

SOUTH OF DOWNTOWN REVITALIZATION PLAN

FOR LINCOLN, NEBRASKA

APPENDICES A-F

Prepared by **H3** Studio

for the
LINCOLN COMMUNITY FOUNDATION

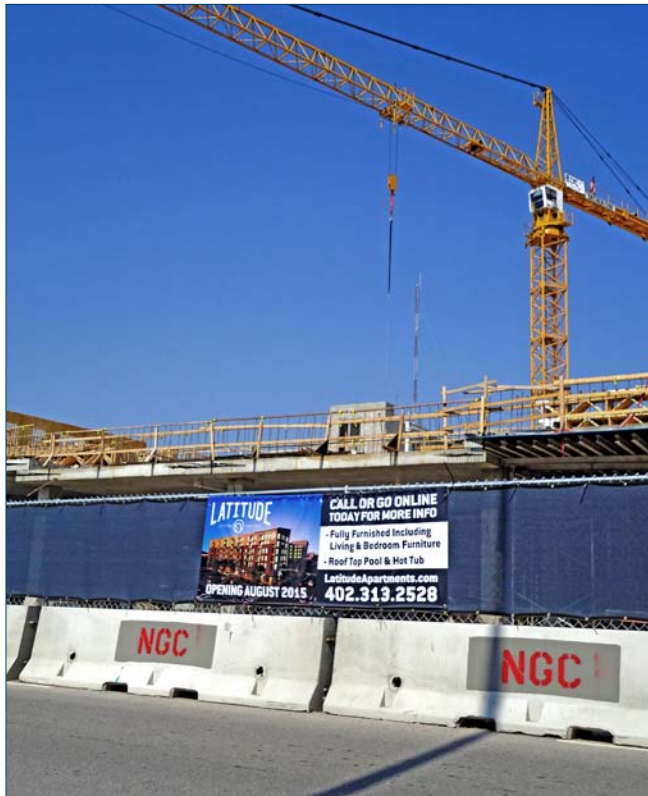




A-F

APPENDICES

- A | Framework to Promote Upward Mobility*
- B | South of Downtown Revitalization Market Analysis*
- C | Consensus Issues, Assets, & Ideas Long List*
- D | Documentation Book 01*
- E | Documentation Book 02*
- F | Documentation Book 03*



PLANS RELEVANT TO THE FUTURE CONDITIONS

The project area and context has several large and small scale projects in various stages of planning, in-progress, and completed. Relevant plans exist for multiple areas in and around the area. These plans address, to various levels, recommendations for housing, transit, and economic development in their areas or sites. This master plan is closely coordinated with these plans to ensure that the vision for development of this area will become an integral part of the overall future of the area, furthering the ongoing planning and development efforts and preparing the area to respond to those.

Planning Documents & Reports

- 2014 Lincoln Vital Signs Report
- 2014 Business Conditions & Indicators Report
- 2014 Downtown Lincoln Annual Report
- 2014 Public Bldg Commission Facilities Report
- 2014 The Rise of Innovation Districts
- 2014 CIP FY 2014/15 to 2019/20
- 2014 Annual Action Plan: FY 2014
- 2013 PlanBIG (UNL) Master Plan
- 2013 Lincoln Economic Dashboard
- 2013 Complete Streets Annual Report
- 2013 South Haymarket Development Study
- 2012 Lincoln Downtown MP Update
- 2011 LPlan 2040 Comprehensive Plan
- 2009 Downtown Lincoln Parking Study
- 2009 Blight & Sub-Standard Area Study
- 2008 South Capitol Redevelopment Area
- 2007 Bike Lanes Study (11th & 14th St.)
- 2005 Downtown Lincoln Master Plan
- 2004 Antelope Valley Redevelopment Plan
- 1997 Focus Area Action Plans

2013 SOUTH HAYMARKET DEVELOPMENT STUDY

Completed by the Lincoln | Lancaster County Planning Department in 2013, this study was an engagement process with the public to identify the opportunities and constraints for the area south of Haymarket and West Haymarket in Downtown Lincoln.

This process resulted in a series of preliminary findings which suggest that “South Haymarket could be a mixed-use district with an emphasis on urban infill housing in support of Greater Downtown” and that “it’s proximity to Haymarket and other Downtown attractions make it a desirable place to live”.

The plan further resulted in a series of concepts that were intended to spur discussion. Some of the concepts are shorter-term and some may occur over the next 20 to 25 years. These concepts include:

- Residential Concept
- Public Right-Of-Way Concept
- Public Properties Concept
- Industrial Areas Concept
- Open Space Network Concept
- Parking Strategy Concept

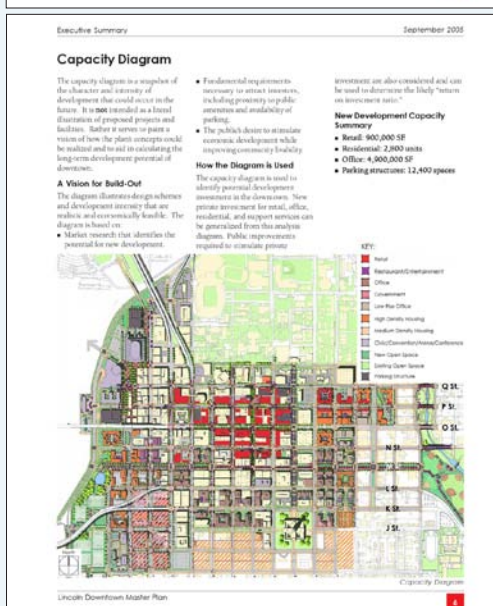
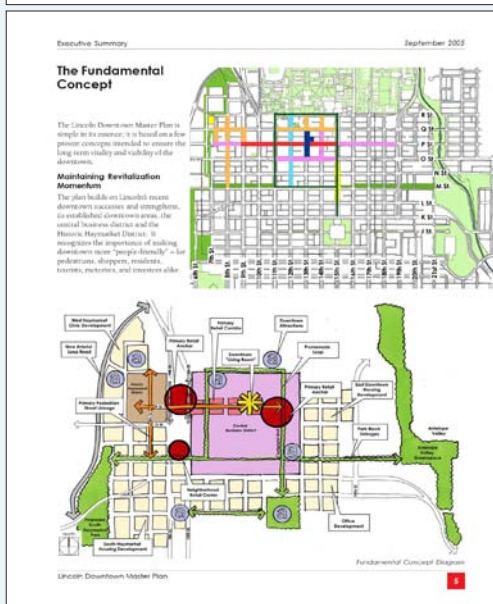
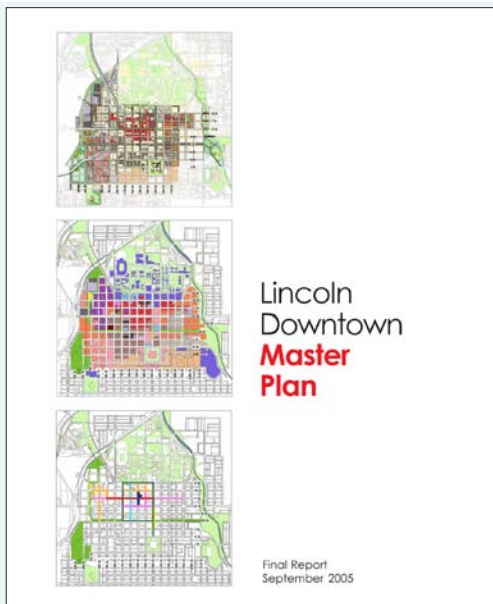
KEY RECOMMENDATIONS INCLUDE:

- Repurposed buildings & new construction: 1000 – 2000 units
- Mixed-use areas along 8th, 9th, 10th, O, N, M, and L Streets.
- Consolidation, relocation & reuse of some Government Offices
- Relocation of some industrial uses & expansion of others
- Street | sidewalk improvements & the addition of Arena Drive
- Trail connection from Jamaica North Trail to West Haymarket
- Parkway along 8th Street
- Tree-lined J Street residential blvd
- Landscaping buffers along 9th
- Public plaza | open space at the terminus of Canopy Street
- Landscaping screen for parking



SOUTH HAYMARKET NEIGHBORHOOD STUDY





2005 DOWNTOWN MASTER PLAN

This master plan offers a bold vision for Downtown Lincoln's future – a vision based on the ideas, values, and dreams of a diverse community. The 2005 master plan charts Downtown's course for the next 20 to 30 years.

- Downtown Action Team Meetings
- Public Outreach & Public Meetings

Plan Concept

The key concept is to create a clear "retail corridor" – a pedestrian oriented street on which anchor retail and attractor uses are strategically located at each end. This retail corridor links to a local network of equally pedestrian-friendly streets, greenways and open spaces leading to and providing amenities for adjacent districts and neighborhood.

Guiding Principles

- Enhance retail
- Improve bicycle system
- Provide additional open space
- Provide additional housing
- Enhance aesthetics
- Improve parking
- Address traffic
- Provide new shuttle services
- Improve transit usage
- Enhance pedestrian safety

Capacity Diagram

The capacity diagram is a snapshot of the character and intensity of development that could occur in the future. It is not intended as a literal illustration of proposed projects and facilities. Rather it serves to paint a version of how the plan's concepts could be realized and to aid in calculating the long-term development potential of downtown.

New Development Capacity Summary

- Retail: 900,000 SF
- Restaurant | Entertainment: N/A
- Residential: 2,800 Units
- Inc. High Density & Med-Density
- Office: 4,900,000 SF
- Inc. Low Rise Office
- Government: N/A
- Civic | Convention | Arena | Conference
- Parking Structures: 12,400 Spaces
- New Open Spaces: N/A

2012 MASTER PLAN UPDATE

Since adoption, a number of projects have been built and more are currently underway. These projects have changed the downtown context and affect three main components of the public realm framework identified in 2005.

Modifications

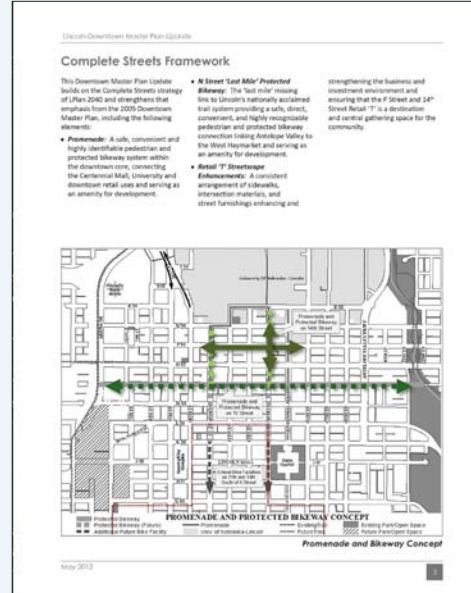
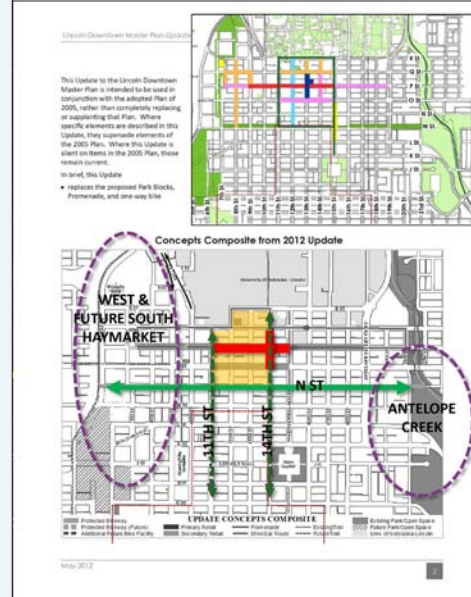
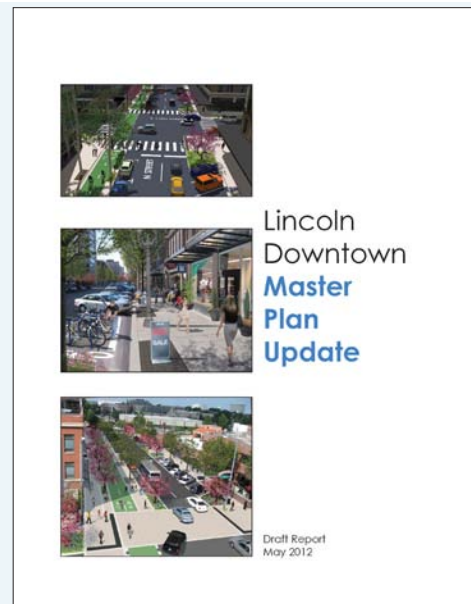
- Includes adjustments to the Public Realm Framework in the 2005 Master Plan
- Includes the Complete Streets strategy put forth in the LPlan 2040
- Includes an emphasized, revised and simplified Streetcar Framework
- Includes recommended priorities and phasing of the modifications

Concept Update

- Replaces the proposed Park Blocks, Promenade, and one-way bike lane concept on M St with improvements to N St, from 7th to 21st St, including a two-way protected bicycling facility in place of one vehicular lane and one-way bike lane;
- Modifies the Promenade concept to focus on N (not M) St, 14th (not Centennial Mall), R S and 11th St, including proposed two-way protected bicycling facilities on 14th and 11th Streets; and
- Refines the Primary Retail Corridor to focus on P St from 11th St to Centennial Mall, and to encompass N. 14th St from O to Q Streets.

Complete Streets

- Promenade: A safe, convenient and highly identifiable pedestrian and protected bikeway system... connecting the Centennial Mall, University and downtown retail uses and serving as an amenity for development.
- N St "Last Mile" ...Link providing safe, direct, convenient, and highly recognizable... connection linking Antelope Valley to the West Haymarket and serving as an amenity for development.
- Retail "T" Streetscape Enhancements: A consistent arrangement of sidewalks, intersection materials, and street furnishings... ensuring that the P Street and 14th Street Retail "T" is the destination and central gathering space for the Community.



2008 SOUTH CAPITOL REDEVELOPMENT AREA

We do not have much information on the original 2008 South Capitol Redevelopment Area. Provided by the Client, it contains an assessment of existing land uses throughout the South Downtown area, as shown.



REDEVELOPMENT AREAS



GROUND FLOOR BUILDING USE



UPPER FLOOR BUILDING USE

2009 BLIGHT & SUBSTANDARD DETERMINATION STUDY

Initiated by the Urban Development Department, the purpose of this study was to determine whether all or part of the designated South Capitol Redevelopment Area, in Lincoln, Nebraska, qualifies as a blighted and substandard area, within the definition set for in the Nebraska Community Development Law, Section 18-2103.

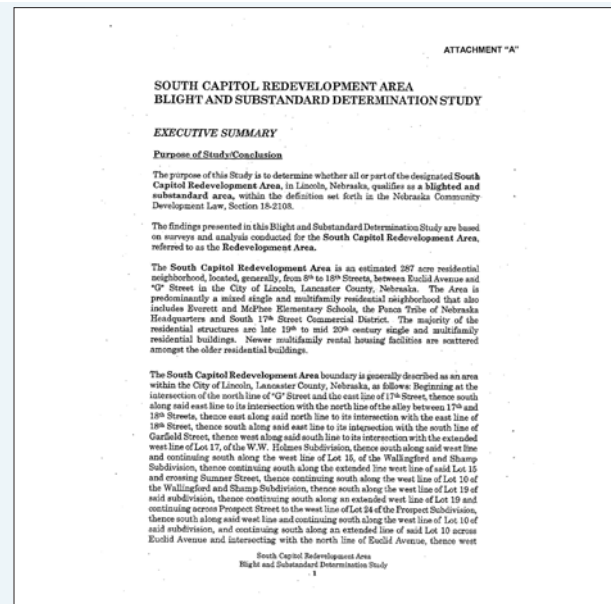
The area meets the requirements of the NCD law for designation as a "blighted and substandard area"

Substandard Factors

- Dilapidated / deterioration
- Age or obsolescence
- Inadequate provision for ventilation, light, air, sanitation or open spaces
- Existence of conditions which endanger life or property by fire and other causes

Blighted Factors

- A substantial number of deteriorated or deteriorating structures
- Existence of defective or inadequate street layout
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness
- Insanitary or unsafe conditions
- Deterioration of site or other improvements
- Improper subdivision or obsolete platting
- The existence of conditions which endanger life or property by fire or other causes
- Other environmental and blighting factors
- On of the other five conditions



Lincoln, Nebraska ANTELOPE VALLEY REDEVELOPMENT PLAN An Executive Summary

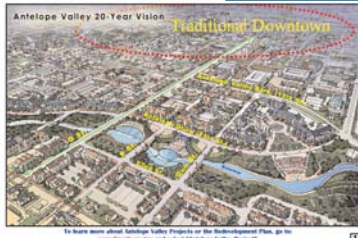
Why was this plan prepared?

The Antelope Valley Area is an important part of Lincoln's industrial center. In spite of its long history of industrial activity, the area has not received the same level of investment and improvement as other parts of Lincoln. In fact, over the last decade, major signs of blight and substandard conditions have surfaced.

Typically, urban cities like Lincoln are faced with the "right of way" and "right of way" issues. These issues are not unique to Lincoln, but they are a major barrier to economic, social and environmental progress. The Antelope Valley Redevelopment Plan is a plan to address these issues and to help spur redevelopment activities. The plan is a joint effort of the University of Nebraska-Lincoln, the Lower Platte South Natural Resources District, and the City of Lincoln. Together they develop and approved the Antelope Valley Projects, which address three community redevelopment purposes:

- Flood Control
- Transportation Improvements
- Community Revitalization

Since the flood control project is a joint effort of the University of Nebraska-Lincoln, the Lower Platte South Natural Resources District, and the City of Lincoln, the plan is a joint effort of the University of Nebraska-Lincoln, the Lower Platte South Natural Resources District, and the City of Lincoln. Together they develop and approved the Antelope Valley Projects, which address three community redevelopment purposes:



Antelope Valley Projects

Community Revitalization • Transportation Improvements • Flood Control

Joint Antelope Valley Authority (JAVA)
• University of Nebraska-Lincoln
• Lower Platte South Natural Resources District
• City of Lincoln, Nebraska



2004 ANTELOPE VALLEY REDEVELOPMENT PLAN

To address the problems in Antelope Valley Area and to help spur redevelopment activities, three governmental agencies joined forces – the City of Lincoln, the University of Nebraska-Lincoln, and Lower Platte South Natural Resources District. Together, they developed and approved the Antelope Valley Projects, which address three Community redevelopment purposes:

- Flood Control
- Transportation Improvements
- Community Revitalization

The estimated cost for the Antelope Valley Projects is \$225 million (2002 dollars). An economic report estimates that this large investment will produce public benefits worth over \$745 million. Another economist has projected that for every Antelope Valley dollar expended, the private sector will respond with at least three dollars of investment. Specific applicable projects include:

- 2011 On-Street Trail Connections (on G Street and 8th Street)
- 2011 North South Road from K Street to P Street
- 2010 K Street from 17th Street to 22nd Street

The Joint Antelope Valley Authority (JAVA) to implement the Antelope Valley Projects. Over the next 10-20 years, JAVA will coordinate final design, property acquisition, tenant and property owner relocation and construction efforts on these projects.

- 336 relocated Commercial and industrial structures...
- 961 relocated residential structures...
- 50 acres of UNL property will be removed from the floodplain...
- Safer railroad crossings, more effective street alignments, new open space, and an expanded trails network...

REDEVELOPMENT PLANS & AREAS

Completed

- Various Projects in Downtown Lincoln
- 11th Street Streetscape Project
- Cornhusker Square Redevelopment Project
- Lincoln Star Buildings Redevelopment Project

Active

- Lincoln Mall Redevelopment Project
- West Haymarket Redevelopment Project
- Block 85 Redevelopment Project
- Block 68 Redevelopment Project
- O Street Façade Program

In-Negotiations

- Telesis (Meadowgold) Redevelopment Project
- Landmark Centre Redevelopment Project

In-Discussion

- 13th & L Redevelopment Project Area
- 13th & P Multi-Family Area







FRAMEWORK TO PROMOTE UPWARD MOBILITY

FRAMEWORK TO PROMOTE UPWARD MOBILITY
IN SUPPORT OF SOUTH OF DOWNTOWN REVITALIZATION PLAN

LINCOLN, NEBRASKA

NOVEMBER 10, 2015

PREPARED FOR

LINCOLN COMMUNITY FOUNDATION

DRAFT





11/10/2015

Barbara Bartle
President
Lincoln Community Foundation
215 Centennial Mall South, Suite 100
Lincoln, Nebraska 68508

Re: Framework to Promote Upward Mobility in Support of South of Downtown Revitalization Plan

Dear Ms. Bartle:

As part of the planning process to support the South of Downtown Revitalization Plan, we understand that a critical component of the plan will need to include programs and strategies that promote self-sufficiency and upward mobility for low- and moderate-income households living in the study area. This is not a challenge unique to the South of Downtown study area, or Lincoln for that matter, but a national issue as increasing disparities in income continue to limit opportunities for households to transition out of poverty, especially for those living in low-income communities. Most of the national debate frames this issues by addressing the needs to promote “upward mobility,” or the ability for a household at a given income level to transition to a higher income level in future generations. Though the issues are complex, education, workforce development, and local economic development tend to be the primary barriers to upward mobility.

The purpose of the following document, or framework, is to identify the elements that would help support successful upward mobility and local economic development outcomes for South of Downtown residents. The City of Lincoln is fortunate to have many of the resources needed to promote upward mobility already in place; however, there appear to be gaps in programs and services as they relate to certain segments of the population. The framework is not intended to evaluate the effectiveness of existing programs and services, but to provide leading practices and case studies on successful programs in similar communities that could potentially be incorporated and/or expanded in South of Downtown. The framework also identifies potential funding sources for some of these programs.

Please feel free to share this document with other members of the Executive Committee and Steering Committee. We certainly welcome your comments and feedback and we hope this document can stimulate new conversation as it relates to continued public outreach, consensus building, and the Revitalization Plan’s final implementation strategy.

Yours very truly,

DRAFT

Robert M. Lewis
Principal

Brian Licari
Associate

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DEVELOPMENT STRATEGIES

INTRODUCTION

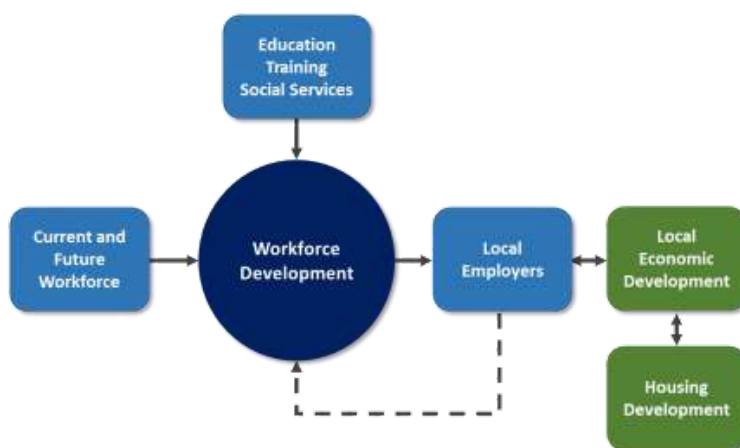
In the support of the South of Downtown Revitalization Plan, the purpose of this document is to outline programs, policies, and funding sources that support economic prosperity in low- and moderate-income neighborhoods. As identified in the South of Downtown Revitalization Market Analysis document from May 2015 (“Market Study”) and Vital Signs 2015 report, many residents of the South of Downtown neighborhood face considerable challenges in terms of education and income levels and access to quality housing, social services, and employment opportunities. This is not an issue unique to Lincoln—the concept of “upward mobility” is on the forefront of the national debate related to increasing disparities in income, especially for immigrant and/or minority communities. Much of the analysis related to the topic is framed by asking a simple question: What are the chances that a household in a certain income bracket moves to a higher income bracket in future generations? In other words, does someone growing up in poverty have the resources and opportunities to become self-reliant and successful?

There is general consensus that certain communities lack the services, educational opportunities, and social networks to promote upward mobility, but the issues are often deep-rooted and extremely complex and there is no community in America that has “solved” these issues. On the other hand, there are programs and services that many communities have implemented aimed to create more opportunities for individuals and families that can have a lasting, long-term impact. In support of the South of Downtown Revitalization Plan, the following discussion and analysis is to provide a framework for the types of programs and services that *should be* in place to promote upward mobility. However, these programs and services take time and resources to develop and there is no quick fix. In many cases, the excellent resources are already available in the city of Lincoln, but there is perhaps too great a disconnect with the residents of South of Downtown. This framework is not intended to evaluate the effectiveness of any existing programs, but to provide leading practices to help develop a long-term vision and steer future policy decisions.

Essentially, there are two primary focuses of this framework: 1) workforce development and 2) entrepreneurship and small business assistance. If the residents of South of Downtown or those living in other low- to moderate-income community in Lincoln have the proper resources to promote education, training, and empowerment and develop a long-term career path with growth opportunities, this will lead to broader economic and housing development opportunities, the goal of any neighborhood revitalization plan.

It is important to understand that *workforce development* as a concept is an integrated public-private partnership system that brings together educational resources, social services, and public/private/philanthropic funding streams and, most importantly, area employers themselves to insure that the skill sets and capabilities of the local workforce meets their needs. As a result, stronger local economic development growth then directly benefits the housing market, which is also a critical component of the Revitalization Plan.

Workforce Development Model



Source: Development Strategies

UPWARD MOBILITY

General Background

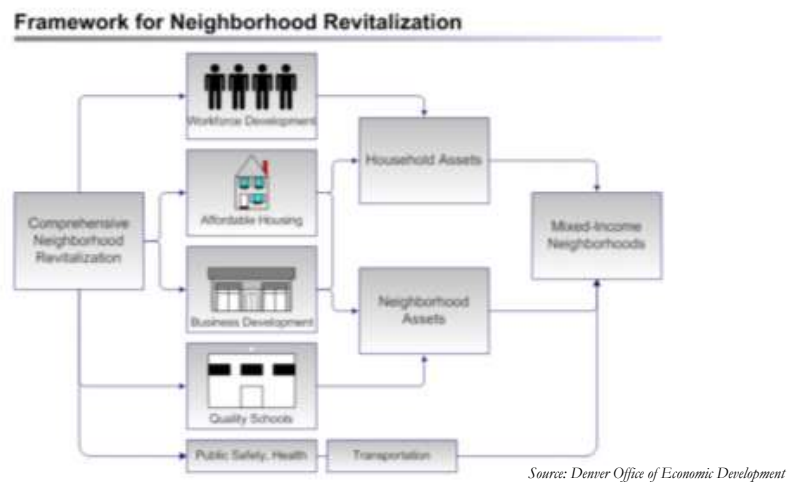
According to a Brookings study, “There is a growing gap between families at the top and bottom of the income distribution, raising concerns about the ability of today’s disadvantaged to work their way up the economic ladder,” but most importantly, “education can play a pivotal role in improving social mobility.”¹ Those with college degrees are not just skilled, but also have the networks to find employment with growth opportunities and, even during the Great Recession, those individuals with college degrees fared much better. With the decline of the manufacturing sector nationwide, upward mobility has been limited for those with only high school degrees or less where, in previous generations, the abundance of well-paying manufacturing jobs helped households enter the middle class with little to no post-secondary educational attainment. Additionally, with a constantly evolving global economy, there is a need for lifelong workforce education and training in order to adjust to changing trends.

What does this mean for the residents in need living in South of Downtown? Though physical barriers do exist for accessing employment opportunities—most notably for those who must rely upon public transportation—a higher skilled workforce has more opportunities to access higher paying jobs and the means of accessing these jobs. Essentially, a better workforce leads to better jobs, which leads to better housing.

¹ Greenstone, Looney, Patashnik, and Yu. “Thirteen Economic Facts about Social Mobility and the Role of Education.” Brookings. June 2013.

Framework for Neighborhood Revitalization

In order to support a comprehensive neighborhood revitalization plan, there is an intrinsic link between the people, the built environment, and service providers. The goal of the plan is to create a synchronicity of these elements that fosters long-term growth and stability.



Given the interconnectedness of the complete neighborhood ecosystem that includes a web of workforce development, business growth, housing, and social services, the following programs and topic areas have been identified as crucial to promoting upward mobility for South of Downtown residents. It is recognized that educating youth is the most important component to promoting upward mobility and lifelong prosperity, but the focus of this analysis is on adult education and development as well as alternative education programs for youth that would be an extension of the services provided at Lincoln's Community Learning Centers (CLCs).

The components of the South of Downtown upward mobility framework include:

- 1. Workforce Development** – Do residents have access to resources that provide the proper training for and also linkages to employment opportunities?
- 2. Entrepreneurship and Small Business Resources** – Do local businesses, or those individuals seeking to start businesses, have the resources to facilitate success and growth?
- 3. Homeownership Programs** – For those residents aspiring to purchase homes, do they have the programs and /or resources to support their goals?
- 4. Immigrant-Focused Services** – As an entry-level immigrant community, do foreign immigrants have the resources to acclimate and assimilate to life in Lincoln and the United States?
- 5. Funding Strategies for Community Development** – What are some innovative strategies for implementing expanded services that promote community and economic development?

WORKFORCE DEVELOPMENT

As learned from the Market Study and Vital Signs 2015, residents in South of Downtown have lower educational levels than the city as a whole, which, in turn, has led to higher levels of unemployment and lower wages. There is a distinct need to create a more skilled and capable workforce, but also to better link residents to employment opportunities. When considering programs to support the workforce development needs of lower-income areas such as South of Downtown, it is critical to understand that *life skills* are equally as important as *hard skills* and that simply offering classes and workshops does not always address the needs of both trainees and employers. Those adults that are in need of skill development often have not been exposed to the fundamentals of proper workplace conduct such as punctuality or civility or do not understand the importance of proper attire or basic communication skills.

Workforce Development as a concept is not just a program, but a *system* that brings together resources from local educational institutions and employers to ensure that the local workforce is skilled and capable to fill employment opportunities. This system begins with early childhood education, although resources need to be available at all age levels. The primary goal of this system is to transition individuals and families into self-sufficiency and promote upward mobility. The following are key components to successful workforce development systems:

- 1. Job Training and Education:** What are the skills required to be eligible for current and future employment opportunities?
- 2. Life Skills Training:** For those who have not been exposed to a professional environment, or even have a proper understanding of household financing, what resources can be provided to help facilitate self-sufficiency and well-roundedness?
- 3. Career Counseling and Job Placement:** Not only must the workforce be skilled and capable, but the proper networks need to be in place that link employers with future employees?
- 4. Scholarship Programs:** For those exceptional students, are there resources (primarily funding) to offset the costs to more traditional educational opportunities at universities, community colleges, and technical institutes?
- 5. Partnerships:** Who are the key stakeholders in the city of Lincoln and is there a forum to pool resources and programs with the University of Nebraska, state and local government, economic development organizations and chambers of commerce, and major employers?

As this relates to the South of Downtown Revitalization Plan, there are essentially two models to achieve local workforce development goals: Training Centers and Programs and Hands on Skill Training. In order to achieve these goals, there should be a strong emphasis on forging strategic partnerships with the existing assets and resources in Lincoln.

A. Training Centers and Programs

The city of Lincoln offers workforce development resources through its American Job Center located Downtown at 1111 O Street. The following is not intended to evaluate the effectiveness of the center, but to provide a framework that can allow for the better utilization of existing services, while plugging the gaps where they may exist.

The American Job Center is generally accessible to South of Downtown residents and provides a window to many state and federal job assistance programs, although there do not appear to be any customized or holistic workforce training programs.² The services appear to assist unemployed individuals, but not necessarily those employed individuals looking to broaden their career opportunities through counseling or other specified training programs. It is critical that a job training center is accessible, approachable, and offer a blend of hard, soft, and life skills with programs that are customizable to address the needs of the local community and changing economic conditions.

It is often overlooked within traditional workforce development models that many individuals not only need job training and skill development, but also guidance on everyday concerns like household finances and budgeting. The most effective programs include strong public-private partnership that can link institutional, public, and private resources for providing customized training programs that directly link trainees and employers.

The following are job training center models to consider:

MET Center, St. Louis, MO – Located in a low-income community in North St. Louis County (Wellson, MO), the MET Center offers basic adult training as well as programs in bioscience technology, business administration, carpentry, and diesel technology among other trades and job placement services. The center has open enrollment twice a week and enforces a professional dress code. An important component to the center's success is its broad spectrum of partners that include local and regional government, school districts, federally funded workforce development centers, banks, regional economic development organizations, Washington University, Boeing Corporation, and various social service providers.

<http://www.metcenterstl.com/>

LISC Financial Opportunity Centers (FOC) – With 70 locations across 30 cities (though none in Nebraska), the Local Initiatives Support Corporation (LISC) offers three core services in its Financial Opportunity Centers that include employment and career planning assistance, financial education and coaching, and access to income support. The centers also utilize performance measures to track success including credit scores, net worth, income, and decreases in debt to promote self-sufficiency.

<http://www.lisc.org/section/ourwork/national/family/foc>

² The American Job Center website does not provide any specific information on local training programs and simply provides links to federal-level programs and information on the U.S. Department of Labor website. Under the "Services for Businesses" menu, the "Worker Training Program" link does not work. <http://lincoln.ne.gov/city/urban/workforce/onestop.htm>

LINC Academy for Social Transformation (L.A.S.T.), Grand Rapids, MI – An often overlooked aspect of workforce development is direct training in community leadership, diversity, cooperation and team-building. L.A.S.T. provides a four-day core training to help area residents learn “about leadership styles and how to work in teams, understanding the value of diversity, and taking a closer look at systems and power dynamics so they can better advocate for themselves and for their communities.” This type of training promotes community empowerment and helps members of the community to understand that in order to facilitate positive change, they themselves need to “own” neighborhood revitalization efforts.

<http://www.lincrev.org/news.php?id=412>

B. Hands-On Skill Building

The concept of “workforce development” goes beyond what can be found at a job training center or technical institute. There are many examples of more neighborhood-level organizations, programs, and initiatives that promote skill building, life training, empowerment, and even property maintenance, especially for those living in lower-income neighborhoods. Often the impacts of individual mentorship way beyond what is learned in a classroom setting. Given the growing emphasis on technology and STEM-related education, there are several workforce development models, especially those directed for youth, that aim to give opportunities and training for economically disadvantaged individuals and households. However, not all individuals are suitable for technology-driven professions, so there are also green job and construction-related job training models that have been effective in local communities. Also, in historic neighborhoods such as South of Downtown, it is also critical that property owners have the necessary skills and resources to maintain their properties, which in many ways, is an indirect workforce development need.

Tech Related

In March 2015, the White House announced the TechHire Initiative, which provided \$100 million in grants “to empower Americans with the skills they need, through universities and community colleges but also nontraditional approaches like “coding bootcamps,” and high-quality online courses that can rapidly train workers for a well-paying job.” As part of this initiative, this funding was directed “to support innovative approaches to training and successfully employing low-skill individuals with barriers to training and employment including those with child care responsibilities, people with disabilities, disconnected youth, and limited English proficient workers, among others. This grant competition also supported “evidence-based strategies such as accelerated learning, work-based learning, and Registered Apprenticeships.”³

When discussing “tech-related” jobs, it’s also important to understand the direct link to manufacturing, especially a growing emphasis on advanced manufacturing with jobs available at all education and skill levels. Many of the

³ For grant award recipients: <http://www.dol.gov/apprenticeship/pdf/AmericanApprenticeshipInitiativeGrantsAwardSummaries.pdf>

recipients of these federal grants were to support apprentice programs in the manufacturing sector and serve as models for future workforce development programs and curriculum.

The following are tech-related skill building models to consider:

LaunchCode, St. Louis, MO – This organization has been coined as a model for future training, apprenticeship, and job placement in computer science-related fields. Founded in 2013, LaunchCode is a non-profit organization that trains and links talented people to higher-paying tech jobs as a means of promoting upward mobility. The organization has also partnered with St. Louis Community College and St. Louis's Agency on Training and Employment to offer a free 20-week coding boot camp for unemployed city residents. Given the success, the organization also opened its Mentor Center in 2015 to provide training and mentoring for underprivileged youth.

<https://www.launchcode.org/>

StartUp Box, Bronx, NY – Provides computer programming training and mentoring to youth and adults and then subcontracts with software developers in New York to provide quality assurance (QA) testing. Its goal is to provide a model of success in low-income communities. The program not only gives its members much needed training to facilitate growth and self-sufficiency, but also a source of temporary income.

<http://www.sbsq.org/>

Green Jobs

There is growing momentum in communities across the country to incorporate urban agriculture as a community revitalization tool. In fact, it presents two opportunities: 1) a catalyst for community empowerment and neighborhood stabilization, and 2) hands-on job training. A study by Gateway Greening (St. Louis, MO) showed better rates of property appreciation, rent growth, occupancy, and homeownership—basic metrics indicating a neighborhood's health—in the vicinity of its community gardens. This demonstrates, that while community-based urban agriculture may not always directly stimulate the economy in the form of jobs and income, it can help stabilize a neighborhood, boosting marketability, desirability, and economic competitiveness.⁴

A large component of the urban agriculture movement is providing a platform for green jobs training. In the foreseeable future, labor-intensive manufacturing jobs will continue to be shipped overseas or drawn to Sun Belt regions, so finding productive uses of inner city commercial and industrial land is a constant challenge. However, a rising trend of urban agriculture has offered communities an immediate productive use with low capital costs.

⁴ It is important to note that “green jobs” encompass a broader range of professions and industries than just urban agriculture. Jobs related to incorporating energy efficiency, alternative energy, property maintenance, and the manufacturing of energy efficient materials are also important segments of green job workforce development.

Growing Power, Milwaukee and Chicago - Growing Power is a 20 year old organization dedicated to youth education, food access, and healthy eating through its farms in Milwaukee and Chicago and satellite training centers in Arkansas, Georgia, Kentucky, Massachusetts and Mississippi. The organization still requires support from grants and other donors, but sales from farm products cover over half of all operating costs. Its projects focus on growing methods, educational and technical assistance, and food production and distribution.

The founder and CEO, Will Allen, is a former professional basketball player who received a McArthur Foundation \$500,000 genius grant in 2008 and \$400,000 from the Kellogg Foundation in 2009 with the task to “create jobs in urban agriculture.” He was named one of Time Magazines’ 100 World’s Most Influential People in 2010 and has received national recognition for his on-going commitments to education, community building, healthy eating, and sustainability.

<http://www.growingpower.org/>

Center for Urban Transformation, Chicago, IL - Originally formed as a policy think-tank in 1999, CUT has now taken an active roll in education, outreach, and community organizing as they pertain to ecology and building healthy, sustainable communities. It has also entered the realm of economic development. CUT is essentially the programmatic arm of urban agriculture operations and it partners with communities and local development corporations to build urban farms throughout Chicago. CUT brings together a fully integrated program to build and support all aspects of urban farming that include: 1) a resource and design center that functions as an education center for sustainability but also provides architecture, design, and planning resources; 2) integrated urban agriculture and social enterprise projects that include the development of urban farms; 3) research and development projects for manufacturing agricultural products such as components and equipment for roof gardens, aquaponics, and hydroponics; 4) food distribution and storage for food carts, markets, and wholesale produce distribution; and 5) the development of a food-based business incubator.

Essentially, CUT’s programs and services touch every aspect of urban farming, from education, development, and strategic partnerships to community building.

<http://www.cutchicago.org/>

Garden Fresh Farms, St. Paul, MN - In order to provide fresh produce even during the harsh winter months, Garden Fresh Farms in St. Paul, Minnesota combines a sustainable indoor warehouse of aquaponics with a community-supported agriculture (CSA) membership system to provide a cost effective and profitable farming model. The farm also features restaurant supported agriculture (RSA). Typically, the cost of CSA/RSA produce is slightly more than at local grocery stores, but people are willing to pay a premium for fresher, local, and more sustainable produce. This is how operations at local organic farms

such as Garden Fresh Farms can earn a profit. The farm primarily produces various lettuces in addition to tilapia and rainbow trout, but is looking at ways to also produce berries and tomatoes.

This model presents a market-driven approach to urban agriculture that can be used to put underutilized industrial spaces back into productive use, but also offer employment opportunities that are easier to access via public transportation, carpool, or bicycle given the urban location (unlike rural agricultural operations often located miles outside of a city center).

<http://www.gardenfreshfarms.com/>

Construction and Property Maintenance

Historic neighborhoods such as South of Downtown are constantly facing issues with maintenance of an aging housing stock, especially when property owners do not have the personal or rental income to reinvest in their properties. Programs that link construction and property maintenance training can effectively serve as a workforce development tool, which, in turn, can have a direct impact on improving the built environment and neighborhood's physical realm.

Bronx Environmental Stewardship (BEST) Academy, Bronx, NY – Going beyond the realm of urban farming, BEST provides 18 to 40 year olds from low-income neighborhoods training in green infrastructure and green building services. Some of the training includes basic carpentry and other building maintenance, building with green or recycled materials, green technologies including solar power and geothermal, energy conservation, and retrofitting.

<http://www.ssbx.org/best-academy/>

Community Development Corporation of Long Island (CDCLI) Home Maintenance Training Program, Long Island, NY - Sponsored by the New York Community Bank Foundation, the training course helps property owners with course in general property maintenance including electrical safety, plumbing repair, and ceramic tile installation. The course fees are based on income.

<http://www.cdcli.org/our-programs/homeownership-center/home-maintenance-training>

Heritage Home Program, Cleveland, OH – This organization provides technical advice, workshops, and low interest maintenance loans for property owners seeking to maintain older homes. The program started as the Cleveland Restoration Society and later expanded throughout the region as the Heritage Home Program through partnerships with Cuyahoga County, Lucas County, the Ohio Housing Finance Agency, Treasurer of the State of Ohio, KeyBank and First Federal Lakewood. The program has now assisted 9,000 property owners with 1,200 low interest loans totaling \$46 million in reinvestment.

<http://www.heritagehomeprogram.org/>

C. Partnerships

Building an effective workforce development ecosystem that combines training, skill building, empowerment, and life skill development along with job placement and career development cannot be accomplished by a single organization or program. Strategic partnerships are critical for funding and resources, but also for creating a forum for identifying both current and future workforce needs as the local, regional, and global economies evolve. As presented in the MET Center model above, strategic partnerships to support workforce development in Lincoln should include the following entities depending on the program(s) adopted:

- University of Nebraska
- Southeast Community College
- Kaplan University
- Nebraska Workforce Investment Board
- American Job Center
- Lincoln Chamber of Commerce
- Lincoln Partnership for Economic Development
- Nebraska Department of Labor
- City of Lincoln
- Financial Institutions
- Community Learning Centers
- Top Private Employers
- Other Social Service Providers

ENTREPRENEURSHIP AND SMALL BUSINESS RESOURCES

Traditionally, local economic development policy has three main objectives: business attraction, retention, and expansion. The intended results are quite simple—if local businesses can thrive, residents of a community also prosper with employment opportunities and income growth, which in turn supports new housing development and a “ripple effect” of spending that supports even more businesses. In addition to providing resources for the workforce, programs need to be in place to help existing businesses or aspiring entrepreneurs. Therefore, the economic development needs of the South of Downtown neighborhood are intrinsically linked to the economic development goals and objects for the city of Lincoln.

The “smokestack chasing” economic development model in which local officials or community organizations try to lure large-scale commercial and industrial enterprises to a community can have an immediate economic impact; however, the success rate is usually very slim coming at a very high cost in terms of public subsidies and political capital. Of course attracting new businesses and industries should be part of any comprehensive city-wide economic development strategy, but laying the ground-work for entrepreneurship can provide economic longevity and more adaptability to changing economic trends.

As this relates to South of Downtown, it is important to understand that there are two distinct scales when promoting entrepreneurship. The term “startup business” is typically associated with new technology-related businesses developed in innovation hubs such as Silicon Valley, Austin, or Boston that can grow into major corporations such as Amazon or Facebook; however, the true definition of startup includes any new small business including restaurants, retail stores, or landscaping businesses.

The city of Lincoln should continue to promote larger-scale, technology-driven innovation and entrepreneurship through its Nebraska Innovation Campus, since growing local business at any level stands to benefit the residents of South Downtown;⁵ however, there are programs that can assist entrepreneurs at a local level, including immigrants, artists, or recent graduates. According to research from the Kauffman Foundation, in 2012, immigrants were twice as likely to start businesses as native-born Americans and, in 2014, 28.5 percent of new entrepreneurs, or startup businesses, were immigrants, up from 13.3 percent in 1997.⁶ This demonstrates tremendous potential for a neighborhood like South of Downtown. Not only does the South of Downtown Revitalization Plan advocate for a local start-up culture, but also for developing programs to support existing small business in and around the neighborhood.

⁵ For example, St. Louis’s Cortex Innovation Community, which is a 200-acre innovation district currently under development in an underutilized industrial area in the city, is projected to have 13,000 permanent technology-related jobs after full build-out. Of these jobs, only 20 percent will be for employees with advanced degrees—40 percent will be for employees with only high school or associates degrees.

⁶ Stangler and Wiends. “The Economic Case for Welcoming Immigrant Entrepreneurs.” Kauffman Foundation. September 2015.

A. Microlending and Small Business Assistance

Microlending is a practice that provides smaller loans (generally less than \$50,000) for small businesses to support operations and capital costs. These types of loans are supported by the U.S. Small Business Administration (SBA) that uses an intermediary (e.g., local bank or economic development organization) to serve as the lender. In some cases, microlending can be used to support individual home buyers with poor credit.

Community Development Resources (CDR)⁷ is Lincoln's only Community Development Financial Institution (CDFI) and is tasked with providing "capital, technical assistance, and training opportunities for small business in the State of Nebraska." CDR serves as the SBA intermediary for providing microloans and other technical assistance. CDR also provides assistance for startups or small businesses through its Alice's Integrity Loan Fund. Given this valuable resource available in Lincoln, local business owners in South of Downtown or those interested in starting their own business should be steered towards CDR. Additionally, CDR provides no interest loans to non-profit organizations, which could also be valuable to the proposed Community Development Organization (CDO) or other community group in South of Downtown.

Business owners are also encouraged to use the resources at Lincoln SCORE (<https://lincoln.score.org/>) a national non-profit arm of the U.S. Small Business Administration.

B. Business Incubators

Business incubators are typically physical spaces that allow startup and existing businesses to work in a collaborative environment while receiving educational, mentoring, counseling, and networking opportunities (as well as shared office services to reduce costs) to help the business thrive and expand. Prior to receiving financing from a lending institution, a startup needs access to initial seed funding, which is typically in the form of an initial grant or scholarship. The business then needs a space to operate. The incubator space usually offers below-market rents so the business can focus more investment in product development, marketing, and expansion. The ultimate goal is that the business "graduates" from the space and moves to a permanent space (ideally within the community). This way, the business incubator functions as a catalyst for economic development in terms of local job growth, community wealth building, and real estate development. Therefore, it is critical that incubator spaces are interwoven within the existing urban fabric and have strong ties to the community; the incubator as local economic development tool is less effective when it functions in a vacuum.

⁷ <http://cdr-nebraska.org/site/>

Business Incubator Model



Source: Development Strategies

Though many business incubator models are geared towards promoting IT or service-oriented businesses, there are also successful incubator models that focus on retail oriented business in industries such as food production, restaurants, fashion, jewelry, and home decorations and furnishings, among others. By incorporating a well-integrated and well-functioning business incubator model Downtown or South of Downtown, there is a great opportunity to provide assistance to retail-oriented businesses that can then grow and expand locally. This type of incubator would be especially beneficial to recent immigrants who typically own and operate retail-oriented businesses such as restaurants, tailors, or household goods stores.

The following are incubator models appropriate for a neighborhood like South of Downtown:

BEGIN New Venture Center, St. Louis, MO: Located in the St. Patrick's Center in St. Louis, the largest local provider of housing, employment, and other services for the homeless in the region, BEGIN New Venture Center assists startups and early stage businesses with mentorship, business assistance, access to a network of service providers, marketing, and other resources geared for new retail oriented businesses including a full-service commercial kitchen for food production businesses.

The businesses or "clients" pay a monthly fee that ranges from \$140 to \$634 depending on office size and needs, and food business clients pay a monthly flat rate of \$150 plus hourly rates for the kitchen and monthly rates for usage of cooler, freezer, and other storage space.

<http://www.icic.org/connection/blog-entry/bp-begin-new-venture-center/bp>

LINC Business Incubator, Grand Rapids, MI - LINC began in 2002 as an affordable housing development organization and has since expanded to include economic development initiatives as part of its mission. In addition to investing in commercial development in southeast Grand Rapids, it has recently

launched a business incubator and co-workspace⁸ to serve as a revitalization tool for an economically distressed commercial corridor in the city. It offers a three-year business training program to startups and existing businesses to foster local organic growth and allow for a direct connection with the business community and local residents of the Madison Square neighborhood. For retail oriented businesses, the space has a storefront window and is open to the public. Since opening, it has helped launch eight new businesses with a total of 40 new jobs.

http://www.lincrev.org/economic_development_incubator.php

Kimco Realty Retail Incubator Program, California: Kimco Realty Corporation created Kimco Entrepreneurs Year Start (KEYS), which helps entrepreneurs launch a retail oriented business, service operation or restaurant. Kimco uses 100 smaller retail spaces in its portfolio of 110 shopping centers and 3,200 stores in California for the program. Kimco has partnered with SCORE, the California Small Business Development Center, and Kaufman FastTrac (a small business incubator program by the Kaufman Foundation). Tenants receive one year of free rent, affordable property charges to minimize initial overhead, access to personal Kimco retail business counselors, a flexible four-year lease option after the first year, and access to shop space in established retail centers.

<http://www.kimcorealty.com/propertiesleasing/keysprogram.aspx>

Ventures, Seattle, WA: The Washington Community Alliance for Self-Help (C.A.S.H) combines educational and counseling services for small-businesses in addition to access to capital primarily for low-income, women, and minority populations in the Seattle region. Eligibility is based on a maximum household income threshold. Program participants can then sell their products in a retail space, Ventures, located in Pike Place Market Downtown. The incubator program focuses on retail oriented businesses and it assists participants with techniques in product development, pricing, and display. Ventures is supported by corporate sponsors, foundations, private donors, and public funds and they also accept in-kind donations of office supplies, computers, books, and financial software tools.

<http://www.venturesnonprofit.org/>

Portland Mercado, Portland, OR: Public markets themselves can often serve as incubators allowing operators to test new products or recipes and/or develop a client base that can eventually lend to a brick and mortar store or restaurant. In Portland, \$3.2 million in grants and loans were made by the Portland Development Commission to allow for a Latino-oriented market with eight food carts, a small indoor space,

⁸ Co-working spaces are similar to business incubators, although they typically do not provide business assistance services. They essentially function as a café or coffee shop, but with monthly membership fees at a variety of price-points depending on whether the member works in a communal space or has a private office. They typically provide conference room spaces, community kitchen, and other amenities typically found in a traditional office environment. FUSE Co-working is a local example in Lincoln located in the Haymarket.

coffee shop, and commissary kitchen. The land is leased from the Portland Development Commission for one dollar a year for five years. The intention is to incubate Latino culinary businesses, celebrate their heritage and culture, and prevent businesses from having to leave the neighborhood as it transitions into a higher-income area.

<http://www.portlandmercado.org/>

C. Maker Space

A maker space is an extension of a business incubator that allows innovators to test ideas and fabricate prototypes for new product lines. These community-oriented spaces can range from offering basic tools to high-tech equipment such as 3-D printers or other computerized machinery. Depending on the sophistication of the equipment offered, “tenants” often pay monthly fees to access the space. The Nebraska Innovation Campus includes a maker space (Nebraska Innovation Studio) supported by a \$200,000 grant from the Cooper Foundation, although the space is primarily reserved for students and university affiliates.

The intentions of a maker space do not necessarily have to support future commercial enterprises, but they can be more mission driven by bringing together new ideas and forms of design and expression. Given the diversity of the residents in South of Downtown, this type of space could be ideal to foster community empowerment and inspiration, but also allow cross-cultural interaction and the sharing of traditions, new and old. Maker spaces are also an effective way of putting underutilized industrial or commercial space back to productive use, even if temporary.

The Baltimore Foundry, Baltimore, MD - The Baltimore Foundry started in 2013 with the goal of providing the community with access to industrial-grade tools and education. At their original 2,000 square foot space offered classes were on topics such as welding and laser engraving, as well as open shop and group work nights. In October 2015, the Foundry moved into a new innovation hub backed by the CEO of Under Armour that seeks to develop the light manufacturing capacity of the city. The new space features 20,000 square feet, which will be open seven days a week and offer an expanded selection of new industrial equipment.

<http://bmorefoundry.com/>

Mt. Elliott Makerspace, Detroit, MI – This space recently closed, unfortunately, emphasizing the need to develop long-term operational funding sources beyond start-up costs, even for more grass-roots initiatives such as this. Formerly housed in the basement of a church on Detroit’s East Side, the Mt. Elliot Makerspace sought to replicate the MIT Fab Lab⁹ model at a lower cost. It was estimated that in the first

⁹ A digital fabrication lab model as part of the Massachusetts Institute of Technology’s (MIT) Center for Bits and Atoms (CBA). According to the Fab Foundation, a “Fab Lab is a technical prototyping platform for innovation and invention, providing stimulus for local entrepreneurship. <http://www.fabfoundation.org/fab-labs/what-is-a-fab-lab/>

two years it was open, over 10,000 children and youth toured and used the space. The space was organized around seven concentrations: transportation, electronics, communications, wearables, design and fabrication, food and wellness, and music and arts. The space also offered earn-a-bike and earn-a-computer programs. Support for the space came from organizations such as the Kresge Foundation, Cognizant Technology Solutions, Volkswagen, CEOs for cities, as well as volunteers and mentors from Detroit's business, tech, and university communities.

<http://www.mtelliottmakerspace.com/>

Artisan's Asylum, Somerville, MA – The Artisan's Asylum is a self-described “non-profit community fabrication center that empowers individuals to give form to their ideas through membership, education, and workspace.” The 40,000 square foot warehouse is part makerspace and part studio space, offering shared tools and equipment for robotics, electronics, woodworking, metalsmithing, welding, precision machining, rapid prototyping, and fiber arts, as well as rentable workspaces. A range of membership options is offered, with subsidized memberships available for members with financial need.

<https://artisansasylum.com/>

STE(A)M Truck, Georgia - Community Guilds, based in Georgia is a mobile maker space model that engages youth in low-income neighborhoods through its STE(A)M Truck with a mission to “inspire youth to learn Science, Technology, Engineering, Arts and Math by bringing the coolest tools, equipment and mentors directly to school.”

<http://community-guilds.org/steamtruck>

Many maker spaces also incorporate “tool libraries,” collections of tools, equipment, and how-to materials that can be borrowed by community members. Many tool libraries charge an annual membership fee and then lend tools for “free.” The library is built through donations of tools and funds from the community. Having the opportunity to borrow tools and materials for home repairs and DIY projects at a low cost can make a difference for low-income families who want to maintain their homes, but lack the equipment or know-how that they can attain through a tool library. At present, there are at least 50 tool libraries located throughout the United States.

The Northeast Seattle Tool Library, Seattle, WA – The Northeast Seattle Tool Library is free to use, although members are encouraged to donate. The tool library is open three times a week and hosts bimonthly “Fixer's Collective” meetings, where community members can bring in broken items to fix or assist in maintaining and repairing tool library inventory.

<http://neseattletoolibrary.org/>

The Hamilton Tool Library, Ontario, Canada - Coupled with a maker space, the Hamilton tool library provides over 12,000 tools in four categories: home and building tools, kitchen tools, garden tools, and bicycle repair tools. The space also hosts repair- and DIY-related workshops. Membership for the different

tool libraries costs between \$40 and \$50 per year, though the membership fee is waived for low-income families.

<http://hamiltontoollibrary.ca/>

West Philly Tool Library, Philadelphia, PA – The West Philly Tool Library opened in 2008 and its mission is to “provide home owners, tenants, long-term residents, and newcomers with the tools (and the knowledge) they need.” The library is supported by the Urban Affairs Coalition, and has over 4,000 tools and over 1,500 members. Half of its \$40,000 yearly budget comes from membership dues and late fees, and the other half is provided by community supporters.

<http://westphillytools.org/>

D. Subsidies for Commercial Real Estate

South of Downtown is primarily a residential neighborhood, although there are pockets of retail activity and the broader Revitalization Plan calls for the creation of expanded neighborhood retail nodes. In order to ensure that existing retail businesses have an opportunity to continue operating (or to expand operations) in the neighborhood as well as encourage new retailers to enter the market, additional subsidies may be necessary. As a continuation of the previous retail-oriented incubator discussion, providing commercial space at below market rents (at least temporarily) can create new opportunities for further diversifying the retail environment. Retail plays a crucial role as part of a broader revitalization strategy for an urban neighborhood such as South of Downtown since it can not only benefit area residents, but also offer a window or gateway to the neighborhood for customers drawn from other parts of the city or region.

Astute developers also recognize the benefit of retail development proximate to residential projects. In some instances, negotiating reduced rents for first-floor commercial tenants can boost leasing activity and achievable rents for nearby residential units. Easily accessible retail options become an amenity for residents living nearby, and higher achievable rents for these units offset the reduced commercial rates.

Grand Rapids Downtown Development Authority, Grand Rapids, MI has established a “retail incubator” program to facilitate the growth of new and early-stage local businesses. Through the program, retail or commercial tenants receive a 50 percent rent subsidy for the first six months of operation. This subsidy is tapered to 30 percent for the second six months and 20 percent for the third six months, after which the subsidy is dropped. The incubator program can be effective in “jump starting” areas with persistent commercial vacancy and facilitates local business development by reducing startup and entry costs. Similar programs have been pursued in Aurora, Illinois and Kalamazoo, Michigan. Subsidies generally range from ten to 50 percent of gross rent over a period of 12 to 18 months, and eligible businesses must be located within clearly defined geographic boundaries. Some programs provide complementary elements such mentorship programs with other businesses or training in marketing and financial management.

OTHER PROGRAMS TO PROMOTE UPWARD MOBILITY

A. Paths to Homeownership

As presented in the Market Study, around 93 percent of the occupied housing units in the South of Downtown neighborhood are renter-occupied, while national averages for the types of households living in the area would have a renter-occupied rate of around 80 percent. Certainly, in urban neighborhoods like this there should be a healthy mix of owner- and renter-occupied units, and promoting homeownership will create more long-term stability in the neighborhood. For those households aspiring to own their homes, there are often many barriers, which, according to U.S. Department of Housing and Urban Development (HUD) include “insufficient income and household wealth to afford down payment and closing costs, inaccessible or poor credit, lack of knowledge about buying a home and sustaining homeownership, regulatory burdens, an insufficient supply of affordable housing, and discrimination.”¹⁰ Therefore, the keys to increasing homeownership include: 1) maintaining affordability, 2) expanding access to financing, 3) educating potential homebuyers on the ins and outs of homeownership, and 4) increasing household income with better jobs through better skills.

The city of Lincoln has resources to assist first-time home buyers through the Nebraska Investment Finance Authority (NIFA) and NeighborWorks, which offers homebuying courses as well as low-interest financing for downpayment assistance, closing costs, or renovation/rehabilitation.

B. Immigrant-Focused Social Services

As a gateway immigrant community, there is also increasing demand for expanded services to address the specific needs for individuals and families living in the South of Downtown neighborhood to acclimate to life in the United States. Many low-income immigrants face additional barriers to upward mobility—language, credentialing, and legal barriers as well as lack of knowledge about U.S. customs and processes can keep immigrants from fully accessing high-quality jobs, health and social services, and quality housing. Throughout the U.S., different nonprofits have emerged to ease immigrants’ transition into American life. While some focus on one group (Latinos, refugees) or one issue (legal services, career services), other organizations deliver many different support services to diverse groups. Within Lincoln, two agencies provide services tailored directly to immigrants. The first, El Centro de las Americas, provides Latino immigrants with a range of services, including help accessing social programs, career services, translation, a food pantry, youth programs, and health education. The second, the Center for Legal Immigration Assistance (CLIA), opened in 2001 and provides affordable legal services for immigrants and refugees.

International Institute of St. Louis, St. Louis, MO - Since 1919, the International Institute of St. Louis has provided a comprehensive array of services to help immigrants integrate economically and socially into their new country. The institute works with new immigrants to help them find housing, jobs, and health

¹⁰ <http://www.huduser.gov/portal/periodicals/em/fall12/highlight1.html>

support upon their arrival. Once immigrants are settled, the institute provides other services, such as English, citizenship and computer classes, as well as technical and financial support for immigrants who wish to start small businesses. The institute also serves as a community anchor within its neighborhood, attracting immigrants to the surrounding homes and businesses.

<http://www.iistl.org/>

Upwardly Global, National - Upwardly Global is a social entrepreneurial nonprofit with offices in Detroit, Silver Spring, MD, San Francisco, New York and Chicago. “UpGlo” was founded in 2000 to address the barriers that some college-educated immigrants faced when they arrived to the United States and found that the credentials and skills that they obtained in their home countries were underutilized. UpGlo works as a liaison between immigrants and employers, helping employers to find qualified candidates and helping immigrants to access high-skill jobs. According to UpGlo’s website: “through six months of free and intensive training, advising, and network-building, UpGlo has helped more than 1,600 job seekers move out of poverty and low-skill survival jobs and re-establish themselves in the mainstream U.S. workforce as engineers, teachers and other professionals earning family-sustaining wages.”

<https://www.upwardlyglobal.org/>

LOCAL ECONOMIC DEVELOPMENT FUNDING

Implementing new programs and services (or expanding existing ones) to promote upward mobility in South of Downtown will take coordination and resources. Essentially, there are two ways to think about local economic development funding: there are streams of funding to support 1) community-wide initiatives, programs, and real estate development, and 2) individual home or business owners. Broader, community-wide initiatives for workforce development programs or housing development require a blend of public, private, and philanthropic dollars as well as strategic partnerships among local, city-wide, regional, and state stakeholders. For individual home and business owners, funding for purchasing a home or expanding business operations typically relies upon the private banking and finance industry. The passage of the Community Reinvestment Act (CRA) in 1977 ensures that low-income or underserved communities also receive their fair share of loans and investment from FDIC-backed lending institutions; however, there are still gaps in services, especially for individuals with poor credit or limited liquid assets.

When considering funding strategies to promote economic development in South of Downtown, there needs to be a better synergy between the funders and recipients, and oftentimes for individuals, there needs to be an intermediary to link them with funding sources or programs. Lincoln is fortunate to have a number of programs and funding sources already in place; however, there are a number of effective funding programs that are utilized in other communities that would require the passage of new legislation by the City of Lincoln or State of Nebraska.

A. Tax Incentives and other Public Subsidies

Housing

Low-Income Housing Tax Credits (LIHTC): This is the nation's primary affordable housing development program administered in the state by the Nebraska Investment Finance Authority (NIFA). The program was created under the Tax Reform Act of 1986 to encourage the use of private equity in the development or renovation of affordable rental housing. For properties developed utilizing LIHTC, rents must remain below the established maximums as determined by NIFA for at least 15 years. In 2014, NIFA made nearly \$4.6 million in LIHTC reservations for 12 projects with a total estimated development/redevelopment costs of \$70.5 million.

Nebraska Affordable Housing Trust Fund (NAHTF): Also administered by NIFA, this program provides additional subsidies for the new construction, rehabilitation or acquisition of affordable rental or for-sale housing (as deemed "eligible" by program standards). The program can also help finance infrastructure projects related to the development of affordable housing as well as down payment and closing cost assistance.

HOME Program: Administered by the Nebraska Department of Economic Development, the HOME program provides assistance for existing homeowner rehabilitation, homebuyer activities for the acquisition or rehabilitation of homes, and the development of affordable rental housing.

Neighborhood Stabilization Program (NSP): Also administered by the Nebraska Department of Economic Development, NSP provides funding to support "state and local governments to acquire and redevelop foreclosed properties that

might otherwise become sources of abandonment and blight within their communities.” Funding is also available to community development organizations such as NeighborWorks.

Workforce Development

Community Development Block Grant (CDBG): Administered by the Nebraska Department of Economic Development, this program can be used for housing development and business assistance in low-income communities.

New Markets Tax Credits (NMTC): The program was developed to increase the flow of investment and capital for businesses in low-income communities. The goal is to stimulate local economic development activity to increase employment opportunities for low-income individuals. There is no allocation authority in the state of Nebraska, although the state’s existing nine CDFIs (explained below) could be eligible to receive funds. Despite not having an allocation authority in the state, certified Community Development Entities (CDE) in the state are still eligible to receive funds from outside of the state.

Work Opportunity Tax Credit (WOTC): A federal tax credit program that can be provided for employers who hire individuals from certain “target groups,” who include unemployed veterans, Food Stamp (SNAP) recipients, Temporary Assistance for Needy Families (TANF) recipients, ex-felons, or supplemental security income recipients.

Nebraska Job Training Grant Program: Administered by the Nebraska Department of Economic Development, this program provides assistance for training programs for businesses that “maintain, expand, and diversify the state’s economic base and, in the process, retain and create quality jobs for Nebraska residents.”

Nebraska Advantage Package: A series of economic incentives for businesses that expand in or relocate to Nebraska. The level of benefits are measured by the amount of new investment (starting at \$1 million) and/or new jobs created (starting at 10 new jobs).

Other Special Districts

Special Assessment District: This city and county program allows for the creation of a special district to levee increased tax revenues from property owners (determined by amount of frontage of properties in district) to fund designated public realm improvements. These districts include: 1) Paving, Water, Wastewater and Repaving Districts, 2) Ornamental Lighting and Sidewalk Districts, 3) Grading and Graveling Districts.

Tax Increment Financing (TIF): Allows for the creation of a special district intended to “remove blight, stimulate investment in deteriorating areas and stimulate job creation.” The district, which first must be deemed “blighted and substandard” with a redevelopment plan in place, must be approved by City Council. The district captures a designated portion of sales tax revenues and increases in property assessments over a certain period; therefore, instead of these revenues going to a general citywide fund, they can be redirected to fund specific public improvements such as streetscape elements and construction of public parking, or the acquisition and site preparation of designated development sites.

A portion of the South of Downtown study area is in an existing TIF district, although most of the funds have been directed towards the Haymarket and West Haymarket.

Tax Abatement Programs: Though not available in Lincoln, tax abatement programs can encourage reinvestment in urban neighborhoods by reducing the tax burden for developers or property owners over an established period of time. Essentially, the existing assessment of a vacant or underutilized property (or parcel) stays in place allowing the developer or homeowner to reinvest in the property without an increase in real estate taxes. After the compliance period (typically ranging from 5 to 15 years), the assessed value increases to reflect the actual improvements on the property.

B. Community Development Financial Institutions (CDFI)

Community Development Financial Institutions (CDFI) are private financial institutions that are tasked with providing services to low-income and underserved markets. They can be in the form of four varying business models and legal structures that include 1) Community Development Bank, 2) Community Development Credit Union, 3) Community Development Venture Capital Fund, or 4) Community Development Loan Fund. CDFIs are mission driven although they function as profit-oriented businesses. CDFIs can certify to be Community Development Entities (CDE) for allocation of New Markets Tax Credits (NMTCS).

There are nine CDFIs in Nebraska with one, Community Development Resources, located in Lincoln. As mentioned previously, this organization primarily provides small business loans and technical assistance; however, some CDFIs can provide a broader range of services that include investments in housing, education, and health and can be used to leverage private investment.

An example of a fully comprehensive CDFI that leverages private investment:

The Reinvestment Fund (TRF), Philadelphia, PA – Founded in 1985, this CDFI has had a profound impact on low-income communities in Philadelphia and Baltimore and throughout the northeast as well as supported national programs to improve healthy eating and education. The fund has provided over \$1.5 billion in capital supporting “21,020 housing units, 69,435 jobs, 15.2 million square feet of commercial space, 43,025 charter school seats, 10,970 child care seats, 156 supermarkets, grocery stores and fresh food retail, 621,360 total patient visits annually at community health centers, 722 businesses, and 6.5 million MWh of energy conserved and created – enough to power more than 691,761 homes for a year.”

TRF’s \$841 million in capital is supported by investors who earn interest over 3- to 30-year periods with a minimum investment of \$1,000. The investors range from individuals to larger organizations. The fund has an AAA+1 rating from AERIS¹¹ and 100 percent payback rate. Essentially, the fund functions like a

¹¹ AERIS provides third-party ratings/assessments of CDFI loan funds.

bond obligation that gives investors some income, but more importantly, the ability to provide funding for community-based initiatives.

<http://www.trfund.com/>

C. Social Impact Bond (SIB)

A relatively new funding strategy for community development is through a Social Impact Bond (SIB) in which a public sector entity (or other designee) can issue bonds to support enhanced operations and programming for social service providers. The bonds are repaid if designated outcomes are achieved, and thus, they are also known as Pay for Success Bonds. Originally developed in the United Kingdom in 2010, many communities in the U.S. are now exploring the viability of this investment strategy. Though most of the early feasibility exploration is related to health education, and social programs, there are some models of using this funding strategy for housing and neighborhood revitalization efforts, although most of the use of SIBs for housing-related development presently focus on supportive housing to alleviate homelessness.

Corporation for National and Community Service, Washington, DC – Social Innovation Fund (SIF) is an investment fund that has “two grant programs: SIF Classic and SIF Pay for Success. Through the two programs, community-based organizations, or intermediaries, direct resources to nonprofit organizations and state and local government entities, or subgrantees, to help build the capacity of the social sector and lift-up solutions that can transform lives.” The main focus areas for SIF Classic are for programs that support economic opportunity, youth development, and healthy futures, while SIF Pay for Success supports “innovative community-based solutions in low-income communities.”

<http://www.nationalservice.gov/programs/social-innovation-fund>

Richmond Community Foundation, Richmond CA – The community foundation plans to use the Social Impact Bond (SIB) model to generate \$3 million in private dollars to purchase and renovate vacant homes with the proceeds from the sales to pay back the bond obligations. The municipal code had to be amended in 2014 to allow for the issuance of such types of bond. The bank that will back the bonds (Mechanics Bank) will get credit towards its Community Reinvestment Act (CRA) obligations.

<http://www.richmondcf.org/>

D. Philanthropic

A number of large philanthropic foundations have taken the initiative to target investment in urban communities and promote positive change in areas that have suffered significant disinvestment and population loss over the last half-century. Two leaders in this field include the Kresge Foundation (Troy, Michigan) and the Kauffman Foundation (Kansas City, Missouri).

The Kresge Foundation has focused much of its community development investment within the city of Detroit. The comprehensive Detroit Program includes nine integrated components, with notable focus on entrepreneurial development, urban land use, and complete neighborhoods.

This has manifested in a number of recent grants that address a variety of related issues:

- A \$1,250,000 grant for the Corporation for Supportive Housing underwrites the launch and operation of the **Strong Families Fund**, a 10-year pilot program that incentivizes affordable-housing developers to use housing as a platform for delivering social services to low-income residents.
- A \$110,000 grant administered to the Central Detroit Christian Community Development Corporation is being used to partially finance the transformation of vacant lots in the Middle Woodward Corridor into **fitness-focused neighborhood pocket parks** connected by a walking path.
- The Black Family Development Corporation received a \$150,000 grant to fund a 13-month community-based **neighborhood stabilization initiative** to establish comprehensive land-use plans and mobilize a volunteer-driven cleanup campaign for the Osborn neighborhood.

The Kauffmann Foundation supports entrepreneurship through the administration of three key programs.

- **Founders School** is an online resource providing educational lectures on a number of key topics including startup financing, marketing, and board construction. Each module consists of five to six short videos designed to help early-stage entrepreneurs start and grow their business.
- **One Million Cups** is a national weekly program active in more than 70 cities in which two local entrepreneurs present their startups to an audience of mentors, advisors, and fellow entrepreneurs. Each presenter prepares a six-minute presentation, followed by 20 minutes of feedback and questions. Each city in which the program is active operates semi-autonomously, gathering in coffee shops and other co-working spaces.
- **Kauffman FastTrac** provides educational courses for aspiring and existing entrepreneurs. The program covers many of the same topics as Founders School but in a more formal classroom setting. Each course is guided by a certified program director and incorporates local subject matter experts and mentors. The program has trained more than 300,000 entrepreneurs since its beginning in 1993. Approximately 30 percent of participants in NewVenture, a 30-hour course offered under the FastTrac umbrella, started companies within six months of completion.

STRATEGIES FOR IMPLEMENTATION

As presented in this report, there are a number of leading practices in communities that are facing the same socio-economic and housing issues and challenges as South of Downtown. As part of the South of Downtown Revitalization Plan, the following strategies should be incorporated to promote upward mobility for area residents.

Workforce Development

1. Coordinate and expand existing workforce development resources to include a more comprehensive *hard skills* and *life skills* model that emphasizes long-term career growth and self-sufficiency and not just temporary employment solutions for unemployed individuals.
2. Forge strategic partnerships that link local and regional government, school districts, federally funded workforce development centers, institutions of higher learning, banks, regional economic development organizations, major employers, and other social service providers.
3. Develop workforce development offices/centers/programs that are physically accessible for South of Downtown residents, but also welcoming to immigrants (regardless of status) and disadvantaged individuals.
4. Facilitate the creation or expansion of training programs and services as they relate to growing industry sectors such as technology, health care, green jobs, and advanced manufacturing and as they align with national-level initiatives such as TechHire or apprenticeship assistance programs.
5. Incorporate urban agriculture as both a revitalization tool and workforce development strategy. Models can range from community gardens, which take little capital investment, to broader mission-driven urban agriculture models that promote empowerment and community building. The most evolved urban agriculture model that includes high-tech aquaponic/hydroponic systems involves more capital investment, but can offer accessible employment opportunities for those living in urban neighborhoods such as South of Downtown.
6. Provide home owner maintenance and assistance programs as part of a broader joint comprehensive workforce development and maintenance strategy for the neighborhood.

Entrepreneurship and Small Business Assistance

1. Encourage businesses in and around South of Downtown to leverage the existing small businesses resources including those provided at Community Development Resources (CDR) or Lincoln SCORE. As part of this facilitation, CDR and Lincoln SCORE should consider hosting public workshops or enhancing marketing efforts to promote their services to area businesses.
2. Promote entrepreneurship by developing a more retail-oriented business incubator in or around South of Downtown that can assist aspiring businesses owners, especially immigrant-owned businesses, to develop

(or help expand) a successful business. Some effective incubator models could include a kitchen incubator, fashion incubator, retail incubator, or even a public market to allow businesses owners to market and test new products and services.

3. Develop programs to provide seed funding or other grants to facilitate the creation of more startup businesses by South of Downtown residents.
4. Support to creation of a maker space and/or tool library in or around South of Downtown.
5. Develop rental subsidy funding programs to support retail or other businesses currently located in South of Downtown, or those interested in relocating in the neighborhood. Part of this program should work in concert with a business incubator program described above.

Other Programs to Support Upward Mobility

1. Create better linkages between existing homeownership programs and services with South of Downtown residents, especially with those provided at NeighborWorks.
2. Expand capacity of existing immigrant-focused programs and services to better address the needs of South of Downtown residents and create a “one-stop shop” that is easily accessible and approachable for recent immigrants. These service providers need to be directly linked/partnered with any broader workforce development strategy.

Local Economic Development Funding

1. Leverage existing affordable housing development programs (LIHTC, HOME, NAHTF, and CDBG) to develop and/or rehabilitate quality affordable housing in South of Downtown.
2. Leverage existing workforce and economic development incentive programs to assist businesses in and around South of Downtown and/or develop hiring programs that directly benefit South of Downtown residents.
3. Consider the formation of a Special Assessment District to help fund public realm improvements.
4. Consider the formation of a new Tax Increment Financing (TIF) district (or amend existing TIF boundaries) to fund future commercial district node(s) and streetscape improvements in South of Downtown study area.
5. Explore state and local legislation to allow more flexibility in the creation of neighborhood-level districts to facilitate reinvestment in the existing housing stock, new affordable housing development, economic development and growth, and investment in the public realm. Model programs typically include real estate tax rebates, abatements, and/or exemptions for certain types of housing (re)investment.
6. Explore the feasibility of expanding Community Development Resources’ capacity to include more programs that result in direct social program investment similar to the Reinvestment Fund (TRI) model.

Or, form partnerships with other CDFI's, such as TRI, that invest in projects on a national level to direct more investment for South of Downtown programs and services.

7. Consider legislation to allow for the issuance of Social Impact Bonds (SIB) to support community development initiatives.
8. Leverage existing philanthropic funding and resources to support community development initiatives, but also explore partnerships with leading philanthropic foundations and organization that have built a legacy of community redevelopment and entrepreneurship such as the Kresge Foundation or Kauffman Foundation.

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SOUTH OF DOWNTOWN
REVITALIZATION MARKET
ANALYSIS



SOUTH OF DOWNTOWN (SoDo) REVITALIZATION MARKET ANALYSIS

Lincoln, Nebraska

Prepared for
Lincoln Community Foundation
in support of a SoDo Revitalization Plan

May 2015

DEVELOPMENT STRATEGIES®

SoDo Revitalization Market Analysis

Project Introduction and Scope

Though not without challenges, the area South of Downtown ("SoDo") in Lincoln, Nebraska is generally a stable community, capable of evolving, and possessing considerable upside. This market study analyzes the economic patterns and trends that lead to suggestions regarding the needs of existing and future residents and evaluates strategies for community and real estate development and redevelopment projects to jumpstart future economic activity.

The city of Lincoln is the state capitol and second largest city in the state of Nebraska. It is also home to the University of Nebraska-Lincoln with enrollment of around 25,000, which is a major source of employment, identity, and pride for the community. The region has one of the lowest unemployment rates in the country and is projected to experience considerable economic growth in the next decade. However, some of its close-in, urban neighborhoods have not experienced the same levels of economic prosperity as other parts of the city.

This study considers the residential and commercial real estate market and economic opportunities that exist for the SoDo study area, which generally comprises of the area south of Downtown from M Street to A Street. The study area encompasses portions of the Everett, South Bottoms, and Near South neighborhoods.

SoDo's most prominent assets are its close proximity to the region's primary employment, entertainment, and educational hub of Downtown, the University of Nebraska-Lincoln main campus, and the State Capitol Building as well as its historic, bungalow-style housing stock.

Consistent with issues identified in the *Lincoln Vital Signs 2015* report, the community has challenges with a very high proportion of renter-occupied households, low median household income, deteriorating building conditions, an abundance of "slip-in" multi-family properties with little aesthetic value, many of which are negatively impacting the community's sense of place, and higher levels of crime compared to other parts of the city. The housing market in SoDo is relatively weak

with housing values well-below the city average, on the other hand, the relative affordability of SoDo's housing stock and availability of rental units also provides much needed housing for students, foreign immigrants, and lower-income households. Therefore, understanding the current and future economic challenges of SoDo and its context within the greater Lincoln economy is one of the primary goals of this analysis.

This study was commissioned by the Lincoln Community Foundation to better understand the market potential for future housing and investment in SoDo as well as the community's needs for greater economic prosperity. This study considers site context, marketability, opportunities and constraints, socio-economic trends and characteristics, competitive supply, and demand and market segmentations, from which form the baseline that will be used to elicit community and stakeholder feedback in support of a subsequent community revitalization plan.

The present study is subdivided into six sections:

1. **Summary of Key Findings:** Based on the analysis presented in sections two through five of this report, there are a number of key actions that are critical to the future economic prosperity of SoDo.
2. **Marketability Analysis:** Outlining the underlying strengths, weaknesses, opportunities, and threats (SWOT) in the context of marketability helps build the framework for the revitalization plan.
3. **Trends in National Preference:** Understanding demographic shifts in terms of age and changes to housing preferences can give some insights as to growing demand for certain types of housing and neighborhoods.
4. **Demographic Overview:** Analyzing the demographics housing, can reveal unique characteristics that add to market attraction.
5. **Economic Opportunity:** Understanding the socio-economic conditions of SoDo and its context within the greater Lincoln economy outlines the challenges associated with upward mobility for SoDo residents.
6. **Real Estate Market Analysis:** Understanding the underlying real estate market and financial feasibility of future development is critical to devising a long-term revitalization strategy.

South of Downtown Study Area

The South of Downtown study area ("SoDo") is immediately south of Downtown and consists of an area generally bound by A Street to the south, 6th Street to the west, M Street to the north, and 17th Street to the east, not including the State Capitol Building.



1. Summary of Key Findings

Summary of Key Findings

SoDo faces a number of market challenges that it will need to overcome in order to encourage investment and increase the prosperity and quality of life of its residents. The following list of “needs” summarizes the key challenges, which are documented and analyzed in further detail throughout this report.

The order of the following needs/issues is not intended to suggest level of concern or priority and many of these underlying issues are, in fact, interconnected. In other words, devising strategies to address any single issue will more than likely have a direct or indirect impact on another.

1. There is a need to reduce *Crime*. Whether perceived or actual, crime can be very detrimental to the overall marketability of a neighborhood. Based on crime incident data from the Lincoln Police Department, there is a far greater concentration of crime in SoDo compared to other parts of the city—just under 10 percent of the total personal crime in Lincoln is in SoDo, while SoDo represents only 2.1 percent of the city’s population. However, positive steps have been made as the total incidence of crime in SoDo decreased by eight percent from 2013 to 2015, which is consistent with city-wide reductions in crime.

2. There is a need to promote *Economic Upward Mobility*. The median household income in SoDo (\$20,826) is less than half the median income for Lincoln as a whole (\$49,159). Over 30 percent of households in SoDo earn less than \$15,000 per year, while only 15 percent of households in Lincoln as a whole earn less than \$15,000. Foreign immigrants make up 20 percent of SoDo’s population, compared to 7.6 percent of Lincoln’s population. According to the U.S. Census, around 64 percent of foreign immigrants in SoDo do not speak English “very well,” and this language barrier can often serve as an impediment to employment opportunities and economic mobility.

3. There is a need to increase the rate of *Homeownership*. Roughly 93 percent of occupied housing in SoDo is renter occupied compared to 48 percent in the city as a whole. Urban neighborhoods like SoDo should have a healthy balance of owner- and renter-occupied housing. Owner-occupied housing creates stability and long-term commitment in a neighborhood and incentivizes property maintenance and reinvestment. In the case of SoDo, given high tenant turnover and low achievable rents, many owners/landlords do not have the incentive or financial means to adequately maintain or invest in their properties.

4. There is a need to preserve the *Historic Character* of the neighborhood. Around 44 percent of the building stock in SoDo was built before 1940, which is significantly higher than the city as a whole (15 percent). The future marketability of SoDo is greatly dependent on the restoration and preservation of its historic building stock.

5. There is a need to improve *Deteriorating Conditions*. The vacancy rate for all housing units in SoDo is 15 percent, while the vacancy rate for the city of Lincoln is around 6 percent. This suggests that a portion of the housing stock in SoDo is in poor condition or functionally obsolete. Based on physical observation, abandonment does not appear to be an immediate concern, although there are a number of derelict properties throughout the study area.

6. There is a need to increase *Property Values*. The design, condition, and quality of a property, its surroundings, and market demand all contribute to its underlying value. In the case of SoDo, deteriorating building and neighborhood conditions as well as limited market demand have contributed to property values that are lower than most other neighborhoods in the city. According to the Zillow Housing Value Index (HVI), the median value of a home in Lincoln is around \$142,000, which is significantly higher than the South Salt Creek (\$72,000), Everett (\$80,000), and Near South (\$104,000) neighborhoods, which are part of SoDo.

7. There is a need to *Attract More Residents* to SoDo and Lincoln’s urban core. From 2000 to 2010, the city of Lincoln added almost 33,000 new residents, although many areas in the city’s urban core actually lost population. The continued revitalization of Downtown and Haymarket as well as national trends suggesting an increasing desire for housing in walkable, mixed-use environments will inevitably increase demand for more centrally located housing. It is critical that SoDo offers a wide range of quality housing and enhances its overall marketability to capture a portion of this demand.

8. There is a need to attract *New Jobs* to Downtown. Given the close proximity of Downtown, State Capitol, and University of Nebraska, a higher proportion of SoDo residents bike, walk, or take transit to work (49 percent) compared to the city as a whole (6 percent). The marketability and demand for housing SoDo is importantly linked to employment growth Downtown. In other words, if employment growth is primarily in the peripheral areas of the city, there will be less demand for neighborhoods in the city’s urban core. Additionally, young professionals in the creative industries such as art, design, innovation, and technology often prefer urban living.

9. There is a need to promote *Placemaking*. The effects of placemaking—the act of creating an inviting public realm to which people have a psychological connection—is good policy and good economics. A growing amount of data indicates that the right mix of walkability, public space, a mix of uses (such as housing and retail) and, often, density create value.

Though SoDo is primarily a residential neighborhood, there are opportunities to invest in the public realm, such as Cooper Park and in its retail areas on 11th and 13th streets. The streetscape improvements on 11th Street are a very positive step in the right direction as concentrating investment in one area can create a strong sense of place that can then be leveraged to create value for nearby real estate.

10. There is a need to improve the *Retail Environment*. SoDo is primarily a residential neighborhood, but there is still a need for smaller-scale, complimentary retail uses to serve the local community. The Retail Market Potential Index for SoDo and Downtown indicates preferences for video game stores (145), bars/nightclubs (125), electronics stores (111), cell phone stores (110), and fitness centers (108). These results are likely steered by the large student population and younger households living in the area. When considering the existing supply of retail stores and demand from local residents in SoDo and Downtown, the market could support a Grocery Store and General Merchandise store. There are also very few retail options in the northern part of the study area in and around the Lincoln Mall.

11. There is a need to *Incentivize* real estate development. Given the weak market conditions in SoDo evidenced by a high rate of vacancy, and low median household income, housing values, and achievable rents, developers cannot generate high enough returns to make significant investments in the area. Additionally, the lack of vacant land and complications associated with land assemblage and property acquisition also discourage any larger-scale redevelopment.

12. There is a need to improve the *Pedestrian Experience*. Given SoDo’s close proximity to Downtown and University of Nebraska, and its network of sidewalks and bike lanes/routes, it has the elements to become a thriving walkable community; however, there is no “ideal” pedestrian route from SoDo to the heart of Downtown. The blocks north of the Lincoln Mall consist of parking lots and older buildings and there is no semblance of a Main Street or continuous retail experience. Also, east-west pedestrian accessibility is limited due to the heavy volumes of traffic on South 9th and 10th streets. This forms a significant barrier between the South Salt Creek and Everett neighborhoods.

2. Marketability Analysis

Neighborhood Context and Marketability

SoDo’s primary assets are its historic character and close proximity to the region’s employment, entertainment, and educational hubs of Downtown, University of Nebraska-Lincoln main campus, Haymarket District, and State Capitol Building.

Located immediately south of Downtown, SoDo is home to a very large percentage of renters consisting of young adults, college students (especially graduate students), immigrants, and households with limited income. Many SoDo residents work in low-paying service sector jobs and are able to commute by foot, bike, or transit to jobs nearby. Crime is a concern in the SoDo neighborhood, though it is still relatively low compared to other cities in the U.S.

A large number of historic buildings anchor the neighborhood, many of which are single-family homes converted to apartments. The overall historic character of the neighborhood is somewhat fragmented by numerous “slip-in” multi-family properties, many of which are in poor condition and are negatively impacting the community’s sense of place. Overall, housing values and monthly rents are considerably lower than other parts of the city.

SoDo has one of the highest concentrations of historic single-family homes in the city, but given weak market conditions and neglect over time, the overall condition of the neighborhood has deteriorated. On the other hand, given the prime location of the neighborhood as well as historic character of much of the building stock, SoD is well-positioned to evolve into a thriving mixed-income, walkable urban neighborhood. SoDo faces numerous challenges; therefore, a targeted economic development and revitalization strategy is necessary to jumpstart this evolution.

The following analysis of SoDo’s strengths, weaknesses, opportunities, and threats (SWOT) is intended to frame the key issues that are critical to the economic future of the area and its residents.



Marketability Analysis: Strengths and Assets

It is undeniable that SoDo's primary asset is its immediate proximity to the region's primary hub for employment, recreation, and education, but it also provides a healthy mix of housing options for a wide-range of income levels as well as a marketable historic character.

Downtown/State Capitol: The proximity to the region's major employment, entertainment, and educational hub is a significant asset. SoDo is positioned to potentially benefit from on-going revitalization efforts Downtown. National trends suggest a growing segment of demand seeking urban living and housing within closer proximity to mixed-use areas.

West Haymarket: Full built-out of the mixed-use district was achieved five years ahead of schedule opening a new market and high demand for quality commercial and residential within close proximity of Downtown. Development pressure will likely create opportunities to the south (aka South Haymarket), immediately northwest of SoDo.

University of Nebraska: A major source of pride and identity for the city. UN-L is also a top employer, and through its Innovation Campus, is positioning Lincoln as a growing hub for technology and entrepreneurship. Enrollment is projected to increase from 25,000 to 30,000 by 2020, which will have a direct impact on the existing supply of rental housing. Four new student apartment properties have been built since 2012 adding 1,500 beds to accommodate growing demand.

Regional Economic Growth: Low unemployment and job growth projections will help support an annual population increase of over one percent. Based on current household sizes and population growth projections, the city of Lincoln would need to accommodate almost 40,000 new households by 2040 and a significant amount of new housing.

Historic Character: Generally, the marketability of homes built prior to 1940 is far greater than those built between 1940 and 1970 since homes built in this time period tend to have less desirable design qualities. On the other hand, maintaining historic properties takes a significant com-

mitment and investment by the owner. Around 44 percent of the housing stock in SoDo was built before 1940, whereas only 15 percent of the total housing stock in Lincoln was built before 1940.

Community Resources/Schools: The F Street Community Center provides programming and services for all ages and is a source of pride for the community. Park Middle School, Everett Elementary School, and McPhee Elementary School are considered quality neighborhood schools and are easily accessible by community residents. Everett and McPhee are designated Lincoln Community Learning Centers (CLC), which provide additional programs and services to promote lifelong learning opportunities for youth and families.

Cooper Park: This is the primary public park serving SoDo and is one of very few neighborhood parks in central Lincoln. Vibrant public spaces are often a key component to neighborhood revitalization efforts.

Housing Affordability: SoDo attracts lower-income households and students because of its availability of rental options near Downtown and relative affordability. On the other hand, low rents and housing values has led to deteriorating conditions and limits market-based development.

Neighborhood Retail: SoDo is predominantly a residential neighborhood, but it has been able to maintain/attract some complimentary retail uses such as a coffee shop, restaurants, and smaller-scale grocery stores serving the community on 11th and 13th streets.

Walkability/Bikability: Given the proximity to Downtown, State Capitol, and University of Nebraska, SoDo is one of few neighborhoods in Lincoln where most daily needs, commutes, and access to recreational amenities do not require the use of an automobile. All of the streets are lined with sidewalks on both sides and bike routes/lanes on 11th Street and 14th Street provide direct access to Downtown.

Diversity: SoDo has the largest concentration of foreign immigrants in the city—20 percent are compared to only eight percent in the city as a whole—in addition to its large student population.

Marketability Analysis: Weaknesses

SoDo faces several challenges including a concentration of low-income renter households, deteriorating building conditions, and higher levels of crime. Also, the residential building stock is fragmented with mix of historic single-family homes and lower-quality mid-century apartment buildings, which limits the overall neighborhood identity.

Crime: Whether perceived or actual, crime can be very detrimental to the overall marketability of a neighborhood. The police department has been proactive in reducing crime, but SoDo still has more incidents of crime compared to other parts of the city. Nearly 10 percent of the total personal crime in Lincoln occurred in SoDo, while SoDo only represents 2.1 percent of the city's population.

Renter Households: Over 90 percent of households in SoDo are renters compared to 48 percent in the city as a whole. This can be attributed to the large number of students and lower-income households seeking affordable rental units within close proximity of Downtown and the University. High rates of turnover rate puts added wear and tear on rental properties and hinders long-term community planning efforts since residents are not vested in the neighborhood. High rates of student transience can also challenge neighborhood schools and lead to poorer educational outcomes for neighborhood students.

Household Income: The median household income in SoDo (\$20,826) is less than half of the median household income for the city of Lincoln (\$49,159). Also, over 30 percent of households in SoDo earn less than \$15,000 per year (double the percent of households in all of Lincoln and state as a whole).

Building Conditions: Only one percent of housing stock in SoDo have been built since 2000 and 44 percent of the housing stock was built before 1940. The historic character of SoDo is one of its primary assets, but given the low achievable rents, many building owners are unable or unwilling to renovate/maintain their properties. Though building vacan-

cy or abandonment is not an apparent issue, many properties appear to need significant repair.

Building Design and Compatibility: The housing stock in SoDo primarily consists of historic single-family homes and smaller, "slip-in" multi-family properties built since 1960 with very little aesthetic value or marketable rehab potential. The neighborhood also does not have a coherent/cohesive identity given the wide range of housing/building types.

Housing Market: Housing values in SoDo are some of the lowest in the region, and based on current income levels, sales prices, and asking rents, new construction would not be feasible without some form of subsidy. Also, despite ongoing efforts to revitalize Downtown, the market potential for newly constructed rental housing is unprecedented other than student housing.

Fragmentation/Accessibility: Despite its central location and close proximity to Downtown, South 9th and 10th streets create significant east-west accessibility issues, especially during rush hour since these streets carry very large volumes of traffic providing direct vehicular access to I-180 at the north and Nebraska Highway to the south. This limits pedestrian access to one of SoDo's primary assets, Cooper Park.

Employment Accessibility: There are no community focused workforce development programs serving SoDo residents. A very high proportion of SoDo residents walk or take transit to work; therefore, if employment opportunities are located outside of Downtown, accessibility could be an issue, especially for those who do not own an automobile.

Limited Neighborhood Retail: SoDo is primarily a residential neighborhood, but there is limited complimentary retail serving the community. There are a few retail uses along 11th and 13th streets, but there are gaps in goods and services provided.

Marketability Analysis: Opportunities

SoDo is one of very few neighborhoods in Lincoln that offers immediate access to the vast amenities of Downtown, State Capitol Building, Haymarket, and University of Lincoln main campus in a charming neighborhood setting. SoDo stands to benefit from increasing demand for walkable, mixed-use environments.

Increased Homeownership: Increasing the homeownership rate in SoDo (currently around seven percent) would reduce neighborhood turnover and encourage long-term commitment and investment by residents, which would further stabilize the neighborhood. Given the relatively low housing prices, there are “starter home” opportunities for lower-income residents or recent college graduates.

Public Space Enhancement: Public space frequently improves property values, in addition to enhancing quality of life. The enhancement of existing parks, such as Cooper Park or the areas surrounding the F Street Recreation Center, as well as the development of pocket parks, will likely boost the desirability of the neighborhood (provided they are safe and secure).

Building Repair and Maintenance: By increasing homeownership, enhancing public space, and adding neighborhood amenities, achievable rents and sale prices should improve, making repairs and maintenance of existing properties more economically sustainable.

Neighborhood Commercial Node: There is an opportunity to further developer retail in the neighborhood by leveraging the existing commercial pockets on 11th and 13th streets. There is a benefit to providing retail that directly serves the community as well as destination retail to attract more foot traffic.

Neighborhood Services: A synergy exists between neighborhood services and housing. If more such services (i.e., urban grocery store, neighborhood cafés, pharmacy) are located in or near SoDo, new housing will be more marketable.

Historic Preservation: With 44 percent of the housing stock in buildings built before 1940, maintaining these historic structures will restore the unique character of the neighborhood and increase its marketability.

Placemaking: The effects of placemaking—the act of creating an inviting public realm to which people have a psychological connection—is good policy and good economics. Though SoDo is primarily a residential neighborhood, there are opportunities to invest in the public realm, such as Cooper Park and in its retail areas on 11th and 13th streets.

Affordable Housing Development: The Low-Income Housing Tax Credit Program (LIHTC) not only provides quality, affordable housing for working individuals and families, but also represents a significant investment and commitment to a neighborhood via public-private partnership. Well-designed properties can seamlessly blend into an existing committee with newly constructed or rehabbed single-family homes, townhomes, or apartments.

Marketability Analysis: Threats

The greatest threats to the neighborhood are that existing buildings and infrastructure deteriorate, neighborhood character erodes, and perceptions of crime render it unmarketable to a large segment of the population. Targeted investment could set the neighborhood on a more economically sustainable path.

Deteriorating Neighborhood Conditions: Given the aging building stock and concentration of low-income renter households, without a comprehensive revitalization strategy, conditions of SoDo could continue to deteriorate and further hindering its marketability and development potential.

Increasing Crime Rates: Though great strides have been made to reduce crime in SoDo, there are still higher incidents of crime compared to other parts of the city, which limits marketability. Crime, whether actual or perceived, is one of the primary deterrents to future neighborhood investment.

Decreasing Homeownership: Though there is not an “ideal” rate of ownership for a neighborhood like SoDo, owner-occupied housing creates stability and long-term commitment in a neighborhood and incentivizes property maintenance and reinvestment. Urban neighborhoods like SoDo should have a healthy balance of owner- and renter-occupied housing, but with high tenant turnover and low achievable rents, there is less incentive for owners to invest in their properties.

Student Housing Dynamics: For decades, SoDo has been a primary neighborhood serving UN-L students given its availability and affordability of rental housing. Student housing properties tend to endure more wear and tear than typical renter households, and with very high annual turnover, there are few households that have made a long-term commitment to the area. On the other hand, accommodating the housing needs of students cannot be ignored given the projected increase in enrollment at UN-L by roughly 20 percent through 2030.

Perceptions of Subsidized Affordable Housing: The use of Low-Income Housing Tax Credits (LIHTC) is an effective way to stabilize neighborhoods through new development or renovation of existing properties, but many associate this program with concentrated poverty and crime. Well-designed and implemented LIHTC housing is often indistinguishable from new market rate housing and provides quality rental units for working families.

Upward Mobility: Devising strategies to help bring individuals and families out of poverty is a common challenge that many communities face throughout this country. The future of SoDo hinges on the ability of its lower-income residents to access quality education at all levels and the resources and networks necessary to secure equality employment with wage and career growth opportunities.

Demand for Higher-Density Residential: Despite the success of the West Haymarket development, demand for higher-density residential such as for-sale townhomes or condominiums or newly constructed apartments is still undermined in the Downtown Lincoln market beyond student housing. Based on national trends, there is likely a growing segment of demand that would be interested in this housing type, although there have been no “pioneering” developments Downtown of a large scale.

Employment Growth Downtown: Though Downtown is the region’s primary employment hub, employment is still dispersed throughout the region limiting demand for centrally-located neighborhoods. Attracting more urban professionals to live Downtown would increase the marketability of SoDo, but demand for more residential somewhat hinges on job growth Downtown.

Competition from other Development: The success of the West Haymarket development has pushed development pressure to the South Haymarket area and areas of Downtown just north of the study area. Despite these positive developments for the city, the large-scale development/redevelopment potential of SoDo, at least in the near term, is somewhat hindered because of this nearby competition.

3. Trends in Housing Preferences

National Trends: Household Composition

Though single-family housing development is still the primary housing choice for many households in Lincoln, demographic trends suggest the need to provide more housing choices for smaller households, which tend to demand less living space and more rental options.

Household size is declining: Throughout the United States, average household size has been undergoing a steady decrease, from 3.1 persons per household in 1970 to 2.6 persons per household in 2014. These same trends have been occurring in Lincoln. Reasons include a greater number of single-person households, individuals marrying at a later age, families having fewer children, and fewer intergenerational households.

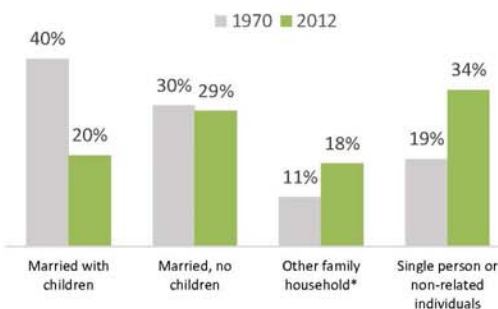
Household composition is shifting: In 1970, married couples with children made up 40 percent of all households, a percentage that is twice as high as it is today. They also spend more years in households without children—the average age of women having their first child increased nearly four years between 1970 and 2006. Also, young adults today spend more years living alone, with roommates, or with an unmarried partner.

Increase in renting: The recent housing and economic crises in the last 2000s have impacted current and future homeownership rates, and are driving demand for rental units. Since 2004, the national share of renters has increased from 31 percent in 2004 to 35 percent in 2013. In Lincoln, renters have increased from 36.5 percent in 2000 to 38.1 percent in 2014, an increase of 17,023 people. For young adults, factors may include a need for greater mobility early in their career, lingering effects of the economic crisis, delayed marriage and children, and the movement towards a model where “access” is more important than “ownership.” For households on a tight budget, the fixed monthly costs of rental housing are more appealing than the uncertain costs of homeownership.

Average Number of People per Household
US Census, American Community Survey

	United States	Lincoln
1970	3.1	3.8
2014	2.6	2.4

Proportion of U.S. Household Types, 1970 and 2012
US Census, American Community Survey



*Non-married relatives; includes single-parent households (9% of total households in 2012).

National Trends: Generational Cohorts

The two largest age cohorts in the United States, Millennials and Baby Boomers, are influencing the housing market with their needs and preferences.

Mirroring the demographics of the nation as a whole, two large generational cohorts—the Millennials and the Baby Boomers—are prominent in Lincoln. Different kinds of housing and neighborhoods appeal to each group.

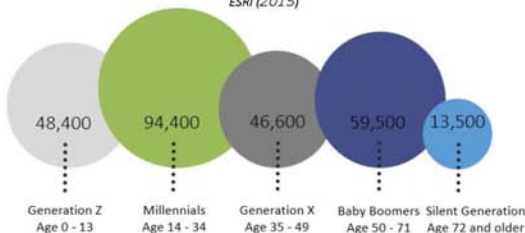
The “Millennial” generation continues to come of age: Millennials, the generation born between about 1980 and the mid-2000s, make up roughly a third of the population of the United States. Millennials are a large, diverse, and well-educated generation who are establishing careers, families, and home life at slightly later ages than previous generations.

Young adults today spend more years living alone, with roommates, or with an unmarried partner, and the median age of first marriage has risen by nearly six years since 1970 and married couples also spend more years in households without children. This delay in “settling down” means that many Millennials are more likely to prefer the flexibility of renting.

Increasing number of older adults: Another major trend that is affecting communities throughout the United States is the “graying of America,” caused by the aging of the large Baby Boomer generation. There are currently over 46 million households whose householders are between 45 and 64 years old.

Many Baby Boomers choose to downsize, moving to smaller homes once their children have left home, often within the same geographical region. It is expected that these residents will look for housing to accommodate a changing set of needs and preferences, namely, lower maintenance both inside and outside of the home, fewer steps or stairs, and other fall-prevention measures that can help residents to “age in place” comfortably near their community of origin.

Population by Generation in Lincoln
ESRI (2015)



National Trends: Housing Preferences

Surveys indicate a shift in the type of homes and communities that many households prefer. Specifically, there is greater recognition of the tradeoffs to owning a big home—many have expressed a willingness to exchange some space in order to reduce commute times and live in a walkable, mixed-use area.

The presence of the University of Nebraska, like many universities nationwide, has led to the development of student-friendly neighborhoods where a number of destinations can be accessed without a car. Within Lincoln and nationally, there is increased demand for walkable, lively urban places.

Preference for vibrant neighborhoods with a sense of place: A recent survey found that interest in traditional, auto-dependent suburban living has been decreasing across demographic groups. Respondents preferred neighborhoods with a greater range of transportation options, especially those where they can reach key destinations, such as schools, parks, and retail, on foot.

This preference is especially pronounced for Millennials, who have been moving into central cities at an increasing rate and who prioritize amenities such as high quality transit and vibrant public places.

Preference for environments that support health: Planning and public health experts are increasingly finding evidence that the built environment has a profound impact on health and wellness. Residents of neighborhoods that are safe, walkable, and provide access to recreational facilities have higher average levels of physical activity, which translates into better overall health and lower risk of chronic disease.

A survey found that sixty percent of American adults prefer a neighborhood where they can walk to nearby shopping and businesses, and 52 percent would be willing to live in a house with a smaller lot if the neighborhood was walkable. Despite this preference, 42 percent feel there are “too few” shops or restaurants within an easy walk of their house, suggesting that demand for these types of places exceeds supply.

Walkability vs. Lot Size Preference

2013 Community Preference Survey, National Association of Realtors



National Trends: Placemaking

The effects of placemaking—the act of creating an inviting public realm to which people have a psychological connection—is good policy and good economics. A growing amount of data indicates that the right mix of walkability, public space, a mix of uses (such as housing and retail) and, often, density create value.

The effects of placemaking on real estate values can be profound. A DS survey of home sales in select walkable, historic communities with attractive main street environments showed residents pay a substantial premium to live in such environments, relative to surrounding (and more conventionally) suburban areas. For instance, homes in the walkable portion of Hudson, Ohio, sell for 36 percent more (psf) than homes in the broader community. ***insert endnote***

Though SoDo is primarily a residential neighborhood, there are opportunities to invest in the public realm, such as Cooper Park and in its retail areas on 11th and 13th streets. The streetscape improvements on 11th Street is a very positive step in the right direction as concentrating investment in one area can create a strong sense of place that can then be leveraged to create value for nearby real estate.

Anchor stores are particularly important for retailers, so developing those elements that draw people in—a grocery store, destination restaurant or café, meaningful public space, and other leisure attractions—is essential.



Sales Data for Historic, Walkable Communities

Zillow, Development Strategies



■ Sale Price psf

National Trend: Conclusions

SoDo is well-positioned to benefit from changing demographics and housing preferences. Households are getting smaller and there is a growing preference for centrally-located, walkable environments; therefore, it is critical that SoDo take the necessary steps to enhance its marketability so it can capture a portion of this growing demand.

National Trends Summary

- Households are getting smaller, thus requiring less living space. This trend has occurred nationwide and in Lincoln.
- Baby Boomers are entering retirement and many are seeking smaller living spaces in less automobile dependent areas.
- Millennials tend to prioritize lifestyle, experience, and flexibility and often gravitate towards mixed-use, walkable/bikable urban environments as opposed to single-family suburban areas.
- There is a growing preference for housing in centrally-located areas and many households have expressed a willingness to trade living space for more convenient access to employment, recreational amenities, and retail.
- Investments in the built environment that promote *placemaking* can have a positive impact on property values and marketability.

Implications for SoDo

SoDo has many of the components that a growing segment of households prefer including a close proximity to employment, entertainment, and educational opportunities, sidewalks and bike lanes that enhance the pedestrian experience, some smaller-scale street-level retail, proximity to Cooper Park and Antelope Valley, and a large proportion of rental options that are preferred by smaller households. Despite these advantages, deteriorating neighborhood conditions has limited its overall marketability. It is critical that SoDo leverage its assets to improve marketability and encourage new investment.

4. Demographic Overview

Background: A Growing City

Lincoln's projected population and employment growth offer opportunities for shaping future development throughout the city, although large portions of the urban core have actually lost population since 2000.

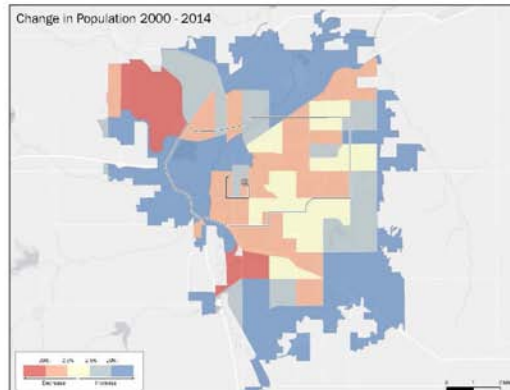
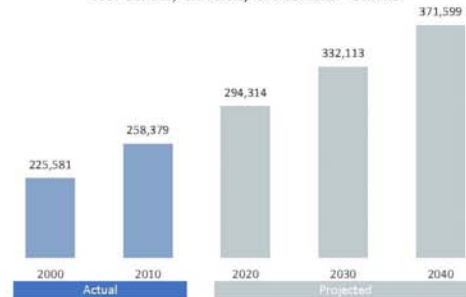
Founded as the village of Lancaster in 1856 on the salt flats of the Nebraska plains, the City of Lincoln was renamed and designated the state capital in 1867. Early planners platted the city envisioning government buildings, schools, churches, homes, and businesses surrounded by wide streets and ample public parks. The first railroads arrived in Lincoln in the 1870s, hastening the city's growth and bolstering its economy.

Throughout the 20th century, the city grew steadily, adding population and land area through immigration and annexation. While the early economy of the city was based on the movement of agricultural products, especially grain, and the repair of railroad equipment, the University of Nebraska and state government anchored the local economy as it grew and diversified. Today, the city is home to approximately 267,000 residents employed in diverse economic sectors, including service, manufacturing, finance, healthcare and education.

According to Lincoln Vital Signs 2015, the city has grown 19 percent since 2000, with many new residents moving from other communities. Lincoln is expected to continue growing in upcoming years as a result of its healthy economy and quality of life. If growth occurs according to projections, Lincoln will need to add an estimated 39,000 housing units by 2040 to accommodate its new residents. Decisions about where and how to place new housing will shape the city in decades to come. As seen on the right, recent population growth has concentrated along the city's periphery, while the central neighborhoods have remained stable or lost population. Nonetheless, some areas of SoDo and the downtown core have increased in population.

Population Growth in Lincoln 2000 to 2040

U.S. Census, University of Nebraska—Omaha



A Growing University

Increasing college enrollment locally and nationwide will result in growing demand for housing for students and staff.

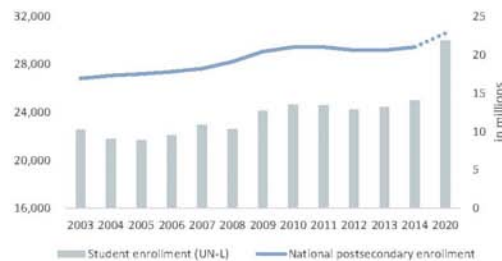
Located just north of Downtown, the University of Nebraska—Lincoln (UN-L) is Nebraska's oldest and largest university. The university consists of eight colleges with over 100 buildings. A recent expansion, the Nebraska Innovation Campus, brought the number of university campuses to three. The university plays a large role in anchoring the city's economy and attracting new residents from throughout the state and country.

Mirroring national trends, in the last decade, the university has seen an annual increase in its enrollment with a significant jump due to the Great Recession from 2007 to 2011. Nationwide, the number of college students has increased by 37 percent since 2000, while enrollment at UN-L has increased by eleven percent since 2003. In 2014, the number of enrolled students numbered 25,006, the largest fall enrollment since 1982. By 2020, the university has a goal to increase enrollment by a further 20 percent, for a total of 30,000 students. This increase in students translates into increased demand for student-friendly housing that is affordable, safe, and convenient. Historically, SoDo has been characterized by its large student population and increasing enrollment could present more opportunities for student housing in the neighborhood.

As university enrollment increases, the number of faculty and staff needed to support its students will also increase. Since 2004, faculty and staff employment has increased by 10 percent. The expansion of the university will lead to the creation of new jobs across the economic spectrum, from high-paying teaching and research jobs to lower-paid administrative and service jobs. It is expected that new university employees will also increase demand for housing across a wide range of housing products, which could have strong implications for future housing development/redevelopment in SoDo given its close proximity to UN-L.

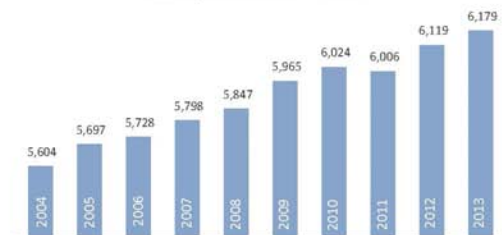
Student Enrollment: UN-L and Nationally 2003 to 2020

University of Nebraska — Lincoln,
National Center for Education Statistics



UN-L Faculty & Staff Employment 2004 to 2013

University of Nebraska — Lincoln



Market Areas

Two designated market areas form the basis of demographic, economic, and real estate analysis.

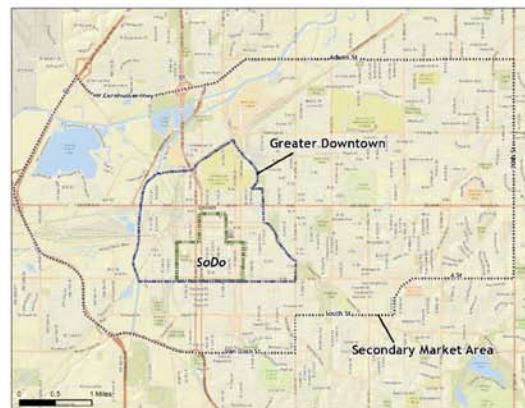
Real estate analysis is based on the concept of "market areas"—smaller geographic areas with their own unique demographic, economic, and housing characteristics. Looking at each of these indicators gives a fuller profile of the people and housing market within the market areas, laying the groundwork for planning and growth.

Two market areas were delineated for this analysis. The first, SoDo, is the principal area of interest. Bounded by S. 6th Street, G Street, M Street, S. 17th Street, and A Street, SoDo encompasses 0.59 square miles that includes parts of the southern edge of Downtown Lincoln and the dense residential areas to the south. Though SoDo makes up less than one percent of Lincoln's total land area, 2.1 percent of Lincoln's population lives within its boundaries, giving it a relatively high population density of 9,777 people per square mile, slightly less dense than Washington, D.C. Overall, 5,534 people call SoDo home.

The secondary market area, or SMA, is a larger area of central Lincoln that includes Downtown, the University of Nebraska, the Haymarket District, and many of Lincoln's older neighborhoods. Bounded by Comhusker Highway/Adams Street, W. 70th Street, Van Dom Street/South Street/A Street, and US 77, the SMA spans 22 square miles (24% of the city's land area) and is home to 86,186 people, or nearly one third of Lincoln's population. At 3,918 people per square mile, population density is similar to the state of Montana, though denser than the city as a whole. Just under 55,000 people commute to the SMA daily.

We also identified a larger Greater Downtown that includes SoDo, Haymarket, and U-NL campus. This area was identified to evaluate retail demand.

The following section presents data for SoDo, the SMA, and the City of Lincoln to understand the underlying socio-economic and demographic characteristics of each area.



SoDo

0.6% of Lincoln's land area
2.1% of Lincoln's population
9,380 people per square mile

Secondary Market Area

24% of Lincoln's land area
32.2% of Lincoln's population
3,918 people per square mile

Household Composition

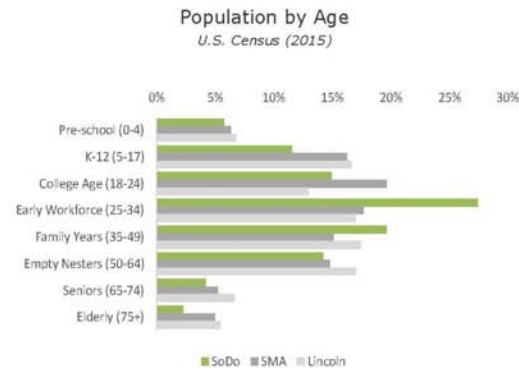
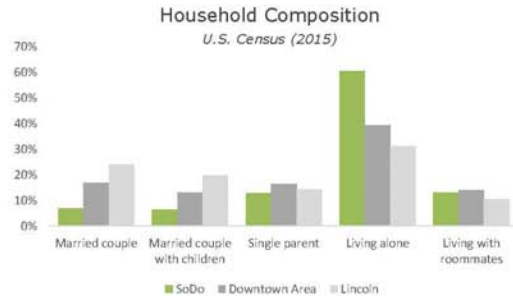
SoDo is home to a larger proportion of residents who live alone compared to the city as a whole and many of these households consist of young adults and college students.

Looking at the composition of households in SoDo, there is a much higher proportion of residents living alone in SoDo (61 percent) than in other parts of the city (31 percent). Similarly, average household size in SoDo is 1.62 residents, much less than the average across Lincoln (2.22 residents). SoDo is home to a notably lower proportion of married couples (14 percent) when compared to the city (44 percent).

SoDo also has a dramatically higher percentage of residents in the 25-34 age range than the city (27 percent compared to 17 percent), and a slightly higher percentage of residents ages 35 to 49. However, children under 18 and older adults are underrepresented in SoDo compared to in other areas. Children under 18 make up 18 percent of SoDo's population, compared to 24 percent in the city as a whole, while the proportion of adults over 65 (6 percent) is half that of the city as a whole.

In the SMA, college age residents make up a large percentage of the population, accounting for 20 percent of residents, compared to 13 percent in the city. In fact, the proportion of residents enrolled in college (including graduate school) is the highest in the SMA, representing nearly 23 percent of the population. The second-greatest proportion of college student residents is found in SoDo, where nearly 15 percent of the residents are enrolled in college.

The city has the highest proportion of children under 18 and adults over the age of 50 of the three areas, suggesting that these two groups are more likely to be found outside of the center city. The city has the greatest proportion of younger students (pre-kindergarten to 12th grade), who make up 16 percent of the population, compared to 8 percent in SoDo and 13 percent in the SMA.



Housing Characteristics

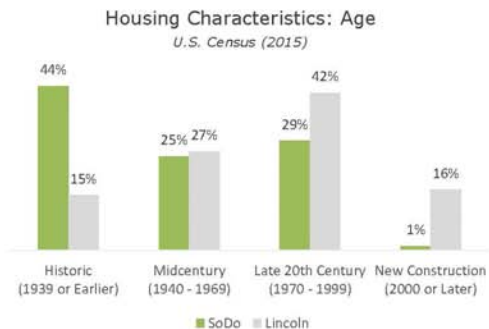
Over 90 percent of households in SoDo are renters, which is significantly higher than the city as a whole. The built environment is characterized by historic structures, which were predominately built before 1940.

By virtue of its location near the historic center of Lincoln, the SoDo neighborhood has a much higher proportion of historic housing than the city as a whole. In SoDo, 44 percent of the housing units were built before 1940, compared to 15 percent in the city. This concentration of historic housing stock has led to the designation of three historic districts partially or wholly within SoDo boundaries.

From 1940 to 1969, the proportion of new units in SoDo mirrored the proportion in the city as a whole. By the 1970s, development slowed in the neighborhood as it reached its build-out. In the last 15 years almost no new development has occurred, whereas 16 percent of Lincoln's housing units have been built since 2000. Much of this can be attributed to weak market characteristics and the lack of vacant land in SoDo.

Though many of the historic homes of SoDo were originally built as single-family residences, increasing demand for rental housing and smaller unit sizes has led to the conversion of many of the larger homes into multi-unit rentals allowing owners to increase profitability. Today, a very high number of SoDo housing units—93 percent—are occupied by renters. In the SMA, 63 percent of housing units are occupied by renters, and in the city, slightly less than half (48 percent) of units are occupied by renters.

Fifteen percent of SoDo units are vacant, compared to six percent in Lincoln and eight percent in the SMA indicating that the market for housing in SoDo is not as robust as other areas in the city, but also that many units are likely in poor condition or have reached their obsolescence.



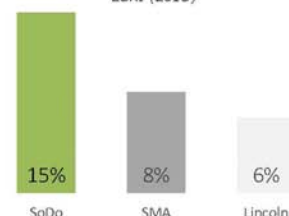
Percentage of Renter-Occupied Units

U.S. Census (2015)



Housing Unit Vacancy

ESRI (2015)



Crime and Property Values

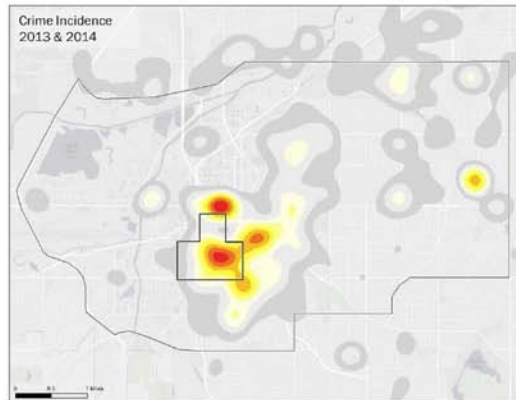
Crime risk is an important component of how a particular neighborhood is perceived and valued and studies have shown that a decrease in crime tends to increase property values.

Personal (particularly violent personal) crime has been demonstrated to affect property values. A Chicago crime case study (Rizzo, 1979) found that a 10 percent decrease in crime rate tends to increase property values by two to four percent. In a well-known 1978 study, researcher Richard Thaler attributed a one standard-deviation increase in crime to a per acre land price reduction of \$3,847.

Overall, crime in Lincoln is relatively low. ESRP's total crime index indicates that the incidence of crime in the city is only ten percent higher than that of the nation as a whole, which is low compared to other Midwestern cities. Lincoln Vital Signs 2015 reports that Lincoln's overall crime rate is 87 percent of that of comparably-sized cities. However, crime incidence in SoDo is slightly higher—65 percent more than the national average.

Crime data provided by the City of Lincoln Police Department shows that there is higher incident of crime in areas near downtown, which is likely due to the greater density of people who live, work, and go to school in these areas. A map of index crimes, which includes property and personal crimes, shows that SoDo has one of Lincoln's largest crime "hot spots." Though great strides have been made to reduce crime in SoDo, there are still more incidents of crime compared to other parts of the city, which limits marketability. Crime, whether actual or perceived, is one of the primary deterrents to future neighborhood investment.

Perceptions of crime are also greatly influenced by the physical conditions of a neighborhood as well as the general design and style of the built environment. Many multi-family structures in SoDo have unit entries from side alleys/entryways, which can offer an unsettling experience for pedestrians and police officers.



SoDo Revitalization Market Analysis

Crime and Property Values (cont.)

A disproportionate number of crimes occur in SoDo compared to the city as a whole, although the total number of incidents decreased from 2013 to 2014.

An analysis of crime data provided by the Lincoln Police Department shows that a disproportionate number of crimes occur in SoDo. Though 2.1 percent of Lincoln's population lives in SoDo, the area accounted for 9.4 percent of personal crimes (assault, homicide, robbery, and rape), 4.4 percent of property crimes (arson, burglary, larceny, and auto theft), and 5.8 percent of other crimes (drugs, weapons, vandalism, fraud, etc.) in Lincoln in 2014. The disproportionately high rate of personal crime is the most concerning because violent crime has the most pronounced effect on neighborhood property values. Of the crimes studied, rates of burglary, larceny, and robbery were particularly high. However, efforts from the Lincoln Police Department to address crime within SoDo show evidence of success—all types of crime decreased from 2013 to 2014.

Mapping the location of crimes shows addresses and locations where the most incidents have occurred in the past two years. The highest number of incidents, 86, occurred at the Heather Ridge Apartments, a 52-unit building at the eastern edge of SoDo. The second highest number of incidents, 48, occurred at Park Middle School. The crime map shows a cluster of crimes in an area roughly bounded by G Street, S. 11th Street, D Street, and S. 14th Street. Though some of the high-crime addresses are larger buildings, others are "problem properties" with a high number of crimes relative to their number of residents. Further analysis regarding the factors that lead to a greater incidence of crime at these locations can be used to develop strategies for reducing crime without redirecting it into other Lincoln neighborhoods.

Incident	Number of Incidents		Percent Change from 2014	Percent of All Lincoln Incidents	
	2013	2014		2013	2014
Personal Crime (Assault, Homicide, Robbery, etc.)	471	445	-6.7%	8.5%	9.4%
Property Crime (Arson, Burglary, Larceny, etc.)	411	405	-1.5%	4.4%	4.4%
Other Crimes (Drugs, Weapons, Vandalism, etc.)	707	702	-0.7%	5.7%	5.8%



Demographics: Conclusions

Lincoln is a growing city and significant housing development will be needed in the coming decades to accommodate this growth. Based on current demographics and household characteristics, SoDo has a very large proportion of renters that could be detrimental to the area's long-term stability.

Demographics Summary

- Lincoln is projected to add over 100,000 new residents by 2040, and based on current household sizes, it will need to accommodate 39,000 new households.
- Since 2000, most of the population growth in Lincoln has occurred in the outer areas and many areas in the urban core closer to Downtown actually lost population.
- The University of Nebraska has a goal to increase enrollment by 5,000 students by 2020, which will also increase employment opportunities at the University and throughout Lincoln.
- Population density is significantly higher in SoDo compared to the city as a whole.
- SoDo is home to a larger proportion of young adults and college students compared to the city as a whole.
- 44 percent of SoDo's housing stock was built before 1940.
- 15 percent of the housing units in SoDo are vacant.
- Over 90 percent of housing units in SoDo are renter-occupied.
- Crime is higher in SoDo compared to the city as a whole.

Implications for SoDo

Despite steady population growth since 2000, most of the close-in neighborhoods in Lincoln have not fared very well and many areas in the urban core have actually lost population. SoDo's population has remained stable primarily from steady demand from college students. Given the population projections for the city and region, if SoDo enhances its marketability and takes the necessary steps to invest in the built environment and provides higher-quality housing, it could capture a portion of this growth. Crime can be a major deterrent to revitalization efforts and thus it is critical that the Lincoln Police Department and the community itself continue working together to reduce crime. SoDo is headed in the right direction as crime has decreased in the last two years.

The historic housing stock in SoDo is one of its primary assets, although it is also a challenge as wear and tear and lack of investment by property owners has led to deteriorating conditions throughout the neighborhood. SoDo is attractive to students and lower-income households given its relative affordability and availability of rental units in close proximity to Downtown and the University, but over 90 percent of its housing is renter-occupied, significantly higher than the city as a whole (48 percent). Though there is not an *ideal* homeownership rate, urban neighborhoods like SoDo should have a healthy balance of owner- and renter-occupied housing. Owner-occupied housing creates stability and long-term commitment in a neighborhood and incentivizes property maintenance and reinvestment. In the case of SoDo, given high tenant turnover and low achievable rents, many owners/landlords do not have the incentive or financial means to adequately maintain or invest in their properties. This may be one of the reasons why the vacancy rate is so high (15 percent).

5. Economic Opportunity

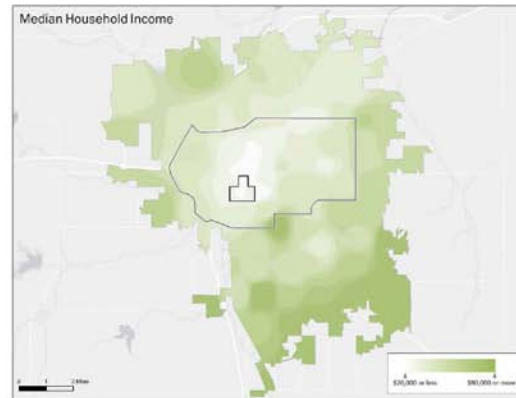
Income and Immigration

SoDo is home to a much higher proportion of low-income residents and foreign immigrants than the city as a whole.

Not unlike many cities in the United States, median household income in Lincoln is lower in the urban core compared to the city as a whole. In SoDo, the median household income of \$20,826 is less than half that of the city as a whole (\$49,159). Median household income in the SMA is higher at \$35,002, but still below the city. Moreover, income growth has been stagnant for SoDo residents since 2010, and projected annual growth rates of 1.5 percent over the next five years fall behind rates projected for the SMA (2.6 percent) and Lincoln (3.2 percent), suggesting that the income gap for SoDo residents will continue grow without addressing workforce, employment, education, and other upward mobility issues.

The income distribution shows that SoDo is home to residents from a wide range of income levels, some of whom earn wages above the city median. However, compared to other areas, income tends to be much lower. Over 58 percent of households in SoDo earn less than \$25,000 per year, over twice the percentage of households in the city as a whole. According to Lincoln Vital Signs 2015, most adults in poverty are employed, suggesting that a large number of SoDo residents would be considered “working poor.”

One distinguishing feature of SoDo is the high percentage of foreign immigrants. Foreign immigrants make up 7.6 percent of the population of Lincoln, but account for nearly one in five SoDo residents (19.8 percent). For some immigrants, the language barrier can pose a problem. According to the U.S. Census, in SoDo, 14 percent of residents do not speak English “very well,” compared to 4.7 percent in Lincoln as a whole. This language barrier can serve as an impediment to higher-paying work. According to Lincoln Vital Signs 2015, newcomers, whether from the U.S. or other countries, have higher rates of poverty and lower overall educational attainment.



Household Income Distribution



Education and Employment Accessibility

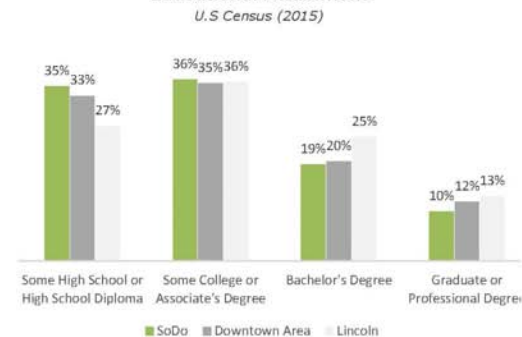
Given the close proximity of Downtown, State Capitol, and University of Nebraska main campus, many SoDo residents can walk or take transit to work. Lower educational levels for SoDo residents is a barrier for employability in higher-paying professions.

Low household income is influenced by many factors, some of which are related to stage of life or preference, such as being a student or living alone, while others are more structural, such as low educational attainment. Though SoDo, the SMA, and Lincoln have an equal proportion of residents with some college (35 to 36 percent), SoDo is home to a lower proportion of residents who have earned a college degree (29 percent compared to 39 percent throughout the city). However, the population with some college education is comparable.

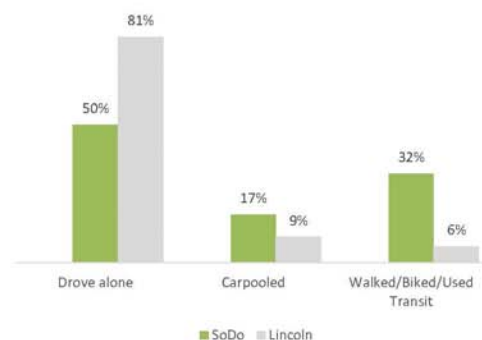
As a consequence of lower educational attainment, residents of SoDo are more likely than average to hold jobs in low-paying service sectors such as accommodation, food service, and administrative support and less likely to hold jobs in higher-paying sectors such as finance, insurance, professional and technical services, and health care than are residents of Lincoln as a whole. Lincoln Vital Signs 2015 reports that persons with lower levels of educational attainment have much higher levels of unemployment.

A very small fraction of SoDo residents both live and work within SoDo, although this would be expected since SoDo primarily represents residential neighborhoods. Of the 7,064 people who work in SoDo each day, only 114 live in SoDo. Of residents living in SoDo, 2,071 leave SoDo each day to work elsewhere in the city. However, a large proportion of these commuters (over 80%) work within 10 miles of their home, with a large proportion working in nearby Downtown locations. SoDo's location relative to job centers facilitates sustainable and environmentally-friendly commuting modes. One unique feature of SoDo is the very high percentage of residents who commute by carpool, on foot, by bike, or by public transportation—49 percent, compared to only 15 percent in the city.

Educational Attainment



Commute Method



Unemployment

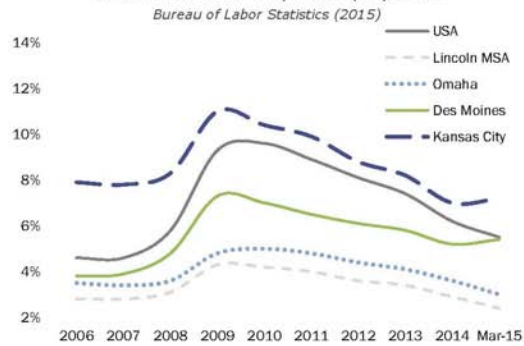
As of March 2015, Lincoln had the lowest unemployment rate of any metropolitan area in the country at 2.4 percent and the region continues to experience strong employment growth since 2009.

The Lincoln MSA experienced a slight increase in unemployment in 2009 at 4.2 percent, but was still nowhere near national unemployment levels of almost 10 percent. Much of this can be attributed to a healthy local economy that is resilient in the face of national and global economic trends. However, such a low unemployment rate also suggests that there is a very small number of individuals seeking employment and that those seeking work are not drawn to the region (or leave to seek employment elsewhere).

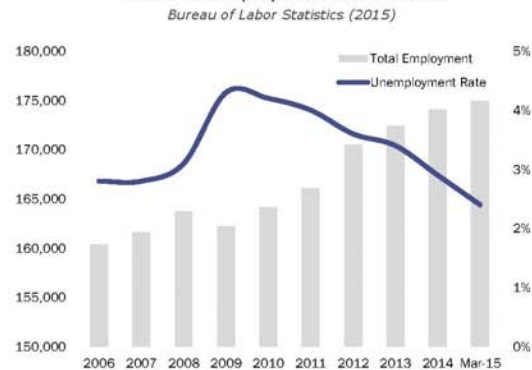
The low unemployment rate also has not had a significant impact on income levels and prosperity of households living in SoDo. Publicly available unemployment data is not available at the neighborhood level, but based on median household income data, it is assumed that the rate is higher in SoDo than the region as a whole.

According to Lincoln Vital Signs 2015, although workforce participation is high (72 percent, compared to 64 percent nationwide), employers report job vacancies. For unemployed SoDo residents, there appears to be a disconnect between their skills and the availability and accessibility of quality employment opportunities—there are *physical barriers* (access to transportation, especially for those without automobiles), *educational barriers* (workforce and skill development), and *social barriers* (knowledge of job postings and opportunities).

Lincoln and Peer City Unemployment



Lincoln Unemployment Rate Trends



Employment Distribution

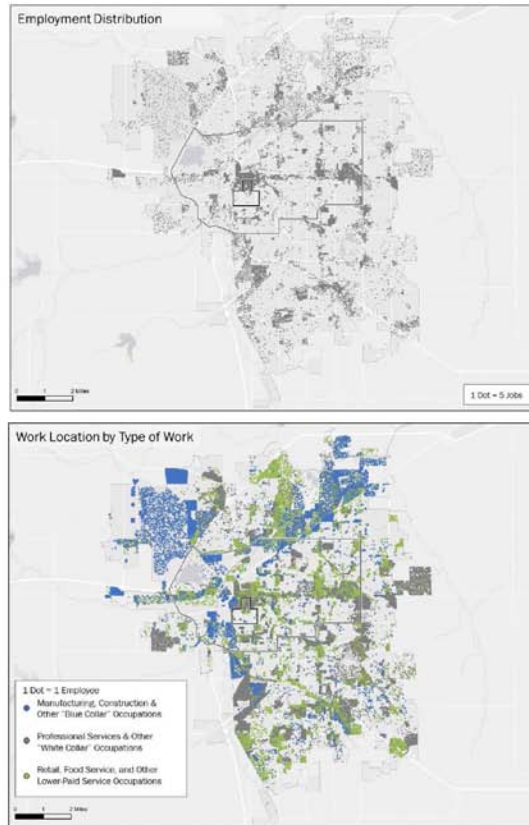
Downtown is the primary employment hub in the region, although employment is generally disbursed throughout, which has a direct impact on where households choose to live.

Throughout central Lincoln, high- and low-wage jobs tend to be clustered in the same areas. Given the presence of the University of Nebraska campus and Haymarket, there is a mix of higher-paying jobs requiring college and other advanced degrees as well as minimum wage service sector jobs.

People living in SoDo are more likely than average to hold jobs in low-payment service sectors such as accommodation, food service, and administrative support and less likely than average to hold jobs in higher-paying sectors such as finance, insurance, professional and technical services, and health care.

In fact, over 58 percent of households in SoDo earn less than \$25,000 a year and likely hold minimum wage or part-time jobs. It is likely that the 15 percent of residents in SoDo that are enrolled in college account for some of these households, but the majority are “working poor”—residents who work but whose wages are insufficient to pull them out of poverty.

Most of the professional “white collar” occupations and lower-paid service occupations are located Downtown, along the O Street Corridor, and around Gateway Mall. The “blue collar” employment opportunities, likely not requiring a four-year college degree, are generally located in the northern parts of the city and less accessible via public transportation. In other words, the jobs that would be the most accessible to residents of SoDo from an education level are less accessible physically.



Occupational Summary

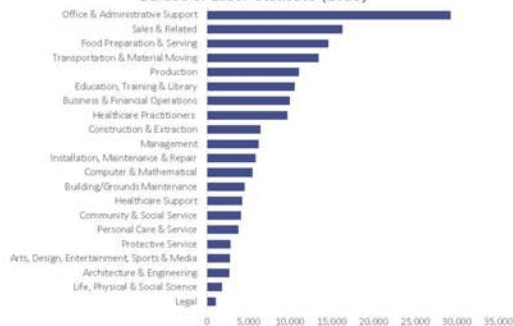
Lincoln's economy is driven by the state government and the universities, but there is growth potential for other sectors.

For decades, the state government and universities have anchored Lincoln's economy. The importance of these two industries are reflected in the graph at the right, which shows employment by occupation. Of Lincoln's 166,000 employees, over one-fifth work in office and administrative support. The graph below, showing location quotient by industry, shows this trend more clearly. A location quotient greater than 1 indicates a greater concentration of a particular industry than the national average. According to the location quotients of various industries in the Lincoln metropolitan area, there is a far greater concentration of public administration and educational services jobs in the region. Though the government is not expected to expand significantly in upcoming years, expansion plans for the university signal that educational services will continue to be an important component of the local economy.

Analyzing location quotients can give insight into potential economic growth strategies. One potential strategy is to continue to reinforce industries where the region has a clear advantage. Apart from government and education, other significant regional industries include agriculture, finance and insurance, arts and entertainment, and information. Strengthening Lincoln's competitive advantage in these sectors can lead to further economy growth. Another strategy is to focus on diversifying the economy by supporting industries with less regional presence. In Lincoln, these industries include professional, scientific, and technical services, manufacturing, wholesale trade, and transportation. Important considerations include the overall number of residents employed by each sector, as well as wage and growth potential, so that growth in sectors and positions leads to greater regional prosperity and stability.

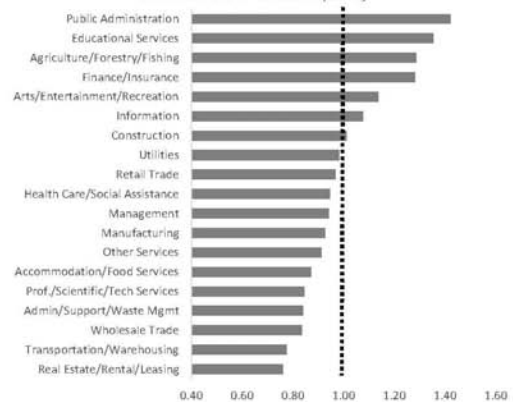
Employment by Occupation May 2014

Bureau of Labor Statistics (2015)



Location Quotients by Industry

Bureau of Labor Statistics (2015)



SoDo Revitalization Market Analysis

Employment Growth

Lincoln is expected to add over 9,000 jobs in the next five years. These jobs should help retain young talent in the region and provide opportunities for lower-income residents in SoDo.

Lincoln is projected to have significant gains in the following fields: Office and Administrative Support, Production, Transportation, Business and Financial Operations, and Healthcare.

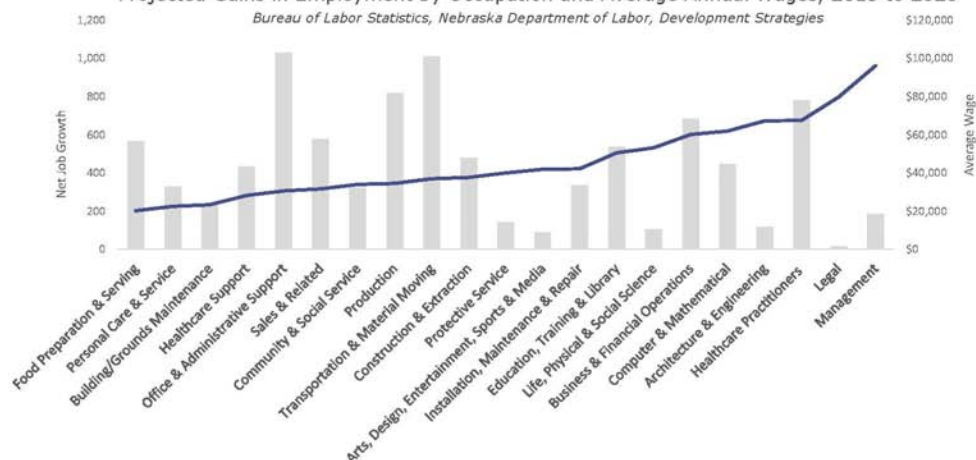
Understanding the potential impacts to Downtown and SoDo are two-fold. Strong growth in higher-skilled, downtown-centric industries such as business, finance, technology will retain talent from UN-L and increase the overall marketability of SoDo for urban professionals seeking walkable, mixed-use environments in close proximity to

Downtown. Job growth in industries requiring less than a college degree, yet have wages that promote upward mobility, such as production and transportation stands to benefit the residents of SoDo; however, since these jobs tend to be located in industrial areas outside of the city center, job accessibility for SoDo residents—both in terms of job training/education and location—will be critical.

The future of Lincoln's economy is also somewhat dependent on its ability to support innovation and entrepreneurship and create industries that can compete in a global marketplace. Increasing employment in technology-related fields has a tremendous impact on a local economy at all income levels. For example, according to a Brookings study, *advanced industry* wages are higher across all skill-levels and a large proportion of the jobs do not require a college degree, which would have a huge impact on the upward mobility of lower-income households.

Projected Gains in Employment by Occupation and Average Annual Wages, 2015 to 2020

Bureau of Labor Statistics, Nebraska Department of Labor, Development Strategies



Economic Opportunity: Conclusions

Lincoln has a strong local economy with one of the lowest unemployment rates in the country, but the residents of SoDo have not shared in this prosperity and accessing employment opportunities that promote upward mobility should be a long-term goal.

Economics Summary

- The median household income in SoDo (\$20,951) is less than half that of the city as a whole (\$49,159).
- Over 58 percent of households in SoDo earn less than \$25,000 per year, over twice the percentage of households in the city as a whole.
- Foreign migrants make up 7.6 percent of the population of Lincoln, but account for nearly one in five SoDo residents (19.8 percent). Language barriers can be a impediment to higher-paying jobs.
- SoDo is home to a lower proportion of residents who have earned a college degree (29 percent compared to 39 percent throughout the city).
- SoDo are more likely to hold jobs in low-paying service sectors such as accommodation, food service, and administrative support and less likely to hold jobs in higher-paying sectors such as finance, insurance, professional and technical services, and health care.
- A much larger proportion of SoDo residents walk, bike or take transit to work (32 percent) compared to the city as a whole (6 percent).
- Lincoln has one of the lowest unemployment rates in the country.
- Places of employment are generally distributed throughout the city, although there is a higher proportion of “white collar” jobs and

“service sector” jobs Downtown. Most “blue collar” jobs are located outside of Downtown.

- Lincoln is expected to add over 9,000 jobs in the next five years. These jobs should help retain young talent in the region and provide opportunities for lower-income residents in SoDo.

Implications for SoDo

Addressing urban poverty is not an uncommon challenge across this country. Wages, educational attainment, and employment accessibility are all part of an interconnected system, which then has a direct impact on housing values, quality of life, and crime. Increasing economic opportunities that promote upward mobility is thus intrinsically linked to the revitalization of SoDo. Given the positive economic indicators for the city of Lincoln, there appears to be a disconnect between SoDo residents and the availability and accessibility of quality employment opportunities—there are *physical barriers* (access to transportation, especially for those without automobiles), *educational barriers* (workforce and skill development), and *social barriers* (knowledge of job postings and opportunities).

It is also important to recognize that SoDo stands to benefit from increasing economic opportunities at all skill- and income-levels. Strong growth in higher-skilled, downtown-centric industries such as business, finance, technology will retain talent from UN-L and increase the overall marketability of SoDo for urban professionals seeking walkable, mixed-use environments in close proximity to Downtown. Job growth in industries requiring less than a college degree, yet have wages that promote upward mobility, such as production and transportation stands to benefit the residents of SoDo.

6. Real Estate Market Analysis

Market Analysis: A Brief Process Overview

While demand for close-in housing is great, competition, economic realities, and site constraints typically reduce the total amount of development that is supportable at a given site. Demand, supply, and site opportunities are therefore interrelated variables in any development that are evaluated separately and then reconciled to arrive at an economically sustainable program. This process is equal parts art and science, relying on qualitative understanding of human behavior as well as market metrics.

Determining market support for housing at a given site, particularly one as rich and diverse as the SoDo neighborhood, requires analysis of many interdependent variables—specifically, those relating to demand, competitive supply, and site opportunities and constraints.

Typically, demand for housing at desirable urban infill sites exceeds supply—both present and potential future supply. This is often because available sites for development are minimal, or because the cost of acquisition is so high that only upscale housing or high-density housing are economically viable (because they generate greater returns). As a result, many middle income families that desire modestly-priced single family housing are “priced out” and move to more remote locations.

Competition plays a large role in “whittling down” demand that would otherwise be available at a particular site by luring or “capturing” prospective residents to other locations. Of course, competitive supply also provides invaluable information on the types of products that need to be provided to appeal to different consumer groups.

Last (but not least), site analysis is an essential, but often overlooked, element of market analysis. Some sites lend themselves to high-rise, multi-family condos, for example, because they offer the convenience, address and name recognition, image, and views associated with a major thoroughfare, mixed-use district, or prominent public space, while other sites lend

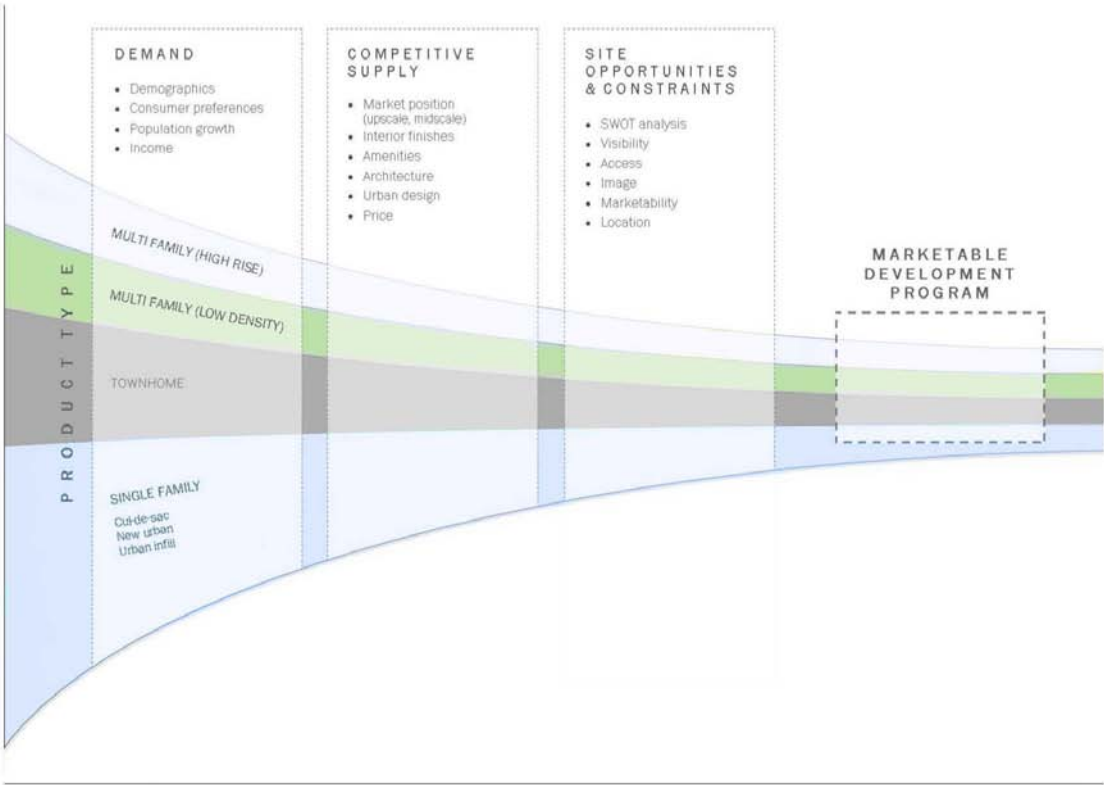
themselves to low-density townhomes on tree-lined streets.

Market opportunities are very dependent on site conditions—which are the sum of amenities, assets, and linkages, as well as barriers, constraints, and incompatibilities—and are shaped and informed by competition (or lack thereof). Therefore, while demand analysis sometimes yields a high volume of support, this demand is necessarily passed through the “filters” of competition and site analysis, leading to a lower number of supportable or marketable units for a site.

This process of market analysis is equal parts art and science, and is as much dependent on a market analyst’s experience, vision, and knowledge of the more qualitative influences on consumer behavior, such as psychology, as it is on quantitative metrics such as absorption, occupancy, and lease rates. In this study, demand, supply, and site opportunities and constraints are evaluated separately before being reconciled to conclude a likely development/redevelopment program for SoDo.

The following analysis serves as a baseline for the subsequent SoDo Revitalization Plan.

Market Analysis: A Brief Process Overview



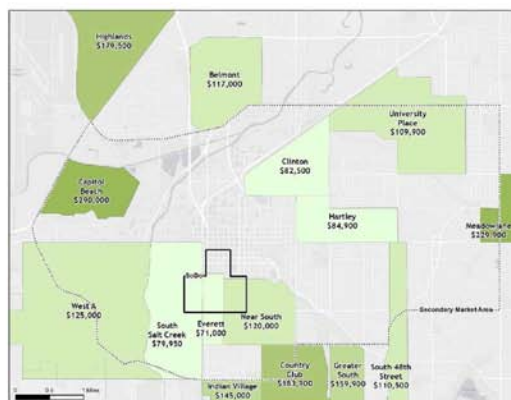
For-Sale Housing Supply: Single-Family

Housing values in SoDo are some of the lowest in Lincoln, which is somewhat indicative of the area's challenges related to deteriorating conditions and concentration of lower-income households.

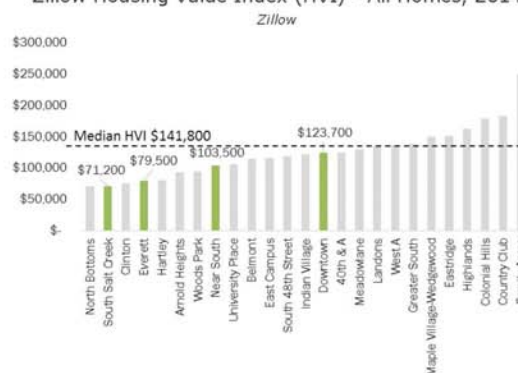
The SoDo study area includes portions of the South Salt Creek, Everett, and Near South neighborhoods. Given the prevalence of historic structures throughout the area, SoDo also encompasses portions of three historic districts (Everett, which is a locally-designated landmark district, and South Bottoms and Capitol Addition, which are on the National Register of historic districts). In fact, parts of the SoDo date back to the Original Plat laid out upon the city's foundation in 1867.

The single-family housing stock in SoDo primarily consists of homes between 1 and 2.5 stories in height built between the 1880s and 1920s. Architectural styles are fairly varied throughout the study area—towards the east, brick and frame homes were built in a number of architectural styles by prominent residents, while towards the west, smaller frame homes in vernacular styles housed immigrants and working class residents. A number of large single-family houses were converted into multi-family residences throughout the 20th century, some of which are now being “de-converted” back into single-family homes. However, single family detached housing still accounts for only 13 percent of the housing units in SoDo.

Data obtained from Zillow gives a snapshot of median listing price in November 2014. Echoing data from the U.S. Census referenced in the Housing Characteristics section, the values of homes in the neighborhoods that make up SoDo are lower than neighborhoods situated further from the city center. Two neighborhoods, Everett and South Salt Creek, had some of the lowest housing values compared to all of the Lincoln neighborhoods studied by Zillow. The Near South neighborhood had the highest home values in SoDo at \$103,500, but still lower than the city as a whole.



Zillow Housing Value Index (HVI) - All Homes, 2014



For-Sale Housing Supply: Single Family

The historic housing stock of SoDo spans a range of sizes and conditions with sales prices between roughly \$50 to \$75 per square foot.

Recent sales data from Zillow shows that there is a market for housing ranging from small one- and two-bedroom homes under 1,000 square feet to the larger homes with four or more bedrooms. Similarly, conditions varied across recent sales. The majority of homes offered original historic features, such as original woodwork and stained glass.

While some were newly-renovated with updated features throughout, others required some work, ranging from cosmetic to the replacement of major systems. Overall, housing in SoDo is relatively affordable compared to other neighborhoods in Lincoln with recent sales prices in the \$35 to \$99 per square foot range. Much of this can be attributed to poor marketability and deteriorating neighborhood conditions.

Though low home values are affordable to a broader range of household income levels, they also challenge efforts to stabilize property values throughout the neighborhood. Though historic buildings are often one of a SoDo's principal physical assets, the costs of repair and rehab of older properties can be especially burdensome for lower-income property owners. Deferred maintenance can, in turn, lower the value of adjacent properties, creating a negative cycle of deterioration and disinvestment—though one that can be reversed with programs and policies designed to support rehabilitation in low-resource settings.



Single Family Recent Sales

Property	Description	Year Built	Unit Type	Sale Date	Size	Sales Price	Price/SF
810 S 9th Street	Recently-renovated small frame bungalow	1905	3-BR/1-Ba	3/23/2015	961 SF	\$52,000	\$54
1536 B Street	Recently-renovated two story frame house	1910	4-BR/2-Ba	3/19/2015	1,780 SF	\$132,000	\$74
1310 C Street	Well-preserved brick home	1934	4-BR/2.5-Ba	3/9/2015	2,170 SF	\$215,000	\$99
1035 S 12th Street	Well-preserved frame Victorian	1900	6-BR/4-Ba	12/31/2014	2,130 SF	\$112,000	\$53
911 S 9th Street	Updated former rental with original woodwork	1912	4-BR/2-Ba	12/30/2014	1,244 SF	\$80,000	\$64
826 B Street	Small frame home in need of some work	1920	2-BR/1-Ba	12/23/2014	868 SF	\$37,000	\$43
846 A Street	Small frame home in need of some work	1915	1-BR/1.5-Ba	9/4/2014	793 SF	\$59,000	\$74
1029 S 14th Street	Two-story frame house in need of some work	1900	2-BR/1-Ba	8/21/2014	1,088 SF	\$38,000	\$35
1029 E Street	Two-story Victorian converted duplex	1874	3-BR/2.5-Ba	11/26/2013	1,610 SF	\$70,000	\$43

For-Sale Housing Supply: Condominiums

There is a limited number of condominiums in the SoDo study area and most are located Downtown and in the Haymarket. With some recent sales reaching \$257 per square foot, this indicates some potential for future condominium development both Downtown and in SoDo.

Condominiums often provide a “middle option” between home ownership and apartment living and allow households the ability to gain equity, while enjoying fewer maintenance requirements than owning a single-family home. Despite the relatively affordability of single-family homes throughout Lincoln, many elected officials, other professionals with rigorous travel schedules, or single-person households prefer condominiums since they require less day-to-day maintenance.

At present, there are very few condos in SoDo. One example is Windsor Square, which was built in 1983 and is made up of one-, two-, and three-bedroom units. Sales prices of between \$90 and \$99 were recorded for

recent sales at this property, one to two and a half times lower than condo prices in nearby neighborhoods.

A large percentage of Lincoln's condo supply is located north and north-west of SoDo in Downtown and Haymarket. Many of Lincoln's condos are located in renovated historic buildings along O Street that house retail at street level and residential on upper levels, such as the Centerstone Condos (built in 1900 and renovated in the 1980s) and the Lincoln Flats (built in the 1880s and renovated in 2011). Recent sales at these two properties were priced at between \$142 and \$257 per square foot.

In the Haymarket, the 14-unit Option Building provides a local example of new, infill, small-scale townhome construction. Built in 2006 at the site of a mattress factory, the Option was the first new residential building downtown in 40 years when it was built. The most recent sale at The Option was priced at \$235 per square foot.



Windsor Square



Lincoln Flats



The Option Building



Centerstone Condos

Condo Recent Sales

Property	Location	Unit Type	Sale Date	Size	Sales Price	Sales Price/SF
Windsor Square Unit 104W	SoDo	2-BR/2-Ba	1/16/2015	1,485 SF	\$147,444	\$99
Windsor Square Unit 101W	SoDo	1-BR/1-Ba	10/7/2014	853 SF	\$77,000	\$90
Lincoln Flats Unit 401	Downtown	2-BR/1.5-Ba	12/14/2014	1,390 SF	\$357,500	\$257
Lincoln Flats Unit 502	Downtown	2-BR/2-Ba	8/15/2013	1,563 SF	\$349,000	\$223
Centerstone Condos Unit 306	Downtown	1-BR/1-Ba	1/7/2015	580 SF	\$112,000	\$193
Centerstone Condos Unit 702	Downtown	2-BR/2-Ba	12/30/2014	1,160 SF	\$165,000	\$142
The Option Building Unit 5	Haymarket	2-BR/2.5-Ba	7/31/2013	2,196 SF	\$517,000	\$235

Rental Supply: Single Family & Duplex

There are five main types of rental housing in SoDo including single-family homes, subdivided single-family homes, duplexes, historic apartments, and “slip-in” apartments.

SoDo's very high proportion of renter-occupied units (93 percent) is due in part to the large range of rental options at very affordable prices. Given the low housing values, many owners have opted to subdivide their homes into smaller multi-unit properties as a source of income. Median rents in SoDo are among the lowest in Lincoln at \$409 per month, while median rents citywide are \$595 per month. In the neighborhoods surrounding downtown Lincoln, comparably-priced apartments are available, though prices tend to trend higher, especially near O Street in Downtown.

Subdivided Single-Family: Many historic single-family homes of substantial size continue to be subdivided into smaller apartments

units. These apartments tend to be smaller, yet more affordable compared to other rental options in the area. Though the rent of these smaller apartments is low on a per-unit basis, the price per square foot is somewhat higher than other units.

Duplexes: In SoDo and the surrounding neighborhoods, there are many duplexes for rent, ranging from two-bedroom units under 1,000 square feet to large, two-story frame units with up to five bedrooms and three bathrooms. Listings for larger duplexes are often targeted to students and monthly rent per bedroom is often in the \$250 to \$350 range.

Single-Family: Though much less common than duplexes, single-family homes are also offered for rent in the neighborhood. Like duplexes, these homes also tend to be spacious, with listings for larger homes targeted at students or young people living with roommates, although rental homes are also desired by lower-income families who need the extra space, but do not have the financial means to own their own homes.



Subdivided Single Family



Duplex



Single Family Rental

Houses & Duplexes for Rent

Property	Type	Unit Type	Size	Rent	Price/SF
1519 F Street	Subdivided single family	1-BR/1-Ba	470 SF	\$495	\$1.05
821 Goodhue Blvd	Subdivided single family	1-BR/1-Ba	460 SF	\$425	\$0.92
826 F Street	Duplex	4-BR/2-Ba	2,904 SF	\$1,200	\$0.41
1409 E Street	Duplex	5-BR/2-Ba	2,500 SF	\$1,250	\$0.50
1343 F Street	Duplex	3-BR/2-Ba	1,377 SF	\$990	\$0.72
835 S 12th Street	Single family	5-BR/2.5-Ba	1,486 SF	\$995	\$0.67
917 S 9th Street	Single family	5-BR/3-Ba	1,528 SF	\$1,325	\$0.87

Rental Supply: Apartment Buildings

There are generally two varieties of multi-family buildings in SoDo: historic mid-rise apartments built before 1940 and smaller "slip-in" apartments built primarily in the 1950s and 1960s.

Almost half of the residential buildings in SoDo are apartments as data from the U.S. Census indicates that 47 percent of residential buildings in SoDo have between 5 and 19 units. The apartment buildings vary in condition and their units tend to be smaller than those in duplexes and single-family homes, although the price per square foot is comparable in some cases.

Historic apartments: There are a number of historic, mid-rise masonry apartment buildings dating from the apartment "boom" in the 1920s and 1930s. Examples include the William Penn Building, the Palisade, the Regent, and the Mariposa. Depending on the quality of finishes inside the building, units in these buildings can rent at a higher price per square foot than units built later in the 20th century.

"Slip-Ins": Apartments built in between the 1940s and 1980s, termed "slip-ins," were built as infill as single-family homes were demolished throughout the 20th century. SoDo's mid-century apartments are typically two to three stories tall. The greatest concentration of these apartments are found closer to downtown in the north and east sections of the study area. Though these apartments generally command lower rent per square foot than historic apartments, amounts are comparable to single family homes and duplexes.



The Palisade & Regent Apartments (1929)



William Penn Building (1929)



The Mariposa (1929)



1212 D Street (1975)



1419 B Street (1963)



1432 B Street (1977)

Apartments for Rent

Property	Type	Unit Type	Size	Rent	Price/SF
The Palisade & Regent	Historic	1-BR/1-Ba	749 SF	\$375	\$0.50
William Penn	Historic	1-BR/1-Ba	621 SF	\$525	\$0.85
The Mariposa	Historic	1-BR/1-Ba	460 SF	\$535	\$1.16
1212 D Street	Slip-In	2-BR/1-Ba	725 SF	\$544	\$0.75
1419 B Street	Slip-In	1-BR/1-Ba	625 SF	\$449	\$0.72
1432 B Street	Slip-In	2-BR/1.5-Ba	980 SF	\$560	\$0.57
1020 H Street	Slip-In	1-BR/1-Ba	570 SF	\$449	\$0.79
810 H Street	Slip-In	2-BR/1-Ba	725 SF	\$535	\$0.74

Rental Housing Supply: Student Housing

Increasing student enrollment at the University of Nebraska has put a strain on its existing on-campus housing supply and the private market continues to accommodate growing off-campus housing demand with four large scale student housing properties that have been developed since 2012.

Historically, SoDo has attracted students given its large supply of relatively affordable rental housing and close proximity to the U-NL main campus; however, growing demand for high-quality student apartment properties with extensive community amenities such as swimming pools, fitness centers, and study rooms has encouraged new student apartment development Downtown.

Three new buildings, The 50/50, Parkhaus, The Latitude, and Canopy Lofts have added over 1,300 units restricted to students that offer modern design, amenities, and floorplans/leasing arrangements designed to appeal to the preferences of students (and their parents).

Compared to housing within SoDo, prices per bedroom and per square foot are much higher—in some cases two to three times more expensive—making these apartments less affordable for many students. Although these new properties can accommodate a segment of growing student housing demand, they still cannot supply enough housing for the projected increase of 5,000 students by 2030. Additionally, SoDo still offers the most affordable rental options for students and will continue being a primary housing options; on the other hand, deteriorating neighborhood conditions would likely steer potential renters away.



The 50/50 (2014)



Parkhaus (2012)



The Latitude (2015)



Canopy Lofts (2013)

Student Apartments

Property	Year Built	Number of	Unit Types	Size	Rent	Rent/Bed	Rent/SF
The 50/50	2014	475	2-, 3-, & 4-BR	624 SF - 1,138 SF	\$1,430 - \$2,620	\$620 - \$715	\$1.93 - \$2.36
Parkhaus	2012	192	2- & 4-BR	684 SF - 1,600 SF	\$1,380 - \$2,600	\$595 - \$745	\$1.63 - \$2.19
The Latitude	2015	576	Studio, 1-, 2-, 3-, & 4-BR	460 SF - 1,200 SF	\$974 - \$3,196	\$674 - \$1,199	\$1.89 - \$2.66
Canopy Lofts	2013	71	1-, 2-, 3- & 4-BR	510 SF - 1,510 SF	\$900 - \$2,800	\$625 - \$900	\$1.79 - \$2.34

Rental Housing Supply: Affordable

SoDo is home to two subsidized apartment communities with several nearby in the greater Downtown area.

Within the boundaries of SoDo, there is only one subsidized affordable housing community, the twin President and Ambassador buildings, which have recently received Low-Income Housing Tax Credits (LIHTC) for their renovation. Combined, the buildings provide a total of 71 units with a mix of efficiency and one-bedroom units. Affordable housing for families is provided by the Lincoln Housing Authority at homes and duplexes throughout Lincoln, including within the study area. Rents at these units are limited to 27 percent of a family's gross income.

Outside of the study area, four buildings provide affordable housing for Lincoln seniors: the 60-unit Hardy Building, an income-restricted (LIHTC) property, and three Section 8 properties, Capitol View Tower

er Apartments, Crossroads Apartments, and St. Charles Senior Apartments. Combined, these properties provide 201 units of housing for low-income seniors.

Two buildings outside of the study area, Northwood Terrace and Heritage Square, offer units with one, two, or three bedrooms within walking distance of the university. Both properties accept housing choice vouchers, and Northwood Terrace is limited to households earning 80 percent or less of area median income (AMI). Closer to the study area, the YWCA apartments offer two-bedroom units to households earning 50 percent or less AMI.

Though rents in SoDo are considered affordable on a price per square foot basis, the quality and condition of the units vary greatly. Housing development using LIHTC is an effective way to increase the overall quality of an area's housing stock through new development or renovation. LIHTC properties are privately developed and managed with strict reporting and compliance standards, which incentivizes proper maintenance and management.



The President (LIHTC)



The Hardy Building (LIHTC)



Heritage Square Apartments



Northwood Terrace Apartments



Capitol View Tower Senior Apartments (Section 8)



Crossroads House Senior (Section 8)



St. Charles Senior Housing (Section 8)



YWCA Apartments (LIHTC)

Housing Demand Pricing

Understanding affordability levels of existing SoDo and Downtown residents offers insights as to the type of rental or for-sale housing the market can support and the financial feasibility of new development.

According to ESRI, there were 7,303 households in Downtown and SoDo in 2014, which represents just under 8 percent of the total households in the city of Lincoln. Of these households, over 55 percent earn less than \$25,000 per year and, on average, these households pay 35% or less of their salary towards housing. Therefore, a household that earns \$20,000 per year should be expected to pay around \$580 per month on rent.

By identifying the number of households by income bracket and making some estimates of percentage of income paid toward housing and proportion of homeowners to renters by income bracket, the cost of housing in SoDo and Downtown can be estimated. Though some replacement or rehabilitated housing products could attract new residents to the area, in all likelihood, new housing products are more likely to be bought or rented by existing SoDo or Downtown residents, at least in the near term.

For-sale Market: Roughly 29 percent of owner households can only afford a home priced lower than \$150,000. This does not include the nearly 2,400 households earning less than \$15,000 that are assumed to be renters. There is a small market for homes priced at or above \$150,000, but any larger scale developments would likely need to attract higher-income residents to the neighborhood or require subsidy.

Rental Market: Roughly 65 percent of renter households earn less than \$25,000 and can only afford rents of about \$600 per month or less. About 20 to 25 percent of renters can afford rents of \$1,000 or more per month. Similar to the for-sale housing demand pricing, higher-quality (and priced) rental units would likely need to attract higher-income residents to the neighborhood or require subsidy.

Legend: Market Position
 Subsidized Affordable Midscale Upscale Luxury

Rental Market Demand by Product Pricing

SoDo and Downtown Lincoln
 ESRI, Development Strategies



For-Sale Market Demand by Product Pricing

SoDo and Downtown Lincoln
 ESRI, Development Strategies



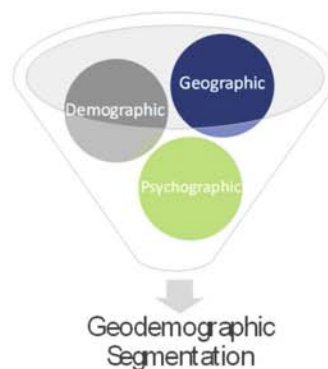
Consumer Segments

Target market analysis is used to determine demand based not only on geography and demographic traits, but also on consumer preferences. This analysis can be used to identify particular household types that would be interested in denser housing options in Lincoln and where they are currently living in the region.

Just as market segmentation and target marketing are used to determine tendencies to buy different types of consumer products—including products as diverse as cars, computers, and dish soap—Development Strategies analyzes market segmentation data to identify demand for different types of housing products at a particular location. Market segmentation analysis provides a clearer understanding of how many households might be attracted to a project (or community), who those households will consist of, and where they will come from. Ultimately, this guides the type, pricing, and market position of housing product to be offered at a given site.

The methodology makes use of ESRI's Community Tapestry™ data, which uses algorithms to link demographic, geographic, and psychographic data to create 65 unique geodemographic segments. In other words, these “segments” are essentially 65 household groupings, each with their own unique combination of demographic (income, age...), geographic (where they live), and psychographic (values, culture...) characteristics (see diagrams at right).

Unlike conventional demand methodologies, which focus on absorption of nearby projects or subdivisions—and demographic data such as age and income within a market area—target market analysis allows us to focus on geographic preferences, and attitudes and cultural norms. This is particularly useful when no nearby comparables exist, a number of housing products are being pondered, or a large percentage of the market may come from well beyond traditional market boundaries. Our target market analysis enables us to find potential homebuyers and renters for SoDo that are located throughout the Lincoln region.



Psychographic	Demographic	Geographic
<ul style="list-style-type: none"> • Attitudes • Values • Culture • Buying Patterns 	<ul style="list-style-type: none"> • Age • Gender • Income • Home Value • Ethnicity • Family Type • Education 	<ul style="list-style-type: none"> • Market Areas • Cities • Counties • MSA's • Neighborhoods • Census Tracts

Demand: Existing Household Groups

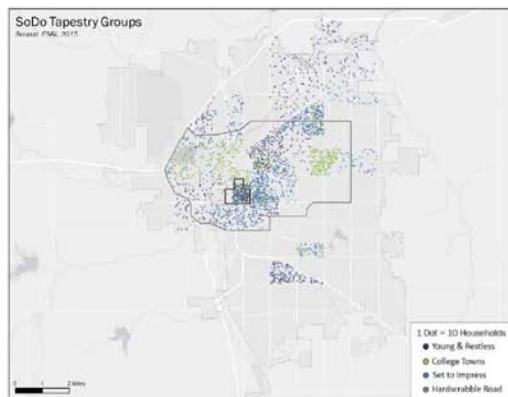
Four tapestry groups call SoDo home: Young & Restless, College Towns, Set to Impress, and Hardscrabble Road.

Tapestry segmentation is a method of classifying residential neighborhoods based on household characteristics, such as income and family type, to demographic traits such as age, education, employment, and housing choice. The results of tapestry analysis can be used to understand the real estate preferences of the people who live in a place—or to understand the characteristics of competing neighborhoods. At present, four tapestry groups live within the boundaries of the SoDo study area.

Young & Restless: Young & Restless neighborhoods are found in the metropolitan areas of the South, West, and Midwest. Well-educated young workers, some of whom are still completing their education, are employed in professional/technical occupations, as well as sales and office/administrative support roles. These residents are not established yet, but striving to get ahead and improve themselves. This market ranks in the top 5 for renters, movers, college enrollment, and labor force participation rate. Almost 1 in 5 residents move each year. Close to half of all householders are under the age of 35, the majority living alone or in shared nonfamily dwellings. Median household income is still below the U.S. median. Young and Restless consumers are diverse, favoring densely populated neighborhoods in large metropolitan areas.

College Towns: College Towns neighborhoods are found near colleges and universities where housing is affordable. About half the residents of College Towns are enrolled in college, while the rest work for a college or the services that support it. College Towns residents are very young (their median age is 24) and live with roommates, partners, or alone. Part-time employment is high and median income is low. Single-family housing is often interspersed with student-friendly housing and is home to older families.

Set to Impress: Set to Impress is depicted by medium to large multiunit apartments with lower than average rents. These apartments are often nestled into neighborhoods with other businesses or single-family hous-



ing. Nearly one in three residents is 20 to 34 years old, and over half of the homes are nonfamily households. Although many residents live alone, they preserve close connections with their family. Income levels are low; many work in food service while they are attending college.

Hardscrabble Road: Hardscrabble Road neighborhoods are in urbanized areas within central cities, with older housing, located chiefly in the Midwest and South. Hardscrabble Road is primarily a family market, married couples (with and without children) and single parents. Younger, highly diverse (with higher proportions of black, multiracial, and Hispanic populations), and less educated, they work mainly in service, manufacturing, and retail trade industries. Unemployment is high (almost twice the US rate), and median household income is half the US median. Almost 1 in 3 households have income below the poverty level. Approximately 60% of householders are renters, living primarily in single-family homes, with a higher proportion of dwellings in 2–4 unit buildings. This market is struggling to get by.

Demand: New Household Groups

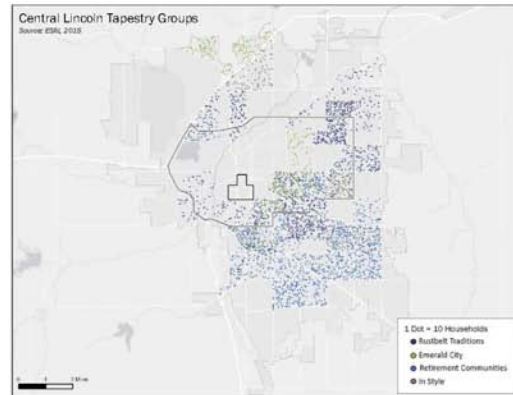
Four additional tapestry groups, which are common throughout Central Lincoln, may be attracted to an area like SoDo if neighborhood conditions improved and if a broader range of housing types were offered. These groups tend to prefer more urban, diverse, walkable neighborhoods.

Looking beyond SoDo borders, diverse groups are living throughout Central Lincoln. These four groups, which span a number of life stages, are already settled in Lincoln's urban core. Understanding what their neighborhoods offer may offer some insight into the preferences of these groups. Given the right circumstances, these residents and families may consider a move to SoDo if a broader range of housing types were offered such as townhomes, newer apartments, and renovated or newly constructed single-family homes.

Rustbelt Traditions: Rustbelt Traditions residents are a mix of married-couple families and singles living in older developments of single-family homes. While varied, the work force is primarily white collar, with a higher concentration of skilled workers in manufacturing, retail trade, and health care. Rustbelt Traditions represents a large market of stable, hard-working consumers with modest incomes, but above average net worth. Almost 75 percent of these household types in the City of Lincoln are already living in Central Lincoln.

Emerald City: Emerald City's denizens live in lower-density urban neighborhoods throughout the country. Young and mobile, they are more likely to rent. Well educated and well employed, half have a college degree and a professional occupation and tend to work in more of the creative industries such as arts, design, or web-based industries. Incomes are close to the US median come primarily from wages and self-employment.

Retirement Communities: Retirement Communities neighborhoods combine single-family homes and independent living with apartments, assisted living, and continuous care nursing facilities. Over half of the



housing units are in multiunit structures, and income is below the national average. These groups place a higher preference towards neighborhoods that promote automobile-free living such as those with access to public transportation and walkability.

In Style: In-Style neighborhoods are characterized by professional couples or single households without children who are focused on their homes and interests. These groups tend to support the arts and are often interested in living in higher-density urban areas with access to restaurants and cultural amenities.

Future Housing Demand

Over the next 15 years, the city's projected population growth will drive future demand for new housing. Based on future demand from the groups already living in SoDo, and those that would be potentially interested in moving to SoDo, there would be demand from approximately 1,000 net new households.

Over the next 15 years, the eight groups identified on the previous pages will likely add almost 11,000 new households throughout the City of Lincoln. Since these groups prefer close-in, walkable, urban neighborhoods, we assume that SoDo could capture a portion of this demand, assuming improved neighborhood conditions and a broader range of housing types were offered. Of course, accommodating this demand is dependent on the absorption of existing vacant units, redevelopment of abandoned units and vacant land, and feasibility of building new housing.

Rental Housing Demand: Based on average rental housing rates for the eight identified groups, the 1,000 net new households would demand about 650 rental units. Based on the average household income for these groups, the existing SoDo groups could afford monthly rents from about \$580 to \$780 per unit and the new SoDo groups could afford monthly rents from about \$770 to \$1,410 per unit.

For-Sale Housing Demand: Based on average ownership rates for the eight identified groups, the approximately 1,000 net new households would demand about 350 for-sale units. Based on the average household income for these groups, the existing SoDo groups could afford units priced from about \$110k to \$140k and the new SoDo groups could afford units priced from about \$140k to \$260k.

15-Year Future Housing Demand for SoDo

Capture of Existing and Future Household Types

Tapestry Group/Segment	Median HH Income ¹	% Owner	% Renter	Projected HH Growth in Lincoln	SoDo Capture	Implied Owner Households	Implied Average Price ²	Implied Renter Households	Implied Average Rent ³
Demand from Existing SoDo Groups									
Young and Restless	\$37,600	13%	87%	1,404	211	28	\$140,000	183	\$780
College Towns	\$29,400	25%	75%	1,260	189	47	\$120,000	142	\$610
Set to Impress	\$28,900	28%	72%	1,816	272	76	\$110,000	196	\$600
Hardscrabble Road	\$27,600	40%	60%	377	57	23	\$110,000	34	\$580
Demand from Future Groups									
Rustbelt Traditions	\$51,100	72%	29%	2,263	113	81	\$200,000	32	\$1,060
Emerald City	\$54,200	49%	51%	759	30	15	\$210,000	16	\$1,130
Retirement Communities	\$36,900	45%	55%	821	41	19	\$140,000	22	\$770
In Style	\$67,700	68%	32%	1,952	78	53	\$260,000	25	\$1,410
Total/Average				10,652	991	341	\$165,000	650	\$720

¹ Median household income, percent owner, and percent renter are based on national averages for these groups

² Assumes a 5% interest rate, 30-year mortgage, 25% PITI, 10% downpayment based on a monthly housing cost (mortgage, taxes, insurance, maintenance, etc.) of 30% of income

³ Assumes a monthly rent based on 25% of income

Housing Development Program

Currently, there are approximately 575 vacant units in SoDo in various conditions, which could accommodate a portion of the future demand for housing through move-ins, renovation, or redevelopment. Therefore, over the next 15 years, SoDo could accommodate approximately 425 to 450 net new units, allowing for some vacancy.

New Housing Development

Based on national averages for the proportion of renters and owners for the eight identified households groups that will supply future housing demand for SoDo, of the 425 to 450 net new housing units, approximately 275 to 325 should be rental units and 150 to 200 should be owner-occupied units.

Increasing Homeownership

As presented previously, a very large proportion of the existing households in SoDo are renters (93 percent of occupied units). The types of households living in SoDo tend to rent in relatively high proportions, although based on national averages, the rate should be closer to 80 percent. Therefore, in order for the existing residents of SoDo to match national averages, roughly 500 renter households would need to transition to owner-occupied units.

15 Year Housing Demand for SoDo



Increasing Ownership Rate of Existing SoDo Residents



Retail Market Potential

SoDo is primarily a residential neighborhood, but there is still a need for smaller-scale, complimentary retail uses to serve the local community. At the same time, it is critical to understand the retail market potential of the greater Downtown area as a whole, since there may be opportunities to generate more foot traffic in and around SoDo.

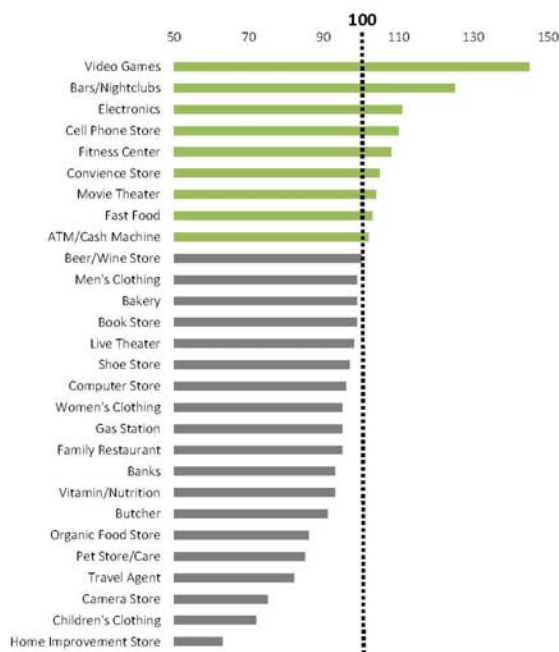
ESRI provides *Retail Market Potential* data for any selected area, which considers the types of products and consumer behavior based on underlying demographic and socio-economic characteristics. Much of this data is derived from *Doublebase 2013* data from GfK MRI, a leading consumer research firm and considers the expected number of customers and local demand for certain products or services.

The Retail Market Potential Index represents the ratio of local demand compared to national demand with the national average at 100; therefore, in the SoDo and greater Downtown area, if the index is above 100, demand is greater than the national average. This index does not factor existing supply of retail, or demand from workers or visitors, just the typical demand from local households.

The Retail Market Potential Index for SoDo and Downtown indicates preferences for video game stores (145), bars/nightclubs (125), electronics stores (111), cell phone stores (110), and fitness centers (108). These results are likely steered by the large student population and younger households living in the area.

Resident Retail Market Potential Index

SoDo and Downtown Lincoln
(100=National Average)
ESRI, Development Strategies



Retail Market Gap Analysis

When considering the existing supply of retail stores and demand from local residents in SoDo and Downtown, the market could support a *Grocery Store* and *General Merchandise store*.

ESRI's *Retail MarketPlace* data includes total demand (retail potential) and total supply (retail sales) using a combination of U.S. Census and Dun & Bradstreet data and the Bureau of Labor Statistics' annual Consumer Expenditure Surveys, which provides consumer spending patterns by household type and income.

The following analysis measures *leakage*, which indicates whether households have to leave the study area, in this case SoDo and Downtown, for certain types of stores. In other words, a certain type of store, such as a grocery store, may be in high demand, but there are not enough grocery stores in the area to support the local community.

When incorporating the estimated retail sales by area businesses, typical store size, and typical sales per square foot by retail type, there is a significant undersupply of retail space for *General Merchandise Stores* and *Grocery Stores* and some limited excess demand for *Building Material and Garden Equipment Stores*, *Electronics and Appliances Stores*, and *Sporting Goods, Hobby, Book, and Music Stores*. In other words, the study area is experiencing leakage in these retail categories and residents must seek out these needs in other parts of the city or region.

The study area has an "oversupply" of *Full-Service Restaurants*, *Drinking Places*, and *Limited-Service Eating Places*, to name a few. This does not necessarily mean that there are too many bars and restaurants in the area—it means that local residents alone cannot sustain them and the area must continue to attract commuters or visitors to support/expand these uses. This is consistent with the fact that the Haymarket is the primary entertainment district in the city and features a wide range of bars and restaurants.

Locally-Supported Retail Opportunity
SoDo and Downtown Lincoln
ESRI, ULI Dollars and Cents, BizStats, Development Strategies



Market Analysis: Conclusions

SoDo includes a mix of historic single-family homes and apartment buildings as well as smaller "slip-in" multi-family buildings in varying condition. SoDo has some of the lowest housing values in Lincoln, and with such relatively low asking rents, there is less incentive for owners to maintain their properties.

Market Summary

- Portions of the South Salt Creek, Everett and Near South are located in SoDo and all have housing values that are lower than the city as a whole.
- The historic housing stock of SoDo spans a range of sizes and conditions with sales prices between roughly \$50 to \$75 per square foot.
- Recent sales prices of condominiums vary, but with some recent sales reaching \$257 per square foot, this indicates some potential for future condominium development both Downtown and in SoDo.
- There are a number of single-family rental properties and some have been subdivided to include several individual units.
- There has been a boom in student housing development to accommodate the growing enrollment at the university. Since 2012, approximately 1,300 beds have been added to the market.
- Rents at historic or slip-in apartment buildings generally range from \$350 to \$450 for one-bedroom units and are around \$550 for two-bedroom units, which are some of the lowest in Lincoln.
- Based on current income levels of SoDo and Downtown residents, roughly 65 percent of renter households earn less than \$25,000 and can only afford rents of about \$600 per month or less.
- Roughly 29 percent of owner households in SoDo and Downtown can only afford a home priced lower than \$150,000.

- The tapestry segments in SoDo are defined by young professionals, college students, recent college graduates, and the working poor.
- There are groups living in Central Lincoln who tend to prefer centrally-located, urban neighborhoods, but are not living in SoDo due to neighborhood condition or lack of a broader range of housing types.
- Based on demand from household types already living in SoDo and those who may be attracted to an area like SoDo, it could support approximately 1,000 net new households (if there is room). With 575 vacant housing units, SoDo would need to add 425 to 450 net new units to accommodate this demand, allowing for some vacancy.
- When considering the existing supply of retail stores and demand from local residents in SoDo and Downtown, the market could support a Grocery Store and General Merchandise store.

Implications for SoDo

Given the poor housing market in SoDo, new construction or significant renovations would likely not be feasible without some form of subsidy. On the other hand, the ongoing revitalization of Downtown, success of the West Haymarket development, and growing enrollment at the University of Nebraska enhances the overall marketability of SoDo. With such low housing values, there are great "starter home" opportunities for recent college graduates or lower-income households. Also, given the historic housing stock, many young professionals would be attracted to the neighborhood. Increasing the home-ownership rate in SoDo would greatly contribute to its revitalization.

Based on current retail demand, there could be opportunities for a grocery store or other general merchandise store. Though there is an oversupply of restaurants Downtown, creating destination retail that attracts customers from a broader area could also help promote placemaking and vibrancy.

The Future of SoDo

SoDo has tremendous assets that can be leveraged to enhance marketability, quality of life, and the economic prosperity of its residents. However, it also faces a number of challenges that must be overcome for its revitalization and positive transformation.

Documenting and analyzing the underlying market challenges that SoDo faces is the first step to developing a long-term strategy that can have a lasting positive impact on current and future residents of SoDo. Though this report does not provide solutions, its purpose is to build a framework for eliciting feedback from the community and vested stakeholders. This feedback will ultimately form the foundation for the revitalization plan.

Addressing the following needs, as presented in this report, will be essential to SoDo's future. The revitalization plan that will be developed subsequent to this report will aim to address these needs with goals, objectives, and implementation strategies.

1. There is a need to reduce *Crime*.
2. There is a need to promote *Economic Upward Mobility*.
3. There is a need to increase the rate of *Homeownership*.
4. There is a need to preserve the *Historic Character* of the neighborhood.
5. There is a need to improve *Deteriorating Conditions*.
6. There is a need to increase *Property Values*.
7. There is a need to *Attract More Residents* to SoDo and Lincoln's urban core.
8. There is a need to attract *New Jobs* to Downtown.
9. There is a need to promote *Placemaking*.
10. There is a need to improve the *Retail Environment*.
11. There is a need to *Incentivize* real estate development.
12. There is a need to improve the *Pedestrian Experience*.





CONSENSUS ISSUES, ASSETS, & IDEAS LONG LIST

Consensus Issues, Assets, & Ideas

The following list has been compiled from information has been gathered from Stakeholder Interviews, Community Kickoff Meeting #1, Community Advisory Committee Meeting #1 & #2, OneWord Cards, Exit Surveys, MindMixer data, Charrette (Public Meeting #2, Focus Group Meetings, Steering Committee Meeting #3 & #4, Client Meetings, Open House), and Post-Charrette (Focus Group Meetings, Executive Committee Meetings, Community Meeting #4, Community Advisory Committee Meetings)

Text in **yellow are potential programming opportunities; **bold** text are those presented for polling at Kickoff Meeting #1 and Community Advisory Committee Meeting #2; [#] represent the number of times an item has been mentioned*

October 14, 2015

Consensus Issues

01 | Context: City & Downtown

- **[48] Lack of wide range of high quality housing to enhance downtown living.**
- **[37] Lack of a broad spectrum of amenities in the urban core.**
- **[31] Slower growth in new jobs in the downtown to attract potential residents.**
- [6] “SoDo is a bad name; it is artificial, imposed, top-down, thinking away what is already here.”
- Not enough things to attract outside people.
- Lack of opportunity of young people to cheaply create jobs in their neighborhood
- City

02 | Neighborhood Structure, Character, & Ecology

- **[51] Poor pedestrian experience and safety due to wide, high traffic streets.**
- **[55] Insufficient investment in the streets, alleys, and parks.**
- **[39] Poor quality lighting on streets, alleys, and parks.**
- **[29] Lack of usable parks and greenspace distributed throughout the neighborhood.**
- **[15] Lack of clarity of SoDo’s boundaries and adjacent neighborhoods.**
- **[11] Historic districts and the neighborhoods are not aligned.**
- **[6] Lack of clear edge between neighborhood and downtown.**
- **[3] Deteriorations.**

- [2] Busy streets without traffic lights.
- [2] Alleys in poor condition.
- Lack of adequate Senior Housing.
- Lack of new businesses in the residential area.
- Not enough flexibility in the zoning categories.
- No benches at bus stops.
- Lack of financial incentive for restored properties—taxes are too high.
- Too much unprogrammed space between downtown and neighborhood
- Substandard properties.
- A slow decline into a bad neighborhood no one wants to live in.
- Losing greenspace
- Diversity
- Failure to capitalize on the value of Goodhue Blvd.
- SoDo is not a single neighborhood, resident's think of it as three.

03 | Access, Circulation, & Parking

- **[47] 9th, 10th, 16th, and 17th Streets act as barriers.**
- **[44] Limited access to efficient & effective public transportation throughout the neighborhood and to other points in the city.**
- **[36] A shortage of structured & on-street parking north of H Street.**
- **[35] High traffic volume on 9th and 10th Streets.**
- **[13] High traffic volume on 13th and A Streets.**
- **[7] Medium traffic volume on 16th and 17th Streets.**
- [4] Cars go too fast for pedestrians and bikes.
- [3] Road repair—there are a lot of pot holes throughout the neighborhood.
- [2] Public transportation does not run late enough.
- [2] Parking for the capitol is congesting residential parking.
- [2] Lack of sufficient bike infrastructure.
- Insufficient parking between G & 10th and north of H Street.
- Not enough parking during football games for overflow.

- Poor signage.
- Too much surface parking and not enough green space in the residential areas.
- Lack of family friendly attractions
- Lack of street parking—specifically between G & 10th Street.
- Not enough bus routes.
- Too much parallel parking, it is a waste of space.
- Insufficient parking on C Street due to the amount of high density units.
- Insufficient parking on-street parking on A and B Street.
- Alleys need a lot of repair.
- No more roundabouts.
- ADA accessibility issue.

04 | Building Types & Ownership

- **[51] Slip-in apartments and low-quality rentals detract from the character.**
- **[41] Absentee landlords are not being held accountable and are unresponsive to neighborhood concerns.**
- **[39] Many buildings in poor physical condition with deferred maintenance.**
- [35] Quality housing.
- **[30] High rentership and non-owner occupied housing.**
- [26] Overall building maintenance and condition.
- **[16] Lack of restoration of historic homes.**
- **[12] Lack of new residential development.**
- **[9] Large residential buildings subdivided into rentals.**
- Poorly designed slip-in apartment buildings to be integrated into a neighborhood intended for single family homeowner occupancy.
- Short term tenants.
- Too many large scale rental developments.
- Lack of investment in housing stock.
- Demolish long-term vacant houses.
- Not enough ownership.

- Lack of opportunity for young entrepreneurs to own home or business property.
- New Development must not turn into the “slip in” of the future.
- Low purchase price attracts buyers who can’t afford to maintain their 100 year old house.
- Loss of single family housing.
- “The problem of affordable housing has not been solved.”
- Condos near A Street and the Capitol is a bad idea.

05 | Livability, Well-Being, and Safety

- **[58] Generally, area perceived as unsafe.**
- **[53] Problem properties, deteriorating conditions, and lack of building upkeep.**
- **[23] Petty crime and illegal activities.**
- **[21] High rate of poverty with a median income of less than half that of the city.**
- **[16] Poorly quality of light at night contributes to an unsafe feeling.**
- **[14] A high “transient” population and homelessness in Cooper Park.**
- **[14] Lack of incentive for people at different stages of life to make permanent roots in the neighborhood.**
- **[12] Lack of amenities and housing for multigenerational living.**
- **[11] Families with domestic violence and substance abuse problems.**
- **[7] Poor lack of quality of life.**
- **[2] Poorly maintained residential lawns.**
- High percentage of non-english speakers.
- Neighborhood perceived as rundown and extremely dangerous by those who live outside the area.
- Vandalism.
- Problem during morning drop-off; people speeding.
- Needs more security in the area (visually).
- Lack of safety around Mexican Bakery due to gathering of people doing questionable behaviors.
- Lack of ability to voice concerns to landlord without fear of retaliation.
- Lack of community policing.

- No trash receptacles throughout neighborhood.
- People are afraid to call the police when they see illegal activity!
- Lack of social services for low income residents.
- Insufficient job training, counseling, housing, childcare, and basic needs for the low income people.
- Stop stigmatizing poor people.
- Not enough commercial activity spread out around the community
- Too much residential.
- Crosswalks not clear.
- Lack of proper security.
- Speeding on 8 between D and F- Children in danger 10/crossing at playground
- Too much drink downtown.
- Walking distance from downtown is great but not safe.
- Lighting concern on G Street and in alleys.
- Fire access is inadequate.

06 | Community Services, Amenities, & Health

- **[50] Low food security and lack access to quality food.**
- **[38] Lack of neighborhood services and retailing.**
- [31] Amenities to attract residents.
- **[28] Low-quality, second tier convenience retailing.**
- **[24] Lack of recreational and entertainment amenities.**
- **[21] Lack of awareness and access to regional social services.**
- **[16] Insufficient access to health insurance.**
- [7] Not enough community gardens.
- [6] Food desert.
- [4] Lack of grocery stores.
- **[3] Insufficient medical services in the neighborhood.**
- [2] Infrastructure (sewer, water, road conditions).
- Not enough retail.

- Improve low-income entertainment options.
- Some residents are careless about smoking indoors and it is beginning to affect kids health.
- There is a trash problem.

07 | Arts, Culture, & Education

- **[69] Lack of a skilled workforce and minimal educational attainment.**
- **[34] Educationally accessible jobs to SoDo residents are physically less accessible.**
- **[33] Disproportionate number of residents without a college degree.**
- [32] Access to education.
- [2] Lack of high-quality affordable childcare
- Increase live, work, art spaces.
- Promote art performance/ venues in neighborhood
- Sculpture placement (e.g. light bulbs)
- Lack of appreciation of people of all skills (including those without degrees)

08 | Opportunity, Innovation, & Prosperity

- **[37] High costs for repair and rehab of older historic properties.**
- **[20] Concentration of lower property values than the city as a whole.**
- **[20] Lack of subsidized and affordable housing.**
- **[19] Difficult job accessibility for SoDo residents.**
- **[19] Low housing values compared to other neighborhoods.**
- **[16] Disconnect between placing graduating student population and local job opportunities.**
- **[14] Low home values create the challenge of stabilizing property values.**
- **[13] Insufficient amount of white collar jobs available.**
- **[9] Few SoDo residents both live and work in the neighborhood.**
- [8] Concerns about where the displaced people will go after the neighborhood.
- [8] Huge population of unemployable.
- [3] Funding needed for repair and rehab of older historic properties.
- [2] Difficult for people in community to create their own opportunities for themselves and their community

- Support for small business development.
- There are some English learning centers, but they are far away.
- No workforce development.
- Lack of opportunity.

09 | Governance, Management, & Funding

- **[55] Fractured community.**
- **[55] Lack of investment.**
- **[38] Lack of a true community development corporation (CDC).**
- [10] No Gentrification.
- [4] Concerned about the displacement of current residents in this plan.
- [3] Not enough access or availability to vouchers.
- [2] Lack of care for properties.
- This area is not a priority for the city!
- Code enforcement.
- Lack of City-wide awareness & vision
- No guidelines/ regulations for smoking laws, landlords do not enforce
- Not enough resources for financing (tax credits, banks, loan programs)
- Ineffective loan programs for renovation
- Lack of enforcement of clean property.
- Property taxes way too high for deteriorate neighborhood.
- Lack of incentive to invest in neighborhood.
- Lack of power (for sense of power) of residents to identify and solve their own problems.
- Inconsistent design standards.
- Government.
- Revenue.

10 | Other

- Decrease Population Density (Decrease Number of Units)
- Too many frat parties.

- Human centered not car centered.
- There isn't available housing for all income levels.
- Externally motivated development
- Institutional inertia—we have been talking about this stuff for decades.
- Building on its strengths
- Lots of unfulfilled promise, waiting for a kick start.
- Who decided what the boundaries of SODO encompassed.

Consensus Assets

01 | Context: City & Downtown

- [2] UNL
- Downtown is rebuilding.
- Government Institutions— DHS Capitol etc.
- Haymarket.
- Established Neighborhood Associations.
- Separate Neighborhoods Overlaying SoDo Not an issue.
- Bennet Martin Library has served Lincoln well.

02 | Neighborhood Structure, Character, & Ecology

- [11] Great Views— specifically east to the Capitol and west to the County City building.
- [5] Historic significance.
- [4] Trees.
- [4] Historic character.
- [4] Diverse (socially, ethnically, educationally)
- Lots of opportunity for revitalization.
- New neighborhood center on 11th from F Street to H Street.
- Neighborhood-scaled park situated close (Cooper Park).
- Historic architecture and (some available) building stock.
- Well-established neighborhoods to the east, south, and west.
- A rich community history and sense of place.
- A number of Community Gardens in the area (F-Street & 1st Presbyterian).

- Three new South Haymarket mixed use projects.
- West Haymarket that will be completed in the next 3 years.
- The revitalization of the Haymarket and Rail Yard areas are a natural opening to the improvement of the SoDo area.
- The area has a lot of potential and great character such as being close to downtown.
- Very beautiful houses.
- I love everyone's gardening--the flowers, the trees, the lilacs.
- A lot of Lincoln's beginnings and roots originate here.
- Safe and beautiful community to compliment Haymarket.
- Lovely/vibrant
- Shady Beautiful Streets
- Low income is partly due to UNL student population. Students are good for the neighborhood and they need affordable housing.

03 | Access, Circulation, & Parking

- [6] Great access and immediacy to Downtown Lincoln, the Capitol, and UNL.
- [5] Great framework for walking and lots of sidewalks & pedestrian access.
- Adjacency to another commercial area at 17th & Garfield!
- Neighborhood commercial and destination retail (on 13th from D Street to F Street).
- Blossoming office area and increasing daily workforce (with new buildings).
- Easy access and connections to redeveloping area (such as West & South Haymarket area).
- The neighborhood is accessible to Downtown area by route and buses.
- Variety of housing and business options that are easily accessible by foot, bike, and bus.
- More than any other neighborhood in town, SoDo can lay claim to being the "biking" neighborhood.
- Great connectivity.
- On-street bike routes.

04 | Building Types & Ownership

- [4] Affordable housing stock.
- [2] Many apartment buildings are very helpful as stepping stones in aiding folks on their path of economic growth.
- Several historic homes that add to the character of the neighborhood.

- Good office buildings.
- Programming available for ownership in area like Neighborworks, Neighbor Inc., etc.
- Rent to own housing opportunities.
- Gentrified.
- Allow the housing stock to remain affordable for students and low income families. I don't want the neighborhood gentrified to the point where vulnerable people are pushed out.
- Better mix of housing and retail with improved maintenance.
- Clean, less dense, renovated, housing stock.
- High renter-ship not a problem.

05 | Livability, Well-Being, & Safety

- [7] revitalized, restored, safe
- [4] Safe and Fun
- [2] Police officers patrolling on foot.
- A deeply vested local police force, which has a base (F-Street) of operations in the neighborhood.
- Traffic has gotten lighter on A St.
- More commercial activities on the streets of the neighborhood.
- Russ's Market.
- Being able to enjoy the neighborhood without worrying

06 | Community Services, Amenities, & Health

- [3] The F-Street Recreation Center (and a partnership with Lincoln Parks & Recreation).
- [2] Playground or outdoor space for kids.
- The Boys & Girls Club at Park Middle School.
- Keep maintaining Cooper Park.
- Great neighbors/residents/community.
- The bus.
- Small businesses within walking distance.
- Retail.
- Fun, eclectic, vibrant, biking, lots of activity.

- Communal place where there are secular things to do for singles and people without kids.
- Great hospitals (17th and South).

07| Arts, Culture, & Education

- [3] Three (3) great schools in our area – Everett Elementary, McPhee Elementary & Park Middle School.
- [2] A mix of cultures and languages (cultural diversity).
- A population that is open to change, creativity, and new ideas!
- Cultural diversity, mixed-ethnicity, and international language speakers!
- Economic and income diversity within a mixed use neighborhood!
- Diverse schools and youth population.
- A number of multi-cultural and ecological assets.
- The Russian / German Museum.
- Churches including St. Mary's, Trinity Luther, 1st Presbyterian, etc.
- Economic diversity.
- Neighborhood associations and community organizations in the area are active and have a lot of pride in the area.
- SoDo area to become even more vibrant and have its own recognized look and feel
- Great restaurant live El Chapparo! More diverse foods and culture.
- Great teachers.
- Vibrant art culture.

08| Opportunity, Innovation, & Prosperity

- Nebraska Workforce Development Program.
- This area is ready to make the most of its location, opportunities, and community.
- Strong small business.
- The 17th Street shops are delightful.
- Neighborhood retail and services for neighborhood residents.
- Desirable place to live.
- Prosper, grow, families, opportunity.
- Nice place to live and work.

- Revitalization.
- Improvement.
- Neighborhood is conveniently located.

09 | Governance, Management, & Funding

- [2] Tax credits for renovation (old & new).
- Dept. of Health & Human Seniors.
- Subsidiarity.
- Financial stability.

10 | Other

- [5] Building a community.
- Make sure residents in community can stay in community when finished!!
- Increase positive messaging (marketing)
- The future of this neighborhood will be written by its residents.
- Decreased population density
- Improve the sense of belonging
- Beautification.

Consensus Ideas

01 | Context: City & Downtown

- [2] Possibly look into a boundary change; possibly move it more south.
- The Pershing site makes perfect sense as the city already owns the property.

02 | Neighborhood Structure, Character, & Ecology

- [3] Improvements to existing area parks and green spaces (such as Cooper Park).*
- [2] Parks/Increase greenspace
- [2] Traffic lights needed on busy streets.
- [2] Community garden on grass areas
- The inclusion of green infrastructure in the area.
- An outdoor area or location for a year round farmer's market.
- New facades
- Needs centration

- Make it more desirable for a destination or to live
- Determine run down rentals to tear down and replace with public parks and playgrounds.
- Tear down and rebuild elderly housing or lower cost rent to own type housing where tenants can find pride in buildings they reside in and not depend on off-site landlords who don't care about the condition of the building.
- Do not touch Cooper Park and Park Middle School.
- High density urban living.
- Allow new construction.
- Park- Green Space at Everett Elementary.
- Create an incentive for people to keep lawns, and homes up.
- More well-maintained historic buildings that serve the public needs, ex: 1650 late street needs to be utilized; preserved for the community
- Blend in new buildings with historic buildings.
- Replacing structures in strategic locations, green space should be considered.
- Some buildings are historic and should be so designated for protection and enhancement.
- Historic residences should be restored and those beyond saving should be replaced with architecturally compatible owner-occupied homes.
- Condemn vacant and dilapidated houses and use the lots for community gardens.

03 | Access, Circulation, & Parking

- [6] Create a pedestrian and bike friendly environment
- [5] More parking (free!)
- [2] Fix the alleys (example "hole" here)
- [2] A multi-use trail or separated bike facility in the area with connections to existing major bikeways.
- [2] Better routes and trails to Downtown core that are protected and high-profile.
- [2] Improve existing street biking safety, routes, and lanes.
- Strong pedestrian connections to the University (such as 13th via the 13th & O Street Intersection).
- Less surface parking, build more green space in the residential areas.
- Access to services

- Improvements on key walking routes & paths between the schools & assets.
- Would be great (especially for families with kids) to have safe, easy connections to trails, children's museum, campus etc.
- Pedestrian crossing improvements on the major north | south and east | west divider streets.
- Connections to existing major bikeways (such as 11th Street and 14th Street).
- Transit route adjustments and upgrades to support greater ridership and use.
- Neighborhood branding & way-finding signage with the identity of the area.
- Snow Emergency Parking.
- Enforcing speed limits.
- Bring back the streetcar.
- Ban Boombox cars.
- Better streets.
- Gentrify the boulevards.
- Increase bus routes.
- No more roundabouts
- Pedestrian overpasses on 9th, 10th, or F Streets
- Off street parking for people who drive downtown

04 | Building Types & Ownership

- [11] Support mixed use especially business development throughout the area
- [10] Housing rehab/Improve Housing Stock
- [9] Promote home ownership.
- [9] Ensure affordable housing exists throughout the area
- [5] Better maintained homes.
- [3] Zoning changes necessary to protect single family residential and dis-allow multi-unit slip-ins.
- [3] Incentivizing Restoration and redevelopment
- [2] A plan to eliminate bad properties and replace with architecturally interesting stock
- [2] Hold landlords accountable to be ethical and take care of their properties

- [2] Renovate/upkeep historic buildings.
- [2] Deal with long term vacant properties/problem properties
- **Locations for new affordable housing and senior housing.** – catalyst
- Strategies to convert slip-in apartments into homeownership (such as condos).
- The opportunity for more housing targeted to students (as an alternative to campus).
- **Build some habitats for humanity homes.**
- New construction for business..
- Well-designed urban plan that accommodates the interests of both single family living and multi-dwelling structures is critical.
- Increase investment in all housing.
- Needs methods/tools to build absentee owners accountable.
- **More programs like NeighborWorks to increase home ownership.**
- Create/ rehab that housing option.
- More market rate housing along Goodhue Boulevard.
- Reasonable housing throughout the area and not just Goodhue.
- More live/work conversions.
- More flexibility with Rent to own structures.
- More mixed income and mixed ownership properties.
- Focus on historic preservation.
- More diverse housing with some upscale housing inserted where buildings are removed.

05 | Livability, Well-Being, & Safety

- [8] More cops/Reduce Crime.
- [7] More/Better lighting (*made so 27th north of O street is nice, do it on 13th, 9th, 10th, and 17th)
- [2] Alleys patrolled
- [2] Enforce traffic signs around school property—specifically at F and 8th street to prevent kids from getting hit.
- Playground needs to be better monitored (cameras)
- **Need afterschool program so that kids have a safe place to play**

- Slow fast and unsafe traffic on 8th Street
- Address substance abuse.
- Increase jobs.
- Create renters protection.
- Work to improve living conditions
- Change Perception of Area
- Community policing.
- Quality place for families.
- More commercial activities on the streets of the neighborhood.
- Lights along 11th street
- Add emergency telephone booths for people who don't have cell phones.

06 | Community Services, Amenities, & Health

- [13] Need a grocery store/supermarket
- [7] Provide programs and services to support the community and help move people out of poverty.
- [4] Access to Community/Social Services
- [3] Opportunity to establish a central square or hub for the neighborhood. – catalyst
- [3] Recreation improved.
- [2] Locations and strategies for more temporary activities, such as food trucks or outdoor theater.
- [2] More and different retail
- A spot to relocate the existing Downtown YMCA within the area. – catalyst
- A location for additional, flexible community & classroom spaces (not redundant). – catalyst
- An indoor, multi-level food co-op or community garden (See Vertical Harvest). – catalyst
- Additional neighborhood services for residents (such as a laundry, coffee, restaurants, etc.).
- Add retail on 11th between G & F.
- Use F street recreation center as a community hub.
- Expand the business district here to provide people more walkable / safe places to dine and shop (Businesses)

- Get rid of the cellphone place and the liquor store and bring a barber shop and interesting restaurant to the 11th and G street corridor (Attract new Business)
- Adult recreational center providing education classes, job skill/computers, GED
- Outdoor places for kids to play, get the playground finished, when it's finished, it needs to be secure and well lit
- Ball fields
- Childcare
- New pub
- Education/ Renters Packets for diverse population & English language learners so dialogue between renters and landlords to know where amenities are.
- More affordable medical facilities
- "Soup Kitchen" challenges to market social structure; better managed for neighborhood values.
- Access to childcare
- Provide Social Services to help refugee population that resides here
- Get investors to upgrade retail
- More businesses
- Need assisted living
- Affordable non-niche general goods
- Need destinations
- More services for the homeless
- More volunteer groups
- New resources should go to existing residents.
- Localized services
- Dental services needed for the poor.

07| Arts, Culture, & Education

- [5] A location for a new Downtown Library (potentially shared). – catalyst
- [2] Invest more in schools.
- The possibility of neighborhood micro-lending libraries or similar tools.

- Northern area of Everett could become an art district with the lovely older homes renovated into galleries and unique shops all within walking distance to one another that would attract visitors from across Lincoln.
- Smaller “mom and pop” type businesses (not bars and chain restaurants, leave those to the Haymarket and downtown) could open up in the area and provide jobs to area residents to create an Art District.
- Increase locally owned small businesses.
- The Pershing Center would be a wonderful location for a downtown library and would serve as an anchor the SoDo area.
- Affordable neighborhood events to bring people together.
- Use the existing green space for cultural activities, artist ideas, and festivals (Ie. Jaz in June at Cooper Park).
- Art galleries and places for bands to play.
- Increase the quality of life through opportunities for residents to go to for commerce and arts.
- Program to educate the young people.
- Ensure that meetings and outreach is in other languages besides just English.
- Eastern portion of Everett School needs work.
- Library internet resources at the block of N, M, 14th, and 15th

08 | Opportunity, Innovation, & Prosperity

- [14] Preserve socioeconomic diversity of the area
- A new business incubator, co-working space and / or accelerator – catalyst
- Find a mixed use redevelopment concept for some of the many 6plex and 12plex apartment buildings in the neighborhood.
- Use old warehouse buildings to create exciting housing, work, and retail spaces in places like the Haymarket.
- Find a way to reuse the slip in apartments.
- Needs more support, the staff is having to work long hours
- Demo vacant/dilapidated properties, city needs to be willing to “take a hit” for the short term
- Demo Slip-INS
- Build on neighborhood diversity as an asset – age ethnicity, etc.

- More opportunities for people who want to stay, to stay
- Repurpose the Trinity UMC as a cultural center/community center/art gallery/child care.
- Increase awareness within the neighborhood and empower the community
- Reinvestment to change multi-rental split homes back to single family homes
- Inner-neighborhood communication to promote businesses.
- Goodhue should be and destination residential address
- Incentivize—it is important to continue growth of what is already established.

09 | Governance, Management, & Funding

- [8] Tax reductions for improvements, incentives to rehab properties, renovation loans.
- [7] United and work together.
- [7] Provide resources including financial ones for repairing and rehabbing property.
- [3] More access to vouchers, more opportunities
- [2] Get people with influence to make this area of the city a priority for investment and revitalization.
- [2] Programs to help with substance abuse, domestic violence, and family issues.
- [2] New Neighborhood Association for SoDo
- A place for more afterschool & enrichment activities in the neighborhood for youths.
- A land bank or land acquisition entity to assist in redevelopment.
- Programs to support existing proprietors with tenant screening, reinvestment, and maintenance.
- Program: state internship to keep students here
- Workforce investment: customized job training for employees | training incumbent work force
- Need new neighborhood ward
- Grow downtown south to district through highlighting and improving the point of connection.
- Decrease disincentives for investment – fees, permits, waivers, codes
- Low interest financing for homeowners
- Easing of building codes- or at least giving time span to update that is over 10 years
- Help with roof repair/ Replacement (like grants or low interest loans)

- Standards for Porch Repairs
- Allow residents to improve it in their own way. It will require opportunities to own what they create.
- Use redevelopment money to increase owners.
- Reasonable tax assessment on property.
- We should do more to help vulnerable people who are already living here, whether they are renters struggling slumlords or low-income homeowners who may not be able to afford repairs to the older homes here
- Property grants for home owners to switch back to single family home properties
- Truly helpful financing
- Improvement of rentals
- More affordable efficiency rentals
- This means finding city, state funding to attract private investment to make stronger, profound and sustainable change/improvements.
- Make it a priority to fix code enforcement policy
- Replace dilapidated housing with affordable housing
- Create neighborhood revitalization financial tools for landlords/property owners, startups, small businesses and live work space
- Stronger neighborhood leadership
- More funds for first time home buyers
- Funding for new developments, town homes!! (Like ones on 15th between C + D).
- Community committee to oversee enforcement of laws and regulations.
- There needs to be a CDC in place that focuses
- Plans in place to prevent gentrification from happening.
- Property tax breaks for current residents who've improved their properties.

10|Other

- [6] Get to know the community, every voice matters
- [6] Make sure renters are involved in the process
- No SoDo.
- Section into different neighborhood

- Do more than talk for a change
- Go back and listen to people for 30 years
- Reputation
- Take ideas to heart
- More mixed use- commercial/ office on main story & residential
- Increase density in residential
- Adding resources and meeting challenges in cooperative financing for home and retail improvements are necessary for the area to help itself.
- Low building density is good not bad.
- More frequent street sweepers in residential areas.
- Citywide block parties to enhance neighbor relationship
- Create a network community resources so everyone is aware of these meetings

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PLANNING PROCESS DOCUMENTATION BOOK 01

(Reference Document)





PLANNING PROCESS DOCUMENTATION BOOK 02

(Reference Document)





PLANNING PROCESS DOCUMENTATION BOOK 03

(Reference Document)

