

BRIEFING NOTES

NAME OF GROUP:	PLANNING COMMISSION
DATE, TIME AND PLACE OF MEETING:	Wednesday, March 14, 2018, 1:15 p.m., Council Chambers, County-City Building, 555 South 10 th Street, Lincoln, Nebraska.
MEMBERS IN ATTENDANCE:	Tom Beckius, Tracy Corr, Tracy Edgerton, Deane Finnegan, Chris Hove, Christy Joy, Dennis Scheer, and Sändra Washington; (Maja Harris absent).
OTHERS IN ATTENDANCE:	David Cary, Steve Henrichsen, Paul Barnes, Andrew Thierolf and Amy Huffman of the Planning Dept.
STATED PURPOSE:	Briefing on “ Residential Land Inventory Report ” by Planning Department.

Chair Dennis Scheer called the meeting to order and acknowledged the posting of the Open Meetings Act in the back of the room.

Paul Barnes thanked everyone. As planners and Planning Commissioners, the Residential Land Inventory Report is very exciting. It takes into account items that are tracked over time in terms of development approvals and data on residential building permits. GIS staff have worked along with planners to take a fresh look at this topic. The presentation is available on the Planning webpage at <http://lincoln.ne.gov/city/plan/reports/resland/jan18.pdf>.

Andrew Thierolf stated that Lincoln is expected to grow to a population of 360,000 residents in 150,000 households by the year 2040. Based on those projections, the community is expected to add approximately 40,000 new dwelling units between the years 2016-2040, which is an average of 1,700 per year. In 2017, we surpassed that number and had nearly 1,800 units.

When tracking the numbers over time, it is easy to see how far down the number of building permit requests went down as a result of the recession. The number of multifamily units is really variable from year to year, whereas single family, detached units are steadier. 40% of new dwellings are expected to be multifamily, but this number has been higher at around 44%.

The housing mix is shown year-by-year. Again, there is more variability in multifamily. Some years it was over 50%. In 2009, it was only 7%. The drastic increase seen in 2014-2015 can be attributed to the growth of student housing during that period.

The report also looks at new growth areas. After a decline in 2016, the number of building permits for dwellings in new growth areas returned to levels seen in previous years. There were 671 new single family detached units, which is the highest since 2006. In total, there were 1,377 units, mostly multifamily, but 80 more single family detached.

In established infill areas, there was a total of 425 building permits issued. This is up from last year, but down from 2014-2015, again attributable to the boom in student housing during those years. Per the Comprehensive Plan, 20% of new dwelling units should be in these "established areas". In 2017, that was exceeded, with 26.2% of all new dwellings located within established areas. 9.5% of those were located in the greater downtown area which is bounded by Salt Creek on the west and north, A Street on the south, and 27th Street on the east. It includes several prominent core neighborhoods such as Antelope Valley, the Haymarket, the Telegraph District, and Innovation Campus. The numbers exceed the Comprehensive Plan expectation of 7.5%.

Housing supply considers what is approved and available. With most new developments, lots are approved as part of a preliminary plat, community unit plan, or planned unit development. The 3-year average of dwelling units permitted per year is roughly 1,250. This also considers potential units, or raw land with no approval but that the Future Land Use map identifies as residential. Both are factored, and this amounts to almost 36,000 dwelling units available in new growth areas, which is a 28.8 year supply. There is lots of potential in our future service limit. Of those potential 36,000 units, just under 14,000 are approved final or preliminary plats, which is an 11.2 year supply.

Finnegan asked for more information about infill projects outside of the downtown area. Thierolf said there are more detailed maps provided in the report to show development in different areas.

Hove commented that a lot of potential supply is shown and it is just that developers have not yet developed approved land. Thierolf agreed and said that is why the final platted supply is considered. From Planning's perspective, there is over a decade of potential there.

Washington said that potential for reaching the 40,000 number in the next 20 years looks good. Thierolf agreed the City is in good shape, which is the overall theme of this report. There is not much shortage to report.

Beckius asked if there is further breakdown of the units, or the phasing, that will eventually be developed, or areas that have sat undeveloped for years. Thierolf said that is where the approved supply number is calculated. For example, the supply looks like it went down from last year to this year, but what actually happened is that there may have been an approval for the maximum number of lots, but since build out, maybe only 400 of 1,000 were built and the

rest are sitting there, which makes it appear that the supply went down. In reality, it is just a refinement of the numbers. In terms of developments where there is vacant approved land, we do not have specific numbers for how many were approved and then left sitting vacant. Beckius asked if that meant that of approved plats, only the number of lots that developers are showing, as opposed to what is approved, is counted. Thierolf offered an example from the Planning Commission hearing that occurred prior to this briefing where there was approval of a CUP that showed two extra units. Those units would not be counted at this time because if the developer wanted to change that, they could do an administrative amendment. We just use what is shown on the site plan.

In general, since 2005, the raw number of final platted lots has been decreasing while building permits are increasing. If we look at actual supply of platted lots, we are at 2.4 years of supply in 2017, which is below a few years ago, but in broader context, is in line with what occurred before the recession; we are back to pre-recession levels.

Scheer asked if the shape in the supply curve indicates a healthier community since, during the recession, there were more lots available and then there is a rapid decrease. David Cary said that in the period shown, you do see the rebound from the recession and that the supply crept up a bit. Beckius commented that if the recession had not occurred and development had continued, the bell curve would not be present. Corr said it is parallel to supply and demand.

Thierolf went on to describe the maps included in the report. Hot spots occur where lots of building permits were issued. In the southeast, that includes areas like Woodlands at Yankee Hill. It should be noted that some of the areas are actually not within corporate City limits, especially south of Lincoln. In the north, Fallbrook and Charleston Heights showed growth. There is infill scattered around the city, and in the west, development can be seen at Hub Hall Heights. Permits are also illustrated by type.

Washington said she was curious if actions such as the City condemning, demolishing, or adding properties to the substandard housing list are reflected. Paul Barnes said the calculation of loss of units versus growth is not included. That data would need to be collected from other departments since it is not something that Planning tracks.

Beckius said that there have been comments that reflect people feeling a squeeze and that numbers are controlled by three or four parties in town, so even if a large number of lots is approved, that is not a good reflection of what is actually available. Hove said that control is with the developers, not with Planning Department. Beckius said the perception is there. Hove commented there has to be some pushback on the developers who have control. Finnegan added that she has not seen that as often, but in the past, there were those who complained and blamed Planning.

Cary agreed that as a department, those types of comments are not heard as often. It is also interesting to consider a broader context than what this focused study provides. CIP deals with infrastructure and growth tiers. There is a concerted effort to get the southwest area opened up with sewer. There are more lots open to more and different types of developers at different price points. Those CIP assumptions include a projected 5% rate increase every year. If that does not come to pass, then the reality is that we will have to pull back on what is proposed. Beckius agreed without the improvements, the approved lots mean something different. Finnegan added that people expect more services but are getting less likely to be willing to put their taxes towards them.

Commissioners thanked Staff for their time and commented that this was valuable information.

There being no further business, the meeting was adjourned at 2:36 p.m.