# HousingNOLA

# Preliminary Report

## August 21, 2015

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## GREATER NEW ORLEANS HOUSING ALLIANCE

*HousingNOLA* is managed by the **Greater New Orleans Housing Alliance (GNOHA)**, a collaborative of housing builders and community development corporations advocating for the preservation and production of affordable housing within the Greater New Orleans area. **GNOHA's** mission is to collaborate and support member efforts to build affordable housing for the residents of the Greater New Orleans area in an ethical and efficient manner.

At *HousingNOLA's* June Housing Summit, we asked residents a series of questions about their neighborhoods. The four panels on the cover were created by local artists at the Summit, capturing the responses of community members of all ages.

# Introduction

Hurricane Katrina and the subsequent levee system failures destroyed more than 275,000 homes and disrupted countless lives across the Gulf Coast. For the past 10 years, passionate residents have been working with non-profit, community-based organizations to rebuild their homes and create a more equitable and resilient New Orleans. In early 2014, the Foundation for Louisiana's TOGETHER Initiative convened a group of residents and non-profits to develop strategies for improving housing policies and increasing equity in New Orleans. What emerged from the TOGETHER Initiative was a desire to build off community engagement efforts since 2005, to keep the momentum going beyond recovery and plan for the future of housing and neighborhoods in New Orleans. *HousingNOLA* grew out of these discussions, and this Preliminary Report is just the first benchmark. The *HousingNOLA* process will continue to engage New Orleans residents and key stakeholders in a community-led planning process that will create a road map for addressing housing needs over the next ten years.

The Plan is divided into two distinct reports: the release of this document in August 2015, and the final *HousingNOLA Plan* scheduled for release in November 2015. This Preliminary Report serves as a product of the research, community engagement, and discussions that have occurred through the *HousingNOLA* process. The Greater New Orleans Housing Alliance (GNOHA) was chosen by the group to manage the *HousingNOLA* process, assisted by fair housing advocates, developers, and City and State officials – in partnership with civic, neighborhood, business, and philanthropic leaders.

New Orleans is evolving into a very different place from what it was before Katrina. Though its population is still below pre-Katrina levels, New Orleans is one of the fastest growing cities in America, according to the U.S. Census Bureau. Evidence shows the growing population is not just the result of returning residents, but also an influx of new residents. Before Katrina, New Orleans was a relatively insular city, a city where many people were "from here," deeply rooted in their neighborhoods, traditions, history and unique culture. As the city rebuilds, many long-time residents are worried about the economic effects newcomers will have on the city – especially in the area of keeping homes affordable.

While renewal continues and the threat of another hurricane lingers in the back of people's minds, recovery is no longer the main issue that will determine the future of this city when it comes to housing. New Orleans now has to deal with changing demographic realities, diminishing federal funding sources for creating affordable homes, and an inadequate supply of housing. The challenge is, can New Orleans evolve to meet the housing needs for a broad range of lifestyles, ages and incomes, while also retaining the traditions and values that make up the cherished parts of her unique cultural identity?

*HousingNOLA* is the result of New Orleanians coming together to create a visionary document that reflects upon housing in the past, analyzes our present state of housing, and recommends strategies for making better housing-policy decisions in the future. If Katrina taught us anything, it's that local wisdom and the resiliency of its people are this city's greatest assets. As the first phase of the *HousingNOLA* process, we look forward to your feedback, engagement in the process, and commitment to creating a New Orleans that is more resilient to future challenges and continues to build a more inclusive city for all New Orleanians. Please check on our progress, and see how you can get involved at *HousingNOLA.org*.

# The *HousingNOLA* Process

The Executive Committee is made up of the Greater New Orleans Housing Alliance (GNOHA), the manager of the plan and process; the Foundation for Louisiana, the major financial contributor; the City's Office of Housing and Community Development, representing the City of New Orleans; as well as the co-chairs of our Policy, Data and Community Engagement working groups.

The Leadership Board sets the wider table of stakeholders in our city, both the usual participants in civic engagement as well as the "unusual participants". This includes public officials, community leaders, neighborhood associations, cultural bearers, financial institutions, policy developers, individuals representing education, philanthropy, hotel and lodging, restaurants, transportation, green building, criminal justice, and special needs advocacy, non-profits and real estate developers, and our funding partners.

Our working groups offer technical guidance to the Leadership Board by providing expertise in policy development, community engagement and data analysis. Each working group is made up of two co-chairs that are elected by their members. The Community Engage-

ment Working Group conducts outreach to residents, neighborhood groups and key community stakeholders in order to discern community priorities. The Engagement Group also leads *HousingNOLA*'s Review Team, made up of residents who review the planning documents for clarity and relevance. The Data Working Group creates a baseline of information to educate and provide research assistance to the Policy and Community Engagement Working Groups. The Policy Working Group is made up of practitioners and community leaders that synthesize data, community input and existing housing policy into policy recommendations that will make up the backbone of *HousingNOLA*.

The most important piece is the involvement of residents. A big part of the creation of *HousingNOLA* has been informing residents of the process and resources available to them through neighborhood meetings and community events. Our goal is to engage community members to become ambassadors of *HousingNOLA,* by helping them develop an understanding of housing policy and the resources available to them and their community. Through this process, we seek to create a plan created by New Orleanians, for New Orleanians.

## Vision and Goals

*HousingNOLA will not just be a 10-year plan, but a 10-year process.*

Building upon the expertise and learned experience of those involved in New Orleans' recovery, *HousingNOLA* will serve as a road map for maximizing the effectiveness of scarce government resources, increasing non-traditional resources, and assisting private sector investors in making strategic choices for housing investments. This Plan will serve as a data framework to inform future housing policy, so we can implement more thoughtful and scalable programs that create housing that is affordable for all income levels.

The *HousingNOLA* Plan will set the standard for crafting new housing policy by:

- Examining the state of the housing and community development sector in New Orleans post-Katrina.

- Recommending how New Orleans can leverage private resources and City, State, and Federal funding sources moving forward.

- Identifying what policies currently exist and what policies need to be created to create a more equitable New Orleans that provides housing options for all.

- Creating a process for benchmarking progress over the next 10 years in the housing sector.

In order to create a benchmark of where the City of New Orleans has been, where it is currently, and where it's going, *HousingNOLA* seeks to achieve the following:

*The HousingNOLA Plan will lay out how our community can provide high-quality, safe and accessible housing that is affordable for individuals and families of all income levels throughout New Orleans.*

*HousingNOLA* will use the following goals to document its progress in specific areas within the housing and community development sector:

- Preserving existing housing and expanding the total supply of affordable rental and homeownership opportunities throughout the City of New Orleans.

- Understanding where displacement is happening in New Orleans and preventing future displacement.

- Enforcing and promoting fair housing policies throughout New Orleans.

- Encouraging sustainable design and infrastructure for all New Orleanians.

- Improving neighborhood quality of life.

- Increasing accessibility for all residents, including special needs residents.

## Previous Housing Initiatives & Plans

*HousingNOLA* is a community-led process intended to provide a road map for how housing policy is to be implemented over the next 10 years. Our process builds off of lessons learned from a wealth of planning processes that have happened since 2005. In our Final Plan, we will highlight key takeaways from the following plans:

- Bring Back New Orleans Plan

- Unified New Orleans Plan (UNOP)

- New Orleans Neighborhood Recovery Plan

- Comprehensive Zoning Ordinance

- Master Plan

- City of New Orleans 10-Year Plan to End Homelessness

- Analysis of Impediments to Fair Housing Choice

- People's Analysis of Impediments

- City of New Orleans Consolidated Plan

- Transition New Orleans Plan

The above plans and processes informed the Master Plan and the Comprehensive Zoning Ordinance, or CZO—the two city planning documents that are grounded in the City Charter. Together, these documents lay out the vision for future development in New Orleans. Both the Master Plan and CZO take as a key principle that housing needs for all New Orleanians should be met. These plans, however, are not specifically focused on the strategies that will enable us to meet this goal. The *HousingNOLA* plan will help build those strategies so that our investments, our partners, and our resources all focus on the same set of goals.
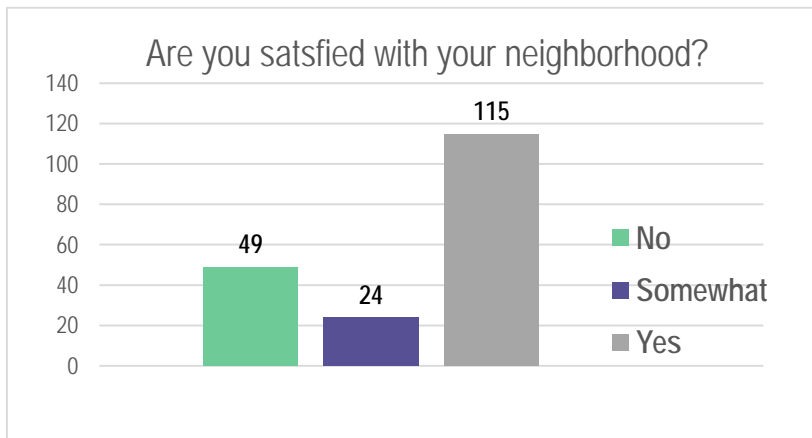
## Community Engagement

Community engagement is a central component for the *HousingNOLA* planning process. We strive to create a comprehensive, community-led process to guide the goals and the vision of the *HousingNOLA* plan. So far our team has conducted 30 Points of Engagement for stakeholders and directly engaged approximately 1,500 residents through outreach events.

*Figure 1: Survey Question from HousingNOLA Summit, 6/6/2015*



Are you satsfied with your neighborhood?

No: 49
Somewhat: 24
Yes: 115

### Housing Summit

On Saturday, June 6th, at A. L. Davis Park in Central City, *HousingNOLA* held a Housing Summit for New Orleans residents to kick off the planning process and get direct feedback from residents. Participants provided feedback on what makes their neighborhoods great and what needs improvement, and how all of us (city government, housing advocates, and residents) can be part of creating safer, more affordable neighborhoods. A week later, a Latino Housing Fair was held at Jericho Road Episcopal Housing Initiative to ask Spanish-speaking residents the same questions about their positive and negative experiences with housing and their neighborhoods.

A survey of Housing Summit participants presented a range of opinions on how New Orleanians perceive their neighborhoods. The information included in the survey encouraged people to express their feelings mostly through open-ended questions that allowed the residents to use their own words. Of the 199 survey responses, 59 included information on the neighborhoods they live in.

Overwhelmingly, respondents said they like their neighborhoods, and they largely credit their friends and family in the area for their high level of satisfaction. They also enjoy the ease with which they can walk to the store, the absence of heavy traffic, and the close proximity to amenities like parks and schools. Those who are dissatisfied with their neighborhoods frequently cite problems with crime and violence. Those who are dissatisfied also offer examples of blighted properties and poor sidewalks, reflecting a deep concern with the degradation of the built environment."

*Figure 2: Survey Question from HousingNOLA Summit, 6/6/2015*



*HousingNOLA* will continue its outreach through the planning process and beyond. We view community engagement as a central component of the planning process, from education about available resources to direct engagement and advocacy on issues that impact New Orleanians' homes and neighborhoods. In order to incorporate the stories and experiences of New Orleans residents and create a data-driven plan for the next decade, the next section outlines how we will analyze how New Orleans has changed over the last 10 years and what is in store for the next 10 years.

### Data Sources

The *HousingNOLA* Plan relies on a combination of U.S. Census and U.S. Department of Housing and Urban Development data for its analysis. U.S. Census data includes the U.S. Census Bureau's 2009 to 2013 5-Year American Community Survey estimates, 2010 Census, and Census 2000 Summary File Sample Data. The Plan also relies on 2008 to 2012 Comprehensive Housing and Affordability Survey estimates for its housing affordability data.

This information is supplemented by data provided by the City of New Orleans Housing and Community Development Department, New Orleans Redevelopment Authority, the State of Louisiana's Division of Administration's Office of Community Development, the Louisiana Housing Corporation, Finance Authority of New Orleans and the National Association of Realtors Multiple Listing Service. Additional data was provided by Greater New Orleans Housing Alliance membership, which includes housing and community developers.

### Neighborhood Methodology

*HousingNOLA* believes that people in New Orleans think in terms of neighborhoods, not Census definitions. In an effort to make the *HousingNOLA* study as accessible as possible, the Plan uses neighborhood boundaries in place of traditional Census geographies. While neighborhood boundaries remain contentious within New Orleans, *HousingNOLA* uses the Neighborhood Statistical Areas developed by the Data Center (formerly the Greater New Orleans Community Data Center) as its point of reference for reporting at the neighborhood level.[1]

# State of Housing Affordability

New Orleans is renowned for its culture, its neighborhoods and its people. In order to retain our most precious asset, our residents, we need to ensure that everyone has an affordable place to call home. From first responders to hospitality employees, teachers, child care workers and cultural bearers, all New Orleanians deserve access to a safe, affordable place to live.
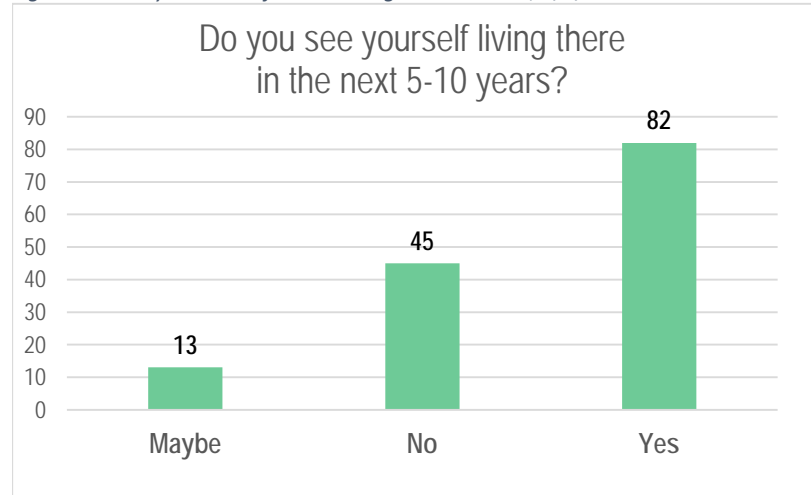
*What is "affordable housing"?*

We define an affordable home as what individuals and families can afford to pay towards their rent or mortgage and still have enough money left over to afford other life necessities, including transportation, food, education, insurance, savings, and other living expenses.

The U.S. Department of Housing and Urban Development (HUD) considers housing affordable if renters are paying less than 30% of their income on housing, including rental and utility payments. For homeowners, affordability means paying less than 30% on mortgage, utility, property taxes and insurance payments. HUD uses Area Median Income (AMI) categories to provide a baseline definition of household income to support their housing policy and analysis. 58% of New Orleans renters pay over a third of their income on housing costs, and 37% pay over half of their income towards housing costs. This means that more than half of New Orleans renters are paying too much for housing. Table 2 below outlines the households income of moderate income extremely low income (Under 30% AMI), low income (30% to 50% AMI), and low income (50% to 80% AMI) in 2015.

**Affordable Housing Facts in New Orleans**

- "Fair market rent" in New Orleans for a one bedroom apartment is $767 monthly, or $9,204 yearly on rent.

- When adjusted for inflation, median income in New Orleans has dropped by 15% since 2000.

- Median income in New Orleans is $37,146.

- Median Rent is $765; average Home Value is $183,700.

- African American households disproportionately pay more of their income towards housing costs.

- Both rent and home values have increased close to 50% since 2000.

- More than 70% of all households pay more than one third or more of their income towards housing costs.

*Table 2: Department of Housing and Urban Development Income Categories[1]*

| | Area | 30% AMI | 50% AMI | 80% AMI |
|---|---|---|---|---|
| **2 Person Household** | New Orleans MSA | $ 15,930 | $ 24,000 | $ 38,400 |
| | Louisiana | $ 13,650 | $ 22,750 | $ 36,400 |
| | USA | $ 15,800 | $ 26,300 | $ 42,100 |
| | **Area** | **30% AMI** | **50% AMI** | **80% AMI** |
| **4 Person Household** | New Orleans MSA | $ 24,250 | $ 30,000 | $ 48,000 |
| | Louisiana | $ 17,050 | $ 28,450 | $ 45,500 |
| | USA | $ 19,750 | $ 32,900 | $ 52,650 |

# Key Demographic Trends in New Orleans, 2000 to 2015[2]

The City of New Orleans has changed drastically from 2000 to 2015. This section examines key demographic trends at the city and neighborhood level. The metrics included in this section are of particular importance to the housing market and the health of neighborhoods.

Between 2000 and 2015, the City of New Orleans experienced substantial shifts in population, households, income and housing. Among the significant changes are:

- The population decreased by 28%, and households decreased by 21%.

- The African American population has declined 34% (112,315 African American residents) since 2000. In 2013, 60% of the city's population is African American, down from 67% in 2000.

- The average size of households dropped slightly – by 6%, from 2.48 people per household in 2000 to 2.33 in 2013.

- The proportion of single households or households made up of unrelated people rose by 2%, the number of people living alone has increased by 6%, and the number of non-family households has increased by 7%.

- There was a significant decrease in the percentage of the population under 18, while the portion of the population between 19 and 34 years of age rose.

- The city's poverty rate remains incredibly high at 28% (100,605 residents living in poverty), an overall increase of 2% since 2000.

- Median household income remains unchanged since 2000, at approximately $37,000.

- The proportion of high-income households increased dramatically, while the proportion of very-low income households rose slightly.

- Educational attainment increased, with a particularly sharp drop in the percentage of individuals who did not complete high school.

- Housing costs rose dramatically for both renters and homeowners. Home values have increased by 54%, and rents have increased 50%[3]

- Homeownership rates remained unchanged, decreasing from 46% to 45%, still well below the national average of over 60%.

## Housing Conditions and Challenges in New Orleans
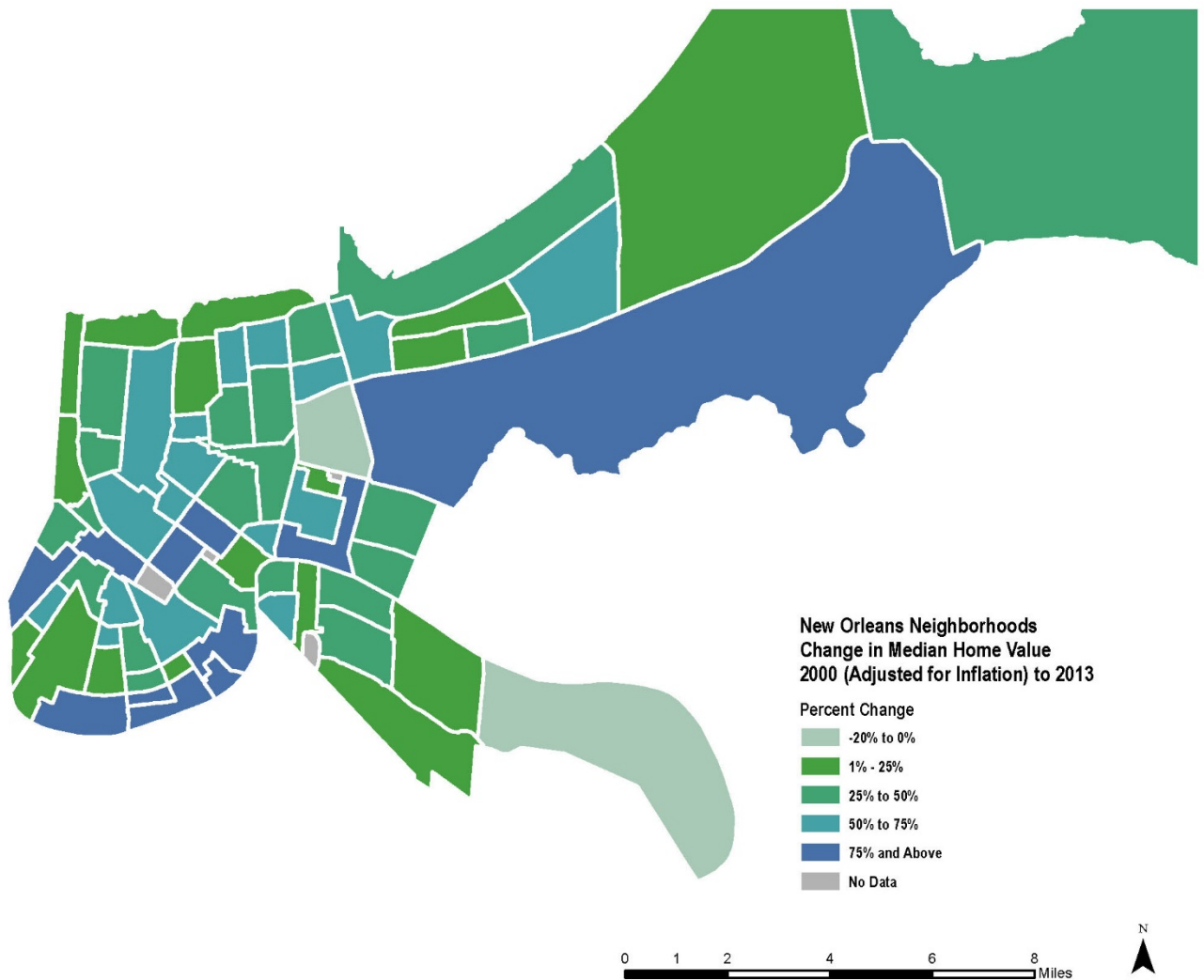
### Housing Costs and Quality

The city saw a substantial increase in housing costs from 2000 to 2013, far outpacing the increase in median incomes.

Rents have increased by 102% (50% when adjusted for inflation), while home values have increased 109% (54% when adjusted for inflation). As with income, the most drastic increases in home value have been seen at the high and low ends of the cost spectrum. The percentage of homes valued below $100,000 has been reduced by more than two-thirds, while the percentage of homes valued over $300,000 has more than tripled. While rents and home prices continue to increase, household income has not significantly changed since 2000.

Housing quality remains a challenge for renters and potential homebuyers in New Orleans. Twenty-five percent of residential properties sold in 2014 were listed as "average," "fair" or "poor" by the National Association of Realtors Multiple Listing Service. If homeowners are unable to keep up with repairs, code enforcement fines can lead to home sales, and for potential homebuyers, poorly maintained homes lead to higher immediate or long-term home repair costs.

Renters face additional challenges. In 2011, an estimated 78% of all rental units in New Orleans needed major repairs at some point during the year. *HousingNOLA* will provide updated numbers as available, but issues including inadequate bathrooms, kitchens, plumbing, water leakage, mold, and rodents continue to negatively impact rental properties in the city.[4] Without a system for inspecting rental units and a process for tracking and enforcing rental standards, New Orleans renters will continue to live in unsafe and unhealthy conditions.

*Map 1: Change in Median Home Value 2000-2013 (in 2013 Dollars)*



**New Orleans Neighborhoods
Change in Median Home Value
2000 (Adjusted for Inflation) to 2013**

**Percent Change**
- -20% to 0%
- 1% - 25%
- 25% to 50%
- 50% to 75%
- 75% and Above
- No Data

*Source: City of New Orleans, U.S. Census Bureau, 2000 Census, 2009 – 2013 American Community Survey 5-Year Estimate*

New Orleans is split evenly between renters and homeowners, and the homeownership rate remains unchanged from 2000 to 2013. Despite an influx of high income households, increasing rents and home values are pricing out low and moderate income households who may have previously been able to purchase a home. National trends and preferences play a role, where young and elderly households are choosing to rent and live within walkable neighborhoods. Many neighborhoods, including Mid-City, West End and St. Anthony saw a decrease in homeownership rates despite increases in income.

*Displacement*

Housing displacement occurs when residents are unable to continue living in their homes and must move to another location. Displacement can happen for a variety of reasons, but housing cost is a major contributor to the displacement of residents. The following factors play a role in the displacement of residents in New Orleans:

- Increasing real estate values due to major public or private investments may cause rents and property taxes in a particular area to rise, increasing homeowners' and renters' monthly costs.

- Other monthly costs of housing, such as utility bills (water, electric and gas) or flood insurance costs, increase.

Map 2 below highlights the potential displacement of African American renters across the city. The map shows areas where long-term residents were able to afford pre-Katrina rent prices, but are no longer able to afford current rents. The green areas mean that renters could pay 30% or less of their income for housing before Hurricane Katrina, but would now pay over 30% of their income towards housing costs. The shaded areas highlight areas that are majority African American, demonstrating that a majority of areas that were affordable to African American renters pre-Katrina are no longer affordable.

*Map 2: Renter Displacement: Long-term Resident Housing Affordability[5]*
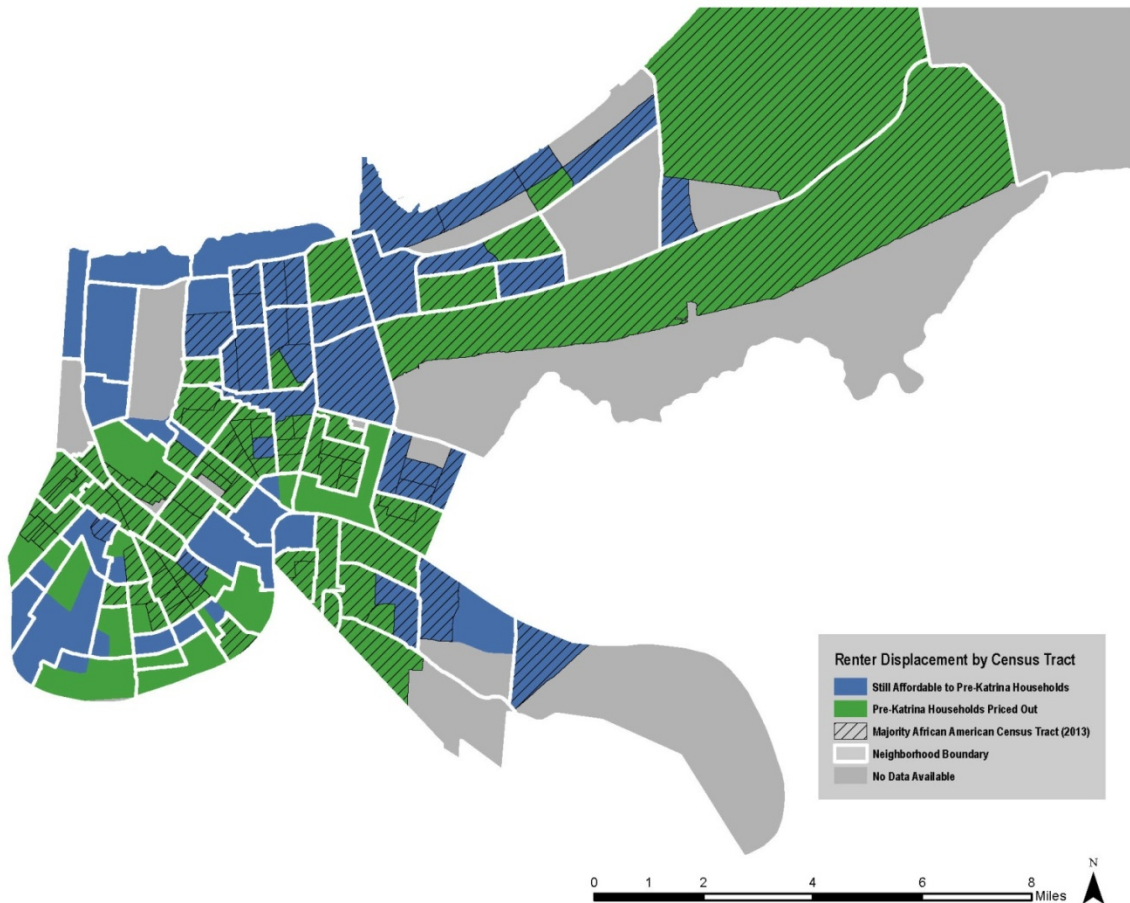


*Source: Greater New Orleans Fair Housing Action Center, 2015. Data Sources: 2009-2013 American Community Survey*

## Homelessness

The City of New Orleans continues to struggle with serving the needs of its homeless population, and also with expanding services and housing to reduce the time and frequency that people experience homelessness in New Orleans. The City and nonprofit leaders have made extraordinary progress since 2005, including the creation of the City's 10-Year Plan to End Homelessness; the first-of-its-kind Rebuilding Communities Shelter Plus Care Program, which provided additional housing vouchers to homeless individuals and families; and, in January 2015, New Orleans became the first city in the United States to End Veterans Homelessness in the nation.

*Figure 3: Point in Time Count: Homeless Individuals in 2005 and 2014*

## Point in Time Count: Homeless Individuals in 2005 and 2014

■ 2005   ■ 2014
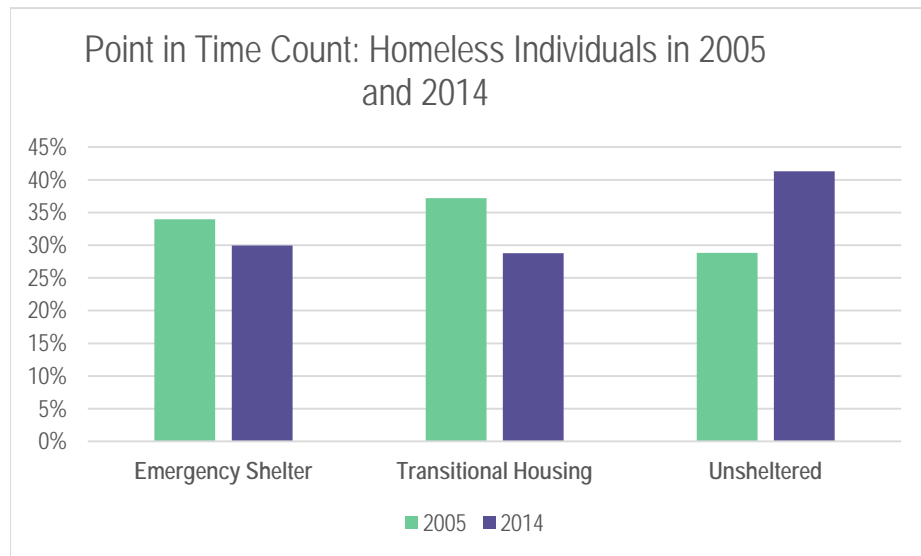
*Source: U.S. Department of Housing and Urban Development*

The goal behind ending homelessness is to create a system for reducing the amount of time a person or family is homeless, getting people off the street and into supportive services, and hopefully a permanent place to live. The graphics below show the progress that the City has made from 2005 to 2014, moving homeless individuals and families from emergency shelters and transitional housing to permanent supportive housing. Despite these successes, the number of unsheltered homeless individuals and families has increased overall since 2005.

While these figures use HUD's Point in Time Count, meaning they are direct tallies of homeless individuals and facilities on one night during the year. They highlight the ongoing challenges of not only finding homeless individuals and families, but also having the support system in place to provide services and housing options. In addition to the annual Point in Time Count, the Homeless Management Information System tracks where and what type of services homeless individuals and families receive over time. To provide an additional perspective, UNITY of Greater New Orleans, the continuum of care for the greater New Orleans region, served 10,000 individuals and families in 2004 and 21,000 in 2010. A large percentage of those surveyed during the Point in Time Count indicated that they had permanent housing before Hurricane Katrina, meaning the overall loss of rental housing and homeowners who were unable to rebuild remains a cause for homelessness in the city.

Housing costs also play a major role. For individuals who qualify for Supplemental Security Income (SSI), the monthly payment is $733 per month. The table 1 chart to the right outlines the current fair market rents in the New Orleans metro area. A person on SSI could only afford an efficiency unit, leaving them with $85 per month for all other costs.

*Table 1: 2015 Fair Market Rents for New Orleans Metro*

| Type of Unit | Fair Market Rent |
|---|---|
| Efficiency | $648 |
| 1 BR | $767 |
| 2 BR | $950 |
| 3 BR | $1,192 |
| 4 BR | $1,443 |

*Source: U.S. Department of Housing and Urban Development Fair Market Rent Documentation System, FY2015*

> *Special Needs Populations*
>
> *As of 2013, 14% of New Orleanians live with a disability. Despite this snapshot, data about the needs and housing available for persons with disabilities is lacking, and what exists does not provide a full picture into the type and placement of housing needed for specific groups of special needs populations. HousingNOLA has convened service providers and stakeholders from Special Needs groups including organizations or people from the following groups: homelessness, ex-offenders, people with physical disabilities, language access barriers, HIV/AIDS, Veterans and LGBTQ. Throughout the HousingNOLA planning process and subsequent 10 year implementation, HousingNOLA will continue to convene special needs stakeholders and incorporate their feedback and voice into the process.*

### *Limited Homeownership Opportunities*

In New Orleans prior to Hurricane Katrina, the ultimate American dream of homeownership was an attainable goal for many low- to moderate-income working families. However, with the average price of a three bedroom/two bathroom home at around $159,000, moderate income families face additional barriers to buying a home, including:

*Limited Supply of Undamaged Homes in the Market* - The limited supply of undamaged homes in the current New Orleans market has driven home prices up simply from a supply and demand basis. The average price of undamaged homes reached an all-time high of $292,679 in the last quarter of 2005, immediately following the hurricane. This amount represents a 26.2% increase over the first three quarters of the same year.[6]

*Increased Construction Costs* - New construction in the post-Katrina environment of New Orleans has seen a 20% increase in costs, pre-Katrina.[7] The increased costs in both materials and labor have pushed the prices of new construction and rehabilitated homes even higher.
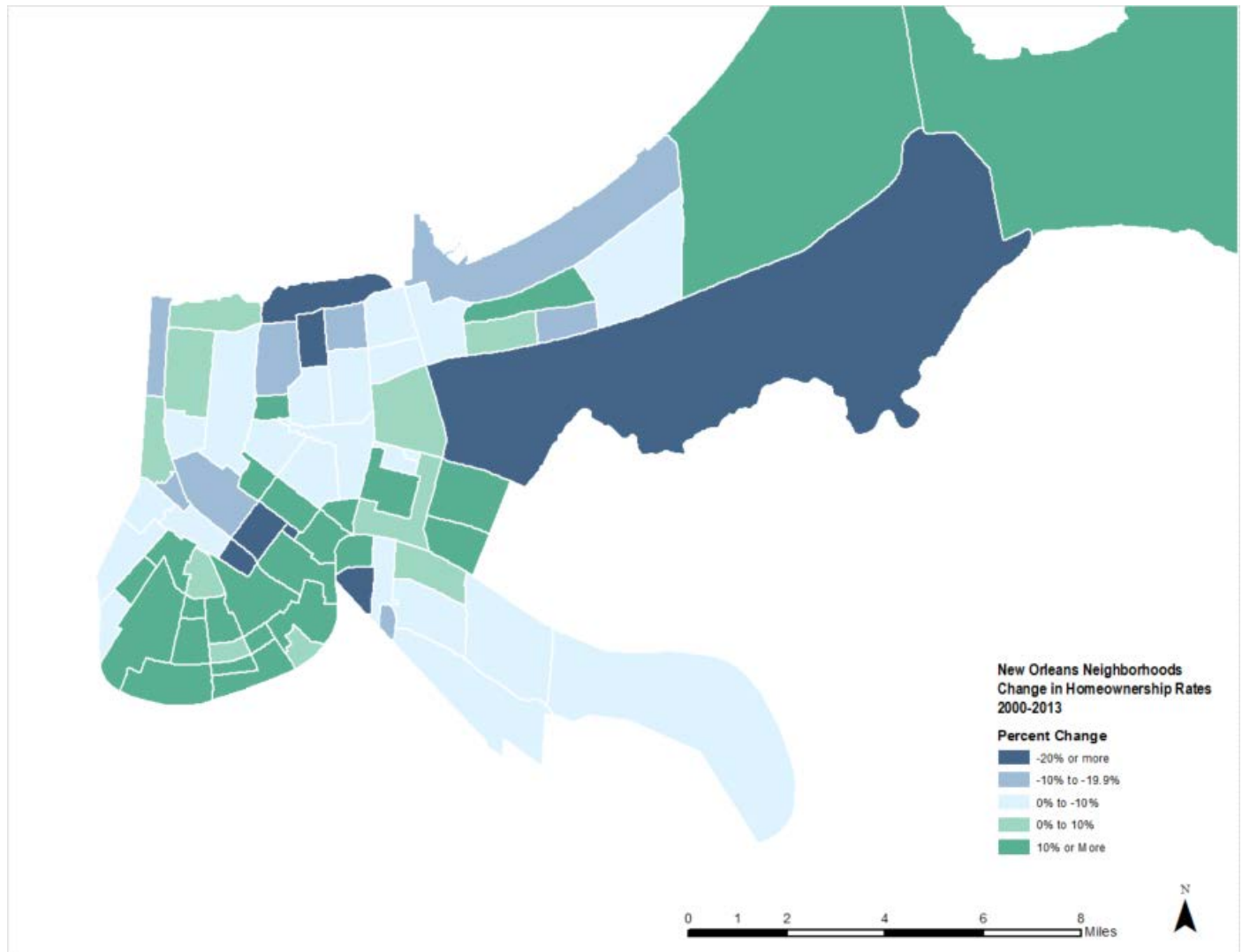
*Increased Insurance Premiums and Property Taxes* - Annual homeowner's insurance premiums have tripled and, in some cases for the newly insured, quadrupled in post-Katrina New Orleans. This is compounded by the fact that insurers are no longer writing new policies in New Orleans. New homeowners must rely solely on the "insurance of last resort", the Louisiana Citizens FAIR Plan. The Louisiana Insurance Commission predicts that the increased premiums will remain steady at these levels for at least the next five (5) years. Homeowners have also seen significant increases in flood insurance premiums.  Although homeowners have access to the generally affordable, federally managed flood insurance program, market conditions reflect an increase in these premiums as well, by as much as double in areas of the city that were flooded.

*Lack of Resources for Increased Gap Financing Needs* - The costs for starter homes in the New Orleans real estate market are currently averaging $90 to $100 per square foot, or $150,000 to $175,000 per home. Traditional gap financing programs such as Soft Second Mortgages, Individual Development Accounts (IDA) and Down Payment and Closing Costs Assistance Programs are an integral part of the process, but based upon current resources are very limited.

In addition to increased insurance premiums, since 2005 New Orleans homeowners have experienced increased property tax assessments in areas of the city that were not flooded. Homeowners in these neighborhoods have seen an average 42% increase in their assessed home values. The increased property tax liability coupled with the increased insurance premiums has resulted in escrow account payments for many first-time homebuyers of upwards of $400.00 per month. This poses a serious impediment in real affordability for families, and in some instances can determine if they qualify for a mortgage.

The following map shows the change in homeownership rates, by neighborhood, between the year 2000 and 2013. While much of the city has seen increases, many neighborhoods outside of Uptown have seen declining rates of homeownership.

*Map 3: Change in Homeownership Rates 2000-2013*



New Orleans Neighborhoods
Change in Homeownership Rates
2000-2013

**Percent Change**
- -20% or more
- -10% to -19.9%
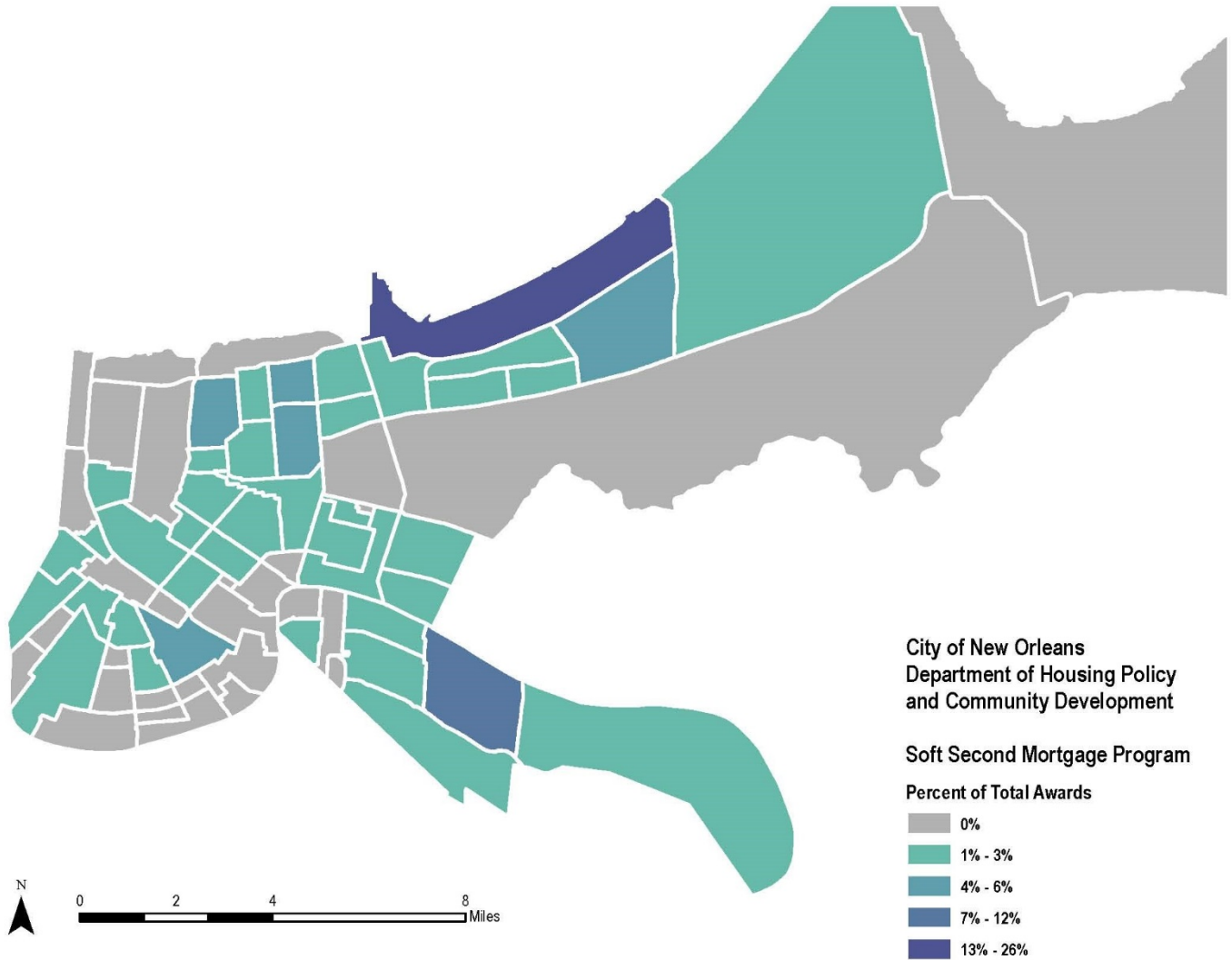- 0% to -10%
- 0% to 10%
- 10% or More

*Source: City of New Orleans, U.S. Census Bureau, 2000 Census, 2009 – 2013 American Community Survey 5-Year Estimate*

In an effort to help spur homeownership and meet the post-Katrina market demands for higher home prices, two programs were launched to assist first-time homebuyers. The first program was funded with $27 million of Disaster Community Development Block Grant funds through the Finance Authority of New Orleans (FANO) and served 1,140 families from 2005 to 2014. The City of New Orleans rolled out a $52 million program in 2012, and has served 891 families to date. Both programs featured an increase in the AMI (Average Median Income) limits for homebuyers from 80% to 120%, and a significant increase in the amount of subsidy families could receive for down payment and closing costs assistance. Both programs have exhausted their resources and are no longer accepting applications.

The City of New Orleans Soft Second Mortgage Program began in 2012, and has closed 891 homes across the city. The Soft Second program was funded by Community Development Block Grant Disaster Recovery funds. The average amount of a Soft Second Mortgage was $51,163, $5,139 for closing costs and an average of $91,169 for the first mortgage. The average purchase price for Soft Second Mortgage recipients was $146,584. Map 4 below shows where the City of New Orleans Soft Second program made awards across the city.

*Map 4: Percent of Total Soft Second Mortgage Funding by Neighborhood*



City of New Orleans
Department of Housing Policy
and Community Development

**Soft Second Mortgage Program**

**Percent of Total Awards**

- 0%
- 1% - 3%
- 4% - 6%
- 7% - 12%
- 13% - 26%

*Source: City of New Orleans, June 2015*

## Occupations, Wages and Education

Examining what New Orleans workers earn in relation to their housing costs shows that many key industries pay wages that make housing unaffordable to their employees. Many workers in New Orleans earn far less than the median annual income. In 2014, extremely low income households earned under $23,549 per year, very low income earned between $23,000 and $37,000, low income households earned $37,000 to $58,000, and moderate income earned over $58,000.

The following illustration demonstrates major occupations in New Orleans and the housing they can afford. For example, 33,801 employees work in the Accommodation and Food Services industry, and these housekeepers, bartenders, fast food employees and hotel desk clerks all earn under $23,000 a year. With so many residents working in these industries, it is critical that we create housing that is affordable for the workers who support the backbone of the New Orleans economy.

*Figure 4: Housing Costs by Occupation, City of New Orleans*
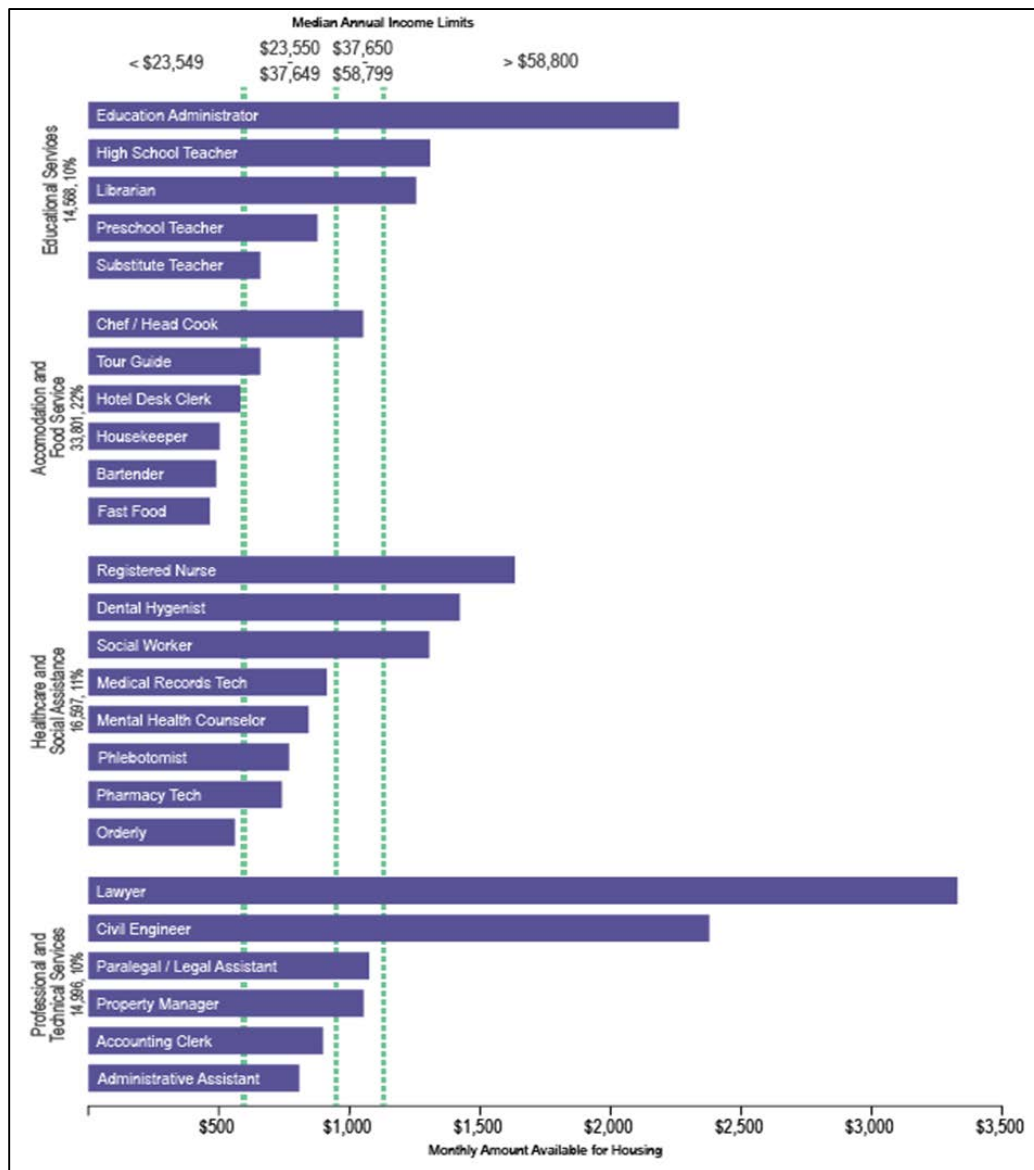


*Source: U.S. Bureau of Labor Statistics Metropolitan Area Occupational Wage Estimates, 2014. Income limits from Novogradac and Company, using New Orleans MSA income limits 2014.*

Income is frequently tied to educational attainment, a relationship that is demonstrated by changes in the population of New Orleans. Just as income has increased for many, so has educational attainment. Between 2000 and 2013, the proportion of the population over the age of 25 that had completed high school or beyond increased from 51% to 60%. The rate of individuals who completed high school without acquiring further education remained relatively stable, while the percentage of those who did not complete high school decreased dramatically between 2000 and 2013, from 25% to 15%.

*Figure 5: Educational Attainment in New Orleans 2000 and 2013*
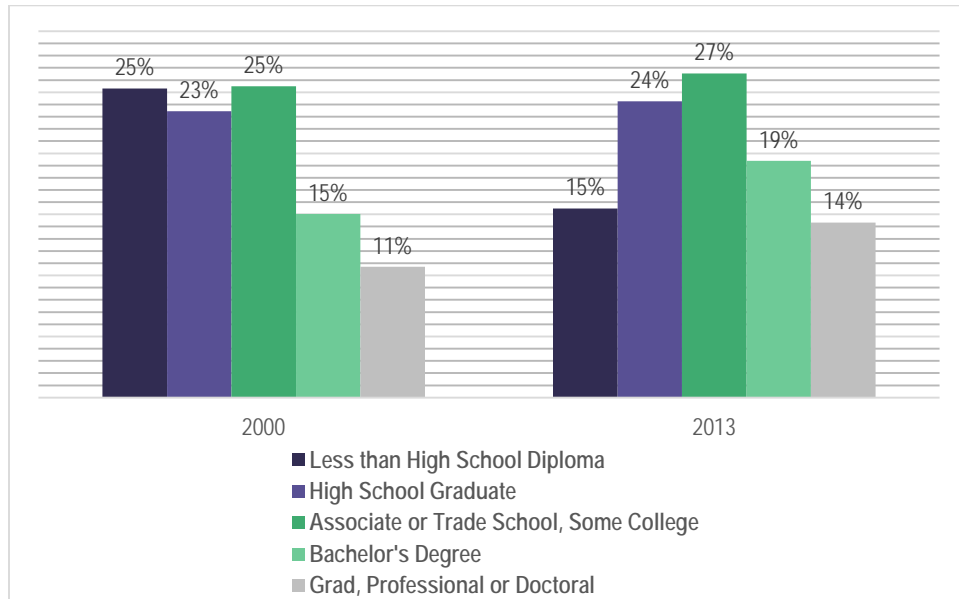


*Source: U.S. Census Bureau, 2009 – 2013 American Community Survey 5-Year Estimate*

## Affordable Housing in New Orleans

Housing is typically the highest cost for any household. However, we know that housing is only one of a household's expenditures. This section examines how much New Orleanians pay for housing. In 2013, 46,433 households (58%) in New Orleans paid more than one-third of their income towards housing costs, and 29,271 (37%) households paid over half of their income towards housing costs. Nationally, 39.8 million households (34%) pay more than one-third of their household income towards housing costs, and 18.3 million (15%) of those households spend over half of their income on housing costs.[8]

*Table 3: Cost Burdened Households, 2013*

|  | United States | | New Orleans | |
|---|---|---|---|---|
|  | Households | Percentage | Households | Percentage |
| Cost Burdened | 20,221,192 | 52% | 46433 | 58% |
| Severely Cost Burdened | 10,384,411 | 26% | 29271 | 37% |

*Source: 2013 American Community Survey, 1-Year Estimates*

| Highest Percentage Cost-Burdened Renters | |
|---|---|
| St Thomas Development | 53% |
| Tulane/Gravier | 53% |
| Treme/Lafitte | 45% |
| Seventh Ward | 44% |
| Mid City | 42% |
| West Lake Forest | 41% |
| Viavant | 41% |

New Orleans renters disproportionately pay more of their income on housing. The city ranks second in the nation for the percentage of renters paying over half of their income on housing.[9] The following map shows neighborhoods across New Orleans with the highest percentage of renters paying unaffordable rents.[10]

While it is clear that New Orleanians are paying too much for rent across the city, the percentage that renters pay towards housing costs is a relationship between household income and the cost of housing. A limited supply of rental housing and more lower-income households both impact the percentage of cost-burdened households (paying more than 30% of their income). Reducing the percentage of household income paid for housing costs requires either cheaper housing costs or more income. Low-income renters who are cost burdened are extremely limited in where they are able to live, which impacts safety and access to essential services such as transportation options, healthcare, green space, grocery stores and jobs.

*Map 5: Cost Burdened Renter Households by Neighborhood*
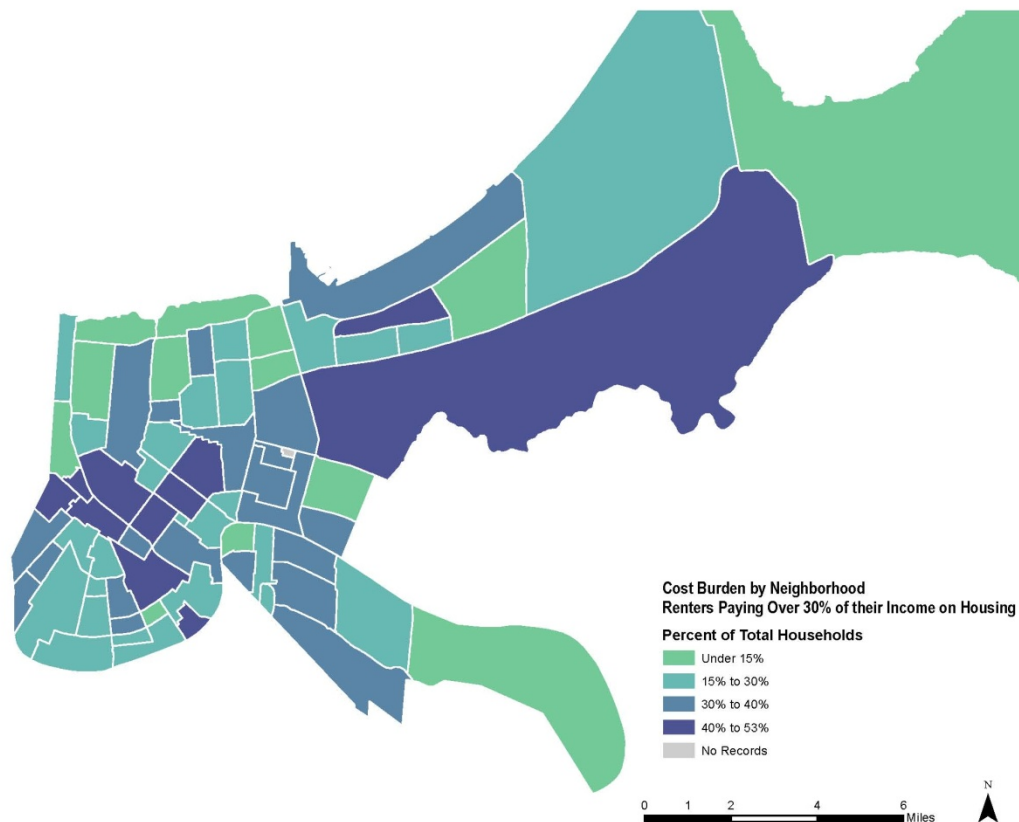


*Source: U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy. 2008-2012 5-Year Average*

Low-income renters face greater cost burdens in the city. The Figure 6 below demonstrates those with the greatest need for affordable rental are renters with less than 30% of Area Median Income (less than $18,000). More than half of renters earning less than 50% of Area Median Income (AMI) pay more than half of their income toward housing costs. More than half of households making between 50% and 80% of AMI are also paying too much for housing, and nearly 30% of households earning between 80% and AMI are paying more than 30% of their income on housing.
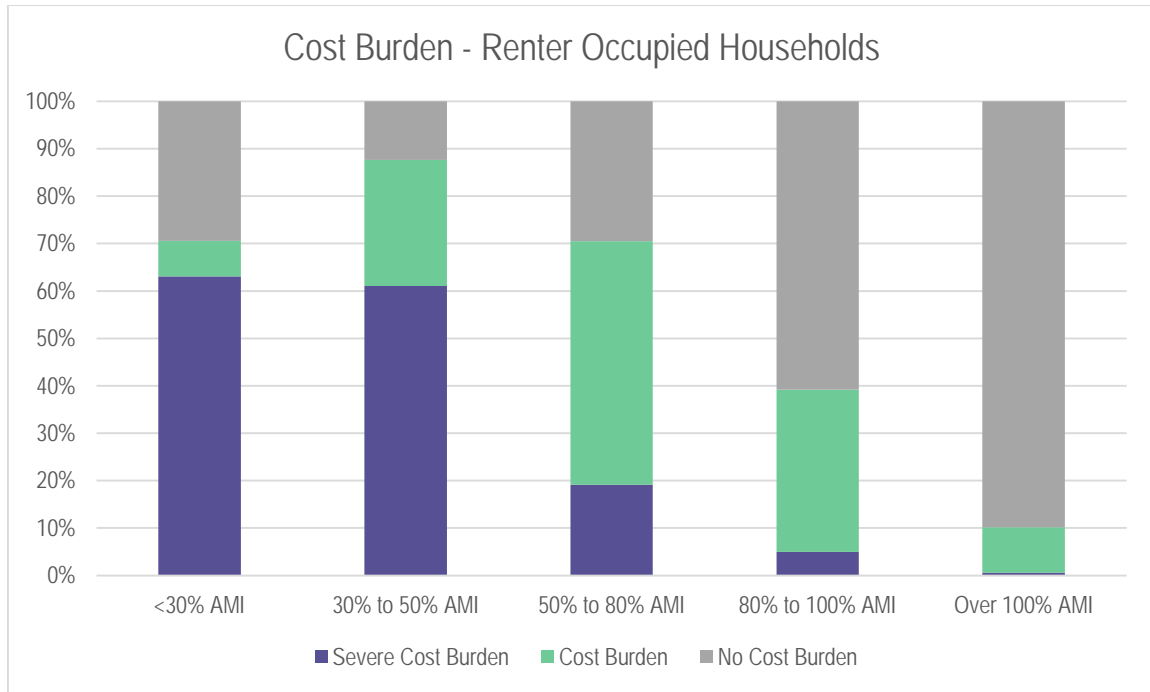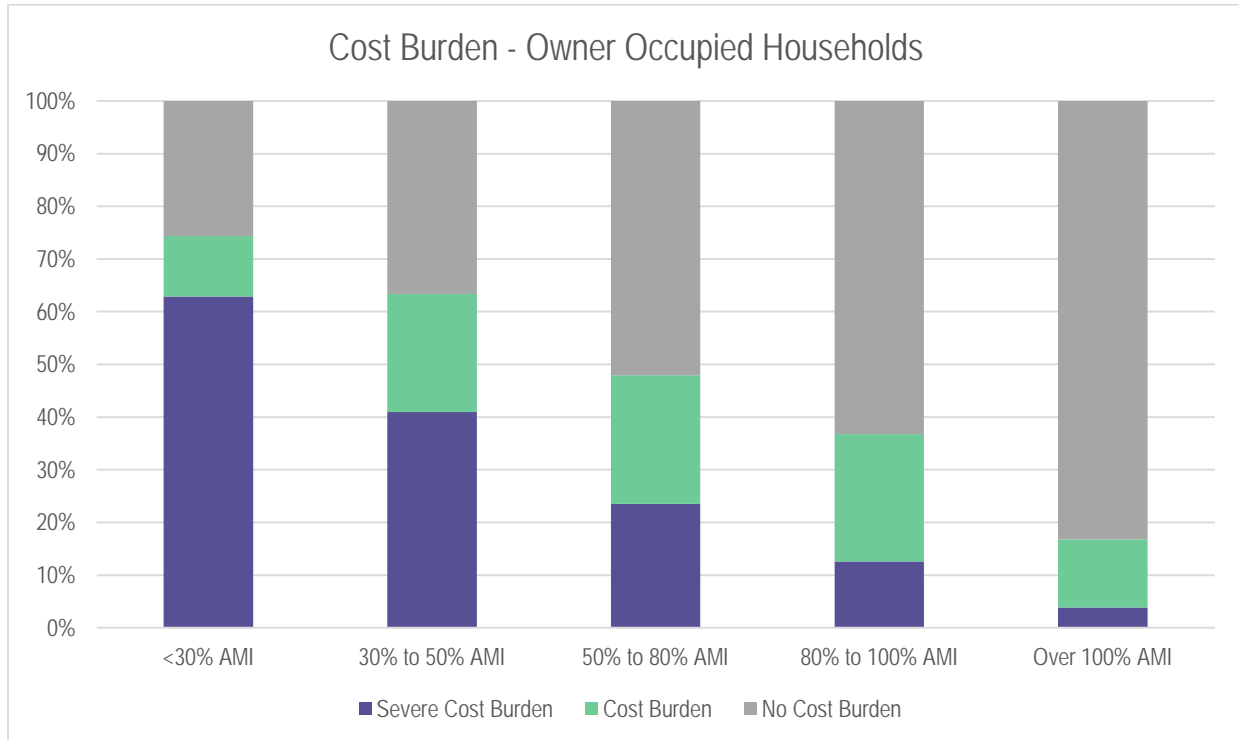
*Figure 6: Cost-Burdened Rental Households in New Orleans*



*Source: U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy. 2008-2012 5-Year Average*

New Orleans renters are not alone in paying too much for housing; homeowners across the city are also paying 30% or more of their income towards housing. Very low-income homeowners (earning less than 30% AMI) pay the most of their income toward housing costs. Over 60% of homeowners earning $18,000 or less pay more than half of their income toward housing costs. Over 60% of households earning between 30% and 50% AMI are cost burdened. Just under half of low-income households (those making 50% to 80% of AMI), and about 40% of moderate income households (80% to median income) pay too much for housing. Figure 7 below shows that low income homeowners disproportionately pay more of their income toward housing costs.

*Figure 7: Cost-Burdened Homeowners in New Orleans*



*Source: U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy. 2008-2012 5-Year Average*

## Race and Poverty

Despite an altered population, poverty rates in New Orleans have remained relatively stable since 2000. There has been a slight increase in the percentage of individuals in poverty, from 26% in 2000 to 28% in 2013. This increase has largely taken place among adults between the ages of 18 and 64, 14% of whom were in poverty in 2000 compared to 16% in 2013.

Along with population shifts have come changes in household racial composition. Overall there has been a 7% increase in the proportion of households with a white householder, accompanied by a 7% decrease in the proportion of African-American householders and a 4% decrease among all minority householders. While there has been some shift towards decreased diversity, New Orleans maintains a majority-minority population. In 2013, minorities made up nearly 62% of all householders. Like other measures, these changes have been different across the city's neighborhoods, with several areas actually seeing increases in the proportion of minority householders.

African American renters are more likely to pay more of their income toward housing costs than white or Hispanic/Latino households. African American homeowners also experience the highest cost burdens as homeowners. 2013 estimates show that New Orleans' population is made up of 60% African Americans (213,632 residents), 5% Hispanics or Latinos (18,984 residents), and 3% identifying as Asian (10,468 residents). African American renters and homeowners disproportionately pay more for housing in New Orleans. In both high- and low-income neighborhoods, the data shows that African American families are worse off. The following figures demonstrate that for both renter and owner households, African American and Hispanic households pay more of their income toward housing costs than other racial and ethnic groups.

*Figure 8: Renter Cost Burden by Race and Ethnicity in New Orleans*
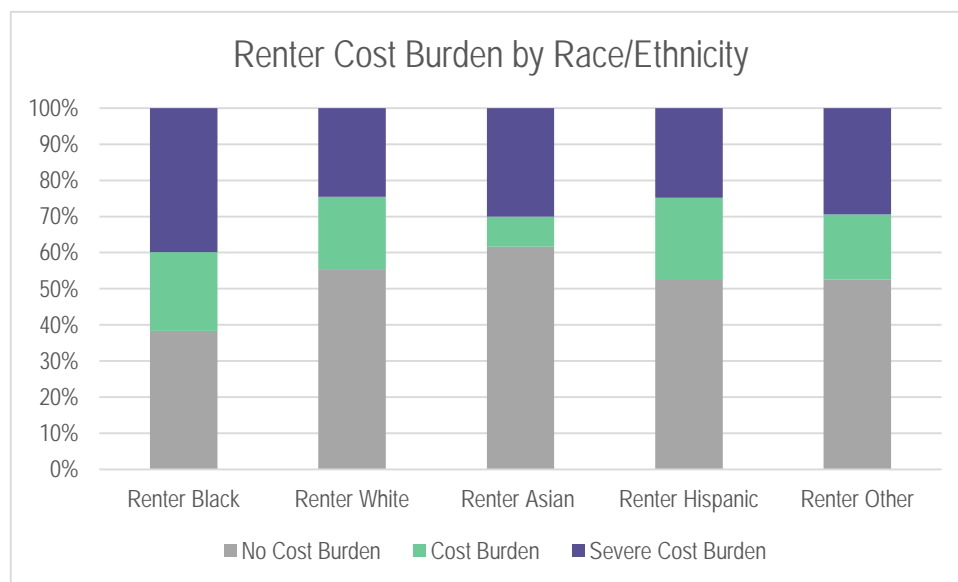


*Source: Department of Housing and Urban Development Comprehensive Housing Affordability Strategy. 2008-2012 5-Year Average*

Figure 9: *Homeowner Cost Burden by Race and Ethnicity in New Orleans*
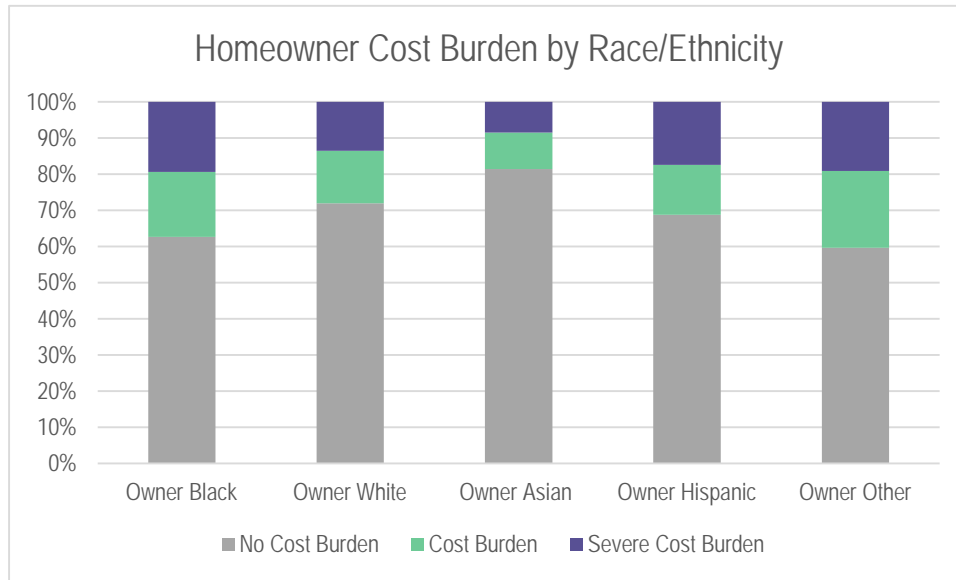


**Homeowner Cost Burden by Race/Ethnicity**

*Source: Department of Housing and Urban Development Comprehensive Housing Affordability Strategy. 2008-2012 5-Year Average*

With the exception of very-low income households, the proportion of low- and moderate-income households in New Orleans has decreased, while the proportion of high-income households has increased. The percentage of households earning less than $15,000 annually rose from 21% of the population in 2000 to 23% in 2013. Fewer households earned between $15,000 and $49,999, while the percentage of those earning more than $50,000 annually increased. The most drastic increase was seen in the proportion of households earning more than $100,000 annually, which doubled between 2000 and 2013 from 8% to 16%. The increase among very-low and very-high income groups may indicate a growing polarization of the city's population, a potential problem for fair housing access. While the group most in need of affordable housing options grows, so does the group that has the strongest potential to cause housing costs to rise.

*Figure 10: Income Distribution in New Orleans 2000-2013*
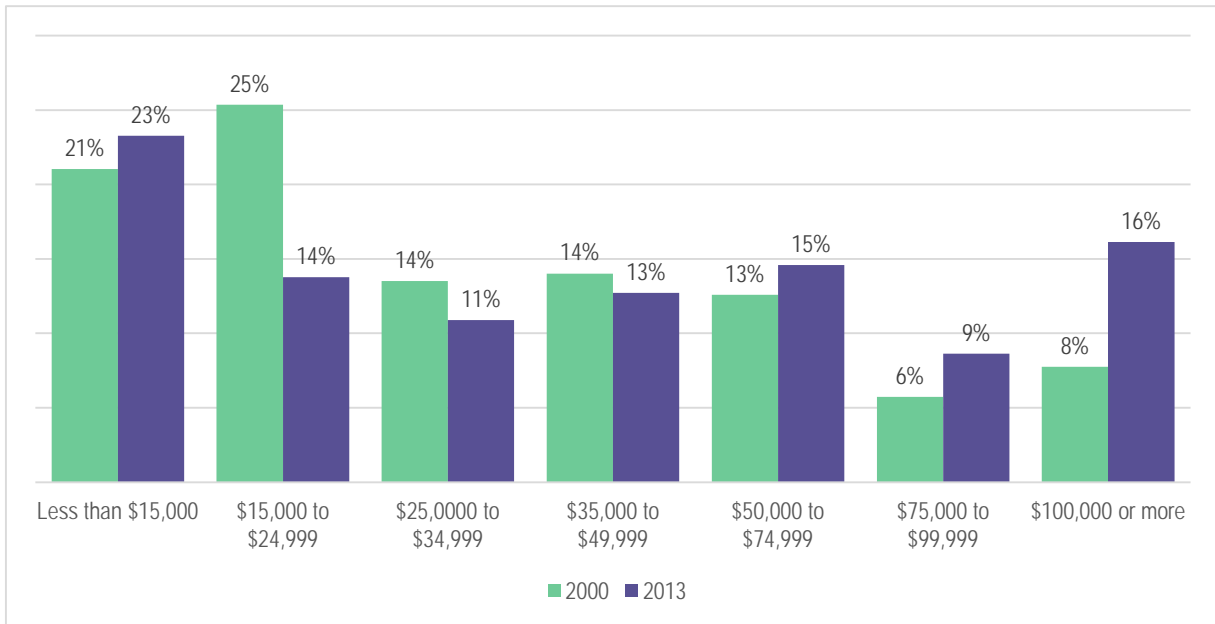


Source: U.S. Census Bureau, 2009 – 2013 American Community Survey 5-Year Estimate

## Discrimination

A recent study showed that housing discrimination is still a serious problem in New Orleans. In 2014, the Greater New Orleans Fair Housing Action Center (GNOFHAC) found that African American "mystery shoppers" posing as prospective renters were discriminated against 44% of the time in higher-income New Orleans neighborhoods. However, discrimination is not always this intentional or obvious – the majority of the city's subsidized housing is located in lower-income neighborhoods of color. The Fair Housing Act calls on us to better integrate our communities and provide a unified and open housing market where all families have access to opportunity.

In January 2015, the Kirwan Institute and Greater New Orleans Foundation released *The Geography of Opportunity*, which analyzed access to opportunity across the New Orleans region. The report examines the social, political, civic and educational opportunities available to New Orleanians across the city by creating indicators based on the following factors: Education, Environment & Health, Economic Opportunity and Mobility, Housing and Neighborhoods. The following map shows the level of opportunity for each of these factors.[11]

*Map 6: Kirwan Institute Opportunity Map, January 2015*
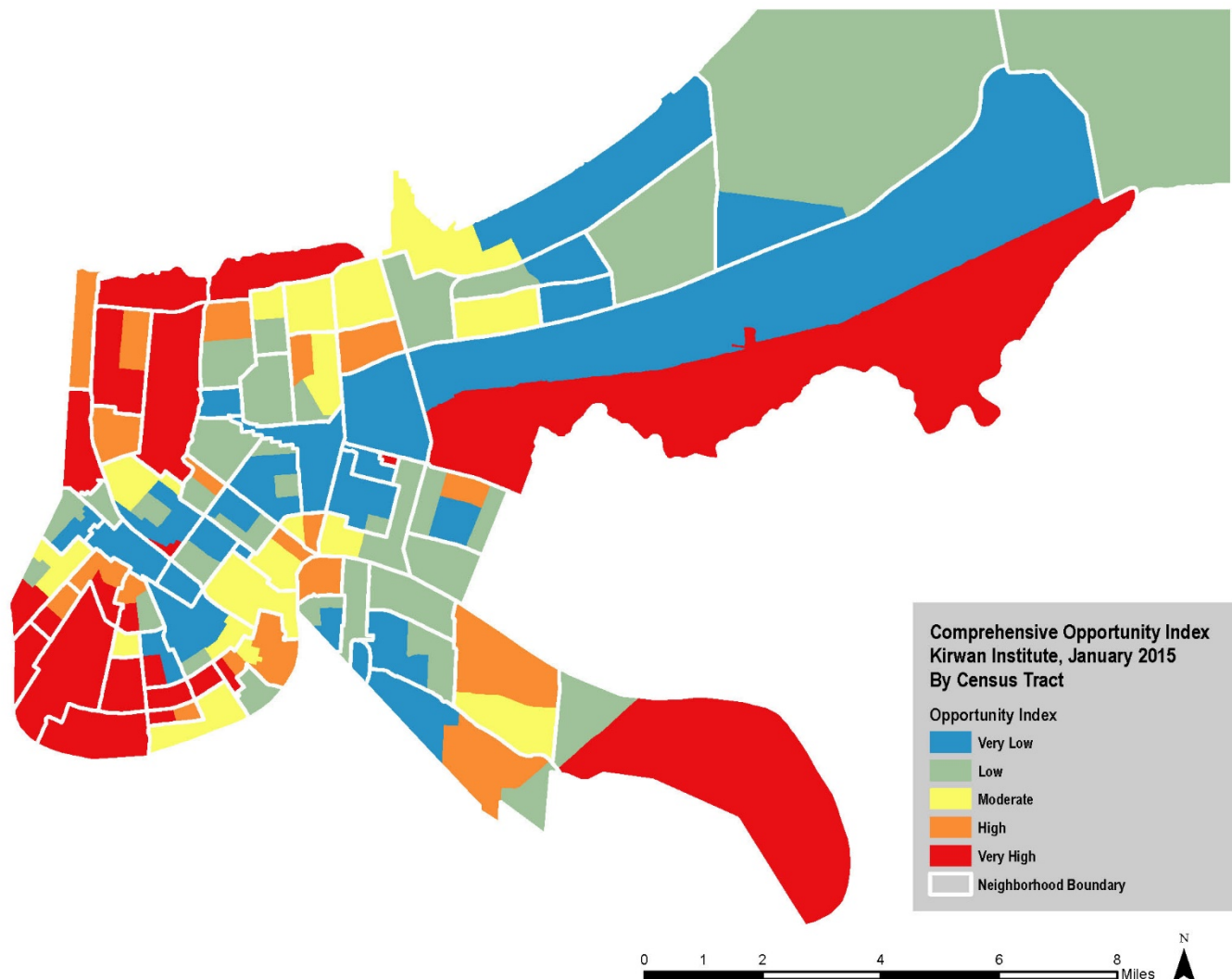


*Source: Kirwan Institute, Greater New Orleans Foundation, American Community Survey 2009-2010, National Center for Education Statistics, 2010-2011, Louisiana Department of Education and Environment & Health, 2011, ESRI Business Analyst, Economic and Mobility, Federal Emergency Management Agency. Compiled by GCR.*

## Housing Supply

Housing supply in the city occurs in the context of long-term abandonment and vacancy issues. Additionally, the damage caused by Hurricane Katrina and the subsequent levee breaches damaged 70% of households in the City of New Orleans, and half of all rental units. This large-scale displacement, the documented inequality of the Road Home Program (basing the amount received on pre-storm value) for homeowners, and the choice made by many landlords not to rebuild rental units, exacerbated vacancy and affordability issues across the city. Since 2005, 21,622 subsidized units have been created in New Orleans of the overall 148,398 housing units in the city.

These opportunities have been created largely through the use of public funds that were leveraged by private sector and philanthropic capital. Public sector agencies have received billions in recovery funds to address the damage wrought following the series of disasters beginning in 2005. This influx of federal funds continues to play a critical role in the state and New Orleans economies, but the funding pool continues to shrink while the housing needs remain pressing.

The following chart shows the level of entitlement funding that the City has received since 2003. Entitlement funds are annual grants awarded by HUD based on a set formula for areas over certain population thresholds. The City receives a direct yearly allocation of funds for housing and infrastructure, and services for special needs populations.[12]

*Figure 11: U.S. Department of Housing and Urban Development Funding Levels, 2003-2014*
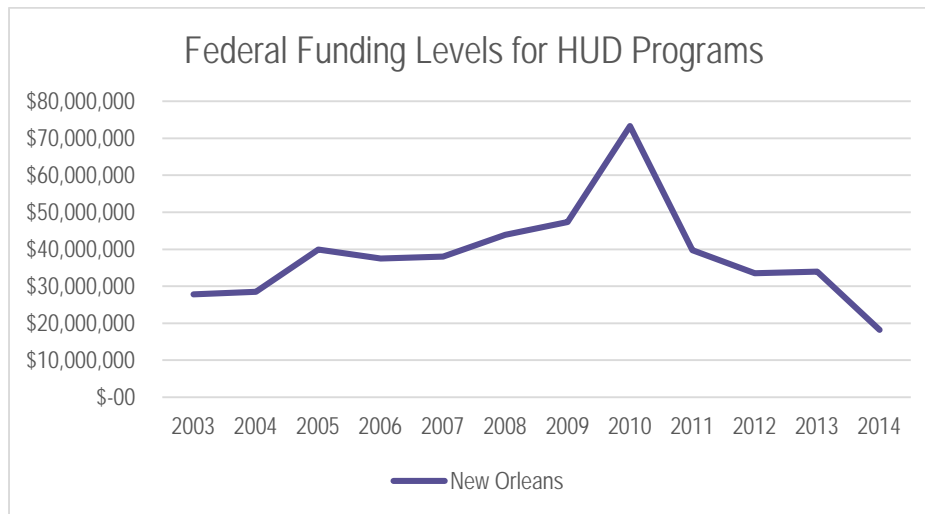


*Source: U.S. Department of Housing and Urban Development[13]*

## Housing Supply – City of New Orleans and State of Louisiana

The City of New Orleans, New Orleans Redevelopment Authority, Housing Authority of New Orleans, and State of Louisiana's Office of Development/Louisiana Housing Corporation have funded a total of 21,622 units of housing in the City of New Orleans since 2005. This total includes new construction, rental and homeowner rehabilitation programs that expanded affordable housing in the City of New Orleans.[14] The table and map below show the number and location of subsidized housing across the City of New Orleans.

*Table 5: Rental and Homeownership Units by Agency*

| Government Agency | Number of Units |
|---|---|
| City of New Orleans[15] | 2,376 |
| New Orleans Redevelopment Authority[16] | 512 |
| Louisiana Housing Corporation[17] | 10,876 |
| Housing Authority of New Orleans (HANO)[18] | 1,924 |
| State of Louisiana - Small Rental Property Program | 6,153 |
| **Total** | **21,841** |

*Map 7: Supply of Subsidized Housing Units in New Orleans*



**Location of Subsidized Housing Units**
**1 Dot = 1 Address**

**By Agency**
- City of New Orleans, Community Development Department
- Housing Authority of New Orleans
- Louisiana Housing Corporation
- New Orleans Redevelopment Authority
- Neighborhood Boundary

*Source: City of New Orleans Community Development Department, Housing Authority of New Orleans, Louisiana Housing Corporation, New Orleans Redevelopment Authority*

## Affordable Housing Developers

In an effort to quantify the impact of affordable housing developers, *HousingNOLA* surveyed GNOHA member organizations to quantify their impact. Twenty-two member organizations responded to the survey.

- 43% of developers were established before 2005, while 57% were established after 2005

- Since 2000, responding developers have built 6,100 units of housing, with 5,788 build after 2005. 4,509 have been homeownership and 1,622 rental units.

- 30% of reported units are ADA accessible.

## Housing Authority of New Orleans

HANO has undergone significant changes since 2005. The "Big Four" public housing sites (B.W. Cooper, C.J Peete, Lafitte and St. Bernard) have been demolished and either partially or completely redeveloped. Simultaneously, HANO has increased its reliance on Housing Choice Vouchers, which allow voucher holders to rent in the private market from landlords that accept vouchers. In addition to 1,924 traditional public housing units, HANO and its development partners have also created another 2,424 homes and apartments - a combination of affordable and market rate units.

*Table 6: Housing Authority of New Orleans Property Inventory*

| Year | Number of Vouchers | Public Housing Units |
|------|--------------------|----------------------|
| 2015 | 17,729 | 1,924 |
| 2011 | 17,195 | 2,192 |
| 2005 | 8,981 | 5,148 |

*Source: Housing Authority of New Orleans, 2015*

*Map 8: Percent Housing Choice Vouchers by Neighborhood*



**Percent of Total Households Using a Housing Choice Voucher By Neighborhood 8/20/15**

Percent of Total Households
- No Vouchers
- Under 10%
- 10% - 20%
- 20% - 30%
- Over 30%
- ● HANO Community

*Source: City of New Orleans, Housing Authority of New Orleans*

## Louisiana Housing Corporation

Between 2006 and 2014, the Louisiana Housing Corporation (formerly the Louisiana Housing Finance Agency) awarded funds to rehab or build 10,876 units of housing. The LHC invested a total of $673,795,591 leveraging a total of $2,139,145,405, this means that for every $1 invested of program funds[19], $3 was leveraged from other funding sources.

Community Development Block Grant Funds lead the way for funding, receiving a 2007 spike in funding of nearly $275 million (55% of total funding). The MRB Award is the second largest funding source at $126 million (18.8%), and the Low Income Housing Tax Credit provides nearly $111 million (16.5%) of funding.

*Table 7: Number of Units by Income for Louisiana Housing Corporation funded Multifamily Properties*

|  | Under 30% AMI | 30% to 50% AMI | 50% to 80% AMI | Under 80% AMI |
|---|---|---|---|---|
| Number of Units | 918 | 1,206 | 4,123 | 6,247 |
| Percent of Total Units | 9% | 12% | 40% | 61% |

*Source: Louisiana Housing Corporation, 2015*

The Louisiana Housing Corporation has invested heavily in the Central City and Tall Timbers/Brechtel neighborhoods. The agency has also invested in the Lower Garden District, Mid-City, and St. Bernard with its multifamily programs.

*Map 9: Percent of Louisiana Housing Corporation Funded Multifamily Units by Neighborhood*
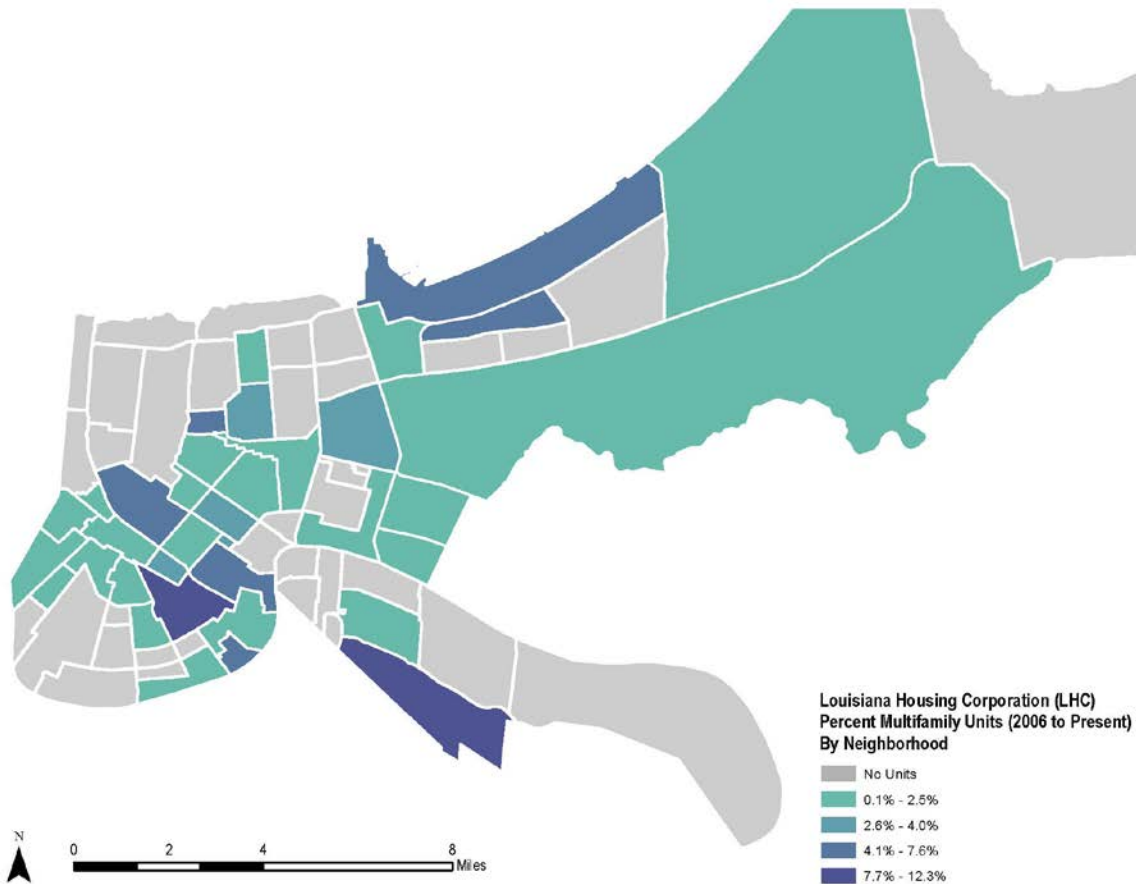


*Source: City of New Orleans, Louisiana Housing Corporation, 2015*

## Office of Community Development Disaster Recovery Unit

The State of Louisiana's Office of Community Development Disaster Recovery Unit (OCD-DRU) manages Disaster Community Development Block Grant funds for the State of Louisiana. Its programs include the Road Home program, the largest disaster recovery program in the nation's history. Through the following programs, OCD-DRU has assisted 61,844 units of housing, using $5.1 billion in the City of New Orleans. The programs covered in this estimate include the Homeowners Assistance Program (Road Home), the Hazard Mitigation Grant Program, the Small Property Rental Program, and the Nonprofit Rebuilding Pilot Program.

*Map 10: Total Number of Units Funded by OCD-DRU Programs (By Neighborhood)*



**Total Units - Housing Programs Louisiana Office of Community Development - Disaster Recovery Unit By Neighborhood**

**Percent of All Units**
- Under 1%
- 1% - 2%
- 2% - 5%
- 12%

OCD-DRU Programs: Homeowners Assistance Program, Small Rental Program, Low Income Housing Tax Credit Piggyback Program, Hazard Mitigation Grant Program, Non-Profit Rebuilding Pilot Program
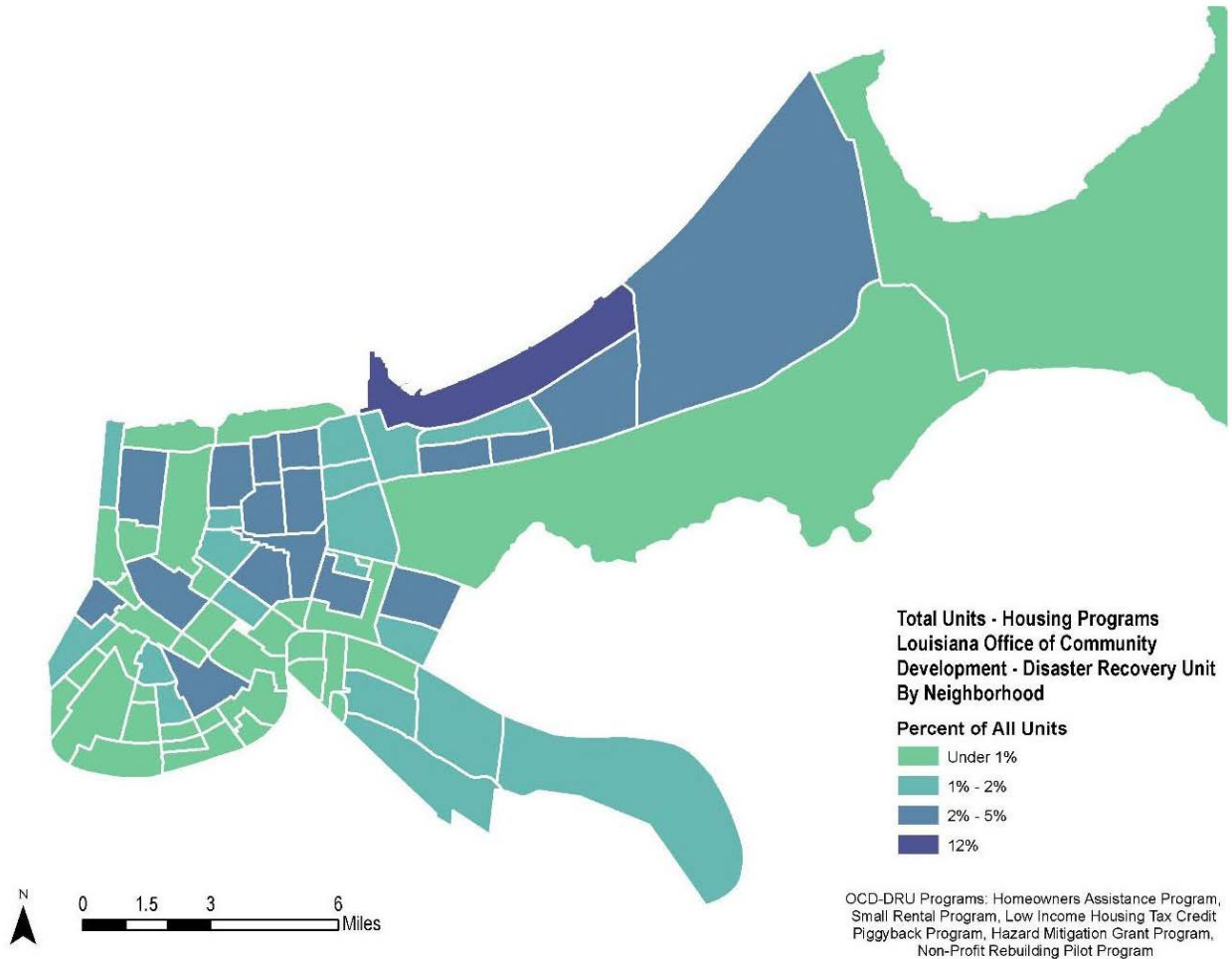
*Source: City of New Orleans, State of Louisiana Division of Administration – Office of Community Development, Disaster Recovery Unit*

*Road Home (Homeowners Assistance Program) -* This program represents the largest single housing recovery program in U.S. history. Eligible homeowners received up to $150,000 in compensation for losses and had three compensation options. The program has been closed to new recipients since 2007. As of mid-2013, the Road Home program had successfully assisted more than 130,000 Louisiana citizens affected by Hurricanes Katrina and Rita. The program has disbursed more than $8.9 billion to the residents of Louisiana to rebuild their homes.[20] The Road Home program provided funding for 46,884 households in New Orleans, a total of $4.2 billion.

*Small Rental Property Program (SRPP)* - Prior to Hurricanes Katrina and Rita, many low- to moderate-income families in Louisiana lived in single-family homes, duplexes, and small multi-family buildings that were owned and operated by small-scale rental property owners. Many of these small rental properties were destroyed or severely damaged by the storms.

The Small Rental Property Program provides landlords with funds to repair one- to four-unit rental properties. The goal is to provide affordable and workforce housing units to low- to moderate-income citizens and help the housing market, providing neighborhoods with new or renovated mixed-income units. Small Rental provides financial incentives in the form of forgivable loans to property owners to help restore their damaged units and offer them at affordable rents.

Since 2007, SRPP has paid more than $400 million to assist in the rebuilding of over 8,500 rental units across the region.[21] It bears noting that not a single SRPP unit can be guaranteed affordable at the end of the 10-year *HousingNOLA* implementation period.

## City of New Orleans Office of Community Development

The City of New Orleans Office of Community Development works to stabilize and revitalize communities across New Orleans through the development of affordable housing, expansion of economic opportunity and delivering services to households in need. The City manages entitlement funding including Community Development Block Grants (CDBG), HOME Investment Partnership (HOME) funds, Emergency Solutions Grants (ESG) and Housing Opportunities for Persons with HIV/AIDS (HOPWA). The Department's work is measured through its 5-Year Consolidated Plan; the 2015 Draft is currently being developed at the time of this publication.

The following table outlines the amount the City of New Orleans has allocated by year and by program, including funds from CDBG, HOME, New Orleans Housing Improvement Fund (NHIF) and Neighborhood Stabilization Program (NSP1).

### Number of Units by Program

*Table 8: Total Number of Units by Program and Year*

| Year | Community Development Block Grant (CDBG) | HOME Investment Partnership (HOME) | Neighborhood Housing Improvement Fund (NHIF) | Neighborhood Stabilization Program (NSP1) |
|---|---|---|---|---|
| 2005 | | 81 | | |
| 2007 | | 327 | 157 | |
| 2008 | | 343 | | |
| 2009 | 343 | 326 | | |
| 2010 | 223 | 97 | | 108 |
| 2011 | 42 | 30 | | |
| 2012 | | 233 | 24 | |
| 2013 | | 43 | | |
| 2014 | | 2 | | |
| Total | 608 | 1,482 | 181 | 108 |

Source: City of New Orleans, June 2015

City of New Orleans
Department of Housing Policy
and Community Development

**Total Number of Units by Neighborhood**

· 1 - 11 units
· 12 - 25 units
· 26 - 51 units
· 52 - 230 units
· 231 - 478 units
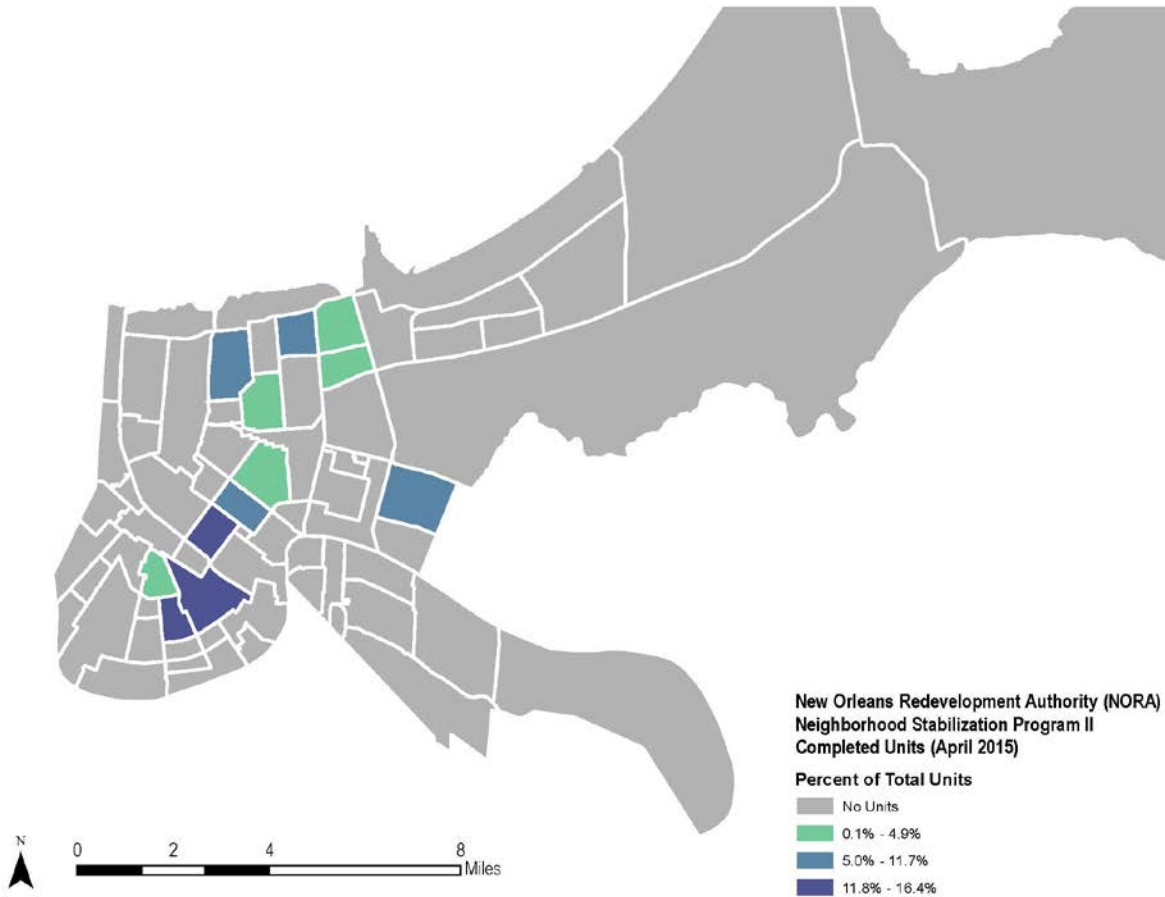
N

0    2    4    8
Miles

Source: City of New Orleans, June 2015

## New Orleans Redevelopment Authority (NORA)

The New Orleans Redevelopment Authority received almost $30 million in Neighborhood Stabilization Program (NSP2) funds in 2010. As of April 2015, 426 units of housing have been completed, and an additional 35 units are planned. In addition, as of April 2015, NORA has sold 278 properties to developers, with the condition that the property be sold to a low- or moderate-income buyer.

*Map 12: Percent of Neighborhood Stabilization Program 2 Units*



**New Orleans Redevelopment Authority (NORA)**
**Neighborhood Stabilization Program II**
**Completed Units (April 2015)**
**Percent of Total Units**

- No Units
- 0.1% - 4.9%
- 5.0% - 11.7%
- 11.8% - 16.4%

*Source: City of New Orleans, New Orleans Redevelopment Authority, June 2015*

# Housing Demand

## Housing Demand vs. Affordable Housing Need

The previous sections of this report focused on what has been built since 2005, and what the current housing needs are for both homeownership and rental housing in New Orleans. As a 10-year plan, *HousingNOLA* is designed to provide a road map for future housing development in the city, and in order to benchmark this progress, we have presented the existing housing needs and housing supply. This section describes the methodology for a housing demand model to project how many units and what type of housing the City of New Orleans will need over the next 10 years.

The housing demand model follows a standard approach to measuring housing demand: considering existing data sets, and using assumptions about how New Orleans will grow to project housing demand for the future. The demand model has clear limitations, but uses current data sources including growth trends, income levels, household types, vacancy rates, household tenure and anticipated new construction for the City of New Orleans. More details about the demand model will be available at *HousingNOLA.org.*[22]

Based on these assumptions, over the next five years, the projected demand for homes in New Orleans over the next 10 years will be 33,593 homes by 2025 (rental and homeownership). This includes 10,952 rental units for low- and moderate-income households; 5,720 market rate rental units; 5,628 low- and moderate-income homeownership units; and 11,293 market rate homeownership units. Housing demand is essentially what the growth of households will be minus the housing likely to become available, and the demand that can be met through new construction, rehabilitation of existing homes, and conversion of non-residential building to housing units.

Table 9: Estimated Rental-Occupied Housing Demand by Income

| Renter | <30% AMI | 30%-50% AMI | 50% to 80% AMI | 80% to 100% AMI | Over 100% AMI | Total |
|---|---|---|---|---|---|---|
| 2015 - 2025 | 5,201 | 2,861 | 2,890 | 1,248 | 4,472 | 16,672 |

Table 10: Estimated Owner-Occupied Housing Demand by Income

| Owner | <50% AMI | 50% to 80% AMI | 80% to 120% AMI | Over 120% AMI | Total Units |
|---|---|---|---|---|---|
| 2015 - 2025 | 3,300 | 2,328 | 4,838 | 6,455 | 16,921 |

# Conclusion

## Housing Demand 2015-2025

### *Rental Demand*

Demand over the next ten years in New Orleans will be strong for all incomes. However, meeting the high demand for low income units will take coordination between private, nonprofit and government entities. With low wages, high poverty rates, and limited resources, significant financial resources will be needed to meet the high demand for deeply affordable housing for the city's most vulnerable and working poor. Housing Choice Vouchers (Section 8) usually target incomes under 50% AMI, while Low Income Housing Tax Credit developments target incomes between 50% and 60% AMI. Both of these income levels show strong demand over the next five years.  Currently, the Housing Authority of New Orleans waiting list for public housing has 4,443 names, and the waiting list for Housing Choice Vouchers is 13,013 people.

*Table 13: Rental Housing Demand by Unit Size*

| Renter | 1 BR | 2 BR | 3+ BR | Total |
|---|---|---|---|---|
| 2015-2025 | 8,027 | 5,412 | 3,233 | 16,672 |

*Source: GCR Inc.*

## Owner-Occupied

There is strong demand for market rate housing in New Orleans. Likely because of the large amount of low-income households across the city, there is a demand for more market rate units. Between 80% and 120% AMI also shows strong demand – typically workforce housing income level for whom homeownership is a reasonable option. Households earning under 50% AMI show significant demand for housing, while these households are eligible for existing programs such as the Housing Choice Voucher Homeownership Program, waiting lists for such programs are long and other funding opportunities are limited.

*Table 14: Homeownership Demand by Unit Size*

| Owner | 1 BR | 2 BR | 3+ BR | Total |
|-------|------|------|-------|-------|
| 2015-2025 | 3,421 | 7,416 | 6,084 | 16,921 |

*Source: GCR Inc.*

The greatest demand for the next 10 years for the City of New Orleans will be:

- For owners and buyers earning between 80% and 120% AMI (29%) and over 120% (38%), for 2 Bedroom and 3 Bedroom units.

- For renters earning under 30% AMI (31%) and over 100% AMI (27%), for 1 Bedroom and 2 Bedroom Units.

The demand model provides insight into where the New Orleans housing market is headed based on current available information. As a 10-year process, *HousingNOLA* will continue to evaluate and benchmark trends and changes to the housing market in order to provide up to date information about the direction of housing policy in New Orleans. The next section of the Preliminary Report provides insight into where *HousingNOLA* is headed in the coming months, and how to become part of the process.

# Next Steps for *HousingNOLA*

Throughout the months of August and September, the *HousingNOLA* Policy Working Group will work with community members to address the most pressing questions raised by this Preliminary Report. These questions include:

1. With declining federal, state and local resources, what are other ways to increase the supply of affordable homeownership and rental options?

2. What federal, state or local policies are effective for supporting the development of affordable housing in New Orleans? What is restricting the development?

3. Addressing NIMBY (Not In My Backyard): What messages resonate when discussing affordable housing?

4. How can affordable housing advocates and public entities who develop housing work with other sectors including transportation, parks, criminal justice, foster care, tourism, business?

5. What is inclusionary zoning and how could it be used in New Orleans?

6. What are strategies for preserving existing affordable housing?

7. In the realm of housing, what does New Orleans do well? Where can New Orleans improve?

Beginning September 19th, *HousingNOLA* will host a series of community meetings throughout the city. These meetings will serve as forums for discussing the best answers to these questions using neighborhood-level analysis and policies. The Policy Working Group will use the responses and solutions from these meetings to formulate an actionable and implementable 10-year plan to be presented in November 2015.

Additional details about the next round of community meetings will be available at *HousingNOLA.org*. You can also follow us @GNOHA on Twitter, @GNOHousingAlliance on Instagram, and Facebook.com/GNOHA for more information.

[1] To construct neighborhood-level reporting, *HousingNOLA* uses 2000 and 2010 census tracks and blocks and assigns the geography based on its centroid within a neighborhood boundary.

[2] The American Community Survey (ACS), unlike the Census which happens every 10 years, is updated annually using statistically valid sampling. *HousingNOLA* uses the 2013 American Community Survey for the City of New Orleans, released in December 2014. More information on the ACS release schedule is available on the Census website: http://www.census.gov/programs-surveys/acs/news/data-releases.html.

[3] Adjusted for inflation, in 2013 dollars. using Bureau of Labor Statistics Consumer Price Index Calculator, 1999 dollars translated to 2013 dollars. http://www.bls.gov/data/inflation_calculator.htm.

[4] http://www.gnofairhousing.org/wp-content/uploads/2014/12/Unsafe-Overpriced-Home-for-the-Holidays-FINAL.pdf *For Rent: Unsafe, Overpriced Home for the* Holidays, The Greater New Orleans Fair Housing Action Center, December 2014. http://www.gnofairhousing.org/wp-content/uploads/2014/12/Unsafe-Overpriced-Home-for-the-Holidays-FINAL.pdf

[5] Maximum rents for long-term residents based on 2000 Census median household income, adjusted for inflation to 2013 dollars.

[6] U.S. Dept. of Housing and Urban Development, Comprehensive Market Analysis Reports: New Orleans-Metairie-Kenner, Louisiana, Economic and Housing Market Conditions Pre-and Post-Katrina and Rita (Office of Policy Development and Research, September 2005, Updated February 2006), 33.

[7] U.S. Dept. of Housing and Urban Development, Comprehensive Housing Market Analysis: New Orleans-Metairie-Kenner, Louisiana, (Office of Policy Development and Research, September 2006)

[8] 2008-2012 Comprehensive Housing Affordability Survey Estimates, Department of Housing and Urban Development.

[9] https://www.washingtonpost.com/news/get-there/wp/2015/07/15/the-cities-where-americans-are-most-likely-to-spend-more-than-half-of-their-paycheck-on-rent/

[10] Unaffordable meaning paying more than 30% of household income or more on housing costs.

[11] Full report and methodology available at http://kirwaninstitute.osu.edu/ki-gnof-opportunity.pdfhttp://kirwaninstitute.osu.edu/ki-gnof-opportunity.pdf

[12] U.S Department of Housing and Urban Development, *Entitlement Fact Sheet.* https://portal.hud.gov/hudportal/documents/hud-doc?id=DOC_17136.pdf

[13] New Orleans funding includes: Community Development Block Grant, Emergency Solutions Grants, Housing Opportunities for Persons with HIV/AIDS, HOME Investment Partnership, Continuum of Care Grants, Neighborhood Stabilization I (Administered by the City of New Orleans) and Neighborhood Stabilization II (Administered by the New Orleans Redevelopment Authority)
Louisiana Funding includes: Community Development Block Grant, HOME Investment Partnership, Housing Opportunities for Persons with HIV/AIDS, Sponsor Based Rental Assistance Shelter, Neighborhood Stabilization Program (1 and 3)

[14] Methodology: In order to avoid duplication of units, each address was geolocated and then cross referenced against each program. The only exception is the Small Rental Property Program, which does not have data available at the address level.

[15] Programs include: Rental Units Developed, Neighborhood Housing Improvement Fund, Home Repair Programs. Addresses provided by City of New Orleans.

[16] Programs include: New Orleans Redevelopment Authority properties sold with Low and Moderate Income requirements, and New Construction properties. Addressed provided by the New Orleans Redevelopment Authority in May 2015.

[17] Includes all programs except Single Family Loan Program, including: Community Development Block Grants, Neighborhood Stabilization, Low Income Housing Tax Credit, HOME Investment Partnership, and Louisiana Housing Trust Fund.

[18] Includes: Housing Authority of New Orleans units that are traditional public housing or Annual Contributions Contract (ACC) units, and does not include redeveloped units funded with Low Income Housing Tax Credits and/or Housing Choice Vouchers.

[19] Programs include: Community Development Block Grants, Neighborhood Stabilization, Low Income Housing Tax Credit, HOME Investment Partnership, and Louisiana Housing Trust Fund

[20] Office of Community Development – Disaster Recovery Unit, State of Louisiana, accessed July 2015. https://www.road2la.org/

[21] Office of Community Development – Disaster Recovery Unit, State of Louisiana, accessed July 2015. https://www.road2la.org/SRPP/Default.aspx

[22] Population Projection for the City of New Orleans is from ESRI Business Analyst, which assumes that the City of New Orleans will grow from 160,184 in 2015 to 182,340 in 2020.

## HousingNOLA Executive Committee

Flozell Daniels, *Foundation for Louisiana*
Ellen Lee, *City of New Orleans Housing Policy and Community Development*
Timolynn Sams, *Neighborhood Partnership Network*
Wayne Glapion, *The Village*
Maxwell Ciardullo, *Greater New Orleans Fair Housing Action Center*
Brenda Breaux, *New Orleans Redevelopment Authority*
Nicole Heyman, *Center for Community Progress*

## Greater New Orleans Housing Alliance Board of Governors

Andreanecia M. Morris, *Providence Community Housing*
Nicole Barnes, *Jericho Road Episcopal Housing Initiative*
Viktor Smeltz, *Renaissance Neighborhood Development Corporation*
Jon Skvarka, *Rebuilding Together New Orleans*
Van Temple, *Crescent City Community Land Trust*
Fred J. Johnson, *Neighborhood Development Foundation*
Angela O'Byrne, *Perez, APC*

## Greater New Orleans Housing Alliance Staff

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## HousingNOLA Community Review Team

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Twanda Lewis

## HousingNOLA Partner Organizations

AARP, Inc.
Advocacy Center Louisiana
Alembic Community Development

Alliance for Affordable Energy
American Institute of Architects - New Orleans
Bastion: Community of Resilience
Best Babies Zone
Blights Out
Broad Community Connections
Broadmoor Improvement Association (BIA)
Bureau of Government Research (BGR)
Business Council
Capital One Bank
Catholic Charities Archdiocese of New Orleans (CCANO)
Center for Community Progress (CCP)
Center for Planning Excellence (CPEX)
Center for Restorative Approaches (CRA)
Citizens for a Better HANO
City Councilmember James A. Gray (District E)
City Councilmember Jared Brossett (District D)
City Councilmember Jason Williams (Councilmember-at-Large)
City Councilmember LaToya Cantrell (District B)
City Councilmember Nadine Ramsey (District C)
City Councilmember Stacy Head (Councilmember-at-Large)
City Councilmember Susan Guidry (District A)
City of New Orleans Office of Housing Policy and Community Development
City of New Orleans Planning Commission
Committee for a Better New Orleans (CBNO)
Covenant House
Delachaise Neighborhood Association
Dillard University
Domain Companies
Energy Wise New Orleans
Enterprise Community Partners
Ernest K. Morial Convention Center
Faubourg Lafitte Tenants' Association
Faubourg St. Roch Improvement Association
Federal Deposit Insurance Corporation (FDIC)
Fidelity Bank
Finance Authority of New Orleans (FANO)
First NBC Bank
Foundation for Louisiana (FFL)
GCR, Inc.
Geaux Home NOLA
Global Green
Greater New Orleans Fair Housing Action Center (GNOFHAC)
Greater New Orleans Foundation (GNOF)
Greater New Orleans Housing Alliance (GNOHA)
Greater New Orleans, Inc.
Green Coast Enterprises
Gulf Coast Housing Partnership
Gulf Coast Bank and Trust
Historic Faubourg Treme Association
Homebuilders Association New Orleans
Housing Authority of New Orleans (HANO)
HRI Properties
Iberia Bank
Institute of Women & Ethnic Studies
Iris Development LLC

J.P. Morgan Chase
Jane Place Neighborhood Sustainability Initiative (JPNSI)
Jericho Road Episcopal Housing Initiative
Latter & Blum Property Management
LDG Development
Lawyers' Committee for Civil Rights Under Law
Louisiana Appleseed
Louisiana Association of Affordable Housing Providers (LAAHP)
Louisiana Department of Health & Hospitals
Louisiana Housing Alliance (LHA)
Louisiana Housing Corporation (LHC)
Louisiana Justice Institute (LJI)
Louisiana Office of Community Development –
    Disaster Recovery Unit
Lower 9th Ward Neighborhood Empowerment Association (NENA)
Mary Queen of Vietnam Community Development Corporation
Neighborhood Assistance Corporation of America (NACA)
Neighborhood Development Foundation (NDF)
Neighborhood Partnership Network (NPN)
NeighborWorks America
Network for Economic Opportunity (NEO)
New Orleans Area Habitat for Humanity
New Orleans Convention and Visitor's Bureau
New Orleans Department of Public Works
New Orleans Health Department
New Orleans Metropolitan Association of Realtors (NOMAR)
New Orleans Redevelopment Authority (NORA)
New Orleans Regional AIDS Planning Council (NORAPC)
New St Claude Association of Neighbors
New Zion City Preservation Association
NewCity Neighborhood Partnership
NewCorp, Inc.
NO/AIDS Task Force

NOLA Business Alliance
Nolaming Properties, LLC
Northshore Housing Initiative (NHI)
Odyssey House Louisiana
One Voice Louisiana
Perez, APC
Professional Innkeepers' Association (PIANO)
Project Homecoming
Providence Community Housing
Puentes New Orleans
Regional Transit Authority (RTA)
Renaissance Property Group
Restaurant Opportunities Center United
Ride New Orleans
Rebuilding Together New Orleans (RTNO)
Road Home Action Network Team
Rosedale Subdivision
Southeast Louisiana Legal Services (SLLS)
The Data Center
The Village
Times-Picayune
TMG Consulting
Tulane University Center for Public Service
Tulane University- Sustainable Real Estate Development
U.S. Department of Housing and Urban Development (HUD)
UNITY of Greater New Orleans
University of New Orleans
Urban League
VAYLA New Orleans
Voices of the Ex-Offender (V.O.T.E.)
Wells Fargo
Whitney Bank

The data analysis and technical writing for HousingNOLA Preliminary Report was completed by GCR & Associates.