Public Hearing Deadline: 10/20/19 CPC Deadline: None CC Deadline: None City Council Districts: All

HOUSING OPPORTUNITIES STUDY

To: City Planning Commission

From: Robert Rivers, Executive Director Paul Cramer, Planning Administrator

Prepared by: City Planning Staff

Date: October 1, 2019

I. GENERAL INFORMATION:

- Applicant: Mayor Latoya Cantrell
- **Request:** Request by Mayor LaToya Cantrell for the City Planning Commission to conduct a public hearing and a study to summarize opportunities for changes to the Comprehensive Zoning Ordinance based on the most recent amendments to the City's Master Plan; review and report on successful programs nationwide and the use of strategies that include but are not limited to: the new construction of accessory structures for and/or the conversion of accessory structures to residential use, the adjustment and possible re-alignment of bulk and area standards city-wide, placing limitations on the removal of residential units from historic two-family and multi-family structures, placing limitation on the conversion of existing residential units to non-residential use, the use of public land for affordable housing, the redevelopment of vacant blighted properties for affordable housing, and the exploration of new building types such as "tiny houses."
- Location: The Housing Opportunities Study would apply to properties citywide.
- **Description:** The City Planning Commission is directed to conduct a public hearing and study as outlined in the request from Mayor LaToya Cantrell dated August 12, 2019. The City Planning Commission should conduct a public hearing within 60 days of the written request.

Why is this Public Hearing required?

The written request from Mayor LaToya Cantrell requires the City Planning Commission to hold a public hearing within 60 days of the passage of the motion.

II. BACKGROUND INFORMATION

Data from Master Plan as of 2016:

- The city's poverty rate remains incredibly high at 28% compared to 15% nationally, an overall increase of 2% since 2000.
- Median household income remains unchanged since 2000, at approximately \$37,000 when adjusted for inflation.
- Housing costs rose dramatically for both renters and homeowners. Home values have increased by 54%, and rents have increased 50%.
- African American households disproportionately pay more of their income towards housing costs.
- More than 70% of all households pay one-third or more of their income towards housing costs.
- Between 2005 and 2015, the number of Housing Choice Vouchers given out by HANO has more than doubled.

Master Plan Identified Challenges:

- Focusing on housing affordability with strategies for areas of lower market activity, increasing market activity, and high values with strong market activity.
- Preserving existing supply and expanding the total supply of affordable rental and homeownership opportunities throughout New Orleans.
- Preventing displacement of long-time residents due to rising housing costs.
- Enforcing and promoting fair housing policies throughout New Orleans.
- Encouraging sustainable design and infrastructure for all New Orleanians.
- Increasing accessibility for all, including residents with special needs.

Data from 2018 HousingNOLA Report Card:

- Number of individuals on waiting list for vouchers was 13,013 between 2006 and 2015. Between September 2018 and March 2019, that number rose to 24,195.
- 33,000 affordable housing units needed to meet the demand and needs of New Orleans' residents.
- 24,195 individuals are on the waiting list for housing vouchers

A. What are the goals of the Housing Opportunities Study?

The staff has developed goals for the Housing Opportunities Study based on the Master Plan. The preliminary goals include:

- 1. Enhance character and livability for all neighborhoods
 - Preserve and protect existing supply of renter- and owner-occupied housing;
 - Expand affordability of current housing stock by providing opportunities for creating mixed-use, mixed-income, and transit-oriented neighborhoods.

- 2. Promote equity and access to opportunity
 - Increase housing accessibility for current and new residents at all income levels while enforcing and promoting fair housing;
 - Promote housing opportunities that reduce disparities for the most vulnerable populations, including low-income, homeless, seniors, and families with children.
- 3. Reinvent housing policies and programs to support quality neighborhoods, meet the diverse housing needs of all household types, and support a range of rental and homeownership options for residents of all income levels.
 - Remove barriers to the development of affordable housing in the CZO;
 - Utilize publicly owned land and vacant/blighted properties to increase housing opportunities;
 - Leverage private redevelopment to expand the variety of housing and create equitable access to neighborhoods with high access to opportunity.

4. Provide housing opportunities that are responsive to the changing housing needs of current and future residents.

- Encourage resilient sustainable housing design and infrastructure;
- Promote supportive and accessible housing;
- Ensure new housing incorporates community-building design and addresses site-specific and resident specific needs.

	Housing Strategies Listed in Mayor's Study Request														
Study Goals	National Best Practice Research	Accessory Dwelling Units	Revision of CZO Bulk and Area Requirements	Limitations on removal of housing units in residential structures		Use of public land for affordable housing	Redevelopment of vacant blighted properties for affordable housing	Exploration of new building types (e.g. "tiny houses")							
Enhance character and livability for all neighborhoods	~	~		~	~		~								
Promote equity and access to opportunity	~					~	~	~							
Reinvent housing policies and programs to support quality neighborhoods, meet the diverse housing needs of all household types, and support a range of rental and homeownership options for residents of all income levels	~	~	~	~	~	~	~	~							
Provide housing opportunities that are responsive to the changing housing needs of current and future residents	~	~						~							

Figure 1. Chart indicating how goals for the Housing Opportunities Study intersect with the specific study requests from the Mayor.

B. What is the scope of work for the Housing Opportunities Study?

The scope of the Housing Opportunities Study is outlined in the written directive by Mayor Cantrell that directs the City Planning Commission to conduct the study. The written request directs the City Planning Commission to include the following subject matter in the study, without narrowing its breadth:

- 1. Summarize opportunities for changes to the Comprehensive Zoning Ordinance based on the most recent amendments to the City's Master Plan;
- 2. Review and report on successful programs nationwide and the use of strategies that include but are not limited to
 - a. the new construction of accessory structures for and/or the conversion of accessory structures to residential use;
 - b. the adjustment and possible re-alignment of bulk and area standards city-wide;
 - c. placing limitations on the removal of residential units from historic two-family and multi-family structures;
 - d. placing limitation on the conversion of existing residential units to non-residential use;
 - e. the use of public land for affordable housing;
 - f. the redevelopment of vacant blighted properties for affordable housing, and;
 - g. the exploration of new building types such as "tiny houses."

The written request grants the City Planning Commission and its staff the flexibility to expand the scope of the study and make any and all legal and appropriate recommendations deemed necessary in light of study, review, and public testimony resulting from the request.

The staff plans to approach this study in a comprehensive manner similar to past studies, and proposes a general study outline to include the following:

- *Housing Background and Planning History*. The staff will provide a history of the federal and local housing practices that led to the housing disparity and crisis New Orleans is currently experiencing. The staff will look at other historical reasons for segregation and lack of housing opportunity beyond housing and zoning policies. Some of the topics will include:
 - The implementation of the first zoning ordinance in 1929.
 - Restrictive Covenants.
 - Loss of residents from over 615,000 in the 1960s, to under 400,000 today.
 - Disinvestment in the City and concurrent white flight, and suburbanization to New Orleans East then St. Bernard and St. Tammany Parishes.

- Urban Renewal construction of the I-10 through Tremé, the construction of Louis Armstrong Park and construction of the Civic Center.
- Downzoning properties throughout the City.
- Conversion of two-family residences to single-family residences and an overall de-densification of the City.
- General prohibition of more than one residential main use per lot of record.
- Large lot area per dwelling requirements through most of the suburban areas of the City.
- Deterring residential development in Mixed-Use Districts by limiting density.
- Removal of the Big 4 Housing Developments and subsequent voucher replacements.
- Loss of legal non-conforming status for two- and multi-family structures.
- Stagnant wages and rising building costs and cost of living.
- Draining of swampland for housing development.
- Loss of housing units due to the effects from Hurricane Katrina.
- Disparate impacts and recovery post Hurricane Katrina (i.e. Road Home Grants.)
- "War on Poverty" in New Orleans.
- Short Term Rentals.
- Environmental justice issues such as with Gordon Plaza.

The study will also analyze how historic redlining practices contributed to New Orleans' current housing crisis. Redlining was the racial discriminatory practice by the federal government of preluding minorities and people of color access to mortgage loans by deeming large swaths of lower-income neighborhoods as credit risks. The Fair Housing Act abolished redlining practices in 1968, but the deleterious effects of this practice remain today. Seventy-Five percent (75%) of neighborhoods that were historically redlined remain low- to moderate-income areas. Nearly 64% of those areas are occupied by people of color. Although redlining largely originated on the federal level, New Orleans as a City has implemented regulations exacerbating the economic divide and perpetuating the broad disparities created by redlining policies¹.

¹ Mitchell, Bruce, and Juan Franco. "HOLC 'REDLINING' MAPS: The Persistent Structure of Segregation and Economic Inequality." National Community Reinvestment Coalition, 2018, ncrc.org/wp-content/uploads/2018/02/NCRC-Research-HOLC-10.pdf.



Figure 2. Map from the National Community Reinvestment Coalition (NCRC) depicting areas of New Orleans by categories and colors used by the Home Owner's Loan Corporation (HOLC) between 1930-1940. Those areas colored red had a "D" grade for "hazardous" and were 76% minority.

Not all of the aforementioned affordable housing impediments are related to zoning, but they are important to understand as part of the larger narrative of how housing intersects with nearly all aspects of life.

- *Previous Studies*. The staff will review various studies to help inform the analysis and policy recommendations.
- Public Comment.
 - The staff will hold community engagement meetings to discuss the study throughout the City in each Council District. The details of these meetings are yet to be determined.
 - o The staff will hold meeting with advocates and other stakeholders
 - The staff will provide comment boxes in public locations throughout the city including libraries and community centers
 - The staff will create a dedicated webpage to compile comments
 - The staff will disseminate information concerning public hearing dates and times through digital and non-digital formats including flyers and posters.
 - The staff will gather all public comment received and provide a summary of the issues and recommendations presented in those comments.
- *Housing issues and analysis.* The staff will analyze land use issues and regulations of the Comprehensive Zoning Ordinance that may be impediments to

Housing Opportunities Study

affordable housing. These issues will include scrutinizing specific zoning regulations, analyzing accessory dwelling units, conversion fees, using public land for affordable housing, redevelopment of vacant blighted properties for affordable housing and the exploration of new building types such as "tiny houses."

• *Recommendations.* The staff will combine all information received and the analysis performed from best practices, past studies, community meetings, and public comments to provide land use and zoning recommendations, as wells as recommendations for public improvements, changes to the City Code, and issues requiring additional study.

C. What is the timeline for the Housing Opportunities Study?

The request from Mayor LaToya Cantrell requires the City Planning Commission to hold a public hearing within 60 days of the written request. Below are the significant dates and deadlines for the Housing Opportunities Study:

August 21, 2019: Written request by Mayor LaToya Cantrell

October 1, 2019: Stakeholder Meetings Begin

October 8, 2019: City Planning Commission Public Hearing

October 16, 2019: Community Meetings Begin

April 17, 2020: Draft Recommendations

May 12, 2020: Study Released to the City Planning Commission and the Public

May 18, 2019: Deadline for Written Comments

May 26, 2020: City Planning Commission consideration of the study

May 29, 2020: Final Study Submitted to the Mayor

			2019							2020											
PROJECT TIMELINE	DUE DATE	DAYS FROM REQUEST	AUG	SEPTEMBER		осто	OBER	NOVE	MBER	DECEMBER		JANUARY		FEBRUARY		MARCH		APRIL		MAY	
Study Requested by Mayor	8/21/19	0																			
Draft Outline and Assignments	9/20/19	30																			
CPC Committee Meeting (Prelim Discussion)	9/24/19	34																			
Kick Off Meeting with Team	9/25/19	35																			
Research and Writing Begins	9/25/19	35																			
Stakeholder Meetings Begin	10/1/19	41																		\square	
CPC Preliminary Public Hearing	10/8/19	48																			
City Working Group Meeting #1	10/15/19	55																			
Community Meetings Begin	10/16/19	56																			
City Working Group Meeting #2	11/19/19	90																			
CPC Committee Meeting (Intro & Context)	12/10/19	111																			
City Working Group Meeting #3	12/17/19	118																			
City Working Group Meeting #4	1/21/20	153																			
City Working Group Meeting #5	2/18/20	181																			
CPC Committee Meeting (Findings)	3/24/20	216																			
Draft Recommendations	4/17/20	240																			
CPC Committee Meeting (Recommendations)	4/28/20	251																			
Additional Research/Info for CPC	5/12/20	265																			
Deadline for Public Comment	5/18/20	271																			
Study Released	5/12/20	265																			
CPC Considers Study	5/26/20	279																			
Final Study Submitted to Mayor	5/29/20	282																			

Figure 3. Tentative timeline of meetings and deadlines for the Housing Opportunities Study

III. How can the public provide input for the Housing Opportunities Study?

Written comments should be addressed to the Executive Director and mailed or delivered to the following address:

City of New Orleans City Planning Commission 1300 Perdido Street, 7th Floor New Orleans, LA 70112

Written comments can be emailed to <u>CPCHousingStudy@nola.gov</u>. All written public comments received will be posted on the City Planning Commission's website on a regular basis. The deadline for all written comments is Monday, May 18th, 2020 at 5:00pm.

The Housing Opportunities Study will have its own website to consolidate comments and will be posted on the City Planning Commission website.

The City Planning Commission staff will hold meetings with various individuals and stakeholders to receive additional information that will inform the outcome of the Study. Comment boxes will be located throughout the City in libraries and NORDC Centers. The City Planning Commission staff will also conduct community engagement meetings throughout the City of New Orleans in each Council District. Information regarding the dates and times of these meeting are pending and will be disseminated through City Planning Commission and the Office of Community Engagement once determined. Details on all of these meetings will be included in the final Housing Opportunities Study.

The staff projects the completion of the Study by May 2020. Using this timeframe, there will be an opportunity for public comments at the Regular City Planning Commission meeting on Tuesday, May 26th, 2020 at 1:30pm. The City Planning Commission will tentatively take action on the Housing Opportunities Study at the May 26th, 2020 meeting.