

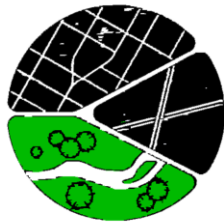


City of Grand Island Nebraska Affordable Housing  
Report

Presented to the Urban Affairs Committee  
Unicameral of Nebraska

June 30, 2025

As Mandated in N.R.S.S §19-5504



THE REGIONAL PLANNING COMMISSION of Hall  
County, Grand Island, Wood River and the Villages  
of Alda, Cairo and Doniphan, Nebraska

## **Introduction:**

This report has been prepared to the specifications of N.R.S.S §19-5504. Staff from the City of Grand Island will be available to present this report at a hearing if such is scheduled and respond to inquiries from members of the Urban Affairs Committee or their representative. Please direct all requests to present or inquiries to the Hall County Regional Planning Director:

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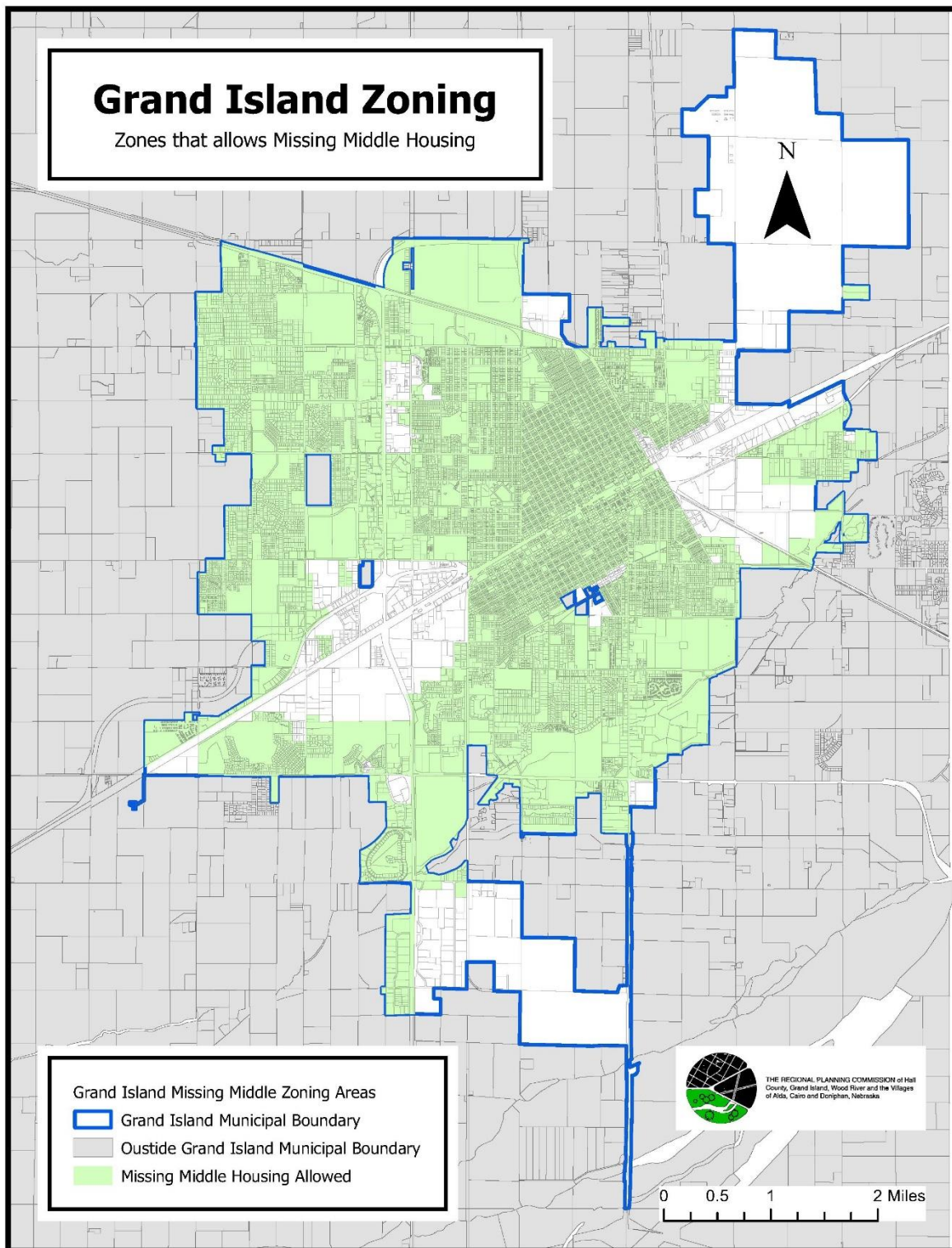
## **§19-5504 (1a) An overview of the city's current residential zoning requirements:**

Unlike many cities in Nebraska and across the United States the City of Grand Island does not generally specify what type of housing can be built in a particular zoning district outside of housing as it is permitted in the Primary Agricultural, Secondary Agricultural, Transitional Agriculture, Light Manufacturing and Heavy Manufacturing zones. The Grand Island Zoning Code has seven districts that do not allow new housing of any type. These zones tend to focus on development of the Cornhusker Army Ammunition Plant, Industrial Estates and Commercial areas of the city and its jurisdiction. Grand Island has twelve zoning districts that permit dwelling units as a permitted use. The type of dwelling unit is not specified but the districts do identify both minimum lot sizes and a minimum lot area per dwelling unit; a density limitation. (eg. In the R2-Low Density Residential Zone the minimum lot size is 6000 sq. ft. and the permitted density is 1 dwelling unit per 6000 sq. ft. On a minimum size lot only a single family home can be built. If the lot is 12,000 sq. ft. it would be permissible to build a duplex on the lot. If the lot is 18,000 sq. ft. it would be permissible to build triplex on the lot. The residential densities permitted in the various district range from no limitation on the density in the RO-Residential Office and B3-Heavy Business districts to one unit per 20,000 sq. ft. in the LLR-Large Lot Residential zone without municipal sewer and water. In June of 2025, the City of Grand Island updated its regulations to allow one unit per 9,000 sq. ft. (the same density as the R1 Suburban Density Residential Zone) in the LLR-Large Lot Residential zone if sanitary sewer **and** water service is available to the lot and connected.

A chart of all of the zoning districts and the type of housing (single family and middle) allowed in each district as matter of right based on density is attached.

| Zoning District |   | Residential | Type of Residential |           |        |         |          |             |      |
|-----------------|---|-------------|---------------------|-----------|--------|---------|----------|-------------|------|
|                 |   | Allowed     | Single Family       | Town Home | Duplex | Triplex | Quadplex | Upper Story | ADU* |
| AG-1            | Primary Agricultural Zone                 | Yes         | Yes                 | No        | No     | No      | No       | No          | No   |
| AG-2            | Secondary Agricultural Zone               | Yes         | Yes                 | No        | No     | No      | No       | No          | No   |
| AG-SC           | Special Agricultural / Conservation Zone  | No          | No                  | No        | No     | No      | No       | No          | No   |
| AG-SE           | Special Agricultural / Events Zone        | No          | No                  | No        | No     | No      | No       | No          | No   |
| AG-SI           | Special Agricultural / Industrial Zone    | No          | No                  | No        | No     | No      | No       | No          | No   |
| SRC             | Special Recreation / Conservation Zone    | No          | No                  | No        | No     | No      | No       | No          | No   |
| TA              | Transitional Agricultural Zone            | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| LLR             | Large Lot Residential Zone                | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| R-1             | Suburban Residential Zone                 | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| R-2             | Low Density Residential Zone              | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| R-3             | Medium Density Residential Zone           | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| R3-SL           | Medium Density Small Lot Residential Zone | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| R-4             | High Density Residential Zone             | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| RO              | Residential Office Zone                   | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| B-1             | Light Business Zone                       | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| B-2             | General Business Zone                     | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| B-3             | Heavy Business Zone                       | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| ME              | Industrial Estates Zone                   | No          | No                  | No        | No     | No      | No       | No          | No   |
| M-1             | Light Manufacturing Zone                  | No*         | No                  | No        | No     | No      | No       | No          | Yes  |
| M-2             | Heavy Manufacturing Zone                  | No*         | No                  | No        | No     | No      | No       | No          | Yes  |
| M-3             | Mixed Use Manufacturing Zone              | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |
| CD              | Commercial Development Zone               | No          | No                  | No        | No     | No      | No       | No          | No   |
| TD              | Travel Development Zone                   | No          | No                  | No        | No     | No      | No       | No          | No   |
| RD              | Residential Development Zone              | Yes         | Yes                 | Yes       | Yes    | Yes     | Yes      | Yes         | Yes  |

\*ADU's are permitted when structures meet the setback requirements of the zoning district and if they conform to the density requirements.



**Area of Grand Island City Limits where Missing Middle Housing is Permitted**

**§19-5504 (1b) The percentage of the areas of the city zoned for residential use which permit the construction of multifamily housing and middle housing:**

Multifamily and middle housing can be constructed in every zoning district in the city that permits dwelling units as a principal use if the density requirements are met. So the percentage of areas in the city zoned for residential use which permit the construction of multifamily and middle housing is 100%.

**§19-5504 (1c) A breakdown of new residential construction over the previous five years, including the percentage of such construction that was single-family housing, multifamily housing and middle housing:**

The attached chart breaks down the new housing construction between 2020 and 2024 based on permits issued.

| HOUSING UNITS<br>2020 - 2024 |              |                    |         |                 |               |                |                |
|------------------------------|--------------|--------------------|---------|-----------------|---------------|----------------|----------------|
| YEAR                         | S.F.<br>HOME | * S.F.<br>ATTACHED | *DUPLEX | *3 OR 4<br>PLEX | *5 OR<br>MORE | MOBILE<br>HOME | TOTAL<br>UNITS |
| **2020                       | 56           | 18                 | 64      | 3               | 55            | 1              | 197            |
| 2021                         | 86           | 12                 | 10      | 0               | 142           | 1              | 251            |
| **2022                       | 58           | 58                 | 24      | 35              | 0             | 1              | 176            |
| 2023                         | 40           | 42                 | 72      | 35              | 120           | 0              | 309            |
| 2024                         | 42           | 29                 | 6       | 44              | 99            | 0              | 220            |
|                              |              |                    |         |                 |               |                |                |
| TOTAL                        | 282          | 159                | 176     | 117             | 416           | 3              | 1153           |
| % of<br>Total                | 24.46        | 13.79              | 15.26   | 10.15           | 36.08         | 0.26           | 100.00         |
| Middle Housing*              |              |                    | 39.20   |                 |               |                |                |

*\*Some units in the 5 or more category may be located downtown and represent upper story development that would be middle housing.*

*\*\* Units corrected*

*\*Includes construction based on permits issued within City Limits*

**§19-5504 (1d) A breakdown of the residential units annexed by the city over the previous five years, including the percentage of such units that were single-family housing, multifamily housing, and middle housing;**

All of the residential units annexed between 2020 and 2024 have been single-family homes. The city has annexed four houses during this period and were all single-family housing.

**§19-5504 (1e) An estimate of the per unit cost of housing in the city;**

The attached chart breaks down the estimated cost of new housing construction based on housing type; single family detached, missing middle and apartments between 2020 and 2024 based on permits issued.

| <b>HOUSING UNITS</b>  |                      |                          |   |                      |
|---|----------------------|--------------------------|---|----------------------|
| <b>2020 - 2024</b>  |                      |                          |   |                      |
| <i>*Includes construction cost based on permits issued within City Limits and ETJ</i> |                      |                          |   |                      |
| <b>YEAR</b>   | <b>S.F.<br/>HOME</b> | <b>S.F.<br/>ATTACHED</b> | <b>MISSING<br/>MIDDLE<br/>(2-4 units)</b> | <b>5 OR<br/>MORE</b> |
| 2020  | 57                   | 18                       | 67  | 55                   |
| 2021  | 86                   | 12                       | 10  | 142                  |
| 2022  | 58                   | 58                       | 59  | 0                    |
| 2023  | 41                   | 42                       | 107                                       | 120                  |
| 2024  | 47                   | 29                       | 50  | 99                   |

| <b>HOUSING UNITS</b>  |                      |                          |   |                      |
|---|----------------------|--------------------------|---|----------------------|
| <b>Average Cost Per Unit</b>  |                      |                          |   |                      |
| <b>2020 - 2024</b>  |                      |                          |   |                      |
| <i>*Includes construction cost based on permits issued within City Limits and ETJ</i> |                      |                          |   |                      |
| <b>YEAR</b>   | <b>S.F.<br/>HOME</b> | <b>S.F.<br/>ATTACHED</b> | <b>MISSING<br/>MIDDLE<br/>(2-4 units)</b> | <b>5 OR<br/>MORE</b> |
| 2020  | \$214,764.09         | \$153,076.56             | \$154,195.30                              | \$97,665.07          |
| 2021  | \$247,014.40         | \$200,182.44             | \$149,338.80                              | \$143,442.59         |
| 2022  | \$287,946.28         | \$186,608.23             | \$172,958.68                              | \$0.000              |
| 2023  | \$312,843.20         | \$136,555.10             | \$155,057.51                              | \$150,000.00         |
| 2024  | \$321,225.64         | \$203,277.45             | \$187,438.42                              | \$125,565.58         |

**§19-5504 (1f) Whether such zoning codes, ordinances, and regulations provide for density bonuses or other concessions or incentives which encourage residential density, and the frequency with which such bonuses , concessions, or incentives are utilized:**

The city of Grand Island does not offer any concessions or incentives for density. We have amended our street standards to make it easier for all residential subdivision to reduce the street width from 37' back of curb to back of curb to 32' back of curb to back of curb under certain conditions. In addition, the city has authorized a 34' back of curb to back of curb street width as an alternative to the 37' that would allow for parking on both sides and meet provisions of the International Fire Code. The newest residential zoning district R3-SL Medium Density Small Lot permits smaller lot sizes and is designed to allow row house development by right.

The City Council on June 13, 2023, authorized the use of High-Density Polyethylene pipe for water services, which will help lower the cost of construction as well as the cost of repairs to the service lines in the future. In November of 2024 the City Council approved lowering the parking requirement for 1 bedroom and efficiency apartments to 1.5 parking spaces per unit. Apartments with 2 or more bedrooms still require 2 spaces per unit. The city reinstated a Life Safety Grant which will help with upper story residential in the Downtown area along both 3<sup>rd</sup> and 4<sup>th</sup> Streets. The City Council changed the code in June of 2025 to allow multiple principal buildings (houses) on a single lot if it meets the density requirements, lot coverage and setbacks. This will permit multiple detached dwellings on a single lot in all zoning districts that allow residential development.

**§19-5504 (1g) Whether such zoning codes, ordinances and regulations allow the construction of accessory dwelling units:**

Accessory dwelling units are permitted in all our residential zoning districts as a matter of right provided that the allowed residential density for the zoning district is not exceeded and that the accessory dwelling unit meets the setbacks for the zoning district.

**§19-5504 (1h) What incentives the city applies to encourage the development of affordable housing, including both direct incentives and regulatory relief:**

As mentioned above the city has made regulatory changes with the hopes of creating an environment that allows the development of affordable housing. The city has partnered with the Housing Development Corporation with Community Development Block Grant funds for both new and renovated owner-occupied housing.

The city has a long tradition, dating back to 1996, of partnering with developers to use Tax Increment Financing for housing development. Of the 111 TIF projects approved by the city 66 of them have involved housing of one kind or another. In November of 2023 the City approved using TIF for workforce housing as allowed by statute. The City also approve the use of micro-tif for up to 20 projects per year.

Since the previous report was submitted the City of Grand Island has approved 11 TIF projects that include housing. Five of those projects involve middle type housing. two of the 11 projects are mixed-used and include 2 projects located downtown Grand Island.

The Grand Island Area Economic Development Corporation (EDC) applied for and received funds from the State of Nebraska to support the development of rural workforce housing. EDC received 6.445 million dollars and allocated funds through a rural workforce-housing grant for the development of projects totaling 23 rental housing units, 22 single family lots, 14 single-family owner-occupied units completed, and upcoming projects include 36 single family units and 7 rental units. The rural workforce housing grant consists of a 0% revolving loan with a 24-month term or payment due at the time of sale of a housing unit whichever comes first. They have also applied for and received 1.7 million dollars from the Nebraska Affordable Housing Trust Fund building 59 rental units, 15 of which are income qualified for the first 10 years. They have applied for the next round of funding and are awaiting announcements.



**§19-5504 (1i) A demographic analysis of the city with trends and estimates of the housing need by housing type and price range; and**

The following excerpts were taken from the [2025 Grand Island Housing Study](#)

**Figure C: Housing Demand**

|                                       | 2025   | 2030   | 2035   | TOTAL |
|---------------------------------------|--------|--------|--------|-------|
| Population at End of Period           | 56,036 | 59,100 | 62,332 |       |
| Household Population at End of Period | 51,972 | 57,812 | 60,973 |       |
| Average People Per Household          | 2.56   | 2.55   | 2.55   |       |
| Household Demand at End of Period     | 21,454 | 22,671 | 23,911 |       |
| Projected Vacancy Rate                | 5.2%   | 5.2%   | 5.2%   |       |
| Unit Needs at End of Period           | 22,621 | 23,905 | 25,212 |       |
| Replacement Need (total lost units)   |        | 90     | 75     | 165   |
| Cumulative Need During Period         |        | 1,617  | 1,382  | 2,999 |
| Average Annual Construction           |        | 270    | 276    | 273   |

Source: Center for Neighborhood Technology

**Figure D: Housing Demand & Development Program by Type & Price Point**

|   | 2035 DEMAND | PERCENTAGE | DEVELOPMENT PROGRAM % | DEVELOPMENT PROGRAM |
|---|-------------|------------|-----------------------|---------------------|
| <b>Total Owner-Occupied</b>             | 1,800       | 100%       |                       |                     |
| Affordable Low <\$200,000               | 883         | 49%        | *                     | *                   |
| Affordable Moderate \$200,000-\$250,000 | 321         | 18%        | 34%                   | 609                 |
| Moderate Market \$250,000 - \$350,000   | 348         | 19%        | 36%                   | 654                 |
| High Market: >\$350,000                 | 248         | 14%        | 30%                   | 536                 |
| <b>Total Renter Occupied</b>            | 1,200       | 100%       |                       |                     |
| Low: Less than 500                      | 296         | 25%        | 17%**                 | 206                 |
| Affordable: 500-1,000                   | 336         | 28%        | 20%**                 | 235                 |
| Market: 1,000-1,500                     | 327         | 27%        | 37%                   | 447                 |
| High Market: \$1,500+                   | 241         | 20%        | 26%                   | 312                 |
| <b>Total Unit Need</b>                  | 2,999       |            |                       |                     |

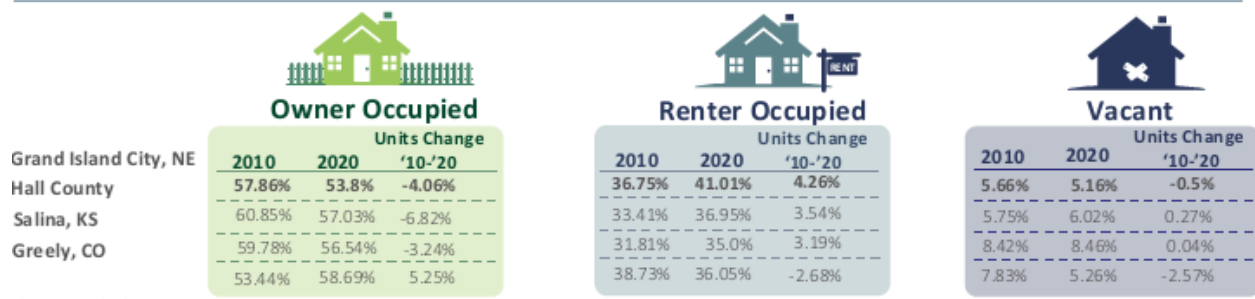
\* Not easily produced by the market, comes from existing housing stock through move ups.

\*\* In this scenario, 30% of the lower price point demand are met from new units at higher price points that lead to movement out of units. The 70% of the remaining need will have to come through public subsidy and financing programs for new construction and rehab of existing units.

Source: RDG Planning & Design



**Figure 8: Occupancy**



Source: U.S. Census Bureau

**Figure 9: Vacancy**

|   | 2022 Estimate |        | Percent of Vacant Units |  |
|---|---------------|--------|-------------------------|--|
| For rent                                      | 180           | 18.89% | 40.08%                  |  |
| Rented, not occupied                          | 23            | 2.41%  |                         |  |
| For sale only                                 | 90            | 9.44%  |                         |  |
| Sold, not occupied                            | 89            | 9.34%  |                         |  |
| For seasonal, recreational, or occasional use | 26            | 2.73%  | 2.73%                   |  |
| For migrant workers                           | 0             | 0%     | 0%                      |  |
| Other vacant                                  | 545           | 57.19% | 57.19%                  |  |
| <b>Total</b>                                  | <b>953</b>    |        |                         |  |

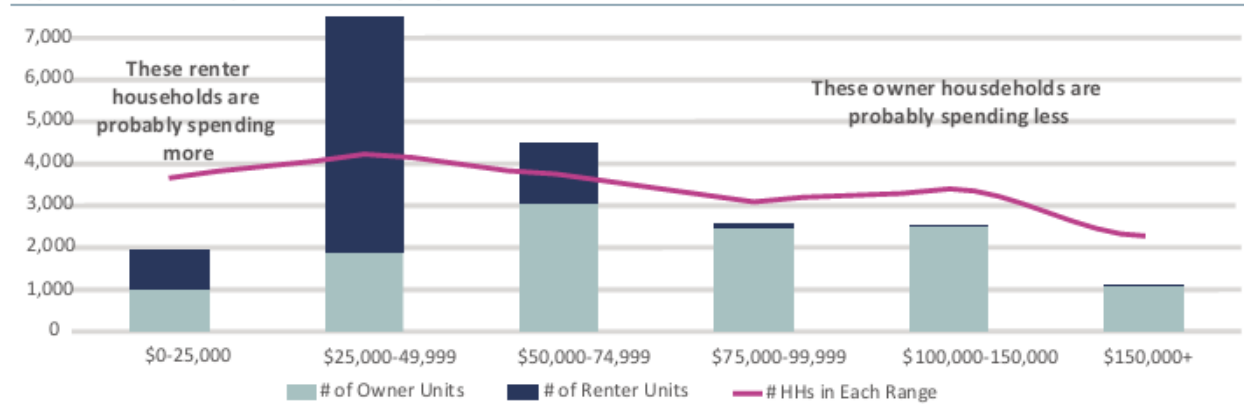
Source: U.S. Census Bureau

**Figure 13: Housing Costs**

|                       | Median Household Income | Median Home Value | Median Contract Rent | % Cost Burdened |        |
|-----------------------|-------------------------|-------------------|----------------------|-----------------|--------|
| Grand Island City, NE | \$62,439                | \$202,600         | \$765                | 18.8%           | Owner  |
|                       |                         |                   |                      | 47.3%           | Renter |
| Hall County           | \$67,549                | \$207,900         | \$757                | 18.5%           | Owner  |
|                       |                         |                   |                      | 45.6%           | Renter |
| Salina, KS            | \$60,624                | \$164,500         | \$699                | 19.0%           | Owner  |
|                       |                         |                   |                      | 46.3%           | Renter |
| Greely, CO            | \$68,650                | \$369,600         | \$1,203              | 25.6%           | Owner  |
|                       |                         |                   |                      | 59.7%           | Renter |

Source: U.S. Census Bureau

**Figure 14: Housing Affordability by Income**



Source: U.S. Census Bureau

**Figure 15: Housing Sales Data**

|                        | 2017      | 2018      | 2019      | 2020      | 2021      | 2022      | 2023      | Change |
|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------|
| Average Sale Price     | \$167,646 | \$179,184 | \$182,993 | \$191,688 | \$224,367 | \$246,867 | \$259,575 | 55%    |
| Median Sale Price      | \$149,900 | \$159,900 | \$164,900 | \$172,750 | \$199,900 | \$229,900 | \$242,000 | 61%    |
| Average Days on Market | 45        | 49        | 51        | 45        | 24        | 26        | 37        |        |

Source: Multiple Listing Services

### **§19-5504 (1j) Efforts to adopt an affordable housing action plan as required under section 19-5505.**

The city of Grand Island adopted an affordable housing action plan as required under section 19-5505 adopted on December 27, 2022. The plan was submitted to the Urban Affairs Committee on December 28, 2022 and is available at:

[https://nebraskalegislature.gov/pdf/reports/committee/urban/Grand\\_Island\\_2023\\_Affordable\\_Housing\\_Action\\_Plan.pdf](https://nebraskalegislature.gov/pdf/reports/committee/urban/Grand_Island_2023_Affordable_Housing_Action_Plan.pdf)