



HOUSING

STRATEGY PLAN

November 13, 2024



INTRODUCTION	3
Introduction to AIM Norman	4
Purpose	8
Definitions	9
FINDINGS + ANALYSIS	11
Primary Market Findings	12
Housing Strategy Plan Approach	17
Home Demand & Development Program	20
Future Land Use Context	26
A STRATEGIC APPROACH	35
Goal 1	42
Goal 2	48
Goal 3	52
Goal 4	56
Goal 5	60
State Level Advocacy	64
Housing Programs in 2024	66
Housing Reports and Studies for Action	67
SUPPLEMENTAL INFORMATION	69

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INTRODUCTION



INTRODUCTION TO AIM NORMAN

In 2023, the City of Norman embarked on an ambitious endeavor: The Norman Area & Infrastructure Master Plan (AIM Norman). Decisions made in Norman today and in the years to come will shape city's growth, development patterns, and the community image for decades. Rapidly changing and evolving technology, extreme weather events, and the University of Oklahoma's growing national audience as a new member of the Southeastern Conference will all impact these decisions.

AIM Norman examines all elements of city development and quality of life to help shape the community's growth through 2045. Together, all seven Master Plans of AIM Norman provide a roadmap that will provide essential guidance to leaders and decision-makers, representing the City and its partners' plan for growth, change, and adaptation.

AIM Norman is:

- A combination of processes and Master Plans.
- A blueprint for a sustainable and resilient future that embraces Norman's unique character.
- A collective vision for Norman that should resonate with every community member.
- All-encompassing and inclusive, supported by every facet of the community, and align with the values and aspirations of Norman residents.

AIM Norman encompasses distinct master planning elements, with the Land Use Plan as the guide for development and land use policy to help inform all Master Plans.

HOUSING

A safe, comfortable, and attainable home for all is critical to Norman's future success. Rising home prices contribute to housing challenges. The recognition of poverty and unhoused populations in Norman is growing, while limited student housing options strain existing neighborhoods. The increasing popularity of the Oklahoma City metro as a place to live creates more demand, coupled with long-time residents wanting to age in the community. The AIM Norman Housing Plan analyzes the housing market and outlines a strategic plan for addressing housing needs.

STORMWATER

Major rain events impact Norman's residents and infrastructure. The City has recently shifted away from the traditional system of hard, channelized drainage paths and concentration of stormwater flows toward more sustainable stormwater policies. However, challenges remain, including flooding, erosion, and pollution of streams flowing into Lake Thunderbird. As growth and development increase impervious surface coverage, the City must accommodate stormwater effectively throughout the community. The AIM Norman 2025 Stormwater Master Plan Update outlines resilient solutions to help Norman's stormwater management systems adapt to both current and future challenges.

TRANSPORTATION

Mobility routes create a more connected community when it feels safe, comfortable, and accessible for all users. As the Norman community grows geographically and in population, so too must the routes and options to get to places. Car-centric communities like Norman are considering a more multi-modal approach to transportation. People are looking for connected trails and safe bike routes when choosing where to live, as new personal transportation devices grant more people opportunities to leverage trails. The AIM Norman Comprehensive Transportation Plan Update identifies future mobility projects in existing and new neighborhoods for motorists and active transportation users to cast a positive vision for mobility in Norman.

PARKS, RECREATION, AND CULTURE

Along with a comprehensive trail network, residents value cities with unique quality of life amenities — particularly parks, recreational opportunities, and special events. Norman has more parks per capita than many comparable cities. Maintaining these parks at a first-class level is a high priority that grows in difficulty as costs rise and resources decline. Residents desire a connection to nature and each other, along with vibrant cultural and community events and facilities for all ages and abilities. The AIM Norman Parks, Recreation, and Culture Master Plan aims to provide current and future residents with safe and engaging parks, recreation, events, and cultural activities to access and enjoy.

WASTEWATER

Reliable and resilient wastewater service is vital for existing and future homes, businesses, and industries. As more users are added and the wastewater collection system is expanded, adequate treatment facilities for quantity and quality must also be in place to meet environmental standards and water quality requirements. The AIM Wastewater Master Plan analyzes wastewater capacity needs and identifies improvements to the collection and treatment of wastewater to meet current and future needs in accordance with environmental regulations while minimizing costs to ratepayers.

WATER

Access to quality water supply is critical for existing and future homes, businesses, and industries. Currently, Norman's critical water supply comes from Lake Thunderbird, the Garber-Wellington Aquifer, and wholesale water purchases from Oklahoma City. With projected residential and commercial growth, future constraints on the water supply and infrastructure are expected and must be addressed. The AIM Norman Water Master Plan analyzes the water system's capacity and water supply needs and identifies improvements to meet existing and future demands.

INTEGRATING THE AIM NORMAN MASTER PLANS

A thoughtful, coordinated approach ensures that all seven elements of AIM Norman work together to create a balanced, sustainable, and thriving community for current and future residents. Together, they shape how Norman looks, feels, and functions. Major decisions in one component influence the others and determine the trajectory of land use development.

DEVELOPMENT PRINCIPLES

The AIM Norman Land Use Plan's Development Principles stem from Norman residents' input and Smart Growth for America's Principles of Smart Growth. The ten Development Principles align AIM Norman's plans and studies to guide Norman's evolution through 2045.

AIM NORMAN DEVELOPMENT PRINCIPLES

- 1** Manage urban services efficiently.
- 2** Promote diverse housing options.
- 3** Promote infill development and neighborhood reinvestment.
- 4** Protect the environment in all decision-making.
- 5** Enhance distinctive neighborhoods, business districts, and natural areas with a strong sense of place.
- 6** Provide a multi-modal and connected transportation network.
- 7** Enhance public safety and minimize hazards.
- 8** Encourage balanced and connected neighborhoods.
- 9** Make development decisions predictable, fair, and cost effective.
- 10** Make decisions in a transparent and collaborative manner.

Integrating the AIM Norman Land Use Plan with the Housing Strategy Plan

All policy recommendations in the AIM Norman Land Use Plan apply to the Housing Strategy Plan

THE LAND USE PLAN IS:

- A guide for development policy
- A context for making key land use and public investment decisions
- A vision for the city
- A tool to guide city priorities, directions, and capital improvement programming
- A strategic document adapted to Norman's specific needs and visions

THE LAND USE PLAN IS NOT:

- An unchangeable, inflexible commitment to carry out specific projects
- A document that commits the City to a specific course of action
- A rigid land use plan that anticipates the specific use of every piece of property into the future
- A capital or operating budget

Two key parts in the AIM Norman Land Use Plan bear repeating when thinking about housing

1. DEVELOPMENT PRINCIPLES - PRINCIPLES TO SHARE NORMAN'S FUTURE THROUGH ALL MASTER PLANS

The AIM Norman Land Use Plan's Development Principles stem from Norman residents' input and Smart Growth for America's principles of smart growth. Many Development Principles apply to the Housing Strategy Plan when looking to the future and how Norman will evolve through 2045:

- Manage urban services efficiently
- Promote diverse housing options
- Promote infill development and neighborhood reinvestment
- Protect the environment in all decision-making
- Enhance distinctive neighborhoods, business districts, and natural areas with a strong sense of place
- Provide a multi-modal and connected transportation network
- Enhance public safety and minimize hazards
- Encourage balanced and connected neighborhoods
- Make development processes predictable, fair, and cost-effective
- Make decisions in a transparent and collaborative manner

2. AIM NORMAN LAND USE PLAN – THE POLICY MAP FOR THE VISION OF GROWTH

The Plan comes from population projections, economic trends, environmental analysis, and public input to shape land use directions. The Plan significantly influences the directions of the Housing Strategy Plan by:

- Identifying the mix of allowed housing types in different areas of Norman
- Guides the preferred location for different housing densities
- Providing the built environment policies for different areas



HOW OTHER PLANS CONNECT



TRANSPORTATION MASTER PLAN

- **Street Capacities.** The size and carrying capacity of new streets inform appropriate locations for different densities of housing or mixed residential uses.
- **Mobility Connections.** New connections open possibilities to direct new and infill housing development.
- **Transit and Active Transportation.** Future transit locations and bicycle and pedestrian route improvements offer better locations for households needing to be close to these services.



STORMWATER MASTER PLAN

- **Drainage Preservation.** Protecting areas of natural water drainage influences the location and arrangement of homes.
- **Impervious Surfaces.** More dense housing arrangements can have more requirements on housing developers or the City to address stormwater drainage.
- **Costs and Fees.** Addressing or not addressing stormwater issues can create additional costs for the City, homeowners, and landlords.



WASTEWATER MASTER PLAN

- **Service Capacity.** The location and cost of homes rely on where there are sanitary sewer lines or where there are plans for investment in the future.
- **Costs & Fees.** Addressing or not addressing sanitary sewer investments can create additional costs for homeowners and landlords.



WATER MASTER PLAN

- **Service Capacity.** The location and cost of homes relies on where there is water service or where there are plans for investment in water infrastructure.
- **Costs and Fees.** Addressing or not addressing water service issues can create additional costs for homeowners and landlords.
- **Preserving Resources.** Higher housing growth adds to water resource demand and the need for policies that preserve these resources.



PARKS, RECREATION, AND OPEN SPACES MASTER PLAN

- **Proximity.** Directions for new park locations will influence the desire to locate certain types and densities of homes near those parks.
- **Quantity and Quality.** Increases in the number of high-quality recreational offerings will increase the demand for homes in Norman.
- **Environmental Preservation.** Protecting natural features in Norman reduces housing opportunities but increases the demand and costs for homes near these natural features.

PURPOSE OF THE HOUSING STRATEGY PLAN

The Housing Strategy Plan is an in-depth analysis of the needs for attainable, workforce, and other housing options to bridge housing demand and supply gaps. The Plan ties together a wealth of information that forms a picture of Norman's housing market. The information includes qualitative and quantitative sources to understand factors in building housing policy.

The goals and strategies in the Housing Strategy Plan define how to achieve the broader AIM Norman development principles. The Housing Strategy Plan:

- Establishes a blueprint for new public policy and programs geared toward different housing products
- Stimulates conversation on existing programs and level of funding
- Shows builders and developers the high demand for homes in Norman and the price points needed
- Motivates other partners and employers to get involved in solutions - whether staff assistance, housing development, or direct funding of programs
- Educates residents and shows them opportunities to improve their homes and living conditions



Establishes a policy and program blueprint



Stimulates conversation on programs and funding



Shows the high demand for homes and price points



Motivates partners and employers to get involved



Educates residents and shows them opportunities

DEFINITIONS FOR THE HOUSING STRATEGY PLAN

- **Accessible Housing:** Physically adapted to the individuals intended to occupy it, including those disadvantaged by age, physical or mental disability, or medical condition.
- **Affordable Housing (Federal):** As defined for certain housing programs like low-income housing tax credit projects (LIHTC), housing choice vouchers (Section 8), or other programs that define housing for lower income ranges.
- **Attainable Housing:** Not financially burdensome to a household. Financially burdensome could be housing expenses that exceed 30% of household income. It could also include situations where a household has high daycare costs, high transportation costs, student or medical debt, or other expenses that limit income to spend on housing.
- **Community Based Development Organization (CBDO).** CBDOs are generally nonprofit organizations that undertake specific kinds of CDBG-funded activities. CBDOs can be for-profit or nonprofit organizations, but cannot be governmental entities. A CBDO may be designated as a subrecipient by the grantee.
- **Community Development Financial Institution (CDFI).** A CDFI is a specialized financial entity dedicated to providing financial services and support to under-served communities, qualifying for certification and funding from the U.S. Department of Treasury. CDFI's include banks, credit unions, loan funds, and venture capital funds that focus on economic development and affordable financing for low income communities and marginalized populations.
- **Community Housing Development Organization (CHDO).** A CHDO is a nonprofit focused on providing affordable housing to low-income people, qualifying for specific HUD funding under the HOME program. It must have a community-based board, demonstrate housing development capacity, and operate independently of government control.
- **Continuum of Care (CoC).** A group comprised of nonprofit organizations, service providers, and local government agencies that coordinates homeless services and homelessness prevention activities across a specified geographic area.
- **Cost Burdened:** The household spends more than 30% of HUD Area Median Income on housing.
- **Density:** The number of homes per net area of land.
- **Equitable Housing:** An approach that involves creating equal access to opportunity through housing location, access, price, and other factor, and the approach varies based on a household's socioeconomic and demographic characteristics.
- **Home.** Any structure or part of a structure where a person permanently lives, whether alone, with roommates, or with their family.
- **Housing Choice Vouchers/Section 8:** A Federal program assisting low-income families to be able to have affordable housing choices. The family pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.
- **Housing Incentive:** Any policy, action, regulation, or finance that entices a landowner or developer to provide a housing product or service deemed in the public interest.
- **Infill:** Developing vacant or partially developed lots that are surrounded by or near areas that are substantially or fully developed
- **Infrastructure:** Built facilities needed to sustain industry, residential, commercial, and all other land use activities, including water, sewer lines, and other utilities, streets and roads, and communications.
- **Low-Income Housing Tax Credit:** Subsidizes the construction of affordable housing for low- and moderate-income residents. The LIHTC program is one way that the federal government encourages the development of affordable housing. It provides tax credits to property owners who develop and offer homes at reduced rents to people with certain low levels of income.
- **Move-up Housing:** Occurs when higher-income households move out of homes that are below the price that they can afford. Often, it involves housing that frees up existing, more attainable housing for others. Today, the moves can be lateral in square footage but also upgrades in locations or amenities with smaller home square footage.
- **Opportunity Zone:** Federally designated areas targeted for strategic investment to help improve distressed areas to spur economic growth and job creation for low-income communities and tax benefits for investors and developers.
- **Poverty:** As defined by the Census Bureau using a set of money income thresholds that vary by family size and composition and updated for inflation.
- **Public Housing:** A Federal housing option that provides quality and safe rental housing choices for low-income families ranging from apartments to single-family homes.
- **Public/Private Partnership:** An agreement between a government entity, non-profit, community organization, and/or for-profit entity to achieve a mutually agreed upon outcome for the public good.
- **Qualified Census Tract:** A Census Tract must have at least 50% of its households income eligible (with incomes below 60% of the AMI), while not exceeding 20% of the total population of the respective area. This is determined by calculating the average household size of the census tract and then applying the income standard to match the average household size, and then calculating the number of households below the income standard.
- **Redevelopment:** To demolish existing buildings to build something else or increase building on an existing property, or both.
- **Reuse:** Changing the original use of a built structure to something else. Common examples include adapting non-residential uses to residential uses.
- **Subdivision:** The process of laying out undeveloped land into lots, blocks, streets, and public areas.
- **Unhoused:** Anyone who lacks a fixed, regular and adequate nighttime residence.



FINDINGS + ANALYSIS

- Primary Housing Market Findings
- Approaching a Housing Strategy Plan for Norman
- Home Demand and Development Program
- Future Land Use Context

“Please build a more walkable community that’s affordable”

—Community Survey Respondent

PRIMARY HOUSING MARKET FINDINGS

The housing market is multi-faceted. Many forces influence each other to affect how homes are added, where homes are built, and the home price for consumers. The supplemental information in this Plan and the AIM Norman Land Use Plan include the most recent data that captures Norman's housing market status 2024. These data show gaps in the market and possible trends that might continue or change. These data unveil several primary findings that rise to the top and most influence housing in Norman.

- **Few housing options for movement in the market**
- **Attainable owner or renter options matching people's incomes, needs, and preferences are increasingly difficult to obtain**
- **Aging and changing population demographics are increasing demands for different products**
- **The lowest income households face more burdens than in the past. Non-white households continue to struggle more**
- **Regulations need to better align with Norman's housing vision**
- **Many people have perceptions of the housing market that are disconnected from reality**

FIGURE 1.1: MONTHLY HOUSEHOLD COSTS IN CLEVELAND COUNTY, 2023

When reading through the findings, analysis, goals, and strategies in this Plan, keep in mind all the different costs facing people. Many facts and figures on the following pages relate to housing costs. Many other daily necessities influence how much someone can spend on housing.

	1 Adult, No Children	1 Adult, 1 Child	2 Adults, 2 Children
Housing	\$802	\$1,051	\$1,051
Food	\$346	\$511	\$1,000
Child Care	\$0	\$848	\$1,419
Transportation	\$1,062	\$1,368	\$1,536
Health Care	\$436	\$680	\$1,360
Other	\$407	\$553	\$726
Taxes	\$585	\$771	\$989
Monthly Total	\$3,638	\$5,783	\$8,083
Annual Total	\$43,651	\$69,390	\$96,993
Living Wage*	\$20.99	\$33.36	\$23.32
% AMI	50.8%	80.7%	56.4%

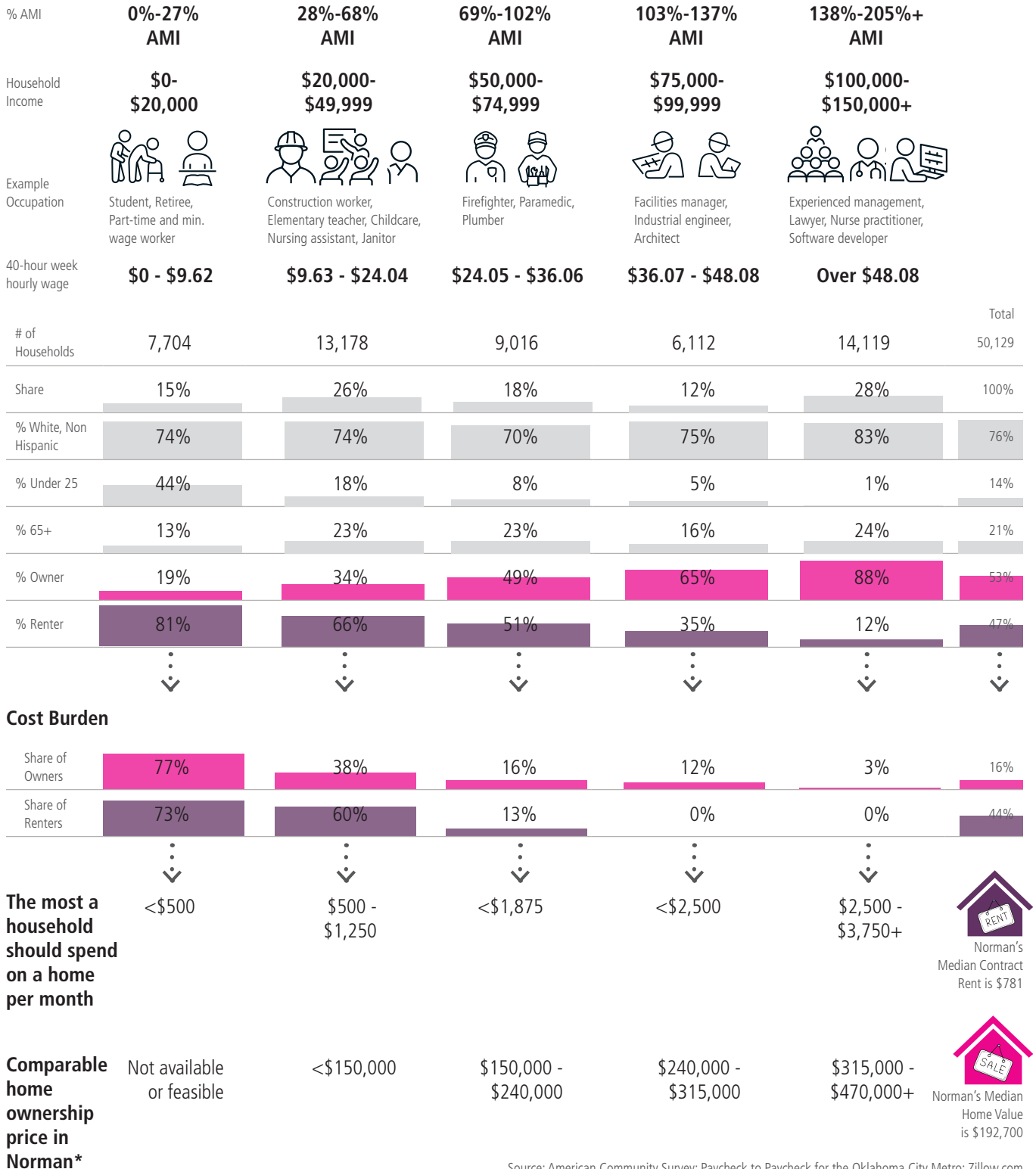
Source: Economic Policy Institute Family Budget Calculator, January 2024. Data are in 2023 dollars. (epi.org)

*All income is from wages and all adults are working

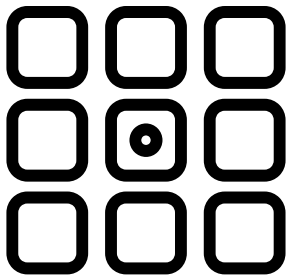
HOUSING NEEDS SUMMARY

Figure 1.2 shows housing characteristics in Norman. There is a gap in homes for the lowest and highest income households. Households making less are paying more than they can afford on homes. Households making the most are paying less than they could afford to pay and out-competing lower income households for existing homes. Norman needs more homes at all price points and types to meet the needs of current and prospective residents.

FIGURE 1.2: A HOUSING PROFILE OF NORMAN RESIDENTS BY HOUSEHOLD INCOME, 2021

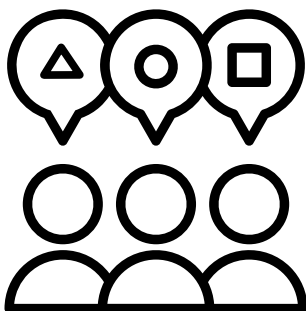


Source: American Community Survey; Paycheck to Paycheck for the Oklahoma City Metro; Zillow.com
 *Assumes a good credit score, no downpayment, no HOA fees, comparable local taxes/insurance, and a 30-year fixed rate mortgage at 6.2%. The comparable home price rises considerably with a 20% downpayment



Few housing options for movement in the market.

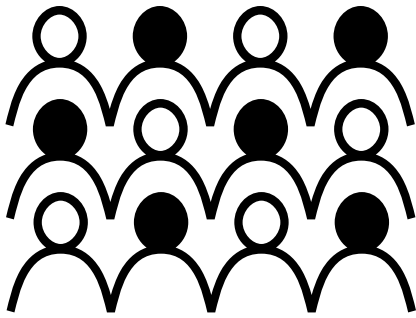
- While residential building activity steadily grew in Norman between 2010-2021, most construction remains single-unit detached homes and large apartment complexes. Over 62% of homes in Norman are single-unit detached homes, despite the large student population.
- A portion of the large apartments getting built are student oriented. The student apartment models focus on renting spaces based on bedrooms with a shared common space.
- People who work in Norman are commuting more from other cities. A common comment during AIM Norman engagement was losing young professionals to Oklahoma City. About 33% of employees at Norman businesses lived and worked in Norman in 2021, versus 36% in 2016.
- Between 2019 and 2023, the number of active homes for sale fell by 37%. The number of days that homes stay on the market fell by 31% during the same period.



Attainable owner or renter options matching people's incomes, needs, and preferences are increasingly difficult to obtain.

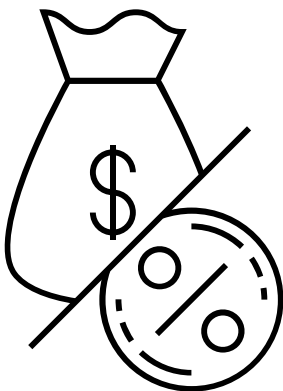
- Between 2010-2021, median home values rose by 35%, from \$143,200 to \$192,700, and median contract rents by over 37%, from \$568 to \$781. National inflation was 25% during this same period, meaning home costs are rising faster than other costs and incomes.
- Over 35% of all households in Norman pay more than 30% of their income on home costs.
- Most people giving input during the AIM Norman process indicate that cost is the most important factor when choosing a home in Norman.
- Over 200 LIHTC homes in Norman will have their affordability period expire by 2025. Rent for these homes is at risk of rising.

PRIMARY HOUSING MARKET FINDINGS



Aging and changing population demographics are increasing demands for different products.

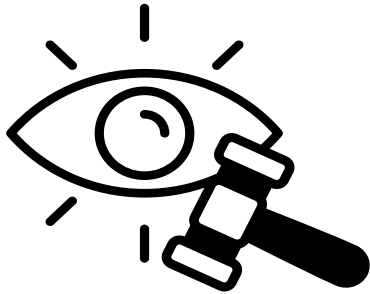
- Much of the population growth and in-migration is happening among those over 45 years old, with over 20% of householders over 65.
- The population continues to become more diverse with increased ratios of Hispanic and BIPOC populations.
- The number of households that have a person with a disability rose from 12.3% in 2010 to 15.7% in 2022.
- The percentage of the population who are OU students is not as high as in the past. Total enrollment at OU grew 0.5% annually between 2010-2020, while the city grew 1.44% annually in the same period. The full-time on campus student population as a percent of Norman's population fell from 17.2% in 2010 to 15.6% in 2020.
 - However, there has been an increase in student oriented development, particularly duplexes in the Center City area.



The lowest income households face more burdens than in the past. Non-white households continue to struggle more.

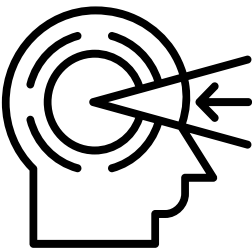
- Over 17% of Norman's population lives below the poverty line. While this number has decreased over time, the percentage of Norman's population in poverty is higher than the state (15.2%) and nation (12.5%).
- White households are more likely to be homeowners than non-white households by a considerable margin.
- Over 60% of owner and renter households making under \$50,000 a year are cost burdened.
- Daycare and transportation were additional costs mentioned frequently during the AIM Norman process.

PRIMARY HOUSING MARKET FINDINGS



Regulations need to better align with Norman's housing vision.

- Nearly all people who work in housing development or assistance and were engaged in the AIM Norman process identified zoning restrictions, regulations, and development procedures as real or perceived housing barriers. Some personal examples people gave include:
 - The time and developer money to go through the development process, especially for mixed-use projects through the Planned Unit Development.
 - The need for easier transitions between different density projects.
 - The perception of the time and process to request small deviations, such as setbacks.
- Most neighborhoods in Norman do not allow residential uses by right other than detached single-unit homes and accessory dwelling units. The majority of current development in the city is between 48th Avenue W and 48th Avenue E. Of all residentially zoned land in this area, over 80% is zoned for only single-unit detached homes by right.
- In addition, different housing types in other zoning districts cannot be built by right without the risk of being derailed through a political process.



Many people have perceptions of the housing market that are disconnected from reality.

- People providing input during the AIM Norman process were concerned by the cost of homes but are less willing to support public housing policy unless it gives funds directly to people.
 - Stakeholders more directly involved in the housing market on a day-to-day basis (developers, builders, REALTORS®, non-profits, etc.) indicate that low housing supply and development regulations are barriers to overcome.
- Many in the AIM Norman process fear that the voices of a few who are unsupportive of constructing new attainable homes will prevent future project approvals. Many were in favor of actions that could address concerns, such as property upkeep, programs for people without permanent homes, and safety improvements for tenants.

If Norman does not develop the home types, neighborhood environments, schools, and support facilities that people need then people, and especially families, will find what they need elsewhere. From a development perspective, the question is: What types of home products will meet these needs, retain these households in Norman, and accommodate others in the future?

HOUSING STRATEGY PLAN APPROACH

The AIM Norman Land Use Plan defines Norman's broader density and neighborhood design principles. The Land Use Plan will guide the preferred location for different home densities. The Development Principles and Character Areas in the Land Use Plan identify the broad outcomes that Norman desires.

The goals and strategies in the Housing Strategy Plan further define how to achieve the broader AIM Norman Development Principles for housing needs. The Housing Strategy Plan:

- Establishes a blueprint for new public policy and programs geared toward different home products.
- Provides tools for leaders to discuss existing programs and level of funding.
- Shows builders and developers the high demand for home products in Norman and the price points needed.
- Recommends ways for other partners and employers to get involved in solutions. This may come in forms of staff assistance, home development, or direct funding of programs.
- Educates residents and gives them opportunities to improve their homes and living conditions.

Several factors on the following pages inform the approach to a Housing Strategy Plan for Norman:

- **National, Regional, and Local Markets**
- **Community Desires**
- **Community Needs**
- **Population Forecasts**
- **Broader Land Use Needs**



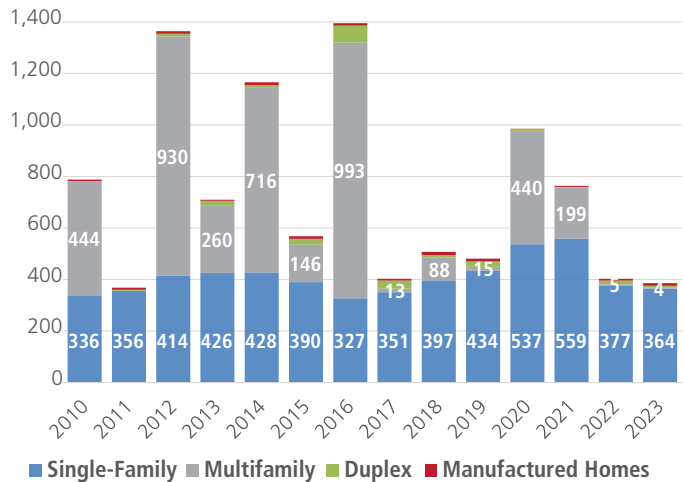
NATIONAL, REGIONAL, AND LOCAL MARKETS

- Home production across the nation is behind by 3.9 million homes.
- Oklahoma has underproduced by more than 6,000 homes, meaning that for supply to catch up with demand, thousands more homes are required in the state.
- Home values and rents in Norman increased more than inflation since 2010. Home production in Norman is growing, but two-thirds of the housing stock was developed before 2000.

COMMUNITY DESIRES

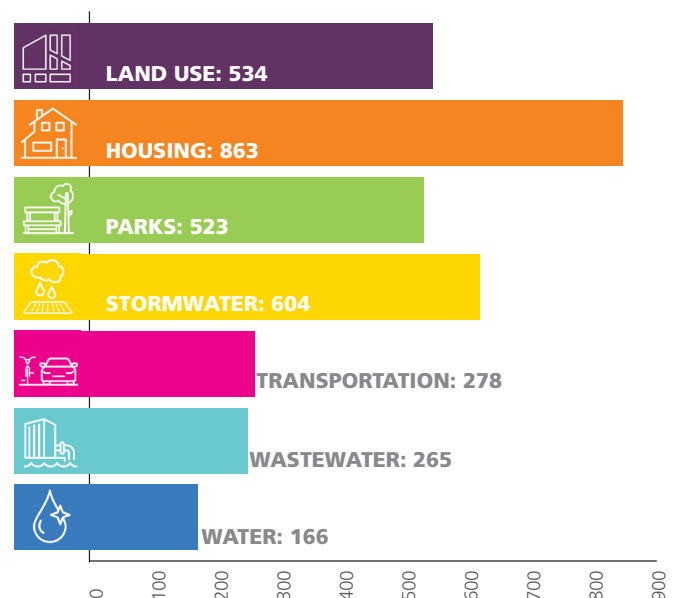
- There is support for public investment and policies in existing neighborhoods to help with affordability and safety.
- During the AIM Norman process, many residents and stakeholders spoke about challenges in getting desirable home projects approved, including neighborhood opposition, leading to swayed decisions.
- Older populations are choosing to stay in their homes, either by choice or because there are no other options. Norman needs new housing options or ways to retrofit for handicap accessibility.
- Some neighborhoods have a high appetite for more density. Many have concerns about the public cost of extending services outward from city limits to achieve this density.
- The need to balance the influences of student-oriented homes on core neighborhoods remains important to many.

Figure 1.3: Residential Building Permit Activity, 2010-2023



Source: City of Norman

Figure 1.4: AIM Norman Monthly Survey Responses by Topic

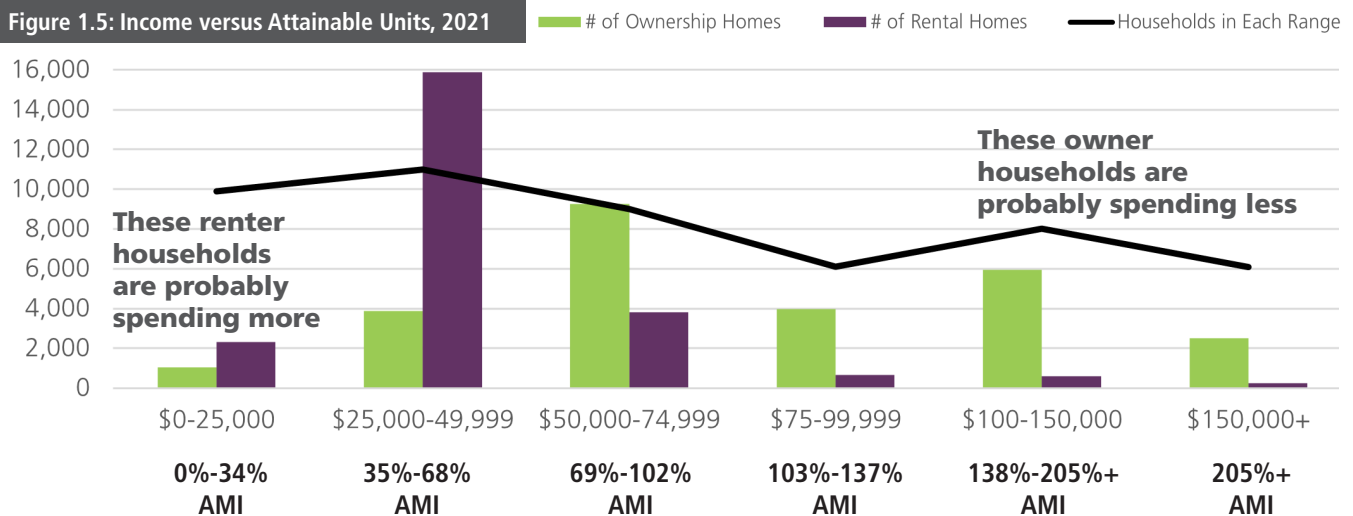


Housing topics received the most responses from the community during the AIM Norman planning process

COMMUNITY NEEDS

- Norman's housing stock lacks options for the most vulnerable types of households, regardless of their student status (<\$25,000 annual household income). Constructing homes for these households requires a public subsidy. Many of these households live in homes that require paying more than 30% of their income on housing costs.
- There are more households making over \$75,000 annually than there are medium- to high-priced homes. This drives many of these households to live in homes priced below what they could afford to spend. Some may purposefully choose to live in these lower-priced homes because few homes meet their preferences in higher price ranges.

Figure 1.5: Income versus Attainable Units, 2021



Source: American Community Survey, RDG Planning & Design

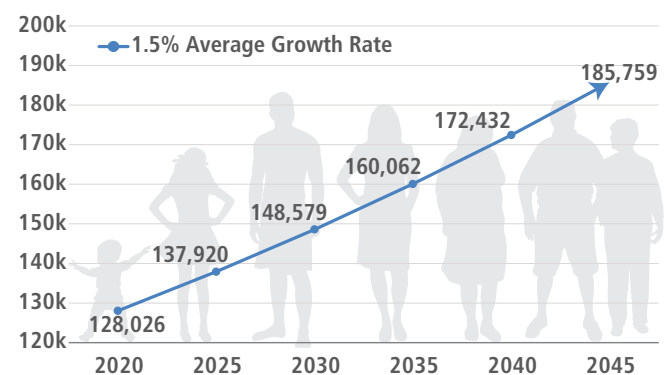
POPULATION FORECASTS

- Norman's population is forecast to reach over 185,000 by 2045. The growing population demands a variety of places to live. Holding the other factors contributing to population growth constant, continued population growth without increasing home supply means even more increases in home prices.

BROADER LAND USE NEEDS

- With the forecast population, Norman will need over 9,000 acres of new residential land to accommodate homes, streets, parking, public services, and utilities to support these homes. The acres need to be a mix of densities to efficiently provide emergency services, extend/maintain utilities, and protect natural features. The AIM Norman Land Use Plan shows that residential development through 2045 should not only be very low and very high density development.

Figure 1.6: Norman Population Forecast



Source: US Census Bureau; OU Institutional Research & Reporting; RDG Planning & Design

HOME DEMAND & DEVELOPMENT PROGRAM

HOME DEMAND FORECAST

The home demand forecast uses the AIM Norman population forecast and market analysis to determine how many homes Norman can absorb through 2045.

The following principles and assumptions, with the population forecast from the AIM Norman Comprehensive Plan, translate the housing market findings and community input into home demand:

- The lowest income market often requires intervention from the public and not-for-profit sectors. Production of more homes for middle-income households may require support or leadership through ongoing investment and demonstration projects.
- Production will increase availability through movement in the housing market. This will enable residents to enter the housing market, move up to appropriate options through their life, and downsize if desired. Downsizing may mean lower square footage but not necessarily a lower price.
- Norman's housing market reacts to changes in the University of Oklahoma student population. Student population changes affect overall home supply and affordability, even if mostly secluded to areas around the University.

Figure 1.7: AIM Norman Home Demand Forecast Summary

57,733
NEW RESIDENTS
BY **2045**



2045 HOME
DEMAND:
23,226
Homes



Norman's 2045 home demand in Figure 1.8 comes from:

- The 1.5% annual population growth rate from AIM Norman that expects the city to reach a 2045 population of 185,759.
- A population forecast that considers the student population. The ratio of the student population to the total population will likely continue to decline as enrollment growth lags total city population growth.
- Median household sizes remaining around 2.36 people. Household sizes will fluctuate through 2045. The aging population in the near term results in smaller household sizes but factors like home affordability potentially increase the number of people living together.
- A fluctuating vacancy rate over time. The reported vacancy in 2020 was likely influenced by the low number of students staying in Norman during the pandemic. For example, the reported homeowner vacancy rate in 2020 was 2.1%, while the rental vacancy rate was 10.1%. In 2021, estimates from the American Community Survey show a homeowner vacancy rate of 1.0% and a rental vacancy rate of 7.6%. Discussions in 2023 with property managers and REALTORS® suggest the

number of vacant homes available for rent or sale is low most times of the year. Therefore, the demand forecast considers the need for a higher vacancy rate through 2030 to open more options in the market. As market supply catches up, the demand model considers a slightly declining vacancy rate again through 2045 as these homes are sold and filled.

- A consistent need to replace some homes each year. These are homes demolished and removed from the market because of redevelopment, accidents, weather events, dilapidation, and homes converted to other uses. These lost homes must be gradually replaced to meet demand.
- A growing older population that will require specific types of home arrangements to meet their needs.

These assumptions indicate a demand for 22,000–24,000 total homes or an average annual need of 1,010 homes through 2045.

- The average annual demand is above the 792 annual number of homes built between 2010-2022 and does not include demolished homes removed from the market during that same time.
- The total home demand includes homes across all types, occupancy, and price points. It does not directly include temporary shelters or other transitional housing needs.

FIGURE 1.8: HOME DEMAND FORECAST SCENARIO - 1.5% ANNUAL POPULATION GROWTH

	2020	2025	2030	2040	2045	Total
Population at End of Period	128,026	137,920	148,579	172,432	185,759	
Household Population at End of Period	120,227	129,519	139,529	161,929	174,443	
Average People per Household	2.36	2.36	2.36	2.36	2.36	
Household Demand at End of Period	50,944	54,881	59,122	68,614	73,917	
Projected Vacancy Rate	7.4%	8.0%	9.0%	7.5%	7.0%	
Home Needs at End of Period	55,015	59,653	64,970	74,177	79,480	
Replacement Need (total lost homes)		60	100	200	100	460
Average Annual Construction		999	1,083	941	1,081	1,010
Cumulative Need During Period		2,998	5,417	9,408	5,403	23,226

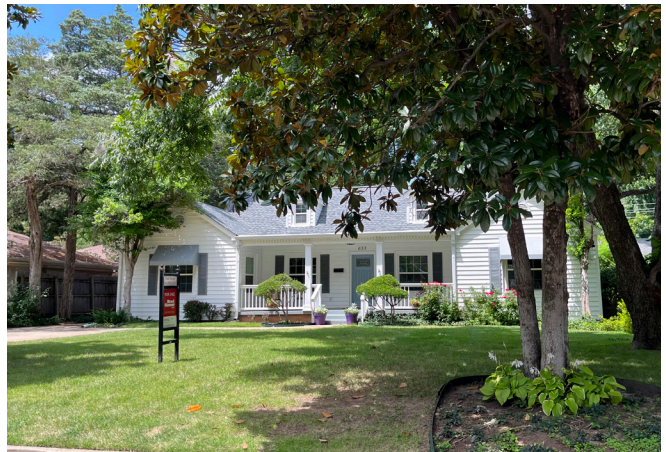
Source: RDG Planning & Design

HOME DEVELOPMENT PROGRAM

The home development program in Figure 1.9 on the next page shows how many homes are needed to accommodate renters and owners at different income levels and home types.

Meeting the housing needs requires using the home demand summary to forecast production targets for owner- and renter-occupied homes at different price points and density ranges based on the following assumptions:

- **Over the next several years, greater production will help relieve pent-up demand and the need to offer more attainable home options.** The program targets an occupancy split of 55% homeowners and 45% renters. Near-term national projections show the number of people entering their college years and choosing to attend college is declining. However, Norman still needs rental supply across age ranges.
- **The private market will not produce the lowest-priced homes.** Most low-income residents will live in rentals. Higher-density homes can produce lower rental costs in certain situations, but often these settings do not result in lower prices. Frequently, construction requirements and developments with high-quality materials and finishes produce homes that can be relatively expensive. Maintenance services and associated fees in these projects also increase the monthly home cost.
- **Move-up housing to higher price points will satisfy some demand at lower price points.** A percentage of the population lives in homes that cost less than what they could afford, likely because there were no other homes available that met their preferences. These preferences could be homes with more bedrooms, yard space, better finishes and fixtures, downsizing options, aging adult environments, or different locations. More home variety may entice some households to move from their lower priced home into the new ones. Thus, the movement opens a lower-priced home for another household.



HOME DEVELOPMENT PROGRAM

DEVELOPMENT PROGRAM DEFINITIONS

LOW OWNERSHIP DEMAND. Often, the best source of attainable homes is the existing housing stock in older neighborhoods. The low-income ownership market demand can be met, in part, by providing opportunities for moderate-income households to move up in the market.

SUBSIDIZED AND LOW RENTAL DEMAND. Production of rentals under \$700 will likely need assistance programs like low-income housing tax credits and project-based Vouchers/Section 8, but some may result from market adjustments due to new higher-quality rentals creating competition in the market. Preserving the homes existing in this price range today are essential.

MODERATE OWNERSHIP AND RENTAL DEMAND. It will be challenging for the private market to produce homes in this price range in Norman. Most will need to come from the existing market and individuals moving up or to other product types, freeing up homes in this price range or produced through assistance programs or through a filter effect created by the production of move-up housing.

MARKET AND HIGH MARKET OWNER AND RENTAL. The private market has successfully produced market-rate homes, although not at the level needed. The development community should be encouraged to continue its work in market-rate home development. These developments should be encouraged to employ innovative practices to create high-quality neighborhoods and new home products.

FIGURE 1.9: DEVELOPMENT PROGRAM

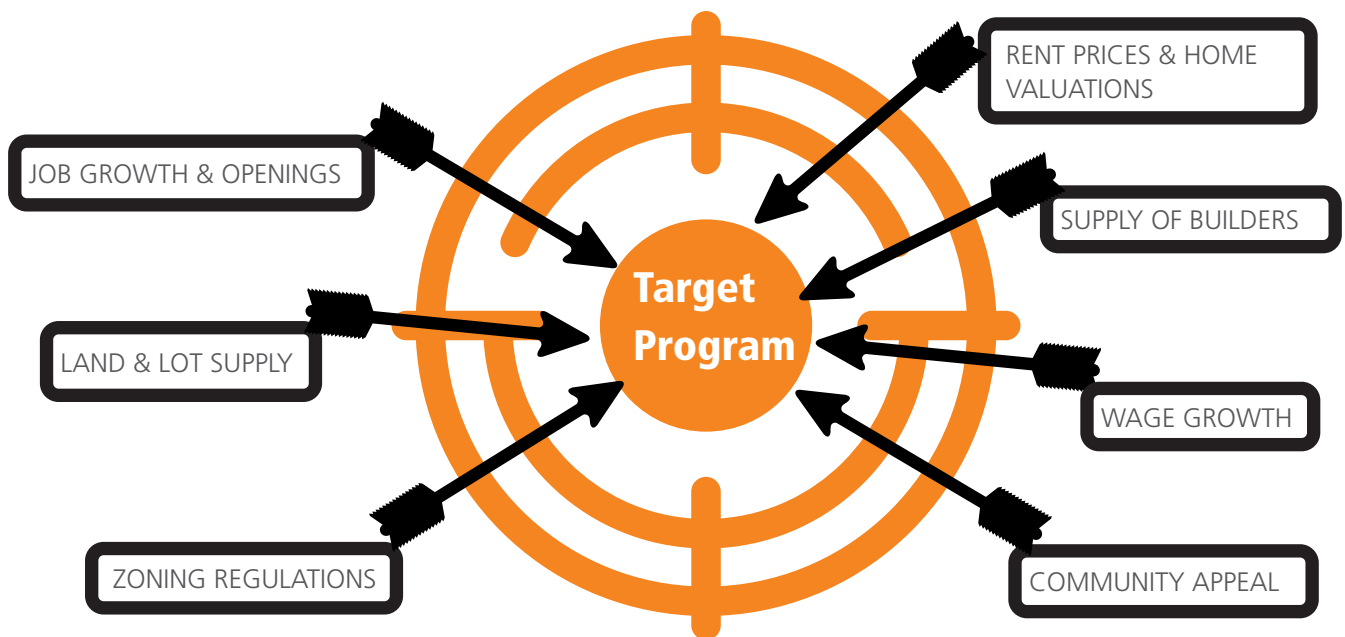
Product Type	Target Household AMI%	Home Cost*	2030 Target
Rental			45%
Subsidized Rental	0%-34% AMI	Under \$500	10%
Low Rental	35%-68% AMI	\$500-\$700	5%
Moderate Rental	35%-68% AMI	\$700-\$1,000	8%
Market Rental	69%-102% AMI	\$1,000 - \$1,500	12%
	103%-137% AMI	\$1,500-\$2,000	5%
High Market Rental	137%+ AMI	\$2,000+	5%
Ownership			55%
Low Ownership	35%-68% AMI	Under \$150,000	8%
Moderate Ownership	69%-102% AMI	\$150,000-\$225,000	10%
	103%-137% AMI	\$225,000-\$300,000	9%
Market Ownership	138%-205% AMI	\$300,000-\$450,000	15%
High Market Ownership	205%+ AMI	\$450,000+	13%

*Housing costs shown in 2021 dollars
 30% of below market housing need opens through market construction (move-up)
 Source: RDG Planning & Design

MEETING THE HOME DEVELOPMENT PROGRAM

In an ideal housing market, the supply and demand for homes would naturally adjust over time to reach a balance where the supply generally meets the demand for homes. However, this is not the case in Norman. Procedural challenges, cost barriers, and inefficiencies in the regional and local markets lead to an unbalanced market.

Many factors influence the cost and types of homes being built in Norman. Factors at the regional and local level are where investment and policy intervention can help balance the market and meet the home development program in Figure 1.9.



What an unbalanced market means for Norman

If all existing households spent 30% or less of their income on home costs, than an additional \$29-\$46 million of annual household income would be available. This money would be available for households to spend on other expenses and discretionary spending - a portion which goes to the local economy.

Source: RDG Planning & Design, American Community Survey

MEETING THE HOME DEVELOPMENT PROGRAM

Interventions to balance the market will vary depending on the home product and target price point. The Strategic Approach chapter identifies the strategies for Norman and considers the following factors:

HIGH MARKET. Homes for ownership are typically, but not exclusively, located in conventional subdivisions. This price point may appear in owner or rental upper-end condominiums, owned low-maintenance communities, and townhomes. Front-end infrastructure in subdivisions may be relatively expensive on a per lot basis.

MARKET. Market development represents both home ownership and rentals. Most new subdivisions and rental developments, including single-unit detached, attached, duplexes, townhomes, and apartments, fall in this price range. From a rental perspective, households in this range can afford monthly rents needed to make projects economically feasible. However, rents required for new development in certain locations are higher and households will pay a higher percentage of income for homes.

MODERATE. Development at the upper end of the moderate price range typically occurs in subdivisions or increasingly in higher-density small lot or attached developments. The lower end of the moderate price range addresses workforce housing needs. Construction and infrastructure costs make it difficult for builders to deliver workforce housing products. Infill development on sites or lots that use existing infrastructure that reduces the unit cost of public improvements are viable approaches, but infill faces various obstacles, such as zoning. Most moderate range development can be accomplished privately with public incentives, but some project types may require more community partnerships.

LOW AND SUBSIDIZED. It is virtually impossible for new construction to serve the low and subsidized price range without deep assistance that includes tools such as land assembly, infrastructure, development financing, and mortgage assistance. Program approaches to preserve and rehabilitate the existing housing stock or build alternatives for groups like seniors can effectively add to this price range. These tools may be necessary to encourage rentals in conjunction with existing tax policy incentives like Low-Income Housing Tax Credits and New Market Tax Credits. Delivery will require public/private partnerships, which are discussed later.

FIGURE 1.10: INTERVENTION APPROACH TO THE HOME DEVELOPMENT PROGRAM

Target Price Range	New Subdivision Development	Neighborhood Area Vacant Infill	Commercial Area Vacant Infill	Redevelopment
Subsidized and Low Rental	Full package of leveraged Federal, State, and Local sources	Full package of leveraged Federal, State, and Local sources	Full package of leveraged Federal, State, and Local sources	Full package of leveraged Federal, State, and Local sources
Moderate Owner and Rental	Infrastructure financing for developments matching housing strategy goals; TIF	Infrastructure upgrades; TIF; direct development assistance; fee waivers	Infrastructure upgrades; TIF; direct development assistance; fee waivers	Depending on the context: infrastructure financing; TIF; direct development assistance; fee waivers
Market Owner and Rental	None, private market	Incent: new products, mixed-income proposals	Incent: new products, mixed-income proposals	Incent: Fixing nuisance properties; new products, mixed-income proposals
High Owner and Rental	None, private market	Incent: accessible design, mixed-income proposals	Incent: accessible design, mixed-income proposal	Incent: blighted areas; new products, mixed-income proposals

The Strategic Approach section forthcoming, details housing policy strategies and funding sources for Norman.

FUTURE LAND USE CONTEXT

Use the AIM Norman Comprehensive Plan Future Land Use Map for the most recent land use directions.

AIM NORMAN LAND USE PLAN

The Future Land Use Map in the AIM Norman Comprehensive Plan shows appropriate locations for different residential densities. The following descriptions gives more context to the home types across the Future Land Use designations. The descriptions correlate closely with the Future Land Use Map but are not meant to dictate any one home type in one area. Ideally, neighborhoods are built around a mix of home types. There are benefits and drawbacks of each home type, regardless of occupancy status, to the community at-large.

HOME ARRANGEMENTS THAT FIT INTO ANY OF THE HOME TYPES

- **Rooming and boarding houses.** A residential building with multiple rentable sleeping rooms.
- **Co-ops.** A multiple-home building owned and maintained by the residents. The entire structure and real property is under common ownership as contrasted to a condominium dwelling where individual homes are under separate individual occupant ownership.

Figure 1.11 illustrates where each home type described on the following pages can be appropriate in relation to the AIM Norman Future Land Use Map in meeting housing demand.

FIGURE 1.11: OPPORTUNITY FUTURE LAND USE (FLU) MAP LOCATIONS FOR HOME TYPES

Home Type	FLU: Urban Low	FLU: Urban Medium	FLU: Urban High	FLU: Urban Living Center	FLU: Mixed- Use	FLU: Com.	FLU: Job Center	FLU: Transit Oriented Dev.
Large single-home	A							
Small single-home	A	A						
Duplex/townhome/rowhome	A	A	A	A				
Small multi-home residential	A	A	A	A	A			A
Medium multi-home residential		D	A	A	A			A
Large multi-home residential			A	A	A		A	A
Cottage court	A	A						
Accessory dwelling unit (ADU)	A	A	A	A	A			
Assisted/supportive living	D	D	A	A	A	A		A
Mixed-use residential		A	A	A	A	A	A	A
Single room occupancy		A	A	A	A	A	A	A

A: Appropriate

D: Design considerations for location, transitions between intensities, coverage, etc.

AIM NORMAN LAND USE PLAN

The AIM Norman Comprehensive Plan provides the detail on land use directions. Refer to the Comprehensive Plan for the most recent map.

The AIM Norman Future Land Use Map displays how to plan for different categories of uses around Norman.

The map shows general patterns of proposed uses, rather than the use of individual sites or lots. It also displays the range of uses or development densities that could be permitted in the future, rather than the existing use of land. As such, it provides a general vision of Norman's land use future and guidance for private and public sector decision-makers.

URBAN NEIGHBORHOODS

These categories are primarily residential with a gradient of density ranges, but include some non-residential uses and different intensities. Included uses are grouped together in terms of their impact rather than their specific type of use. In all cases, these areas use urban infrastructure now or in the future.

- **UL: Urban Low.** An efficient, walkable pattern of lower-density development. UL areas can include a horizontal mix of primarily residential and limited non-residential uses at compatible lower densities and scale.
- **UM: Urban Medium.** More variety in housing arrangements and more allowance for activity areas that draw people from outside the immediate area for services or recreation. UM areas include mostly a horizontal mix of residential and non-residential uses at compatible moderate densities and scale, although there may be opportunities for vertical mixed-use.
- **UH: Urban High.** Densities in UH areas encourage a more compact building pattern and likely fewer detached homes. These areas increase the economic activity with more vertical mixing of uses as compared to UM districts and place residents closer to services and jobs.
- **ULC: Urban Living Center.** Vibrant urban areas that include commercial services that serve the immediate neighborhood and the broader community. ULC areas include more urban services with a horizontal and vertical mix of high density residential uses and community to regional commercial uses of compatible densities and scales.

MIXED-USE / EMPLOYMENT CENTERS

- **C: Commercial.** These areas improve economic performance and opportunities for social interaction by locating diverse and complementary uses close together. Major commercial, office, service, small-scale manufacturing uses, and limited multi-unit is allowed in suitable locations.

- **MX: Mixed-Use Development.** These areas include a mix of residential, commercial services, and office uses. They can be retrofits of existing development patterns, where different uses co-exist, or planned developments where mixing uses may be either horizontal or vertical, but are designed as a cohesive environment.
- **IMX: Interchange Mixed-Use.** Areas characterized by major community and regional commercial development that are large in scale and have high traffic impact. Incorporation of higher intensity residential development may be appropriate at the interchanges of the city's freeway system.
- **JC: Job Center.** These areas support Norman's access to the Oklahoma City and Dallas markets, and research and development opportunities generated by the University, that make it a conducive location for larger scale manufacturing, warehousing, and research/technology businesses.
- **TOD: Transit Oriented Development.** Located around proposed commuter rail stations or other facilities that involve points of high access to public transportation. TOD's can include a variety of concentrated urban uses that can be both origin and destinations points.
- **CBD: Core Business District.** Includes Norman's two most historic business districts - Downtown Norman and Campus Corner. A broad range of retail services, offices, civic institutions, and residential uses are in these areas. CBD areas tend not to include large-scale stores or large single-story offices.
- **LC: Local Commercial Corridors.** Areas to easily access commercial services from neighborhoods that surround them. LC areas have a mix of smaller scale commercial, medium to higher density residential, and small scale civic uses.

RESERVE AND RURAL CATEGORIES

- **UR: Urban Reserve.** Areas generally in agricultural use and unlikely to experience development during the life of the plan.
- **RR: Rural Residential.** Areas that generally reflect existing large lot residential beyond the city's urbanized area.
- **AR: Ag Residential.** Areas that are primarily agricultural uses or large lot residential. These areas are unlikely to experience development during the life of the plan.
- **OP: Open Space.** Areas with valuable environmental features which should not be developed or would make good recreational spaces.

LARGE TO MID SIZE SINGLE HOME

A detached home for one household with three or more bedrooms.

- **Future Land Use Context.** Most appropriate in the Urban Low district.
- **Market and Site Opportunities**
 - Offers more bedrooms for larger households looking to live in Norman
 - Room for larger homes that are preferred by some households
 - Can mean more yard space and impervious surface for water drainage
 - May offer space for accessory dwellings
- **Market and Site Challenges**
 - More expensive to purchase and maintain than other home types
 - A larger public utility cost per home as lines extend further between each lot
 - More land consumed in undeveloped areas

Photo Examples



Example Land Use Setting



SMALL SIZE SINGLE HOME

Typically a detached home or attached home with three or fewer bedrooms.

- **Future Land Use Context.** Most appropriate in the Urban Low and Urban Medium districts.
- **Market and Site Opportunities**
 - Can be less expensive for ownership
 - Lower cost of public utilities per home in some cases because more lots can be spread across the same street distance
 - Lower land consumption
 - More opportunities to add within existing neighborhoods via vacant lots and unused space
- **Market and Site Challenges**
 - Coinciding smaller lots may limit the ability to add to the house or have accessory dwellings
 - Attached homes can lessen yard space

Photo Examples



Example Land Use Setting



DUPLEX/TOWNHOME/ROWHOME

A building with multiple residential or attached homes with flexible exterior front entryways and often rear parking.

- **Future Land Use Context.** Most appropriate in the Urban Low, Urban Medium, and Urban Living Center districts.
- **Market and Site Opportunities**
 - Flexible design options to fit different lot arrangements
 - Easy to integrate with lower or higher density home types
 - Offers a way for an owner to supplement their income by renting attached homes
 - Still treated as residential for owners looking to finance their purchase with a mortgage
- **Market and Site Challenges**
 - Poor design can create monotonous streetscapes with many driveways and garage doors
 - Given construction costs, ownership options can still be the same purchase price as a single-unit detached home
 - The more attached homes, the more neighborhood opposition may occur in infill areas

Photo Examples



Example Land Use Setting



SMALL MULTI-HOME RESIDENTIAL

A building on one lot typically with four homes or less and each accessed by internal hallways, such as a quad-plex. These structures typically have one or two building entrances as opposed to townhomes and rowhomes that define each separate home with an exterior entrance.

- **Future Land Use Context.** Most appropriate in the Urban Medium, Urban Living Center, and Mixed-Use districts.
- **Market and Site Opportunities**
 - Many types of home arrangements possible
 - Can more easily blend with the architecture of larger single-home structures
 - Still treated as residential for owners looking to finance their purchase with a mortgage
- **Market and Site Challenges**
 - On-street parking may be needed for infill sites in existing neighborhoods

Photo Examples



Example Land Use Setting



MEDIUM MULTI-HOME RESIDENTIAL

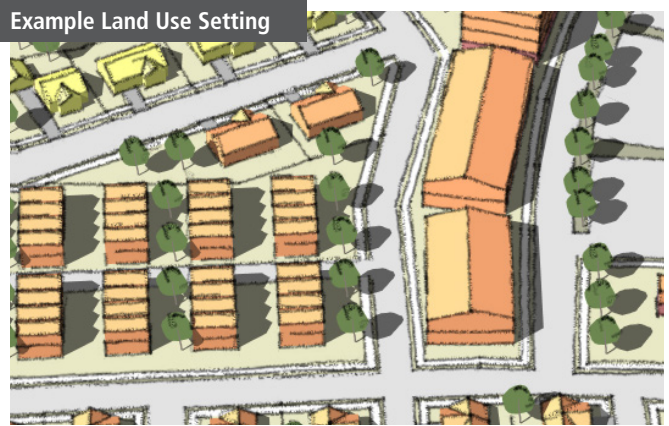
A structure typically with five to twelve internal homes that usually has one front and rear entrance as opposed to townhomes and rowhomes that define each separate home.

- **Future Land Use Context.** Most appropriate in the Urban Medium, Urban Living Center, and Mixed-Use districts.
- **Market and Site Opportunities (similar to small multi-home building)**
 - Many types of home arrangements possible
 - Can more easily blend with the architecture of larger single-home dwellings
- **Market and Site Challenges (similar to small multi-home building)**
 - On-street parking may be needed for infill sites in existing neighborhoods

Photo Examples



Example Land Use Setting



LARGE MULTI-HOME RESIDENTIAL

Typically one or several apartment buildings in a common complex with shared parking and on-site amenities. Could be in a mixed-use arrangement with commercial uses.

- **Future Land Use Context.** Most appropriate in the Urban Living Center, Urban High, Mixed-Use, and Transit Oriented Development districts.
- **Market and Site Opportunities**
 - Popular model for many developers, can be less cost prohibitive
 - More often can offer a range of on-site amenities that certain residents desire
 - Integrates well into the intensity of downtown and commercial areas
- **Market and Site Challenges**
 - Requires large vacant or redevelopment sites
 - Needs adequate mobility connections
 - Can feel secluded from neighborhoods and off-site amenities if not properly designed

Photo Examples



Example Land Use Setting



COTTAGE COURTS

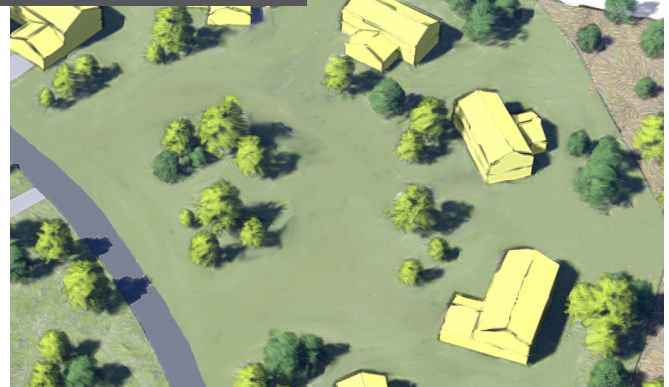
Smaller detached homes arranged around a common greenspace and often sharing parking and other amenities.

- **Future Land Use Context.** Most appropriate in the Urban Low and Urban Medium districts.
- **Market and Site Opportunities**
 - Flexible lot arrangement with the entire development on one lot or separate lots for each home
 - Can better match the design style in older infill neighborhoods
 - Potential for increased interactions between neighbors to boost neighborhood social capital
- **Market and Site Challenges**
 - Often lacks developer interest due to high level of design detail required
 - For infill, will require a larger initial lot area than available in many neighborhoods

Photo Examples



Example Land Use Setting



ACCESSORY DWELLING UNITS

A small detached or attached home on the same lot as a separate principle home, typically a detached single-home.

- **Future Land Use Context.** Appropriate in all residential contexts.
- **Market and Site Opportunities**
 - Can offer a way for owners to supplement their mortgage
 - Option to add attainable homes
 - Can blend within existing neighborhoods with proper design
- **Market and Site Challenges**
 - Can be cost prohibitive for a homeowner to undertake if a structure conducive for an ADU is not already in place
 - Building codes could create building spacing challenges depending on the lot size

Photo Examples



Example Land Use Setting



ASSISTED/SUPPORTIVE LIVING

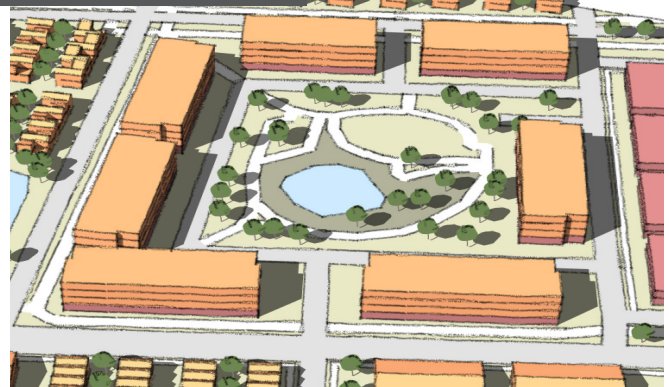
Structure/s with on-site services for older adults or people with accessibility challenges. These homes may be a single home or multi-home building, and may be owned or rented.

- **Future Land Use Context.** Most appropriate in the Urban Low, Urban Medium, Urban Living Center, Urban High, Mixed-Use, Transit Oriented Development, and Commercial districts.
- **Market and Site Opportunities**
 - Can have the same design characteristics of any other home type
 - Offers a needed service to keep people living in their neighborhoods
- **Market and Site Challenges**
 - Requires adequate space for facilities and specialized services
 - Typically requires a subsidy to be attainable to more households

Photo Examples



Example Land Use Setting



MIXED-USE RESIDENTIAL

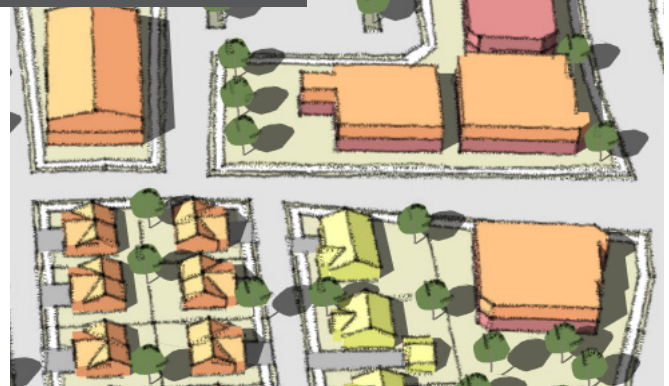
Any structure or site that combines residential with non-residential uses.

- **Future Land Use Context.** Urban Low, Urban Medium, Urban Living Center, Urban High, Mixed-Use, Transit Oriented Development, and Commercial districts.
- **Market and Site Opportunities**
 - Allows residents to be close to amenities and services
 - Diversifies the risk for a developer and property owner
 - Integrates well into the intensity of downtown and commercial areas
 - Offers options for using commercial spaces that are no longer needed
- **Market and Site Challenges**
 - Presents more financing considerations for development and for ownership
 - Building and fire code considerations to overcome in some instances

Photo Examples



Example Land Use Setting



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A STRATEGIC APPROACH

There are insufficient financial and human resources for the City to “solve” all housing needs. However, the City should target several top housing goals to stimulate movement to address local housing needs. Additional efforts to create effective partnerships for education, procedures, and programming are essential to achieve the goals and advance more housing efforts in Norman.

**“[Norman] Needs
more quality,
affordable housing
for low and
middle income...”**

—Neighborhood workshop participant

GOALS AND STRATEGIES

GOALS

A goal is a broad statement of what Norman hopes to accomplish. The broadness means the Plan does not need to create an unmanageable list of goals. The more goals, the lower chance for accomplishments.

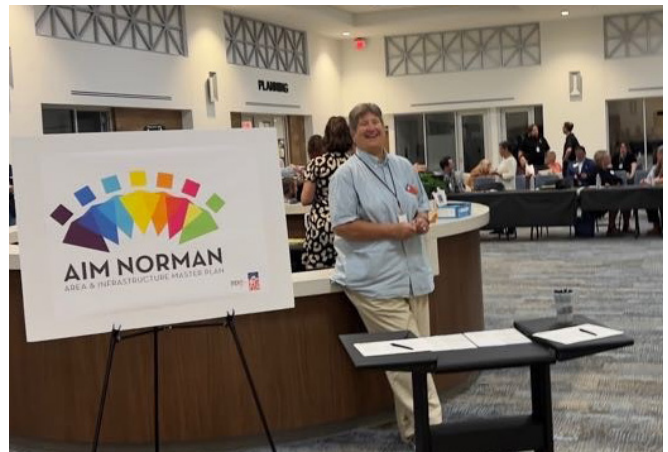
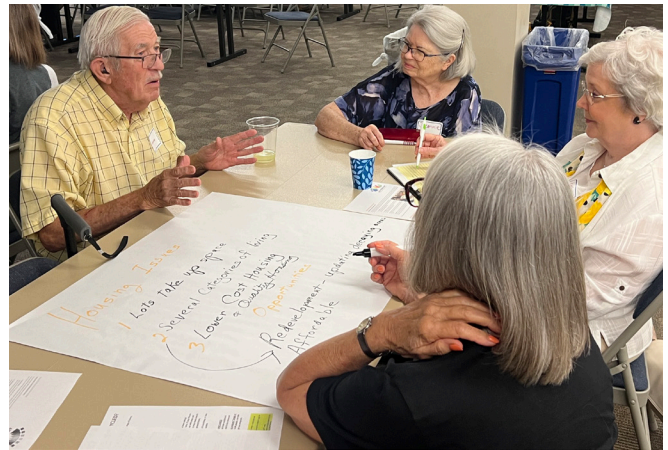
The housing goals give more specific direction than the AIM Norman Development Principles by combining the community input with the data analysis and housing forecast. Each goal should answer yes to each of these questions for Norman:

- **Supporting data.** Does the goal address a need shown through reputable data sources and market research for Norman?
- **Supporting community input.** Does the goal align with community visions for Norman?
- **Housing development program.** Can the goal advance parts of the home demand and development program?
- **AIM Norman alignment.** Can the goal apply to specific land use districts and character areas in AIM Norman?

STRATEGIES

A strategy is the approach to achieve the goal. Each strategy is specific and includes important ways to advance the goal, using successful examples from other cities where applicable. A strategy can be a combination of:

- **Policy.** An agreed upon direction on how to administer programs and decision-making to achieve a stated objective.
- **Financial capital.** Allocation of funds to a goal-oriented project, program, or initiative.
- **Social capital.** Allocation of staff, knowledge, training, or community building towards a goal.
- **Regulation.** A rule that enforces projects, policies, funding, or functions to comply with a stated objective.
- **Partnership.** A group of people, jurisdictions, and organizations that either formally or informally work together on policies, capital, and regulations to advance the strategy and goal.



GOAL 1: MODERNIZE DEVELOPMENT REGULATIONS TO ACHIEVE CONSISTENCY, EFFICIENCY, AND OUTCOMES

Applicable Development Principles: **2 3 5 8 9 10**

This goal rose to the top and contributes to achieving all other housing goals for Norman in the Plan.

GOAL 2: ADD VARIETY IN HOUSING TYPES ACROSS MORE DENSITIES AND DESIGN APPROACHES

Applicable Development Principles: **2 3**

GOAL 3: INCREASE ATTAINABLE, ACCESSIBLE, AND QUALITY HOUSING OPTIONS FOR ALL PEOPLE

Applicable Development Principles: **2 6 8 10**

GOAL 4: ENHANCE AND PROMOTE INFILL OPPORTUNITIES IN EXISTING NEIGHBORHOODS

Applicable Development Principles: **1 3 5 8**

GOAL 5: HAVE CLEAR, UNDERSTANDABLE, AND REASONABLE HOUSING INCENTIVES AND PROGRAM PROCEDURES

Applicable Development Principles: **9 10**

**AIM NORMAN
DEVELOPMENT PRINCIPLES**

- 1** Manage urban services efficiently.
- 2** Promote diverse housing options.
- 3** Promote infill development and neighborhood reinvestment.
- 4** Protect the environment in all decision-making.
- 5** Enhance distinctive neighborhoods, business districts, and natural areas with a strong sense of place.
- 6** Provide a multi-modal and connected transportation network.
- 7** Enhance public safety and minimize hazards.
- 8** Encourage balanced and connected neighborhoods.
- 9** Make development decisions predictable, fair, and cost effective.
- 10** Make decisions in a transparent and collaborative manner.

SUMMARY GOALS, STRATEGIES, AND TARGET AUDIENCE

Figure 2.1 summarizes the Plan approaches on the following pages. Some of these approaches may be appropriate for one target area or household and not another. Without intervention from the City and its partners, homes for all age groups will continue to be in short supply, the housing market will continue to be less attainable, and Norman will struggle to have adequate home options for the growing population.

FIGURE 2.1: GOALS AND STRATEGIES SUMMARY - APPLICATION

	Priority Income*	Priority Price Point*	Key Partners	Funding Options	Time frame
Goal 1: Modernize development regulations to achieve consistency, efficiency, and outcomes					
A: Rewrite the zoning and subdivision ordinances	All	All	Developers, housing advocates	General funds	Near
B: Coordinate departmental review with agreed administrative approval criteria	All	All	N/A	N/A	Near
Goal 2: Add variety in housing types across more densities and design approaches					
A: Create acceptable building plans of housing typologies, share type-specific resources	<\$75,000; <103% AMI	<\$300,000 owner <\$2,000 rental	Developers, designers, REALTORS®	Grants, partnerships, general funds	Medium to Long
B: Offer mixed-use reuse/redevelopment incentives	All, focus towards: <\$75,000; <103% AMI	All, focus towards: <\$300,000 owner <\$2,000 rental	Developers, banks/lenders	General funds, TIF, lending consortium	Medium

*Figures in 2021 dollars based on the Home Development Program

FIGURE 2.1: GOALS AND STRATEGIES SUMMARY - APPLICATION

	Priority Income*	Priority Price Point*	Key Partners	Funding Options	Time frame
Goal 3: Increase attainable, accessible, and quality housing options for all people					
A: Enact target metric requirements for attainable housing for large developments	Include mix, some: <\$50,000; <69% AMI	Include mix, some: <\$225,000 owner <\$1,500 rental	Non-profits, developers, banks/lenders, State/Federal agencies	N/A	Medium
B: Maintain an Affordable Housing Development/Trust Fund	<\$50,000; <69% AMI	<\$225,000 owner <\$1,500 rental	Developers, banks/lenders, non-profits	Lending consortium, bonds, general funds, fees	Near, On-going
C: Expand affordable housing education and advocacy to property owners	Federal program limits, <\$50,000; <69% AMI	<\$225,000 owner <\$1,500 rental	Non-profits, REALTORS®, landlords	Grants, State/Federal, general funds	On-going
Goal 4: Enhance and promote infill opportunities in existing neighborhoods					
A: Increase rehabilitation and redevelopment incentives and programs for appropriate sites	All, focus towards: <\$75,000; <103% AMI	All, focus towards: <\$300,000 owner <\$2,000 rental	Non-profits, Federal/State agencies, banks/lenders	Grants, State/Federal, lending consortium, general funds	Near
B: Build new and revamped public/private partnerships for neighborhood investment	<\$75,000; <103% AMI	<\$300,000 owner <\$2,000 rental	Non-profits, Federal/State agencies, neighborhood groups, OU	Partnerships, grants, State/Federal, lending consortium, general funds	Medium
Goal 5: Have clear, understandable, and reasonable housing incentives and program procedures					
A: Central curated resource centers for property owners, renters, builders, and landlords	All	All	Non-profits, REALTORS®, landlords, housing advocates	Partnerships, grants, staff time	Medium
B. Expand housing education/engagement	All	All	Non-profits, REALTORS®, landlords, housing advocates	Partnerships, grants, staff time	On-going
C. Simplify any incentive, funding, administrative approval, or other process required for housing strategies	All	All	N/A	N/A	Near, On-going

*Figures in 2021 dollars based on the Home Development Program

SUMMARY GOALS, STRATEGIES, AND METRICS

Figure 2.2 lists metrics to track success and case study references that are on the following pages. The City and partners should evaluate metrics annually to understand movement in the housing market and whether the metric is measuring the intended goal correctly.

FIGURE 2.2: GOALS AND STRATEGIES SUMMARY - METRICS

Tracking Metrics		Case Study References
Goal 1: Modernize development regulations to achieve consistency, efficiency, and outcomes		
A: Rewrite the zoning and subdivision ordinances	Greater home production across the spectrum of price points, including higher-end options Number of PUD and variance requests under new codes	
B: Coordinate departmental review with agreed administrative approval criteria	Greater home production across the spectrum of price points, including higher-end options	
Goal 2: Add variety in housing types across more densities and design approaches		
A: Create acceptable building plans of housing typologies, share type-specific resources	More rental options beyond traditional apartments, including duplexes, townhomes, and accessory dwelling units, etc.	Pre-reviewed Housing - South Bend, IN
B: Offer mixed-use reuse/redevelopment incentives	Increase in homes near jobs and services	Missing Middle Targets - Chattanooga, TN

FIGURE 2.2: GOALS AND STRATEGIES SUMMARY - METRICS

		Tracking Metrics	Case Study References
Goal 3: Increase attainable, accessible, and quality housing options for all people			
A: Enact target metric requirements for attainable housing for large developments	Increase the number of attainable and universally designed homes		Missing Middle Targets - Chattanooga, TN
B: Maintain an Affordable Housing Development/Trust Fund	More new and attainable home options for owner-occupants and renters		Affordable Housing Fund - Grand Rapids, MI
C: Expand affordable housing education and advocacy to property owners	More new and attainable home options for owner-occupants and renters		Landlord Risk Reduction Fund - Lawrence, KS
Goal 4: Enhance and promote infill opportunities in existing neighborhoods			
A: Increase rehabilitation and redevelopment incentives and programs for appropriate sites	Increased use of rehab and repair programs More infill development consistent with neighborhood context		Neighborworks Northeast Nebraska - Columbus, NE
B: Build new and revamped public/private partnerships for neighborhood investment			Invest DSM Block Grant Challenge - Des Moines, IA Rental Rehab Housing Improvement Program - Lincoln, NE Infill Lot Consolidation - Ottumwa, IA
Goal 5: Have clear, understandable, and reasonable housing incentives and program procedures			
A: Central curated resource centers for property owners, renters, builders, and landlords	Increased use or inquiries into programs; identification of additional funding mechanisms		Great Housing Strategies Toolkit - Grand Rapids, MI
B. Expand housing education/engagement	Increased use or inquiries into programs		Infill Lot Prep Guide
C. Simplify any incentive, funding, administrative approval, or other process required for housing strategies	Positive post process surveys to recipients/participants		Great Housing Strategies Toolkit - Grand Rapids, MI

GOAL 1

Modernize development regulations to achieve consistency, efficiency, and outcomes

WHAT THIS MEANS

Zoning, subdivision, building, stormwater, and other codes should align with the AIM Norman goals. Codes need to be written for consistent decision-making so that property owners and developers know what to expect.

STRATEGIES SUMMARY

A. Rewrite the zoning and subdivision ordinances, which may include:

- Minimum density standards in certain areas or districts
- Flexibility for non-conformities in existing neighborhoods
- Reconsider the rationale behind all minimum bulk requirements
- Broaden by right residential uses and development standards
- Clarify standards for home development on infill lots
- Evaluate accessory dwelling units (ADU) usage and tiny home provisions
- Allow live-work units everywhere
- Context-sensitive landscaping requirements

B. Coordinate departmental review with agreed upon administrative approval criteria

GOAL 1 STRATEGIES SUMMARY - APPLICATION

	Priority Income*	Priority Price Point*	Key Partners	Funding Options	Time frame
A: Rewrite the zoning and subdivision ordinances	All	All	Developers, housing advocates	General funds	Near
B: Coordinate departmental review with agreed administrative approval criteria	All	All	N/A	N/A	Near

*Figures in 2021 dollars based on the Home Development Program

GOAL 1 STRATEGIES SUMMARY - METRICS

	Tracking Metrics	Case Study References
A: Rewrite the zoning and subdivision ordinances	Greater home production across the spectrum of price points, including higher-end options Number of PUD and variance requests under new codes	
B: Coordinate departmental review with agreed administrative approval criteria	Greater home production across the spectrum of price points, including higher-end options	

STRATEGY A: REWRITE THE ZONING AND SUBDIVISION ORDINANCES

The zoning and subdivision ordinances have decades of layered amendments. These create inconsistent applications and disconnects from the intent for development in Norman. A reform to zoning should allow needed housing developments to be built by right without the risk of being derailed through a political process. A rewrite will create better organization, compliance with state and federal laws, and new zoning districts that align with the AIM Norman Future Land Use Plan.

Elements in a new zoning and subdivision ordinance to advance housing goals should include:

MINIMUM DENSITY STANDARDS IN CERTAIN AREAS OR DISTRICTS

Some areas on the AIM Norman Future Land Use Map encourage higher-density residential uses. Given land development constraints and proximity to utility and household services, the City should strategically reserve these areas for higher-density home types. A minimum density standard prevents traditional detached single-home development from building on these sites.

FLEXIBILITY FOR NON-CONFORMITIES IN EXISTING NEIGHBORHOODS

Homes in many neighborhoods have existed without issues for decades. Code changes over time cause some existing residential uses to be non-conforming. Zoning changes in the past were often done without looking at what is working in existing neighborhoods. A property deemed “non-conforming” can be difficult to rehabilitate, make additions, and get certain bank financing. The rewrite should examine existing neighborhoods and eliminate as many non-conformities as possible for homes without a history of nuisance violations. Non-conformities related to floodplain and stormwater regulations must still apply.

SETBACK FLEXIBILITY AND NEW POTENTIAL

Standard minimum setbacks in residential districts in Norman (2024) are nearly all 25 feet for front yards, 5 feet for side yards, and 20 feet for rear yards. Reasons for 25 foot front setbacks often range from space for drainage, trails, utilities, parking, and street trees.

Combining setbacks with Norman’s minimum lot size of 6,000 square feet in most residential districts means lots must be wider and/or deeper to fit home models demanded by the market and appropriate for aging in place (more open floor plans, single-story, and attached garages).

Allowing a lower minimum front yard setback has several benefits:

- More flexibility to design homes with recessed garages and visible front porches
- Less rear yard needed for building space that could alternatively be used for drainage, common open space, and trails
- Fewer Board of Adjustment requests for setback adjustments, that may or may not get approved
- Opportunity for developers to design homes at lower price points because of lower land costs (smaller lots)

A range of minimum and maximum front yard setbacks can be appropriate in existing neighborhoods.

RECONSIDER THE RATIONALE BEHIND ALL MINIMUM BULK REQUIREMENTS

Bulk requirements regulate the size and location of buildings. Standardized lot sizes, setbacks, and off-street parking requirements heavily influence community design. Many times, these are unnecessarily large requirements. In Norman, some current standards are misaligned with current needs. This creates mismatches for feasibly allowing more home types, such as limiting the buildable area for permitted smaller multi-home buildings. For example, an analysis for this Plan showed there are +/- 3,250 platted lots in the R-1 through RM-6 residential districts that are less than the minimum lot size required to build the highest permitted density housing for those districts (just over 10% of all lots). Many of these lots could be infill opportunities for ADUs or, if vacant, new housing if the bulk standards are adjusted.

Reducing minimum bulk standards does not guarantee that needed home types will get built. Nonetheless, a code with more flexibility gives staff more administrative approval options. Bulk regulations related to floodplain and stormwater protection should always apply. Examples of new bulk standards could include:

- **Evaluate lot and setback regulations in older, successful neighborhoods and replicate them elsewhere.** Lower minimum lot sizes and setbacks were appropriate at one time in older neighborhoods and can be appropriate in many other residential areas to allow more flexibility in home design.
- **Reduce sight-triangle setbacks for corner lots on local streets.** The distance is often more than needed given the right-of-way width and can restrict home options in existing neighborhoods. Alternatively, measure the site distance from the center of the right-of-way where a driver's line of sight is more applicable.
- **Maintain limited off-street parking requirements.** Norman's code only requires minimum parking for single-family, duplexes, fraternity/sorority homes, and mobile home parks. All other uses have recommended parking minimums.
- **Look at revising the parking requirements for residential districts in a similar manner as commercial districts.** Simply make a recommendation on parking in residential districts and leave it up to the developer to determine the need.

BROADEN BY RIGHT RESIDENTIAL USES AND DEVELOPMENT STANDARDS

Expand the allowed residential uses in all residential districts, especially the R-1 district. Consider not requiring a mixed building with residential uses to obtain a special use permit in commercial districts. Lastly, consider using maximum bulk development standards in areas where density is directed in the AIM Norman Future Land Use Plan.

EXAMPLES IN NORMAN

RESIDENTIAL USES ALLOWED BY RIGHT

- Of land zoned for residential use between 48th Avenue W and 48th Avenue E, over 80% permits only single-unit detached homes by right. Other residential uses, if allowed, must be approved through special use permits or rezonings.

LOT SIZES AND REGULATIONS

- No residentially zoned lot in Norman can be below 4,500 square feet for a single-unit detached home and 6,500-7,000 square feet for a duplex by right.

INTENT VERSUS APPLICATION

- Mixed-uses with residential is generally only permitted with special approvals or through the Planned Unit Development (PUD) process. The code has a Mixed-Use Development zoning district (MUD), but it has never been used, likely because of its high amount regulatory detail.

CLARIFY STANDARDS FOR HOME DEVELOPMENT ON INFILL LOTS

Norman needs a dedicated code section on infill development with context appropriate standards. Codes with layers of amendments have standards and exceptions in many different places. This is the case for Norman as the City has tried to make infill development easier. Because of this, there are a number of exceptions and subjective approval criteria spread throughout the code.

It may not be clear to an outside developer that certain exceptions may apply to their property. Instead of trying a more innovative design, a developer may be inclined to go with the path of apparent least resistance by copying residential development types approved previously.

Examples of infill codes and incentives from other cities include:

- Sultan, WA allows any proposed home to follow standards in force at the time of development of the surrounding area.
- El Paso, TX allows side, front, and rear setback requirements of the base zoning district may to be reduced up to 100% by City Council for infill developments.
- Tuscan, AZ has an Infill Incentive District to encourage residential uses in their downtown that has added 1,100 homes since the District was established in 2009. The incentives require a certain percent of affordable homes in each project.

INFILL DEVELOPMENT BARRIERS

Infill development represents little of the total housing development in Norman since 2010. This indicates there are barriers to making infill worthwhile. A strategy is to mitigate barriers, primarily the cost of infill construction. Barriers include:

- **Regulations versus pre-existing lot sizes.** Lot sizes that were acceptable at one time may no longer meet code requirements and require special approvals.
- **Economies of scale.** Costs are difficult to make work for infill development on one lot at a time. Development might require significant gap financing or an accumulation of lots to mobilize labor and develop at once.
- **Water pressure issues and infrastructure upgrades.** Infill in existing neighborhoods that results in more density will require significant improvements to existing infrastructure and the full replacement of water and sewer lines in some areas. The issue with older pipes is getting the water pressure required to support mandatory fire suppression systems. The gap adds to infill project costs.
- **Neighborhood opposition.** Established neighborhoods can be resistant to change. Density, rentals, parking, and other factors may all be arguments coming from opponents to infill housing projects - mostly stemming from resistance to change.



EVALUATE ACCESSORY DWELLING UNIT (ADU) USAGE AND TINY HOME PROVISIONS

Continue allowing ADUs and tiny homes in Norman. Be flexible to amend current regulations to better suit ADU objectives as they become more widely studied and advanced in Norman. Note, that the 2018 International Residential Code ("IRC") defines a tiny house as a dwelling that has a floor area of 400 square feet or less, excluding lofts. Whereas an ADU is accessory to a principal residential use. The City should target to add up to 100 ADUs per year, and annually evaluate barriers to their construction.

ALLOW LIVE-WORK UNITS EVERYWHERE

The desire to run a business out of a home will increase as remote work and the number of people looking to supplement their income grows given rising living costs. General rules on manufacturing uses, truck traffic, and parking can still apply. But generally, live-work uses occurring indoors with limited visitors is acceptable everywhere.

CONTEXT-SENSITIVE LANDSCAPING REQUIREMENTS

There are many instances where landscaping offers a good transition between lower and higher-intensity uses and contributes to an attractive streetscape. Plantings should be a priority for Norman's sustainability goals to protecting drainage areas and habitats.

For enforcement, the landscaping ordinance must consider the context around development. An abundance of tree and shrub planting requirements requires space for healthy plant growth. Other built environment design approaches, such as plazas, can be more useful in areas intended for more density. These designs may also limit the housing development costs associated with heavy landscaping.

ADUs FROM POLICY TO REALITY

Allowing ADUs broadly in residential zoning districts eliminates a barrier but may not be all that is necessary to see production. ADU costs are also a barrier like so many other housing challenges.

ADU COST CONSIDERATIONS

- Survey costs. A property survey may be needed to determine lot space and impervious coverage leftover to add a new ADU in compliance with lot coverage regulations.
- Construction costs. At a basic level a new attached or detached ADU can cost more than a home on a square foot basis. Financing ADUs for moderate to low income households may not be possible.
- Design costs. Most will not be able to design an ADU themselves and will have to hire an architect or builder.

Therefore, seeing meaningful ADU production outside of existing garages, old carriage houses, and extra rooms may require incentive packages like described throughout the Housing Strategy Plan.

STRATEGY B: COORDINATE DEPARTMENTAL REVIEW WITH AGREED UPON ADMINISTRATIVE APPROVAL CRITERIA

Time is a significant cost in the development process. Unnecessarily long approval timelines create uncertainty and can often be mitigated. City staff are busy, but priorities for moving applications along can alleviate housing barriers. A new code should grant administrative approvals across departments as much as possible for items that advance the goals of this Housing Strategy Plan. There should be no question of public approval because the AIM Norman planning process included heavy public participation to frame the vision, goals, and actions for the city's future. Additionally, a well-structured and design-oriented code will prevent possible adverse effects of density, building mass, land use conflicts, and mobility. Exceptions include:

- The project requests an amendment to the AIM Norman Land Use Plan
- The project requests a change to the code
- The project requests a rezoning
- State or Federal law requires a public hearing because of specific funding or permit procedures

Additionally, many departments partake in review processes. Open communication between departments is critical for the success of efficient approvals (public works, engineering, stormwater, inspections). Efficient departmental communication means education on how each department influences this Housing Strategy Plan and how to make change without sacrificing public health and safety.

CASE STUDY - CHELSEA HUB - CHELSEA, MA

While not directly related to development process review, the following case study shows the benefits of cross sector communication for addressing process barriers.

Launched in 2015, the Chelsea Hub program helps vulnerable populations by increasing communication among local police, city departments, medical providers, and thirty social service groups to connect families and individuals who may need services from more than one community agency. Representatives from all groups meet regularly to review cases and develop action plans to help at risk individuals and families. Two "navigators" hired by a mental health agency build relationships and connect with at-risk individuals. The program's primary cost is the salaries of the navigators, a total of \$125,000.

GOAL 2

Add variety in housing types across more densities and design approaches

WHAT THIS MEANS

The strategies for Goal 2 intend to increase home construction outside of conventional detached single-units and large apartment complexes. Strategies target:

- Adding more rental options beyond traditional apartments. For example, duplexes, townhomes, and accessory dwelling units
- Lowering the risk of developing underbuilt home products that fill local needs
- Building new homes to free up existing homes for households with middle incomes – those that do not qualify for low-income programs but still have trouble affording market rate homes

STRATEGIES SUMMARY

A. Create acceptable building plans of housing typologies, share type-specific resources

B. Offer mixed-use reuse and redevelopment incentives

GOAL 2 STRATEGIES SUMMARY - APPLICATION

	Priority Income*	Priority Price Point*	Key Partners	Funding Options	Time frame
Goal 2: Add variety in housing types across more densities and design approaches					
A: Create acceptable building plans of housing typologies, share type-specific resources	<\$75,000; <103% AMI	<\$300,000 owner <\$2,000 rental	Developers, designers, REALTORS®	Grants, partnerships, general funds	Medium to Long
B: Offer mixed-use reuse/redevelopment incentives	All, focus towards: <\$75,000; <103% AMI	All, focus towards: <\$300,000 owner <\$2,000 rental	Developers, banks/lenders	General funds, TIF, lending consortium	Medium

*Figures in 2021 dollars based on the Home Development Program

GOAL 2 STRATEGIES SUMMARY - METRICS

	Tracking Metrics	Case Study References
A: Create acceptable building plans of housing typologies, share type-specific resources	More rental options beyond traditional apartments, including duplexes, townhomes, and accessory dwelling units, etc.	Pre-reviewed Housing - South Bend, IN
B: Offer mixed-use reuse/redevelopment incentives	Increase in homes near jobs and services	Missing Middle Targets - Chattanooga, TN

STRATEGY A: CREATE ACCEPTABLE BUILDING PLANS OF HOUSING TYPOLOGIES, SHARE TYPE-SPECIFIC RESOURCES

Already built housing can encourage housing diversity by generating ideas to apply to target character areas in Norman. The City and its partners can develop home prototypes through a coordinated departmental review where all agree on design features and application related to land use and zoning. The strategy should target low to medium-intensity projects or any priority home type in this Housing Strategy Plan.

The next step is for the City to work with the development community to develop sets of construction ready pre-reviewed plans of the desired home types ranging from ADUs to small apartments. These plans would only require a specific site plan if using a typical foundation. Note, fire and building code plot plans can be pre-approved. Engineering plans cannot be pre-approved.

Developers may still be cautious about changing their building model for these prototypes even if there is less risk with the pre-reviewed options. The City or a non-profit development partner could lead the first example of using the typologies to test out the application and adjust the process. Home types should first target products that:

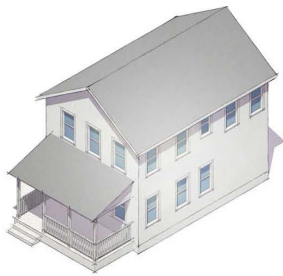
- Offer a historically underbuilt home type, or
- Products with affordability guarantees for households making workforce rates between 80%-120% of the Area Median Income (AMI), or
- Products that apply Universal Design standards

CASE STUDY: PRE-REVIEWED HOUSING - SOUTH BEND, IN

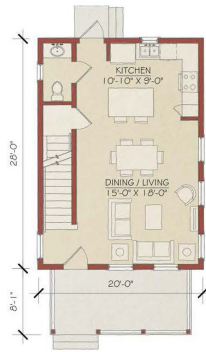
Facing a shortage of affordable housing and hundreds of potential infill lots, the City of South Bend, Indiana developed a set of pre-approved, ready to build housing plans. The plans are small to middle scale housing developments or what the City has described as a "Sears Catalog" of housing options that are contextually appropriate to South Bend's neighborhoods and fit with local building materials and techniques. The plans can be used in any zoning district that allows the selected building type per the current zoning ordinance.

https://southbendin.gov/wp-content/uploads/2022/08/SBBT_Catalog_22-0112-lowres.pdf

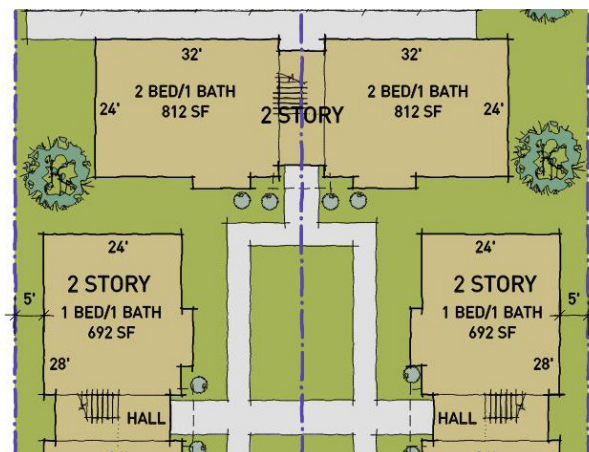




ZONING DISTRICTS ALLOWED
S1 S2 U1 U2 U3 U4 U5 U6 U7 U8 U9 U10 U11



Ground Floor



KEYS TO SUCCESSFUL PRE-REVIEWED HOUSING TYPES

The idea in Strategy A can go by different names such as stock plans, pattern books, and pre-reviewed plans. For all, the term “pre-reviewed” means the home type has been reviewed by leaders and departments as options in Norman. Review for permits and site planning still happens.

CRITICAL STEPS

- **Meet with local builders and developers first.** Determine home types they’d actually be willing to undertake. A pre-reviewed package without developer interest will be fruitless.
- **Supplement the risk.** The home types may still need other incentives to reduce risk, especially for products less familiar to builders in Norman.
- **Align City Hall.** Spend adequate time for City department coordination in creating the resources. All departments need to be fully on board for consistent review.
- **Define and permit deviations.** Allow and define the level of flexibility built into the resources. There can be a level of deviation to consider different lot situations and general variety in design to achieve the desired home type.
- **Maintain quality design.** Keeping the resources simple is important, so is home quality for community support.
- **Evaluate and repeat steps.** The resources might need amendments over time to adapt to new home possibilities.

STRATEGY B: OFFER MIXED-USE REUSE AND REDEVELOPMENT INCENTIVES

Norman can encourage mixed-use development beyond zoning and regulatory amendments. Mixed-use residential can allow people to live closer to services, reducing other household costs such as transportation. A growing opportunity for mixed-use development are large commercial spaces and parking lots where lower market demand renders parts of buildings or sites obsolete. Repurposing or incorporating homes in commercial spaces may still be challenging because of codes or financial constraints, but solutions are getting more creative every year.

Any incentive should carefully consider the costs and benefits of projects that redevelop existing homes (the most attainable homes in Norman today) and the influence on stormwater management. City leaders need to develop a set of criteria for how to use incentives in housing redevelopment projects that factors in public service requirements.

CASE STUDY: MISSING MIDDLE TARGETS - CHATTANOOGA, TN

With help from the Incremental Development Alliance, Chattanooga leaders and stakeholders undertook an intensive developer workshop to identify solutions for missing middle housing types. The process resulted in a development packet that lays the framework for a developer to pursue these projects including:

- Picking a building type based on the developer's financing options and site circumstances.
- Guides and site plans for good urban design amid traditional single-family neighborhoods.
- Technical considerations for packaging development applications.
- Bank packages for different building types to show how to bring the project to life by proving profits for lenders.

<https://www.cneinc.org/creating/>; <https://www.incrementaldevelopment.org/>

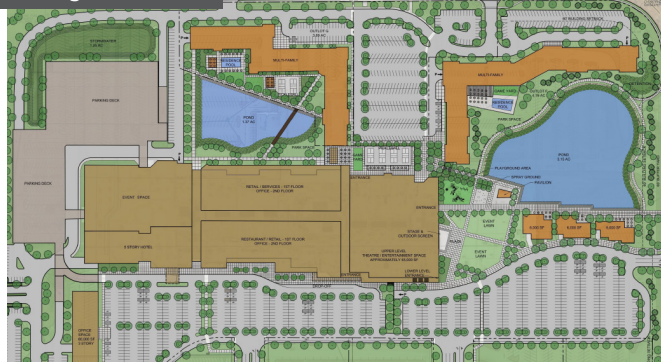
For Norman, a similar approach could be taken to target specific neighborhood designs that accommodate target metrics, mixed-use sites, and redevelopment of obsolete commercial spaces and parking lots.

Commercial Redevelopment



Example: Redevelopment of WalMart and Hobby Lobby Site - La Vista City Centre, NE
Photo Credit: La Vista City Centre

Parking Lot Reuse



Example: Valley West Mall Parking Area Reuse (in planning stages) - West Des Moines, IA
Photo Credit: Watson Development, Shive Hattery,

GOAL 3

Increase attainable, accessible, and quality housing options for all people

WHAT THIS MEANS

Price is a major barrier. Households can also face barriers in finding a home that accommodates mobility challenges, has efficient utilities, and is near services like transportation, healthcare, and groceries. People need more home choices that fit their price points and daily needs.

Priority Households:

- **Low income.** Households making under 80% of the Area Median Income (AMI) who qualify for many Federal housing programs.
- **Mobility limited.** Any situation that limits a person's ability to move comfortably and safely. Common challenges include stairs and narrow hallways or doorways.
- **Supportive services.** People needing regular care or a residence with on-site care employees and specialized equipment.
- **Those experiencing homelessness.** To support the goals of the Homebase Inc. study. Refer to the information on page 67.

Priority Locations on the AIM Norman Future Land Use Plan:

- **Transit routes**
- **Bicycle and pedestrian routes**
- **Near schools and healthcare facilities**

STRATEGIES SUMMARY

For the strategies that target specific income and price ranges, stipulations in the funding allocations should consider limiting rent increases to local inflation or wage indices to maintain homes at attainable prices for new residents. For homeownership, stipulations include deed restrictions to maintain an attainable sales price in transactions with new owners at target income levels.

A. Enact target metric requirements for large developments

B. Maintain an Affordable Housing Development/Trust Fund

C. Expand affordable housing education and advocacy to property owners

GOAL 3 STRATEGIES SUMMARY - APPLICATION

	Priority Income*	Priority Price Point*	Key Partners	Funding Options	Time frame
A: Enact target metric requirements for attainable housing for large developments	Include mix, some: <\$50,000; <69% AMI	Include mix, some: <\$225,000 owner <\$1,500 rental	Non-profits, developers, banks/lenders, State/Federal agencies	N/A	Medium
B: Maintain an Affordable Housing Development/Trust Fund	<\$50,000; <69% AMI	<\$225,000 owner <\$1,500 rental	Developers, banks/lenders, non-profits	Lending consortium, bonds, general funds, fees	Near, On-going
C: Expand affordable housing education and advocacy to property owners	Federal program limits, <\$50,000; <69% AMI	<\$225,000 owner <\$1,500 rental	Non-profits, REALTORS®, landlords	Grants, State/Federal, general funds	On-going

*Figures in 2021 dollars based on the Home Development Program

GOAL 3 STRATEGIES SUMMARY - METRICS

	Tracking Metrics	Case Study References
A: Enact target metric requirements for attainable housing for large developments	Increase the number of attainable and universally designed homes	Missing Middle Targets - Chattanooga, TN
B: Maintain an Affordable Housing Development/Trust Fund	More new and attainable home options for owner-occupants and renters	Affordable Housing Fund - Grand Rapids, MI
C: Expand affordable housing education and advocacy to property owners	More new and attainable home options for owner-occupants and renters	Landlord Risk Reduction Fund - Lawrence, KS

STRATEGY A: ENACT TARGET METRIC REQUIREMENTS FOR ATTAINABLE HOUSING FOR LARGE DEVELOPMENTS

The strategy applies to subdivision developments or multi-home buildings and complexes where a percentage of homes must meet a target housing metrics. The metrics for funding and incentives in Norman could include:

- **Mixed-Income or Price Point.** A percentage of homes or units must be priced and reserved for households at lower income tiers shown in the Development Program. The goal is to create mixed-income communities, which are proven to improve outcomes for lower-income households to remain in stable housing. Some advantages of mixed-income communities in one building or sprinkled throughout a neighborhood include:
 - *Equitable access to amenities*
 - *High perceived safety by residents and visitors*
 - *Higher likelihood of property upkeep*
- **Universal Design Compliant Homes.** A percentage of homes must be built and maintained to Universal Design standards for people to age in place comfortably. These homes could be tied to income requirements or be open to any household.

PARTNERSHIPS IN FINANCING

There are a number of different issues around financing affordable homes. The City has limited control over some financing opportunities but can be a partner in moving these conversations forward. They could include:

- **Lending Consortia.** A lending consortium is a cooperative venture among lending institutions active in the market to spread individual risk. In addition, these cooperative ventures can attract the support of major employers or other agencies. It provides a way to pool capital, fill financing gaps, grant short-term financing, interim financing, fund other housing strategy programs, and projects that the private market avoids and Federal lending mechanisms do not support.
- **Mixed-income Financing.** Developers noted several challenges with financing mixed-income projects. This includes how the rental income is calculated and perception that market rate will be harder to lease. These issues will need to be resolved by working with partners like the banking community. Section 542(c) also enables HUD and State/local housing finance agencies to provide risk-sharing arrangements on multi-family loans.
- **Community Land Trusts (CLT).** A CLT is a private, nonprofit organization that owns land on behalf of a community to ensure affordability. In a CLT, homeowners purchase just the improvements, and those units may have deed restrictions that limit the appreciation of the home. CLTs are not usually formed or owned by the City but the City would be a partner in the initial establishment. The partnership could include providing lots/land, assisting with site prep, or providing funding for the initial housing construction.

STRATEGY B: MAINTAIN AN AFFORDABLE HOUSING DEVELOPMENT/TRUST FUND

At the time of this document, the City was in the process of establishing an affordable housing trust fund. Devoted housing funding pools are becoming more popular at the state and local levels. Most affordable housing funds today come from Federal sources like HUD and the Low Income Housing Tax Credit (LIHTC) program. Norman should increase its own fund that allows more flexibility in distribution targets to households under 120% AMI. This may be households who cannot qualify for the lowest income programs but struggle to overcome cost burdens at market rate prices.

The fund should grow through different sources to be used directly for home development or assistance to households. Building fund capital might include:

- **Norman Forward II.** The proposal for advancing Norman Forward II, an initiative encompassing various quality-of-life projects with a 1/2% sales tax collected over 15 years, should include an affordable housing component. At least \$10 million should be devoted to create a revolving housing fund that could be committed to the housing trust fund or other reserve fund. The money in this fund could for the City to act as an equity investor for creating affordability in mixed-use investments and to support a permanent day/night shelter.
- **Lenders Consortium.** A partnership where lenders in the city, county, or region pool resources to make loans to higher risk projects or buyers. Thus, no lender takes the full risk in financing.
- **Community Housing Bonds.** Cities can initiate bond issues to fund housing projects. The bonds require a vote by the community and have been a demonstrated approach, but they can be challenging due to bonding capacity.
- **Attainable Housing Fee.** An attainable housing fee applied to document recording or permit fees for all new housing permits that do not meet an affordability or accessibility threshold. A fee on demolition permits could stimulate rehab and upkeep over redevelopment. Other fees that can generate revenue for the fund include linkage fees, real estate transfer fees, additional hotel/motel taxes, and inclusionary zoning in lieu fees. A study of funding needs should be completed to determine the appropriate fee ranges without discouraging development in Norman.

CASE STUDY: AFFORDABLE HOUSING FUND - GRAND RAPIDS, MI

The City of Grand Rapids set an aggressive policy target for a citywide inventory of 30% affordable homes. One tool created to help with the effort is an Affordable Housing Fund leveraged by dedicated city revenues, private contributions, and interest earnings. Additionally, a board provides recommendations for policy changes and managing allocations. Funds come from:

- City appropriations from tax growth.
- Private contributions, State funds, County, other grants.
- Excess revenues from General Operating Fund.

Eligible applicants include non-profits and for-profit affordable housing developers, and public housing authorities. Individuals are eligible for homeownership financial assistance. Fund allocation is used only for situations that meet city needs like mixed-use development, projects with other funding sources, and small scale development.

<https://www.grandrapidsmi.gov/Government/Programs-and-Initiatives/Housing-NOW>

- **General Fund.** Norman can choose to increase funding out of general fund dollars. This approach can be more challenging because these dollars are limited and priority goes to essential services and existing programs when leaders do not clearly understand housing needs.

Monitoring and managing a fund will take staff resources to allocate dollars, report results, and check compliance with affordability criteria. A tracking system for fund management and affordability compliance may require the City to hire additional staff or outsource certain tasks and management.

STRATEGY C: EXPAND AFFORDABLE HOUSING EDUCATION AND ADVOCACY TO PROPERTY OWNERS

Support for attainable and accessible homes needs to continue coming from many sources, not just the City. A misconception surrounds subsidized homes for low income households. Those with a HUD Section 8/Housing Choice Voucher face a limited number of rental owners who accept Vouchers for various reasons, real and perceived.

The strategy should increase education to landlords and property managers to overcome perceptions about people using HUD Vouchers (Section 8). Research shows no difference in these tenants taking care of units and paying rent versus other tenants.

The City and partners should explore ways to encourage acceptance of Vouchers. Just like developers need risk assurances, so do rental property owners. Examples of risk reduction programs for rental owners could include:

- Assurances for landlords by covering a portion of any incurred additional costs because of the tenant, such as property damage, unpaid rents, legal fees, etc.
- Funding the program through the affordable housing development fund, nonprofit partners, and even property management groups.
- Administering it through a nonprofit organization or contract service provider.
- Placing priority on renting to specific applicants such as those who have experienced homelessness or those with a referral from a housing agency.

CASE STUDY: LANDLORD RISK REDUCTION FUND - LAWRENCE, KS

A program managed by the Lawrence Housing Authority offers financial benefits to property managers and landlords who agree to loosen screening requirements to rent their units to tenants who are currently unhoused or are at immediate risk of experiencing homelessness. Landlords may choose from three incentive options:

- One month's rent funded to cover any damage that may occur. If security deposit and initial incentive coverage is used and there are still damages, landlords can request additional funding up to two month's rent.
- Pay for double the amount of rent upon successfully leasing to a referred tenant.
- One month's rent to cover any potential missed payments.

A "Landlord Liaison" works with the landlord to sign a funds recipient agreement, collect W-9 and signed lease agreement.

<https://lplks.org/content/landlord-risk-reduction-fund-housing-authority/>

A program like this could be expanded in Norman to apply to more target households.

GOAL 4

Enhance and promote infill opportunities in existing neighborhoods

WHAT THIS MEANS

Continual reinvestment in neighborhoods cannot be put on hold and must increase to meet existing and housing needs. Reinvestment includes maintenance of existing homes, filling vacant homes, and adding homes on vacant lots that use existing infrastructure.

STRATEGIES SUMMARY

- A. Increase rehabilitation and redevelopment incentives and programs for appropriate sites**
- B. Build new and revamped public and private partnerships for neighborhood investment**



GOAL 4 STRATEGIES SUMMARY - APPLICATION

	Priority Income*	Priority Price Point*	Key Partners	Funding Options	Time frame
A: Increase rehabilitation and redevelopment incentives and programs for appropriate sites	All, focus towards: <\$75,000; <103% AMI	All, focus towards: <\$300,000 owner <\$2,000 rental	Non-profits, Federal/ State agencies, banks/ lenders	Grants, State/ Federal, lending consortium, general funds	Near
B: Build new and revamped public/private partnerships for neighborhood investment	<\$75,000; <103% AMI	<\$300,000 owner <\$2,000 rental	Non-profits, Federal/ State agencies, neighborhood groups, OU	Partnerships, grants, State/Federal, lending consortium, general funds	Medium

*Figures in 2021 dollars based on the Home Development Program

GOAL 4 STRATEGIES SUMMARY - METRICS

	Tracking Metrics	Case Study References
A: Increase rehabilitation and redevelopment incentives and programs for appropriate sites	Increased use of rehab and repair programs	Neighborworks Northeast Nebraska - Columbus, NE
B: Build new and revamped public/private partnerships for neighborhood investment	More infill development consistent with neighborhood context	Invest DSM Block Grant Challenge - Des Moines, IA Rental Rehab Housing Improvement Program - Lincoln, NE Infill Lot Consolidation - Ottumwa, IA

STRATEGY A: INCREASE REHABILITATION AND REDEVELOPMENT INCENTIVES AND PROGRAMS FOR APPROPRIATE SITES

Priority site characteristics can include:

- **Any site in the Core Neighborhoods character area of AIM Norman**
- **Projects addressing home variety in Goal 2**
- **Projects addressing home attainability and accessibility in Goal 3**

Both redevelopment and rehabilitation approaches can leverage and be used in combination with existing programs through the Oklahoma Housing Finance Agency: <https://www.ohfa.org/homebuyers/downpayment/>.

REDEVELOPMENT

Norman must leverage existing infrastructure to help offer attainable options. Efficient use of existing water, sewer, and streets helps control costs when providing assistance with site preparation. The largest example in Norman is the Griffin site, but smaller single parcels are opportunities if gap financing, infrastructure, and regulatory barriers are resolved for developers. Older infrastructure that is not upgraded may not be able to accommodate the additional capacity coming with redevelopment. Infrastructure conditions and capacity issues must be part of the redevelopment approach in older areas of Norman.

Ideal sites for redevelopment include blighted properties, areas along busier streets, and areas identified in the AIM Norman Future Land Use Plan.

CASE STUDY: NEIGHBORWORKS NORTHEAST NEBRASKA - COLUMBUS, NE

Over a five year period NeighborWorks Northeast Nebraska has implemented a highly successful Purchase Rehab Resale program. Under the program a qualifying household identifies a home, an assessment of the home for structural stability is completed, followed by NeighborWorks Northeast Nebraska purchasing the home to complete any repairs needed. Repairs can range between \$2,000 to \$25,000. Following completion of the repairs the home is sold to the qualifying household often with down payment assistance of 20% of the final purchase price, up to \$20,000. For Columbus Nebraska this has resulted in 140 homes being updated and owned, often by first time home buyers.

<http://www.nwnen.org/what-we-do/homeownership-assistance/purchase-rehab-resell-program>

BEFORE



AFTER



REHABILITATION

Most of the housing stock in Core Neighborhoods should be rehabilitated and not replaced whenever possible. These are areas where attainable homes can be achieved through rehabilitation and renovation with small, incremental infill development. Most of the Core Neighborhoods are already walkable, have transit options close by, have easy access to service providers, and are considered highly desirable places to live.

Rehabilitation is costly for property owners. Existing Federal programs are mostly income-restricted and for specific projects. Therefore, the City or a non-profit partnership should explore a program that provides financing incentives designed to stimulate property owner rehabilitation across more income levels. There are many case studies for different approaches and funding. For example, a program in Dallas called the Dallas Tomorrow Fund generates funding for a loan/grant program to address code violations. The City will need to explore additional revenue sources to address these housing rehabilitation and property maintenance issues.

For Norman, the rehabilitation approach should be for specific areas at one time rather than citywide, such as starting in Core Neighborhoods on the AIM Norman Future Land Use map.

CASE STUDY: INVEST DSM BLOCK GRANT CHALLENGE - DES MOINES, IA

An initiative started in 2020, Invest DSM offers programs targeted to specific local neighborhoods in Des Moines. One program called the Block Challenge Grant aims to create momentum through a batch improvement approach. To participate in the program, groups of at least five neighbors within a visible distance of one another's front doors must apply together. They are then eligible for matching funds up to \$2,500 for exterior improvements depending on the size of the application.

At six months into the program, Invest DSM granted funds to 240 homeowners and landlords who were current on their taxes or lease obligations. The average investment per property was \$4,576.

<https://investdsm.org/programs/>

For Norman, a program could apply to owners and renters, with landlord participation.

CASE STUDY: RENTAL REHAB HOUSING IMPROVEMENT PROGRAM - LINCOLN, NE

The South of Downtown Neighborhood, located near the heart of Lincoln, Nebraska, is the city's most diverse neighborhood and was suffering from lack of reinvestment. The City partnered with State programs to improve the quality of affordable housing in the South of Downtown neighborhood through the development of a Rental Rehab Housing Improvement Program.

The program was funded through the creation of a 20-year TIF district in the area, with no required match from property owners. The goals of the rental rehabilitation program were:

- Keep housing affordable while making long-term improvements in the housing stock.
- Rehab 100 homes per year for ten years.

In exchange for the grant funding, the owner of the property agrees to keep the home "affordable" (per HUD's definition of Fair Market Value) for at least 10 years. For its first round of grant funding, over 250 applications, representing over 2,000 homes, were received.

STRATEGY B: BUILD NEW AND REVAMPED PUBLIC AND PRIVATE PARTNERSHIPS FOR NEIGHBORHOOD INVESTMENT

Reducing City regulatory barriers comes first, followed by financing to offset gaps that exist between the cost of new construction and the appraised value of surrounding older properties. Some neighborhoods may have higher property values, which makes financing infill homes easier. However, most neighborhoods requiring home maintenance and infill are older and have lower property values. One or several common and necessary partnerships depending on the site and project include:

- **Norman Affordable Housing Corporation.** Can contribute to site acquisition and funding for target households.
- **The City of Norman.** Can contribute to site acquisition and lead regulatory flexibility.
- **Non-profit housing providers.** Can contribute to site acquisition and construction. These could include Rebuilding Together, Habitat for Humanity, and others.
- **University of Oklahoma.** Can offer land or funding for projects that meet their goals.
- **Banks.** Can participate in flexible financing (see Goal 3, for lending consortiums).
- **Economic development groups.** Can contribute to site acquisition, incentives, and marketing to developers and buyers.
- **The Oklahoma Housing Finance Agency.** As mentioned previously for their existing programs.
- **Work with partners to form a non-profit Community Based Development Organization (CBDO).** A CBDO can receive grants and loans from the City's Community Development Block Grant (CDBG) funds for neighborhood revitalization, community economic development, and energy conservation.
- **Create a Community Land Trust.**
- **Explore a Youth Build Program.**
- **Leverage the philanthropic arms of existing businesses and corporations.**

CASE STUDY: INFILL LOT CONSOLIDATION - OTTUMWA, IA

While a much smaller city than Norman, Ottumwa, IA (pop. 25,529) has taken an aggressive approach to infill investment and removing dilapidated property and structures in floodplains. Over time the City built an inventory of owned infill lots scattered throughout the city rather than consolidated in one area. To help a developer take on a scattered lot development approach, the City offered an infill development incentive package for developing 30 lots that included:

- Purchase price of \$125 per lot, distributed over three years of closings
- Using another city program to give \$10,000 per unit
- Qualified tax abatement
- Developer application to the State of Iowa funding - the Workforce Housing Tax Credit program

In exchange, the developer is providing:

- Workforce housing priced units, as defined by the State of Iowa
- Units at least 1,000 square feet for single-family units and 800 square feet for multi-family units
- Completion within seven years

GOAL 5

Have clear, understandable, and reasonable housing incentives and program procedures

WHAT THIS MEANS

For programs to encourage home repair and construction, their benefits need to be clear to everyone no matter their level of expertise. Convolved processes will discourage people from using a program.

STRATEGIES SUMMARY

- A. Develop a central curated resource center for property owners, renters, builders, and landlords to access resources**
- B. Expand housing education and engagement**
- C. Simplify any incentive, funding, administrative approval, or other process required for housing strategies**

GOAL 5 STRATEGIES SUMMARY - APPLICATION

	Priority Income*	Priority Price Point*	Key Partners	Funding Options	Time frame
A: Central curated resource centers for property owners, renters, builders, and landlords	All	All	Non-profits, REALTORS®, landlords, housing advocates	Partnerships, grants, staff time	Medium
B. Expand housing education/engagement	All	All	Non-profits, REALTORS®, landlords, housing advocates	Partnerships, grants, staff time	On-going
C. Simplify any incentive, funding, administrative approval, or other process required for housing strategies	All	All	N/A	N/A	Near, On-going

*Figures in 2021 dollars based on the Home Development Program

GOAL 5 STRATEGIES SUMMARY - METRICS

	Tracking Metrics	Case Study References
A: Central curated resource centers for property owners, renters, builders, and landlords	Increased use or inquiries into programs; identification of additional funding mechanisms	Great Housing Strategies Toolkit - Grand Rapids, MI
B. Expand housing education/engagement	Increased use or inquiries into programs	Infill Lot Prep Guide
C. Simplify any incentive, funding, administrative approval, or other process required for housing strategies	Positive post process surveys to recipients/participants	Great Housing Strategies Toolkit - Grand Rapids, MI

STRATEGY A: DEVELOP A CENTRAL CURATED RESOURCE CENTER FOR PROPERTY OWNERS, RENTERS, BUILDERS, AND LANDLORDS TO ACCESS RESOURCES

More programs creates larger challenges to effectively disseminate information to the target audience. There are organizations outside of City Hall that address housing needs with various funds and programs. Each entity understandably has its plans and targeted programs that could be included in a central curated resource center.

An educational campaign can train organizations who interact with people building or looking for homes to use the resource center. Examples include REALTORS®, Home Builders Association, Chamber of Commerce, landlord associations, and renter groups. Then, advertise the resource center heavily, perhaps outside the City's website.

The resource center can include a page for financial assistance programs outside of housing. The cost of other necessities affects how much a person can spend on housing. Other expenses such as childcare, transportation, and education costs are a non-negotiable barrier to attainable home options for families. Reducing these costs can increase home choices.

CASE STUDY: GREAT HOUSING STRATEGIES TOOLKIT - GRAND RAPIDS, MI

The City of Grand Rapids has made housing a forefront policy for the community. Much like AIM Norman, Grand Rapids began their initiative with a robust community listening schedule. The efforts evolved into a series of focused work groups to develop policy and program recommendations for:

- Land use and zoning
- Housing finance, economics
- Workforce development
- Low-income and vulnerable populations

The efforts are ongoing and have resulted in a Housing Strategies Toolkit listing all the available programs or initiatives in progress and what they will address.

<https://www.grandrapidsmi.gov/Government/Departments/Community-Development/Housing-Rehabilitation-Program/Great-Housing-Strategies>

STRATEGY B: EXPAND HOUSING EDUCATION AND ENGAGEMENT

Many small scale landlords, local decision-makers, and even builders are not experts in housing financing, development, or regulations. They are people with rental homes to supplement income, elected and appointed officials, and local small-scale start up builders. Education and training on housing in Norman can accelerate learning, create communities, foster new project opportunities, and grow interest in the field.

Opportunities should be leveraged with partners to engage with groups, including elected and appointed officials, to dispel incorrect perceptions, inform about housing programs and funding, and receive feedback. Regular times should be available to learn about housing programs, codes, recent updates, or regional/state/federal topics of interest.

Landlord groups, builders, developers, REALTORS® and others working in Norman's housing market should receive direct invites. Other new or continuing opportunities to engage might include regular REALTOR® group, regional homebuilder, and Chamber of Commerce meetings. Topics and other opportunities could include:

- Regular Fair Housing training
- Tenant/Landlord law training
- Outreach by the City of Norman/Norman Housing Authority encouraging Voucher participation by landlords
- Aging in place opportunities
- Building trades skills through leveraging the Vo-Tech system and exploring resources to lead this effort
- Partnering with local lenders to host a housing fair of different lending instruments such as the 203(b) program which could encourage acquisition/rehabilitation
- Providing an on-going video series on building types, ADUs, and other relevant housing topics

These efforts do not have to be confined to Norman. City and economic development representatives should seek opportunities to present Norman's housing opportunities at regional forums.



STRATEGY C: SIMPLIFY ANY INCENTIVE, FUNDING, ADMINISTRATIVE APPROVAL, OR OTHER PROCESS REQUIRED FOR THESE HOUSING STRATEGIES

A sure way to discourage the use of funds or programs is to make the person or organization applying for assistance try to figure out all the requirements and contact all the appropriate people. In general, application procedures should follow a simple step-by-step process that does not put all the burden on the applicant to contact various people to discover and distribute information. As housing programs expand and new programs are introduced, be proactive in helping qualified applicants navigate through the process and staff to monitor affordability targets.

CASE STUDY: INFILL LOT PREP GUIDE

Midwest Housing Development Fund (MHDF), Inc. is a non-profit Community Development Financial Institution (CDFI) that helps meet nontraditional financing needs for the creation, development and rehabilitation of affordable rental housing in a multi-state region.

To assist partners in development, MHDF created a Lot Prep Guide to lead people thinking about infill, redevelopment, or new lot development. The guide is divided into common topic areas, including:

- Physical site considerations
- Legal considerations
- City processes

A checklist for each topic provides minimum items to undertake for approaching lot development. The Guide is a valuable resource for smaller or less experienced people looking to develop housing.

<https://mhdinc.com/Midwest-housing-resource-network/>



STATE LEVEL ADVOCACY

Norman has little control over many strategies critically important to advancing housing goals. However, as one of the largest cities in Oklahoma and home of the University of Oklahoma, the City and its local partners have significant resources to advocate for State-level housing priorities. Many states are developing innovative ways to advance housing solutions for priority groups. Oklahoma is no different. Policies to advocate for might include, but are not limited to:

INCREASES IN STATE HOUSING TRUST FUNDING

Many states are investing more in their housing trust funds to jurisdictions. Continual advocacy must ensure these funds increase, at least at the same rate as service needs and costs. Many states around Oklahoma are consistently devoting more funding per capita towards their state housing trust funds.

LAND BANKS

A land bank is a governmental non-profit organization that can acquire vacant, abandoned, or dilapidated properties for renovation or demolition for development. The State of Oklahoma does not authorize cities to create land banks. States such as Kansas do, and their success in creating and developing residential lots has proven successful.

EVICTION PREVENTION POLICIES

Eviction can be a major event that leads to homelessness and creates challenges for people with an eviction on their record to find safe attainable homes. Programs that work with landlords and tenants to prevent situations from reaching eviction are crucial interventions to address low-income renter housing challenges. There is also an advocacy need to assist those who do get evicted. This can include transportation to the court date and legal assistance navigating court proceedings. Today, these types of assistance programs, if available, are operated through non-profits.

Some eviction programs created with funds from COVID relief dollars are starting to expire. Evaluating and proving their success can be an advocacy approach for future funds.

WORKFORCE DEVELOPMENT PROGRAMS FOR THE TRADES

As part of the work already being done around workforce development, programs should be adequately designed and funded to train the next generation of professionals and craftspeople for the building trades.

Strategies include:

- Leadership transition and succession planning programs and incentives that replace the retiring workforce
- Sponsorship programs for students in building trade programs
- Support for innovation and start-ups creating new, more efficient ways to construct homes that reduce human labor hours in construction
- Advocacy to allow students within the Vocational/Technical system to work off-site on projects as student apprentices. Currently they are prohibited and only construct a small single-unit home in the parking lot to be auctioned.

FIRE AND BUILDING CODE AMENDMENTS

Fire and building codes apply to home construction but are enforced outside zoning and subdivision codes. While well-intentioned, some requirements can drastically increase the cost of building certain home types and make them unfeasible. In Oklahoma, cities can only adopt more restrictive amendments to the International Fire Code (IFC) and International Building Code (IBC), not less restrictive. State level advocacy to allow local amendments and increase interest in different home types and could include, but are not limited to:

- Advocating for structures with less than six units to be reviewed under the residential building code instead of the commercial code
- Advocating for alternative fire sprinkler requirements for smaller buildings, such as fire-rated walls

MUNICIPAL PROPERTY TAX FLEXIBILITY

Under the Oklahoma Constitution, property taxes are only available to counties and rates are limited to increases of 3% a year unless a property is sold. Most property tax rate increases within the limits require a vote of the people. Cities are specifically limited to sales tax unless issuing a General Obligation bond. State level advocacy for cities to have more access to property taxes would allow Norman to fund housing programs more easily and add leverage for exploring programs like property tax freezes and other strategies for low-income households.

LAND VALUE TAXES

Only thirty counties across the U.S. allow land value taxation. The approach bases all or most of the property tax on the value of the land rather than the improved value of structures on the land. Thus, owners of vacant sites pay closer to the same as those of developed sites of the same size. Some research argues that land value taxes can help incentivize infill investment. This approach will likely not be on the table in Oklahoma soon. Expanding the conversation can grow awareness around the need for innovative solutions to housing equity and solutions.

HOUSING PROGRAMS IN 2024

There are many programs in Norman that target home production, direct assistance to people in need, and can help supplement the strategies in this Housing Strategy Plan. To raise awareness on the existence of these programs, they should be marketed together with the Housing Strategy Plan.

CITY OF NORMAN

- **Accessibility Modification Projects.** These projects may be either owner-occupied or rental properties. Income is based on 80% of the median figure for the tenant or owner occupant. Typical projects include ramps, widening of doorways, and installation of grab bars and hand rails. Another program is for non-profit agencies needing accessibility modifications. The program is funded by the CDBG program and dependent on annual funding from HUD.
- **Emergency Repair (ER) Grant Program.** Designed to address an area of urgent need which directly affects the immediate health, safety, or sanitation of the occupants of the structure. Typical projects are replacement of the roof, HVAC system, water heater, sewer line, etc. The terms of the ER Program requires household income based upon the 80% or below the median income limit. The program is funded by the CDBG program and dependent on annual funding from HUD.
- **Visitability Program.** The Visitability Pilot Program allows building permit fees charged by the City of Norman Code to be adjusted and satisfied as an incentive for eligible dwellings achieving certain Visitability standards. A Visitability Dwelling is a home that has features that allow mobility impaired and aging in place individuals to live in or visit with fewer constraints than most dwellings.
- **Home Energy Rating System (HERS)/Energy Rating Index (ERI) Incentive Program.** Encourages energy efficient residential home construction by offering credits to builders who built above Residential Energy Code minimums.

HISTORIC PRESERVATION

- **State and Federal Historic Rehabilitation Tax Credits for eligible historic properties.**

CLEVELAND COUNTY CONTINUUM OF CARE

- **Annual grants and funding to organizations and projects working towards their goals around homelessness.**
<https://ok504coc.wixsite.com/website>

RENT, UTILITY & FINANCIAL ASSISTANCE

- **There are many programs operated by non-profits and charitable organizations throughout Norman.** These are continually changing based on resource needs. A comprehensive list is kept and regularly updated by the McFarlin Memorial United Methodist Church at <https://mcfarlinumc.org/missions/if-you-need-help/>

HOUSING REPORTS & STUDIES FOR ACTION

The work on housing solutions in Norman is vast. Information from various efforts added value and informed the creation of goals and strategies in this Housing Strategy Plan. The following documents should be used to inform housing strategies, as updated.

2025-2029 CONSOLIDATED ACTION PLAN & 2024-2025 FIFTH YEAR ACTION PLAN

The Consolidated Plan is a five-year guiding document for designated federal funds to address neighborhoods and housing for low income households. It includes an Analysis of Impediments to Fair Housing.

CONTINUUM OF CARE REPORT 2022 - BRIDGING THE GAP: ACTION STEPS TO END HOMELESSNESS HOME BASE STUDY & HOMELESSNESS GAPS ANALYSIS

The gaps analysis evaluates the current system, including street outreach, shelter, and housing programs, and to identify existing system gaps. This report includes recommendations designed to improve the homeless system of care and to provide opportunities to build upon current efforts to better meet the needs of people experiencing homelessness or who are precariously housed in the City of Norman and throughout Cleveland County.

The subsequent study based on the gaps analysis is a roadmap to guide current and planning by the Norman/Cleveland County Continuum of Care (CoCOK-504) in its efforts to prevent and end homelessness. Continuum of Care (CoC) is a group comprised of nonprofit organizations, service providers, and local government agencies that coordinates homeless services and homelessness prevention activities across a specified geographic area.

2019 NORMAN INCLUSIVE COMMUNITY SUBCOMMITTEE RECOMMENDATIONS

Purpose of creating a list of proposed action items identifying ways the Mayor can continue to build an inclusive community.

CONTINUUM OF CARE REPORT DETAILS

The Homeless Gaps Analysis and Strategic Plan that was completed in 2022 by Homebase, Inc. is intended to provide a roadmap to guide current and planning by the Norman/Cleveland County Continuum of Care (CoC OK-504) in its efforts to prevent and end homelessness. The following principles lead the planning efforts:

- Housing First - centers on providing people experiencing homelessness with housing as quickly as possible – and then providing services needed to maintain their housing. The premise of Housing First is that housing is a basic human right. The approach treats housing as a tool, rather than a reward, with supportive services offered as needed and on a voluntary basis.
- Include every voice - It is imperative that all stakeholders recognize the importance of investing in the community's future, and recognize that the investment will necessarily differ in both type and scope across jurisdictions, agencies, providers, systems, and other stakeholder groups.

GOALS:

- Secure a Housing Future for all Residents of Cleveland County
- Increase Access to Homeless Emergency Response Services
- Mobilize a Countywide Response to Prevent and End Homelessness

Together the three **Goals** address the key challenges and needs identified in the CoC's Homelessness Gaps Analysis. Each goal includes a set of **Strategies** that enable the community to achieve the goal and **Action Steps** that are recommended to move the strategy forward.

In addition, the Homeless Strategic Plan identifies a series of short-term (6 months-1 year), medium-term (2-3 years), and long-term (3-5 years) metrics associated with each goal. The metrics, while not exhaustive or prioritized, identify specific and quantifiable ways the community can measure whether and when the goals have been met.





SUPPLEMENTAL INFORMATION

A general overview of conditions as of 2021 is included in the AIM Norman Land Use Plan: Norman Today section. This section includes further information related to the housing market where important to the housing goals and strategies.

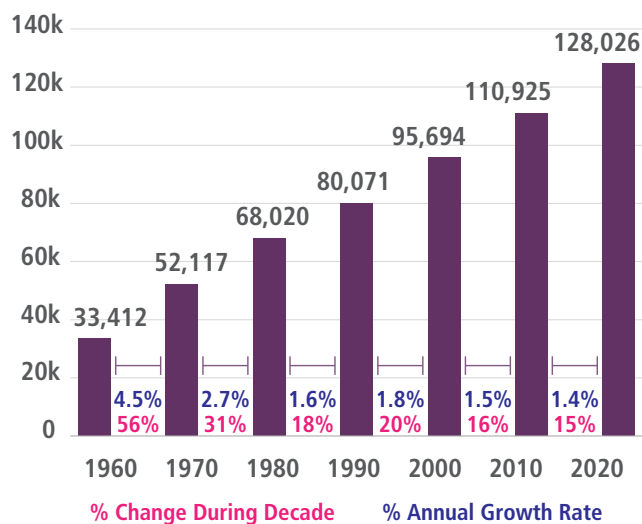


POPULATION CHANGE

Norman grew at a 1.44% annual rate since 2010 to reach a population of 128,026 in 2020. Since 1960, Norman has experienced consistent population growth.

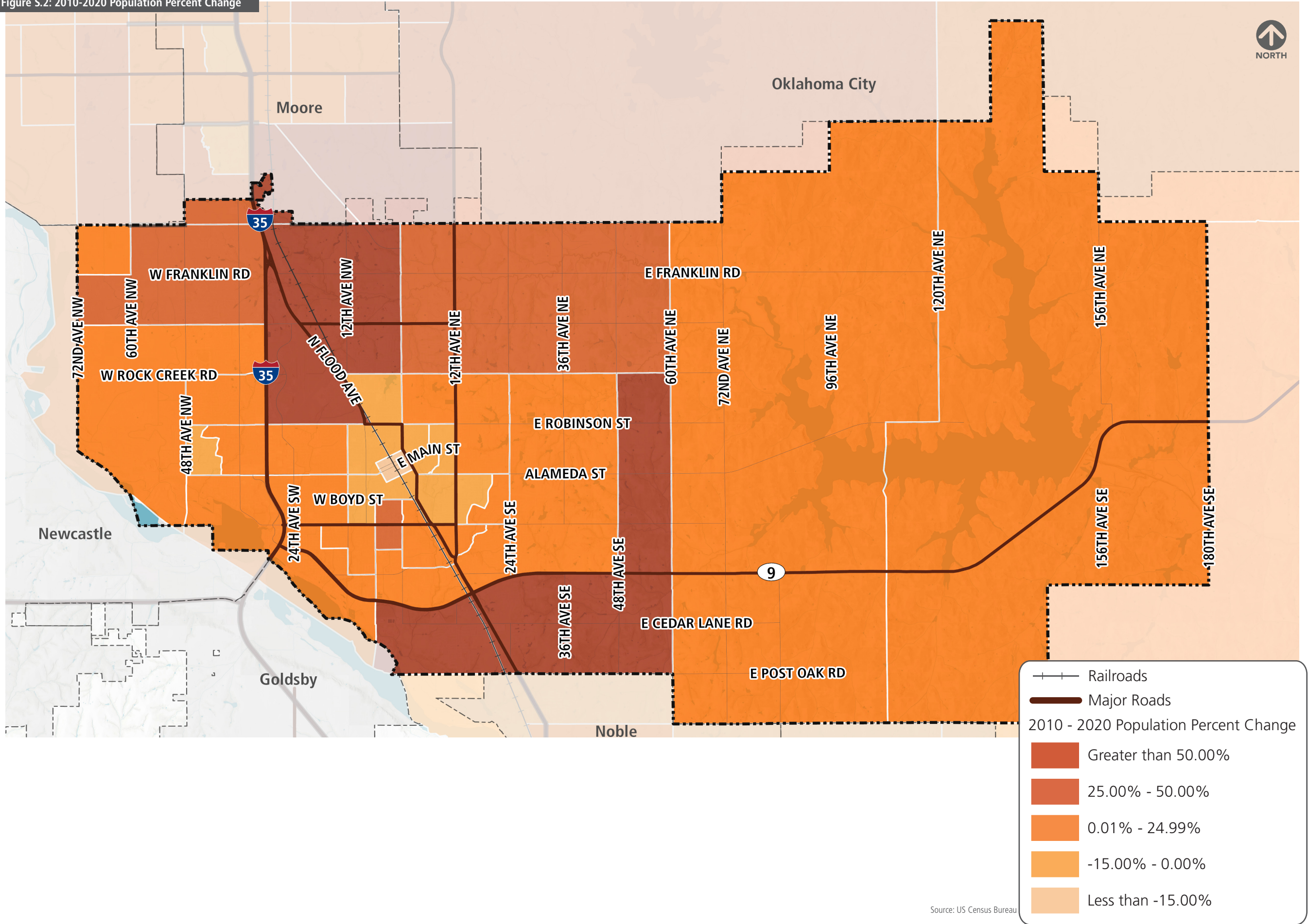
- **Growth is most prominent north along Interstate 35, new neighborhoods along W Tecumseh Rd, and south of Highway 9.** Areas in the core around downtown saw some population loss.
- **Growth in the 20-24 year old population is happening in most parts of Norman outside of downtown.**
- **The population over 65 years old grew in all parts of Norman.** The most growth was in areas along Highway 9, such as the 55+ community at the Sage Cobblestone on 12th Avenue SE. This is a similar area where 20-24 year old populations grew the most.

Figure S.1: Historical Population Change 1960-2020



Source: US Census Bureau

Figure S.2: 2010-2020 Population Percent Change



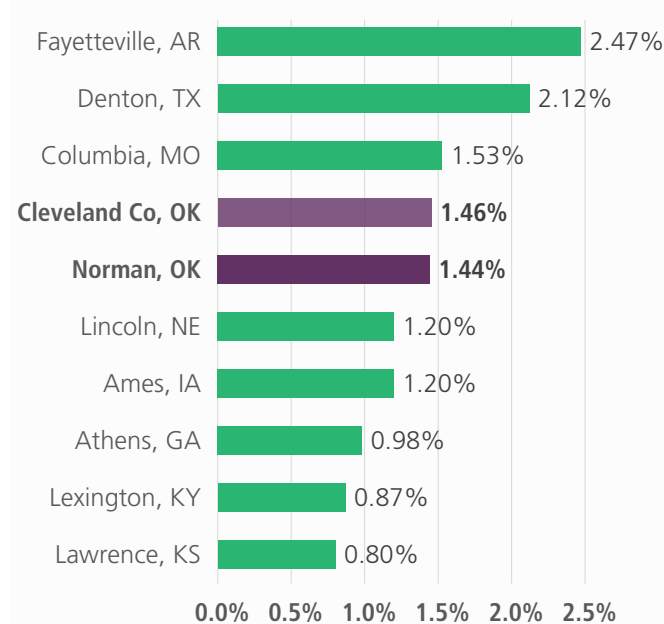
Source: US Census Bureau

MIGRATION TRENDS

The University of Oklahoma draws students and staff from across the world. Capturing a portion of these students after graduation is a significant opportunity. Norman can also capture new residents through local employment growth and people willing to commute to other Oklahoma City metro jobs.

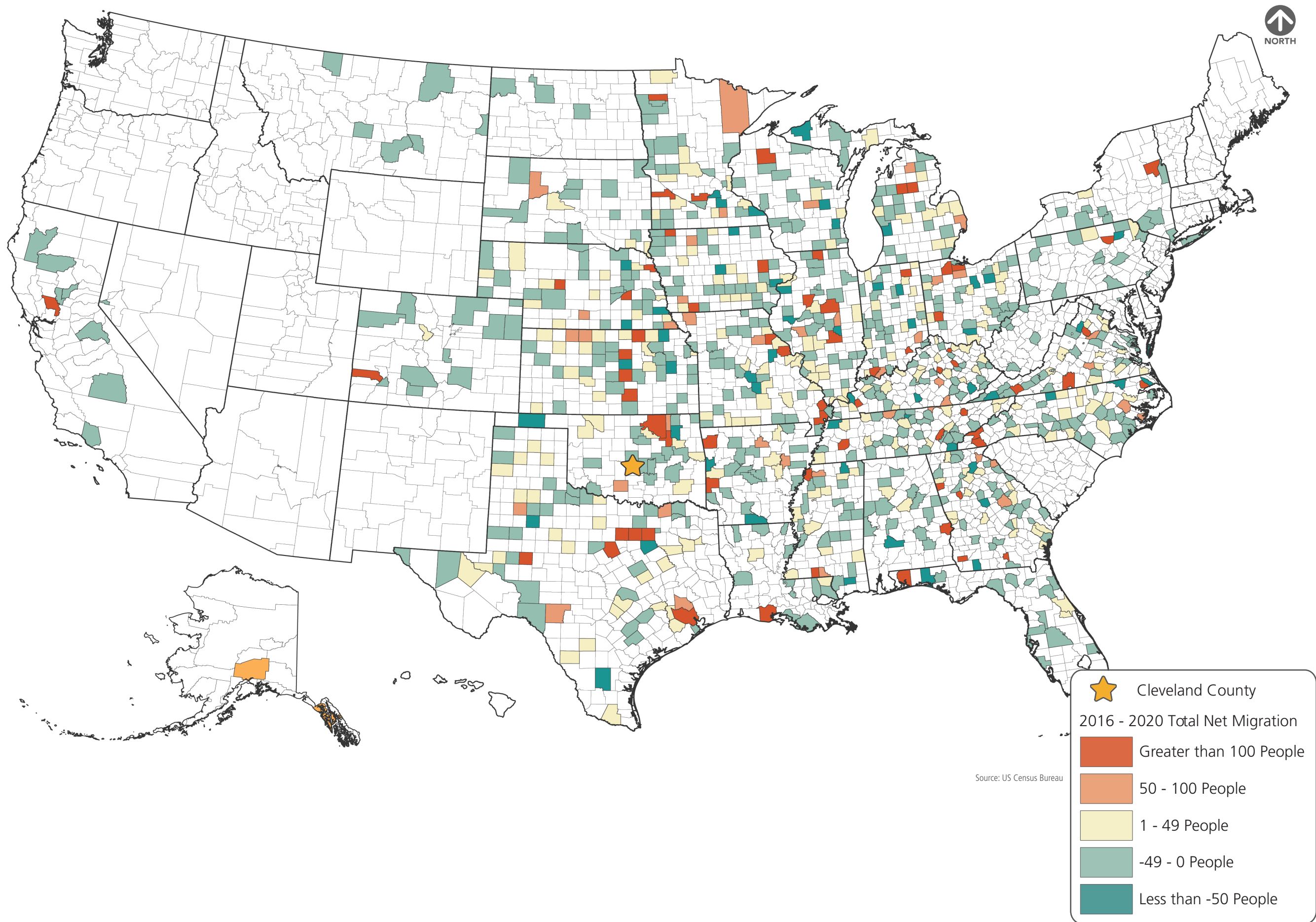
- **In-migration is more than a natural birth and death scenario for all older cohorts.** People are staying in Norman as they age and moving to Norman for various reasons.
- **People are moving to Cleveland County (which includes Moore and South Oklahoma City) from across the country.** Movement to Norman is mostly a result of students.
- **Migration out of Norman occurs as students graduate and find jobs across the country.**

Figure S.3: 2010-2020 Annual Growth Rate - Peer Communities



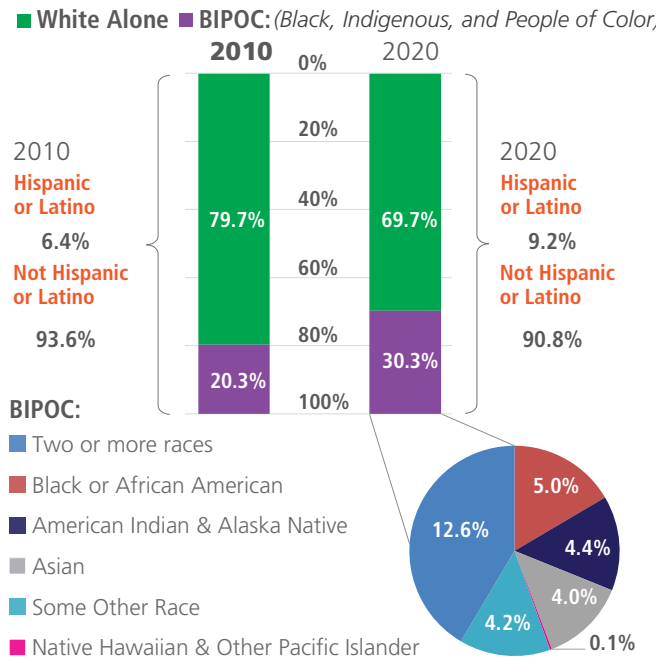
Source: US Census Bureau; RDG Planning & Design

Figure S.4: 2016-2020 Net Migration to Norman



DEMOGRAPHICS

Figure S.5: Norman Race



AGE COMPOSITION

The student population is becoming less dominant in the city's population as more growth occurred among non-students. Older populations will need more options for housing that accommodates their lifestyles.

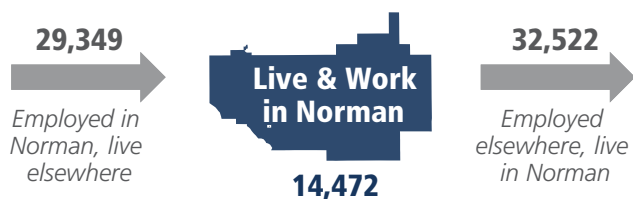
- When standard birth and death rates are applied to the city's 2010 population and then compared to the actual 2020 population, the city grew at a faster rate than expected. Much of this growth happened among those over 45 in 2020.
- The student population in 2020 accounted for 15.6% of Norman's total population compared to 17.1% in 2010.
- There is a higher proportion of the population above 65 and lower proportion below 34 than in the past. Overall, median ages in Norman are increasing.

RACE AND ETHNICITY

Norman is becoming more diverse. Different cultures have different home preferences and needs. In Norman:

- Non-white households are a larger portion of lower-income households.
- A higher percentage of black renter households are cost burdened or severely cost burdened than white renter households.
- A higher percentage of white households are owners than most other predominant races in Norman.

Figure S.6: Workforce Inflow & Outflow, 2021



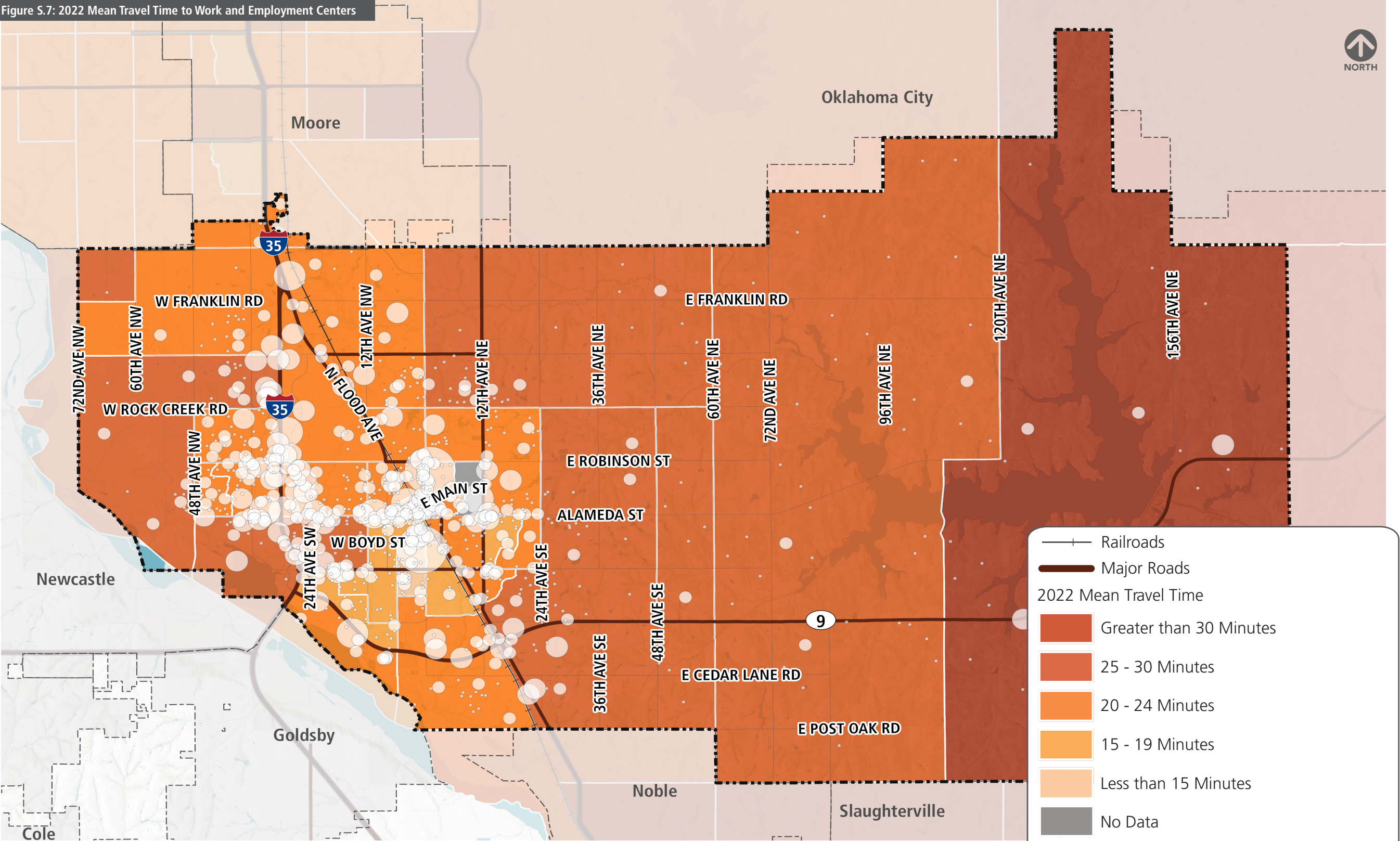
Source: Census OnTheMap, 2021

EMPLOYMENT CHARACTERISTICS

An aging population means Norman employers must attract employees from outside the city to fill existing and future job openings.

- About 33% of workers at Norman employers live and work inside the city.
- Today, numerous employees struggle to find homes that meet their needs in Norman, leading them to commute from surrounding communities.
- Some households are liable to choose employment closer to where they live if similar responsibilities and benefits are available.

Figure S.7: 2022 Mean Travel Time to Work and Employment Centers



Source: American Community Survey

—+— Railroads
— Major Roads

2022 Mean Travel Time

- Greater than 30 Minutes
- 25 - 30 Minutes
- 20 - 24 Minutes
- 15 - 19 Minutes
- Less than 15 Minutes
- No Data

2021 Major Employment Centers

- Greater than 2,200 Jobs
- 700 - 2,200 Jobs
- 135 - 699 Jobs
- 10 - 134 Jobs
- Less than 10 Jobs

HOUSING PROPERTIES



7,750 HOMES
792 PER YEAR BETWEEN 2010-2021



45.0% OF ALL HOMES BUILT
AFTER 2010, OVER WERE
MULTI-UNIT STRUCTURES



2.2% OF ALL HOMES BUILT
AFTER 2010 WERE DUPLEXES

The home types and prices in Norman show mismatches in the market versus what people need.

CONSTRUCTION

- Single-family home construction has generally been static since the 2008 recession, but increases have been happening since 2020. Multi-unit homes are mostly apartments.
- Single-unit attached homes, duplexes, townhomes, and small-scale multi-unit structures are part of a housing style referred to as the “missing middle.” Norman has built much fewer missing middle homes in the past decade than other homes.
- While the number of homes getting built is increasing, household sizes also increased slightly to 2.35.


VALUE

- According to Zillow, home values in Norman grew by almost 60% between 2010 and 2022 and 26% between 2020 to 2022.
- Sales prices have also rapidly increased, increasing 37.8% between 2019 to 2023 because of decreasing active listings, as Figure S.8 shows.
- As a comparison, national inflation over the same timeframes was 36% and 14%, respectively.

FIGURE S.8: MULTIPLE LISTINGS SERVICE TRENDS IN NORMAN

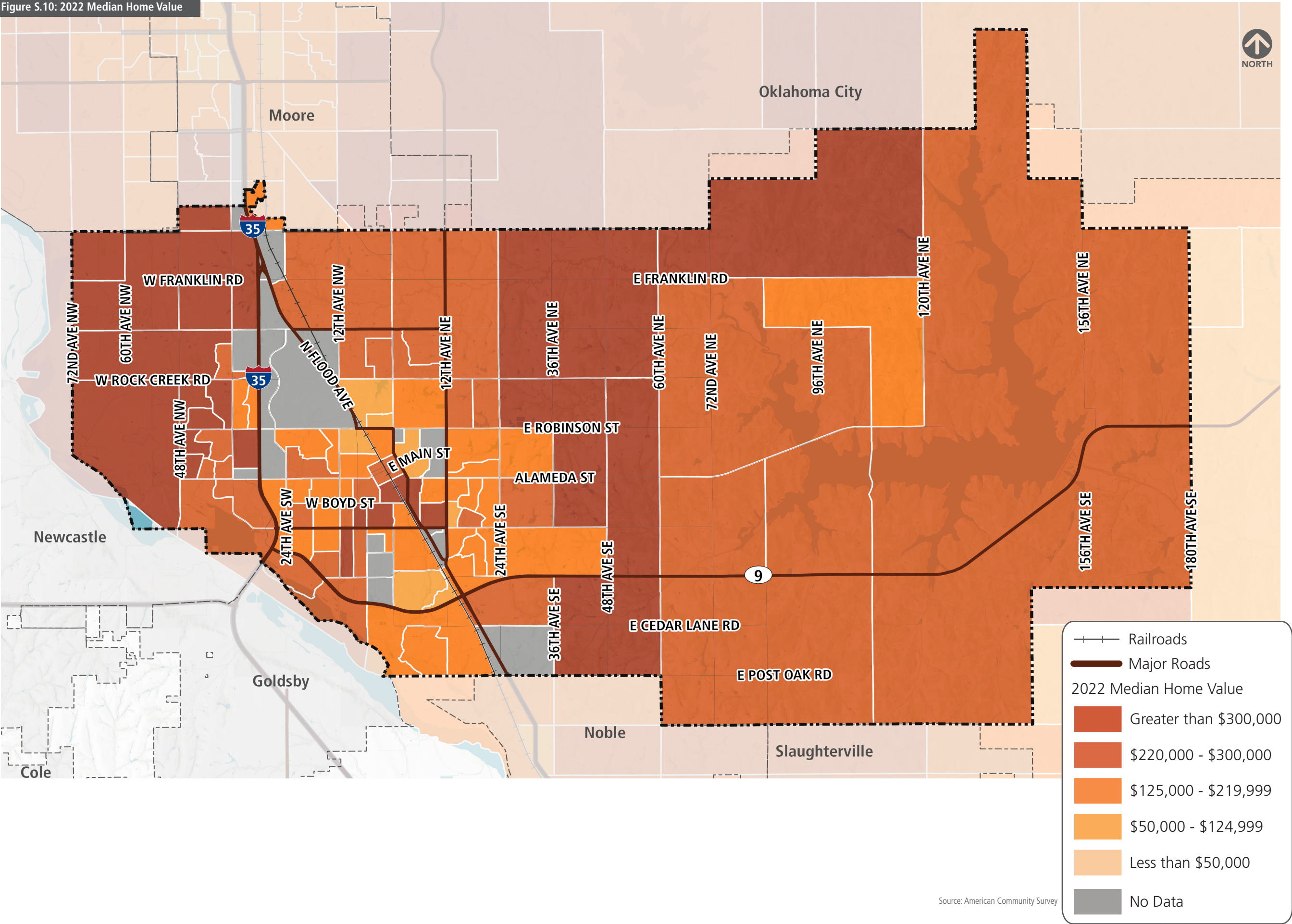
	2019	2020	2021	2022	2023
Avg. sales price	\$216,550	\$226,179	\$259,750	\$259,032	\$298,402
Avg. days on market	52.5	36	24	20	36
Avg. total active listings	401	275	175	213	255

Figure S.9: Median Home Values, 2010 & 2021

	2010		2021
	\$143,200	Norman	\$192,700
	\$131,800	Cleveland County	\$175,700
	\$104,300	Oklahoma	\$192,700

Source: American Community Survey

Figure S.10: 2022 Median Home Value

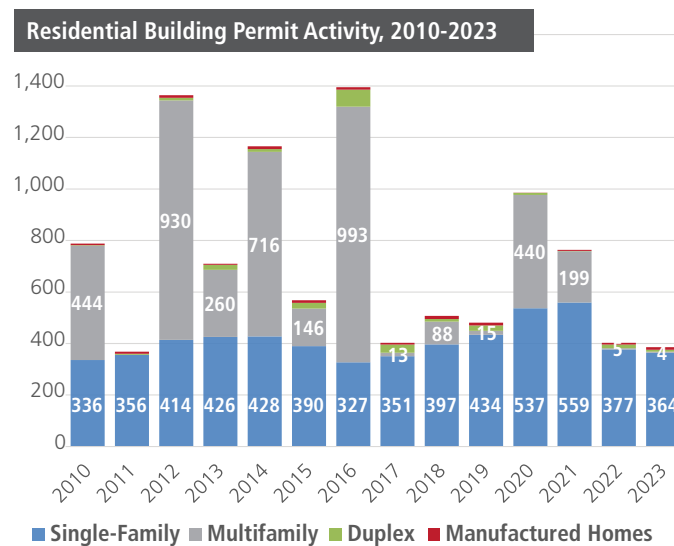


Source: American Community Survey

HOUSING PROPERTIES CONT.

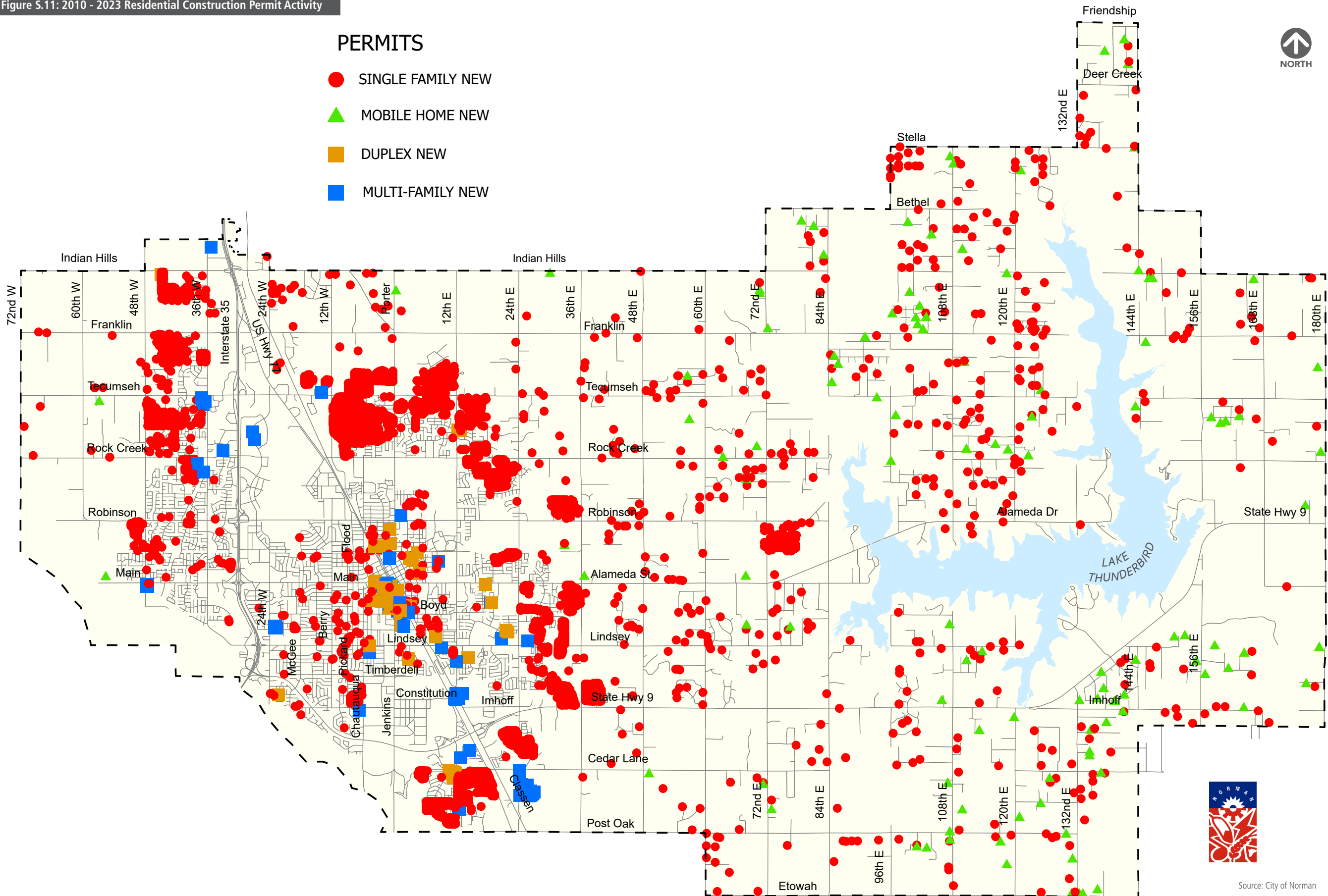
The location of home construction between 2010 and 2023 is mostly in new subdivisions.

- New multi-family units are mostly near major streets.
- Almost all new duplex development happened near Norman's core, north of the University.



Source: City of Norman

Figure S.11: 2010 - 2023 Residential Construction Permit Activity



Source: City of Norman

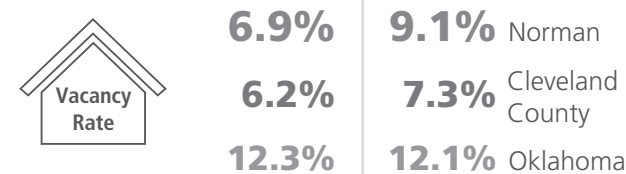
HOUSING PROPERTIES CONT.

Figure S.12: Median Contract Rent



Source: American Community Survey

Figure S.13: Percent Vacant Units



Source: US Census Bureau; American Community Survey

VACANCY

- Norman's vacancy rate in 2020 was 9.1%. It is beneficial for a city to have a vacancy rate high enough to allow movement in the market but not too high so as to lessen the property value. Some studies suggest a rate between 3%-7% is healthy.
 - The American Community Survey estimated a vacancy of 7.3% in 2021.*
- There was an increase in the overall vacancy rate between 2010 to 2020. However, the cause was likely attributed to some students leaving because of the pandemic. Over 80% of vacancies in 2020 were rentals.
- Over 34% (1,300+ units) of estimated vacancies in 2022 were vacant for "other reasons." These are opportunities for bringing homes back into the housing stock for occupancy.

SHORT-TERM RENTAL 2021-2023 SNAPSHOT

Short-term rentals can be a concern if many are entire homes that could otherwise be owner or rental homes for permanent residents. Short-term rentals in Norman are occupied most of the time and are entire homes or apartments. Below is a snapshot of short-term rental listings in Norman between 2021-2023:

- Total available listings: 383
- Average daily rate: \$199
- Occupancy rate: 51%, lowest occupancy was typically in March and highest occupancy in June.
- Average length of stay: 3 days
- Listings by rental type:
 - Entire place: 95%
 - Private room: 5%
 - Shared room: 0%
- Listings by rental size:
 - One bedroom: 18%
 - Two bedroom: 27%
 - Three bedroom: 39%
 - Four bedroom: 12%
 - Five or more bedrooms: 4%

Source: AirDNA.com, January 2024

RENTS

- The reported median contract rent from the American Community Survey rose by over 48% between 2010 and 2022 and almost 13% between 2020 to 2022.
- As a comparison, national inflation between the same periods were 36% and 14%, respectively.

Figure S.14: 2022 Median Gross Rent

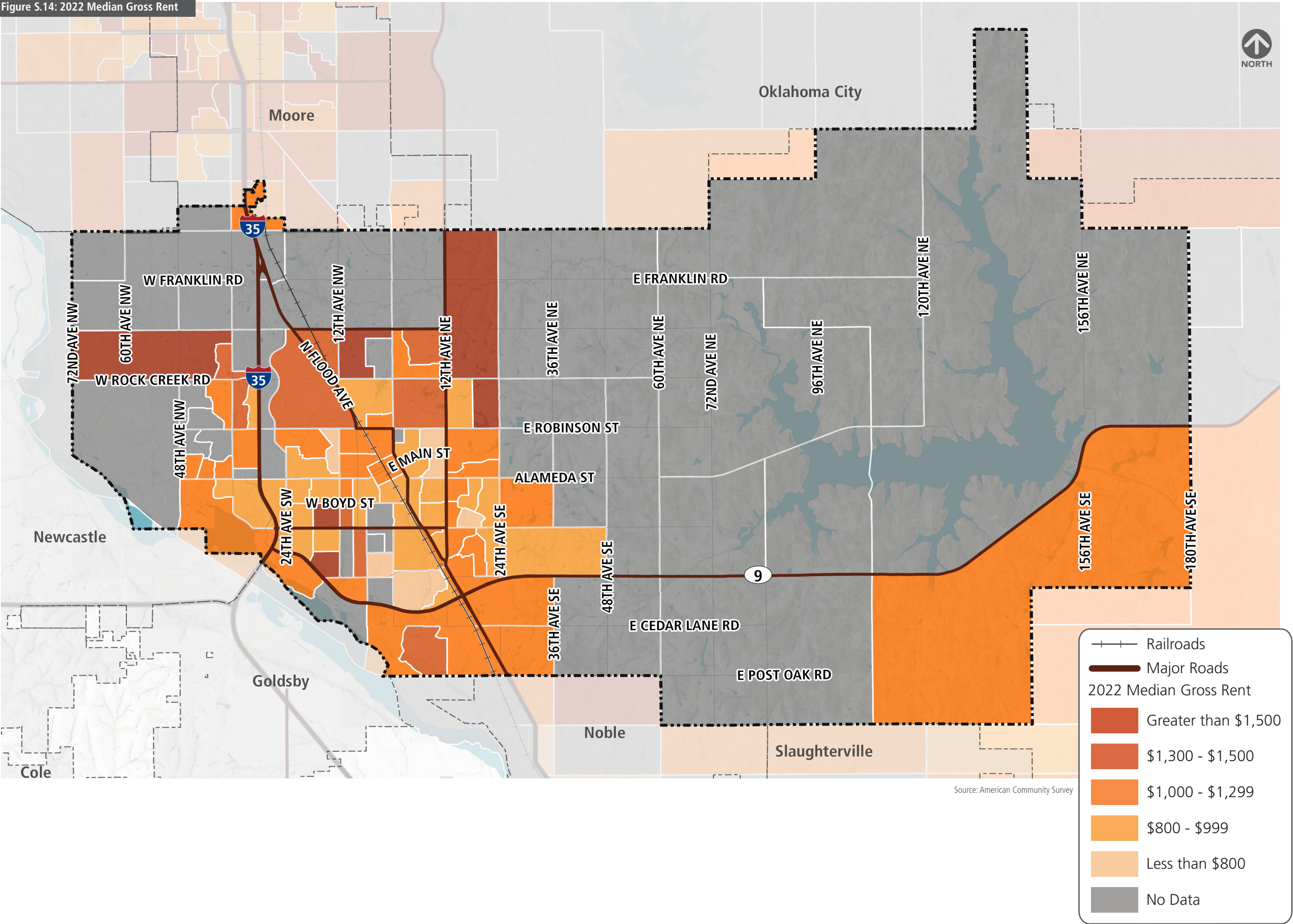
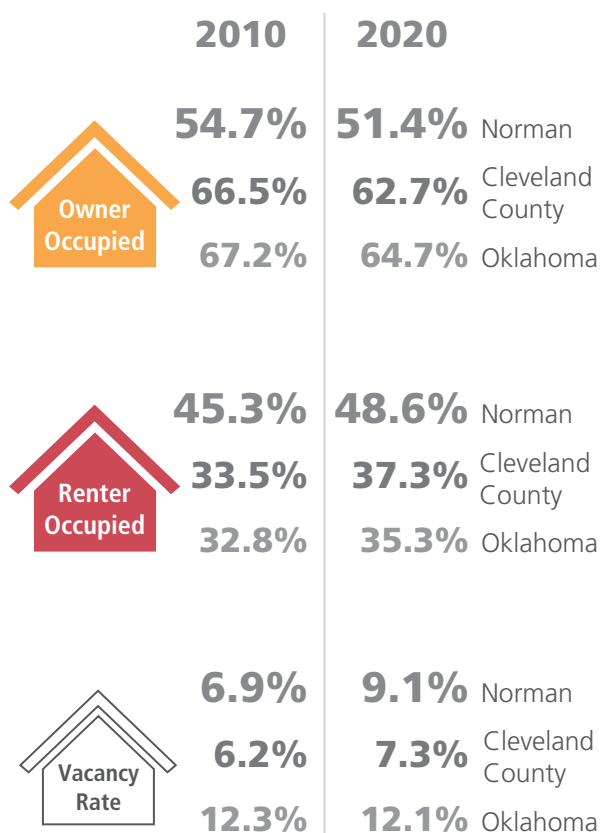
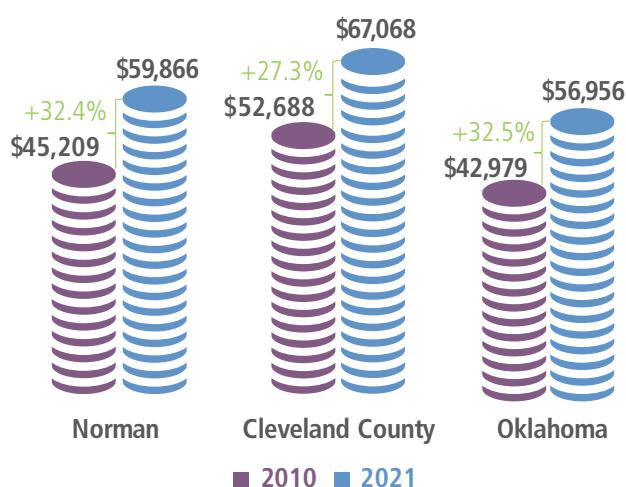


Figure S.15: Housing Occupancy, 2010 & 2020



Source: US Census Bureau

Figure S.16: Median Household Income, 2010 & 2021



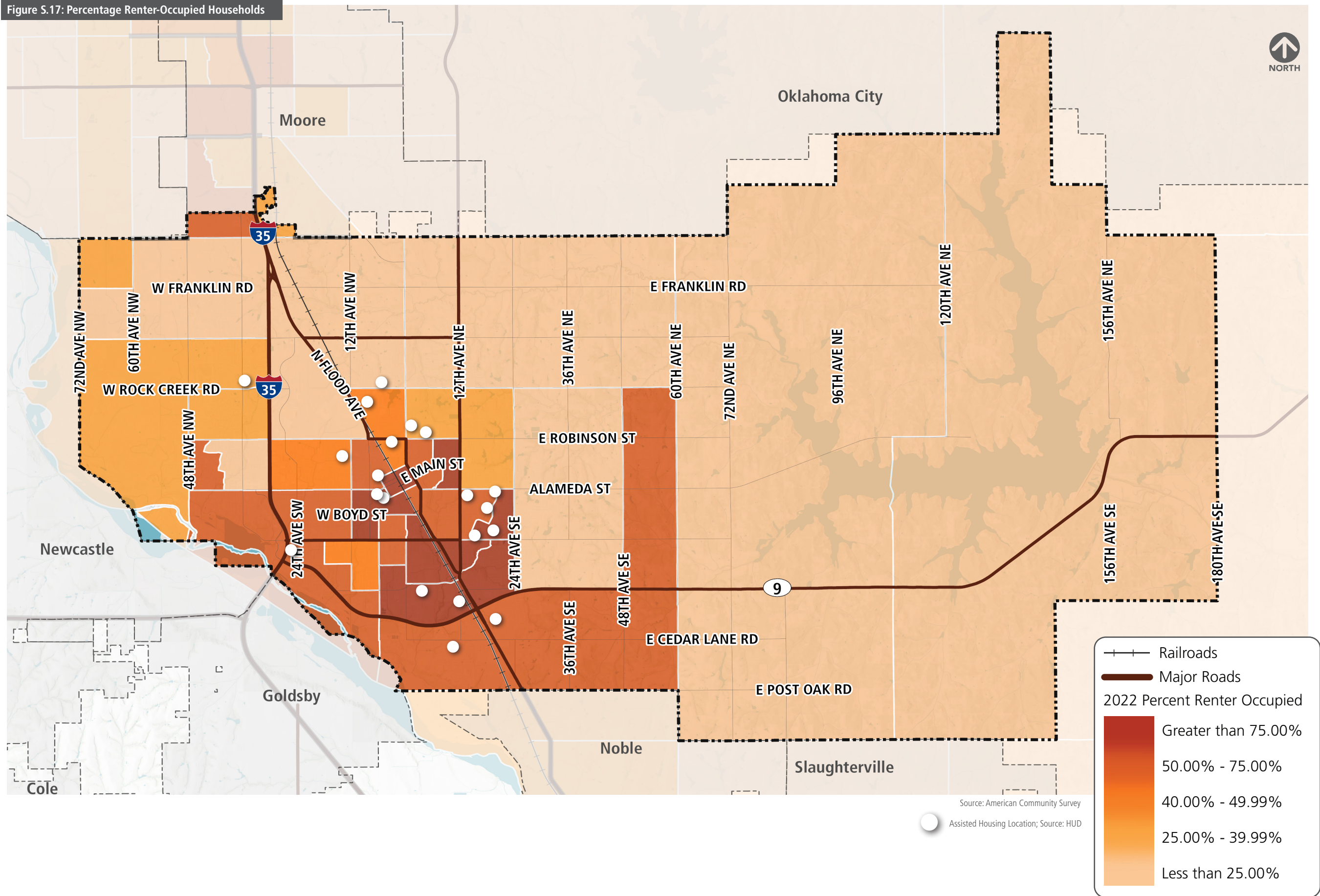
Source: American Community Survey

HOUSEHOLDS

Households making under \$75,000 comprise 60% of Norman's households, spend more of their earnings on housing, more often have to rent, and overall have a more difficult time affording homes.

- The share of total homes occupied by renters in Norman has grown by 3.3 percentage points since 2010.
- Household sizes increased from 2.33 to 2.35 people per household between 2010 to 2020. An indication of more or larger families and/or people rooming up.
- Most households making more than \$75,000 a year are owners and only 5.6% of these households are cost burdened. No renters making more than \$75,000 are cost burdened.
- Over 46% of all owner and renter households making under \$75,000 a year are cost burdened. For households making under \$50,000 a year, over 60% are cost burdened.

Figure S.17: Percentage Renter-Occupied Households



REGULATIONS & SERVICEABILITY

There are limitations on providing different home types across Norman because of zoning laws and environmental barriers.

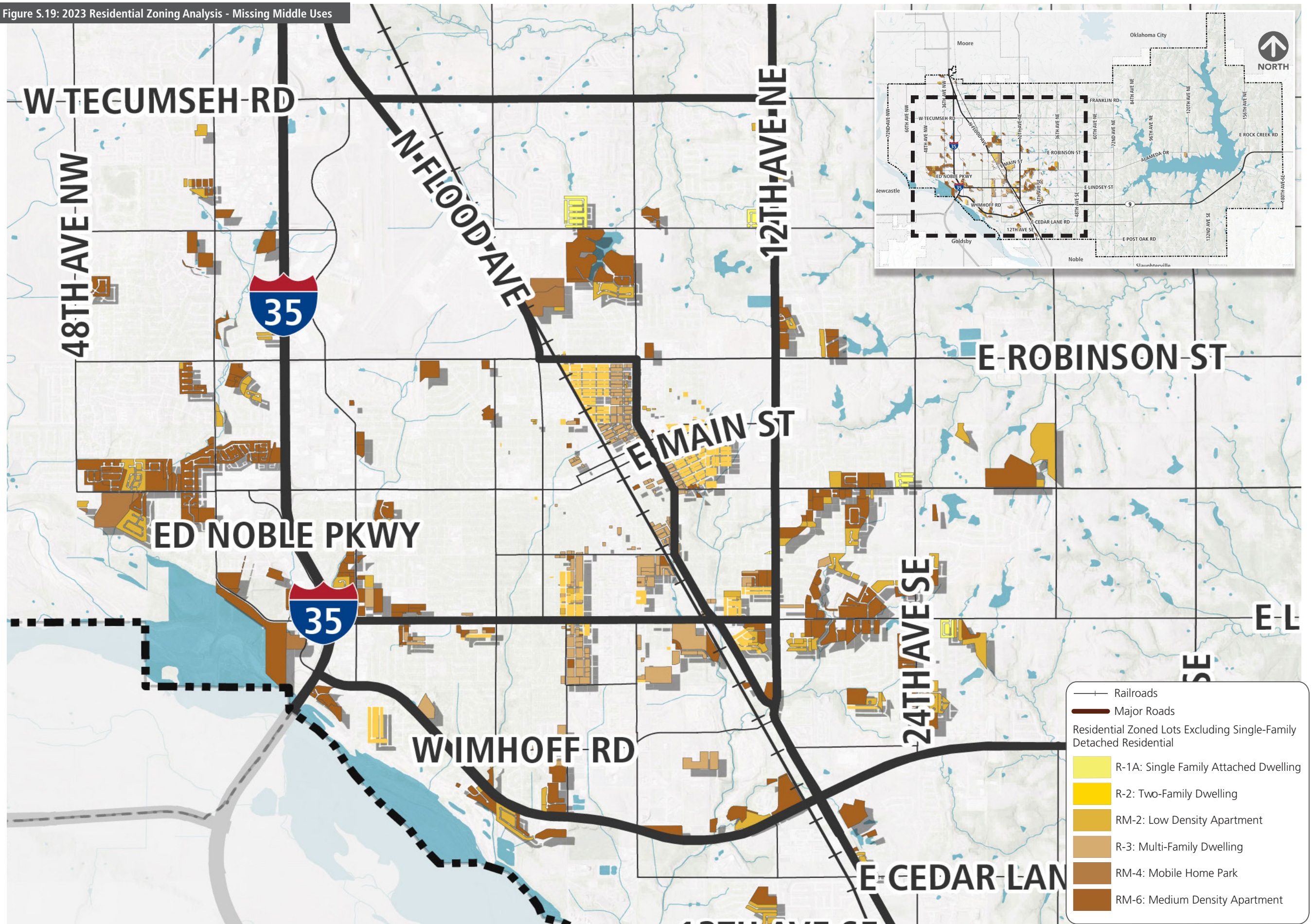
- Of all residentially zoned land between NW 48th Avenue and 48th Street, over 80% only allows homes to be single-unit detached structures by right. Other residential uses, if allowed, must be approved through a special use permit or rezoning.
- Some commercial zoning districts should allow residential uses. This is important to allow homes near services. No commercially zoned land allows residential uses by right without a special use permit or rezoning. A mixed-use district is available (MUD) but has yet to be developed by any property owner.
 - Although, between 7% and 8% of land is zoned with approved Planned Unit Developments (PUDs or SPUDs), some of which allow for residential or mixed-use developments.

FIGURE S.18: RESIDENTIAL ZONING IN NORMAN BETWEEN NW 48TH AVENUE AND 48TH STREET


Residential Zoning Districts	Acreage	Acreage % of Residential Districts	% of Total Area (Between 48ths)
RE: Residential Estate Dwelling District	1,739	16.7%	4.4%
R-1: Single Family Dwelling District	6,677	64.2%	16.8%
R-1A: Single Family Attached Dwelling District	39	0.4%	0.1%
R-2: Two Family Dwelling District	207	2.0%	0.5%
RM-2: Low Density Apartment District	335	3.2%	0.9%
R-3: Multi-Family Dwelling District	275	2.6%	0.7%
RM-4: Mobile Home Park District	91	0.9%	0.2%
RM-6: Medium Density Apartment District	1,024	9.8%	2.6%
RO: Residence-Office District	8	0.1%	0.02%
Total	10,397	100%	26.2%

Source: City of Norman, RDG Planning & Design

Figure S.19: 2023 Residential Zoning Analysis - Missing Middle Uses



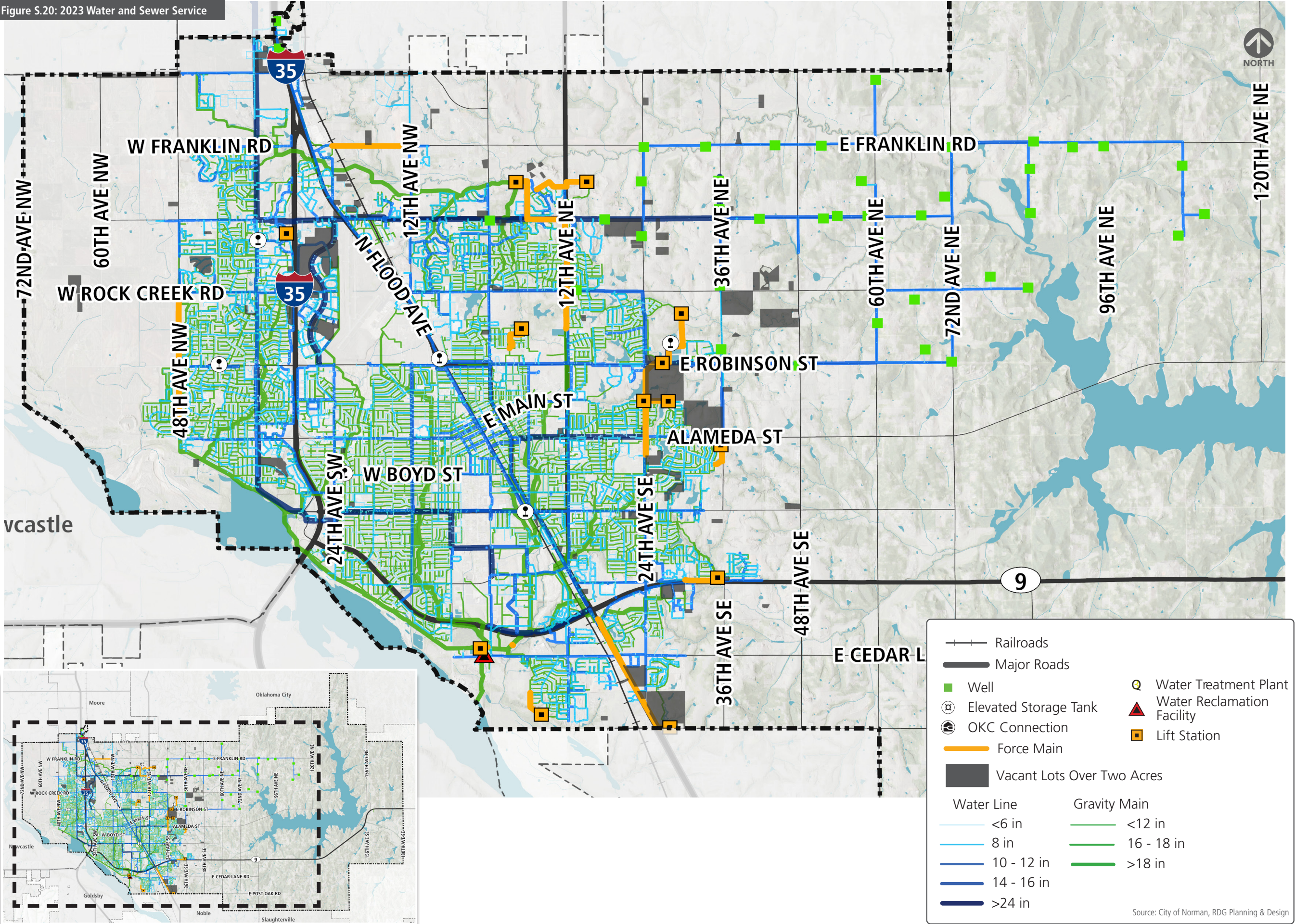
Source: City of Norman, RDG Planning & Design



REGULATIONS & SERVICEABILITY CONT.

- Much of Norman is developable based strictly on land that is out of floodplains. However, services to many areas for new development are absent.
- Norman's water distribution system serves approximately 85% of Norman's 128,000 residents (approximately 109,230 residents). Clean drinking water is distributed through an extensive network of waterlines spanning over 650 miles, with multiple elevated storage tanks to produce consistent water pressure throughout the system.
- Norman's wastewater collection system comprises over 527 miles of sewer lines, collecting wastewater from residential, commercial, and industrial areas. These sewer lines, in addition to a series of lift stations, convey wastewater to the City's Water Reclamation Facility (WRF).
- Analysis from other AIM Norman plans shows the investments needed to service new areas for homes (see the AIM Norman Land Use Plan).

Figure S.20: 2023 Water and Sewer Service



Source: City of Norman, RDG Planning & Design

