



AFFORDABLE HOUSING ACTION PLAN

ADOPTED DECEMBER 2023 - RESOLUTION NO. 2023-173



CITY OF
KEARNEY

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Thank you to all of the attendees for time and consideration in attending the stakeholder listening sessions!

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Introduction



The City of Kearney, like many communities across America, is facing issues with housing regarding affordability and availability. Kearney is not unique; many other communities within the State of Nebraska are experiencing these issues as well. In acknowledging the difficulty to develop housing in 2020, the State of Nebraska passed a bill (LB-866) now known as the Municipal Density and Missing Middle Housing Act (N.R.S 19-5501 – 19-5506). The ultimate goal of this statute is to encourage increased housing availability and affordability by finding ways to increase density where appropriate in communities. While Kearney has been able to support a market-driven demand for housing over the past several years, it recognizes there are solutions needed to assist in developing a more flexible and thriving housing market.

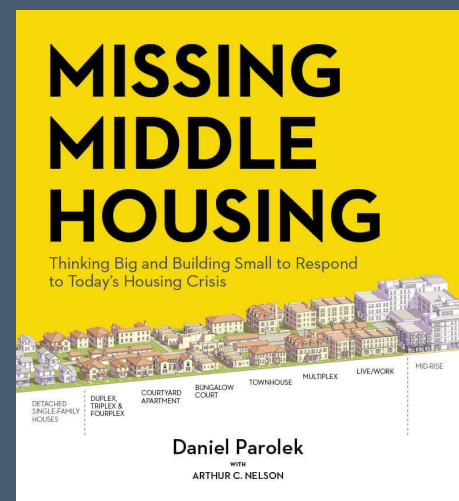
In efforts to comply with the Municipal Density and Missing Middle Housing Act, the City of Kearney has developed the City of Kearney's – Affordable Housing Action Plan. This plan is an additional guide for the City to look for solutions regarding affordability and housing inventory options. While this plan provides goals and action steps for development, it is not a "magic bullet" to fix housing in Kearney. This plan is supplemental to the adopted City of Kearney Comprehensive Plan (2016) and Kearney Housing Study (2017).

The City of Kearney – Affordable Housing Action Plan (AHAP) is divided into three sections:

- Section 1: City of Kearney Housing Snapshot
- Section 2: Public Engagement Efforts
- Section 3: Goals & Action Steps

MISSING MIDDLE HOUSING

As the housing crisis has affected many communities across the nation, one such solution is to reintroduce existing housing types (such as duplexes, townhomes, or cottage clusters) once more popular in the past. The Middle Housing types are often already existing in our communities. Middle Housing was a trend of development that existed pre-WWII; following WWII there was more focus on single family detached residential. Part of this effort is to reintroduce gentle density back into development. One of the key components is multiple units on one lot or parcel of land. Kearney, has been one of the leading communities West of Lincoln that has many zoning districts which allow for residential development.



Section 1: City of Kearney Housing Snapshot

The City of Kearney, since its beginning as a crossroads for the Union Pacific Railroad, has grown into a destination stop for many travelers heading east or west along Interstate 80. It is home to many local and international businesses, from retail to manufacturing, and more recently, an anchor for the hospitality industry in Central Nebraska. The City is home to the University of Nebraska at Kearney, Central Community College, and two regional hospitals. As a regional economic hub for many communities within Nebraska, northern Kansas, and southern South Dakota, Kearney has seen growth and success in various industries.

This growth has been reflected in steady population increases over the past 30 years. In 2020, the total population was 33,790, and the most recent 2022 population estimates put Kearney’s total population at 34,277.

Over the past 20 years, population growth has averaged a steady 12%. More recently, with the latest population numbers from the Census, Kearney is continuing to grow at 1.4% (Census Total Population Estimate 2017-2022). This growth rate is consistent with the reported growth rate in the 2017 Kearney Housing Study. The City has an average household size of 2.36 and a reported average family size of 2.96 (2020 Decennial Data). As we look to the future of housing needs in Kearney in relation to population, in 2035, according to

Table I

Year	Populations	Percent Change
1960	14,210	
1970	19,181	35.0%
1980	21,158	10.3%
1990	24,396	15.3%
2000	27,431	12.4%
2010	30,787	12.2%
2020	33,790	9.8%
2022	34,277	1.4%

Decennial 2020, ACS

City’s projections using a growth rate of 1.5%, it is estimated that Kearney’s total population will be 42,316.

Most of the City of Kearney’s housing stock (48%) was built over twenty years, from the 1970s to 1990s (2021 ACS 5-year Estimates). Kearney has experienced much of its residential growth to the west, with more infill development along the east. Since 2017, we have experienced a couple of years that met the needs for new construction within the community; however, our new construction has not generally been able to keep pace with the growth demand. The single-family housing type remains the primary housing type built within the City (Table 2). Beginning in 2020, the City began to see a decline in permits for new residential construction, with our lowest reporting year in 2022. In the past three years, we have had no new

multifamily development (except for a public-private development in connection with University of Nebraska at Kearney). However, we are encouraged by recent building permit data (Table 2) showing a comparable number of Middle Housing types (duplexes, triplexes, and fourplexes) as single-family homes.

Table 2

Building Permits from 2018-2022						
	2018	2019	2020	2021	2022	5-YR TOTALS
Single-Family	76	58	87	75	49	345
Middle Housing	76	53	99	69	20	317
Multifamily	0	120	0	0	0	120
ANNUAL TOTALS	152	231	186	144	69	782

One major reason Kearney is able to provide a variety of housing development is due to the flexibility of Kearney’s Unified Land Development Ordinance or zoning code. The city has 17 base zoning districts that regulate residential, commercial, and industrial development. Of the 17, 14 of those districts allow for residential development furthermore 11 of those districts allow for the building of Middle Housing types. A majority of middle housing types and multifamily housing are permitted by right with no additional requirements for development. A benefit to Kearney has been the ability to build housing in primarily commercially zoned districts. While they are not explicitly defined as “mixed-use” districts, they are used in the same manner. For large-scale developments, the City has a defined special district, Mixed-Use District, to provide solutions to combine compatible land uses into an integrated development that allows residential, commercial, office, and accessory uses. However, to date, this special district zoning classification has not been used for Middle Housing residential development within the City of Kearney. Alternatively, the Planned Development overlay district has been the

most frequently used tool for creating residential and commercial development solution in Kearney. This provides the ability for developers to flexibly design their sites to meet their needs and the need for housing development, many of the Planned Development projects relating to housing are projects fulfilling the need for Middle Housing.

As reported in the City’s biannual City of Kearney Affordable Housing Report: Municipal Density & Missing Housing Act Report Update (June, 2023) the City has a 35.49% of its land zoned for middle or multifamily housing (a 1% increase from the previous report year, 2021). This is a comparable amount of land zoned to urban low-density residential zone (R-1) areas at 35.27%. Below, Table 3 provides a breakdown of Kearney’s zoning districts and in yellow highlights all district which allow for middle or multi-family housing.

Table 3

Figure 2: Percentage Breakdown of Kearney’s Zoning Districts		
Zoning Districts		Percent of Area
AG	Agricultural	11.59%
RR-1	Rural Residential (Rural Standard)	0.68%
RR-2	Rural Residential (Intermediate)	0.78%
R-1	Urban Residential Single-Family (Low Density)	35.27%
R-2	Urban Residential Mixed-Density	6.38%
R-3	Urban Residential Multi-Family (Medium Density)	8.04%
R-4	Urban Residential Multi-Family (High Density)	0.19%
R-M	Mobile Home Residential	1.20%
UC	Mixed Use Urban Corridor	0.39%
C-O	Office	3.60%
C-1	Limited Commercial	0.84%
C-2	Community Commercial	8.65%
CBD	Kearney Center Mixed-Use	1.11%
C-3	General Commercial	4.85%
BP	Business Park	2.15%
M-1	Limited Industrial	11.67%
M-2	General Industrial	2.37%
M-U	Mixed Use	0.23%

Total Percentage of areas zoned for residential use, which permits the construction of Middle & Multi-family housing:

35.49%

While availability is an issue within the City, we understand that affordability is another crucial component that is being experienced throughout Kearney. It is interesting to note that while the median household income is \$62,695, the median value of owner-occupied housing is \$192,200, over twice that of the median household income in Kearney. Table 4 shows a breakdown of housing costs in Kearney based on 2017-2021 ACS data.

Table 4

Owner-occupied housing unit rate, 2017-2021	60.30%
Median value of owner-occupied housing units, 2017-2021	\$192,200
Median selected monthly owner costs -with a mortgage, 2017-2021	\$1,492
Median selected monthly owner costs -without a mortgage, 2017-2021	\$623
Median gross rent, 2017-2021	\$855
Median household income (2021 dollars), 2017-2021	\$62,695

When considering affordability, evaluating how much household incomes are spent on housing needs is essential. As the Table 5 below indicates, more than 26% of households are cost burdened or severely cost burdened. This may not seem like a significant amount today; however, as housing costs and affordability increase, if income levels are not increasing at the same pace, burdened household numbers will increase.

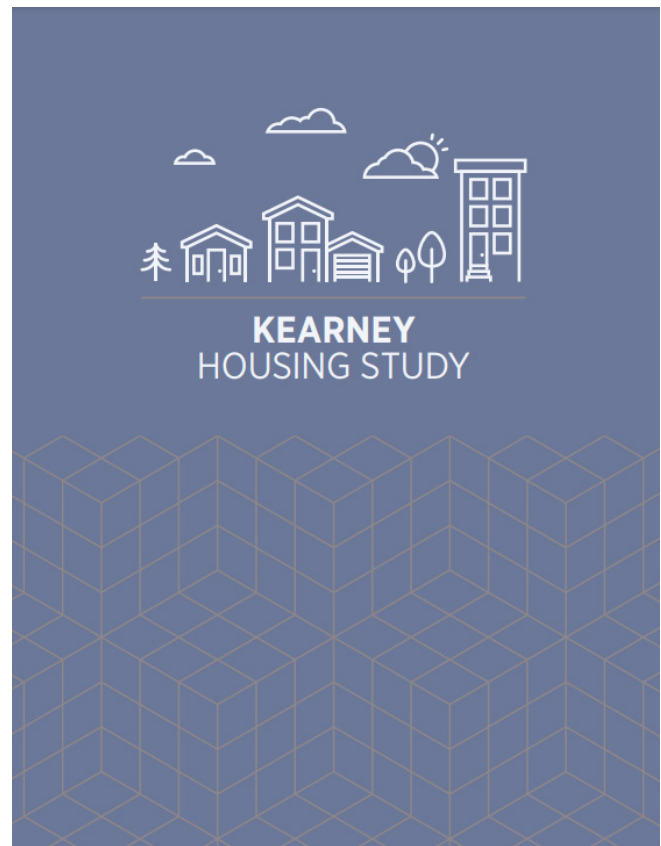
Table 5

Cost Burden	Owner Occupied	%	Renter Occupied	%	Total	%
Not cost-burdened	6,625	80.94%	3,090	59.54%	9,715	72.64%
Cost burdened (Greater than 30% but less than or equal to 50%)	875	10.69%	990	19.08%	1,865	13.94%
Severely cost-burdened (Greater than 50%)	625	7.64%	1,045	20.13%	1,670	12.49%
No Data	60	0.73%	65	1.25%	125	0.93%
Total	8,185	100%	5,190	100%	13,375	100%

In 2017, the City conducted a housing study, including a survey of residents and a series of stakeholder meetings. The Kearney Housing Study provided “7 Strategic Housing Goals for Success” from the feedback and analysis of housing information. At that time, the housing study did identify that there was limited production across all price points and an overall shortage of housing supply in Kearney. The study also noted that to support the new population growth, the City will need to construct nearly new 2,800 housing units by 2030. This results in the need to add nearly 200 new housing units annually. Between 2018 and 2022, 782 new housing units have been added.

As a government entity, the City has generally left housing development to the private market. We have supported projects in various ways (e.g. TIF, Rezoning, approved flexibility through Planned Development Plans); however, the City has not generally viewed its role as a developer. Some recent housing projects tagged as “affordable” includes Low-Income Housing Tax Credit (LIHTC) for senior housing. The City worked with two developers to submit grant applications for the Nebraska Affordable Housing Trust Funds and has recently partnered with Buffalo County Economic Development Corporation on a letter of intent for Rural Workforce Housing funds. In the Downtown District, City Council waived the permit fees for remodel projects and dedicated grant funds through the Downtown Rehabilitation Grant program to support which helps support second story housing development.

In efforts to increase mobility through variety of housing stock, the City approved code amendments to site development regulators, allowing for more dense development in the zoning districts R-2, R-3, and R-4. While single-family housing still leads the housing types built, many projects in the past 5 years have been geared towards duplexes and up, with more developers providing a mix of single-family and duplex housing types of developments.



Link to Housing Study: <http://www.cityofkearney.org/2047/Documents>

Lastly, the City has been proactive at increasing and improving sidewalk access throughout the City by conducting a walkability assessment to focus grant and City funds on sidewalk improvements with the most need (connecting residential to places like schools and grocery stores) also improving ADA function at many of the City’s intersections.

Section 2: Public Engagement Efforts

Stakeholder Meetings

The City’s last efforts in a public engagement process for housing were conducted in 2016-2017 as part of the Kearney Housing Study. Since that time, many factors have changed that contribute to housing today. To better understand housing in Kearney in 2023, five stakeholder listening sessions were held with five stakeholder groups. The stakeholder groups were comprised of a wide range of members within the community. Even though this was not a requirement of the State Statute, Staff felt it was an essential step in developing the AHAP. In addition to the stakeholder listening sessions, a survey was created for the Apartments group to help Staff better understand the rental market in Kearney.

STAKEHOLDER GROUPS:

- COMMUNITY PARTNERS (MEMBERS FROM VARIOUS NON-PROFIT PARTNERS)
- BUILDERS/DESIGN PROS/CONSULTANTS/SURVEYORS
- REALTORS
- COMMUNITY LEADERS
- OPEN PUBLIC
- APARTMENT MANAGERS

All listening sessions included a staff presentation by City Staff that outlined the State statute requirements, as well as the definitions provided in the statute. Then, four prompts were asked of the groups to gather feedback about housing:

- Why do people live or develop in Kearney?
- What are the challenges people face with housing (or to developing) in Kearney?
- What housing types best fit Kearney?
- New options/solutions for housing?

So, what did we hear?

High Quality of Life

Respondents noted a high quality of life, citing low crime rates, the availability of good schools, and healthcare facilities. There are plenty of amenities like parks, trails, and family-oriented activities. The size of Kearney makes it easy to build familiarity, with usually 10-minute commute times, and it is centrally located within the State.



Economic Opportunities

Kearney is seen as a community with good job opportunities, a diverse economy, and one of the few communities actually experiencing growth. There is continuous investment in the community with forward-thinking for infrastructure planning and a collaborative approach to development. The City has larger “big-city” amenities while continuing to have local offerings.

High Costs & Risk

Respondents noted Kearney’s housing is expensive due to the low-inventory in both rental and owner-occupied housing. Overall, there has been a general increase in costs for materials, labor, land, and infrastructure – contributing to higher prices for new owner-occupied housing. There is a shortage of contractors and laborers, creating longer development timelines. Developers are taking on more risk with limited options for assistance through incentive programs or funding opportunities. Higher interest rates for home loans also increase the risk for developers.

Lack of Housing Inventory, Diversity, & Quality

Respondents noted that the City just needs more housing overall. There is a lack of housing options – citing little to no homes for people with restricted incomes, seniors trying to downsize, or affordable options across income levels. Homebuyer’s expectations for quality and type of housing is unrealistic for what they can afford or what is available – there is also a sense of less quality but more expensive. Due to a lack of housing inventory and types of homes, people must rent longer, creating issues in the rental vacancy rate to provide transitional housing until they can settle in Kearney. People must move to communities near Kearney or decline jobs due to housing.

More Duplexes, Smaller Homes, and Cottage Clusters

Housing types or developments such as duplexes, smaller homes (900 square feet or less), and the Cottage Cluster housing types were noted as desired housing Kearney needed. Options where people can have a yard were important. There is a strong desire for adaptable and ADA-compliant housing (both rental & owner-occupied) to accommodate residents of all abilities. Downsizing housing options (duplexes or townhomes) with lawn care and snow removal provided were discussed as a desired need within Kearney.



Respondents also noted the need for manufactured housing (where appropriate) and more mixed-use development (residential units on top/commercial spaces at street level).



Regulatory Changes & Incentive Opportunities

Respondents noted a difficulty with zoning regulations and building codes to accommodate various housing types – providing more flexibility to encourage housing development, such as tiny homes or accessory dwelling units (ADUs), is desired. More collaboration and partnerships are needed to encourage affordable housing developments. Exploring options for regulations to require restricted income housing, especially for rental units. Prioritizing grant funding opportunities that can be leveraged for Kearney to fund more infrastructure, like in North Platte, Columbus, and Lexington.

Apartment Manager Survey Results

Beneficial information from the Apartment Managers’ stakeholder group was gathered through an online survey of 20 questions. Paper surveys were also offered. Outreach to this group consisted of 19 different complexes (management groups) in which 10 surveys were received. While this is a small snapshot of the apartment rental community, it provides information such as the range of current rental prices, the availability of ADA-accessible units, and the number of bedrooms offered throughout the community. The following information is a summary of highlights pulled from the responses received. A complete list of questions and responses is provided in Appendix B.

Units Available: Many of the respondents reported having studio, 1-bedroom, or 2-bedroom units. There were only two respondents who reported having 3-bedroom units, and no respondents indicated having 4-bedroom units.

Rental Price Points/Housing Vouchers: The base price point for a 1-bedroom unit was \$700, with \$1,900 being the highest reported price point for a 2-bedroom unit (TABLE 6). One respondent reported that their rent is based on 30% of gross income as a HUD property. When asked if they accepted Housing Vouchers, 6 of the complexes did, while the remaining 3 did not accept them and 1 did not respond.

Table 6

Unit Type	Rental Range
Studio	\$740 - \$1,300
1-Bedroom	\$600 - \$1,350
2-Bedroom	\$800 - \$1,900
3-Bedroom	\$900 - \$1,100

ADA Accessibility: Three respondents reported that all units were ADA accessible, while the remaining reported that some units were ADA accessible.

Pets Accepted: It was asked if they accept pets – no, yes, and yes, with an additional fee. Most respondents accept pets with a fee (CHART 1).

Chart 1

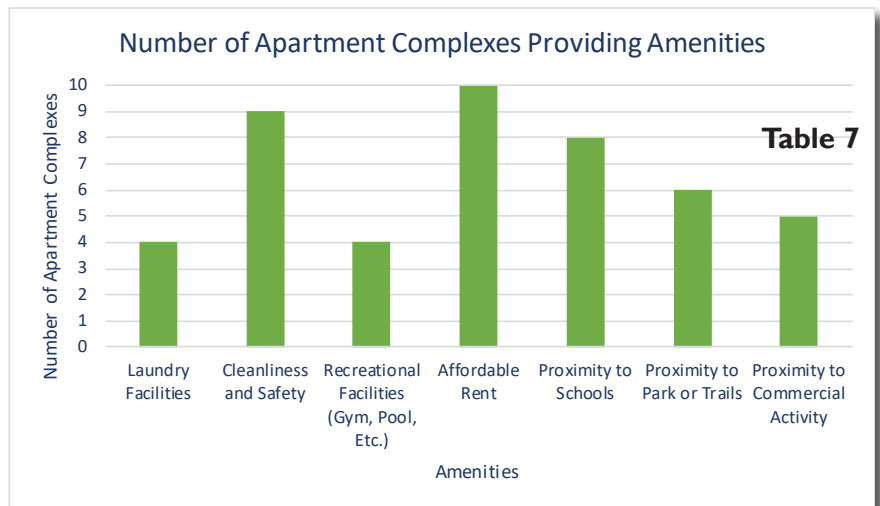


Table 7

Amenities Provided: When asked about the amenities they offered, all respondents stated they offer affordable rent, 9 of them offer cleanliness and safety, and 8 offer proximity to schools.

Section 3: Goals & Action Steps

The Municipal Density and Missing Middle Housing Act has required we address the following:

1. Goals for the construction of new affordable housing units, including multifamily housing and middle housing, with specific types and numbers of units, geographic locations, and specific actions to encourage the development of affordable housing, middle housing, and workforce housing.
2. Goals for a percentage of areas in the City zoned for residential use which permit the construction of multifamily housing and middle housing.
3. Plans for the use of federal, State, and local incentives to encourage affordable housing, middle housing, and workforce housing, including the Affordable Housing Trust Fund, the Local Option Municipal Economic Development Act, tax-increment financing, federal community development block grants, density bonuses, and other nonmonetary regulatory relief.
4. Updates to the City’s zoning codes, ordinances, and regulations to incentivize affordable housing.



Using the goals defined by the statute and the feedback from the listening sessions, the City has outlined action steps under each requirement. The timeline for the action steps is projected for implementation over the next 10 years. After each goal, an estimated completion deadline is provided – Immediate = 1 year; Short = 3 - 5 years; and Long = 5 – 10 years.

Goals for Construction of New Affordable Housing Units

The statute has provided the following definitions to target regarding meeting the requirements for outcomes under this goal.

Affordable Housing - Residential dwelling units affordable to a household earning not more than eighty percent of the income limit as set forth by the United States Department of Housing and Urban Development under its Income Limits Documentation System, as such limits existed on January 1, 2022, for the county in which the units are located and for a particular household size.



Middle Housing – Duplexes (2 units/ 1 lot), Triplexes (3 units/ 1 lot), Quadplexes (4 units/ 1 lot), and Cottage Clusters (a grouping of no fewer than four detached housing units per acre with a footprint of less than nine hundred square feet each and that includes a common courtyard).

Townhouse – A dwelling unit constructed in a row of two or more attached units where each dwelling unit is located on an individual lot or parcel and shares at least one common wall with an adjacent unit.

Workforce Housing: Housing that meets the needs of working families; Owner-occupied housing units that have an after-construction appraised value of at least one hundred twenty-five thousand dollars but not more than two hundred seventy-five thousand dollars to construct; Owner-occupied housing units for which the cost to substantially rehabilitate exceeds fifty percent of a unit’s assessed value; Upper-story housing for occupation by a homeowner; Housing that does not receive federal or State low-income housing tax credits, community development block grants, HOME funds as defined in Section 81-1228, or funds from the Affordable Housing Trust Fund.

According to the 2017 Housing Study, an average of 200 housing units per year need to be built to meet the community’s housing needs according to population growth estimates. Since 2020, the City has not met that need, creating a deficit of nearly 201 units needed. The target numbers include the deficit units to accommodate new growth and get back on track for needed housing.

Table 6: Target Numbers for New Units

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2034
Total New Units Needed	240	240	240	240	240	240	200	200	200	200	200
Single-Family	36	36	36	36	36	36	30	30	30	30	30
Middle Housing	84	84	84	84	84	84	70	70	70	70	70
Multifamily	72	72	72	72	72	72	60	60	60	60	60
Workforce Housing	48	48	48	48	48	48	40	40	40	40	40

Annually, a goal of 20% of the new construction being built should accommodate affordable housing units.

Potential areas for new affordable housing units:

- Areas Adjacent to Arterials – 2nd Avenue, 17th Avenue, 11th Avenue, 56th Street, 39th Street, 11th Street, 3rd Street, Talmadge Street
- Areas – Northwest to Bypass, North of 56th Street, East & West along 11th, 8th (future extension west to Antelope Avenue), 3rd Street, and Future Land Use areas designated for medium-density residential.

Action Steps (Immediate = 1 year; Short = 3 - 5 years; Long = 5 – 10 years):

1. Update a vacant lot inventory, noting lots ready for development due to connections to infrastructure. (Immediate)
2. Create a policy to encourage affordable housing units to be built on infill lots by reducing or eliminating permit fees. (Immediate)
3. Encourage TIF projects that meet the Affordable Housing Action Plan’s goals for middle housing, multifamily, and workforce housing and assist with meeting affordable housing goals. (Short/Long)
4. Create a new zoning district that transitions from R-1 to R-2 to encourage a mix of single-family detached, attached, and duplex housing types. (Immediate)
5. Utilize successful workforce housing projects in Kearney to demonstrate to other large employers, the possibility of self-constructed workforce housing. (Short)

Goals for percentages of areas zoned to target Middle Housing & Multifamily

The City has seen increased requests for zoning to target middle housing and multifamily development. As noted in the previous section City of Kearney Housing Snapshot, 35.49% of land is zoned for middle and multifamily housing. Feedback from the listening sessions indicated the most desired housing types were duplexes, cottage clusters, and smaller homes.

A goal is to increase, by 3% annually, zoned areas for middle and multifamily housing.

Action Steps (Immediate = 1 year; Short = 3 - 5 years; Long = 5 – 10 years):

1. Evaluate existing areas zoned for R-1 with no development for opportunities to rezone to the newly created transition zone or higher (R-2 & up) using the priority areas set in Goal 1. (Immediate/Short)
2. Identify areas along arterial and collector streets that align with middle and multi—family housing densities and work with property owners to encourage pre-development planning. (Short/Long)
3. Reduce rezoning application fees for rezoning projects that meet this goal. (Immediate/Short)
4. Work with developers to encourage more mixed-use developments that provide medium-density housing options near places of employment or retail. (Long)

Plans for the Use of Incentives to Encourage Affordable Housing, Middle Housing, and Workforce Housing

Kearney has applied TIF funds to construct mixed-use developments, income- and age-restricted housing, and workforce rental housing. In addition to using TIF, the City has worked with Buffalo County Economic Development Council and private developers to explore grant funding opportunities. In the past, a partnership with Buffalo County Economic Development Council has led the City to benefit use from the Rural Workforce Housing Funds.

Action Steps (Immediate = 1 year; Short = 3 - 5 years; Long = 5 – 10 years):

1. Evaluate opportunities to create a regional partnership that could pursue PRO-HOME funding opportunities to build infrastructure (Immediate/Short)
2. Create a TIF policy based on priorities established by the Affordable Housing Action Plan to encourage development of more affordable housing units. (Short)
3. Identifying target development areas that allow for the use of funding sources such as TIF and/or various grant-funds, compounded with reduced/eliminated building and platting fees to encourage additional affordable housing development. (Immediate/Short)
4. Build partnerships with lending institutions to provide more education on the availability of homeownership loans and renovation programs such as FHA 203K loans. (Short)
5. Continue working with local housing non-profits to explore infill development, funding, and public-private partnership opportunities for them to construct and meet their mission. (Immediate/Short)
6. Continue fee waiver on remodel permit fees tied to downtown projects which can many times include residential unit development or enhancement. (Immediate)

Updates to the City's zoning codes, ordinances, and regulations to incentivize affordable housing

The City acknowledges that with the increasing cost of infrastructure and desire for more housing variety, zoning codes need to be evaluated to remove barriers to development.

Action Steps (Immediate = 1 year; Short = 3 - 5 years; Long = 5 – 10 years)

1. Amend residential zoning code to remove project size requiring Planned Development metrics. (Immediate)
2. Evaluate and determine amendments to residential zoning code such as reducing minimum lot sizes and widths. (Immediate)
3. Evaluate all residential densities for opportunities to provide a gentle increase in density. (Short)
4. Amend and clarify code regulations to reflect definitions for housing use types that reflect State statute definitions. (Short)
5. Evaluate requirements for Manufactured Housing for opportunities to provide the housing type for infill lots. (Short)
6. Continue to evaluate unique housing development opportunities like cottage clusters, ADUs, and contemporary 'tiny' home parks. (Short)



Appendix A: Listening Sessions

AFFORDABLE HOUSING ACTION PLAN – STAKEHOLDER MEETING INPUT

Stakeholder Group: Community Partners

Meeting Date/Time: September 14, 2023 2:00 PM - 4:00 PM

Question 1: Why do you live in Kearney?

- Familiarity
- Jobs
- Medical facilities
- Nice place to live
- Nice community
- Supportive community
- Educational opportunities
- Good size
- A lot of things, but small enough to get around easy

Question 2: What are the challenges people face with housing?

- Kearney needs housing
- Living wages & job availability
- The types of houses
- Lack of variety of housing to address certain populations
- A lot of seniors that want to downsize with no place to downsize
- People's expectations are high for the price they want
- No housing stock in a lot of areas
- Need people to do rehab work
- Nonprofit groups don't have enough people to do the work
- Affordability - high rent prices
- Challenge with managing things like TIF
- Income groups between 3%-50% income level doesn't have many options
- Trailer courts (manufactured home parks) are not smiled upon, but they serve a purpose
- Need to build housing that work staff can afford
- Can't afford to build with the budget they have and sell them at an affordable price
- Unless zoning changes, they can't do anything with manufactured housing
- Some donated lots come with covenants and other requirements
- Habitat is stick build, but manufacture homes still have to meet the square foot requirement
- No developer wants to do anything in that price range
- No contractors to do the work
- bedroom communities
- Businesses as a whole are struggling with employing people
- Issues of price points, and an issue of availability
- Department of Economic Development in Nebraska is difficult to work with
- The amount of work and staff needed to apply (for funding) is sometimes not worth the money being received
- Requirements (for funding) are always changing

- They don't give you any money for staffing and admin
- Existing funding sources for housing are not working

Question 3: What housing types best fit Kearney?

- Independent living
- Slab on grade
- Cottage clusters
- More manufactured housing
- 2-3 bedroom homes – family type homes
- Multifamily or duplex or fourplex for affordability purposes
- Front porch communities
- Under \$300,000
- Certain people get priority when it comes to renting an apartment
- Need some senior options as well
- Manufactured homes are faster to building, cheaper, and brand new
- Granny flats
- Independent living communities for elderly people

Question 4: Community options/solutions for housing?

- Have the people here, need housing to keep the people here - want the community to grow
- Rehab more homes - rehabbing homes is potentially more affordable
- Make it a requirement that a certain number of apartments have to be affordable
- Larger manufacturers need to step up and do their part
- Build manufactured homes - manufactured houses can be installed entirely by the company
- Can build if lots are donated - lots would have to be connected to infrastructure
- Ideal lots are infill lots
- Have to think about what people are willing to give up - do people care more about affordability or space
- Consider transportation costs
- Don't want to go as far as regulating home designs
- Would rather use incentives, such as credits, to encourage people to do things like add a front porch
- Don't care what type of housing it is as long as it affordable
- Fixed income affordable
- Need funding without as many stipulations
- Educate people about manufactured homes
- Community education about the perceived vs reality of housing types
- look to Dawson (County) for solutions they have used to build housing

Stakeholder Group: Open Public**Meeting Date/Time:** September 14, 2023 6:00 PM – 8:00 PM*Question 1: Why do you live in Kearney?*

- Interested in living in a small city
- Retail population of 150,000
- Medical care population of 200,000
- Affordable
- Closer to family
- Don't have to check google maps for commute
- 10 minutes to get anywhere regardless of time of day - big city, but small enough to get around
- Bigger city than a small town
- Good careers
- Middle distance from family east and west
- Local businesses - felt like a place that would receive them well
- People help each other - friendly people
- Easy to have children in this environment - great place to raise kids
- Short commute to activities
- Housing was affordable at the time
- Parks and splash pads - botanical gardens at Yanney Park
- Walkability is really nice here
- Groceries are very affordable
- Trails are awesome
- Recreation opportunities
- With the help of agencies, there's a decent amount of activities
- Schools are great
- Lots of athletic opportunities

Question 2: What are the challenges people face with housing?

- People are moving away because of housing being so expensive - rent is ridiculous
- Real estate agent fees could be causing prices to go up
- Rental price increases for no reason
- Some jobs are not great
- Both houses for rent and for sale are not in great condition
- Availability and affordability
- Troubling finding housing options even with the assistance (Section 8 housing vouchers)
- Renters not knowing what their rights are and landlords are taking advantage of that
- No renter protections or available legal assistance for that
- 400-person wait list for Section 8 housing vouchers - only have availability for 150 families
- Not enough inventory, especially for affordable housing
- Expensive to build houses and remodel
- Long wait list to get work done on houses
- Property tax increases due to gentrification
- Code restricts the ability to build things like cottage clusters
- Haven't seen a lot of changes in the building industry in Kearney
- Dirt is cheap but no affordable housing is being built
- UNK is not filling their dorms because it is too expensive to live there
- What are the incentives for the owners of the houses near the college to sell or rent to families

- Have to buy what was available
- Buy something because they need a place to live, but it is not what they want or need
- Don't have rental inspections - end up with rentals that are overpriced and not healthy to live in
- Sterling Apartments seemed like a great idea, but there's no walkability
- Don't have a lot of senior housing or housing for empty nesters to move into
- Older people have big houses that they don't need but they're paid off and there is nowhere else to move to
- People are not willing to list their house for sale until they know where they can move
- With how big Kearney is, it forces people to have cars, which leads to the needs for more infrastructure, which leads to sprawl
- Public transportation that doesn't require you to know you need a ride the day before
- Currently have to commit to walk a mile to the nearest grocery store location
- Not a lot of condos where they maintain the snow removal and cut the grass
- Some 1-bedroom apartments are more expensive to rent than a 3-bedroom house
- Don't have bike trails/lane either, scary to ride around town
- Hard to regulate temperature when you build up
- People have had to reject jobs offers because they could not find housing
- Trying to build multi-level apartment homes, been working on it for a year and they haven't gotten the funding - the resources involved to make that happen are taking a long time

Question 3: What housing types best fit Kearney?

- Need housing that is closer to 900 square feet
- Tiny house developments
- Cottage cluster or tiny house developments
- Older people living next to younger people and helping each other out
- Don't all have to be ranch style, could go up by having a garage underneath and living space on top
- Don't see a lot of ADA housing
- Need more inventory, just not expensive inventory
- People want move to certain places where they don't have to scoop snow and maintain a house (amenity supported housing)
- Mixed use buildings with residential on top and commercial on the bottom
- Pet friendly housing, some people buy houses just to have pets
- Anything, we need housing
- Simple housing styles

Question 4: Community options/solutions for housing?

- Opportunities for pocket neighborhoods (cottage clusters)
- A ton of square footage is not necessary
- Changing the regulations could help incentivize people to build
- Need something affordable and ADA accessible
- Why don't we do denser and centrally located housing
- More corner stores, some people don't have time to drive all the way up north
- As a community, it would be nice to mix the age groups up
- Restrictions on an ADU to make sure it is affordable can make owners not want to build them
- South central economic development has done housing studies and helped other people apply for funds
- Also trying to use sustainable products that don't have to be replaced every few years
- Low-income housing tax credit funding

- Give renters money to put effort into improving the property
- Economic grants that Kearney can apply for, requires multi-level agencies to work together
- Education about landlord and renter relations
- Housing size education
- Working with UNK to get students back on campus - making student housing on campus more affordable
- No incentivization program for investors
- More community partnerships – such as those created in part with south central economic development
- No motivation for developers to build houses for people in lower income brackets
- The cost to build a house is so high
- Employees have to be paid more
- High density is better for everyone because there's more places for people to live and it's one big building instead of multiple smaller ones
- Zone places that limit the building of single-family zones
- If we build multi-family homes, they need to have good walkability - mixed-use commercial and residential with bodegas
- Need good grant writers

Stakeholder Group: Builders/Design Pros/Consultants/Surveyors

Meeting Date/Time: September 19, 2023 2:00 PM – 4:00 PM

Question 1: Why develop in Kearney?

- Can make money here
- Quality of life
- Robust demand
- Job opportunities
- Education and healthcare
- Diverse economy
- Low crime rate
- City staff willing to talk through solutions for development
- Good developers
- Continuous investment in the community
- Buffalo County is one of three counties that is actually growing
- Infrastructure
- Planning to grow

Question 2: What are the challenges to building housing?

- Infrastructure costs
- Customer expectations / buyer expectations
- Available land
- Utility companies (such as NPPD) in other communities assist with paying for infrastructure
- Kearney has clay piping instead of PVC
- Some of Kearney's standards are higher, which costs more money - there are cheaper products that are very comparable
- Building workforce
- The supply chain for materials is not an issue depending on what you are building
- Labor costs are unbelievably high
- People come to expect high levels of service when the standards are high
- How we are spending our money and why we are spending our money is different than it used to be

- Interest rates drive the cost of housing up and the sales of homes down
- Mortgage rates and construction rates are both up
- More risk on the developer's side – over a high-risk factor
- Taxes have increased
- TIF is a requirement for rentals at this point - Not willing to build more unless they know the first 15 years of taxes are coming back to them
- Kearney hasn't used TIF much because they are protective of school districts
- Heard through the EDC and the Chamber that large employers need more workforce housing but they don't want to be landlords
- Interest on a subdivision impacts the ability to build homes
- The cost of putting in a park and streets causes the developers to increase the cost of houses

Question 3: What housing types best fit Kearney?

- Smaller lot developments
- Fourplexes – Don't put all of the fourplexes in one area
- Need a little bit of everything
- Focus on neighborhood development
- Use creative design
- Only about 27% of our households have kids, the rest are all either single adults, couples, or groups of adults living together
- Older age group is looking to downsize or move sideways
- Cottage clusters would appeal to young adult groups as well as older generations looking to downsize and decrease their maintenance
- Clusters of housing create a sense of community
- Condos for people wanting to downsize from large homes
- Pet friendly housing
- Adaptability, inclusion, & ADA units
- Boomerang houses
- Attached mother-in-law units
- Manufactured housing/prefabricated structures
- Trailer parks/mobile home parks
- Pocket neighborhoods, gated manufactured home community, or tiny home village
- Shouse or barndominium

Question 4: New options/solutions for housing?

- Some employers in other communities are willing to donate money towards building housing
- Rural Workforce Housing (revolving credit)
- Down payment assistant program with approved business they can work at
- Non-recourse loan where the developer builds the units and hands them back to the City to distribute, this takes the risk away from the developer
- Columbus, NE example of City taking on the cost to build infrastructure
- More density is needed because it lessens the cost per lot
- Element 30 is denser than anything else we have in Kearney
- If you want to get young families into housing, you have to roll the housing stocks
- Figure out what rolls the housing stock and opens up the existing 3/4-bedroom homes for families
- Bedroom community housing looks completely different to Kearney's housing stock
- Developers in bedroom communities want single-family homes and duplexes or dense apartment buildings
- Code currently prohibits ADUs

- Off-street parking requirements and separate services affect the cost of an ADU
- California has a lot of ADU examples
- Not sure ADUs are who Kearney is
- ADUs are not cheap to build
- ADUs as a way to retrofit existing housing
- Limit the amount of structures that can develop ADUs within a certain area
- Combine programs to build various housing types within a specific area using multiple developers
- Use land faster
- More affordable and market rate housing
- Spread the risk by involving multiple developers
- What would a modern-day trailer park look like if they thought of them as tiny homes
- Some codes would need to be changed in order to make a tiny home development work
- Need areas with smaller housing where someone else maintains the property for older residents or residents that don't want that responsibility
- Lot sizes don't need to be as big
- Community centers for smaller lot areas would be beneficial to make up for smaller yards
- Need a variety of housing
- Need gentle density
- Code changes

Stakeholder Group: Policy Makers/Community Leaders

Meeting Date/Time: September 21, 2023 3:00 PM – 5:00 PM

Question 1: What housing types best fit Kearney?

- Hard to enter the market, need more starter homes
- Smaller footprint
- Don't start with ADUs just yet
- Use land in an efficient manner - more density per square foot
- Cottage clusters are not a bad option for families
- Garden level type units with a main floor type unit
- Houses in the 70s were split either sideways or up and down
- Options to own the home but not necessarily the land underneath
- Not a lot of over under condos in an ownership capacity
- In downtown Hasting's they are creating condos out the lofts and downstairs parts of their buildings
- Potentially hard to get a home loan for a condo, things may have changed
- Cottage clusters give the feel of an independent home
- Not having shared walls seems to be important
- Age restricted housing north of Steinbrink's
- Yard care done by someone else in age restricted communities
- Smaller homes allow for greater ability to manage a home
- Bring down the cost for apartment developments somehow
- If we want to attract people from metropolitan areas we need to provide more housing in places like downtown
- Not ranch style housing
- Providing alternative options of housing
- Housing in the central parts of town could also be attractive to people that have left Kearney and experienced housing in other areas

Discussion Point: Infrastructure

- Trouble keeping cars off the street when lot and street widths are reduced
- A lot of the older areas in town have narrower roads
- Kearney looks different than other neighboring cities in a good way
- Not sure there is a need reducing street widths - the cost difference between doing a 32-foot wide vs 36-foot wide street is not significant enough
- Sometimes narrower streets work well in large lot developments
- For affordable housing, if the lots are smaller there is not as much opportunity for off street parking
- Kearney's street widths make it more appealing to drive around
- Don't want different piping material all over town for storm sewer (there is a city requirement for type of materials)
- After developer pays to put infrastructure in, they then turn it over to the City to maintain
- Residents' rates and taxes are lower (over time) due to the type of infrastructure the City requires
- Developers won't necessarily lower their prices just because the City decreases their costs to develop
- There's no way for the City to enforce affordable housing prices
- We have to keep future generations in mind when considering what materials are being used to construct new developments
- Better/longer lasting materials help City's accommodate for sprawl by lowering the cost of maintaining infrastructure

Discussion Point: Financing

- TIF for housing
- Cost decrease for developers, but not necessarily for buyers
- Allowing developers to utilize TIF reduces their risk and encourages them to develop more housing units
- Whether or not the housing development is affordable, the housing stock is still increasing
- When the supply increases, the demand would theoretically decrease (reduced house prices)
- Reluctant to use TIF because of how it affects schools
- May not be fully against TIF for housing if it is used for higher density housing
- Younes workforce/employer assisted housing allows for more capital improvements and more benefits
- State statutes protect the City from sprawl
- No instrument to make developers pass the savings on
- We have property that is sitting empty with infrastructure - what can we do to incentivize people to develop those infill lots
- Other cities like Columbus, Lexington, and North Platte have paid to install infrastructure and then sell the lots
- Potentially waive assessments if a new housing unit is proposed to be built on infill lots
- Set up a development tier system with metrics that developers have to meet in order to obtain certain benefits/incentives – also be cautious to not stifle development
- City pays for more general obligation expenses than other cities (example: paying for oversizing)

Discussion Point: Code Changes

- Reduced lot widths
- Eliminating minimum lot size
- Creating another zoning district that allows for just duplex development in single-family districts
- Use duplexes to transition to higher density residential
- Modern mobile home park using manufactured homes/tiny homes – manufactured home still requires a foundation & depreciate faster than stick-built homes
- Lessen the costs on developers by only requiring one line (sewer/water)

- More interested in the cottage cluster options
- Some ADUs might be okay – need to be mindful of off-street parking, options for AirBnB rentals, requirements for separate water & sewer connections – open to reviewing code options for ADUs

Stakeholder Group: Realtors

Meeting Date/Time: September 26, 2023 2:00 PM – 3:00 PM

Question 1: Why live in Kearney?

- Safe
- Centrally located
- Diversified
- Clean
- Parks
- Good schools
- Street maintenance is done well - actually see where taxes are spent
- Good people - friendly people
- Medical access
- Family oriented
- Amenities that you would see in larger communities
- Job opportunities
- Airport
- Progressive thinking (eye towards the future)
- Younes complex - continued growth
- Sports complex
- Taxes are less
- Forward thinking (example: Allo could only install underground in Kearney)
- Good forethought in planning (infrastructure)
- Collaborative community environment

Question 2: What are the challenges people face with housing?

- Too expensive to buy, too expensive to rent, too expensive to build
- Low inventory for renting and owning
- Customer expectations are too high - not getting what they want in terms of the quality of the house
- No quality housing at affordable prices
- Settle for less garage space
- County restrictions on development - frontage requirements on a county road restrict the amount of lots that can be developed - restrictions on the development of rural subdivisions
- Some people are being forced to buy in other towns because they can't afford to live in Kearney (Gibbon, Miller, Elm Creek, Hastings, etc.)
- We are getting people that can work here but not live here - candidates for certain jobs have to turn down offers because they can't find a place to live
- State restrictions prevent the cottage/tiny home developments
- Barriers towards development of a variety of housing types
- In Grand Island the same builder can build for 8-10% less than in Kearney
- Taxes are an issue here - people from out of state/the east side of the state feel the impact of taxes more
- The costs of construction are high - labor costs can go up the higher up you build, it really only helps save on the cost of land since you need less

- On the rental side, people only want high income rentals because low income rentals tend to have problems that landlords do not want to deal with
- We have so much risk in our housing market right now

Question 3: What housing types best fit Kearney?

- Fixed/wheels/pre-fab tiny homes -work towards the tiny home concept as well as others
- Mixed use spaces outside of CBD
- If you own a larger lot within an older neighborhood, you can divide the lot into smaller sizes as long as they meet code
- People want basements and houses that are closer to the ground because people are scared of our weather
- A lot of people want large yards
- Almost every type of housing would fit Kearney
- Most senior housing, cluster homes, tiny homes
- Kearney is a ranch style community
- Developers need to take the risk to build something out of the ordinary - have too many hurdles to get through to develop certain housing types
- 2nd story homes with no primary bedroom on the main floor are not as popular
- Duplexes would be a good way to help with affordable housing, but the ones for sale are expensive
- The desire for a home outweighs what the style is
- People settle for things because there is nothing else to buy
- Need to keep growth in mind because once the inventory goes up, the undesirable houses that people settle for with become impossible to sell
- Need a variety in housing types, but people will still want land attached to their property

Question 4: New options/solutions for housing?

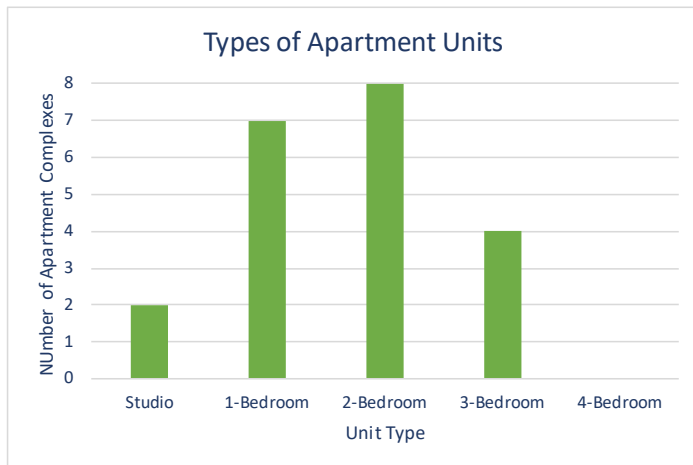
- Higher taxes in the ETJ so that the road maintenance is taken on by the county sooner
- Developer led housing assessments
- Why do other cities have the ability to offer developable lots with infrastructure already put in - certain communities have gotten additional funding - that has also not been a priority for the City
- Grant money that Kearney can access - some grants are more work than they are worth
- Look to neighboring communities such as Lexington for option to reduce risk by having the City put in infrastructure
- Work with State legislators to reduce the number of things preventing places like Kearney from developing housing types such as tiny homes
- Some of the density requirements have been kind of limiting - it's hard to get enough units on the lot to justify infrastructure costs
- Custom builds have less risk
- FHA203K loans that allow people to borrow money to fix up houses
- Developers selling the houses on the lots but not the land
- Explore how beneficial City funded infrastructure was in places like North Platte and Lexington
- Lower lot prices lower the risk for some contractors
- Could bring in new contractors to the community to create more competition
- The road department in the county has more say in zoning than what they should
- More variety, reduce risk, be creative

Appendix B: Apartment Manager Survey

Question 1: Which apartment complex do you manage? (Please provide name, address, or cross-streets)

Apartment Complexes Respondents
Kearney Apartment Homes
Element 30
Loper Suites
Platte Valley Apartments
Prairie View Kearney
Park Meadow Apartments
Kearney Plaza Homes
Village Plaza Duplexes
The Village at Kearney
Stratford Apartments

Question 2: Which type of units does the apartment complex contain? (Please select all that apply)



Question 3: Please list the average rent for a studio unit (if applicable).

Question 4: Please list the average rent for a 1-bedroom unit (if applicable).

Question 5: Please list the average rent for a 2-bedroom unit (if applicable).

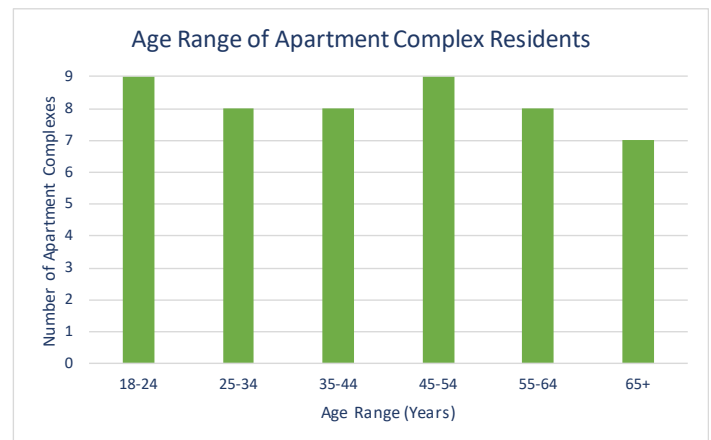
Question 6: Please list the average rent for a 3-bedroom unit (if applicable).

Question 7: Please list the average rent for a 4-bedroom unit (if applicable).

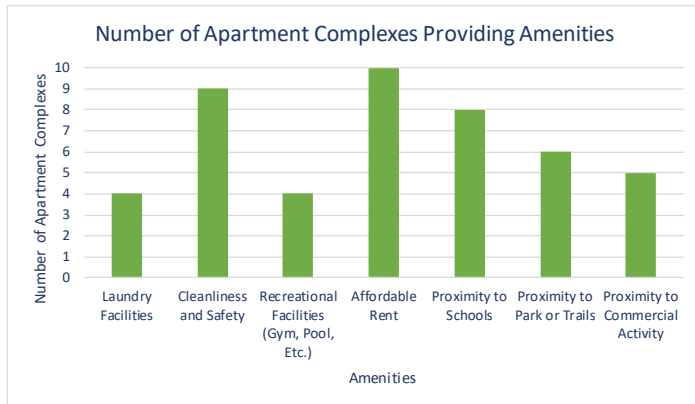
See table below for responses to Questions 3-7.

Unit Type	Rental Range
Studio	\$740 - \$1,300
1-Bedroom	\$700 - \$1,350
2-Bedroom	\$800 - \$1,900
3-Bedroom	\$900 - \$1,100
4-Bedroom	Not Applicable

Question 8: In general, which age groups reside within the apartment complex? (Please select all that apply)



Question 9: What amenities does the apartment complex provide? (Please select all that apply)



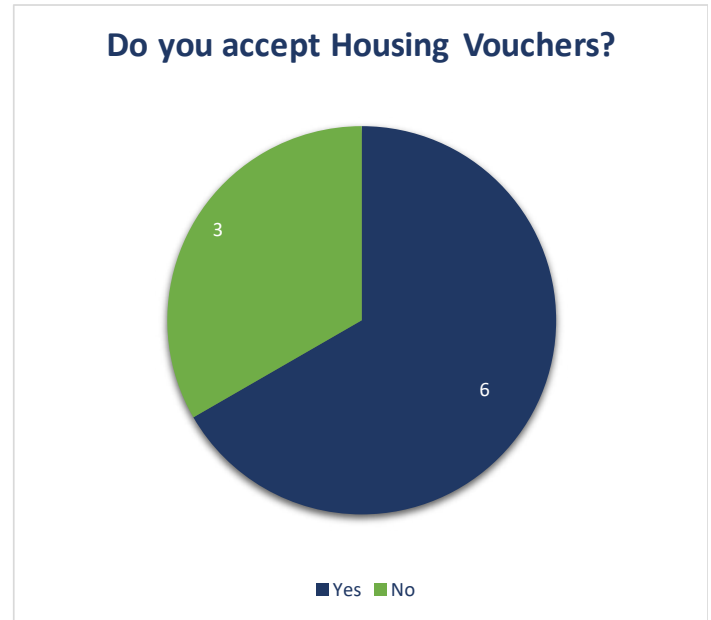
Question 10: How many units in the apartment complex are ADA accessible?

ADA Accessible Units	Number of Apartment Complexes
All Units	3
Some Units	7
No Units	0

Question 11: If you answered some units to the previous question, please indicate the number of units that are ADA accessible.

Response 1	All lower level apartments are accessible. We have one dedicated unit that is wheelchair friendly
Response 2	6 units
Response 3	15 units
Response 4	3 units
Response 5	6 units
Response 6	20 units
Response 7	8 units

Question 12: Do you accept Housing Vouchers? (Example: Section 8)



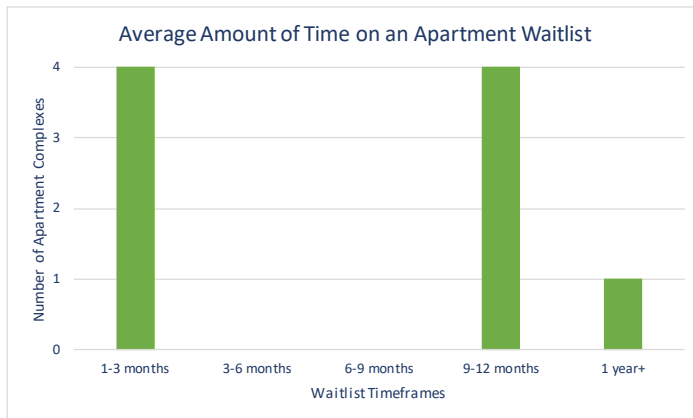
Question 13: Are pets allowed within the apartment complex?



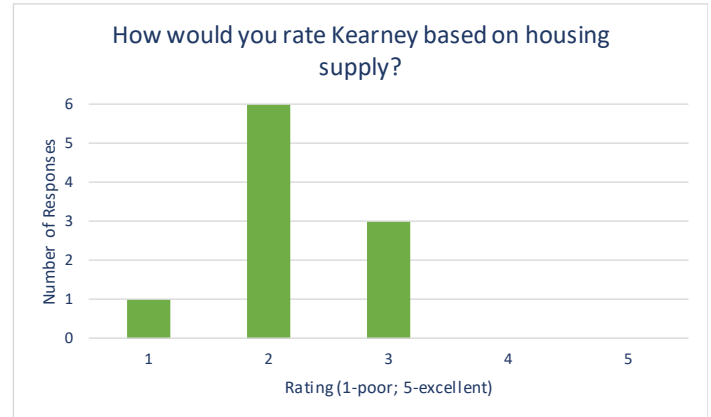
Question 14: Is there currently a waitlist of people wanting to rent an apartment?



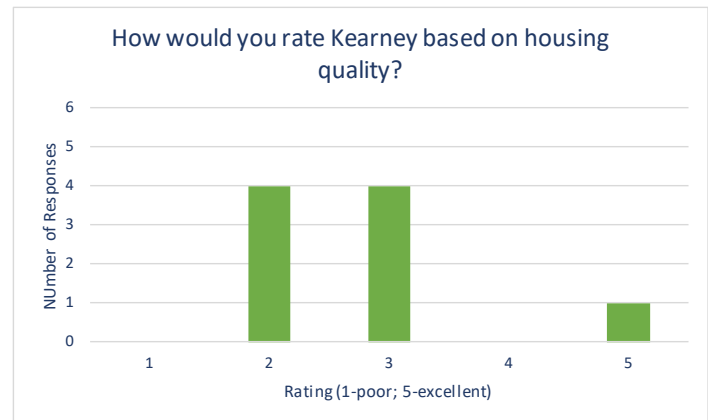
Question 15: If you answered yes to the previous question, what is the average amount of time someone is on the waitlist?



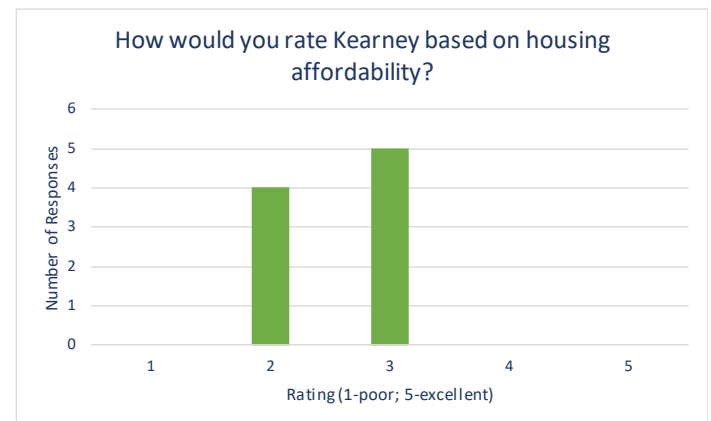
Question 16: How would you rate Kearney based on housing supply?



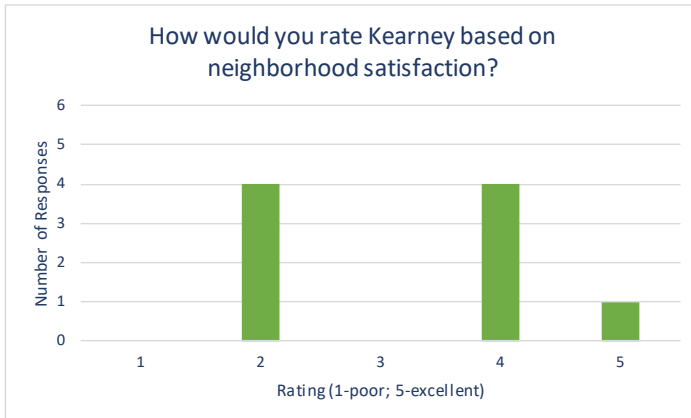
Question 17: How would you rate Kearney based on housing quality?



Question 18: How would you rate Kearney based on housing affordability?



Question 19: How would you rate Kearney based on neighborhood satisfaction?



Question 20: Any additional comments?

None