

# APPENDIX A



# OMAHA

## HOUSING AFFORDABILITY ACTION PLAN

### MARKET ASSESSMENT REPORT



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# MARKET ASSESSMENT

## OMAHA'S DEMOGRAPHIC & ECONOMIC CHARACTER

This section reviews Omaha's demographic trends including population, housing characteristics, income, employment, affordability, and housing demand. Understanding these trends is the first step to forecast future needs and articulate a program to improve Omaha's housing market. Combined, these trends have a tremendous impact on the local housing market.

The scope of this study is limited to Omaha. Regional data and trends were also considered and this information can be found in the Metropolitan Area Planning Agency (MAPA) [Regional Development Report](#).

## What Market Data Tells Us

A variety of elements influence housing supply and demand. Quantitative data describes past trends in population, housing occupancy, affordability, and other objective measurements. Market data gives a quick and straightforward representation of the city and how it compares to similar cities and those in the region. It helps explain why conditions are the same or different compared to other areas. Much of this data is mapped and when compared to historic policies we see the lasting impact these policies have had on our city.

## What Market Data Does Not Tell Us

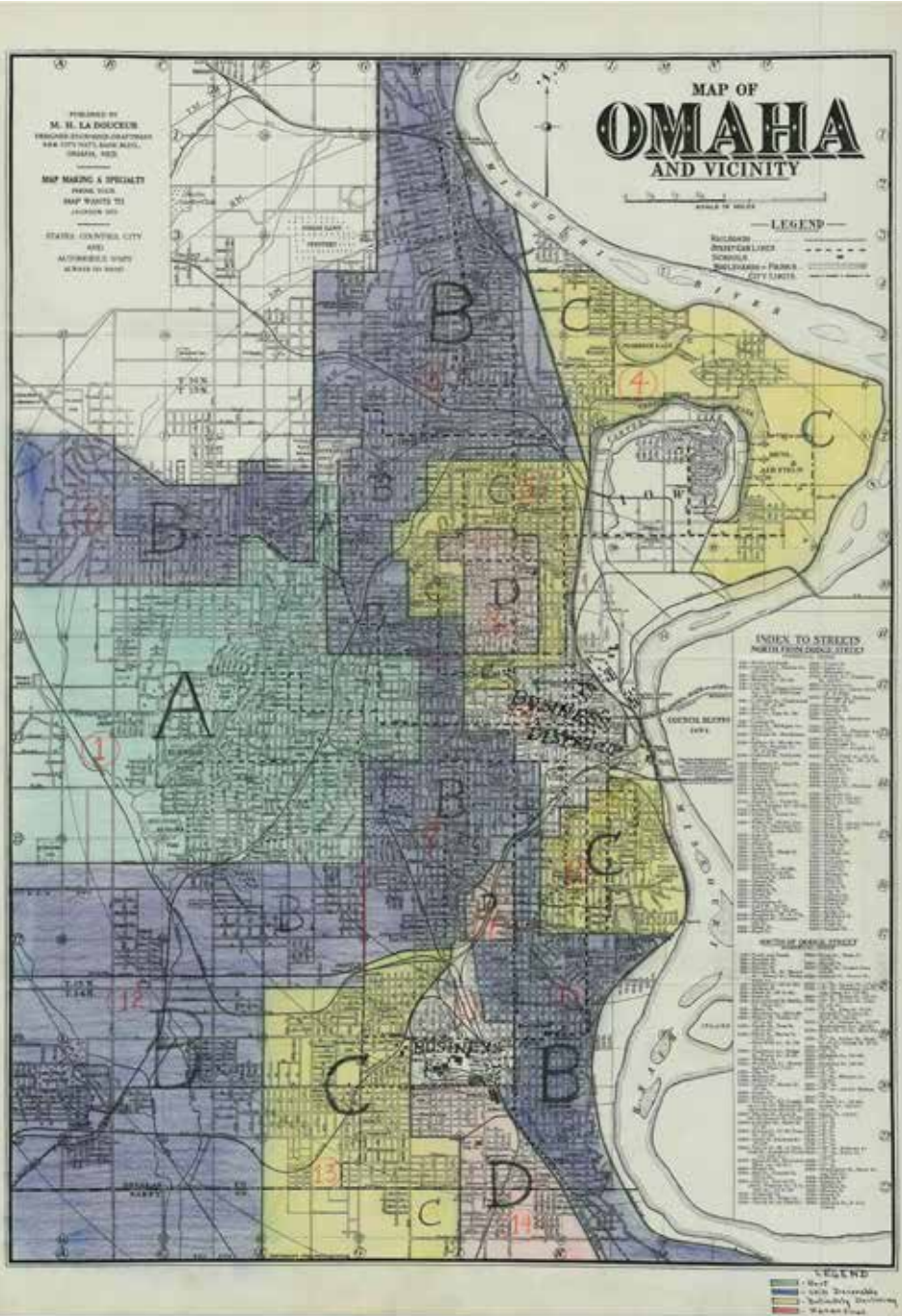
Census and other objective data have limitations, so it provides only one element of understanding the housing market. Market data does not capture the feelings and observations of residents. It does not indicate the effect those quantitative conditions have on people in different areas. It does not fully capture the condition of housing or community amenities. Additionally, market data becomes less reliable for small areas (under 1,000) because of sampling error and insufficient data. Lastly, delays in release of 2020 Census data create a greater need to use locally sourced data like the Multiple Listing Service and Douglas County Assessor. Ultimately the conclusions and strategic directions in this plan are built from quantitative and qualitative data.



### REDLINING IN OMAHA

The City of Omaha and other organizations focus on the need for attainable housing options for all Omaha residents. This study was not charged to look at fair housing and racial equity but the City’s Affirmatively Furthering Fair Housing (AFFH) Study does and should be seen as a companion document to this study. However, historic practices, like Redlining must be considered when looking at the housing market and neighborhoods today.

Redlining was the discriminatory practice of denying services and financing within neighborhoods that had higher concentration of certain racial and ethnic groups based on maps produced by the Home Owners’ Loan Corporation (HOLC). The impacts of these practices have been lasting for both the targeted ethnic and racial groups and the neighborhoods in which they lived. Being denied financing, or being forced to pay higher financing costs, made it more challenging to fund property maintenance or left households in rentals longer. These practices left marks on the current times with families unable to build generational wealth and neighborhoods with decades of disinvestments. Acknowledgment of this history and its lingering impacts is important in addressing housing and neighborhood needs within the existing housing stock. The writers of this report encourage all readers to review the demographic and economic maps in this section in relation to map on the right.



## HOUSING TERMINOLOGY & ABBREVIATIONS USED IN THIS STUDY

### Abbreviations Used in The Study

- › ADA - Americans With Disability Act
- › ADU - Accessory Dwelling Unit
- › AMI - Area Median Income
- › ARPA - American Rescue Plan Act
- › CDBG - Community Development Block Grant
- › HUD - U.S. Department Housing and Urban Development
- › SID - Sanitary and Improvement District
- › TIF - Tax Increment Financing

### Housing Terminology Used in The Study

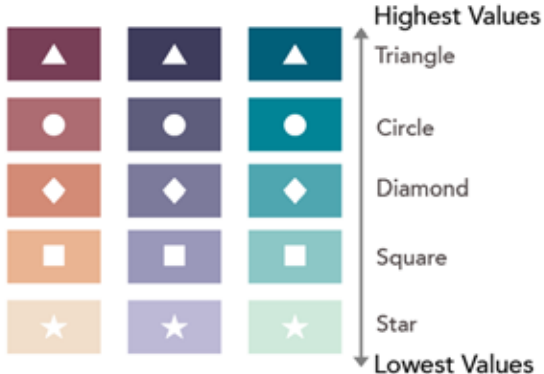
- **Accessible (Housing).** Housing that is physically adapted to the individuals who are intended to occupy it, including those who are disadvantaged by age, physical or mental disability or medical condition, and those who are victims of a natural disaster.
- **Accessory Dwelling Unit.** An interior, attached, or detached residential structure that is used in connection with, or that is accessory to a single-family dwelling and is located on the same lot or parcel as such single-family dwelling. (Nebraska’s Municipal Density and Missing Middle Housing Act)
- **Affordable Housing.** Housing for which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities. (HUD)
  - › Nebraska’s Municipal Density and Missing Middle Housing Act defines affordable housing as residential dwelling units affordable to a household earning not more than 80% 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, 2020, for the county in which the units are located and for a particular household size.
- **Appraisal.** Assesses the current market value of a property and is usually a key requirement when a property is bought, sold, insured, or mortgaged. Comps (comparables) are needed; these are properties located in the same area, have similar characteristics, and have an established value (recent sales).
- **Attainable Housing.** Any housing that is not financially burdensome to a household in a specific income range. Financially burdensome could be housing expenses that exceed 30% of household income. However, it could also include situations where a household has high day care costs, student debt, or other expenses that limit income to spend on housing. Housing in terms of housing subsidized by Federal programs can be included in this definition.
- **Contract Rent.** For renter-occupied units, the contract rent is the monthly rent agreed upon regardless of any furnishings, utilities, or services that may be included. Data for contract rent excludes units for which no cash rent is paid. (Census.gov)
- **Cost Burdened.** The household spends more than 30% of HUD Area Median Income on housing.
- **Cottage Cluster.** A grouping of no fewer than four detached housing units per acre with a footprint of less than 900 square feet each and that includes a common courtyard. (Nebraska’s Municipal Density and Missing Middle Housing Act)
- **Density Bonus.** A density increase over the otherwise maximum allowable residential density under a city’s zoning codes, ordinances, and regulations. (Nebraska’s Municipal Density and Missing Middle Housing Act)
- **Empty-Nester.** A single or couple without children living at home. Empty-nesters can include any age range but most often refers to older adults whose children have moved out and no longer live at home.
- **Free-up or Filter Effect.** Occurs when higher income households are “filtered” out of housing units that are well below the price points that they can afford. Often it involves “move-up” housing that frees up existing, more affordable housing. Today the moves can be lateral in square footage but also upgrades in locations or amenities with smaller home square footages.
- **Gap Financing.** Refers to a short-term loan for the purpose of meeting an immediate financial obligation until sufficient funds to finance the longer-term financial need can be secured.

- **Gross Rent.** Gross rent is the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc) if these are paid by the renter (or paid for the renter by someone else). (Census.gov)
- **Leverage.** It can describe engaged partner organizations (financial, organizational, and human capital) to enable a more significant outcome, provide funding, or gain access to additional funds such as grants by pledging local resources.
- **Market Rate.** The price that the broad number of home buyers or renters are willing to pay for housing. Market rate housing does not have any restrictions on price. Generally, when the demand goes up, the market rate price will also go up; when supply goes down, the market rate price tends to go up. Note, the market rate price may also be a price buyers must pay because there are no other options for their situation, making them housing cost burdened.
- **Median Household Income.** This includes the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not. The median divides the income distribution into two equal parts: one-half of the cases falling below the median income and one-half above the median. For households and families, the median income is based on the distribution of the total number of households and families, including those with no income. (Census.gov)

- **Missing Middle Housing.** A range of house-scale buildings with multiple units—compatible in scale and form with detached single-family homes—located in a walkable neighborhood. (missingmiddlehousing.com).
  - › Nebraska’s Municipal Density and Missing Middle Housing Act defines middle housing as duplexes; triplexes; quadplexes; cottage clusters; or townhouses.
- **Mixed-Use.** Mixed-use districts are areas with two or more different uses such as residential, office, retail, and civic in a compact urban form. Typical residential uses in a mixed-use district range from medium density to very high density uses.
- **Naturally Occurring Affordable Housing.** Residential properties that are affordable, but are unsubsidized by any federal program.
- **Soft Costs.** Costs that are indirectly related to materials, labor or the physical building of the project such as design fees, permitting fees, and interest payments.
- **Townhouse/Townhome.** 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. (Nebraska’s Municipal Density and Missing Middle Housing Act)
- **Universal Design.** The process of creating products that are accessible to people with a wide range of abilities, disabilities, and other characteristics. Ideally, the concept extends to neighborhoods.

## Document Design

The City of Omaha wants to ensure that this plan is inclusive, accessible, and useful for all readers. This plan was designed with colorblind-friendly palettes and the use of symbols, where the highest values are represented by a triangle and the lowest values by a star shape. The final published document will also be screen reader compatible.



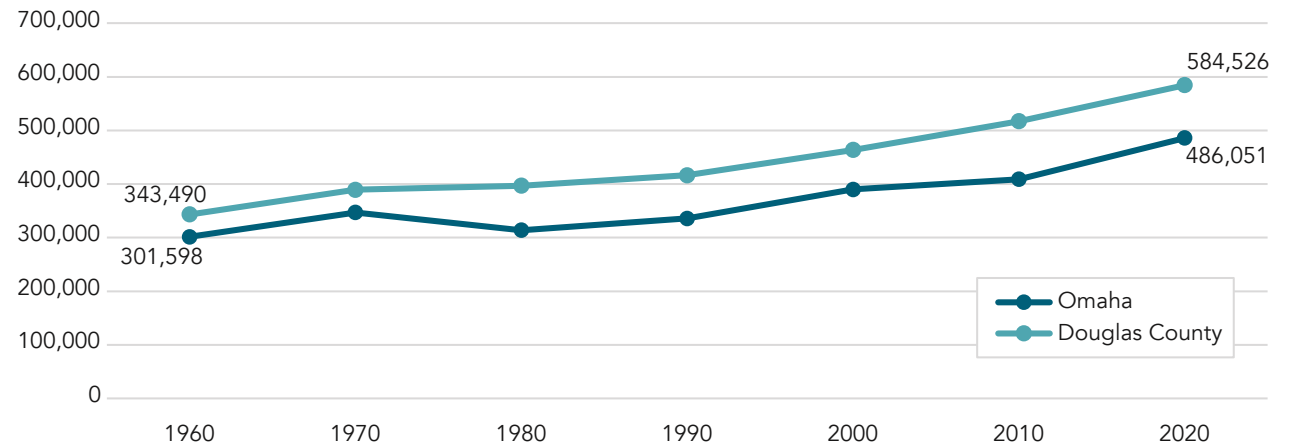
## POPULATION

### Historic Change

Historic population change provides context for how the community has changed and a possible trajectory for future growth and development.

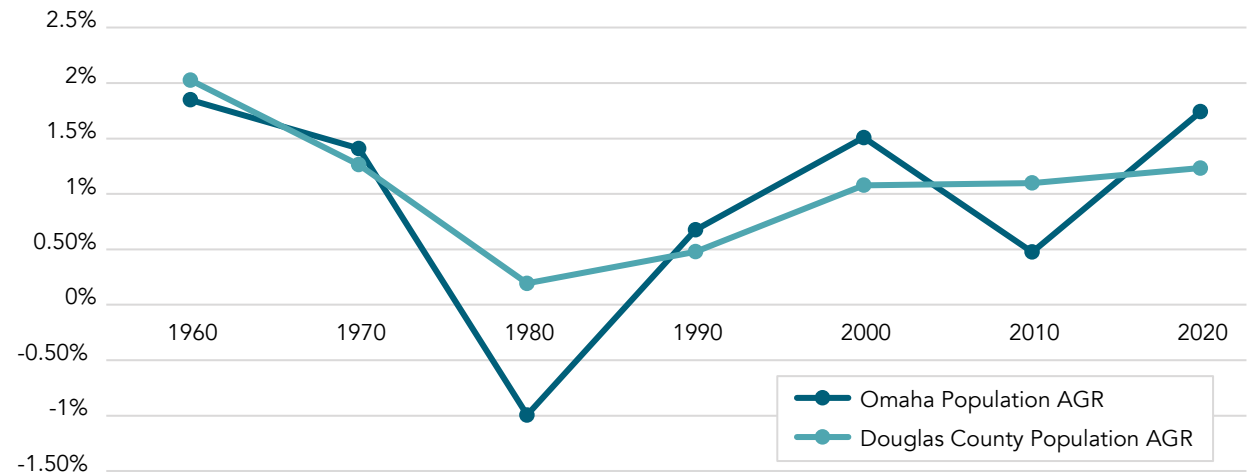
- Omaha grew steadily since 1980, much of that has been in the unincorporated areas that the city ultimately annexed
- During the 2010s, the fastest growth rates were in the eastern and far western portions of the city
  - › These areas saw more new households being formed as compared to the central parts of the city
- The population losses that did occur in the central part of the city reflected smaller households not necessarily fewer households

**Figure 1.1: Historic Population Change**



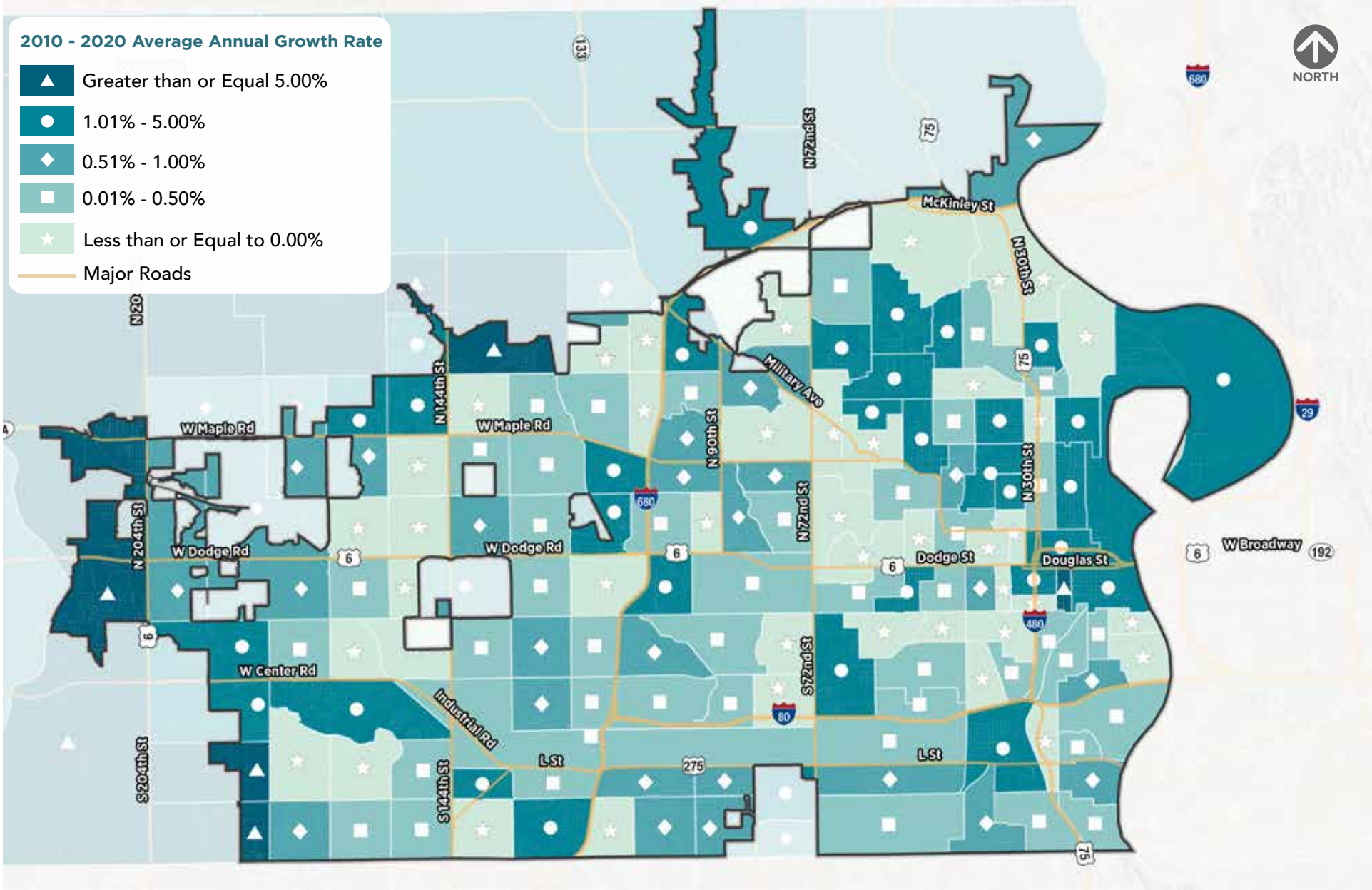
Source: U.S Census Bureau

**Figure 1.2: Population Annual Growth Rate (AGR)**



Source: U.S Census Bureau

Map 1.1: Average Annual Growth Rate, 2010-2020

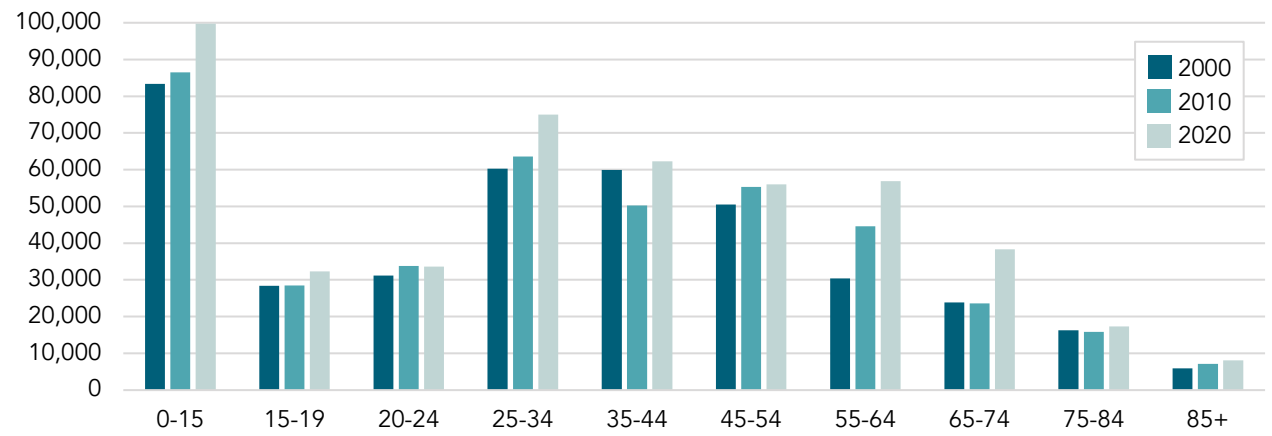


Source: 2020 U.S. Census Bureau

## Trends in Age Groups

- Omaha’s population is aging in many neighborhoods (Map 1.2 Median Age), creating two important opportunities:
  - › The opportunity to build housing within those areas that is appealing to empty-nesters, retirees, and seniors interested in staying close to their long-time neighborhoods
  - › The opportunity for younger households to find existing housing at more affordable rates than new construction
- When the predicted population in 2020 (based on standard birth and death rates) is compared to what is estimated to have occurred in 2020, Omaha experienced an in-migration in every age group
  - › Omaha appears to have been especially appealing to retirees and those just starting out in the workforce
    - » Note both these households are often looking for similar low-maintenance options

Figure 1.3: Population by Age



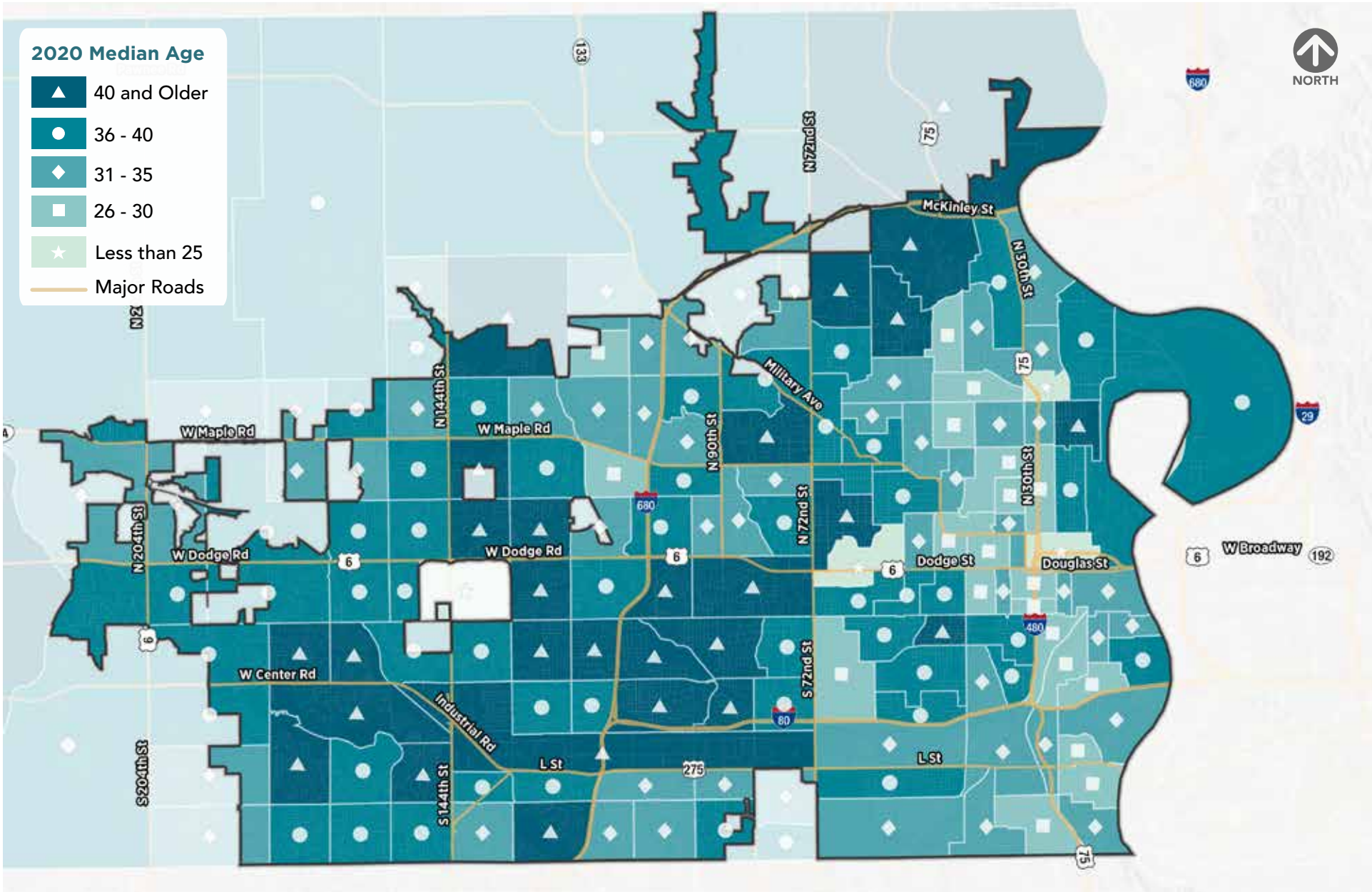
Source: U.S Census Bureau

TABLE 1.1: MIGRATION PATTERNS BY AGE GROUP 2010 TO 2020

| AGE GROUP    | PREDICTED 2020 | ACS 2020       | % VARIANCE   |
|--------------|----------------|----------------|--------------|
| 0-15         | 86,061         | 101,135        | 17.5%        |
| 15-19        | 27,225         | 32,746         | 20.3%        |
| 20-24        | 28,338         | 34,030         | 20.1%        |
| 25-34        | 68,532         | 76,019         | 10.9%        |
| 35-44        | 53,426         | 63,136         | 18.2%        |
| 45-54        | 51,896         | 56,788         | 9.4%         |
| 55-64        | 50,147         | 57,610         | 14.9%        |
| 65-74        | 29,949         | 38,830         | 29.7%        |
| 75-84        | 14,920         | 17,574         | 17.8%        |
| 85+          | 8,040          | 8,183          | 1.8%         |
| <b>Total</b> | <b>418,533</b> | <b>486,051</b> | <b>16.1%</b> |

Source: U.S. Census Bureau; RDG Planning & Design

Map 1.2: Median Age



Source: ACS 2020 (5-Year Estimates)

## Population Characteristics

As the most diverse city in Nebraska, Omaha needs a housing market that meets a wide range of housing preferences.

- The median age for Omaha is 34.9, slightly younger than the state-wide of 36.6
- Almost 17% of households speak an language other than English at home
- 10.7% of residents are foreign born, compared to 7.4% for the state
- Almost 3% of the population moved from a different state in the last year
- Approximately 32% of the state’s Hispanic or Latino population resides in Omaha
- Just over 62% of the state’s Black or African American population resides in Omaha
- Approximately 19% of Omaha’s population is disabled and living independently (not in a institutional setting like skill nursing)
  - › Disabilities include: hearing, vision, cognitive, ambulatory, self-care, and independent living difficulties
- 42% of the disabled population that lives independently is over the age of 65

The above data is from the U.S. Census Bureau

**TOTAL 486,051  
POPULATION IN 2020**



**49.29%  
Male**



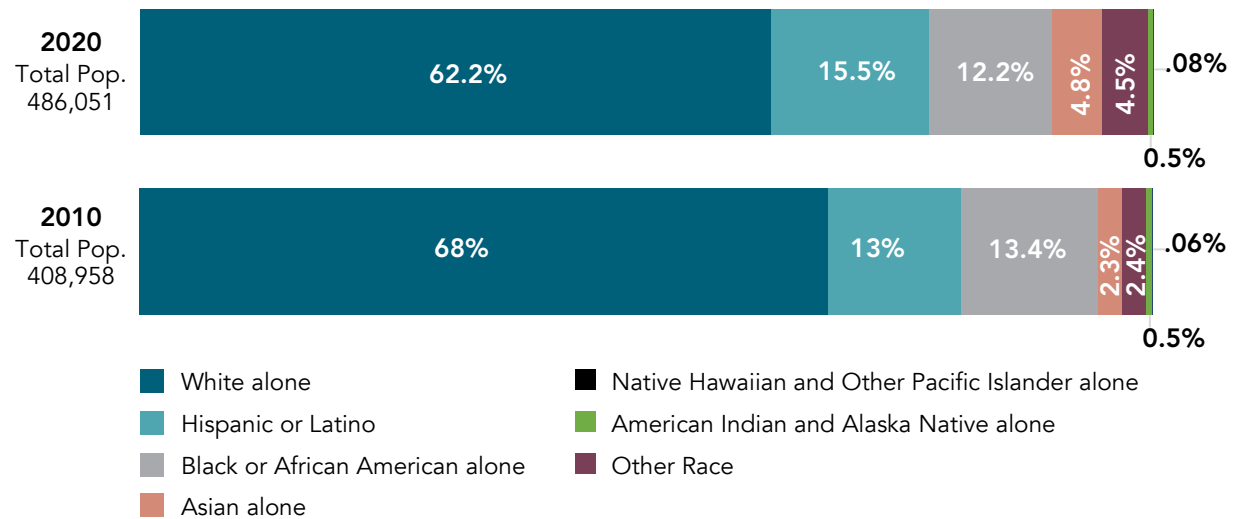
**50.73%  
Female**

**TABLE 1.2: POPULATION PROFILE**

|                                      | Omaha | Douglas County | State of Nebraska |
|--------------------------------------|-------|----------------|-------------------|
| <b>Annual Growth Rate Since 2010</b> | 1.7%  | 1.2%           | 0.7%              |
| <b>2020 55+ Population</b>           | 25%   | 25%            | 28%               |
| <b>2020 Under 15</b>                 | 21%   | 22%            | 21%               |

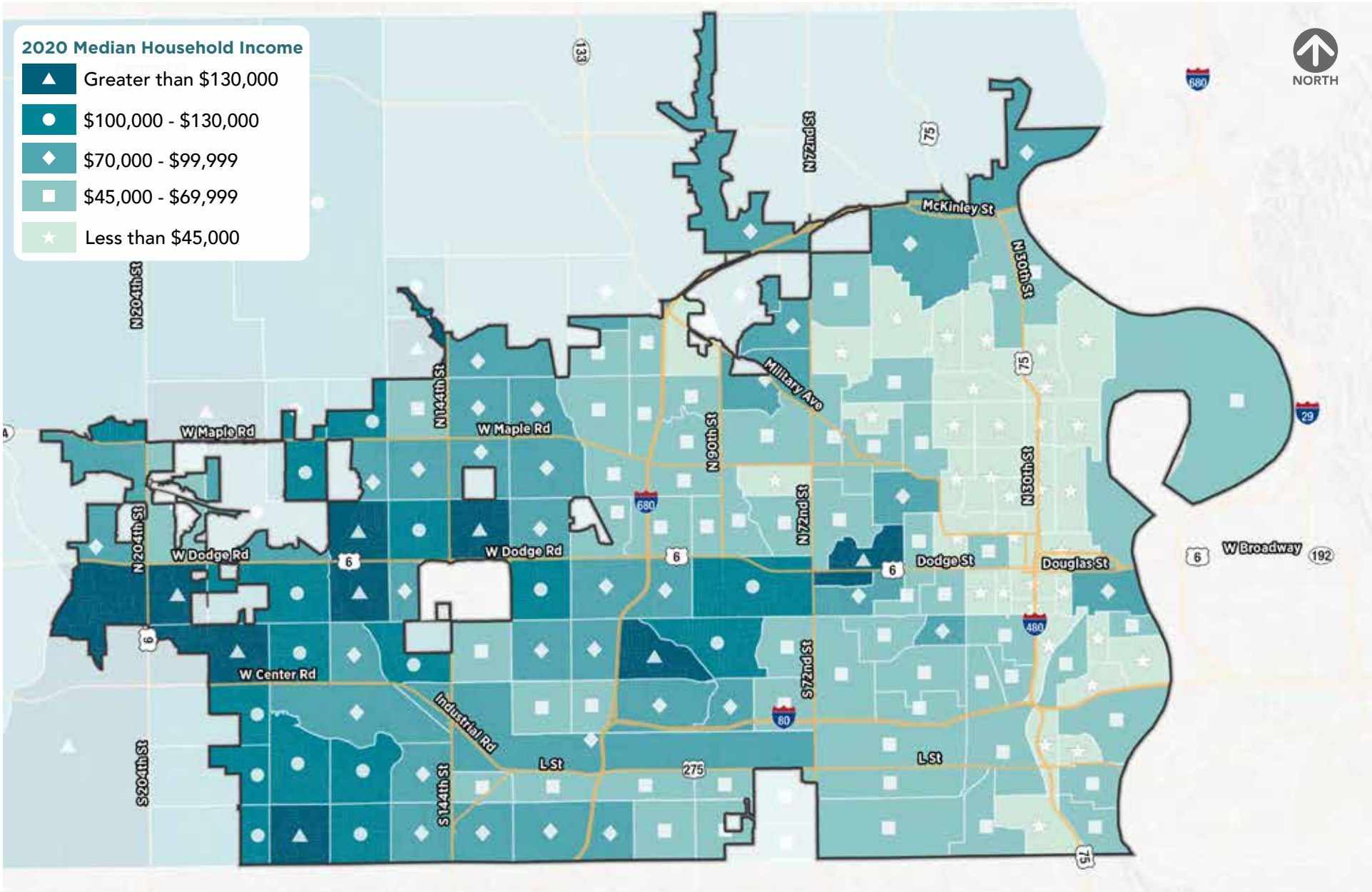
Source: U.S. Census Bureau

**Figure 1.4: Race**



Source: U.S. Census Bureau

Map 1.3: Median Household Income



Source: ACS 2020 (5-Year Estimates)

## ECONOMIC CHARACTERISTICS

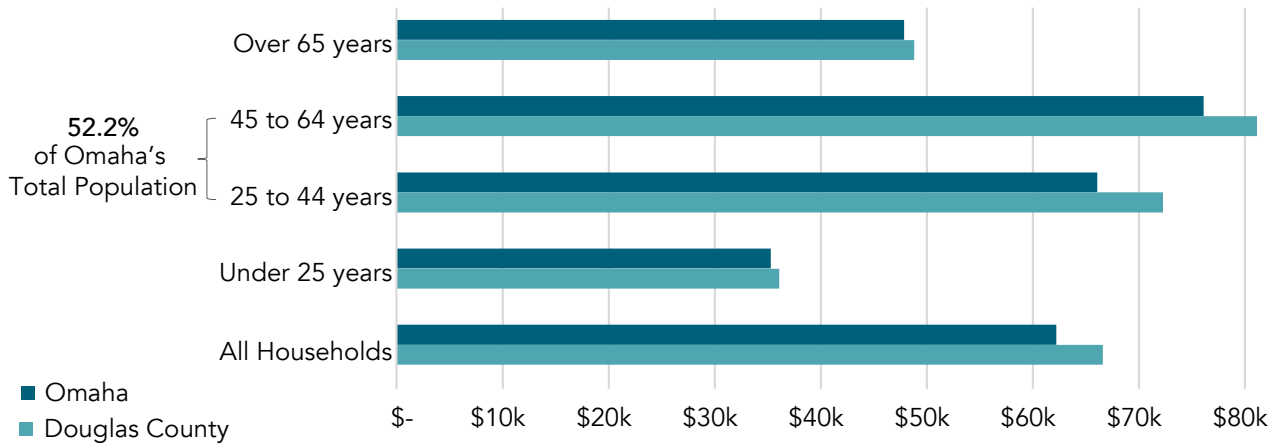
### Household Income

Household income often determines how much and the type of housing a household can afford.

- The Census estimated median household income for Omaha is just over \$62,200
- Households tend to be in their peak earning years starting in their late 40s. These households are more likely to own a home and have some equity in that home that can support the newer housing products
  - › These households often base their housing on lifestyle, including lower maintenance or active urban environments

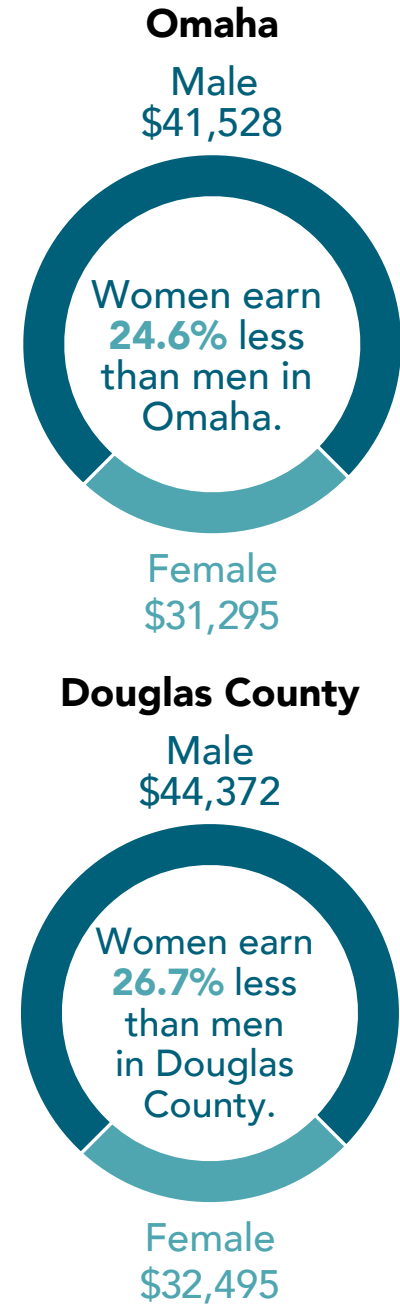
- Women continue to make less than men by nearly 25%
- Some of Omaha’s lowest income households (Map 1.3) are also some of the youngest households (Map 1.2)
  - › These households also tend to have the longest commutes to work and, therefore, spend more on transportation (Map 1.4)

Figure 1.5: Household Income by Age of Householder



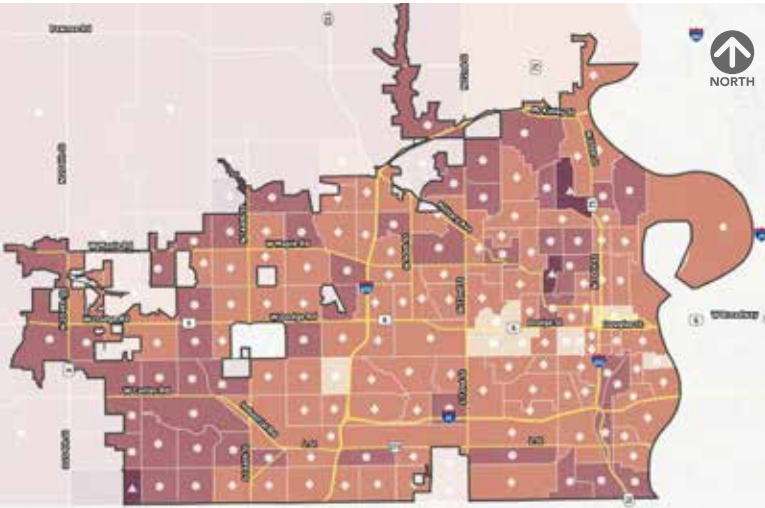
Source: ACS 2020 (5-Year Estimates)

Figure 1.6: Household Income by Sex



# Distance to Work, Access to Transit and Major Employment Centers

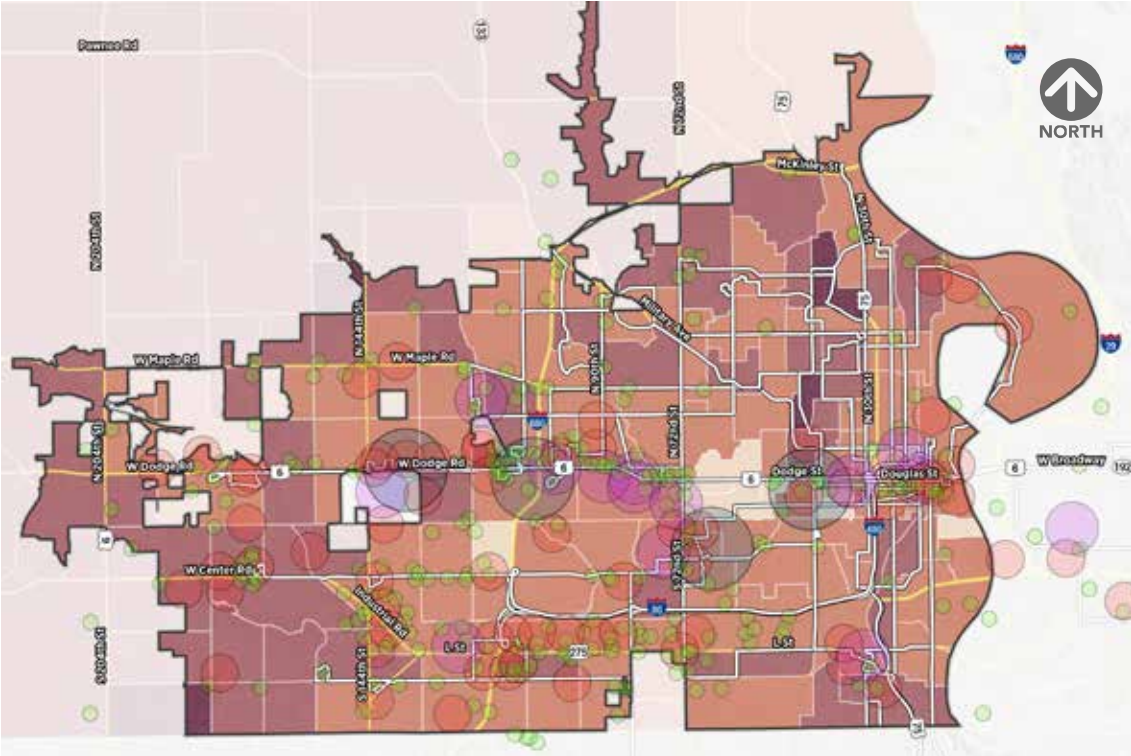
Map 1.4: Mean Travel Time to Work




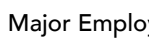









Map 1.5: Mean Travel Time to Work & Transit Lines



Map 1.6: Mean Travel Time to Work, Transit Lines, & Major Employment Centers



2020 Mean Travel Time to Work in Minutes, Transit Lines and Major Employment Centers

|   |                         |   |                          |
|---|-------------------------|---|--------------------------|
|  | More than 25 Minutes    |  | Major Employment Centers |
|  | 21 Minutes - 25 Minutes |  | 6,600                    |
|  | 16 Minutes - 20 Minutes |  | 3,000                    |
|  | Less than 15 Minutes    |  | 1,000                    |
|  | Major Roads             |  | 650                      |
|  | Transit Lines           |   |                          |

Source: ACS 2020 (5-Year Estimates)

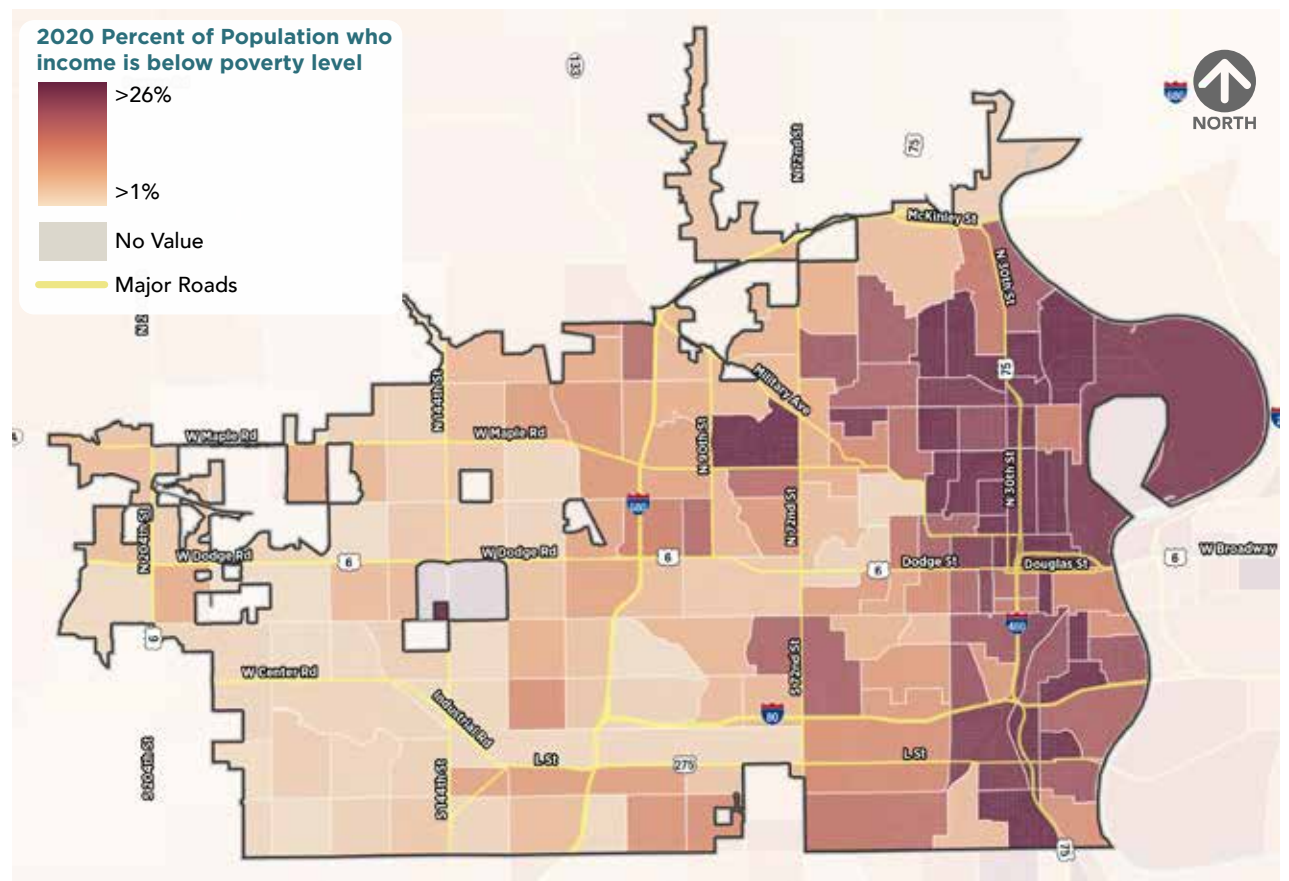
The series of maps on the previous page illustrate travel time to work, transit access, and major job centers.

- Generally, Omaha’s job centers are located along the Dodge Street and Interstate 80/L Street corridors with moderate sized job centers in South Omaha and parts of western Omaha (Map 1.6)
  - › Transit access to these jobs is best in the eastern part of the city but accessing jobs west of Interstate 680 for lower income households in the eastern portions of the city is not good
- The city’s highest poverty levels are within Census tracts in eastern Omaha

On the following page a series of maps illustrates density of ethnicity, transit access, and major job centers.

- Omaha’s African American and Hispanic populations are generally centered in the eastern portions of the city within historically Redlined areas
  - › These areas have some of the best transit access but for Northeast Omaha are also the furthest from job centers
  - › Census tracts in eastern portions of the city also have some of the highest poverty rates
  - › Maps later in this section will also illustrate that home values are lower but housing is also the oldest with a higher concentration of code violations

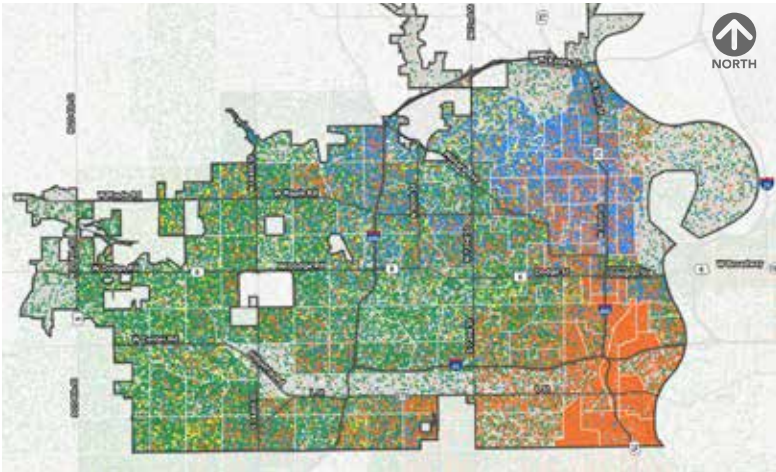
Map 1.7: 2020 Percent of Population whose Income is below Poverty Level



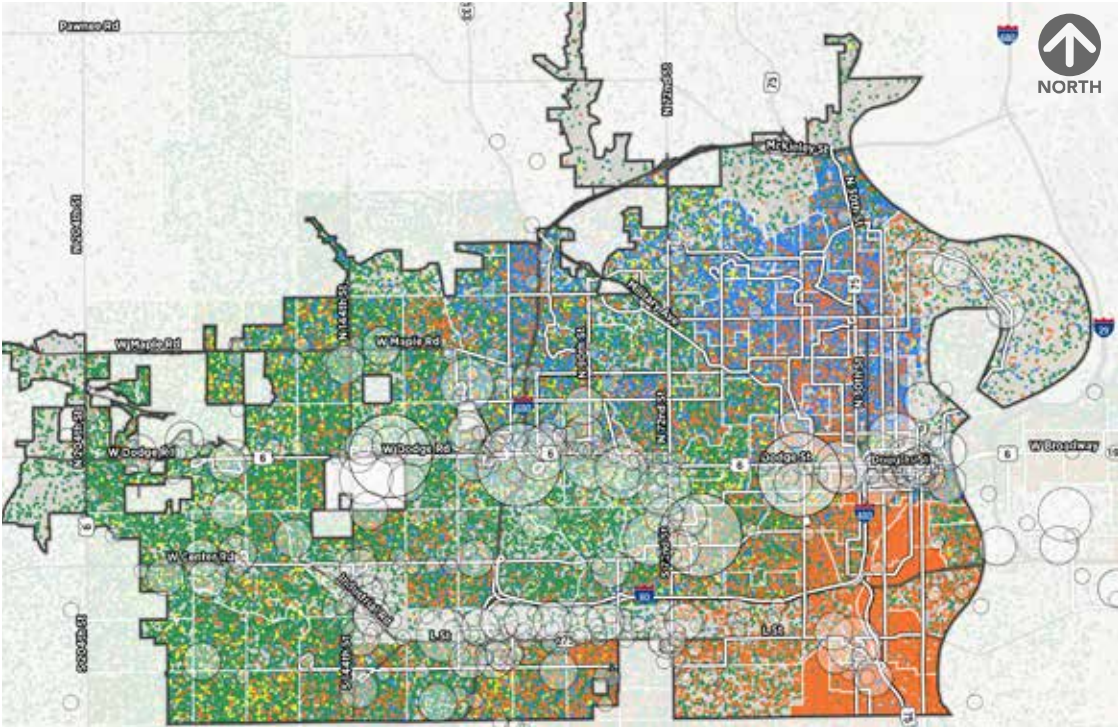
Source: ACS 2020 (5-Year Estimates)

# 2020 Ethnicity Density, Access to Transit and Major Employment Centers

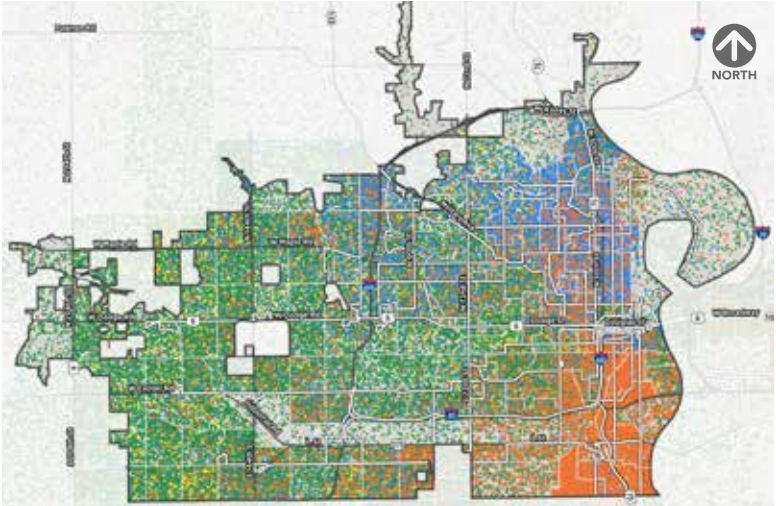
Map 1.8: 2020 Ethnicity Density



Map 1.10: 2020 Ethnicity Density, Transit, and Major Employment Centers



Map 1.9: Ethnicity Density and Access to Transit, 2020



**2020 Ethnicity Dot Density, Transit Lines, and Major Employment Centers**

- 1 Dot = 5 People
- Hispanic or Latinx
- Black or African American Alone
- Asian Alone
- White Alone
- Other
- Major Roads
- Transit Lines

**Major Employment Centers**

- 6,600
- 3,000
- 1,000
- 650

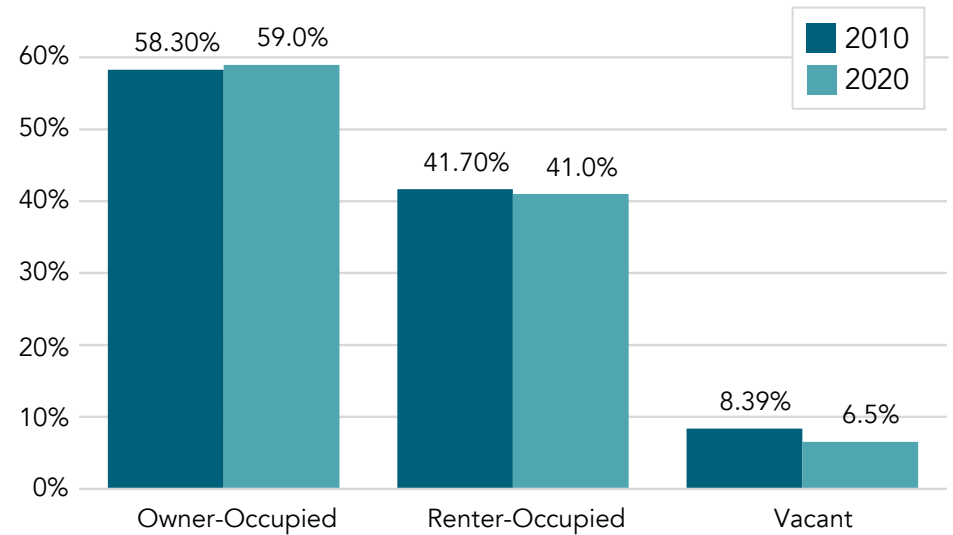
Source: ACS 2020 (5-Year Estimates)

# HOUSING & NEIGHBORHOOD CHARACTERISTICS

## Housing Occupancy

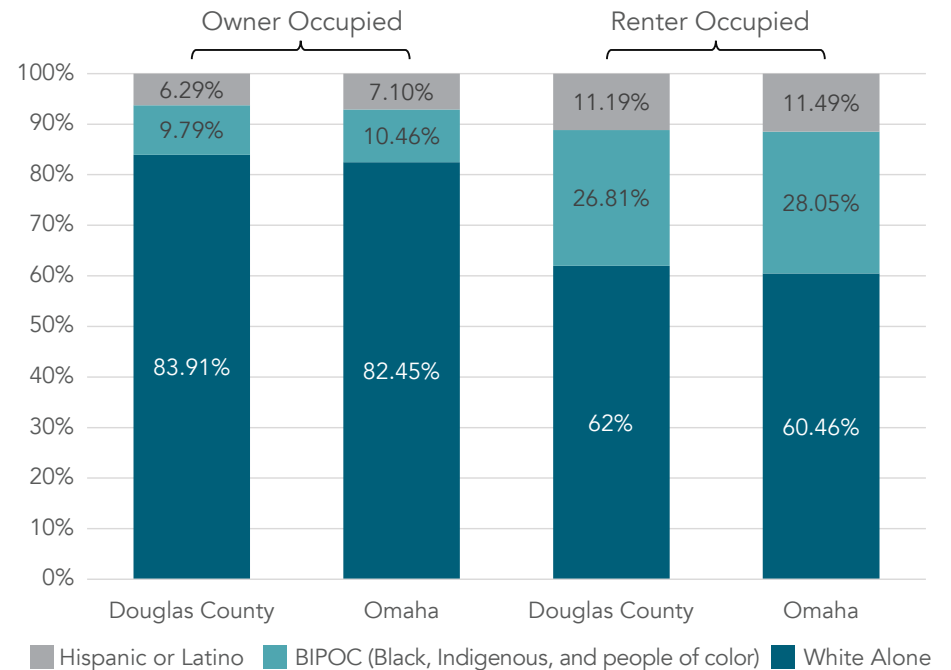
- The Census estimates that between 2010 and 2020 the number of occupied rental units grew by over 10,000 and the number of occupied owner units by over 17,000
  - › Some of these occupied units came from filling existing units that were vacant in 2010 as the number of vacant units decreased by nearly 1,600
- In 2020 the Census estimated that approximately 35% of all vacant units were identified as “other vacant”
  - › Common reasons for a unit being categorized as “other vacant:”
    - » Is being held for settlement of an estate
    - » Is being repaired or renovated
    - » Is in the foreclosure process
    - » Owner is not interested in selling or renting
    - » The unit is being used for storage
    - » Owner has to move to skilled nursing or in with a family member
- Omaha’s overall households did not experience an increase in the proportion of renter-occupied units between 2010 and 2020 but Black, Indigenous, and people of color did see a slight increase of renter occupancy over ownership
  - › The increase in the proportion of rental units in most markets was driven by:
    - » Tighter lending practices following the 2008 Recession
    - » More young households (Millennials) entering the housing market
    - » Rising costs of homeownership

Figure 1.7: Housing Occupancy, Omaha 2020



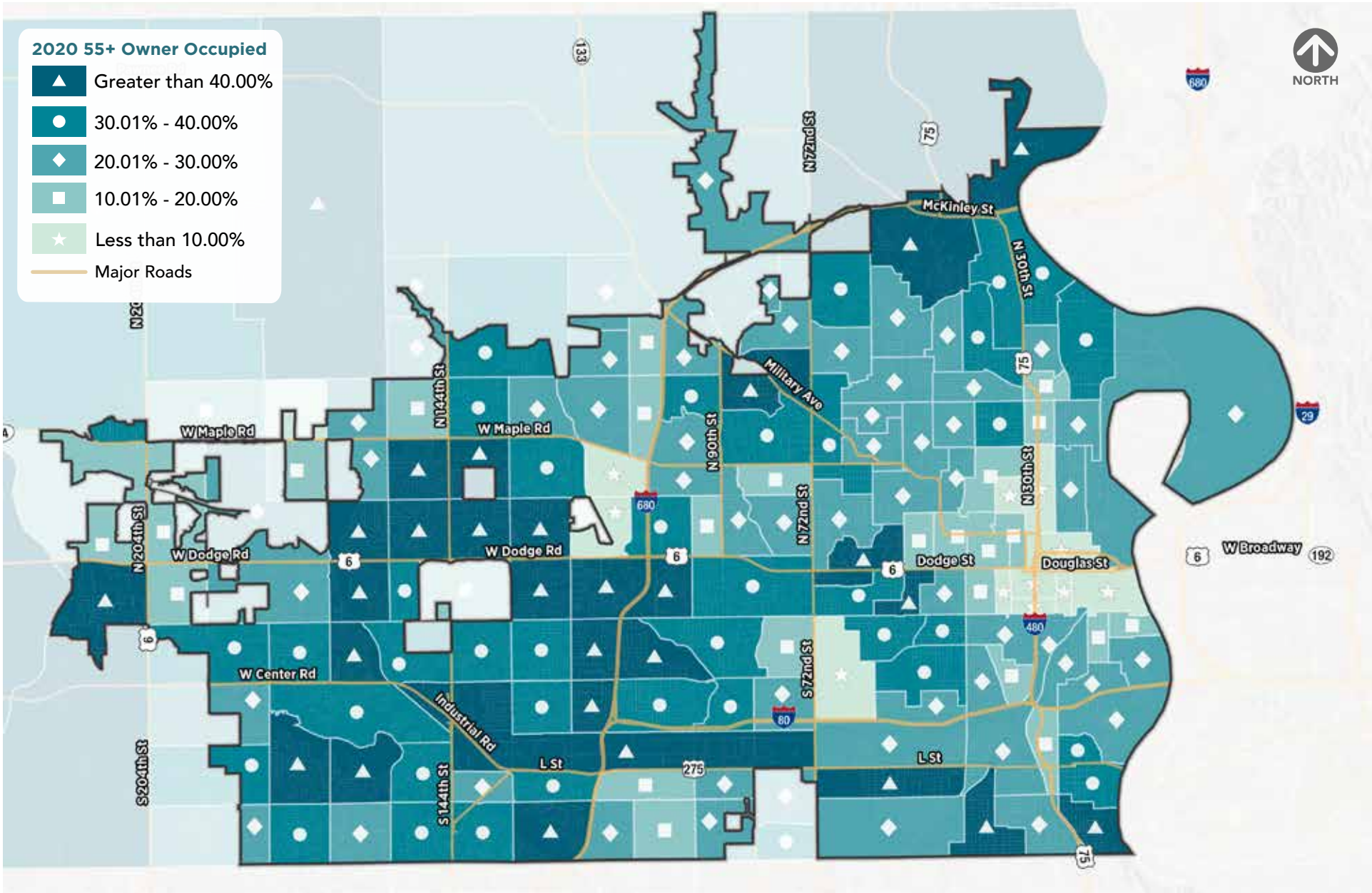
Source: ACS 2020 (5-Year Estimates)

Figure 1.8: Tenure by Race



Source: ACS 2020 (5-Year Estimates)

Map 1.11: 2020 Owner Occupied Householders Over Age 55

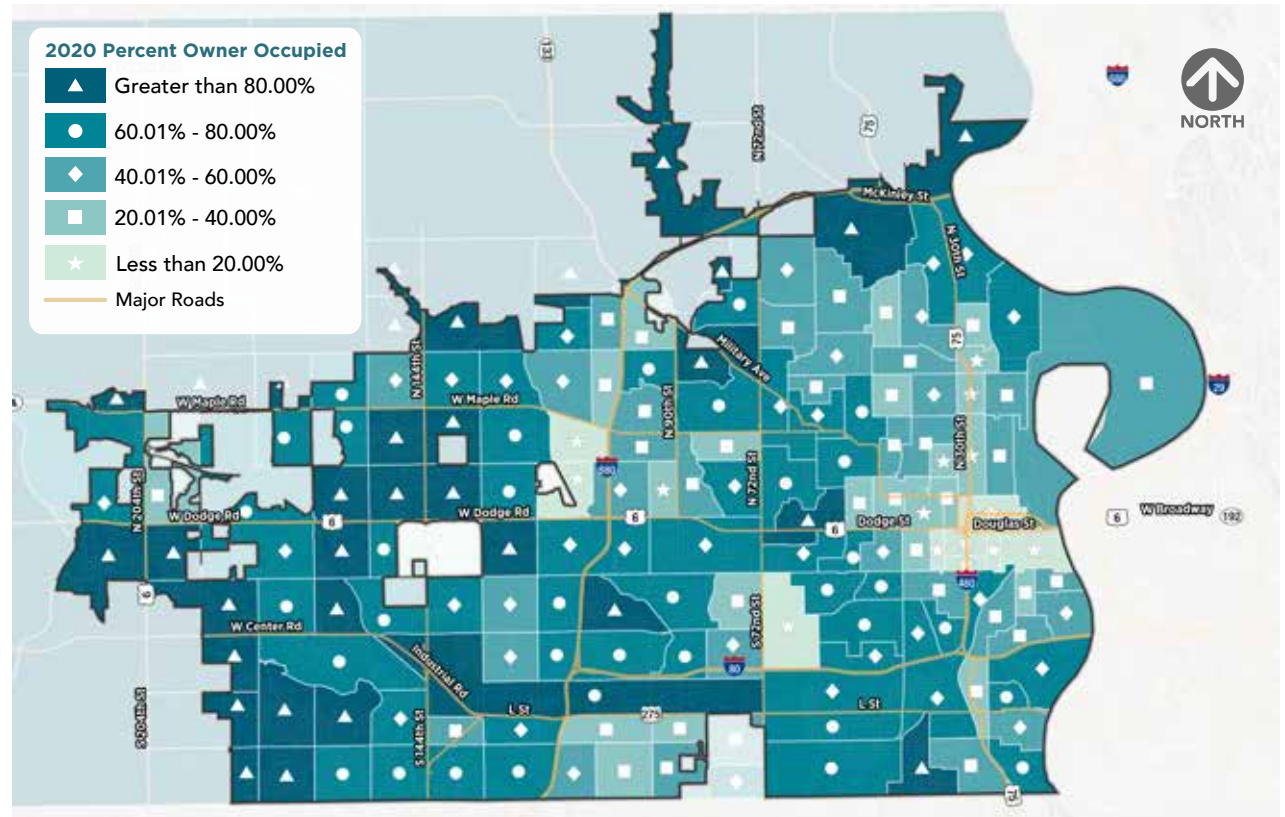


Source: ACS 2020 (5-Year Estimates)

## Ownership Market

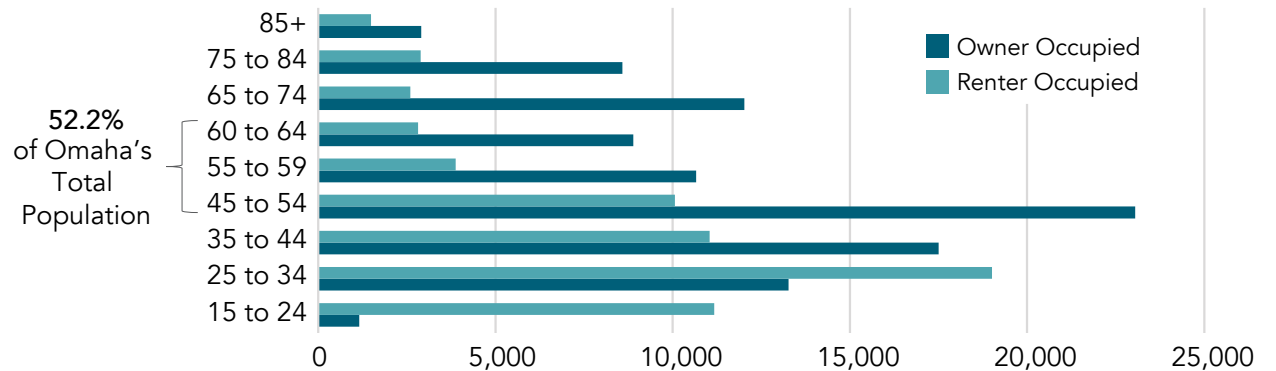
- Ownership rates are the highest in western portions of the city where fewer rental units are available
- Households over the age of 35 tend to own their homes
- Nearly 72% of households over the age of 55 own their home
  - › Many of these households live west of Interstate 680 (Map 1.11)
  - › In the coming decade there could be significant turn-over in these units as individuals look for units that fit their lifestyle, pass away, or struggle to age in place
    - » Lower-maintenance options could increase the rate of turn over and provide a better (safer and healthier) option
  - › Unless more ownership options are available to households east of 72nd Street, many young households that could buy in their existing neighborhoods may have to leave to find housing

Map 1.12: 2020 Percent Owner Occupied



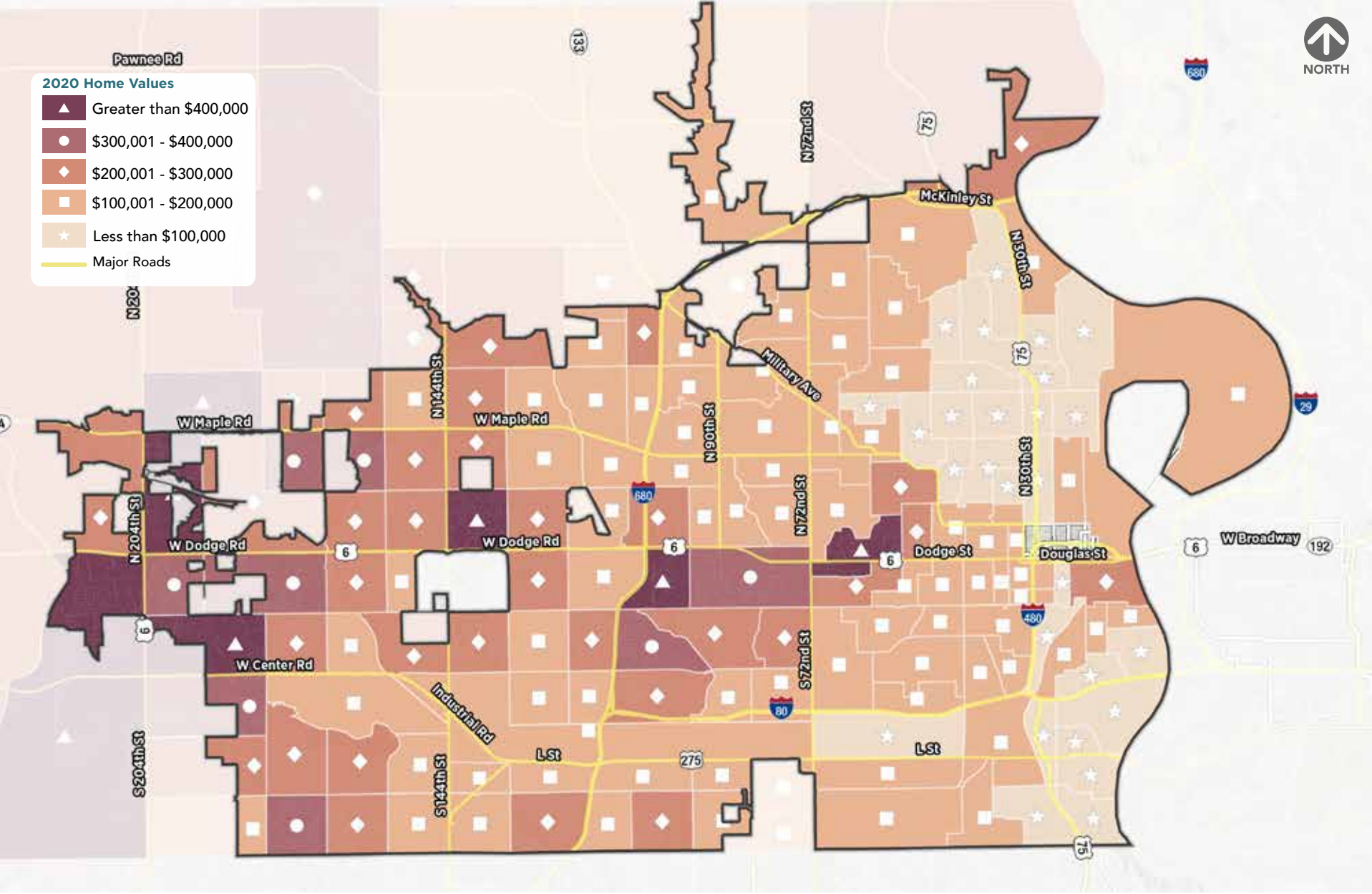
Source: ACS 2020 (5-Year Estimates)

Figure 1.9: Housing Occupancy by Age of Householder, Omaha 2020



Source: ACS 2020 (5-Year Estimates)

Map 1.13: 2020 Home Values



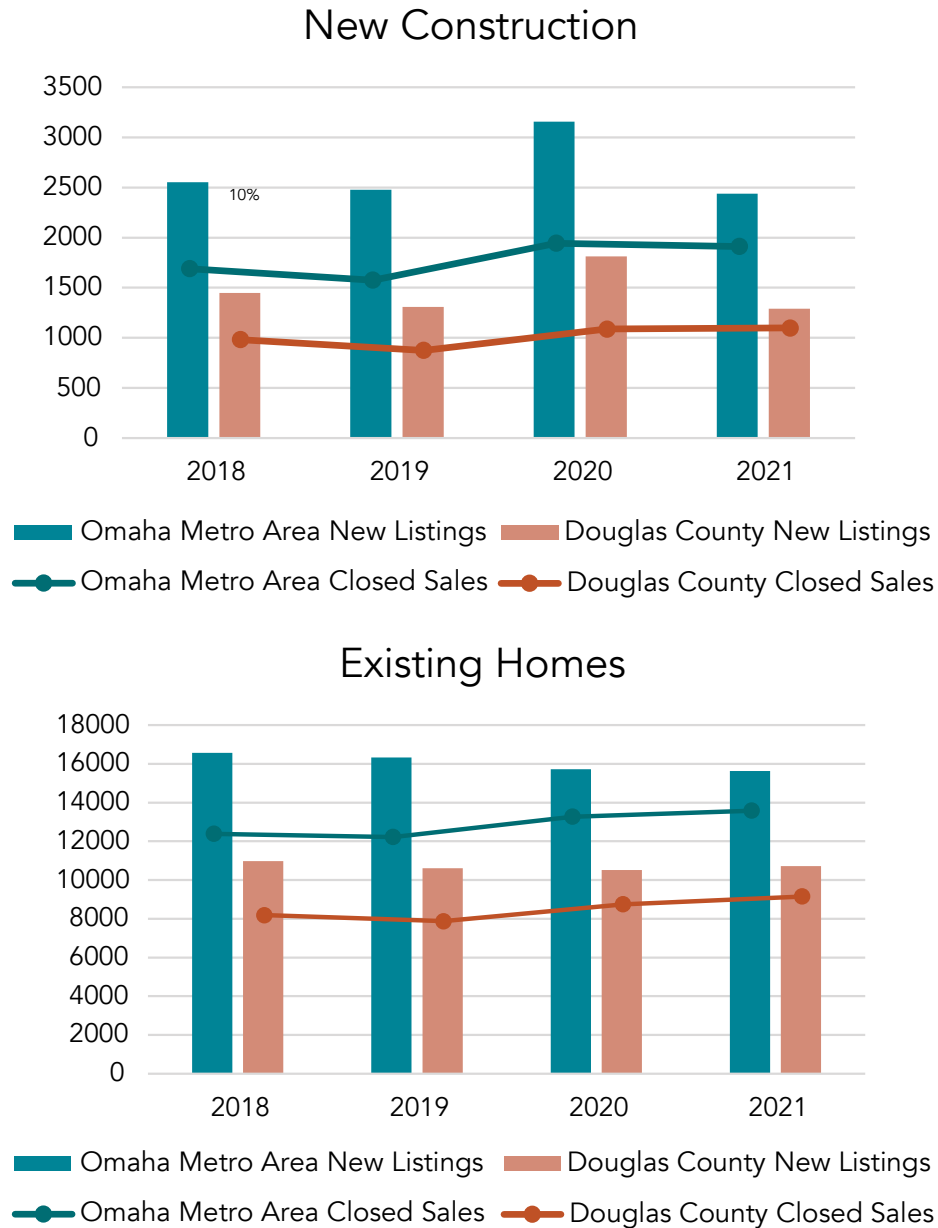
Source: ACS 2020 (5-Year Estimates)

### Home Sales

Since late 2020 there have been numerous news stories across the nation on the shortage of housing and rising costs. The Omaha area and Douglas County have exhibited some of these trends.

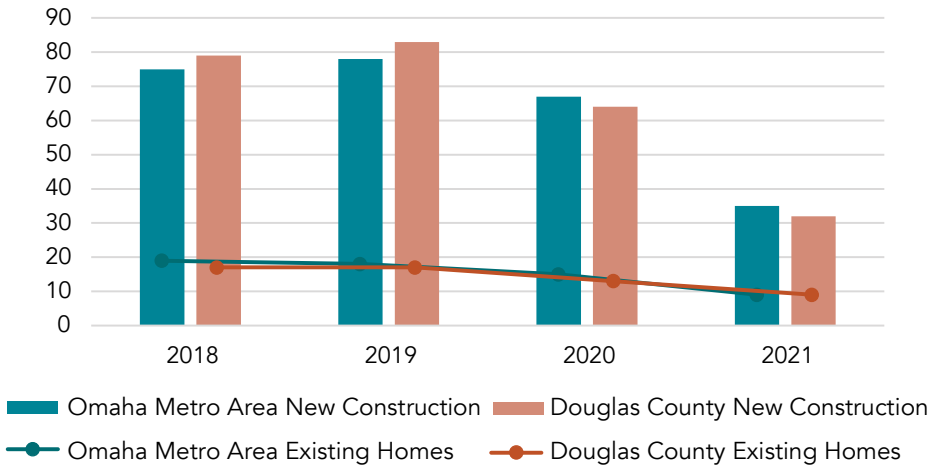
- Since 2018 there has been a 5% decrease in the number of new listings
- As the number of new listings declined the number of closed sales increased by 11%
- The highly competitive market was already in play in 2018 with the average days on market at fewer than 20 days for existing homes and less than a month and a half supply
  - › Days on market is the total number of days a home is on the active market before an offer is accepted and a contract is completed
- The National Association of Realtors notes that historically a six month supply is associated with moderate price appreciation and a lower level of supply tends to result in more rapid price inflation

Figure 1.10: Sales Activity - New Listings and Closed Sales, 2018-2021



Source: Great Plains Regional MLS

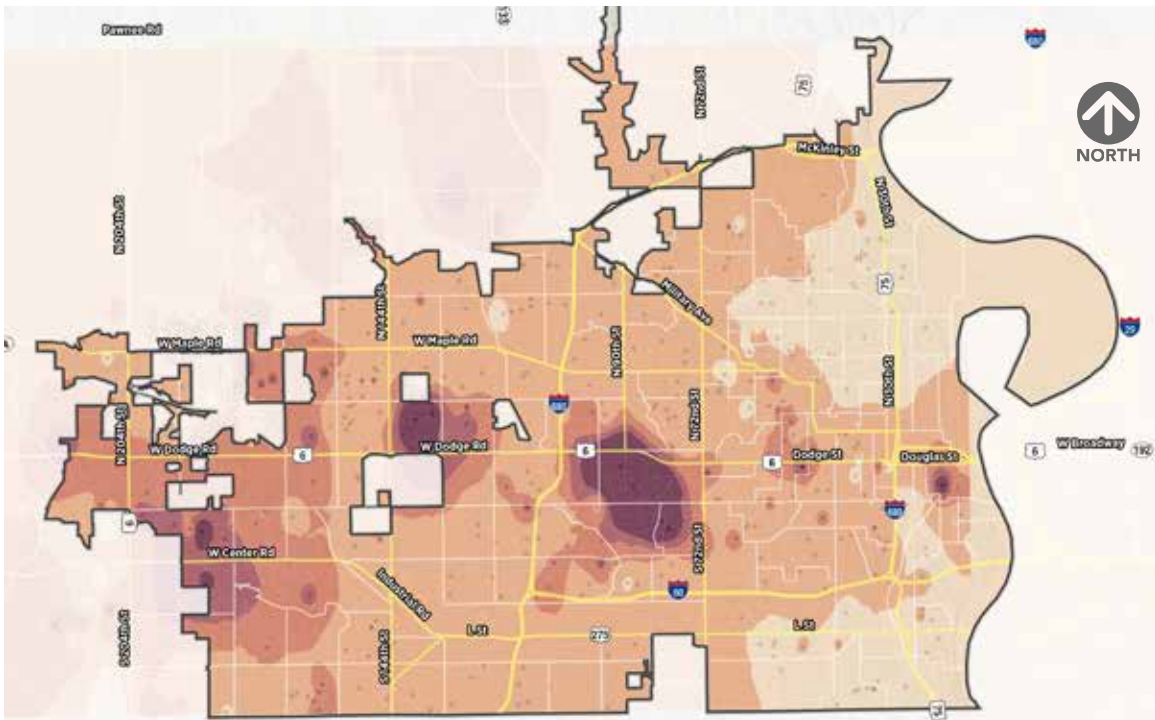
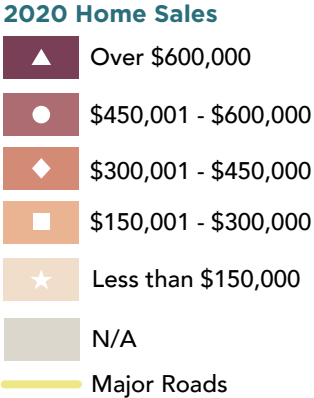
Figure 1.11: Sales Activity - Days on Market Until Sale 2018-2021



Source: Great Plains Regional MLS

Figure 1.12: Sales Activity - Months Supply of Inventory 2018-2021

Map 1.14: 2020 Home Sales



Source: 2022 Douglas County Assessor Data

- In the Omaha and Douglas County market it would appear that the sale of new construction is getting faster
  - › The drop in the supply of new construction starting in 2020 is likely increasing competition and decreasing the days on market
  - › The drop in new construction is likely due to the Pandemic, with some projects pausing in the spring of 2020 when building activity is usually ramping up and then supply chain issues
- The availability and demand for housing has resulted in a 30% increase in the median price of an existing home
  - › Existing homes are an important source of affordable housing as the median sale price of a newly constructed home in 2021 was over \$363,000 in Douglas County versus \$235,000 for an existing home
- The Housing Affordability Index, tracked by the Great Plains Regional Multiple Listing Services, indicates decreasing affordability over the past four years
  - › The index is the percentage of the median household income to median-priced home. Therefore, the higher the index the greater the affordability
- While increasing sales have resulted in higher appraisals, the average inflation adjusted increase in appraisals was below 2% between 2010 and 2022 (see Map 1.15)

Figure 1.13: Housing Affordability Index for Omaha Metro Area 2018-2021

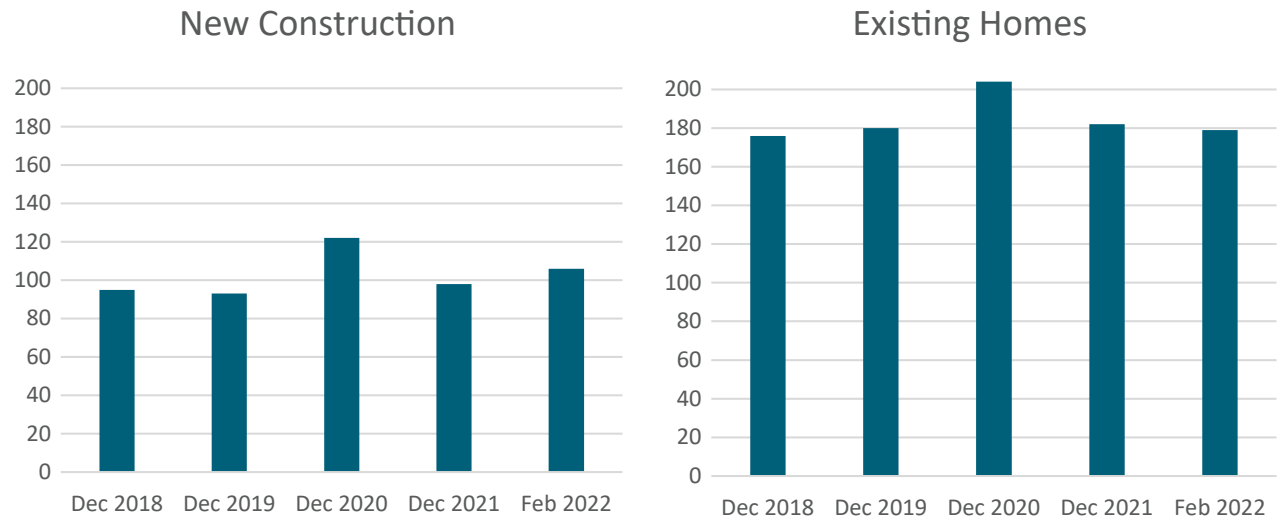
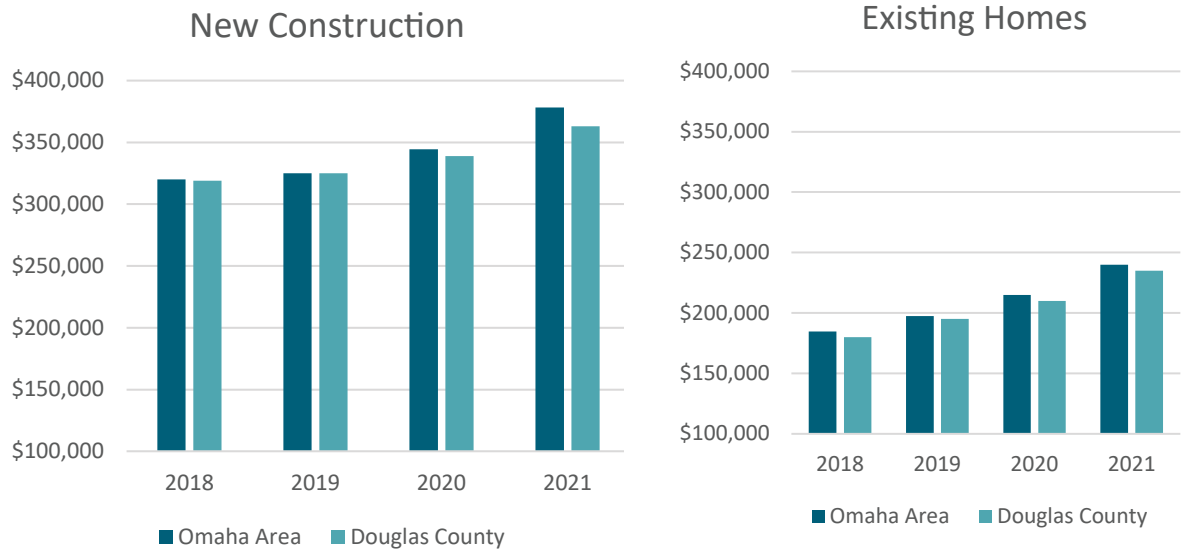


Figure 1.14: Sales Activity - Median Closing Price 2018-2021



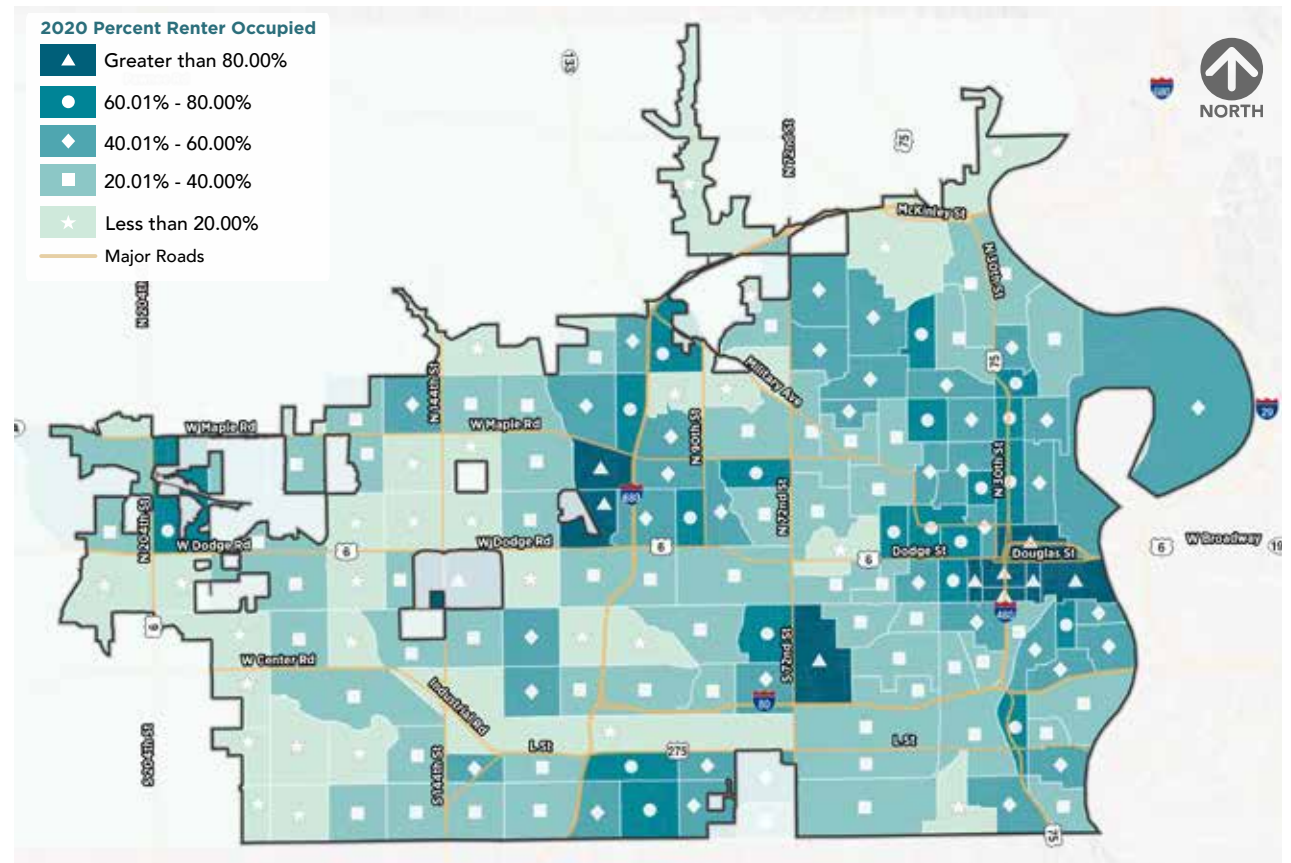
Source: Great Plains Regional MLS



## Rental Market

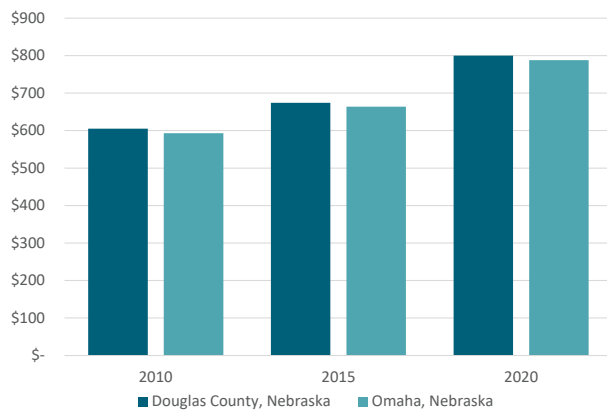
- The highest concentration of rental units occurs in the eastern portions of the city
  - › These households also tend to be younger households (Map 1.2 Median Age)
- Much of the city’s rental market is concentrated along the city’s major street corridors
  - › Many single-family homes in northeast and southeast Omaha have been converted to rental units
  - › Young households looking to purchase in neighborhoods east of 60th Street are likely competing with investors, potentially forcing them to purchase outside of their existing neighborhoods, further from community services like transit

Map 1.16: 2020 Percent Renter Occupied



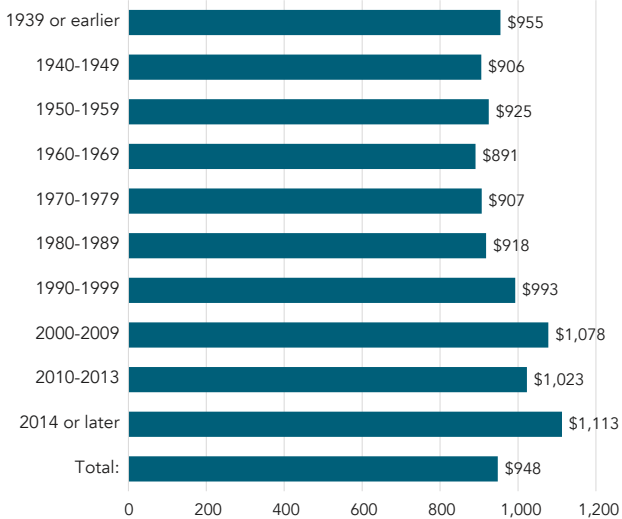
Source: ACS 2020 (5-Year Estimates)

Figure 1.15: Change in Contract Rent, 2010-2020



Source: ACS 2020 (5-Year Estimates)

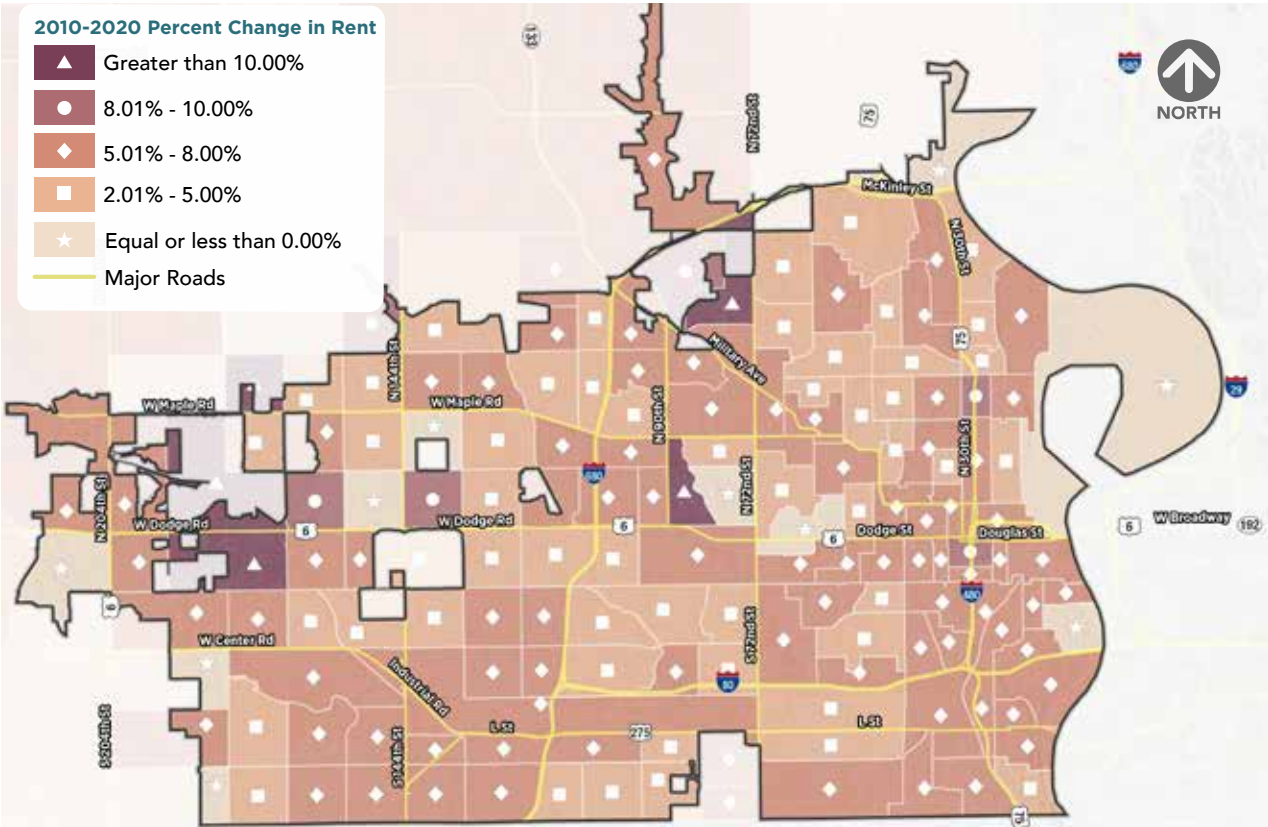
Figure 1.16: Median Gross Rent by Year Structure Built



Source: ACS 2020 (5-Year Estimates)

- As would be expected the newest rental properties are garnering the highest rental rates, reinforcing that some of the most affordable housing are those units that exist in the market today and cannot be easily replaced.
- Those areas with some of the highest rental increases between 2010 and 2020 also have some of the newest rental units and a very low percentage of rental units compared to owner-occupied units.

Map 1.17: 2020-2020 Change in Rent



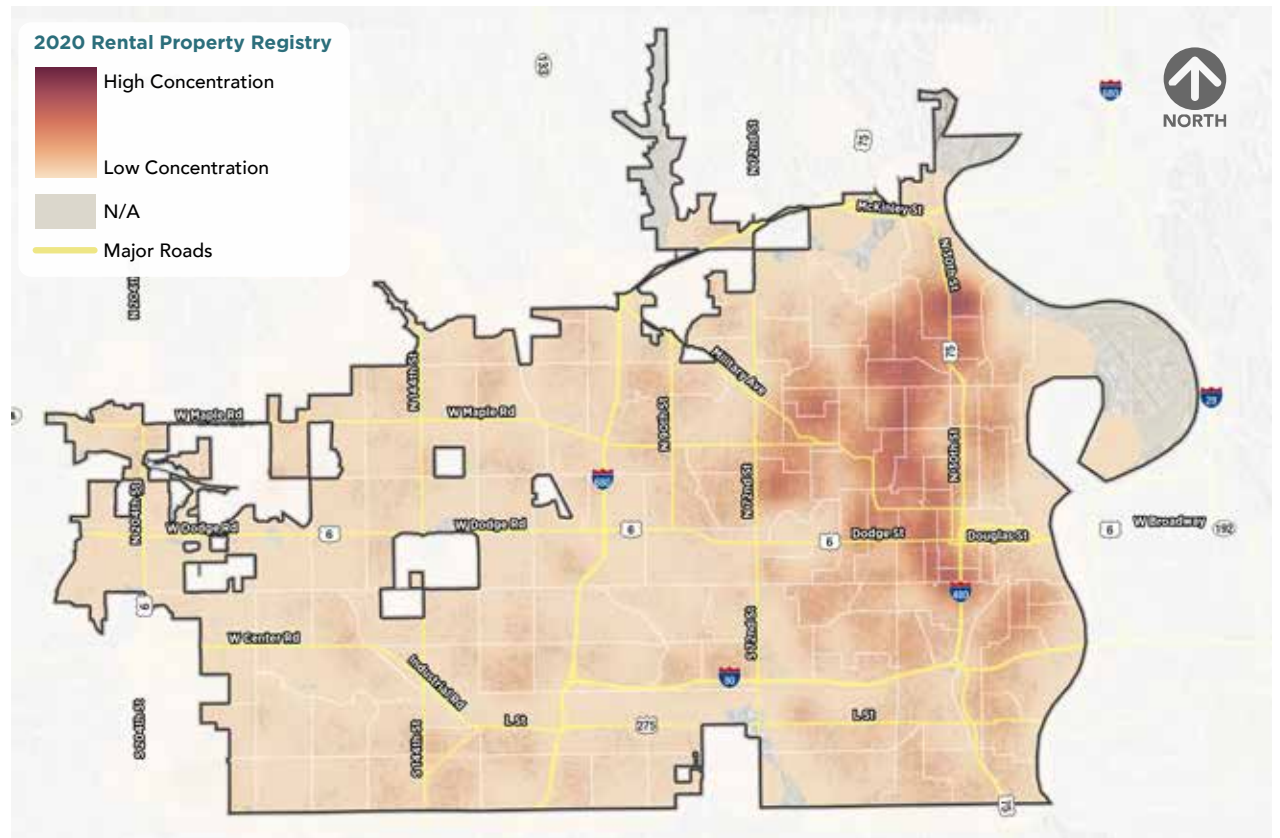
Source: 2022 Douglas County Assessor Data

## RENTAL SURVEY

In the summary of 2022 a survey was sent out to all property managers/landlords registered in the City’s Rental Registration Program. The survey was done in order to collect more localized data on the city’s rental housing market.

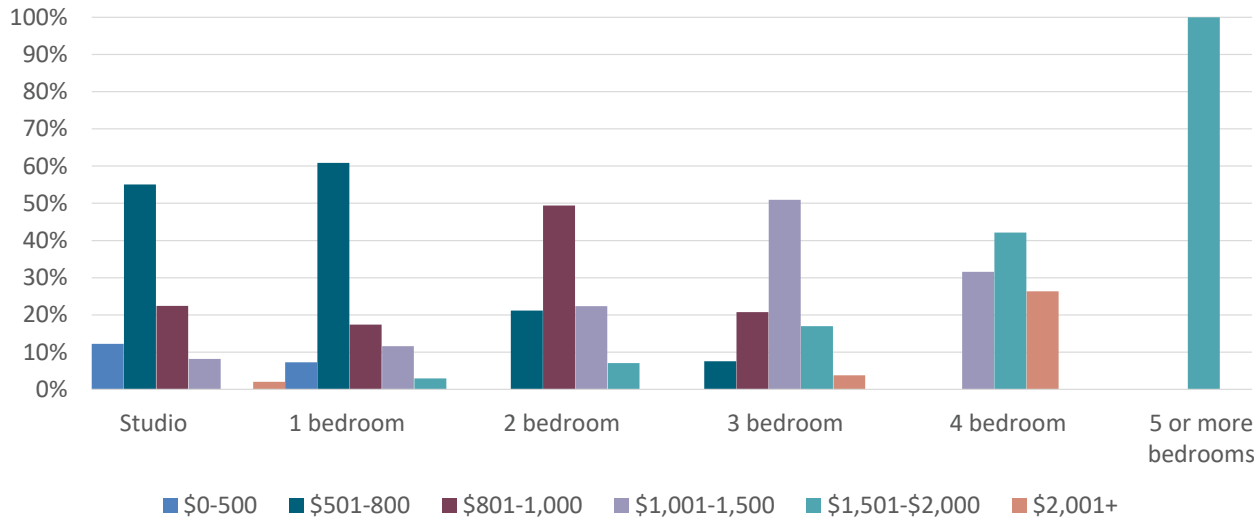
- There were 19,361 units included in the survey response and 1,336 vacant units for a 6.9% vacancy rate
  - › It should be noted that one survey included 2,000 units and indicated that they had 800 vacant units for a 40% vacancy rate. Based on community input it is highly likely this was a data entry error
    - » If this one survey response is removed there were 17,361 units and 536 vacant or a 3.1% vacancy rate

Map 1.18: 2022 Registered Rental Properties

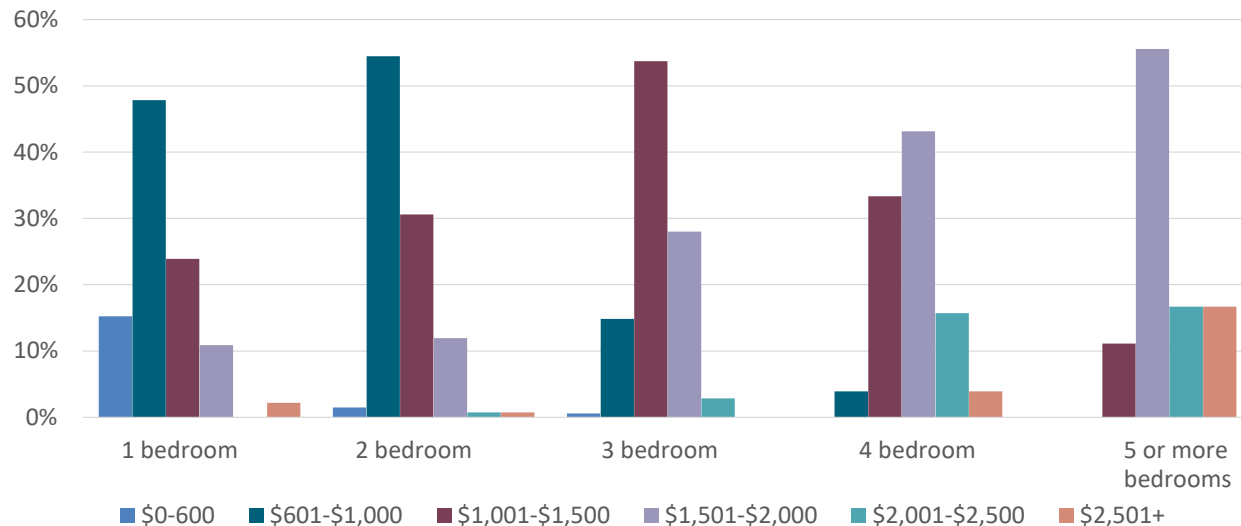


Source: City of Omaha

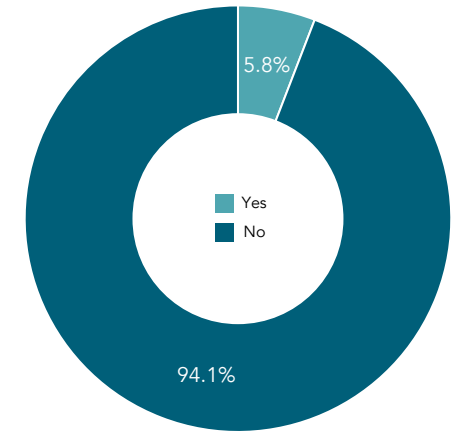
**Figure 1.17: What is the approximate monthly rent ranges for apartment units (3 or more unit structures)?**



**Figure 1.18: What is the approximate monthly rent range for duplex, townhome, or single-family units?**



**Figure 1.19: Do you accept Section 8 Vouchers?**



**1,820** units use Section 8 Vouchers

**Figure 1.20: Do you allow or offer your units as short-term rentals (Airbnb)?**

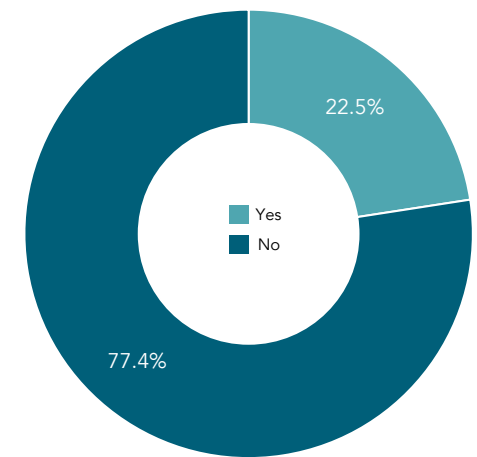


Figure 1.21: Have you raised rents in the last 12 months?

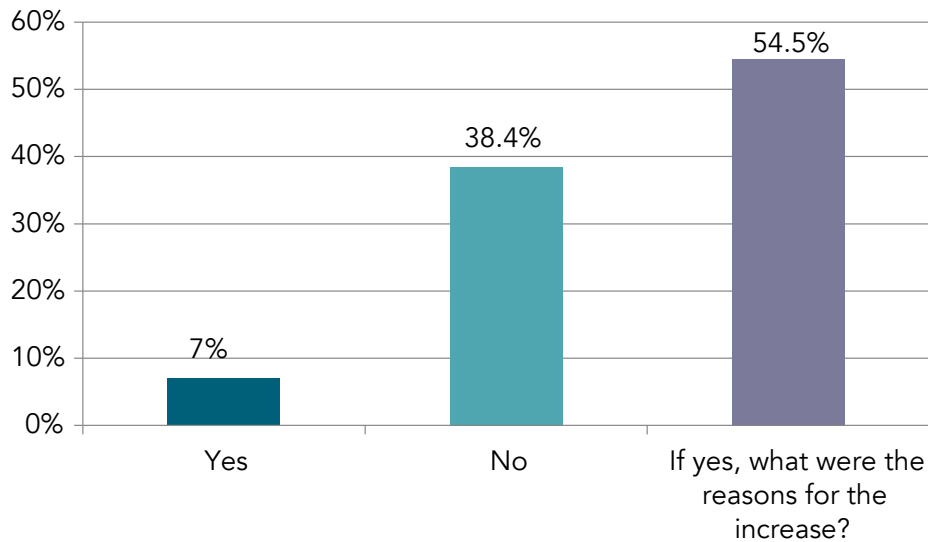


Figure 1.22: How long does it take to find a new renter for a unit?

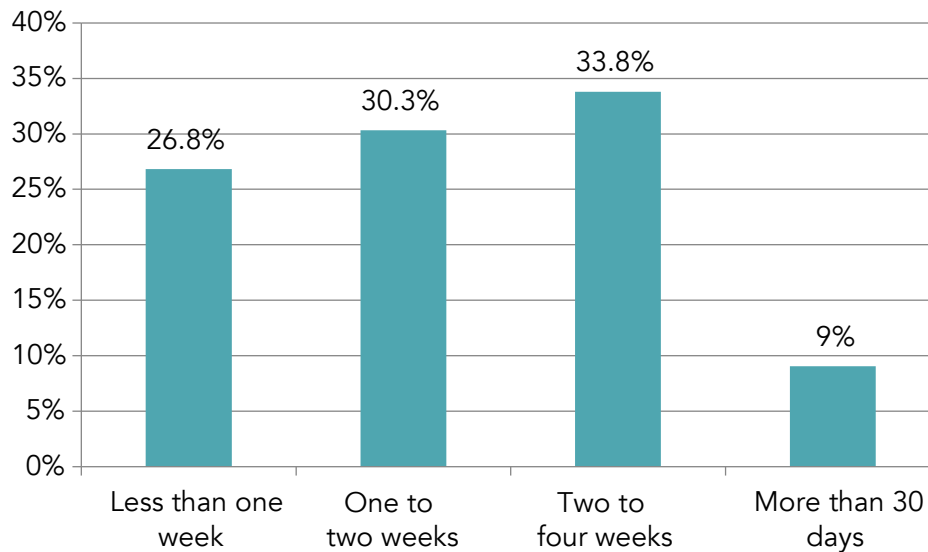


Figure 1.23: Reasons for increasing the rent

## TOTAL RESPONSES 162



PROPERTY TAX 101



INSURANCE 48

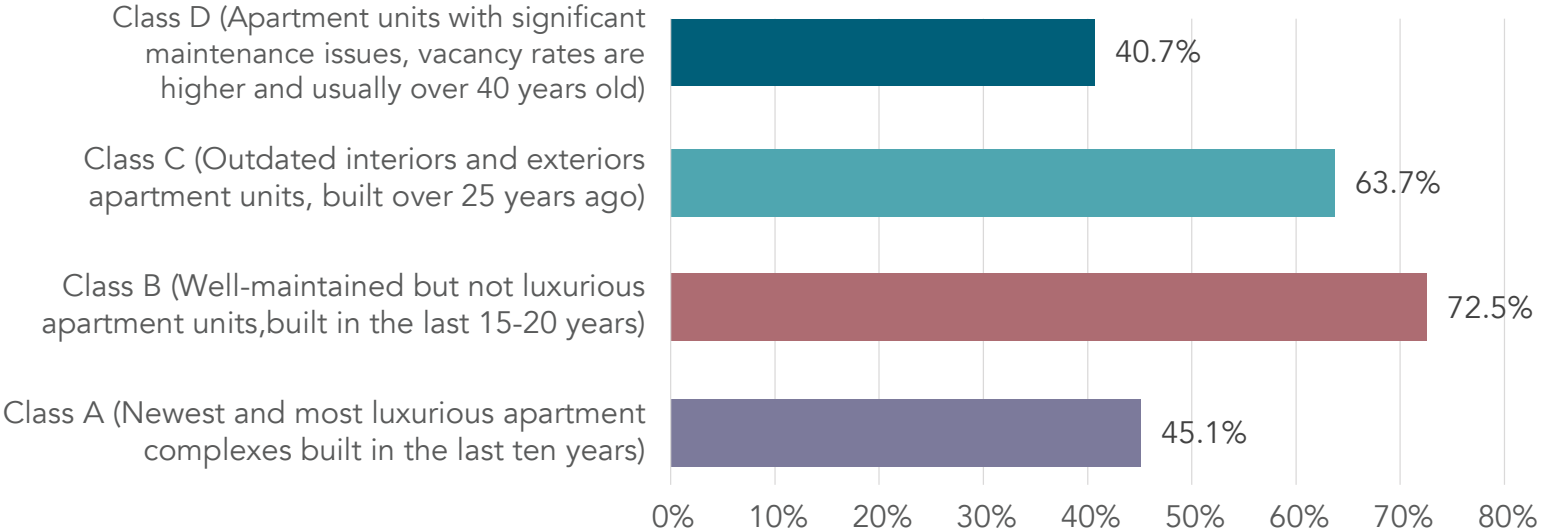


MAINTENANCE 48

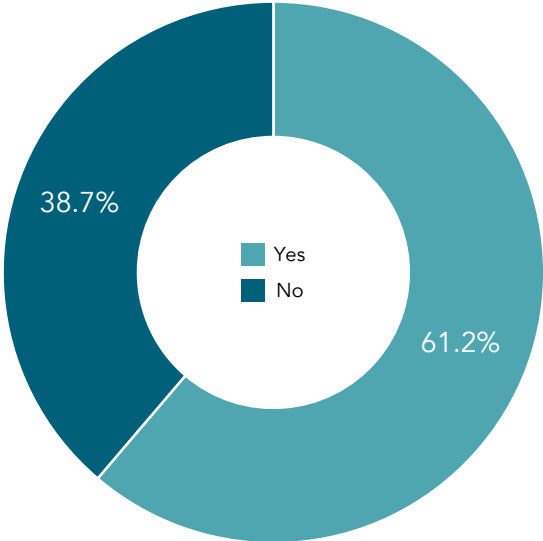


MARKET RATE & ECONOMY 13

**Figure 1.24: Of the apartment units that you own or manage, how many fall into the following classifications?**



**Figure 1.25: Have you and/or your management staff received training in fair housing laws and the obligation as a landlord to comply with fair housing laws when renting units?**



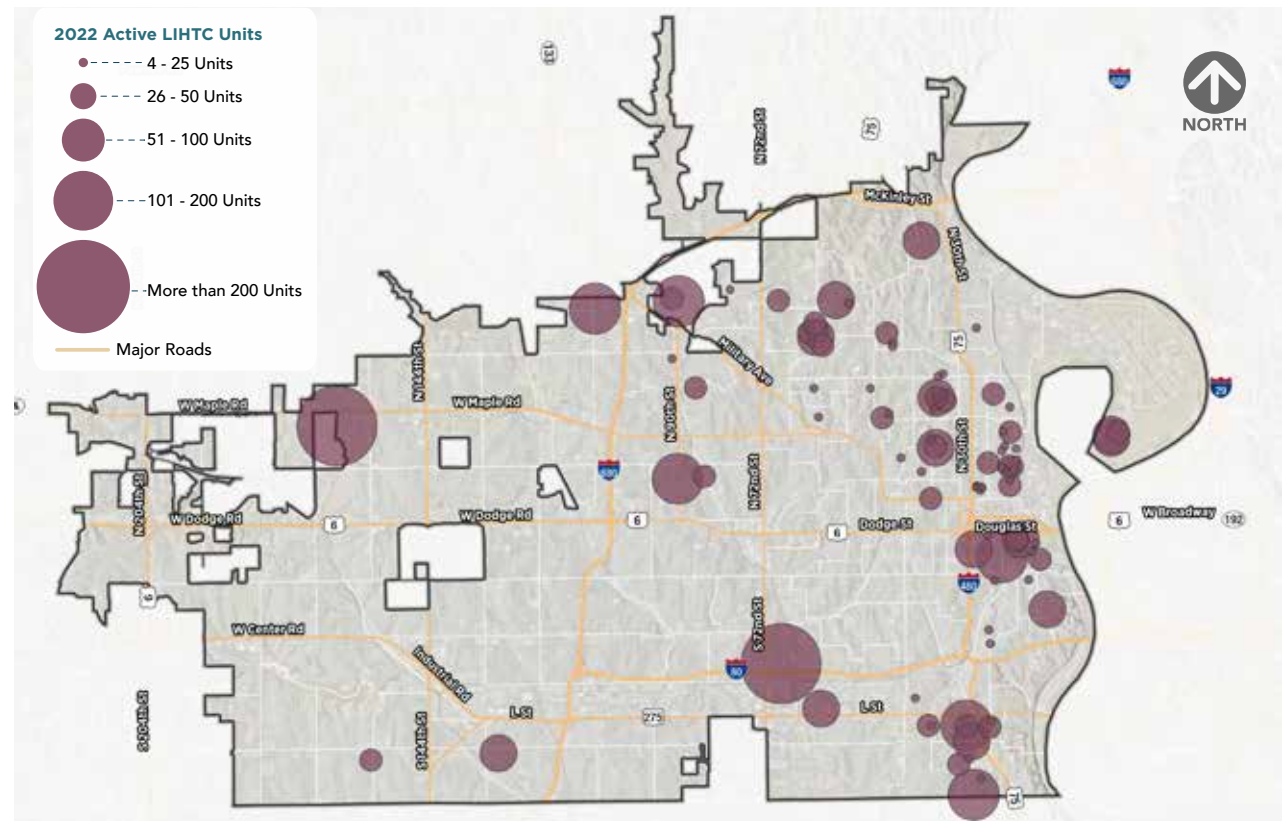
**If you have provided accommodations or building modifications for a disabled tenant, what was the approximate cost of these accommodations or modifications?**

**TOTAL NUMBER AVERAGE**  
**1,088 14.90**

### Low Income Housing Tax Credit Units

- The City’s 2021 Affordable Housing Report noted there were fewer than 20,000 dedicated affordable units
- The city currently had just under 5,000 units in the Low-Income Housing Tax Credit program (Map 1.19), approximately a quarter of all dedicated affordable units
  - › By 2030 over 2,000 of these rental units will no longer have to meet the affordability requirements
  - › In the past eight years, there have been just over 2,000 units added to the program, a pattern indicating that units are only being replaced and the overall supply of affordable units is not expanding

Map 1.19: 2022 Active Low Income Housing Tax Credit (LIHTC) Units

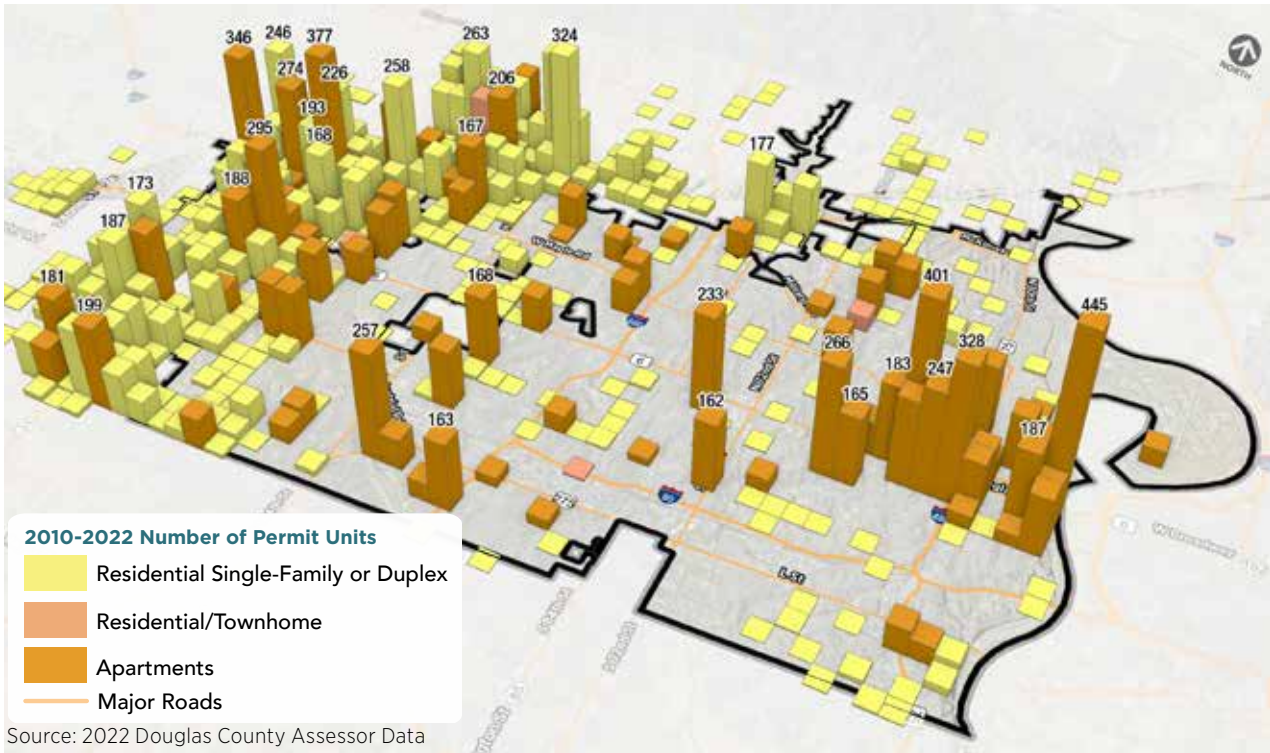


Source: Nebraska Investment Finance Authority (NIFA)

# Construction Activity

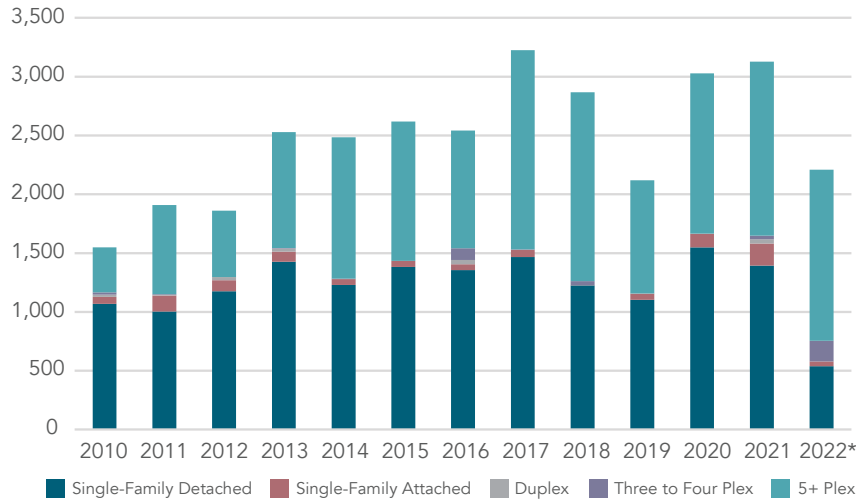
- In the past decade the amount of new units being developed within the 680/80 loop has increased dramatically, but the vast majority of those units have been in larger multi-family structures
- Omaha experienced a slow increase in the number of new housing units produced following the Great Recession
- During the 2010s, 5+ unit structures became a much more significant portion of the city's building activity
  - › Nationally this activity was in response to a large number of young households, tighter lending practices following 2008, and pent up demand due to the focus on single-family construction in the 2000s
- Between 2010 and 2021 middle density units (single-family attached, duplexes, three- to four-plexes) accounted for only 4% of the city's building activity
- Based on the 2010 and 2020 Census counts Omaha added 26,908 households and constructed 26,732 units
  - › A portion of the new household growth came from annexation of housing units built before 2010. A healthy market should be producing more units than households to provide vacancies for those moving and avoid rapidly increasing prices

Map 1.20: 2010-2022 Number of Permit Units



Source: 2022 Douglas County Assessor Data

Figure 1.26: Building Permits by Unit 2010-2022



Source: 2022 Douglas County Assessor Data

A Growing City: Omaha's 2021 Building & Development Summary

Over **\$1.1 billion**  
in total development

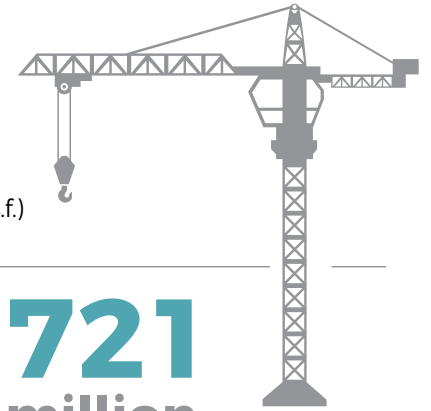
the highest total building permit valuation on record\*\*

**1,349**

Total final platted acres  
the most since 2005

**1.73 million\***

Square feet of new commercial  
(non-residential) buildings & additions  
Slightly lower than the 10-year average (2M s.f.)



Building permits issued for...



**3,170**

Total residential units  
the 3rd most since 2005

**53%**

were multi-family  
(1,691 units)

About the same as the  
10-year average (52%)

**476** 

Total final platted acres of mixed use,  
office, commercial, & industrial land  
the 4th highest total since 2008

**\$721 million**

Total value of  
non-residential  
development

The highest  
total in the  
last decade

\*Approx. total based on applicant-provided data

\*\*Total valuation records date back to 2006



## Age of Housing

- Nearly a quarter of Omaha’s residential structures were built before 1950
  - Almost all of these units are located east of 90th Street with some pockets in the Elkhorn and Millard areas (see Map 1.21)
- Housing that is over 20 years old will begin to need significant investments to maintain the quality of the house (roofs, heating and cooling systems, etc.)
  - Continued investment in older housing will be essential to maintaining a stock of affordable housing
- The city’s oldest housing stock is located east of Interstate 680
  - Most communities target their housing rehabilitation dollars to the original city cores but as housing in other parts of the city ages the demand for these dollars across a wider area may grow

**4% of structures were built in 2010 or later**  
Douglas County: 8%

**7% of structures were built in 2000-09**  
Douglas County : 12%

**13% of structures were built in 1990-99**  
Douglas County: 12%

**11% of structures were built in 1980-89**  
Douglas County: 10%

**15% of structures were built in 1970-79**  
Douglas County: 14%

**15% of structures were built in 1960-69**  
Douglas County: 13%

**11% of structures were built in 1950-59**  
Douglas County: 10%

**5% of structures were built in 1940-49**  
Douglas County: 4%

**19% of structures were built in 1939 or earlier**  
Douglas County: 17%

Source: U.S. Census Bureau

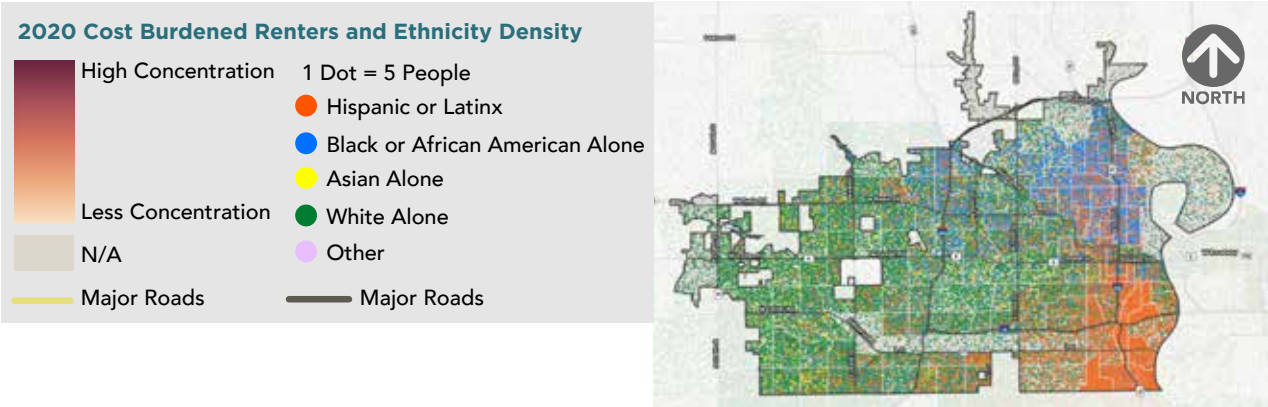
# AFFORDABILITY

## Cost Burdened Households

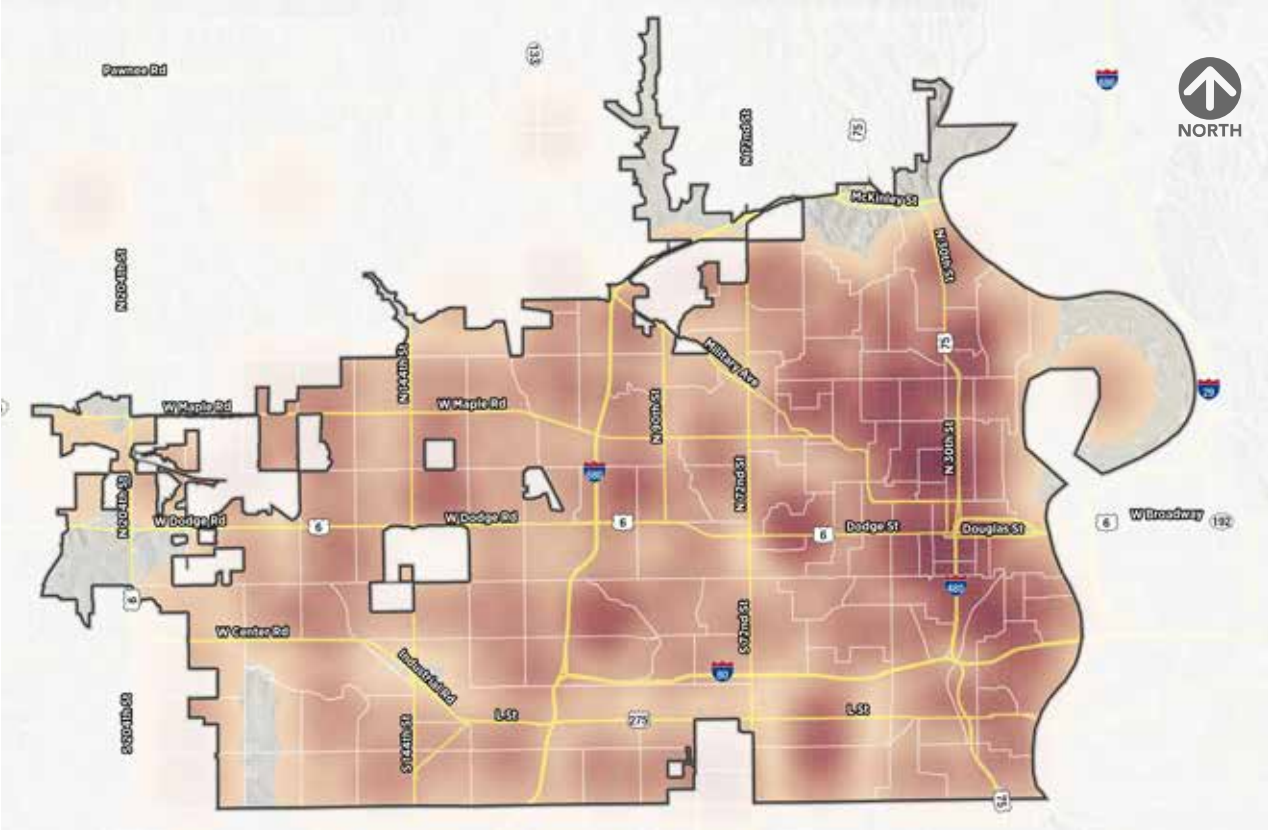
One way to assess affordability in a community is to look at the number of cost burdened households. A household is cost burdened when they spend more than 30% of their income on housing.

- The overall percentage of cost burdened renters has decreased but remains high at approximately 46% of all renter households
- › Many of the highest cost burdened Census Tracts also have the highest concentrations of Hispanic and African American populations
- › Areas with very low percentage of rental occupancy also tend to have a higher percentage of cost burdened households

Map 1.22: 2020 Cost Burdened Renter Households and Ethnicity Density



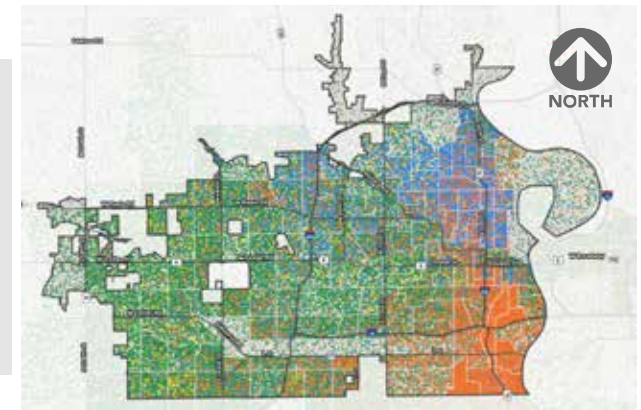
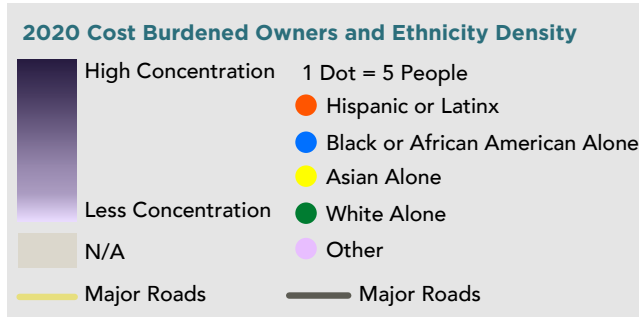
Source: ACS 2020 (5-Year Estimates)



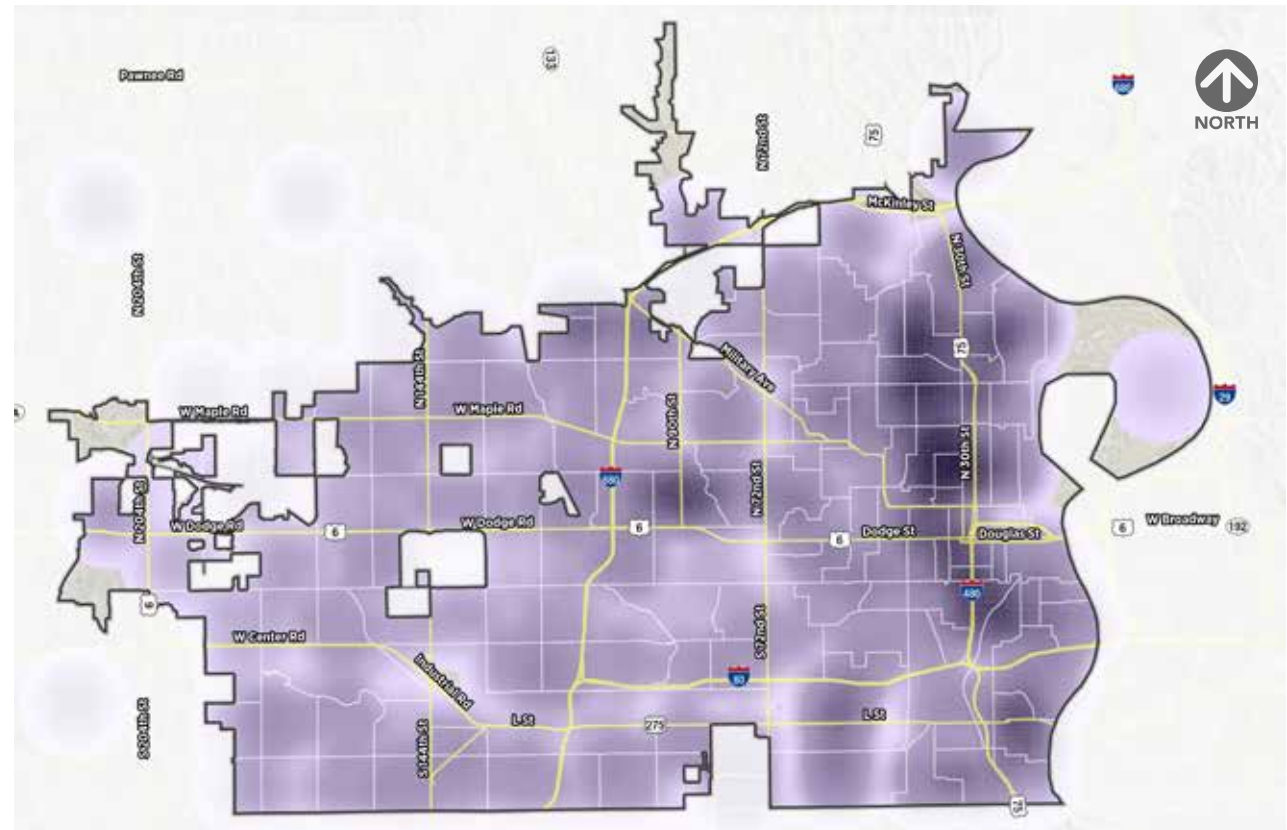
Source: ACS 2020 (5-Year Estimates)

- Similar to rental households, the highest percentage of cost burdened owner-occupied households are located in predominately Hispanic and African American neighborhoods
  - › Many of these Census tracts also correlate to the city's historically Red Lined neighborhoods
- Tighter lending practices and slower appreciation rates coming out of the 2008 recession were the two main reasons that the number of cost burdened owners declined
  - › Map 1.23 would indicated there could still be concerning lending practices happening in areas with higher Latino and African American populations

Map 1.23: Cost Burdened Owner Households and Ethnicity Density



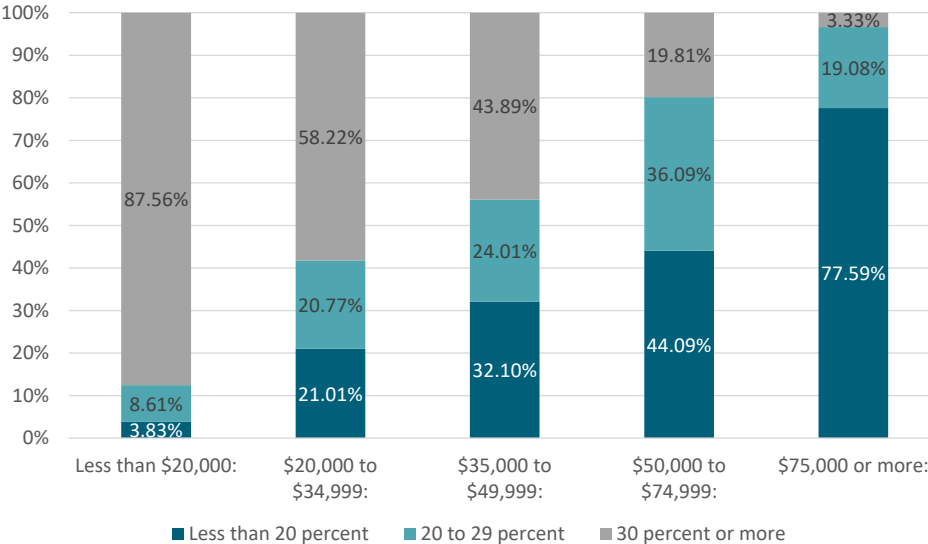
Source: ACS 2020 (5-Year Estimates)



Source: ACS 2020 (5-Year Estimates)

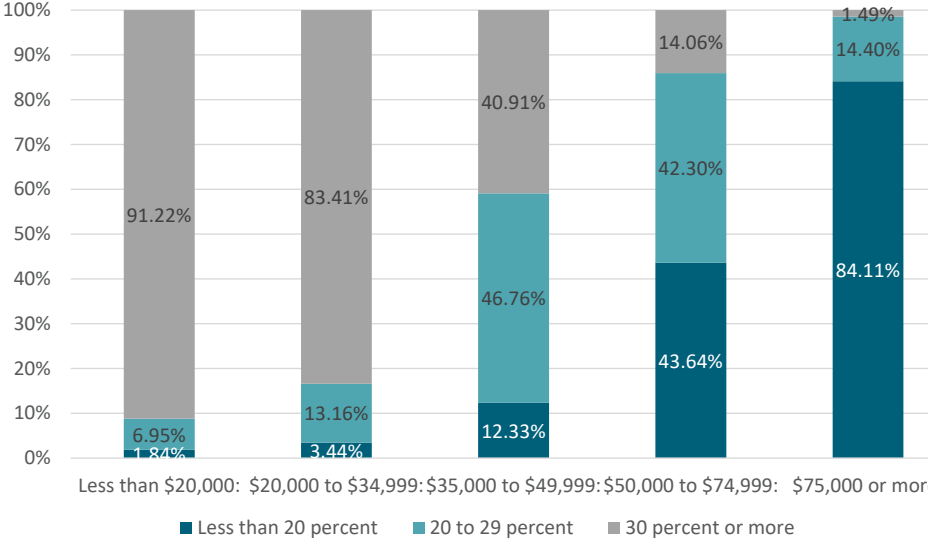
- Most households making less than \$35,000 spend over 30% of their income on housing
- Most households earning over \$75,000 are spending below 20% of their income on housing
  - › This would likely indicate that for most higher income households Omaha is a very affordable housing market but there is a significant disparity for lower income households

**Figure 1.27: Tenure by Housing Costs as a Percentage of Household Income in the Past 12 Months 2020 - Owner Occupied**



Source: ACS 2020 (5-Year Estimates)

**Figure 1.28: Tenure by Housing Costs as a Percentage of Household Income in the Past 12 Months 2020 - Renter Occupied**



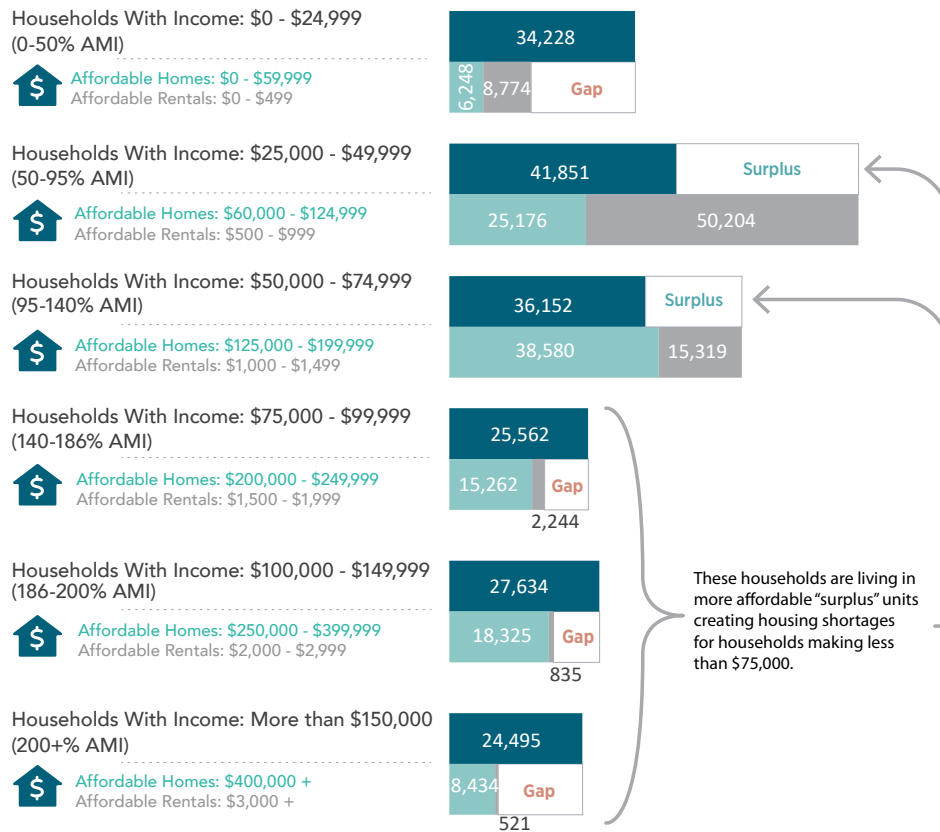
Source: ACS 2020 (5-Year Estimates)

**TABLE 1.4: CHANGE IN HOUSEHOLDS BY INCOME AND AFFORDABILITY 2010-2020**

| Income Range      | Change in Households | Change in Affordable Units |
|-------------------|----------------------|----------------------------|
| \$0-24,999        | -7,974               | -2,453                     |
| \$25,000-49,999   | -2,784               | -4,524                     |
| \$50,000-74,999   | 5,165                | 9,330                      |
| \$75,000-99,999   | 6,977                | 8,791                      |
| \$100,000-150,000 | 11,293               | 10,827                     |
| \$150,000+        | 14,231               | 4,938                      |

Source: U.S. Census Bureau; RDG Planning & Design

**Figure 1.29: Housing Affordability by Income Range, 2020**



**Gap** = Shortage of affordable units for households within identified income range.

**Surplus** = More affordable units than households within an income range.

## Available Housing

- Figure 1.29 Housing Affordability by Income Range breaks down the number of households by income versus the number of owner and renter units available based on affordable ranges requiring households to pay no more than 30% of their income on housing
- The greatest shortage of housing is for households making less than \$25,000
  - › 30% of all households making less than \$25,000 a year are over the age of 65
  - › 32% of individuals over the age of 65 have some type of disability
    - » These households will likely struggle to find a housing unit that is affordable and appropriate to their needs
  - › Over 70% of households over 65 are in owner occupied units, likely indicating that they are living in units paid for but construction activity (and zoning) would indicate they have limited options for moving
- A gap appears to exist for households making more than \$75,000. These households are residing in cheaper homes than their income would allow them to purchase and would reinforce that the households are spending well below 30% of their income on housing
  - › Some move-up housing may create a filtering effect but greater variety of product types at more moderate rates will likely have a greater impact on the market than attracting households to price points over \$400,00
- Table 1.4 compares the change in the number of households within a given income range to the change in the number of units affordable to that income range
  - › There was a loss of units affordable to households making less than \$50,000 but there were also fewer households in this income range
  - › Households making more than \$75,000 grew by more than the units affordable to these households

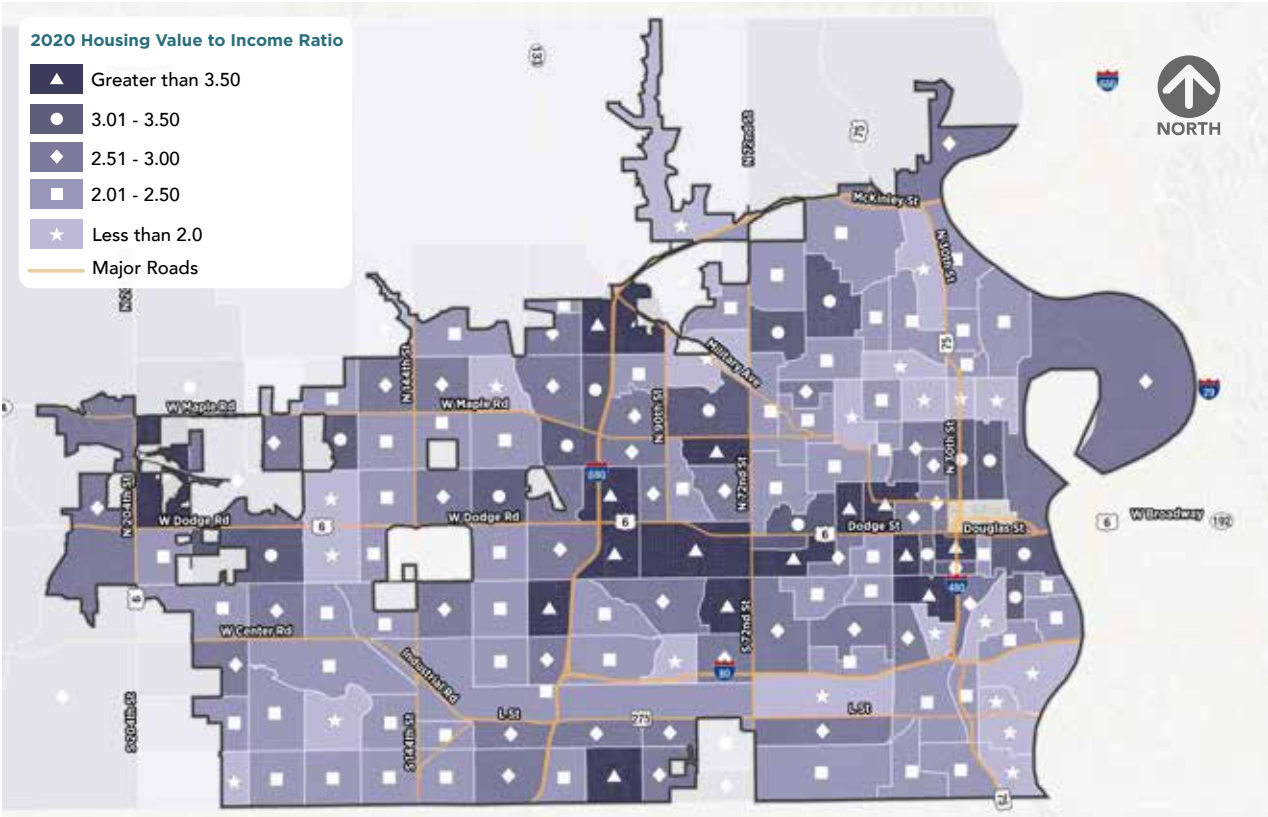
# Income to Value

A traditional metric for evaluating affordability in the ownership market is to compare household income to the value of the home. Map 1.24 to the right shows the ratio of median home values to median household income by census tract.

- An affordable, self-sustaining ownership housing market, with adequate value and revenues to support market-rate new construction, typically exhibits a value to income ratio between 2.5 to 3.0
- Ratios above 3.0 present affordability issues while ratios below 2.0 are significantly undervalued relative to income
- Generally there is a correlation between areas with affordability issues and census tracts that are cost burdened (Maps 1.22 and 1.23). However, within the central corridor of Omaha there are some of the highest value homes (Map 1.13) and older households (Map 1.11) that likely have no mortgage.
- Undervalued markets are concerning because the real or perceived instability in a neighborhood may create problems securing funding for new construction or renovation of existing structures, along with creating concerns over investment security and growth

The U.S. Department of Housing and Urban Development (HUD) further defines income limits for housing assistance based on household size. Most housing programs require that households earn less than 80% of the Area Median Income (AMI). Figure 1.20 identifies what those income limits are based on extremely low, very low, and moderate income and size of household. The

Map 1.24: 2020 Housing Value to Income Ratio



Source: ACS 2020 (5-Year Estimates)

maximum affordable rent is 30% of a households gross income. It is important to note that for many households this may be more than they can afford based on other household expenses including car loans/maintenance, student loans, and even utilities for low energy efficient homes.

**Table 1.5: HUD Affordability Levels by Household Size, 2022**

| HOUSEHOLD SIZE | 30% AMI<br>(EXTREMELY LOW) |                         | 50% AMI<br>(VERY LOW) |                         | 80% AMI<br>(MODERATE) |                         |
|----------------|----------------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|
|                | INCOME                     | MAXIMUM AFFORDABLE RENT | INCOME                | MAXIMUM AFFORDABLE RENT | INCOME                | MAXIMUM AFFORDABLE RENT |
| 1              | \$18,450                   | \$461                   | \$30,750              | \$769                   | \$49,200              | \$1,230                 |
| 2              | \$21,100                   | \$528                   | \$35,150              | \$879                   | \$56,200              | \$1,405                 |
| 3              | \$23,750                   | \$594                   | \$39,550              | \$989                   | \$63,250              | \$1,581                 |
| 4              | \$26,500                   | \$663                   | \$43,900              | \$1,098                 | \$70,250              | \$1,756                 |
| 5              | \$31,040                   | \$776                   | \$47,450              | \$1,186                 | \$75,900              | \$1,898                 |
| 6              | \$35,580                   | \$890                   | \$50,950              | \$1,274                 | \$81,500              | \$2,038                 |
| 7              | \$40,120                   | \$1,003                 | \$54,450              | \$1,361                 | \$87,150              | \$2,179                 |
| 8              | \$44,660                   | \$1,117                 | \$57,950              | \$1,449                 | \$92,750              | \$2,319                 |

NOTE: Douglas County is part of the Omaha-Council Bluffs, NE-IA HUD Metro FMR Area, so all information presented here applies to all of the Omaha-Council Bluffs, NE-IA HUD Metro FMR Area. HUD generally uses the Office of Management and Budget (OMB) area definitions in the calculation of income limit program parameters. However, to ensure that program parameters do not vary significantly due to area definition changes, HUD has used custom geographic definitions for the Omaha-Council Bluffs, NE-IA HUD Metro FMR Area.  
 Source: <https://www.huduser.gov/portal/datasets/il/il2021/2021summary.odn>



### Homelessness

At the end of January, communities across the country participate in the HUD-mandated Point-In-Time (PIT) count to capture a snapshot of homeless across the nation.

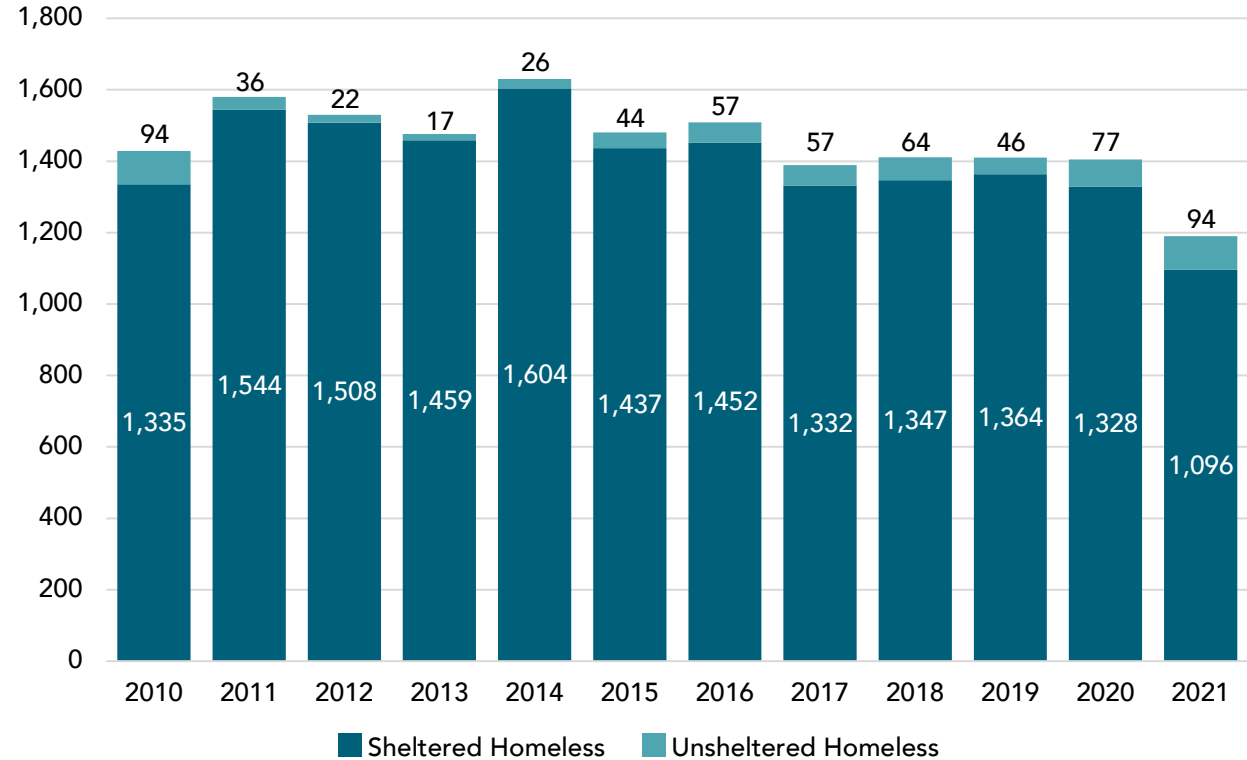
- Since 2014 the PIT has remained below 1,500 and reached a record low in 2021 at under 1,200
  - › It should be noted that the 2021 count may have been affected by the COVID-19 Pandemic
- Unsheltered numbers are likely higher as individuals living in secluded locations, in cars, or friends couches are often missed in the PIT
- Over the past ten years Omaha’s shelters have added permanent supportive and transitional housing units
  - › These units have help some of the chronically homeless but the numbers would indicate needs remain

## THE HIGH COST OF HOMELESSNESS

In 2019 it was estimated that it cost:

- On average, \$34,416 per person annually for the chronic use of emergency services or
- On average, \$16,000 per person annually to provide housing with supportive services

Figure 1.30: Homelessness Point in Time County 2010-2021



Source: 2010-2021 Point In Time Homelessness - The annual homeless assessment report to Congress. Washington, D.C.: U.S. Dept. of Housing and Urban Development, Office of Community Planning and Development.

## IMPACTS ON THE HOUSING MARKET

The previous sections reviewed the city's demographic, economic, and housing characteristics in tables, charts, and maps. The following section, along with the previous material, begins to identify opportunity areas for the city. The following maps include:

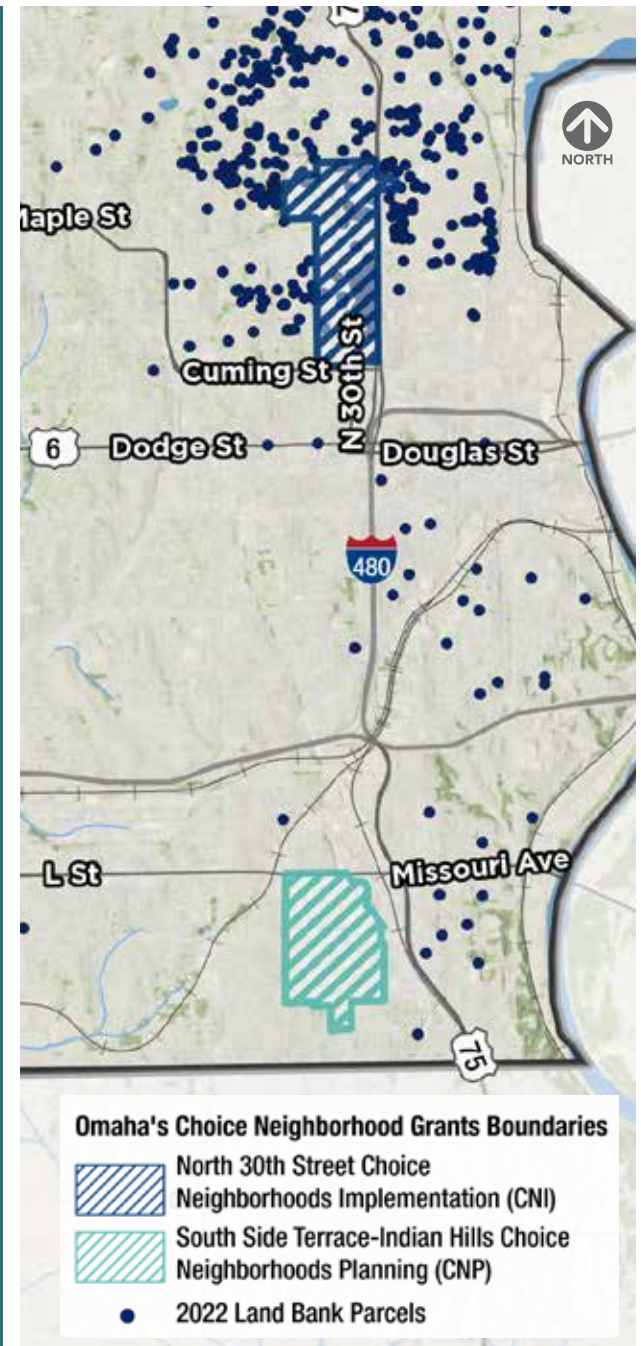
- Code Violations: highlighting areas with higher number of code violations and thus, opportunities for reinvestment (see Map 1.25)
- City and Land Bank Owned Lots: opportunities for affordable housing (see Maps 1.26 & 1.27)
- Opportunity Zones and Qualified Census Tracts: highlight areas where additional incentives and funding can be captured for housing development (see Map 1.29)
- Value Per Square Foot: identifies areas where gap financing may be necessary to address issues between the cost of new or rehabilitated housing compared to appraised values
- Zoning Review: highlights the locations where medium to higher density is allowed without public approval meetings or special review
- Zoning and Transit: allows for a comparison between transit lines and locations where medium to higher densities are allowed

## CHOICE NEIGHBORHOODS PROGRAM

The Choice Neighborhoods program is a federal program administered by the Housing and Urban Development (HUD) Office of Public and Indian Housing. The program is focused on three core goals:

- Housing: Replace distressed public and assisted housing with high-quality mixed-income housing that is well-managed and responsive to the needs of the surrounding neighborhood.
- People: Improve outcomes of households living in the target housing related to employment and income, health, and children's education.
- Neighborhood: Create the conditions necessary for public and private reinvestment in distressed neighborhoods to offer the kinds of amenities and assets, including safety, good schools, and commercial activity, that are important to families' choices about their community.

The Choice Neighborhoods program helps communities transform neighborhoods by revitalizing severely distressed public and/or assisted housing and catalyzing critical improvements in the neighborhood, including vacant property, housing, businesses, services and schools.



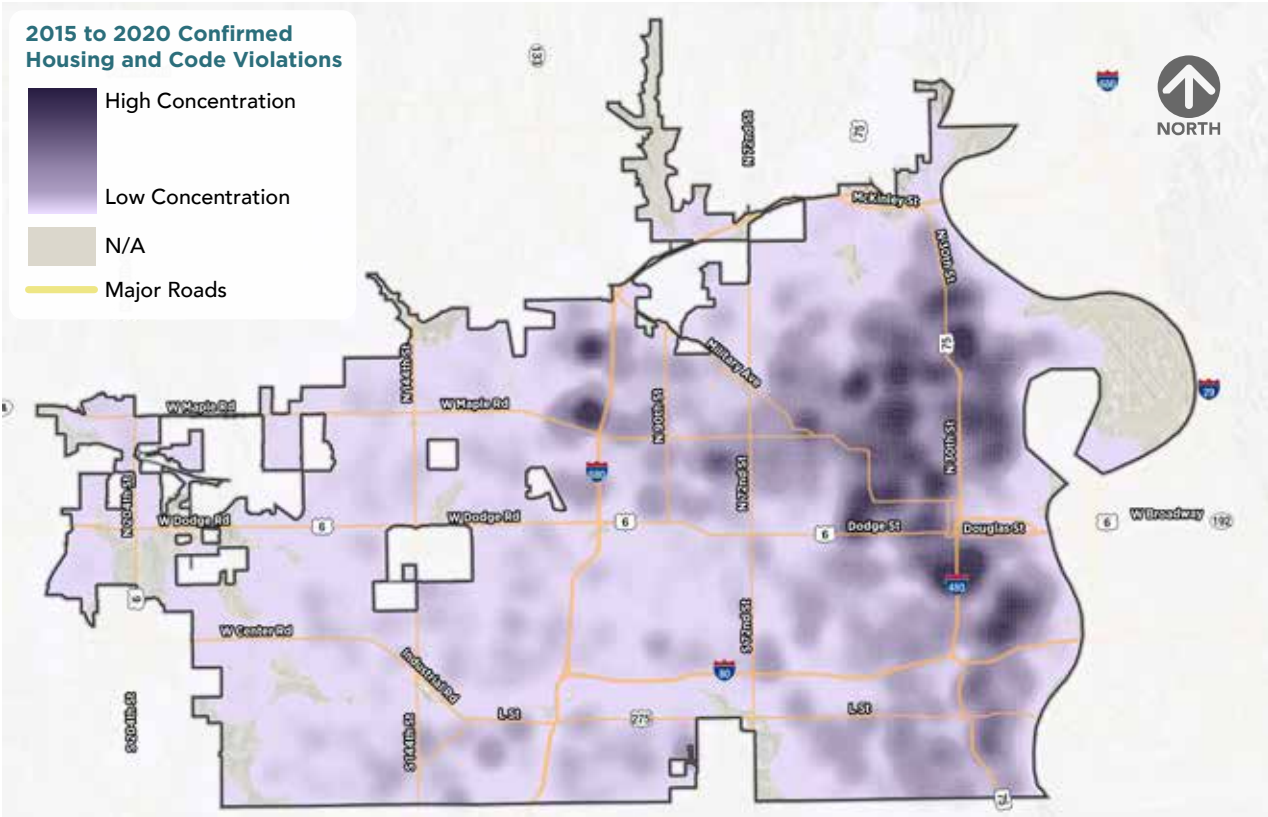
# Housing & Code Violations

The concentration of code violations in Omaha matches several housing characteristics:

- Historically Red Lined areas where lending practices made it more challenging to purchase and invest in housing
- The city’s oldest housing stock
- Areas with high concentration of older rental housing, especially older single-family properties

Over the past three decades the eastern portions have been the focus of non-profit and city redevelopment efforts. In those locations where housing has been rebuilt code violations have declined.

Map 1.25: Code Violations



Source: City of Omaha

## Land Bank & City Owned Lots

The Omaha Municipal Land Bank and the City of Omaha control hundreds of lots. Most of these are east of 72nd Street. These lots are an important opportunity for:

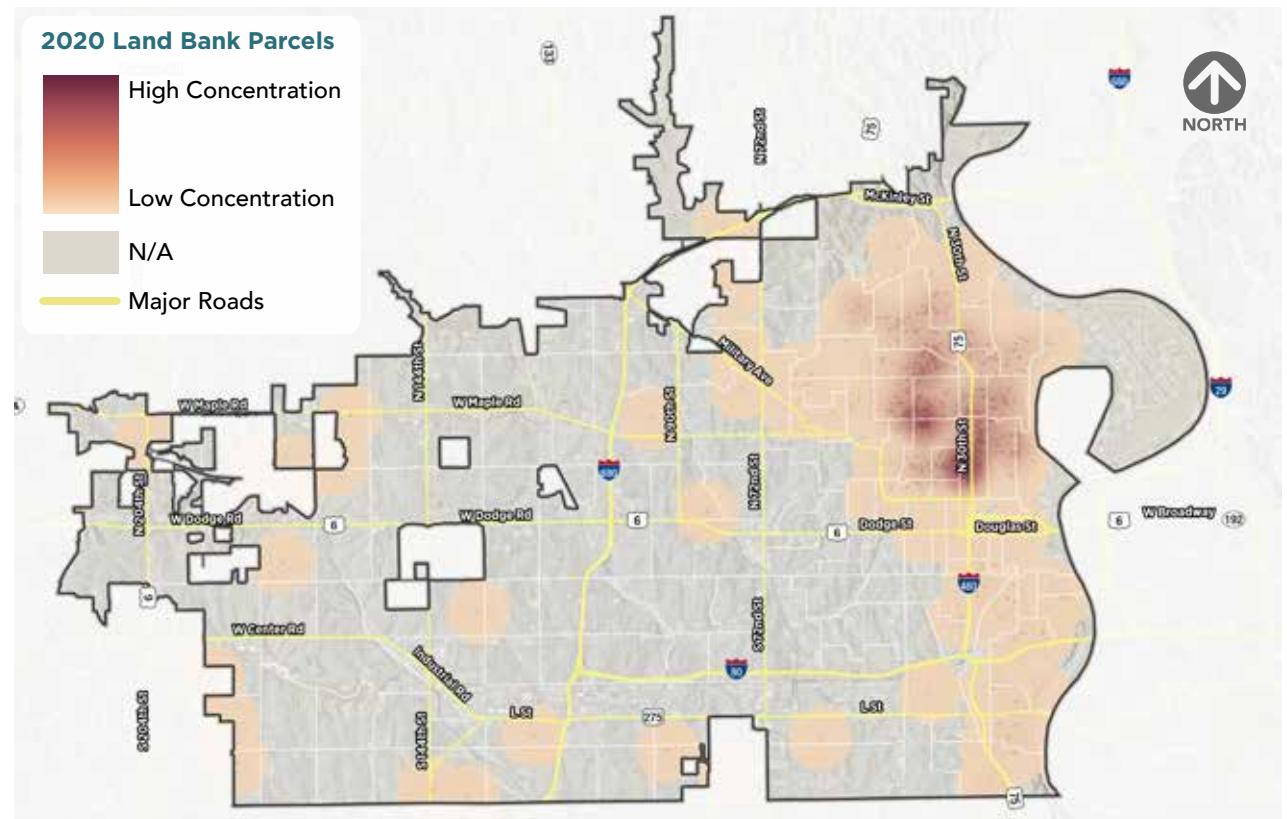
- Large scale redevelopment projects like the city's Choice Neighborhoods
- Local residents to build equity through construction of homes on affordable lots
- Local residents to build businesses as developers and contractors build housing in their neighborhoods

Challenges do exist with some of these lots that make them difficult or impossible to build upon. Challenges include:

- Steep slopes
- Limited or no street access
- Zoning ordinance limitations due to the size of the lot
- Limited or no access to historic alleys

Any zoning limitations are probably the easiest of these to resolve.

Map 1.26: 2022 Land Bank Parcels



Source: Omaha Municipal Land Bank



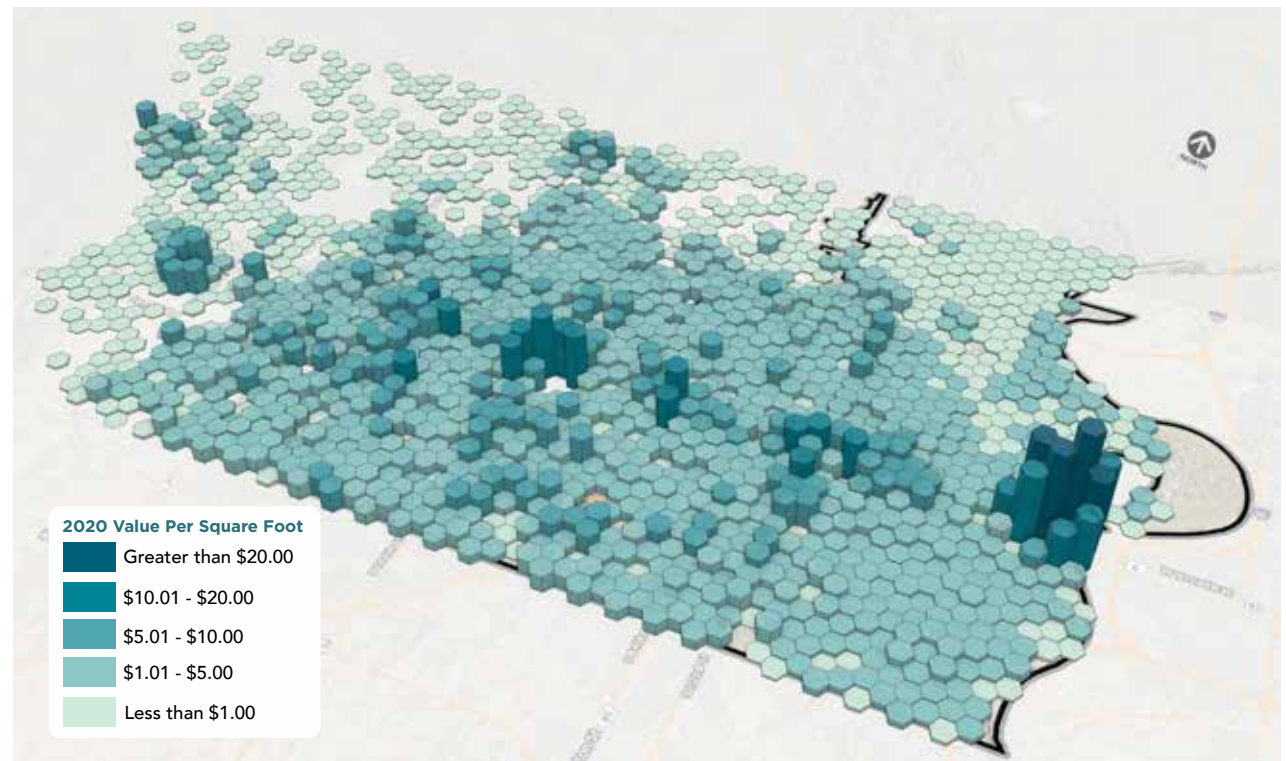
## Value Per Square Foot

By assessing the value per square foot the following opportunities can be identified:

- Areas where values may be well below the cost of new construction, creating an appraisal gap between the cost of construction and appraisals of surrounding properties
  - › Additional financing may be needed to fill these gaps
- Areas where housing condition may become an issue in the coming years.
  - › There are several areas that have lower values but still do not have the high concentration of code violations.
  - › These areas offer affordable housing but housing deterioration, conversion to investment properties, or rapid reinvestment could threaten this affordability
- The city's highest density developments have the highest value per square foot, generating more property taxes while requiring less water, sewer, and street services

It should be noted that age is not an indicator of value. A number of older neighborhoods in eastern Omaha (east of 72nd Street) have some of the highest values.

Map 1.28: 2022 Residential Value Per Square Foot of Lot

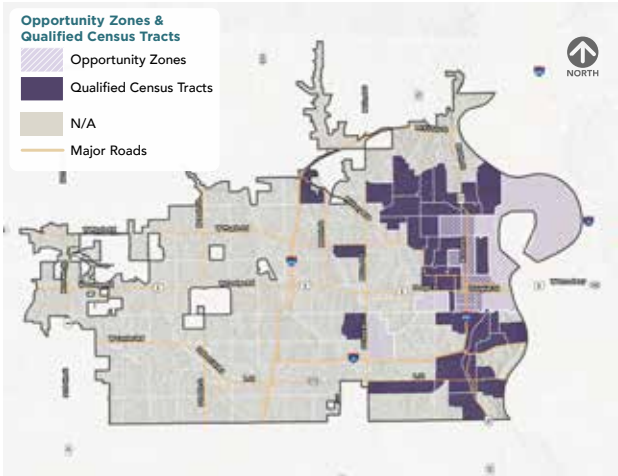


Source: 2022 Douglas County Assessor Data

# Opportunity Zones & Qualified Census Tracts

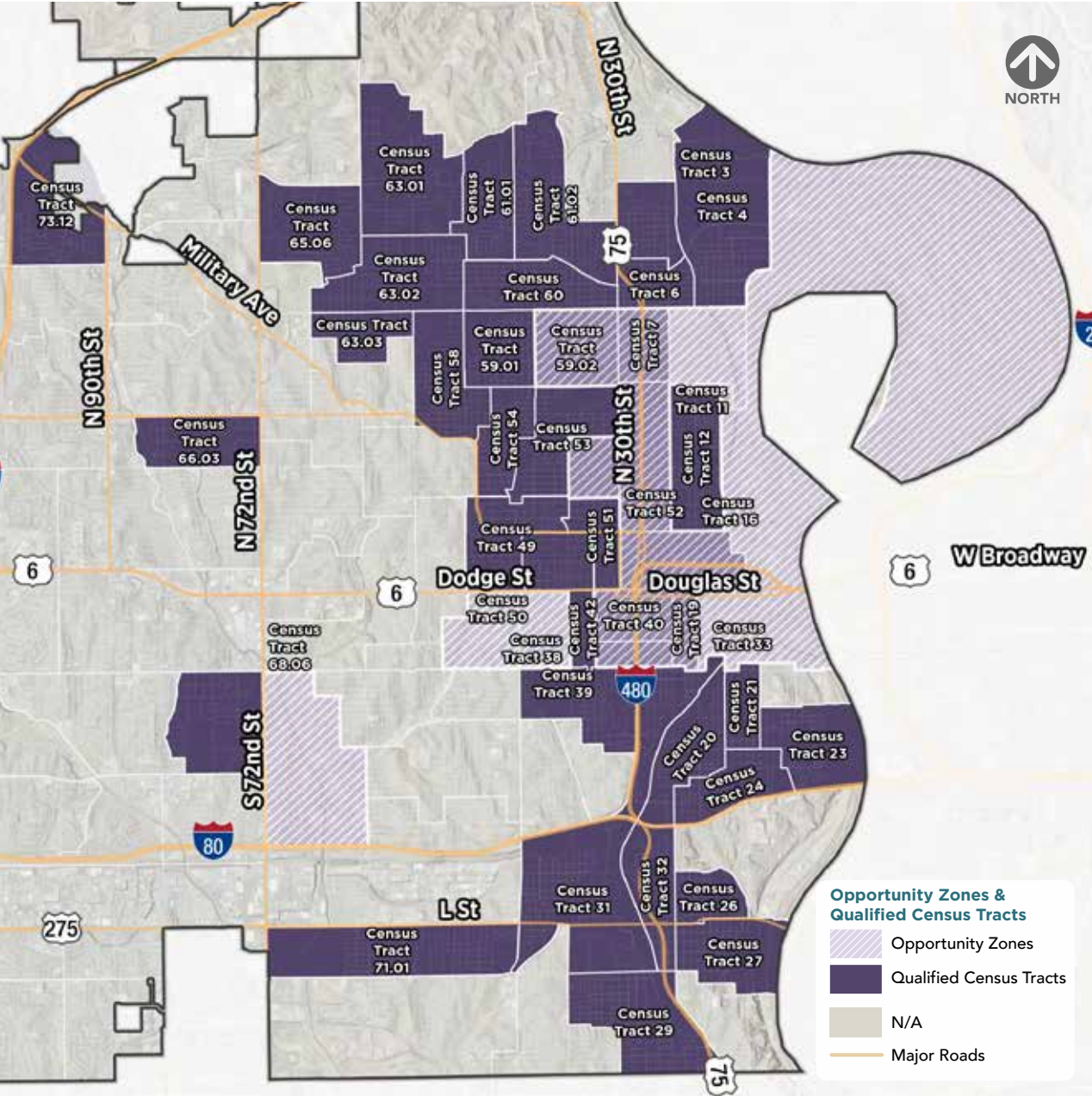
Opportunity Zones are the result of a Federal Opportunity Zone Program created by Congress through the Tax Cuts and Jobs Act of 2017. The goal of the program is to promote private investment and stimulate economic growth within low-income and/or economically disadvantaged communities. These are areas where new rental units or businesses can be developed through incentives to investors. The tool has no cap on the amount that can be invested into opportunity zones, meaning there is no limit to the extent the program can be used for the development of affordable housing.

Qualified Census Tracts are those census tracts where 50% or more of the households have incomes below 60% of the area median income (AMI). These areas receive priority for different federal and state housing funds. Including Nebraska’s Urban Workforce Housing Match and the Middle-Income Workforce Housing Investment Fund.



Source: ACS 2020 (5-Year Estimates)

Map 1.29: 2022 Opportunity Zones & Qualified Census Tracts



Source: ACS 2020 (5-Year Estimates) & 2022 Douglas County Assessor Data

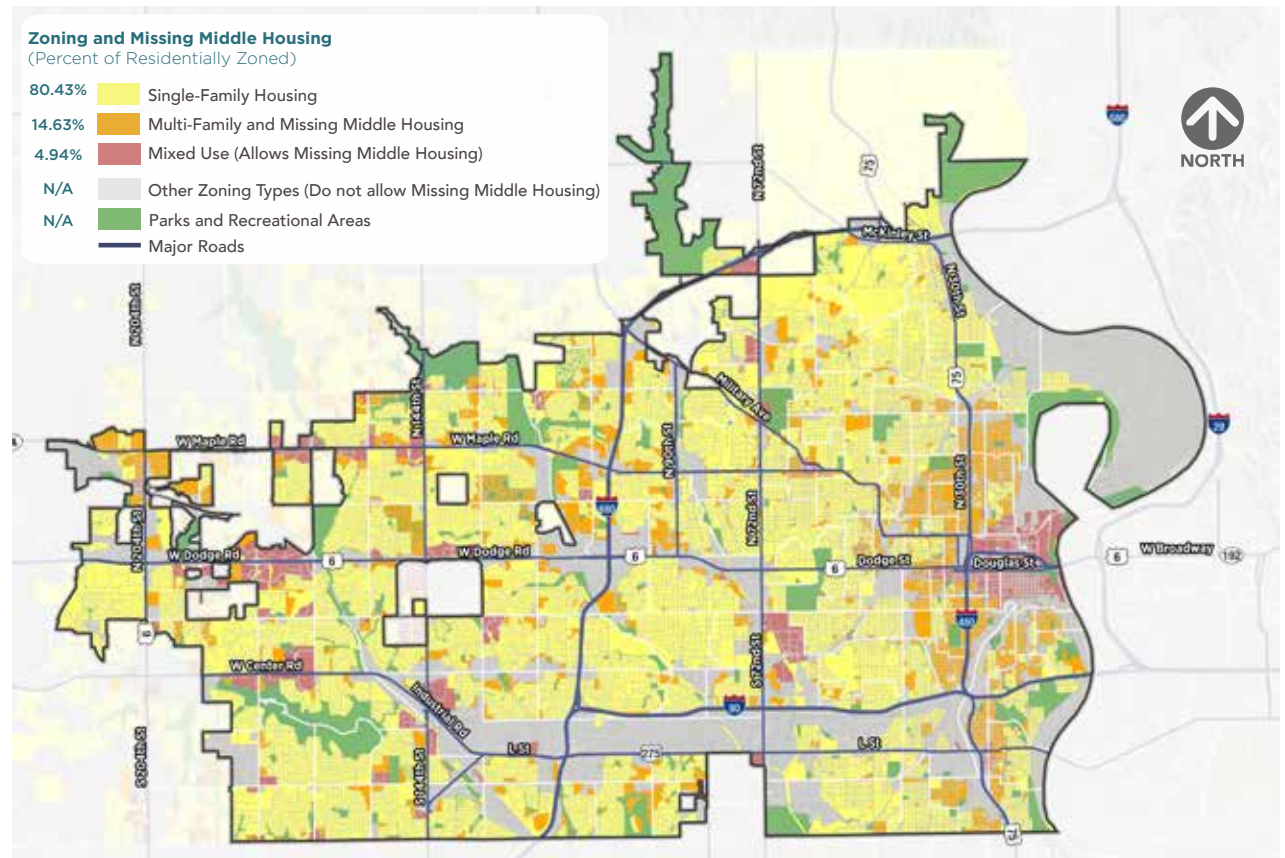
## Zoning & Transit

Housing and transportation are often a household’s largest expenses. Offering affordable housing adjacent to transit, trails, and other alternative modes to the single-occupancy car lowers expenses for a household.

- Medium and higher densities are allowed along some parts of the city’s transit service but many lines lack the zoning that supports the densities needed for higher frequency (time between arrivals of a bus)
  - › Frequency of transit and density are closely tied together - frequency makes a better transit system but this requires density to support that frequency.
- Just over 80% of the city’s residentially zoned land is in single-family zoning that generally does not allow attached units as a use by right
  - › The exception to this is the Mobile Home Residential which does allow attached units with a minimum 3,000 square foot lot per unit
- The R5 district accounts for just over 4% of all residentially zoned land but still requires fairly large lots of 6,000 square feet for a duplex or 7,000 square feet for a two family

Nebraska’s Missing Middle Legislation, which charges communities to find ways to expand housing diversity, specifically notes that residential density is beneficial in making better and more cost-effective use of municipal resources.

Map 1.30: 2022 Missing Middle Housing



Source: 2022 Omaha Planning & Zoning Department

**TABLE 1.6: OMAHA ZONING ORDINANCE CATEGORIES**

| ZONE          | ZONING DESCRIPTION   | ACRES     | AREA % OF RESIDENTIAL | DESCRIPTION   | DWELLINGS/ACRE  |
|---------------|--|-----------|-----------------------|---|---|
| <b>DR</b>     | Development Reserve District                                       | 13,133.89 | 22.34%                | Residential uses.<br>Single-family (detached)<br>Small group living (disabled)  | 1 Acre Minimum  |
| <b>MH</b>     | Mobile Home Residential District                                   | 146.93    | 0.25%                 | Single-family (detached)<br>Single-family (attached)<br>Mobile home residential<br>Small group living (disabled)  | 4,000 square feet minimum<br>3,000 square feet minimum<br>2 Acres Minimum<br>5,000 square feet minimum  |
| <b>R1</b>     | Single-Family Residential District (Large Lot)                     | 1,831.81  | 3.12%                 | Single-family (detached)<br>Small group living (disabled)   | 20,000 square feet minimum  |
| <b>R2</b>     | Single-Family Residential District (Low-Density)                   | 6,157.09  | 10.47%                | Single-family (detached)<br>Small group living (disabled)   | 10,000 square feet minimum  |
| <b>R3</b>     | Single-Family Residential District (Medium-Density)                | 6,820.95  | 11.60%                | Single-family (detached)<br>Small group living (disabled)   | 7,500 square feet minimum   |
| <b>R4</b>     | Single-Family Residential District (High-Density)                  | 9,230.99  | 15.70%                | Single-family (detached)<br>Small group living (disabled)   | 5,000 square feet minimum   |
| <b>R4(35)</b> | Single-Family Residential District (High-Density), 35 Foot Setback | 9,961.82  | 16.95%                | Single-family (detached)<br>Small group living (disabled)   | 5,000 square feet minimum   |
| <b>R5</b>     | Urban Family Residential District                                  | 2,499.39  | 4.25%                 | Single-family residential (detached)<br>Single-family residential (attached)<br>Duplex residential<br>Two-family residential<br>Townhouse residential<br>Small group living (disabled)  | 4,000 square feet minimum<br>3,000 square feet minimum<br>6,000 square feet minimum<br>7,000 square feet minimum<br>1,500 square feet minimum<br>4,000 square feet minimum                |
| <b>CBD</b>    | Central Business District  | 584.67    | 0.99%                 | Residential uses.<br>Single-family residential (detached)<br>Single-family residential (attached)<br>Duplex recreational<br>Two-family residential<br>Townhouse residential<br>Multiple-family residential<br>Small group living (disabled)<br>Small group living (nondisabled) | No specification.<br><i>From the Zoning Ordinance: Residential uses allowed in the NBD district are subject to compliance with all applicable International Building Code regulations</i> |

Source: City of Omaha

TABLE 1.6: OMAHA ZONING ORDINANCE CATEGORIES

|            |   |          |       |  |  |
|------------|---|----------|-------|--|--|
| <b>DS</b>  | Downtown Service District                           | 324.22   | 0.55% | Residential uses.<br>Single-family residential (detached)<br>Single-family residential (attached)<br>Duplex residential<br>Two-family residential<br>Townhouse residential<br>Multiple-family residential<br>Small group living (disabled)<br>Small group living (nondisabled) | No specification.  |
| <b>NBD</b> | Neighborhood Business District                      | 142.20   | 0.24% | Single-family (detached)<br>Single-family (attached)<br>Duplex residential<br>Two-family residential<br>Townhouse residential<br>Multiple-family residential<br>Small group living (disabled)<br>Small group living (nondisabled)  | No specification. <i>From the Zoning Ordinance: Residential uses allowed in the NBD district are subject to compliance with all applicable International Building Code regulations</i>   |
| <b>R6</b>  | Low-Density Multiple-Family Residential District    | 2,151.49 | 3.66% | Single-family residential (detached)<br>Single-family residential (attached)<br>Duplex residential<br>Two-family residential<br>Townhouse residential<br>Multiple-family residential<br>Mixed Use Developments; Other Uses<br>Assisted Living /Small group living (disabled)   | 4,000 square feet minimum<br>3,000 square feet minimum<br>5,000 square feet minimum<br>7,000 square feet minimum<br>1,500 square feet minimum<br>5,000 square feet minimum<br>5,000 square feet minimum<br>5,000 square feet minimum |
| <b>R7</b>  | Medium-Density Multiple-Family Residential District | 2,478.48 | 4.22% | Single-family residential (detached)<br>Single-family residential (attached)<br>Duplex residential<br>Two-family residential<br>Townhouse residential<br>Multiple-family residential<br>Small group living (disabled)/Small group living (nondisabled)                         | 4,000 square feet minimum<br>3,000 square feet minimum<br>5,000 square feet minimum<br>7,000 square feet minimum<br>1,500 square feet minimum<br>5,000 square feet minimum<br>5,000 square feet minimum                              |

Source: City of Omaha

**TABLE 1.6: OMAHA ZONING ORDINANCE CATEGORIES**

|                  |   |          |       |  |   |
|------------------|---|----------|-------|--|---|
| <b>R8</b>        | High-Density Multiple-Family Residential District | 421.23   | 0.72% | Single-family residential (detached)<br>Single-family residential (attached)<br>Duplex residential<br>Two-family residential<br>Townhouse residential<br>Multiple-family residential<br>Assisted living<br>Small group living (disabled)<br>Small group living (nondisabled) | 4,000 square feet minimum<br>3,000 square feet minimum<br>5,000 square feet minimum<br>7,000 square feet minimum<br>1,200 square feet minimum<br>5,000 square feet minimum<br>5,000 square feet minimum<br>5,000 square feet minimum<br>5,000 square feet minimum |
| <b>MU</b>        | Mixed Use District                                | 2,900.04 | 4.93% | Multiple-family residential<br>Townhouse residential<br>Assisted living<br>Small group living (disabled)<br>Small group living (nondisabled)   | <i>Depends on the development itself. Case by case basis.</i>   |
| <b>TOD-2-MUR</b> | Mixed Use Urban Residential                       | 0.48     | 0.00% | High Density Residential (R8)  | <i>Typically R-7. City proposes higher densities than that.</i>   |
| <b>TOD-2-MX</b>  | Mixed Use   | 2.12     | 0.00% | Community Commercial (CC)  |   |
| <b>TOD-3-MNR</b> | Mixed Neighborhood Residential                    | 0.28     | 0.00% | Medium Density Residential (R7)  |   |

Source: City of Omaha

## PROJECTED HOUSING NEED

The previous sections illustrate the existing need for housing diversity and affordability. As the city grows these needs will also grow.

The City of Omaha can grow in three ways:

- A birth rate that outpaces the death rate
- New individuals and households moving into the city
- Annexation of areas that have developed in the past 10 to 20 plus years

Due to growth from annexation, understanding Douglas County’s growth patterns is just as important as understanding the city’s growth. The Metropolitan Area Planning Agency (MAPA) estimates that Douglas County will grow to over 623,000 by 2030.

Douglas County grew slightly more than was predicted for 2020 and if the county grew at its 20 year trend of 1.1% annually it would need to produce approximately 3,700 units annually.

- Over the past ten years the Omaha area (the city and its jurisdiction) has only been above 3,000 permitted units in 2017 and 2021
- The 3,700 units addresses some of the pent-up demand but nationally sources are estimating a current shortage of anywhere from 1.5 million (Moody’s Analytics) to 3.79 million (UpForGrowth.org) illustrating how challenging it is to determine the true housing shortage

How Omaha grows will also be very important. Omaha growth is limited county boundaries and the Elkhorn ridgeline, which forms the western

**TABLE 1.7: FORECASTED POPULATION GROWTH IN THE MAPA REGION, 2010 TO 2050**

| County               | 2010           | 2020           | 2030           | 2040             | 2050             |
|----------------------|----------------|----------------|----------------|------------------|------------------|
| Douglas              | 517,110        | 571,311        | 625,173        | 680,008          | 736,658          |
| Sarpy                | 158,840        | 196,701        | 233,688        | 274,837          | 317,618          |
| Pottawattamie (TMA*) | 80,509         | 81,909         | 84,705         | 85,968           | 85,646           |
| <b>TOTAL</b>         | <b>756,459</b> | <b>802,432</b> | <b>943,566</b> | <b>1,040,813</b> | <b>1,139,922</b> |

\*TMA - Transportation Management Area  
Source: MAPA

boundary of the area that can be served by the Papio Creek watershed interceptor sewers. The City’s 2021 Building and Development Summary reported noted that if greenfield development continues at densities similar to the past 5 years only 47,777 units will be accommodate. However, if development patterns are similar to Midtown Omaha’s medium density neighborhoods over two times as many units will be accommodated at 108,735.

## Development Program

At 1.1% annual growth, Douglas County will need to produce nearly 30,000 units by 2030.

- Of those nearly 30,000 units over 8,000 units will need to be priced below \$200,000 or for households making less than \$75,000.
  - › At current building cost these units cannot be produced without changing the type of owner-occupied unit that is being constructed. This includes the size of the home and lot size. The other option will require funding the gap between costs (material, labor, and land) and this price point.
  - › Some of these units may also come from the city’s existing housing stock. This filter effect occurs when a household moves to a unit that better fits their stage of life and their existing is vacated for another household.
- An additional 7,000 rental units with rents below \$1,000 a month or for households making less than \$50,000.

Some of these units (both owner and renter) may also be produced indirectly by higher income households moving to higher priced units. However, construction activity has to keep pace with growth and buyer preferences.

**Figure 1.22: Housing Development Program, 2022-2030**

|  | NUMBER OF UNITS | TOTALS |
|--|-----------------|--------|
| <b>Owner Occupied</b>                      |                 |        |
| Affordable Low: <\$200,000                 | 8,435           |        |
| Affordable Moderate: \$200,000 - \$250,000 | 2,764           | 16,836 |
| Market: \$250-350,000                      | 2,988           |        |
| High Market: Over \$350,000                | 2,649           |        |
| <b>Renter Occupied</b>                     |                 |        |
| Affordable: <\$1,000                       | 7,186           |        |
| Market: \$1,000-1,500                      | 3,415           | 13,015 |
| High Market: \$1,500+                      | 2,414           |        |
| <b>Total Need</b>                          |                 | 29,851 |

Source: RDG Planning & Design