



January 25, 2023

Notice is hereby given of a Special Meeting of Nacogdoches City Council and the Planning and Zoning Commission to be held on the above date at the C.L. Simon Recreation Center, 1112 North Street, Nacogdoches, Texas, beginning at 5:30 p.m. for the purpose of considering the following agenda items.

Some City Council Members and Planning and Zoning Commissioners may attend via videoconference but a quorum of the City Council and the Presiding Officer will be present at the above-stated physical location. The meeting will be streamed live at <https://www.nactx.us/21>. There will be an opportunity for the public to comment on agenda items either by teleconference or in person in Council Chambers.

Members of the public who wish to submit comments on a listed agenda item by telephone must contact the City Secretary's office by email at vinsonj@nactx.us or by calling 936-559-2506 and providing their name, telephone number and relevant agenda item upon which they wish to speak. All requests to make comments must be received by 12:00 p.m. on January 25, 2023. For all timely requests received, staff will call the submitted phone numbers directly during the meeting when the corresponding item comes up for comment. NOTE: The incoming phone call from City staff will be an unfamiliar number.

**PLEASE LIMIT PRESENTATIONS TO THREE MINUTES
(UNLESS PRIOR APPROVAL IS OBTAINED)**

1. CALL TO ORDER.
2. PLEDGE OF ALLEGIANCE.
3. OPEN FORUM. Open Forum is an opportunity for citizens to speak about items not listed on the agenda. In order to address City Council please complete the Open Forum Form and submit it to the City Secretary prior to the start of the meeting. In accordance with the Texas Open Meetings Act, City Council shall not discuss, deliberate, or make any decisions on items discussed during Open Forum. Comments are limited to 3 minutes per person. Open Forum is limited to the first 5 citizens who submit an Open Forum Form.
4. WORK SESSION. Items included under Work Session are intended to provide opportunities for City Council to study and discuss various issues, and gather and analyze information. Council will not take formal action on matters presented at a work session, but may direct staff to place items relating to the matter on future agendas for formal consideration.
 - A. Joint work session with the City Council and Planning & Zoning Commission, led by DTJ Design, to discuss local housing needs. (City Planner)
5. The Planning and Zoning Commission portion will adjourn and City Council will convene into Executive Session.
6. EXECUTIVE SESSION: Executive Sessions are for City Council to receive information and deliberate on matters specified in Subchapter D of the Texas Open Meetings Act. Council may reconvene in open session to vote on the matter.

- A. Personnel Matters - Pursuant to Texas Government Code Section 551-074, deliberations regarding the appointment or employment of a public officer or employee. The subject of this Executive Session is to discuss City Manager search and interim City Manager.
- B. Consultation with City Attorney - Pursuant to Texas Government Code Section 551.071, deliberation regarding attorney's advice concerning pending or contemplated litigation or a settlement offer, or on a matter in which the duty of the attorney to the governmental body under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.

7. Open for action, if any, on Executive Session item(s).

8. ADJOURN.



Jan Vinson, City Secretary



This agenda is posted as required under G. C. Section 551.041. For more information or a copy of the Open Meetings Act, please contact Attorney General of Texas at 1-800-252-8011; City Secretary at 936/559-2506 or visit City of Nacogdoches web site at www.nactx.us.

CERTIFICATION

I certify the notice of meeting was posted in the directory outside of City Hall, 202 E. Pilar Street, Nacogdoches, Texas on January 19, 2023 at 4:30 p.m. and remained posted until meeting convened.

Jan Vinson, City Secretary

PRESENTER: Alaina Helton, City Planner

ITEM/SUBJECT: Joint work session with the City Council and Planning & Zoning Commission, led by DTJ Design, to discuss local housing needs. (City Planner)

SUMMARY/BACKGROUND: City staff is bringing forward a work session item to discuss the City's housing needs. The consultant, DTJ Design, will lead the City Council and the Planning & Zoning Commission in a review and discussion of the preliminary findings of a housing study being completed by the consultant. This study is being performed as part of the City's community planning process currently underway to update the Comprehensive Plan and Downtown Master Plan. The purpose of the housing study is to inform the planning process by analyzing the City's housing market to identify housing gaps, as well as trends that may affect the housing market over time. The study will include recommendations and strategies to address the current and future housing needs of the community, with the overall goal of ensuring that housing opportunities are provided for households of all types, ages, and income levels.

In preparation for this item, City Council was asked to provide a list of issues/questions they would like to see covered in this housing workshop. A summary of these issues is listed below:

- Review of the City's housing needs across socioeconomic levels.
- Should the City provide incentives for housing developments?
- What kind of housing developments should the City incentivize (single family, duplex, apartments, etc.)?
- What types of residential developments are not likely to happen without City incentives?
- Discussion of general areas in the community that would benefit most from new housing development (including type of housing).
- If the City should develop different policies/ practices for different areas of the city to encourage revitalization of existing residential neighborhoods?
- Discussion of the type of amenities that should be included in new residential developments (sidewalks, communal green space, higher quality building and design standards, etc.).
- Best practices for incentivizing high-quality affordable housing.
- Encouraging residential developments that consider the long-term financial impact on the City and its ability to serve and maintain neighborhoods and infrastructure (water, sewer, streets, etc.).

FINANCIAL:

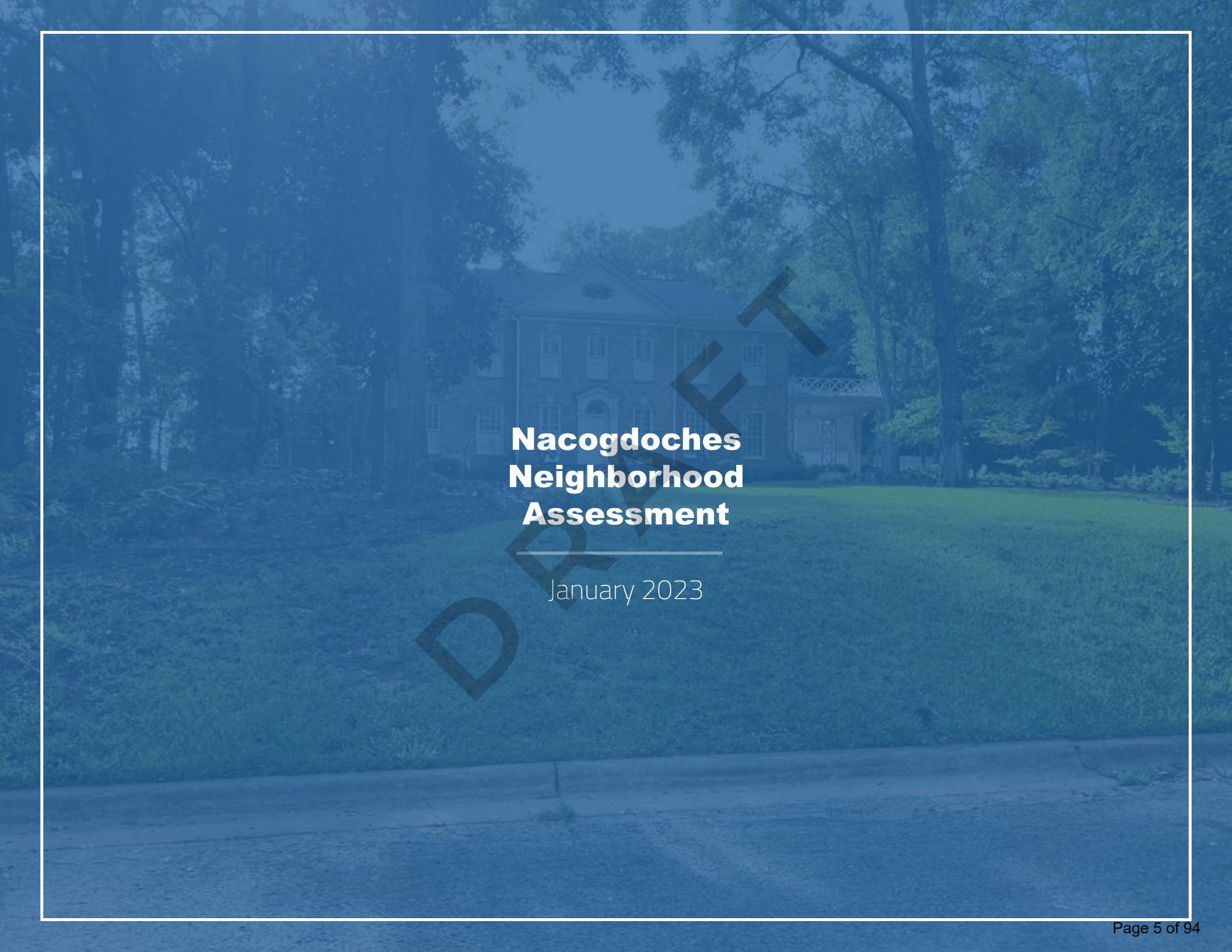
No financial impact associated with this item

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

Neighborhood Revitalization and Attainable Housing and Economic Development

CITY CONTACT: Alaina Helton, AICP, Director of Planning & Neighborhood Services
heltona@nactx.us
936-559-2572

ATTACHMENTS: 1. DRAFT Nacogdoches Housing Study
2. PowerPoint Presentation



Nacogdoches Neighborhood Assessment

January 2023

BACKGROUND

Nacogdoches residents benefit from a high quality of life, including the natural beauty, small-town charm, and historic roots. The Nacogdoches economy is home to Stephen F. Austin State University, which provides talent to area industries, including oil and gas, lumber, and healthcare. Neighborhoods within Nacogdoches consists of a wide variety of housing stock that is situated among large pine trees and contain water features, such as Lanana Creek and Banita Creek. However, neighborhoods within Nacogdoches are diverse in terms of pricing, quality, and character. Therefore, this analysis is intended to analyze a baseline of factors that can assist in monitoring changes in neighborhoods over time and enable the City to maintain neighborhood health and vitality.

NATIONAL HOUSING MARKET

The US Department of Housing & Urban Development (HUD) reported in the July 2022 Housing Market Update that the last 12 months have seen existing home sales decline by 14.3% from July of 2021, due to rising interest rates and inflation. Inventory of new and existing homes for sale has risen, with new homes supply up from 8.4 months in May 2022 to 9.3 months in July 2022. The inventory of existing homes has seen an increase to 3.0 months in July 2022, up from 2.6 months in May 2022. Lastly, the average inventory of homes for sale is 6 months. Based on research by HUD, the overall national housing market is slowing, which could affect future growth in Nacogdoches. With rising housing inventory and sales decreasing, the housing market will shift in favor of home buyers and away from home sellers.

Another observable trend in terms of residential is the increase of rental occupancy. Since 2006, there has been a national growing share of households that are renting. The trend of increasing rentals has been especially pronounced among younger families (head of household ages 35 to 44). Rental in this group increased by over 9% between 2007 and 2020, versus 2.9% for all households in the United States. Of the total housing units in Nacogdoches, 8,098 (63.5%) are renter occupied and 4,647 (36.5%) are owner occupied. This is compared to the inverse in the US, with a 65% owner-occupied average (Census). The increased rental rate in Nacogdoches is likely due to students, who generally rent, coupled with a lack of new housing supply locally, as well as the national trend toward renting. Other factors contributing to the increased rentals include increasing land and material costs, housing supply shortages, and interest rate increases, all of which affect demand for ownership.

There are a variety of other factors that influence the decision-making process when it comes to buying, including price (loan amount), location, access to jobs,

neighborhood design, age-related transitions, and other factors. Demographic factors such as age, household composition, income, and current housing situation also influence the decision to buy or rent a home. Younger buyers are also sensitive to mortgage accessibility, student loan debt, and are delaying marriage, which affect buying. Student loans also create impediments to home ownership due to high debt ratios.

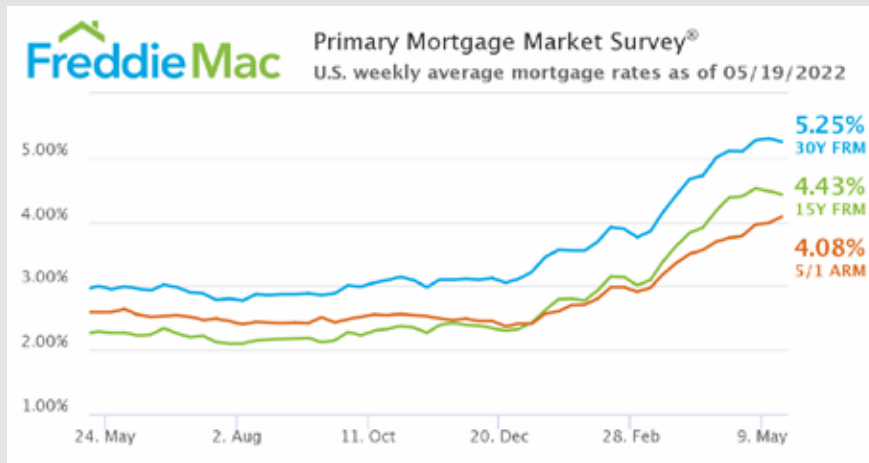
Today, the 65 years or older group has the highest home ownership rate, followed by the 55-to-64 years old group, and then 45-to-54 year old group, all of which are above the 61% national ownership average.

Changes in National Homeownership	2000-Q4 2007	Q4 2007-Q4 2020
All Ages	1.0%	-2.9%
Ages < 35	1.2%	-6.1%
Ages 35 - 44	-0.1%	-9.2%
Ages 45 - 54	-1.2%	-7.1%
Ages 55 - 64	-0.5%	-5.5%
Ages > 65	0.2%	-0.1%

Source: US Census

Home buyers in the United States are currently facing difficult housing market factors and conditions including rising construction costs, rising land costs, rising regulatory costs, low inventory, and rising mortgage rates. Current higher interest rates and/or tightening of credit are softening housing prices and slowing supply. As interest rates have increased, existing inventory has increased and prices have decreased, which is already slowing down new home starts. Slowing of home sales will affect ownership rates over the next cycle and may also impact demand in the Nacogdoches market.

Rising home prices and interest rates also affect how much house people can afford. Historically, lower rates over the last few years have enabled buyers to afford more housing. For example, a loan amount of \$400,000 (\$500,000 home with 20% down payment) would equate to a monthly payment of \$1,612 at a 2.65% percent interest rate. If rates increased 300 basis points this same loan would be \$2,311. Higher mortgage rates decrease buyers' purchasing power as they spend less of their mortgage payment on interest. Future pressure will continue to create housing instability and decreased affordability is affecting affordability for the lower wage earners.



Source: Freddie Mac

NEW SHIFTS IN HOUSING PREFERENCES

In 2020 the US Census Bureau and the US Department of Housing & Urban Development Office of Policy Development and Research conducted a survey of new homes constructed in the United States. Their research showed that the average home sold had a median size of 2,333 square foot (sf), a median lot size of 7,905 sf, and a median sales price of \$391,300. Of those homes sold, 52% had four or more bedrooms, 37% had three bedrooms, 93% had a two or more car garage. Since the US Census Bureau and the US Department of Housing & Urban Development began tracking this data, median home sizes have increased from the smallest size of 1,530 sf in 1982 to hovering around 2,300 to 2,500 sf since 2010. Median lot sizes have been decreasing, reaching their peak of 10,000 sf in 1990, with 2019 and 2020 the first years showing median lot sizes under 8,000 sf. Many of these decreases in lot sizes are due to a shift in developments with smaller lots within master-planned developments that include increased parks, open space, trails, and other amenities, in exchange for smaller lots sizes. Accommodating smaller homes and lots may be one way to increase ownership and offset higher costs.

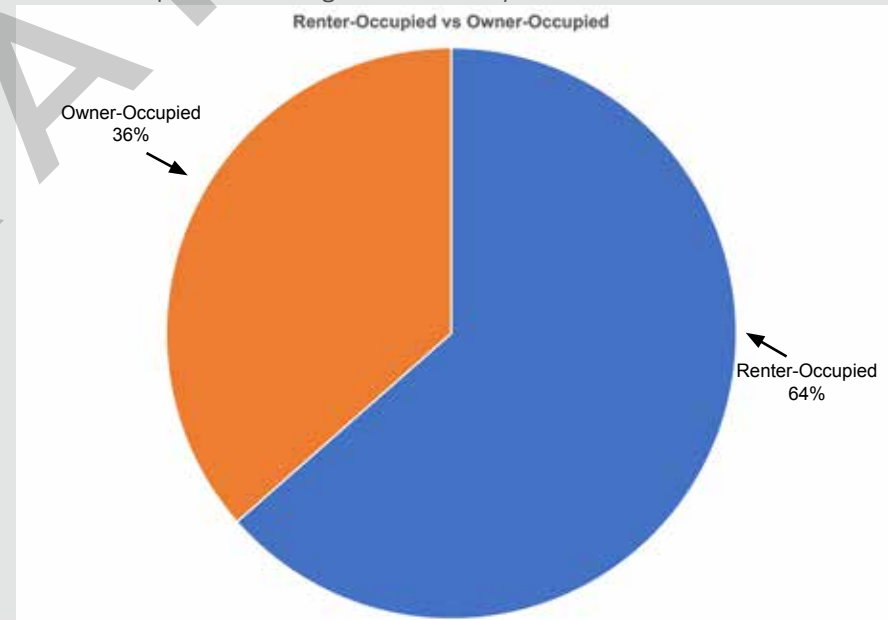
TEXAS HOUSING TRENDS

Based on the Texas A&M Real Estate Center's housing report for July of 2022, inventory of homes for sale have increased by 17,000 units since May and increased inventory to 2.2 months. However, historical months of inventory is 6.5 months. The housing market is trending to a more balanced market. Increased supply has caused the median housing price to decrease from \$349k in June of 2022 to \$344k in July of 2022.

NACOGDOCHES MARKET

As of 2021, the City of Nacogdoches had 14,370 housing units. A large percentage of the Nacogdoches housing stock (approximately 41.0%) was built from 1970 to 1989. Only 1.4% of the total housing stock of Nacogdoches was built since 2014, or approximately 202 units. Nacogdoches County reported a total of 29,072 housing units in 2021 of which 25,226 are occupied. Owner-occupied housing in the County is at 48.1%, but is greater than the City. Lastly, 13.2% (3,838 units) of Nacogdoches County housing units are vacant, compared to 11.3% (1,624) in the City.

Looking forward, the City of Nacogdoches is estimated to gain 360 new housing units by 2026, or roughly 75 new housing units annually. Of this growth, owner-occupied housing is projected to increase slightly, while renter-occupied is anticipated to decrease slightly. The median home value in the City of Nacogdoches in 2021 was \$141,855 and is projected to increase to \$163,760 by 2026. According to Environmental Systems Research Institute (ESRI), the average household size is estimated at 2.31 people per household and is not expected to change in the next 5 years.



Source: US Census

LOCAL HOUSING TRENDS

Based on single-family permit data from the City of Nacogdoches, there were 40 new housing units added in 2021 and 45 in 2022. ESRI data reports 14,370

housing units as of 2021 and expects 14,730 by 2026. That would result in an increase of 72 housing units from 2021 to 2026, which is slightly above permit data provided from the City of Nacogdoches (below).

Single Family Building Permits	Permits
2017	25
2018	28
2019	24
2020	33
2021	40
2022	45

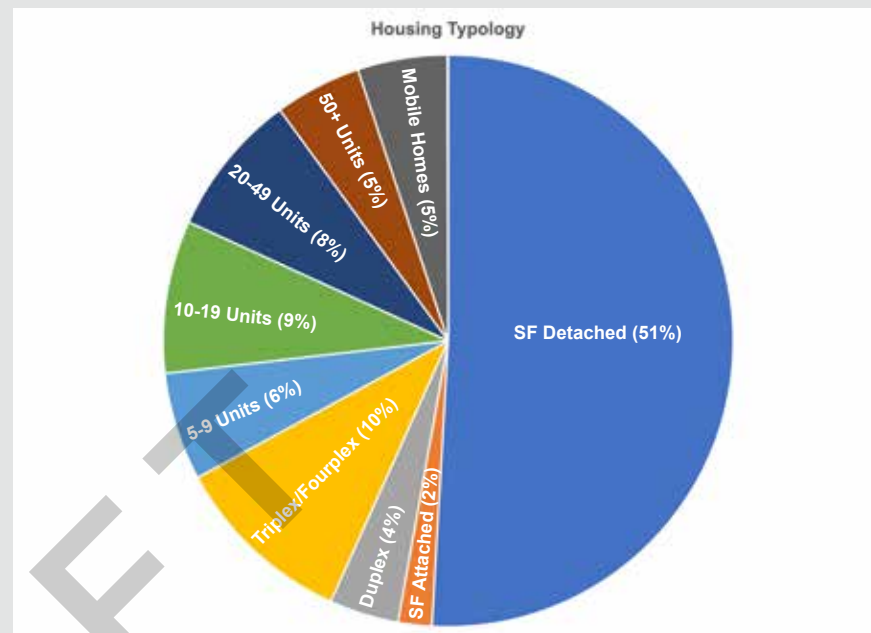
Source: City of Nacogdoches

AFFORDABILITY

The table below shows the current (2022) and projected (2027) values of owner-occupied housing units within Nacogdoches. As of 2022, 64.7% of owner-occupied homes were valued at \$200k or less. The percentage of homes under \$200k is expected to decrease from 64.7% to 55.6% over the next five years. However, looking forward, Nacogdoches home values are expected to rise slightly by 2027.

Owner-Occupied Housing Units by Value	2022	2027
Less than \$100k	28.8%	21.6%
\$100k to \$200k	35.9%	34.0%
\$200k to \$300k	18.5%	20.8%
\$300k to \$400k	4.5%	6.2%
\$400k to \$500k	3.0%	4.3%
\$500k to \$750k	6.2%	8.7%
\$750k to \$1M	1.1%	1.6%
\$1M+	1.9%	2.7%

Source: US Census



Source: ESRI

HOME DIVERSITY IN NACOGDOCHES

The City of Nacogdoches has a broad mix of housing, but by far the largest type of housing (51.3%) is single-family detached units. Housing structures with 2 - 19 units make up approximately 29.9% of the housing stock, while structures with 20 units or more make up 12.6%. Increasing housing options can support students, professionals, and families alike, especially in close proximity to schools, businesses, and retail districts. Future targets could include additional "missing middle" housing such as duplexes, stacked flats, smaller cottage homes, and infill buildings that can accommodate quality development on infill lots and serve as a catalyst for revitalization.

OWNER-OCCUPIED RESIDENTIAL DEMAND

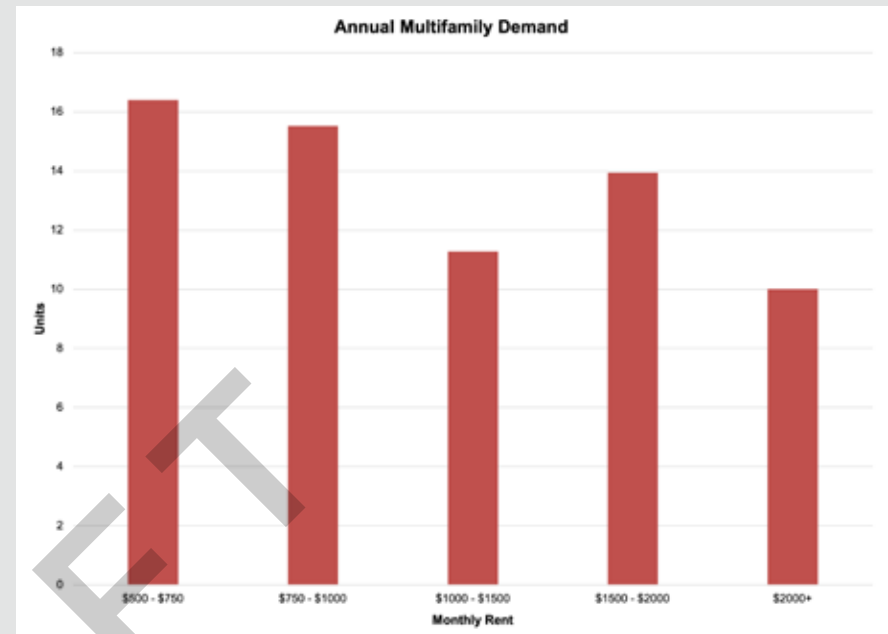
As part of this initiative, Catalyst calculated estimated demand for new housing. Nacogdoches has a demand for approximately 62 of traditional owner-occupied housing units a year, for the next five years. In addition, the City of Nacogdoches could absorb an additional 13 units of owner-occupied "missing-middle" housing in the form of townhomes, condos, or duplexes. Outside the City, the extra-territorial jurisdiction (ETJ) has additional demand for an additional 18 homes per year. The majority, 65% (49 units) of the demand for new single family homes are commanding a price point of \$250K or less. The age group with the highest demand for owner-occupied housing is in the 65+ age group, making up 42% (32 units) of the total annual demand.

Traditional Single-Family Detached Annual Demand					75 units
	Ages 25-34	Ages 35-54	Ages 55-64	Ages 65+	Total
Homes < \$200k	0	11	2	17	30
Homes \$200k - \$250k	2	8	3	6	19
Homes \$250k - \$350k	1	6	2	5	14
Homes \$350k - \$450k	1	3	1	2	7
Homes \$450k+	0	2	1	2	5
Other Owner-Occupied Annual Demand (i.e. condo, senior)					13 units

Source: Catalyst

RENTER-OCCUPIED RESIDENTIAL DEMAND

There are currently 3,904 multifamily units across a total of 54 buildings within the City of Nacogdoches. The current market rent per unit is \$810, and vacancy is low at 3.7%. Nacogdoches could expect to absorb 67 new multifamily units annually and an additional 20 units annually in the form of duplexes, triplexes, and quadplexes (non-multifamily). A majority, 65.3% (56 units) of multifamily demand is for rent under \$1,500. The age group with the highest demand for multifamily, similar to owner-occupied, is the 65+ age group, making up 38% (33 units) of the annual demand.



Source: Catalyst

Multifamily Annual Demand (by age and rental rate)					67 units
(5+ units)	Ages 25-34	Ages 35-54	Ages 55-64	Ages 65+	Total
Rental Rate <\$1,000	6	9	4	14	32
Rental Rate \$1,000 - \$1,500	2	4	1	4	11
Rental Rate \$1,500 - \$2,000	3	4	3	5	14
Rental Rate \$2,000+	1	4	1	4	10
Non-Multifamily Renter-Occupied Annual Demand (<5 units)					20 units

Source: Catalyst

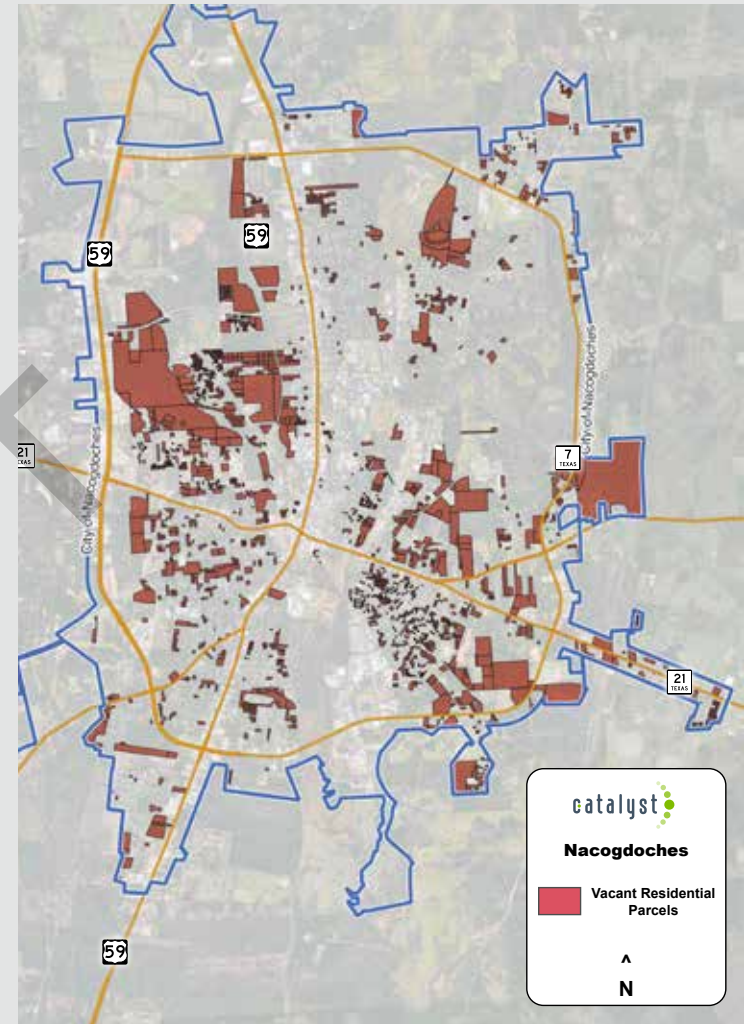
FUTURE DEVELOPMENT POTENTIAL

It is estimated that there are over 2,000 residential parcels within Nacogdoches as of November 2022. These residential parcels make up over 2,500 acres of land, or approximately 11.6% of the total parcel area within Nacogdoches. Some of these lots are within neighborhoods that are currently under construction, but most are within existing neighborhoods that could be targeted with an infill housing program or strategy. The map to the right gives an overview of the location of vacant parcels within residential zoning districts.

Future vacant parcels near or adjacent to existing neighborhoods make better use of existing city infrastructure (roads, water, sewer) without the additional cost of extending these utilities and building new infrastructure for new housing development. Infill housing costs the city much less than new development and makes use of infrastructure that is already actively maintained by the city.

Redevelopment of vacant/infill parcels increases investment into neighborhoods, increases neighborhood quality, and brings additional revenues to the city at a lower cost to the city when compared to greenfield development. Much of Nacogdoches is within an IRS designated Opportunity Zone, which reduces the ultimate cost of development by deferring portions of capital gains tax.

However, market conditions and local affordability rates may still create challenges for new development. Preservation of existing neighborhoods and curbing rental concentration should be a high priority, followed by the development of programs that can help support and incentivize high-quality development in a context-sensitive manner.



Source: City of Nacogdoches

Category	Owner-Occupied Residential	Renter-Occupied Residential
Opportunities	▪ Vacant lots within subdivisions offer opportunity for new homes ▪ Restoration of existing outdated and historic homes	▪ Opportunity for a wide range of housing product ▪ Vacant land in close proximity to Downtown, campus, retail clusters.
Challenges	▪ Housing code violations ▪ Aging infrastructure ▪ Qualifying incomes vs cost of housing creates financial gaps	▪ Maintaining local character ▪ Activating areas around multifamily with parks, trails, and retail.
Target	▪ Quality market rate and context-sensitive developments	▪ Affordable multifamily that promotes local character and supports close retail
Current Market	▪ Median home value: \$141,855	▪ Multifamily market rent: \$810

RECOMMENDATIONS

It is recommended that the City implements housing policies that explore some or all of the following:

- Create a robust neighborhood revitalization program to address unique challenges and opportunities within each neighborhood including investment, amenities, connectivity, and other factors
- Create a list of developable parcels and work with local partners to promote housing opportunities to developers, builders, and home buyers regionally
- Explore city funding mechanisms to help address key issues and incentivize quality development and redevelopment
- Streamline the permitting process for new development
- Explore land banking and other strategies to help consolidate parcels
- Develop a pattern book that includes pre-approved designs that help maintain quality and neighborhood integrity
- Update standards to maintain quality development and neighborhood integrity
- Expand and improve code compliance/enforcement

GOAL: FOSTERING HEALTHY NEIGHBORHOODS

R.1. Code compliance

Nacogdoches has been aggressively addressing code compliance, increasing inspections, and following through on cases and actions will continue improve neighborhood conditions. Increased code compliance will help maintain integrity in existing neighborhoods. The top issues are tall grass and weeds, junk vehicles, unsafe or substandard structures, and trash/rubbish. Other issues include failing fences, sign violations, and other general issues. Addressing code violations will increase the quality of neighborhoods and encourage development activity on both greenfield and infill sites. Increased compliance and subsequent increases in neighborhood health results can also increase property values and tax revenues over time.

R.2. Home improvement incentive program

Consider creating a program to incentivize homeowners to reinvest in their houses. This program will help improve the housing quality in Nacogdoches, lower the financial obstacle for homeowners, and demonstrate the City's commitment to reinvest in residential neighborhoods. One way to fund this program back to the homeowner would be an advance of the net increase in city property tax revenue in the form of a grant.

R.3. Development connectivity

Explore mobility connections to allow the option of utilizing alternative

modes of transportation (walking or biking) to access retail, commercial, office, Downtown, restaurants, and entertainment. This includes exploring opportunities to add trails and/or pedestrian connections from neighborhoods to appropriate commercial uses. In addition, many neighborhoods have failing or disconnected sidewalks. Explore ways to expand the network traveled by alternative transportation and explore opportunities to remove impediments to connections that can improve multi-modal options. Explore I-69 coordination to ensure that neighborhood impacts are mitigated and that the improvements expand safe options for alternate modes of transportation.

R.4. Refinement of internal permitting processes

Review the existing city development regulations and internal processes to identify regulations and standards that can be modified to align with higher-quality standards. Explore current staffing and process to identify any roadblocks in obtaining entitlements and permits for new construction or other impediments to quality development.

R.5. Promote existing developable tracts

Review all large parcels that fall within residential zoning or future landuse plan districts. This review should include a discussion with the current landowner to gauge on willingness to sell, timing, and pricing. Prioritize parcels for city efforts and promotion to residential developers. Prioritize tracts that have access to additional programs such as the Opportunity Zones that can leverage investment interest.

R.6. Explore jump-start housing program

Explore creating a public/private partnership housing investment program to identify developers in target areas for single family infill development (aging or dilapidated housing as well as vacant lots). This program would help to address infrastructure and other development impediments that are difficult and prohibitively expensive for a developer to address as individual, infill lots.



Individual Neighborhood Unit Analysis

Neighborhood Unit Assessment

As part of this initiative, an individual assessment was conducted on individual subareas to gain further insight into conditions within various sectors of the City. To conduct this assessment, the City was segmented into 12 smaller units. Each unit was selected based upon: geography, housing character, and various natural and man-made elements.

For comparison, each Neighborhood Unit included the following factors:

- Number of Households
- Percent of Owner-Occupied Households
- Percent of Single-Family Detached Households
- Median Year Built
- Median Household Value

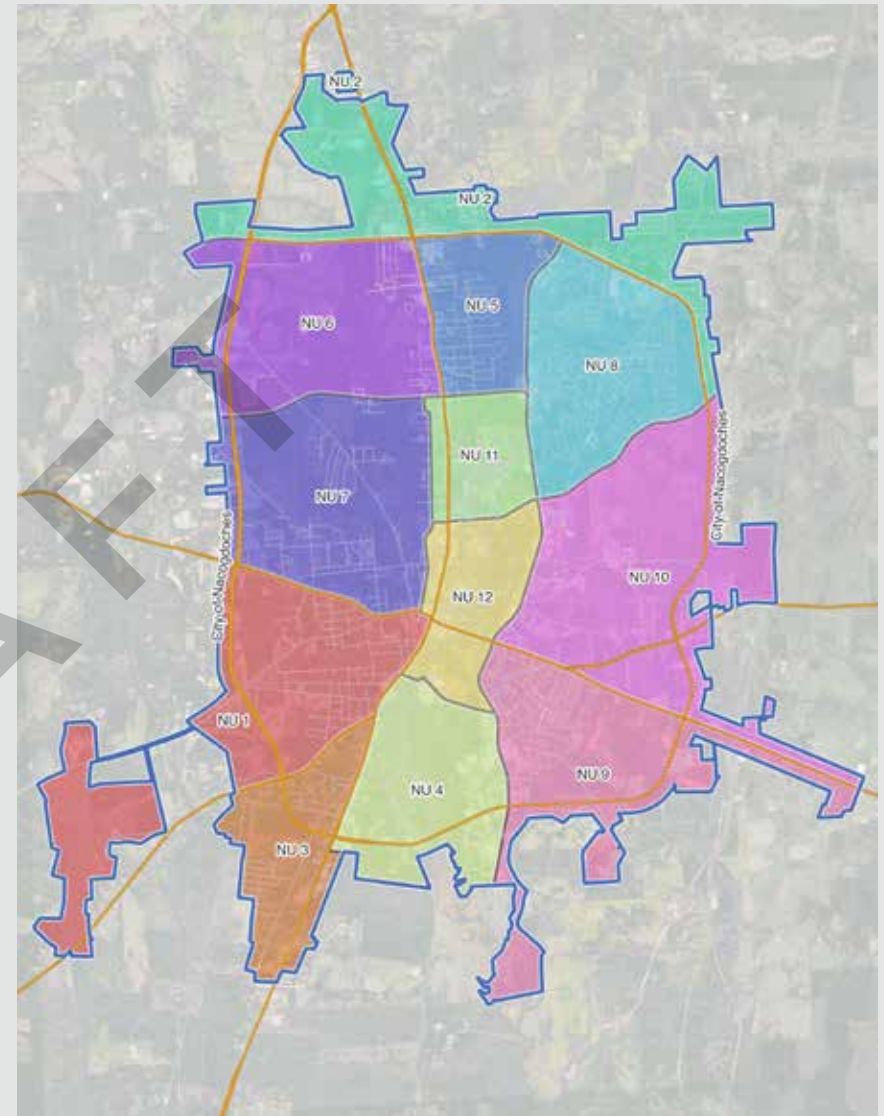
The Housing Assessment also included an individual strengths, weaknesses, opportunities, and threat (SWOT) analysis and physical inventory to capture the character, conditions, and catalog of various issues and amenities across all neighborhoods.

This Neighborhood Unit Assessment can be used to benchmark conditions across each Neighborhood Unit and help establish metrics for future interventions including increased code compliance, targeted investment, and potential small area neighborhood programs, and other policies to support neighborhood revitalization and development.

Summary

Generally, the neighborhoods in Nacogdoches are in good condition. Nacogdoches contains a large range of unique housing stock with access to natural areas, regional accessibility, and most have proximity to commercial services.

However, with aging communities, some areas show some evidence of disinvestment, lack of infrastructure, and code compliance issues. In addition, aging commercial has been proven to affect neighborhood health and many neighborhoods are adjacent to commercial corridors with variable quality. Maintaining consistent code compliance programs, monitoring of rental quality, increased community development, increasing development standards, and targeted public investment can all contribute to increased neighborhood health and vitality.





Neighborhood Unit 1

Neighborhood Unit 1 is located in the southwest corner of Nacogdoches. The boundaries are within South Street, West Main, Douglass Road, US-59, and south to South Fredonia. The area also includes the Al Mangham Jr. Regional Airport.

The majority of housing units within Neighborhood Unit 1 are situated near South Fredonia Street and Douglass Road. Single family detached housing units make up approximately 67% of the housing stock, with a median year built of 1971. Homes in this area are generally older. There are number of homes that need maintenance and have code violations, such as trash/debris and structural damage. The neighborhood benefits from great tree coverage and landscaping.

Neighborhood Unit 1 is located near Downtown, and has access to retail on South Street. Walkability is challenging due to narrow streets, lack of sidewalks or aging sidewalks in poor condition.

	NU1	Nacogdoches
# Households	1,165	12,347
% Households Owner-Occupied	46.1%	38.9%
% Households Single Family Detached	67%	51.3%
Median Year Built	1971	1982
Median Home Value	\$100,909	\$167,769

Strengths

- Close proximity to retail cluster, including grocery, on South St.
- Most homes are within walking distance to the Nettie Marshall Early Childhood Center
- Mix of multifamily and single-family housing units
- Historic home features and architecture
- Portions of this neighborhood are walkable to Downtown

Weaknesses

- Housing code violations
- Narrow streets within the interior
- Lack of maintenance or investment in infrastructure (potholes, lack of sidewalks)
- Vegetation is overgrown and imposing on some streets
- Retail quality is mixed. Aging and blighted commercial could contribute to neighborhood decline.

Opportunities

- Infill development is an opportunity as there are empty lots within developed areas
- Housing restoration among the historic homes and the home that are failing structurally
- Beautification of public areas including additional landscaping and planting

Threats

- Code violations (tall grass and weeds, junk vehicles, unsafe or substandard structures, and trash/rubbish) based on Fall 2021 City of Nacogdoches windshield survey and Summer 2022 assessments









Neighborhood Unit 2

Neighborhood Unit 2 is the northernmost section of the city running north along Loop 224 from US-59 to the east to the intersection of FM 1878 and Loop 224 to the west. There are large parcels of undeveloped land, various neighborhoods, and retail near the intersection of Loop 224 and North St..

Multifamily makes up 50% of the housing stock, with a median year built of 1987. The majority of the multifamily is concentrated just north of Loop 224 and east of Nacogdoches Medical Center. The character of multifamily is slightly aged but in good condition, mostly composed of 2 to 3 story structures. Single family units are mostly concentrated in residential subdivisions in the east and northeast corners of Neighborhood Unit 2. The character of single family homes are of high quality and mostly on larger lots. This area contains a number of trees, water features, and rural landscapes.

The developments have access to Loop 224 for semi-immediate access to retail and local jobs. Overall walkability is good, with sidewalks or wide streets with low traffic, though sidewalks or trails do not extend beyond the neighborhoods to connect to retail. There also appears to be a lack of parks within Neighborhood Unit 2.

	NU2	Nacogdoches
# Households	981	12,347
% Households Owner-Occupied	50.1%	38.9%
% Households Single Family Detached	45.8%	51.3%
Median Year Built	1987	1982
Median Home Value	\$218,820	\$167,769

Strengths

- Close to major thoroughfares (Loop 224, I-59)
- Close to retail clusters and boutique medical at the intersection of North Street and Loop 224
- Proximity to industrial park
- Available land for more housing and commercial development

Weaknesses

- Lack of housing
- Lack of walkable connections to areas outside the individual neighborhoods

Opportunities

- Business development/more industrial
- More housing for medical and industrial workers
- **Future connections to Banita Creek and Lanana Creek**

Threats

- Besides the medical district, most residents of Neighborhood Unit 2 have a longer commute to employment opportunities









Neighborhood Unit 3

Neighborhood Unit 3 is situated in the southwestern corner of Nacogdoches, bordering the city limits in the south, running along US-59 to South Street and South Fredonia Street. Neighborhood Unit 3 is split with Loop 224 running east to west. The overall character is dominated by major thoroughfares, including the I-69 interchange.

Single family detached housing makes up 70.2% of the housing, which 24.5% are mobile homes. Small to midsize lots can be found in the subdivisions north of Loop 224 with homes in moderate conditions, whereas homes south of Loop 224 and west of US-59 are on midsize lots and distinctively rural in character, the majority in moderate conditions. Overall housing age is older with a median year built of 1977. Only 26 homes were constructed between 2000 and 2009.

Neighborhood Unit 3 has good connectivity however, retail options are limited, with some services located near South Street and US-59.

	NU3	Nacogdoches
# Households	718	12,347
% Households Owner-Occupied	67%	38.9%
% Households Single Family Detached	70.3%	51.3%
Median Year Built	1977	1982
Median Home Value	\$129,198	\$167,769

Strengths

- Immediate access to major thoroughfare to connect residents to Downtown retail
- Offers rural and suburban subdivisions

Weaknesses

- Lack of available sidewalks and trails
- Temporary construction along major thoroughfare (I-69)
- Lack of immediately adjacent retail

Opportunities

- Planned subdivisions.
- Vacant lots available for infill development
- Increase in retail along major thoroughfare
- Establishment of parks

Threats

- Housing code violations
- Aging commercial quality









Neighborhood Unit 4

Neighborhood Unit 4 is bordered by the city limits, South Street, MLK, and South University Drive. Neighborhood Unit 4 contains several neighborhoods near Lanana Creek, and includes industrial sites to the east. Almost 90% of the housing stock is single family detached units.

Housing units are primarily congregated on the western side of Neighborhood Unit 4, bordering South St. and Loop 224. The median year built is 1972. Approximately 65 units were added between 2000 and 2009. Most homes are traditional single family on small to medium sized lots. Housing code violations are prevalent in the form of junk/debris and substandard structural condition. A large portion of these parcels are encumbered with 100-year FEMA floodplain, but are still able to be developed under the city's current development codes.

Walkability is limited due to a lack of continuous sidewalks. NU 4 contains Pioneer Park, which offers picnic areas, playgrounds, and beautiful tree canopies. Infrastructure in the park is old and in need of repair, specifically roadways in and around the park grounds. Neighborhood Unit 4 is conveniently located just south of Downtown retail and has access to many business services, as well access to nearby jobs.

	NU4	Nacogdoches
# Households	474	12,347
% Households Owner-Occupied	46.4%	38.9%
% Households Single Family Detached	71.7%	51.3%
Median Year Built	1972	1982
Median Home Value	\$108,553	\$167,769

Strengths

- Proximity to major employers such as Pilgrim's
- Pioneer Park
- Immediate connection to Loop 224 and Downtown by way of South St.

Weaknesses

- Lack of sidewalks and walkable roads
- Overgrown vegetation around roadways and homes
- Poor road infrastructure, including potholes and cracking

Opportunities

- Activation of outdoor space surrounding Lanana Creek
- Revitalize South St. retail concepts
- Improve infrastructure: specifically sidewalks and potholes
- Infill tracts that could accommodate a wide range of income-appropriate housing

Threats

- Conflicts from industrial operations and associated traffic
- Housing code violations









Neighborhood Unit 5

Neighborhood Unit 5 is just north of SFA's campus, bordering North University Drive, Loop 224, North Street, and Austin Street. The area contains a mix of single and multifamily housing units serving the student population and the middle to upper middle class.

Multifamily housing units make up 55% of the housing stock, mostly concentrated along North Street and Loop 224. Multifamily units include garden/open-air styled structures with 2 to 3 stories. Multifamily structures Unit 5 are older in age but most have been well maintained. Single family housing is generally older homes on larger lots and are also generally well maintained or renovated.

Walkability in NU-5 is generally good, with sidewalks and wide streets along major thoroughfares. There are sidewalks located along NU 5's main streets, including North St and E. Austin Street. Neighborhood Unit 5 is easily accessible to SFA's campus and parks as well as retail clusters along North Street.

	NU5	Nacogdoches
# Households	911	12,347
% Households Owner-Occupied	42.9%	38.9%
% Households Single Family Detached	45.5%	51.3%
Median Year Built	1981	1982
Median Home Value	\$241,667	\$167,769

Strengths

- Large residential lots
- Wide streets
- Close in proximity to North St. retail
- Proximity to SFA University

Weaknesses

- Poor thoroughfare connecting to outer loop
- Lack of lighting within residential neighborhoods
- Few sidewalks within neighborhoods

Opportunities

- Implementing sidewalks and bike lanes
- Thoroughfare connection to the outer loop
- Connecting trail system from neighborhood to adjacent amenities, including Lanana Creek trail.

Threats

- Flooding from Lanana Creek
- Aging commercial on North Street could impact housing values









Neighborhood Unit 6

Neighborhood Unit 6 is located in the northwestern part of Nacogdoches, bordering the city limits to the west, West Austin Street to the south, North Street to the east, and Loop 224 to the north. The area is characterized mostly by rural undeveloped land. The developments within the NU-6 are retail and housing units along the eastern boundary, bordering North Street,

Single family makes up nearly 80% of the housing stock, with the rest in the form of duplexes, triplexes and multifamily. Housing structures are fairly old with a median year built of 1975. A majority of houses are in good condition.

The majority of housing has access to commercial on North Street. Walkability to North Street is poor, as there are limited sidewalks and high traffic makes it difficult to cross safely.

	NU6	Nacogdoches
# Households	532	12,347
% Households Owner-Occupied	41.2%	38.9%
% Households Single Family Detached	53.6%	51.3%
Median Year Built	1975	1982
Median Home Value	\$121,500	\$167,769

Strengths

- Majority of residential units were in close proximity to North St. retail clusters
- Diverse housing options multifamily/single family
- Accommodates student housing

Weaknesses

- Outdated multifamily units
- Lack of sidewalks and poor walk ability, specifically from multifamily units behind North St. retail clusters
- Topography creates development challenges

Opportunities

- Empty vacant tracts among already developed neighborhoods that could be developed and/or large tracts of land for sale
- Housing or retail development
- Connection to Banita Creek Trail

Threats

- The potential for older multifamily units falling into substandard living conditions
- Older homes aging and increased disinvestment









Neighborhood Unit 7

Neighborhood Unit 7 is generally located between the western city limits at US-59 to Pearl Street, and between West Austin Street and Douglass Road/ West Main Street. The area has large undeveloped tracts of land mixed with single family, multifamily, and mobile homes. Commercial development is limited around Pearl Street and West Main Street.

Single-family detached homes make up 37% of the housing stock, 14.7% are multifamily, and 13.49% are mobile homes. The housing is older, with a median year built of 1981. Many single family and mobile homes are poorly maintained or neglected with code violations. The majority of multifamily is situated along Pearl Street to the east and serves mostly students with developments such as Lofts Nacogdoches and University Club Apartments.

The median home value is \$65,302 compared to the median home value in Nacogdoches at \$167,769. The higher concentrations of single-family and multifamily units are in close proximity to Brooks-Quinn-Jones Elementary School, Ritchie Street Park, Mill Pond Park, and Banita Creek Park; all offering sports fields, play sets, and picnic areas. Walkability to the school and parks are poor as there are limited sidewalks and narrow streets.

	NU7	Nacogdoches
# Households	1,221	12,347
% Households Owner-Occupied	23.6%	38.9%
% Households Single Family Detached	37%	51.3%
Median Year Built	1981	1982
Median Home Value	\$65,302	\$167,769

Strengths

- Primary residential cluster is close to Brooks-Quinn-Jones Elementary School
- Affordable housing options
- Multiple parks and outdoor spaces

Weaknesses

- Older outdated parks such as Richie Street Park without shade structures and modern structures and Mill Pond with dated playscapes and fields
- Major residential communities are not in close proximity to retail
- Housing code violations in the form of trash, vehicles, and substandard living conditions
- Topography creates development challenges

Opportunities

- Restoration of parks
- Trail leading to Banita Creek
- Infill for housing and retail clusters
- Rural housing development

Threats

- Substandard living conditions
- High traffic speed along Old Tyler Rd.









Neighborhood Unit 8

Neighborhood Unit 8 is located in the northeast corner of Nacogdoches, bordered by Loop 224 to the north, East Starr Avenue to the southeast, and North University Drive to the west. The area contains large residential developments of mid-size homes, mostly surrounding Nacogdoches High School.

Single-family housing consists of 62.2% of this Neighborhood Unit 8. The median year built of housing is 1984. The majority of homes are traditional suburban on moderate size lots. Homes are in overall good condition with a few outstanding code violations, specifically near Appleby Sand Road, including failing fences, trash, and abandoned vehicles.

Neighborhood Unit 8 is majority owner-occupied at 55.76% compared to the City of Nacogdoches at 38.92%. The median home value in Neighborhood Unit 8 is also higher than that of the city at \$212,153 compared to \$167,769 for the city. Walkability among the neighborhoods is poor with limited sidewalks other than those around the high school.

Retail options within Neighborhood Unit 8 are limited, except for retail near the corner of North University Drive and East Austin Street.

	NU8	Nacogdoches
# Households	1,772	12,347
% Households Owner-Occupied	55.8%	38.9%
% Households Single Family Detached	62.2%	51.3%
Median Year Built	1984	1982
Median Home Value	\$212,153	\$167,769

Strengths

- Close proximity to University Dr. retail
- Close Proximity to Nacogdoches High School
- Established subdivisions with consistent street patterns

Weaknesses

- Aged housing units
- Poor walkability to retail and schools

Opportunities

- Vacant lots within residential subdivisions
- Additional retail or office space off of N University Dr.
- Sidewalks/trails to schools or retail

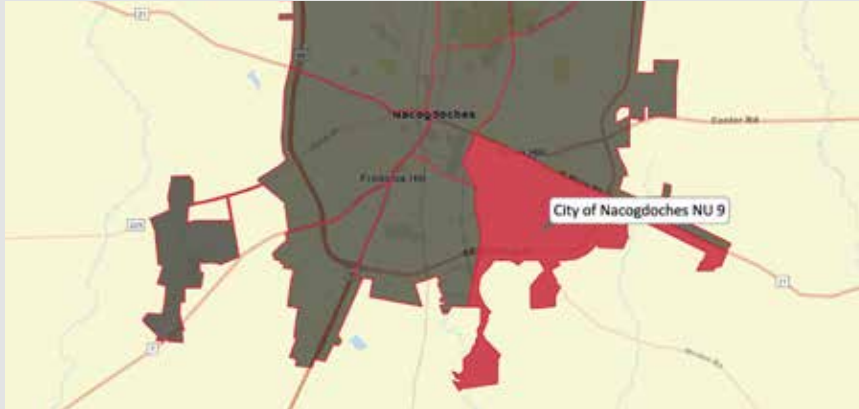
Threats

- Road deterioration including potholes









Neighborhood Unit 9

Neighborhood Unit 9 is located in the southeast corner of Nacogdoches, between South University Street, Loop 224, and East Main Street. Neighborhood Unit 9 contains two public schools, and has close proximity to Downtown.

71.16% of Neighborhood Unit 9 is single-family. The majority of housing units are located between East Main Street and Shawnee Street. 60% of houses were built between 1950 and 1989. Only 3.5% of housing units have been added since 2010. Renter-occupied housing units make up the majority at 59.82%.

The homes in Neighborhood Unit 9 are older and a number of homes have code violations. Walkability is challenging due to disconnected sidewalks, older crosswalks, and internal streets lack sidewalks.

Retail options are also limited in this Neighborhood Unit. A majority of the centers are filled with local mom & pop operators. There is an increased concentration of discount stores and low-income oriented uses.

	NU9	Nacogdoches
# Households	1,130	12,347
% Households Owner-Occupied	40.2%	38.9%
% Households Single Family Detached	71.2%	51.3%
Median Year Built	1980	1982
Median Home Value	\$73,423	\$167,769

Strengths

- Close proximity to Downtown
- Close in proximity to community centers/churches/schools
- Wide roads allow for walkability

Weaknesses

- Severe housing code violations including substandard and poorly maintained housing
- Road infrastructure including potholes and debris on roads
- Walkability is poor due to lack of internal sidewalks and trails
- Older shopping centers

Opportunities

- Development of community centers
- Road and park infrastructure improvement
- Establish small/boutique retail clusters within the neighborhood
- Direct walking connection or trail to Downtown
- Commercial revitalization

Threats

- Substandard living conditions









Neighborhood Unit 10

Neighborhood Unit 10 is between the eastern city limits, East Main Street, North University Drive, and East Starr Avenue.

Multifamily makes up 74.5% of the total housing, Neighborhood Unit 10 has one of the highest multifamily concentrations within Nacogdoches. The median year housing structures were built is 1986, with 120 units added between 2010 and 2013. The majority of multifamily units are within close proximity to North University Drive, which provides a number of commercial options. Single-family development is located near Mike Moses Elementary School and the Boys and Girls Club of Nacogdoches.

Single family is typically found on mid- to large-size lots with the majority located in planned residential communities. The majority of housing structures are affordable and in moderate to good condition. There are some signs of housing code violations such as trash/debris.

The developed sections of Neighborhood Unit 10 have maintained good landscaping and tree coverage around roads and housing structures, complimenting the local environment.

	NU10	Nacogdoches
# Households	1,659	12,347
% Households Owner-Occupied	26.6%	38.9%
% Households Single Family Detached	29.7%	51.3%
Median Year Built	1996	1982
Median Home Value	\$188,187	\$167,769

Strengths

- Mixture of rural and suburban lots
- Affordable housing
- Majority of multifamily is close to retail cluster on University Dr.
- Close proximity to Boys and Girls Club of Deep East Texas and Mike Moses Elementary School

Weaknesses

- Various code violations
- Lack of maintenance of housing
- Narrow roads

Opportunities

- Vacant land for development
- Community park
- Walkability from multifamily housing on the corner of N University Dr. and East Starr Avenue connecting to SFA's campus

Threats

- Aging housing stock









Neighborhood Unit 11

Neighborhood Unit 11 is located in the center of Nacogdoches, between North University Drive, E. College, and Starr Avenue. The area contains SFA's campus and student housing needs, with retail along North Street.

Multifamily makes up 82.5% of the housing. 89.9% of the housing is renter-occupied, likely due to the large student population. The median year built of housing structures is 1980 with only 21 units added since 2014. Other housing ranges from small homes to historic and well-kept homes on larger lots.

Walkability is low due to a lack of sidewalks, high volumes of traffic, and narrow streets. However, sidewalks are located along North St. and Raguet Street. Amenities within the area are abundant as students and local residents can easily access amenities such as the Piney Woods Native Plant Center, other campus amenities, and trails.

	NU11	Nacogdoches
# Households	793	12,347
% Households Owner-Occupied	10.1%	38.9%
% Households Single Family Detached	17.5%	51.3%
Median Year Built	1980	1982
Median Home Value	\$88,235	\$167,769

Strengths

- Close proximity to North Street retail and office
- Student-focused retail
- Good trails and walkability among campus connecting to trails and parks

Weaknesses

- Neighborhood surrounding University has no sidewalks
- Narrow streets congested with on-street parking
- Difficulty gaining access to North Street from campus
- Poor walkability to retail for students and residents

Opportunities

- Increase walkability in surrounding neighborhoods

Threats

- Unsafe pedestrian environment, especially at intersections
- Off-campus student housing shows lack of maintenance









Neighborhood Unit 12

Neighborhood Unit 12 is located at the center of Nacogdoches. Home to the historic Downtown and the medical district, Neighborhood Unit 12 is located between Starr Avenue, North University Drive, MLK Boulevard, and South Street. Neighborhood Unit 12 contains a large mix of housing, ranging from large historic homes to garden style multifamily structures.

Single-family detached units make up 61% of the housing. Housing close to Downtown is older, on larger lots, and generally well maintained. The northern housing around the medical center and close to campus exhibits more structures with multiple units tending to be lower quality housing. Renter-occupied housing makes up 78.3%. Housing in the southern sector of Neighborhood Unit 12 is generally older and has pockets of disinvestment. Housing in this unit is the oldest compared to the rest of Nacogdoches, with the median year built of 1967. Only 57 units have been built since 2014.

The majority of Neighborhood Unit 12 is developed, with a few vacant residential lots. Retail and local services are easily accessible from North Street and Downtown. Walkability is generally good within the Downtown core but quickly decreases as you enter residential areas north and south of Downtown. Amenities within the area include multiple parks just south of Downtown, including sports fields, an outdoor amphitheater, and picnic areas.

	NU12	Nacogdoches
# Households	990	12,347
% Households Owner-Occupied	21.6%	38.9%
% Households Single Family Detached	58%	51.3%
Median Year Built	1967	1982
Median Home Value	\$130,588	\$167,769

Strengths

- Walking distance to Downtown, shops, and restaurants
- Proximity to Thomas J Rusk Elementary
- Historic character
- Wide range of housing stock including single and multifamily dwellings

Weaknesses

- Historic overlay makes new development/redevelopment more challenging than sites outside of this overlay
- Poor sidewalks/road infrastructure

Opportunities

- Increase code compliance
- Create better walking options leading to Downtown

Threats

- High traffic around Thomas J Rusk Elementary during key pickup and drop off times causes congestion
- Property/housing decay
- Substandard living conditions









Joint P&Z + City Council Meeting 1|25|2023



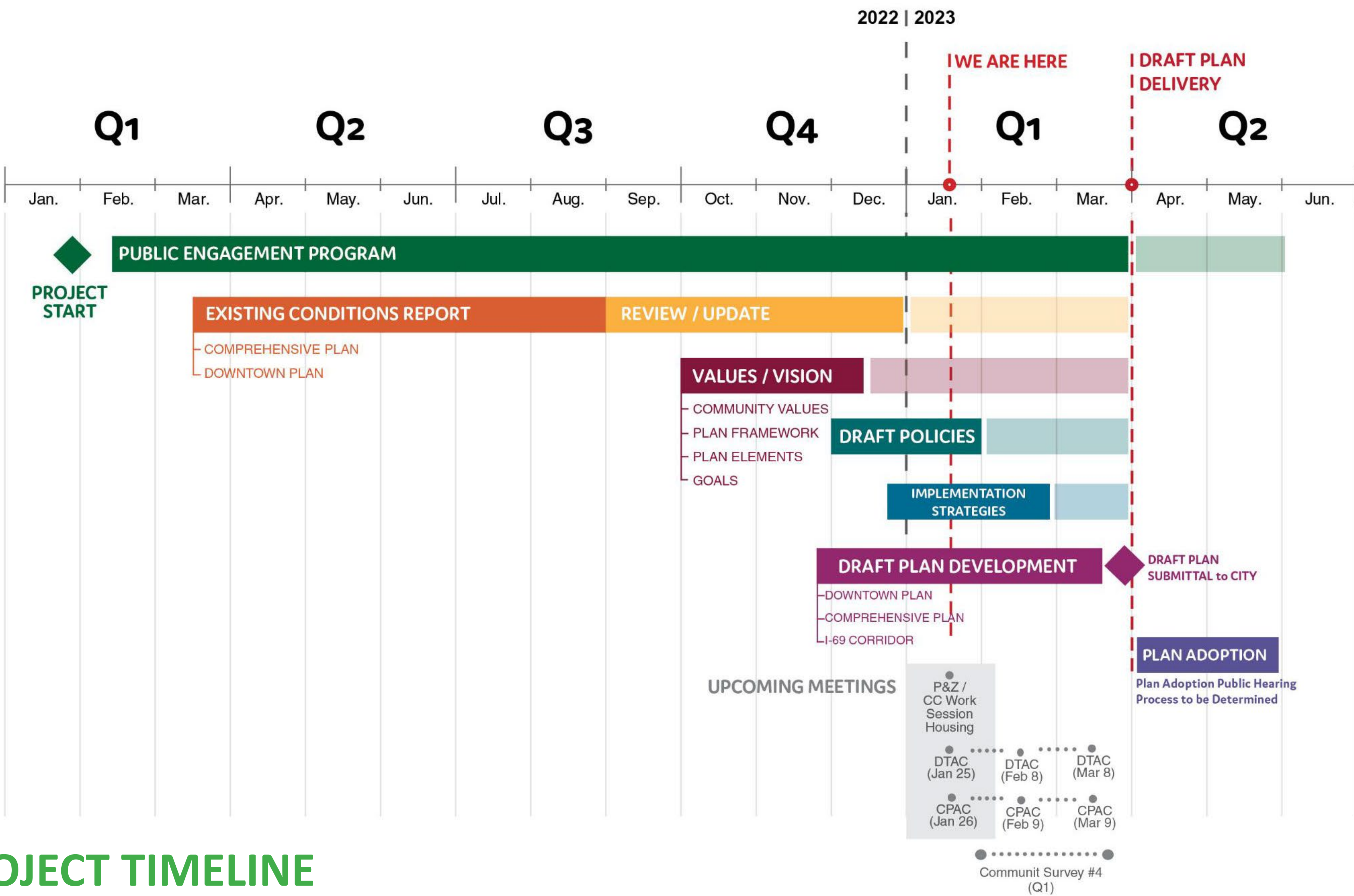
Housing & Neighborhoods

NacTogether | Nacogdoches Comprehensive Plan

□ AGENDA



- **Project Timeline**
- **Public Engagement**
Neighborhood & Housing Focus Groups
- **Housing + Neighborhoods Findings / Recommendations**
- **Land Use / Development Regulations**
- **Discussion**
- **Next Steps**



PROJECT TIMELINE

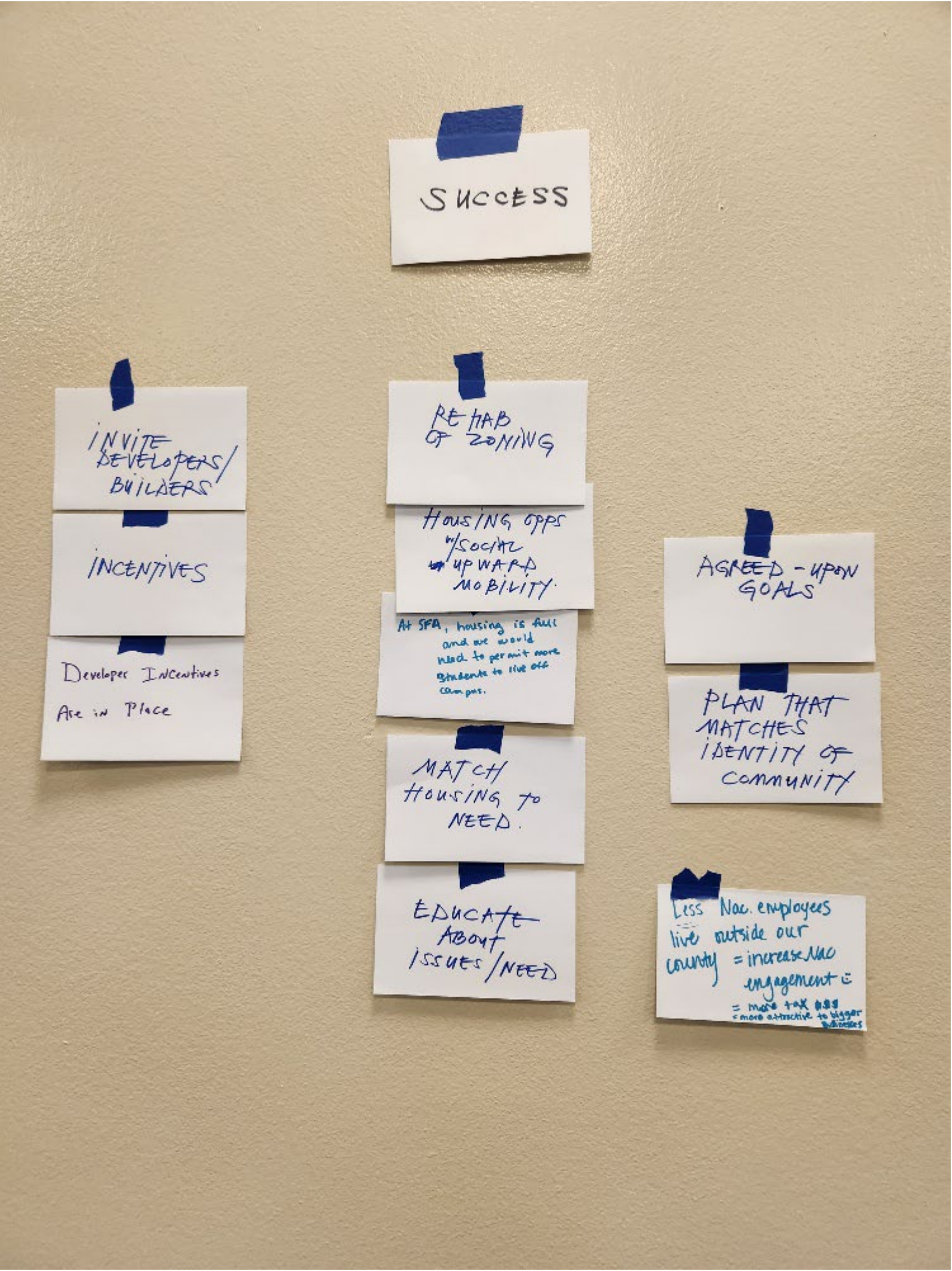
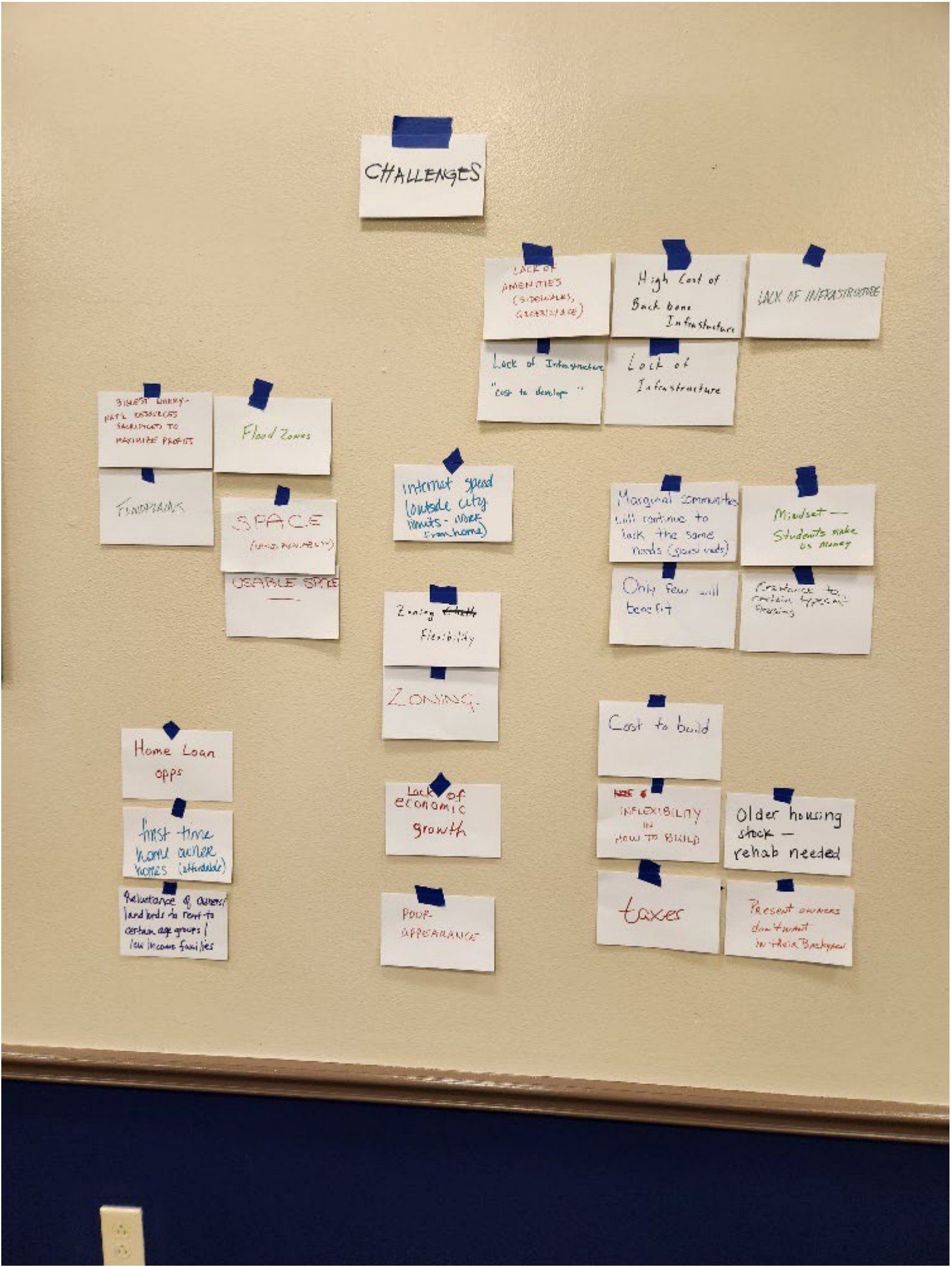
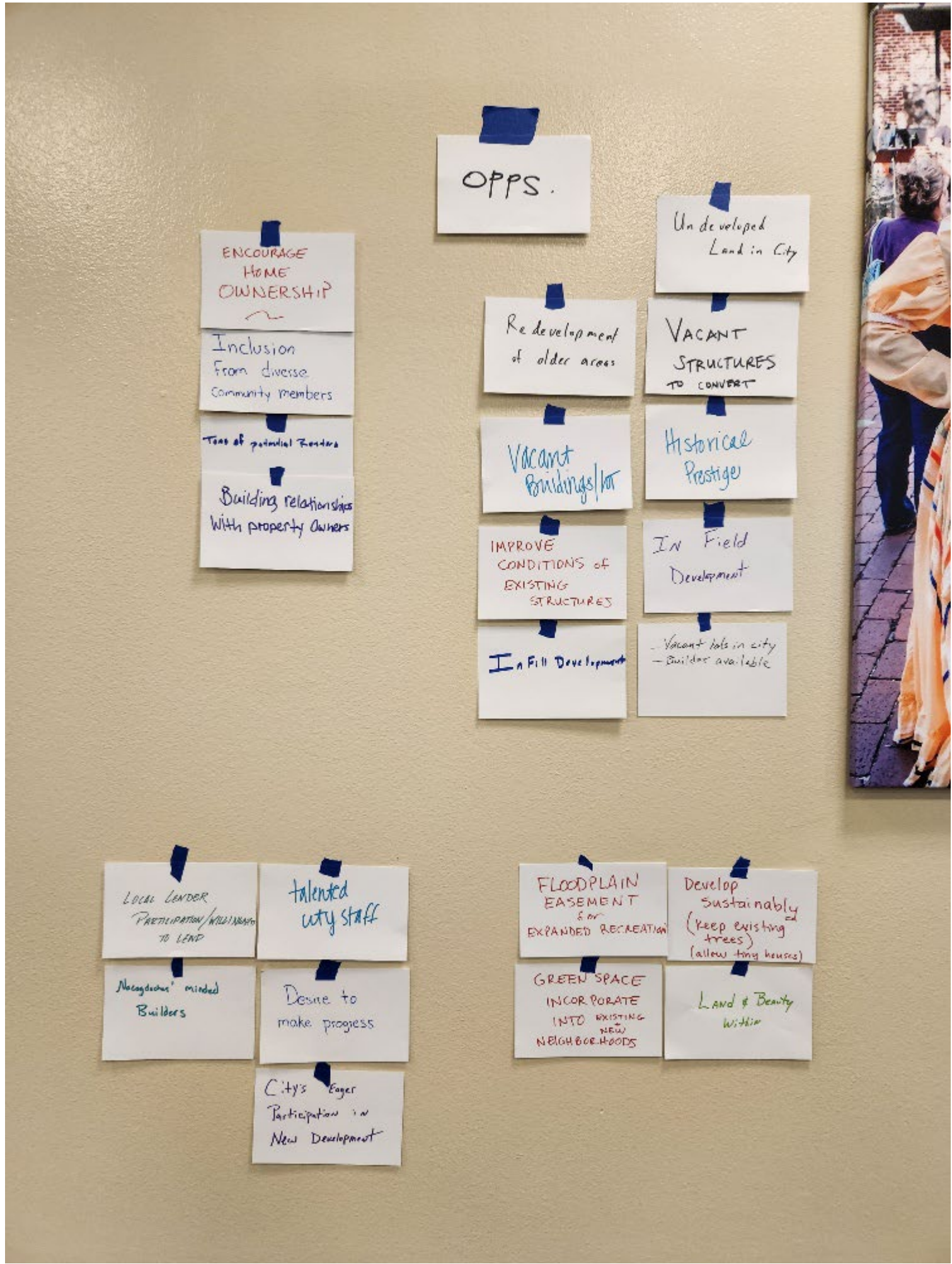


□ NEIGHBORHOODS FOCUS GROUP (8/17)



Missing housing in Nacogdoches:

- **Planned development housing.** Separate spaces with townhomes, tiny homes for college students, planned development homes with sidewalks.
- **Affordable housing.** There are more renters because it's harder to buy, need to protect neighborhoods with zoning. City needs smaller homes that are rentable.
- **Student housing.** Apartments are overloaded with students. SFA has complaints about dorms not being apartment style, students want to live off campus
- **Independent living type facility** (seniors), more homes/apartments for elderly population
- **Public Private Ventures (PPV)**



HOUSING FOCUS GROUP

Opportunities:

Housing Opportunities in Nacogdoches

Why do people live in Nacogdoches?



□ HOUSING FOCUS GROUP

Challenges:

Housing **inhibitors (constraints)** in
Nacogdoches

*What worries you about housing in
Nacogdoches?*



□ HOUSING FOCUS GROUP

Priorities:

Housing **Priorities** in Nacogdoches

Where should the City focus its limited resources?



□ HOUSING FOCUS GROUP

Success:

Measures of Success

*How can we define success with the
Comp Plan process when it comes to
Housing + Neighborhoods*

- Identify incentives for future development
 - Invite developers/builders
 - Incentives
 - Developer incentives are in place
- Match housing with community needs
 - Rehab of zoning
 - Housing opportunities w/ social upward mobility
 - At SFA, housing is full, and we would need to permit more students to live off campus
 - Match housing to need
- Educate community about issues/needs
- Establish achievable goals
 - Agreed-upon goals
 - Plan that matches identity of community



□ HOUSING ASSESSMENT

□ PROCESS

- Analyze the housing market
- Analyze the housing stock
- Identify local housing gaps
- Inventory existing housing resources
- Housing trends
- Implementation strategies



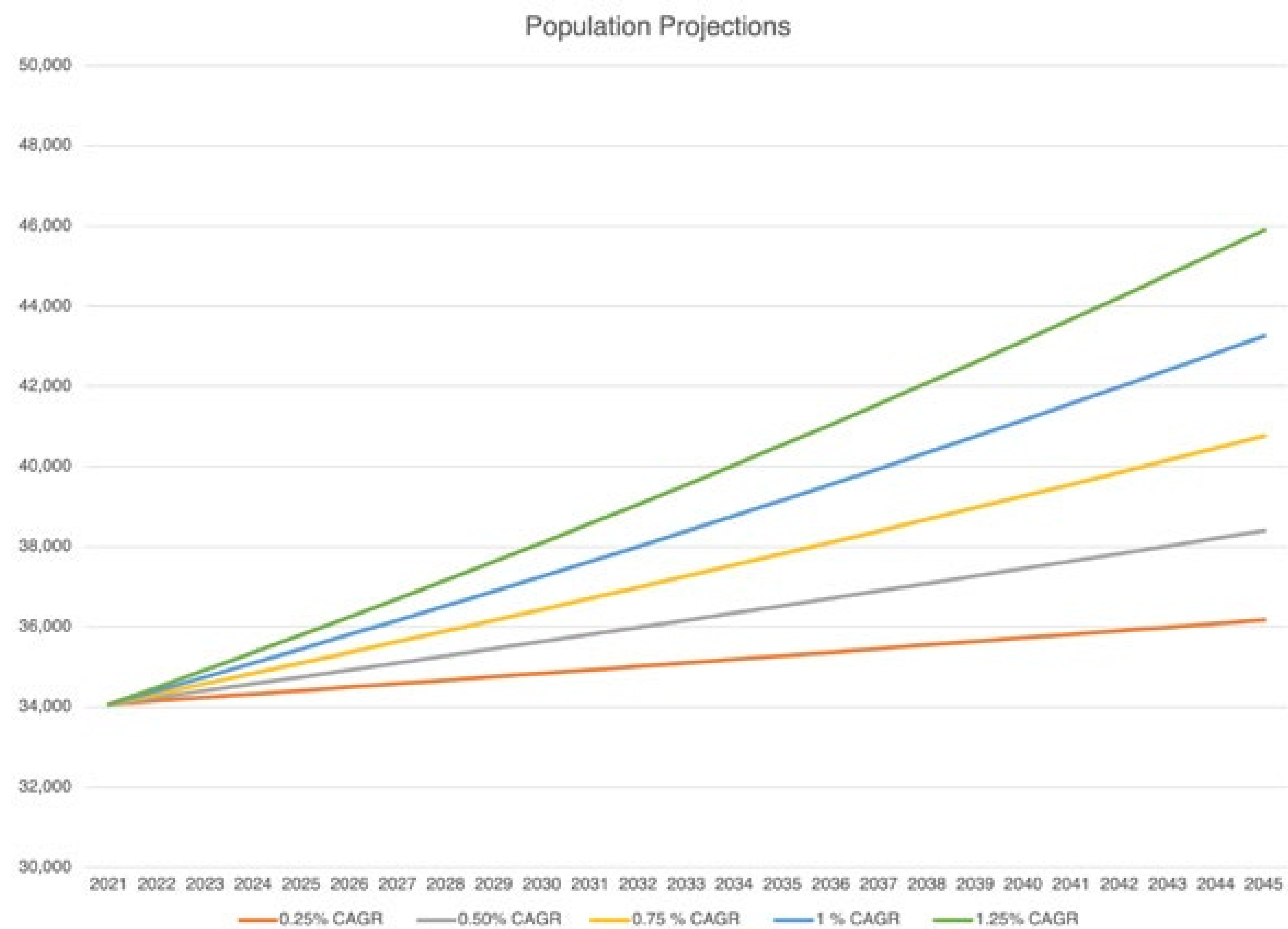
POPULATION SNAPSHOT

2000 Population: 29,914

2021 Population: 34,068

SFA Students: 11,946

Population projections estimate a 0.3% annual growth rate.



Population Forecast

2021	2025	2035	2045
• 34,068	• 35,104	• 37,867	• 40,898

□ NATIONAL HOUSING TRENDS

Housing Trends



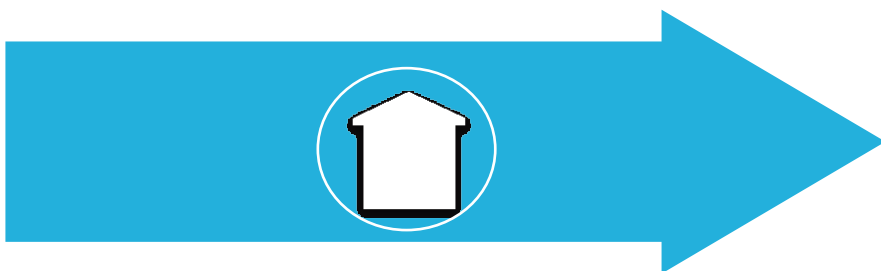
Home Sales¹

Down -35%
3.6M in 2022 vs
5.6M in 2021



Home Supply²

3.3 Months Supply
Q1 2023



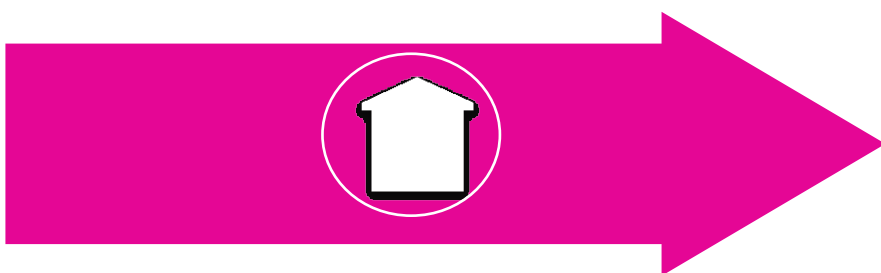
Rentals³

Increased 2.9%
Nationally



Housing Costs⁴

Interest rates up
300 bps



Lot Size⁵

Average 40' lots
& 2,300 Sf median
home size



1. NAR

2. HUD

3. HUD

4. Freddie Mac

5. Catalyst

□ NEIGHBORHOOD SNAPSHOT

Housing Snapshot

Nacogdoches has ~14,370 housing units.

41.0%, were built from 1970 to 1989. Only 1.4% of the total housing stock of Nacogdoches have been built in 2014, or later

63.5% are renter-occupied vs 36.5% owner-occupied.

Projected demand for roughly 75 new housing units annually.

The median home value (2021) in the City of Nacogdoches was \$141,855 and is projected to increase to \$163,760 by 2026.

According to Esri, the average household size is estimated at 2.31 and is not expected to change in the next 5 years.

Summary:

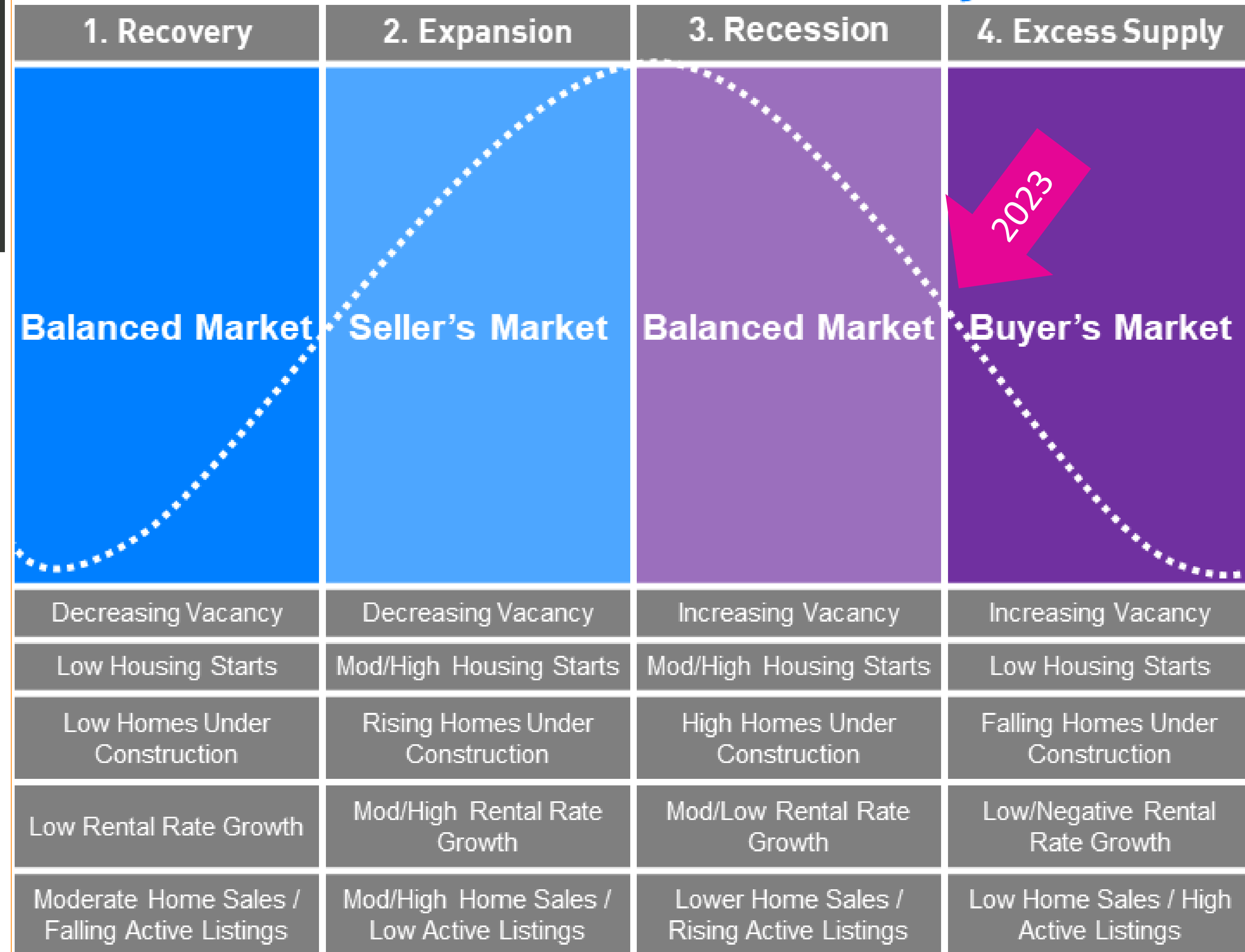
- ✓ Low projected population growth
- ✓ High percentage of rentals
- ✓ Aging housing stock
- ✓ Low price point

□ NACOGDOCHES HOUSING MARKET

- ✓ Housing Supply increased to 3.3 months
- ✓ Housing starts down 23% Nov 22 to Dec 22 in Angelina Co
- ✓ Rental Rates have increased in Angelina Co 5.79% (*rent for a two-bedroom home was \$881 per month vs \$932 in 2023*)

<https://www.rentdata.org/angelina-county-tx/2023>

Economic Real Estate Cycle



❑ SINGLE FAMILY DEMAND

Take aways:

- ✓ Strong demand for seniors and mature families
- ✓ Higher demand under \$350k
- ✓ Appx deficiency of 48 units of single family per year

Single Family Demand By Age/Price Point

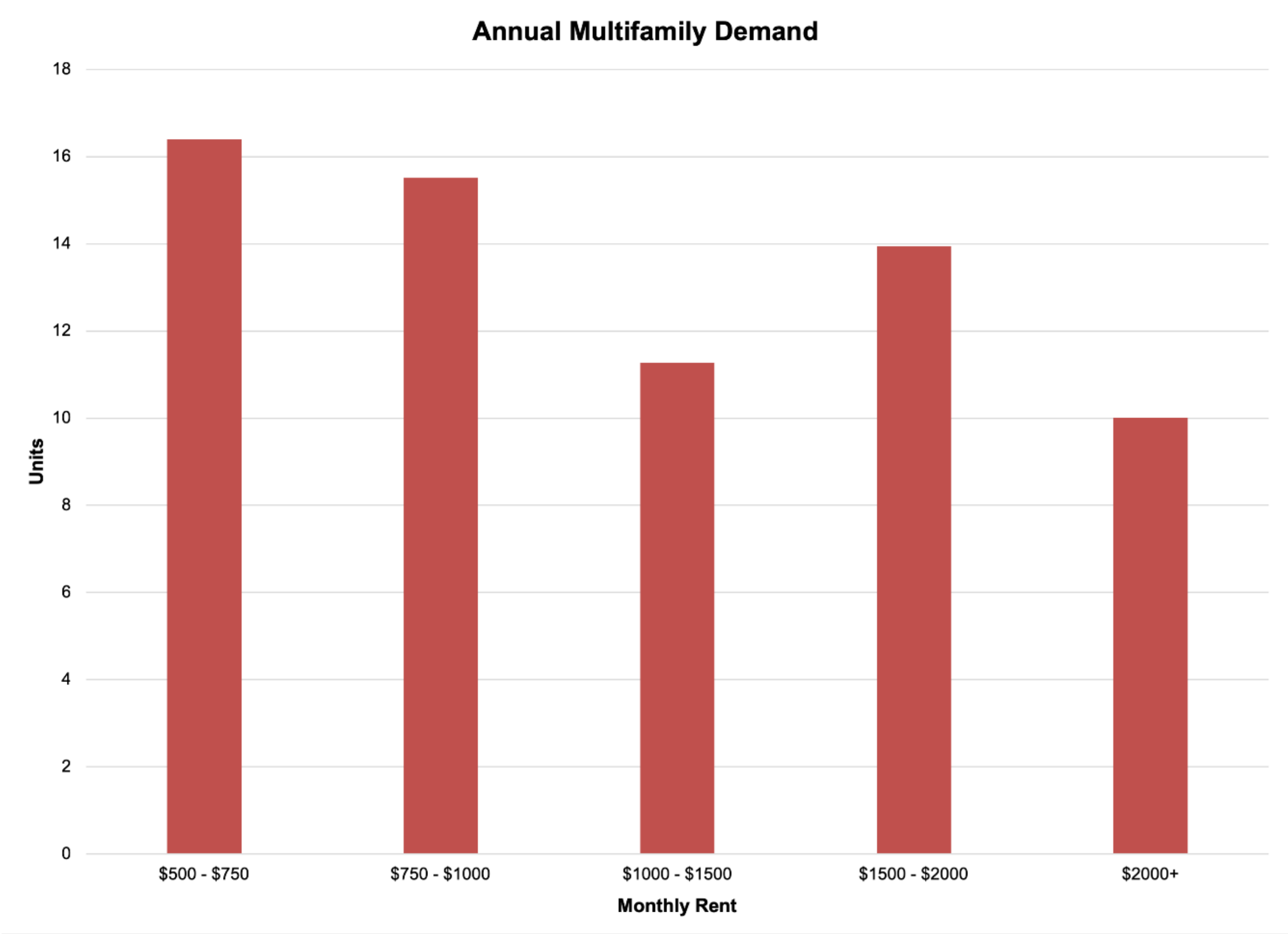
	25-34	35-54	55-64	Ages 65+	Total
Homes < \$200k	0	11	2	17	30
Homes \$200k - \$250k	2	8	3	6	19
Homes \$250k - \$350k	1	6	2	5	14
Homes \$350k - \$450k	1	3	1	2	7
Homes \$450k+	0	2	1	2	5
	4	30	9	32	75

Single Family Gap Analysis

Year	Single Family Building Permits	Annual Est. Demand	Annual Unmet Demand
2017	25	75	50
2018	28	75	47
2019	24	75	51
2020	33	75	42
2021	40	75	35
2022	14	75	61
Average	27	75	48

❑ RENTAL DEMAND

- ✓ Demand across all rental ranges
- ✓ Total demand ~87 units per year



Multifamily Annual Demand (by age and rental rate)					67 units
	Ages 25-34	Ages 35-54	Ages 55-64	Ages 65+	Total
Rental Rate <\$1,000	6	9	4	14	32
Rental Rate \$1,000 - \$1,500	2	4	1	4	11
Rental Rate \$1,500 - \$2,000	3	4	3	5	14
Rental Rate \$2,000+	1	4	1	4	10
Non-Multifamily Renter-Occupied Annual Demand					20 units

□ NEIGHBORHOOD UNIT ANALYSIS

Each Neighborhood Unit included the following factors:

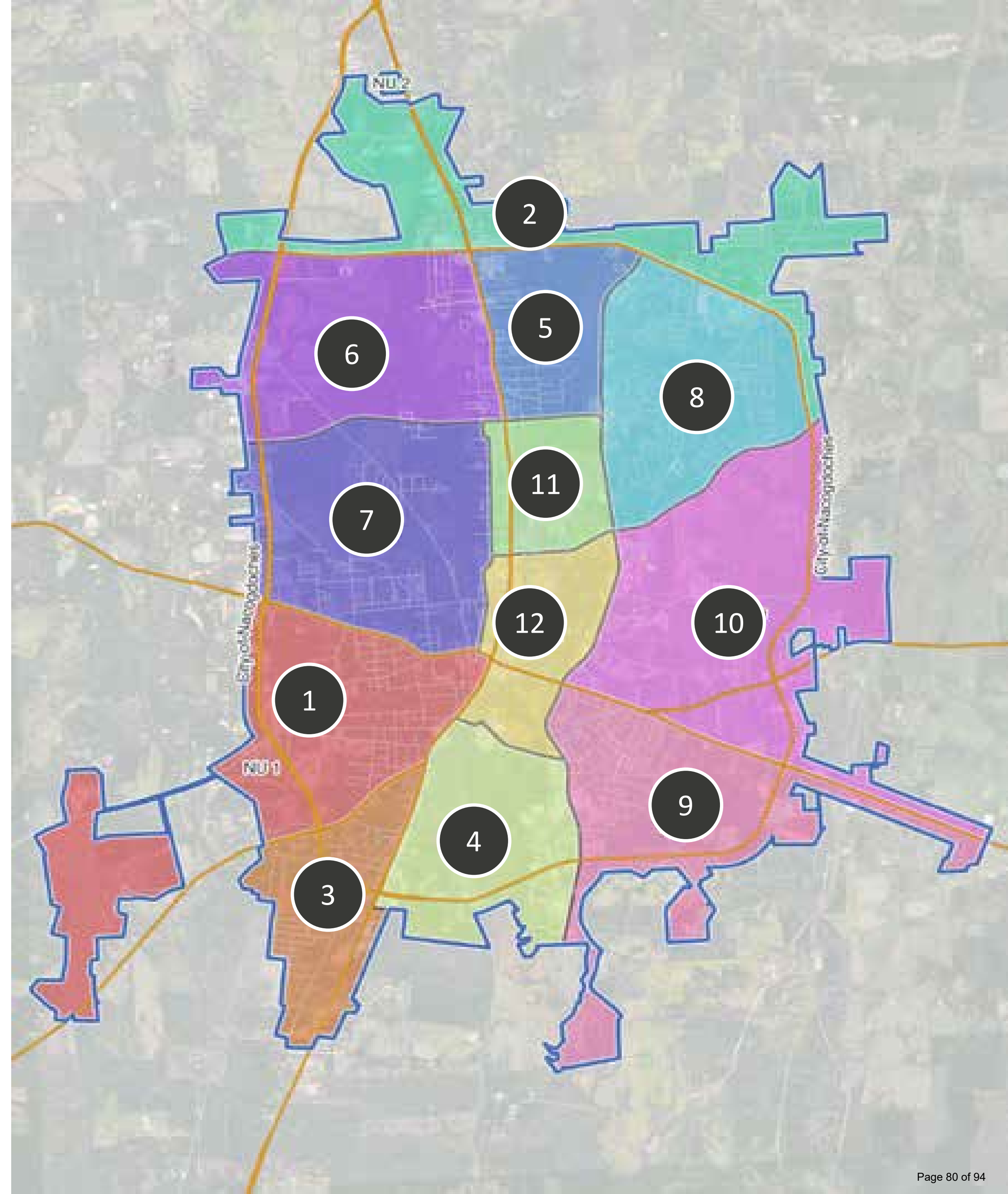
- Number of Households
- Percent of Owner-Occupied Households
- Percent of Single-Family Detached Households
- Median Year Built
- Median Household Value

Summary:

- Stable neighborhoods
- Broad Range of housing stock
- Proximity to natural areas
- Good accessibility

Major Issues:

- Disinvestment
- Concentration of rentals
- Code compliance
- Aging commercial



Variable	NU 2	NU 10	NU 9	NU 7	NU 6	NU 8	NU 4	NU 5	NU 3	NU 1	NU 13	NU 12	NU 11
2022 Total Population	32,066	3,464	2,939	3,033	1,253	3,782	1,331	1,767	2,038	2,967	2,402	2,010	5,055
2022 Median Household Income	\$40,361	\$38,241	\$28,025	\$26,639	\$39,763	\$56,803	\$44,847	\$50,557	\$55,385	\$41,850	\$56,645	\$21,347	\$28,600
2022 Total Households	12,347	1,659	1,130	1,221	532	1,772	474	911	718	1,165	981	990	793
2022 Median Home Value	\$167,769	\$188,187	\$73,423	\$65,302	\$121,500	\$212,153	\$108,553	\$241,667	\$129,198	\$100,909	\$218,820	\$130,588	\$88,235
2022 Black/African American Population (%)	25.93%	37.04%	60.60%	46.98%	28.09%	9.44%	22.84%	16.19%	14.52%	20.16%	14.32%	25.02%	15.49%
2022 American Indian/Alaska Native Population (%)	0.66%	0.95%	0.58%	0.46%	0.24%	0.45%	2.03%	0.45%	0.88%	1.18%	0.37%	0.65%	0.32%
2022 Asian Population (%)	1.65%	1.62%	0.37%	1.02%	2.71%	2.72%	1.35%	3.51%	1.03%	0.67%	4.25%	1.49%	0.81%
2022 Pacific Islander Population (%)	0.01%	0.03%	0.00%	0.00%	0.00%	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2022 Other Race Population (%)	10.10%	6.50%	10.55%	9.66%	11.65%	2.38%	24.57%	2.77%	24.58%	23.49%	3.71%	5.87%	7.75%
2022 Population of Two or More Races (%)	8.99%	8.66%	6.84%	8.14%	8.70%	7.46%	13.90%	7.47%	14.52%	14.05%	7.08%	7.16%	7.83%
2022 Renter Occupied Housing Units (%)	61.08%	73.42%	59.82%	76.41%	58.83%	44.24%	53.38%	57.08%	33.01%	53.91%	49.85%	78.38%	89.91%
2022 Owner Occupied Housing Units (%)	38.92%	26.58%	40.18%	23.59%	41.17%	55.76%	46.41%	42.92%	66.99%	46.09%	50.15%	21.62%	10.09%
2020 Median Year Structure Built (Total Housing Units)	1982	1996	1980	1981	1975	1984	1972	1981	1977	1971	1987	1967	1980

NEIGHBORHOOD

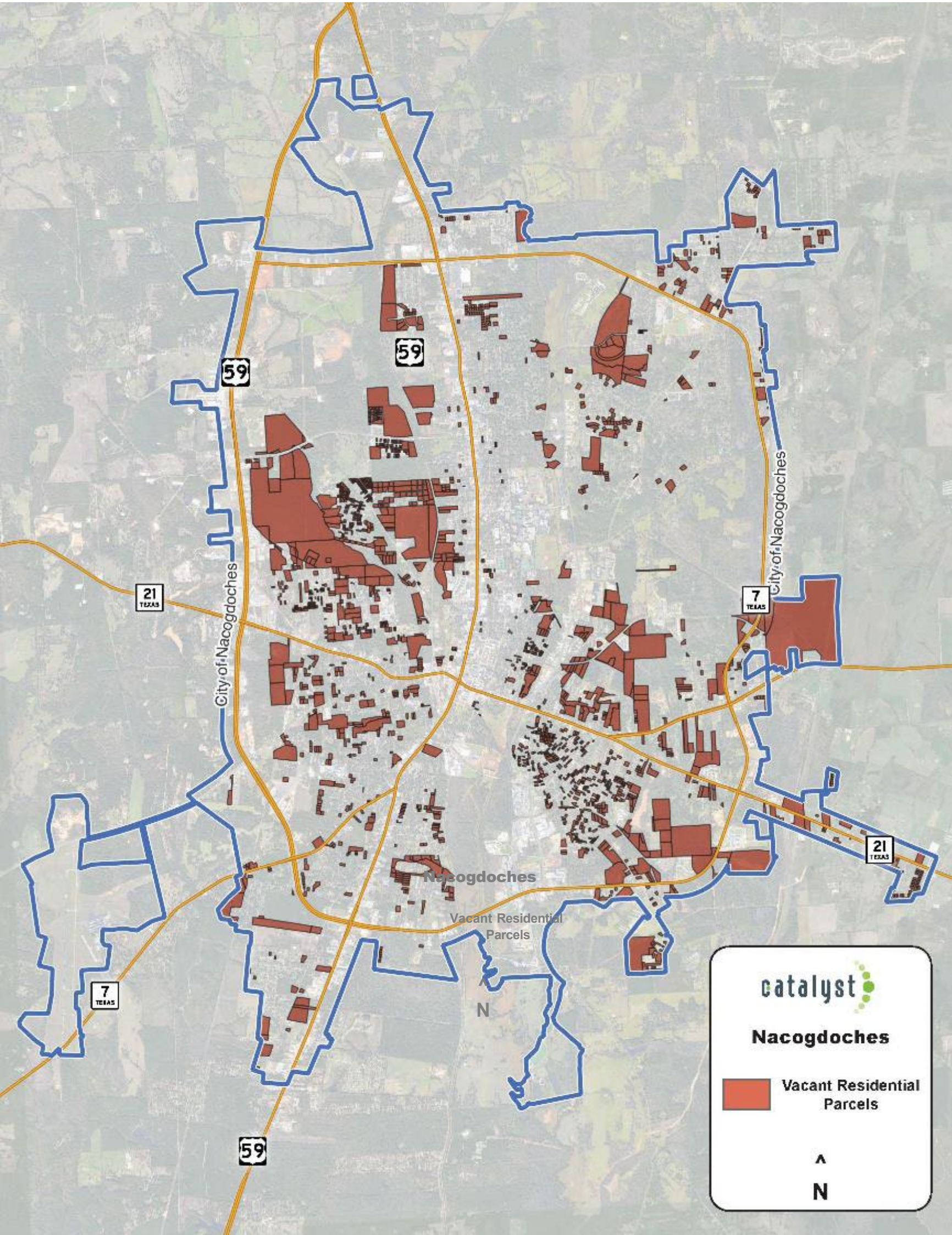
UNITS

INFILL DEVELOPMENT OPPORTUNITIES

Future vacant parcel near or adjacent to existing neighborhoods makes use of existing city infrastructure (roads, water, sewer, electric) without the additional cost of extending these utilities and building new infrastructure for greenfield housing development. Infill housing costs the city much less than new development and makes use of infrastructure that is already actively maintained by the city.

- ✓ increase neighborhood quality
- ✓ brings additional revenues to the City

Category	Owner-Occupied Residential	Renter-Occupied Residential
Opportunities	• Vacant lots within subdivisions offer opportunity for new homes • Restoration of existing outdated and historic homes	• Opportunity for a wide range of housing product • Vacant land in close proximity to Downtown, campus, retail clusters.
Challenges	• Housing code violations affect investment • Lack of adequate or aging infrastructure • Qualifying incomes and the rising cost of housing creates financial gaps	• Maintaining local character • Activating areas around multifamily with parks, trails, and retail.
Target	• Quality market rate developments that align with the character of each neighborhood	• Affordable multifamily that promotes local character and supports close retail
Current Market	• Median home value: \$141,855	• Multifamily market rent: \$810



Over 2,000 residential parcels
approximately 11.6% of Nacogdoches

GOAL: FOSTERING HEALTHY NEIGHBORHOODS

R.1. Code compliance

Increase code compliance to established standards in existing neighborhoods. Adherence to existing codes increases the quality of neighborhoods and encourages development activity on both greenfield and in fill sites. Increased compliance and subsequent increases in neighborhood health results in increased property values and tax revenues.

R.2. Home improvement incentive program

Consider creating a program to incentivize homeowners to reinvest in their houses. This program will help improve the housing quality in Nacogdoches, lower the financial obstacle for homeowners, and demonstrate the City's commitment to reinvest in residential neighborhoods. One way to fund this program back to the homeowner would be an advance of the net increase in city property tax revenue in the form of a grant.

R.3. Development connectivity

Explore mobility connections to allow the option of utilizing alternative modes of transportation (walking or biking) to access retail, commercial, office, Downtown, restaurants, and entertainment. Expand the network traveled by alternative transportation and explore opportunities to remove impediments to connections that can improve multi-modal options. Explore I-69 coordination to ensure that neighborhood impacts are mitigated and that the improvements expand safe options for alternate modes of transportation.

R.4. Refinement of internal permitting processes

Review current city codes and internal processes to identify regulations and standards that can be modified to align with higher-quality standards. Explore current staffing and process to identify any roadblocks in obtaining entitlements and permits for new construction, or other impediments to quality development.

R.5. Promote existing developable tracts

Review all large parcels that fall within residential zoning or future land use plan districts. This review should include a discussion with the current landowner to gauge on willingness to sell, timing, and pricing. Prioritize parcels for city efforts and promotion to residential developers. Prioritize tracts that have access to additional programs such as the Opportunity Zones that can leverage investment interest.

R.6. Explore jump-start housing program

Explore creating a public private partnership housing investment program to identify developers in target areas for single family infill development (aging or dilapidated housing as well as vacant lots). This program would help to address infrastructure and other development impediments that are difficult and prohibitively expensive for a developer to address as individual, infill lots.

□ RECOMMENDATIONS

Recommendations:

- Create a nuanced [neighborhood revitalization program](#) to address unique challenges and opportunities within each neighborhood including investment, amenities, connectivity, and other factors..
- Create a list of [developable parcels](#) and work with local partners to promote housing opportunities to developers, builders, and home buyers
- Explore citywide [funding](#) mechanisms to help address key issues and incentivize quality development and redevelopment
- Streamline the [permitting process](#) for new development
- Explore land banking and other strategies to help [consolidate parcels](#)
- Develop a [pattern book](#) that includes pre-approved designs that help maintain quality and neighborhood integrity
- Update [standards](#) to maintain quality development and neighborhood integrity
- Expand and improve [code compliance/enforcement](#)

□ RECOMMENDATIONS



□ LAND USE / DEVELOPMENT REGULATIONS

□ CURRENT ZONING BARRIERS



- Many zoning rules are static (difficult to adapt to changing conditions)
- May prevent the actual types of development the city desires - relies too much on separation of uses (mix of land uses, residential types and redevelopment in existing neighborhoods is often prevented)
- May make housing more expensive that can be afforded in the city (due to cost of land, high infrastructure costs, large lot and home requirements, and outdated development standards)
- Applies the same standards to existing development as well as new development making it challenging for existing development to be redeveloped.

□ STRATEGIES



- Balance flexibility with predictability
- Tailor standards for existing neighborhoods and corridors (not just new development)
- More flexible uses and "missing middle" housing
- Make zoning and subdivision regulations easier to understand and straightforward
- Facilitate good governance and balance the needs of the community with development interests by depoliticizing final approvals

□ DEVELOPMENT COSTS



1. Land acquisition costs
2. Cost of planning, design, and approvals
3. Horizontal development costs (public infrastructure - roads, water, sewer, drainage, private utilities)
4. Vertical development (home builder costs)
5. Amenities and off-site costs (parks, trails, entry features)
6. Marketing and overhead costs

□ DISCUSSION



- What are your initial thoughts / concerns?
- Are we missing any recommendations?



❑ NEXT STEPS + UPCOMING MEETINGS

□ NEXT STEPS



Next Steps:

- Public Survey 4 Jan-Feb 2023
- Draft Policies + Implementation Strategies Jan-Mar 2023
 - CPAC & DTAC
- Preliminary Draft Plan March 2023
- Plan Public Hearing Process April-May 2023

For More Information – Visit:

nactogether.com



Final Thoughts

planning | architecture | landscape architecture



City Council Meeting

Date: January 25, 2023

Agenda Item: 6.A.

PRESENTER: Jimmy Mize, Mayor

ITEM/SUBJECT: Personnel Matters - Pursuant to Texas Government Code Section 551-074, deliberations regarding the appointment or employment of a public officer or employee. The subject of this Executive Session is to discuss City Manager search and interim City Manager.

SUMMARY/BACKGROUND:

FINANCIAL:

No financial impact associated with this item

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

Not Applicable

CITY CONTACT: Jimmy Mize, Mayor
mizej@nactx.us

ATTACHMENTS:



City Council Meeting

Date: January 25, 2023

Agenda Item: 6.B.

PRESENTER: Steven Kirkland, City Attorney

ITEM/SUBJECT: Consultation with City Attorney - Pursuant to Texas Government Code Section 551.071, deliberation regarding attorney's advice concerning pending or contemplated litigation or a settlement offer, or on a matter in which the duty of the attorney to the governmental body under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.

SUMMARY/BACKGROUND:

FINANCIAL:

No financial impact associated with this item

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

Not Applicable

CITY CONTACT: Steven Kirkland, City Attorney
kirklands@nactx.us
936-559-2503

ATTACHMENTS: