

400 East Military Avenue, Fremont, NE 68025-5141

Memorandum

Date: June 30, 2025

To: Urban Affairs Committee, Nebraska Legislature

From: Jennifer Dam, Planning Director
City of Fremont, Nebraska

RE: Municipal Density and Missing Middle Housing Act Report for Fremont, Nebraska

Introduction:

Legislative Bill 866 requires cities of the First Class to provide a report regarding the City's efforts to address the availability of and incentives for affordable housing through zoning codes, ordinances and regulations. This memo will serve as Fremont's Municipal Density and Missing Middle Housing Act report.

Overall, Fremont's zoning regulations, ordinances and regulations are supportive of municipal density and missing middle housing. The City Council has supported the development of affordable housing and middle housing by approving a number of housing developments, including SunRidge, Gallery 23, Bluestem Commons, Fremont Commons, Care Corps triplexes, Fountain Springs 55+ multifamily housing, and Hidden Brook and Northside Townhouses. Additionally, the City Council approved LB840 funding (Local Option Economic Development Plan funds) of \$1 million to the Greater Fremont Development Council (GFDC) for the purpose of providing gap financing for low-to-moderate income housing to developers and homeowners.

Additionally, the City has provided \$1,000,000 to the GFDC from LB840 funds to assist with the development of workforce housing. Loans to the Lofts at 505 produced 28 workforce apartment units, Bluestem Commons produced 34 units of housing for low income and workforce households and for the construction of a 132 unit apartment complex.

The GFDC also administers the Dodge County Investment Fund (DCIF) to assist with the development of workforce housing. This has generated the development of 324 workforce apartment units at Fremont Commons. The fund has provided a construction loan for 8 single-family units at Bluestem Commons which can be converted to provide down payment assistance of up to \$37,000 for qualified buyers.

The City has received a \$310,500 grant from Nebraska Affordable housing trust fund for the purposes of single-family residential rental rehabilitation. The grant requires that the tenant households have an income at or below 120% of the Area Median Income for Dodge County. The rents are limited to the 65% HUD Home rent limits for Dodge County. A 50% match is required from the landlord. The City received one application for this program and the application period is now closed.

The remainder of this memo details the City's efforts to achieve a greater inventory of affordable housing, including zoning regulations, residential construction and demand, annexation, density bonuses, accessory dwelling units, incentives to encourage affordable housing, affordable housing action plan, and recent housing developments. The following address the requirements of Section 4 of LB866.

A. Zoning Regulations:

The City of Fremont adopted a new Unified Development Code (UDC) in 2017 that took effect on January 1, 2018. Under the UDC, Fremont's residential zoning regulations are progressive with respect to missing middle housing. As shown in Table 11-502.01 below, Single Family, detached dwellings are permitted uses in the Rural (R), Suburban-Residential (SR), and Auto Urban-Residential (AR) districts. They are limited uses in Urban Residential (UR) and Suburban Commercial (SC) districts. They are conditional uses in the General Commercial (GC), Downtown Commercial (DC), Planned Development (PD), and College-University (CU) districts.

Single Family attached dwellings (duplexes, two family dwellings and townhouses) are permitted uses in the AR and UR districts. They are limited uses in the SC and CU districts, and conditional uses in the R, SR, GC, DC and PD districts.

Multi-family residential is a conditional use in the SR, AR, UR and PD districts. It is a limited use in the SC district and a permitted use in the GC, DC and CU districts.

Accessory dwelling units are limited uses in the SR, AR and CU districts and are allowed by conditional use permit in the R, UR, SC and PD districts. Accessory dwelling units are limited to the lesser of 75% of the footprint of the primary house or 850 square feet.

Table 11-502.01. Residential and Commercial Use of the Home															
Land Use	Zoning Districts														
	Residential					Commercial			Industrial				Special		
	R	SR	AR	UR	MH	SC	GC	DC	BP	LI	GI	AV	CU	PO	PD
Residential Uses															
Accessory Dwelling Unit	C	L	L	C	-	C	-	-	-	-	-	-	L	-	C
Manufactured Home	P	P	P	L	-	L	C	C	-	-	-	-	C	-	C
Mobile Home Park / Mobile Home Subdivision	-	-	-	-	P	-	-	-	-	-	-	-	-	-	-
Multifamily Dwelling	-	C	C	C	-	L	P	P	-	-	-	-	P	-	C
Single-Family Attached Dwelling (i.e. duplexes, or two-family dwellings, and townhouses)	C	C	P	P	-	L	C	C	-	-	-	-	L	-	C
Single-Family Detached Dwelling (i.e. one-family dwelling)	P	P	P	L	-	L	C	C	-	-	-	-	C	-	C

The Fremont UDC permits a variety of lot sizes for residential districts, with the smallest lot sizes designed to accommodate in-fill development in the older parts of town. Overall, the lot area regulations, including the front yard, rear yard and side yard requirements, are smaller than typically found in suburban residential districts. For example, the most commonly applied standards require a 15- or 20-foot front yard, a 5-foot side yard and a 15-foot rear yard, as shown in Tables 11-602.02.01 and 11.602.02.02 below.

Table 11-602.02.01. Single-Family Detached Lot and Building Standards									
District and Neighborhood Type	Minimum						Maximum		
	Lot Dimension		Setbacks				Building		Impervious Coverage Ratio
	Area ¹	Width ¹	Front Yard	Side Yard	Street Yard	Rear Yard	Height	Coverage Ratio	
Rural (R)									
Farm	20 ac.	600'	50'	15'	25'	25'	45'	5%	10%
Acreage	10 ac.	500'	50'	15'	25'	25'	45'	5%	10%
Ranchette	3 ac.	250'	50'	15'	25'	25'	35'	15%	20%
Planned	1 ac.	125'	50'	12'	25'	25'	35'	25%	30%
Lake	N/A ²						35'	25%	30%
Suburban Residential (SR)									
Estate	3 ac.	250'	50'	15'	25'	25'	35'	15%	20%
Cluster	1 ac.	125'	50'	12'	25'	25'	35'	25%	30%
Planned	14,000 sf.	90'	35'	8'	18'	18'	35'	35%	40%
Standard I	11,000 sf.	70'	25'	5'	13'	15'	35'	40%	50%
Standard II	8,000 sf.	55'	20'	5'	10'	15'	35'	40%	50%
Auto-Urban Residential (AR), Suburban Commercial (SC), General Commercial (GC), and Campus/University (CU)									
Cluster	1 ac.	100'	50'	12'	25'	25'	35'	25%	30%
Planned	12,000 sf.	75'	35'	8'	18'	18'	35'	35%	40%
Standard I	8, 750 sf.	55'	25'	5'	13'	15'	35'	40%	50%
Standard II	5,750 sf.	40'	20'	5'	10'	15'	35'	40%	50%
Urban Residential (UR), and Downtown Commercial (DC)									
Planned	10,000 sf.	65'	25'	5'	13'	15'	35'	35%	40%
Standard I	6,750 sf.	45'	20'	5'	10'	15'	35'	40%	50%
Standard II	3,500 sf.	30'	15'	5'	8'	10'	35'	40%	50%
Mobile Home (MH)									
Mobile Home (Single-Wide)	4,500 sf.	45'	15'	6'	10'	10'	20'	40%	50%

Mobile Home (Double-Wide)	5,500 sf.	55'	15'	6'	10'	10'	20'	40%	50%
Mobile Home (Triple-Wide)	6,500 sf.	65'	15'	6'	10'	10'	20'	40%	50%
TABLE NOTES: 1. For single-family detached housing types, lot area and lot width are measured per dwelling. 2. Unit building standards shall be set forth by a Condominium or Property Owners Association as part of Condominium or Property Owners Declaration, and shall be governed by the same, so long as all other development standards identified herein are satisfied.									

Table 11-602.02.02. Single-Family Attached and Multiple Family Lot and Building Standards									
District and Neighborhood Type	Minimum						Maximum		
	Lot Dimension		Setbacks				Building		Impervious Coverage Ratio
	Area ¹	Width ¹	Front Yard	Side Yard	Street Yard	Rear Yard	Height	Coverage Ratio	
Suburban Residential (SR)									
Duplex	4,500 sf.	35'	25'	5'	13'	15'	35'	40%	50%
Townhouse	3,500 sf.	30'	20'	0'	10'	15'	35'	55%	60%
Multifamily	2,750 sf.	90'	35'	8'	18'	18'	35'	65%	70%
Auto-Urban Residential (AR), Suburban Commercial (SC), General Commercial (GC), and Campus/University (CU)									
Duplex	3,250 sf.	27'	25'	5'	13'	20'	35'	40%	50%
Townhouse	2,500 sf.	20'	20'	0'	10'	15'	35'	55%	60%
Multifamily	1,750 sf.	75'	35'	8'	18'	18'	45'	65%	70%
Urban Residential (UR), and Downtown Commercial (DC)									
Duplex	2,250 sf.	22'	20'	5'	10'	15'	35'	40%	50%
Townhouse	1,500 sf.	20'	20 ³	0'	10 ³	15'	35'	55%	60%
Multifamily	1,000 sf.	65'	25 ³	5'	13 ³	15'	55'	65%	70%
TABLE NOTES: 1. For duplex and townhouse types, lot area and lot width are measured per unit. 2. A setback of 20 feet is required from the building line to the face of garage doors. 3. Townhouses and multifamily dwellings may be required to be built on the front and side property line (the "build-to lines"), in accordance with subsection 11-503.01.D. <i>DC District Setbacks</i> , and subsection 11-624.03.O., <i>Relationship to Adjacent Properties</i> .									

The Fremont City Council is committed to preserve the development pattern found in the older neighborhoods. There are residential uses that are non-standard as to the current zoning

regulations and might have smaller setbacks, a garage that is over a lot line, or a smaller lot than would be currently permitted. In such cases, the property owner may apply for a Conditional Use Permit to reconstruct or expand their use in a manner consistent with the existing conditions, providing that there are no adverse impacts.

Finally, developers, residents, elected and appointed officials and staff have found the UDC sometimes difficult to interpret. The City retained Houseal-Lavigne in (YEAR) to update the Comprehensive Plan and the UDC. The goal of an updated UDC is that it would be easier to use and will reflect the standards needed to easily achieve infill development and middle housing throughout the city. The updated Comprehensive Plan was approved by City Council in October 2022. The UDC draft is under review by staff and is on track to be adopted in the fall of 2025.

B. Percentage of area zoned Residential that allow middle housing and multi-family housing

As shown above, all of the non-rural, residential districts in the Fremont zoning jurisdiction will allow middle and multi-family housing by approval of a conditional use permit. Single family attached dwellings (duplexes, attached two-family, townhouses) are permitted by right in the AR and UR zoning districts. They are conditional uses in the R, Rural and SR districts. Multi-family dwellings (three or more units) require a conditional use permit in the SR, AR and UR zoning districts, which involves public hearings conducted by the Planning Commission and City Council and requires approval from the City Council.

In addition to the allowance for middle and multi-family uses in residential districts, the UDC permits multi-family in the SC, GC and DC commercial districts to encourage live-work units. However, the residential units constructed in the SC and GC districts to date have been traditional multi-family apartment complexes.

C. Residential Construction and Demand:

The number of attached single-family units (middle housing) has varied over time. To date in 2025 middle housing has made up 74% of all units. Middle housing made up 60% of all units in 2024.

The construction of 1,063 housing units between 2021 and 2025 shows that Fremont's efforts to address the housing demand are working. The Dodge County "County-wide Housing Study-Update" prepared by Hanna:Keelan Associates indicated a demand for 1,141 residential units by 2026. However, construction has slowed over the last year and a half, likely due to an increase in interest rates.

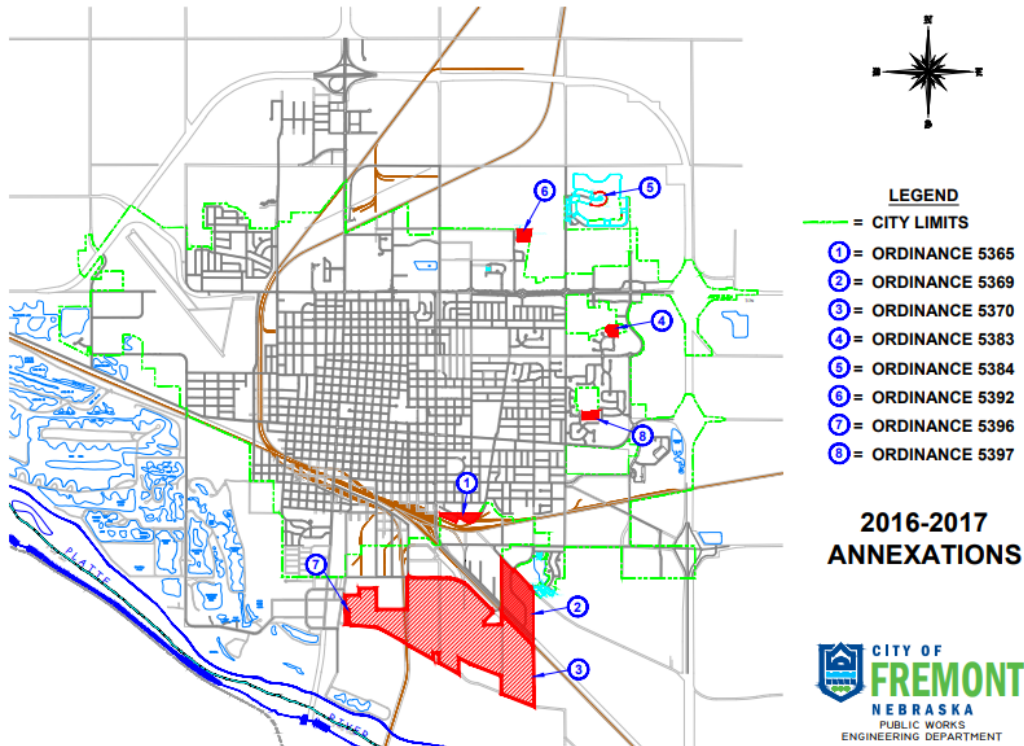
The chart below shows the number of units by type permitted between 2021 and June 30, 2025.

<u>Type of Dwelling Unit</u>	<u>2021</u>			<u>2022</u>			<u>2023</u>			<u>2024</u>			<u>2025</u> <u>(to date)</u>		
	<u># Bldg.</u>	<u># Units</u>	<u>% of Total Units</u>	<u># Bldg.</u>	<u># Units</u>	<u>% of Total Units</u>	<u># Bldg.</u>	<u># Units</u>	<u>% of Total Units</u>	<u># Bldg.</u>	<u># Units</u>	<u>% of Total Units</u>	<u># Bldg.</u>	<u># Units</u>	<u>% of Total Units</u>
Single Family Detached	50	50	31%	38	38	17%	36	36	11%	26	26	41%	11	11	27%
Duplex/Attached Single Family	5	10	6%	16	32	14%	4	8	2%	15	30	47%	3	6	15%
Triplex/ Attached Single Family	7	21	13%	0	0	0%	9	27	8%	0	0	0%	0	0	0%
Fourplex/Attached Single Family	9	36	22%	11	44	20%	3	12	4%	2	8	13%	6	24	59%
Multi-Family	1	49	30%	6	108	49%	10	250	75%	0	0	0%	0	0	0%
Total # Units	72	166	100	71	222	100	62	333	100	43	64	100	20	41	100
Middle Units	21	67	41%	27	76	35%	16	47	15%	17	38	60%	9	30	74%

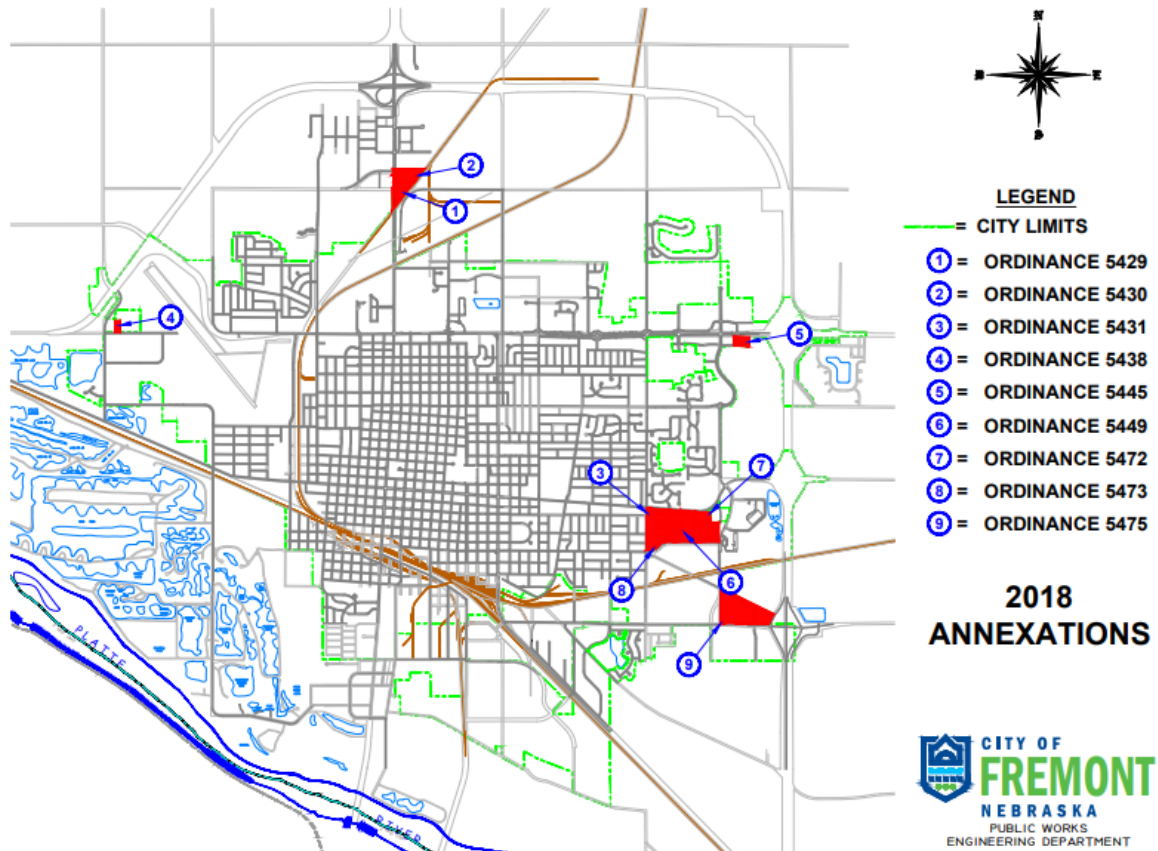
D. Annexations:

The typical development pattern in Fremont is incremental. Traditionally, developers have platted a few lots at a time and have voluntarily annexed the subdivision into the City at that time. The housing that is outside of the city-limits has traditionally been developed as lake-front housing or acreages.

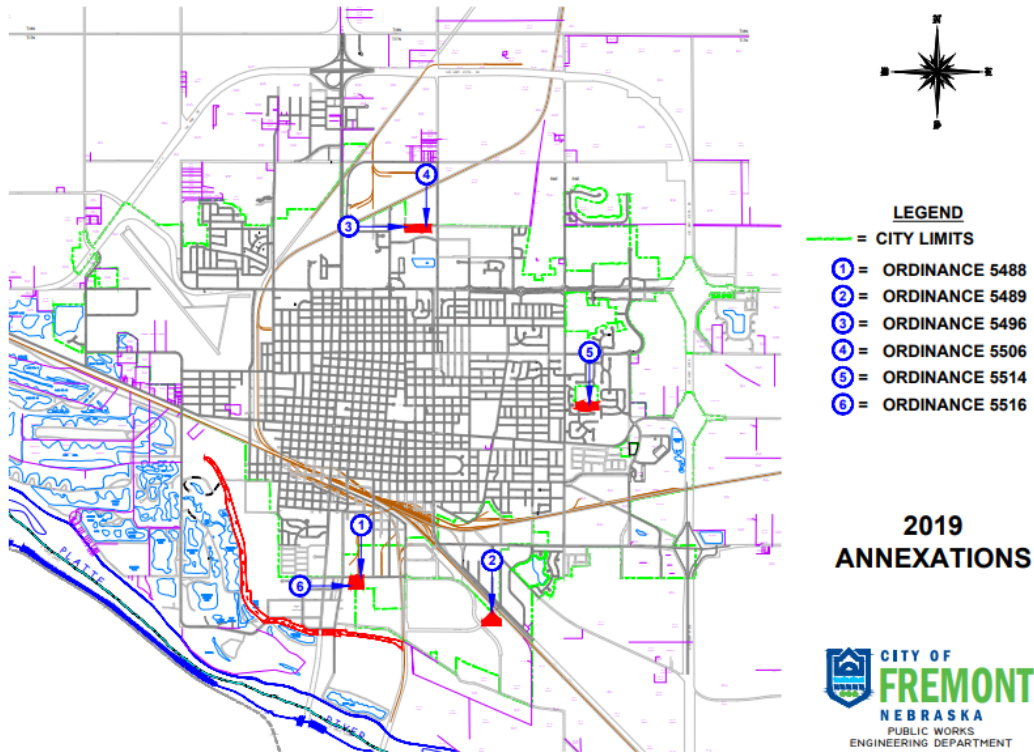
The attached annexation maps demonstrate the areas annexed by year from 2016 through June 30, 2025.



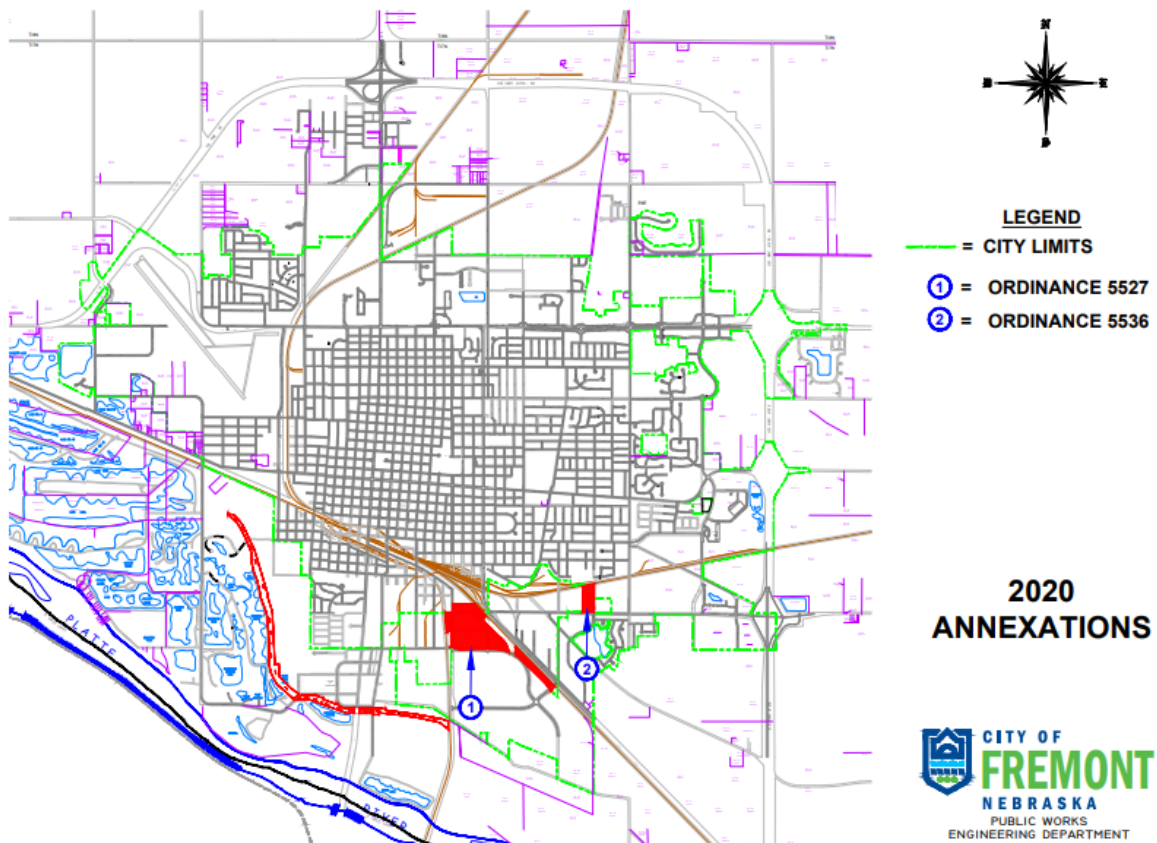
Between 2016 and 2017 the largest areas annexed were industrial areas to accommodate the Lincoln Premium Poultry project (Areas 1, 2, 3 and 7 on the map above.) Residential areas that were annexed are shown on the map as areas 4, 5, 6 and 8. Of those areas, only area 6 contains middle housing, as it is developed with two-family attached units.



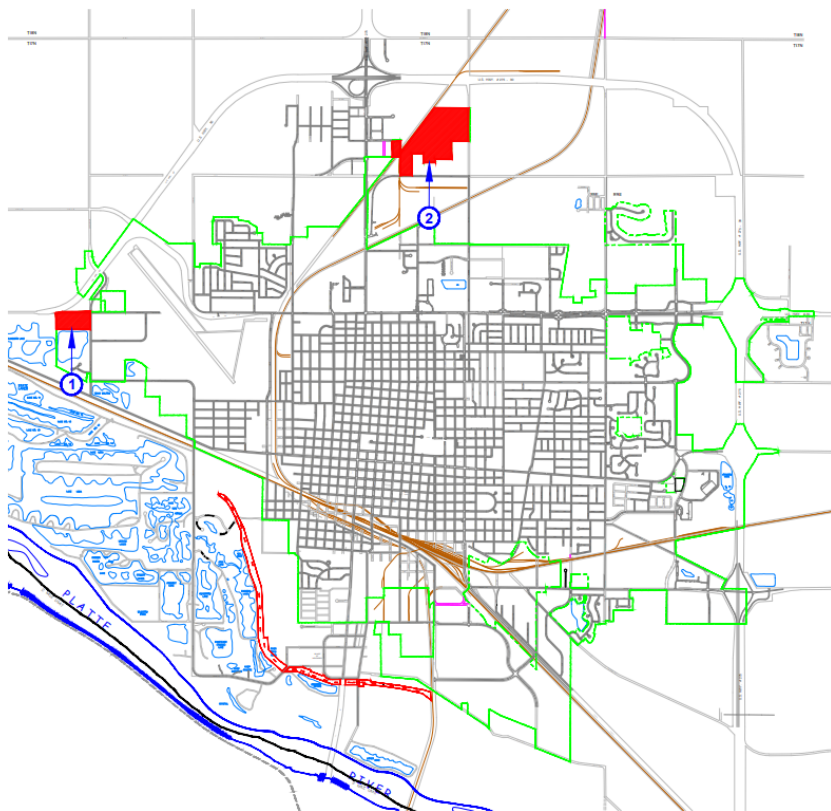
In 2018, several areas were annexed and will accommodate affordable and workforce housing. Areas 6, 7 and 8 on the map above is the SunRidge development, which will include 45 detached single-family lots, 88 attached single-family lots, 60 lots that can contain four or more units, 17 duplex lots (two-family lot without a lot-line down a common wall), and, 8 multi-family lots. This area also includes a 39-unit apartment complex that has been constructed to serve lower income families. Area 9 on the map is being developed with market rate apartments. When finished, the Fremont Commons project will contain 300 units.



The residential areas annexed in 2019 are labeled as 3, 4, and 5 on the map above. Areas 3 and 4 are a portion of the area that is being developed as the Fountain Springs 55+ multi-family housing. The majority of the property in that development was already in the city-limits. Area 5 is an example of an incremental annexation to accommodate ten single family lots.



The areas annexed in 2020 through 2023 were done so to accommodate commercial and industrial expansion. There was no housing annexed during that time.

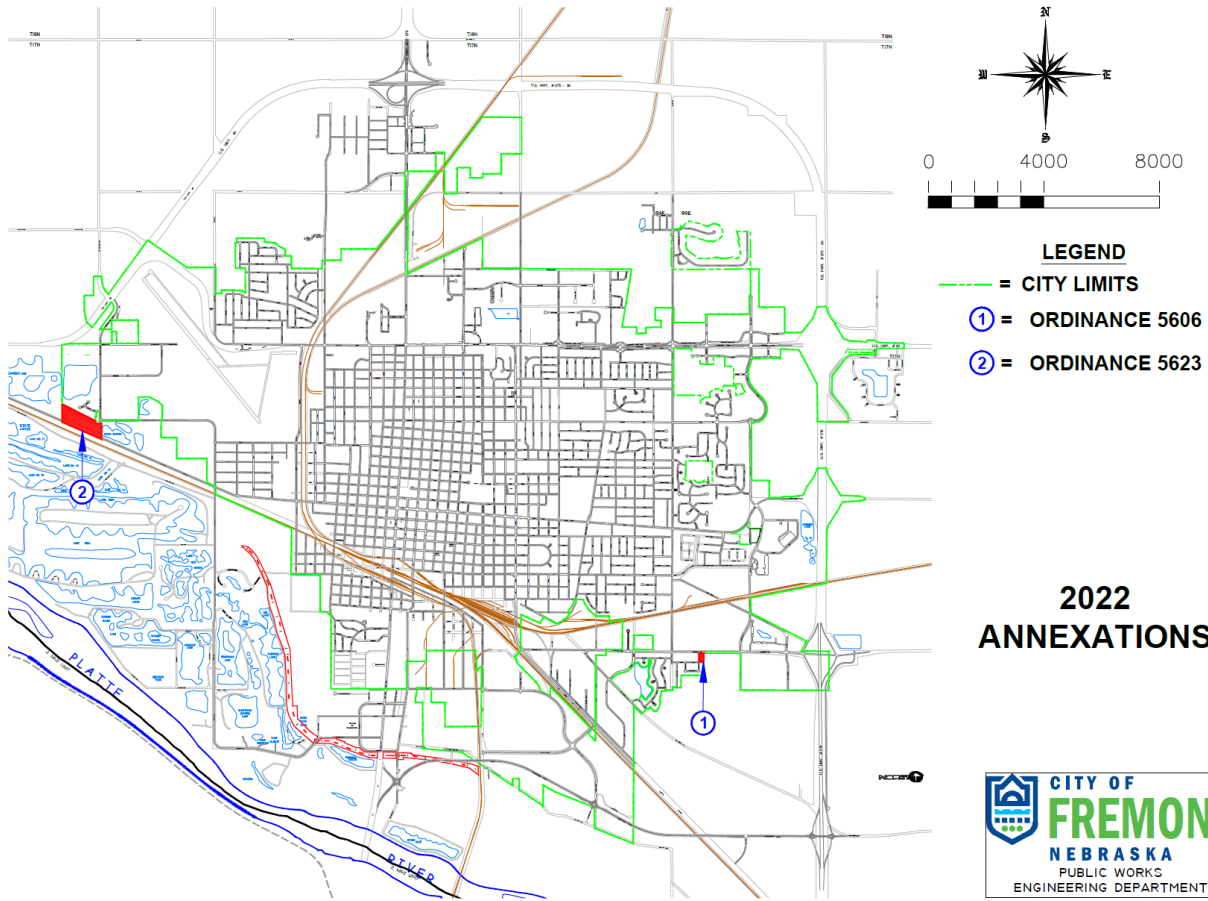


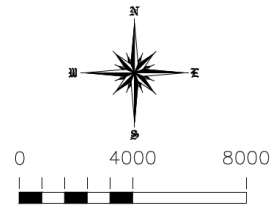
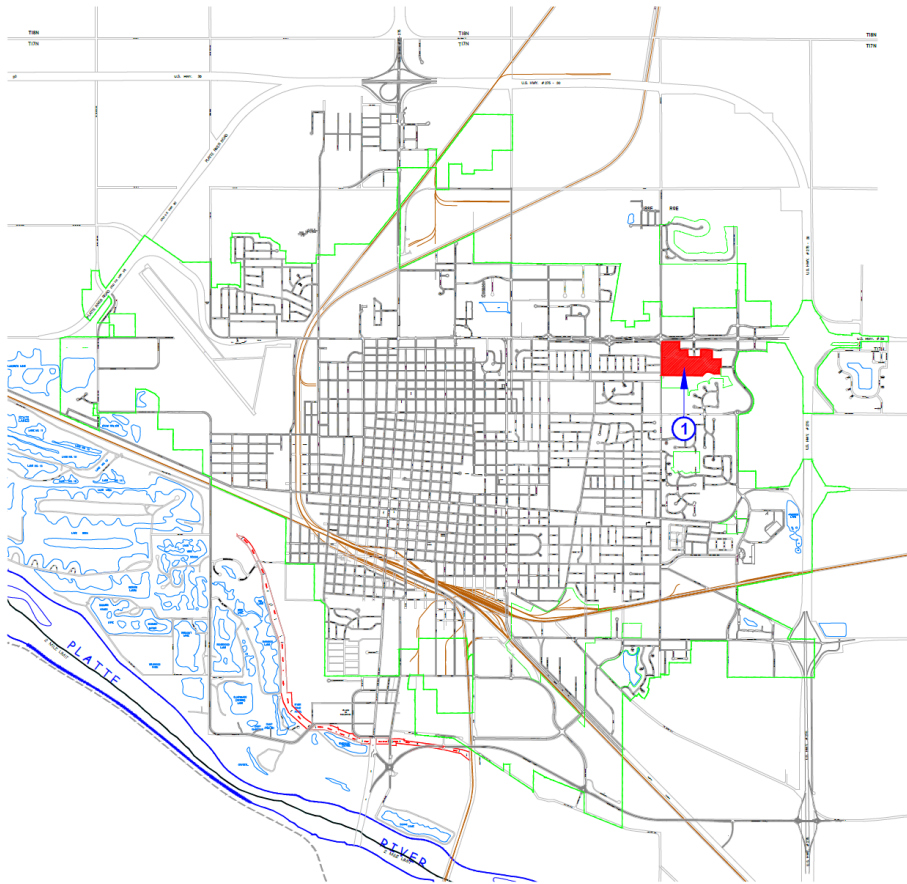
LEGEND

- = CITY LIMITS
- ① = ORDINANCE 5550
- ② = ORDINANCE 5556

2021 ANNEXATIONS



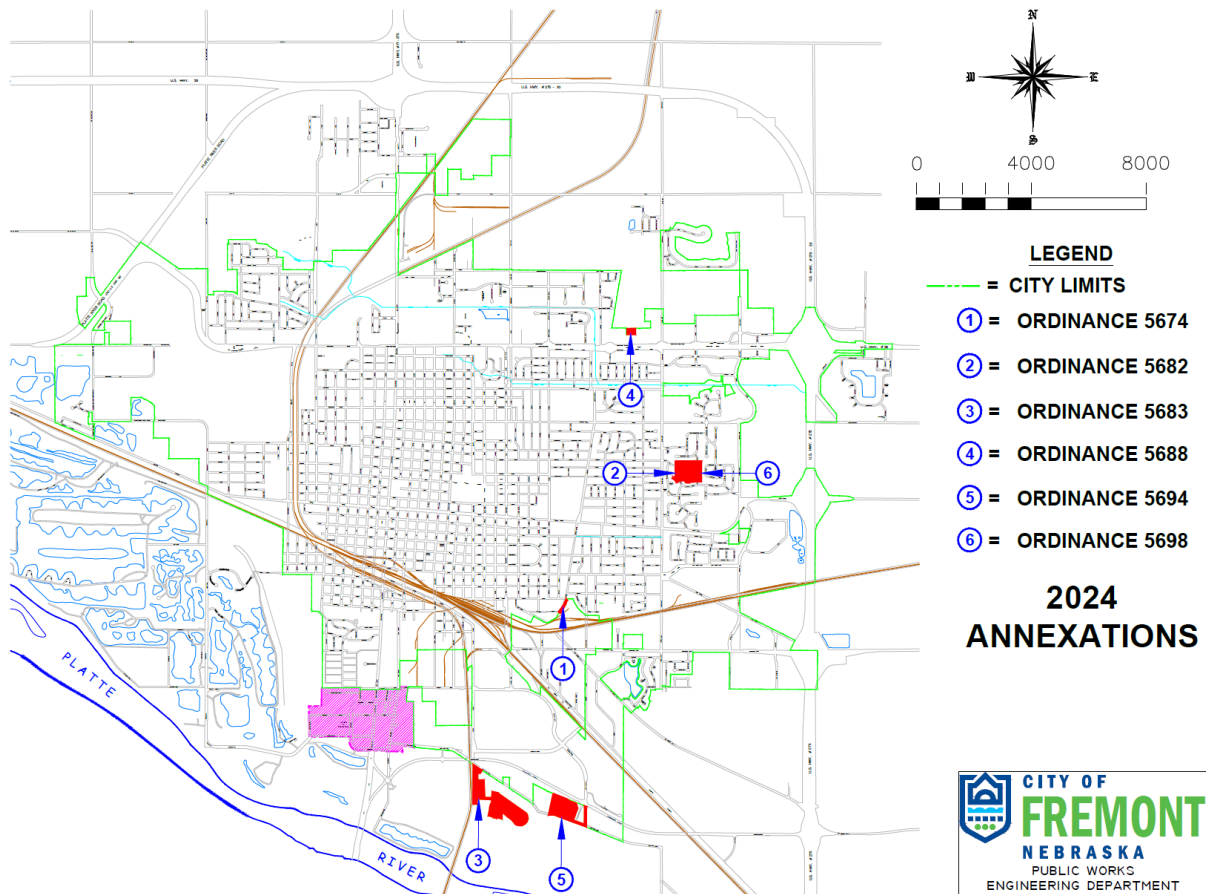




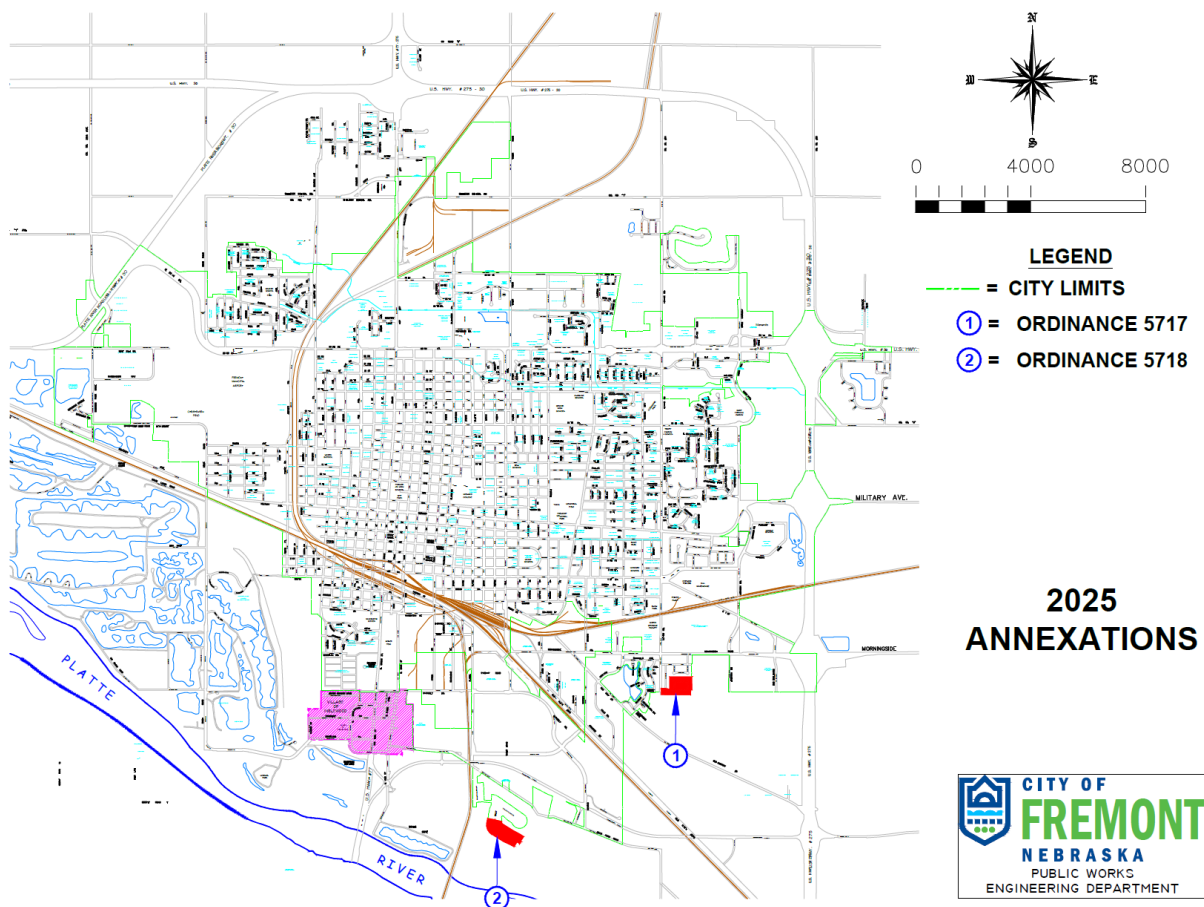
- LEGEND**
- = CITY LIMITS
 - ① = ORDINANCE 5638

2023 ANNEXATIONS





Annexation of areas 2,3 and 6 were for residential construction. All three of these areas are being developed with single family detached housing. Areas 4 and 5 are commercial areas.



Annexation of areas 1 and 2 are for residential construction. Area 1 will contain detached single family and duplex construction. Area 2 will consist of detached single-family construction.

E. Estimate of Per Unit Cost of Housing:

Fremont is experiencing a tight housing market as the availability of both owner-occupied and renter-occupied housing is limited. The Hanna:Keelan study showed that the overall vacancy rate for rental housing in Fremont in 2019 was 2.7% with an absorption rate of 13.3 days.

The median value of owner-occupied housing rose from \$150,000 in 2021 to \$226,500 in 2023 (American Community Survey supplemental estimate). The median gross rent was \$812 in 2021 which increased to \$1,152 in 2023. The increase in housing value and rents is reflective of the state and national market escalation.

F. Density Bonuses:

The Fremont UDC allows a ten-percent density bonus for affordable housing. To be eligible, the housing must either be provided under a state or federal assistance program, or by

providing below-market rate dwelling units. To date, none of the affordable housing developments have taken advantage of the density bonus.

G. Accessory Dwelling Units:

The Fremont UDC allows accessory dwelling units as a limited use in the SR, AR and CU zoning districts and as conditional uses in the R, UR, SC and PD districts. The accessory dwelling unit must be the lesser of 75% of the floor area of the primary unit or 850 square feet.

H. Incentives to Encourage Affordable Housing:

In addition, the City of Fremont provides the opportunity for density bonuses in the UDC to encourage affordable housing. Additionally, tax-increment financing has been allowed for affordable senior housing, most recently for Fountain Springs Apartments. The City has also allowed the formation of SIDs as a development mechanism to encourage affordable and middle housing. Gallery 23 and Bluestem Commons are two developments that have utilized the SID structure.

The City has provided \$1,000,000 to the GFDC from LB840 funds to assist with the development of workforce housing. Loans to the Lofts at 505 produced 28 workforce apartment units, Bluestem Commons produced 34 units of housing for low income and workforce households and for the construction of a 132-unit apartment complex.

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I. Demographic analysis with trends and estimates of the housing need classified by type and price range

The population of Fremont grew from an estimated 26,397 in 2010 to 27,321 in 2023. The median age was 37.7 in 2023. The population between the ages of 18 and 64 (the workforce) was 15,628 or 57% of the population. The population is evenly split between males and females, with each making up 50% of the population. 77% percent of the population classifies themselves as “White” and 19% consider themselves to be “Hispanic”.

Population by Age Group 2019		
<u>Age Group</u>	<u>Number</u>	<u>Percent of Total</u>
0-9	3,556	13%
10-19	3,998	14.6%
20-29	3,524	12.9%
30-39	3,504	12.8%
40-49	2,930	10.7%
50-59	3,100	11.4%
60-69	3,195	11.7%
70-79	2,219	8.1%
80+	1,295	4.7%

Source: U.S. Census Bureau (2019). *American Community Survey 5-year estimates*. Retrieved from *Census Reporter Profile page for Fremont, NE* <http://censusreporter.org/profiles/16000US3117670-fremont-ne/> downloaded 6/26/2025

The percentage of owner-occupied households in Fremont declined between 2000 and 2010. Owner-occupied households are projected to increase slightly in each of the years between 2021 and 2026.

Table 3: Tenure by Household Fremont, Nebraska 2000-2026					
<u>Year</u>	<u>Households</u>	<u>Owner</u>		<u>Renter</u>	
		<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
2000	10,171	6,446	63.4%	3,725	36.6%
2010	10,725	6,552	61.0%	4,173	39.0%
2023	10,936	6,711	61.4%	4,225	38.6%
2026	11,360	6,975	61.4%	4,385	38.6%

Source: Hanna:Keelan “Dodge County and Communities County-Wide Housing Update 2021” Appendix 1 Table 3. American Community Survey 2023

The following table from the Dodge County “County-wide Housing Study-Update,” prepared by Hanna:Keelan Associates, shows the projected target demand for housing by income. If Fremont secures additional industry to create 1,000 new jobs, the “Economic Development Boost” demand for housing units by 2026 is projected to be 1,513 housing units of which 821 would be owner-occupied and 692 renter-occupied.

Table 3.3: Projected Year-Round Housing Target Demand by Income Sector 2026							
	<u>Income Range</u>						<u>Estimated Workforce Housing Demand</u>
<u>Fremont</u>	<u>0-30% AMI</u>	<u>31-60% AMI</u>	<u>61-80% AMI</u>	<u>81-125% AMI</u>	<u>126%+ AMI</u>	<u>Totals</u>	
Owner	16	50	68	134	367	635	388
Rental	20	88	98	182	115	506	320

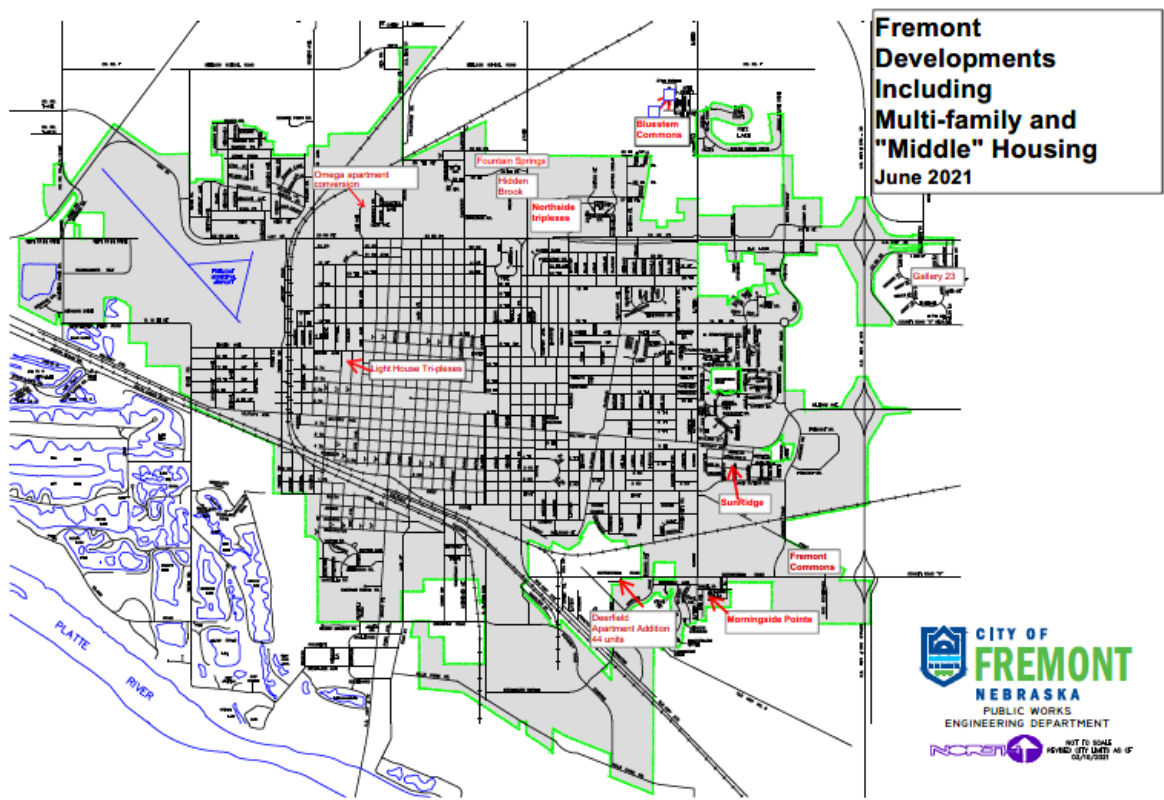
Based on 2021 five-year American Community Survey data, the Housing Affordability Action Plan reported that 18% of owner occupied households and 38% of rental households in Fremont experienced a cost burden in 2021.

Affordable Housing Action Plan

Fremont adopted an Affordable Housing Action Plan in 2023. The strategies include removing regulatory burdens, encouraging housing partnerships, encouraging developers to construct a variety of housing types, and rehabilitation programs.

J. Recent Housing Developments:

As mentioned above, the City of Fremont and developers have responded to the need for affordable and middle housing in the Fremont zoning jurisdiction. Below is a map showing the location along with descriptions and pictures of some of the developments.



SunRidge is a development that consists of 45 detached single-family lots, 88 attached single-family lots, 60 lots that can contain four or more units, 17 duplex lots (two-family lot without a lot-line down a common wall), and 8 multi-family lots. As of June 24, 2021, there is a 39 unit subsidized multi-family complex, three attached single-family buildings (6 units), and 12 detached single-family units.



Capstone apartments in SunRidge



Attached single-family units in SunRidge

Fremont Commons is a market-rate multi-family development that is targeted for work force housing. The development will contain 300 units upon completion. Six buildings containing 32 units each have been completed or are under construction.



Fremont Commons apartments

Gallery 23 is a mixed-use development that is in a Sanitary and Improvement District (SID) outside of the Fremont city-limits, but within the zoning jurisdiction. The market-rate development will contain 126 single-family detached units, 116 attached single-family units, 250 multi-family units, and 100,000 square feet of commercial development. Currently, two detached single-family units and 20 attached single-family units in four row-house buildings have been constructed. Each rowhouse unit is on its own lot, so can be sold individually.



Gallery 23 row-houses

Bluestem Commons is a subsidized and market-rate planned development that will contain up to 272 multi-family units, 99 attached single-family row-house units, 6 single-family detached units, and 54 units that will either be attached two-family units or detached single-family units, depending on the market. Five of the row-house buildings are currently under construction. Like the rowhouses in Gallery 23, each unit is on its own lot so can be sold for individual ownership. The development is in a SID that is adjacent to the city-limits, but within the City's two-mile zoning jurisdiction.



Bluestem Commons row-houses

Fountain Springs 55+ Apartments

The Fountain Springs apartments will contain a total of 216 units in 9 buildings upon completion. The apartments are targeted to the population over the age of 55. The City allowed the use of Tax Increment Financing for the development to encourage the construction of affordable housing for seniors.



Fountain Springs 55+ apartments

Hidden Brook

The Hidden Brook development consists of ten duplexes with twenty units for low-income seniors. The duplexes are on track to be completed by (YEAR) and will be managed by the Fremont Housing Authority once complete.



Hidden Brook duplexes

LifeHouse Triplexes

Four triplexes have been developed by LifeHouse with the intent of providing transitional housing for homeless families. The units are located across the street from an elementary school. They blend into an older mixed density neighborhood, which is developed with multi-family and single-family dwellings. The neighborhood is walkable and is located less than a mile from the Municipal Auditorium, Keene Memorial Library, John C. Fremont Park, and downtown.



LifeHouse triplexes