



PO. Box 29816
Lincoln NE, 68529
(402) 982-1572
lwnnebraska.org

February 20, 2023

Senator Terrell McKinney, Chair, and Members of the Urban Affairs Committee
State Capitol, Lincoln, NE

LB629 –(McKinney) Change provisions of the Middle Income Workforce Housing Investment Act and the Economic Recovery Act

SUPPORT – *Please include this position statement from the League of Women Voters of Nebraska as part of the public hearing record for LB629.*

Dear Senator McKinney and Members of the Urban Affairs Committee:

Since the 1960s, the national League of Women Voters has supported increasing low- and moderate-income housing with the goal that every person and family should have decent, safe and affordable housing. Likewise, the LWV of Nebraska endorses LB629, which supports affordable new workforce housing construction and rehabilitation of existing housing in low-income neighborhoods in Omaha and Lincoln.

Front Porch Investments notes that “a safe and decent two-bedroom unit in the region requires a bare minimum household wage of \$19 per hour for the occupant to not be cost-burdened. However, many essential jobs in the area pay far less. One in four households have incomes under that \$19 per hour ‘housing wage,’ making housing affordability a widespread challenge” (1). If Nebraska wants to attract and keep workers, we must make housing affordable.

In 2022, LB1024 used American Rescue Plan Act federal grants to address Nebraska’s housing crisis with 44% of Nebraska households making less than \$75,000 and spending more than 30% of their income on housing. These households supply our frontline workers, and their housing needs must be addressed.

The Qualified Census Tract Affordable Housing Program created by LB1024 offered \$40 million in housing grants for low-income census tracts. In response, applicants submitted grant proposals in the amount of \$170 million, far exceeding the initial dollars available. The amount of grant applications and the sunset of LB1024 funds warrant LB629 as a way to sustain a program that will fund \$200 million through fiscal years 2023-2025 – creating new workforce housing in qualified QCTs in Omaha and in QCT-adjacent neighborhoods in Lincoln.

LB629 offers grants to rehabilitate existing owner-occupied housing, a strategy recommended by the Nebraska Strategic Housing Council (2). Post-construction appraised values must range between \$125,000 to \$275,000 to qualify. Few existing homes in this price range are available in the metro area, making remodels a smart investment. This addresses the improvement of dilapidated housing, allowing existing homeowners flexible forms of assistance, including grants, forgivable loans, and other forms of long-term financing from local housing nonprofits for rehabilitation of existing properties.

Low-income homeowners with properties below market values find that getting loans from local banks to fund major structural improvements are hard to come by (2). LB629 will allow families who own property in QCT neighborhoods the chance to build equity and gain economic stability. It will also revitalize these neighborhoods and attract investment.

Similarly, LWWNE supports LB249, the Rural Workforce Housing Investment Act, which allows for workforce housing development plus housing rehabilitation.

We appreciate our state senators' efforts to address the needs for affordable housing in Nebraska. Comprehensive planning and consistent funding mechanisms can address Nebraska's gap in workforce housing, ensuring everyone has decent, safe and affordable housing.

Please advance LB629 to General File.

Sincerely,

Carol Dennison, Social Policy Action Team, LWWNE
Jill McDermott, Social Policy Director, LWWNE
Rachel Gibson, Vice President-Action, LWWNE
MaryLee Moulton, President, LWWNE

1. Front Porch Investments. (2021, April). [*Housing affordability in the Omaha and Council Bluffs area: An assessment of housing affordability, needs & priorities.*](#)
2. National Low Income Housing Coalition. (2023, January). [*Nebraska Strategic Housing Council released framework for addressing state's housing needs.*](#)