# Hickman Housing Study



Hickman, Nebraska December, 2016





## Acknowledgements

### Mayor, City of Hickman

Doug Hanson

### **Council Members**

Dave Dykmann

Phil Goering

Richard Harms

Justina Ziemann

Steve Noren

Doug Wagner

### **Planning Commission**

Marna Cochell, Chair
Chad Parker
Austin Klingenberg
Eldren Echternkamp
Nancy Brandt
Walt Nelson
Troy Pomajzl
Dave Kulwicki

Keith Jantzen Nathan Claassen, Alternate

### **City Staff**

Silas Clarke, City Administrator Kelly Oelke, City Clerk Heidi Hoglund, Director of Permitting, Zoning, and Codes

### **Planning Consultant**

JEO Consulting Group, Inc.

### Study made possible with funding from the Nebraska Investment Finance Authority





## **Table of Contents**

Executive Summary	1
<b>Community Profile</b>	2
<b>Existing Housing Analysis</b>	6
Community Engagement	14
Projections	20
Implementation	23



## **Executive Summary**

The City of Hickman is located in southern Lancaster County, directly south of Lincoln, NE. The community is well within the Lincoln Metropolitan Statistical Area. This study exists to examine the housing market of Hickman and document area housing data and conditions. The goal of the document is to provide support for community decisions and strategies regarding housing improvement and development in the community. It is understood that housing is an integral component of economic development, quality of life, and overall community success. A portion of this study and the Comprehensive Plan update were funded by Nebraska Investment Finance Authority's (NIFA) Housing Study Grant Program. The Housing Study Grant Program is designed to stimulate ideas for regional, community and neighborhood plans encompassing housing, community, economic, and place-based development opportunities in Nebraska.



### **Study Process**

The Hickman Housing Study was developed in conjunction with a major update to the City's Comprehensive Plan. Within the context of the planning process, public participation involved a series of focus group meetings, an on-line public forum, and engaging select stakeholders in housing, community and economic development to discuss housing needs and opportunities in Hickman. The process was overseen by a selected steering committee consisting of various stakeholders and community leaders.

The first step in the study is to develop a profile of Hickman. This profile is an understanding and analysis of Hickman, its residents, and its housing stock. The purpose of the profile is to identify who the residents of Hickman are, and what their future needs may be. This analysis also carries over to identify a potential market for future residents of the community and examining the appropriate housing options to attract population growth.

The engagement step is a critical component of the planning process. Citizen participation is of the utmost importance in identifying the strengths, weaknesses, opportunities, and threats (SWOT) for housing development in the community. The residents, workforce, and business leaders of Hickman have the most intimate understanding of the issues facing the community and housing stock.

The third step in the planning process includes projecting future housing needs and demands. Utilizing socioeconomic data and establishing trends of the existing population, a forecasted population base and housing demand are developed. These projections are designed to assist community leaders and private concerns in policy and investment decisions.

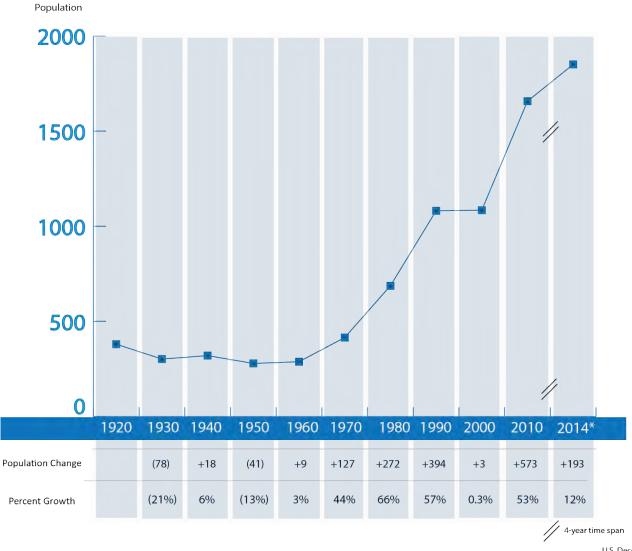
Stakeholder input, in conjunction with highlighted community data, is utilized in the final step of the planning process. An implementation plan that complements the recommendations of the Comprehensive Plan was developed based on input gained throughout the planning process and targeted opportunities. This community action plan is created with strategies for addressing issues that may currently prohibit housing development in the community.

# **Community Profile**

### **Population**

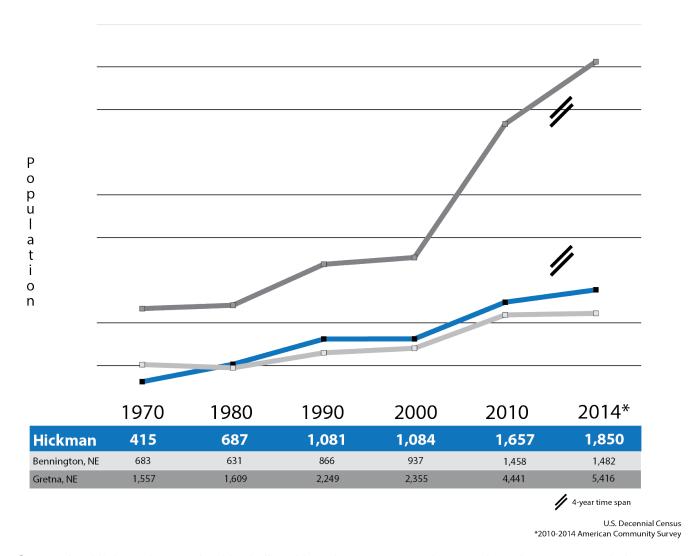
Hickman's historical growth is best summarized by its recent, rapid growth. The growth of the "baby boomer" era has given way to even more growth pressures within the most recent decades. This growth can largely be attributed to the community's quality of life amenities increasing connectivity to the City of Lincoln. These growth trends weigh heavily on projections of future population growth in the community. The goal of this housing needs study is to identify strategies to develop housing that will accommodate and facilitate these growth trends, while managing the rate of growth at an appropriate level.

Figure 1. Hickman Historic Population



U.S. Decennial Census \*2010-2014 Amercian Community Survey

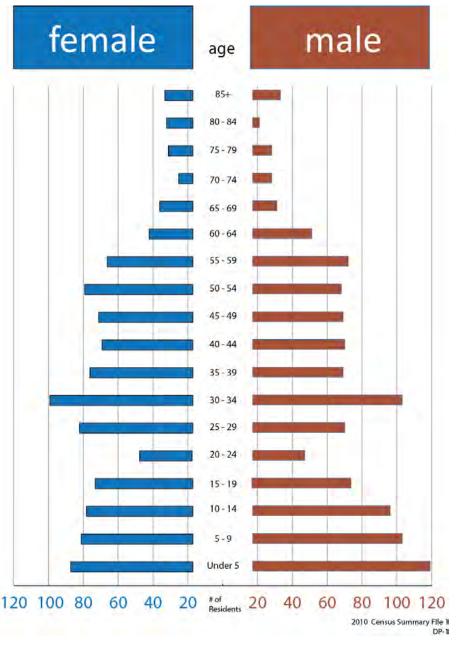
Figure 2. Comparison Population Trends



Comparing Hickman's growth with similar cities gives context to its growth and current population. Comparable cities were selected based on their size, but also their relative proximity to Metro areas. Over the span of the past 40 years, Hickman's growth has exceeded that of Bennington, just outside of Omaha. Hickman's growth mirrors that of Gretna's prior to the year 2000. Gretna's growth since has been fueled by it's connectivity to Omaha, but also it's proximity to Interstate 80, making it accessible to Lincoln as well as a driver for economic growth.

Housing choice is imperative to growth on a regional perspective. With all peer communities located within Metropolitan Statistical Areas, their growth respective to one another is largely determined by connectivity to job centers, quality of life amenities, and appropriate housing choice.

Figure 3. Hickman Age Cohort - 2010



Age structure analysis provides a snapshot of the current population of a community by its respective age cohorts and gender. It also serves as a baseline for future population projections by allowing the viewer to track age groups through time compared with area birth, mortality and migration rate trends.

The most notable segment of the population lies in the age groups of 30-34. Hickman's ability to attract young adults and families has been the primary driver of its population growth. This group has been attracted to the quality Norris School District, housing choice, and amenities of a small community. The proximity to Lincoln allows young families to enjoy raising children in a small community and school district, while accessing the large job pool of the larger metro area of Lincoln.

The children of these young families will be served by child care facilities and the local school district. An annual evaluation of the capacity in these areas will help maintain a continued attraction by young families.

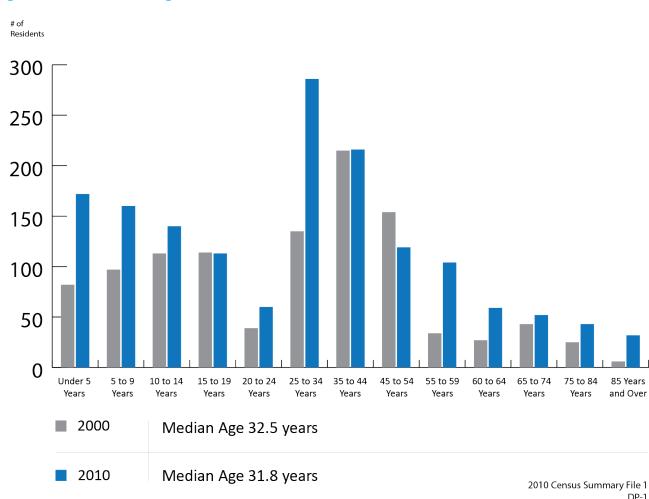


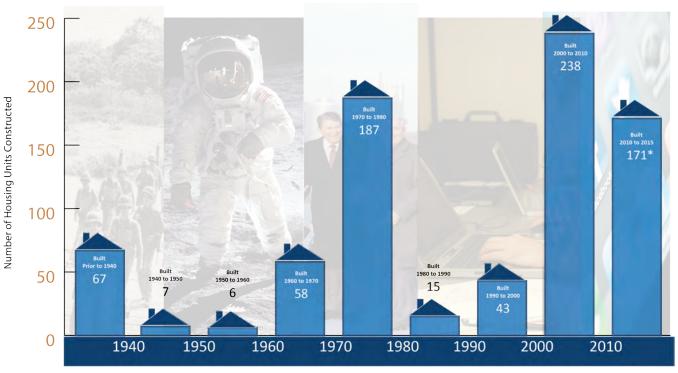
Figure 4. Hickman Age Cohort Trends

In looking at recent trends of specific age cohorts, the most notable growth has occurred in young families. These families are characterized by children under the age of 19 and adults between the ages of 25 and 44. This growth has caused the median age for the community to drop from 32.5 in 2000 to 31.8 in 2010. However, every cohort above the age of 50 experienced growth over the most recent Census decade. This trend will weigh heavily on the community's need to provide housing opportunities and quality of life amenities to retirees and seniors.

Community's often find that older generations are just as mobile as young families and professionals. Many retiree's seek the opportunity to downsize and relocate near family as part of their grandchildren's support system and to maintain their own family support system nearby.

# **Existing Housing Analysis**

Figure 5. Hickman Housing Stock Ages



2010-2014 American Community Survey \*City permit data

Mirroring its historic population growth, the development of Hickman's housing stock has experienced periods of rapid growth. The facilitation of population and housing growth has been determined by the availability of land and infrastructure for the development of new housing subdivisions. As of the Fall of 2016, Hickman's most recent subdivision is filling up and lacks many vacant lots for construction. However, a new subdivision has been preliminarily approved, with construction likely to begin in 2017.

Figure 6. Hickman Housing Trends

Persons in Households
Persons per Household - Owner
Persons per Household - Renter
Persons per Household
Family Households
Family Household Percentage
Family Average Size

1990	2000	2010	2014*
1,081	1,084	1,657	1,850
8	3,04	3.04	3.06
	1.94	1.93	2.87
2.89	2.85	2.82	3.01
_	294	463	482
-	77.2%	78.9%	78.5%
~	3.27	3.22	3.47

### HOUSEHOLDS

Occupied Housing Units
Owner-Occupied Units
Renter-Occupied Units
Vacant Housing Units
Owner-Occupied Vacancy Rate
Renter-occupied Vacancy Rate

Total Housing Units

368	404	609	646
364	381	587	614
291	313	473	451
73	68	114	163
4	23	22	32
1.4%	1.9%	1.9%	4.2%
8.8%	13.9%	6.5%	096

UNITS

U.S. Decennial Census \*2010-2014 American Community Survey

Figure 7. Hickman Occupancy Tenure



2010-2014 American Community Survey

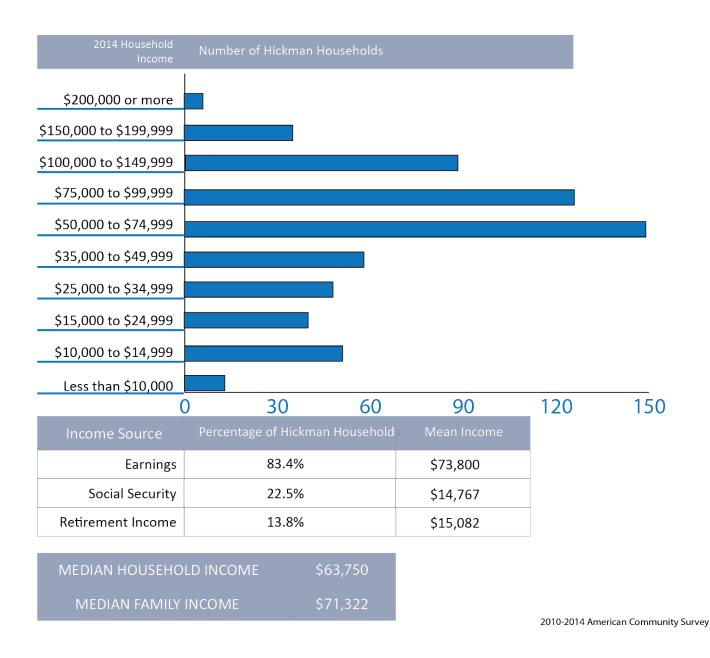
Select housing characteristics showcase trends forming in the local market. These trends assist in housing demands projections and the housing stock's ability to serve a growing population. Figure 6 displays select characteristics in which trends and assumptions can be made.

Hickman's household size has remained steady over the most recent Census decade, where data is available. Vacancy rates have also remained extremely low for both owner and renter-occupied units. These trends showcase the level of demand for owner housing from young families in the Hickman area.

The demand and market for owner-occupied housing units is further detailed in Figure 7. Where most communities have a home-ownership rate in between 60 to 70 percent, Hickman's rate is above 70%. The estimated statewide average in 2014 was 67%. Maintaining a balance of ownership and rental opportunities is important to a sustainable housing market and community growth. Establishing additional quality and affordable rental opportunities is recommended to provide a diverse housing supply, catering to a wider demographic.

Income is a major, if not the definitive, factor in terms of housing choice for a resident. The household income levels as reported by Census are documented in Figure 8. Hickman's median household income of \$63,750 is well supported by the distribution of population at higher income levels. An estimated 65.5% of Hickman households have income levels at, or above that of the Nebraska median household income of \$52,686 in 2014. Showing a high level of income independence, over 83% of households in Hickman receive their income from earnings, rather that fixed income sources of Social Security or personal retirement savings.

Figure 8. Hickman Household Income - 2014



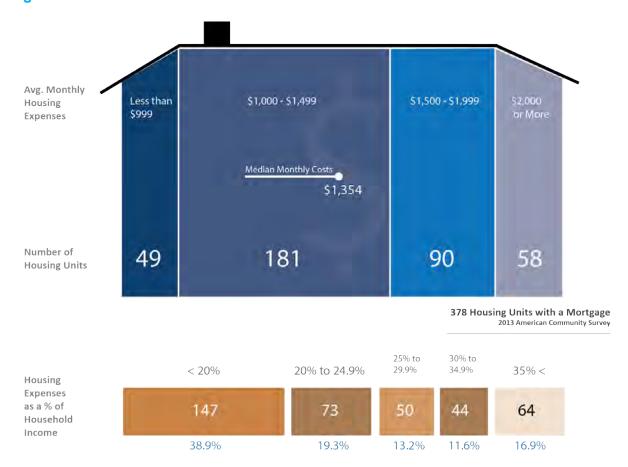


Figure 9. Hickman Homeowner Costs



The relationship between income and housing is further explored in Figures 9 and 10. The U.S. Census defines monthly housing costs as the total cost of owning or renting a home, or the total of mortgage (rent), taxes, insurance, and utility costs. A total monthly housing cost in excess of 35% of household median income is considered to be a burden to the household.

Of owners, the median monthly cost of ownership was an estimated \$1,354 in 2013. This represents less than 1% of the estimated median home value and 25.5% of the monthly median household income in the same year. 58.2% of households in Hickman pay less than 25% of their household income on housing costs. Any additional household income is beneficial to the community. It is assumed that income not spent on housing can be applied towards savings, and other, more discretionary spending that can benefit the community. Having such a high percentage of households well below the burden level is a positive indicator for the economic potential of the community.

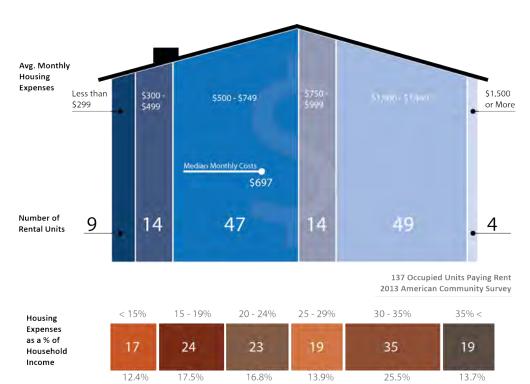


Figure 10. Hickman Renter Costs

The costs of renting a home in Hickman is a sharp contrast to that of owning a home. Over 13% of renters in Hickman are above the housing burden threshold of 35% of household income dedicated towards housing costs. Ideally, rental households in a community should be committing less of their income on housing expenses. Such a high ratio of housing expenses compared to household income makes the potential transition from rental to ownership difficult. A lack of discretionary income makes affording a down payment on a home difficult. Quality and affordable rental opportunities can be a large asset for a community. On average, the estimated median monthly housing costs for renters was nearly \$700 in 2013.



Figure 11. Hickman Owner-Occupied Unit Value



New housing development over recent decades have steadily increased the Median Home Value in Hickman. The estimated median home value in Hickman in 2013 was \$150,700, or \$18,000 above the estimated median value of Nebraska – statewide in the same year.

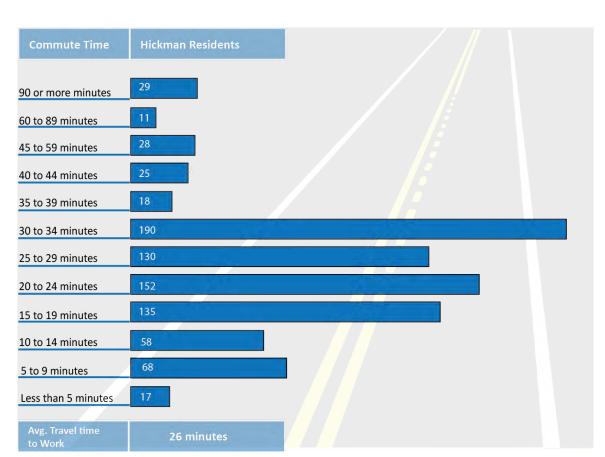


Figure 12. Hickman Commute Times

2010-2014 American Community Survey

The location of Hickman within the Lincoln Metropolitan Statistical Area influences the commuting pattern of Hickman's workforce. The majority of the working population commutes over 15 minutes to work. The average commuting time for Hickman residents is 26 minutes. The assumption can be made that the majority of Hickman's workforce is commuting to Lincoln to work.

The commuting relationship between Hickman and Lincoln has benefits and drawbacks. The greatest benefit is that it allows Hickman residents to maximize their earning potential with access to many more employment opportunities than could be supported by Hickman alone. The greatest drawback of a commuting population is the loss of retail dollars to the larger city. Commuting allows a population to spend a greater portion of their income outside of their resident community.

### **Housing Conditions**

A field survey of housing conditions was conducted through the Fall 2016. Housing units visible from the Right of Way were analyzed on structural integrity utilizing federal Housing and Urban Development guidelines:

**Excellent** – no improvements needed

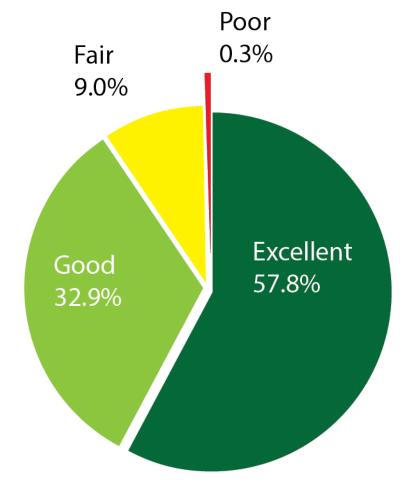
Good - Improvements that a typical homeowner could repair

Fair - Improvements required that would likely be contracted

Poor - Significant structural repairs needed

The analysis generated several observations that affect the housing market in Hickman. First, the growth in the community yields a high number of new homes with high structural ratings. Second, the rate of construction proves to make accurately accounting for vacant lots difficult in real-time. Lots are quickly purchased and built, making the analysis a simple snapshot at a static moment in time.

Figure 13. Hickman Housing Condition Rating



## **Community Engagement**

The Hickman Housing Study was conducted simultaneously to the city's update to the Hickman Comprehensive Plan. As such, the public participation process for the formulation of each document was shared. Successful plans involve the community to represent their needs and vision for the future. The over-arching goal of the public participation process is to provide a variety of opportunities for the public to become involved in the decision-making process. Community members are well-informed and have intimate knowledge to make the most of Hickman's potential.

On November 18, 2015 a series of focus group meetings were conducted to discuss select topics of interest to the community. These meetings involved select stakeholders involved professionally or personally in the fields of; housing, economic/business development, city services, and parks and recreation. The general public was also welcome to participate in these conversations.

Each group of stakeholders was asked questions regarding their views on the community in general, with respect to their respective fields, and about goals and projects they see as beneficial to the community. The discussion of the Housing Focus group is detailed below.

### **Housing Focus Group**

The housing focus group consisted of community stakeholders, property owners, and professionals in the housing field; Realtors, developers, and builders. The aim of this discussion was to pinpoint the market needs and opportunities addressing housing development in the Hickman area.

### **Community Assets**

- Norris School District
- Proximity to Lincoln
- Lot prices in relation to South Lincoln
- Access to lake recreation
- Park system
- Access to post-secondary education institutions

### **Barriers to Housing Development**

- Housing price gap
  - Local wages lower than local housing prices
- Local retail opportunities
  - Hardware store
  - Larger grocery store
- Lack of civic engagement of commuter population
- Amenities for young families
  - Family restaurants
  - Swimming pool
  - Recreation center
- No viable location for multi-family housing
- Lack of public transit
- Availability and accessibility of sewered land for development
- Floodplain
- · Lack of local commercial development

- Job centers
- Retail centers
- Lack of pedestrian and bike paths to employment centers in Hickman

### **Housing Market Needs**

- Workforce Housing
  - \$125,000-\$180,000 price range
- Turn-key houses
- Mid-range rentals
  - \$500-\$1,000 per month rental rate
- · Senior/ADA accessible housing

### **Magic Wand**

- Safe crossing of 68th Street
- Complete sidewalk network
  - Sidewalk/Trail on 68th and Hickman Roads
- Traffic light/traffic control on intersection of 68th and Hickman Road
- Comprehensive indoor recreation center
- Improved internet bandwidth
- Looped trail system
- Development of 82nd Street
- Wagon Train Road paved to 82nd Street

### **Town Hall Meeting**

On November 12, 2015, a Town Hall Workshop was held to solicit input regarding key areas of the community from the public at-large. This input was aimed to guide the direction and recommendations of the Comprehensive Plan update and ongoing Master Trails Plan. Various stations were utilized to engage the public regarding topics associated with established community priorities. These stations included:

- Economic development
- Housing
- Parks and recreation
- Trail development

## Economic Development Station Community Needs/Business Opportunities

- Medical practice
  - Pharmacy
  - Family clinic
- Auto repair shop(s)
- Hardware store
- Tool/Equipment rental
- · Sporting goods and apparel
- School supplies
- Destination retail/entertainment
  - Top Golf, etc.

- Storm drainage along 68th Street
- Storm drainage in older part of community
  - Flood control in park
- Accessible and safe crossing of 68th
  - Pedestrian
  - Bike
- Athletic training facilities
- · Swimming pool/Splash pad
- · Speculative office space
- Data center
- High-end event center
- Adult recreation
  - Volleyball courts, etc.



### **Hickman's Economic Development Assets**

- High Median Income
- Population base beyond city limits (330,000+ in county)
  - Larger labor pool
  - Larger potential customer base
- Education facilities
  - Norris School System
  - Proximity to post-secondary education
    - University of Nebraska Lincoln
    - Nebraska Wesleyan University
    - Southeast Community College
    - Union College
    - Etc.
- Lack of existing business competition
  - "Opportunity for new business to capture local market"
  - "Community loyalty" (commitment to buy-local)
- "Hub" of southern Lancaster County

### **Hickman's Economic Development Weaknesses**

- Lack of regional traffic
  - Highway 77 bypasses Hickman
- Commuting Population
  - Loss of retail dollars and corresponding sales tax revenues
- Small population
  - Low unemployment = "Lack of available labor"
- Few sites for industrial/commercial development
- Cost of extending utility infrastructure to the west

### Housing Station

### **Needed Housing Types**

- Rentals (\$800 \$1,400 / month: 2-3 bedrooms)
  - Multi-family
  - Single-family
- Single Family owner-occupied
  - Affordable and first-time homebuyer price points
    - \$100,000 \$150,000 price range
    - \$150,000 \$200,000 price range

- Diversity in housing stock
  - Condominiums
    - Duplex/Triplex/Townhomes
  - ADA Accessible/Senior independent

### **Community Needs**

- Faster internet
- Recycling program
- Additional quality of life amenities
- Local jobs
- Additional child daycare options
- 68th Street Development
  - Must be an aesthetic and welcoming corridor
  - Multi-modal transportation options
  - Commercial frontage
  - Multi-family buffer behind commercial development
- Downtown revitalization
  - Streetscaping
    - Façade improvements
    - Awnings
    - Signage
  - Infill of vacant lots

## Parks, Recreation and Trails Station Community Recreation Issues

- Crossing 68th Street
  - At-grade, overpass, or underpass
- Crossing of Hickman Road
- Need more dedicated trails
  - New development
    - Outlots vs. easements

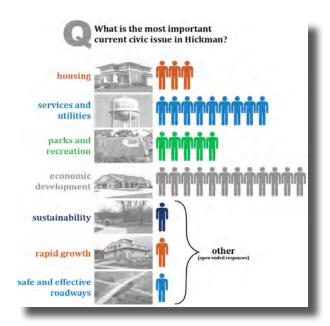
#### **Recreation Needs/Wants**

- Dog park
- Splash pad
- Shooting range
- Golf
- Regional park
- Destination park bringing in economic development

### ImagineHickman.MySidewalk.com

The MySidewalk site, www.imaginehickman.mysidewalk.com, served as an on-line public forum to supplement the traditional public participation process. The platform facilitates community participation over the web to build upon input typically received during public meetings, town halls, and focus group meetings. The MySidewalk site operates as a convenient, and user-friendly process for citizens to utilize at their convenience, from the comfort of their homes or a mobile device. The Imagine Hickman site served as a virtual town hall, where users can respond to questions and polls, generate ideas, and discuss other users' ideas. The site generated 3,725 total page views and nearly 50 interactions to questions and ideas.







dental (clinic, emergency care, etc.)

dental dental dental assisted living as

Support for community ideas
Su

What are some of the greatest barriers for growth in Hickman?



"The available talent for a potential employer is very limited due to very low unemployment...



"Hickman is too close to Lincoln to be self-supportive. Small business has to compete with the box stores that are 8 miles away. Your business has to be unique, or a niche business to survive."

What types of improvements would you like to see in Hickman city parks?



"With so many kids of all ages, I'd love to see more variety and easier access to the parks. Let's keep the kids near home and out of trouble with options. Summertime = pool time! This creates jobs for the teenagers and provides fun for all ages.



"Baseball and soccer fields that aren't subject to flooding"



"Swimming pool is a must for a growing community



What should the role of city government be for economic development?

Promoting and marketing the community

Providing incentives for development

Purchasing land and property for development



Where would you like to see commercial growth prioritized in Hickman?

South 68th corridor (north of town)

**Hickman Road** 

Hickman Road Corridor

Downtown





Intersection of 68th and







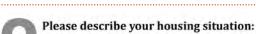
What type of businesses would you like to see opened in Hickman?



"Small manufacturing..., community college or trade school, hospitality/event center 'retail', and farmer's market"



"Swimming pool and more places to eat"



We'd like to hear a little about the local housing market, and whether the current housing stock fits your needs.



Own a home in Hickman (less than 5 years)



(more than 5 years)

Own a home in Hickman

Live Outside of Hickman





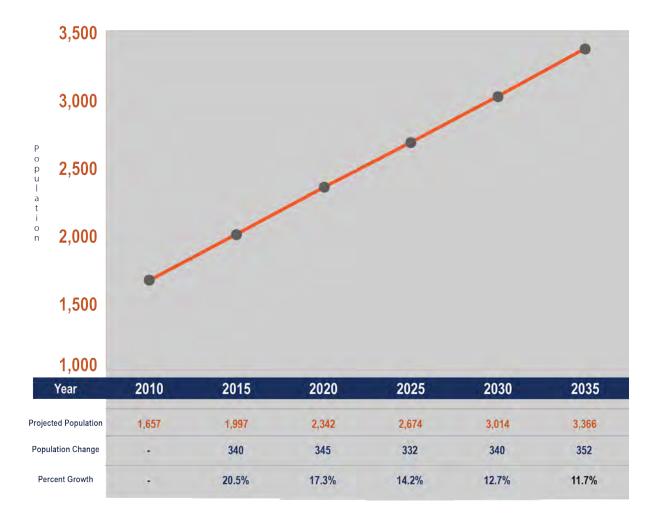
## **Projections**

### **Population Projections**

Projecting population growth can be a difficult task for a community that has seen as rapid and recent growth as Hickman. High rates of housing development and annexations make setting trend lines difficult. Hickman's ability to draw growth from the City of Lincoln creates external growth demands that most communities the size of Hickman do not experience. Because of this demand, Hickman's ability to grow is entirely contingent on its ability to provide adequate housing opportunities. For this reason, projecting Hickman's growth is primarily based on an Age Cohort Survival Projection.

By utilizing the existing age cohort data combined with regional birth, mortality, and migration rates; age cohort analysis allows for the projection of future population. The assumptions lie in sustained trends in these criteria for the next 20 years.

Figure 14. Hickman Population Projection - Age Cohort Analysis



### **Housing Projections**

Figure 15. Hickman Housing Need Projections

	2010*	2020	2025	2030	2035
Owner Population	1,437	1,989	2,257	2,531	2,814
Renter Population	220	353	417	483	552
Owner Units	473	680	780	883	989
Renter Units	114	179	211	244	277

<sup>\* 2010</sup> Decennial Census

The demand for number of units, both owner-occupied and renter-occupied, is calculated based off the current occupancy rate for each tenure. Census estimates that 73.5% of Hickman residents lived in homes they owned. 26.5% of residents rented their home.

This ratio was utilized to estimate the projected population of owners and renters based off the projected population described earlier in this chapter. These population numbers were further divided by the average household size of both owner occupied and renter occupied units. This number equates to the total number of owner and renter housing units required to house the estimated future population.



### Housing Demand by Income

The aggregate market for housing is comprised of many submarkets, each defined by tenure and price ranges. To analyze conditions in each submarket, the demand for housing (measured by the number of households), is compared with the supply of housing (measured by the number of owner-occupied units). This model assumes that those renting would move into ownership for a unit of appropriate value.

The households in a market can be categorized into groups according to the household's income. Similarly, homes can be divided into corresponding categories to each income group based on trends and recommended price points of affordability. According to the 2014 American Community Survey, the majority of home owners in Hickman have a home valued at around 200% of their annual household income.

The number of households in each income category is compared to the number of homes in each corresponding value category. Where there are more homes than households, a surplus exists; where there are more households than homes, a deficit exists. Categories of relatively high deficits should be prioritized for immediate development.

Figure 16. Hickman Housing Needs by Value

Annual Household Income	# of Hickman Households *	Hickman Home Values	Hickman Housing Supply *	Surplus/Deficit
Less than \$24,999	103	Less than \$50,000	5	(98)
\$25,000 to \$49,999	105	\$50,000 to \$99,999	34	(71)
\$50,000 to \$74,999	149	\$100,000 to \$149,999	230	81
\$75,000 to \$99,999	125	\$150,000 to \$199,999	175	50
\$100,000 to \$144,999	88	\$200,000 to \$299,999	159	71
\$150,000 or More	41	\$300,000 or More	10	(31)

<sup>\* 2014</sup> American Community Survey

## **Implementation**

### Vision Implementation Plan

Implementation refers to the objectives, policies, and actions that have been identified to carry out the vision of this study. It includes actions designed to improve the long-range planning process, strengthen links between the plan and budgeting, establish a process reporting system to monitor the progress and schedule for updating and amending the plan in the future.

The successful utilization of this study is contingent on the implementation of the goals and objectives identified in this section and the Hickman Comprehensive Plan. It is up to the community stakeholders in Hickman to champion the projects envisioned to the implementation of it. What happens with the plan, how it is used in day-to-day decision making, and the extent to which it is followed over time will all influence the success of the plan. This plan is a guidance document meant to address housing issues related to the community's goals for growth set forth in its Comprehensive Plan. It is not the end of the planning process, but the beginning of a coordinated effort to direct growth and development in ways that are important to the citizens of Hickman.

Boasting a highly reviewed school district, high quality of life, and a short commute to the Lincoln area; Hickman is an attractive community for population growth. The further development of key transit corridors is expected to be an even greater major draw to a commuting population. The community could see rapid growth in its immediate future.

One challenge for the Hickman community will be to balance any anticipated growth on the community's periphery with infill development and improvements to its existing housing stock.



### Goal:

Hickman should facilitate diverse housing developments that provide various housing types and price points to provide for a diverse population and economic base.

### **Objectives and Action Steps:**

#### **OBJECTIVE 1**

Facilitate population growth with infill development.

#### **ACTION STEPS**

- Review existing zoning and building codes and analyze based on the potential for redevelopment and reuse of individual properties.
- Review and package financing incentives for housing affordability, i.e. down-payment assistance; prioritizing older and blighted segments of the community for implementation.

### **Responsible Group/Agency**

City Administrator, Zoning Administrator, Planning Commission

#### **Potential Resources**

Nebraska Department of Economic Development (NEDED), USDA-Rural Development (USDA-RD), Nebraska Investment Finance Authority (NIFA), General Funds

#### **OBJECTIVE 2**

Diversify the housing stock in Hickman to provide housing options at multiple price points to serve families of all economic backgrounds.

#### **ACTION STEPS**

- Review existing zoning and building codes to ensure flexibility to develop diverse housing options, including: townhomes, condominiums, cottage homes, ADA accessible, corporate housing, etc.
- Market opportunities in Hickman to developers specializing in special-needs, and affordable housing, i.e. Habitat for Humanity, elderly, disabled veterans, modular, etc.
- Review and package financial incentives for housing rehabilitation, i.e. owner-occupied rehabilitation, rental rehabilitation; prioritize older and blighted housing stock for implementation.
- Consider utilizing tax increment financing (TIF) to incentivize and stimulate under-served housing development, prioritizing affordability and special needs housing (senior, ADA accessible, etc.).

#### Responsible Group/Agency

City Administrator, Zoning Administrator, City Council, Planning Commission, Habitat for Humanity

#### **Potential Resources**

NEDED, USDA-RD, NIFA, Tax Increment Financing

#### **OBJECTIVE 3**

Facilitate population stability in Hickman's core by renovating and repairing the existing housing stock.

#### **ACTION STEPS**

- Utilize numerous methods, including self-reporting, nuisance complaints, surveys, and foreclosures, identify the number of existing housing units needing rehabilitation.
- Package available funding including: state and federal resources, lending funds, and property owners' equity.
- Implement systematic improvements according to funding agencies' guidelines.
- Establish a volunteer-labor pool to assist in voluntary home improvements for low-income, elderly, or handicapped homeowners.
- Develop and maintain nuisance and abatement programs that include a third-party review of properties and assesses property owners for cleanup and improvements.
- Continue to secure grants and financial assistance to develop both owner and renter housing rehabilitation/repair programs for low and moderate income households to upgrade their homes to minimum housing quality standards.
- Promote maximum energy efficiency housing standards and promote utility partner incentives for implementation of energy efficiency improvements.
- Amend zoning regulations to allow more flexibility for the inclusion of alternative housing and mixed-use development in the city core.

#### **Responsible Group/Agency**

City Administrator, Zoning Administrator, Lincoln/Lancaster County Habitat for Humanity, Churches and Faith Community

#### **Potential Resources**

NEDED, USDA-RD, NIFA, Nebraska Energy Office, General Funds

### Recommendations

This section seeks to expand upon the Vision Implementation Plan and the Hickman Comprehensive Plan. Special needs, policies, and projects were identified in the public participation process, and discussions with the City, Planning Commission, and other community stakeholders. This section will explore that input with guidance for addressing special topics relating to Hickman's housing needs.

### **Affordable Housing**

Affordable housing has proven to be a struggle for many communities in recent years. Due to factors such as land costs, cost of construction labor and materials, availability of local developers and contractors, etc.; the cost of housing construction is such that it is difficult to develop new single family residential units at prices available to low-to-moderate income consumers. There are a number of strategies to support quality housing opportunities at prices around \$125,000 to \$180,000. While Figure 16 indicates a surplus of housing in this price range, market professionals and stakeholders agree that the greatest demand for new construction lies in this price-range. The consensus being that this price range would facilitate the most growth among young professionals and families, helping stimulate additional growth in Hickman.

#### **INCENTIVES**

Hickman's relatively high household income limits its accessibility to state and federal grant programs. However, outside programs are still available. Increasingly more housing grant or loan programs for housing development or rehabilitation are made available to state-median income households. The Nebraska Investment Finance Authority (NIFA) and the Nebraska Department of Economic Development (DED) both offer a number of housing incentive programs available for home-ownership and

rental opportunities. It is important for the City of Hickman and Hickman Area Economic Development Association (HAEDA) to maintain relationships and an awareness of these programs to better utilize and promote them.

Not only should these programs be accessed by the City or HAEDA as direct developers, but many of the programs are available directly to private developers to encourage affordable housing development. Integrating mixed-income neighborhoods throughout the community was established as a priority in the Hickman Comprehensive Plan. By facilitating the use of these resources for private development, Hickman can encourage affordable housing throughout market-rate developments.

Tax Increment Financing (TIF) is a local redevelopment tool that can be an effective incentive for prioritized housing needs. TIF utilizes the incremental tax increase generated by a redevelopment project to finance the improvements needed to create the project. By placing guidelines on the utilization of TIF towards special housing needs (affordable housing, senior housing, rentals, etc.), the City can encourage the private sector to invest in housing areas that wouldn't otherwise be feasible or profitable. It is recommended that the City develop and adopt TIF guidelines that promotes its use in the community core, but also for specialized housing projects.

#### **Policies**

The strict application of zoning regulations can often be a barrier towards the development of a diverse housing stock. The separation of uses and developments can discourage the mixed-use districts and mixed-income neighborhoods that foster affordable housing. Hickman has been taking measures to review existing regulations to ensure that they not only accommodate a diverse housing stock, but encourage it throughout the community.

The Hickman Planning Commission has been facilitating discussions with property owners and potential developers of multi-family housing in Hickman. This is a very pro-active approach and it is recommended these types of discussions are held on a regular basis. Hickman should consider an annual Housing Workshop, where area stakeholders can meet with City leadership and policy makers to have a programmed discussion of housing topics, issues, and opportunities.

The Planning Commission has also explored the utilization of Planned Unit Developments (PUD's) as a zoning tool to encourage unique housing styles. By allowing maximum flexibility towards zoning districts, PUD's can facilitate neighborhoods and housing styles that may not fit within a traditional residential zoning classification. PUD's can be an effective tool to accommodate:

- mixed-housing neighborhoods
- mixed-use neighborhoods
- clustered development
- · cottage-style housing
- condominiums
- live/work units
- etc.

Figure 15 (page 21) depicts the forecasted need for rental housing based on current tenure trends in Hickman. However, the ratio of homeownership to rental occupation of housing in Hickman is notably high (Figure 7, page 7). By encouraging the development of mutli-family units and other rental opportunities, Hickman can facilitate transitional housing, and more affordable housing options for families, young professionals, and seniors. The Future Land Use Plan of the Hickman Comprehensive Plan

provides opportunities for multi-family development in key transportation corridors. Hickman should encourage high-density multi-family developments in the High Density Residential and Mixed-Use land uses. These areas were identified based on their high level of transportation access and to provide adequate buffers from more intensive commercial developments towards lower density residential uses. Well over 50% of the housing stock in Hickman was built after 2000. With new subdivision development occurring at a rapid pace in Hickman, it is important that the community take measures to protect and enhance its existing housing stock. In lieu of direct affordable housing development, maintaining an adequate base of its older housing can be an effective manner of providing affordable housing options in Hickman. There are a number of measures that the community can undertake to foster reinvestment in the existing Hickman housing stock. Beyond outside financial incentives (NIFA, DED), there are a number of direct-to-homeowner incentives that Hickman can help promote. Between power rebates and tax credits/deductions for energy efficiency improvements, Hickman can develop and distribute marketing material to help homeowners navigate their options.

Home improvements do not solely have to be encouraged with financial incentives. Making resources available to homeowners willing to invest in their properties can encourage improvements to the housing stock. Community clean-up days that provide drop-offs or pickup of building materials and clutter can help facilitate improvements and maintenance of Hickman homes. This is an annual service generally held in July in Hickman. As the service becomes more successful, Hickman may wish to expand to more clean-up days per year.

Attracting and promoting local construction contractors can help reduce the cost of transporting skilled labor from outside of Hickman. The city should utilize the Commercial and Industrial land uses established in the Comprehensive Plan Future Land Use Plan to attract skilled professions to the community.

## Conclusion

The Hickman Planning Commission and City Council are currently taking appropriate steps to develop diverse housing styles and prioritizing affordable housing. The data and projections of this study should reinforce those efforts and provide alternatives to their approach.

A community should seek to study their housing stock approximately every three to five years in order to maintain accurate information, as well as maintain current trends and projections. With the rapid pace of Hickman's growth and upcoming housing developments, Hickman should look to the release of the 2020 Decennial Census as a target date for a new housing study, if not before. The new Census datasets will provide the community and its leaders the most current and accurate demographic, housing, and economic data.



Hickman looking northeast