



City of New Orleans HOUSING ECOSYSTEM PLAN

Prepared for



City of New Orleans
Office of Community Development
Office of Community Assets and Investment



by  THOMAS CONSULTING GROUP in partnership with 

TABLE OF CONTENTS

EXECUTIVE SUMMARY	2
Invest in Affordability	3
Reform Land Use	4
Strengthen Housing Ecosystem	4
INTRODUCTION	5
Background	6
How This Plan Was Developed	10
Stakeholder Engagement Activities	10
Research and Data Analysis	11
Data Synthesis	11
Plan Diagram	12
Invest in Affordability	13
Increase Local Funding	17
Revitalize Disinvested Neighborhoods	23
Expand Access to High-Cost Neighborhoods	26
Leverage Federal Programs	28
Reform Land Use	32
Expand Public Outreach and Internal Coordination	35
Promote Place-Based and Transit-Oriented Development	37
Enact Flexible Parking Policy	40
Permit Accessory Dwelling Units and Eliminate Minimum Lot Size Citywide	42
Strengthen Housing Ecosystem	45
Formalize Ecosystem Collaboration	46
Determine and Establish Predictable Funding Cycles	47
Establish Structured Reporting Framework	48
Develop a Department of Housing	51
CONCLUSION	53
Implementation Timeline	53
Building a Sustainable Housing Future for New Orleans	56
APPENDIX	57

EXECUTIVE SUMMARY

New Orleans faces significant housing challenges requiring a multi-layered approach to ensure stability, affordability, and quality in its housing ecosystem. Rising housing costs, insurance premiums, and displacement risks are made worse by social disparities and economic factors. The city's affordable housing crisis has been exacerbated by the COVID-19 pandemic, construction costs, labor shortages, climate change impacts, insurance costs, and interest rates.

- Between 2019 and 2023, the total **value of New Orleans properties increased 23%**.¹
- Since 2019, the **median sale price** of a home in Orleans Parish has **increased by 18%**, reaching \$337,500 in 2023.²
- **62% of renters** and 30% of homeowners are housing **cost burdened**.³
- Between 2020 and 2021, Louisiana's private insurance companies paid out \$23 billion in claims, resulting in a mass exodus of insurance companies. Now, **homeowners' insurance premiums are 46% higher than the national average**.⁴
- **Rent** prices in New Orleans have **increased by 50%** since 2000, while **wages** have only **increased by 2%**.⁵
- In 2023, the **poverty rate** in Orleans Parish was **23%**, compared to the national average of **11.5%**.⁶

This Housing Ecosystem Plan, developed for the City of New Orleans by Thomas Consulting Group (TCG) in partnership with HR&A Advisors, provides comprehensive strategies to address these challenges. Key areas of focus include increasing affordable housing supply, preserving existing affordable housing, and enhancing coordination among Housing Ecosystem Partners (HEPs). This report was developed with input from an array of advocates, developers, and stakeholders, including the HEPs, which are the City of New Orleans Office of Community Development (OCD), the Mayor's Office of Community Assets and Investment (OCAI), the New Orleans Redevelopment Authority (NORA), Finance New Orleans (FNO), and the Housing Authority of New Orleans (HANO).

NEW ORLEANS' HOUSING FUTURE BEGINS NOW

URGENT RECOMMENDATIONS FOR GENERATIONAL IMPACTS

This plan puts forth recommendations developed collaboratively with institutional, business, advocacy, and community stakeholders who boldly envision **a New Orleans where every resident is at home**. Making this vision a reality begins by taking the following three most urgent steps forward **this year**:

- A **Housing Trust Fund** that dedicates an amount equal to 2% of the City's budget **requires voter approval** on Tuesday, November 5, 2024. *(This will not increase taxes.)*
Critical to supporting homeownership and addressing steeply rising housing costs.
- The Partners should actively **solicit input from and share information with the public** on the policy changes proposed in this plan both digitally and in-person at the grassroots level.
Fundamental to understanding residents' needs and tailoring appropriate solutions.
- Housing Ecosystem Partners need to **establish a monthly meeting schedule and create predictable, coordinated annual funding cycles**.
Essential for strategic planning and non-profit affordable housing development.

Addressing the complex housing challenges in New Orleans requires a comprehensive and collaborative approach. This plan outlines key opportunities and strategic recommendations to create a more equitable, affordable, and resilient housing market.

This plan recommends a balanced approach, prioritizing three main activities. By focusing on targeted investments, policy reforms, and enhanced coordination among HEPs, the plan seeks to revitalize disinvested neighborhoods, expand access to high-cost areas, and leverage local and federal funding to maximize impact.

These strategies are designed to increase the availability of affordable housing and ensure long-term sustainability and inclusivity in the city's housing ecosystem.

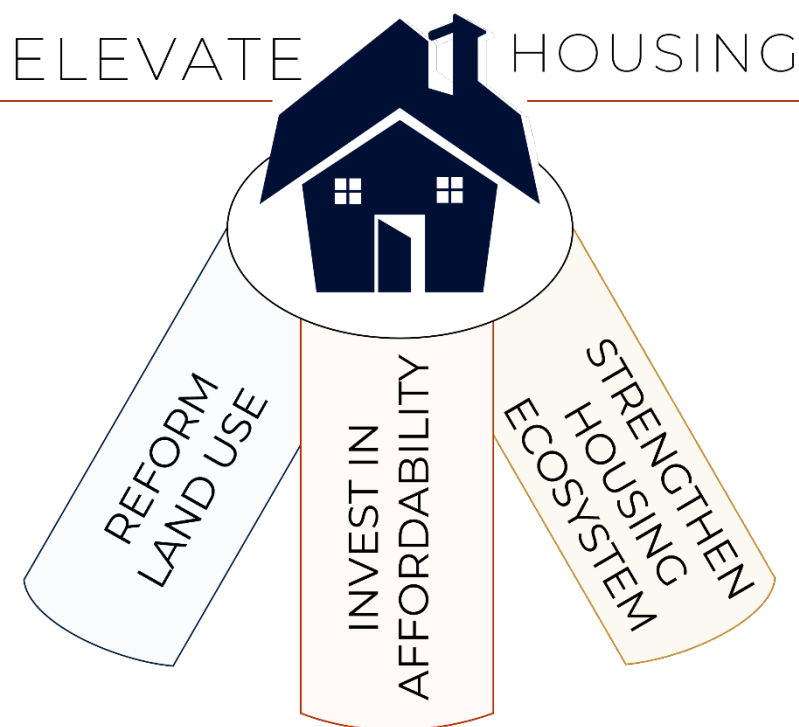


Figure 1. SUMMARY FRAMEWORK.

Considering these three core areas of recommendations a staff member remarked that it reminded them of a three-legged stool. *Have you ever noticed that when you sit on a four-legged stool, one leg always ends up being short, and the stool wobbles? That does not happen on a three-legged stool, which is always more stable.* The increased stability, visualized above, became an analogy for this plan's call to elevate housing as a priority and increase stability.

[Click here to view the full list of Goals and Strategies associates with these 3 Recommendations.](#)



INVEST IN AFFORDABILITY

Increasing the availability of affordable housing is a cornerstone of ensuring that all New Orleans residents have access to safe, secure, and quality homes. Addressing affordability is critical in a market where housing costs have risen steadily, outpacing residents' incomes. The City of New Orleans plans to expand affordable housing by developing new affordable homes, preserving existing affordable housing, and providing robust support for homeownership. This approach aims to alleviate the financial burden on low- and moderate-income families, ensuring long-term housing stability and economic security.

- Increase Local Funding ([Adopt a Housing Trust Fund and Issue Housing Bonds](#))
- Revitalize Disinvested Neighborhoods
- Expand Access to High-Cost Neighborhoods
- Leverage Federal Programs



REFORM LAND USE

Reforming land use policies is crucial for addressing the regulatory barriers that hinder housing development in New Orleans. By implementing flexible parking policies, eliminating minimum lot size requirements, and permitting accessory dwelling units (ADUs) citywide, the City can create a more efficient and inclusive housing market.

These reforms can facilitate greater density, reduce development costs, and provide more diverse housing options to meet the needs of all residents.

- Expand Public Outreach and Internal Coordination
- Promote Place-Based and Transit-Oriented Development
- Enact a Flexible Parking Policy
- Permit ADUs and Eliminate Minimum Lot Size



STRENGTHEN HOUSING ECOSYSTEM

Building a robust housing ecosystem in New Orleans involves fostering collaboration, securing reliable funding, and ensuring efficient program delivery. By formalizing ecosystem collaboration, determining predictable funding cycles, and establishing a structured reporting framework, the City can enhance its capacity to address housing challenges comprehensively. Developing a dedicated Department of Housing will centralize efforts, streamline processes, and provide strategic oversight, ensuring that all housing initiatives are effectively coordinated and executed.

- Formalize Ecosystem Collaboration
- Determine and Establish Predictable Funding Cycles (and [Recurring Resources](#))
- Establish a Structured Reporting Framework
- Develop a Department of Housing

This Housing Ecosystem Plan provides a thorough framework to address New Orleans' housing challenges by investing in affordability, removing land use barriers, and building coordination among key stakeholders. By securing reliable local funding and leveraging federal resources, the City can significantly increase its capacity to provide affordable, safe, and resilient housing for all residents—fostering a thriving and inclusive community.

¹ Gibson, Chelsea. "They Became White Neighborhoods Almost Overnight" - Katrina Supercharged N.O. Gentrification." Wwlv.com, 20 Nov. 2023, www.wwlv.com/article/news/local/orleans/follow-the-line-gentrification-of-new-orleans-ebc89d9a-2921-459d-92ec-3e15b1d37df8#:~:text=The%20citywide%20assessment%20of%20New.

² Riegel, Stephanie. "We Looked at 2023 Home Prices in Every New Orleans Area Neighborhood. High Costs Are Taking a Toll." NOLA.com, 21 Jan. 2024, www.nola.com/news/business/new-orleans-area-home-prices-fall-in-2023/article_c567b286-b571-11ee-b277-63f90bb6d22b.html.

³ Chavez, Roby. "'We're Barely Making It.' Why More New Orleans Families Are without Stable Housing." PBS NewsHour, 14 July 2023, www.pbs.org/newshour/nation/were-barely-making-it-why-more-new-orleans-families-are-without-stable-housing.

⁴ M. F. A. S. R. | S. (2023, May 21). "Flood insurance rates are soaring in New Orleans area. The West Bank is ground zero." NOLA.com. https://www.nola.com/news/jefferson_parish/new-orleans-area-homeowners-brace-for-flood-insurance-hikes/article_742de80e-f591-11ed-84b5-3bfd38ec4539.html

⁵ Reuters. "New Orleans Renters Face Toxic Mix of Crumbling Homes, Weak Rights, Eviction Worries." NBC News, 25 Aug. 2020, www.nbcnews.com/news/nbcblk/new-orleans-renters-face-toxic-mix-crumbling-homes-weak-rights-n1238019.

⁶ U.S. Census Bureau (ACS 2018-2022). "U.S. Census Bureau QuickFacts: New Orleans City, Louisiana." www.census.gov/quickfacts/fact/table/neworleanscitylouisiana.

INTRODUCTION

Affordable housing fosters stability in a resilient city.

“Home insurance now is astronomical. My wind and hail insurance increased from \$750 every 3 months to \$1,680 every three months. My flood insurance is about \$800 per year. My homeowner's insurance is about \$350 monthly.”
-Respondent, March 2024, OCAI New Orleans Housing Survey

In New Orleans, the housing ecosystem faces challenges, from rising housing costs and interest rates to increased insurance premiums, displacement, and limited affordable homeownership opportunities. In the current market, more than half of all renters and a third of homeowners are cost-burdened by their housing expenses.⁷

Addressing these challenges requires a multifaceted approach prioritizing affordability, sustainability, and economic development.

In October 2023, the City of New Orleans retained TCG and HR&A to navigate the development of a comprehensive housing ecosystem strategy. The City of New Orleans Housing Ecosystem Plan is a comprehensive plan that addresses New Orleans residents' housing challenges, while laying the foundation for long-term stability and growth within its housing ecosystem. This plan provides actionable insights and recommendations to expand the affordable housing supply and preserve existing affordable housing in New Orleans. It also summarizes opportunities for coordination among the OCD and OCAI, NORA, FNO, and HANO—collectively known as the HEPs.

These five organizations are the major local institutional actors involved in housing and development. Because of their governmental and quasi-governmental influence, this report focuses on ways to maximize the impacts of these partners. Additional stakeholder information is found in the [How This Plan Was Developed](#) section and throughout the report.

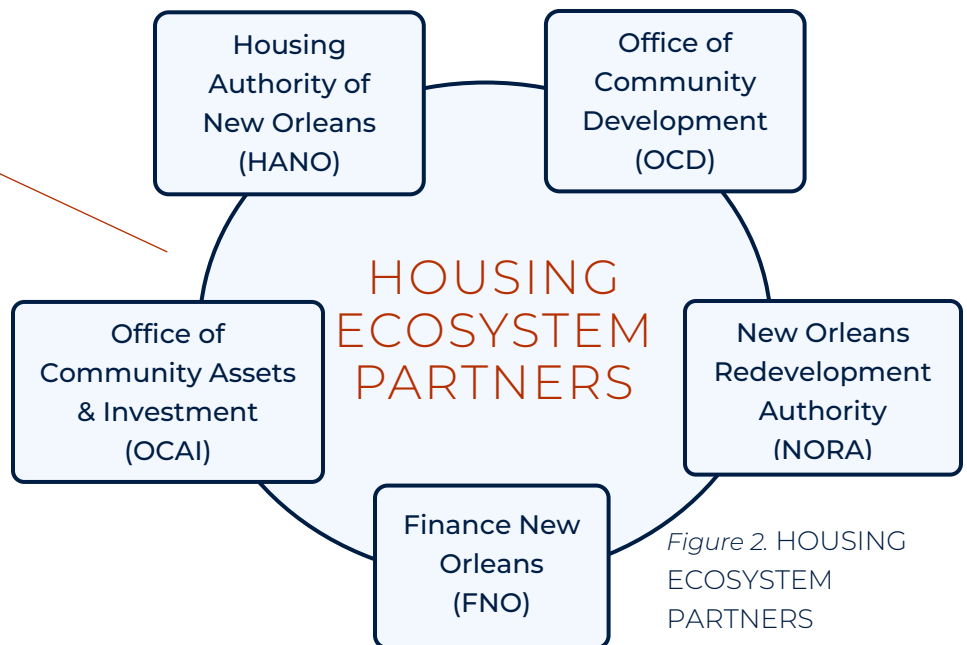


Figure 2. HOUSING ECOSYSTEM PARTNERS

⁷ Chavez.

BACKGROUND

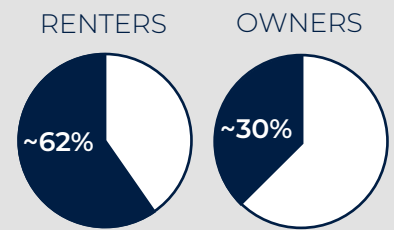
New Orleans has faced challenges impacting housing access and affordability, exacerbated by underlying trends in the real estate market, socioeconomic disparities, and other economic factors.

The city's median income is \$51,000. There are only 43 affordable rental units per 100 households at or below 50% of the Area Median Income (AMI). Approximately 80% of low-income families are rent-burdened, and 42% are severely rent-burdened. The current minimum wage in New Orleans is \$7.25/hr, while the true living wage is \$19.39/hr, according to the [National Low Income Housing Coalition](#). This significant wage gap puts immense financial strain on homeowners and renters alike.

The citywide homeownership rate is 49.3%, with the highest rates on the lakefront and in parts of New Orleans East, while central areas have the lowest rates. Higher-income neighborhoods include parts of the lakefront and the historic neighborhoods bordering the Mississippi River, whereas lower-income neighborhoods are primarily found in areas such as Central City, parts of New Orleans East, and certain sections of the Lower 9th Ward. More recently, low-priced housing markets saw sale prices more than triple post-pandemic, increasing displacement risks in these markets. In 2023, the median sale price of a home in Orleans Parish was \$337,500, 18% higher than in 2019, making it difficult for residents with moderate incomes to afford housing. These factors have led to stark contrasts between higher-income neighborhoods and lower-income communities.

The short-term rental (STR) property surge has significantly impacted the housing market. [Inside Airbnb](#) estimates more than 7,000 units that could provide housing are listed as STRs. The City has been the subject of STR litigation, including recent court challenges to the City's regulations on STRs. At the same time, the City Council has introduced pertinent legislation aimed at stricter enforcement and regulation of STRs to mitigate their impact on housing availability. Enforcement of STR regulations, however, is not a duty of the HEPs. Given these complexities, addressing STRs was outside of this report's scope.

New Orleanians Paying 30% or More of Income on Housing



\$51,000

New Orleans Median Household Income (2022 ACS)

Low-Income Households

80% are Rent-Burdened

42% are Severely Rent-Burdened

New Orleans Homes Median Sale Price

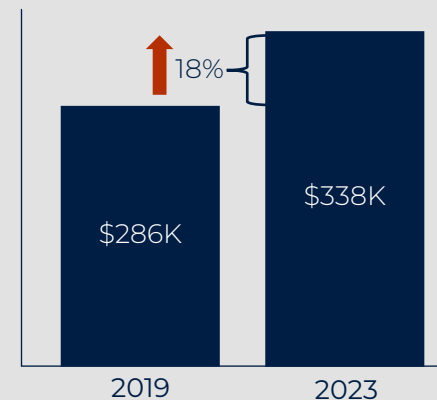
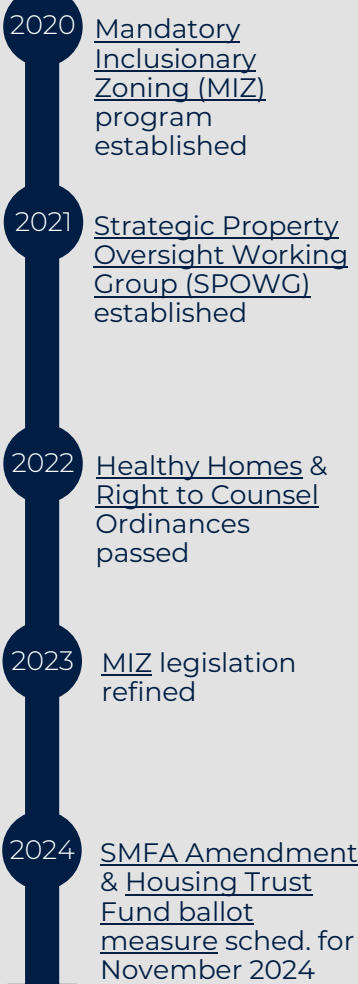


Figure 3. BACKGROUND STATISTICS

47,000

MORE Affordable Rental
Units Needed in New
Orleans
(NLIHC)

PROMISING RECENT MILESTONES



TURNING A CORNER ON FAIR HOUSING

Recent and planned subsidized housing projects throughout New Orleans aim to address the city's pressing affordable housing needs. Despite these efforts, there remains a significant shortage of affordable housing. According to the [National Low Income Housing Coalition \(NLIHC\)](#), New Orleans needs more than 47,000 additional affordable rental units.

Affordable housing can stabilize families, promote community investment, and improve the city's overall economic health. Limited affordable housing options and escalating costs push vulnerable populations to the margins, perpetuating cycles of poverty and social inequity.

In recent years, the City of New Orleans has made notable efforts to address challenges within the housing sector. Notably, the Mandatory Inclusionary Zoning (MIZ) program was established, requiring affordable housing developments to set aside a percentage of on-site rental units in specific areas. This initiative has produced 460 units since its inception.

In May 2022, the New Orleans City Council unanimously passed the Right to Counsel ordinance to ensure that all residents facing eviction have access to free legal help and representation.¹ This critical ordinance was introduced to address the significant disparity in legal representation during eviction proceedings, where only a small fraction of tenants had access to an attorney. By providing counsel as a matter of right to all tenants facing eviction or termination of a housing subsidy, the ordinance aims to protect vulnerable residents and reduce eviction rates, which disproportionately impact Black women and low-income families.¹ However, for the Right to Counsel program to be effective and sustainable, it is crucial that it is adequately funded. Ongoing financial support will ensure that the program can meet the demand for legal services and uphold the promise of equitable housing justice for all New Orleans residents.

To build on these achievements and maintain the momentum in fair housing, the City should consider implementing the following measures in the future:

- **Ban 'Source of Income' Discrimination**
- **Support a 'Just Cause' eviction law at the state level.**

These strategies would ensure equal access to housing and provide tenants with greater stability and protection against unjust evictions. They are crucial for fostering an inclusive and equitable housing system for all residents.

Figure 4. BACKGROUND STATISTICS

In November 2022 the city introduced the [Healthy Homes Ordinance](#) to ensure safe and habitable housing for residents. This ordinance mandates regular inspections and compliance with health and safety standards for rental properties. As the Healthy Homes Ordinance rolls out this year and next, there is a pressing need for anti-displacement funding to support residents who might be displaced due to the enforcement of these new standards.

Housing advocates have raised concerns about the lack of sufficient funds to prevent displacement, fearing residents living in substandard housing may be displaced without adequate resources for rehousing. If voters approve the Housing Trust Fund in November, HEPs should prioritize developing a small-landlord rental rehabilitation fund to ensure that properties can be brought into compliance and minimize displacement.

In 2023, discussions about establishing the Housing Trust Fund led to a [November 2024 ballot measure](#) proposing that an amount equal to 2% of the city’s general fund be annually appropriated for affordable housing preservation and development.

In June 2024, the City Council approved a CZO amendment updating [small multi-family affordable \(SMFA\) regulations](#), allowing up to four dwelling units on a single lot as long as at least one unit is affordable to households making less than 70% AMI and remains so for 15 or more years, and no more than one unit is used as an STR.⁸

These policies and initiatives are a strong start, but without long-term sustained funding, stronger coordination among the HEPs, and greater support for disinvested neighborhoods, increasing the scale of development in New Orleans to match the need will be nearly impossible. Understanding the complex interplay of these factors is crucial for developing effective strategies that address housing affordability concerns in New Orleans. The CNO Housing Ecosystem Plan builds on previous momentum and offers a holistic strategy to address these issues.

“Per census.gov, the median value of a home in the area is \$281,500. Median household income is \$51,116. If a household takes out a loan with 3.5% down and 6.5% APR (and ignoring PMI), they’ll be paying \$1,899 per month or 45% of their monthly income, before even considering property taxes and through-the-roof insurance rates.”

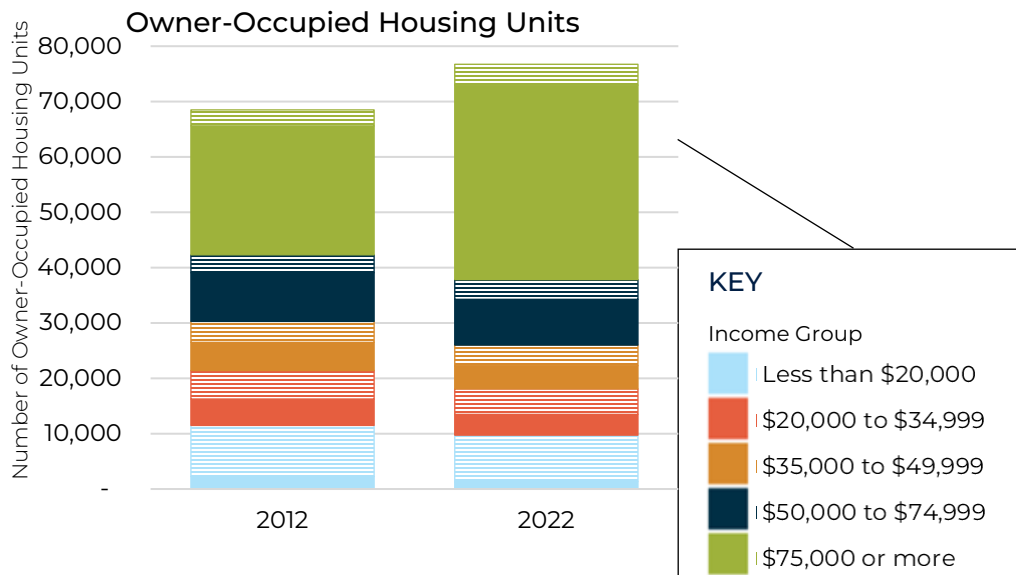
-Respondent, March 2024
OCAI New Orleans Housing Survey

⁸ Harris, L. (2024, May 2). Motion No. M-24-200. City of New Orleans.
https://cityofno.granicus.com/MetaViewer.php?view_id=42&clip_id=4840&meta_id=684795

Before moving into recommendations, the quote above and the charts below are intended to show the scale of the housing affordability challenge facing New Orleanians and the HEPs.

Over the past 12 years, rather than improving, the number of residents that are “Housing Cost Burdened” (spending 30% or more of income on housing) has become slightly worse. This is especially true for groups making less than the Area Median Income and renters. Being cost-burdened means a household is unlikely to have enough money on hand to address a single catastrophic event like a major illness, disaster damage, or rising insurance rates. Residents may respond by cutting back on other essential expenses (for example, healthcare, education, childcare, retirement, etc.), which can jeopardize their lifelong earning potential and long-term well-being. The most frustrating implication of this financial vulnerability is that 61% of renters (30% of households) are unlikely to buy a home or accumulate transferrable wealth unless housing, especially rental housing, becomes dramatically more affordable.

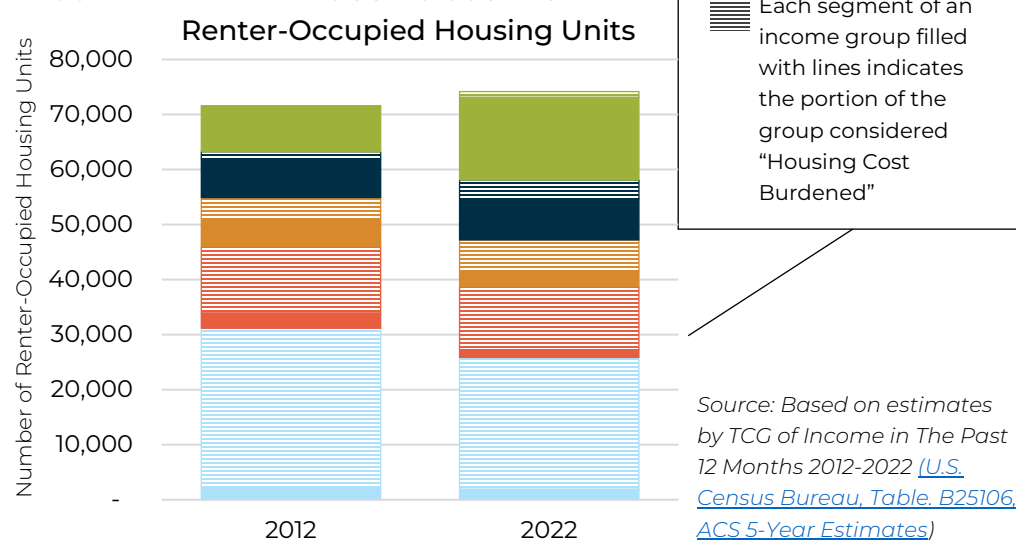
Figure 5. OWNER-OCCUPIED HOUSING UNITS BY INCOME LEVEL AND HOUSING COST BURDEN



Since 2012, the percent of **Housing Cost Burdened Homeowners** in New Orleans earning:

- more than \$75,000 has **decreased by only 1%.**
- between \$50,000 and \$74,999 has **increased by 3%.**
- between \$35,000 and \$49,999 has **increased by 5%.**
- between \$20,000 and \$34,999 has **increased by 3%.**
- less than \$20,000 has **increased by 6%.**

Figure 6. RENTER-OCCUPIED HOUSING UNITS BY INCOME LEVEL AND HOUSING COST BURDEN



Since 2012, percent of **Housing Cost Burdened Renters** in New Orleans earning:

- more than \$75,000 has **increased by 2%.**
- between \$50,000 and \$74,999 has **increased by 16%.**
- between \$35,000 and \$49,999 has **increased by 24%.**
- between \$20,000 and \$34,999 has **increased by 8%.**
- less than \$20,000 has **decreased by 0.5%.**

Source: Based on estimates by TCG of Income in The Past 12 Months 2012-2022 (U.S. Census Bureau, Table. B25106, ACS 5-Year Estimates)

HOW THIS PLAN WAS DEVELOPED

To build this plan, TCG and HR&A facilitated an inclusive [stakeholder engagement process](#). This process involved focus groups, one-on-one interviews, and a community survey, complemented by extensive research and data analysis. The aim was to gain insights into New Orleans' housing needs and priorities, identify key opportunities and gaps, and explore strategies to maximize existing resources.



Stakeholder Engagement Activities

A list of engagement activity dates is available in the [Appendix](#).

Focus Groups: Three focus group sessions were conducted with housing developers, affordable housing advocates, and City of New Orleans personnel. These sessions aimed to gather insights on housing development and preservation needs and potential strategies, reforms, and policies to address local housing challenges.

One-on-One Interviews: Individual interviews were conducted with leadership and key staff from the City of New Orleans' Zoning Administration, OCD, OCAI, NORA, FNO, and the HANO, as well as with city council members. These interviews provided an in-depth exploration of perspectives, experiences, and recommendations, allowing us to better determine the most pressing resource needs across specific neighborhoods and communities.

Community Survey: OCAI distributed a community survey to gather input from a broader cross-section of New Orleans residents. The survey was publicized through CNO social media, City Council offices, community organizations, and the Mayor's Neighborhood Engagement Office. The survey solicited feedback on housing challenges, priorities, and potential solutions, generating over 1,000 responses. It provided valuable insights into community perspectives on housing needs. A [summary of survey responses is in the Appendix](#) and quotes from respondents are used throughout this document.

“Please consider helping Black NOLA natives remain residents in Orleans Parish. Affordable housing efforts should include people at my income level & good credit who do not meet financial criteria for low-income housing assistance or home ownership programs. Policy makers should primarily include NOLA natives from all neighborhoods, education levels. I am a graduate of McDonogh 35, Xavier University and Tulane University. This is the first time I have had any voice regarding NOLA housing crisis.”

-Respondent, March 2024
OCAI New Orleans Housing Survey



Research and Data Analysis

In addition to stakeholder engagement, local housing plans, strategies, and market analysis reports produced by local housing agencies and nonprofit organizations were comprehensively reviewed and [summarized](#). This was complemented by an in-depth economic and demographic data analysis to identify the successes and challenges within New Orleans' housing ecosystem. These efforts provided essential background information to understand the current housing conditions and the underlying market dynamics influencing them.

Table 1. RESPONDENTS' TOP HOUSING ISSUES

Housing Issues	Count	Percent
Cost of Insurance	722	66%
Property Taxes	445	40%
Cost of Rent	430	39%
Housing Homeless Individuals	354	32%
Cost of Purchasing a Home	349	32%
Poor Physical Conditions of Rental Housing	224	20%
Gentrification	195	18%
Predatory Landlords	189	17%
Lack of Amenities near Available Housing	169	15%
Preservation of Historic Structures	158	14%
Housing Discrimination	68	6%

*Respondents were able to select up to three issues.

Table 2. TOP 3 RESPONSES WITHIN EACH SELF-IDENTIFIED HOUSING STATUS GROUP

Renter	
Cost of Rent	25%
Housing Homeless Individuals	13%
Cost of Purchasing a Home	12%

Living with family	
Cost of Purchasing a Home	19%
Cost of Insurance	19%
Cost of Rent	17%

Owner	
Cost of Insurance	28%
Property Taxes	18%
Cost of Purchasing a Home	10%

Prefer not to say	
Cost of Insurance	21%
Cost of Rent	17%
Cost of Purchasing a Home	13%

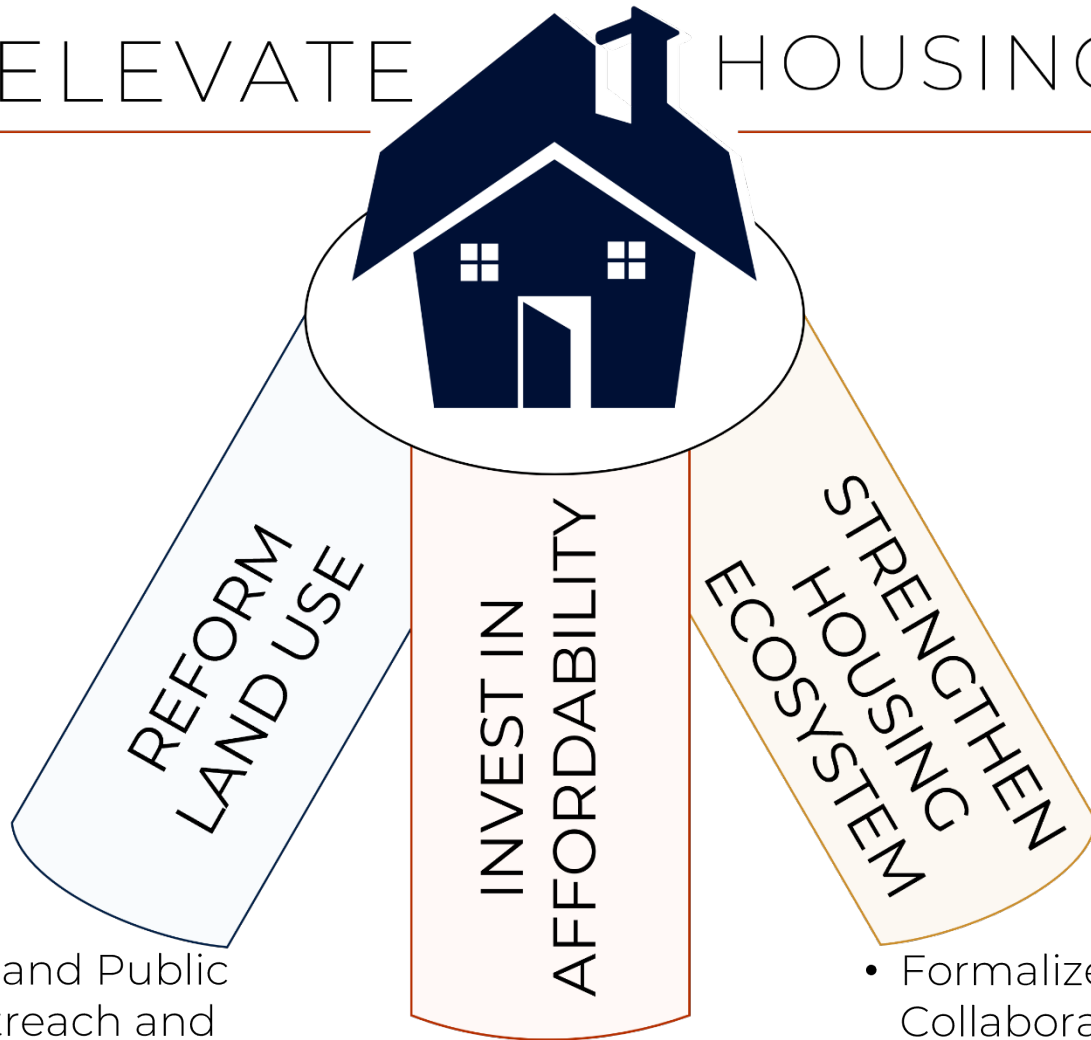
Homeless/Unhoused	
Cost of Rent	28%
Housing Homeless Individuals	22%
Gentrification	11%



Data Synthesis

The data collected from the focus groups, interviews, community survey, and additional background research were analyzed to identify emerging issues, key themes, and priority recommendations. It was used during mapping activities with stakeholders and examined in HEP convenings. The discussions around this data provided critical insights as strategies began to evolve. Combining information from all HEPs, from non-profits, and from publicly available sources informed the development of the Housing Ecosystem Plan.

ELEVATE HOUSING



- Expand Public Outreach and Internal Coordination
 - Promote Place-Based and Transit-Oriented Development
 - Enact Flexible Parking Policy
 - Permit ADUs and Eliminate Minimum Lot Size Citywide
- Increase Local Funding
 - Revitalize Disinvested Neighborhoods
 - Expand Access to High-Cost Neighborhoods
 - Leverage Federal Programs
- Formalize Collaboration
 - Determine and Establish Predictable Funding Cycles
 - Establish Structured Reporting Framework
 - Develop a Housing Department

INVEST IN AFFORDABILITY

ELEVATE HOUSING

The housing challenges in New Orleans' are neighborhood-specific and all-encompassing. While some neighborhoods have longstanding disinvestment, high vacancies, and blighted housing, there is an overarching need for more affordable homes as rising prices raise displacement risk for low- and moderate-income residents. New Orleans' Market Value Analysis, most recently updated in 2023, shows areas with higher rates of renovation and new construction, high or moderate home prices, and low vacancy (purple and blue markets), as well as areas with deferred maintenance and higher vacancy, and concentrations of subsidized housing (yellow and orange markets).

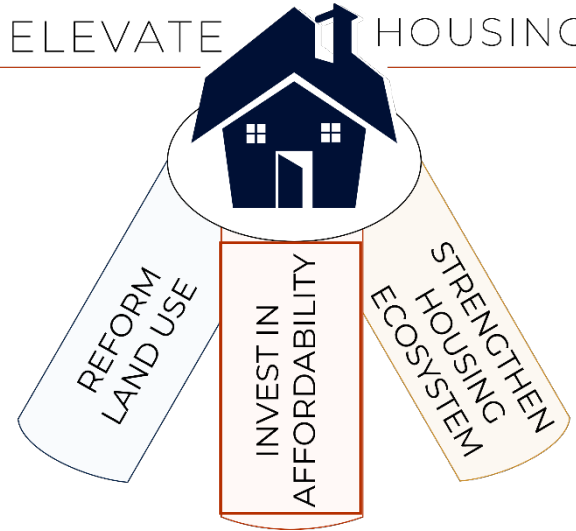
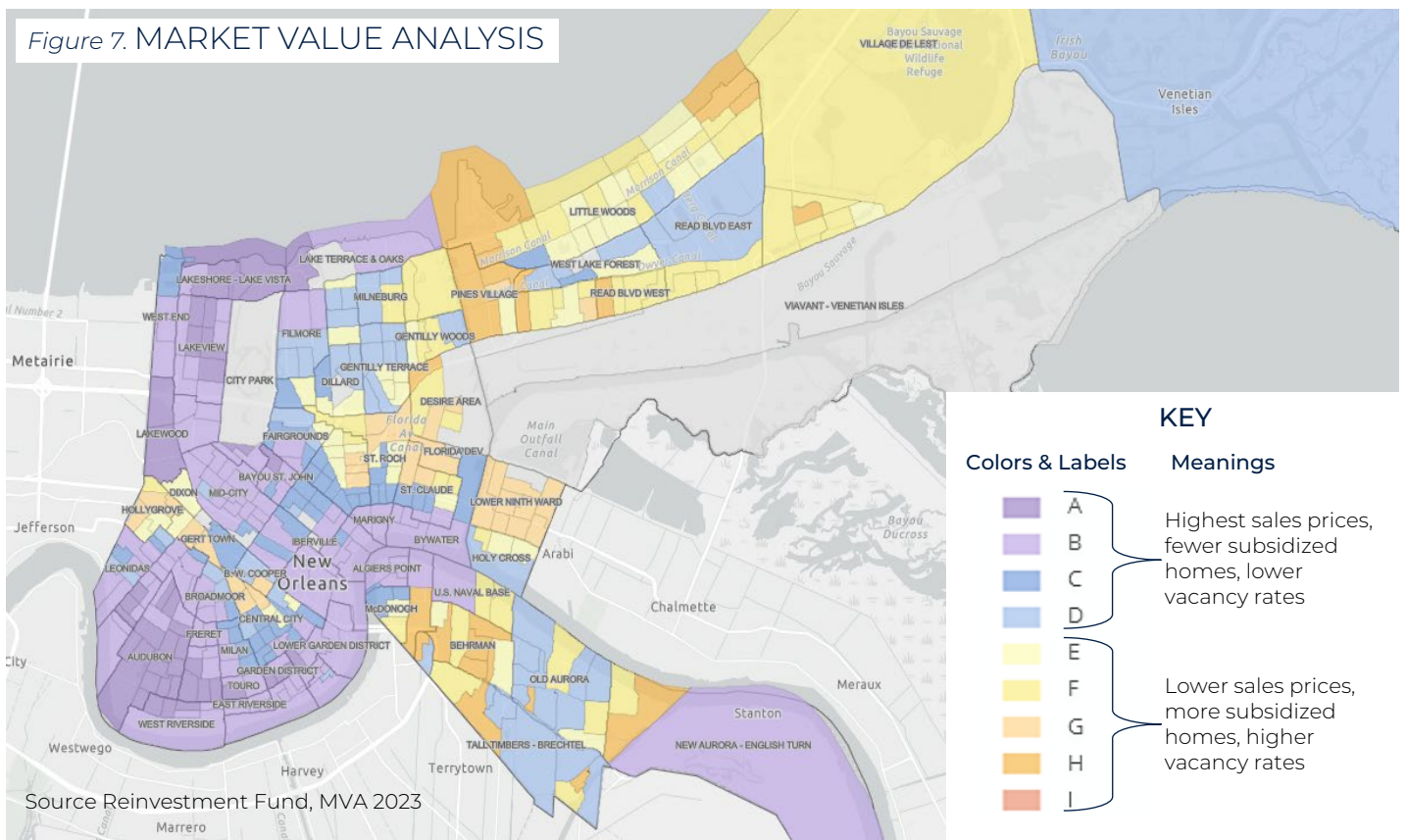


Figure 7. MARKET VALUE ANALYSIS



Source Reinvestment Fund, MVA 2023

Different market types face different affordability challenges:

- In purple and blue markets with the highest median sales prices and the lowest number of subsidized homes, investment may be needed to provide more affordable multifamily homes and help residents stay in their current homes as prices rise. This type of investment is important both to mitigate displacement and to improve “access to opportunity” in the form of employment, schools, and economic outcomes associated with living in higher- or mixed-income neighborhoods.

- In yellow and orange markets—where home prices are low, vacancies are high, and a substantial number of homes are already subsidized—investment is needed to reverse disinvestment, repair blighted conditions, and increase the availability of affordable, high-quality, climate-ready housing for New Orleans’ residents. A coordinated, strategic approach to neighborhood reinvestment can advance the restoration of housing stock and create a public constituency for desirable neighborhood amenities, improving local housing markets and helping retain and attract residents.

New Orleans requires a multi-pronged approach to address the differing needs of these market types. This approach must also be agile and responsive to rapidly changing market conditions because a Market Value Analysis is only based on a snapshot in time. Events like COVID-19, rapidly increasing insurance costs, and assessment spikes have shown how dramatically markets may change in less than five years.

There are few remaining yellow and orange markets near downtown. One area that HANO, along with the City of New Orleans and NORA, has identified as crucial in reversing disinvestment is the Earhart/ B. W. Cooper corridor that encompasses Hoffman Triangle, Gert Town, and Hollygrove. This is one of the few remaining affordable locations that can provide affordable homeownership and high-quality climate-ready housing that is affordable to moderate and low-income households. Under HANO's leadership, the U.S. Department of Housing and Urban Development (HUD) has provided funding to develop a "Transformation Plan" as part of the Choice Neighborhood initiative to develop a strategic approach to reverse disinvestment and blight.

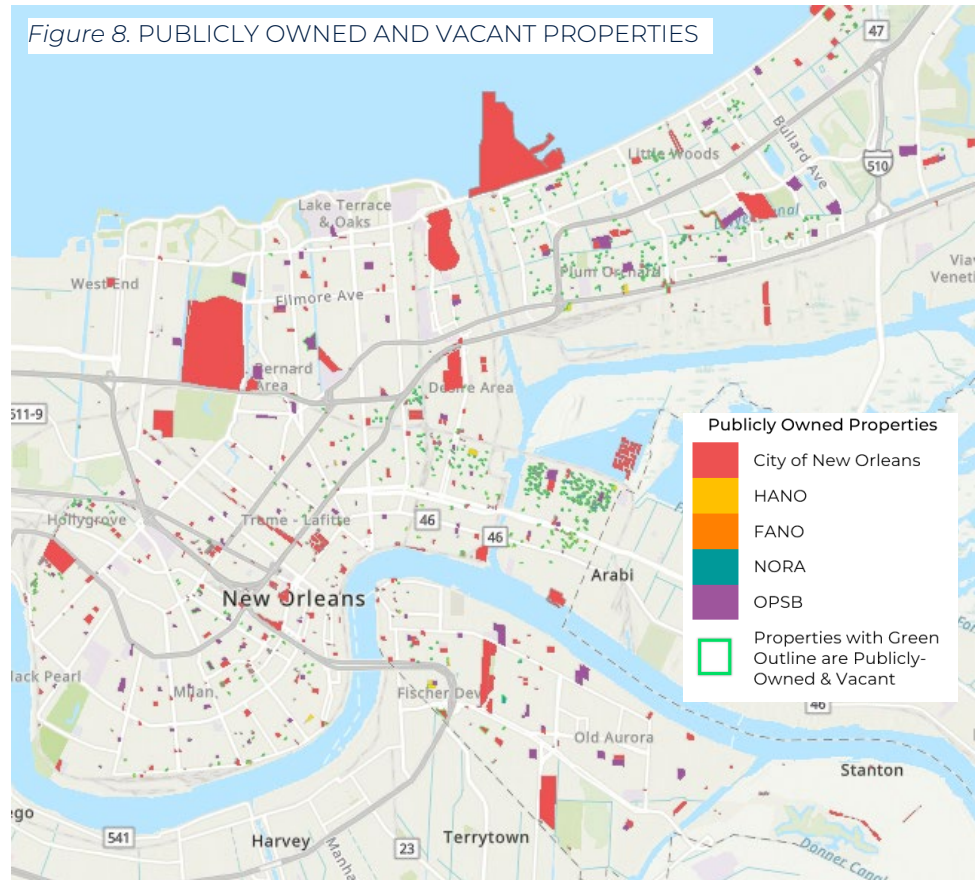
A place-based approach centered on increased funding and collaboration is vital to scaling New Orleans’ housing programs. This will enable the City to support disinvested neighborhoods while mitigating displacement in areas with rising values. This will also allow for localized interventions that meet the specific demands of different areas of the city, ensuring resources are used efficiently to foster resilient community development and housing stability. The success of the following place-based recommendations depends on securing reliable, local sources of funding, allowing for long-term investment in individual programs.

Investing in affordability means expanding coordinated and localized efforts to revitalize disinvested neighborhoods. These neighborhood-specific investments should be designed to reduce vacancies and blight. This is done by supporting homeowners, renters, and homebuilders by developing new, climate-ready infill homes and improving the quality of existing homes through repairs and green updates.

Neighborhoods and housing influence health outcomes by affecting physical safety, pollution exposure, and overall stress levels. High rates of vacant and blighted properties in a neighborhood can lead to problems that negatively impact community well-being and economic stability. Visible blight and vacancy can deter potential renters, homebuyers, and investors, contributing to a decline in property values. Neglected properties can also harm

public safety and community health if left unattended, harboring pests, trash, mold growth, and posing physical hazards due to structural deterioration

New Orleans needs strategic investment in high-vacancy markets to preserve and rebuild the City's historically important neighborhoods, provide quality housing for residents, and make the City's neighborhoods more resilient to future market and environmental disruptions. Because public agencies still hold so many properties vacated during Hurricane Katrina, there are opportunities to strategically package properties for development, especially if all property-holding public entities agree to a uniform disposition process.



The City currently supports infill development through the Orleans Housing Investment Program (OHIP) and scattered-site Low Income Housing Tax Credit (LIHTC) development. OHIP provides land and other subsidies in high-vacancy neighborhoods to developers that build new homes and to income-qualified homebuyers to support the purchase of those homes. The program has successfully increased the number of occupied homes in priority neighborhoods, but funding constraints hinder its ability to expand.

As of 2024, more than 7,000 affordable units in New Orleans are subsidized via LIHTC. Once the mandatory period of affordability expires, units are typically converted to market rate. Based on the expiration dates associated with current LIHTC units, New Orleans should expect to see the number of these affordable units decrease 54% (to 3,289 units) by the end of 2040. To retain population in coming decades avoid displacement of thousands of residents and their families, New Orleans will need to aggressively pursue additional LIHTC subsidies or replace them with longer-term affordable housing.

Figure 9. LIHTC UNITS EXPIRING BY 2051.

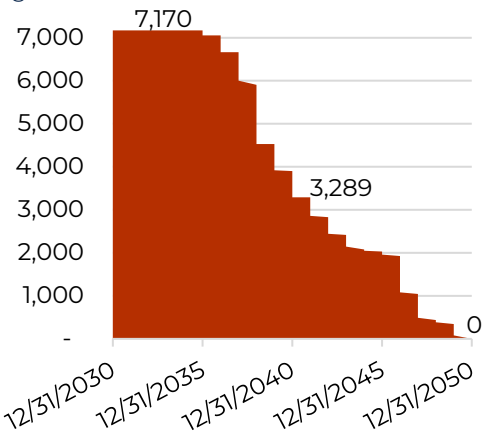


Figure 10. [ORLEANS HOUSING INVESTMENT PROGRAM IN ACTION](#)



Iris Development completed three affordable for-sale single-family homes in New Orleans East and Gentilly Woods through OHIP. Two of the new homes in this program were built to recover housing stock in the area impacted by the 2017 New Orleans tornado. The homes are built to some of the highest standards in the industry, including EPA Energy Star V3 and IBHS FORTIFIED Gold.

While LIHTCs are typically used for multifamily housing, the HEPs have supported a scattered-site model, enabling developers to build or rehabilitate several affordable housing properties in various locations using a single tax-exempt bond issuance. The prevalence of single-family zoning and high land remediation costs also limit the availability of sites suitable for “[missing middle](#)” development (typically, duplexes, triplexes, and quadruplexes), which can provide more homes more efficiently.

Figure 11. [SCATTERED-SITE LIHTC IN ACTION](#)



The St. Ann Square Apartments located in the Tremé/Esplanade Ridge community is a prime example of scattered-site LIHTC. Developed by Providence Community Housing, St. Ann Square Apartments features 59 apartments for very low- and low-income seniors on a campus with six historic and new construction buildings. This allows the finance costs to be spread out across multiple properties, rather than financing each property separately.

“Housing is unaffordable for everyone as unhoused people cannot afford rent, renters struggle to pay rising rents without receiving pay raises, and low-income homeowners are on the verge of losing their homes due to astronomical yearly raises in insurance and taxes, and landlords pass those same costs onto their renters.”

-Respondent, March 2024
OCAI New Orleans Housing Survey

Increase Local Funding

Investing in local funding sources is crucial for New Orleans to meet its housing goals and address the diverse needs of its neighborhoods. By allocating general funds, issuing affordable housing bonds, and building support for other recurring revenue sources, the City can secure reliable, long-term funding to support and expand its housing programs. This will enhance the City's ability to preserve and rebuild its neighborhoods, provide quality housing for residents, and foster resilient community development.

Local funding allows for more predictable and stable financing, enabling better planning and timely project completions. Developers and program administrators can allocate resources more strategically, leading to the efficient delivery of affordable homes. Local funding can also be used to implement customized housing strategies that align more closely with local needs and priorities. Unlike federal housing funds, which are restricted to assisting householders below 80% AMI, local funding could also provide more flexibility to assist with ownership and wealth building for residents in 80% to 140% AMI range. (In New Orleans, the 2024 AMI for a family of four is \$86,800.)

There are three primary sources of local funding that the City could draw on to increase local funding and all three are strongly recommended based on needs like those discussed in the [Background Section](#) and those that will follow.

- **Adopt a Housing Trust Fund:** Allocate a portion of the City's general fund (or its equivalent from another unrestricted funding source) specifically for affordable housing programs. Dedicating general funds ensures a steady and predictable stream of funding, allowing the City to better plan and execute housing initiatives. It provides flexibility in addressing immediate and long-term housing needs and can be tailored to meet the unique challenges of local communities. Added to the ongoing commitment of federal entitlement funds, this would give the City \$33 million per year for housing programs.
- **Issue a Significant Affordable Housing Bond:** Issue an affordable housing bond to provide substantial funding for large projects and major investments over multiple years. Bonds can raise significant capital upfront, enabling the City to undertake major housing projects and related infrastructure improvements. This approach spreads the cost over an extended period, making it a feasible option for funding major, impactful housing developments. A five-year, \$100 million affordable housing bond would bring total annual commitment to \$53 million. For housing bonds to be effective, they should be implemented in addition to a Housing Trust Fund – and the Trust Fund should not be used to service the debt on housing bonds. Projections in this section assume separation of trust and bond funds.
- **Identify Long-Term Subsidy Replacement:** Over the next ten years, when funding for

85.6%

of respondents to [OCAI's March 2024 survey](#) supported "dedicating a recurring percentage of the City budget for affordable housing, [...] without increasing property taxes."

76%

of respondents to [OCAI's March 2024 survey](#) supported "a large bond sale dedicated solely to affordable housing, without increasing property taxes."

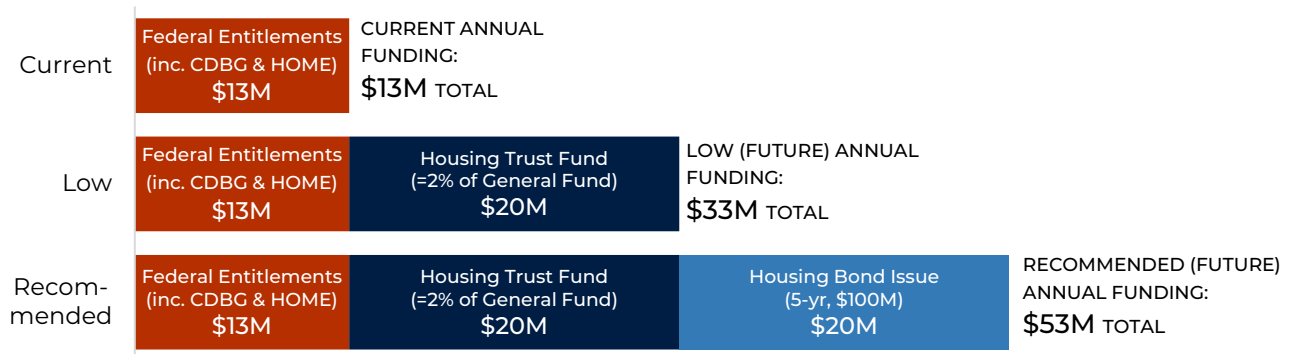
the HANO project-based vouchers is expended, the City will need to consider alternative sources of subsidy. This local revenue could support a wider range of housing initiatives than PBVs, from new construction to rehabilitation and preservation, addressing both supply and quality of housing.

Generating and investing in local funding sources is central to New Orleans's ability to meet its housing goals and address the diverse needs of its neighborhoods by preserving and rebuilding them, providing quality housing, and fostering resilient communities.

Impacted Programs: *Health and Safety Owner-Occupied Program, Code Enforcement, Small Renter Program (new)*

Impact Levels of Increased Local Funding

Figure 12. THREE LEVELS POTENTIAL FUTURE LOCAL FUNDING COMMITMENT



The [National Low Income Housing Coalition](#) estimates that New Orleans needs roughly 47,000 affordable rental units. If the City and its partners successfully implement the recommended level of funding, that need can be reduced by 8% in five years and 15% within 10 years.

Currently, the City relies almost exclusively on federal entitlement programs to fund its housing programs, particularly CDBG and HOME. In total, the City receives about \$21 million annually in federal entitlement funds and allocates \$12 to 15 million to fund housing programs, including The Direct Homebuyer Assistance Program, the Health and Safety Owner-Occupied Program, and the multifamily NOFA.

In recent years, the City has made occasional one-time allocations of additional funding from the American Rescue Plan Act (ARPA) and other one-time federal disaster recovery programs to fund specific projects in its pipeline. In total, federally funded programs produce 230 new homes each year and support an additional 95 households, benefiting over 325 households.

“Advertise the great advantages of HUD subsidies (Housing Choice Voucher Program) so that landlords may be inclined to participate. I have done so for 14 years...best tenants ever!”

-Respondent, March 2024
OCAI New Orleans Housing Survey

Local funding allows for tailored solutions that meet the community's specific needs. Local governments better understand their residents' unique challenges and requirements than federal or state bodies. With local funding, communities can implement customized housing strategies that are more directly aligned with local needs and priorities.

When funding is available, predictable, and easy to access, developers and program administrators can better plan their operating and capital expenditures. This stability allows for more strategic resource allocation, timely project completions, and the efficient delivery of affordable homes. Peer cities who have established [Local Housing Trust Funds in the Southeast](#) have typically targeted a value of around \$50 per resident per year, which is in line with Housing Trust Fund proposal before New Orleans voters in November of 2024.

If the City increases existing funding allocation through general fund contributions and an affordable housing bond, the number of households served could double or even triple.

Current Funding
Federal Entitlement Funds Only
\$13M = 420 households

The HEPs presently support approximately **325 new housing units annually** through subsidy programs. About 25 development projects a year (with 230 units) are created through New Construction Infill, Scattered-Site 9% LIHTC, new 9% LIHTC, new 4% LIHTC, and 4% LIHTC preservation programs. Around **95 households** are supported through Down Payment Assistance, Small-Scale Homeowner Rehab.

Low Funding
Federal Entitlement Funds + Housing Trust Fund
\$33M = 625 households

With **\$33 million** in funding, approximately **475 housing units** would be created or preserved, while an **additional 170 households** would be supported through demand-side interventions – **more than double** the current impact.

Recommended Funding
Federal Entitlement Funds + Housing Trust Fund + Housing Bond Issue
\$53M = 1,005 households

With **\$53 million** in funding, the impact more than **triples**, with approximately **725 homes** created or preserved, while an **additional 280 households** supported through demand-side interventions. The greatest impact would be felt by existing renters, who would benefit from new strategies (Small-Scale Landlord Rehab) and increased funding for 4% LIHTC preservation and PHA redevelopment projects.

Figure 13. FUNDING ALLOCATION BY BENEFICIARY GROUP

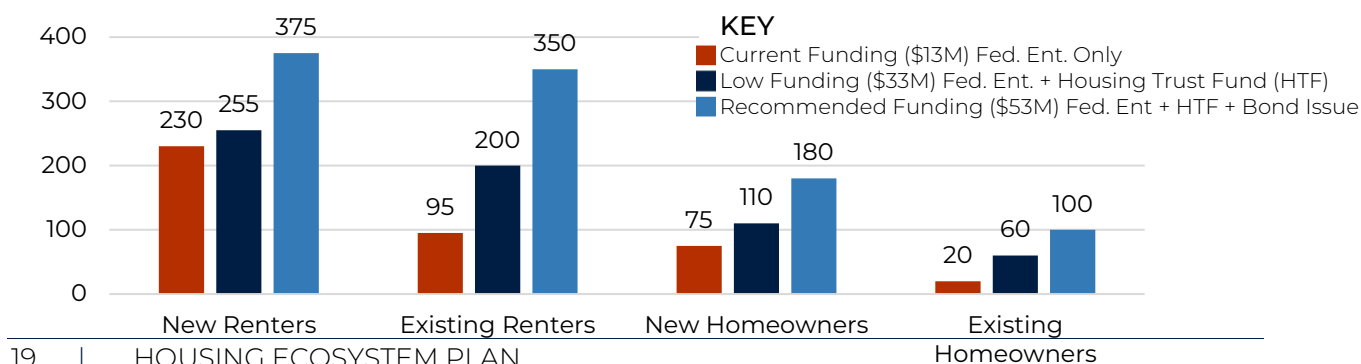
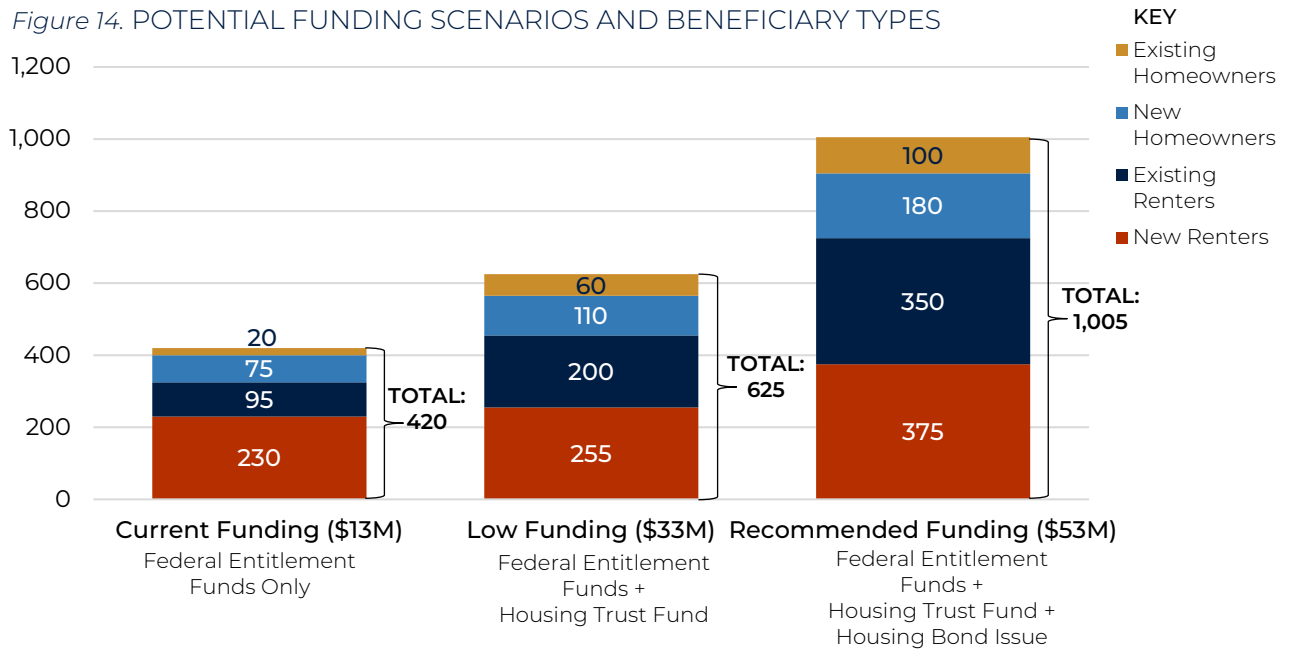
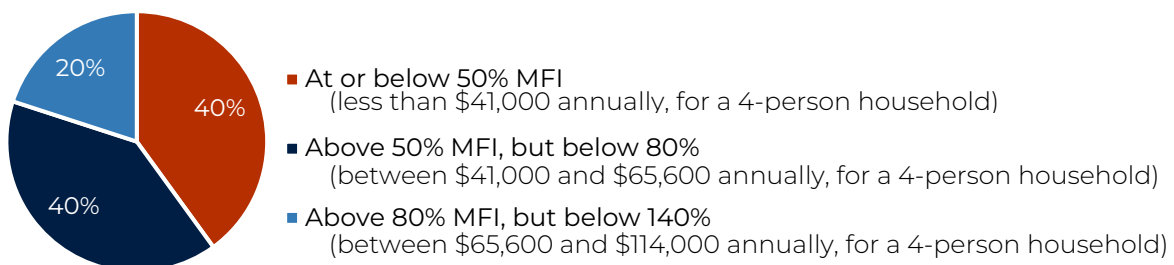


Figure 14. POTENTIAL FUNDING SCENARIOS AND BENEFICIARY TYPES



The City and its partners have expressed interest in supporting low- and middle-income households with incomes between 30% to 140% of [Median Family Income](#) (MFI). Because needs are greater among those with lower incomes, funds should be distributed progressively. Please note that the proposed allocation of trust fund dollars is an example of how the money could be distributed and does not represent an exact allocation plan. The actual distribution of funds will be determined based on further analysis and community input. It is also important to note that federal funding can only be used to support households with incomes up to 80% AMI. All programs suggested here that would benefit households between 80% and 140% AMI must be funded by new local funding sources like the Housing Trust Fund or a Housing Bond Issue.

Figure 15. INCOME TARGETS BY CATEGORY



By leveraging existing and new funding sources and creating policies and procedures that encourage home repairs, the City can encourage the preservation of homes that are safe and livable while helping prevent displacement. All HEP programs could improve more residents'

lives if more funds are available; growing issues that may merit more resources include:



Supporting Healthy Homes Program by Providing Information about Rehab Assistance: Alongside planned changes to the City's code enforcement practices, the City should ensure that property owners, including both homeowners and housing providers, have access to the information and resources they need to address critical repairs. The Healthy Homes Program is designed to ensure safe and habitable dwellings by enforcing minimum rental standards and providing tenants with the right to report violations without fear of retaliation. Information about available repair programs for owners facing code enforcement actions is crucial for success. Otherwise, improvements in housing quality could lead to displacement of renters.



Providing Funds for Anti-Displacement to Re-house Tenants Impacted by Sub-Standard Housing: As the Healthy Homes Program rolls out, the City should allocate sufficient funding to the existing Anti-Displacement Fund to support tenants who may be displaced due to enforcement actions on sub-standard housing. This fund will help subsidize alternate housing for affected tenants, ensuring they have safe and affordable housing options while their current residences are brought up to code. Allocating sufficient resources is essential for this initiative and to prevent the risk of homelessness among vulnerable populations.



Continuing investment in Right to Counsel Program: Sustain and expand the Right to Counsel program, which provides legal assistance to tenants facing eviction. Providing tenants with legal representation helps ensure fair treatment in eviction proceedings and can prevent unjust evictions. This support is crucial for maintaining housing stability for vulnerable residents, reducing homelessness, and promoting equitable access to justice. Continued investment in this program can safeguard low-income tenants from losing their homes due to legal complexities or lack of representation.



Banning Source of Income Discrimination: Consider funding promotion and enforcement legislation that bans discrimination based on a tenant's source of income, such as housing vouchers or disability payments. Banning source of income discrimination ensures that all renters, regardless of how they pay, have equal access to housing opportunities. This policy prevents landlords from unfairly rejecting tenants who use public assistance or non-traditional income sources. This promotes inclusive and equitable housing practices. Investing in the enforcement of this ban supports fair housing and helps reduce barriers to affordable housing for marginalized groups.



Supporting a 'Just Cause' Eviction Law at the State-Level: It may become appropriate to set aside resources to advocate for and support the implementation of a 'Just Cause' eviction law at the state level, which would require landlords to provide a valid reason for evicting a tenant. Such a law would protect tenants from arbitrary and retaliatory evictions, ensuring they can remain in their homes unless there is a legitimate reason for eviction, such as non-payment of rent or lease violations. Supporting this law helps stabilize communities, reduces displacement, and provides tenants with greater housing security.

Case Study 1.

ATLANTA URBAN DEVELOPMENT CORPORATION | ATLANTA, GA

The City of New Orleans Office of Community Assets and Investment is researching best practices on revolving loan funds and their implementation to support affordable housing development. This effort aims to leverage proven strategies from other cities, such as Atlanta, to address local housing shortages and promote sustainable community revitalization and could be an application of a Future Housing Bond or Housing Trust Fund dollars.

INTENT: To build or preserve 20,000 units of affordable housing by 2029, the City of Atlanta and Atlanta Housing collaborated to create the Atlanta Urban Development Corporation (AUDC). This initiative aims to leverage public land to create high-quality mixed-income housing, establish long-term affordability, and complement existing housing development efforts by public agencies.

ACTION: The City of Atlanta provided seed capital to establish and fund operations, acquisitions, and initial equity for projects. The Mayor's Office worked with the City Council to identify and allocate necessary funds and City-owned sites for AUDC. With initial seed funding of \$4 million and the allocation of four public sites, the AUDC quickly mobilized with a team of real estate professionals. The organization established key partnerships with local stakeholders and public agencies, setting the stage for effective community engagement and strategic project planning.



SUCCESS: The establishment of AUDC has significantly bolstered Atlanta's ability to develop mixed-income housing on public land.

- **Increased Affordable Housing Stock:** The first four sites are poised to yield 550 affordable units in townhomes and multifamily units.
- **Leveraged Public Land:** By utilizing city-owned land for development, the AUDC has maximized the value of public assets to support affordable housing initiatives, ensuring long-term affordability and community benefits.

Revitalize Disinvested Neighborhoods

- **Identify a Set of Development-Ready Sites:** In the past, infill development through OHIP and scattered-site LIHTC has relied heavily upon publicly owned land to expand the number of homes built; both public and private land should be used. Sites targeted for “[missing middle](#)” housing can be rezoned for middle-density development. OCD, OCAI, NORA, HANO, and their development partners will create a catalog of smaller sites that are strong candidates for infill development. NORA and OCD are members of the [Strategic Properties Oversight Working Group](#) (SPOWG), a cross-functional team of City departments critical to developing City-owned property, coordinated by OCAI.
- **Designate Scattered-Site LIHTC Development Partners:** Led by NORA, the City and its partners should identify developers interested in scattered-site LIHTC on publicly owned properties through a Request for Qualifications (RFQ). Once interested and qualified developers have been identified, the City and its partners can engage with them to coordinate an assembly of properties suitable for development and likely to score well for LIHTC allocations.
- **Link Infill Programs to Homebuyer Assistance:** Greater coordination between the OCD and NORA down payment assistance programs and prioritizing buyers of OHIP properties can improve how the HEPs layer their resources. OHIP provides limited down payment assistance to purchasers of homes built through the program; combining it with the City’s down payment assistance will increase the number of new affordable for-sale homes that can be built. Layering down payment assistance offered by the two agencies can help increase developer interest in the program while also helping more households access homeownership.
- **Integrate and Coordinate Existing Down Payment Assistance Programs:** Strengthening connections between available DPA programs and the OHIP infill program can be leveraged together to provide move-in-ready homes for purchase, enabling buyers to reduce their mortgage amounts by combining assistance from multiple sources. A single intake process for buyers to access a range of assistance should be created with a streamlined and coordinated application or approval process.
- **Help Buyers Access Favorable Mortgage Terms:** Because of recent spikes in interest rates, down payment assistance alone will not fundamentally change access to homeownership and wealth building for households. HEPs like FNO and HANO should also identify and connect potential homebuyers to affordable and flexible mortgages. HANO can assist with this effort as its home buyer program is a national model of success that connects Housing Choice Voucher homebuyers to credit counseling and lower interest rates with flexible mortgage terms. Similar or larger initiatives should also involve working with mortgage lenders to identify the most competitive mortgage terms available alongside down payment assistance programs and connecting borrowers to these mortgages. Favorable terms could include negotiated lower interest rates and flexible terms and credit requirements.

- **Create a Rental Rehab Program for Small-Portfolio Housing Providers:** Building on its Health and Safety Owner-Occupied Program, the City should initiate a soft loan program for housing providers with small rental properties. This program should offer financial assistance to support necessary repairs, upgrades, and comprehensive rehabilitation efforts for these multifamily properties. Financial assistance should be paired with a requirement that the borrower will keep the unit affordable based on current tenancy for the period of the loan and may include conditions that the borrower must abide by certain tenant protections, such as mandatory mediation or just cause for eviction.
- **Develop Preferred Contractor List & Point of Contact for Rehab Assistance:** A list of pre-screened and approved contractors that can make qualifying repairs and upgrades can streamline the repair process for housing providers and homeowners. The City can develop a preferred contractor list of qualified professionals who meet local licensing and performance standards and share this list with borrowers from both repair assistance programs. The City could also create a centralized point of contact for rehabilitation assistance to accelerate the initiation of critical repairs.

Impacted Programs: *Orleans Housing Investment Program, Scattered-Site LIHTC Development, City of New Orleans Direct Homebuyer Assistance Program, Green Mortgage Program, Choice Neighborhoods Initiative*

“There’s so much low hanging fruit to improve housing. There are numerous vacant lots (privately owned and city owned) that could be used for infill housing.”

-Respondent, March 2024
OCAI New Orleans Housing Survey

Homeownership is a key pathway to wealth-building for American families, providing both financial stability and an asset that typically appreciates over time.⁹ However, owning a home is not equally accessible to all. As of 2022, the homeownership rate for White households was 75%, compared to 45% for Black households and 48% for Hispanic households. This disparity stems from structural discrimination, unequal access to credit, and disparities in employment and income levels. Increased homeownership helps individual families build wealth and promotes broader economic stability and community revitalization by encouraging investment in residential properties.

⁹ Goodman, L. S., & Mayer, C. (2018). Homeownership and the American dream. *Journal of Economic Perspectives*, 32(1), 31-58.

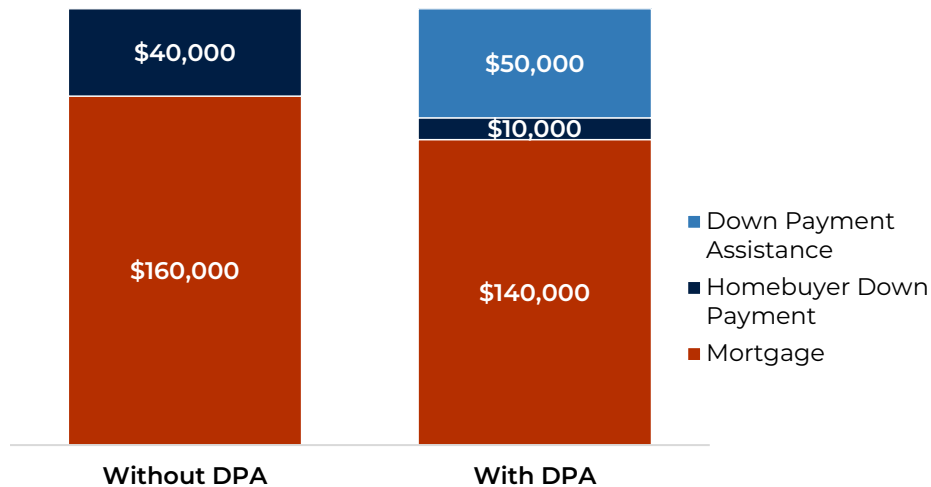
In New Orleans, local factors further restrict potential homebuyers. High insurance costs, driven by the city's vulnerability to natural disasters, increase the expense of owning a home and reduce households' purchasing capacity. Additionally, low credit scores, averaging 655 compared to the U.S. average of 715, limit access to affordable mortgages.

Down payment assistance (DPA) programs such as OCD's Direct Homebuyer Assistance Program, NORA's Orleans Housing Investment Program (OHIP), and FNO's Green Mortgage DPA help bridge the gap for buyers who can afford monthly payments but struggle with upfront costs. These programs support around 50 households annually, providing an average loan of \$50,000. By reducing the initial financial burden, DPAs make homeownership more attainable but may need to be paired with additional support, like energy efficiency programs.

"I was priced out of homeownership until I met the person I plan to spend the rest of my life with and we were able to combine our buying power to finally purchase a house. I'm terrified that rising assessments, and mostly rising flood and homeowners' insurance costs are going to force us out of the home we worked so hard to buy. We were already relegated to a LA Citizens policy because no one else would write one, then we just found out that Citizens is increasing our premium 20%, from \$10,500 to \$12,600. We haven't filed a claim, and this area hasn't been impacted by a disaster."

-Respondent, March 2024
OCAI New Orleans Housing Survey

Figure 16. DOWN PAYMENT ASSISTANCE PROGRAMS SIGNIFICANTLY REDUCE UPFRONT COSTS TO HOMEBUYERS.



Homes in disrepair can present hazards to residents' health and safety, including structural integrity issues, outdated electrical systems, lead paint, and inadequate insulation. These problems not only pose immediate risks but can also worsen chronic health conditions like asthma. If unaddressed, housing can become obsolete and impose significant financial

burdens on homeowners, renters, and housing providers. Costs associated with large repairs, upgrades, or compliance with newer building codes can be too high for low- and middle-income households—leading to displacement in search of more affordable alternatives.

The City's Health and Safety Owner-Occupied Program supports homeowners at or below 80% AMI by providing deferred forgivable loans of up to \$35,000 in assistance to make repairs related to health and life safety, accessibility, deferred maintenance, and home exterior improvements. A notable gap exists in assistance for housing providers that own single-family or small multifamily properties. The City has launched a new Department of Code Enforcement and seeks to streamline code enforcement procedures to proactively fine or demolish problem properties. If these new changes are enforced without increases in support for property upgrades, homeowners and tenants may find themselves unable to afford the necessary changes, leading to displacement and increased vacancy.

"The best policy would help people buy or stay in their homes, allowing them to build generational wealth that can lift whole families out of poverty. Homeownership was how the post-WWII generation built wealth, and the descendants of those denied that opportunity should be given the benefits of the low down payments and low interest rates that the GI bill gave to white Americans. Call it reparations, call it smart thinking, whatever, just stop subsidizing wealthy developers and start subsidizing first-time homeowners."

-Respondent, March 2024
OCAI New Orleans Housing Survey

Expand Access to High-Cost Neighborhoods.

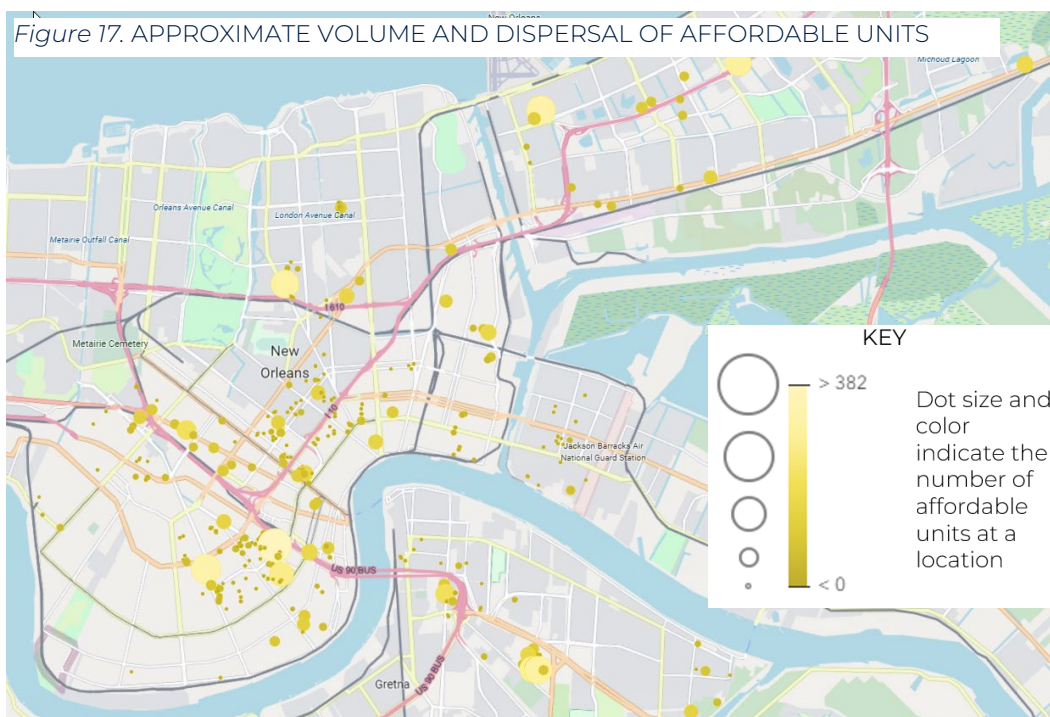
By Investing in affordability, this plan aims to expand availability of affordable homes across New Orleans, particularly in higher-cost markets where access to opportunity is high. Meeting this objective requires increased funding and improved program coordination to support new LIHTC development, preservation of existing affordable homes, and the integration of green building practices.

The need for reliable and flexible local funding support is critical due to the limited availability of housing subsidies at the state and federal level. Local subsidies are critical to close the gap between available federal funding and the amount of debt that can be supported by developers. Project-Based Vouchers (PBVs), which provide rental housing assistance linked to specific units, are also an essential subsidy to serve very low-income households .

The scarcity of competitive 9% LIHTC constrains new affordable home creation in New Orleans. Available 4% credits require more gap financing. Additionally, PBV subsidies available through

HANO's Housing-Choice Voucher Program (HCV) may be fully exhausted in the next five years, limiting subsidies for multifamily development even more. Too few new subsidized multifamily homes, coupled with continuous market pressure, risks displacing low- and moderate-income residents who are unable to afford rising rents.

The New Orleans housing ecosystem provides subsidies for large-scale housing projects across multiple programs, including OCD's Multifamily Notice of Funding Availability (NOFA) gap funding, FNOs tax-exempt bond allocations and PILOT program, land through NORA and HANO, and PBVs through HANO. However, unclear funding priorities and limited coordination across programs result in delays and uncertainty, increasing project costs and frustrating the development community that is unable to plan and execute affordable housing initiatives.



“As a landlord I rent to long term tenants (15 rental units across the city). My portfolio is mixed between open market tenants and HANO tenants. My experience with HANO has been very good. Professional, timely responses and a willingness to collaborate.”

-Respondent, March 2024
OCAI New Orleans Housing Survey

- **Fund Increased Infill Development:** Dedicated funding for neighborhood-based development programs will increase the availability of resilient, climate-ready homes for both owners and renters and help foster broader neighborhood redevelopment. Increased and continued annual investment in the OHIP program and 9% LIHTC scattered-site developments are vital for neighborhood stabilization in divested areas. Funding garnered from the HUD Choice Neighborhood program should also be a focus as the program funds the City of New Orleans and HANO to revitalize disinvested neighborhoods through planning and infill development. This program's planning process is underway in the B. W. Cooper area.
- **Identify a Set of Development-Ready Sites** ([Link to recommendation](#) also under Revitalize Disinvested Neighborhoods)
- **Designate Scattered-Site LIHTC Development Partners** ([Link to recommendation](#) also under Revitalize Disinvested Neighborhoods)
- **Create a Rental Rehab Program for Small-Portfolio Housing Providers** ([Link to recommendation](#) also under Revitalize Disinvested Neighborhoods)
- **Develop Preferred Contractor List & Point of Contact for Rehab Assistance** ([Link to recommendation](#) also under Revitalize Disinvested Neighborhoods)
- **Explore a Mixed-Income Development Revolving Loan Fund:** An increase in local could establish a revolving loan fund specifically for developing mixed-income housing. This fund would provide low-interest loans to developers, supporting the creation of housing that includes units for various income levels. Mixed-income developments foster inclusive communities by integrating affordable housing with market-rate units, promoting economic diversity and social cohesion. A revolving loan fund leverages initial investments to continually finance new projects as loans are repaid, creating a sustainable funding mechanism.

Leverage Federal Programs

Under the Biden-Harris Administration, [multiple federal programs](#), together constituting billions of dollars, have begun to provide funding to support climate change adaptation, clean technology, and energy efficiency across the United States. Many of these programs are exclusively or in large part focused on serving low-income and disadvantaged communities, and even explicitly mention the production and preservation of affordable housing as secondary objectives.

This unprecedented level of federal funding will be a crucial source of investment for affordable housing production and preservation in the coming years. Development activities designed to reduce indoor emissions, reduce pollution, and promote clean energy and energy efficiency can be incorporated into affordable housing production and preservation—reducing the costs of development and ongoing financial, environmental, and health costs borne by affordable housing residents.

These sources could fund millions of dollars in local housing production and preservation while also making residential environments cleaner and more sustainable. To capitalize on this opportunity, the New Orleans housing ecosystem partners must develop programs aligning the funding sources' goals and stipulations with housing goals. Below are suggestions for programs the HEPs could establish in partnership with local nonprofits to leverage these federal funding sources.

- **Transform Neighborhoods through Choice Neighborhoods:** The HUD Choice Neighborhoods program leverages significant public and private dollars to support locally driven strategies that address struggling neighborhoods with distressed public or HUD-assisted housing through a comprehensive approach to neighborhood transformation. The program helps communities transform neighborhoods by revitalizing severely distressed public and/or assisted housing and catalyzing critical improvements in the neighborhood, including vacant property, housing, businesses, services, and schools.
- **Leverage Available State and Federal Funding for Habitability Issues:** Multiple federal and state funding sources are available that can support hazardous material mitigation and sustainability initiatives for municipalities, housing providers, and homeowners. Funds for lead abatement, weatherization, renewable energy upgrades, and other green or resilient improvements that the City and individual beneficiaries can leverage to enhance the impact of existing and proposed repair programs. Funds related to energy efficiency and weatherization can also reduce ongoing costs associated with utilities and insurance, increasing home affordability for beneficiaries. (See [Inflation Reduction Act Programs for Clean Energy in Housing](#) table).
- **Incorporate Green Technology into Affordable Housing Production and Preservation:** As individual agencies, as a collective, or in partnership with specific developers and CDFIs, the New Orleans housing ecosystem partners can request funding from NCIF, CCIA, SFA, or EECBG for a program that incorporates clean technology into new or existing affordable housing. Such a program could significantly offset affordable housing development and preservation costs while additionally ensuring sustainability and a cleaner, healthier environment for low-income and disadvantaged communities. Partnerships for this program may depend on what funding source is being pursued; for example, the \$6 billion of CCIA funding is intended to support local lenders in providing financial or technical assistance, so a program that pursues such funding would require partnership with CDFIs. The exact activities supported by such a program could include new development or preservation that promotes clean energy, energy efficiency, or pollutant reduction in affordable housing.
- **Support Solar Installation and Rooftop Construction:** A program to finance installation and construction costs for rooftop solar panels could leverage funding from one of the Solar for All awardees, as well as other funding opportunities devoted to affordable housing and clean technology that aligns with energy efficiency or emissions reduction. A New Orleans solar installation program could solicit funding to support solar panel installation for new and existing housing—reducing energy-related

construction costs and continuing to save money for housing residents in the long term. Additionally, such a program could deploy funding for other activities necessary for solar installation, such as roof construction and repair, solar panel maintenance, solar installation training for developers, and solar energy education for low-income and disadvantaged communities. Prior collaborations between the City and Entergy, like EnergySmart and the adoption of net metering, have proven successful as far back as 2008 and will create a solid foundation for more expansive work if these funds are pursued.

Impacted Programs: *Annual Multifamily Notice of Funding Availability, Project-Based Vouchers, Scattered-Site LIHTC*

“Be sure there is enough green space for population dense areas when building high density, affordable housing. Be sure there are amenities in walking distance from new housing. Housing in commercial areas will expose residents to pollution levels that are not safe. You cannot count on businesses to monitor their own pollution contributions and the city does not have the funding to monitor it or mitigate it themselves.”

-Respondent, March 2024
OCAI New Orleans Housing Survey



Figure 18. [NORA STORMWATER MANAGEMENT PROJECT, 1728 DESLONDE](#)

Case Study 2.

OFFICE-TO-HOUSING CONVERSION | BETHESDA, MD

Using office-to-housing conversion to provide permanent supportive housing for homeless individuals.

INTENT: In response to the Great Recession, Bethesda faced high vacancy rates in office buildings while demand for affordable housing rose sharply. The Montgomery County Coalition for the Homeless (MCCH) aimed to repurpose an underutilized office building to address homelessness and increase supportive housing units.

ACTION: Cordell Place, a Class C office building constructed in 1967, was identified as a suitable structure for conversion due to its narrow footprint and ample natural light. The building was purchased for \$5.25 million with an \$8 million loan from Montgomery County. The conversion project, undertaken by MCCH and its development affiliate, Coalition Homes, began in 2009 and was completed in 2010.

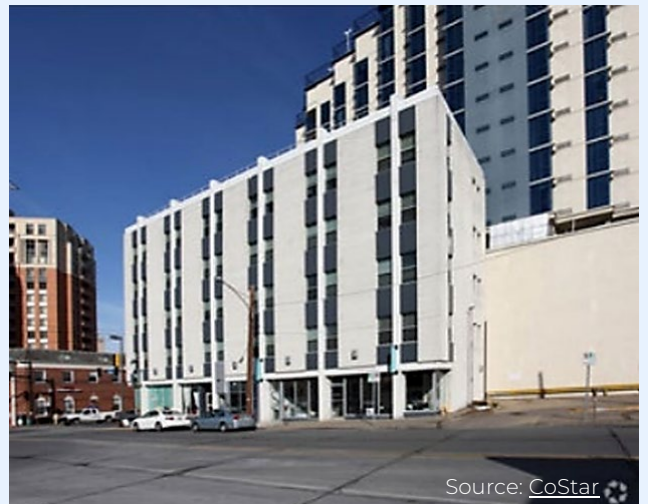
Key actions included:

- Gutting the interior and redesigning it to accommodate 32 permanent supportive housing units.
- Collaborating with local non-profits and government agencies to ensure a comprehensive support system for residents.
- Utilizing public funds and securing additional financing to cover the cost of acquisition and renovation.

SUCCESS: The Cordell Place project successfully provided stable housing for formerly homeless individuals, offering on-site supportive services to help residents maintain independence. This project highlighted the effective use of public-private partnerships in addressing affordable housing needs. The building's conversion met the community's needs by providing long-term housing solutions for vulnerable populations and repurposing underutilized office space.

The project's impact included:

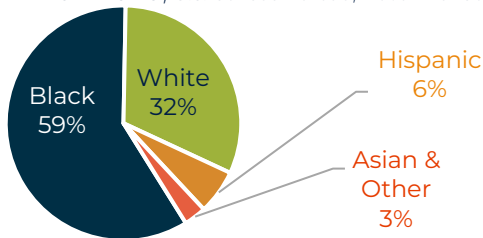
- Increasing the supply of supportive housing units in Bethesda.
- Demonstrating the feasibility of office-to-housing conversions in addressing.



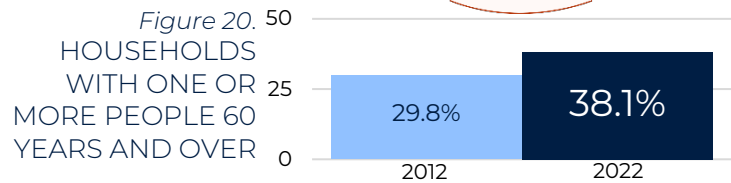
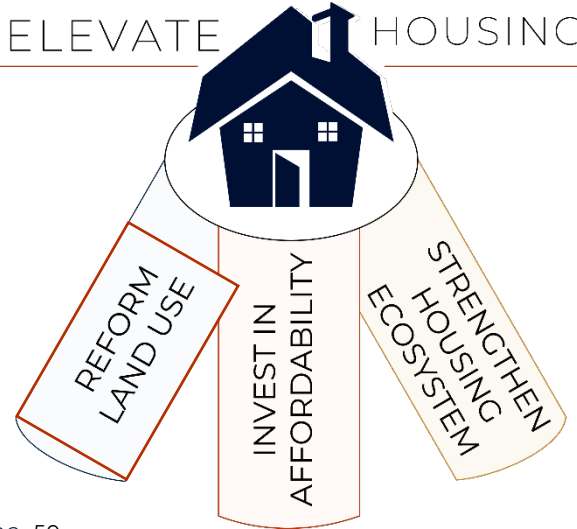
REFORM LAND USE

New Orleans has a diverse population with varied housing needs. A one-size-fits-all approach focused solely on homeownership does not adequately serve everyone. A mix of rental and ownership options and diverse types of housing (such as single-family homes, apartments, co-housing, etc.) is essential to accommodate the city's demographic diversity.

Figure 19. NEW ORLEANS POPULATION BY RACE 2020, U.S. Census Bureau, Decennial Census



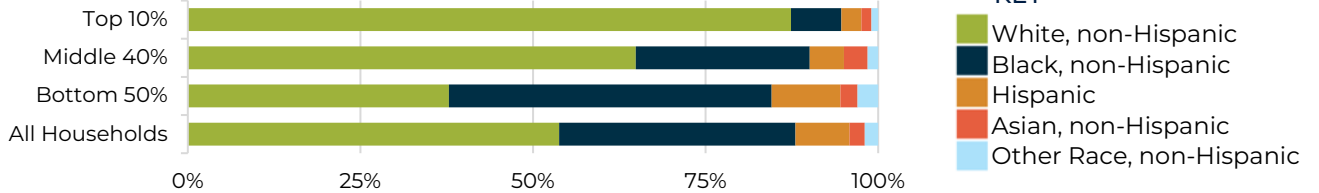
ELEVATE HOUSING



“In greater New Orleans, most affluent households are White, and most households with low- and moderate-wealth are Black or Hispanic.”¹⁰

Figure 21.

RACE/ETHNICITY BY LEVEL OF NET WORTH (Greater New Orleans Area)

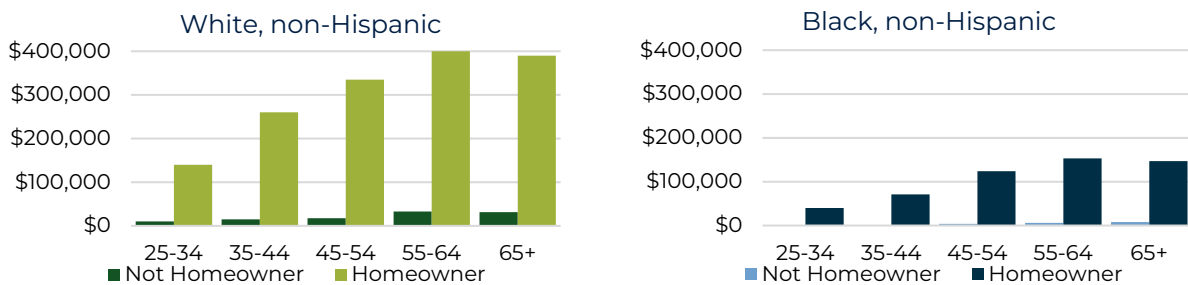


Source: Estimates by The Data Center based on the 2018 Survey of Income and Program Participation and the 2018 ACS

“Black homeowners have far more wealth than Black non-homeowner households but less than White homeowners.”¹¹

Figure 22.

MEDIAN NET WORTH BY HOMEOWNERSHIP (Greater New Orleans Area)



Source: Estimates by The Data Center based on the 2018 Survey of Income and Program Participation and the 2018 ACS

¹⁰ Habans, R., & Tomlin, H. (2024, June 18). A Profile of Wealth in the New Orleans Metro. The Data Center.

https://www.datacenterresearch.org/reports_analysis/a-profile-of-wealth-in-the-new-orleans-metro/

¹¹ Ibid.

In its plan for “[Generational Economic Transformation](#)”, the City of New Orleans states “[the plan] will be successful when New Orleans’ economy is **creating opportunities for economic mobility** and **building wealth** for all New Orleanians, particularly **those who have been historically marginalized**.”¹²

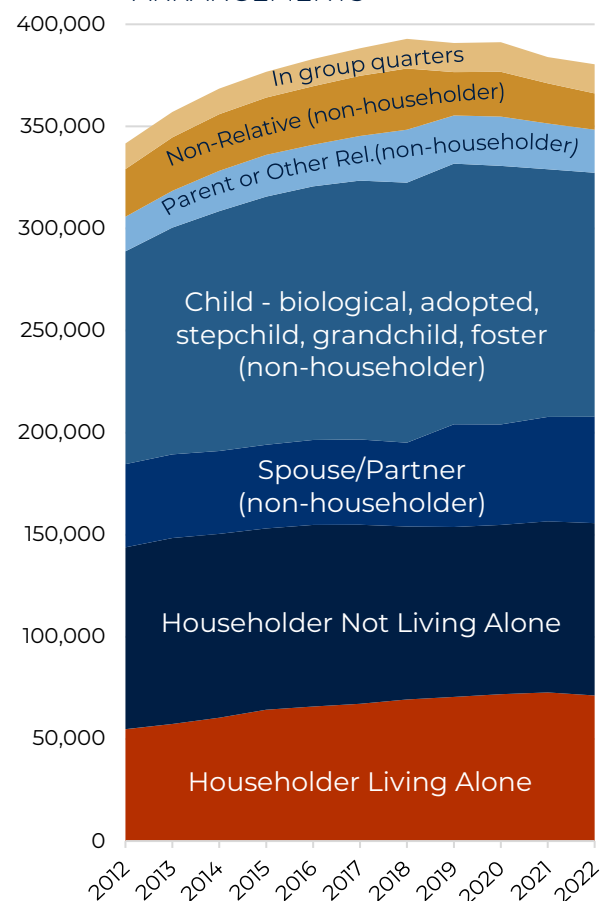
The data from the prior page highlight not only the city's demographic diversity but also the large disparities between racial groups. While property ownership has historically been vital to intergenerational wealth accumulation, the breadth of existing disparities cannot be closed solely by encouraging property ownership. Rather, a mix of housing is required to adequately support the needs of all races and income levels in New Orleans. For instance, most university students rent while completing their studies, many young adults prefer to rent before purchasing, and some empty nesters prefer to live in situations where maintenance is included in the cost.

The number of households paying 30 percent or more for housing has decreased by 1.8% overall between 2012 and 2022, but the number of households earning \$35,000 or more annually and paying 30 percent or more of their income on housing has risen by 37.1%¹³ - this is what is meant by the "missing middle." While the percentage of renter households earning less than \$35,000 has increased less than 1% since 2012, between 2012 and 2022, the percentage of renter households earning more than \$35,000 annually increased:

- 1.7% for households earning \$35,000 to \$49,999
- 7.1% for households earning \$50,000 to \$74,999
- 5% for households earning \$75,000 or more¹⁴

Whether the rise in renters above the poverty line comes from increasing insurance rates, assessments, or personal preference, low to middle-income households have demonstrated a growing preference for renting in the past decade.

Figure 23. NEW ORLEANS LIVING ARRANGEMENTS



Source: Estimates by TCG based on the [2012-2022 Survey of Family and Living Arrangements](#). U.S. Census Bureau.

¹² Office of Economic Development, City of New Orleans. (2023). *Plan for Generational Economic Transformation*. <https://nola.gov/nola/media/Economic-Development/PGET-5-4-23.pdf>.

¹³ U.S. Census Bureau. (n.d.). B25106. Tenure by Housing Costs as a Percentage of Household Income in the Past 12 Months. Data.census.gov. Retrieved June 30, 2024, from <https://data.census.gov/table?q=New%20Orleans%20city,%20Orleans%20Parish,%20Louisiana%20b25106&d=ACS%205-Year%20Estimates%20Detailed%20Tables>.

¹⁴ *Ibid.*

Land use regulations in the City of New Orleans will need to adapt to facilitate an equitable rise toward wealth development and accommodate current trends in living preferences. To create the quality and diversity of housing needed, New Orleans will need to update its land use codes to allow solutions for the following groups to be allowed in all parts of the city.



Incremental “Missing Middle” Housing: The concept of "missing middle" housing refers to multi-unit housing types that are compatible in scale with single-family homes, such as duplexes, triplexes, and townhouses. Promoting these housing types can fill the gap between single-family homes and large apartment buildings, offering more affordable, flexible options for residents and fostering inclusive neighborhood development.



Households Living on the Margins: Low-income households, individuals experiencing homelessness, and those with precarious employment, cannot afford homeownership. Affordable rental housing provides a stable living situation, allowing these individuals to focus on other critical areas of their lives, such as employment, education, and health.



Unhoused Individuals: A lack of diverse housing options can contribute to homelessness. Ensuring a range of affordable, supportive housing can help prevent homelessness and provide stable housing for those transitioning out of homelessness. This approach supports the affected individuals and benefits the broader community by reducing the costs associated with homelessness.



Young Professionals: Young professionals often prefer renting due to its flexibility and lower upfront costs. They may be unwilling to commit to homeownership due to career mobility, student debt, or a desire for urban living. Providing diverse rental options can help retain this demographic, which is vital for the city's economic vitality.

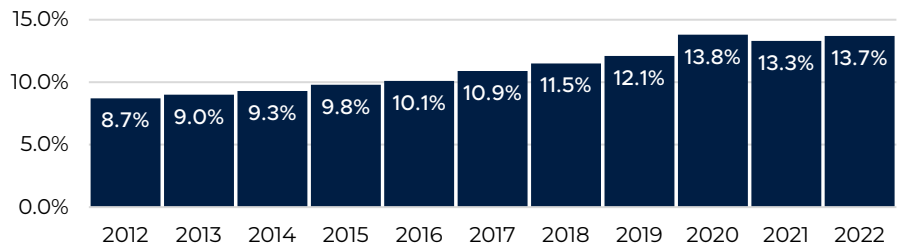


Aging Population: The Data Center report highlights that New Orleans has an aging population. Older adults may prefer downsizing or living in housing that requires less maintenance than homeownership.

Accessible, affordable rental housing or senior-specific housing can better meet their needs and support aging in place.

Figure 24.

PERCENT OF NEW ORLEANIANS LIVING ALONE OVER 65 YRS OLD



Homeownership involves mortgage payments, maintenance costs, property taxes, and insurance. Additional costs can be prohibitive for those with limited or fixed incomes. Diverse housing options, including affordable rentals, help ensure that all residents can afford their housing and other essential expenses.

Diverse housing types can serve as a steppingstone to homeownership. For instance, affordable rentals can help residents save for a down payment. By offering a range of housing options, New Orleans can support its residents in achieving homeownership incrementally, contributing to long-term economic stability and growth.

Expand Public Outreach and Internal Coordination

To effectively address these issues and implement the policy recommendations that follow, the City of New Orleans will need to engage key departments, including City Planning (CPC), Safety and Permits (DSP), Health, Public Works, OCD, OCAI, NORA, FNO, the Office of Sustainability, Neighborhood Engagement, and the Regional Transportation Authority (RTA).

These agencies have distinct contributions to make in effectively engaging with the varied public and stakeholder groups. In recent years, OCAI’s policy roundtables and convenings have led to policy proposals that can mitigate challenges to more diverse housing development. Since adopting a new Comprehensive Zoning Ordinance in 2015, CPC has iteratively improved zoning policies ([see Background](#)) to meet housing needs at the request of the City Council. In March 2022, an Inclusionary Zoning Administrator within DSP presented policy implementation and support for small multifamily and ADU development, while the Chief Zoning Official provided clear guidance on ADU requirements, ensuring safety and compliance. These coordinated efforts have successfully advanced zoning reforms to increase housing affordability and availability. The HEPs and the City of New Orleans should continue and increase collaboration to address land use and zoning challenges while developing financing tools to support these strategies.

- **Create a Cross-Departmental Task Force:** CPC, OCD, OCAI, DSP, Health, and Homeless Services should form a task force to develop a unified plan for holistically implementing policy changes discussed in the following sections. This will include assessing the potential impacts of existing housing development, drafting mitigation design guidelines, and providing recommendations. CPC will draft amendments to the Smart Housing Mix Ordinance and zoning regulations to implement flexible parking policies, eliminate lot size minimums, and expand ADU development.
- **Develop and Launch Public Awareness Campaign:** Through a public awareness campaign, the City of New Orleans can educate the public on the benefits of policy changes through targeted outreach and messaging. The City will conduct in-person and virtual listening sessions and develop educational materials to address misconceptions, address concerns, and build community support.
- **Offer Technical Assistance:** The City of New Orleans will provide technical assistance in the areas of scoping, building, and managing ADUs. This support will involve inclusive participation from various property owners by offering resources like workshops, consultations, landlord training, and step-by-step guides for ADU development.
- **Engage Key Housing Stakeholders:** The City of New Orleans will also engage developers to tailor the policies to meet market needs while also centering on affordability. The City will also collaborate with local affordable housing organizations for policy advocacy and public support.

“Go to the neighborhoods and talk to people where they live. Online surveys and meetings don't cut it. [...] We live here. Help us first. My neighbors are the only benefit of living here...”
-Respondent, March 2024 , OCAI New Orleans Housing Survey

CODE ENFORCEMENT PARTNERSHIP | CLEVELAND, OH

Using code enforcement processes to maintain housing quality without creating displacement pressure.

INTENT: In 2008, Cleveland listed 8,009 blighted and vacant homes as public nuisances. This blight was exacerbated by the ongoing foreclosure crisis, a national problem that grew to have strong local impacts.



ACTION: Given the many citywide properties to address, Cleveland's Building and Housing Department partnered with 19 neighborhood organizations to share information and coordinate enforcement. This communication allowed the City to establish a code enforcement strategy that was responsive to community needs and complaints. They achieved this responsiveness by assigning Building & Housing inspectors to specific neighborhoods.

By leveraging the community groups' daily involvement with neighborhood residents and geographic expertise with local properties, the City could tailor its enforcement to properties that were priorities for the community. It charged its code enforcement officers not just to report violations in their assigned neighborhoods, but also to work with community groups and residents to identify and fix minor problems before they became violations. As a part of this proactive approach, code enforcement partners transferred information about City rehabilitation programs to community groups. As a result, leaders of these groups were better able to shepherd their neighbors through the rehabilitation programs to prevent and resolve substandard housing issues.

SUCCESS: This partnership has significantly increased the City's ability to quickly react to neighborhood concerns and nuisance properties. Since the program was enacted, demolitions increased by 484%, and board-up acquisitions within the City increased by 187%, suggesting the effectiveness of a strategic approach with community input on the availability of land or homes for infill development and renovation and the quality of housing for existing neighbors.

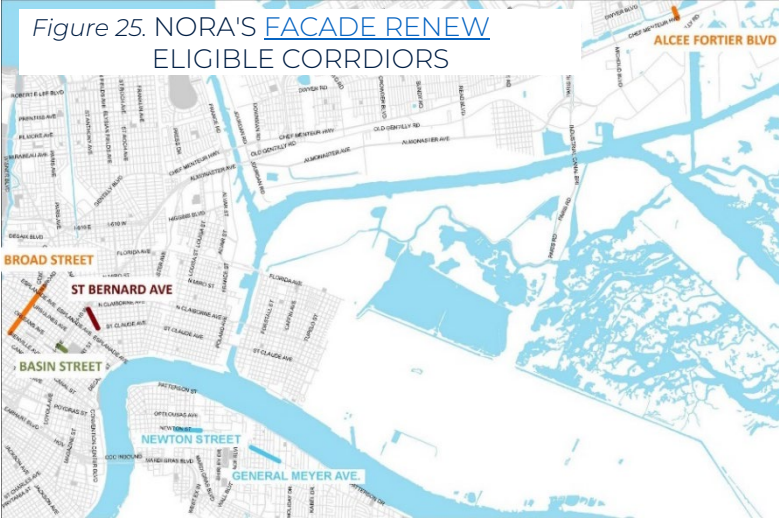
Promote Place-Based and Transit-Oriented Development

Place-based planning is an urban development strategy emphasizing creating vibrant, sustainable communities by integrating land use planning with specific locations' unique characteristics and needs. This approach prioritizes the development of mixed-use neighborhoods where residential, commercial, and recreational spaces coexist and are easily accessible by public transit. By focusing on each community's unique attributes, place-based planning aims to enhance residents' quality of life, foster economic growth, and promote environmental sustainability.

While not entirely within its residential development portfolio, NORA has been a consistent leader in integrating place-based development principles into its economic development vision over the past decade. “NORA provides loans, up to \$1 million, for the development of catalytic commercial projects that address site-specific slum and blight conditions, or benefit Low to Moderate Income Areas, on commercial corridors throughout New Orleans, including portions of Gentilly Boulevard and Old Gentilly Road, St. Claude Avenue, North Claiborne Avenue in the Lower Ninth Ward, and the Livable Claiborne Communities area between Dryades Street/Oretha Castle Haley Boulevard/Rampart Street, Napoleon Avenue, Broad Street, and Florida/Elysian Fields Avenue. NORA financing is available for construction reimbursement up to a maximum of 5-15% of Total Development Costs.”¹⁵

NORA also runs a program called “Façade RENEW,” which revitalizes commercial space through grants to commercial property and small business owners along select commercial corridors to enhance the appearance of retail facades.¹⁶ NORA’s Small Business Assistance Grant Program is a \$1.5 million economic development initiative implemented to support and better leverage revitalization efforts taking place along 29 designated low and moderate-income (LMI) commercial corridor segments, and complements the place-based development corridors served by the Commercial Corridor Gap Financing and Façade RENEW Programs.¹⁷

NORA’s blending of residential and commercial development strategies will create synergy around neighborhood models and how place-based development creates economic transformation.

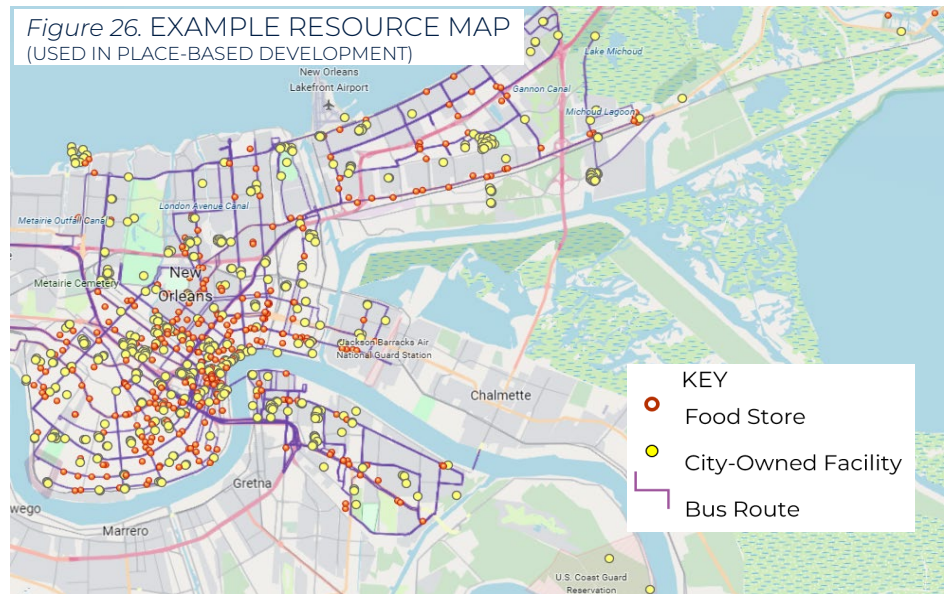


¹⁵ New Orleans Redevelopment Authority. (n.d.). Commercial Corridor Gap Financing - NORA: The New Orleans Redevelopment Authority. Noraworks.org. Retrieved June 30, 2024, from <https://noraworks.org/programs/commercial/commercial-gap-financing>.

¹⁶ New Orleans Redevelopment Authority. (n.d.-b). Façade RENEW - NORA: The New Orleans Redevelopment Authority. Noraworks.org. Retrieved June 30, 2024, from <https://noraworks.org/programs/commercial/façade-renew>.

¹⁷ New Orleans Redevelopment Authority. (n.d.-b). Small Business Assistance Grant Program - NORA: The New Orleans Redevelopment Authority. Noraworks.org. Retrieved June 30, 2024, from <https://noraworks.org/programs/commercial/small-business-grants>.

In 2020, the Mayor of New Orleans requested that the New Orleans City Planning Commission (CPC) and the Regional Transit Agency (RTA) engage in a study to review and provide recommendations regarding tools and mechanisms to increase residents' access to transit and establish transit-oriented community policies for the City.



[The Transit-Oriented Communities \(TOC\) Study \(2022-2023\)](#), conducted by the New Orleans City Planning Commission and supported by urban planning experts, analyzes TOC's potential benefits. The study highlights the economic, environmental, and social advantages of developing mixed-use neighborhoods that are well-connected by public transit. The Regional Transit Authority is integrating these concepts and developing a Bus Rapid Transit line that will connect commercial and residential corridors with high traffic volumes to decrease reliance on personal vehicles and improve air quality.

The amendments recommended by the TOC include allowing higher-density residential and mixed-use developments near high-frequency transit corridors, reducing parking requirements to promote public transportation, and providing incentives for mixed-use development. Additionally, the amendments aim to streamline permitting processes for transit-oriented projects and ensure new developments have convenient access to public transit services. By adopting these amendments, New Orleans can create vibrant, walkable communities that enhance the quality of life for its residents.

This strategy aligns with recommendations from the TOC study, and it underscores the City's commitment to leveraging existing transit infrastructure to support sustainable growth and improve the quality of life for its residents.

Adopting TOC overlay along high-frequency transit corridors is a strategic move to promote sustainable urban development and maximize the use of public transportation. This overlay district aims to encourage higher-density, mixed-use developments that are well-integrated with public transit services, creating vibrant, walkable neighborhoods. The TOC overlay will be implemented along key transit corridors identified in collaboration with the Regional Transit Authority (RTA).

- **Encourage Higher Density Near Transit Hubs:** Allow for higher-density residential and mixed-use developments around key transit hubs and corridors. Increasing density near transit hubs maximizes the use of public transportation, reduces traffic congestion, and lowers greenhouse gas emissions. Higher-density development supports vibrant, walkable neighborhoods with a mix of housing, retail, and services, making it easier for residents to access daily needs without relying on cars.
- **Provide Incentives for Transit-Oriented Development (TOD):** Offer financial incentives, such as tax abatements, grants, or low-interest loans, to developers that build mixed-use, mixed-income developments within TOD zones. Financial incentives can attract developers to invest in affordable housing and community amenities. Incentivization can promote sustainable growth patterns, enhance public transportation use, and create economically diverse neighborhoods with access to jobs, education, and services.
- **Enhance Public Transportation Infrastructure and Accessibility:** Invest in improving and expanding public transportation infrastructure, including bus rapid transit (BRT) systems, streetcars, and bike-sharing programs, to ensure dependable, frequent, and accessible transit options. Enhancing transportation infrastructure ensures that residents can easily and efficiently move around the city, reducing car dependency and transportation costs. Improved transit accessibility supports economic mobility, environmental sustainability, and equitable access to opportunities.
- **Create Public-Private Partnerships for Mixed-Income Housing Near Transit:** Form partnerships between the city, private developers, and non-profit organizations to develop mixed-income housing projects near transit stations. Public-private partnerships can leverage the strengths and resources of each sector to create high-quality, affordable housing close to transit.

Table 3. PLACE-BASED RECOMMENDATIONS OVERVIEW

OBJECTIVES	STRATEGIES	IMPACTED PROGRAMS
Neighborhood-Based Investment	Build more “missing middle” Homes	OHIP
	Provide support to more new homeowners	Scattered-Site LIHTC
	Provide financing to improve the quality of homes for existing owners and renters	Direct Homebuyer Assistance Program
Funding	<i>Dedicate local funding to increase scale and impact of affordable housing program</i>	Green Mortgage
		Health and Safety Owner- Occupied Repair Program
Sustainability, Affordability, and Access to Opportunity	Coordinate resources to support affordable multifamily development and preserve the affordability of existing multifamily housing, and to improve building sustainability and resilience	Small Rental Repairs (new)
		Code Enforcement
		Cross-program coordination (new)
		Public land disposition
		Multifamily NOFA
		Project-Based Vouchers
		Federal funding sources for energy efficiency (new)

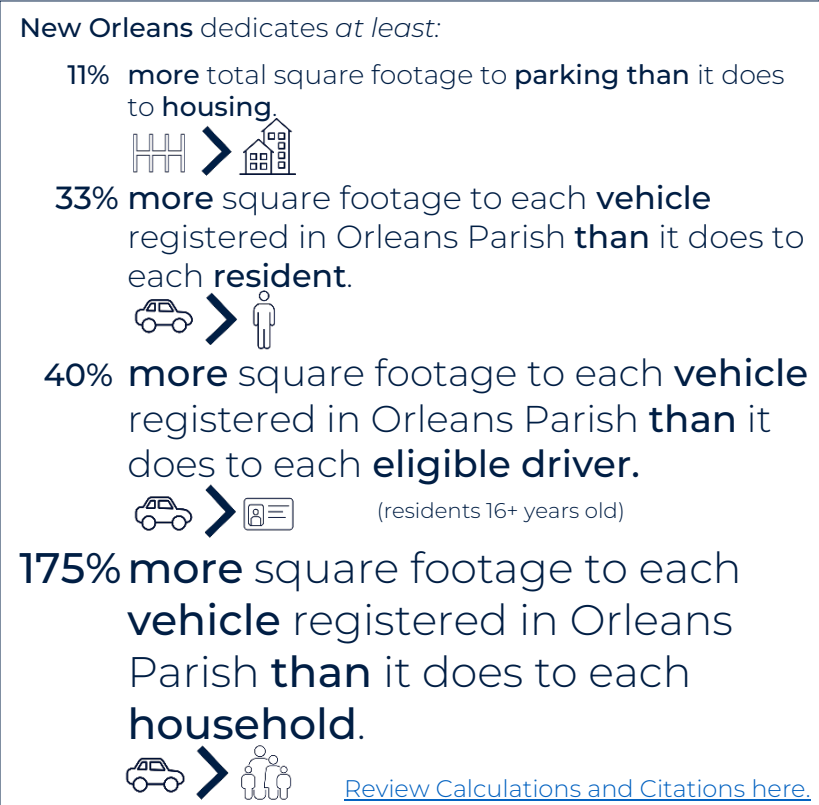
Enact Flexible Parking Policy

Reforming Land Use centers on the strategic refinement of land use and zoning regulations in New Orleans. These proposed measures aim to address the City’s development challenges by ensuring that current and future policies more effectively meet the demand for affordable housing, especially in high-demand neighborhoods.

To increase the availability of affordable housing, the City of New Orleans implemented a series of land use and zoning regulations through its Smart Housing Mix Ordinance and subsequent zoning amendments. First adopted in 2019, the Smart Housing Mix Ordinance introduced mandatory and voluntary inclusionary zoning policies to ensure a mix of housing types and affordability levels throughout New Orleans.¹⁸ Developers that comply with the ordinance receive density bonuses, reduced parking requirements, and expedited permitting.

While the [Smart Housing Mix Ordinance](#) marks a significant step forward, rising development costs continue to challenge project feasibility, underscoring the need for more comprehensive measures. Currently, the Smart Housing Mix Ordinance and related zoning regulations in New Orleans provide partial reductions and lot size requirements for affordable housing developments. Eliminating these parking requirements for all affordable housing developments will further streamline project development, allowing developers to focus more on creating housing units. By removing these restrictions, New Orleans will enable a greater housing density or more open space, leading to cost savings for developers, which can then be passed on to homebuyers and renters.

Figure 27. PARKING AND HOUSING COMPARISONS



The City of Austin has significantly reformed its parking policies to address similar challenges. Austin's City Council initiated amendments to eliminate minimum off-street motor vehicle parking requirements, citing increased housing affordability as one of the primary benefits.¹⁹ By eliminating these parking mandates, Austin has enabled property owners to provide parking based on market demand rather than arbitrary minimums, resulting in reduced development costs and enhanced feasibility for affordable housing projects. New Orleans can

¹⁸ National Low Income Housing Coalition. (2023, May 8). New Orleans advances smart housing mix. <https://nlihc.org/resource/new-orleans-advances-smart-housing-mix>.

¹⁹ City of Austin. (2023, June 8). Resolution No. 20230608-054. <https://services.austintexas.gov/edims/document.cfm?id=407300>.

draw valuable insights from Austin's approach to parking reform, leveraging similar strategies to foster more affordability.

- **Conduct Public Information Campaigns and Community Engagement Initiatives:** Launch comprehensive public information campaigns and community engagement initiatives to inform residents about the benefits of reducing or eliminating parking minimums for affordable housing developments. Building public support is crucial for the successful implementation of policy changes. Education campaigns can dispel myths and misconceptions about the necessity of parking minimums, highlighting the cost savings and environmental benefits of reduced parking requirements. Events like town hall meetings, workshops, and informational sessions provide a platform for residents to voice concerns, ask questions, and learn about the positive impacts on housing affordability and sustainability.
- **Implement Parking Maximums and Shared Parking Strategies:** Introduce parking maximums and encourage shared parking arrangements among nearby properties, particularly in mixed-use and transit-oriented developments. Parking maximums prevent overbuilding parking spaces, reducing the footprint and cost of developments. Shared parking strategies use existing parking spaces, allowing multiple users to utilize the same facilities at different times.
- **Reduce or Eliminate Parking Minimums for Affordable Housing Developments:** Modify zoning regulations to reduce or eliminate the minimum parking space requirements for affordable housing projects. Parking minimums often increase the cost of housing development by requiring additional land and construction resources for parking facilities. Reducing or eliminating these requirements lowers development costs, making it more feasible to build affordable housing. This policy also encourages the use of public transportation, biking, and walking, aligning with sustainable urban development goals.

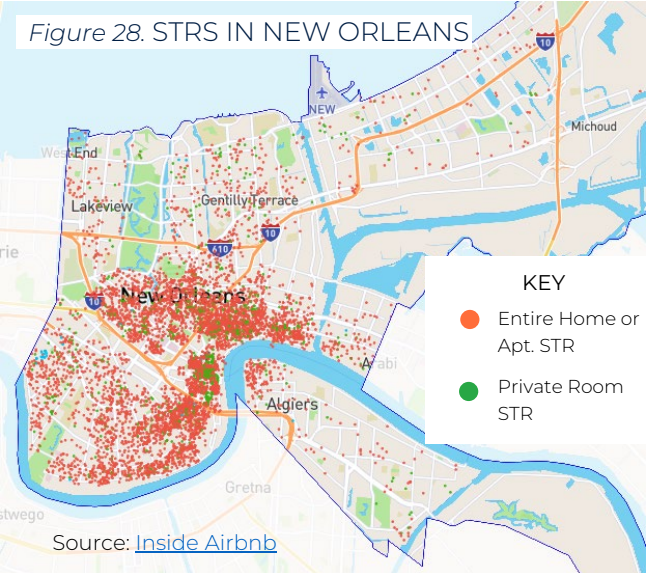
“That we need to walk the walk when it comes to supporting policies that will result in more housing and more affordable housing. Policymakers talk about supporting affordable housing but then do not support the policies that will result in more affordable housing when there is opposition. This has resulted in IZDs that limit the development of affordable housing, overly restrictive parking requirements, and density restrictions that are too low.”

-Respondent, March 2024
OCAI New Orleans Housing Survey

Permit Accessory Dwelling Units and Eliminate Minimum Lot Size Citywide

Accessory Dwelling Units (ADUs), also known as “mother-in-law suites,” are residential units that can be attached or detached from the main home. These types of units are excellent tools for leveraging existing land and infrastructure for additional housing development, while also supporting the local economies of mom-and-pop landlords.

Prior to 2018, New Orleans allowed ADUs in a limited number of residential zones and some multifamily zones. In 2018, a City Planning Commission study on Short Term Rentals explored allowing ADUs across all residential zones, but the idea faced strong opposition from neighborhood groups concerned about over-density, parking issues, and impacts on property value.²⁰ In 2022, the New Orleans Planning Commission rejected Mayor Cantrell’s proposal to legalize ADUs within single-family houses and lots due to neighborhood association resistance.²¹ Community resistance has largely been vocalized as fears that the proposal would result in more short-term rentals.



Concerns that ADUs could lead to more STRs are based on their proliferation (shown above).

Despite the progress the City of New Orleans has made to incentivize more affordable housing, the city still needs tens of thousands of new units to address its growing demand. Although neighborhood opposition and regulatory challenges persist, the policy to authorize ADUs more widely remains a crucial step that should be revisited.

From November 2021 to March 2022, the City of New Orleans’ Office of Community Assets and Investment convened a Land Use Strategies for Diverse Housing Opportunities Roundtable series that brought together over 50 local housing development stakeholders to explore tools and strategies for stimulating the creation of new small housing units.²² During the roundtable series, stakeholders emphasized the need for simple and less restrictive policies that foster development of ADUs.

²⁰ City of New Orleans. (2018, September 18). Preliminary short-term rental study. https://www.nola.gov/nola/media/City-Planning/Preliminary-STR-Study-9-18-18_1.pdf.

²¹ Myers, B. (2022, April 6). New Orleans Planning Commission rejects Cantrell administration on mother-in-law suites. NOLA.com. https://www.nola.com/news/politics/new-orleans-planning-commission-rejects-cantrell-administration-on-mother-in-law-suites/article_5d717014-b536-11ec-baf2-efb2ad9abf9e.html.

²² City of New Orleans. (n.d.). Case studies. City of New Orleans. <https://nola.gov/next/community-assets-and-investment/topics/case-studies/>.

One such example of a city with progressive ADU policy changes is Portland, Oregon. In 1998, the City of Portland implemented several policy changes for ADUs, including elimination of owner occupancy requirements, the allowance of detached ADUs, and limited parking restrictions.²³ In 2010, the City of Portland added a fee waiver that eliminated certain charges for ADUs, significantly reducing the cost of construction and encouraging more homeowners to build them. This policy resulted in a dramatic increase in ADU permits issued between 2010 and 2018.

Expanding ADU access citywide could provide a practical solution to the housing shortage, effectively increasing the housing supply and providing more affordable options that suit various income levels. The need for affordable housing is greater now than ever, and this is a cost-effective way to increase housing supply without significantly altering neighborhood character.

- **Permit and Encourage Accessory Dwelling Units:** Update zoning regulations to permit the construction of ADUs in residential areas and provide guidelines for their development. ADUs efficiently increase the housing supply within existing neighborhoods. They offer affordable rental options without the need for extensive new infrastructure, helping to meet the housing needs of diverse populations, including seniors, young professionals, and low-income families. Permitting ADUs can also provide homeowners with additional income, making it financially easier for them to maintain their properties.
- **Eliminate Minimum Lot Size Requirements for Residential Development:** Remove minimum lot size requirements from zoning codes to allow for the construction of smaller, more affordable housing units. Minimum lot size requirements can limit the density of residential development, restricting the supply of affordable housing. This policy change enables a more diverse range of housing types, including tiny homes and cottage clusters, which can provide affordable living spaces for a wider range of residents.
- **Streamline the Approval Process for ADUs and Small-Lot Developments:** Implement an expedited and simplified approval process for ADUs and small-lot developments to reduce bureaucratic barriers and encourage rapid construction. Lengthy and complex approval processes can deter homeowners and developers from pursuing ADU and small-lot projects. By streamlining these processes, development costs will be reduced, and the availability of affordable housing will be accelerated, addressing the housing shortage more quickly.

“New Orleans lost a vast amount of doubles and quad-flex houses post-Katrina. We have not built suitable apartment complexes to replace the amount of multi-family homes that were converted or condemned. We need to allow property owners the option to lease mother-in-law apartments, garage/loft apartments to ease the state of housing.”

-Respondent, March 2024
OCAI New Orleans Housing Survey

²³ Local Housing Solutions. (n.d.). Facilitating the development of accessory dwelling units in Portland, OR. Local Housing Solutions. <https://localhousingsolutions.org/housing-policy-case-studies/facilitating-the-development-of-accessory-dwelling-units-in-portland-or/>.

ANTI-DISPLACEMENT MIXED-USE DEVELOPMENT | BROOKLYN, NY

A Mixed-Use Development Combats Displacement by Supporting Local Residents

INTENT: Flatbush, Brooklyn, New York, is known as a hub for the city's Caribbean community. However, rising rents and displacement pressures are significant issues, particularly among Black residents. In response, stakeholders sought to preserve and expand a longtime staple of the Caribbean community in Flatbush, while addressing affordable housing needs and supporting local entrepreneurs.

ACTION: The Flatbush Caton Market, founded in 2000 as an open-air market, was redeveloped into Caton Flats, a mixed-use project that builds on the legacy of the original marketplace and adds affordable housing and business incubator facilities to the community. The project, initiated by the New York City Economic Development Corporation, selected developers BRP Companies and Urbane to purchase, redevelop, and manage the market. Predevelopment began in 2015, with extensive community engagement to understand local needs.

In 2017, Urbane transitioned 38 legacy vendors to a temporary space and supported them with business training sessions in English and Haitian Creole, a zero-interest microloan fund, and an online marketplace. Construction on Caton Flats began in 2019, and 29 of the original vendors returned to the completed marketplace, now known as Flatbush Central, in January 2022.

SUCCESS: Caton Flats successfully provides 254 units of income-restricted housing and 20,000 square feet of community space, including upgraded retail space for vendors. The project has preserved a vital community asset while creating new opportunities for economic mobility.

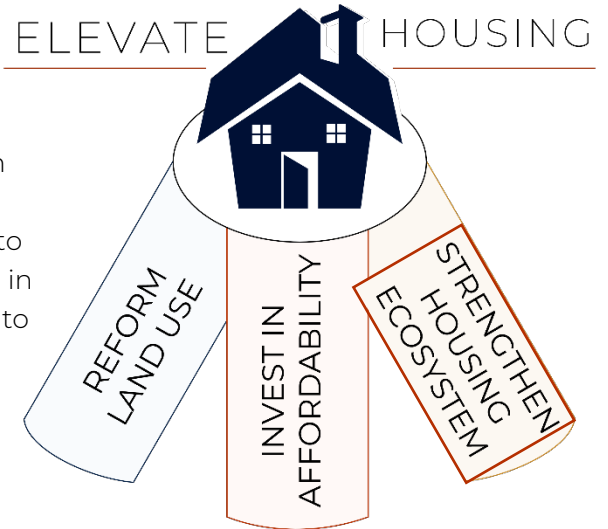
Key impacts include:

- Providing 276,288 square feet of residential and commercial space, including 254 mixed-income apartments.
- Offering 16,000 square feet of vendor and business incubation space.
- Supporting local entrepreneurs through the Mangrove FC business incubator and economic mobility program.



STRENGTHEN HOUSING ECOSYSTEM

By recommending that New Orleans' Housing Ecosystem be strengthened, this plan intended to improve coordination among the HEPs and streamline processes to scale the production of affordable and workforce housing in New Orleans. By aligning shared goals, sharing resources to better leverage larger pools of funding, and improving coordination on a regular and sustained basis, these key partners can work more efficiently to address the city's critical affordable housing needs.



The HEPs have previously collaborated to develop more housing opportunities for renters and homebuyers. For instance, OCD successfully supported the Iberville project, which created mixed-income communities and preserved affordable housing units. This resulted in improved project outcomes and demonstrated the potential of sustained, integrated partnerships. NORA, OCD, and FNO work regularly to close the gap in single-family home development. HANO recently worked with OCD on the Bienville Basin redevelopment project, the partnership transforming a distressed public housing site into a vibrant neighborhood. NORA, OCAI, OCD, and HANO joined together on St. Bernard Circle and the Louisiana Ave. Firehouse and soon-to-come Esplanade Delille development, all aimed at creating affordable housing opportunities.

Frequent engagement between these entities is not new, but integrating mechanisms for more formalized partnerships will ensure they engage more consistently with each other—and the public. There are opportunities to improve current housing programs and ensure that future projects are managed more effectively. With a shared goal in mind, an amendment to the charter could be carefully refined to provide long-term, stable obligations and establishes a comprehensive governance structure, including decision-making mechanisms, resource allocation, and accountability measures. However, it is important to acknowledge that charter amendments in New Orleans can be challenging to implement due to their complexity and the need for broad consensus. Alternatively, the HEPs could facilitate a cooperative endeavor agreement to reinforce their collaboration.

Integrating these partnerships into a formal structure as simple as a CEA will not only improve current housing initiatives but also ensure that future projects obtain the required financial support and are managed more effectively. This is critical for addressing the evolving housing needs in New Orleans, as it better positions the HEPs to implement the strategies outlined in the housing plan successfully.

This structure will better enable them to fulfill the other strategies in the plan, as it ensures that resources are allocated efficiently, and decision-making is both transparent and

accountable. Internally, it will create clear lines of communication and responsibility among partners, leading to more cohesive and effective project management. Externally, it will provide the public with clear insights into how decisions are made and how resources are used, fostering trust and engagement within the community.

Formalize Ecosystem Collaboration

Improving existing application systems and standardizing funding requirements between the City and its partners as well as establishing clear processes for land disposition can facilitate the construction of new large-scale multifamily development. Coupling this with strategic allocation of PBVs and available green funds can lower funding gaps. Furthermore, creating systems to track expiring affordable properties can minimize the loss of existing affordable units. Below is an overview of each proposed recommendation:

- **Convene a Leadership Working Group:** Prior to seeking approval for a long-term subsidy replacement for PBVs, convene a working group comprised of leadership representatives from each Housing Ecosystem Partner agency. In this convening, the group will develop a framework for future coordination that includes shared language on long-term goals and establishes a comprehensive governance structure, including decision-making mechanisms, resource allocation, and accountability measures.
- **Develop a Cooperative Endeavor Agreement (CEA):** Use the outcomes from the leadership working group to develop a CEA among the HEPs. The CEA will formalize the collaborative framework and ensure sustained coordination. A charter amendment could be pursued as a longer-term strategy in the implementation timeline to further solidify these partnerships.
- **Tie to Legislation:** If a future long-term subsidy replacement for PBVs is pursued, the partners may consider attaching formal, code-based requirements for enduring collaboration amongst their organizations. This may include joint decision-making authority around how funds like a Housing Trust Fund are allocated. Legislatively tying decision-making transparency ensures that the collaboration is directly aligned with and supported by dedicated funding for affordable housing initiatives, enhancing the sustainability and impact of the partnership.
- **Improve Disposition of Public Land:** Establishing a clear and competitive process for the disposition of all publicly owned priority sites is also critical. Presently, NORA leads the HEPs with experience in this area. While the Strategic Property Oversight Working Group (SPOWG) establishes the City's development priorities, the City and all its public partners should set transparent criteria and timelines for the sale or lease of land for new affordable housing development, including a potential two-step RFQ and RFP selection process. This process should include comprehensive guidelines that outline how bids are evaluated based on priority needs and available resources. By setting these standards, the City can foster a fair and competitive environment that encourages the participation of a diverse group of developers, including emerging developers that might otherwise be sidelined. In addition, streamlining the RFP/ RFQ process will make the process of putting City-owned properties into commerce easier.

- **Create a consolidated application for affordable housing funds:** A consolidated application process with standardized guidelines can enhance the efficiency of local funding allocation between the City and its partners. By creating a unified application and leveraging existing technology, developers could apply for assistance from multiple local funding sources simultaneously. This streamlined process can reduce administrative program burdens for the City and speed up approval times, allowing projects to commence more swiftly. Standardizing the terms under which funding is provided creates a more transparent and accessible framework for developers, particularly emerging developers that may have less experience with subsidy applications. The City can also use the consolidated application as an opportunity to connect developers to green and resiliency funding sources to build homes that are both affordable and environmentally sustainable.
- **Support long-term housing affordability:** Ensuring the long-term affordability of existing properties can safeguard existing public investments and protect lower-income residents. Additionally, establishing a shared database of properties with expiring LIHTC and non-subsidized properties with below-market rents can help preserve the affordability of these units.

Determine and Establish Predictable Funding Cycles

During stakeholder engagement focus groups, developers highlighted the need for a consistent funding schedule from the HEPs. A predictable funding cycle provides clarity and stability for organizations planning housing projects, ensures timely access to funding opportunities, and facilitates strategic resource allocation. By aligning and enhancing the predictability of funding cycles, resources can be maximized, and partner organizations will have clear expectations regarding funding availability.

- **Develop a Predictable Annual Funding Schedule:** Create a schedule outlining the timing for opportunity announcements and solicitations. This schedule should be shared and coordinated among the HEPs to ensure alignment and minimize overlaps. However, it is important to note that this schedule may be impacted by the variability of federal funding cycles.
- **Plan Collaboratively and Transparently:** Engage in collaborative planning sessions with partner organizations to identify funding priorities, timelines, and resource allocation strategies for the upcoming year. Foster transparent and open communication channels among partner organizations for funding opportunities, application processes, and decision-making criteria.
- **Implement Evaluation Mechanisms:** Implement mechanisms for evaluating the effectiveness of the funding cycle and soliciting feedback from partner organizations. Regular evaluations will enable continuous improvement and refinement of the

“More opportunities for small developers and individuals [...] to participate with building affordable housing. Incentives for local residents to invest in their neighborhoods.” -Respondent, March 2024 , OCAI New Orleans Housing Survey

Establish Structured Reporting Framework

competencies while reducing redundancies. A more formal reporting structure will enhance coordination and ensure consistent communication among the HEPs. This will involve regular meetings, transparent information sharing, and structured interactions to maintain alignment and address challenges collaboratively. Recommendations for this reporting framework are grouped below around five critical roles for collaborative success: Convener, Technical and Analytical Support, NOFA Development Support, Property Disposition Leader, and Assistance Planner.

Convener Responsibilities:

- **Schedule Regular Meetings and Strategy Sessions:** Convening monthly roundtable discussions to discuss ongoing projects and collaboratively address immediate questions and concerns. Use the third monthly meeting of each quarter for a listening session with partner leadership and stakeholder groups, such as housing advocates, developers, and city staff from housing-adjacent agencies. Additionally, organize twice-annual strategy sessions with all Housing Ecosystem Partner leadership or other senior staff members to focus on long-term planning, goal setting, and policy development.
- **Designate a Facilitator and Ensure Productive Meetings:** Appointing a facilitator or rotating chairperson to lead the meetings, ensuring discussions remain focused, productive, and inclusive. Allocate time during meetings to identify and prioritize challenges or barriers to progress and collaboratively develop actions to address them. Regularly solicit feedback from meeting participants on the effectiveness of the reporting structure and meeting format and adjust as needed to improve efficacy.
- **Serve as the Primary Point of Contact and Manage Communication:** Acting as the primary point of contact for public inquiries about the Housing Ecosystem Plan, ensuring clear and accessible communication for residents. Additionally, the Technical & Analytic Support role will support the Convener in managing the HEPs pipeline and updating the affordable housing dashboard. This combined effort will provide a transparent view of progress and developments to all stakeholders.

Technical and Analytic Support Responsibilities:

- **Monitor Housing Outcomes and Align Funding Strategies:** Monitoring housing outcomes across the ecosystem, ensuring that funding strategies align with strategic priorities. This will lead to more effective resource use and better alignment of efforts to address the housing challenges in New Orleans.
- **Develop and Implement Standardized Reporting Protocols:** Assisting the partners in establishing protocols for sharing updates, including the development of a standardized reporting template that outlines programmatic milestones and achievements for review during each meeting. Incorporate public accountability measures, such as publishing an annual housing ecosystem report, to keep the community informed about progress and outcomes.

- **Leverage Existing Resources to Facilitate Accurate, Real-Time Information Sharing:** Coordinating with the City's Information Technology resources to find and implement tools for partners to report and share information in. This may include adaptive uses of Tolemi, NoticeMe, OneStopApp, LAMA, and other web-based platforms that can facilitate both public-facing and internal reporting. OCAI has joined an array of unconnected data sources to create its current [Affordable Housing Dashboard](#), but this process is very manual and subject to delays from reporting partners. A live dashboard tied to incoming inquiries around housing funds, their spend rates, and production volume would transparently demonstrate the HEP's commitment to delivering for residents.

NOFA Development Support Responsibilities:

- **Draft Annual NOFA Together:** Drafting financial strategies for the multifamily NOFA, incorporating feedback and input from the HEPs to ensure the document addresses the community's housing needs and strategic priorities.
- **Leverage Internal Underwriting Experience:** Underwriting NOFA-funded projects, evaluating financial feasibility, project viability, and alignment with strategic housing goals. This step will include a thorough review process with input from the HEPs to ensure transparency and inclusiveness.

Property Disposition Leader Responsibilities:

- **Streamline Disposition Processes:** Collaborating with public agency landowners to identify legal requirements attached to properties suitable for redevelopment and ensure alignment with strategic housing objectives. Streamlining the property acquisition and disposition processes so that redevelopment projects are initiated and completed efficiently, focusing on community revitalization.
- **Market and Leverage Program Income:** Effectively applying market expertise to publicly owned properties and attracting developers committed to creating affordable and equitable housing solutions. Any income generated from property dispositions more than administrative costs could be reinvested into further strategic property acquisitions for neighborhood revitalization efforts.

Assistance Planner Responsibilities:

- **Report on and Forecast Voucher Use:** Administering and sharing insights into the scale of New Orleans' affordable housing needs as indicated by housing waiting lists and upcoming sunseting affordability requirements. Depending on future voucher availability, reallocating vouchers from stalled projects to more viable developments. This reallocation could accelerate affordable housing production and ensure that resources are used effectively if done in collaboration with all HEPs.
- **Collaboration and Streamlining Processes:** Collaborating closely with Property Disposition Leaders to identify legally compliant property disposition strategies to leverage marketing and strategic operational infrastructure.

Potential HEP Roles and Reasoning

Convener: OCD should function as the primary convener of the HEPs, supported by OCAI. OCD's experience in housing and community development, combined with its central role within New Orleans, makes it uniquely positioned to lead the housing ecosystem partners. OCD focuses on neighborhood stabilization, affordable housing, economic development, and community programs, playing a critical role in the city's housing landscape. OCAI develops collaborative strategies to activate publicly owned assets and supports infrastructure for land use and housing policy changes.

Technical & Analytic Support: OCAI coordinates key public, private, and non-profit stakeholders to align community needs and explore housing and land use solutions. It serves as an internal resource for government agencies, recommending policy shifts to preserve affordable housing and update land use practices. OCAI ensures effective implementation of policy changes, directly benefiting residents and realizing transformative policy changes. Collaborative efforts with OCD, such as visualizing City-funded affordable housing developments, exemplify their ability to coordinate and leverage resources effectively.

Establishing a formal internal reporting structure with regular meetings will bridge communication gaps, foster collaboration, and ensure agency alignment. A transparent and structured reporting mechanism will keep partners informed about each other's progress and challenges, leading to more synchronized strategies, and enhancing the housing ecosystem's capacity.

NOFA Development Support: FNO's expertise in financing and underwriting can support OCD in drafting, administering, and underwriting the annual NOFA for multifamily development. FNO's experience ensures efficient handling of the NOFA process, while NORA's expertise in managing real estate transactions will be invaluable. Incorporating input from HEPs ensures comprehensive funding criteria and project selection processes that address community needs and align with the city's housing goals. This collaborative approach engages all stakeholders in decision-making, streamlines efforts, and leverages each partner's strengths.

Property Disposition Leader: NORA's expertise in property disposition can be leveraged to market City and HANO-owned properties for redevelopment. NORA's experience ensures properties are marketed effectively and redeveloped to align with strategic goals for neighborhood revitalization and affordable housing. By focusing on its core competencies, NORA can streamline property acquisition and disposition processes, ensuring efficient land use for community benefit.

Assistance Planner: HANO, as the main recipient of federal aid, provides affordable housing opportunities for low-income residents and has insights into expiring affordability requirements. HANO can forecast existing and upcoming needs, reallocating project-based vouchers from stalled projects to viable developments to accelerate affordable housing production. from stalled projects to more viable developments. This reallocation could accelerate affordable housing production and ensure that resources are used effectively.

Improving the disposition of public land by establishing a clear, competitive process is critical

to increasing affordable housing development in New Orleans. NORA's experience in complex real estate transactions, internal underwriting expertise, and packaging of development opportunities suits them to manage public property disposition. However, NORA must work closely with HANO to perform appropriate legal due diligence regarding federal program income regulations before assisting with property disposition. By leveraging NORA's experience and capabilities, HANO and City can ensure that these properties are redeveloped effectively, aligning with the plan's broader goals of increased affordable housing development. This approach not only maximizes the impact of each redevelopment effort but also ensures that the process is financially viable.

Develop a Department of Housing

New Orleans' affordable housing crisis has been exacerbated by the pandemic, construction costs, labor shortages, climate change impacts, insurance costs, and interest rates. These pressures increased public calls for action and have led to policy initiatives like the [Healthy Homes](#) rental registry, [Right to Counsel](#), [Mandatory Inclusionary Zoning](#), the [November 2024 Housing Trust Fund referendum](#), and the development of the New Orleans Housing Ecosystem Report. The volume of housing-related programs to be maintained by OCD and other departments has increased to a tipping point where a single responsible centralized department can yield a higher rate of return on imminent landmark investments to further affordable housing.

New Orleans has been fortunate to have had a succession of mayors who prioritized housing and community development enough to establish and continue operating OCD. However, OCD and OCAI both offices within the Mayor's Office, and could be eliminated, reorganized drastically, or outsourced in the future. To ensure the long-term continuity of these offices and keep building upon recent progress around housing policies, a charter-mandated "Department of Housing" should be considered to ensure continuity in housing initiatives.

This office would be dedicated to overseeing and implementing housing policies, programs, and initiatives, independent of shifts in political leadership. Designed to complement the existing HEPs, this office would serve as a unified entity representing their collective goals.

The proposed office, potentially established alongside an affordable housing long-term subsidy replacement for PBVs, within three to five years, would relieve the OCD of its interim role as the primary facilitator of collaboration. By centralizing coordination and strategic planning, this office could streamline decision-making processes, leverage resources, and enhance the efficiency and effectiveness of housing initiatives. This would maximize the collective impact of efforts across the HEPs.

"The CNO should have and department of housing counseling and education so that all the citizens will have a place to go to be educated and counseled for all stages of housing need."

-Respondent, March 2024
OCAI New Orleans Housing Survey

Establishing a mandated housing office would not only provide a centralized hub for housing initiatives but also ensure that efforts are sustained and effective in the long term, regardless of political changes.

- **Form a Working Group:** Alongside an initiative to develop a long-term subsidy replacement for PBVs, create a working group with representatives from the HEPs to develop a charter amendment outlining the mandate, objectives, and organizational structure of the mandated housing office. The group should identify areas where the new office can fill gaps or provide additional support while respecting HEPs' autonomy and expertise.
- **Enhance Coordination and Communication:** Develop mechanisms for ongoing coordination and communication between the mandated housing office and the HEPs. Integrate this into the new reporting structure to minimize duplication of efforts.
- **Tie to Legislation:** [Article IV](#) of the City's Home Rule Charter establishes the departments of the executive branch of New Orleans' government. The Home Rule Charter can only be amended by a vote of the people. As discussed with a potential codification of Housing Ecosystem Partners collaboration, creating a housing department could be included alongside a future housing measure presented to voters.

Establishing a dedicated Department of Housing in New Orleans is a strategic and necessary response to the city's escalating affordable housing crisis. By centralizing housing initiatives within a single, focused entity, we can ensure continuity, stability, and a higher return on investments in affordable housing. The suggested structure would allow OCD to concentrate on compliance and oversight, ensuring that federal and state grants are managed effectively while also supporting the city's broader community development goals. Should HEPs receive unprecedented funding from a Housing Trust Fund and the recommended \$100 million 5-year bond issue, codifying housing program stability will increase the likelihood that these funding sources will be used effectively for their intended purposes rather than obscured or underused by a future administration.

“Take into consideration the group of people who need affordable housing. Aligning that with program planning and accountability for delivering the plan in transparency.”

-Respondent, March 2024
OCAI New Orleans Housing Survey

CONCLUSION

IMPLEMENTATION TIMELINE

None of the solutions proposed in this plan will be implemented overnight. However, unless the City and its partners commit to moving forward together starting now, the barriers to affordability will continue to grow. Quotes throughout the plan have offered New Orleanians’ perspectives on the gravity of their challenges.

“The cost of insurance and taxes has brought most homeowners to their knees. This increase has affected landlords causing rent to be increased to a level where most cannot afford to stay and have nowhere to go. We are surely in a time of crisis and many policymakers have may not yet have felt the burden of the thought of not being able to afford living under a roof. Many people who live at minimum wage, work two or three jobs to survive. [...]The burden of finances has brought so much stress upon the people that it is hard to think of much more. Many are worried, frustrated, sad, and desperate for change. Please add to the housing stock in every which way.”

-Respondent, March 2024 OCAI New Orleans Housing Survey

Using the framework of Opportunities and Strategies outlined in this plan, the following timeline is a sequence of actions to be taken in the immediate-, near-, middle-, and long-term to make New Orleans the vibrant, diverse, and affordable home that its residents deserve.

Figure 29. IMMEDIATE TERM TIMELINE

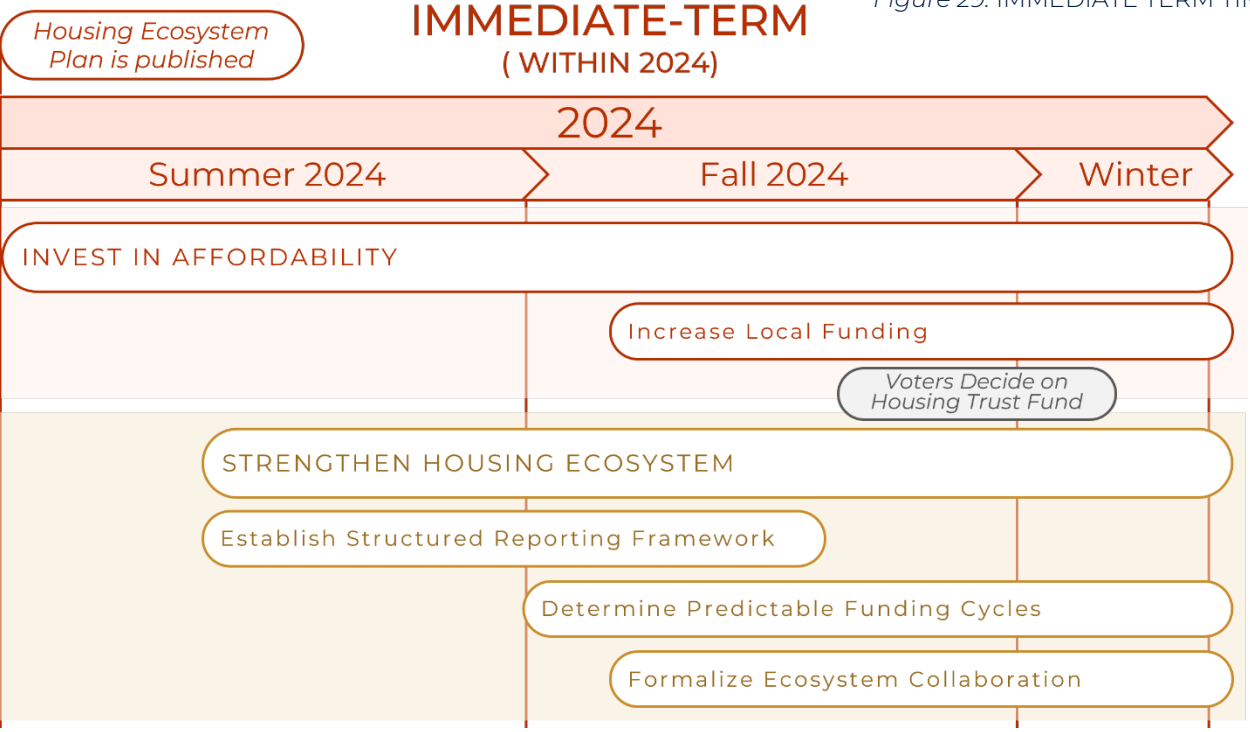
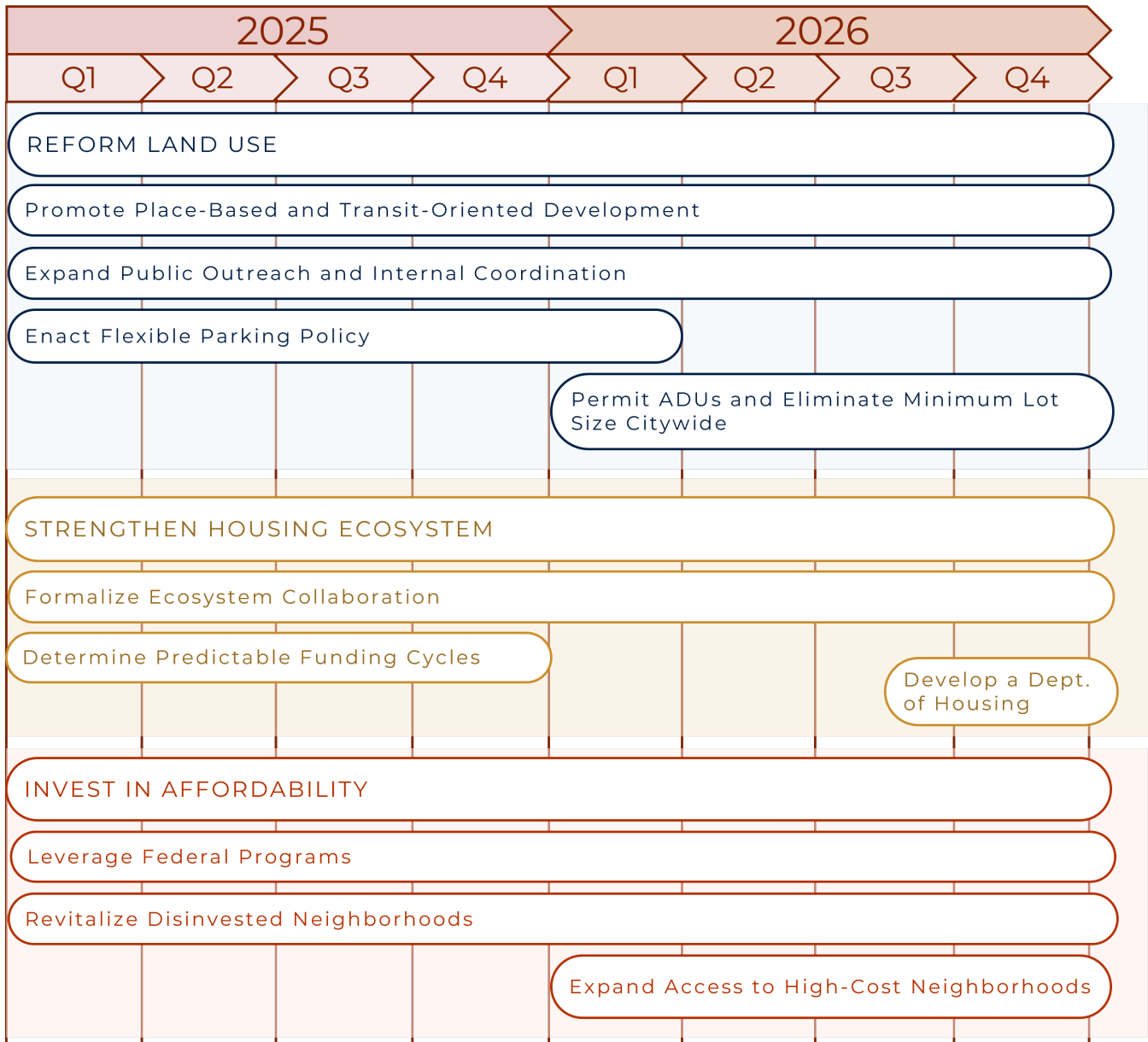


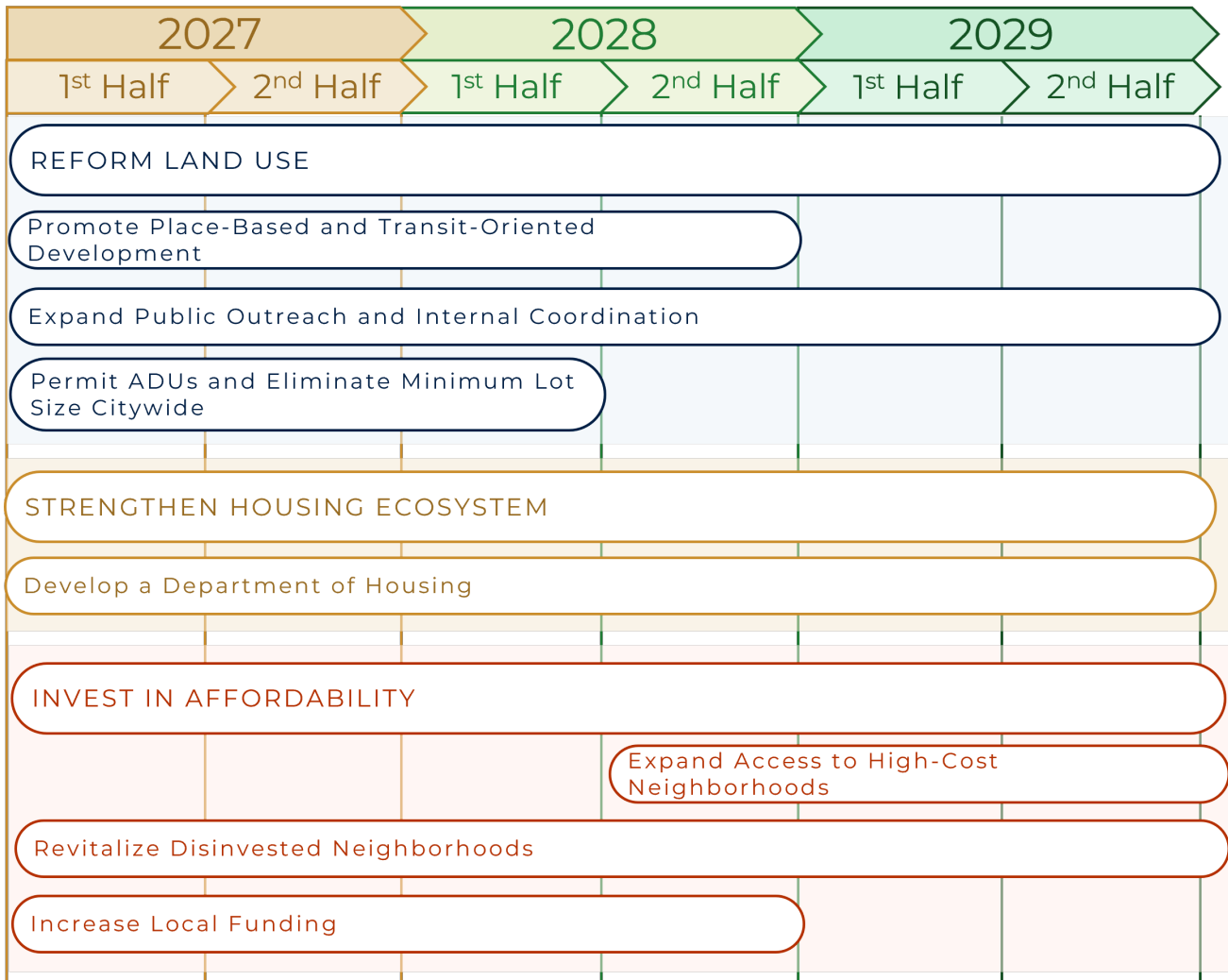
Figure 30. SHORT-TERM TIMELINE

SHORT-TERM (1-2 YEARS)



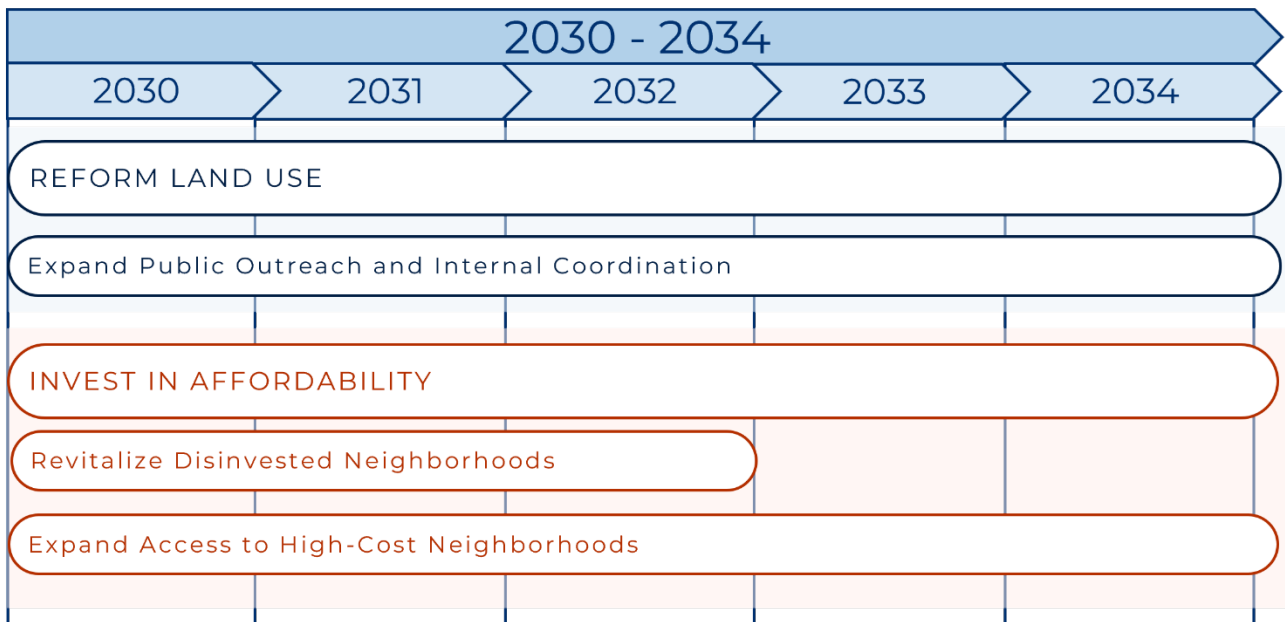
MIDDLE-TERM (3 – 5 YEARS)

Figure 32. MIDDLE-TERM TIMELINE



LONG-TERM (5 – 10 YEARS)

Figure 31. LONG-TERM TIMELINE



BUILDING A SUSTAINABLE HOUSING FUTURE FOR NEW ORLEANS

This plan calls on every stakeholder in New Orleans to embrace the opportunity to create financial stability and affordable housing options for a much wider pool of residents. By working together, we can ensure that all residents have access to safe, quality homes that contribute to a thriving community.

The HEPs bring shared expertise in collaborative efforts, which, along with the vital contributions of nonprofit partners, key City departments and offices, and community residents, is essential for the successful implementation of this plan.

Sustained and significant long-term funding is essential to achieve the proposed production numbers. The proposed Housing Trust Fund is an excellent next step and aligns perfectly with this strategic plan. In addition to the Housing Trust Fund, leveraging federal funding, local allocations, affordable housing bonds, and other potential revenue increases will help advance the strategies outlined in this plan. A robust, sustained funding source that is locally supported will drive the progress needed to meet the City’s housing goals.

By leveraging strategic investments, we can revitalize neighborhoods and address critical gaps in our current ecosystem. This includes:

- Bolstering the availability of affordable housing for all income levels and demographics, ensuring that every resident has access to safe and quality homes.
- Preventing displacement and supporting community resilience through targeted programs, policies, and partnerships.

New Orleans stands at a pivotal moment to transform its housing ecosystem. By coming together, the City and its partners can create a housing ecosystem that fosters opportunity and resilience for all. Let us seize this opportunity to build a sustainable housing future that benefits every resident of New Orleans.

“Who is going to serve the tourists when you run the workers out of town? Who will play the music and make the drinks when we're gone? You can't automate culture.”

-Respondent, March 2024
OCAI New Orleans Housing Survey

APPENDIX

A. AFFORDABLE HOUSING TERMS

This section clarifies key concepts in affordable housing. Since housing affordability can be complex, especially for those who do not work full-time in the industry, this section explains the “jargon” and is essential to ensure a common understanding among all readers of the CNO Housing Ecosystem Plan.

Affordable Housing: According to the U.S. Department of Housing and Urban Development (HUD), housing is considered affordable if the occupant pays no more than 30 % of their gross income towards housing costs, including utilities. *Example:* A family of four earning \$86,800 per year must spend less than \$26,400 per year (\$2,170 per month) for their housing to be considered “affordable.”



Figure 33. Proportion of Income Spent on Housing (Considered "Affordable")

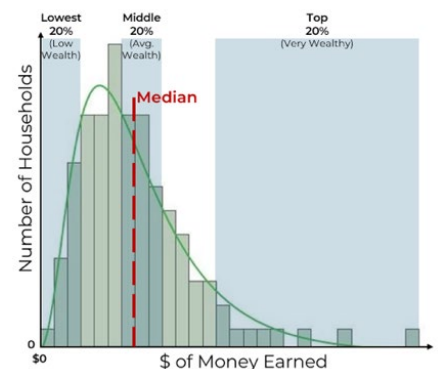
Table 4. AREA MEDIAN INCOME (AMI) LIMITS, New Orleans- New Orleans-Metairie, LA HUD Metro FMR Area

FY 2024 INCOME LIMIT CATEGORY	PERSONS IN FAMILY							
	1	2	3	4	5	6	7	8
0-30% AMI (\$)	18,240	20,850	23,460	26,040	28,140	30,210	32,310	34,380
30-50% AMI (\$)	30,400	34,750	39,100	43,400	46,900	50,350	53,850	57,300
50-80% AMI (\$)	48,650	55,600	62,550	69,450	75,050	80,600	86,150	91,700
80-100% AMI (\$)	60,800	69,500	78,200	86,800	93,800	100,750	107,700	114,625
100-120% AMI (\$)	72,975	83,400	93,825	104,175	112,575	120,900	129,225	137,550
120-140% AMI (\$)	85,150	97,300	109,475	121,550	131,350	141,050	150,775	160,475

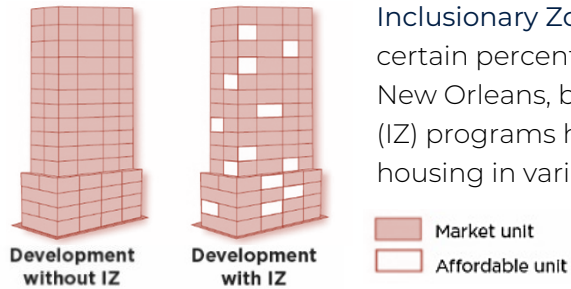
Source: [U.S. Department of Housing and Urban Development, FY 2024 Income Limits Summary](#)

Area Median Income (AMI): A measure calculated by HUD to determine eligibility for affordable housing programs. In New Orleans, the 2024 AMI for a family of four is \$86,800. Affordable housing programs typically target households earning below 80% of AMI.

Subsidized Housing: A type of affordable housing where units are supported by government programs like LIHTC, Housing Choice Vouchers (Section 8), or public housing.



Naturally Occurring Affordable Housing (NOAH): Market-rate units that do not receive a subsidy and are affordable due to location, age, or condition. Unlike subsidized housing, NOAH units are a product of the private market and are not required to be affordable. As cities experience rising housing costs, these units often become less affordable over time.



Inclusionary Zoning: Policies that require developers to include a certain percentage of affordable units in new developments. In New Orleans, both mandatory and voluntary Inclusionary Zoning (IZ) programs have been implemented to promote affordable housing in various parts of the city.

New Orleans Housing Programs: HEPs coordinate several programs that help homeowners and renters stay in their homes. Table 5 on the next page provides a summary of each and is followed by Table 6 showing current annual federal formula program allocations.

Table 5. CURRENT HOUSING ECOSYSTEM SYSTEM PARTNERS PROGRAMS, FUNDING, AND PRODUCTION LEVELS

OFFICE OF COMMUNITY DEVELOPMENT (OCD) PROGRAMS					
Program	Program Description	Beneficiaries (AMI)	Annual Funding	Funding Source	Annual Units Delivered
City of New Orleans Direct Homebuyer Assistance Program	This is a "soft second" down payment assistance program for qualifying new homeowners. It provides up to \$65,000 per homebuyer to reduce the upfront money a household must have to become a homeowner.	First-time homebuyers up to 80% AMI	\$1.5 - \$2M	CDBG & HOME	30
Health and Safety Owner-Occupied Program	Through a forgivable loan, this program supports rehab and energy efficiency upgrades for qualifying homeowners.	Homeowners between 60-120% AMI	\$1M	HOME	30
Multifamily NOFA	The City issues an annual Notice of Funding Availability (NOFA) that provides gap funding for large-scale LIHTC new development and rehabilitation. This is the primary local funding source for large-scale projects.	Renters up to 80% AMI	\$7 - \$10M	HOME (Some one-time commitments of CDBG)	Between 2017 and 2022, the annual number of affordable homes funded by all OCD programs ranged from 11 to 142, with an average of 56.6 units funded.
FINANCE NEW ORLEANS (FNO) PROGRAMS					
Program	Program Description	Beneficiaries (AMI)	Annual Funding	Funding Source	Annual Units Delivered
Green Mortgage	FNO provides FHA first mortgages that include down payment assistance of up to 5% of the first mortgage amount.	First-time homebuyers between 60-140% AMI	\$500K	Varies	50
Tax-Exempt Bonds	FNO is empowered by the City to issue tax-exempt bonds for 4% LIHTC development.	Renters up to 80% AMI	Varies	Varies	FNO has historically issued bonds to finance housing; however, it has not issued a new bond since 2009.
Payment in Lieu of Taxes (PILOTs)	PILOTs support financial feasibility for affordable housing developments. They allow developments that are affordable or in Mandatory Inclusion Zones to have their taxes frozen at the predevelopment level for a predetermined period.	Renters up to 80% AMI	Varies	Varies	Varies

HOUSING AUTHORITY OF NEW ORLEANS (HANO) PROGRAMS

Program	Program Description	Beneficiaries (AMI)	Annual Funding	Funding Source	Annual Units Delivered
Land Stewardship	Public agencies own land that can be used for development of housing at a range of scales.	Renters up to 80% AMI	N/A	N/A	Varies (Goal: Up to ~200)
Project-Based Vouchers	Project-based housing vouchers are attached to specific rental units rather than tenants. The issuer subsidizes the rent paid to the property owner. Tenants contribute 30% of their income towards rent and utilities, and the voucher will cover the remainder up to the contract rent for the unit.	Renters up to 30% AMI	Varies	Federal Government	Unknown (FY23 Annual Report indicated 2,493 PBVs were under contract with 38 additional planned provider contracts for 400 units to be executed in 2024)
Homeownership Program	Assist public housing and Housing Choice Voucher Program (HCVP) Section 8 residents to become first-time homebuyers through technical and financial assistance including credit counseling, referrals to City and other programs for downpayment assistance, and referrals to lenders with low interest rates and flexible terms.	Renters up to 80% AMI	Varies	Federal Government	Varies

NEW ORLEANS REDEVELOPMENT AUTHORITY (NORA) PROGRAMS

Program	Program Description	Beneficiaries (AMI)	Annual Funding	Funding Source	Annual Units Delivered
Orleans Housing Investment Program	This program supports small-scale (1-4 unit) infill development by providing loans of up to \$100M to developers. This program can also provide down payment assistance to the home's buyer through a repayment/reassignment of the developer loan.	Renters and homebuyers between 60-120% AMI	\$1.5M - \$2M	NORA CDBG Program Income, City of New Orleans CDBG Entitlement	15-20
Land Disposition	Public agencies own land that can be used for the development of housing at a range of scales.	Renters up to 80% AMI	N/A	Land disposition proceeds from private or non-profit investment	Varies (Goal: Up to ~200)

Table 6. CURRENT FEDERAL FORMULA PROGRAM ANNUAL ALLOCATIONS

PROGRAM	DESCRIPTION	2023 ALLOCATION	USE(S)
Community Development Block Grant (CDBG)	The Community Development Block Grant (CDBG) program, established in 1974, provides annual grants to state and local jurisdictions based on community need factors such as poverty and population growth. At least 70% of CDBG funds must benefit low- and moderate-income people. Each funded activity must meet one of these objectives: benefit low- and moderate-income persons, eliminate slums or blight, or address urgent community development needs.	\$12.8M	OCD Direct Homebuyer Assistance Program; OCD Multifamily NOFA (CDBG Disaster Resilience)
Emergency Solutions Grants (ESG)	The 2012 HEARTH Act revised the Emergency Shelter Grants Program to create the Emergency Solutions Grants (ESG) Program. ESG provides federal funding for homeless outreach, emergency shelter, homelessness prevention, and rapid rehousing. Eligible recipients include metropolitan cities, urban counties, territories, and states, which can fund projects by local government agencies and private non-profits. Grantees must match grant funds with equal cash or in-kind contributions.	\$1.1M	Rapid Rehousing, Homeless Prevention, and Shelter Operations
HOME Investment Partnership (HOME)	The federal government authorized HOME Investment Partnership (HOME) in 1990. It is a federal block grant to participating jurisdictions, which then use the funds to provide affordable rental and homeownership housing to low- and moderate-income families. When HOME funds are used for rental activities, at least 90% of the units must be occupied by households with incomes at or below 60% of AMI, with the remaining 10% to be occupied by households with incomes at or below 80% of AMI. In rental properties with five or more HOME units, 20% of the units must be set aside for households with incomes at or below 50% of AMI. Depending on the amount of HOME subsidy per unit, HOME funding applies five to 20-year affordability restrictions on units.	\$2.7M	OCD Health and Safety Owner-Occupied Program; OCD Direct Homebuyer Assistance Program; OCD Multifamily NOFA
HOPWA	Under the Housing Opportunities for People With AIDS (HOPWA) Program, HUD makes grants to local communities, states, and non-profit organizations for projects that benefit low-income persons (earning less than or equal to 80% of AMI) living with HIV/AIDS and their families. Two types of grants are made under the HOPWA program: HOPWA formula grants and HOPWA competitive funds. HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs.	\$3.9M	Shelter Operations, Short-term Rental Mortgage Utilities Assistance, Housing Information, Supportive Services

B. PLAN SUMMARY

REC.	GOALS	STRATEGIES	
INVEST IN AFFORDABILITY	Increase Local Funding	<ul style="list-style-type: none"> Adopt a Housing Trust Fund Identify Long-Term Subsidy Replacement 	<ul style="list-style-type: none"> Issue a Significant Affordable Housing Bond
	Revitalize Disinvested Neighborhoods	<ul style="list-style-type: none"> Identify a Set of Development-Ready Sites* Designate Scattered-Site LIHTC Development Partners* Create a Rental Rehab Program for Small-Portfolio Housing Providers* Develop Preferred Contractor List & Point of Contact for Rehab Assistance* 	<ul style="list-style-type: none"> Link Infill Programs to Homebuyer Assistance Integrate and Coordinate Existing Down Payment Assistance Programs Help Buyers Access Favorable Mortgage Terms
	Expand Access to High-Cost Neighborhoods	<p><i>The four strategies listed above with [*] are also listed as ways to Expand Access to High-Cost Neighborhoods</i></p>	<ul style="list-style-type: none"> Fund Increased Infill Development Explore a Mixed-Income Development Revolving Loan Fund
	Leverage Federal Programs	<ul style="list-style-type: none"> Transform Neighborhoods through Choice Neighborhoods Leverage Available State and Federal Funding for Habitability Issues Support Solar Installation and Rooftop Construction 	<ul style="list-style-type: none"> Incorporate Green Technology into Affordable Housing Production and Preservation
REFORM LAND USE	Expand Public Outreach and Internal Coordination	<ul style="list-style-type: none"> Create a Cross-Departmental Task Force Develop and Launch Public Awareness Campaign 	<ul style="list-style-type: none"> Offer Technical Assistance Engage Key Housing Stakeholders
	Promote Place-Based and Transit-Oriented Development	<ul style="list-style-type: none"> Encourage Higher Density Near Transit Hubs Enhance Public Transportation Infrastructure and Accessibility 	<ul style="list-style-type: none"> Create Public-Private Partnerships for Mixed-Income Housing Near Transit Provide Incentives for TOD
	Enact Flexible Parking Policy	<ul style="list-style-type: none"> Conduct Public Education Campaigns and Community Engagement Initiatives Implement Parking Maximums and Shared Parking Strategies 	<ul style="list-style-type: none"> Reduce or Eliminate Parking Minimums for Affordable Housing Developments
	Permit Accessory Dwelling Units and Eliminate Minimum Lot Size Citywide	<ul style="list-style-type: none"> Permit and Encourage Accessory Dwelling Units Eliminate Minimum Lot Size Requirements for Residential Developments 	<ul style="list-style-type: none"> Streamline the Approval Process for ADUs and Small-Lot Developments
STRENGTHEN HOUSING ECOSYSTEM	Formalize Ecosystem Collaboration	<ul style="list-style-type: none"> Convene a Leadership Working Group Develop a Cooperative Endeavor Agreement (CEA) 	<ul style="list-style-type: none"> Tie to Legislation Improve Disposition of Public Land*
	Determine and Establish Predictable Funding Cycles	<ul style="list-style-type: none"> Develop a Predictable Annual Funding Schedule Plan Collaboratively and Transparently 	<ul style="list-style-type: none"> Implement Evaluation Mechanisms
	Establish Structured Reporting Framework	<ul style="list-style-type: none"> Assign a Primary Convener Provide Technical and Analytic Support Support Collaborative Annual NOFA Development 	<ul style="list-style-type: none"> Designate Public Property Disposition Lead Plan for Future Housing Assistance Needs
	Develop a Department of Housing	<ul style="list-style-type: none"> Form a Working Group Tie to Legislation 	<ul style="list-style-type: none"> Enhance Coordination and Communication

C. SUPPLEMENTARY TABLES

Table 7. HOUSING ECOSYSTEM PARTNERS CONVENINGS

DATE	TOPIC
11/27/23	Kickoff and Introduction Meeting
12/20/23	Housing Needs Assessment Meeting
1/17/24	Strategic Analysis Meeting
2/20/24 & 2/26/24	Tools, Strategies, and Collaboration Opportunities Meeting
4/17/24 & 4/30/24	Collaboration and Coordination Strategy Review

Table 8. HOUSING ECOSYSTEM PARTNERS ONE-ON-ONE INTERVIEWS

DATE	TOPIC
1/31/24	City of New Orleans (OCD/OCAI)
2/1/24	Finance New Orleans
2/7/24	City of New Orleans (OCD/OCAI)
2/15/24	New Orleans Redevelopment Authority
2/16/24	Housing Authority of New Orleans
3/19/24	City of New Orleans (OCD/OCAI)
3/19/24	Finance New Orleans
4/3/24	New Orleans Redevelopment Authority

Table 9. STAKEHOLDER FOCUS GROUPS

DATE	TOPIC
1/8/24	Housing Advocates Focus Group
1/9/24	Affordable Housing Developers Focus Group
1/10/24	City Agencies/Staff Focus Group
1/22/24	Quasi-City Agencies Focus Group
3/19/24	City Agencies/Staff Focus Group Follow-Up
4/8/24	Housing Advocates Focus Group Follow-Up
4/30/24	Economic Development Follow-Up

Table 10. INTERVIEWS WITH COUNCILMEMBERS

DATE	OFFICE
3/19/24	District A
3/19/24	District C
3/25/24 & 7/10/24	At-Large
3/26/24	District E
4/3/24	District B
6/25/24	District D

Table 11. TABLE OF FIGURES

Figure 1. SUMMARY FRAMEWORK.....	3
Figure 2. HOUSING ECOSYSTEM PARTNERS	5
Figure 3. BACKGROUND STATISTICS.....	6
Figure 4. BACKGROUND STATISTICS PT.2.....	7
Figure 5. OWNER-OCCUPIED HOUSING UNITS BY INCOME LEVEL.....	9
Figure 6. RENTER-OCCUPIED HOUSING UNITS BY INCOME LEVEL	9
Figure 7. MARKET VALUE ANALYSIS 2023	13
Figure 8. PUBLICLY OWNED AND VACANT PROPERTIES.....	15
Figure 9. LIHTC UNITS EXPIRING BY 2051.....	15
Figure 10. ORLEANS HOUSING INVESTMENT PROGRAM IN ACTION	16
Figure 11. SCATTERED-SITE LIHTC IN ACTION.....	16
Figure 12. THREE LEVELS POTENTIAL FUTURE LOCAL FUNDING COMMITMENT	18
Figure 13. FUNDING ALLOCATION BY BENEFICIARY GROUP.....	19
Figure 14. POTENTIAL FUNDING SCENARIOS AND BENEFICIARY TYPES.....	20
Figure 15. INCOME TARGETS BY CATEGORY.....	20
Figure 16. DOWN PAYMENT ASSISTANCE PROGRAMS SIGNIFICANTLY REDUCE.....	25
Figure 17. APPROXIMATE VOLUME AND DISPERSAL OF AFFORDABLE UNITS	27
Figure 18. NORA STORMWATER MANAGEMENT PROJECT, 1728 DESLONDE	30
Figure 19. NEW ORLEANS POPULATION BY RACE 2020,.....	32
Figure 20. HOUSEHOLDS WITH ONE OR MORE PEOPLE 60 YEARS AND OVER	32
Figure 21. RACE/ETHNICITY BY LEVEL OF NET WORTH (Greater New Orleans Area)	32
Figure 22. MEDIAN NET WORTH BY HOMEOWNERSHIP (Greater New Orleans Area)	32
Figure 23. NEW ORLEANS LIVING ARRANGEMENTS.....	33
Figure 24. PERCENT OF NEW ORLEANIANS LIVING ALONE OVER 65 YRS OLD	34
Figure 25. NORA'S FACADE RENEW ELIGIBLE CORRDIORS.....	37
Figure 26. EXAMPLE RESOURCE MAP (USED IN PLACE-BASED DEVELOPMENT)	38
Figure 27. PARKING AND HOUSING COMPARISONS	40
Figure 28. STRS IN NEW ORLEANS.....	42
Figure 29. IMMEDIATE TERM TIMELINE.....	53
Figure 30. SHORT-TERM TIMELINE.....	54
Figure 31. LONG-TERM TIMELINE.....	55
Figure 32. MIDDLE-TERM TIMELINE	55
Figure 33. Proportion of Income Spent on Housing (Considered "Affordable")	57

Table 12. TABLE OF QUOTES

Quote 1.....	5
Quote 2.....	8
Quote 3.....	10
Quote 4.....	16
Quote 5.....	18
Quote 6.....	20
Quote 7.....	24

Quote 8.....	25
Quote 9.....	26
Quote 10.....	30
Quote 11.....	35
Quote 12.....	41
Quote 13.....	43
Quote 14.....	43
Quote 15.....	48
Quote 16.....	51
Quote 17.....	52
Quote 18.....	53
Quote 19.....	56

Table 13. TABLE OF CASE STUDIES

Case Study 1. ATLANTA URBAN DEVELOPMENT CORPORATION ATLANTA, GA.....	22
Case Study 2. OFFICE-TO-HOUSING CONVERSION BETHESDA, MD.....	31
Case Study 3. CODE ENFORCEMENT PARTNERSHIP CLEVELAND, OH.....	36
Case Study 4. ANTI-DISPLACEMENT MIXED-USE DEVELOPMENT BROOKLYN, NY.....	44

Table 14. TABLE OF TABLES

Table 1. RESPONDENTS' TOP HOUSING ISSUES.....	11
Table 2. TOP 3 RESPONSES WITHIN EACH SELF-IDENTIFIED HOUSING STATUS GROUP.....	11
Table 3. PLACE-BASED RECOMMENDATIONS OVERVIEW.....	39
Table 4. AREA MEDIAN INCOME (AMI) LIMITS, New Orleans.....	57
Table 5. CURRENT HEP PROGRAMS, FUNDING, AND PRODUCTION LEVELS.....	59
Table 6. CURRENT FEDERAL FORMULA PROGRAM ANNUAL ALLOCATIONS.....	61
Table 7. HOUSING ECOSYSTEM PARTNERS CONVENINGS.....	63
Table 8. HOUSING ECOSYSTEM PARTNERS ONE-ON-ONE INTERVIEWS.....	63
Table 9. STAKEHOLDER FOCUS GROUPS.....	63
Table 10. INTERVIEWS WITH COUNCILMEMBERS.....	63
Table 11. TABLE OF FIGURES.....	64
Table 12. TABLE OF QUOTES.....	64
Table 13. TABLE OF CASE STUDIES.....	65
Table 14. TABLE OF TABLES.....	65
Table 15. IRA HOUSING-RELATED PROGRAMS.....	66
Table 16. PARKING AND HOUSING COMPARATIVE CALCULATIONS.....	70
Table 17. RESPONDENTS' TOP HOUSING ISSUES*.....	79
Table 18. TOP 3 COMBINATIONS OF HOUSING ISSUES.....	79
Table 19. ASSUMPTIONS BY PROGRAM OR INVESTMENT TYPE.....	80

D. INFLATION REDUCTION ACT PROGRAMS (FOR CLEAN ENERGY IN HOUSING)

New funds available through the **Greenhouse Gas Reduction Fund (GGRF)** and other subsidy programs can support green housing initiatives. The City can provide direct grants and technical assistance to beneficiaries through non-profits, enabling more housing providers to implement sustainable and cost-effective improvements.

GGRF includes three subprograms. In April, the U.S. Environmental Protection Agency (EPA) announced the award recipients for each of these funds and the proposed plans from each awardee.

Table 15. IRA HOUSING-RELATED PROGRAMS

GGRF SUB-PROGRAM	SELECT AWARDEES & INVESTMENT PLANS
<p>National Clean Investment Fund (NCIF): a fund providing \$14 billion to three national nonprofit clean financing institutions, which then finance tens of thousands of projects nationwide. Eligible projects must meet several criteria, including deployment of clean tech and community benefits such as production of sustainable and affordable housing.</p>	<p>The \$14 billion in NCIF funding was awarded to Climate United, the Coalition for Green Capital, and Power Forward Communities.</p> <ul style="list-style-type: none"> <p>Climate United Fund (CUF): CUF is a partnership between Calvert Impact, Inc., a nonprofit investment firm, and two CDFIs, Community Preservation Corporation and Self-Help Ventures Fund. CUF plans to deploy 60% of its nearly \$7 billion award as investments into low-income and disadvantaged communities across the country and has already built a pipeline of hundreds of local, regional, and national partners. Among its proposed activities is the offering of financial products for projects like energy efficient home retrofits, electrification upgrades, and solar installations.¹⁸</p> <p>Coalition for Green Capital (CGC): CGC is a coalition of eighteen green banks, which has committed to deploying 50% of its \$5 billion award as investments into low-income and disadvantaged communities. It will focus on providing loans and loan guarantees to qualified projects mostly in the commercial market segment across many sectors. However, it will also provide capital to other recipients, including nonprofits and affordable housing developers.¹⁹</p> <p>Power Forward Communities (PFC): PFC is a coalition formed from five national housing, climate, and community investment groups: Enterprise Green Accelerator, Inc.; Rewiring America Community Investment Fund; LISC Green LLC; Habitat for Humanity International, Inc.; United Way Worldwide. This group is “dedicated to decarbonizing and transforming American housing to save homeowners and renters money, reinvest in communities, and tackle the climate crisis.” PFC’s plan is to develop a financing solution that will provide capital</p>

¹⁸ U.S. Environmental Protection Agency. “NCIF Selected Applicant Details.” Retrieved on April 29, 2024, from <https://www.epa.gov/greenhouse-gas-reduction-fund/ncif-selected-applicant-details>.

¹⁹ Ibid.

GGRF SUB-PROGRAM	SELECT AWARDEES & INVESTMENT PLANS
	<p>solutions for housing owners and developers with the aim of decreasing costs and increasing affordability and resilience. The explicit aims of their work are to “preserve and produce affordable rental homes” and to reduce costs in the zero-emissions housing marketplace.²⁰</p>
<p>Clean Communities Investment Accelerator (CCIA): a fund providing up to \$6 billion in grants to five hub nonprofits that will redistribute funding and technical assistance to community lenders. Eligible community lenders include CDFIs, credit unions, green banks, housing finance agencies, minority depository institutions, and others. Eligible projects help low-income and disadvantaged communities to deploy clean tech.</p>	<p>The \$6 billion of CCIA funding was awarded to five applicants for the purposes of providing financial and technical assistance to more local lenders in low-income and disadvantaged communities. The financial and technical assistance is meant to support “distributed energy, net-zero buildings, and zero-emissions transportation projects.”²¹</p> <ul style="list-style-type: none"> • Opportunity Finance Network (OFN): OFN, a nonprofit CDFI Intermediary providing capital for a mission-driven community-lender network, received \$2.3 billion in CCIA funding. OFN will help community lenders invest in eligible projects that reduce airborne pollutants in low-income and disadvantaged communities.²² • Inclusiv: Another CDFI Intermediary, Inclusiv, supports over 900 mission-driven credit unions across the country. With its \$1.9 billion award, Inclusiv will support credit unions in investing in a variety of projects, including consumer loans for clean-tech-related home improvements (such as solar installations) and real estate lines of credit for home decarbonization retrofits.²³ • Justice Climate Fund (JCF): The JCF is another coalition of 18 members with an award of nearly \$1 billion. The coalition will also support community lenders working in low-income and disadvantaged communities, and among their areas of focus is the support of affordable housing preservation and construction. JCF plans to “[create] flexible, low-cost financial products that won’t require significant rent increases...[and] will require commitments to continued affordability...”²⁴

²⁰ Ibid.

²¹ U.S. Environmental Protection Agency. “CCIA Selected Applicant Details.” Retrieved on April 29, 2024, from <https://www.epa.gov/greenhouse-gas-reduction-fund/ccia-selected-applicant-details>.

²² Ibid.

²³ Ibid.

²⁴ Climate Justice Fund. “EPA CCIA — Narrative Proposal.” Retrieved on April 29, 2024, from https://www.epa.gov/system/files/documents/2024-04/jcf_narrative_proposal1.pdf.

GGRF SUB-PROGRAM	SELECT AWARDEES & INVESTMENT PLANS
<p>Solar for All: a fund providing \$7 billion across up to 60 grants to municipalities and nonprofits to expand solar readiness in low-income communities. Grantees will subsidize residential rooftop and residential-serving community solar projects and technical assistance to help overcome barriers to solar deployment.</p>	<p>The EPA announced over 60 recipients of Solar for All funding, including 49 state-level awards and five multistate awards. Below are the awardees that are relevant for New Orleans.</p> <ul style="list-style-type: none"> • State of Louisiana, Department of Natural Resources: The State received \$156 million to launch a solar initiative that will focus on low-income and disadvantaged communities. The State plans to use the funding for several efforts but included mention of supporting solar, energy storage, and enabling upgrades in homes. The State also plans to provide low-cost financing options.²⁵ • Community Power Coalition (CPC): The CPC will use its \$249 million of funding to support the deployment of solar projects that can aid low-income and disadvantaged communities in 44 states across the United States.²⁶ • Clean Energy Tech Fund of Texas (TxCEF): TxCEF received \$156 million in SFA funding. In partnership with the Bullard Center for Environmental and Climate Justice, TxCEF will deploy technical assistance, private capital, and grants to minority-serving institutions that will facilitate the “development of residential-serving community solar projects in low-income and disadvantaged communities...” This program will operate in EPA regions 3, 4, and 6, which include Louisiana.²⁷ • GRID Alternatives (Solar Access for Nationwide Affordable Housing Program or SANAH): GRID Alternatives is a 10-organization team of nonprofit solar and affordable housing providers that received \$250 million to fund their SANAH program. This program will support affordable housing across over half the country through a variety of means, including expanded solar access and storage, energy savings and burden relief, and deployment of residential-serving renewable energy.²⁸

Transmission Siting and Economic Development Program (Part B):

This \$200 million program will provide awards ranging from \$100,000 to \$50 million to economic development projects in communities that may be affected by the construction and operation of a covered transmission project. This program requires that the communities be affected by electric transmission facility construction or improvement, and it prioritizes considerations of environmental and energy justice and equity. Eligible projects include affordable and sustainable housing.

²⁵ Environmental Protection Agency. “Solar for All.” Retrieved on April 29, 2024, from <https://www.epa.gov/greenhouse-gas-reduction-fund/solar-all>.

²⁶ Ibid.

²⁷ Ibid.

²⁸ Ibid.

Energy Efficiency and Conservation Block Grant (EECBG) Program:

EECBG provides funding and technical assistance to support local government implementation of programs to reduce fossil fuel use and total energy use. Green retrofits are one of the eligible activities for this program.

E. PARKING & HOUSING COMPARATIVE CALCULATIONS

Table 16. PARKING AND HOUSING COMPARATIVE CALCULATIONS

LABEL	MEASURE DESCRIPTION	NUMBER	UNIT	SOURCE
A	Number of Housing Units:	193,840	housing units	https://data.census.gov/table/DECENNIALPL2020.H1?q=160XX00US2255000
B	Median Housing Unit Size:	1,824	sq ft	https://fred.stlouisfed.org/series/MEDSQUFEE35380
C	Estimated Square Footage of Housing	353,564,160	sq ft	Multiply: A*B=C
D	Number of Residents	383,997	residents	https://data.census.gov/table/DECENNIALPL2020.P1?q=160XX00US2255000
E	Estimated PER RESIDENT Square Footage of HOUSING	921	sq ft	Divide: C/D=E

NOTE: This is a generous estimate of square footage dedicated to housing because it is based on home sales reported by the Federal Reserve Bank of St. Louis for home sales between July 2016 and May 2024. Not only was a large proportion of New Orleans' housing stock built before 1950 when the average square footage of a dwelling unit was less than 1,000 sq ft (<http://urbanland.uli.org/planning-design/rethinking-private-accessory-dwellings/>), but the average New Orleans apartment is closer to 700 sq feet (<https://www.apartments.com/rent-market-trends/new-orleans-la/>). The actual square footage available to most residents is likely much lower, considering that 45% (67,819) of the 150,880 occupied housing units in New Orleans are occupied by renters ([https://data.census.gov/table?q=Owner/Renter%20\(Householder\)%20Characteristics&q=160XX00US2255000](https://data.census.gov/table?q=Owner/Renter%20(Householder)%20Characteristics&q=160XX00US2255000)).

However, for the sake of this exercise, the generous assumption is being made that the average resident of New Orleans has 921 sq ft of housing to themselves.

F	Number of Vehicles Registered in Orleans Parish:	320,753	vehicles	https://www.nola.com/news/business/vehicle-sales-in-the-new-orleans-area-picked-up-speed-last-year-but-the-oil/article_97c794be-f24a-5268-8e2d-dc45a9967013.html
---	--	---------	----------	---

LABEL	MEASURE DESCRIPTION	NUMBER	UNIT	SOURCE
G	Number of Parking Spaces per vehicle:	8	spaces	https://www.nrdc.org/bio/david-b-goldstein/does-every-car-need-8-parking-spaces-ride-sharing-can-save-emissions-reducing ; https://youtu.be/Akm7ik-H_7U?si=SMbF9D-Yia2CCME4
H	Estimated Number of Parking Spaces	2,566,024	spaces	Multiply: F*G=H
I	Typical Minimum Parking Space Size (8.5 ft by 18ft)	153	sq ft	http://czo.nola.gov/Article-22#22-8-C
J	Estimated Square Footage of Parking	392,601,672	sq ft	Multiply: H*I=J
K	Estimated PER VEHICLE Square Footage of PARKING	1,224	sq ft	Divide: J/F=K

NOTE: This is a conservative estimate of the total square footage dedicated to parking in New Orleans. Although [22.8.B of the CZO](#) allows that a "maximum of 30% of the vehicle spaces in any parking facility may be designated and labeled as compact car spaces," (7.5ft by 16ft, or 120sq ft) depending on the angle of the spaces and their configuration - a single vehicle minimum space can be up to 178.5sq ft (8.5ft by 21ft). To avoid overestimating the amount of space dedicated to vehicle parking, our calculations have been based on the 153 sq ft standard, and no additional aisle or vehicle circulation factor was added.

L	Estimated PER RESIDENT Square Footage of PARKING	1,022	sq ft	Divide: J/D=L
M	Number of Residents 16 years and over	305,537	residents	https://data.census.gov/table?q=s2301&q=160XX00US2255000
N	Estimated PER RESIDENT 16yr+ Square Footage of PARKING	1,285	sq ft	Divide: J/M=N
O	Number of Households	154,826	households	https://data.census.gov/table/ACSDP5Y2020.DP02?q=160XX00US2255000
P	Estimated PER HOUSEHOLD Square Footage of PARKING	2,536	sq ft	Divide: J/O=P

F. EXAMPLE LOCAL HOUSING TRUST FUNDS IN THE SOUTHEASTERN U.S.

HOUSING TRUST FUND NAME	CITY	YEAR CREATED	ANNUAL FUNDING	FUNDING PER CAPITA
Barnes Housing Trust Fund	Nashville, TN	2013	\$35.8 million	\$52/resident
Knoxville Affordable Housing Fund	Knoxville, TN	2021	\$8.6 million	\$44/resident
Charlottesville Affordable Housing Fund	Charlottesville, VA	2007	\$10 million	\$32/resident
Affordable Housing Trust Fund	Richmond, VA	2004	\$10 million	\$44/resident
Affordable Housing Trust Fund	Baltimore, MD	2016	\$20 million	\$35/resident
Housing Trust Fund	Charlotte, NC	2001	\$50 million	\$56/resident
NOLA Housing Trust Fund	New Orleans, LA	TBD	\$20 to \$40 million	\$53 to \$105/resident

G. REPORTS & PLANS SUMMARY

The last six years have seen continuous planning efforts at the local level to create and preserve affordable housing across New Orleans. Across these plans and strategies, core focus areas include climate resiliency, displacement mitigation, and neighborhood stabilization. Plans include calls to improve the existing housing stock through rehabilitation, green retrofits, and home inspections. This is a clear response to the impact of recent natural disasters but also highlights challenges with long-term vacancies and neighborhood disinvestment. In addition, plans recommend pooling local resources or restructuring existing affordable housing entities to improve program delivery and cross-collaboration across the agencies that operate in New Orleans' housing ecosystem. Below is a summary of recent plans that relate to housing investments in New Orleans:

[FORWARD TOGETHER TRANSITION REPORT](#)

Forward Together New Orleans Transition Team (2018)

This report lays out policy priorities to guide then Mayor-Elect LaToya Cantrell's administration, including a vision to address housing citywide. It underscores the need for a comprehensive approach to tackle New Orleans' housing crisis, highlighting limited funding and the necessity to leverage existing resources effectively. The report explicitly calls on OCD to support existing and planned housing strategies.

Among its recommendations are increasing local housing funding through general obligation bonds and short-term rental revenues. New development opportunities include supporting transit-oriented development and leveraging public land for housing. Neighborhood stabilization strategies include property tax freezes for lower-income homeowners, increasing home inspections, and shifting certain programs to the Health Department to better manage housing policy and tenants' rights.

[NEW ORLEANS PLAN FOR THE 21ST CENTURY MASTER PLAN](#)

New Orleans City Planning Commission (2018)

The Master Plan outlines various strategies to support affordable housing, including increasing housing stock through development in high-opportunity areas, economic incentives, tax relief measures, mixed-income neighborhoods, and infill development. The plan identifies a need for 33,600 new housing units over the next 10 years to meet the demand, emphasizing the development of smaller-scale dense infill in neighborhoods and larger-scale multi-family units in targeted areas. The recommended actions include multiple areas for cross-collaboration between CNO members, particularly for improving program efficiency through better coordination.

Specific areas of focus include prioritizing Transit-Oriented Development (TOD) projects, economic incentives, and tax relief for affordable housing development and preservation (PILOTs, bonds, HUD grants), reforming existing housing programs and creating new ones (loan funds for rehab, energy efficiency program, vouchers), and forming a Housing Working Group to guide the city's housing strategy.

FINANCE NEW ORLEANS STRATEGIC PLAN 2021-2030

Finance New Orleans (2020)

The plan creates a framework for FNO's 10-year business strategy because of changes in funding streams. The plan outlines four primary objectives:

- 1) Prioritize climate resiliency through green lending for energy efficiency and climate resiliency;
- 2) Foster equitable education and economic opportunities;
- 3) Cultivate public wealth for community reinvestment through public-private investment opportunities and funding for community programs; and
- 4) Evolve into an innovative and agile organization.

Housing strategies include harnessing diverse financing options and public assets to enhance the quality of affordable homes, expanding homebuyer counseling services, collaborating with private investors to develop new environmentally sustainable affordable housing, and engaging in co-investment initiatives with small developers for the construction of new housing projects.

NEW ORLEANS MARKET ASSESSMENT – ANALYSIS OF TRENDS AND CONDITIONS

By Reinvestment Fund for the New Orleans Redevelopment Authority (2021)

The report reviews housing market trends prior and immediately following the COVID-19 pandemic to provide policy recommendations that stabilize and improve local submarkets. It finds that almost half of all renters and a third of homeowners spend more than 30% of their income on housing, and that low-priced housing markets saw sale prices more than triple post-pandemic.

The assessment's recommendations are centered around four main themes:

- 1) Supporting low-wage workers;
- 2) Affordably housing low- and moderate-income renters;
- 3) Preserving affordable and market-rate housing; and
- 4) Stabilizing lagging markets.

Relevant initiatives mentioned include increased rehabilitation and repair programs, catalyzing development in transit-rich areas, and supporting mid-scale housing. The assessment's recommendations do not call out specific CNO HEP members.

NEW LINKS: FINAL RECOMMENDED NETWORK

Regional Planning Commission (2021)

The report outlines a set of short-term recommendations for improving transit service that can be implemented quickly using existing funding. The report is comprised of two major components: a Comprehensive Operations Analysis (COA) of existing transit and a planning process for a network redesign of the region's transit system. The report also informs the TOC plan, which seeks to encourage compact and mixed-use development, affordable housing, and pedestrian-scale design around quality transit services.

[ANALYSIS OF NEW ORLEANS REDEVELOPMENT](#)

New Orleans Redevelopment Unlimited (2021)

The strategic report reviews NORA in relation to other CNO entities to position the agency more strategically. Its recommendations include expanding local funding sources for staff and community programs, becoming a central hub for public-sector development and property management, managing, and redeveloping properties, increasing land disposition, and investing in green infrastructure.

[HOUSING NOLA 2022 HOUSING FOR ALL ACTION PLAN](#)

Housing NOLA (2022)

Housing NOLA is a 10-year partnership between community leaders and dozens of public, private, and nonprofit organizations working to solve the affordable housing crisis in New Orleans. The plan combines key stakeholders of the city's housing ecosystem to create a housing vision and includes an overview of existing CNO housing programs.

The plan's strategies include resilient housing interventions, building and preserving affordable homes, providing direct financial assistance, and recovering from natural disasters. The plan aims to create over 44,000 new affordable homes, put over 3,000 vacant properties back on tax rolls, preserve over 13,000 expiring affordable housing units, and generate over \$13 billion in increased spending in New Orleans over the next 30 years. The estimated cost of all interventions in the next 10 years is approximately \$37 billion.

[CLIMATE ACTION STRATEGY](#)

City of New Orleans Mayor's Office of Resilience and Sustainability (2022)

Serving as an update to the [2017 climate plan](#), the strategy delineates five priorities for the city's approach to climate action:

- 1) Augmenting the local climate action economy by investing in clean energy, establishing a green bank in collaboration with FNO, fostering sustainable job opportunities, and enhancing climate data infrastructure;
- 2) Implementing energy enhancements through clean energy standards, the promotion of locally generated green energy, and the advancement of energy-efficient buildings;
- 3) Executing transportation strategies geared towards elevating non-automobile commuting and fostering the proliferation of zero-emissions vehicles;
- 4) Enhancing waste management through initiatives focused on recycling education and the improvement of infrastructure; and
- 5) Prioritizing adaptation through the integration of natural green elements and resilient water infrastructure into the city's overall climate strategy.

MEETING PEOPLE WHERE THEY ARE: 2022-2026 CONSOLIDATED ACTION PLAN

City of New Orleans Mayor's Office of Community Development (2022)

The Consolidated Plan enables the City of New Orleans to utilize federal funds to improve its neighborhoods and provide affordable housing and community development services to residents. The plan is focused on enhancing neighborhoods in New Orleans through affordable housing and community development initiatives, emphasizing support for low-to-moderate-income residents, minorities, seniors, and those with special needs. The plan highlights multiple housing assistance programs created during the COVID-19 pandemic, programs to support households affected by Hurricane Ida, homeowner assistance programs, and financing for new developments. The creation of a comprehensive asset management strategy in coordination with HANO and NORA is mentioned as a priority.

H. COMMUNITY SURVEY SUMMARY

The survey administered by OCAI during March and April of 2024 was, itself, an example of the kind of community engagement recommended by other stakeholder groups. Nonetheless, it was prone to selection bias as a voluntary and exclusively digital survey. Overall, respondents skewed heavily toward being higher-income, white, older homeowners than the general population of New Orleans based on comparisons with [2022 U.S. Census Bureau American Community Survey \(ACS\) Data](#). Additional information regarding respondent characteristics is available in the [Appendix](#).

Despite its bias-related shortcomings and the likelihood that the digital link was forwarded within pro-housing-affordability circles, the survey offers promising insights into potential community support for initiatives like increasing funding for affordable housing and implementing zoning changes to allow for higher density.

RESPONDENT CHARACTERISTICS

1,101 Responses

67% Owners, **29%** Renters

Median Household Size = **2**

Monthly Housing Cost Range:

\$500 - \$7,000*

(*5.1% of respondents indicated no monthly housing payment due to mortgages paid in full. 37% of respondents elected not to indicate their monthly housing payment.)

SURVEY HIGHLIGHTS

58% of respondents supported allowing **accessory dwelling units, doubles, triples, and four-plexes** in more areas

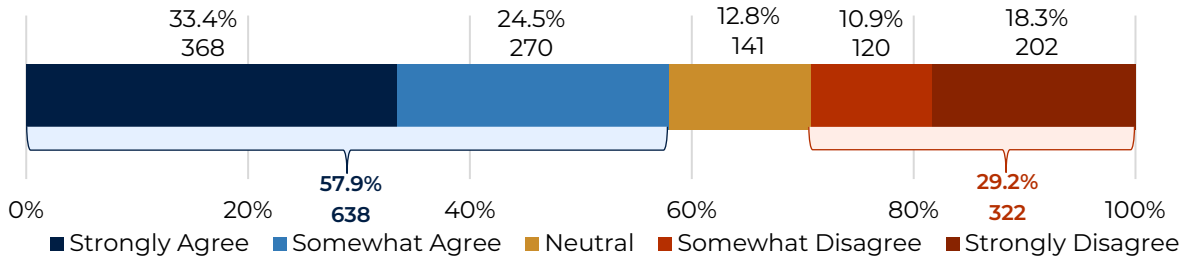
66% of respondents supported allowing **townhomes and apartment buildings** near commercial areas

76% of respondents supported a **large bond sale** dedicated solely to affordable housing

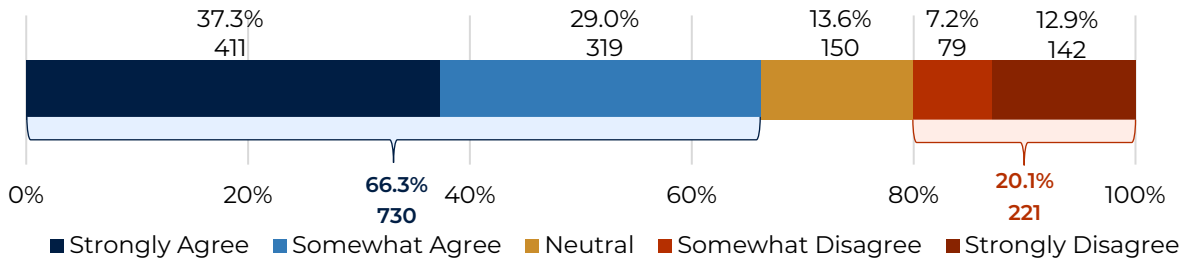
86% of respondents supported a **recurring percentage of the city's budget** being dedicated to affordable housing

When asked to identify their top three concerns related to housing affordability in New Orleans, the "Cost of Insurance" was the leading response selected by 66% of respondents. "Property Taxes" and "Cost of Rent" were the second and their most frequently selected at 40% and 39%, respectively. The following two pages summarize responses to these key policy questions.

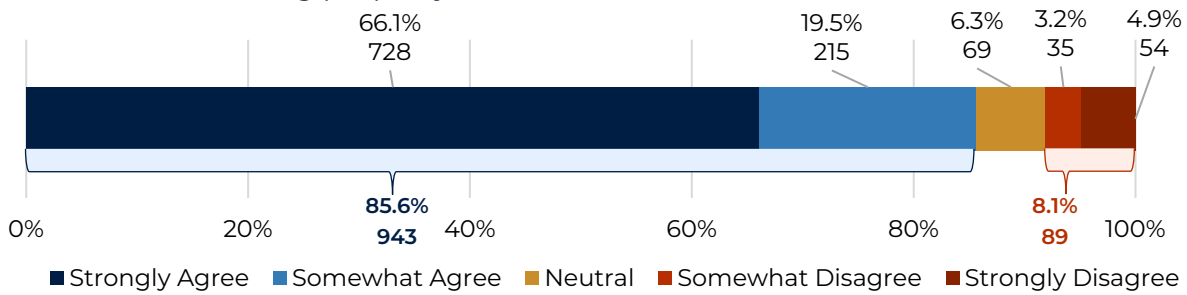
The City should expand zoning permissions for additional housing opportunities in residential neighborhoods, such as mother-in-law suites, doubles, triples, and four-plexes.



The City should expand zoning permissions for more housing opportunities in commercial areas and key corridors, such as townhomes and apartment buildings.



The City should dedicate a recurring percentage of the City budget for affordable housing, drawing from existing funding and not increasing property taxes.



The City should issue a large bond sale dedicated solely to affordable housing, without increasing property taxes.

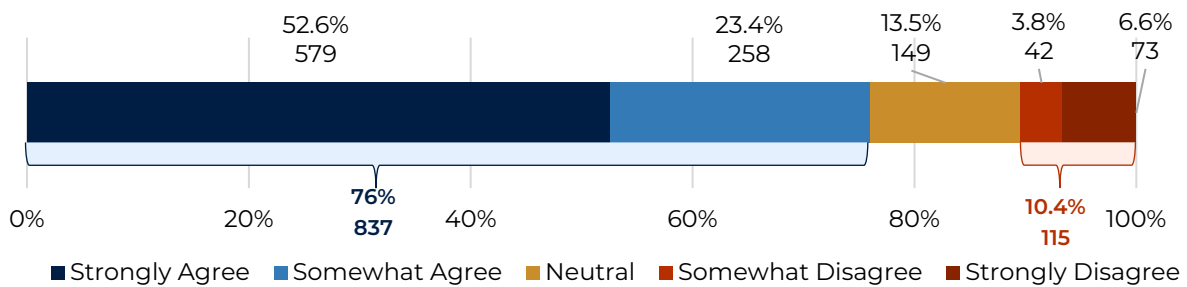


Table 17. RESPONDENTS' TOP HOUSING ISSUES*

Housing Issues	Count	Percent
Cost of Insurance	722	66%
Property Taxes	445	40%
Cost of Rent	430	39%
Housing Homeless Individuals	354	32%
Cost of Purchasing a Home	349	32%
Poor Physical Conditions of Rental Housing	224	20%
Gentrification	195	18%
Predatory Landlords	189	17%
Lack of Amenities near Available Housing	169	15%
Preservation of Historic Structures	158	14%
Housing Discrimination	68	6%

*Respondents were able to select up to three issues.

Table 18. TOP 3 COMBINATIONS OF HOUSING ISSUES

Combination of Priorities	Count	Percent
<ul style="list-style-type: none"> • Cost of Insurance • Cost of Purchasing a Home • Property Taxes 	88	8.0%
<ul style="list-style-type: none"> • Cost of Insurance • Preservation of Historic Structures • Property Taxes 	50	3.0%
<ul style="list-style-type: none"> • Cost of Insurance • Housing Homeless Individuals • Property Taxes 	49	4.5%

I. ASSUMPTIONS SUMMARY

Table 19. ASSUMPTIONS BY PROGRAM OR INVESTMENT TYPE

PROGRAM	IMPACT TYPE	DEVELOPMENT TYPE	EXISTING PROGRAMS	PUBLIC SUBSIDY	FINANCIAL ASSUMPTIONS
9% LIHTC Scattered Site	New Rental Homes	<ul style="list-style-type: none"> · 45 homes / development · 30%-80% AMI 	OCD – Multifamily NOFA	<ul style="list-style-type: none"> · \$1M / development · \$20K / home 	<ul style="list-style-type: none"> · Capped at 1 development / year · \$0.85 LIHTC pricing · Max. LIHTC award \$1.2M per year
9% LIHTC New Construction	New Rental Homes	<ul style="list-style-type: none"> · 45 homes / development · 30%-80% AMI 	OCD – Multifamily NOFA	<ul style="list-style-type: none"> · \$1M / development · \$20K / home 	<ul style="list-style-type: none"> · Capped at 1 development / year · \$0.85 LIHTC pricing · Max. LIHTC award \$1.2M per year
4% LIHTC New Construction	New Rental Homes	<ul style="list-style-type: none"> · 60 homes / development · 30%-80% AMI 	OCD – Multifamily NOFA	<ul style="list-style-type: none"> · \$2M / development · \$45K / home 	<ul style="list-style-type: none"> · \$0.85 LIHTC pricing
4% LIHTC Preservation	Rehabilitated Rental Homes	<ul style="list-style-type: none"> · 60 homes / development · 30%-80% AMI 	OCD – Multifamily NOFA	<ul style="list-style-type: none"> · \$2M / development · \$45K / home 	<ul style="list-style-type: none"> · \$0.85 LIHTC pricing
Renter - Occ. Rehab	Rehabilitated Rental Homes	<ul style="list-style-type: none"> · 4 homes / development · 80% AMI 	N/A – Proposed Program	<ul style="list-style-type: none"> · \$80K / development · \$20K / home 	<ul style="list-style-type: none"> · \$20K per unit · Repayable, interest-only loan
Public Housing Authority Redev.	Rehabilitated Rental Homes	<ul style="list-style-type: none"> · 150 homes / development · 30%-60% AMI 	N/A – Proposed Program	<ul style="list-style-type: none"> · \$30M / development · \$85K / home 	<ul style="list-style-type: none"> · Interest-only loan to support public housing redevelopment
Down Payment Assistance	New Homeowners	<ul style="list-style-type: none"> · 1 home / development · 60%-80% AMI 	OCD – Homebuyer Assistance Program NORA – OHIP FNO – Green Mortgage	<ul style="list-style-type: none"> · \$50K / home 	<ul style="list-style-type: none"> · \$200K home price · 6.9% interest rate
New Construction Infill	New Homeowners & New Affordable for-sale Homes	<ul style="list-style-type: none"> · 2 homes / development · 60%-80% AMI 	NORA – OHIP	<ul style="list-style-type: none"> · \$90K / development · \$45K / home 	<ul style="list-style-type: none"> · Initial subsidy of \$150K, of which \$60K is repaid to program at financial closing.
Owner-Occ. Rehab	Rehabilitated Owner-Occupied Homes	<ul style="list-style-type: none"> · 1 home / development · 80% AMI 	OCD – Health and Safety Program	<ul style="list-style-type: none"> · \$35K / home 	<ul style="list-style-type: none"> · Forgivable soft loan

Financial Assumptions – Large-Scale

9% LIHTC Developments

- **Recent Developments:** Assumptions based on a review of recently financed developments from FNO and OCD - Arts Senior Apts, Baronne Lofts, Grove Place, H3C Brown’s Dairy, HANO Scattersite, St Bernard Circle, St Claude Gardens
- **9% LIHTC Calculation**

LIHTC SCENARIO COMPARISON	9%
Eligible Basis	\$ 14,332,500
Basis Boost	100%
Applicable Fraction	100.0%
Tax Credit Rate	9.00%
Eligible Credit Amount	\$ 1,289,952
Max 9% LIHTC Award	\$ 1,200,000
Total LIHTC	\$ 12,000,000
LP Share	99.99%
Credit Price	\$0.85
LIHTC Equity	\$ 10,198,980

- **Units, AMI Composition, and Rents**

- **Units:** 45 units per project
- **AMI Composition:** Maximizes units by AMI per 2022-2023 LIHTC QAP
 - 80% of project units below 60% AMI
 - 10% below 30% AMI
 - 35% between 31%-50% AMI

# Units	Affordability	# of BRs	Net Proposed Rents
6	30% AMI PBV	1 BR	\$ 1,487
6	50% AMI	1 BR	\$ 718
6	60% AMI	1 BR	\$ 872
5	80% AMI	1 BR	\$ 1,180
6	30% AMI	2 BR	\$ 503
5	50% AMI	2 BR	\$ 872
6	60% AMI	2 BR	\$ 1,057
5	80% AMI	2 BR	\$ 1,426
45			\$ 45,212
LIHTC Equity			\$ 542,544

- **Rents:** Based on HUD FMRs for 2023

RENT LIMITS FOR 2023								
	30% AMI	30% AMI PBV	50% AMI	60% AMI	80% AMI	100% AMI	120% AMI	FMR
1BR	\$ 461	\$ 1,537	\$ 768	\$ 922	\$ 1,230	\$ 1,537	\$ 1,845	\$ 1,002
2BR	\$ 553	\$ 1,845	\$ 922	\$ 1,107	\$ 1,476	\$ 1,845	\$ 2,214	\$ 1,182
3BR	\$ 639	\$ 2,132	\$ 1,066	\$ 1,279	\$ 1,706	\$ 2,123	\$ 2,559	\$ 1,524

From Novogradoc

- **Uses**

- Assumes a per-unit cost of \$325 for new construction developments

DEVELOPMENT BUDGET		PER UNIT
Acquisition	3%	\$ 9,750
Hard Costs	65%	\$ 211,250
Soft Costs	20%	\$ 65,000
Reserves & Escrows	2%	\$ 6,500
Developer Fee	10%	\$ 32,500
TDC	Ø9"	\$ 325,000

- **Sources**

DEVELOPMENT BUDGET	RATE	AMORTIZATION	TERM	PER UNIT	
Permanent Loan	7.50%	30	30	16%	\$ 52,813
9% Federal LIHTC Equity				70%	\$ 226,644
CNO Sources				0%	\$ 0
FNO				0%	\$ 0
OCD				7%	\$ 22,222
NORA				0%	\$ 0
HANO				0%	\$ 0
Other Sources				0%	\$ 0
Additional Sources				3%	\$ 11,111
Deferred Fee				4%	\$ 12,210
Total Sources				Ø9"	\$ 325,000

4% LIHTC Developments

- 4% LIHTC Calculation

LIHTC SCENARIO COMPARISON	4%
Eligible Basis	\$ 17,640,000
Basis Boost	130%
Applicable Fraction	100.0%
Tax Credit Rate	4.00%
Eligible Credit Amount	\$ 917,280
Max 9% LIHTC Award	
Total LIHTC (x10 years)	\$ 9,172,800
LP Share	99.99%
Credit Price	\$0.85
LIHTC Equity	\$ 7,796,100

- Units, AMI Composition, and Rents

- Units: 60 units per project
- AMI Composition:
 - 80% of project units below 60% AMI
 - 20% below 30% AMI
 - 35% between 31%-50% AMI

RENTS

# UNITS	AFFORDABILITY	# OF BRS	NET PROPOSED RENTS
6	30% AMI PBV	1 BR	\$ 1,478
8	50% AMI	1 BR	\$ 718
8	60% AMI	1 BR	\$ 872
7	80% AMI	1 BR	\$ 1,180
8	30% AMI	2 BR	\$ 503
8	50% AMI	2 BR	\$ 872
8	60% AMI	2 BR	\$ 1,057
7	80% AMI	2 BR	\$ 1,426
60			\$ 59,340
LIHTC Equity			\$ 712,080

- Rents: Based on HUD FMRs for 2023

RENT LIMITS FOR 2023

	30% AMI	30% AMI PBV	50% AMI	60% AMI	80% AMI	100% AMI	120% AMI	FMR
1BR	\$ 461	\$ 1,537	\$ 768	\$ 922	\$ 1,230	\$ 1,537	\$ 1,845	\$ 1,002
2BR	\$ 553	\$ 1,845	\$ 922	\$ 1,107	\$ 1,476	\$ 1,845	\$ 2,214	\$ 1,182
3BR	\$ 639	\$ 2,132	\$ 1,066	\$ 1,279	\$ 1,706	\$ 2,123	\$ 2,559	\$ 1,524

From Novogradoc

- Sources:

DEVELOPMENT BUDGET	RATE	AMORTIZATION	TERM	PER UNIT	
Permanent Loan	7.00%	40	40	35%	\$ 106,465
4% Federal LIHTC Equity				43%	\$ 129,935
CNO Sources				0%	\$ 0
FNO				0%	\$ 0
OCD				74%	\$ 41,667
NORA				0%	\$ 0
HANO				0%	\$ 0
Other Sources				0%	\$ 6,933
Deferred Fee				5%	\$ 15,000
Total Sources				100%	\$ 300,000

- OPEX

- Assumes \$5K in total expenses per unit

OPERATING EXPENSES		PER UNIT
General & Admin	20%	\$ 1,000
Management Fee	10%	\$ 500
Operating & Maintenance	30%	\$ 1,500
Utilities	10%	\$ 500
Real Estate Taxes	4%	\$ 200
Property & Liability Insurance	20%	\$ 1,000
Replacement Reserves	6%	\$ 300
TDC	100%	\$ 5,000

Public Housing Authority Redevelopment Projects

- \$85,000 subsidy per unit
- 150 units per development
- AMI
 - 40% units at 30% AMI
 - 30% units at 50% AMI
 - 30% units at 60% AMI



City of New Orleans
Office of Community Assets and Investment
Office of Community Development

Prepared by



**THOMAS
CONSULTING
GROUP**

in partnership with

HR&A