MORE HOMES BY DESIGN

A toolkit for removing barriers and accelerating housing development in the Omaha metro.

CREATED BY

MADE POSSIBLE BY

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INTRODUCTION

In 2021, Omaha by Design launched Affordable by Design (AxD), a collaborative program exploring the intersection of design and housing affordability. To date, this program has produced two collections of open-source home designs, a design competition for accessible duplex homes, and a model Accessory Dwelling Unit in Omaha's Heartland of America park.

During each of these projects, a common theme kept resurfacing in conversations with our partners: **barriers**.

Many of these were regulatory barriers, including zoning and building codes that made developing certain housing types difficult or impossible. Another significant barrier was the lack of public resources, including financial incentives, that could make critical housing projects possible.

More Homes by Design is our attempt to dive deeper into the barriers that are standing in the way of housing — and just as importantly, to suggest ways to remove them. The heart of More Homes by Design is a toolkit of policy actions that Omaha metro cities can take to remove barriers and accelerate housing production.

Although More Homes by Design is broad, it doesn't cover every barrier. More Homes by Design is meant to provide actionable solutions for local governments. Barriers largely outside of the reach of local policy — including construction costs and issues with private financing — are not explored at length in this toolkit.

Local policy changes won't solve every problem, but they're a place to start.

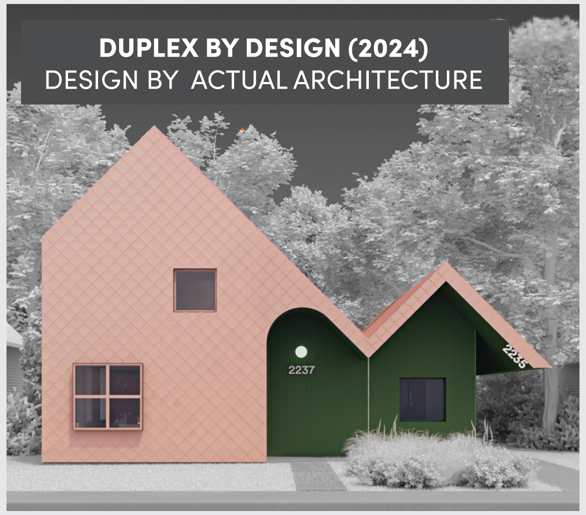
Already, cities across the metro have begun to adopt important reforms that are enabling the dense and diverse housing Omaha needs. We hope that More Homes by Design can help build on this momentum, and spark new ideas about how our cities can help solve the housing crisis.

Abram Lueders
Director of Urban Design, Omaha by Design


ADU AT THE RIVERFRONT (2025)
DESIGN BY APMA


AXD MISSING MIDDLE PLAYBOOK (2024)
DESIGN BY HOLLAND BASHAM ARCHITECTS


AXD HOUSING PLAYBOOK (2022)
DESIGN BY APMA


DUPLEX BY DESIGN (2024)
DESIGN BY ACTUAL ARCHITECTURE

STUDY METHODS

Interviews

The barriers analysis and policy toolkit on the following pages were informed by a series of interviews with 21 professionals involved in housing development and construction in the Omaha metro. No one understands the barriers to housing development better than the people who build it.

Although participants included development professionals with a wide range of experience levels, a key part of the study's strategy was an intentional focus on outreach to new and emerging developers.

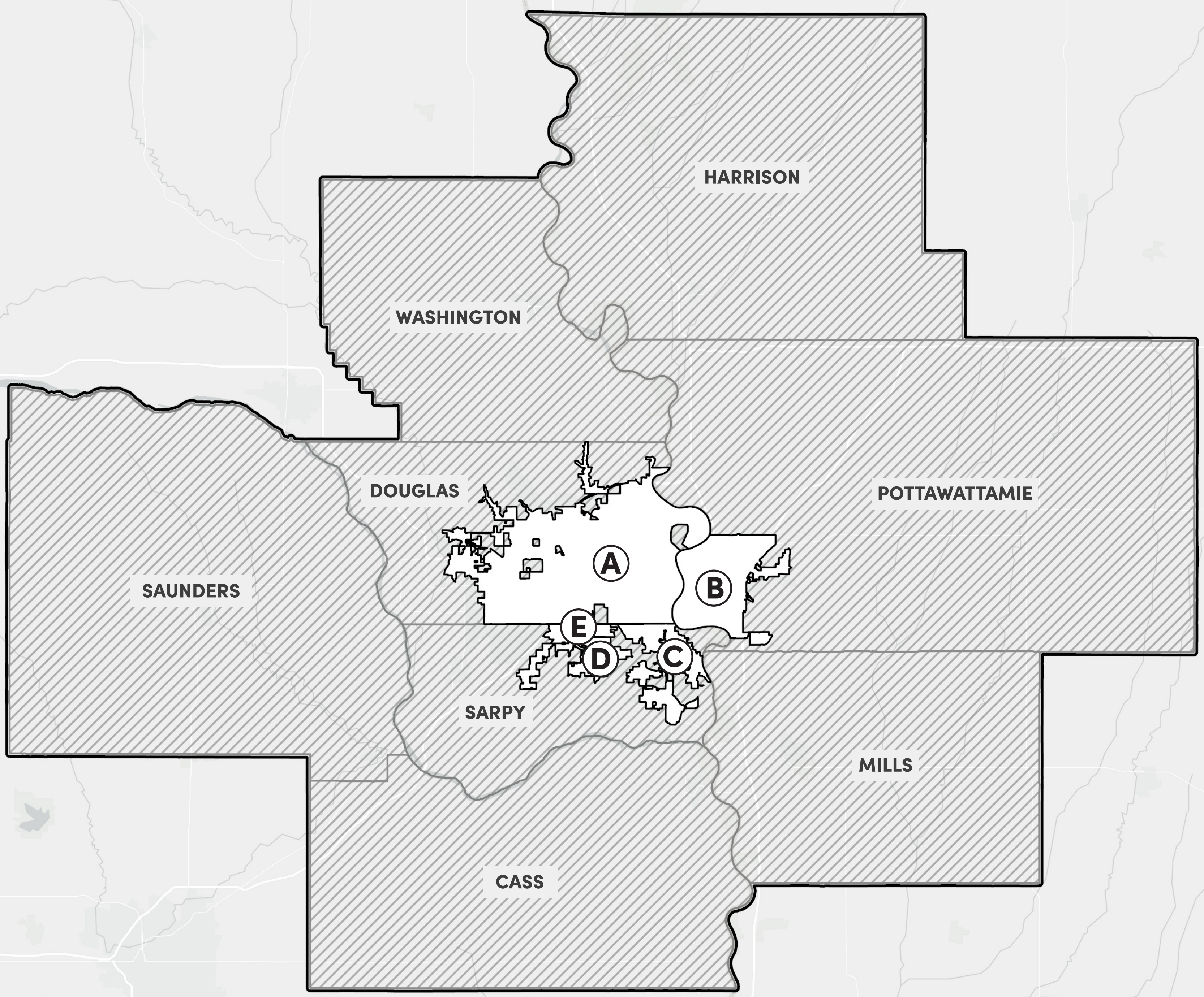
Data Analysis

Housing data from national sources was used to establish a clear picture of the scope of the Omaha metro's housing challenges. Open GIS data from the studied municipalities, combined with a review of relevant zoning codes, was used to produce an analysis of where different housing types can be built in the metro.

Best Practices

As the housing crisis deepens, cities across the country have adopted innovative policies to reduce development barriers and increase the housing supply. The policy toolkit included in this study draws heavily from successful policies that have already been implemented in other communities.

STUDY SCOPE



Data for this study was collected at two different geographic levels:

- Metro-level data covering the entire Omaha Metropolitan Area, an urban region spanning eight counties in Eastern Nebraska and Western Iowa.
- City-level data for the five most populous cities in the Omaha Metropolitan Area (see table below).

Although not every city in the Omaha metro could be examined at the same depth, the policy toolkit included in this study is intended to be useful for Omaha metro cities and towns of all sizes.

CITY	POPULATION
A. Omaha, NE	**493,086**
B. Council Bluffs, IA	**62,697**
C. Bellevue, NE	**64,898**
D. Papillion, NE	**26,054**
E. La Vista, NE	**17,002**

Source: *ESRI 2025*

THE CRISIS

STICKER SHOCK

In the wake of the COVID-19 pandemic, housing costs in the Omaha metro have skyrocketed, leaving the housing market unrecognizable in just a few short years. For homeowners who purchased homes at pre-pandemic prices and interest rates, the scale of these increases can feel shocking. For renters and prospective first-time homebuyers, navigating these costs is a defining feature of life.

HOUSING COSTS IN THE OMAHA METRO

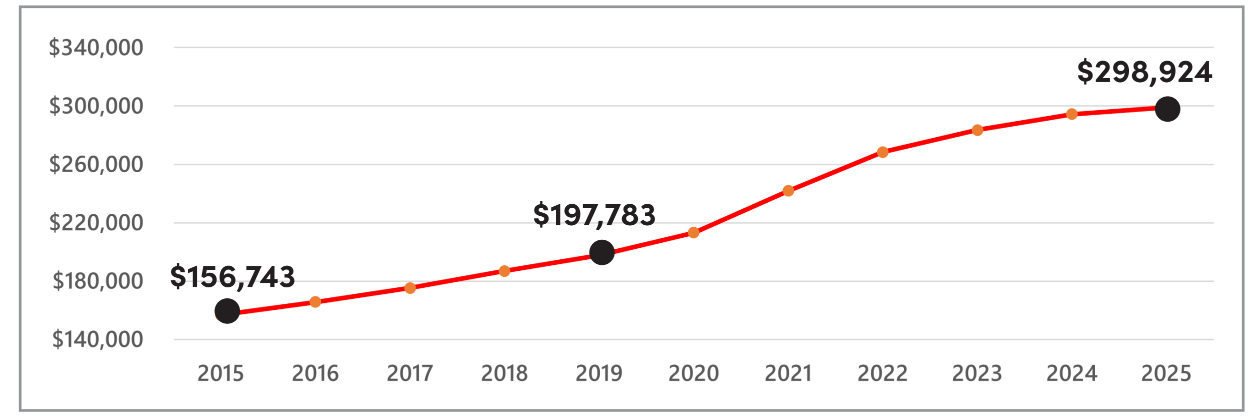
	2019		**2025**
The price of a typical home on the market	$197,783	→	**$298,924** **(+51%)**
Monthly housing costs for new homeowners*	$1,263	→	**$2,181** **(+73%)**
Rent for a typical apartment	$1,006	→	**$1,407** **(+40%)**

**Assumes a 20% down payment.*

Source: *Zillow Home Value Index, and Zillow Observed Rent Index (Retreived October 2025)*

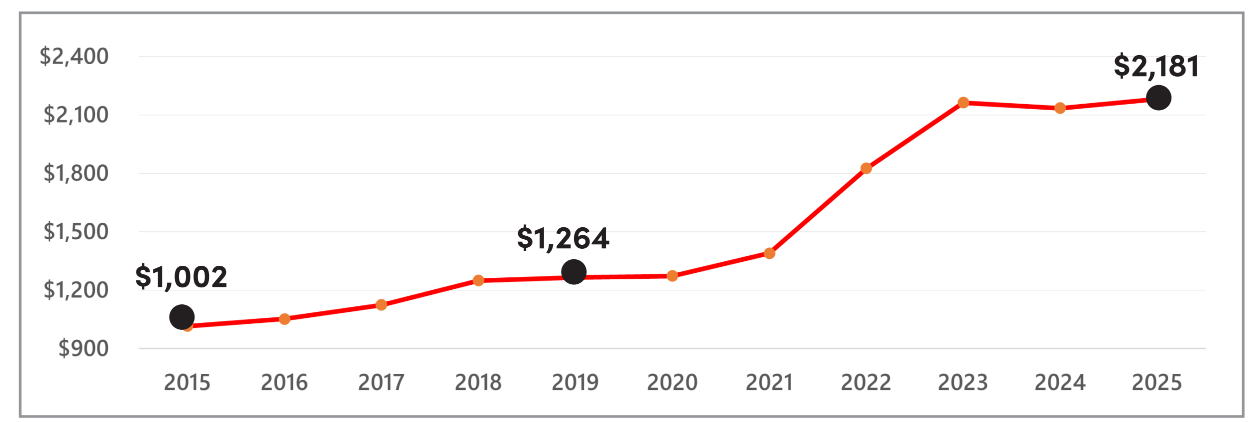
Although housing prices spiked rapidly from 2021 to 2023, the affordability of housing in the Omaha metro had already been deteriorating at a steady pace in the years prior. Home prices, overall monthly costs for homeowners, and rents have risen consistently over the past decade, increasing the pressure on households that were already struggling to afford housing.

OMAHA METRO TYPICAL HOME PRICE



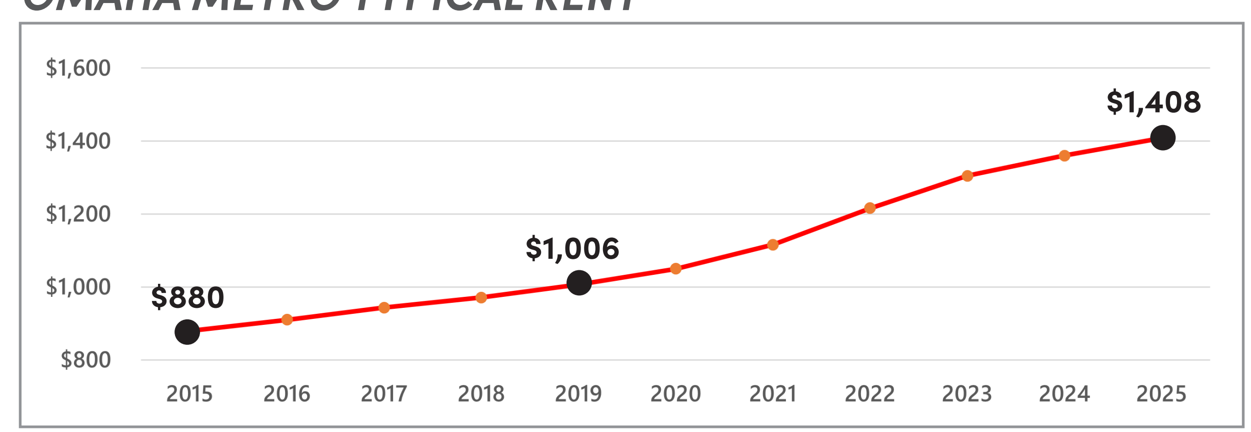
Source: *Zillow Home Value Index*

OMAHA METRO MONTHLY HOMEOWNER COSTS



Source: *Zillow Home Value Index*

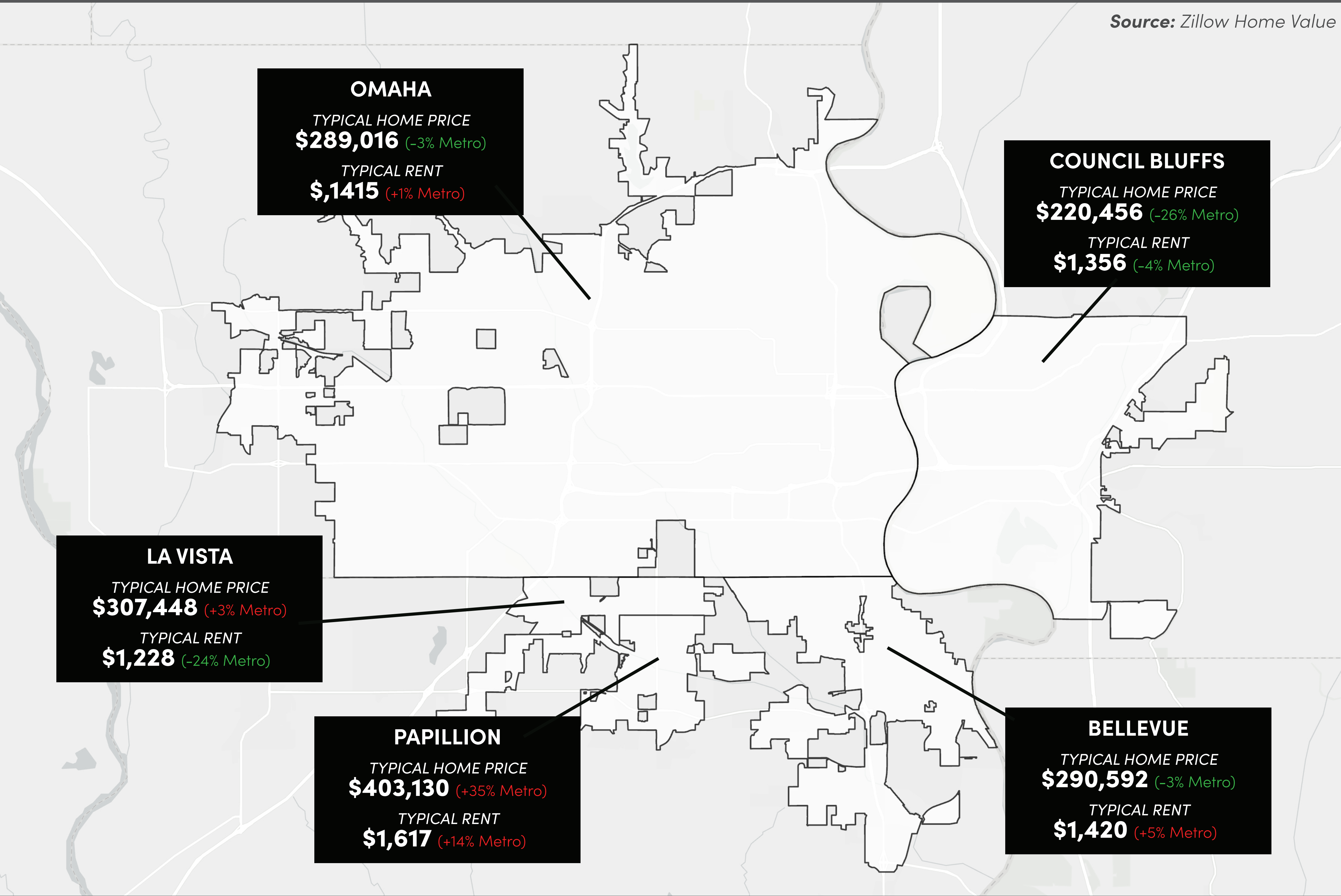
OMAHA METRO TYPICAL RENT



Source: *Zillow Observed Rent Index*

HOUSING COSTS BY CITY

Source: *Zillow Home Value Index, Zillow Observed Rent Index (Retreived October 2025)*



Typical housing costs vary significantly across the studied metro cities, reflecting variations in the metro housing market:

- Omaha and Bellevue closely align with the metro's average home prices and rent levels.
- Council Bluffs has significantly lower rents and home prices than the metro average, while Papillion's housing costs are both the highest of the studied cities.
- La Vista has slightly higher home prices than the metro average, but the lowest rents.

PAYING THE PRICE

Before the pandemic, homeownership in the Omaha metro was within reach even for many low and moderate-income residents. This relative affordability helped sustain Omaha's 65% rate of homeownership. But the combination of rising prices, interest rates, and insurance costs have changed the equation. **Today, homeownership in the Omaha metro is no longer attainable for households earning the median income.**

MINIMUM HOMEOWNER INCOME: 2019 & 2024

In 2019...	In 2025...
It took an income of **$50,008** to afford typical monthly payments for a newly purchased home in the Omaha metro.	It takes an income of **$87,626** to afford typical monthly payments for a newly purchased home. in the Omaha metro
This was under the metro's median household income of $73,373	**This is over the metro's median household income of $84,524**

Source: *Zillow Home Value Index (Retreived October 2025), Census Bureau American Community Survey*

Typical market rents remain lower than costs for new homeowners, and rent increases have not been as sharp as the increase in homeowner expenses. However, renting households in the Omaha metro also have significantly lower incomes than the overall median, making them more vulnerable to price increases.

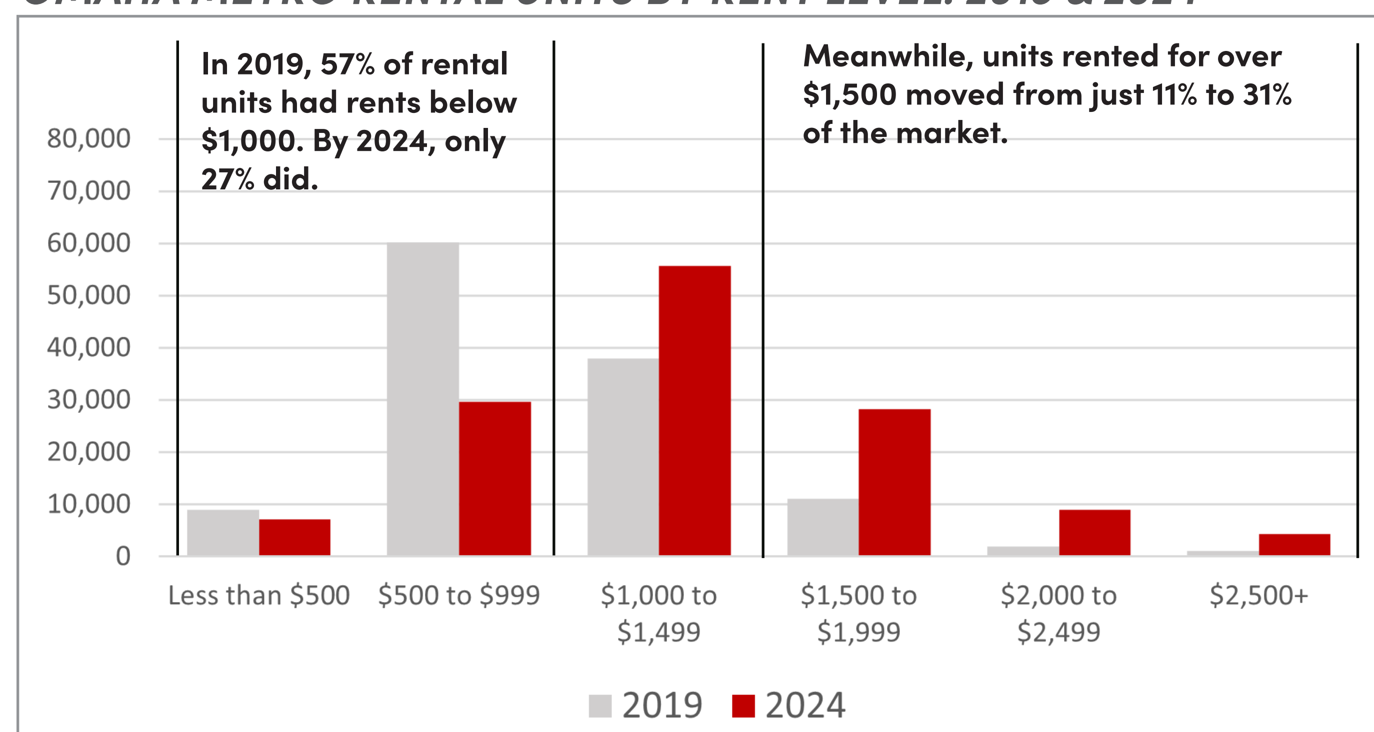
OMAHA METRO MEDIAN INCOME & MEDIAN RENTER INCOME

Median Household Income	Median Household Income for Renters
$84,524	**$51,924**

Source: *Census Bureau American Community Survey, 1-Year Estimates (2024)*

Homeowners with fixed-rate mortgages have a large portion of their monthly payment insulated from change. Renters on the open market have no similar protection. And in the last few years, options on the rental market have radically shifted. Units with rents below $1,000 have dried up, while growth has been concentrated in units with rents above $1,500. For renters, this combination of sharp rent increases and lower incomes results in a much higher cost burden (see **Cost Burdened Renters**, p. 18).

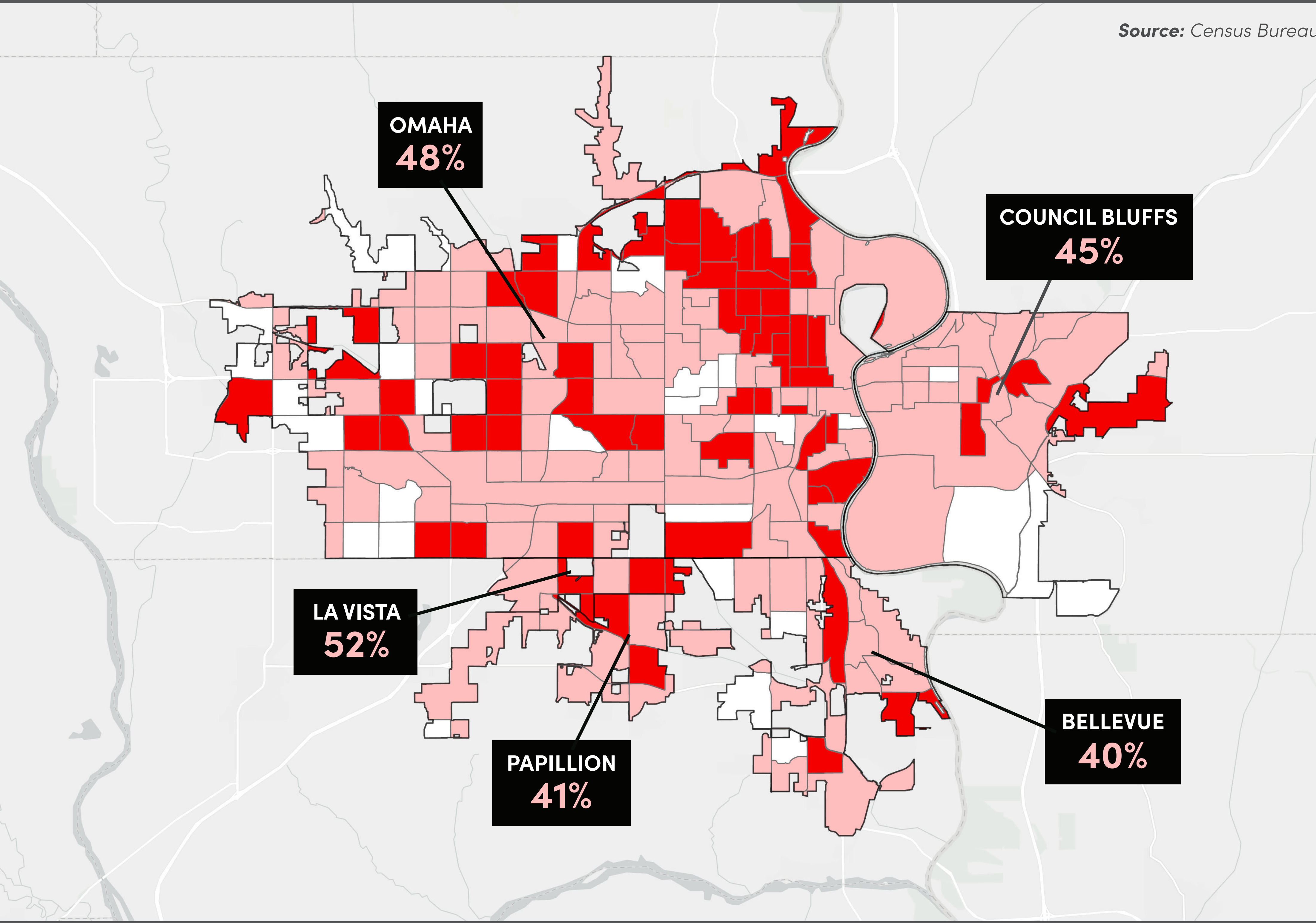
OMAHA METRO RENTAL UNITS BY RENT LEVEL: 2019 & 2024



Source: *Census Bureau American Community Survey, 1-Year Estimates (2019 & 2024)*

COST BURDENED RENTERS

Source: *Census Bureau American Community Survey 5-Year Estimates (2019 - 2023), ESRI*



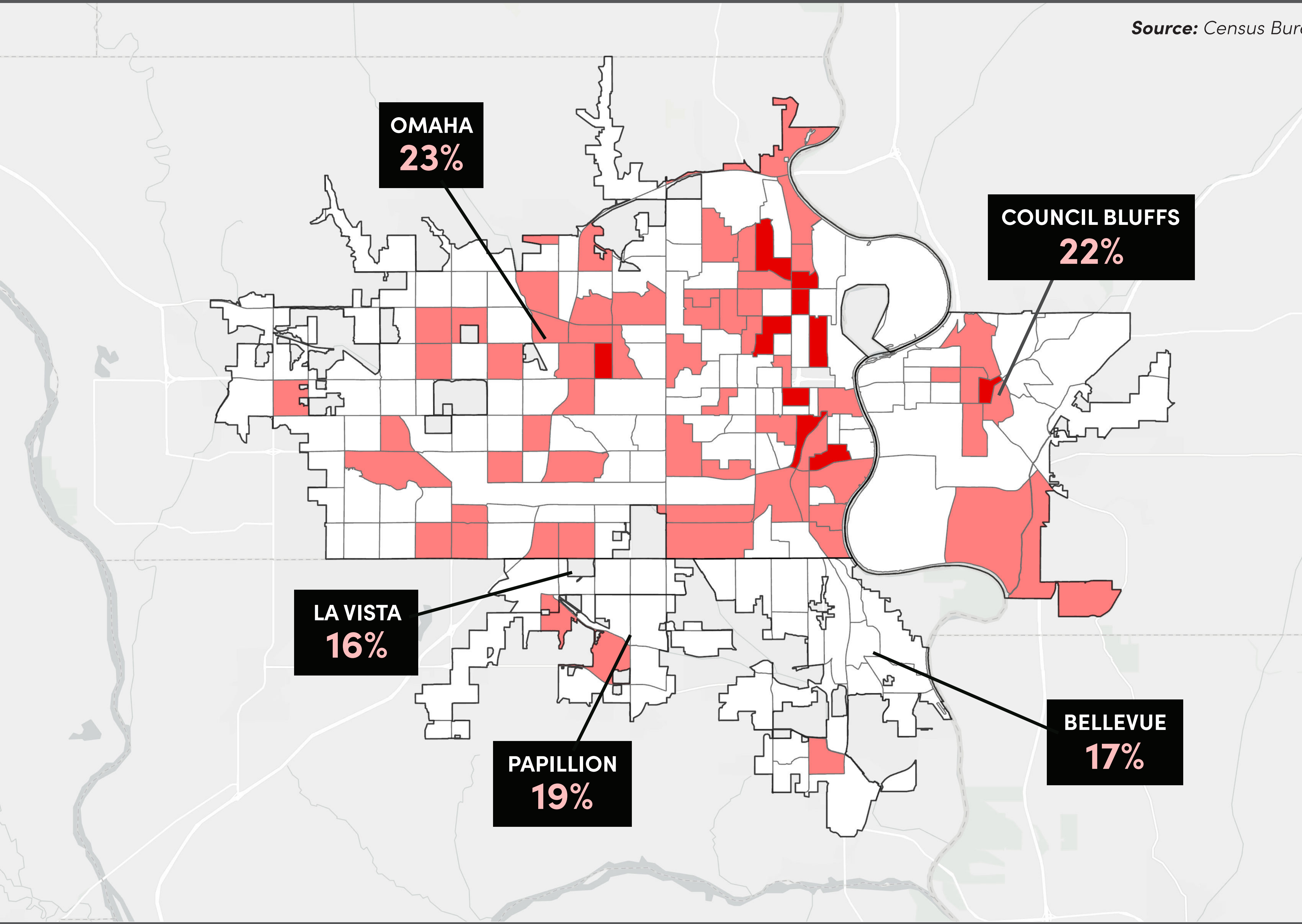
46% of renters in the Omaha metro are cost burdened, defined as spending over 30% of their income on rent.

RENTER COST BURDEN BY CENSUS TRACT

- 0 - 25% Cost Burdened
- 25 - 50% Cost Burdened
- Over 50% Cost Burdened

COST BURDENED HOMEOWNERS

Source: *Census Bureau American Community Survey 5-Year Estimates (2019 - 2023), ESRI*



21% of homeowners with a mortgage in the Omaha metro are cost burdened, defined as spending over 30% of their income on housing expenses.

HOMEOWNER COST BURDEN BY CENSUS TRACT

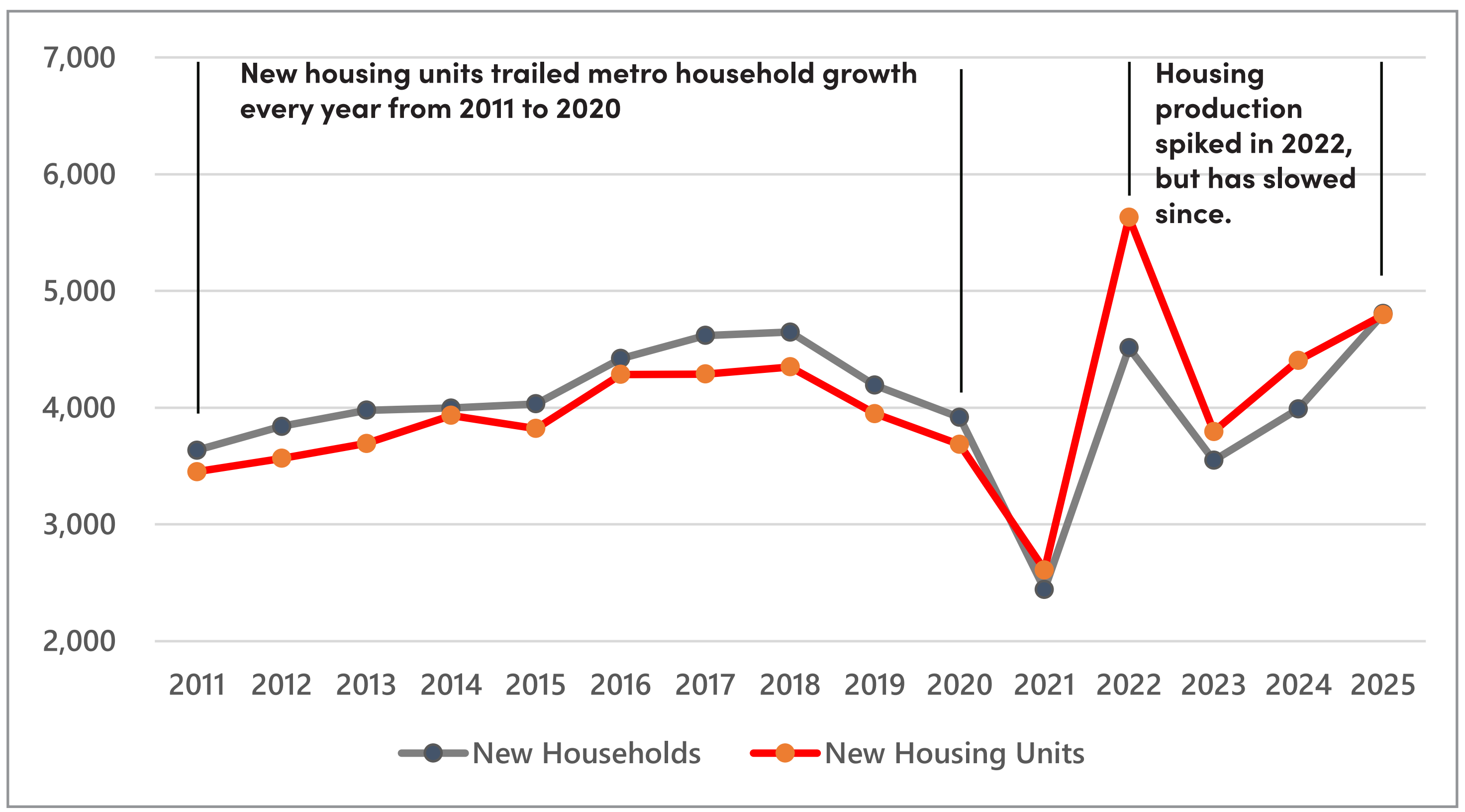
- **0 - 25% Cost Burdened**
- **25 - 50% Cost Burdened**
- **Over 50% Cost Burdened**

HOUSING PRODUCTION

There is no single cause of the rising cost of homes in Omaha and beyond. Factors including material costs, labor shortages, income inequality, and elevated interest rates all play a role. **But there is broad consensus that underproduction of housing is a key factor in the rise of housing costs.**

Omaha doesn't face the same level of chronic underproduction seen in many other metros. Even so, the production of new homes has lagged behind household growth consistently for years.

HOUSING UNIT VS. HOUSEHOLD GROWTH IN THE OMAHA METRO

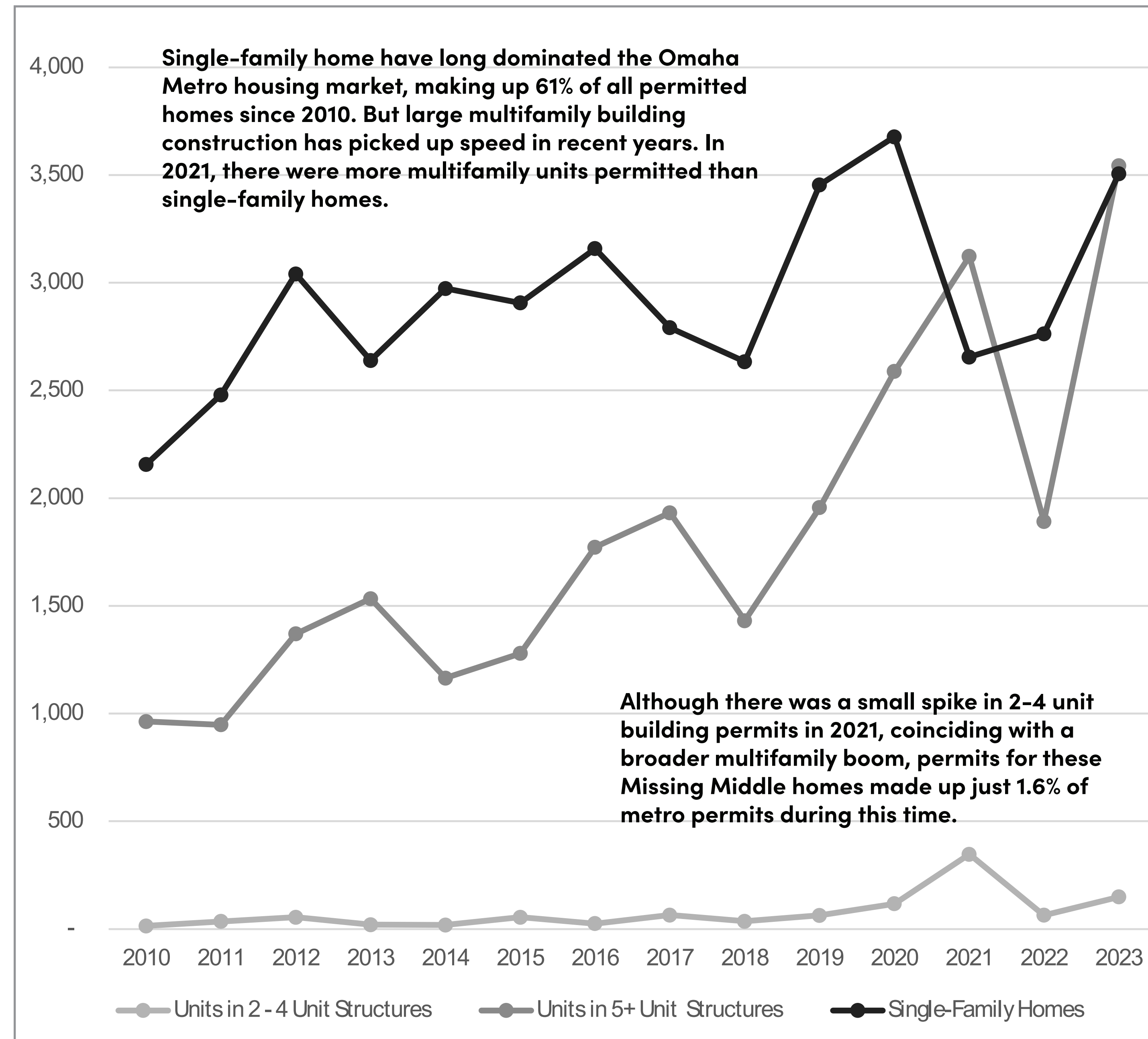


Source: *ESRI 2025*

The total number of housing units built in the Omaha metro is one issue. Another issue is the *kind* of housing being built. Home production in the Omaha metro has historically centered on detached single-family homes, supplemented by large multifamily complexes.

Smaller, house-scaled multifamily buildings like duplexes, triplexes, and quadplexes — often referred to as Missing Middle Housing — are largely absent from the market.

PERMITTED HOUSING UNITS IN THE OMAHA METRO: 2010 - 2023



Source: *HUD*

THE HOUSING WE NEED

Escalating housing costs and lagging construction are symptoms of deeper problems in how our communities have historically approached housing. To this end, the barriers analysis and policy toolkit found in the following pages are focused on the need for a housing ecosystem that produces **density** and **diversity**.

DENSITY

For decades, our housing system has been centered on low-density growth, fueled by cheap land and deferred infrastructure costs. This system always excluded a large portion of the population, but for decades it produced single-family homes that were affordable to middle-income residents. Today, rising land and construction costs have pushed homeownership out of reach for median income families, and public resources to maintain basic services are stretched to the limit. Increasing density will be essential to create affordability for residents and sustainability for cities.

DIVERSITY

The population of the Omaha metro is diverse, and our housing should reflect that diversity. Housing must meet the needs of residents in different income brackets, life stages, and household types. Creating housing that can meet these needs will require a diversity in home types, beyond just large single-family homes and compact apartments. Our housing ecosystem needs to draw from a fuller palette of home designs, including the full spectrum of Missing Middle typologies (see **The Missing Middle** to the right).

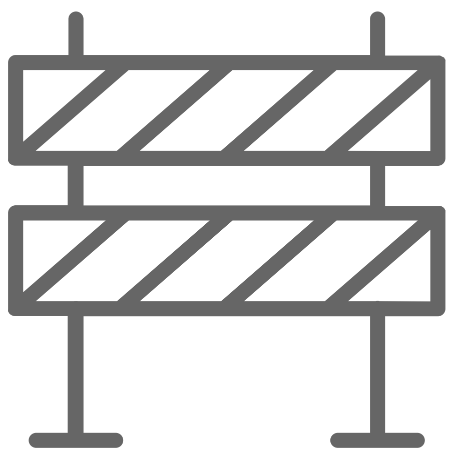
To make this diversity possible, we also need a broader and more diverse development community. When cities are built by a handful of large developers, the result is an inflexible system that focuses on limited segments of the market. Lowering barriers to housing production is needed to increase the diversity of *who* can get involved in the housing ecosystem, not just *what* that ecosystem produces. Cities built by many hands are more likely to address the needs of whole full community.

THE MISSING MIDDLE

The Missing Middle Playbook and other AxD design resources are avialable at:
omahabydesign.org/playbook

Missing Middle Housing is a term coined by architect Dan Parolek to refer to the wide range of housing types in between detached single-family homes and large apartment buildings. Common Missing Middle typologies include duplexes, townhomes, quadplexes, and cottage courts In cities around the world — and in historic neighborhoods in the Omaha metro — Missing Middle Housing is a key ingredient to producing density and diversity at a human scale that enriches our communities.

Omaha by Design's **AxD Missing Middle Playbooik** explores many of the issues surrounding Missing Middle housing production in Omaha, and includes free conceptual designs for several Missing Middle typologies that are scaled for neighborhood infill.



THE BARRIERS

ZONING

Zoning codes have dramatically shaped development in the Omaha metro for a century. For most of that time, zoning existed quietly as a mundane corner of municipal policy.

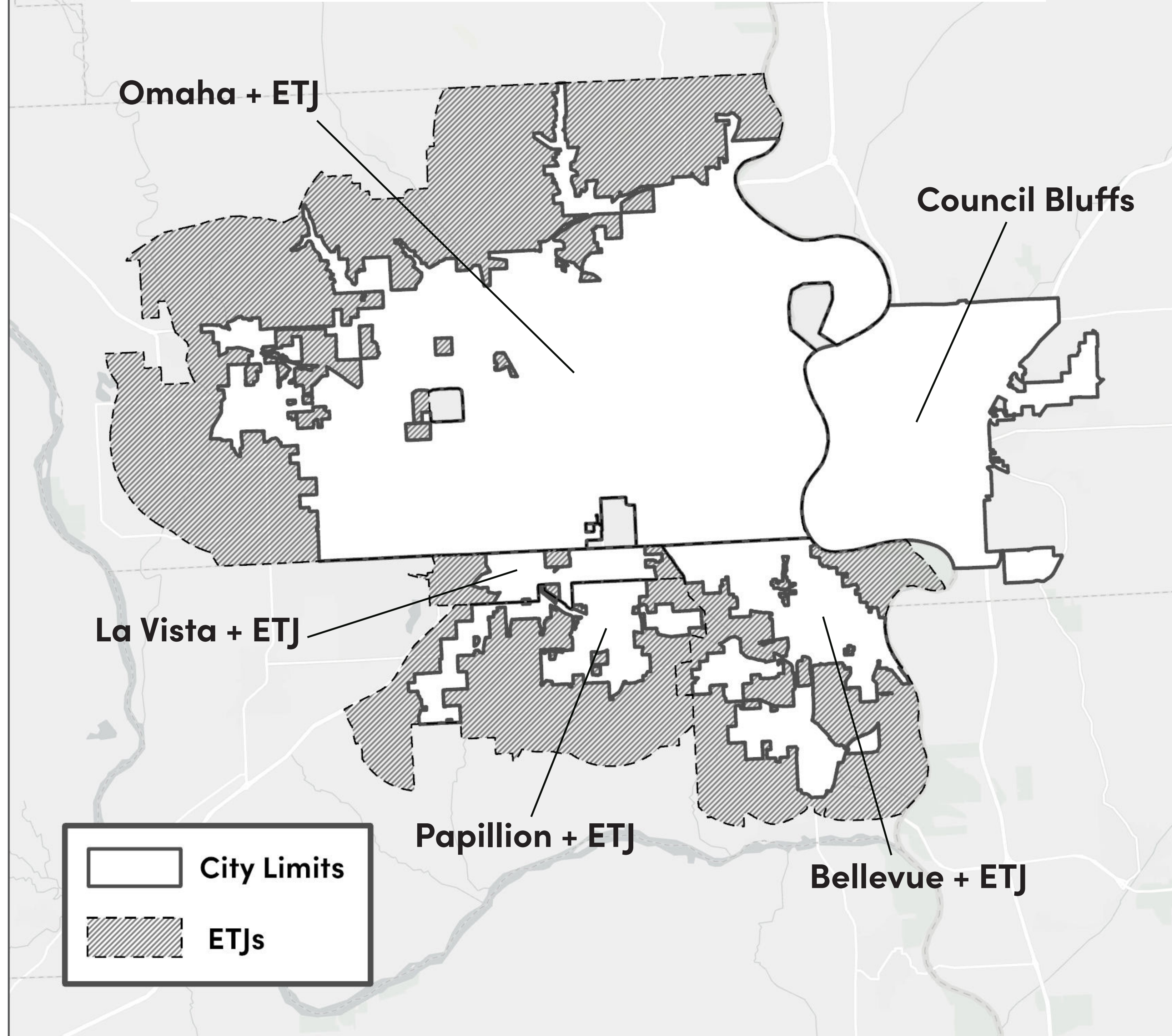
But in the years since 2020, zoning has been thrust into a harsh spotlight. As housing costs have become a national crisis, the role that zoning plays in limiting housing production has come under scrutiny from across the political spectrum. Scholars have also increased awareness of how zoning has been used to segregate cities and metropolitan areas by class and race, with seemingly neutral rules related to lot size and housing types serving as proxies for more explicit discrimination.

The problems with our zoning laws can be traced back to their foundational purpose. Zoning was adopted at a time when industrial pollution and overcrowded slums were seen as the biggest problems facing American cities. As a result, zoning is fundamentally oriented around lowering densities and dispersing the population.

After a century of zoning, cities face a different set of problems: a shortage of housing, insufficient density to support services, and increasing social isolation. We don't need to abolish zoning to address these problems, but we do need to reimagine it. Several metro cities have already taken strong first steps toward zoning reform. Building on these reforms will be critical to unlocking the housing we need.

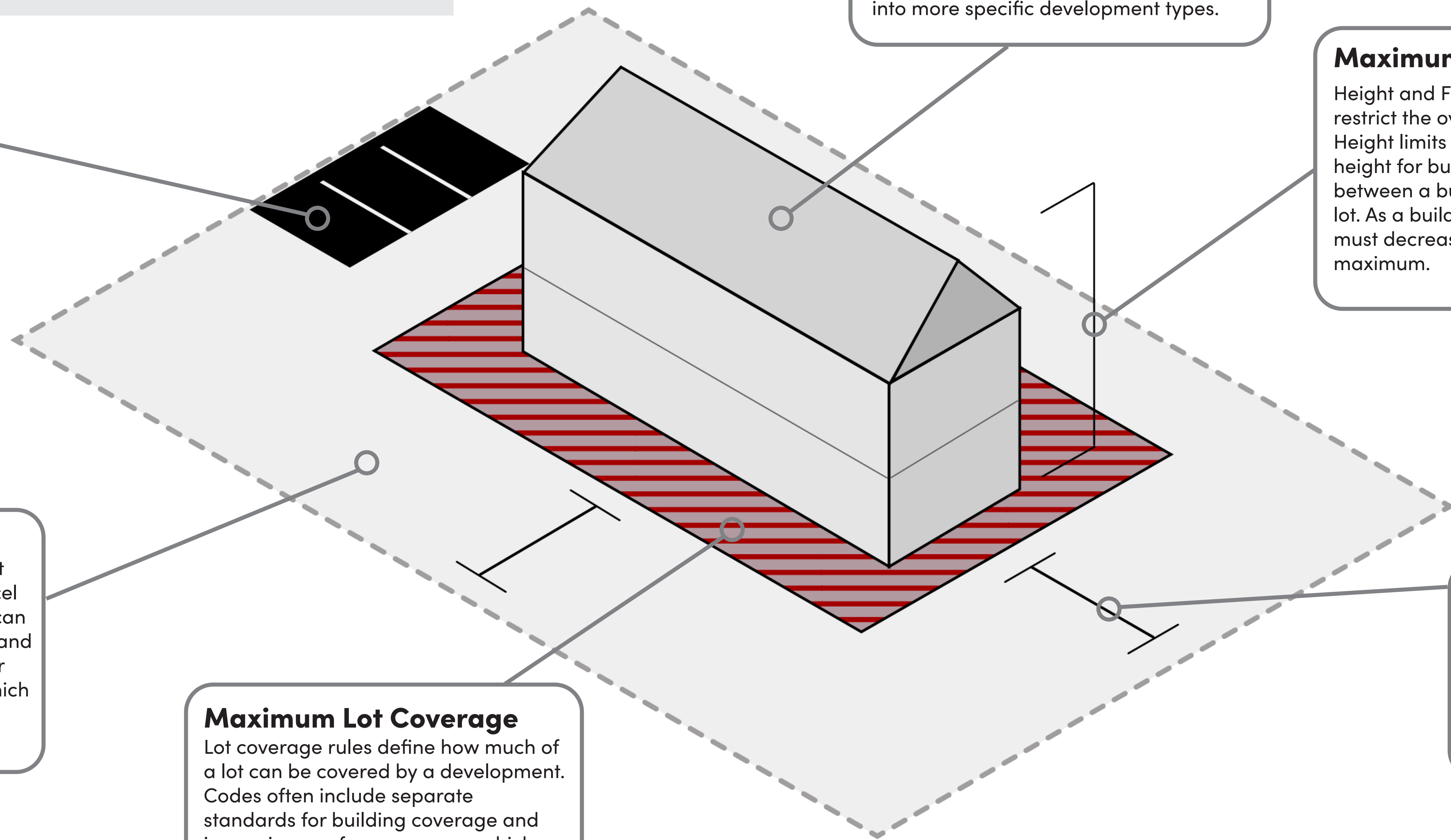
ZONING JURISDICTIONS COVERED BY THIS STUDY

As part of this study, the current zoning code of each focus city was analyzed to determine how much land is available for different kinds of housing. The resulting maps include properties within the city limits of the studied cities, as well as properties inside the Extra Territorial Jurisdiction (ETJ) of the Nebraska cities. In Nebraska, an Extra Territorial Jurisdiction is an area beyond city limits where a city exercises zoning authority. Council Bluffs has some planning powers outside its city limits, but these powers do not include zoning.



ANATOMY OF A ZONING DISTRICT

Zoning codes shape development by dividing cities into distinct zones, each with its own rules on what can be built, how dense development can be, and how buildings should be placed on lots. **These are some of the core regulations included in the districts defined by zoning codes in the Omaha metro.**



Parking Minimums

Parking minimums define the number of off-street parking spaces that must be built to serve a development. For multifamily residential developments, required spaces are tied to the number of housing units, with higher minimums for units with multiple bedrooms.

Minimum Lot Size

Minimum lot sizes define the smallest land area that can be used as a parcel for development. Minimum lot sizes can vary based on a development's use, and can be accompanied by site area per unit limits for multifamily projects, which require more land as the number of units increases.

Maximum Lot Coverage

Lot coverage rules define how much of a lot can be covered by a development. Codes often include separate standards for building coverage and impervious surface coverage, which includes both the building and paved areas on the property.

Use Restrictions

Restricting the uses that can be built in each zone is one of the primary purposes of zoning. Uses are generally divided into broad commercial, industrial, and residential categories, which are then split into more specific development types.

Maximum Height / Floor Area Ratio

Height and Floor Area Ratio (FAR) limits are used to restrict the overall scale and bulk of development. Height limits set a straightforward maximum height for buildings. FAR limits set a maximum ratio between a building's floor area and the area of its lot. As a building's height increases, its lot coverage must decrease to maintain an FAR below the maximum.

Setbacks

Setbacks define how far from the property line a building must be placed. Separate setbacks are usually defined for the front, back, and side yards, with variations for conditions like corner lots.

ZONING AS A BARRIER

Zoning codes set the ground rules for housing development. When these rules no longer align with community housing needs, they become barriers. **Each core component of a typical zoning code presents a unique challenge to developing more dense and diverse housing.**

USE RESTRICTIONS

Use restrictions play an important role in separating residents from truly noxious uses like heavy industry. But American zoning codes are unique in their treatment of residential uses: instead of separating residential development from incompatible uses, they focus on separating detached single-family homes from other housing. This severely restricts the land available for denser and more affordable housing, creating homogeneous neighborhoods that are exclusionary by design.

SITE REGULATORS

Site regulators encompass all the rules that govern the form and bulk of development, including setbacks, coverage limits, height restrictions, and minimum lot area. Combined, these rules limit residential density — how much housing can be built on each piece of land. Although some limits on density are appropriate, site regulators are often based on suburban standards, blocking even incremental increases in density through infill.

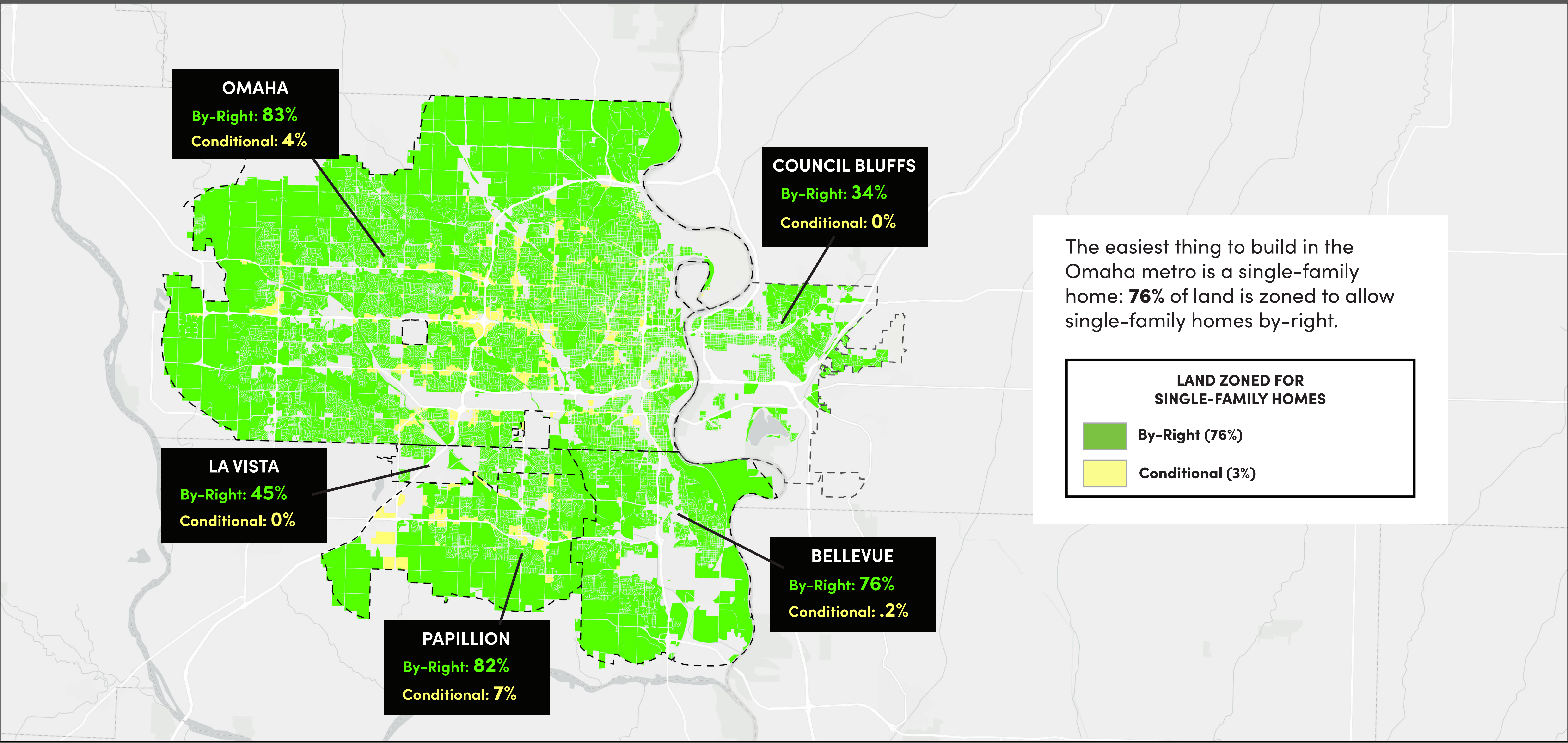
PARKING REQUIREMENTS

Like site regulators, parking requirements play a major role in restricting density. Requiring several off-street parking spaces for every unit of housing forces a sharp tradeoff: more room for parking and fewer homes.

WHAT YOU TOLD US ABOUT **ZONING**

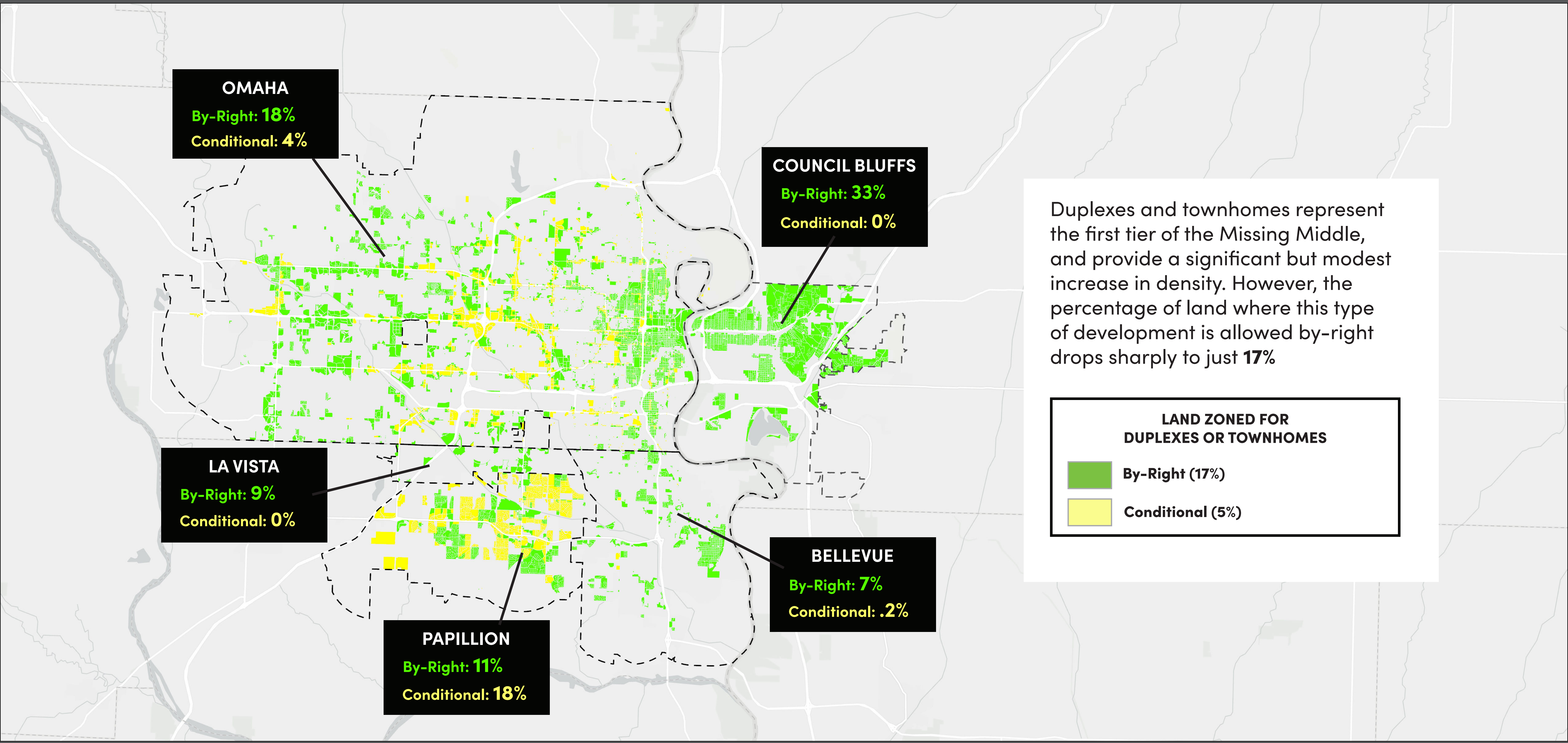
- *Virtually all infill projects require some kind of zoning change to get built – development by-right effectively does not exist.*
- *Even infill development at historic levels of neighborhood density is not possible due to parking requirements and site regulators.*
- *Within the city Omaha, the Planned Unit Redevelopment overlay has become the essential tool to make infill happen, since it allows developers to bypass base zoning restrictions.*
- *Relying on overlays for infill leaves development approval up to the discretion of city staff, and removes the certainty of by-right development.*
- *In more suburban neighborhoods, the lack of multifamily zoning makes more dense and affordable development difficult.*

WHERE CAN I BUILD A SINGLE-FAMILY HOME?



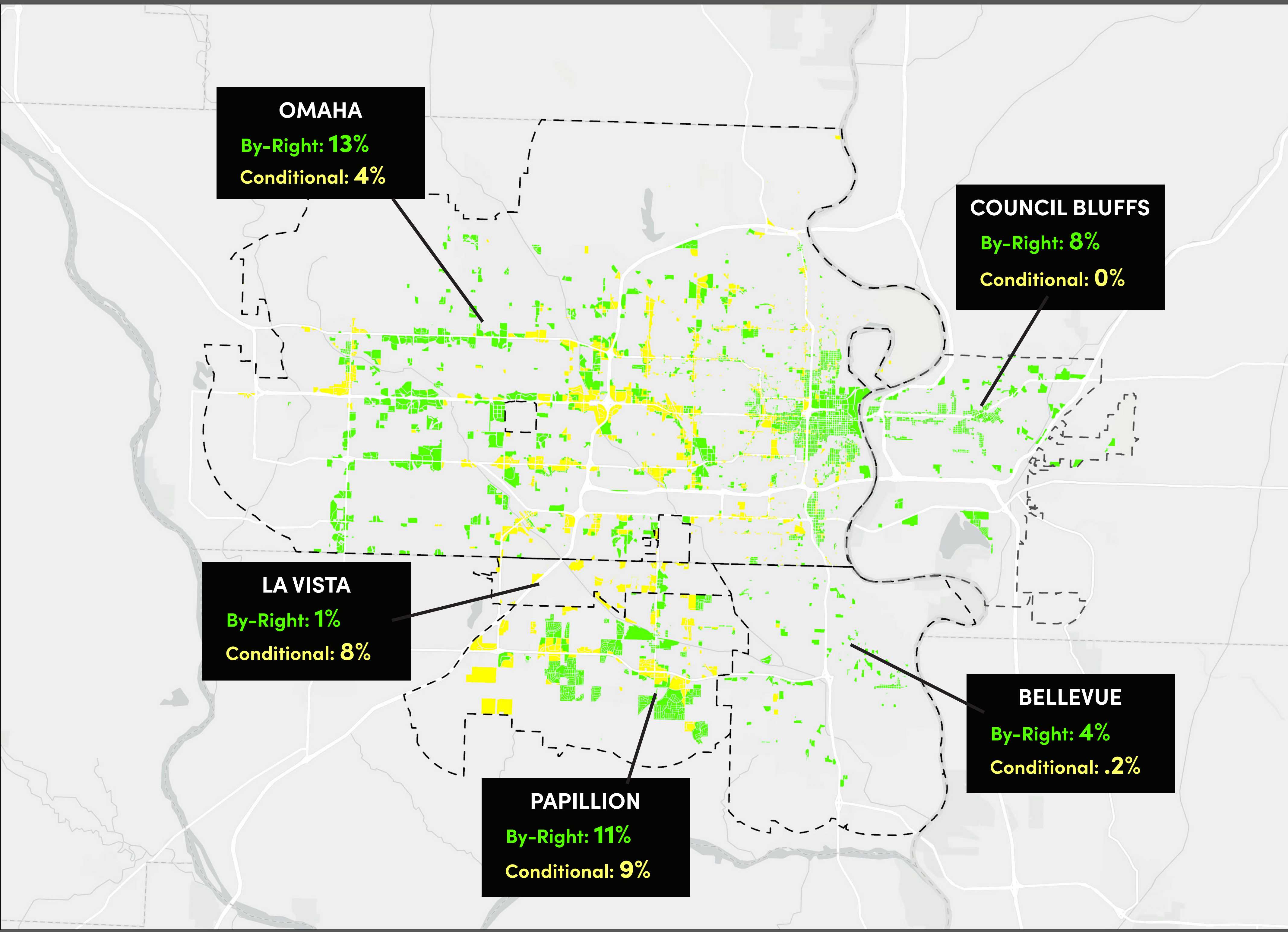
The easiest thing to build in the Omaha metro is a single-family home: **76%** of land is zoned to allow single-family homes by-right.

WHERE CAN I BUILD A DUPLEX OR TOWNHOME?



Duplexes and townhomes represent the first tier of the Missing Middle, and provide a significant but modest increase in density. However, the percentage of land where this type of development is allowed by-right drops sharply to just **17%**

WHERE CAN I BUILD MULTIFAMILY HOUSING?

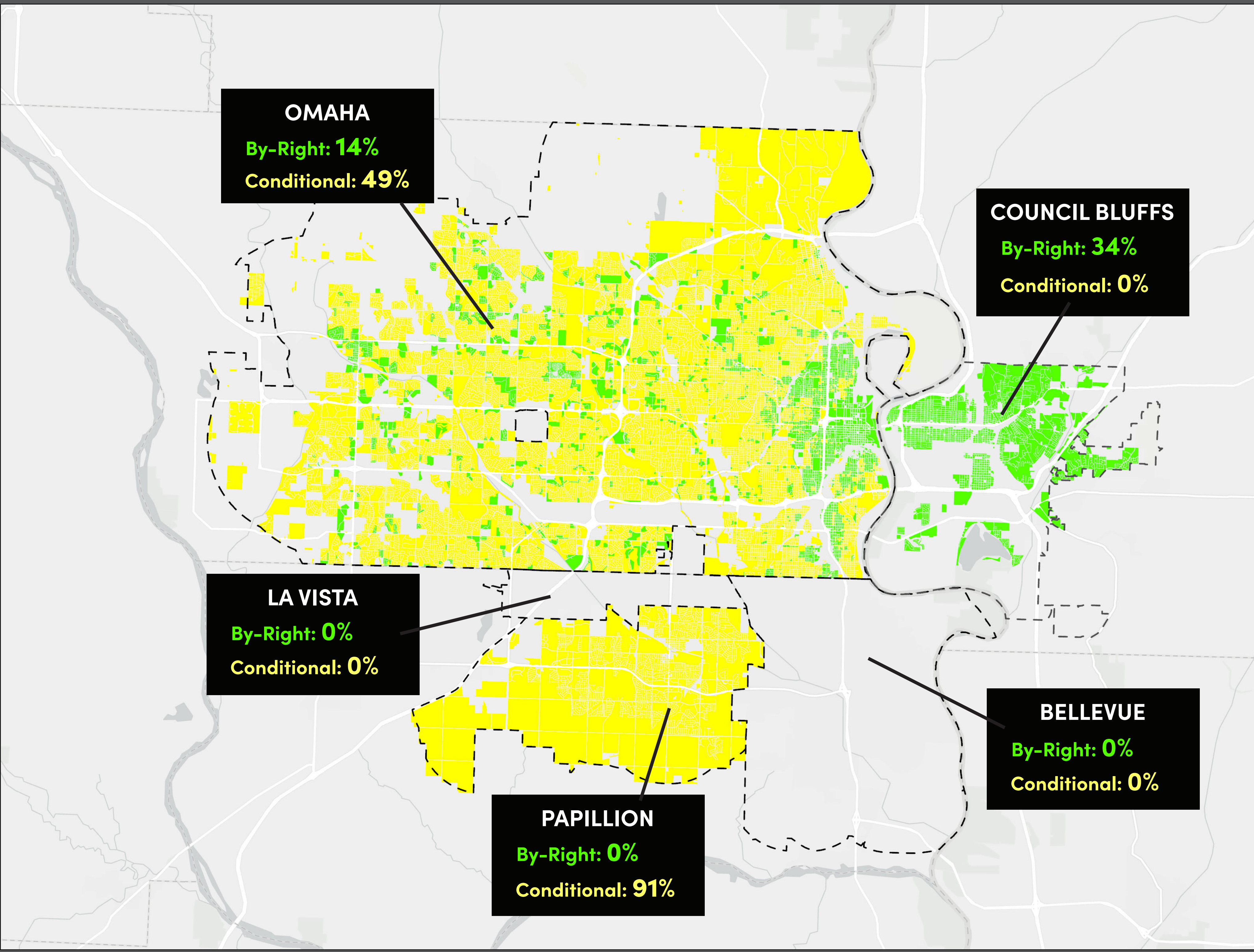


Multifamily — a category that includes any residential building with more than two units (see **Zone for the Missing Middle**, p. 64) — is the most restricted residential use, with just **11%** of land zoned for multifamily by-right.

LAND ZONED FOR MULTIFAMILY HOUSING

- By-Right (11%)
- Conditional (4%)

WHERE CAN I BUILD AN ACCESSORY DWELLING UNIT?



Zoning for accessory dwelling units (ADUs) is still relatively new in the Omaha metro, resulting in a patchwork of approaches between jurisdictions:

- Omaha allows ADUs by-right in select high-density residential zones and by conditional permit in others.
- Papillion allows ADUs by conditional permit only, in all zones that allow residential uses.
- Council Bluffs is now required by a recent Iowa state law to allow ADUs by-right on all single-family lots.
- Bellevue allows "guest houses", but unlike true ADUs, they can't be used as independent housing units
- La Vista's zoning code does not include any language related to ADUs.

LAND AREA WHERE ACCESSORY DWELLING UNITS ARE PERMITTED

- By-Right (12%)
- Conditional (40%)

MOVING FROM RIGID TO BY-RIGHT

A long-standing problem with zoning codes is their rigid enforcement of suburban norms. Large setbacks, low lot coverage, and ample parking are required even in dense neighborhoods that existed before the car. These rules equally restrict greenfield development designed to create more traditional, walkable neighborhoods. Changing — or at least getting around — these rules is the only way to create dense and diverse housing.

Planned Unit Developments (PUDs) were an early attempt to introduce flexibility into zoning by allowing new subdivsions to define their own rules within limits. More recently, overlays like the Planned Unit Redevelopment (PUR) in Omaha and Planned Development (PD) in Council Bluffs have added new flexibility for infill development. These tools allow developers to create custom zoning standards, defining their own setbacks, lot coverage requirements, and more.

Although the flexibility of overlays is an improvement, they're an imperfect solution. Zoning's greatest strength is predictability: if a development meets defined standards, it can be approved by-right. This gives developers the confidence to invest, knowing that their project will be approved if it follows the rules. When density is only allowed as a discretionary exception, certainty disappears. Uncertainty has a disproportionate impact on emerging developers, who are less likely to risk investing in a project that is illegal under current standards — but *might* be allowed following a lengthy process.

Overlays have played an important role in fostering dense and diverse development in the Omaha metro, but they should be the first step, not the last. It's time to make more housing the rule, not the exception.

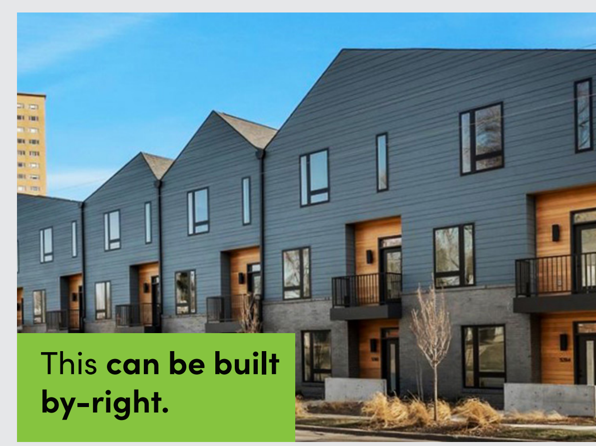
THREE WAYS TO ZONE

RIGID

Zoning requirements enforce strict suburban standards for setbacks, coverage, and limit housing in most neighborhoods to single-family detached homes. Dense and diverse housing is not allowed.

FLEXIBLE

Although base zoning regulations still reflects suburban standards, tools like special overlays are set up to allow dense and diverse housing as occasional exceptions to the rule.



BY-RIGHT

Dense and diverse housing is as widely accepted as single-family homes, and can be built by-right in most neighborhoods.

CODES

Many cities that have adopted zoning reforms to enable Missing Middle housing have been disappointed by how little is actually built. One reason for this failure is often the building code: even when zoning is adjusted to allow for flexibility, building codes can effectively force development into the same homogeneous mold. Amending building codes to ensure safety while enabling more creative housing types is a necessary step toward achieving the goals of density and diversity.

Overcoming code barriers is also a serious technical challenge. Unlike zoning standards, which largely reflect cultural norms and community priorities, building codes are more directly related to the safety of our homes. Code requirements are often added in response to real tragedies, and amending these requirements shouldn't be taken lightly.

But like other areas of public policy, the building codes we adopt involve trade-offs. Over time, an accumulation of code requirements with minor safety benefits can add up to significant costs for developers, which are ultimately passed on to residents. Like zoning, building codes can also impose rules that are too rigid for the broad spectrum of housing types that were once common in our neighborhoods. In many cases, code barriers are the unintended consequences of largely reasonable rules that simply need to be adjusted to reflect current needs. Removing code barriers sensitively will require focused collaboration between code officials, developers, architects, tradespeople, and other building professionals.

ADOPTED CODES IN THE OMAHA METRO

The majority of adopted building codes in the region are locally-amended versions of model codes produced by the International Code Council (ICC). Despite their name, these codes are primarily used in North America, and are not widely used globally. In some cases, like egress stair regulations (see **Code Challenges**, p. 46), ICC code standards are very different from the rules adopted in other developed countries with strong safety outcomes.

	OMAHA	COUNCIL BLUFFS	BELLEVUE	PAPILLION	LA VISTA
Commercial Building Code	2018 International Building Code	2015 International Building Code	2021 International Building Code	2018 International Building Code	2018 International Building Code
Residential Building Code	2018 International Residential Code	2015 International Residential Code	2021 International Residential Code	2018 International Residential Code	2018 International Residential Code
Mechanical Code	2012 International Mechanical Code	2024 International Mechanical Code	2021 International Mechanical Code	2018 International Mechanical Code	2018 International Mechanical Code
Plumbing Code	2018 Omaha Plumbing Code	2024 Uniform Plumbing Code	2021 Uniform Plumbing Code	2018 International Plumbing Code	2018 International Plumbing Code.
Electrical Code	2017 National Electrical Code	2023 National Electrical Code	2023 National Electrical Code	2023 National Electrical Code	2023 National Electrical Code
Fire Code	2012 International Fire Code	2015 International Fire Code	2021 International Fire Code	2018 International Fire Code	2018 International Fire Code

Source: *Omaha City Planning Department, Council Bluffs Community Development, Bellevue Permits and Inspections Department, Papillion Building & Fire Safety, La Vista Building Department*

CODE CHALLENGES

As with zoning, otherwise reasonable code requirements can become barriers when they aren't adjusted to align with current housing needs. The following are some of the key code challenges repeatedly identified in local and national conversations on affordable housing.

MISSING MIDDLE CODE BARRIERS

An advantage of Missing Middle housing is its ability to offer multiple units in small buildings that resemble a house more than an apartment complex. But code requirements can make these small buildings prohibitively expensive. The core issue is that any building with more than two units is reviewed under the International Building Code rather than the International Residential Code, triggering requirements that include full commercial sprinkler systems. Building a moderately denser triplex instead of a duplex can cost much more per unit, making larger Missing Middle typologies infeasible as small-scale infill.

DUAL STAIR REQUIREMENTS

New multifamily buildings are often criticized for looking "big and boxy." There is a kernel of truth behind the criticism: egress stair requirements in American building codes have the side effect of mandating large, box-like buildings. Current building codes require buildings above three stories to include two separate egress stairs, linked by dual-loaded corridors. This forces development to spread across larger sites in order to create enough occupiable space to be financially viable.

THE OMAHA PLUMBING CODE

Unlike other code issues, this one is unique to a single city in the metro: Omaha. In conversations with local development professionals, the most frequently cited code problem was the Omaha Plumbing Code. Among the code's unique features are additional requirements for how PEX piping can be installed, as well as rules that result in higher amounts of copper and cast iron pipes in projects where other jurisdictions would allow less expensive PEX and PVC.

WHAT YOU TOLD US ABOUT

CODES

- *The cost of code updates can be much higher than its safety benefits. A more rigorous cost-benefit analysis should be done before adopting additional code requirements.*
- *The Omaha Plumbing Code – a nonstandard code only used by the City of Omaha – increases costs for both single-family and multifamily projects.*
- *Fire code requirements, including turning radius requirements designed to accommodate large firetrucks, can be a major issue for dense residential projects.*
- *Creative solutions to code issues can be found if city leadership brings every reviewing department together on a project to make more housing possible.*
- *Unexpected issues can arise because of inconsistent interpretation and enforcement. How codes are applied differs depending individual interpretation of a municipality, or even the individual plan reviewer or inspector.*

PROCESSES

The rules cities adopt, including zoning and building codes, can function as barriers to housing. Intertwined with rules are the processes that cities create to ensure compliance before issuing a building permit. Navigating these processes can be a major hurdle for emerging developers, and even seasoned housing developers encounter unexpected issues that result in months of delay.

Revising the underlying rules that processes are built to enforce is the first step toward streamlining approvals. When most housing projects require multiple special approvals before receiving a permit, the complexity and unpredictability of the process increase exponentially. Approving more housing by-right will take many of these challenges off the table.

In addition to eliminating the need for special approvals, there are other common process pain points that should be addressed. Many of them revolve around internal coordination and communication. Development approvals involve multiple departments, and hand-offs during the process often lead to conflicting directives and late-stage surprises that could be prevented. Other pain points involve external communication and information design: complex websites, permit portals, and forms can make even gathering basic information about approval processes a chore.

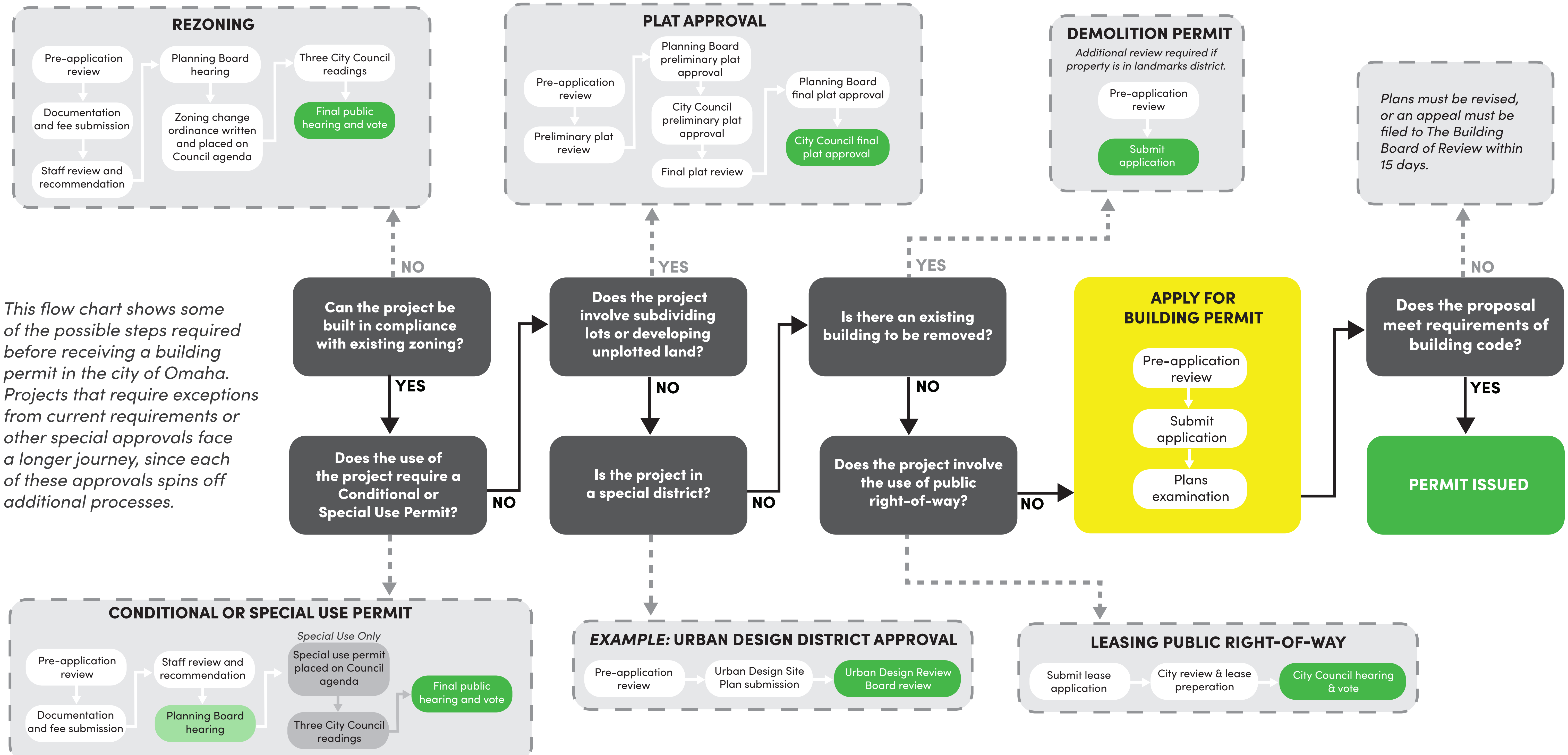
Unlike other reforms, significant process improvements would simply require administrative tweaks instead of legislation. The barriers to these reforms are internal, not external: they require leadership willing to tear down silos and invest in improvements that are invisible to most of the public. Despite their lack of visibility, these investments are worth making. Over time, both developers and city staff will reap the benefits of improved coordination and streamlined approvals.

WHAT YOU TOLD US ABOUT PROCESSES

- *Hand-offs between different reviewing departments, like public works and fire, are a major pain point in the approval process. A lack of communication can cause hidden surprises late in the process.*
- *A lack of coordination between cities and public utilities can also cause delays and confusion.*
- *In some cases, the cost of development delays can add up to 20% to the cost of a home.*
- *The complexity of navigating the approval process often makes it necessary to hire a consultant — a significant additional expense.*
- *City websites are confusing and scattered. A unified development portal with information on processes and resources would help emerging developers.*
- *Despite the challenges, working with local city staff is usually a positive experience, and local governments are flexible and responsive compared to higher regulation cities outside the Omaha metro.*

JOURNEY TO A BUILDING PERMIT

This flow chart shows some of the possible steps required before receiving a building permit in the city of Omaha. Projects that require exceptions from current requirements or other special approvals face a longer journey, since each of these approvals spins off additional processes.



Source: *The Developer's Guide to Omaha - Omaha City Planning Department (2023)*

INCENTIVES

Sometimes, a barrier to development is the *presence* of something, like an onerous regulation or a complex approval process. However, barriers can also be the *absence* of a resource that could make a project possible.

Even without regulatory barriers standing in the way, many housing projects won't happen without public incentives in the form of grants, low-interest loans, and tax incentives like Tax Increment Financing (TIF). Low-income housing almost always requires significant incentives to pencil out, and this is increasingly the case for middle-income housing as well. Incentives are also the key to unlocking challenging projects like the adaptive reuse of historic buildings.

Existing incentives are effective but limited. Federal incentives like the Low-Income Housing Tax Credit (LIHTC) and HOME are a major source of funding for affordable housing. State incentives include programs tied to affordable housing trust funds in both Nebraska and Iowa. At the local level, TIF is the primary incentive available for property development, including housing.

Omaha metro cities have the opportunity to improve the incentives they already administer and add additional tools to their development toolkit. **One particular area where additional support is needed is small-scale infill, which is often poorly served by complex incentives designed for large projects.** Local governments are well positioned to create more nimble tools tailored to the needs of small projects and emerging developers.

WHAT YOU TOLD US ABOUT INCENTIVES

- *Stacking multiple incentives can be difficult, since it requires timing several approval processes, and meeting criteria that may not be aligned.*
- *TIF and LIHTC processes don't work together — TIF requires other funding to be lined up before approval, so LIHTC applications lose application points in a very competitive process.*
- *Long approval times and application requirements for TIF are a barrier for emerging developers, who have to invest significant soft costs without knowing if their project will be viable.*
- *Geographic limits to TIF don't align with current community needs, including the increasing need for redevelopment in aging suburban areas.*
- *Constant changes in Nebraska state incentives make it difficult for emerging developers to follow and adapt.*
- *Most significant incentives are controlled by the state and federal government; there's a need for more local incentives.*

A GLOSSARY OF PUBLIC INCENTIVES

The following are some of the primary public incentives currently available for Omaha metro housing projects. Public assistance for affordable housing is primarily offered through federal programs, which are administered by state and local entities. Although this study is focused on public incentives, private philanthropy is another source of below-market financial assistance for housing projects.

Tax Increment Financing (TIF)

LOCAL

WHAT IT IS: A local financing tool that captures increased property tax revenue from redevelopment to reimburse eligible project costs.

CAN BE USED FOR: New construction and substantial rehabilitation in designated blighted or redevelopment areas; projects must demonstrate that TIF is necessary for financial viability ("but-for" test).

FUNDING TYPE: Reimbursement of eligible costs from incremental property tax revenue over 15-20 years.

SOURCE: Funded through incremental property taxes; administered by local governments subject to state enabling legislation.

Low-Income Housing Tax Credit (LIHTC)

FEDERAL

WHAT IT IS: A federal tax credit that provides equity financing for affordable rental housing by attracting private investors.

CAN BE USED FOR: New construction and substantial rehabilitation of rental housing; minimum 20% of units must serve households at 50% AMI or 40% of units at 60% AMI; highly competitive application process.

FUNDING TYPE: Equity from sale of federal tax credits to investors (4% and 9% credit options available).

SOURCE: Funded through federal tax code; allocated and administered by state housing finance agencies using competitive scoring criteria.

Community Development Block Grants (CDBG)

FEDERAL

WHAT IT IS: A flexible federal block grant supporting community development activities that primarily benefit low- and moderate-income persons.

CAN BE USED FOR: Infrastructure improvements, housing rehabilitation, public facilities, and economic development; at least 70% of funds must benefit low- and moderate-income households

FUNDING TYPE: Grants to state / local governments used to create local grant and loan programs.

SOURCE: Funded by HUD; administered by entitled cities/counties (population over 50,000/200,000) or state governments for smaller jurisdictions.

HOME Investment Partnership (HOME)

FEDERAL

WHAT IT IS: A federal block grant providing funding exclusively for affordable housing activities.

CAN BE USED FOR: New construction, rehabilitation, homebuyer assistance, and rental assistance for households earning up to 80% AMI; rental projects must serve 90% of units to households at 60% AMI or below.

FUNDING TYPE: Grants to state / local governments used to create local grant and loan programs.

SOURCE: Funded by HUD; administered by state and local participating jurisdictions with approved Consolidated Plans.

Opportunity Zones (OZs)

FEDERAL

WHAT IT IS: A federal tax incentive encouraging private investment in designated low-income census tracts through capital gains tax benefits.

CAN BE USED FOR: New construction or substantial rehabilitation in designated Opportunity Zone; investment must be held through Qualified Opportunity Fund (QOF).

FUNDING TYPE: Deferral of capital gains taxes, with more benefits for longer investments.

SOURCE: Federal tax code incentive administered through IRS; benefits flow to private investors, not directly to projects.

State Affordable Housing Trust Funds

STATE

WHAT IT IS: State-level funding programs supporting affordable housing development, rehabilitation, and homeownership assistance.

CAN BE USED FOR: New construction, rehabilitation, homebuyer assistance, and rental housing for households typically at or below 80% AMI.

FUNDING TYPE: Grants, forgivable loans, and low-interest loans to eligible developers and local governments.

SOURCE: Nebraska Affordable Housing Trust Fund (NAHTF) administered by NE state Department of Economic Development; Iowa State Housing Trust Fund (SHTF) administered by Iowa Finance Authority.

THE TOOLKIT

ZONING

LEGALIZE ADUS EVERYWHERE

Every residential lot should allow at least one ADU by-right.

Amending residential zones to allow at least one ADU on every lot is an easy choice. ADUs double the potential number of housing units in every single-family neighborhood, including suburban neighborhoods with few housing options. They empower homeowners to become developers and unlock new possibilities for their properties — ranging from supplemental income to intergenerational living.

Perhaps most importantly, ADUs allow a gentle increase in density without complete redevelopment. This makes ADUs one of the few feasible ways to create new housing in single-family neighborhoods where extensive redevelopment would be unlikely to occur, even if they were upzoned to allow denser forms of housing.

Zoning reform alone won't be enough to significantly accelerate ADU construction. Barriers outside of the public sector — especially the challenge of financing ADUs — will remain. But cities have the opportunity to take the first necessary step that will make it possible to solve those other problems.

In 2025, a team of partners led by Omaha by Design installed a model ADU at Heartland of America Park at Omaha's RiverFront. The ADU was based on APMA's winning design from the AARP-sponsored ADU for U competition. This model helped demonstrate how thoughtful design can create livability in a small footprint.

CASE STUDY

ADU REFORM IN CALIFORNIA

Several states, including Iowa, have passed legislation requiring all cities to allow Accessory Dwelling Units. But California was one of the first states to pass legislation legalizing ADUs, and its experience illustrates why successfully zoning for ADUs means more than simply adding them to a list of approved uses.

California initially passed legislation encouraging cities to permit ADUs in 1982, which was followed by a bill requiring cities to permit ADUs by-right in 2002. However, relatively few ADUs were built during this period. Cities that didn't wish to allow ADUs could still easily block the construction of ADUs by imposing standards that made it impossible to develop ADUs on most lots. Common barriers included:

- **Large minimum lot sizes**
- **Setbacks and lot coverage requirements**
- **Additional parking requirements for ADUs**
- **Stringent design standards**

In 2017, the state passed new legislation preempting these common barriers. The impact was immediate: Los Angeles went from permitting 200 ADUs in 2016 to 2,000 in 2017. By 2022, 19% of all homes built annually in California were ADUs — reflecting a 15,334% increase in the annual number of ADUs permitted.

LOCAL SPOTLIGHT

REDUCING ADU BARRIERS IN OMAHA

In 2023, Omaha adopted zoning reforms allowing ADUs by right in high-density residential districts (R5 – R8), and by conditional use permit in others. Omaha's adopted standards include several features that reflect best practices for enabling ADUs:

- An increased site coverage allowance for ADUs
- No additional parking requirements
- Exemption from site area per unit requirements
- Allowing ADUs to be rented (as long as they are registered with the City)

Although these reforms are a strong start, there's still room to build on them by allowing ADUs by-right in low-density residential districts as well.

REDUCE MINIMUM LOT SIZES

Create affordability, livable density, and remove the issue of unbuildable lots by reducing minimum lot sizes.

The rules a city sets for how land can be divided into parcels fundamentally shape a city's form, and set a floor for housing affordability. The cost of land is a major component of the price of housing — when more land is required per home, the cost of each home increases.

Historically, urban neighborhoods exhibited a fine-grained pattern of development on small lots. If you live in a home built before current zoning standards were adopted, there's a good chance you already live on a piece of land that would be considered "unbuildable" if it were to be redeveloped today (see **Local Spotlight** to the right).

This mismatch between rules and reality is a major issue in older neighborhoods with vacant properties. Even building a home identical to what was previously on the lot can require a lengthy public process, making vacancy an easier choice than new housing.

Land is a precious, finite resource. Reducing minimum lot sizes is key to ensuring that this resource can be fully used to meet our housing needs.

Currently under construction in Benson, Partners for a Livable Omaha's Our Story homes are an example of the gentle density that small lots enable. The smaller of the two homes is being built on a 1,770 SF lot — less than half the size of the 4,000 SF minimum in its R5 zoning district.

LOCAL SPOTLIGHT
SMALL LOTS IN YOUR BACKYARD

Small lots aren't new to Omaha — they're a common feature in existing neighborhoods, especially ones built before current standards. The table below shows the number of existing residential lots in the City of Omaha that are smaller than the minimum allowed in their zoning district. In total, there are **15,727 lots** that are below their district's minimum lot size, covering **1,643 acres** of land.

District	Minimum Lot Size*	Nonconforming Lots	Total Area
R1	20,000 SF	211	74 Acres
R2	10,000 SF	770	153 Acres
R3	7,500	3,530	504 Acres
R4	5,000 SF	6,366	609 Acres
R5	4,000 SF	2,195	156 Acres
R6	4,000 SF	746	32 Acres
R7	4,000 SF	1,828	113 Acres
R8	4,000 SF	81	4 Acres
Total		15,727	1,643 Acres

** For detached single-family development*

CASE STUDY
HOUSTON'S SMALL LOT ORDINANCES

Houston, TX is one of the only large cities in the country that has maintained affordability during a period of rapid growth. One powerful factor behind Houston's affordability is its support for small-lot development. In 1998, Houston adopted an ordinance allowing for lots as small as 1,400 square feet in its urban core. In 2013, these rules were revised to include the entire city. The reduction in lot size requirements led to a boom in townhome development, with 34,000 townhomes built from 2007 to 2020.

Reducing minimum lot sizes has been key to Houston's continued affordability, and has enabled widespread infill development on formerly vacant lots.

REGULATE FORM INSTEAD OF SITE AREA PER UNIT

Eliminate site area per unit requirements to encourage creative development within appropriate form standards.

Missing Middle housing types like townhomes and quadplexes reduce housing costs by stretching the fixed cost of land across multiple units. This advantage is reduced or erased by site area per unit requirements that mandate more land for buildings with more than one unit, even if their physical footprint is the same as a single-family home.

In many zoning districts, for example, a duplex requires twice the land of a single-family home, even if it has the same scale as the surrounding homes. These standards block moderate increases in density on existing lots, even if denser housing types are allowed as a use. Site area per unit requirements also incentivize larger, more expensive units to maximize the value of the extra land these buildings must consume.

Although removing site area per unit requirements may raise concerns about out-of-scale development in an established neighborhood, these concerns can be addressed by form standards rather than site area per unit restrictions. This can enable house-scaled Missing Middle buildings that already enrich many historic neighborhoods.

LOCAL SPOTLIGHT

DUPLEXES VS. SITE AREA REQUIREMENTS

Duplexes are one of the most commonly allowed housing types other than detached single-family homes (see **Where Can I Build a Duplexes or Townhomes**, p. 36). Unlike denser Missing Middle housing types, duplexes can be constructed under residential code standards. But even where duplexes are allowed by-right, differing site area requirements usually mean that duplexes can't be built on typical lots. Out of the studied cities, only Council Bluffs consistently allowed duplexes on standard single-family lots.

City	Zone	Min. Lot - Single-Family	Min. Lot - Duplex
Omaha	R5	4,000 SF	6,000 SF
Omaha	R6	4,000 SF	4,000 SF
Omaha	R7	4,000 SF	5,000 SF
Omaha	R8	4,000 SF	5,000 SF
Bellevue	RD-60	6,000 SF	12,000 SF
Bellevue	RD-50	5,000 SF	10,000 SF
Bellevue	RD-28	5,000 SF	10,000 SF
Bellevue	RD-20	5,000 SF	10,000 SF
Bellevue	RG-8	5,000 SF	10,000 SF
Council Bluffs	R-2	5,000 SF	5,000 SF
Council Bluffs	R-3	5,000 SF	5,000 SF
Council Bluffs	R-4	5,000 SF	5,000 SF
Papillion	R3	6,000 SF	10,000 SF
Papillion	R4	6,000 SF	6,000 SF
Papillion	MH	7,200 SF	12,000 SF
La Vista	R-2	5,000 SF	10,000 SF

Despite mirroring the scale and character of nearby homes, this historic Omaha duplex would not be allowed based on current site area requirements for its zone.

ZONING

ZONE FOR THE MISSING MIDDLE

Expand zoning code housing type definitions to include Missing Middle typologies, and enable them in residential zones.

Most of the Missing Middle is missing in Omaha metro zoning codes. In every zoning code analyzed for this study, defined residential building types follow the basic progression below:

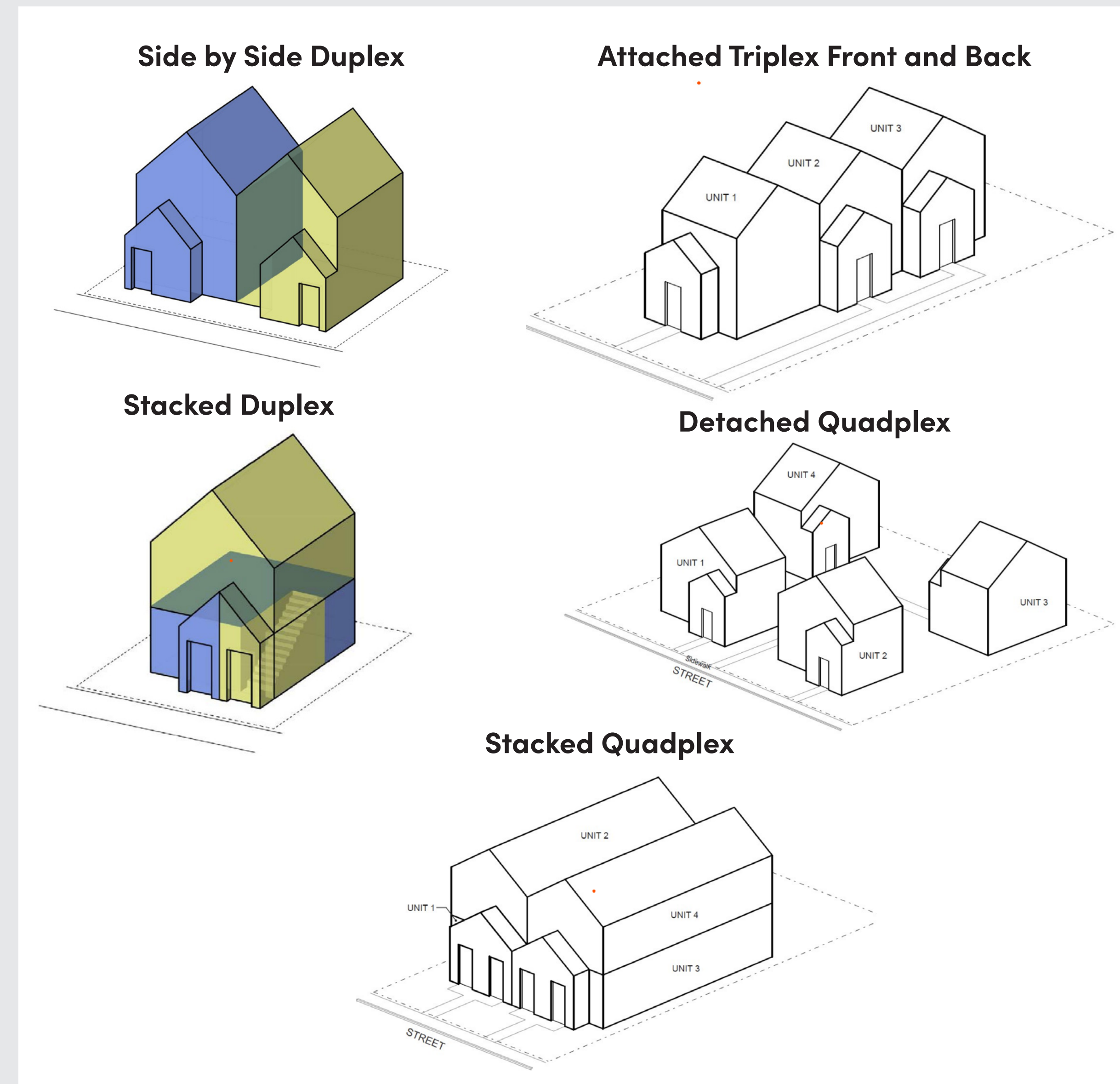
Single-Family Detached → **Single-Family Attached, Townhome, or Duplex** → **Multifamily**

Although Missing Middle buildings with more than two units can be built in districts that allow for multifamily, multifamily development is currently the most restricted residential use (see **Where Can I Build Multifamily Housing**, p. 39). And because most current multifamily development takes the form of large apartment complexes, opening up zoning to allow for *all* multifamily building types may be a difficult proposition for many lower-density neighborhoods to support.

A more sensitive approach is to define a broader range of Missing Middle buildings within the zoning code (see **Case Study** to the right), and then to enable at least some of these types in every residential zone. This approach allows neighborhoods to grow incrementally, while avoiding conflict over unrestricted multifamily development in formerly single-family neighborhoods.

CASE STUDY
OREGON'S MIDDLE HOUSING MODEL CODE

In 2019, Oregon passed legislation requiring all large cities to allow Missing Middle housing types, including duplexes, triplexes, quadplexes, and cottage clusters. The law included a model code that provided definitions for each housing type, model site regulations, as well as examples of multiple physical configurations for each housing type. Oregon's model code is a good example of how Missing Middle typologies can be defined, reasonably regulated, and integrated into existing residential neighborhoods.



***Source:** Model Code for Large Cities, Oregon Land Conservation and Development Commission (2020)*

ZONING

USE COMMERCIAL ZONES FOR HOUSING

Repurpose underutilized commercial areas with essential housing.

Incremental infill through small-lot homes, Missing Middle housing, and ADUs is an important piece of the housing puzzle. It isn't the only piece.

Large-scale housing developments — including multifamily buildings with over 50 units — will always play a key role in meeting regional housing demand. And as opportunities for easy greenfield growth dry up, housing at this scale will increasingly need to be located within current city limits. The question is: where?

One possibility is hiding in plain sight: existing commercial zones.

Major redevelopment projects need large parcels of land, served by infrastructure that can accommodate density. This is precisely what commercial corridors across the metro offer. Shifts in the office and retail markets have also left many of the metro's most visible commercial areas with increasing levels of vacancy and deterioration. Adding housing to these aging commercial corridors would breathe life into places that need to be reimagined and create new opportunities to live near existing jobs, transportation options, and other key amenities.

This concept isn't entirely new: Omaha metro cities already contain mixed-use zones that allow both commercial and residential uses in discrete planned developments. This recommendation would go a step further by converting all commercial areas into mixed-use zones, making flexibility the norm in the places with the greatest redevelopment potential.

DIGGING DEEPER

FLAT VS. HIERARCHICAL ZONING

In the United States, flat zoning is a common approach to land-use regulation. Under this model, zones are reserved for a single kind of use: residential zones contain residential uses, and commercial zones contain commercial uses, with small allowances for accessory uses.

Opening commercial zones to residential uses reflects another approach: hierarchical zoning. In this model, zones are primarily organized by levels of development intensity. At each step up in development intensity, zones retain the permitted uses allowed in less intense zones. This type of zoning is common internationally, and gives cities the ability to reserve areas for quieter residential development, while making mixed-use development the norm in dense corridors.

Less Intense ← → More Intense

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Single-Family Homes	Yes	Yes	Yes	Yes	Yes
Small Multifamily		Yes	Yes	Yes	Yes
Large Multifamily			Yes	Yes	Yes
Neighborhood Retail			Yes	Yes	Yes
Large-Scale Retail				Yes	Yes
Large Office					Yes

ZONING

REMOVE PARKING MINIMUMS

Make walkability and infill a viable option by removing parking minimums.

The fundamental truth of cars is they take up a lot of space. A single parking space occupies 160 SF of land — the size of a bedroom. When cities require a minimum number of parking spaces for every home, it results in a simple equation: the amount of land consumed by parking increases, while the amount of housing decreases.

Removing parking minimums is the only way to fundamentally change this equation.

The most common objection to removing parking minimums is that everyone has a car, and they need a place to park. If developments don't provide parking, those cars will clog neighborhood streets. Although this sounds reasonable, it's also a self-fulfilling prophecy: when every development is designed around vehicle circulation and storage, it creates a city where everyone needs a car. Removing parking minimums won't change this status quo overnight, but it creates space for options.

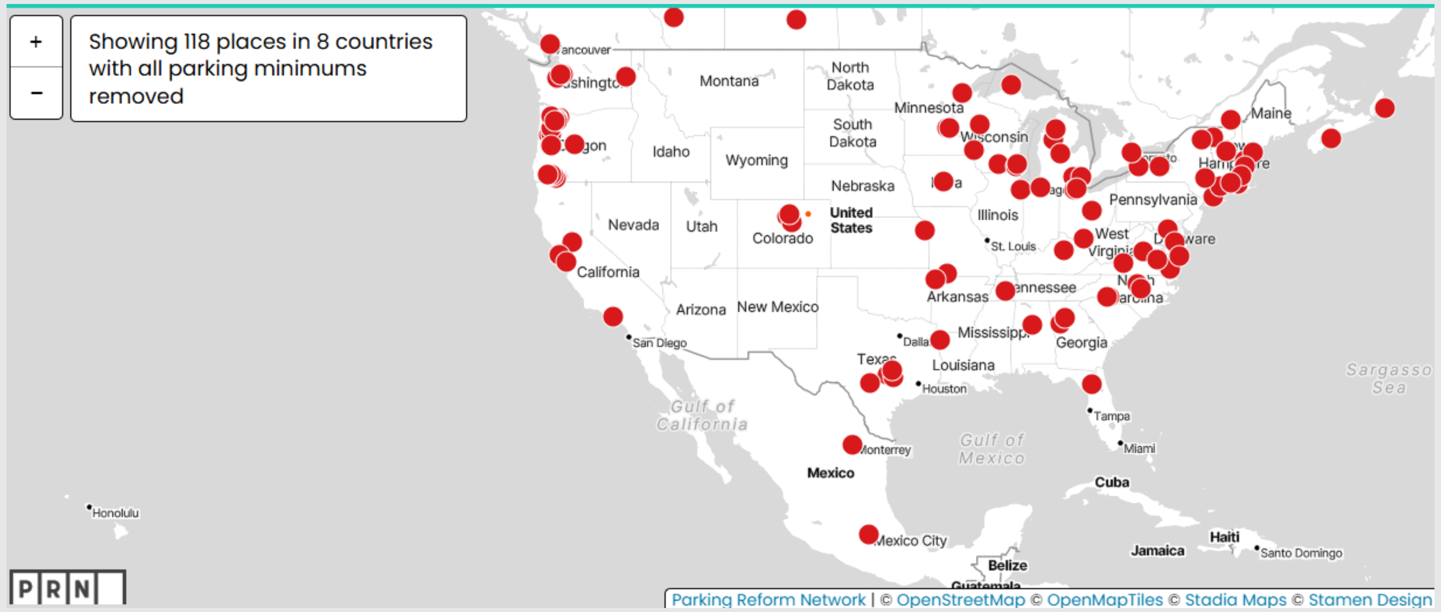
Ending parking minimums will not be the end of parking. As long as most consumers value parking, developers will provide it. But not everyone values the same thing. For some, forgoing a parking space to live in a walkable neighborhood at the right price is an attractive trade-off.

Instead of setting inflexible parking ratios, we can let people make those choices.

DIGGING DEEPER

PARKING REFORM ACROSS THE COUNTRY

The Parking Reform Network (parkingreform.org) tracks the progress of parking minimum reform across the country. So far, the network has documented 118 cities that have removed all parking minimums, and 3,000 that have implemented more incremental reforms.



LOCAL SPOTLIGHT

OMAHA METRO MINIMUMS

With a few exceptions, 2 parking spaces per housing unit is the most common parking ratio across different housing types in metro zoning codes.

	Single-Family	Townhome	Duplex	Multifamily
Omaha, NE	2 spaces per unit	2 spaces per unit	1.5 spaces per unit	1 space per studio, 1.5 spaces per 1-BR, 2 spces per 2+ BR unit
Bellevue, NE	1 space per unit	1 space per unit	1 space per unit	2 spaces per unit
Council Bluffs, IA	2 spaces per unit	2 spaces per unit	1 space per studio or 1-BR unit, 1.5 spaces per 2-BR+ unit	1 space per studio or 1-BR unit, 1.5 spaces per 2-BR+ unit
Papillion, NE	2 spaces per unit	2 spaces per unit	2 spaces per unit	1.5 spaces per studio or 1-BR, 2 spaces per 2-BR, 2.5 spaces per 3-BR+
La Vista, NE	2 spaces per unit – 1 required to be enclosed	2 spaces per unit – 1 required to be enclosed	2 spaces per unit	1 space per bedroom – minimum of .5 enclosed spaces per unit

ZONING

MAKE BY-RIGHT THE RULE, NOT THE EXCEPTION

Instead of relying on overlays, revise base zone regulations to allow the housing our cities need by-right.

The zoning tools on the previous pages point toward a common goal: creating a system of development regulation that makes dense and diverse housing the rule, not the exception. Adopting these reforms will go a long way toward making development by-right possible.

But every city should continue to monitor where pain points emerge in the development process, and where zoning is getting in the way of community goals rather than helping to achieve them.

A simple way to identify these pain points is to assess the projects that haven't been developed by-right, and the rules that made exceptions necessary. Cities that use overlays to enable creative housing have already built up a powerful set of data on what zoning requirements are standing in the way of more homes (see **Local Spotlight** to the right).

For cities that pride themselves on being flexible, the challenge is to move from a system where every development is an individual negotiation to one where approving a cottage court or quadplex is as routine as a single-family home. This doesn't mean abandoning all zoning and design regulations, but it does require city staff to leave some of their discretionary power behind.

LOCAL SPOTLIGHT

USING EXCEPTIONS TO WRITE THE RULES

The City of Omaha created the Planned Unit Redevelopment (PUR) overlay as a way to enable more creative redevelopment in Omaha's existing urban neighborhoods. The PUR allows developers to work through a public process to define their own custom site regulators and other zoning standards (like setbacks, lot coverage, and parking minimums) based on the characteristics of their project.

Although the need to create a PUR for virtually every urban infill project was identified as a barrier by many developers, past PUR applications provide a wealth of information about which zoning regulations could be adjusted to enable by-right development — many which are reflected in this toolkit.

OMAHA PUR APPLICATIONS, 2024 - 2025

INCREASED LOT COVERAGE **63%** of projects	REDUCED LOT AREA **44%** of projects
REDUCED LOT WIDTH **19%** of projects	REDUCED SETBACKS **88%** of projects
DECREASED SITE AREA PER UNIT **63%** of projects	REDUCED PARKING MINIMUM **69%** of projects
INCREASED HEIGHT LIMITS **6%** of projects	INCREASED FLOOR AREA RATIO (FAR) **25%** of projects

CODE

CODE FOR THE MISSING MIDDLE

Amend the IRC to allow house-scaled Missing Middle buildings to be built under residential code standards.

Zoning changes can make building Missing Middle residential buildings legally *possible*, but building code reforms are just as important to making them financially feasible.

The primary issue is the transition between residential and commercial code standards. While single-family homes and duplexes are reviewed under International Residential Code (IRC), any residential building with three or more units is reviewed under the International Building Code (IBC). In practical terms, this means that building a triplex instead of a duplex dramatically increases the project's cost-per-unit.

This issue can solved by amending local codes to place small Missing Middle buildings under the jurisdiction of the IRC.

A key consideration for this reform is the scale of buildings that should fall under residential standards. In Memphis, the IRC was amended to include a "large house" building type, which could include up to six units (see **Case Study** to the right). Another potential breakpoint could be four units, which would align with both FHA lending standards and Nebraska's E&A stamp regulations, which allow quadplexes under 10,000 SF to be built without an engineer or architect's stamp.

Fire safety will be another important consideration during the amendment process. Commercial fire sprinkler requirements are a major part of IBC compliance costs; an amended IRC could establish a middle ground that addresses the real risks of Missing Middle buildings without treating them like 100-unit complexes. Finding the right balance will take collaboration across disciplines, and between city departments (see **Coordinate City Departments on Housing Goals**, p. 78).

CASE STUDY
MISSING MIDDLE CODE REFORM IN MEMPHIS

In 2019, Memphis adopted Memphis 3.0, its first comprehensive plan in almost 40 years. The plan's central goal was to "build up not out" by investing in neighborhood infill. To achieve this, the plan identified Missing Middle housing as a key strategy.

Malone Park Commons became a real-world test case of Memphis's commitment to the Missing Middle. The brainchild of emerging developer Andre Jones, Malone Park Commons blended small cottages, quadplexes, and small mixed-use buildings on less than one acre. During the development process, IBC requirements for every building over two units quickly threatened the viability of the project, leading to a close collaboration with Memphis officials to find a path forward.

Working closely with a Missing Middle developer on a real project helped Memphis ground its policy changes in the practical realities of development, and led to an iterative series of changes as new barriers emerged.

Instead of granting one-off exceptions for a single development, the Memphis Division of Planning and Development worked with Jones and other builders to identify and pass permanent code reforms to help more projects like it. The result was an iterative series of policy reforms at both the local and state level:

- In 2021, Memphis adopted a "Large Home" amendment allowing residential buildings to be reviewed under modified IRC standards instead of the IBC.
- In 2024, Memphis successfully supported the passage of HB2787, a Tennessee state law allowing residential buildings with up to four units and less than 5,000 SF to use either two-hour rated fire separations or residential sprinkler systems, rather than full commercial sprinkler systems.
- In 2025, Memphis adopted a Missing Middle appendix to the IBC, including appropriately-scaled regulations for small multifamily buildings up to 28 units.

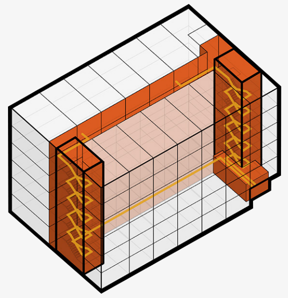
CODE

LEGALIZE SINGLE-STAIR RESIDENTIAL

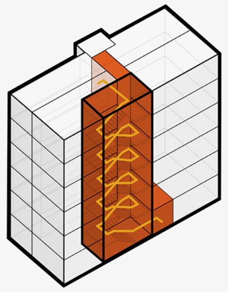
Unlock new design possibilities on compact lots by allowing single-stair residential buildings over three stories.

A common complaint about new multifamily infill is that it tends to look the same: a large squat box with four or five residential stories over a podium.

One reason for this sameness is a unique requirement in North American building codes that requires multifamily buildings over three stories to include two separate egress stairs, connected with a long corridor. In order to pencil, developments following this requirement need to spread over larger lots to accommodate the required egress space.



These diagrams illustrate the difference between dual-stair (left) and single-stair (right) multifamily building designs. The additional space required by two stairs and a double-loaded corridor makes it difficult to build on small lots.



However, in cities around the world, single-stair buildings are a common sight. And, thanks to other advances in fire suppression, they have a safety record on par with their dual-stair counterparts.

Although the model IBC may eventually be amended to enable single-stair residential, there's no reason to wait: over 18 states have already amended their model building codes to allow single-stair residential buildings between three and six stories. This modest change can help unlock new housing possibilities in our densest neighborhoods.

CASE STUDY

FIVE DECADES OF SINGLE-STAIR IN SEATTLE

Although several U.S. cities are considering code reforms that would allow single-stair buildings over three stories, one city is already decades ahead of the curve. Seattle amended its building code in 1977 to allow single-stair buildings up to six stories. The amendment was the result of a planning process focused on bringing residents back to the core city.

The result is the "Seattle Special" — a unique form of dense infill housing that has helped increase residential density in Seattle's urban core for almost 50 years. Seattle's lengthy experience with single-stair housing demonstrates that these buildings can be a valuable and safe source of urban housing.

Pike & Virginia Building (1978)

East Union Lofts (2001)

Sola16 (2016)

Seattle's early adoption of single-stair reforms makes it one of the few cities in the U.S. with a large supply of modern single-stair buildings. The six-story Pike and Virginia building (top-left), constructed in 1978, was the first single-stair building constructed after the code amendments were adopted.

CODE

REPLACE THE OMAHA PLUMBING CODE

Replace Omaha's unique plumbing code with a national model code to lower costs and reduce confusion.

The recommendations of this toolkit are meant to be relevant to every Omaha metro city, not just the City of Omaha. Except for this one.

Unlike every other city and town in the Omaha metro, Omaha uses its own plumbing code. **The challenge of working with this nonstandard code was the barrier that came up the most across all the interviews that informed this study.**

While it would be possible to simply target and amend the portions of Omaha's code that pose significant barriers to development, there is no reason to believe that Omaha's circumstances are so unique that it needs to have its own code.

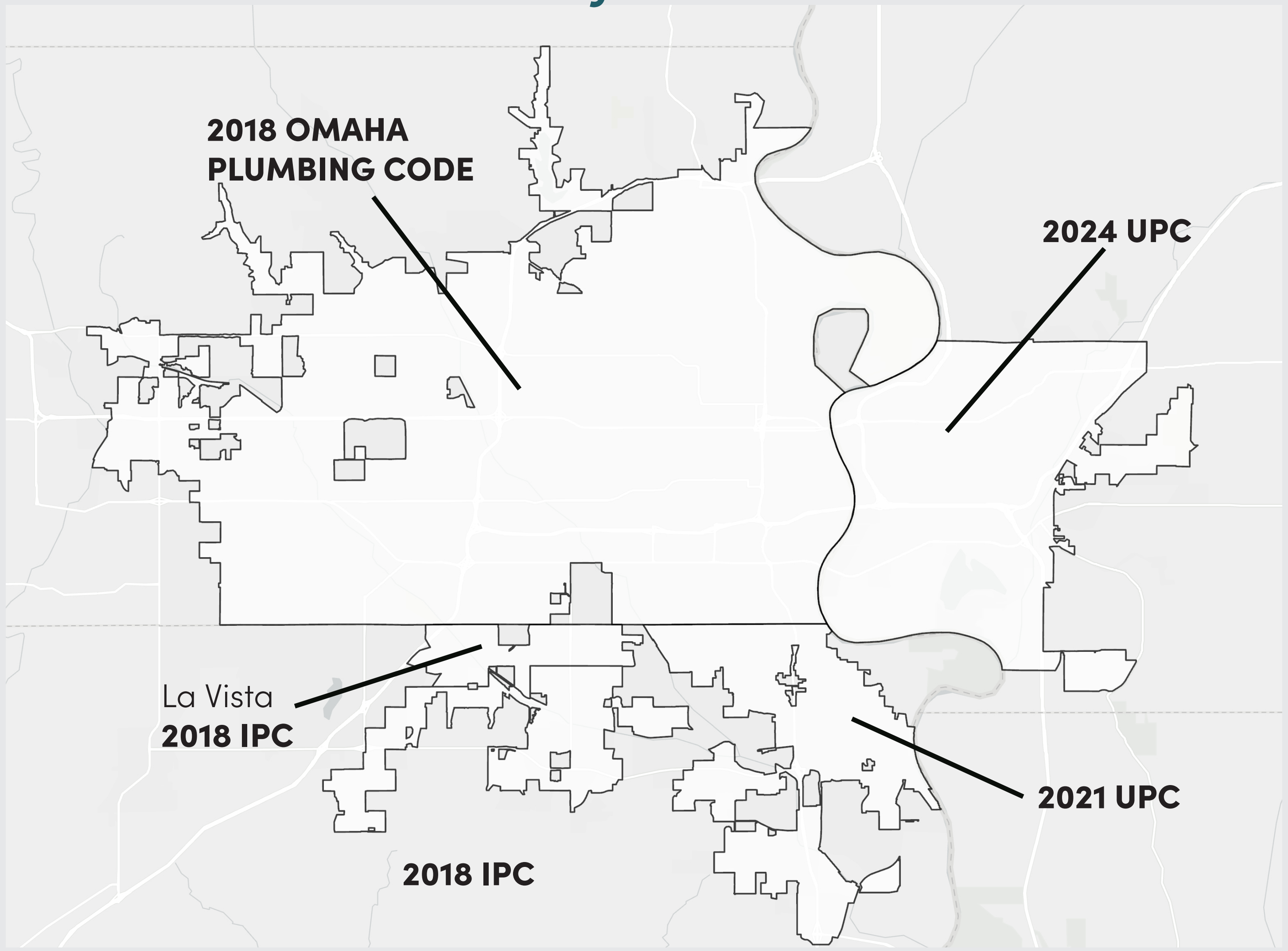
In some cases, it's worth challenging and revising the requirements of standardized codes. But in this case, Omaha can remove a barrier simply by using an off-the-shelf plumbing code that would bring it in line with its neighbors (see **Local Spotlight** to the right).

LOCAL SPOTLIGHT
METRO PLUMBING CODES

There are two primary model codes that Omaha could replace its plumbing code with: the IPC, developed by the International Code Council (ICC), and the UPC, which is published by the International Association of Plumbing and Mechanical Officials (IAPMO). Although the IPC is more popular nationally, both Nebraska and Iowa have adopted the UPC as the statewide model code, making it perhaps the most straightforward code to adopt.

However, some area jurisdictions have adopted the IPC as their local code instead of the UPC. One advantage of the IPC is that it belongs to the same I-Code family as the IBC and IRC, and is designed to integrate with their standards. Omaha's ultimate decision should be guided by the experience of local tradespeople and code officials who have worked with both codes.

UPC & IPC JURISDICTIONS



PROCESSES

COORDINATE CITY DEPARTMENTS ON HOUSING GOALS

Closely coordinate hand-offs between all city departments involved in plan review, and ensure that each one is working toward creative housing solutions.

In Omaha metro cities, approving development is a team effort. Although the planning department is often the entry point to the process, other departments are responsible for reviewing significant aspects of every set of plans, including fire safety, stormwater detention, and street standards.

The handoff between planning and these other departments is a frequent pain point in the development process. Fire code review is an example of a specific handoff that rose to the top as a common challenge in interviews with developers (see **Digging Deeper** to the right). When departmental policies and priorities collide, the result is delay, confusion, and frustration.

The goal of enabling more housing has to be shared across departments, instead of being treated solely as a planning department priority. The goal isn't to pressure other departments into ignoring major concerns and rubber-stamping projects. Instead, each department should be invited to apply their expertise to find solutions.

Beginning this process of collaboration is the responsibility of city leadership. Only city leadership can establish goals that cut across departments and create a structure for interdepartmental problem solving. Breaking down silos isn't easy, but building a better approval system is impossible without it.

DIGGING DEEPER
FIRE CODE BARRIERS

Emergency vehicle access standards are a common area of conflict between fire code requirements and dense housing development. Specific rules that conflict with compact neighborhood design include:

- Minimum clear lane widths
- Turning radius requirements
- The need to accomodate vehicle turnarounds on dead-end streets

As with other code standards, there are other paths to ensuring safety while accomodating development, ranging from procuring smaller emergency vehicles to providing alternate performance-based standards for urban infill. Working cooperatively with local fire officials is the best way to identify those paths.

LOCAL SPOTLIGHT
DEPARTMENTAL DIFFERENCES

Although multiple departments are involved in plan review in each of the studied metro cities, how different areas of responsibility are distributed varies. The table below shows where responsibility for zoning, building code, and fire code review lies in each city:

	Zoning Review	Building Code Review	Fire Code Review
Omaha, NE	Planning Department	Planning Department (Permits & Inspections Division)	Fire Department
Bellevue, NE	Planning Department	Permits & Inspections Department	Permits and Inspections Department
Council Bluffs, IA	Community Development	Community Development	Community Development
Papillion, NE	Planning Department	Building & Fire Safety	Building & Fire Safety
La Vista, NE	Community Development	Community Development	Building & Fire Safety (Shared with Papillion)

DESIGN A BETTER ONLINE FRONT DOOR

Provide clear online information that connects developers to resources and reduces confusion about the process.

City planning and building departments typically offer initial guidance to applicants through scheduled pre-application meetings, or walk-in consultations. There's no question that these in-person touchpoints are an indispensable part of customer service.

For emerging developers who are just learning to navigating the approval process, the department's website is just as indispensable. The website acts as the true front door to the development process — the initial source of information that the public uses to gather critical information before they show up to city hall in person. Making sure this front desk creates clarity and not confusion is essential.

A successful department website should play several roles:

- Providing clear and accessible information on the complete permitting and approval process for common projects.
- Serving as an accurate reference for developers during the development process.
- Connecting visitors with available public development incentives.
- Listing up-to-date contact information for city staff

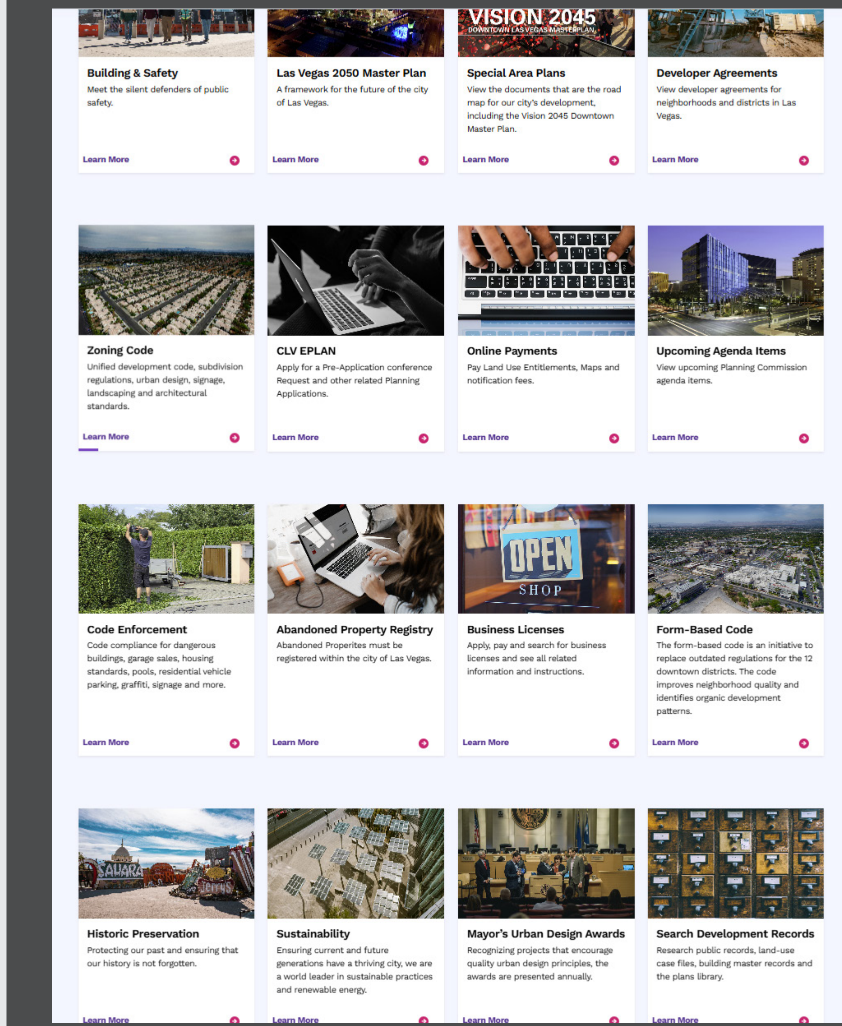
The challenge for many local governments is the sheer volume of information they have to include on their site, which easily creates clutter and confusion. This is fundamentally a design problem: the best way to solve it is with the help of a professional design firm that understands how to bring clarity to complex information. A modest initial investment in design will provide benefits for years to come.

DIGGING DEEPER

WHY THERE ISN'T A CASE STUDY HERE

Visiting city planning and permitting websites hosted by the 50 largest cities in the United States confirms that effective local government websites are a rarity. Although we discovered a few standout tools (like Denver's Average Plan Review Time dashboard on the following page), it was harder to find a local government website that offers consistently clear and useful information.

For Omaha metro cities that choose to take on the task of revamping their virtual planning and permitting desk, there's an enticing opportunity: with a little effort, you can set the standard for other cities to follow.



A major challenge for planning and building department websites is organizing the volume of information they have to host. Unfortunately, a common approach to handling this challenge is throwing links to everything on lengthy pages, without considering how users will navigate all of this information.

The Las Vegas Planning & Zoning homepage (left), which features a grid of 23 equally prominent subpages, is an example of this tendency.

***Source:** Las Vegas Planning & Zoning*

PROCESSES

SET APPROVAL TIME TARGETS

Use approval time goals to track performance, adjust processes, and create transparency.

The amount of time it takes to issue a building permit can be a major hurdle for housing developers. For developers, time is money, and the cost of delays is ultimately passed on to future renters and homeowners.

Data-driven approval time targets are a key tool to provide both public accountability, and to guide process adjustments. This tool has three key steps:

- Set public approval time targets for common application types.
- Record and track actual approval times in detail (see Case Study to the right), and provide this data to the public as a transparent performance measure.
- Audit projects that fail to meet approval time goals to determine whether any internal process adjustments could improve performance.

Dissatisfaction with long approval times has led some policymakers to consider setting approval time limits at the state level. These policies would force approval by default if approval times lag past state-defined limits. In Nebraska, limits on approval times were introduced in bill LB458 (2025), and hard limits on select development approval times have been passed by other states, including Texas.

Although state intervention may be well-intended, one-size-fits-all policies can ignore the complexity of individual developments. However, the appeal of these policies is a strong signal that cities should step up to solve the root problem. By setting firm goals, staying transparent, and actively working to address problems that emerge, cities can reduce approval times while retaining flexibility.

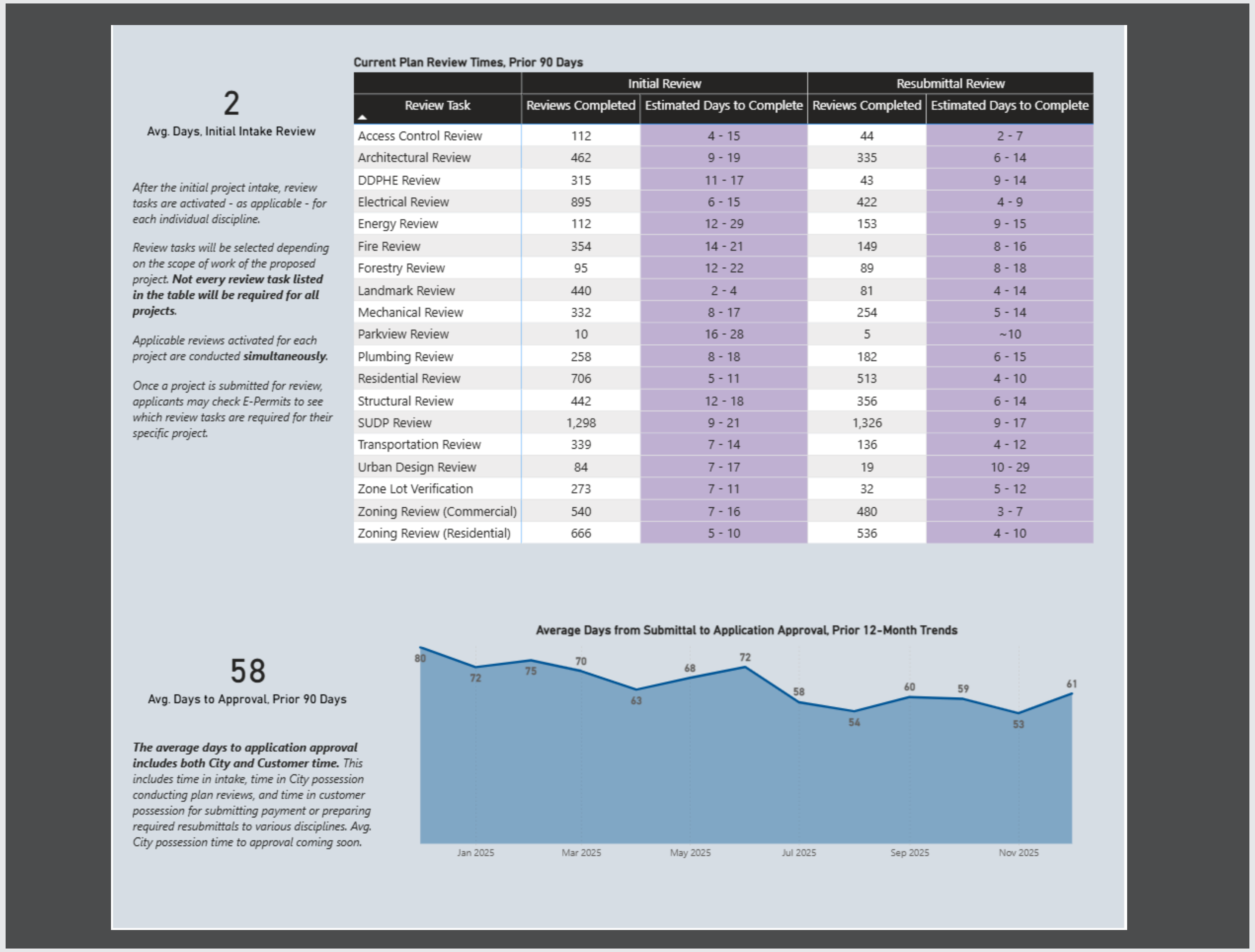
CASE STUDY

DENVER'S PLAN REVIEW TIME DASHBOARD

Denver's Average Plan Review Time dashboard is a strong example of using data to track review time performance, and making that data transparent to the public. The dashboard, which is updated daily, includes the following data for development projects of different scales:

- A running 90-day average of days from application to approval.
- Average approval time trends over a longer 12-month period.
- Average times for 19 individual review tasks, ranging from zoning to fire code review.

The dashboard also tracks the overall volume of applications received for different development categories, including the number of applications received every month for the last two years, and the number of currently open cases.



2

Avg. Days, Initial Intake Review

After the initial project intake, review tasks are activated - as applicable - for each individual discipline.

Review tasks will be selected depending on the scope of work of the proposed project. ***Not every review task listed in the table will be required for all projects.***

Applicable reviews activated for each project are conducted ***simultaneously.***

Once a project is submitted for review, applicants may check E-Permits to see which review tasks are required for their specific project.

Current Plan Review Times, Prior 90 Days

	Initial Review		Resubmittal Review	
Review Task	Reviews Completed	Estimated Days to Complete	Reviews Completed	Estimated Days to Complete
Access Control Review	112	4 - 15	44	2 - 7
Architectural Review	462	9 - 19	335	6 - 14
DDPHE Review	315	11 - 17	43	9 - 14
Electrical Review	895	6 - 15	422	4 - 9
Energy Review	112	12 - 29	153	9 - 15
Fire Review	354	14 - 21	149	8 - 16
Forestry Review	95	12 - 22	89	8 - 18
Landmark Review	440	2 - 4	81	4 - 14
Mechanical Review	332	8 - 17	254	5 - 14
Parkview Review	10	16 - 28	5	~10
Plumbing Review	258	8 - 18	182	6 - 15
Residential Review	706	5 - 11	513	4 - 10
Structural Review	442	12 - 18	356	6 - 14
SUDP Review	1,298	9 - 21	1,326	9 - 17
Transportation Review	339	7 - 14	136	4 - 12
Urban Design Review	84	7 - 17	19	10 - 29
Zone Lot Verification	273	7 - 11	32	5 - 12
Zoning Review (Commercial)	540	7 - 16	480	3 - 7
Zoning Review (Residential)	666	5 - 10	536	4 - 10

58

Avg. Days to Approval, Prior 90 Days

The average days to application approval includes both City and Customer time. *This includes time in intake, time in City possession conducting plan reviews, and time in customer possession for submitting payment or preparing required resubmittals to various disciplines. Avg. City possession time to approval coming soon.*

Source: *Denver Community Planning and Development*

CREATE A LOCAL HOUSING FUND IN EVERY CITY

Provide locally-controlled funding scaled for your city's capacity and needs.

Regulatory reform and streamlined approvals can lower barriers to housing, but a fundamental truth of development is that the biggest barrier is usually a lack of capital. This is especially true for affordable housing, which almost always needs significant public investment to pencil.

Existing incentives are able to fill some gaps, but the capacity of these tools is limited. Most existing incentives are also controlled at the federal or state level, meaning they may not always align with local needs, and are vulnerable to shifting political winds beyond the local level.

Cities can help directly fill the gaps that remain by creating their own housing funds. These funds could support local incentives tailored to local priorities, ranging from rehabilitation and preservation of existing housing stock to land acquisition and gap financing for new housing construction.

In other cities, General Obligation bonds are a common way to capitalize a local housing fund (see **Case Study** to the right). Starting with a small initial fund can help prove the concept while still making a significant impact. Even a modest housing fund could be a powerful way to develop tools to assist emerging developers and small-scale development (see **Scale Incentives For Emerging Developers**, p. 86).

CASE STUDY
GO BONDS FOR AFFORDABLE HOUSING

General Obligation (GO) bonds are routinely used to fund public facilities and infrastructure in cities across the metro. One vital piece of infrastructure is usually left out of these bond measures: affordable housing. But in several cities across the country, voters have approved GO bonds to kick-start local housing funds. These funds have played a key role in creating and preserving affordable housing in some of the hottest markets in the country.

Charlotte, NC
In 2001, Charlotte voters approved a $10 million GO bond that created the Charlotte Housing Trust Fund. Voters have approved a new housing bond every two years since then. The most recent bond, passed in 2024, raised $100 million.

- The trust fund is used to support multifamily and homeownership projets that serve residents below 80% AMI.
- From 2001 to 2021, Charlotte's Housing Trust Fund created or preserved 10,869 affordable housing units, including 3,690 units for households under 30% AMI.

Portland, OR
Portland voters passed a $258 million GO bond for affordable housing in 2016.

- The Portland Housing Bureau used the funds to fund new-construction affordable multifamily, as well as acquiring and rehabilitating existing multifamily as permanently affordable housing.
- As of 2024, the bond funds have created 1859 affordable units, including 774 units affordable below 30% AMI, 399 units of permanent supportive housing, and 836 family-sized units.

Austin, TX
In Austin, voters approved an initial $55 million GO bond for affordable housing in 2006. Subsequent bond issues were approved in 2013, 2018, and 2022 — with the most recent bond raising $350 million for local affordable housing.

- Bond funds are used to fund the construction of permanently affordable rental housing, support for first-time homebuyers, home repairs for low-income homeowners, and land acquisition for community housing projects.
- Since 2006, bonds have funded 7,992 units of affordable housing.

INCENTIVES

SCALE INCENTIVES FOR EMERGING DEVELOPERS

Ensure that public incentives work for emerging developers and small projects.

Housing development is difficult and expensive, even on a small scale. In fact, smaller projects undertaken by emerging developers are often more expensive per unit, since they lack the economies of scale available to large developments. Unfortunately, incentives that could unlock opportunities for emerging developers are often out of reach.

To protect scarce resources, cities create rigorous application processes to filter out all but the most serious projects. Because of this, submitting an incentive application can require a substantial investment in land acquisition, design, and other soft costs. And while incentives often require proof of financing, financing can be dependent on proof of the incentive — a chicken-and-egg scenario for developers.

To foster the growth of a more diverse development ecosystem, cities should look for opportunities to adjust incentive requirements to work for emerging developers and small projects.

Cities can strike a balance between lowering barriers and managing risk. Application requirements can be scaled based on project costs, so that requirements for small projects reflect their proportionally smaller risk. Pre-approval based on basic information could help developers secure financing, contingent on final approval. And new local incentives (see **Create a Local Housing Fund In Every City**, p. 84) can be created to fund small grants for items like pre-development costs that are especially challenging for emerging developers.

LOCAL SPOTLIGHT

PASSING THE BUT-FOR TEST

Because Tax Increment Financing (TIF) is the most powerful and widely used incentive for infill housing development in Omaha, conversations with developers about incentives frequently came back to the subject of TIF.

Eligibility for TIF is based on passing the "but-for" test – meaning that only projects that *need* TIF are eligible for it. But to get to the point where you can apply for TIF, projects need to be fully fleshed-out, with detailed schematic designs, construction estimates, financial commitments, and other pre-development materials. This requires considerable investment without the assurance that a project is possible.

Although TIF is not an entitlement, established developers work with the assumption that they will get TIF, and invest accordingly. Emerging developers often assume that TIF isn't for them, even if their projects would likely qualify if they had the confidence to work through the process. A streamlined preliminary approval process for small projects could help bridge the gap between TIF and the projects that need it most.

OMAHA TIF APPLICATION REQUIREMENTS

Public Items

- Project Summary
- Project Development Team
- Project Narrative:
  - Existing Land Use and Conditions
  - Proposed Use and Project Details
  - Parking Plan
  - Market Demand
  - Residential Information
  - Employment Information
  - Zoning Changes
  - Public Improvements
  - Historical Status
- Development Financing Plan (Sources and Uses
- Final Valuation
- Construction Budget
- Development Schedule or Timeline
- 3-Year Pro Forma
- Statement of Need (ROI Analysis With and Without TIF)
- Evaluation Criteria
- Cost-Benefit Analysis
- Site Plans & Elevations
- Alta or Topographical Survey w/ Legal Description
- Historic Designation (if applicable)

Confidential Items

- Preliminary Bank Commitment Letters
- Documentation of Ownership or Site Control
- Organization Documentation
- Audited Financial Statement
- Reports and Studies, if applicable

INCENTIVES

LEVERAGE TIF FOR AFFORDABLE HOUSING

Use the most powerful local incentive to meet the most pressing housing needs.

Although there are gaps that can be filled with new sources of funding (see **Create a Local Housing Fund in Every City**, p. 84), it is likely that the single most powerful incentive available to Omaha metro cities will continue to be Tax Increment Financing (TIF).

The enduring strength of TIF lies in the fact that it can provide substantial capital without a single cent from the general fund, simply by capturing the value of projects it makes possible.

As long as TIF remains the center of the local incentive landscape, cities have the responsibility to improve TIF as a tool to accelerate affordable housing construction. Potential revisions to explore could include:

- Extending TIF length for projects that meet affordability goals.
- Tailoring TIF programs to stack well with federal incentives like LIHTC.
- Establishing district-scaled TIF strategies that capture value from market-rate development to cross-subsidize affordable units (see **Local Spotlight** to the right).

An additional challenge for cities in Nebraska is that TIF is confined to designated "blighted" areas. This excludes affordable housing projects in more affluent neighborhoods — the places where affordable housing is needed most. Revisiting TIF-enabling legislation to reflect the need for affordable housing and not just blight remediation, could better match this powerful tool to meet our most pressing needs.

LOCAL SPOTLIGHT
OMAHA'S HOUSING & MOBILITY TIF

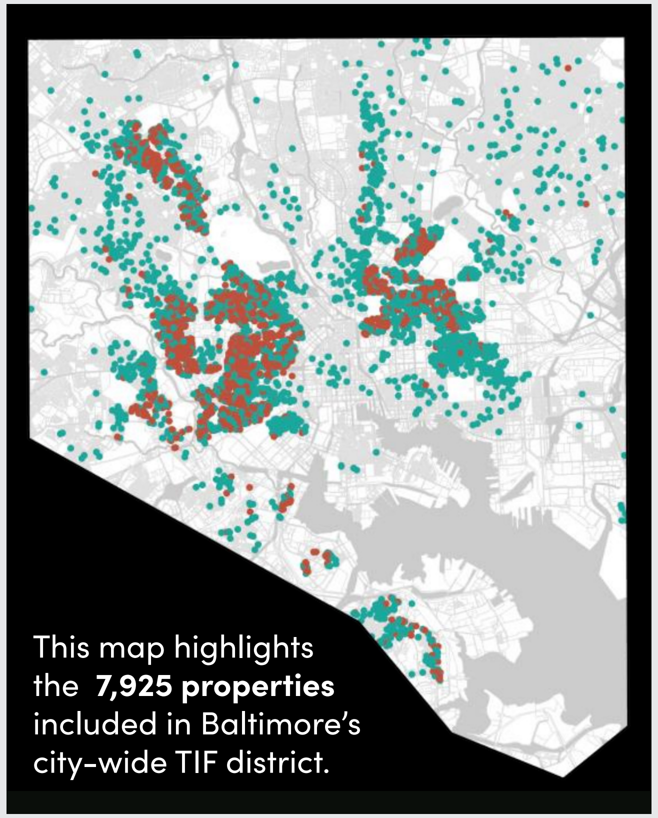
The Urban Core Housing & Mobility TIF, created to fund the Omaha Streetcar, is a strong example of how an outside-the-box approach to TIF can unlock opportunities. The Housing & Mobility district encompasses a large portion of Omaha's urban core, and is designed to overlap with other TIF districts; new TIF districts within the Housing & Mobility district contribute a portion of their TIF proceeds to the larger district. Affordable housing was also built in as an eligible TIF use, harnessing the value of the streetcar to produce additional community benefits. Thanks to an early bond purchase, $40 million is already available to fund affordable housing in the district.

Although there is unlikely to be another TIF district exactly like it, the Housing & Mobility TIF illustrates how TIF can be used outside of the mold of individual projects to create benefits districts for affordable housing.

CASE STUDY
BALTIMORE'S AFFORDABLE HOUSING TIF

TIF districts are typically used to fund projects in a discrete geographic area like a neighborhood or an individual project site. But to accelerate the conversion of vacant properties into affordable housing, Baltimore created the City-Wide Affordable Housing TIF, a non-contiguous TIF district spanning thousands of vacant properties across the city. As vacant properties are redeveloped, the increase in property taxes will be used to fund additional housing projects on vacant land.

Although it's too early to measure results, it's a bold move to dramatically expand both blight remediation and affordable housing. If it delivers on its promise, Baltimore's non-contiguous TIF could become a national model.



This map highlights the **7,925 properties** included in Baltimore's city-wide TIF district.

Source: *Baltimore City Department of Housing & Community Development*