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

<table>
<thead>
<tr>
<th>ISSUE</th>
<th>SOLUTIONS</th>
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<tr>
<td>• Cost to build exceeds appraisal at target price points</td>
<td>• Need to innovate and reduce cost of construction. Scale building?</td>
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<td>• Lack of construction labor</td>
<td>• Vocational technical schools and targeted apprentice programs</td>
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<td>• Housing costs outpacing incomes</td>
<td>• Same as 1 above- Costs and affordability</td>
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<td>• Community Leadership Focus</td>
<td>• New Issue requiring community collaboration and commitment</td>
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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

- Insert excel spread
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.”