

NBA NExt Generation Housing Task Force

Summary and Proposed Roadmap

As of February 28, 2017

TASK FORCE GOAL

*Mission: A statewide initiative to increase availability of **market rate/workforce housing** and to meet the expectations of NExt Generation Nebraskans (approved by NBA Board, 12/15).*

*Objective: Develop creative/entrepreneurial policy proposals and strategies to **stimulate construction of new and rehab of existing market-rate and workforce housing** in rural Nebraska communities, with an emphasis on those communities with unfilled job opportunities*

FRAMING THE ISSUE

Summary

Factors Limiting Private Growth

ISSUE

- Cost to build exceeds appraisal at target price points
- Lack of construction labor
- Housing costs outpacing incomes
- Community Leadership Focus

SOLUTIONS

- Need to innovate and reduce cost of construction. Scale building?
- Vocational technical schools and targeted apprentice programs
- Same as 1 above- Costs and affordability
- New Issue requiring community collaboration and commitment

WHAT'S THE ISSUE?

Good Jobs Not Filled is the Issue!

- **Communities and employers need to retain and recruit a qualified workforce to locate and live the “good life”.**
- **Communities and employers are competing globally to retain and attract a qualified workforce that can help grow the tax base for the longer term and sustain communities.**
- **Workforce housing is part of the solution. It is one component of necessary infrastructure for communities and employers to attract the labor.”**

Do We Really Have a Housing Shortage?

- **Age of housing** in outstate Nebraska is falling behind required reinvestment. Source: Department of Economic Development
- **Supply of houses** for sale- all time lows - driving up prices and decreasing affordability. Source: State Board of Realtors
- **Cost to build** at affordable price points (\$150k to \$300k) exceeds market value in many outstate communities. Source: NBA Survey
 - Lack of contractors and subs
 - Lack of ability to build in scale due to absorption risk
 - Appraisals and comps lag
 - Cost of lot development and building materials

WHAT DOES A WORKFORCE FAMILY LOOK LIKE?

INCOME PARAMETERS:

- **Above** Current Low to Moderate Income Program Limits established by Federal government.
 - Nebraska median family income = \$55k. Low=50%, Moderate= 80%
- **Workforce Target Family Incomes**
 - **\$40,000 to \$100,000** Per Year (**\$20 to \$50 combined** per hour)

WHAT DOES WORKFORCE HOUSING LOOK LIKE ?

- **Priority #1**- Target Owner Occupied Housing Prices to Match Target Incomes.....Price point = \$150,000 and up
- **Priority #2**- Rent to own, Duplex, and Multi Family Housing dependent on community specifics
- Include Amenities Demanded by NExt Generation to attract target audience.

Housing Continuum Affordability

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If You Build It, Will They Come?

- Not Necessarily
- Housing is Infrastructure. Has to be a “value” proposition.
- Additional value requirements-
 - Good job and career opportunity
 - Good schools, health care, and shopping
 - Social and entertainment opportunities, Lifestyle

Q & A

TASK FORCE

Proposed Action Steps for Success Six Ingredients

- #1- Build an Information Resource Website – NIFA and DED
- #2- Funding Resources to Jump Start- DED, NIFA, Local
- #3- Legislative Agenda
- #4- Community Technical Assistance- Strategic Planning and Shared Community Agenda- UNL, NCDF
- #5- “Homestead Initiatives” to Retain and Attract Qualified Labor
- #6- Commitment of Time and Follow up

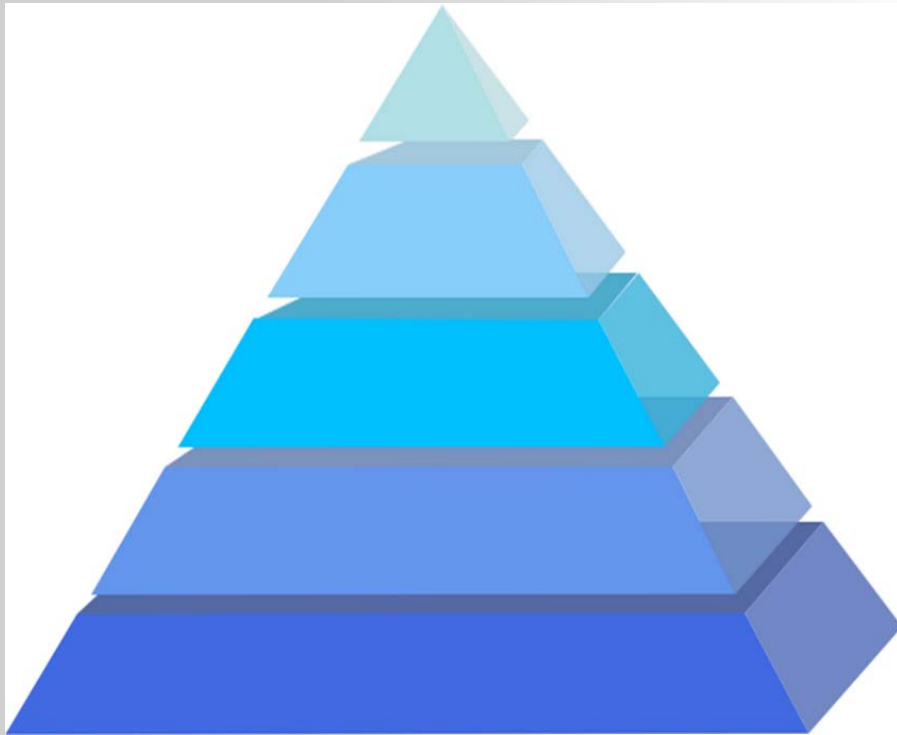
DO YOU HAVE A
SHARED COMMUNITY AGENDA?

What Makes Your Community Desirable to NExt Generation Nebraskans?

- Homestead Act of 1862

- Homestead Act of 2017
 - Homestead Scholarships
 - Homestead Downpayment Loans

Five Attributes of a Healthy Community



- #5- Collaborative & Competent Public/ Private Leadership
- #4- Shared Community Agenda
- #3- Social, Recreational and Spiritual Opportunities
- #2-Infrastructure= Roads, Utilities, Healthcare, Government Services, Housing, Schools, Social Services
- #1- Industry & Business= Jobs & Careers for Citizens

Ingredient #6 Follow Up

- 3 Primary Determinants of Success- Source: Tom Osborne
 - **Persistence**- Stay focused on your goal.
 - **Risk Taking**- Take measured risks to get better.
 - **Resiliency**- Don't give up when you falter.

“ Our real strategic issue is qualified labor- Retaining and recruiting a qualified workforce to locate and live the “good life”. Workforce housing is necessary infrastructure for communities and employers to attract the labor.”