairo and Doniphan, Nebraska

Introduction:

This report has been prepared to the specifications of N.R.S.S §19-5504. Staff from the City of Grand Island will be available to present this report at a hearing if such is scheduled and respond to inquiries from members of the Urban Affairs Committee or their representative. Please direct all requests to present or inquiries to the Hall County Regional Planning Director:

Chad Nabity, AICP
Hall County Regional Planning Department
P.O. Box 1968
Grand Island, NE 68802
308-385-5240
chadn@grand-island.com

§19-5504 (1a) An overview of the city's current residential zoning requirements:

Unlike many cities in Nebraska and across the United States the City of Grand Island does not generally specify what type of housing can be built in a particular zoning district outside of housing as it is permitted in the Primary Agricultural, Secondary Agricultural, Transitional Agriculture, Light Manufacturing and Heavy Manufacturing zones. The Grand Island Zoning Code has seven districts that do not allow new housing of any type. These zones tend to focus on development of the Cornhusker Army Ammunition Plant, Industrial Estates and Commercial areas of the city and its jurisdiction. Grand Island has twelve zoning districts that permit dwelling units as a permitted use. The type of dwelling unit is not specified but the districts do identify both minimum lot sizes and a minimum lot area per dwelling unit; a density limitation. (eg. In the R2-Low Density Residential Zone the minimum lot size is 6000 sq. ft. and the permitted density is 1 dwelling unit per 6000 sq. ft. On a minimum size lot only a single family home can be built. If the lot is 12,000 sq. ft. it would be permissible to build a duplex on the lot. If the lot is 18,000 sq. ft. it would be permissible to build triplex on the lot. The residential densities permitted in the various district range from no limitation on the density in the RO-Residential Office and B3-Heavy Business districts to one unit per 20,000 sq. ft. in the LLR-Large Lot Residential zone.

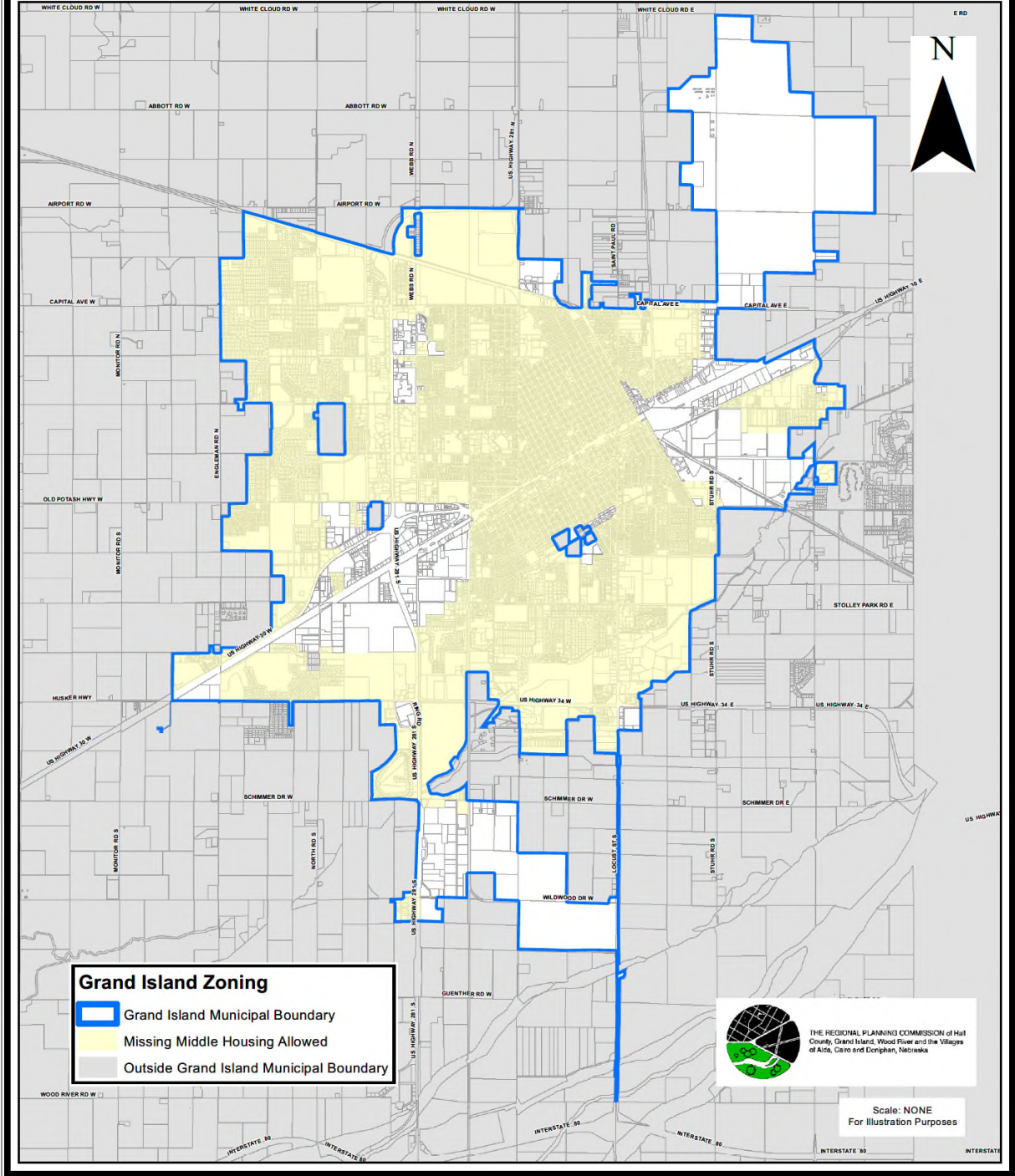
A chart of all of the zoning districts and the type of housing (single family and middle) allowed in each district as matter of right based on density is attached.

	Zoning District	Residential		Type of Residential							ADU*
		Allowed		Single Family	Town Home	Duplex	Triplex	Quadplex	Upper Story		
AG-1	Primary Agricultural Zone	Yes		Yes	No	No	No	No	No	No	No
AG-2	Secondary Agricultural Zone	Yes		Yes	No	No	No	No	No	No	No
AG-SC	Special Agricultural / Conservation Zone	No		No	No	No	No	No	No	No	No
AG-SE	Special Agricultural / Events Zone	No		No	No	No	No	No	No	No	No
AG-SI	Special Agricultural / Industrial Zone	No		No	No	No	No	No	No	No	No
SRC	Special Recreation / Conservation Zone	No		No	No	No	No	No	No	No	No
TA	Transitional Agricultural Zone	Yes		No	No	No	No	No	No	No	No
LLR	Large Lot Residential Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R-1	Suburban Residential Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R-2	Low Density Residential Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R-3	Medium Density Residential Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R3-SL	Medium Density Small Lot Residential Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R-4	High Density Residential Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
RO	Residential Office Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
B-1	Light Business Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
B-2	General Business Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
B-3	Heavy Business Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
ME	Industrial Estates Zone	No		No	No	No	No	No	No	No	No
M-1	Light Manufacturing Zone	No*		No	No	No	No	No	No	No	No
M-2	Heavy Manufacturing Zone	No*		No	No	No	No	No	No	No	No
M-3	Mixed Use Manufacturing Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CD	Commercial Development Zone	No		No	No	No	No	No	No	No	No
TD	Travel Development Zone	No		No	No	No	No	No	No	No	No
RD	Residential Development Zone	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

*ADU's are permitted when attached to a principal use and if they conform to the density requirements.

Grand Island Zoning

Zones that allows Missing Middle Housing



Area of Grand Island City Limits where Missing Middle Housing is Permitted

§19-5504 (1b) The percentage of the areas of in the city zoned for residential use which permit the construction of multifamily housing and middle housing:

Multifamily and middle housing can be constructed in every zoning district in the city that permits dwelling units as a principal use if the density requirements are met. So the percentage of areas in the city zoned for residential use which permit the construction of multifamily and middle housing is 100%.

§19-5504 (1c) A breakdown of new residential construction over the previous five years, including the percentage of such construction that was single-family housing, multifamily housing and middle housing:

The attached chart breaks down the new housing construction between 2016 and 2020 based on permits issued.

HOUSING UNITS 2016 - 2020							
YEAR	S.F. HOME	* S.F. ATTACHED	*DUPLEX	*3 OR 4 PLEX	*5 OR MORE	MOBILE HOME	TOTAL UNITS
2016	92	15	10	3	176	20	316
2017	85	17	4	10	72	11	199
2018	53	10	8	13	6	0	90
2019	64	2	10	0	26	0	102
2020	56	18	64	3	55	0	196
TOTAL	350	62	96	29	335	31	903
% of Total	38.76	6.87	10.63	3.21	37.10	3.43	100.00
Middle Housing*			20.71				

*Some units in the 5 or more category may be located downtown and represent upper story development that would be middle housing by definition.

§19-5504 (1d) A breakdown of the residential units annexed by the city over the previous five years, including the percentage of such units that were single-family housing, multifamily housing, and middle housing;

All of the residential units annexed between 2016 and 2020 have been single-family homes. The city has annexed five houses during this time frame. The houses have primarily been existing farm houses that were being subdivided adjacent to the city limits.

§19-5504 (1e) An estimate of the per unit cost of housing in the city;

The attached chart breaks down the estimated cost new housing construction based on housing type; single family detached, missing middle and apartments between 2016 and 2020 based on permits issued.

HOUSING UNITS				
2016 - 2020				
<i>*Includes construction cost based on permits issued within City Limits and ETJ</i>				
YEAR	S.F. HOME	S.F. ATTACHED	MISSING MIDDLE (2-4 units)	5 OR MORE
2016	99	15	13	176
2017	86	17	14	72
2018	56	10	21	6
2019	66	2	10	26
2020	57	18	67	55

HOUSING UNITS				
Total Cost of Construction Per Year				
2016 - 2020				
<i>*Includes construction cost based on permits issued within City Limits and ETJ</i>				
YEAR	S.F. HOME	S.F. ATTACHED	MISSING MIDDLE (2-4 units)	5 or more
2016	\$18,679,410.00	\$2,354,614.00	\$1,526,049.00	\$9,809,374
2017	\$15,414,264.00	\$2,127,584.00	\$1,719,551.00	\$4,200,000
2018	\$10,639,658.00	\$1,557,854.00	\$2,205,384.00	\$568,000
2019	\$14,604,570.00	\$296,836.00	\$1,153,279.00	\$2,745,943
2020	\$12,241,553.00	\$2,755,378.00	\$10,331,085.00	\$5,371,579

HOUSING UNITS				
Average Cost Per Unit				
2016 - 2020				
<i>*Includes construction cost based on permits issued within City Limits and ETJ</i>				
YEAR	S.F. HOME	S.F. ATTACHED	MISSING MIDDLE (2-4 units)	5 OR MORE
2016	\$188,680.91	\$156,974.27	\$117,388.38	\$55,735.08
2017	\$179,235.63	\$125,152.00	\$122,825.07	\$58,333.33
2018	\$189,993.89	\$155,785.40	\$105,018.29	\$94,666.67
2019	\$221,281.36	\$148,418.00	\$115,327.90	\$105,613.19
2020	\$214,764.09	\$153,076.56	\$154,195.30	\$97,665.07

§19-5504 (1f) 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:

The city of Grand Island does not offer any concessions or incentives for density. We have amended our street standards recently to make it easier for all residential subdivision to reduce the street width from

37' back of curb to back of curb to 32' back of curb to back of curb under certain conditions. We also created a new residential zoning district R3-SL Medium Density Small Lot that permits smaller lot sizes and is designed to allow row house development by right.

§19-5504 (1g) Whether such zoning codes, ordinances and regulations allow the construction of accessory dwelling units:

Accessory dwelling units are permitted in all of our residential zoning districts as a matter of right provided that the allowed residential density for the zoning district is not exceeded and that the accessory dwelling unit is attached to a principal building.

§19-5504 (1h) What incentives the city applies to encourage the development of affordable housing, including both direct incentives and regulatory relief:

As mentioned above the city has made regulatory changes with the hopes of creating an environment that allows the development of affordable housing. The city has partnered with the Housing Development Corporation with Community Development Block Grant funds for both new and renovated owner occupied housing.

The city has a long tradition, dating back to 1996, of partnering with developers to use Tax Increment Financing for housing development. Of the 73 TIF projects approved by the city 41 of them have involved housing of one kind or another. The information below only applies to those 41 projects that involved housing or a housing component.

Seven of those projects involve primarily single-family construction; three of those seven supported development of housing for very low income individuals by the local Habitat for Humanity affiliate.

Eleven projects were mixed use housing projects mostly. Nine of those involved upper story residential development in downtown Grand Island and one of the remaining two involved construction of a triplex on a portion of property that had been undeveloped and in the city limits for more than 70 years.

Six of the projects involved larger scale apartment development. Four of those also used Low Income Housing Tax Credits as part of their financing mix. One of those projects was targeted toward homeless or near homeless veterans. One of the apartment projects involved adaptive reuse of a historic school building and utilize historic tax credits as well as LITHC funds. One project that is just beginning will be market rate independent living facilities as part of a retirement facility. The last project was apartments targeted to the general population of Grand Island's market rate renters.

Twenty-seven of the projects involved middle type housing ranging from single duplex projects to a 180 unit townhome and row house project in northeast Grand Island. This includes the nine mixed use projects that are located in downtown Grand Island.

The Grand Island Area Economic Development Corporation applied for and received funds from the State of Nebraska to support the development of workforce housing. They are currently working on developing a request for proposals for applications for those funds.

§19-5504 (1i) A demographic analysis of the city with trends and estimates of the housing need by housing type and price range; and

GRAND ISLAND:COMMUNITY HOUSING STUDY WITH STRATEGIES FOR AFFORDABLE HOUSING.

**HOUSING UNIT TARGET DEMAND –HOUSEHOLD TYPE BY AMI
GRAND ISLAND, NEBRASKA
2024**

HOUSEHOLD AREA MEDIAN INCOME (AMI)

Owner Units	(0%-30%)	(31%-60%)	(61%-80%)	(81%-125%)	(126%+)	Totals	Work Force Sector
Elderly (55+)	0	8	12	78	124	222	54
Family	14	7	63	108	270	482	426
Special Populations¹	10	11	9	6	0	36	8
Subtotals	24	46	84	192	394	740	488
Rental Units	(0%-30%)	(31%-60%)	(61%-80%)	(81%-125%)	(126%+)	Totals	Work Force Sector
Elderly (55+)	10	36	40	80	32	174	36
Family	30	36	80	139	72	320	178
Special Populations¹	12	16	10	7	21	127	93
Subtotals	52	88	130	226	125	621	307

* Includes lease- or credit-to-own units

¹ Any person with a special housing need due to a cognitive and/or mobility disability

Note: Housing demand includes both new construction & purchase/rehab/resale or re-rent.

Source: Hanna:Keelan Associates, P.C., 2019.

GRAND ISLAND:COMMUNITY HOUSING STUDY WITH STRATEGIES FOR AFFORDABLE HOUSING.							
HOUSING UNIT TARGET DEMAND –UNIT TYPE/PRICE POINT (PRODUCT) BY AMI GRAND ISLAND, NEBRASKA 2024							
PRICE – PURCHASE COST (Area Median Income)							
Owner Units*	(0%-30%) \$88,630*	(31%-60%) \$133,000*	(61%-80%) \$207,000*	(81%-125%) \$310,000*	(126%+) \$372,000*+	Totals	Work Force \$189,000*
1 Bedroom¹	0	0	0	27	31	58	0
2 Bedroom¹	7	20	30	60	80	197	56
3+ Bedroom	17	26	54	105	283	485	432
Totals	24	46	84	192	394	740	488
PRICE – PURCHASE COST (Area Median Income)							
Owner Units*	(0%-30%) \$425**	(31%-60%) \$640**	(61%-80%) \$925**	(81%-125%) \$1,140**	(126%+) \$1420**	Totals	Work Force \$825**
1 Bedroom¹	20	26	32	64	32	174	36
2 Bedroom¹	22	50	68	108	72	320	178
3+ Bedroom	10	12	30	54	21	127	93
Totals	52	88	130	226	125	621	307
¹ Includes Downtown Housing Units.							
*Average Affordable Purchase Price; varies with unit type and household size.							
**Average Affordable Monthly Rent; varies with unit type and household size.							
Note: Housing demand includes both new construction & purchase/rehab/resale or re-rent.							
Source: Hanna:Keelan Associates, P.C., 2019.							

§19-5504 (1j) Efforts to adopt an affordable housing action plan as required under section 19-5505.

The city of Grand Island will have an affordable housing action plan as required under section 19-5505 adopted on or before January 1, 2023. Staff will be working on it between now and that date.