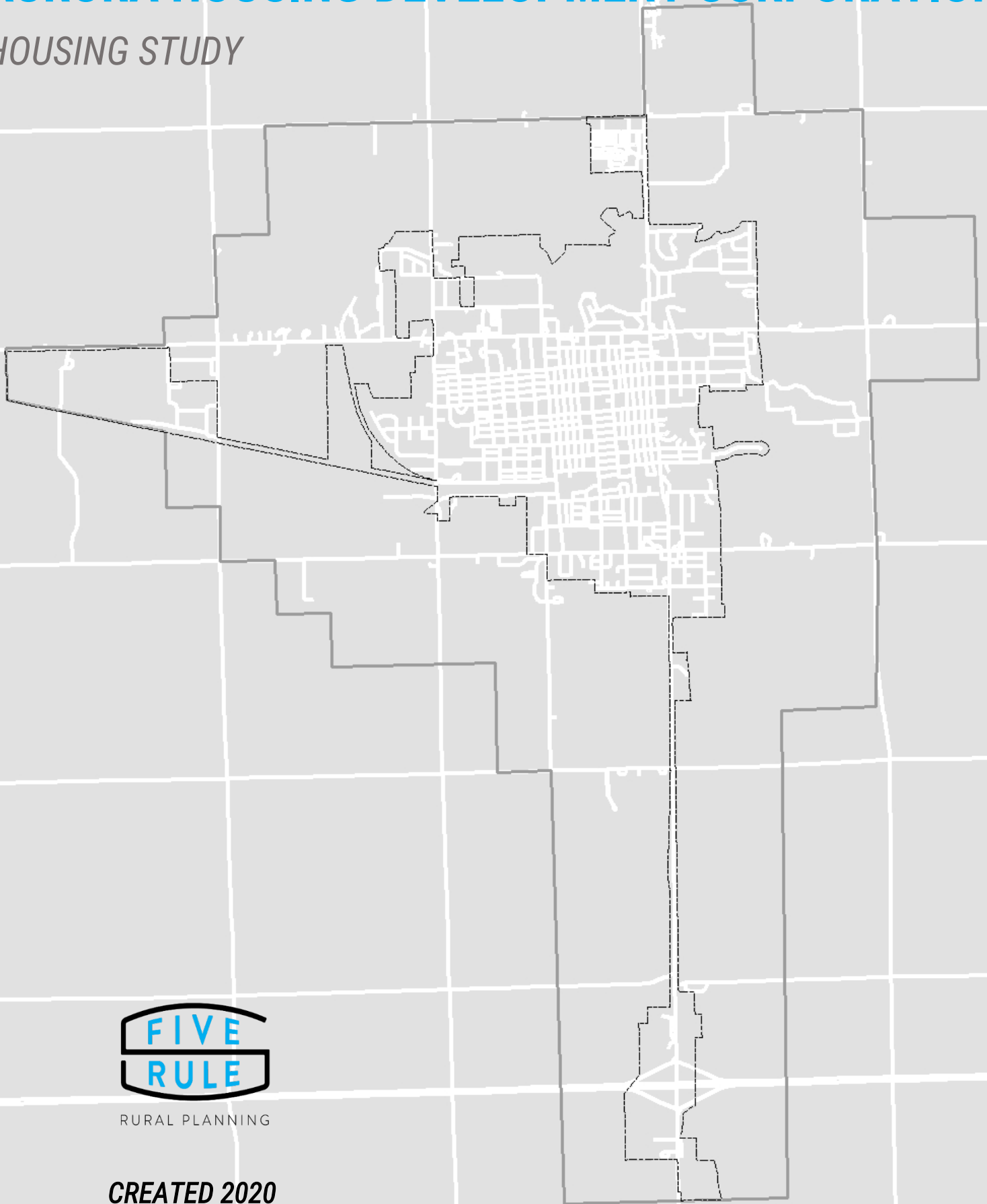


AURORA HOUSING DEVELOPMENT CORPORATION

HOUSING STUDY



RURAL PLANNING

CREATED 2020

CONTENTS

<i>HOUSING STUDY SUMMARY</i>	2
<i>PROCESS</i>	2
<i>APPENDIX</i>	6
<i>1. PUBLIC INPUT-COMMUNITY SURVEY RESULTS</i>	7
<i>2. DEMOGRAPHIC & ECONOMIC PLANNING DATA</i>	11
<i>SINGLE FAMILY HOUSING STOCK</i>	13
<i>MULTI-FAMILY HOUSING</i>	16
<i>PROJECTED POPULATION GROWTH</i>	17
<i>HOUSING NEEDS</i>	18
<i>HOUSING VALUES AND RESIDENT INCOMES</i>	20
<i>AFFORDABILITY ANALYSIS</i>	23
<i>3. STRATEGIC PLANNING MATRIX</i>	25

HOUSING STUDY SUMMARY

In the beginning of 2020, the Aurora Housing Development Corporation (AHDC) partnered with FIVE RULE Rural Planning, the City of Aurora, and the University of Nebraska, Kearney Center for Entrepreneurship and Rural Development to complete a Housing Study (Study) for the Aurora community.

While the Study was being kicked off, the City of Aurora was near completion of its 2020 Comprehensive Plan (Plan) update.

The current land use data that was created as part of the plan update was therefore utilized to inform the housing study. Due to the availability of this data, the AHDC focused primarily upon collecting public input that could be combined with the city's land use inventory.

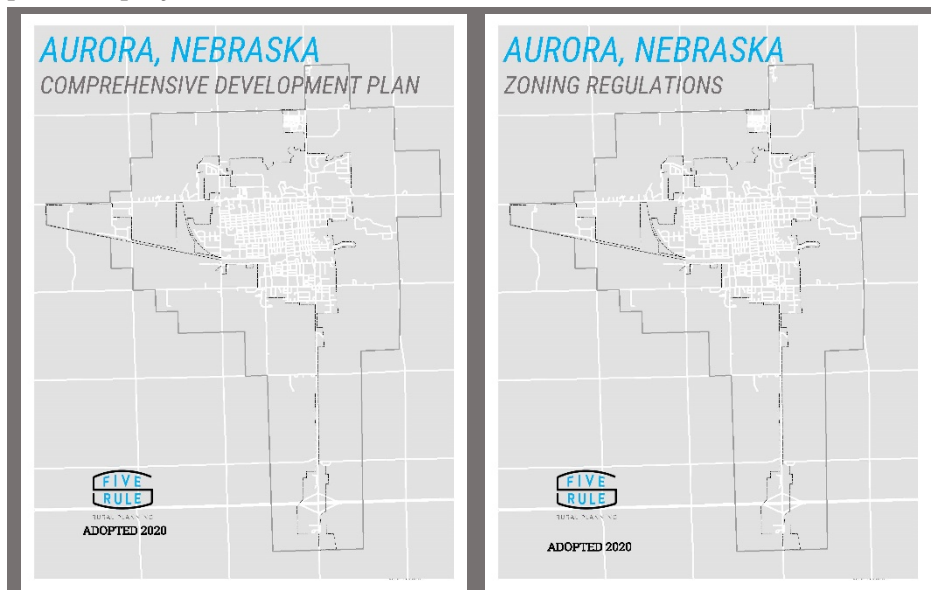
This combination of land use data with public input enabled the Board to then create a custom plan that will improve the adequacy of housing across the community.



PROCESS

The housing study process consisted of the following steps:

Coordination with City of Aurora: The City of Aurora's involvement was instrumental to ensuring that the Study could be completed accurately, on time, and with a limited budget. The City of Aurora allowed the sharing of information that included land use data, demographic/economic data, and population projection information.



Public Input Kickoff: Community stakeholders that could provide input about the housing situation for all Aurora residents were invited to kickoff event at the Bremer Community Center on February 5, 2020. The purpose of the kickoff event was to invite stakeholders to participate in upcoming individual and focus group interviews and explain the importance of each person's time and input. Slides from the presentation given that evening as well as an article published by the Aurora News Register are provided below. Twenty stakeholders attended the kickoff event.

HOUSING STUDY: GOAL

UNDERSTANDING MORE ABOUT THE MISSING MIDDLE

AURORA HOUSING DEVELOPMENT CORPORATION

HOUSEHOLD INCOME COMPARED TO HOUSING VALUE

Year	Income	Home Value
2010	\$50,189	\$196,199
2019	\$57,792	\$199,841
2024	\$64,471	\$199,841

AURORA HOUSING DEVELOPMENT CORPORATION

MEANINGFUL PUBLIC INPUT

1. STAKEHOLDER INTERVIEWS
2. FOCUS GROUP INTERVIEWS
3. COMMUNITY WIDE SURVEY

UNIK
URBAN AND RURAL PLANNING CORPORATION

1. THEMES
2. DISCOVERY
3. STRATEGIC PLAN

AURORA HOUSING DEVELOPMENT CORPORATION

...COMBINED WITH COMPREHENSIVE PLAN PROCESS

2020 VISIONING

- EXISTING CONDITIONS
- DATA
- POPULATION TRENDS
- ECONOMIC TRENDS
- PUBLIC INPUT
- PLANNING COMMISSION
- FUTURE LAND USE OPEN HOUSE
- FUTURE LAND USE MAP
- 10 YEAR COMPREHENSIVE PLAN

2030 VISIONING

AURORA HOUSING DEVELOPMENT CORPORATION

HOUSING STUDY: GOAL

- PRICE POINTS
- BARRIERS IDENTIFIED
- GREATEST DEMAND NOT BEING MET
- BEST USE OF PUBLIC RESOURCES
- BETTER DEFINITION OF "AFFORDABLE" IN AURORA
- REALITY VS PERCEPTION OF HOUSING NEEDS
- AMDC'S BEST CHANCE OF MAKING AN IMPACT

AURORA HOUSING DEVELOPMENT CORPORATION

THE COST OF DOING NOTHING...

"Doubtless there will be costs associated with solving these problems, but it is important to also consider the costs of doing nothing. Ultimately, a policy of neglect will be just as - or even more - costly than finding and implementing constructive solutions..."

- Elizabeth A. Duke, Federal Reserve speech October 5, 2012

AURORA HOUSING DEVELOPMENT CORPORATION

RECORD

PAGE A2 WEDNESDAY, FEBRUARY 12, 2020 AURORA NEWS REGISTER

Marriage Licenses
Nathaniel F. Fletcher, Aurora, and Andrea C. Ray, Aurora.

Hamilton County Traffic Docket
Anthony M. Isabell, North Platte, no valid registration, fined \$25.
Dorothy J. Droska, Red Cloud, failure to use caution when passing a stopped emergency vehicle, fined \$100.

Hamilton County Speeding Docket
1089 T.A. Hill, Grand Island, speeding 75/65, \$25; Amy L. Medaris, Phillips, speeding 49/35, \$75; Milton I. Talerstein, Omaha, speeding 60/45, \$75; Christopher B. Dennis, Omaha, speeding 109/75, \$200; Joseph F. Beutelspacher, Knoxville, Iowa, speeding 93/73, \$125; Michael L. Pflaum-King, Fallon, Nev., speeding 86/75, \$75; Austin G. Schneider, Central City, speeding 82/45, \$125; Belinda Alvarado Miranda, Omaha, speeding 88/75, \$75; Alexander W. Dawson, Stromberg, speeding 72/65, \$25.

Hamilton County Criminal Docket
Matthew S. Engleston, Aurora, driving under the influence, second offense, fined \$500 and sentenced to 30 days (concurrent) in the Hamilton County Jail, credit given for one day served.
Jahm W. Allen, Iowa City, Iowa, Court 1 - possession of a controlled substance, Court 2 - no drug test stamp, case bound over to Hamilton County District Court, defendant is to appear in Hamilton County District Court Feb. 21.
Stephanie L. Winkler, Gilmer, Court 1 - speeding 21-35 over, fined \$200; Court 2 - failure to appear or comply with citation, fined \$50.

Quentin T. Zeller, Clark, driving under the influence, first offense, fined \$500 and sentenced to 10 days (concurrent) in the Hamilton County Jail.
Brear A. Chandler, Aurora, possession of a controlled substance, case bound over to Hamilton County District Court, defendant is to appear in Hamilton County District Court Feb. 21.
Jared R. Harwick, Aurora, driving under the influence before restricted license, fined \$100.
Katie L. Argotta, Grand Island, no proof of financial responsibility, defendant is to appear in Hamilton County Court March 3.
Benjamin B. Drieser, Bradshaw, Court 1 - driving under the influence of alcoholic liquor or drugs, second offense; Court 2 - stop sign violation, defendant is to appear in Hamilton County Court March 10.
Jonathan Pike, Cambridge, fugitive from justice from the state of Colorado, defendant is to appear in Hamilton County Court Feb. 21.
Brent A. Chandler, Aurora, possession of a controlled substance, defendant is to appear in Hamilton County District Court Feb. 21.
Gerald W. Wright II, Grand Island, Court 1 - careless driving; Court 2 - speeding; Court 3 - possession of marijuana; Court 4 - possession of drug paraphernalia, defendant is to appear in Hamilton County Court March 3.

Hamilton County District Court Docket
Jahm W. Allen, Iowa City, Iowa, Court 1 - possession of a controlled substance; Court 2 - no drug test stamp, defendant is to appear in Hamilton County District Court Feb. 21.
Brent A. Chandler, Aurora, possession of a controlled substance, defendant is to appear in Hamilton County District Court Feb. 21.
Gerald W. Wright II, Grand Island, Court 1 - careless driving; Court 2 - speeding; Court 3 - possession of marijuana; Court 4 - possession of drug paraphernalia, defendant is to appear in Hamilton County Court March 3.

Input sought as part of community housing study

■ Firm helping with comprehensive plan assisting with study

by Kurt Johnson

Focus group and stakeholder interviews will be conducted in the next two weeks as part of a study being conducted to assess Aurora's housing needs and to "check the box" for a state housing grant application. More than 30 people attended a meeting organized Feb. 12 by the Aurora Housing Development Corporation, where residents, property owners and others with a vested interest in the community's housing development learned about the pending study.

"We met as a housing group in early November with people from the community to figure out what we are doing right with the housing effort in Aurora and where we need to put our money and our time," explained Janelle Stein, president of the non-profit AMDC. "Out of that came a desire to see funds at the state level in order to do that we needed to have a housing study."

Stein reported that AMDC submitted a grant application last year, which was turned down in part because a housing study had not been included.

"After that meeting in November we learned that Aurora as a city is going through a comprehensive plan process and part of that was a mini housing study the city was already paying for," she said. "We met as a group and decided that was something we wanted to invest in."

Bobbi Pettit, owner of the Kearney-based Five Rule Rural Planning firm which is working on the city's comprehensive plan, said she believes the information provided in a detailed study could help the community more specifically identify and understand its housing needs.

"When conducting a housing study, we often see two extremes - very expensive and very neglected," she said. "A housing study is done to try to understand the gray area in between, figuring out a price point needed and what will sell."

Adding some perspective to the issue, Pettit shared data reflecting that average home values in Nebraska rose from \$106,100 in 2010, to \$159,363 in 2019, and \$202,431 (projected) in 2024. By comparison, she noted, average household incomes were listed as \$52,189 in 2010, \$57,593 in 2019 and \$63,417 in 2024.

"That doesn't mean incomes are depressed," she said, "it's just that housing values are growing faster than incomes are growing."

Bobbi Pettit, Five Rule Rural Planning

But Pettit said that housing is not growing as fast as your community wants to grow so you are creating a supply and demand issue.

Pettit and housing advocates are a common problem for Nebraska communities, which means there are limited resources available.

"Whatever it is you decide to do, you are going to have to do it on your own," she said.

Local input
Lisa Tschamper, director of the Center for Entrepreneurship and Rural Development at the University of Nebraska-Kearney, then explained to the group that face-to-face interviews have been documented as the best method to gather local input. She and her team are inviting anyone with an interest to participate in the process. Questions to be discussed during the pending interviews include: price points needed for local housing; the greatest demand not being met; barriers to additional housing; determining the best use of public resources; and establishing a clearer definition of "affordable" in Aurora. The end result of the study will be AMDC's application for a Nebraska Affordable Housing Trust fund grant of as much as \$500,000.

"We're talking about using public dollars to purchase a private good and we have to walk that line carefully," Pettit added. "We have to look at how can we have assurance that if we are spending public dollars at private goods that we will have a positive impact on the community."

"As a planner, I would advise you not to find the funding and then figure out how you want to use it," she concluded. "You have to have a plan first."

Team members will be wearing orange ribbons on their shoes and the cheer squad will be sporting orange ribbons in their hair. In addition to wearing orange, Aurora FCCLA is requesting that community members bring non-perishable food items to the game to donate to The Crisis Center's shelves.

The Crisis Center is a non-profit agency providing 24-hour emergency and supportive services for victims of domestic violence and sexual assault. They provide these services for Hall, Howard, Hamilton and Merrick Counties.

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OPEN HOUSE SUNDAY, FEBRUARY 16 1:30 - 3:30 pm

306 Cottage Park Dr., Aurora

2184. THIS NEW HOME offers an open floor plan with a 2-car attached garage. Open kitchen with granite countertops, 3 bedrooms, 2 baths. All basement areas ready for finish, as well as a location that is close to local public schools.

NEW LISTING

2176. LOTS TO LOVE! The 3 bedroom home features 3 new bathrooms, new flooring, new windows and roof, living room, dining room, breakfast room, main floor laundry, unfinished basement and oversized 2-car attached garage with plenty of parking space. Call today for your personal showing!

NEW LISTING

2166. THE PERFECT SOLUTION FOR BUYERS looking for a new home with a great floorplan and at a very affordable price. Features include: 3 bedrooms, 2 baths, granite countertops, appliances, large walk-in closets, attached 2-car garage, and covered patio along with many other extras you would expect to find in a much more expensive home. Call today for an appointment.

NEW LISTING

2185. THIS NEW HOME OFFERS MORE QUALITY LIVING SPACE THAN MEETS THE EYE in this stunning 1600 sq. ft. home offering: 4 bedrooms and 2 bathrooms, fully equipped kitchen with plentiful cabinetry, a spacious great room with porcelain tile flooring and beautiful twin vaulted, master bath and roomy main floor laundry. A new oversized 2-car garage with access space for shop or storage, privacy fence and much more.

NEW LISTING

2183. THIS NEW HOME offers an open floor plan with a 2-car attached garage. Open kitchen with granite countertops, 3 bedrooms, 2 baths, a full basement, fully ready for finish, as well as a location that is

RURAL PLANNING

AURORA HOUSING DEVELOPMENT CORPORATION
2020 HOUSING STUDY
PAGE 3 OF 25

Individual and Focus Group Interviews: Following the kickoff event, a total of twenty-three stakeholders attended the interviews and represented the following sectors of the Community:

- City of Aurora Administration
- City of Aurora Planning Commission
- Aurora Chamber
- Aurora Economic Development
- Real Estate Industry
- Major Employers
- Rental Housing Tenants
- Rental Housing Owners
- New Homeowners
- Banking Industry
- Local Newspaper
- Housing Authority-administration and resident

Community Survey: A community wide survey resulted from the themes discovered during the interview process. The survey was opened to the public in March of 2020; however, the COVID-19 pandemic created a significant disruption to everyday life in Aurora for several months. As a result of this disruption, the housing study was paused until September of 2020. The survey was re-marketed to community members in September and most responses were collected at this time. A total of 154 community members and/or stakeholders responded to the survey.

AURORA LOCAL HOUSING MARKET: WHAT ARE WE MISSING?

GO TO:

▶▶▶ AURORANEHOUSING.COM ◀◀◀

TO GIVE US YOUR VALUABLE INPUT ABOUT HOUSING NEEDS IN AURORA

SURVEY OPEN TILL OCTOBER 1, 2020 | QUESTIONS? COMMENTS? CONTACT BOBBI PETTIT-bobbj@fiveruleplanning.com, 308.224.4653



Planning Data Coordination: planning data that was collected and analyzed for the Aurora Comprehensive Plan was incorporated into the housing study.

Data collected for the Plan that also informed the housing study included:

- population trends analysis;
- population projection;
- individual and household income information;
- housing value information;
- land use information regarding amount, type, and condition of housing units; and
- future land use mapping that projects the future location of all housing types in Aurora.

Community members, stakeholders, and landowners were encouraged to participate in the Future Land Use mapping portion of the Plan. Currently, the primary user of land in Aurora is residential. The City does foresee a growth in new residents leading to the need for new residential units. Therefore, the future land use portion of the Plan will significantly impact the housing situation in Aurora.

Discovery Session: stakeholders that attended the kickoff and/or participated in an interview were invited back to a virtual discovery session where results of the community survey and planning data analysis were presented. Three separate housing development themes were also presented to attendees. Attendees were then given the opportunity to provide feedback regarding initial goals that could be set to address each theme. The themes identified are listed below.

- I. HOW CAN AURORA ATTRACT BUILDERS (\$100-199, 000 HOMES)?
- II. HOW CAN AURORA DEVELOP AVAILABLE LAND FOR RESIDENTIAL STARTER HOMES?
- III. HOW CAN AURORA HAVE MIXED PRICE POINT HOUSING DEVELOPMENTS?

Strategic Plan: the conclusion of the study took place with a final presentation to the AHDC Board of Directors. The Presentation included a summary of the information collected for the study, input received at the discovery session, and recommendations for addressing the themes. The AHDC Board will utilize the results of the housing study to identify and complete goals that they believe will provide the greatest positive impact to the housing situation in Aurora.

JOIN US!

The Aurora Planning Commission has worked with FIVE RULE to prepare a proposed Future Land Use (FLU) Map.

- The proposed FLU map will be on display for public viewing and comment on **Wednesday, January 22 at City Hall**.
- Community residents are invited to view the proposed FLU map during an open house (come and go) at City Hall on Wednesday, January 22, 2-7 PM.
- A Consultant from FIVE RULE will be available to explain the proposed FLU map and answer questions.
- A formal presentation of the proposed FLU Map will also be provided from 5:30-6:00 PM that evening.



WHAT IS THE FUTURE LAND USE MAP?

In the Fall of 2019, the City of Aurora contracted with FIVE RULE Rural Planning to update the City's Comprehensive Plan (Plan). The Plan guides the City Council's land use decisions over the next decade.

The map on the back of this flyer is the City's **Existing** Land Use (ELU) map. The comprehensive plan process consists of the Council considering what attributes of the ELU map should change and what attributes should remain the same over the next decade. The Council makes these considerations with input from the Community and guidance from the Planning Commission.

Those considerations are then represented on a second map, named the Future Land Use (FLU) Map. The FLU Map will be a crucial [decision making] page within the Plan.

The Plan serves as baseline guidance for land use decisions while the Zoning Ordinance serves as the local law regulating property development within the City of Aurora and its one-mile zoning jurisdiction. While the FLU Map is not the same as the City's Zoning Map, it will guide the City's zoning decisions. Once the Plan is complete, the City Zoning Ordinance will be updated to reflect the Plan.



APPENDIX

Deliverables produced from each section described within the process are provided within the following pages.

1. PUBLIC INPUT-COMMUNITY SURVEY RESULTS

The community survey was administered by UNK-CERD and was completed by 154 participants, the full results of the survey are provided below.

Most respondents identified as female. The survey was also completed primarily by residents that have lived in the Aurora area for more than 15 years, as only 20 out of 154 respondents stated they had lived in Aurora for 15 years or less.

CHART 1.1 GENDER

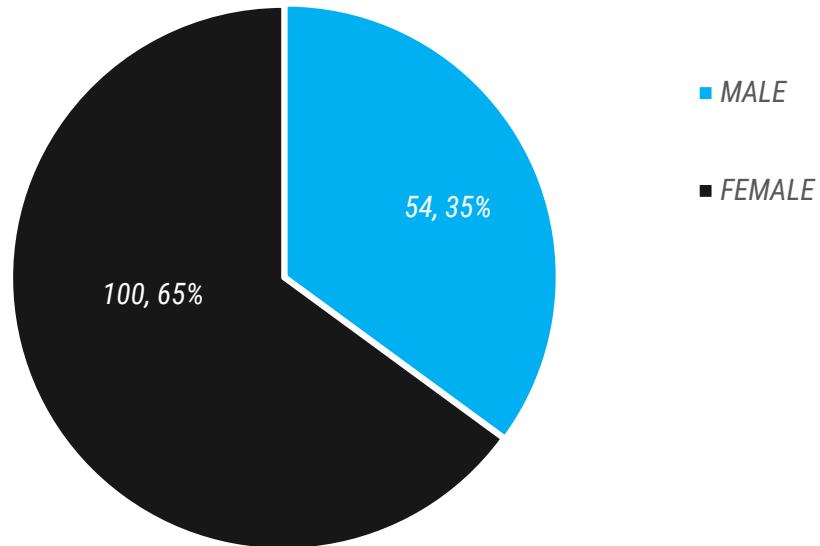
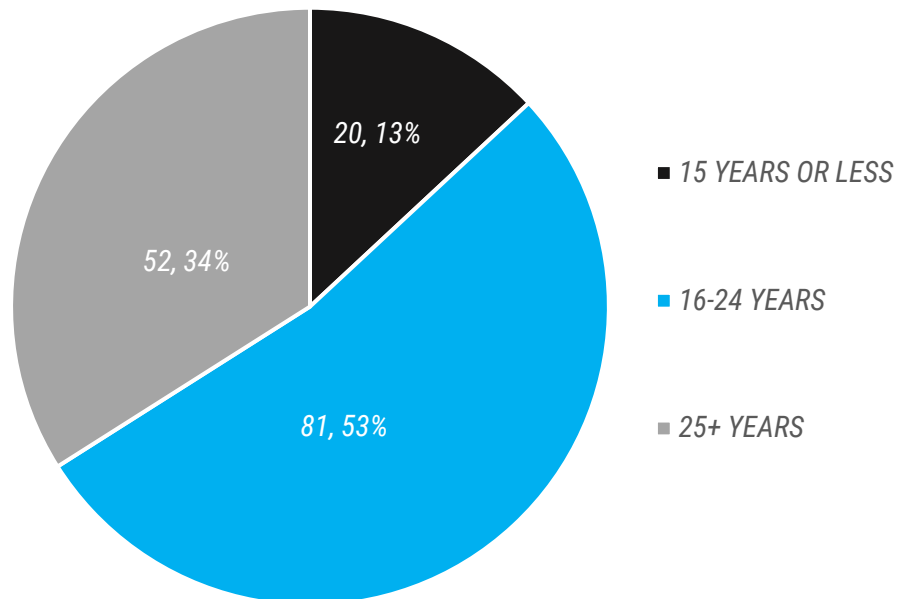


CHART 1.2 AMOUNT OF YEARS RESPONDENT HAS LIVED IN AURORA AREA



According to Charts 1.3 and 1.4 below, the survey results are based off the perspective of individuals that mostly own their current residence and work inside of Aurora. However, more than 20% of respondents are renters and almost 20% of respondents commute outside of Aurora for work. This breakdown of respondents should provide some level of comfort that the perspectives of renters and commuters was also represented within the survey.

CHART 1.3 HOUSING TENURE

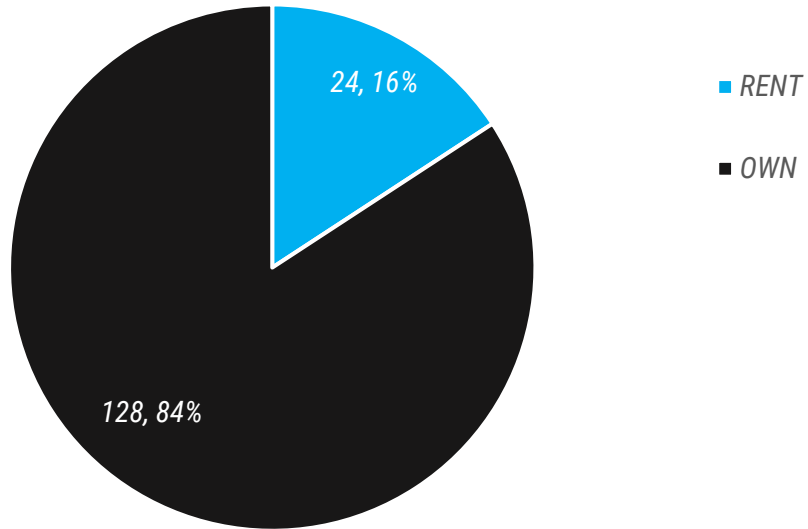
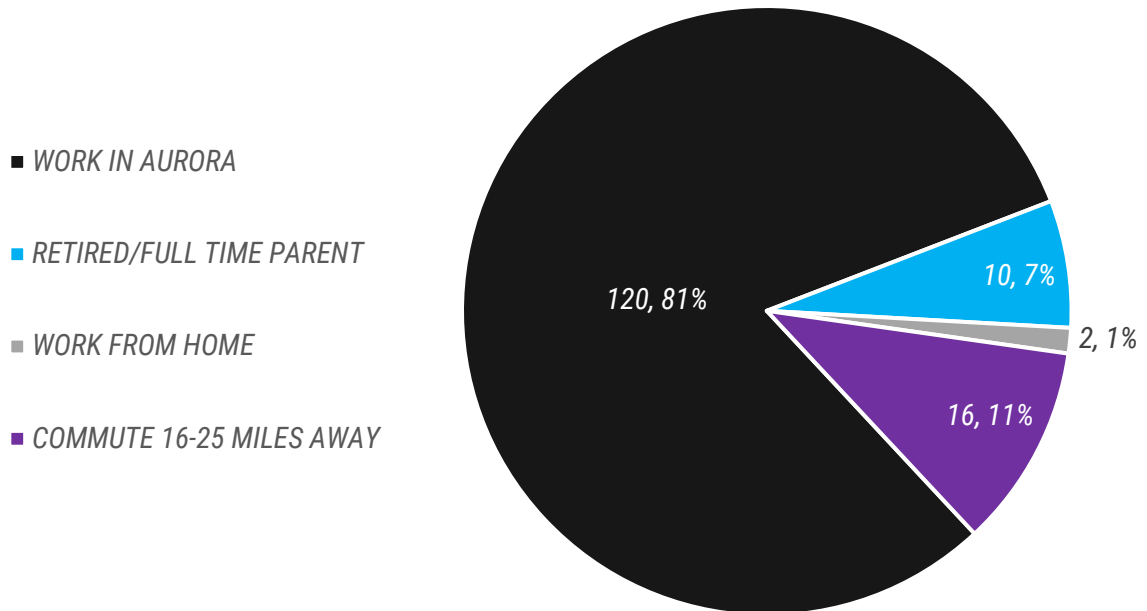


CHART 1.4 WHERE DOES RESPONDENT WORK?



Regardless of the sector of the Aurora community they were representing, Chart 1.6 communicates that survey respondents were united in their dissatisfaction with the quality and quantity of housing available to people of average means in Aurora. Average means for Aurora residents was defined by consulting household income data provided by the U.S. Census American Community Survey estimates and by considering Average Weekly Wage (AWW) data provided by the Nebraska Department of Labor.

Respondents were also given an opportunity to rank the housing project they felt would make the biggest improvement to their perceived lack of quality housing in Aurora. The top three projects that were ranked as having the biggest impact are displayed in Chart 1.6. Updating older housing units and new construction in new and established neighborhoods are the most popular types of housing projects that the community believes would make the biggest impact.

CHART 1.5
SATISFACTION WITH QUALITY AND QUANTITY OF HOUSING AVAILABLE TO PEOPLE OF AVERAGE MEANS (APP. \$30K SINGLE OR \$60K FAMILY HOUSEHOLD INCOME PER YEAR)

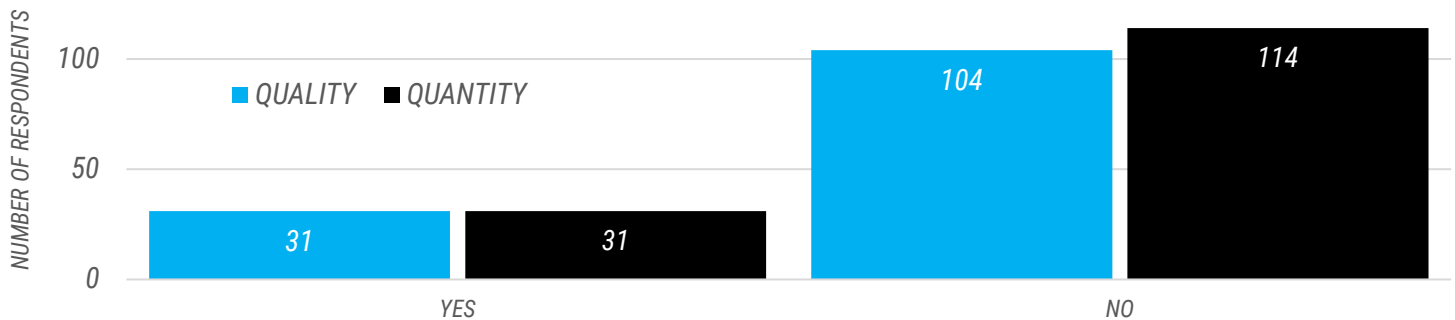


CHART 1.6
RANK THE FOLLOWING CHANGES IN ORDER THAT WILL CREATE THE MOST POSITIVE IMPACT TO THE HOUSING SITUATION IN AURORA

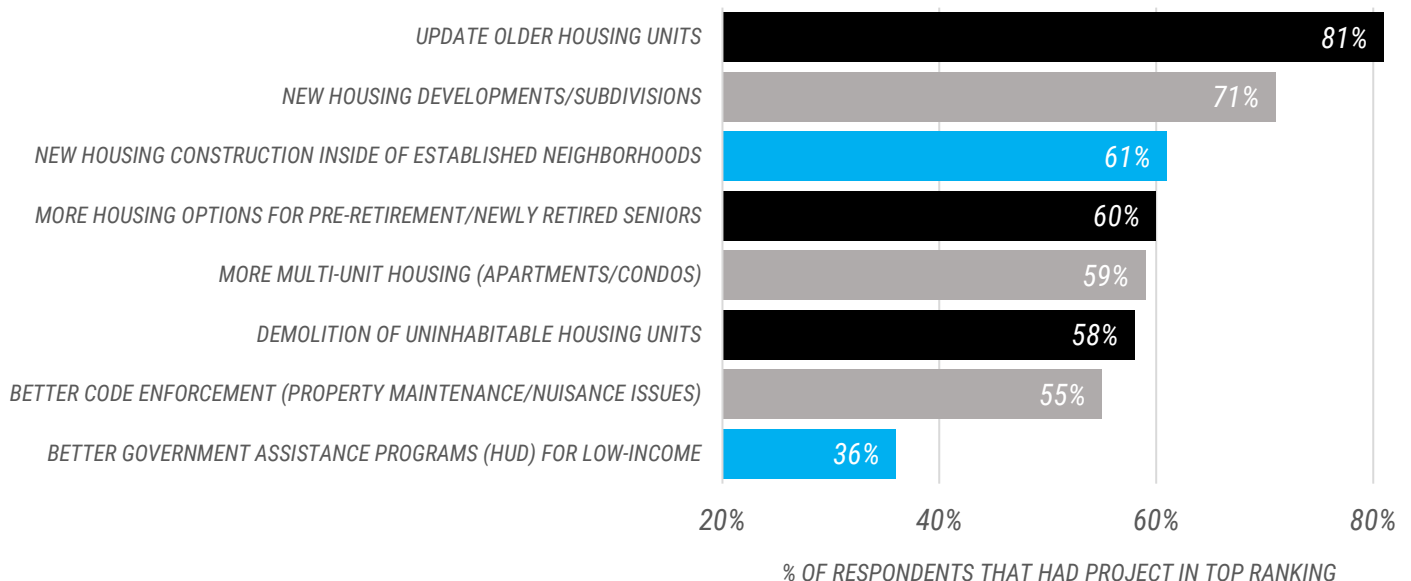


Chart 1.7 shows that survey respondents were split almost 50/50 on their opinion of the ability of younger generations to afford returning to the area to start their households. The slight majority does not believe that Aurora is an affordable place for returning generations looking to start their new households. While most respondents do not believe that Aurora has enough affordable housing, Chart 1.8 shows that Aurora’s residents mostly feel positive about their town and its overall appearance.

CHART 1.7
CAN THE YOUNGER GENERATION AFFORD TO REMAIN IN/RETURN TO THE COMMUNITY AS THEY START THEIR OWN HOUSEHOLDS?

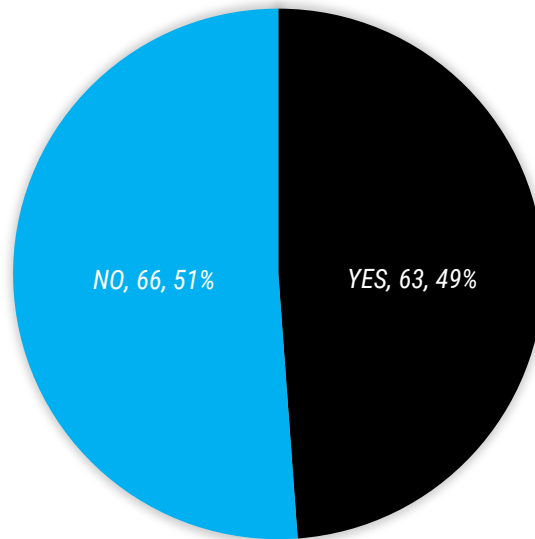
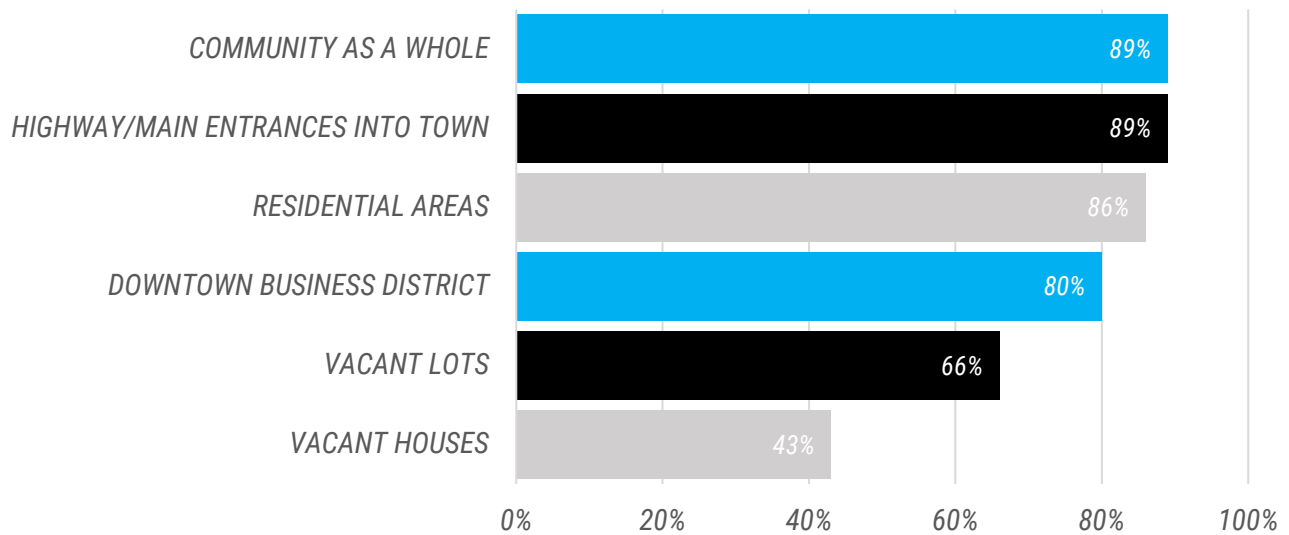


CHART 1.8 SATISFACTION WITH COMMUNITY AREAS



% OF RESPONDENTS THAT ARE SATISFIED WITH THE APPEARANCE OF EACH AREA

2. DEMOGRAPHIC & ECONOMIC PLANNING DATA

The following charts and summaries are taken from the data collected during the City's 2019 comprehensive planning effort.

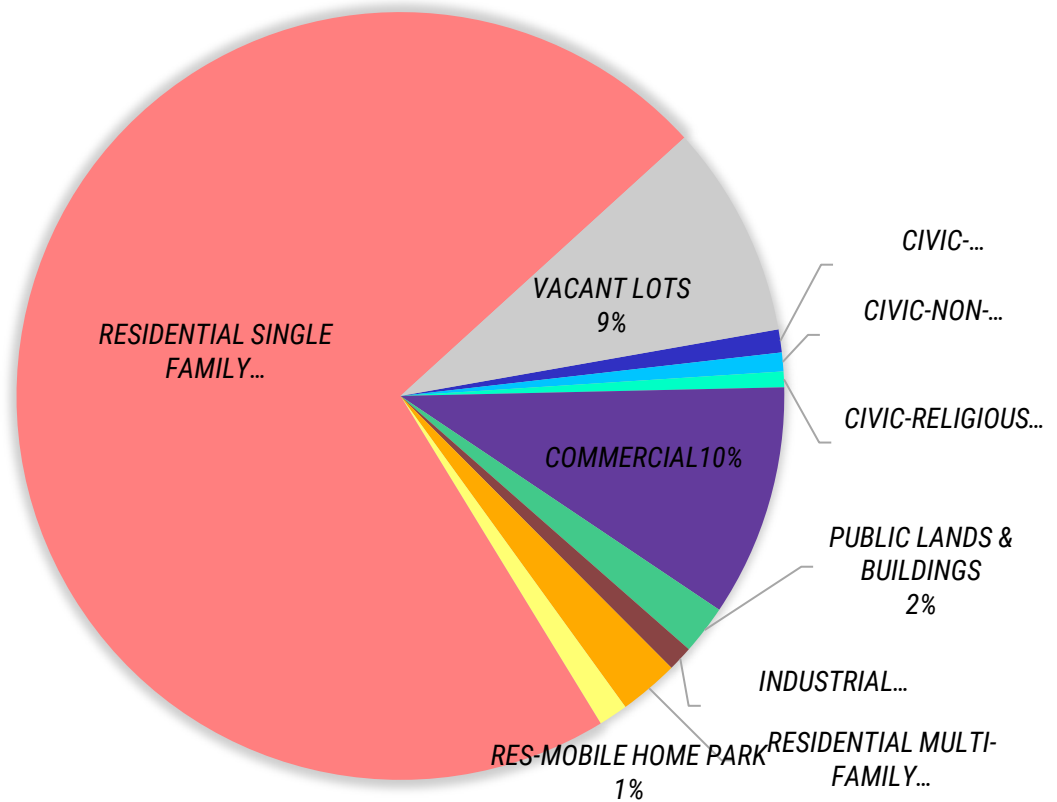
This data provides a baseline for the AHDC as they work to identify the most appropriate goals for increasing/improving housing units available in Aurora. At the request of the AHDC Board, some information was expanded upon to answer new questions as they would specifically relate to housing.



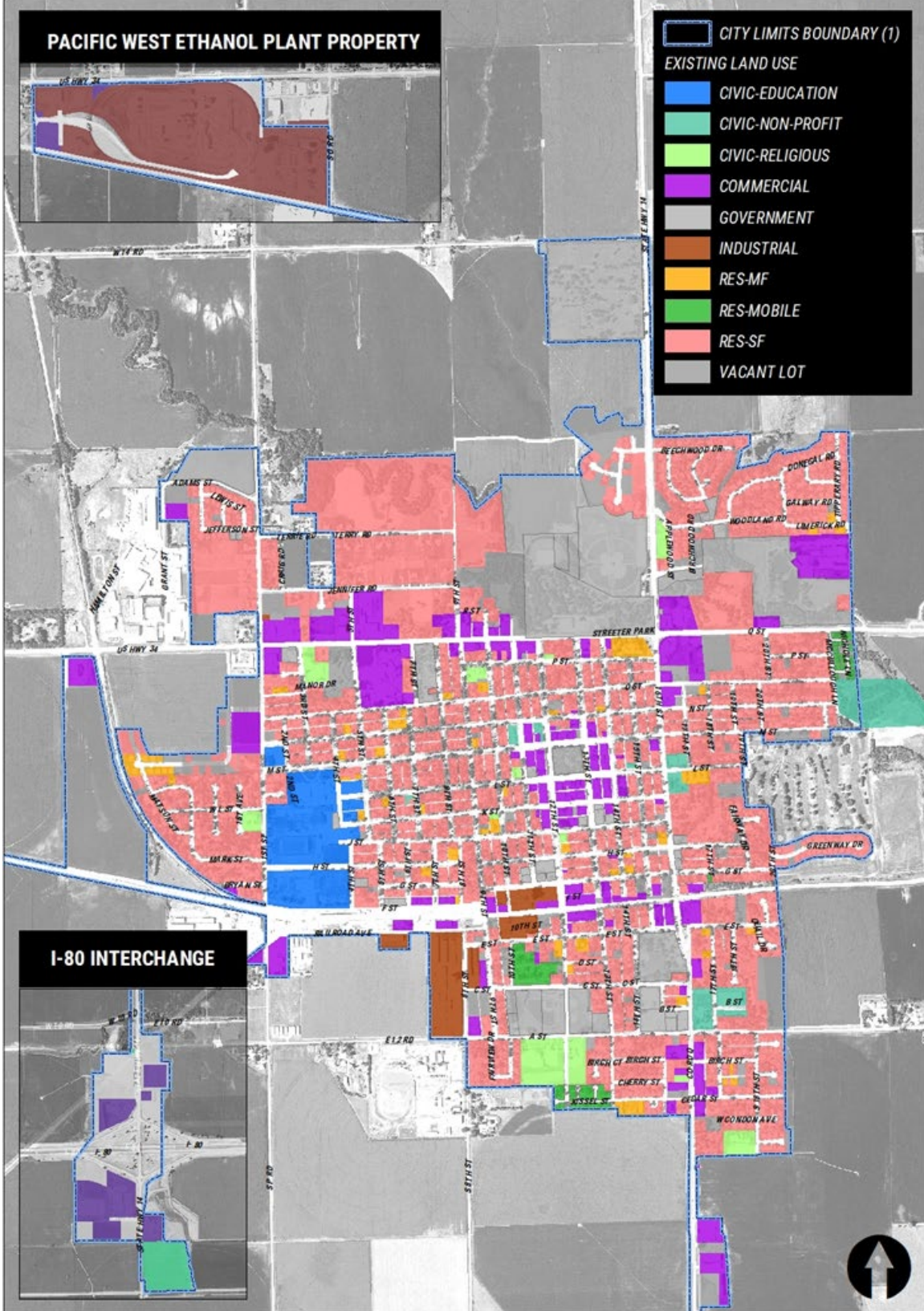
The Existing Land Use (ELU) inventory map on the following page was created in the Fall of 2019. To complete the ELU inventory, members of the FIVE RULE team drove every street within the City of Aurora and collected the following data for each property parcel in the City: use of land; condition of structures; and status of structures.

According to Chart 2.1 most of the land in the city is already occupied by residential units. The third highest user of land, vacant lots, actually represents several lots that are within newly developed residential subdivisions and are currently for sale.

CHART 2.1
CITY OF AURORA, EXISTING LAND USE BREAKDOWN BY PROPERTY PARCELS (OCT. 2019)



AURORA CITY EXISTING LAND USE MAP (OCT 2019)



SINGLE FAMILY HOUSING STOCK

The following charts display data that resulted from extracting all information concerning residential uses during the completion of the ELU Inventory.

The ELU inventory counted a total of 2,651 residential units, of which 62% were single family houses. Almost 1,000 units were multi-family units: apartments, duplexes, or townhouses.

CHART 2.2 SINGLE FAMILY HOUSING MIX

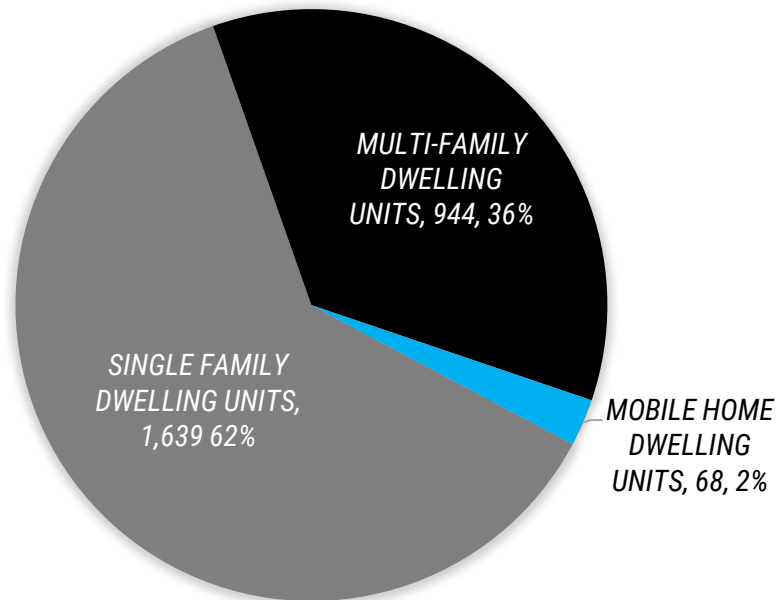


Table 2.1 is a breakdown of the status of the 1,639 single family houses. The results of the inventory were compared with the City of Aurora Clerk’s office to verify vacancies. As a result, a total of only 36 housing units were identified as vacant, with 5 of those units identified as being abandoned by the property owner and 4 of those units no longer being utilized as a house.

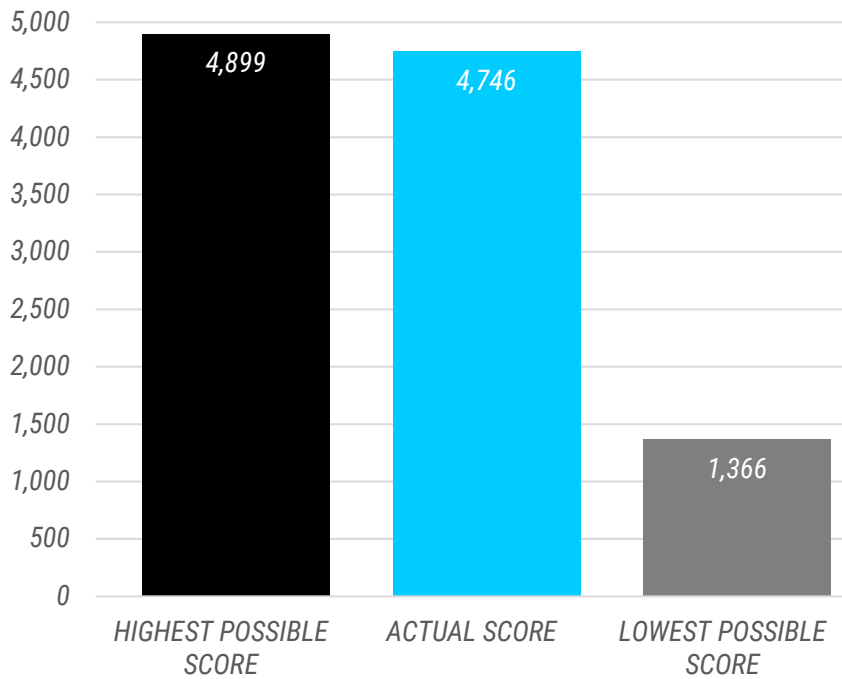
TABLE 2.1 SINGLE FAMILY HOUSING OCCUPANCY CHARACTERISTICS	
VACANT LOTS	5
VACANT-NO EVIDENCE OF REGULAR USE/STORAGE	4
VACANT-FOR SALE	15
VACANT ABANDONED	4
VACANT-REMODEL	6
VACANT-FOR RENT	2
OCCUPIED	1,603
TOTAL SINGLE-FAMILY HOUSING UNITS	1,639
TOTAL OCCUPIED HOUSING UNITS	1,603
TOTAL VACANT UNITS	36
VACANCY RATE	2.2%

At the time the inventory was completed, a total of 17 units were on the housing market either for sale or for rent. The single-family housing vacancy rate was 2.2%. Community planning best practices aim for a vacancy rate of 7%, assuming that all vacant units are for sale. It is estimated that a 7% vacancy rate provides adequate selection for buyers. A 7% vacancy rate for Aurora's single family housing unit market would be closer to 114 units on the market, roughly 6 times the number of single-family houses/lots that were identified as being for sale during the Fall 2019 ELU Inventory.

According to the housing condition scoring graphic below, the single-family residential units are well cared for. The condition of housing units followed the methodology produced by the South-Central Economic Development District (SCEDD) Housing Assessment Tool. Structures were scored based upon their rating. When considering the highest and lowest possible scores, Aurora's housing condition grade was a 97% out of 100%.

This high score demonstrates the high amount of community pride that the Aurora community is well known for; it also demonstrates that the redevelopment of dilapidated housing units will only create a marginal increase in the amount of housing units available.

**CHART 2.3 CITY OF AURORA
SF HOUSING CONDITION SCORING**

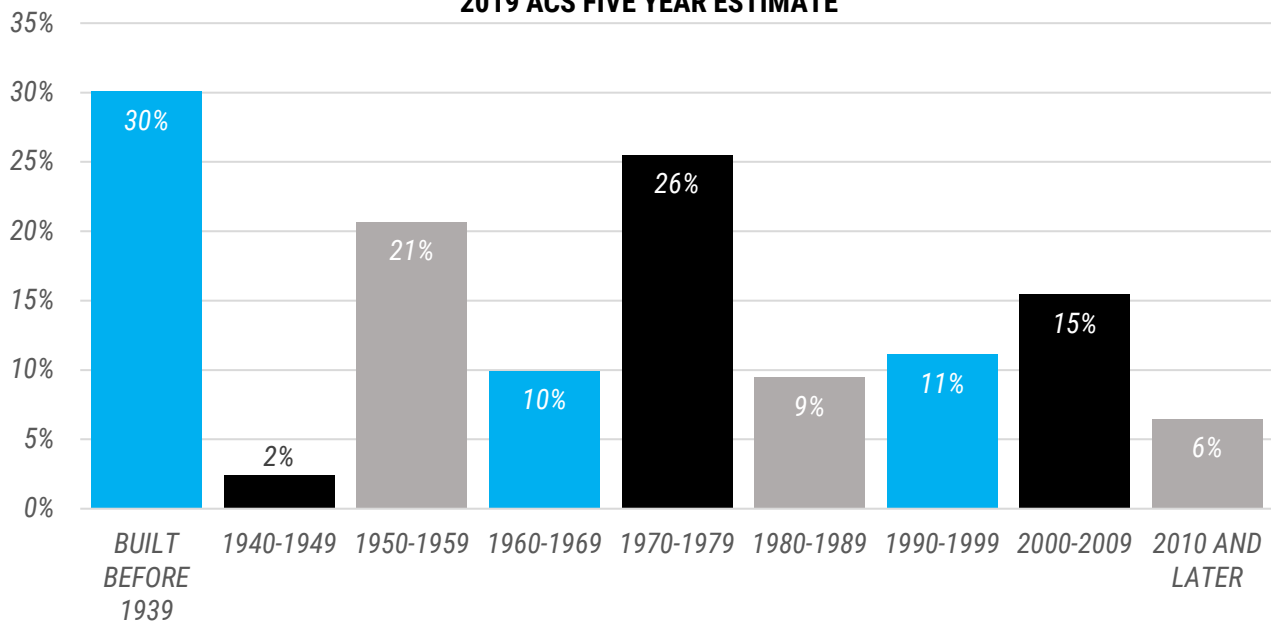


SCORING SYSTEM	
FAIR TO EXCELLENT	3
MAJOR WEAR	2
DILAPIDATED	1
TOTAL SF DWELLINGS 1,633	
HIGHEST POSSIBLE SCORE 4,899	
ACTUAL SCORE	
FAIR TO EXCELLENT (1,483 x 3)	4,449
MAJOR WEAR (147 x 2)	294
DILAPIDATED (3 x 1)	3
TOTAL ACTUAL SCORE	4,746
SF HOUSING CONDITION GRADE	97%

The housing condition assessment only considered the exterior appearance of housing structures. However, it should be noted that, according to a combination of the U.S. Census Bureau American Community Survey (ACS) 2019 estimates and building permit data provided by the City of Aurora, the largest proportion of homes were built before 1939, during the 1950s, and during the 1970s.

This would suggest that many homes may have maintained exteriors but are most likely in need of costly interior updates that would be considered necessary building code (electrical/mechanical/plumbing) as well as aesthetic updates (carpet, paint, colors, finishing materials). It is highly likely that this lack of housing units with updated interior features is contributing to the community's overall dissatisfaction with the adequacy of quality housing available.

**CHART 2.4 YEAR HOUSING STRUCTURE BUILT
2019 ACS FIVE YEAR ESTIMATE**



MULTI-FAMILY HOUSING CONDITION

The following chart and graphic display that, according to the results of the ELU inventory, the multi-family housing stock is occupied and maintained. This would suggest that new multi-family units added to Aurora’s housing stock would be filled quickly. Therefore, multi-family housing units need to be a part of the solution to improving the quantity of housing available.

CHART 2.5 MULTI-FAMILY HOUSING -STATUS OF STRUCTURES

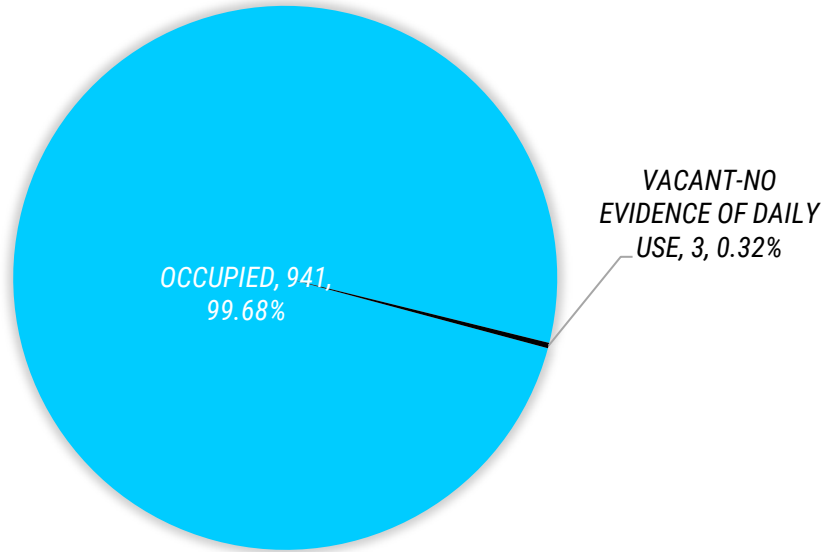
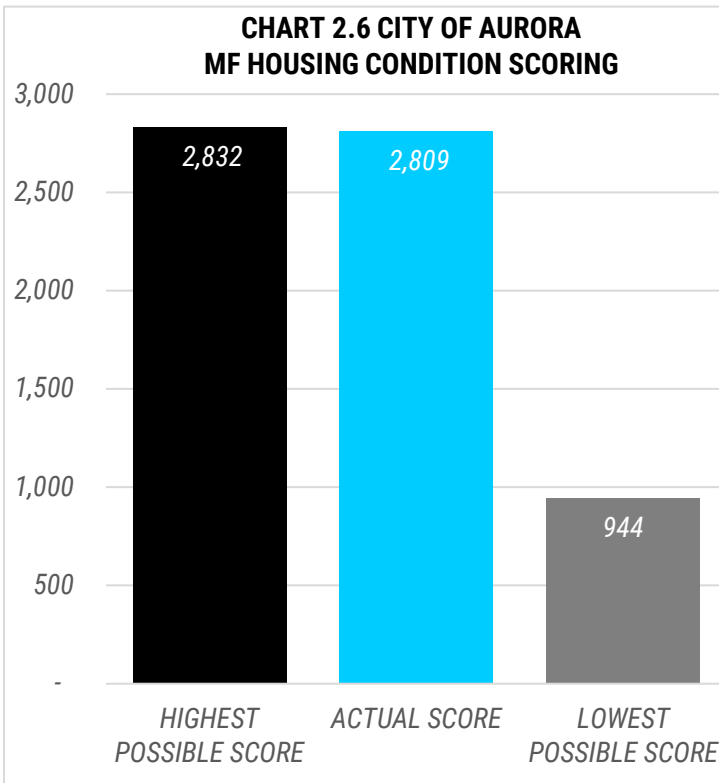


CHART 2.6 CITY OF AURORA MF HOUSING CONDITION SCORING



SCORING SYSTEM	
FAIR TO EXCELLENT	3
MAJOR WEAR	2
DILAPIDATED	1
TOTAL MF DWELLINGS	
TOTAL MF DWELLINGS	944
HIGHEST POSSIBLE SCORE	2,832
ACTUAL SCORE	
FAIR TO EXCELLENT (921 x 3)	2,763
MAJOR WEAR (23 x 2)	46
DILAPIDATED (3 x 0)	0
TOTAL ACTUAL SCORE	2,809
MF HOUSING CONDITION GRADE	99%

PROJECTED POPULATION GROWTH

Chart 2.6 represents the population projection created based only upon the past population patterns in Aurora from 1890 to 2020. Based on this population projection, Aurora will see marginal growth from 2020 to 2030 and should see a net increase of approximately 200 residents by 2040.

CHART 2.6 POPULATION PROJECTION

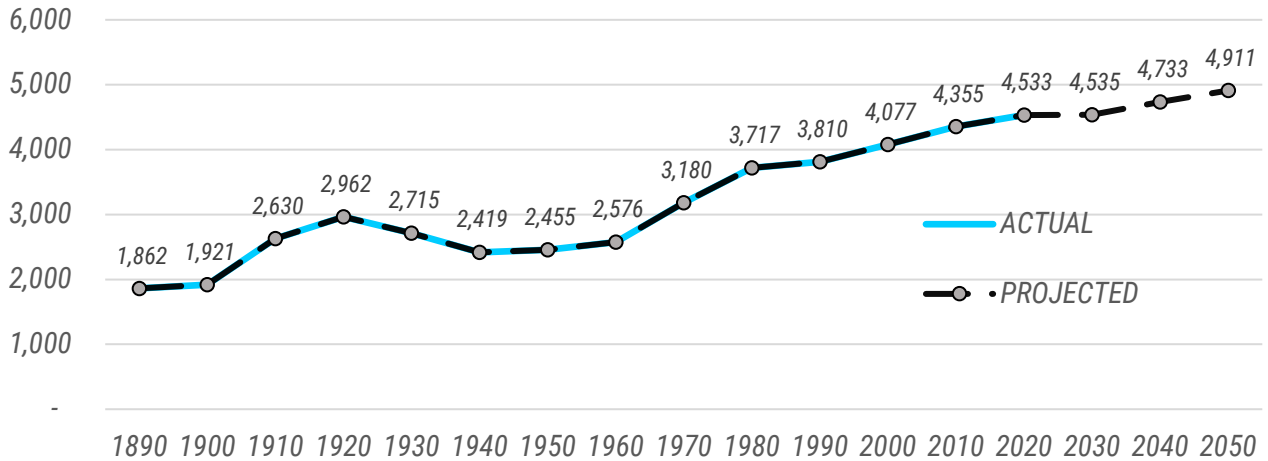
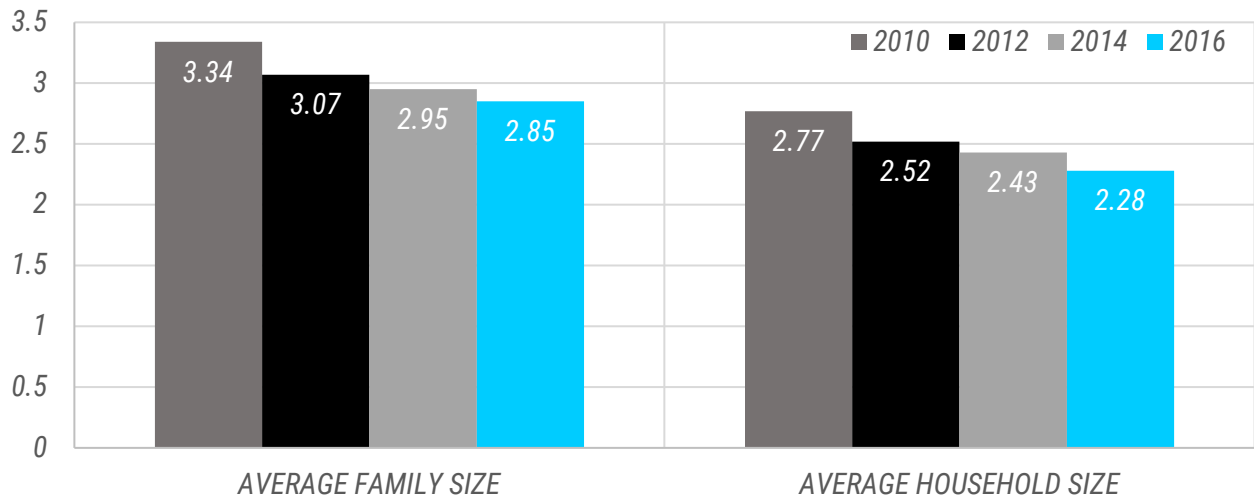


Chart 2.7 is based upon estimates provided by the 2019 American Community Survey (ACS), which shows a decrease in family and household size. The average household size in 2016 has dropped to 2.28 persons per household and the average family size has decreased from 3.34 in 2010 to 2.85 in 2016.

If Aurora does experience a net increase of 200 residents by 2040, it will need to add 88 housing units from 2020 to 2040; the City should expect the addition of roughly 4 units per year.

CHART 2.7 CHANGE IN AVERAGE HOUSEHOLD AND FAMILY SIZE



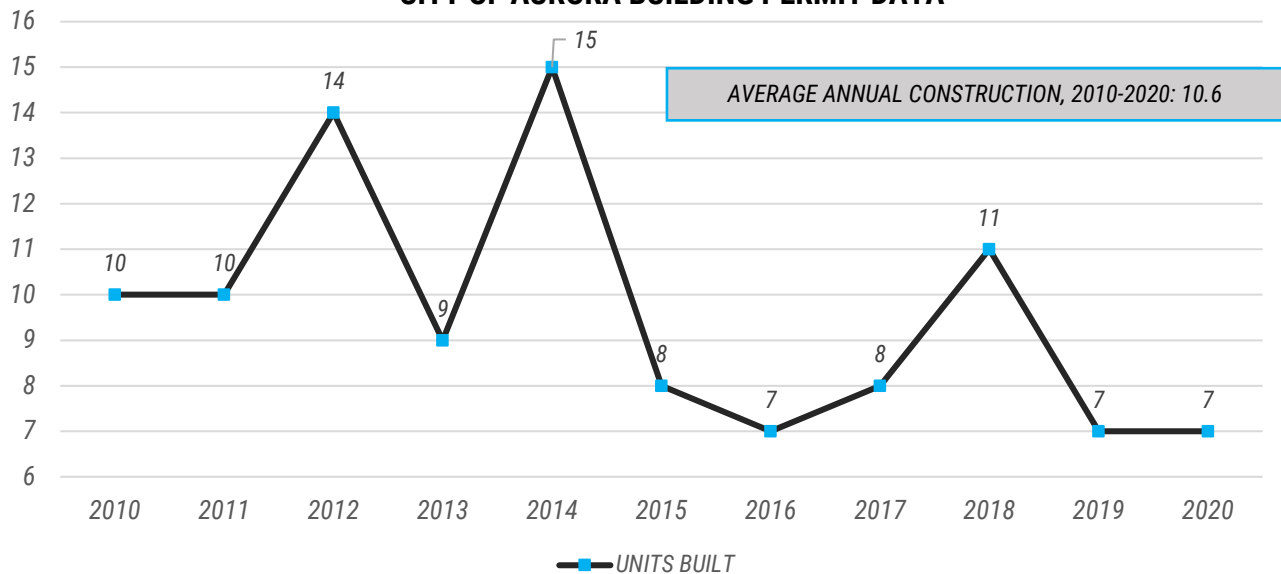
HOUSING NEEDS

A housing unit's useful life should be no longer than 100 years; therefore, the City should also plan to replace 1% of its housing stock each year just to maintain adequate housing for its current population. In addition to adding 4 units per year to accommodate projected population growth, the community also needs to add roughly another 16 units per year. When considering the units needed to accommodate projected growth and the units needed to replace worn out housing units, the City should add 20 units per year.

TABLE 2.2 PROJECTED NEED IN HOUSING UNITS, 2020-2040	
AGED UNIT REPLACEMENT (1% OF 1,639 TOTAL UNITS)	16
UNITS NEEDED TO ACCOMMODATE MINIMAL PROJECTED GROWTH (88 UNITS OVER 20 YEARS)	4
TOTAL NEW UNITS NEEDED PER YEAR	20
SINGLE FAMILY RESIDENTIAL UNITS NEEDED (62% OF CURRENT HOUSING BREAKDOWN)	12
MULTI-FAMILY RESIDENTIAL UNITS NEEDED (36% OF CURRENT HOUSING BREAKDOWN)	7
MOBILE HOME RESIDENTIAL UNITS NEEDED (2% OF CURRENT HOUSING BREAKDOWN)	1

Based on building permit data provided by the City of Aurora and displayed in Chart 2.8, the City added an average of 10 units per year from 2010 to 2020. When combining the need for housing new residents with the need for replacing units, the city needs to double its annual residential housing construction.

**CHART 2.8 NEW RESIDENTIAL UNITS CONSTRUCTED IN AURORA
CITY OF AURORA BUILDING PERMIT DATA**



Charts 2.9 and 2.10 are provided by the ACS and Aurora Public Schools and offer insight to the age of residents that will most likely be living in Aurora, if the previous population projection [based solely on past trends] is correct.

According to Chart 2.9 school enrollment has decreased by roughly 100 students from the 2000/01 school year to the 2019/20 school year. Chart 2.10 shows that the median age has increased from 38.7 in 2000 to 41.1 in 2018.

**CHART 2.9 AURORA PUBLIC SCHOOLS ENROLLMENT
(NE DEPARTMENT OF EDUCATION)**

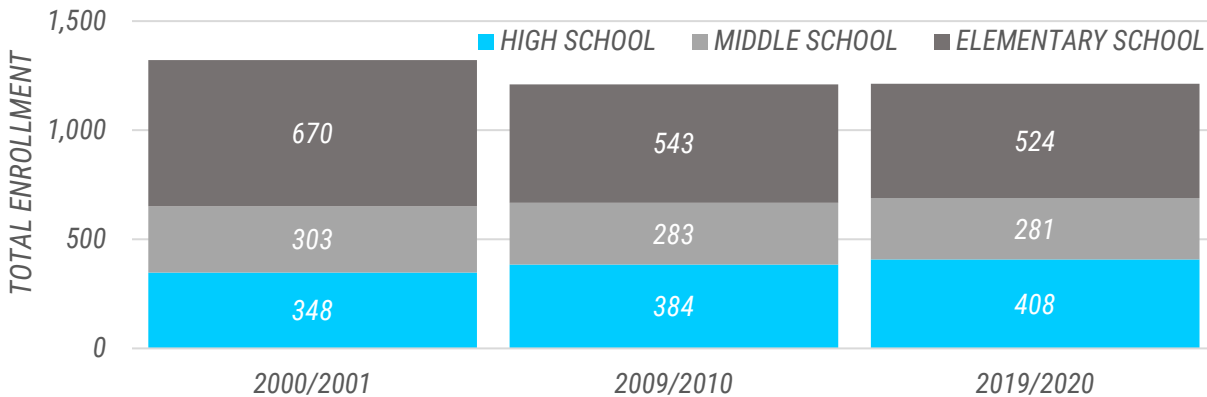
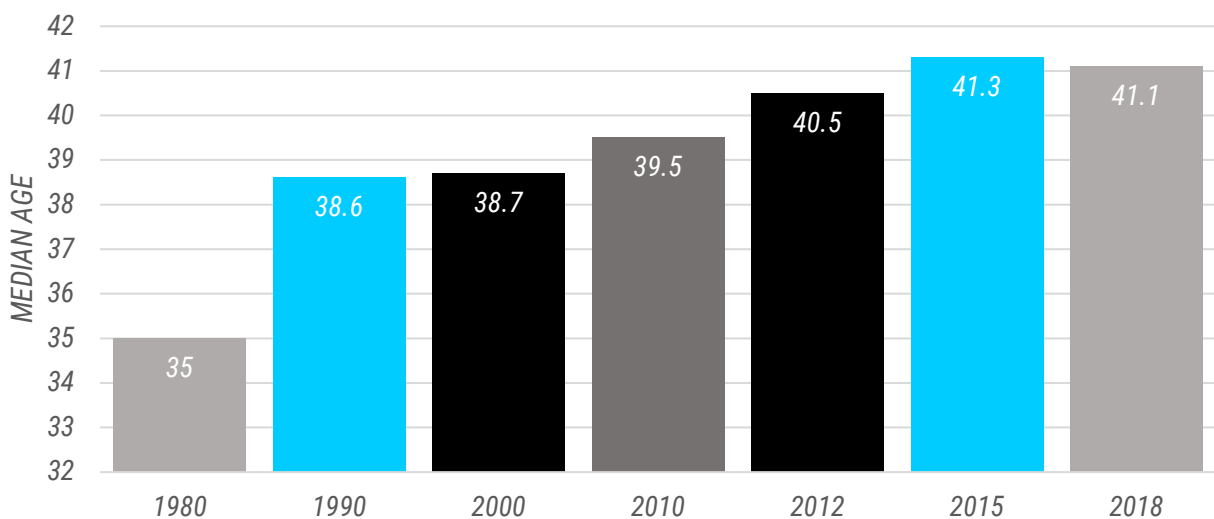


CHART 2.10 CHANGE IN MEDIAN AGE, 2010-2018



Combining the decrease in family and household size, the decrease in school enrollment, and the increase in median age supports the assumption that the residents in Aurora are getting older and that fewer families are living in the area. If the Aurora community wants to reverse this trend, the AHDC should consider programs that would create housing units intended to attract working families in the area to move to Aurora.

HOUSING VALUES AND RESIDENT INCOMES

Chart 2.11 on the following page compares the change in Average Weekly Wage (AWW) from 2009 to 2019 with Nebraska, the Grand Island Metropolitan Statistical Area (MSA), and all counties within the MSA. Wages are increasing for all workers in Nebraska. They have increased by the greatest amounts in Merrick and Howard Counties. Employers in Hamilton County are competing with not only Grand Island, but also employers in Merrick and Howard counties.

**CHART 2.11 AVERAGE WEEKLY WAGE COMPARISONS
(NEBRASKA DEPARTMENT OF LABOR)**

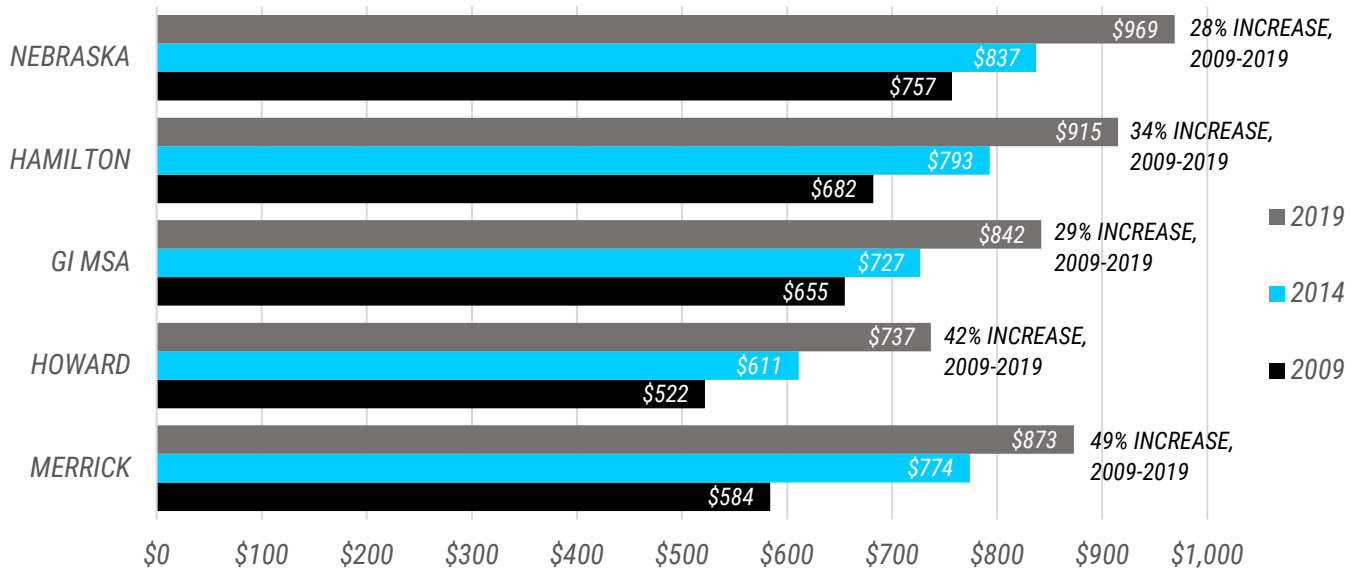
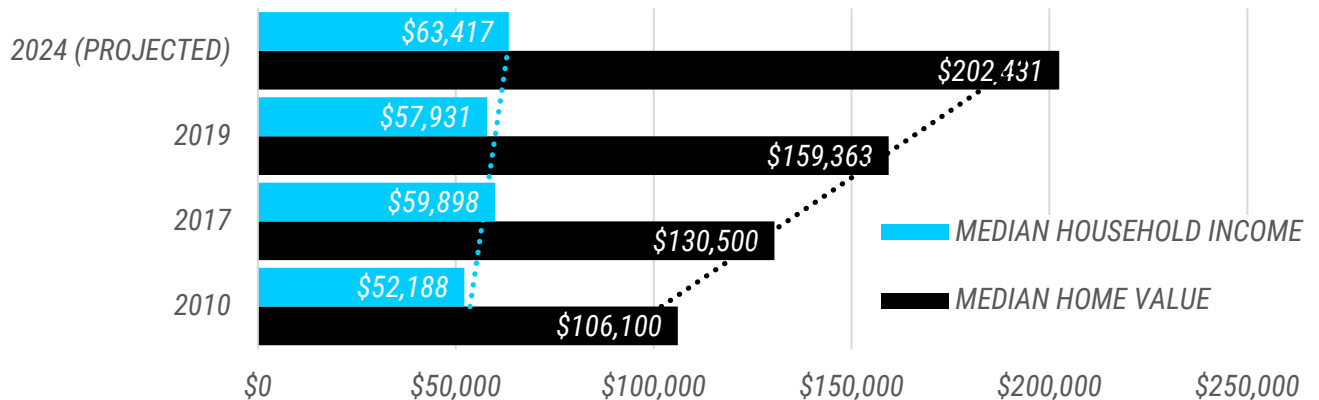


Chart 2.12 compares the increase in median home value with the increase in median household incomes. Data within Chart 2.11 was provided by the Nebraska Department of Labor while the data in Chart 2.12 was provided by a paid researcher, Esri (Environmental Services Research Institute), an international supplier of geographic, demographic, and economic information. According to Chart 2.12, incomes have increased and are projected continue increasing through 2024. However, home values have increased and are projected to continue increasing at a much faster rate than incomes.

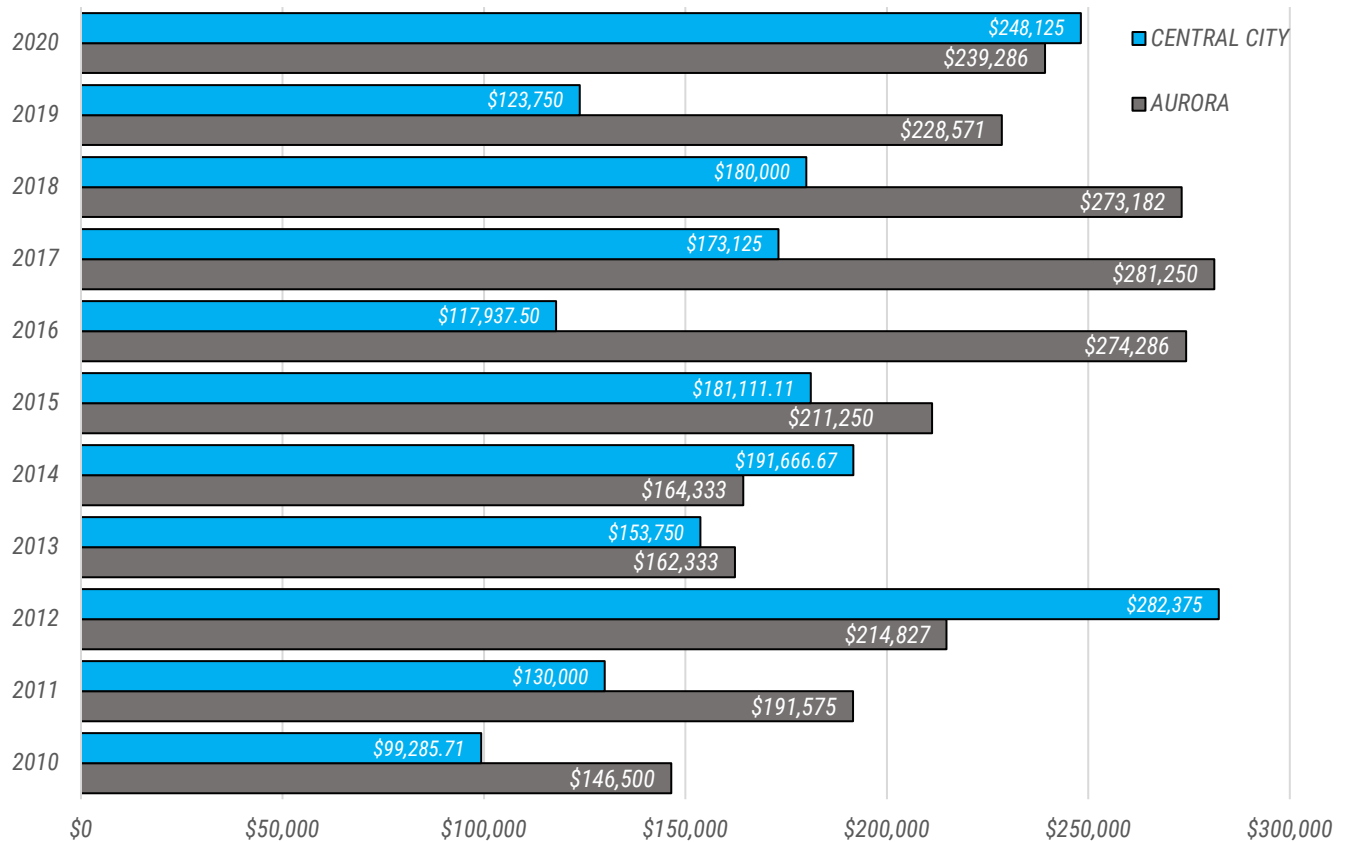
**CHART 2.12 HOUSEHOLD INCOME COMPARED TO HOME VALUE
(esri MARKET PROFILE)**



One factor that was considered to better understand the cost of new residential construction, building permit information was provided by the City of Aurora. Building permit information was also requested from the Village of Cairo, City of St. Paul, and the City of Central City, as these other municipalities are small cities located in the MSA. Only the City of Central City provided residential building permit data. Chart 2.13 is a comparison of the cost of residential construction compared in each city.

The figures in the chart below are based upon the cost of construction that is reported on the building permit turned into the City. Based on these figures reported to each city government, the cost of residential construction has increased significantly since 2010. According to Table 2.3, the cost of construction has increased in Central City more than Aurora. Chart 2.14 displays the total number of residential building permits issued each year since 2010. The City of Aurora issued the most permits in 2014 when it issued 15 permits. The City of Central City issued the most permits in 2015 and 2018 when it issued 9 permits each year.

CHART 2.13 AURORA AND CENTRAL CITY, AVERAGE COST OF RESIDENTIAL CONSTRUCTION, 2010-2020



**CHART 2.14 TOTAL RESIDENTIAL PERMITS
CITIES OF CENTRAL CITY AND AURORA PLANNING AND ZONING**

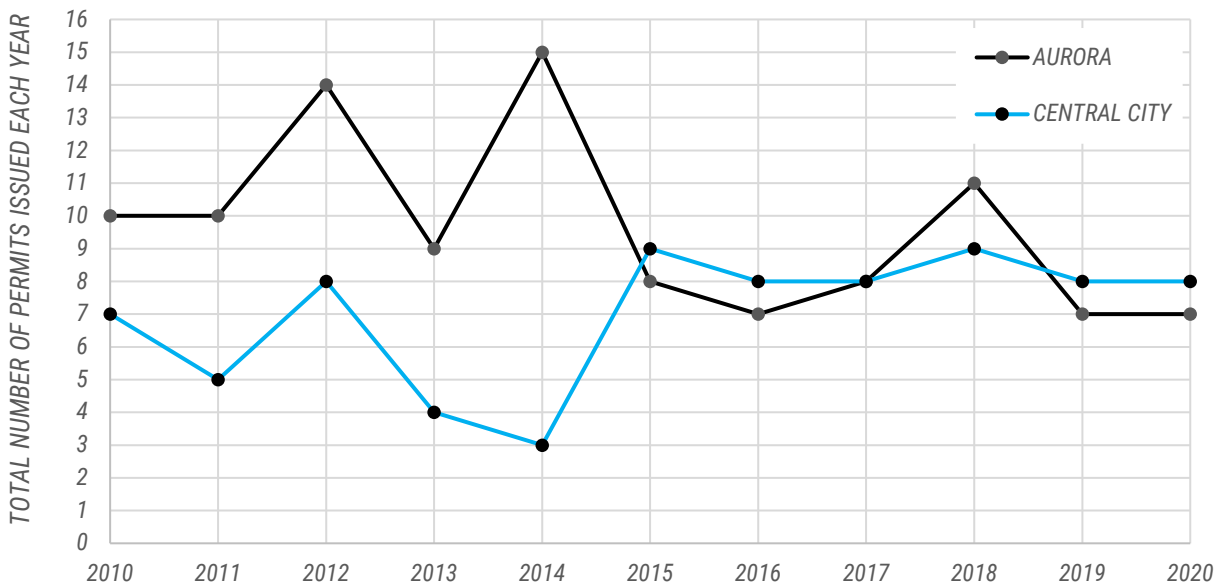


Table 2.3 compares the change in the average cost for each city. Both communities have seen a steady increase in the cost of residential construction. There is most likely a connection between the consistent annual increase in the cost of construction with the value of homes increasing at a rate that far outpaces the rate at which wages are increasing.

TABLE 2.3 CHANGE IN AVERAGE COST OF CONSTRUCTION, 2010-2020				
	AVERAGE COST, 2010	AVERAGE COST, 2020	INCREASE OVER 10 YEARS	AVERAGE ANNUAL INCREASE
AURORA	\$146,500.00	\$239,285.71	\$92,785.71	\$9,278.57
CENTRAL CITY	\$99,285.71	\$248,125	\$148,839.29	\$14,883.93

AFFORDABILITY ANALYSIS

Data collected from the U.S. Census American Community Survey and the ELU assessment were utilized to complete an affordability analysis for Aurora. An explanation of the columns in each table is provided below:

Column A-HOUSHEOLD INCOME-Grouped together in the same manner as the U.S. Census Bureau American Community Survey (ACS)

Column B-# OF HOUSEHOLDS TODAY- The Esri estimates obtained for this study provided a breakdown of household incomes in Aurora. The percentages provided by Esri were multiplied by the total number of occupied housing units identified during the ELU portion of the study.

For instance, Esri estimated that 19% of households in Aurora have a total household income of <\$25,000; multiplying 19% by the total number of occupied units counted in Aurora (1,639 single family+941 multi-family+64 mobile homes=2,644) provides an estimate of the total number of households in Aurora with a household income of <\$25,000 is 500 households.

Column C- AFFORDABLE HOUSING VALUE RANGE-Depending upon personal budgets, interest rates, and personal credit scores, the value of a home that is affordable to a household is very difficult to predict. However, this analysis assumes that a household can afford to rent/own a home that is valued at roughly double its annual income.

For instance, a household earning \$50,000 per year should be able to afford a home that is valued at \$100,000-\$200,000.

Column D-# OF EXISTING UNITS AVAILABLE TODAY-The Esri estimates obtained for this study provided a breakdown of the value of housing units in Aurora. The percentages provided by Esri were multiplied by the total number of occupied housing units identified during the ELU portion of the study.

For instance, Esri estimated that 6% of the homes in Aurora were valued at <\$50,000; multiplying that percentage by the total number of occupied units counted in Aurora (2,644) provides an estimate that 148 housing units in Aurora are valued at <\$50,000.

Column E-GAP/SURPLUS-The gap/surplus is estimated by subtracting the total number of households that can afford a certain housing value from the total number of households at that value that are in the community:

TOTAL UNITS VALUED AT <\$50,000 IN AURORA	148
-TOTAL HOUSEHOLDS IN AURORA MAKING <\$25,000	500
GAP/SURPLUS OF HOUSING UNITS VALUED <\$50,000	-352

This analysis claims that Aurora has a shortage of units that are affordable for a household earning less than \$25,000 per year. The overall table identifies a shortage of units that are worth <\$50,000 and worth \$100,000-200,000. The shortage of homes worth <\$50,000 is most likely creating a serious cost of housing burden for Aurora’s low-income households.

A shortage of units valued at \$100,000-200,000 is most likely creating a shortage of homes in that range, thereby driving up the cost of homes in the \$100,000-200,000 range to a list price of greater than \$200,000.

HOUSING AFFORDABILITY FOR EXISTING POPULATION-CITY OF AURORA

A	B	C	D	E
HOUSEHOLD INCOME	# OF HOUSEHOLDS TODAY	AFFORDABLE HOUSING VALUE RANGE	# OF EXISTING UNITS AVAILABLE TODAY	GAP/SURPLUS
\$25,000 OR LESS	500	<\$50,000	148	-352
\$25,001-34,999	175	\$50,000-100,000	687	95
\$35,000-49,999	418			
\$50,000-74,999	582	\$100,000-200,000	902	-119
\$75,000-99,999	439			
\$100,000-149,999	389	>\$200,000	904	373
\$150,000 OR MORE	143			

SOURCE: ESRI MARKET PROFILE, LAND USE INVENTORY CONDUCTED OCTOBER 2019, FIVE RULE RURAL PLANNING

3. STRATEGIC PLANNING MATRIX

The strategic planning matrix on the following page is a breakdown of the next steps identified by the attendants at the Discovery Session after being presented with the themes identified because of the study. This matrix will become a guide for the AHDC as it works to increase/improve housing in Aurora.

- I. HOW CAN AURORA ATTRACT BUILDERS (\$100-199,000 HOMES)?
- II. HOW CAN AURORA DEVELOP AVAILABLE LAND FOR RESIDENTIAL STARTER HOMES?
- III. HOW CAN AURORA HAVE MIXED PRICE POINT HOUSING DEVELOPMENTS?

The themes stated above resulted from the following list of key points identified from the data collected, analyzed, and discussed in the previous sections.

- Over 100 community survey respondents were dissatisfied with the quantity and quality of affordable housing available in Aurora.
- The strategies that survey respondents felt would make the greatest impact were:
 - ~ update older units;
 - ~ create new residential subdivisions; and
 - ~ construct new homes within existing neighborhoods.
- The City has an extremely low residential vacancy rate and residential dwellings with mostly well-maintained exteriors.
- The City is experiencing a steady rate of new residential construction each. Yet, most of its housing stock is still more than 50 years old. While the exteriors were rated mostly fair to excellent, it is likely that the city's older housing stock needs costly interior updates.
- The population of Aurora is expected to moderately increase over the next 20 years.
- Recent age, family, household, and school enrollment suggests that the population will consist mostly of older adults beyond their childbearing/rearing years. However, wage data points to a strong regional demand for labor and housing.
- Meeting this demand for homes should assist employers with meeting the growing demand for labor and attract working families back to Aurora.
- The affordability analysis estimates that the shortage of homes exists for households earning less than \$25,000/year and households earning between \$100,000-\$200,000/year.

GOAL ONE: How can Aurora Attract Builders (for \$100K-\$199K homes)?									
PARTICIPANT				Involvement	Frequency	Implementation	Contingencies or Barriers	Cost	% to Solve
Name	Organization	Email Address	Phone Number	ACTION ITEM #1:					
Janelle		janelle.seim@hamiltonel.com		Give builders \$25K loan (revolving) to get started to help mitigate the risk.	Continuous	6 months	Utilize grant funds, fundraising, foundations	Low	50%
ACTION ITEM #2:									
Justice		justise.rhoden@auroranebraska.com		Do a partnership to keep things local, possibly give an incentive.	Continuous	9 months	Talking to businesses and getting commitments, identifying incentives	Low/Med	20%
ACTION ITEM #3:									
Justice & Nick				Use local schools for hiring interns using InternNE program and possibly a similar local fund.	Continuous	12 months	Contact with school and make sure they can do it regarding liability, apply to InternNE program	Low	50%
ACTION ITEM #4:									
Jeff				Make it more efficient with subdivision with smaller lots and less eye separation between the houses based on the project.	One-Time (case by case)	1 month	Plan from the builder, utilities/structure in place	No cost	20%
ACTION ITEM #5:									
Nick				Make a competition between the builders (efficient, sell time, cap on costs, land grants).	One-Time	9 months	Logistics, funding for reward	Low	20%
ACTION ITEM #6:									
Dex				Create more opportunity to build multi-unit homes.	Continuous	12 months			
Additional Stakeholders:									
Kelsey Bergen, Rick Melcher, Johnathan Goertzen, Wade Regier, Karl Block, Steve Anderson									
GOAL TWO: How can Aurora develop available land for residential starter homes?									
PARTICIPANT				Involvement	Frequency	Implementation	Contingencies or Barriers	Cost	% to Solve
Name	Organization	Email Address	Phone Number	ACTION ITEM #1:					
Preston McDaniels		pmcdaniels@hamilton.net		Create a roundtable forum with City staff and elected officials to find ways to save development costs while also creating sustainable neighborhoods	Ongoing	30 days-1 year	Cost of development competing with cost of maintenance and long term sustainability	Low-High	50%
ACTION ITEM #2:									
Gary Warren		Gary.Warren@hamiltondev.tech		Work with the City to create a "quick start" development guide.	One time, then refine as needed	6 months	Time it takes to reach an agreement	Low	20%
Sam Moyer		sam@bankonheritage.com		ACTION ITEM #3:					
				Conduct a one time experiment with local developers dictating the development in order to find cost savings.	One time	1 year, roughly	City of Aurora's ability to defer costs of development in order to receive long term investments	High	50%
Additional Stakeholders:									
Rick and Adam-City of Aurora; Wade Regier; Kurt Johnson; Homebuilder/s Representatives (roughly 6 in the area)									
GOAL THREE: How can Aurora have mixed-price point housing developments?									
PARTICIPANT				Involvement	Frequency	Implementation	Contingencies or Barriers	Cost	% to Solve
Name	Organization	Email Address	Phone Number	ACTION ITEM #1: Take three different mobile home lots and consolidate to one area and reformat other mobile home lots into mixed or low-income housing.					
Kelsey Bergen				Look already in town. Take three different mobile home lots and consolidate to one area and reformat other mobile home lots into mixed or low-income housing. Where is there already infrastructure we can develop into this mixed format? Don't think this is possible in a green field or new development area (would be adamant against this in a new development area). All indirect.	Ongoing task.	3-6 month process to review and see where spots could be. Then if you found a place it could work, would be around a 12 month process to get those units	All can be done today. No contingencies or need for additional resources unless talking about additional resources. Procedural changes take time.	Low	30%
ACTION ITEM #2:									
Jim				If we were to do a new subdivision that wouldn't be connected to industry or sidewalks. All (ADC) indirect.	Ongoing and long-term.	Already subdivisions in the works so it could be a 12 month thing. Hard to put a timeframe because don't necessarily see that happening in a new subdivision.	This concept would work if an open lot in town. This is already possible in most neighborhoods in town.	High	30%
ACTION ITEM #3:									
Kurt				If we could have commercial mixed with apartments like in downtown Omaha with first floor restaurant or service and living above. Can a lot have both a business and a residence in it? For example, the Aurora technology center with a wing to work and another for living. Good opportunity for this in the square- there is an appeal for young people who may not need a yard, can walk places (work and food), 2 blocks from Aurora mall, and it's a smaller space.	One-time task. Then maybe could duplicate.	More project based on what businesses are looking to move into or build in town- if the opportunity presents itself or we tried to attract a specific type of business.	If decide to put in an apartment complex or something along those lines, ADC would have direct association.	Middle- would be tied to some business who would absorb part of the cost.	30%
Additional Stakeholders: Gayle Nelson is on Crossroads Court, Developers (Brock Henderson based in Seward, Cliff Messner in Central City) more than Realtors, a few people that own rentals-Jayne Smith									