

# FALLS CITY, NEBRASKA



## COMMUNITY HOUSING STUDY

### EXECUTIVE SUMMARY

*“...Positioned to meet the housing needs & wants of the Community.”*

Prepared By:

**HANNA:KEELAN ASSOCIATES, P.C.**

Community Planning & Research

Lincoln, Nebraska

[www.hannakeelan.com](http://www.hannakeelan.com)

**JANUARY, 2010**

---

# COMMUNITY HOUSING STUDY FALLS CITY, NEBRASKA

---

---

## FALLS CITY HOUSING COMMITTEE

<b>Rod Vandenberg, Mayor</b>	Beth Sickel
Adam Morris	Charlie Radatz
David Sickel	Jerry Oliver
Dana Rathje	Brad Campbell
Kevin Malone	Ed Harris
Hal Sutter	

**Beckie Cromer – Executive Director (EDGE)**

This Community Housing Study was completed with guidance and direction from the City of Falls City, Nebraska, Housing Committee and Falls City Economic Growth & Development Enterprise (EDGE).

The Housing Study was completed by Hanna:Keelan Associates, P.C., a professional Community Planning and Research Consulting Firm, based in Lincoln, Nebraska.

The Falls City, Nebraska Community Housing Study was funded by a *Housing Grant from the Nebraska Investment Finance Authority* and local Community matching funds.

### CONSULTANT

- ◆ **HANNA:KEELAN ASSOCIATES, P.C.**  
Planners in Charge: Becky Hanna & Tim Keelan  
Contributing Planners: Lonnie Dickson, AICP & Keith Carl  
Lincoln, Nebraska Phone: (402) 464-5383  
[www.hannakeelan.com](http://www.hannakeelan.com) [tkeelan@hannakeelan.com](mailto:tkeelan@hannakeelan.com)

---

## **SUMMARY STATEMENT**

The City of Falls City provided ample opportunity for input from various individuals, organizations, groups and Community leaders, regarding the existing and future housing situation in the City. The information obtained through various activities greatly assisted in identifying and prioritizing housing needs in the Community. In addition to statistical information addressing housing needs, the results of housing surveys and input from the Falls City Housing Committee provided an opportunity to build consensus regarding future housing activities.

The following provides “*consensus statements*” regarding the future of affordable housing activities in Falls City, as determined via public input.

1. **During the next five years, increase the overall residential tax base in Falls City by 20 percent, by removing economically dysfunctional/ substandard housing, creating new housing units (up to 80 units) and upgrading or renovating of the existing housing stock. Emphasis needs to be given the development of higher priced single family housing units for upper-income households.**
2. **Establish a local housing “Land Trust” to secure land for housing developments. Land currently occupied by deteriorated housing should be given priority.**
3. **Falls City needs to establish a Workforce Housing Initiative, to secure the involvement of employees in the provision of sound, decent and affordable housing in the Community. Concentrate on the delivery of housing to cost burdened families.**
4. **Low- and medium-priced low density housing, both for rent and purchase, is greatly needed in Falls City, for young families and working households. Affordable homes of all sizes are in demand. A First-Time Homebuyer Program and the preservation/modernization of older homes should be implemented.**
5. **A Credit-to-Own, or “CROWN” Program needs to be established to assist renters in becoming homeowners.**
6. **Maintaining retirement housing options for the elderly and accessible housing for persons with a disability(ies) should be a top priority in Falls City. The development of low density affordable housing units, such as duplex housing and patio homes with available supportive services, should be considered. Such housing will provide older adults and persons with a disability(ies) with adequate housing options.**

- 
7. **Develop additional rental housing in the Downtown and plan and build a licensed Assisted Living facility.**
  8. **To ensure a clean and safe environment, the maintenance of private residential properties is encouraged, i.e. trash removal, junk cars, etc. Eliminate the parking of vehicles in sidewalk right-of-ways, front-yards and other non-paved residential areas.**
  9. **Economic development activities should be tied directly to housing needs. As new jobs are created and existing jobs are maintained, it is important to determine what housing needs the new and existing workforce have, what employees can afford and what level of responsibility local employers, government and groups involved with housing have to ensure these housing needs are met.**
  10. **Falls City needs to periodically review building and housing codes. Such codes should serve as an asset and not as a barrier to the maintenance and development of safe and decent housing.**
  11. **Maintain a current City Comprehensive Plan and Zoning/Subdivision Regulations, to insure the modern implementation of housing development. Also, continue the use of the Nebraska Community Development Law in residential neighborhoods, to allow for the use of Tax Increment Financing as a financing tool for housing improvements.**

---

## **PRIORITY HOUSING NEEDS**

The **Priority Housing Needs** of Falls City were derived from the results of both qualitative and quantitative housing planning research activities. The following is a review of these priorities.

**TABLE A  
PRIORITY HOUSING NEEDS  
FALLS CITY, NEBRASKA  
2015**

<b><u>Housing/Population Group</u></b>	<b><u>Type of Housing Needed</u></b>
1. Create A Housing Rehabilitation Initiative; Purchase and Remove Substandard Housing Stock.	a) Purchase/Rehab/Resale or Re-Rent Housing Units. b) Create a Land Trust For Future Residential Development. c) Housing Rehabilitation Activities.
2. Housing For Low- To Moderate-Income Families & Elderly Persons.	a) First-Time Homebuyers Program. b) Single Family or CROWN Credit-To-Own Units. c) Elderly Owner Housing Units. d) Licensed Assisted Living Facility. e) Downtown Housing Developments.
3. Moderate-Income Workforce Housing.	a) Homeownership Opportunities. b) Credit-To-Own Programs. c) Affordable Rental Units.
4. Moderate – to Upper – Income Single Family/Elderly Housing.	a) Additional Market Rate Housing for Families and Elderly Households.

Source: Hanna:Keelan Associates, P.C., 2010

## POPULATION PROFILE

**Table B** identifies **population trends and projections** for Falls City and Richardson County, from 1980 to 2015. The current population for the City of Falls City is estimated to be 4,164 persons. Based on population projections, the population of Falls City for 2015 is expected to range from a low projection of 4,009 persons, a decrease of 155 persons, or 3.8 percent from 2010, to a high projection of 4,226 persons, an increase of 62 persons, or 1.5 percent from 2010 to 2015. The medium population of **4,167** was utilized for calculating important targeted households for Falls City.

The current (2010) population for Richardson County is estimated to be 8,972 persons and is expected to decrease by approximately 313 persons, or 3.6 percent to 8,659 persons by 2015.

**TABLE B**  
**POPULATION TRENDS AND PROJECTIONS**  
**FALLS CITY / RICHARDSON COUNTY, NEBRASKA**  
**1990-2015**

	<u>Year</u>	<u>Population</u>	<u>Total</u>		<u>Annual</u>	
			<u>Change</u>	<u>Percent</u>	<u>Change</u>	<u>Percent</u>
Falls City:	1990	4,769	--	--	--	--
	2000	4,671	-98	-2.1%	-9.8	-0.2%
	2010	4,164	-507	-12.2%	-56.3	-1.4%
	Low 2015	4,009	-155	-3.8%	-31	0.8%
	Medium 2015	4,167	+3	+0.1%	+0.6	+0.02%
	High 2015	4,226	+62	+1.5%	+12.4	+0.3%
Richardson County:	1990	9,937	--	--	--	--
	2000	9,531	-406	-4.1%	-40.6	-0.4%
	2010	8,972	-559	-6.2%	-62.1	-1.2%
	2015	8,659	-313	-3.6%	-62.6	-0.7%

Census Estimates: City/Co.: 2001 – 4,510/9,231; 2002 – 4,421/9,070; 2003 – 4,305/8,863; 2004 – 4,247/8,768; 2005 – 4,190/8,663; 2006 – 4,121/8,519; 2007 – 4,039/8,342; 2008 – 4,017/8,294

Source: 1990, 2000 Census; 2001-2008 Census Estimates  
 Hanna:Keelan Associates, P.C., 2010

## HOUSEHOLD CHARACTERISTICS

Table C identifies specific household characteristics in Falls City and Richardson County, from 1990 to 2015. The number of households in Falls City is projected to increase by an estimated 17 households, from 2010 to 2015. In Richardson County, the number of households is projected to decrease by an estimated 46 households from 2010 to 2015. Persons per household are projected to decline, slightly, in both the City of Falls City and Richardson County, from 2010 to 2015.

Group quarters consist of living quarters that are not considered a household, such as, dormitories, nursing care centers and correctional facilities. There are approximately 189 persons residing in group quarters in Richardson County, of which 175 are located in Falls City.

**TABLE C  
SPECIFIC HOUSEHOLD CHARACTERISTICS  
FALLS CITY / RICHARDSON COUNTY, NEBRASKA  
1990-2015**

	<u>Year</u>	<u>Population</u>	<u>Group Quarters</u>	<u>Persons in Households</u>	<u>Households</u>	<u>Persons Per Household</u>
<b>Falls City:</b>	1990	4,769	124	4,645	2,093	2.22
	2000	4,671	158	4,513	2,008	2.25
	<b>2010</b>	<b>4,164</b>	<b>169</b>	<b>3,995</b>	<b>1,949</b>	<b>2.05</b>
	<b>2015</b>	<b>4,167</b>	<b>175</b>	<b>3,992</b>	<b>1,966</b>	<b>2.03</b>
<b>Richardson County:</b>	1990	9,937	250	9,687	4,120	2.35
	2000	9,531	204	9,327	3,993	2.34
	<b>2010</b>	<b>8,972</b>	<b>189</b>	<b>8,783</b>	<b>3,898</b>	<b>2.25</b>
	<b>2015</b>	<b>8,659</b>	<b>183</b>	<b>8,476</b>	<b>3,852</b>	<b>2.20</b>

Source: 1990, 2000 Census  
Hanna:Keelan Associates, P.C., 2010

---

## **HOUSING TARGET DEMAND**

### **Housing Target Demand**

Table D identifies the overall **Housing Target Demand** in Falls City, by 2015. This Target Demand provides the Community with clarity in terms of specific housing projects to undertake, during the next five years. Local housing stakeholders and providers need to be focused on this housing demand and achieving reasonable goals and outcomes that will effectively increase the quality of the housing stock in Falls City. The total estimated **Housing Target Demand** for Falls City, by 2015, is **81 housing units, including 39 owner and 42 rental units**. The total housing demand would have an estimated cost of \$12.2 Million.

**TABLE D  
ESTIMATED TARGET HOUSING DEMAND & REQUIRED BUDGET  
FALLS CITY, NEBRASKA  
2015**

<u>Owner</u>	<u>Renter</u>	<u>TOTAL</u>	<u>Est. Required Budget</u>
39	42	81	\$12.2M

Based upon new households, providing affordable housing for 20% of cost burdened households, with housing problems, replacement of 20% substandard (HUD) housing stock, absorb housing vacancy deficiency by creating 5% vacancy rate consisting of structurally sound housing units, built for Pent-Up demand. **Adjusted, based upon local housing development capacity and the availability of land and financial resources.**

Source: Hanna:Keelan Associates, P.C., 2010

---

## Housing Rehabilitation Demand

Table E identifies the targeted housing rehabilitation needs, in Falls City, by 2015. An estimated 72 housing structures are in need of either moderate or substantial rehabilitation, at an estimated cost of \$2.8 Million. Additionally 39 to 49 total units are in need of demolition, over the next five years.

In July, 2009, the City of Falls City was awarded \$100,000 in Community Development Block Grant funds with a \$20,000 local match. These funds will be used to demolish 10 to 11 dilapidated homes throughout the Community.

**TABLE E**  
**ESTIMATED TARGETED HOUSING REHABILITATION NEEDS**  
**FALLS CITY, NEBRASKA**  
**2015**

<u># Rehabilitated / Est. Cost</u>	<u>Demolition</u>
72 / \$2.8M	39 to 49

\*Based upon field inspections and age of housing.  
Source: 2000 Census  
Hanna:Keelan Associates, P.C., 2010

The demolition of substandard, dilapidated, unsafe housing units needs to be a priority housing activity in Falls City, during the next five years. Land being occupied by “bad” housing should be secured in a single “Land Trust” or “Land Bank,” reserved for future housing development.

### Richardson County Profile - NIFA

Annually, the Nebraska Housing Finance Authority prepares a Nebraska Profile of housing data, showcasing the housing situation in each of the State’s 93 counties and largest Cities. The Profile includes data for Richardson County. The most current (2009) Profile indicates an estimated population of 8,351 persons, in Richardson County, as of July, 2007. The County population is projected to remain stable, with little increase or decrease through the next 15 years.

For the year 2010, the Housing Profile shows Richardson County consisting of an estimated 3,589 households (2,760-Owner, 829-Renter). The number of housing units needed in the County is projected to increase by an estimated 90, from 2010 through 2025, all owner units.

Between 1999 and 2007, the average price of a single family home increased from \$40,153, in 2000, to \$44,875, in 2007. This represents an increase of an estimated 10.5 percent.

**Housing Target Demand - Target Populations**

Table F identifies housing demand for specific target populations and proposed housing types, by Area Median Income (AMI), for Falls City, by 2015. Target populations include elderly, family and special needs populations.

By 2015, 81 additional, new housing units will be needed in Falls City, consisting of an estimated 39 owner and 42 renter units. The majority of owner and renter units to be constructed are targeted for non-elderly households.

An estimated 46 new housing units, including 18 owner units and 28 renter units, will be needed for workforce households in Falls City.

<b>TABLE F HOUSING EXPECTATIONS - TARGET POPULATIONS FALLS CITY, NEBRASKA 2015</b>							
<b>OWNER UNITS</b>	<b>HOUSEHOLD AREA MEDIAN INCOME (AMI)</b>					<b>TOTALS</b>	<b>Workforce Sector 35%-125%</b>
	<b>0%-30%</b>	<b>31%-50%</b>	<b>51%-80%</b>	<b>81%+</b>			
Elderly (55+)	0	0	3	18	21	4	
Family	0	0	6	10	16	12	
Special							
<u>Populations<sup>1</sup></u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>2</u>	<u>2</u>	
Subtotals	0	0	11	28	39	18	
<b>RENTAL</b>							
<b>UNITS</b>							
Elderly (55+)	3	3	4	10	20	8	
Family	0	7	11	0	18	18	
Special							
<u>Populations<sup>1</sup></u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>2</u>	
Subtotals	5	12	15	10	42	28	
<b>TOTALS</b>	<b>5</b>	<b>12</b>	<b>26</b>	<b>38</b>	<b>81</b>	<b>46</b>	

\* Includes Credit- or Lease-To-Own units.  
<sup>1</sup> Any person with a special housing need due to a cognitive and/or mobility disability.  
Source: Hanna:Keelan Associates, P.C., 2010

**Housing Target Demand – Price Product**

Table G identifies proposed housing types, by price product, by Area Median Income (AMI), for Falls City, by 2015. The owner housing type most needed, by 2015, will be two- and three-bedroom units, priced between \$133,000 and \$289,000. The rental unit most needed in Falls City will be the two- and three-bedroom unit, with a monthly rent between \$370 and \$765.

Owner units for the City’s workforce population should mainly consist of three-bedroom units, while renter units should consist of two+-bedrooms. Owner units should be priced between \$95,000 and \$132,000, with workforce renter units having a monthly rent between \$395 and \$690.

**TABLE G  
PROPOSED HOUSING BY PRICE PRODUCT (AREA MEDIAN INCOME)  
FALLS CITY, NEBRASKA  
2015**

<b>OWNER UNITS</b>	<b>PRICE – PURCHASE COST (Area Median Income)</b>			<b>TOTALS</b>	<b>Work Force</b>
	<b>(51%-80%) \$95,000- \$132,000</b>	<b>(81%+) \$133,000- \$289,000</b>			<b>(35%-125%) \$95,000-\$132,000</b>
2 Bedroom	5	9		14	6
3+ Bedroom	10	15		25	12
<b>TOTALS</b>	<b>15</b>	<b>24</b>		<b>39</b>	<b>18</b>

<b>RENTAL UNITS</b>	<b>PRICE – PURCHASE COST (Area Median Income)</b>				<b>TOTALS</b>	<b>Work Force</b>
	<b>(0%-30%) \$0-\$325</b>	<b>(31%-50%) \$301-\$480</b>	<b>(51%-80%) \$370-\$765</b>	<b>(81%+) \$645-\$925</b>		<b>(35%-125%) \$395-\$690</b>
1 Bedroom	5	2	0	0	7	0
2 Bedroom	0	7	8	10	25	18
3+ Bedroom	0	3	7	0	10	10
<b>TOTALS</b>	<b>5</b>	<b>12</b>	<b>15</b>	<b>10</b>	<b>42</b>	<b>28</b>

Source: Hanna:Keelan Associates, P.C., 2010

---

## *HOUSING DEMAND SITUATION*

The Community of Falls City has added an estimated 23 new housing units since 2000. Owners of these new homes were previous homeowners or renters within the area, desiring to situate into a new or larger home. More business development for the City could mean an increase in the construction of new homes, or more aggressive efforts to rehabilitate the current housing stock.

In July, 2009, the City received a grant for \$100,000, with a \$20,000 local match, to purchase and demolish substandard housing units. This effort will not only assist in eliminating unsafe housing in Falls City, but also provide land to construct new infill housing units.

The Stephenson Hotel, located in Downtown Falls City, was purchased and is being renovated into apartments and hotel rooms.



Some of the housing needs expressed in Falls City, as identified in the Housing Needs & Wants Survey, included the rehabilitation of owner- and renter-occupied housing, low- and moderate income housing options for families and housing choices for first-time homebuyers. There is a growing need for starter homes and workforce housing in Falls City, especially homes in the \$85,000 to \$165,000 price range. Unfortunately, many people believe that the high costs of utilities and homeowners insurance are the barriers preventing people from owning a home. Rehabilitation of homes in Falls City can help to meet the needs of households wishing to purchase a home in this price range.

---

**Falls City residents want to see a new, modern assisted living facility built in the Community.**

Most citizens of Falls City expressed a need for developing more single family homes for both low- to moderate-income households and upper-income households desiring a new housing unit. Most family households expressed a need for rehabilitation of the current housing stock to attract more residents to live in Falls City.

## **THE FIVE-YEAR HOUSING ACTION PLAN**

The greatest challenge for Falls City, during the next five years, will be to rehabilitate the owner and renter housing stock to create safe, livable housing units for the persons and families of Falls City, along with developing housing units for the low- to moderate-income families, at 51+ percent AMI. At a minimum, the Community needs to develop up to 39 new owner units and 42 rental units, by 2015. These units will be needed for all household types, including elderly, family and special population households, with emphasis on younger, workforce households.

Above and beyond the 81 new units targeted for Falls City, by 2015, a current need exists for a “stand alone” **assisted living facility** for both quasi-independent and frail elderly persons. It is estimated that a facility of 22 to 30 units would fit well with the Community. Independent single bedroom units, equipped with modern and efficient kitchens and bathrooms, along with a living room, study area, computer or hobby room would be appropriate. Individual units could range in size from 680 to 860 square feet. An assisted living facility should come equipped with a commons area, including a dining room, to provide all necessary social, recreational and medical support services and be available to both private persons and individuals assigned to Medicare/Medicaid.

A proposed **Five-Year Housing Action Plan**, for Falls City, is identified with this Housing Study, to give clarity and direction to the development of additional housing units in the Community. The Action Plan identifies specific housing activities, and estimated costs, per housing activity.

*City of Falls City, Nebraska*  
**FIVE-YEAR HOUSING ACTION PLAN**

Housing  
Implementation  
**HOUSING ACTIVITY**

**PURPOSE**

**EST. COST**

1.	Continue a Falls City housing capacity building/ education/ promotional program to local interests.	To educate Community housing interests on the local housing situation/potential and to recruit profit and non-profit housing developers. The Southeast Nebraska Development District (SEND) and Southeast Nebraska Affordable Housing Council (SENAHC) can provide guidance with housing capacity building, education, promotion program.	<b>\$12,500 Annually</b>
2.	Falls City Housing Fair – Annual.	An annual program to showcase existing and potential housing programs, while viewing areas of vacant land for potential housing development.	<b>\$4,500 Annually</b>
3.	Housing Inspection Program in Falls City to focus on both rental and owner properties.	To allow for the ongoing inspection of both owner and rental housing properties, to insure code enforcement and the availability of safe housing. Receive guidance from SEND, SENAHC and Southeast Nebraska Community Action with this Program.	<b>\$32,000 Annually</b>
4.	City of Falls City Housing Program Website.	To provide a resource for finding available owner and rental housing and buildable lots in the Community.	<b>\$4,500 Annually</b>
5.	Falls City Land Trust.	Create a local Land Trust Program, to secure land for housing needs. Local housing interests, the City, SEND and SENAHC could provide guidance with this program and could also tie into a Workforce Housing Initiative.	<b>\$130,000 Annually</b>
6.	Create a Workforce Housing Initiative.	In partnership with local businesses and industry, City government, Falls City CRA, Falls City Housing Authority and Falls City Housing Committee, to provide additional housing in the Community, while eliminating blight in selected neighborhoods. Included in the Initiative could be an Employment Assistance Program, to assist employees in becoming homebuyers and the development of a local Land Trust, to make land available for the development of housing.	<b>\$5,000 Annually</b>
7.	Create a Housing Rehabilitation Initiative.	Create an Initiative to assist persons and families of Falls City in the moderate/substantial rehabilitation of existing households. This could be done with local, state and federal grant funding organizations, while in partnership with City government, Falls City CRA, Housing Authority and Housing Committee.	<b>\$36,000 Annually (Administration Only.)</b>

**Housing Developments**  
**Elderly/Special Population**  
**Rental/Owner Units**  
**HOUSING ACTIVITY**

	<b>PURPOSE</b>	<b>EST. COST</b>
8. Up to 12 townhome units, for households 55+ years, at 81%+ AMI.	To provide elderly households with a two-bedroom modern rental housing option, either for rent or purchase.	\$2,100,000
9. Up to five duplexes, 10 units, for households 55+ years, 55%+ AMI.	To provide a new rental opportunity for older adults, consisting of two-bedroom units.	\$950,000
10. Develop up to 12 single family and/or patio home units for elderly households.	To provide homeownership opportunity to elderly households, comprised of two- and three-bedroom units.	\$2,525,000
11. Develop a 30-unit Assisted Living Housing Facility.	Provide a new assisted living opportunity for Falls City residents, 65+ years of age. Include both one- and two-bedroom units.	\$3,700,000
12. Develop up to two owner housing units and four rental units for Special Populations.	Provide units for households with a member having a disability(ies).	\$725,000

**Family Rental Housing**  
**HOUSING ACTIVITY**

	<b>PURPOSE</b>	<b>EST. COST</b>
13. Develop eight to 10 CROWN (Credit-to-Own) housing units for single families, 51% to 60% AMI.	To provide two- and three-bedroom affordable housing for families of various middle income levels. Possibly combine with local Workforce Housing Initiative or include select units for persons with a disability(ies).	\$1,700,000
14. Up to five duplexes, 10 units, for individuals/ families @ 0% to 80% AMI.	To provide affordable two- and three-bedroom units for persons/families of very low- to moderate-income. Possibly combine with local Workforce Housing Initiative or include select units for persons with a disability(ies).	\$950,000

**Owner Housing Programs**  
**HOUSING ACTIVITY**

**PURPOSE**

**EST. COST**

15.

Up to 24 single family housing units for both entry-level families @ 51% to 125% AMI and market rate households @ 125%+ AMI.

To provide three+-bedroom home ownership opportunities to both moderate- and upper-income households. Units targeted for the moderate-income households could be either a CROWN and/or a Purchase-Rehab-Resale, Down Payment Assistance Program.

\$5,700,000

**Housing Rehabilitation Program/Special Projects**  
**HOUSING ACTIVITY**

**PURPOSE**

**EST. COST**

16.

Remove up to 50 substantial housing structures, by 2015.

To provide land for replacement housing, while removing dilapidated, unsafe housing stock in Falls City.

\$2,250,000

17.

Provide a moderate rehabilitation program for up to 50 housing units, in Falls City, by 2015, either owner or renter units.

To upgrade housing for low- to moderate-income families. This can be included as part of the Housing Rehabilitation Initiative.

\$2,100,000

18.

Provide a substantial rehabilitation program for up to 25 housing units, in Falls City, by 2015, either owner or renter units.

To substantially upgrade housing of low- to moderate-income families. This can be included as part of the Housing Rehabilitation Initiative.

\$1,300,000

19.

Downtown Housing Initiative.

Plan and develop additional rental housing in the Downtown, an estimated 12 to 14 units, located in the upper stories of existing buildings.

\$1,720,000