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Legislature's Planning Committee November 17, 2023
Rough Draft

DeBOER: [RECORDER MALFUNCTION] standing the humming sound we have from the next room over, I think we're ready to start. Thank you all for being here for the November Planning Committee meeting. This is the big one because we're going to try to now transition from the presentation of information and the information gathering phase of our year to trying to look at what policy positions or legislation we might do to actually become interventions in some of these larger problems to, to try and work on them. So that's kind of where we're at. Based on conversations we've had throughout the year and just a variety of things coming together, it seems we've been coalescing a lot around the ideas of, of working on housing. So while I certainly welcome ideas in the other areas we've been discussing, I think we're going to kind of coalesce around housing as we try and, and move forward. Obviously, that doesn't mean it's the only thing we're interested in. I will tell you that with respect to our water meeting, we have gotten a lot of interest from groups. My office has fielded quite a few inquiries as to why we were interested in water and what the results of that were and wanting to follow up with us. So I think there is interest. What I have basically said is I think that we're at the beginning of our process when it comes to that discussion and we will probably be working on that going forward, so. But with that, if there are questions that Dr. Schafer could field to follow up on our water discussion last time, I think now's the time to kind of talk about that if anybody has any. Anybody have any ideas or thoughts? Senator Clements, you're always good for an idea or a thought.

CLEMENTS: Oh, there are other committees that work with water issues, too, and so I, I don't think I'm interested in pursuing it at this committee.

DeBOER: At this time. Yeah.

CLEMENTS: Right.

DeBOER: Perfect. Any other ideas or thoughts about water right now? Yeah, that is the great thing about this committee is that we get to overlap on some of the other ones and then-- and then when we think, yeah, you guys deal with that one, we can-- we can hand it off as well. No other comments on water? OK. Subcommittees, so I guess that means Senator Holdcroft because we don't have Senator Cavanaugh here.

HOLDCROFT: And Senator Ibach has also went on the rural. Well, yeah, the rural-- we were looking at the rural affordable housing.

Transcript Prepared by Clerk of the Legislature Transcribers Office
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Rough Draft

DeBOER: Uh-huh.

HOLDCROFT: We've been working with NIFA on some ideas. Probably what Senator Ibach is working right now. But the, the issue seems to be the disparity between how much it cost to build a house and what it's appraised at for the purposes of getting a loan. And so we-- we've been invested-- looking at possibly establishing a revolving account where the homeowner could, could borrow the difference. So it would get appraised at this, this amount, but the bank-- but you get a-- it gets appraised at this amount on the housing bill. The asking price is this amount,--

DeBOER: Yeah.

HOLDCROFT: --but it only gets appraised at that about, and so the, the owner has to make up the difference. And if they could-- if we could work out something where they would get a low cost at a low percentage loan, you know, from the state, essentially.

ARCH: So it would be a second loan?

HOLDCROFT: It would be a second loan. Yes. And then, like, a 1% loan, which they could probably afford. And that would get them into the house. The problem resolves itself after you've established, I think it's 4, 4 houses or 4 or 5 houses in a development. Then they could be compared or appraised against each other. But initially those first 4 houses have to be appraised against, you know, the houses that are across the street, which are typically not, you know, near the value of, of, of a new house. And so that's-- I think that's what Teresa is working on right now and going forward on rural affordable housing. That seems to be the issue.

DeBOER: Can I ask you a question on that? When they-- when that first homeowner buys the house and gets the second loan, that puts them pretty upside down on that house when they-- I mean, there's a-- there's a considerable risk for that homeowner that there won't be that fifth or sixth house built, and then they're really upside down on their house, they won't be able to sell it for what they--

HOLDCROFT: Yeah, these are really designed-- this, this concept is kind of designed for a, a small town who all of a sudden needs 60 to 100 new houses because they got a, a, a meatpacking plant or a-- or a chicken factory coming in. And, and, and, and there's developers who want to build it, but they can-- but because of the price to build a

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Legislature's Planning Committee November 17, 2023
Rough Draft

house these days, it's-- it-- like it says, it takes this much to build it, but the appraisers have to-- are forced to--

DeBOER: Yeah.

HOLDCROFT: --to appraise it against the existing housing in the area and that drives it down.

DeBOER: Senator Vargas.

VARGAS: Can you tell me a little bit about it because this sounds-- some cities and municipalities use the revolving loan aspect within the rural workforce housing for housing. How would this be different from that?

HOLDCROFT: Well, this is normally just the beginning pieces of it, but it was a suggestion that came on NIFA. And so it must be-- I mean, if it was readily available, I'm sure NIFA would have-- would have suggested something a bit different.

_____ : Something you could do instead is put a special district on that new development and then override the special district. Maybe the rules of the special district are that they don't have to appraise the same way as others do, so you don't have to do a loan or a revolving account, but the local government can set sort of money aside to bring up those values later or something like that or change the rules for appraisal in that area. That might [INAUDIBLE].

HOLDCROFT: Well, that's the issue though.

DeBOER: Yeah. No, that's--

HOLDCROFT: And so it's-- that's from the subcommittee standpoint. That's kind of what we've looked at and--

DeBOER: And you'd like to pursue that?

HOLDCROFT: Yeah.

DeBOER: I think that's a fabulous thing to pursue. I think the difference, Senator Vargas, maybe, as I understand it, between what you're talking about and what Senator Holdcroft is talking about is that this is just those initial 4 houses, just by the quirks of the comps system, that they don't have comps because there have not been any other new houses built but this-- that there's this quirk of

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

without having anything to compare it to the first 4, I think it is, houses end up in this weird sort of fashion. My concern with giving a double loan to a homeowner would be if then something happens with the development and you stop at 4 houses, now you've got 4 homeowners that are upside down and have 2 loans that they can't actually sell the house for because they don't have enough comparables to sell the house for and they would be in fairly bad shape. Sure.

_____ : Also, is it going to cause a problem with the people, the appraisal of the houses that are already there and to make it affordable for them by, by raising their, once you get past the 4 homes, raising their appraisal value?

HOLDCROFT: Well, I think hopefully that's what the Governor's current task force is going to address as far as appraisals jumping by, you know, 15 to 20%. I think that's a-- that's a-- it's an issue. It is an issue. But I think that may be addressed hopefully, before we get-- we get into our legislation.

DeBOER: Yeah, because that would be a natural consequence of any new development going into an area, but hopefully that would-- there would be enough distinguished between those houses and the new houses that they would not be considered as comparables. Let me know how you guys are going on that, I think that's a-- I think that's a worthy cause to pursue.

ARCH: I mean, I think it'd be great if she-- if she had-- she was far enough along that-- to, to talk to us about it because we don't want to-- I mean, if we're going to do something in affordable housing, we want to step on her and, and [INAUDIBLE].

HOLDCROFT: So you're saying, you'd make it a Speaker priority.

DeBOER: I did hear that.

VARGAS: Well, it's just not going to be one thing, right,--

ARCH: What I am saying--

VARGAS: --like, that's, that's-- there's, there's going to be-- so there's more than enough things to do in the house.

DeBOER: Yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

VARGAS: There was also a housing committee in Urban Affairs that had covered some other things so there, there-- I think inevitably people will be stepping on each other's toes, but some of it is going to be-- there's a lot of [INAUDIBLE].

ARCH: OK.

DeBOER: Yeah.

ARCH: Because I assume you're-- you know, I mean, you-- the Planning Committee can identify a priority bill as well, whether it would be one of those out here or something that comes out of this committee.

DeBOER: Yeah, I mean, since we don't have committee hearings in the same way as some of the subject matter hearings, our committee priority usually ends up being something that the committee as a group or at least the Chair, in exigent circumstances like the last year, decides there are things that we could work on. And so as I'm thinking about priorities for next year, one of the things I wanted to do was see what we were coming up with. And so it'll be something in the housing area, I believe. We can get something that's out of committee well, and that sort of thing, you know, obviously, want a well-crafted piece of legislation that comes out of its subject matter, a committee well.

ARCH: OK.

DeBOER: Yeah.

ARCH: OK.

DeBOER: OK. Senator Cavanaugh, did you have any specific things that you wanted to address from the urban side of things?

J. CAVANAUGH: Not at the minute, no.

DeBOER: OK. That's fine. You just walked in. Sorry. OK. We're going to do a couple of brief follow-up presentations from Dr. Schafer and Ms. Walocha--

DEANA WALOCHA: Yeah.

DeBOER: --good, of the Omaha Municipal Land Bank that will help us to narrow down-- I think Dr. Schafer is even going to present what some other states have done in terms of similarly situated and policy

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

interventions as we're thinking through this and then we'll have some time to discuss what we might-- what we might end up honing in on. So thank you so much for being here, Ms. Walocha, and we're happy to hear what you have to say to us about the Land Bank.

DEANA WALOCHA: Thank you. [INAUDIBLE] First of all, I just wanted to thank you for allowing me to speak. My name is Deana Walocha. I am in-house counsel with the Omaha Municipal Land Bank. I've been with the Land Bank for-- since 2021. But actually in my previous life, I worked for a company that bought tax certificates for 20 years. So when the Land Bank was created by you all in 2013, we-- I actually worked with Senator Mello and his staff on that because we were very interested, especially in how the, the, the land banks buying tax certificates worked. So I've been around the Land Bank since the Land Bank has existed. That, that, that enabling legislation was in 2013 and then in 2014 is when the Omaha Land Bank was created. And what a land bank is created for is it's a tool to help municipalities deal with their vacant, abandoned, and tax delinquent properties that has basically been abandoned by the free market. So the properties that the Land Bank ends up with are properties that nobody wants. And so you will see in my presentation that it's not just clearing the titles, which we have the tools to do that, we can clear off of all of the property taxes, all of their special assessments for demolitions for example. We have the power to clear those off. So it makes the, the value of the dirt the same as, as [INAUDIBLE]. Our goal is to be there and we have been pretty successful at doing that. We have-- since inception, we have sold 509 properties from the Land Bank and that's increased Douglas County's tax base by \$1 million. Give or take. So we've been-- we've been very successful at that. Our next-- then we'd probably like to tackle is getting these lots that we get to be shovel-ready. Currently in our, our inventory, we have 309 properties. And of those, barely half of them are shovel-ready. We do-- and here's the, the problem that we just talked about too is the cost to build is really high right now. And so to develop in these areas, if you have to tack on getting these shovel-ready, costs for tree removal, cost for 9 times out of 10 if there was a structure there when they demolished the area, so there's-- or [INAUDIBLE] the foundation. So we have to-- and it's-- they are expensive to do that.

CLEMENTS: Excuse me?

DEANA WALOCHA: Yes.

CLEMENTS: Are the microphones on? Could you--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

DEANA WALOCHA: Is that better?

CLEMENTS: Yeah, it would help, I think, if we--

DEANA WALOCHA: I can get closer.

CLEMENTS: A little bit.

DeBOER: Can you turn it up at all, Izabel?

IZABEL REYNOLDS: Yeah. We'll see if that does anything.

DEANA WALOCHA: Is that better?

CLEMENTS: Yes.

ARCH: Oh, yeah.

DEANA WALOCHA: Oh, there we go.

CLEMENTS: Thank you.

DEANA WALOCHA: I need to use my outside voice. So, you know, these are the problems that we are seeing in Omaha, especially in our urban areas in north-- especially District 2, north Omaha is where 95% of our, our, inventory lies. But like I said, we see vacant and abandoned properties. We see areas of, especially in north Omaha, where on one side of the street there are houses, people are living there. They're caring for their-- their children are, are walking on these sidewalks going to school. And then across the street is a fully forested 2 or 3 lots that if we had the funds to clear them and, and get them shovel-ready, you could probably put 2 or 3 new houses in there. We do have a pilot program. We are funded only to maintain-- up to code-- to maintain these lots, which means we keep the, the sidewalks clear. We keep them mowed in the summertime. We-- if there is an issue with dumping, which there's a lot of illegal dumping on these lots, we, we are funded so we can-- we can take care of that as well. But as far as a \$50,000 tree removal or a \$15,000 regrading, we're not funded for that at this moment. Here's just a few numbers that we, we got from our engineer that we work with. Foundation removal can run \$10,000. Clearing and grubbing, including tree removal, could be \$35,000. Depending on how bad-- how, how bad the site-- how unlevel the site is, it can be anywhere from \$5,000 to \$20,000 just to get that level so it can be built on. But we think by removing these obstacles to development, by getting these lots shovel-ready, ready for the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

develop-- developing-- developers to go, we can increase affordable housing, especially in north Omaha, because it will be-- the developers do not have to take on those costs. They can come in and with-- that's, that's already shovel-ready than their funding can go to build homes that are going to be affordable for the people that are going to live there. We do also have-- currently, we have a \$1.25 million grant from the DED that was part of the coronavirus stimulus money and we are going to-- we're ready to kick that off this spring. With this, we are hoping to make at least 20 lots shovel-ready. And of those, everything that we get shovel-ready, 50% of that will then have to be sold to build affordable housing. And that is another power that we as a land bank have, is we have discretion on who we're going to sell these lots to. So if we want to say that it needs to be for affordable housing, our board can make that decision. So these lots have to be sold for affordable housing. It's our goal to get everything that we sell from the Land Bank into the hands of responsible property owners that are going to make these neighborhood assets, going to get them back on the tax rolls, going to take care of the vacant and delinquent and tax delinquent properties that are in these areas. And this is just another way that we can do this.

CLEMENTS: I have--

DeBOER: We'll start with Senator Clements and then go to Senator Arch.

DEANA WALOCHA: I'm sorry, didn't see you.

CLEMENTS: Regarding who you're selling to, are you trying to do single-family occupied or are these going to be rental properties?

DEANA WALOCHA: Well, what we want to see is if they're, they're affordable, that's the most important goal. If, if we can-- if we can get single-family occupied, that's great. But what we want to see most importantly is either if it's-- if it's a sale or if it's a rent, it's affordable housing for people that are going to live there. We could-- but we could put a caveat on there that they have to be owner occupied. But I think that's a little difficult to do. I think what we're starting with is that they're afford-- it's affordable for the people that are going to live there.

CLEMENTS: Are you able to control the rent amount then?

DEANA WALOCHA: Well, I think that's something we'd have to explore whether we can do that or not. There are certain-- there's certain

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

levels of funding like LIHTC and programs like that that we can work with those. We partner with those organizations so the people-- the developers that are developing these, if they have that sort of financing then we know that it's also going to be affordable.

CLEMENTS: All right. Thank you.

ARCH: What, what did you say was your total inventory of lots?

DEANA WALOCHA: Currently, it's 309.

ARCH: So you'll pick 20 out of those?

DEANA WALOCHA: We have a rubric that our-- we are working with an engineering firm that is going to be our general contractor, and they're going through all of the-- all of our properties that are in our current inventory to see what would be the, the, the 20, I guess, most success-- or the most in need and the ones that this might work on the best so they're-- that's how they're going to--

ARCH: Yeah, I guess that was my question. What, what criteria to pick the 20 most, most likely to be built on? I mean, what--

DEANA WALOCHA: Well, that-- that's part of it. The area where they're at, they're looking at how close these-- some of the lots are to transport, like bus lines and other kinds of public transportation, if they're close to schools, if they're close-- if they're in an area that we know is, is growing and being-- currently being redeveloped. Things like, like that is what they're looking at. And there's-- and they're grading them.

ARCH: And then how far will you take-- will you take the lot? Will you grade the lot? Will you take it-- will you take it so that it's, it's prepped, ready to build on?

DEANA WALOCHA: That's our goal is so it's shovel-ready for when the person-- when whoever buys it, it's just ready to be built on. That's our goal.

ARCH: OK.

DeBOER: Thank you.

DEANA WALOCHA: Um-hum. Oh. Sorry, I-- technology and me are not friends.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

DeBOER: Yeah, I think it would be quicker maybe.

DEANA WALOCHA: Here we go here. And this is our timeline, but we're hoping to have it completed by 2025. And then we're looking at this as our pilot project. So if we are-- any-- if we're unable to get-- be funded and do another 20 lots or another 40 lots and we will have this project ready to go and we'll have a, a rubric for it. We'll have a, a procedure and we'll be ready to get this, this done.

ARCH: I have a question.

DeBOER: I have one too, so--

ARCH: Go ahead. Go ahead.

DeBOER: About-- so if you have 309 properties, some of them I understand will be-- they need the, the whole works to get ready. But are there some properties within that, that are a little bit of cleaning up of whatever is there? You know, they don't need the grading. They don't need the foundation. They don't--

DEANA WALOCHA: Yeah, because-- well, to be honest, some of the 309 properties are not buildable and we have-- this is where we're looking for other things. Like, we will-- if we can sell them to a neighbor so they can extend their lots. Because one of the ways that we get our inventory is through tax foreclosure and we partner with Douglas County and we do their tax foreclosures. So by the time a tax certificate gets to the county, it's been through 2 sales, and it's the worst of the worst. And so we do those foreclosures and the stat-- the, the [INAUDIBLE] legislation says when those go to sheriff's sale that we are the default bidder if nobody bids. So we will end up with, you know, strips of land-- we call them "spite strips." We'll end up with lots that are just not buildable. Some of them might be flat and fine, but they're just not buildable. We do have in here, I can show you--

DeBOER: And what's the reason they're not biddable if they're flat and fine?

DEANA WALOCHA: They're just not big enough. They're not up to code.

DeBOER: Right.

DEANA WALOCHA: Yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

DeBOER: Yeah.

DEANA WALOCHA: Yeah. Let me-- because we had one-- we have an amba-- one of the-- one of the first people that were in our Ambassador Program, her name is Jewel Rodgers, she made a property into-- it wasn't big enough to build on but she made a, a skate ramp, a skate--

DeBOER: Oh, OK.

DEANA WALOCHA: --pipe. Pipe? It's a skate park.

_____: Yeah.

DEANA WALOCHA: But that's what she's--

DeBOER: A little skate park for [INAUDIBLE].

DEANA WALOCHA: Yes. And so we're looking to do things like pocket parks and, and green space and stuff and things like that in order to get something done with, with these little pieces of property. Because, again, they're still assessed and they're still taxed. So, so they will stay on the tax rolls and, and just roll through that cycle and, inevitably, until somebody does something with them.

DeBOER: Was the-- would the Land Bank be developing those pocket parks or would they sell it to the--

DEANA WALOCHA: We would sell it to somebody. And we would partner with-- we partner with people like Habitat for Humanity. We partner with inCOMMON. We partner with Holy Name Housing and, in fact, inCOMMON just purchased a property and then they had to put it into our depository program, which we-- is a program that we can nonprofit if they acquire property that has a huge special assessment in it and this parcel happened to have, I think, a \$10,000 demo lien on it and they acquired it from-- as a donation. They deposited it with us. We were able to wipe that demo lien off, give it back to them free and clear, and they are going to put a neighborhood basketball court on it.

DeBOER: Oh, wonderful. Senator Arch.

ARCH: So, so I'm, I'm assuming this is ARPA money, you said COVID money.

DEANA WALOCHA: Yes. ARPA.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

ARCH: It's, it's ARPA?

DEANA WALOCHA: Yeah.

ARCH: So do you have a deadline when you must expend this?

DEANA WALOCHA: I think it's 2026 when it has to be.

ARCH: OK. All right. Very good. Thank you.

DEANA WALOCHA: Um-hum.

DeBOER: Senator Cavanaugh.

J. CAVANAUGH: Thank you, Chair. Thanks for being here.

DEANA WALOCHA: Sure.

J. CAVANAUGH: On those properties that are too small, you said that they're not zoned, is it-- I think we're talking really small or there's some of them that used to have houses and then we changed zoning and so we can't build a house now?

DEANA WALOCHA: Well, we do have some of those, but those we wouldn't call unbuildable because those usually that you've got a waiver, they could be become buildable. I'm talking about we might have, like, a 100 by 100 strip of land that I don't-- when they were platting things out, I think must have got missed. And so it's just been there forever. We just-- for example, we just sold-- when that-- to a property owner and it was the triangle of his backyard, and I-- we have no idea how that got split off of his parcel, but we ended up with it, contacted him, and we sold it to him. And he's going to-- he'll replat it so it gets back in there and that won't happen again.

DeBOER: Got it.

J. CAVANAUGH: Thanks.

DEANA WALOCHA: Um-hum.

DeBOER: All right. Thank you.

DEANA WALOCHA: Sure.

DeBOER: You can go on now.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

DEANA WALOCHA: So what we-- what we're here today asking for is just, you know, just to get-- to get you guys more familiar with the Land Bank, what we do. We have done a couple of bus tours. We would love to have you on-- we will do one probably again this spring and we'd love to have you on a bus tour so you can get into the neighborhoods and see what we're working with. We would love to come back maybe next year and report on what we've done with the DED grant to show you what we would do if we were funded for that. We're just really here because we think that we can definitely be an asset in, in trying to solve the affordability housing problem, especially in, in urban areas. And much of what you talked about in rural areas we see in, in north Omaha especially, too, with the-- with the appraisal gap.

DeBOER: Senator Vargas.

VARGAS: Thank you for being here. And less of a question, more of a comment. I look forward hopefully having you come back next year. I had the same question so I did not ask it that Senator Clements had about the owner-occupied side. You know, one of the things that we talk about with housing across the state is there's different needs for different communities, but generally we just need more properties. But when you look at north or south Omaha, there is, is significantly less percentage of owner-occupied housing than other communities, you know, which we know, if we're only building rental properties or creating even ability for more rental properties to be created, people aren't going to get out of poverty if they don't have homeownership. If they're able to afford the rent, largely they can get to owning, owning a home with the right support. And a lot of the programs like the rural workforce, even in the urban, the middle-income workforce, have such an emphasis on the owner-occupied side. I just hope that there's a continued push for that because it's--

DEANA WALOCHA: Sure.

VARGAS: --very, very much needed. I'm sure even, like, just the bankers, yours are also-- that's, that's good for overall community banks and economies as well. And so--

DEANA WALOCHA: I think one of the issues that we see, especially with members of the communities that we serve, is there might be some issues of, of them being able to obtain financing. And-- but another partner that we've been working with is Omaha 100, we've been working with them. We're actually trying to see if we can come up with some sort of product for those, those residents so they could qualify for a

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

loan and get into their own home. It's at the very beginning stages and I went to law school because they told me there'd be no math, so I'm probably not the person to ask about it.

VARGAS: Thank you.

DeBOER: Senator Holdcroft.

HOLDCROFT: Yeah, a comment and a question, too. I went on the bus tour and I think that we went by that, that house right there. I think is one of success stories.

DEANA WALOCHA: Yes.

HOLDCROFT: It was-- and they had some Halloween decor-- their decorations and it like a very nice family had moved in there. And it was part of a very nice neighborhood and most of these places we went by they were-- they were right in the middle of some very nice neighborhoods. They were just so overgrown and, and it takes so much to get them shovel-ready.

DEANA WALOCHA: That house was actually built by the developer, and then it was sold to somebody owner occupied. Yep.

HOLDCROFT: And just for clarification, you have some kind of charter underneath the-- is it the city council-- Omaha City Council?

DEANA WALOCHA: Yes.

HOLDCROFT: So you-- your organization falls under them as far as direction or--

DEANA WALOCHA: Well, we're twofold. We have the state statutes that we follow, and then we also have the city-- the city code that we follow. The state statutes gave the city the power to create us and create the rules for the city. So if you-- there are other land banks that are being developed in the state and they would-- they would follow the same in their state and then whatever entity created them would create.

HOLDCROFT: Is the city council considering any funding for-- or do you get any funding from the--

DEANA WALOCHA: We do get-- we do get some funding from the city as well--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

HOLDCROFT: OK.

DEANA WALOCHA: --every year.

HOLDCROFT: Thank you.

DEANA WALOCHA: Um-hum.

DeBOER: Thank you, Senator Holdcroft. Senator Vargas.

VARGAS: Along those same lines that you were asking, you know, have you identified any additional opportunities, barriers in state policy that will enable you to do-- be more effective at your work?

DEANA WALOCHA: I think one of the issues that we have seen and, actually, Senator Wayne had a bill 2 sessions ago that would-- the, the redemption for a tax certificate is 3 years from when you purchase it at tax sale, and then you have to wait 3 years in order to start foreclosing on it. So that property just sits there for 3 years, and it's already been taxed to link up for 2 years by the time that it's gone to sale. So the time you can start the, the process to foreclose and transfer that title, it's been there for 5 years. Senator Wayne had a bill which we supported that would take that 3 years to 2 years, because that's-- in Nebraska, that is the lowest a redemption period can be for vacant and abandoned properties. And as part of that, we would have to show-- whoever is going to take that 3 years to 2 years would have to show-- prove that it's vacant and abandoned. One of the ways you would do that is, like, the city of Omaha does have a vacant and abandoned registration act. So there are those kind of things. But that is one thing we see because especially that's why we have so many vacant lots rather than structures, because structures, inevitably, if they're vacant for long enough will get demolished. And then you have to start over again, where if we could get them sooner then we could rehabilitate those structures, which is much more cost-effective than having to start from scratch.

VARGAS: Thank you.

DeBOER: Any other questions?

CLEMENTS: Yes.

DeBOER: Senator Clements.

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Legislature's Planning Committee November 17, 2023
Rough Draft

CLEMENTS: Thank you, Chair DeBoer. And thank you for being here. I wanted to get more into how things work with acquiring properties. You say you're purchasing tax certificates. Are you bidding against private people on the tax sales?

DEANA WALOCHA: In Omaha, we still have that automatic bid that was created when [INAUDIBLE] enabling. So but we have a certain set of criteria that we have to meet and our board has to, to approve before we can use that. And when we do that, then we buy, buy those right off the top. And we do pay for those certificates when we, we purchase them. And really, if, if we didn't have that we wouldn't be able to compete with the private industry because there's just too many. They-- these companies come in and they can put 20 or 30 bidders, especially now that the, the tax sale in Douglas County is online. I mean, it's just a matter of, you know, entering your, your bids and the computer chooses you. So in one aspect, yes, we are-- I guess, you, you-- it could be argued that we're competing with the private industry, but we're really not because we're going after only the things that are left behind. And then the bulk of-- and, and I will also say that we have a really high redemption rate. Our redemption rate is about 85%. So really people in Nebraska pay their taxes. So the stuff that we really end up with comes from the Douglas County tax sale that we do the foreclosures for, and that's the worst that the private-- the private market has just turned their backs on and that's the majority of our inventory.

CLEMENTS: Yeah, I was hoping that would be true--

DEANA WALOCHA: Yeah.

CLEMENTS: --so, so private industry can come in and--

DEANA WALOCHA: Yeah, I, I mean--

CLEMENTS: --things that are-- would cash flow for a builder or developer, let them go ahead and do it.

DEANA WALOCHA: We only want to partner with them. I mean, I think the best way to solve this problem is a public-private partnership. It really is. And so we want to be there to partner with them, not step on their toes in any way.

CLEMENTS: All right. Well, then, I'm glad to hear that. The redemption rate means-- oh, people who are delinquent, they go ahead and pay the tax before the sale happens.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

DEANA WALOCHA: Yep.

CLEMENTS: All right.

DEANA WALOCHA: Or before, yeah. In Nebraska, you can redeem your taxes up until the point that a sheriff sell the property happens, which happens all the way at the end of the process. So that would be, again, 5 years later. But they-- we found that even once you get served with the-- with the court papers, people are-- it gets their attention and they get in and pay their taxes. If, you know, if they can't-- if they can't, then that's something different all entirely.

CLEMENTS: All right. Thank you.

DEANA WALOCHA: Um-hum.

DeBOER: All right. Thank you, Senator Clements. Any other questions for Ms. Walocha? Thank you so much for being here--

DEANA WALOCHA: Well, thank you.

DeBOER: --and presenting and we'll continue to look forward to working with you.

DEANA WALOCHA: Well, thank you very much. It's been my pleasure.

DeBOER: Thank you. Now Dr. Schafer, I think, is going to come and try and talk for--

JOSIE SCHAFFER: I'm going to keep it short, I swear.

DEANA WALOCHA: Let me get out of your way.

DeBOER: You can tell our appropriators are here.

VARGAS: Yes, [INAUDIBLE] was right because we're always here.

DeBOER: The appropriators are present.

JOSIE SCHAFFER: Good morning. How are you all? So about 2 months back, after NIFA gave the presentation on housing, there were a couple numbers I was, like, really interested in and thought were worth following up on. So we prepared the housing availability and quality brief. And so you all have had that. There has been some discussion of it, but we wanted to bring it back today because it seemed that housing was important. So I prepared a fairly long presentation. I'm

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

not going to-- I'm just going to hit some highlights from the brief, follow up on a few things to make sure that the landscape is clear. There are 766,887 households. There's 840,802 housing units. So that's a 91.2% occupancy rate. So a lot of people would say that's fine, right? We have enough houses. But when we dig deeper on those numbers, we're going to find a couple more things that suggests that some of those housing units are vacant, not in great shape, haven't been remodeled, particularly in rural Nebraska, where we're seeing a lot of that challenge, the quality of homes, while the lack of supply has then caused affordability to become a real challenge. And so it is-- the picture actually said when we dig deeper is there's a real gap in the number of houses. So just since 2020, there's about 40,000 new households in Nebraska, 2020 to 2022. Right? So kid goes to college, moves in with a roommate, that's a new household, right? Things like that. So it's not just population growth, but we've only added about 17,000 housing units. So that is a pretty good estimate of the gap in housing availability. And anytime there's tight supply we get [INAUDIBLE] of the issues. This is the number of permits per year. I just wanted to point out that we have just now come back to pre-Great Recession levels of permitting. Permitting does not mean units, though, right, it takes-- we saw those project timelines, right, it takes a long time to get those units online. But we have had a real delay on housing supply for a very long time now.

VARGAS: OK.

JOSIE SCHAFFER: Yeah.

VARGAS: Go back to the last slide, please. This is just a, a point of information, which I think is helpful. At that juncture of 2007 to '18, '19, '20 where you're seeing the biggest increase is where we both started the rural workforce housing and the middle-income workforce housing programs and they were funded. And the Affordable Housing Trust Fund, we made some amendments to them to make them more competitive and more transparent. Prior-- like, 2017-18, there were-- there was a buildup of cash in the Affordable Housing Trust Fund. There was a report done by Performance Audit and, and so I, I think I just wanted to call that out because one of the increases, even though we're still far behind, I think can be attributed directly to a lot of these, not one program, but a lot of these programs during that big jump.

JOSIE SCHAFFER: If we talk about nothing today, I really want to point this out. The current population survey is a survey from the United

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

States Census Bureau and the Bureau of Labor Statistics that is used to set the unemployment rate. So it is a very workforce-focused survey. But it asked this question, if you moved in the last year, why did you move? And you can only say one thing. Now moving, especially out of state, is a really complex calculus. It takes a lot to sort of uproot your social and economic networks and move out of state. But this survey, along with some other research I presented to this group in the past, gives us an ability to say, all right, well, what was the main driver? The main driver consistently in the past has been jobs. When someone's going to pick up and move state, they need a good job, either better pay or more job opportunities, advancement, the feeling that you can job hop a little bit and get ahead. In 2022, people that left Nebraska left because of housing and that, to me, is a complete shift in what we've seen. So you can see the housing group moved between states. It was only 17% of folks that said it was housing in 2021, 34% in 2022. The other category is still the largest, but it surpassed jobs and it surpassed jobs by a lot, right, 34.7% said it was jobs in 2021. The number one reason people moved, which is why I was saying it's the number one reason people move. That dropped to 12%. People were moving because of housing in 2022. So right, I think there's a lot of ways to say we have a problem but this, to me, really struck me in that in one year things had totally shifted.

ARCH: So, so what does housing mean?

JOSIE SCHAFFER: OK, great. So this is the sur-- this is the survey. This is the specific question they ask. And, again, I'm able to isolate folks that were in Nebraska in one year and not in Nebraska the next year. What was your main reason for moving to this house or apartment? And these are the following responses that are offered. People are able to say other things. If a lot of people, for instance, said taxes they would code it, but it doesn't tend to show up. So wanted to own home, not rent, wanted newer, better housing, wanted better neighborhood for cheaper housing or other housing reason. The number one in that category is wanted new or better housing-- wanted new or better housing. That group of Nebraskans, that's the reason they cite within overall housing. Now we get to really small samples as we sort of break these things down so I don't report it that way, but I have a lot of confidence newer, better housing is driving that housing shift.

ARCH: And, and we don't have geographically. Is that rural? Is that urban? Is that-- does it make a difference?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

JOSIE SCHAFFER: So going back to a presentation I gave earlier, the trend is that folks in Nebraska, rural Nebraskans are moving to metropolitan Nebraska, and I go county by county and show that shift.

ARCH: So with-- within state.

JOSIE SCHAFFER: Within state. And then once folks get to Omaha, Lincoln, maybe Grand Island, that's the group that move out of state, which is another reason I've always sort of suspected jobs, right, moving, moving to the high area to get the good jobs and then jumping out of state to keep for advancement. So that, that is the pattern I would say consistently. You can also go back here and you can look at moved within county. So when someone moves within a county, housing is pretty much always the reason, right? I'm not changing my job. My family hasn't shifted in any real way. I'm just moving a short distance. Housing is always that driver. So I think it's important, right, not just why people would leave the state, but when people are coming from a rural county into a metro county, right, housing is also a driver when they're just looking within a county so I want to stay in my rural community. I want newer, better housing there, too. So housing is driving a lot of movement decisions and we are seeing that trend, rural into the metro. They're going to be looking for housing there. And if the Metro can't supply it, they're going to jump out of state. And later I'll compare to Iowa and Kansas, which is where most Nebraskans go. Right? We're not all going to the coast. We're staying within the region. You'll see some things about their housing market that suggest why we're here. So, right, we know we have a problem, I think is the main point. We have a lot of vacant housing across the state, particularly in rural Nebraska, rent is higher here, and very few of those vacant houses are for sale. I am going to move quickly, but you have all this so we can come back to it. And, in fact, there are very few homes for sale at all. This was the number that NIFA suggested. There were about 3,000 homes that someone in management, business, and finance for sale could afford in the state. And I was, like, there's only that many homes for sale in the state? That can't possibly be it. But that is exactly true. There are 4,718 homes that were for sale in August of 2023. That's an estimated 1-month supply of housing. According to the National Realtors Association, you should have a 6-month housing supply for sale in order to just support a healthy market, natural movements that folks want to make. People want to live in the kind of homes they want. Economists will put that a little lower, saying about 4 to 6 months of a housing supply, and that's going to lead to lower prices, right, supply and demand. If there's very limited supply, I can charge more for my house. So the

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Legislature's Planning Committee November 17, 2023
Rough Draft

economists are saying, well, as long as you have 4 months, it's going to hold prices steady, not going to go down, but they're going to hold prices steady. Realtors Association says 6 months for normal churn. We're at 1 month, only 3 other states with 1-month supply.

ARCH: So that--

JOSIE SCHAFFER: Very low supply.

ARCH: --so the 1 is, is, is a month.

JOSIE SCHAFFER: What?

ARCH: The number 1 means, 1-month supply--

JOSIE SCHAFFER: 1-- 1-month supply of homes for sale.

ARCH: --or 2 months in Iowa. Right?

JOSIE SCHAFFER: Right.

ARCH: OK.

JOSIE SCHAFFER: 1 month in Kansas. Yes. And then that's the number of homes for sale. That number below it. Right? And now different populations, so that-- how they get to the supply number is based on the total population versus how many people are looking and things like that.

J. CAVANAUGH: And all those houses are in my neighborhood.

JOSIE SCHAFFER: Are they?

J. CAVANAUGH: Seems like it.

JOSIE SCHAFFER: They're-- so--

DeBOER: I have a house for sale if anyone wanted to buy it.

VARGAS: I think-- you know-- so--

JOSIE SCHAFFER: I mean, we really have to remember that population is very concentrated in this state. And so I, I would bet that a very good portion of those are for sale in your neighborhood. And that's, that's a good thing for the Omaha market. But I mean, that very first conversation we had about just sort of the state's demographics,

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

right, we-- there's an idea that folks do want to live in these rural communities. What do they need? Houses for sale. What don't they have? Houses for sale.

VARGAS: It's a question, Chairwoman.

DeBOER: Senator Vargas.

VARGAS: So-- and this might be, like, a follow-up, because that number is shocking to me. Not shocking because-- I mean, the shocking versus the relative, like the fact that we are so far behind other states with having the housing supply. It's, like, when we looked at, like, you know, our, our-- the, the Cash Reserves and, like, how sustainable we are as a-- as a state and, like, fiscal health. Like-- I'm, like, our housing health in the state feels really poor because, you know, we talk a lot about, like, demand and we can't even get to a place where the market is generally controlling-- is, is working. Like, the free market is working until we get to, like, a 4- to 6-month supply. That's the concern I have. The question might-- it might be as a follow-up is we can pull-- can we pull data from, like, you know, the Aksarben Foundation or, or Blueprint because there's a lot of numbers on the number of jobs that we're trying to create and the number of people we're trying to have come into our state. And I'm concerned on all the numbers that I've seen over this last year, that that's-- it's 5,000, some of that's going to people just going into a another home in county, right,--

JOSIE SCHAFFER: Right.

VARGAS: --or people trying to go from an apartment to a house. I'm, like, if we're trying to attract 5,000, 10,000 people to come to our state in a year,--

JOSIE SCHAFFER: Right.

VARGAS: --right, or, you know, we clearly don't have the housing supply even in a month to be able to meet their demand. So that might be something interesting in regards to the number of jobs we're trying to--

JOSIE SCHAFFER: Yeah, I [INAUDIBLE], we have a gap.

VARGAS: --incentivize. Yeah, the jobs we're trying to incentivize.

JOSIE SCHAFFER: We have a gap in housing now so if--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

VARGAS: Yeah.

JOSIE SCHAFFER: --you brought 10,000-- if we have a 20,000 house gap now and you brought 10,000 in, now we have a 30,000 house gap.

VARGAS: Yeah.

JOSIE SCHAFFER: Yeah, and just keep going up from there.

VARGAS: Yeah. It just might be interesting as, like, all the numbers we're trying to create, incentivize through the incentives. You know, we're, we're trying to create through the chamber work at the state, this local level and say, like, these are the number of jobs we're actually trying to create, number of people we're trying to retain and keep. But this is also the number of housing that we have available at any given time, so.

JOSIE SCHAFFER: Absolutely. So building on the vacancy, we also look at issues of quality in these homes, sort of a lack of renovations. I'm not going to spend too much time. Many housing units were built prior to 2000. I give you the estimate, the percentage of homes built prior to 2000 by county. I also give you the median year homes were built by county, just to give a sense. So the census definition of what is not a quality is lacks complete kitchen, lacks complete plumbing. So these are pretty, like, severe. So I use age to help us get a little bit more at the quality of homes. All of these supply challenges are leading to higher prices, as well as there's-- we're seeing sort of a demographic challenge, as we've noted in here as well, folks are living longer. 43% of households in Nebraska have been in the same housing unit since 2010 or prior. So we have folks living in their houses a fairly long time, which is also not helping with the sort of churn that when you bring people in, folks have been in those houses for a long time. But I want to focus a little bit on price. And this is data we tracked for the Planning Committee during the COVID-19 pandemic. I haven't been tracking it recently. I, I know the numbers, but we have till 2022, quarter one, so I think we have some recent. This is the quarterly house price index from the Federal Housing Finance Agency. You don't really have to understand the index to know that it's going up. Right? And it's tracking right with the United States. It's the black line in that picture. Normally, we're lower than U.S. averages. Right? So tracking right with the U.S average, here I've layered in just Kansas and Iowa. Kansas is in green, Iowa is in gray. We're higher and our rate is going up faster on that index. OK? So housing prices, slightly more supply have remained slightly

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

lower. Now they're going up as well, but under us. Where are folks moving? Kansas in Iowa. So I thought that was important. Here's the year over year change, and that's pretty shocking, too, in just those last couple of years since 2020, right? Every year, it's just getting harder to buy a house. Same house, just getting harder to buy that house. That was quick-- go for it. Did you have a question?

ARCH: Hence, our property taxes.

DeBOER: Yeah.

JOSIE SCHAFFER: Yeah.

DeBOER: Exactly right.

JOSIE SCHAFFER: I mean, absolutely, and so are property taxes. So my assessment-- my assessment jumped 45%.

DeBOER: I mean, that's--

JOSIE SCHAFFER: I didn't buy a house that I can afford to pay taxes on, right, like, I, I didn't mean to buy that house. I would have bought-- you know, so it is-- it's a real challenge. And that's not even, right, captured in the index. So it's becoming harder. Yeah.

J. CAVANAUGH: This tracking with the national price that-- that's a dollar amount? Now, is that \$300,000 or what's on the far left there?

JOSIE SCHAFFER: No, that's an index-- it's an index score.

J. CAVANAUGH: So-- oh, that's a score.

JOSIE SCHAFFER: I don't know-- I, I could convert it into a how much it increased, but mostly just sort of showing you a--

J. CAVANAUGH: So it's not, like, the average house in Nebraska is the same cost as the average house across the country, then?

JOSIE SCHAFFER: No, no. It's based on sales price data, but it's, it's indexed to a couple different things. So I don't think it works out specifically to a \$300,000 house.

ARCH: So the average-- so the average house, whatever the cost is,--

JOSIE SCHAFFER: Right.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

ARCH: --doubled--

JOSIE SCHAFFER: Yes.

ARCH: --since 2000.

JOSIE SCHAFFER: Absolutely.

ARCH: It was at 150, it's at 300 now.

JOSIE SCHAFFER: Yeah. And this, this is your year over year change so you can really-- not-- look at it just since 2020. I can get you what it works out to. The average home price in Nebraska, I, I think is, like, if you take the whole state-- the state as a whole, I think it's like 149. It's not that high.

J. CAVANAUGH: But when you put us the same as the rest of the country as a whole, I guess is what I'm confused about.

JOSIE SCHAFFER: Yes.

J. CAVANAUGH: It just-- like you hear, affordability is the thing--

JOSIE SCHAFFER: Right.

J. CAVANAUGH: --about Nebraska--

JOSIE SCHAFFER: No.

J. CAVANAUGH: --and comparing us, maybe not to Iowa and, and Kansas, but California and--

JOSIE SCHAFFER: Exactly.

J. CAVANAUGH: --Colorado--

JOSIE SCHAFFER: That's wild.

J. CAVANAUGH: --and other places.

JOSIE SCHAFFER: That's why I put it with that U.S. that we are tracking so close to that sort of average rate is not where we normally would land on these kind of things.

DeBOER: And the--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

JOSIE SCHAFFER: Absolutely.

DeBOER: --the driver of that is obviously the lack of stock. Are there other drivers that we can follow that's, that's driving the cost of housing up in Nebraska?

JOSIE SCHAFFER: Sure. So I, I have really focused on availability here because that's what I'm seeing. Absolutely, costs and cost input have gone up tremendously. Our workforce is not very construction heavy and so, right, like, having an abundant workforce to build those houses, we don't have that. There was a Omaha World-Herald article, there was a large developer a couple of years back that went out of business that sort of targeted those building of those mid-priced homes, and we never recruited anybody after that into that market. You know, so cost input is a huge driver of that as well.

ARCH: Smith-- is that Smith?

DeBOER: Or HearthStone.

JOSIE SCHAFFER: No, it's like Home Builders, Inc. or something like that. I can look up the name.

DeBOER: Oh, yeah.

JOSIE SCHAFFER: It was something like that.

DeBOER: I think they--

JOSIE SCHAFFER: Is there housing people here? Do you, do you all know that?

DeBOER: Was it HearthStone? It was-- when did HearthStone go out?

_____ : [INAUDIBLE].

JOSIE SCHAFFER: It was before the pandemic--

DeBOER: Anyway. Anyway.

JOSIE SCHAFFER: --that they went out and then it just never [INAUDIBLE].

DeBOER: So, so even if it's not stock, it's also stock.

JOSIE SCHAFFER: Yeah.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

DeBOER: Because the, the driving cost of that is that for whatever reason, maybe the driving cost of inputs, whatever, we're not able to, to meet the demand that we have.

JOSIE SCHAFFER: Yes.

DeBOER: And that's the reason that our prices are going up.

JOSIE SCHAFFER: I-- you know, like, economics is hard if you made me say that's the one. To me, this is looking like stock.

DeBOER: OK.

JOSIE SCHAFFER: Yeah. And, right, going back to that permit side, we-- it's not like something we can solve overnight because we've spent years and years of not building enough stock to keep up with the change and households. Right? Like, everybody says, you know, we're not growing tremendously from outside, but we are still growing from within. Last decade we had 7.4% growth, but our-- so that permits per population over the last decade was 0.48. We weren't keeping up with population change by any means and haven't really.

DeBOER: Senator Vargas.

VARGAS: Chairwoman. Can you go back to actually the permit slide?

JOSIE SCHAFFER: Yeah.

VARGAS: And, yeah, I, I keep forgetting that it's just 0.48, it's not like it's, like, 10%.

JOSIE SCHAFFER: Yeah. And so some people do it per population. Some people look at household. I'm, I'm trying to give you a couple different numbers, but they're all pointing to a gap.

VARGAS: And we pulled, I say we, NIFA pulled some of those permit numbers, too, because they were trying to track. But when you're pulling a permit, you're typically-- right, like you can-- you can pretty much attribute the permit to the project and the project to how it was funded. Was it LIHTC? Was it, you know-- you know, Affordable Housing Trust Fund? You know, is it, you know-- you know, what, what housing tax credit programs or housing programs? And the only thing that I worry about is some of those housing programs, the ones we've talked about, right, like rural workforce housing is, is an example, are not consistently funded in perpetuity. So we may not have been in

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

that point before aid continued because there isn't a sustainable funding source to that. And actually, Affordable Housing Trust fund is based off of the doc stamp tax, which is fairly stagnant in terms of how much is going to it every single year. Although, that this surprised me because with, like, housing prices going up. I mean, it's just a small doc stamp tax. It's all relative, right? But that's the thing that concerns me the most because if that goes away what we've seen from 2018 to 2022 with no funding, that's just far, far worse.

DeBOER: Thank you.

VARGAS: [INAUDIBLE]

DeBOER: Let's-- can we switch now to start talking about options, your option slide?

JOSIE SCHAFFER: Sure. So there are a lot of options. Like, 3 big groups: availability, affordability, and regulation. Right? So things to do about making more homes available. Things to do about making homes more affordable. Things to do about regulation. And that's going to include, like, special districts and things too. NIFA-- you'll see many of these sort of align with NIFA just giving you some examples of different states. But I'll tell you, this isn't the whole story. I think the next two slides actually might provide some context. But-- so state grants for local communities to invest in housing like middle-income rural workforce housing. Nebraska is highly touted for those programs, so NCSL and anything they write on housing usually mentions those programs. So we're, we're cutting edge that way. Financial incentives to developers to build affordable housing, I don't know how much we have in terms of that specific programming, but we have incentive packages, so it could be done. First-time homebuyer savings accounts, couple examples. Kansas now has that as well. So this was not legislation out of Florida, but in thinking about challenges in rural Nebraska and challenges with building, but-- and a lot of vacant homes. I was trying to think about programs for renovation. There's not a lot. HUD has a couple particularly focused on aging adults. But it's not big money at all. Florida has established a low-income emergency home repair program. I shared with you all that our area agencies on aging does some of this, but it is not highly funded. It's more they have a budget, and if they can do home repairs, they, they can help someone out to do home repair so they can stay in the home. They'll help out. So it's an interesting one, I thought. Utah allows for local governments to establish housing in transit reinvestment zones. So special districts. Now, I think this

could be really broad. It doesn't just have to be housing and transit zones, as in Utah, but something where, like, a lot of other special districts or TIF financing are given in a special districts specifically for building housing that could maybe-- so that we don't have to pass a loan on to the individual, we could lower the cost of investing in that property for the developer in the first place, right? Build some of that infrastructure like we do all the time with TIF, so that it's cheaper for them to build that house, and then maybe they don't have to charge as much market rate. They can charge the assessed rate to sell it because they didn't put as much into it, something like that. And then NIFA is on this as well. You know, statewide zoning rules that allow for a little bit more flexibility, like an accessory dwelling unit, like duplexes instead of single family homes. I work with cities and counties across the state on economic development projects. Most wonderful, hard-working people. They're-- I say this in the nicest way, they're really low capacity. They don't have a planning department. They don't have a neighborhood department. You know, explaining planning and zoning changes to a community with a couple new elected officials that have been there for a long time and sort of can't imagine necessarily what changes are coming is hard. Sometimes they really want to do it, but they really don't have, you know, they can't go to conferences and find great models to do this in their size communities. So there is something about the state trying to enable housing in these communities with them. I think they have a lot of energy. I think I'm speaking at the Nebraska Association of County Officials. They just want me to talk about how to get housing and childcare. So they want it. But, right, how do we sort of enact these rules quickly to make it easy for private developers to come in and do this work is something really to look at. But when I go through this list, a lot of this we already have on the books, so I wonder why we're still behind. This is from the Census Bureau's Census of Governments, and it looks specifically at state spending in the category of housing and community and development. And just so you have those definitions, this is what it is: planning, construction, furnishing and operation of public housing projects, rent subsidies, housing and mortgage finance agencies like NIFA, promotion of homeownership, assistance for repair and renovation of existing homes, and programs to encourage private sector housing production. This is basically what this group of this expenditure category is. We are the lowest in the country of state spending on housing. We are the lowest in the country on state spending on housing, \$941,000. While you have Kansas and Iowa at the state level spending \$132,100,000 and \$250,100,000. When we add in state and local

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

spending, we are not the lowest. So you do have your local communities. And this isn't all Omaha by any means, this isn't all Lincoln by any means. Like in rural workforce housing there's usually local government match. So this is including that kind of match. We go up a little bit, but we are still really on the low end, even with our peers on state and state and local spending on housing. So I-- it seems to me like we've done a lot of programmatic and policy work, but we're a little off from maybe making that large impact.

ARCH: It'd be interesting to, to take it to a per person.

JOSIE SCHAFFER: We can absolutely take it to a per person.

ARCH: Because some of these are pretty--

JOSIE SCHAFFER: Right. Absolutely.

ARCH: --high population states.

JOSIE SCHAFFER: Absolutely. But it's also why I put the Kansas and Iowa numbers up there, right, and Kansas and Iowa, Iowa in particular are well down that list. So I'm happy to do that for you really quick. I was-- I've been traveling pretty much this whole month so this was getting put together pretty quick. But, you know, it just seemed to me when I was looking at the policy options, it just wasn't-- we, we have a lot of those on the books. So I was just wondering why other people were-- other states were getting there faster. Yes, sir.

DeBOER: Senator Cavanaugh.

J. CAVANAUGH: Thank you. So-- I mean, a couple things jumped out at me here. One is that Kansas-- we jump Kansas, but--

JOSIE SCHAFFER: In state and local.

J. CAVANAUGH: With their state and local. Yeah. So what is it that they have different programs or they just put more money into the same programs that we have? Are we-- do we have all of these options on the books but we're underfunding them, is that what you're saying?

JOSIE SCHAFFER: We have most of these options on the books in some way. Yes. Yeah. So we are just underfunding them is what it appears to me. And I-- you know, some of them are a little, right, like Kansas first-time homebuyer savings account is a little bit more targeted than I think some of the things we would have. But other than that,

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Legislature's Planning Committee November 17, 2023
Rough Draft

there was nothing I saw that didn't sort of fit the model on, like I said, middle-income and rural workforce housing funds are fairly progressive in terms of what other states are doing, like other states are copying that, but not necessarily at-- we are not funding it at the same level that others are.

DeBOER: So we have the right ideas, we maybe just--

JOSIE SCHAFFER: I-- you know, there's--

DeBOER: --are not focused on them as much.

JOSIE SCHAFFER: --there's, there's certainly tweaks to be made, I'm sure. I think there are a lot of in the weeds sort of issues that, you know, the bills aren't managing, like your point about the appraisals and the market values. We do have appraisal and tax rate issues when it comes to property tax, which is directly related to housing and housing costs and things like that. So, you know, it's not just expenditure. I think it is tweaking a lot of the options. You know, I thought renovation of older homes in-- based on our data is interesting. I don't know that a lot of money's going into something like that. So, yeah, I think there's options. But, yeah, I think-- I thought it was-- again, when we track with the United States, I go that's weird. When we're the lowest of 50 states, I go that's something. You know, there's just something there.

DeBOER: Senator Vargas.

VARGAS: The-- you know, I had the same question that Senator Arch had about the per capita, I guess, or like per person. But the Iowa-- I mean, we're-- you, you do per capita or per person on that, you know,--

JOSIE SCHAFFER: Right.

VARGAS: --we're being outspent 3 to 1, you know, at least 2 to 1 from what Iowa is. We don't do a lot with what you just said-- with what you just said with rehab, rehab renovation. Like, that's actually an area of-- now that you mention it, in all these programs we just don't. Even Affordable Housing Trust Fund and, like, if you're talking about, like, increasing a home in a rural county, if you're, like, in Saline County and you have a home, there's a limited amount of funds to, like, help rehab and improve the home and the whole value. There's just not a lot of programs?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

JOSIE SCHAFFER: Well, and it would help with some of the market rate problems, right?

VARGAS: Yeah.

JOSIE SCHAFFER: When we go and do these middle-income rural workforce investments and they're building all new, it's because they are looking at these much older, likely unrenovated homes to, to set their prices. So, right, if we kind of took a broader community approach, and if you're going to put in 5 across, across the street better-- look better, too. But I, I can't-- I can't make this point enough based on the demographics of our state where we are today, it is-- it is vital that we help people to age in place in their communities, that they don't all move to Omaha and Lincoln because their kids all move to Omaha and Lincoln. Folks are going to be living longer, so the longer we can keep them in their homes is a great thing to do for long-term Nebraskans and homes that were built in 1960 need renovations in order for folks to stay in place. And so I, I think that has a lot of potential, again, because of the data of the state.

DeBOER: OK. Thank you so much for all of that follow-up for us. Are there additional questions, I guess, before-- OK. So now we kind of need to turn inward as a committee and say what kinds of interventions are we wanting to try to focus on? And maybe Josie-- Dr. Schafer will stay up there-- apologies--

JOSIE SCHAFFER: Sure.

DeBOER: --so that you can kind of talk to us more about options and things like that, but this-- you know, bias is out there, I've been renovating my house, so the renovation rehab part is very interesting to me right now because, you know, I have a 30-year-old house and we had to repair some floor joists because some things hadn't been taken care of. So if it's a 60- or 90-year-old house, you know, these things can quickly get to a place where the house is-- it's not just cosmetic, I guess, is what I'm saying. There were cosmetic changes that I made. There were changes because lifestyles have changed. And we, you know, we use rooms differently and things like that. And then there were just some changes that needed to be made to make it a safe dwelling unit that was watertight and, you know, didn't have the black mold anymore and all of these kinds of things. So I am-- have been kind of interested as we've been talking about what we might do to help folks in rural but also in urban areas with rehabilitating their houses. And I take your point, Dr. Schafer, that, yes, if we have the

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

five home looking for comps problem, you know, we have to do something so that those developers have the ability to get what they put in. But it does also sort of highlight the fact that the other houses are not comparable. And what does that mean, and how can we make them more comparable? Does anyone else on the committee have any interest in thinking about what we might do to rehab the housing stock that we have or is that something that doesn't sound like something folks would be that interested in? Anybody?

J. CAVANAUGH: I'm, I'm pro. Do you want me to raise my hand? Pro.

DeBOER: Anybody else? This is just-- I mean, we're just talking informally now.

ARCH: I mean, pretty broad issue, I guess, is, is my only concern. I-- you know, as I sit here and I listen, I think, you know, I mean, we got a big problem.

DeBOER: Yeah.

ARCH: And I don't care where you are in the state. And there have been some communities that have stepped up to solve their local issues. And they speak to us and they talk about what they've done and, and-- I mean, that's probably where this is going to be solved versus, well, let's just put another \$100 million into the problem, you know? I mean, and then where does that go and what communities get that? And how do we, you know-- so I guess-- I guess my question, and maybe, maybe you have a better feel, League of Municipalities. This has just been one of those issues that they have everywhere. And, and have they-- have they had any discussions with you about, you know, if, if, if we had more flexibility, if we had more freedom, we could do more in our local community but our hands are tied, any of those discussions gone on?

JOSIE SCHAFFER: So there's a-- yes, there are a lot of those discussions. If I can, like, slightly illustrate a story. I was working with-- I won't say the city, but near Omaha and Lincoln-ish, and they were really interested in what price homes they have to develop so that the manufacturing plant that was bussing people from a larger community to work there, what price homes they needed to build to do that. And, in fact, what they wanted to do was a survey of that group of people. And I was, like, you don't need a survey. I can tell you, you know, like, a couple numbers and I can tell you that. And I tell the story because all that's doing is sort of moving people.

Right? They're not really focusing on what can they do as a community to be the sort of vibrant, growing place that people sort of choose to live, right? Just because they came up with the number doesn't mean a developer's going to develop it. I don't know that displacing folks that already have homes is actually the right thing. So, right, like, I just-- and I'm a local government scholar, so I, I love to see local governments being really successful. But my concern is right now they really don't have the full tool kit to be able to do this well. And if a lot of people do it, a bunch of communities do it not so well. It's just going to create new problems. Right? So if the first private developer that comes in and says, here's what I can do, and they give a bunch of tax incentives locally or create a whole special district, and it's really not thoughtfully monitored and they build houses that no one can afford or they end up in this appraisal zone and now we have McMansions sitting there and things like that. It could go very bad very fast if it's sort of just everyone on their own and just we have so many communities of such small population. When I was doing-- helping with redistricting, so a lot of during the redistricting, many of these cities, counties could not afford a private engineering firm to help them with their redistricting. So we stepped in to offer really low-cost services to some of these smaller places. And one county had not had a map made since 1968. That's the only map they had. Right? And so when I say it's low capacity, it's really low capacity. It doesn't mean people don't want to live there, it doesn't mean people aren't currently living there, but, you know, their ability to step in and solve these fairly large challenges at a time when interest rates are up and cost input is up and things like that is it just seems like there would have to be some guidance. And, right, like the economic, you don't want to get into the economic development wars between these small communities, and they're building something that's really just trying to steal from next door and things like that. So I, I think-- I think NIFA, by putting out the statewide housing plan, has made some important steps in sort of saying, what are the statewide challenges? What could we do about them? But it seems that if we were to not as a-- not think as a state around housing being such an important issue, it might be a mess.

DeBOER: Is there some way then to kind of make a hybrid of what Senator Arch is talking about so that the state was really sort of doing the, the statewide plan and the consistency and all of that, but maybe that it was empowering local governments to take that-- to take the tools that the state has available? This is sort of the module. This is how you do X thing and then they can--

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

JOSIE SCHAFFER: NIFA does have a program where they give planning grants to local communities. So-- and-- but they're all pretty small. It's still not coordinated regionally. So there could be some potential there. The way rural workforce housing and middle-income housing work is grants to local communities. So, I mean, building on that in some real way. I've heard that they're right-- right now, there are rules for local match, and that can be a challenge for some of these smaller places so helping them to think about starting small. When we talk about the renovation, I think working with the community colleges, right, if there were specific grants to the community colleges to invest in their construction sciences programs, that you must also then renovate houses within your community college region. That could be a workforce and a housing sort of [INAUDIBLE].

DeBOER: So like an internship, because that's something I was wondering about, is if there would be a way to create-- internship is probably not the right word-- but some kind of program that-- we do this with teachers, right? We'll pay for you to go get your education degree if you promise to stay and teach in Nebraska. We'll pay for you to go get your plumbing license if you then stay in these communities or, you know, this metropolitan area, this wherever you got your--

JOSIE SCHAFFER: I think--

DeBOER: --community college from.

JOSIE SCHAFFER: --even as we'll give you a scholarship as long as during that time you work on renovations at 3 houses--

DeBOER: Got it.

JOSIE SCHAFFER: --in that community. I think it could be even simpler. Metro has programs like that. There's also a lot of private interest in developing programs like that. I know a lot of private developers that work with Metro Community College students to build homes, to renovate homes, just growing something like that. So then there's a specific workforce support focus but right throughout the state. We, we have good models, but making sure that it's happening in other places.

DeBOER: Yeah.

ARCH: So-- another question. We have a lot of programs already. Is there-- is there a program that you're aware of that, like, if we got more focused we-- that it could be more effective?

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

JOSIE SCHAFFER: Interesting. Right now, folks, communities are doing special districts, but sometimes they have all sorts of things and maybe not having a specific housing focus, not having great sort of oversight or planning functions built into if you're going to lower the costs of developing this land, you're going to get X, Y-- you're going to do X, Y, and Z for it. I think that, right, that's just taking an existing tool and bringing, bringing housing into focus. We've really been focused on building commercial zones with those kind of special districts. But when you attract commercial area, you do need housing, right? We're incentivizing folks to create jobs, but not worrying about how they're going to house the folks once they're there. So, you know, sort of a more coordinated approach to these type of incentive strategies, I think would make a lot of sense. And I, I say this because I don't do your job, seems like it would be doable. It seems like it would make sense for a lot of people. It's not really putting more restrictions, it's just saying, how do we make the community a better place to be when we give you money for one thing?

DeBOER: Senator Vargas.

VARGAS: Apologies, because I have to head back to Omaha here in a little bit. You know my only take in this, I don't know if there's something specifically in a prior legislation that I'd be able to point out just because I don't think it's one thing, personally. And I think the committees will work on subject matter and we'll, we'll have, like, some options. I'm personally comfortable with, with creating, like, housing as a priority. And maybe part of the reason is I look at this last year, last couple of years, we'd rather incentivize something that we care about, you know, like jobs, which clearly is improving both in, like, qualitative and quantitative. We've either incentivized jobs or we put grants towards jobs or we gave flexibilities for communities to be creative about jobs. So we did those 3 big things on the policy [INAUDIBLE]. Either got out of the way, gave them some money, and we incentivized it. Great. We did it for water and housing. Water, we gave some tax credits for water. We gave direct grant money for water this year for water infrastructure across the state. We haven't really done-- and then we've kind of tried to get it out of the way of certain regulations and natural resources. Not as much, but we did those 3 things. And so what I am-- you know, what I'm interested in is how we do those 3 things, which is there are ways to maybe get out of people's way, which is why we lowered some of the matching grants, some barriers to housing in communities, that we're still incentivizing and increasing some of the incentives or opportunities there. I think there's a way

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

to do some tax abatement work and if you're creating affordable housing projects that we for-- we forgo, we don't collect those property taxes for a certain amount. If you're making owner-occupied housing in rural Nebraska, I don't think those should be taxed for those 5 years after they're created, personally, because I'm, like, we're trying to get-- we're trying to incentivize somebody to make those houses. So I think something of strategy behind saying, like, these are the 3 areas, like, to what Senator Arch is saying, like, here's some things we want to get out of the way of making it easier for communities, which, which some of these programs already do, like, you, you know, [INAUDIBLE] ones do. We want to put some more money next to it, and we want try to do some more incentives in these areas. And that's, like, a, in my-- in my opinion, a responsible way of saying, like, higher level on the Planning Committee. The last thing I'll say is the thing that I'm most concerned about is the market forces. I'm concerned if anybody has talked to any developers, they're not building the middle housing or the housing units that we need in any of our communities, because they have to make a profit to sustain their businesses. So they're going to make housing that will make that. And in some places in my community or north Omaha, it's condos, it's townhouses. In some places it's going to be more commercial because it's just going to get them more money through TIF and financing. And so there's not incentive for them to make this kind of housing unless they leverage the programs that we currently have with both the grants and the incentives. And so if we're going to get to a place where we get the market forces, because I want the market that we've talked about this, I want the market forces to, to deal with this. But if what you're telling me is our 1-month supply means there is no free market, which is actually lowering the cost, which means also lowering property taxes, I just want to get to that.

DeBOER: That's, that's one of the reasons why I think this rehab portion, because it is something that we have not had the same kind of policy incursions on, and that rehab portion of it. Yes, it's a big problem. Yes, there's going to be a million different things that have to be done, but that seems like the area where no one has really been working and you cannot-- it does not cost as much to rehab a house as it does to build a new one, as long as it hasn't gotten past a point and you can-- you can make an older home that is fixed up and livable in, in good, good, solid, healthy condition more affordable than you can try and build a small house affordably.

VARGAS: And we-- it might be good for us to get that data. And I'm looking at the people outside because in some communities we have data

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

points that show it depends on what you rehab. If you rehab, because rehab is still expensive, construction is still, people still cost, and sometimes it's not adding value to the home. And in some areas of the improvements, that means that it is actually more-- it's better to create a new house as long as that house is actually not crazy expensive, it's not like a McMansion. So I'm cool with doing that. I mean, that sounds great, too. I just think it's not going to be one thing.

DeBOER: I, I agree, it's not one thing.

VARGAS: So that sounds cool. Rehab sounds cool, too.

DeBOER: I agree, it's not one thing. I just think it's something-- we've-- we had programs in lots of areas. That's an area where we don't have-- my understanding is that's the area where we have not done anything. So I think we should do all the things, but I, I would suggest maybe we think about what we could do in that area.

ARCH: And, and when you say rehab, you mean-- you mean rehabbing an empty house to now to-- I mean, you're, you're going to fix it or flip it. Right? I mean, you're going to-- you're going to make it so that it's livable.

DeBOER: It's safe.

ARCH: It's currently not livable and you're going to make it a livable housing unit versus some elderly person that needs to fix their house so they can stay in it.

DeBOER: I think it--

ARCH: I mean, we want to increase the supply of housing. We have that issue, too, but we want to increase the supply of housing.

DeBOER: I think it's both in that if there's-- so I remember-- I think it was in Planning Committee-- we were talking about how houses kind of-- there's a point at which if you help the elderly person fix their house, it's fine. They live there, which increases the hou-- I mean, it, it doesn't decrease the housing stock, which is also something we need to do. But if you wait just, just a skosh longer than that point then you can't fix that. And so some of this is, as Planning Committee, I'm thinking long range, not just about the immediate acute problem of housing, but how we keep a sustainable housing stock. And that includes rehab that is rehab unusable to usable but also rehab

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

getting close to unusable to going to be good for a while. So I think it's, for me, it's both because I want to think about not just the acute problem, but the systemic problem and how do we make sure that we don't get-- we put all this money in here, we build all these houses and we end up back here in 10 years, what have we done? We got to have some kind of system in place for rehabbing the houses that we're building now to keep them going into the long run. That's, that's what I'm thinking.

CLEMENTS: I had a question. How does Micro-TIF work? Is Micro-TIF good for rehab or is it only for building a new property? I'm not real familiar with the details on it.

JOSIE SCHAFFER: I, I don't know, but I will-- I'll check. I don't want to say.

DeBOER: I don't, don't know either.

CLEMENTS: That's-- you're talking-- we're kind of talking about a, a tax relief for doing some remodeling. I guess, I'd like to hear some more information because I kind of like the term, especially in a small town. Oh, I'm in a small town, we're not going to have a 100-house development. We'll have 1 at-- 1 at a time.

JOSIE SCHAFFER: Right.

ARCH: Did, did we pass a revision to Micro-TIF this last year? I know Senator Jacobson--

_____ : He did.

ARCH: --felt very strongly that, like, it-- great idea, but it wasn't workable from the bank's perspective. Did we-- did we do something like that?

J. CAVANAUGH: It was a cleanup sort of thing. Yeah.

ARCH: Right. Right.

J. CAVANAUGH: I don't remember specifically.

DeBOER: Yeah, I don't remember what it did.

HOLDCROFT: LB1021 in 2020.

J. CAVANAUGH: That was the original one.

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Legislature's Planning Committee November 17, 2023
Rough Draft

_____: There was some clean up in LB531 this year, but I'm uncertain what it actually ended up, so looking at that.

CLEMENTS: All right.

VARGAS: There also is some rehab in the Affordable Housing Trust Fund and that is funded through--

JOSIE SCHAFFER: That's true.

VARGAS: Yeah, like-- so, like-- so if you're looking at, like, a special district, some of that can be funded through a tax-- a tax forbasen-- forbearance or they could be a new taxing authority, which I'm not sure if people here would really love. Right? No-- no one [INAUDIBLE] right now. But, like, like the sanitation improvement district. I mean, their taxing authorities, right? So we do have the user fee of the doc stamp. The problem is of the \$12 million that goes into it every year, approximately, that's \$12 million across the entire state.

DeBOER: Yeah.

VARGAS: And that's, like, a drop in the bucket. Some of that is to rehab. Gets to what Speaker Arch was saying. Some of it is to owner-- people that are in the house improving it, which is good because then they won't leave their house--

DeBOER: Right.

VARGAS: --and to your point. They'll stay in it longer, they'll be in place. And there isn't really a lot of senior living-- community living facilities. It's decreasing in rural Nebraska. And so if they stay in their place, that's a really good thing and they don't-- but some of it is also rehab for the new units. But it's not enough, I, I think it's like [INAUDIBLE].

JOSIE SCHAFFER: I'll add, pretty much the only route walking developers through this complex web of programming is NIFA. And while maybe NIFA won't say it, they're probably very sort of understaffed to-- right, their original mission was not to be the housing authority for the state, but they've sort of morphed into that role due to sort of a void in that area.

VARGAS: They're also like quasi-government.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

JOSIE SCHAFFER: Yeah.

VARGAS: That's actually the term that is used.

JOSIE SCHAFFER: Yeah. So-- but they're helping developers see what they could do, particularly in places that they don't live when there is this sort of complex web of you could but maybe also and not totally and the market rate is not great but it might be one day. It's, it's a lot on them.

DeBOER: Well, I think we need to have more thought and more discussion on what particular things we're going to do and getting very specific as we draw up legislation. Let me tell you how I kind of see our process as a committee moving forward. We have a report that is due to the larger body each year. By December 15 of this year, we're going to have a draft of that planning report. What it will do is it will say these are-- we're going to have-- oh, thank you.

IZABEL REYNOLDS: I have an outline. Just wanted to save it till [INAUDIBLE].

DeBOER: Perfect. Thanks, Izabel. So we have kind of a rough draft here that will talk about the history of the Planning Committee, what we have done this year in terms of what we have talked about, letting the, the body know what kinds of things we've learned. We've gotten some help from the presenters to put a little bit together there and then-- and, and how we've structured it. How I thought it would make sense to structure it, because not everybody can read the whole report, is we'll have a short, short version and then we'll have more detail later in the report. So on the 15th of December, we'll send out a more finished draft, which I would like to have Planning Committee members give feedback on if you would like us to change it, if you would like to add anything. We will probably come up with a number of recommendations or policy ideas that we'll put in there. So if you all could send those to me. So we've heard from Senator Holdcroft and Senator Ibach and others about their ideas. As that gets materialized, Senator Holdcroft, could you let us know so that we can include that as one-- as one of our policy considerations. If others have specific ideas-- Senator Vargas, if you have a specific idea or, you know, if you'd like to work on Micro-TIFs, Senator Clements. You know, those sorts of things, let us know so that we can put that in the, the, the report. And then on January 8-- so give us time before January 8 to get it incorporated in-- your feedback incorporated in. So that means that if you could tell us in those 2 weeks, I know it's a rough 2

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

weeks, but between December 15 and the end of the year, if you can give us your feedback on that report. Give us now, we'll incorporate it in now. But after you've seen the draft, if you have additional feedback after that let us know. And then we're going to plan to meet upon adjournment or adjournment from the Chambers, because we might still have bills coming in on the 8th if that works out with the Speaker's timeline. There's not like a--

ARCH: Yeah, there will-- there will be a lot of that stuff during that period of time.

DeBOER: And if it's not, like, the State of the Judiciary speech or something that day.

ARCH: Yeah.

DeBOER: Which I don't think it is on that Monday.

ARCH: No it isn't.

DeBOER: Then we'll meet after the Chamber adjourns or we kind of disperse, I guess is the way to describe that, and vote on adopting our report or not adopting a report. At that time we can also talk about specific bills, because by then there should be legislation at least drafted to talk about amongst ourselves about what we might want to have considered for priorities this year as well. I don't think we should make any determination on priorities until the bills have all-- that we're sort of focusing on-- have had their committee hearings and that sort of thing. Because it could turn out that we have this fantastic idea, it goes to committee hearing and we've missed something and it's a terrible hearing. And maybe that's not what we want to focus on then. So that's sort of my plan going forward. I would very much like to have the conversations that we've had and the information that we've gotten amount to something, result in something, because all of these folks have put a lot of time into presenting this data to us. We've put some time into trying to think about how to use it. So that's kind of how I see going forward. Are there questions, amendments, comments, ideas, anatomies?

CLEMENTS: I had one more question for Ms. Walocha.

DeBOER: Yeah.

DEANA WALOCHA: Sure.

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

CLEMENTS: How are the-- how do the property taxes work on properties that you acquire? As I recall, there are some special treatment that you get with the property taxes on the properties that the Land Bank has--

DEANA WALOCHA: While--

CLEMENTS: --and how do you use that as an advantage?

DEANA WALOCHA: While we are holding the, the property rights it's in our name, it's-- the taxes are abated. There's-- it's not taxed at all. And then when we sell it, for the first 5 years, the Land Bank receives 50% of the property tax that, that we can use, you know, as part of our, our resources. So--

CLEMENTS: And use that to develop other properties, then?

DEANA WALOCHA: Yep, acquire other properties and maintain properties, that sort of thing. It goes into our, our general operational budget, I guess, is the question.

CLEMENTS: So there are no taxes for what period of time?

DEANA WALOCHA: It's-- as long as we-- it's in our inventory, we don't pay taxes on it. But once we sell it, then it goes back onto the tax rolls, and then they reassess it and those taxes for the first 5 years we get 50% of it. We elect to take them. We don't have to, but we do elect to take them.

JOSIE SCHAFFER: Do you have an idea of how much the property they are selling for because a lot of these, because there just lots? When I've gone to meetings, they're selling for \$8,000, so we're not looking at a huge amount of [INAUDIBLE] when it comes to the property sale because-- especially if it's a small lot or something like that.

DEANA WALOCHA: Right.

JOSIE SCHAFFER: A sale is not for a lot of money.

DEANA WALOCHA: Yeah, all the those lots that I've talked about that we are selling, like, to neighbors, the lots that are unbuildable, the taxes and those aren't going to be very much. But the ones that are developed when they're eventually developed, we do require that they're developed within 2 years when they buy them for us. Ones that-- ones that are built, they have that [INAUDIBLE] part, then we

Transcript Prepared by Clerk of the Legislature Transcribers Office
Legislature's Planning Committee November 17, 2023
Rough Draft

would get-- we'd have the, you know, 3 years of maybe there's some-- a considerable tax income on there, but most-- mostly that's not a lot that we can count on into our general operational fund.

CLEMENTS: OK. Thank you.

DEANA WALOCHA: Um-hum.

CLEMENTS: Just didn't recall that.

ARCH: We-- I think-- I think we've landed on housing as kind of our focus.

DeBOER: I think that's right.

ARCH: The other-- the, the other option, of course, is to-- is to watch the bills in committee. Rather than generating an, an original bill of our own and add it to the pile, we could also watch those bills and those, those fully vetted bills as they-- as they progress. I mean, prioritization will occur later. We could-- we can pick a, a bill [INAUDIBLE].

DeBOER: I'm not suggesting that we would have-- I'm not suggesting that we would have to prioritize one that we came up with. I think that we have had some work-- some of us have been really working on this area over the summer so that we probably do want to add some ideas to the pile. But that does not say that we would not find one that was better than we could prioritize from those that are coming from other sources.

ARCH: Yeah. Because, I mean, if, if, if there was something that came out of committee strong with a strong vote and said, like, yeah, this-- and we added our-- we added our vote to it as well with prioritization, I mean, then you're going to have a pretty strong bill.

DeBOER: Yeah, I agree. And, and I'm not suggesting that we wouldn't, but whatever bills we generate would also have to go through a subject-matter committee. So we can also do it that way where if, if it came through then it sort of got both committees as well.

ARCH: That's right.

DeBOER: So, yeah, if you have things that you'd like to have help working on or you have an idea, you say, I think some others on the

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Planning Committee could work on this, I don't have time in my legislative agenda to work on it. I'm happy to help with that as well. But if we're looking at December 15 at the day to kind of have a draft done, those big ideas, I'd like to sort of have at least a heads-up on before that 15th. Then between 15th and the 31st is when we'll make our changes. And then on the 8th is when we will, will ratify or not. But hopefully we will, considering we will have done our best to get through a process by then, our report, which then we can distribute to the rest of the body. And I think that when we distribute it to the rest of the body, that will be with an eye to, you know, adding to the conversation when we bring one of those bills to the floor and we can show our work. You know, my math teacher used to get mad because I would just put the answer and not show work. Well, this is the showing our work to the rest of the body, I think.

CLEMENTS: All right. Well--

DeBOER: Any other business for the good of the committee? That's it then.

CLEMENTS: OK.

ARCH: Thank you.

DeBOER: Thank you.