

MEMORANDUM

TO: Mayor Beutler
Lincoln City Council
Lancaster County Board of Commissioners
Lincoln/Lancaster County Planning Commission

FROM: **David Cary, Planning Director**

SUBJECT: *Residential Land Inventory & Residential Building Permits as of January 1, 2016*

DATE: February 24, 2016

COPIES: Jon Carlson, Mayor's Office,
Thomas Shafer, Public Works & Utilities Acting Director,
Chad Blahak, Building & Safety Director,
Dave Landis, Urban Development Director,
Public Works & Utilities Staff,
Building & Safety Staff,
Planning Department Staff,
Urban Development Staff,
Development Community Mailing List

This memo includes updated data regarding the supply of urban residential lots in Lincoln's new growth areas within the 2040 Future Service Limit of the 2040 Comprehensive Plan (see shaded areas on the inset map of the Residential Land Inventory) as of January 1, 2016, and historical data on residential building permits for the entire city.

Detached Single Family Demand

Citywide, the number of building permits for new detached single family homes matched 2014's total (see the attached "Citywide Building Permits Issued for Dwelling Units" for detailed historical building permit data for dwelling units citywide). In both 2015 and 2014, 663 detached single family building permits were issued, compared to 600 in 2013, and as few as 370 in 2010. The last three years have yielded more single-family detached units than the 10-year average (536), but not as many as the 15-year average (767).

Detached Single Family Lot Supply

As of January 1, 2016, there were 5,610 detached single family lots in the City of Lincoln's lot supply in its developing areas. These lots are in various stages of the approval process including final platted lots and preliminary platted lots. Of this number, 1,496 single-family detached lots are final platted and available more immediately. (Please see the attached "Residential Land Inventory Review" for detailed historical data.) This updated single family lot supply is reduced by only 133 from one year ago, reflecting private developer response to demand by creating new buildable lots at roughly the same rate as they are built upon. However, this does indicate a trend over the past five years of a decrease in the amount of final platted single family detached lots despite there being a wealth of preliminary platted lots available.

Based on current building and platting trends, the supply of final platted detached single family lots (1,496) in new growth areas is now at a 3.0-year supply, based on the 10-year building permit average (493 dwelling units per year for new growth areas). This compares to a 2-3 year supply in the peak homebuilding period of 2002-2004. When the final platted and preliminary platted supply is combined, using the overall number of 5,610 single family detached lots available and in the pipeline, the lot supply in new growth areas increases to 11.4 years based on the 10-year average of 493 single-family detached units per year for new growth areas. Using the 3-year average of 563 single-family detached units per year, the combined lot supply is 10.0 years.

Multi-Family Supply

Building permits for 1,067 multi-family dwelling units were issued citywide in 2015; 356 dwelling units were in Greater Downtown. The supply of potential multi-family land in new growth areas decreased over the past year by 273 units. The supply of final platted multi-family units in new growth areas stands at 316 units and is now at a 0.8-year supply, based on the 10-year multi-family building permit average of 393 dwelling units per year for new growth areas. The preliminary platted supply increased by 262 (up to 3,717 units) due to newly approved developments for multi-family. Demand for new multi-family units has remained strong over the last six years (2010-2015). Multi-family building permits have accounted for 46.4% of all building permits for dwelling units for that six year period, a much higher proportion than experienced from 2000-2009 (20.9%), but consistent with the 2040 Comprehensive Plan and long-term demographic projections.

In addition, 2,900 dwelling units have been approved in preliminary plans that do not specify a dwelling unit type, but do have a total number of units identified. The majority of the unspecified dwelling units will likely be multi-family. The number of unspecified dwelling units has not been tracked or reported in previous years. As these units develop over time, the supply of unspecified units will be updated to reflect final platted or constructed status by dwelling unit type.

Overall Supply

Lincoln has the potential (final platted land, preliminary platted land, and raw land with no approvals) to accommodate 38,976 new dwelling units in developing areas within the 2040 Future Service Limit of the Comprehensive Plan. If the pace of development averages 1,327 dwelling units per year (as in the three year average) in new growth areas, the supply is 29.4 years. At a more aggressive pace of 1,500 dwelling units per year for new growth areas, the supply is 26.0 years. To the extent that infill and redevelopment in Downtown and other established areas of the city with existing infrastructure in place is successful (assumed to be 16.5% in the Plan), the current land supply in new growth areas will adequately serve the projected expansion of the City at least until the year 2040.

Of the potential 38,976 dwelling units within the 2040 Future Service Limit, 14,391 (single family and multi-family combined) are approved in final plats or preliminary plats (a 10.8 year supply based on the three year average of 1,327 dwelling units for new growth areas). Of the 14,391 approved dwelling units, 1,936 dwelling units have been final platted for single-family detached and single-family attached dwelling units. According to an analysis by the Lancaster County Assessor in 2014, approximately 93% of all final platted single-family detached and single-family attached lots are buildable with infrastructure in place. The remainder of the potential units is currently waiting for infrastructure to be built and for final platting to occur in approved developments.

Demand in Established Areas

In older areas of the City, including Greater Downtown, Lincoln added building permits for 558 dwelling units in 2015, 432 in 2014, and 246 in 2013. That accounts for 23.7% of all dwelling units (1,236 out of 5,216) in the last three years. This is more than achieving the infill and redevelopment goal of 16.5% stated in the 2040 Comprehensive Plan.

Attachments:

"Citywide Building Permits Issued for Dwelling Units, Fifteen Year Period: 2001-2015"

"Building Permits Issued for Dwelling Units in New Growth Areas, Ten Year Period: 2006-2015"

"Residential Land Inventory Review (for new growth areas), as of January 1, 2016"

"Residential Land Inventory, New Growth Areas as of January 1, 2016"

"Residential Lot Inventory Subareas" map

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Citywide Building Permits Issued for Dwelling Units

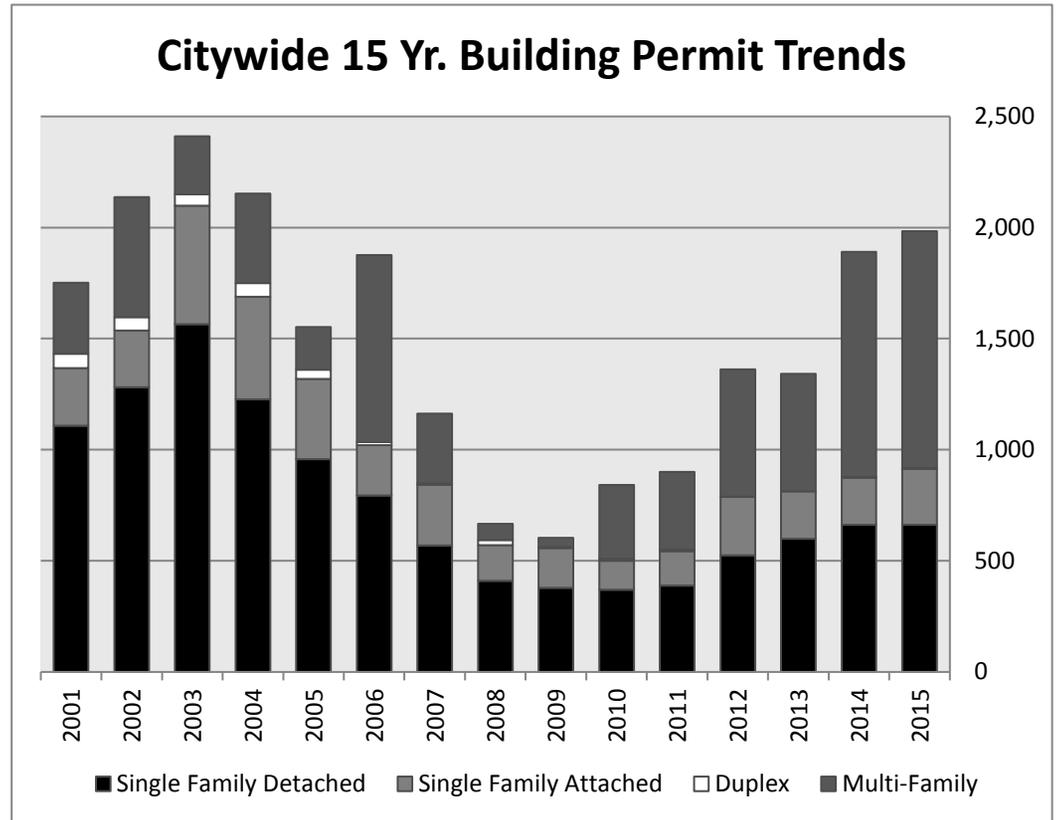
Fifteen Year Period: 2001-2015

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Single Family Detached	663	663	600	525	388	370	378	410	569	794	958	1,227	1,565	1,281	1,108
Single Family Attached	252	211	213	263	156	131	180	160	274	227	360	461	533	256	260
Duplex	2	4	0	0	6	8	4	24	6	14	42	62	52	60	64
Multi-Family	1,067	1,012	529	574	350	332	42	73	314	841	192	403	260	540	319
Total	1,984	1,890	1,342	1,362	900	841	604	667	1,163	1,876	1,552	2,153	2,410	2,137	1,751

Citywide Average Per Period				
	3 Yr.	5 Yr.	10 Yr.	15 Yr.
Single Family Detached	642	568	536	767
Single Family Attached	225	219	207	262
Duplex	2	2	7	27
Multi-Family	869	706	513	457
Total	1,739	1,496	1,263	1,509

Note: Based on building permits issued citywide, not actual construction and occupancy. There are some permits issued, particularly in multi-family, that are never built.

- Year is based on date permit issued, not date of completion and occupancy.
- Single Family Detached is a Single Family Detached unit on a single lot.
- Single Family attached is defined as one dwelling unit on a single lot attached by a common wall to one or more other dwelling units. Commonly known as a townhome.
- Duplex is two dwelling units built on one lot.
- Multi-family is three or more units built on a single lot, typical of apartments or condominiums.
- Totals include only City of Lincoln and not Lancaster County.



Source: Lincoln/Lancaster County Planning Department (February 24, 2016)

F:\LongRange\Projects\Residential\Residential Land Inventory and Building\[2016 Dwelling Units by Year.xlsx]2016 New Growth Bldg Permit

Building Permits Issued for Dwelling Units in New Growth Areas

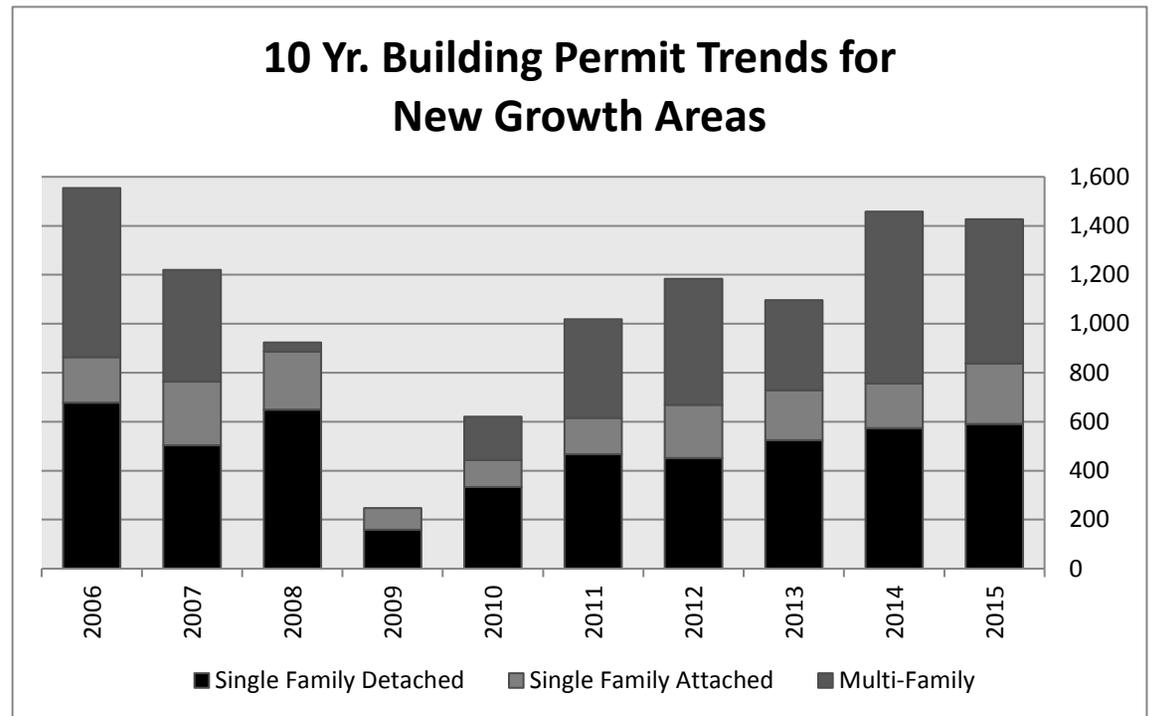
Ten Year Period: 2006-2015

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Single Family Detached	591	574	525	451	467	333	159	649	503	678
Single Family Attached	247	182	203	218	149	111	89	237	261	186
Multi-Family	588	702	368	515	402	176	-	37	456	690
Total	1,426	1,458	1,096	1,184	1,018	620	248	923	1,220	1,554

New Growth Areas: Average Per Period			
	3 Yr.	5 Yr.	10 Yr.
Single Family Detached	563	522	493
Single Family Attached	211	200	188
Multi-Family	553	515	393
Total	1,327	1,236	1,075

Note: Based on net changes in existing land use year to year.
 - Year is based on net change occurring in one calendar year.

- Single Family Detached is a Single Family Detached unit on a single lot.
- Single Family attached is defined as one dwelling unit on a single lot attached by a common wall to one or more other dwelling units. Commonly known as a townhome.
- Multi-family is three or more units built on a single lot, typical of apartments or condominiums.
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Source: Lincoln/Lancaster County Planning Department (February 24, 2016)

F:\LongRange\Projects\Residential\Residential Land Inventory and Building\[2016 Dwelling Units by Year.xlsx]2016 New Growth Bldg Permit

Residential Land Inventory Review (for new growth areas)

As of January 1, 2016

	Jan 2016	Jan 2015	Jan 2014	Jan 2013	Jan 2012	Jan 2011	Jan 2010	Jan 2009	Jan 2008	Jan 2007	Jan 2006	Jan 2005	Jan 2004	Jan 2003	Sept 2002	Jan 2001	July 2000
A. Single Family Detached, Single Family Attached, & Duplex																	
Final Platted	1,936	2,211	2,451	2,648	2,954	3,441	3,588	3,967	4,240	4,112	4,645	3,593	2,605	3,000	2,866	3,693	3,016
Preliminary Platted	5,522	6,490	6,547	7,156	7,528	7,307	7,475	7,126	7,480	6,797	1,705	2,953	3,388	3,669	4,060	2,653	1,747
Total	7,458	8,701	8,998	9,804	10,482	10,748	11,063	11,093	11,720	10,909	6,350	6,546	5,993	6,669	6,926	6,346	4,763

B. Multi-Family and Unspecified Units***

Final Platted	316	851	915	487	553	612	620	620	652	1,218	1,842	1,463	1,670	1,687	1,687	1,588	1,506
Preliminary Platted	6,617	3,455	3,266	3,259	4,066	3,673	3,841	3,636	3,348	3,277	2,367	2,082	2,353	3,074	3,049	2,639	2,287
Total	6,933	4,306	4,181	3,746	4,619	4,285	4,461	4,256	4,000	4,495	4,209	3,545	4,023	4,761	4,736	4,227	3,793

C. All Approved Dwelling Units (A+B)

Final Platted	2,252	3,062	3,366	3,135	3,507	4,053	4,208	4,587	4,892	5,330	6,487	5,056	4,275	4,687	4,553	5,281	4,522
Preliminary Platted	12,139	9,945	9,813	10,415	11,594	10,980	11,316	10,762	10,828	10,074	4,072	5,035	5,741	6,743	7,109	5,292	4,034
Total	14,391	13,007	13,179	13,550	15,101	15,033	15,524	15,349	15,720	15,404	10,559	10,091	10,016	11,430	11,662	10,573	8,556

D. Additional Potential Dwelling Units on Land in Tier I

Submitted Plans*	raw land	raw land	raw land	1,338	1,307	1,183	1,183	1,183	1,183	1,469	4,238	1,555	1,193	989	1,311	raw land	raw land
Raw Land**	24,585	24,996	26,313	25,622	25,281	35,708	34,301	34,308	35,203	36,306	35,329	40,800	41,978	43,822	43,821	24,260	24,706
Total	24,585	24,996	26,313	26,960	26,588	36,891	35,484	35,491	36,386	37,775	39,567	42,355	43,171	44,811	45,132	24,260	24,706

E. Grand Total of Possible Units (C+D)

Total	38,976	38,003	39,492	39,172	41,689	50,741	49,825	49,657	50,923	51,710	45,888	50,891	51,994	55,252	55,483	34,833	33,262
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	Jan 2016	Jan 2015	Jan 2014	Jan 2013	Jan 2012	Jan 2011	Jan 2010	Jan 2009	Jan 2008	Jan 2007	Jan 2006	Jan 2005	Jan 2004	Jan 2003	Sept 2002	Jan 2001	July 2000
Single Family Detached ONLY																	
Final Platted	1,496	1,629	1,750	1,826	1,965	2,304	2,334	2,566	2,869	2,868	3,334	2,624	1,986	2,383	2,217	2,847	2,291
Preliminary Platted	4,114	4,967	4,967	5,153	5,393	4,954	5,145	4,901	5,048	4,682	1,077	2,276	2,566	2,871	3,215	2,372	1,435
Total	5,610	6,596	6,717	6,979	7,358	7,258	7,479	7,467	7,917	7,550	4,411	4,900	4,552	5,254	5,432	5,219	3,726

*"Submitted Plans" are developments that have submitted applications, but have not yet been approved by Planning Commission and/or City Council. Not tracked separately except for 2002 to 2013; land without approved plans is included along with all other "Raw Land" calculations.

**"Raw Land" is land in Tier I shown as "Residential" in the future land use plan without a final plat, preliminary plat, CUP, or PUD. Raw Land includes agricultural land outside of the FEMA floodplain and is calculated at three dwelling units per acre. Raw Land also includes smaller tracts of land calculated at four dwelling units per acre because it is less likely the land will be utilized for facilities such as parks and schools.

***"Unspecified Units" include dwelling units in preliminary plans that do not specify the type of dwelling unit that was approved. This total (2,900 units) was added to multi-family for the purpose of this table starting in January 2016.

Source: Lincoln/Lancaster County Planning Department

F:\LongRange\Projects\Residential\Residential Land Inventory and Building\[2016 Dwelling Units by Year.xlsx]2016Citywide Bldg Permit Report

2/24/2016

Residential Land Inventory

Report Description:

New Growth Areas as of January 1, 2016

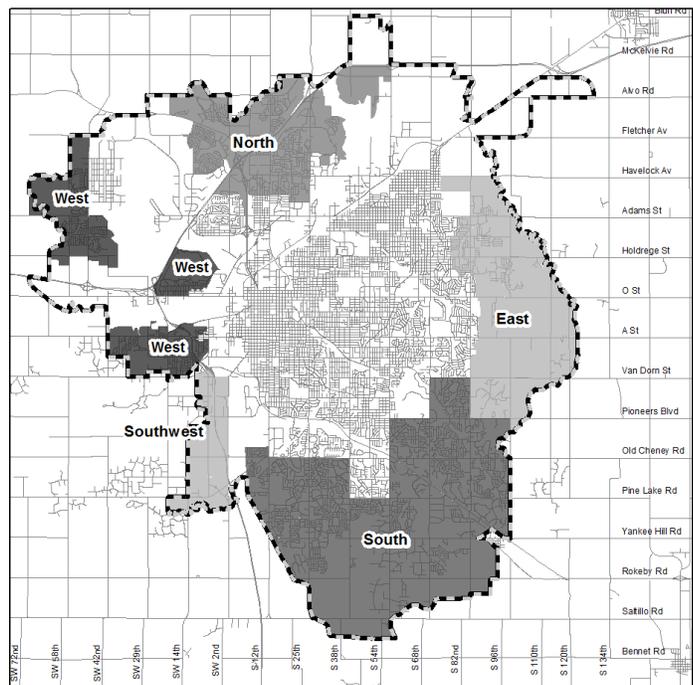
<u>Development SubArea*</u>	South	West	North	Southwest	East	TOTAL
A. EXISTING (BUILT)						
Single Family Detached	12,870	5,180	5,410	157	2,165	25,782
Single Family Attached / Duplex	3,241	1,639	1,364	16	651	6,911
Multiple - Family	4,899	1,180	4,699	0	494	11,272
Total Dwelling Units	21,010	7,999	11,473	173	3,310	43,965
B. FINAL PLATTED LOTS						
Single Family Detached	853	320	140	22	161	1,496
Single Family Attached / Duplex	256	27	88	0	69	440
Multiple - Family	66	96	154	0	0	316
Total Dwelling Units	1,175	443	382	22	230	2,252
C. APPROVED PRELIMINARY PLATS, CUPs, PUDs (Units Not Yet Final Platted)						
Single Family Detached	1,408	603	1,567	2	534	4,114
Single Family Attached / Duplex	634	304	335	0	135	1,408
Multiple - Family	2,320	316	718	0	363	3,717
Unspecified Dwelling Units ***	1,646	495	82	250	427	2,900
Total Dwelling Units	6,008	1,718	2,702	252	1,459	12,139
D. TOTAL POTENTIAL ON FINAL PLATTED & PRELIM PLATTED LAND (B+C)						
Single Family Detached	2,261	923	1,707	24	695	5,610
Single Family Attached / Duplex	890	331	423	0	204	1,848
Multiple - Family	2,386	412	872	0	363	4,033
Unspecified Dwelling Units ***	1,646	495	82	250	427	2,900
Total Dwelling Units	7,183	2,161	3,084	274	1,689	14,391
E. ADDITIONAL POTENTIAL DWELLING UNITS ON RAW LAND** IN TIER I						
Total Dwelling Units	7,047	2,768	2,739	2,687	9,344	24,585
F. GRAND TOTAL POTENTIAL (D+E)						
Total Dwelling Units	14,230	4,929	5,823	2,961	11,033	38,976

* Subareas are all in new growth areas within the Future Service Limit (Tier I). Monitoring these growth areas can inform future infrastructure and land use decisions.

** "Raw Land" is land in Tier I shown as "Residential" in the future land use plan without a final plat, preliminary plat, CUP, or PUD. Raw Land includes agricultural land outside of the FEMA floodplain and is calculated at three dwelling units per acre. Raw Land also includes smaller tracts of land calculated at four dwelling units per acre because it is less likely that developable land will be utilized for facilities such as parks and schools.

*** "Unspecified Units" include dwelling units in preliminary plans that do not specify the type of dwelling unit approved.

Source: Lincoln/Lancaster County Planning Department



Residential Lot Inventory Subareas

