

MEMORANDUM

TO: Mayor Beutler
Lincoln City Council
Lancaster County Board of Commissioners
Lincoln/Lancaster County Planning Commission

FROM: Marvin Krout, Planning Director

SUBJECT: *Residential Land Inventory & Residential Building Permits as of January 1, 2011*

DATE: March 21, 2011

COPIES: Trish Owen, Mayor's Office,
Fred Hoke Development Services Center,
Public Works & Utilities Staff,
Building & Safety Staff,
Planning Department Staff,
Urban Development Staff,
Development Community Mailing List

This memo includes updated data regarding the supply of urban residential lots and units in Lincoln's developing areas as of January 1, 2011 and historical data on residential building permits for the entire city.

Detached Single Family Lot Supply

As of January 1, 2011, there were 7,991 detached single family lots in the City of Lincoln's lot supply in its developing areas. These lots are in various stages of the approval process including final platted lots, preliminary platted lots, and submitted lots that are in the process of review. (Please see the attached "Residential Land Inventory Review" for detailed historical data.) This updated single family lot supply is reduced from one year ago (8,212 in January 2010). This reduction reflects developers' response to reduced demand by slowing down the creation of new lots.

Detached Single Family Demand

The number of building permits for new detached single family homes declined again last year compared to previous years. (Please see the attached "Number of New Construction Dwelling Units" for detailed historical data.) In 2010, 370 detached single family building permits were issued, the lowest number since 1983, compared to 378 in 2009, 410 in 2008, 569 in 2007, and 794 in 2006. Each of the past 4 years is significantly lower than the 10-year average of 866. The slowdown in the national economy has been especially harsh on the construction sector, and Lincoln has experienced a related slowdown. With these lower building trends, the supply of final platted detached single family lots has now increased to a 6 year supply based on the 3 year building average. This compares to a 2 year supply in the peak homebuilding period of 2003-2004. Using the overall number of 7,991 single family detached lots available and in the pipeline (final platted, preliminary platted, and submitted), the lot supply increases to 20.7 years.

Multi-Family Supply

The supply of potential multi-family units decreased over the past year by 176 units, with most of the decrease coming in preliminarily approved units. 2010 saw a major increase in multi-family building permits compared to the past two years. The downturn in the economy and slowdown in single family demand may soon be counterbalanced by an increased demand for new multi-family units.

Overall Supply

The community has a potential for 51,924 new dwelling units within the 2030 future service limit for Lincoln. Of these units, 16,216 (single family and multi-family combined) are approved or in the approval process. The remainder of the potential units is currently without infrastructure. The development of the City's six-year Capital Improvement Program later this spring, and the major update of the Comprehensive Plan, should take these market realities into account.

Residential Land Inventory Review

As of January 1, 2011

	Jan 2011	Jan 2010	Jan 2009	July 2008	Jan 2008	July 2007	Jan 2007	July 2006	Jan 2006	July 2005	Jan 2005	July 2004	Jan 2004	July 2003	Jan 2003	Sept 2002	July 2001	Jan 2001	July 2000
Single Family Detached, Single Family Attached & Duplex																			
Final Platted	3,441	3,588	3,967	3,918	4,240	3,746	4,112	4,079	4,645	3,779	3,593	3,097	2,605	3,048	3,000	2,866	3,655	3,693	3,016
Preliminary Platted	7,307	7,475	7,126	7,328	7,480	7,264	6,797	5,131	1,705	2,765	2,953	2,323	3,388	2,974	3,669	4,060	2,331	2,653	1,747
Submitted Prelim	733	733	733	733	733	643	892	2,887	3,831	2,901	1,555	1,817	718	1,533	588	765	1,355	1,500	3,741
Total Final, Prelim & Submitted	11,481	11,796	11,826	11,979	12,453	11,653	11,801	12,097	10,181	9,445	8,101	7,237	6,711	7,555	7,257	7,691	7,341	7,846	8,504
Multi-Family Units																			
Final Platted	612	620	620	620	652	1,138	1,218	1,220	1,842	1,824	1,463	1,672	1,670	1,886	1,687	1,687	1,641	1,588	1,506
Preliminary Platted	3,673	3,841	3,636	3,408	3,348	3,348	3,277	2,623	2,367	1,886	2,082	1,754	2,353	2,852	3,074	3,049	2,487	2,639	2,287
Submitted Prelim	450	450	450	450	450	450	577	877	407	200	0	675	475	755	401	546	869	869	1,290
Total Final, Prelim & Submitted	4,735	4,911	4,706	4,478	4,450	4,936	5,072	4,720	4,616	3,910	3,545	4,101	4,498	5,493	5,162	5,282	4,997	5,096	5,083
All Units In Plat Process																			
Final Platted	4,053	4,208	4,587	4,538	4,892	4,884	5,330	5,299	6,487	5,603	5,056	4,769	4,275	4,934	4,687	4,553	5,296	5,281	4,522
Preliminary Platted	10,980	11,316	10,762	10,736	10,828	10,612	10,074	7,754	4,072	4,651	5,035	4,077	5,741	5,826	6,743	7,109	4,818	5,292	4,034
Submitted Prelim	1,183	1,183	1,183	1,183	1,183	1,093	1,469	3,764	4,238	3,101	1,555	2,492	1,193	2,288	989	1,311	2,224	2,369	5,031
Total Final, Prelim & Submitted	16,216	16,707	16,532	16,457	16,903	16,589	16,873	16,817	14,797	13,355	11,646	11,338	11,209	13,048	12,419	12,973	12,338	12,942	13,587
Potential Units on Raw Land	35,708	34,301	34,308	34,161	35,203	36,294	36,306	32,747	35,329	37,573	40,800	41,930	41,978	42,106	43,822	43,821	24,633	24,260	24,706
Grand Total of Possible Units	51,924	51,008	50,840	50,618	52,106	52,883	53,179	49,564	50,126	50,928	52,446	53,268	53,187	55,154	56,241	56,794	36,971	37,202	38,293

	Jan 2011	Jan 2010	Jan 2009	July 2008	Jan 2008	July 2007	Jan 2007	July 2006	Jan 2006	July 2005	Jan 2005	July 2004	Jan 2004	July 2003	Jan 2003	Sept 2002	July 2001	Jan 2001	July 2000
Single Family Detached ONLY																			
Final Platted	2,304	2,334	2,566	2,471	2,869	2,678	2,868	2,821	3,334	2,922	2,624	2,221	1,986	2,346	2,383	2,217	2,817	2,847	2,291
Preliminary Platted	4,954	5,145	4,901	5,077	5,048	5,052	4,682	3,507	1,077	2,020	2,276	1,945	2,566	2,431	2,871	3,215	2,050	2,372	1,435
Submitted Prelim	733	733	733	733	733	565	836	2,007	2,937	2,043	1,227	1,150	570	1,225	425	603	1,045	1,167	3,134
Total Final, Prelim & Submitted	7,991	8,212	8,200	8,281	8,650	8,295	8,386	8,335	7,348	6,985	6,127	5,316	5,122	6,002	5,679	6,035	5,912	6,386	6,860

NOTES: - "Potential Units on Raw Land" means land inside the "Future Service Limit" of the Comprehensive Plan, but not upon which a plat has yet been submitted or approved.

- Grand Total is the sum of "potential units on raw land" plus all final, preliminary approved and submitted dwelling units.

Source: Lincoln/Lancaster County Planning Department (March 21, 2011)

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**Number of New Construction Dwelling Units,
Based on Building Permits Issued in City of Lincoln
Fifteen Year Period: 1996-2010**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Single Family	370	378	410	569	794	958	1,227	1,565	1,281	1,108	1,041	1,015	996	814	812
Sing. Fam. Attached	131	180	160	274	227	360	461	533	256	260	272	199	187	243	155
Duplex	8	4	24	6	14	42	62	52	60	64	58	34	54	102	62
Multi-Family	332	42	73	314	841	192	403	260	540	319	381	489	622	1,010	1,168
Total	841	604	667	1,163	1,876	1,552	2,153	2,410	2,137	1,751	1,752	1,737	1,859	2,169	2,197

Average Per Period

	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>15 Year</u>
Single Family	386	504	866	889
Sing. Fam. Attached	157	194	284	260
Duplex	12	11	34	43
Multi-Family	149	320	332	466
Total	704	1,030	1,515	1,658

Note: Based on building permits issued, not actual construction and occupancy. There are some permits issued, particularly in multi-family, that are never built.

- Year is based on date permit issued, not date of completion and occupancy
- "Single Family" is a single family detached unit on a single lot.
- Single Family attached is defined as one dwelling unit on a single lot attached by a common wall to one or more other dwelling units.
- Duplex is two dwelling units built on one lot.
- Multi-family is three or more units built on a single lot, typical of apartments or condominiums.

Note totals include only City of Lincoln and not Lancaster County.

Source: Lincoln/Lancaster County Planning Department (Updated March 21, 2011)

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VACANT LOT STUDY		ALL TOTALS AS OF: JANUARY 1, 2011				
STUDY AREA MODIFIED TO REFLECT THE APPROVED FUTURE LAND USE PLAN						
UNITS	S U B A R E A					TOTAL
	(South) 1	(West) 2	(North) 3	(Southwest) 4	(East) 5	
EXISTING						
Single Fam	11,466	4,952	5,035	236	1,222	22,911
SF Attached	2,552	898	1,086	0	433	4,969
Duplex	78	844	94	16	6	1,038
Multiple	3,050	1,027	4,088	0	300	8,465
TOTAL	17,146	7,721	10,303	252	1,961	37,383
FINAL PLATTED						
Single Fam	986	439	622	26	231	2,304
SF Attached	638	34	337	0	128	1,137
Duplex	0	0	0	0	0	0
Multiple	428	0	184	0	0	612
TOTAL	2,052	473	1,143	26	359	4,053
APPROVED PRELIM PLATS, CUP'S AND PRELIM PUD'S						
Single Fam	1,284	573	1,549	320	1,228	4,954
SF Attached	1,339	92	213	220	489	2,353
Duplex	0	0	0	0	0	0
Multiple	2,101	440	713	0	419	3,673
TOTAL	4,724	1,105	2,475	540	2,136	10,980
SUBMITTED PRELIM PLATS, CUP'S AND PUD'S (NOT APPROVED)						
Single Fam	708	25	0	0	0	733
SF Attached	0	0	0	0	0	0
Duplex	0	0	0	0	0	0
Multiple	450	0	0	0	0	450
TOTAL	1,158	25	0	0	0	1,183
TOTAL POTENTIAL ON FINAL & PRELIM PLATTED LAND						
Single Fam	2,978	1,037	2,171	346	1,459	7,991
SF Attached	1,977	126	550	220	617	3,490
Duplex	0	0	0	0	0	0
Multiple	2,979	440	897	0	419	4,735
SUB-TOTAL	7,934	1,603	3,618	566	2,495	16,216
RAW LAND POTENTIAL	7,799	5,594	3,193	8,693	10,429	35,708
GRAND TOTAL POTENTIAL	15,733	7,197	6,811	9,259	12,924	51,924