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**AFFORDABLE
HOUSING IMPACT
STATEMENT
STUDY**

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Table of Contents

Section	Page
Table of Contents	i
Executive Summary	ii
Introduction	ii
Key Findings	ii
Recommendations	iii
A. Existing Conditions	1
Affordable Housing Impact Statement Study Background	1
New Orleans Affordable Housing	2
B. Description of Affordable Housing Impact Statements	5
Definition of Impact	5
Affordable Housing Impact Statement Types	5
Assessment of Affordable Housing Impact Statements	5
Use of Affordable Housing Impact Statements	8
C. Nationwide Best Practices in Affordable Housing Impact Statements	11
AHIS Proposals in Other Cities	18
Assessment of Regulations in Other Cities	19
D. Public Input on Affordable Housing Impact Statement Study	21
Public Input Received	21
Summary of Public Comments	22
E. Affordable Housing Impact Statement Study Recommendations	23
Permit Applications	23
Land Use Decisions	24
Policy Actions	25
Federal and State Funding	25

Affordable Housing Impact Statement Study

Executive Summary

Introduction

The City Council passed Motion M-16-167 directing the City Planning Commission to conduct a Public Hearing and study on how affordable housing impact can be assessed as part of land-use and building applications. Prior to the passage of the City Council Motion, Councilmembers Brossett and Cantrell introduced legislation, Ordinance Calendar No. 31,090, on December 10, 2015, to amend and reordain Chapter 46 of the Code of the City of New Orleans, to add a new Article, to be designated as Article IV and titled “Affordable Housing Impact Statements.” The legislation proposed defining Affordable Housing, Area Medium Income Limits, Affordable Housing Impact Statement, and Housing Stock Impact Legislation. The legislation outlined the requirements and duties of the Affordable Housing Impact Statements (AHIS) for the Administration, City Council, City Planning Commission, and Office of Community Development. It also specified that the AHIS should include numeric estimates of housing impacts and a narrative section explaining the analysis that provided numeric estimates. Concerned about changes in the city’s neighborhoods and to address affordable housing and equity issues, the City Council passed the Motion directing this study while withdrawing Calendar Ordinance No. 31,090. This study is intended to provide further information about whether impact statements could assist in assessing affordable housing actions.

The study was guided by the following goals and objectives:

- Ensure the collection of data will provide meaningful information that can be used to assist the community and decision makers.
- Develop a tool that does not create unnecessary tasks for city employees and housing developers.
- Recommend ways in which the data can be used by decision makers to track progress.
- Develop baseline data on housing in the City.
- Recommend any additional qualitative analysis that may be desirable for decisions related to policy changes.

Key Findings

Based on the review of the nationwide practices and the need for housing data collection in New Orleans, the following key findings informed the proposed Affordable Housing Impact Statement Study recommendations:

- 70% of New Orleans residents pay more than 30% toward housing costs.
- Data collection can be used in tracking real-time housing supply information.
- AHIS can serve as an accountability tool for programs and policies implemented to address affordable housing.

- AHIS can be included as part of a building permit application and does not require additional fees. The information requested is typically available at the time of submission.
- Data collection can assist non-profits and private developers with making decisions based on accurate data.
- A quantitative analysis, where the data comes from the property owner or the applicant, is more appropriate for project or development based affordable housing impact statements.
- A qualitative analysis is more appropriate for policy or regulatory based affordable housing impact statements. This analysis is typically conducted by City staff.
- A quantitative analysis is useful for projects that are seeking incentives or are required to provide affordable housing units.

Recommendations

Permit Application Recommendations

- An AHIS shall be required for all building permits adding, modifying, subtracting housing units.
- An AHIS shall be required for mixed use developments which include both commercial and residential development, and shall include information whether the development will be adding, modifying, or removing housing units.
- The applicant shall be required to fill in requested housing data information on the building permit application to the best of their ability provided the information is available. If information is not available at the time of submission, the building permit shall not be denied based on missing information.
- An AHIS shall be required for demolition permits affecting the removal of housing units.

Land Use Decision Recommendations

- AHIS should not be required for most land use applications. Most land use applications are based on factors other than affordable housing (Master Plan Future Land Use Map designation consistency, development pattern, historic land use, etc.). Additionally, criteria for land use applications are enumerated in the Comprehensive Zoning Ordinance.
- A Quantitative AHIS shall be required for all land use applications that are requesting a development bonus for providing affordable housing, which includes the following:
 - Planned Developments (Article 5)
 - Multi-Family Density Bonus (all Districts that allow Multi-Family Residential Uses)
 - CBD Floor Area Ratio (FAR) Bonus (Article 17, Section 17.5)
 - Riverfront Gateway height and density bonuses (Article 18, Section 18.13)

The applicant shall be required to provide all of the information related to number of units, rental rate/sale prices, bedroom mix, AMI levels. The CPC staff will be required to perform an analysis of this information in the staff report (if applicable) and confirm that it meets the requirements.

Policy Actions Recommendations

- A Qualitative AHIS could be required of any policy analysis done by the City Planning Commission or the Office of Community Development (OCD). This could include the following: Master Plan amendments, special studies (i.e. Algiers Multi-Family Housing Zoning Standards Study, Short Term Rental Study, etc.), neighborhood plans, etc.
- The City Council can request that the CPC or OCD conduct a Qualitative AHIS within 60 days for any legislation that they wish to consider.

Federal and State Funding Tracking Recommendations

- The Office of Community Development shall conduct a Quantitative AHIS for any project that receives funding from the City (Federal, State, or local NHIF funds) to provide affordable housing.

A. Existing Conditions

Affordable Housing Impact Statement Study Background

The Affordable Housing Impact Statement is a tool used in various forms by cities such as San Diego, Austin, and most recently, Atlanta to assess the impact housing related actions might have on the municipalities' affordable housing stock. The impetuses for the City Council requesting this study are the recent housing and market reports showing the urgent need for the preservation and new construction of affordable housing in the City of New Orleans. The reports indicate New Orleans is currently in an affordable housing crisis and the rising cost of housing is being felt by residents in most income brackets. Understanding the critical need for additional affordable housing and the preservation of existing affordable housing, the collection of housing data will provide the tracking information necessary to assess the affordable housing supply. The purpose of this Affordable Housing Impact Statement Study is to examine the best practices of other cities collecting affordable housing data in the form of an impact statement and make recommendations for how this tool might be useful in gathering and analyzing housing data in the City of New Orleans.

Council Motion M-16-167

The scope of the Affordable Housing Impact Statement study is outlined in the motion that directs the City Planning Commission to conduct the study. As stated in the motion, the City Council asserts that the failure of the local housing market to supply affordable housing units makes the City of New Orleans increasingly unaffordable for low income families and individuals. Thus, the City Council directs the City Planning Commission to study how affordable housing impact can be assessed as part of land-use and building applications using an Affordable Housing Impact Statement or other mechanism to obtain data.

City Council Motion M-16-167 directs the City Planning Commission to include the following subject matter in the study:

1. Investigate how affordable housing impact can be assessed as part of land-use and building applications;
2. Assess how Affordable Housing Impact Statements and other measures can be utilized in land-use and building applications;
3. Research and make recommendations to the Comprehensive Zoning Ordinance and other applicable codes, if necessary.

City Council Motion M-16-167 grants the City Planning Commission and its staff the flexibility to expand the scope of the study to make any and all legal and appropriate recommendations deemed necessary in light of the study, review, and public testimony resulting from the motion.

Scope of Work

The City Planning Commission used the City Council Motion M-16-167 as a guide for the study. The motion specifically directs the City Planning Commission to consider how affordable housing impact can be assessed as part of land use and building applications. The City Planning Commission expanded the scope to consider other possibilities for which measuring housing data could be used in the City of New Orleans.

Study Goals

The City Planning Commission staff developed the following goals and objectives to guide the Affordable Housing Impact Statement Study and its recommendations:

- Ensure the collection of data will provide meaningful information that can be used to assist the community and decision makers.
- Develop a tool that does not create unnecessary tasks for city employees and housing developers.
- Recommend ways in which the data can be used by decision makers to track progress.
- Develop baseline data on housing in the City.
- Recommend any additional qualitative analysis that may be desirable for decisions related to policy changes.

New Orleans Affordable Housing

Definition of affordable housing

Though this study is limited in scope and is not intended to be a housing study, it is important to define what is meant by affordable housing. The term affordable housing is used to describe housing, rental or owner-occupied, that is affordable no matter what one's income is. The U.S. Department of Housing and Urban Development (HUD) considers families who pay more than thirty (30%) percent of their income for housing and utilities to be cost burdened and may have difficulty paying for necessities including, food, transportation, and medical care. A household that pays between 30% to 49.9% or more of their income on housing is considered moderately burdened while a household paying more than 50% or more of their income on housing costs are considered severely cost burdened.¹ When the government addresses affordable housing, it typically means affordable for families or individuals in the middle or lower end of the income scale. Income limits for affordable housing programs are calculated using Area Medium Income (AMI) – meaning one half of the families earn more and one half of the families earn less. AMI is not an average of the area's earnings, it is the median (middle point) of all families income. For a 4-person household in New Orleans, the AMI is currently \$60,000. This is important to consider since a family earning \$1 million annually and being able to afford \$333,000 in housing costs is not considered a family who is housing cost burdened as compared to a family earning \$37,146 (the median income in New Orleans) annually and paying \$11,143 toward housing costs. Families whose incomes are at or below the AMI feel the effects of rising housing costs

¹ U.S. Department of Housing and Urban Development

much more devastatingly than a family that is well above the AMI level since more of their income must be allocated toward housing costs. Finally, it should be noted, affordable housing does not necessarily mean subsidized housing though many affordable housing units are subsidized through federal and state grants, tax credit allocations, provision of public housing, housing choice vouchers, etc.

Is New Orleans experiencing an Affordable Housing Crisis?

Recent reports indicate New Orleans is indeed in a housing crisis.² However, New Orleans is not alone. Nationally, housing costs for both owners and renters have been rising since the 2008 recession while wages have remained relatively stagnant. According to a Harvard Joint Study 2016 report, the country is experiencing its lowest level of homeownership in almost 50 years resulting in more people competing for rental property.³ Currently, the rental market makes up more than 36% of US households, which is the largest it's been since the 1960's as stated in the report. The result of the housing crisis has led to an increase in the number of cost-burdened and severely cost burdened renters nationwide resulting in a record 11.4 million severely cost-burdened renters in 2015. The effects are being felt particularly in the nation's urban areas.

In the past 10 plus years, housing costs for New Orleans renters and owners have steadily increased along with the rest of the country. New Orleans' housing affordability struggle has been due to the economic recession felt nationwide compounded by the effects of Hurricane Katrina in 2005. The local effects felt by the loss of rental stock and the rise in renter population due to barriers to homeownership has caused more than seventy (70%) percent of New Orleans households paying one-third or more of their income towards housing costs.⁴ The consequences of having so many residents struggling to pay for housing affects the well-being of families who face having to choose between paying for housing or reduce spending on other necessities. This instability leads to a continuing cycle of poverty as families are not able to make long-term investments in their future.⁵ The effects of widespread poverty ultimately impact all residents since cities with high poverty have many other social issues. Thus, addressing the affordable housing crisis is crucial to New Orleans future success.

Current Actions Addressing New Orleans Affordability

➤ ***Housing For a Resilient New Orleans – A Five-Year Strategy***

In response to the housing crisis, the City and its partners have developed *Housing For a Resilient New Orleans – A Five Year Strategy*, which is a 5 year strategy aimed at addressing the City's affordable housing needs. The plan's goals include the provision of 7,500 affordable units by 2021, the development of new revenue sources to increase monies for affordable housing development, investment and promote mobility and access

² <http://www.uno.edu/cola/planning-and-urban-studies/docs/State-of-Housing-in-Louisiana-2015.pdf>.

HousingNOLA 10 Year Strategy and Implementation Report, December, 2015

³ Joint Center for Housing Studies of Harvard University, *The State of the Nation's Housing*, http://www.jchs.harvard.edu/research/state_nations_housing

⁴ *HousingNOLA 10 Year Strategy and Implementation Report*. December, 2015

⁵ <http://www.uno.edu/cola/planning-and-urban-studies/docs/State-of-Housing-in-Louisiana-2015.pdf>.

to opportunity, and continuing to work with and support the City’s non-profit partners to address affordable housing needs.

In addition, Housing for a Resilient New Orleans, in two- and five-year timeframes, will pursue adopting an inclusionary housing policy, develop a rental registry program, continue to address homelessness, and among other affordable housing strategies develop a comprehensive asset management strategy.

➤ ***HousingNOLA – 10 Year Strategy***

HousingNOLA is a plan intended to provide guidance for City of New Orleans and other governmental agencies as well as the city’s non-profit and private sector developers to achieve affordability for the city’s residents in housing at all levels. The plan was released at the end of 2015 having had support from numerous national and local foundations and inclusive engagement with community members and numerous stakeholders. The plan was created over the course of a year and looks back at how New Orleans current housing situation came about and used that information to create goals and a framework for measuring successes and prioritizing housing policy that will benefit residents at all income levels throughout the city’s many neighborhoods. The plan calls for creating a scorecard once a year throughout the 10-year plan to monitor benchmarks.

➤ ***Amending the Plan for the 21st Century***

In August 2010, the City Council voted to adopt the “A Plan for the 21st Century: New Orleans 2030” in August 2010. Commonly referred to as the Master Plan, the plan is designed to provide New Orleans with the framework to move it through the next 20 years. As written, the plan is heavily focused on recovery from the devastating effects of Hurricane Katrina and the subsequent failures of the levee systems. While disaster recovery was the immediate priority, the need to plan for the city’s long-term future is also necessary. Thus, the City Planning Commission has opened the 2nd Master Plan Amendment period to reconsider the core systems that shape New Orleans’ physical, social, environmental, and economic conditions. The Master Plan, as it is currently written, is focused on post-disaster recovery and does not provide explicit direction for how the city should be addressing residents’ housing needs. Thus, the City Planning Commission and its partners are envisioning amending the housing section of the Master Plan to create the framework that will allow for inclusive and affordable housing options throughout the city.

B. Description of Affordable Housing Impact Statements

Definition of Impact

Impact, as it relates to affordable housing, is the number of housing units that are added to or subtracted from the affordable housing supply when housing is constructed, renovated, demolished, or changed to another use. By any of these development actions, affordable housing units may be added to or subtracted from the affordable housing supply creating an impact on the availability of affordable housing units. Affordable housing may also be impacted when policy, zoning, and comprehensive plan decisions are considered. Measuring the impact a developmental action has on available housing units at various income levels in the form of an impact statement allows for the collection of data and provides a means for tracking the availability of affordable housing in the City of New Orleans.

Affordable Housing Impact Statement Types

To date, there are only a few models of Affordable Housing Impact Statements. The section on National Best Practices goes into detail about the different types of Affordable Housing Impact Statements in the cities that have implemented them, how they've been used, and the lessons learned. The staff has determined that there are basically three different types of AHIS which are currently being used or are being considered in other municipalities. A summary of each is listed below:

Qualitative AHIS

A qualitative AHIS is a non-project based assessment that looks at how affordable housing might be affected when an ordinance, policy, comprehensive plan, regulations, or fees are enacted or changed.

Quantitative AHIS

A quantitative AHIS considers how many affordable housing units are added or subtracted at various income levels when a specific development is proposed.

Combination of Qualitative and Quantitative AHIS

A combined AHIS considers both the project-based impact a development proposal would have on the affordable housing supply as well as how land-use and policy decisions will affect the municipality's affordable housing stock.

Assessment of Impacts of Affordable Housing Impact Statements

The public comments received outline some of the major benefits and issues associated with Affordable Housing Impact Statements, which are summarized on the next page.

Benefits of Affordable Housing Impact Statements

The proponents of Affordable Housing Impact Statements cite the data-providing benefit an AHIS can provide as reasons why the city should implement an impact statement requirement. The benefits outlined by the proponents are based on the need to better understand how affordable housing stock is changing as properties are either being added to or removed from the housing supply pool.

The proponents state that the key benefit of an Affordable Housing Impact Statement is that the implementation of an AHIS would provide the city, developers, stakeholders, and citizen's real-time housing data. These data are important for the city and all of the city's stakeholders to understand the current housing market and to make data-driven informed decisions. Proponents state that AHIS can foster a deeper public understanding of how housing is a policy issue and that it could increase the city's competitiveness in obtaining federal and state funding utilizing the information obtained through an AHIS. Several proponents mentioned that New Orleans is not in a crisis of housing production, but in a crisis of available affordable housing and therefore needs data on current housing conditions.

The proponents say that AHIS could be used as an accountability tool to monitor the city's progress in its housing goal commitments. AHIS could provide a means to compare the estimated benefits of policy proposals. It could serve as a tracking system that would be available to anyone interested in monitoring the city's programs and development patterns. The proponents state that an AHIS would enable developers, policymakers, and citizens to understand how many vacant and blighted structures are being put back into commerce. Proponents state that the data could be used to track affordable housing losses, which will assist in determining which areas of the city are in need of programs and incentives.

Finally, the proponents state that Affordable Housing Impact Statements are not intended to cause extra burdens on developers seeking to create affordable or market rate housing. AHIS will not require any more time or money other than what is required for filling out a building permit. Implementing AHIS would not slow development down, but would empower those developers with data to make the best decision given the current conditions.

In summary, the proponents cite the follow major benefits of Affordable Housing Impact Statements:

- Affordable Housing Impact Statements would provide accurate real-time data to allow informed data-driven decisions.
- The Affordable Housing Impact Statement will provide an understanding of housing initiatives and whether they are succeeding or not.
- The impact statements will provide the data to increase New Orleans' competitiveness in applying for funding.
- The impact statements can be used as an accountability tool for the city's policies.
- Impact statements will empower developers with data.

Possible Negative Consequences of Affordable Housing Impact Statements

Opponents of the implementation of an Affordable Housing Impact Statement requirement are concerned about the effect an Affordable Housing Impact Statement requirement will have on developers. The concerns are listed individually below, but are mostly attributed to the possibility of increased fees and time that would be imposed on a developer should the impact statement requirement be imposed. These concerns were expressed at the public hearing and at a meeting between the Home Builders Association and City Planning staff.

As mentioned, the overreaching concerns of the opponents are the increased fees that would be imposed and the time that it would take the developers to compile the information needed to complete the Affordable Housing Impact Statement. Opponents are concerned that building permits will be held up or not processed if developer does not provide housing information. If the requirement is implemented, there are no new fees that would be associated with the impact statement since the additional information would be obtained when a developer is filling out applications and paying for a building permit. Filling out the information may take a developer a short amount of extra time, but would not be significant since the developer would most likely know the information being asked already.

Another concern stated by the opponents is that an AHIS is unnecessary since affordable housing information is readily available to those who want or need the information. A question was raised as to whether the city needs to be collecting data since it is not known whether there is an affordable housing shortage in the city. Opponents cited available housing listed on popular websites and also pointed out the many blighted houses and vacant lots that could be added to the housing supply to lessen the demand for affordable housing in the city.

Opponents stated that collecting this data is an extra burden imposed on developers that would slow down the process, particularly “mom and pop” small developers. Additionally, the cost of having to complete an AHIS would be passed on to renters by developers not able to absorb the cost of the requirement; thus, defeating the purpose of providing affordable housing to low income residents. Rather than imposing more requirements on developers, opponents argue that the city should be providing developers with more incentives.

Finally, the opponents say that New Orleans’ housing market is unique and should not be compared to other cities using AHIS. Opponents state New Orleans is a much smaller city than Atlanta or San Diego and should not be held to an apples-to-apples comparison. Opponents argue that AHIS has been implemented in San Francisco and Boston but repealed since AHIS did not work in those cities. In another section, the staff will look at how AHIS has been implemented in other cities, including San Diego, Austin, and Atlanta.

In summary, the opponents of Affordable Housing Impact Statements cite the following negative impacts as the source of their opposition:

- AHIS is premature without a conclusive housing study.
- Increased fees and time imposed on developers with an Affordable Housing Impact Statement Requirement.

- Affordable Housing Impact Statements will not provide any new information since this information is readily available.
- New Orleans does not have a housing shortage and there are blighted and vacant properties available as well as a substantial amount of affordable properties available on listing sites.
- Affordable Housing Impact Statements will impose a greater burden on small developers.
- The cost of an Affordable Housing Impact Statement requirement will be passed on to renters.
- New Orleans is unique and should not be compared to other cities currently using an Affordable Housing Impact Statements.
- AHIS will lead to additional requirements that will be a more significant burden on developers, as they have seen happen other cities.

Use of Affordable Housing Impact Statements

Building Permit Applications

The Department of Safety and Permits is responsible for administering and enforcing standards for construction and the use of buildings and property. Therefore, the Department of Safety and Permits requires the owner of a property to obtain a building permit for all new construction, repairing, altering, or demolishing an existing building. Tracking data at the point when a building permit application is submitted would allow the city to obtain all housing data, including affordable housing data.

The city's Master Application for building permits already requests the applicant to provide information on whether the building permit is for a commercial or residential use and includes a box for the type of residential building permit the applicant is seeking including, single-, two-, or multi-family. In addition, the application also includes categories such as Residential (Half of a Party Wall Double), Residential (Accessory Use), Commercial (Mixed Use), and Commercial (Accessory Use). The application also asks the applicant to provide the number of bedrooms a single- or two-family development would provide and if multi-family or commercial how many units would be provided and if each unit would provide one, two, or three or more units.

Though the building permit application is already tracking much of the information desired in implementing an affordable housing data collection system, the staff believes there are other areas in which data could be captured on the building permit application in order to track affordable housing data. For instance, the building permit application captures the information about what the property will contain if the building permit is approved. But unless a demolition permit is requested, the building permit does not capture any information about what currently exists on the property, if anything.

The staff believes that in addition to capturing data on the type of unit and the number of units the development would provide, the application could request the applicant to provide information on the projected price of the unit(s) if it is going to be a for-sale unit. If the unit(s) is going to be offered for rent, the application could include the projected rental rate of the unit(s). This information could also be requested for existing units if there are any. Obtaining this data

would provide the mechanism for tracking affordable housing data in terms of determining housing units that are existing, the removal of housing units, and whether units are being added to or being subtracted from the affordable housing supply.

Land Use Decisions

The decision to grant a land use request is based on several factors. When considering a land use request, the City Council considers whether the request is consistent with the *Plan for the 21st Century*, specifically the Future Land Use Map designation. Other considerations taken into account are the development pattern of the area, the historic land use of the site, traffic and parking impacts, impacts on the surrounding neighborhood, etc. Considering affordable housing as part of a land use decision may apply to some land use requests, but will not be applicable to all decisions. Therefore, implementing an AHIS requirement does not seem appropriate for all land use decisions.

The Comprehensive Zoning Ordinance includes a provision for development bonuses for affordable housing in Planned Developments, all multi-family districts, the Central Business District, and the Riverfront Overlay. In these instances, a Quantitative AHIS should be included as part of the application. Since these applications are specifically geared toward obtaining a development bonus for the provision of affordable housing at specific AMI levels, the applicant should be required to provide information stating the affordable units provided and at which income level. The City Planning Commission staff could then perform a quantitative analysis to ensure the requirements of the bonus are being met.

Policy Actions

An Affordable Housing Impact Statement could provide a means to compare estimated benefits of policy proposals and could also provide the data to allow for long-term accountability of said policies. In regards to an AHIS for considerations of policy, the staff believes a Qualitative AHIS would be the appropriate tool in this instance. A Qualitative AHIS could be conducted for blight reduction, city-owned property sales, Master Plan Updates, special studies (i.e. Algiers Multi-Family Housing Zoning Standards Study, Short Term Rental Study, etc.), establishment of new historic districts controlled by the Historic District Landmarks Commission, neighborhood plans, etc. Depending on the proposed policy, the analysis could be conducted by the City Planning Commission or Office of Community Development. In addition, a Qualitative AHIS could be conducted by the City Planning Commission or Office of Community Development for any legislative action that City Council requests and AHIS.

Federal and State Funding Tracking

The New Orleans Office of Community Development (OCD) is the agency responsible for managing the funds the city receives for formula grants for community development and the development of affordable housing. These include the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program (HOME), the Housing Opportunities for Persons with AIDS Grant (HOPWA), and the Emergency Solutions Program Grant (ESG). In

addition, OCD works along with other departments to monitor and implement city initiated programs, such as the recently executed Soft Second Mortgage Program.

Though the Office of Community Development is already tasked with reporting the use of housing funds the city receives through various programs, the staff believes it would be beneficial to include a requirement of the city's Office of Community Development to conduct a Quantitative AHIS for any project that receives funding from any of the programs overseen by OCD, including Federal, State, or local Neighborhood Housing Improvement Fund (NHIF) funds. Requiring an AHIS for these projects will, on a broad scale, allow the city and anyone interested to track the city's progress in meeting its housing goals while also providing data to identify new programs that may benefit the city's affordable housing supply.

C. Nationwide Best Practices in Affordable Housing Impact Statements

In order to evaluate Affordable Housing Impact Statements (AHIS), it is important to understand how they are being used in other cities and what New Orleans can learn from other cities' experiences. Affordable Housing Impact Statements, or similar legislation, is in place in the following cities:

- San Diego, California
- Montgomery County, Maryland (suburban Washington DC)
- Austin, Texas
- Atlanta, Georgia

In addition to the municipalities above, proposal for Affordable Housing Impact Statements are being considered in Los Angeles, Pittsburg, Albany, and Multnomah County Oregon (Portland). For each city that has adopted AHIS, the staff will summarize the AHIS requirements including what data is collected, when data is collected, how the data is used, how it impacts decision making, and how the AHIS fits within the city's housing policies. Finally, the staff will summarize the overall lesson learned for all of these cities' experiences with Affordable Housing Impact Statements and what insights can be used for New Orleans.

San Diego, California

AHIS Summary¹

San Diego, California has the oldest Affordable Housing Impact Statement requirement, which went into effect in 1999. The Housing Impact Statement was put in place by a policy memorandum to the Planning and Development Services Departments requiring them as part of staff reports to the Planning Commission and City Council on land use and development projects.

Data Collection

Housing Impact Statements are developed by city staff as part of their report on land use and development proposals for the following types of proposals:

- Build, rehabilitate, or demolish housing;
- Rezoning and redesignating land in the community plan;
- Commercial and industrial developments;
- Increase or decrease in any development fees; and
- Modify development processing regulations or Land Development Code provisions related to residential development.

¹ Data in this section primarily comes from the following sources:
http://mediad.publicbroadcasting.net/p/wabe/files/AHIS_Report_for_Atlanta_FINAL_version.pdf &
http://www.montgomeryplanningboard.org/meetings_archive/03_meeting_archive/agenda_072403_files/item1g_072403.pdf

The purpose of this data collection is to give decision makers information on the impact of a particular project on housing. The Housing Impact Statements also provide information on compliance with the Inclusionary Housing Ordinance and any development incentives (density or FAR bonuses) associated with a proposal. While city staff is responsible for writing the impact statement, the staff is reliant on information from the applicant. Here is a sample Housing Impact Statement from a Planning Commission staff report:

Housing Impact Statement: The Project includes approximately 39 affordable units restricted at or below 80 percent Area Median Income (AMI) in order to comply with the City Inclusionary Housing Ordinance ("Inclusionary Ordinance").²

Overall Housing Policy

The City of San Diego has a comprehensive housing policy including a Housing Element in its General Plan, a Task Force on Affordable Housing, a Comprehensive Affordable Housing Strategy Collaborative, and multiple City supported agencies and nonprofits (San Diego Housing Commission and Civic San Diego) charged with providing affordable housing.³ In 1990, San Diego created a Housing Impact Fee which charged a fee on commercial developments to provide revenue to produce workforce housing. Since 2003, San Diego has had an Inclusionary Housing Ordinance, which requires the development of affordable housing units, or a fee in lieu of, in residential developments with two or more units, as well as density bonus of up to 35% for providing affordable housing.⁴

Lessons Learned

San Diego's Housing Impact Statements are mostly focused on discretionary projects, or developments that require specially approval from the Planning Commission and/or City Council. San Diego also has Inclusionary Housing requirements, so the Housing Impact Statements are based on information that the applicant is required to provide and show compliance with the Inclusionary Housing requirements. Housing Impact Statements are also required for any development code and fee changes. The purpose of San Diego's Housing Impact Statements is to provide decision makers with information on housing impacts.

Montgomery County, Maryland (suburban Washington DC)

AHIS Summary

Montgomery County, Maryland instituted Affordable Housing Impact Statement pilot program in 2004. AHIS were required for various land use application including preliminary site plans and rezoning applications. The applicant was required to provide information and the

² City Planning Staff Report: <https://www.sandiego.gov/sites/default/files/legacy/planning-commission/pdf/pcreports/2014/pc14043.pdf>

³ <https://www.sandiego.gov/housing/initiatives>

⁴ <http://docs.sandiego.gov/municode/MuniCodeChapter14/Ch14Art02Division13.pdf> & <https://www.sandiego.gov/sites/default/files/dsdib532.pdf>

Montgomery County Department of Park and Planning would produce the Affordable Housing Impact Statement as part of their Planning Board Report. The AHIS was a pilot project that does not appear to be in use any longer.

Data Collection

As part of the application, the property owner or developer would be required to provide information on the total number of housing units proposed and demolished, as well as the number of affordable housing units that would be created as part of the development. In addition, for commercial projects there would be an assessment on the number of jobs associated with the new development to determine any future demand for housing as a result of the project. This data was transmitted to the Montgomery County Planning Board for use in their decision making. Here is a sample of their Affordable Housing Impact Statement⁵:

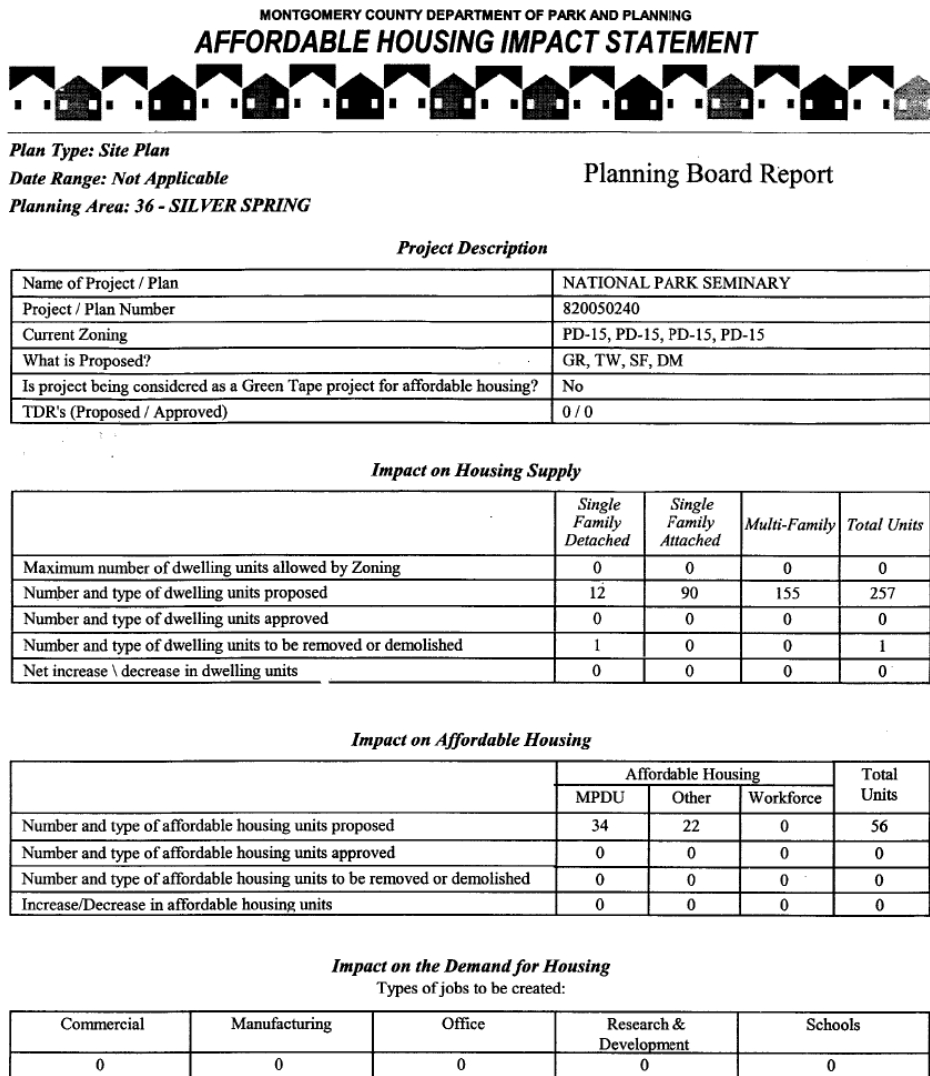


Figure 1: Montgomery County Affordable Housing Impact Statement (2005)

⁵http://www.montgomeryplanningboard.org/meetings_archive/05_meeting_archive/agenda_040705/item5b_040705_opt.pdf

Overall Housing Policy

According to a 2008 report from the Montgomery County Affordable Housing Task Force,⁶ the County had a robust, long-standing affordable housing policy. Since 1973, the County's housing policy has included its Moderately Priced Dwelling Unit Program (MPDU), which has led to the development of over 12,000 affordable housing units between 1973 and 2007. The MPDU Program is an inclusionary zoning requirement where up to 15% of dwelling units in development of 20 units or more are required to be moderate cost units. In addition, in central business district and transit station zoning districts, 10% of the dwelling units are required to be affordable workforce housing. To offset the loss of income to developers, they received density bonuses of up to 22%.

Lessons Learned

Montgomery County's Affordable Housing Impact Statements were a means to report on the creation of new housing units, new affordable housing units, and on compliance with the County's Moderately Priced Dwelling Unit Program requirements. In addition, they were used to help project future housing demand based on job creation in commercial projects.

Austin, Texas

AHIS Summary

Austin's Affordability Impact Statement requirements were put in place in 2007 as part of an update to the City's S.M.A.R.T. Housing program.⁷ Affordability impact statements are in accordance with the following:

- A City department may not propose a change to an ordinance, rule, or process that impacts housing affordability unless the City's Neighborhood Housing and Community Development Department (NHCD) has prepared an affordability impact statement.
- If an affordability impact statement shows a negative impact on housing affordability, the proposed change may only go forward upon approval by the city manager.
- An AHIS is required before a City board or commission may offer recommendations to the city council on issues affecting housing affordability.
- An affordability impact statement is not required for annexations or budgets except for those that increase development fees that impact housing affordability.

Data Collection

Unlike other communities, the affordability impact statements are not project or development focused. In Austin, the affordability impact statements are required to ensure that new ordinances, rules, and processes proposed by the City do not have a negative impact on housing


⁶ Pages 57-58: <http://montgomerycountymd.gov/DHCA/resources/files/rr-ahtf.pdf>

⁷ Ordinance No. 20071129-100: <http://www.austintexas.gov/edims/document.cfm?id=111622>

affordability. If it does have a negative impact on affordability, the proposed change requires approval of the city manager. The department must complete an impact statement that determines if the proposal will have an increase, decrease or no impact on the following items:

- Impact on regulatory barriers to housing development;
- Land use/zoning opportunities for affordable housing development;
- Impact on cost of development; and
- Impact on production of affordable housing.

Here is a sample affordability impact statement for Austin’s Comprehensive Plan:⁸

 Preliminary Affordability Impact Statement Neighborhood Housing and Community Development City Council Agenda: Pending Case Number: Pending	
Proposed Rules Posting:	Imagine Austin Comprehensive Plan
Impact on regulatory barriers to housing development	<input type="checkbox"/> Increase <input checked="" type="checkbox"/> Decrease <input type="checkbox"/> No impact
Land use / zoning opportunities for affordable housing development	<input checked="" type="checkbox"/> Increase <input type="checkbox"/> Decrease <input type="checkbox"/> No impact
Impact on cost of development	<input type="checkbox"/> Increase <input checked="" type="checkbox"/> Decrease <input type="checkbox"/> No impact
Impact on production of affordable housing	<input checked="" type="checkbox"/> Increase <input type="checkbox"/> Decrease <input type="checkbox"/> No impact
Proposed Changes Impacting Housing Affordability:	<p>The Imagine Austin Comprehensive Plan is a 30-year planning document to guide city planning policies for the future. Housing affordability is addressed as one of the core principles of the plan.</p> <p>The building blocks section of the plan offers a summary of key issues and challenge for the future in seven key areas. Many of the policies identified in the Land Use and Transportation building block and the Housing and Neighborhoods building block impact housing affordability. These building blocks identify and support strategies to promote affordability through:</p> <ul style="list-style-type: none"> • Encouraging compact and infill development that is close to other vital services, such as job centers, transportation options, and retail nodes • Revising the development code to allow for a more streamlined, easily understandable, and predictable process that supports more affordable development practices • Promoting additional tools to create and maintain affordable housing such as fee waivers, TIF districts, linkage fees, and other potential revenue sources • Supporting green-building practices that promote durable construction for more sustainable housing practices

⁸ https://www.austintexas.gov/sites/default/files/files/Imagine_Austin_AIS.pdf

	<ul style="list-style-type: none"> Addressing housing barriers for persons with special needs to prevent homelessness <p>The plan further identifies concrete short-term and long-term implementation steps that the City will undertake to ensure that affordability goals are met as Austin continues to grow in the future.</p>
Alternative Language to Maximize Affordable Housing Opportunities:	None
Other Housing Policy Considerations:	NHCD supports all the actions and priority items listed above, as they are consistent with City of Austin policies, goals, and initiatives currently and for the future. It is important to regularly review and evaluate the effectiveness of the priority items listed above to ensure consistency with any changes in City policies or changing housing market forces in the future.
Date Prepared:	January 24, 2012
<p>Director's Signature: <u>A signature from the NHCD Director will be issued with the final AIS</u> Elizabeth A. Spencer</p>	

Figure 2: Imagine Austin Affordability Impact Statement (2012)

Overall Housing Policy

Austin's S.M.A.R.T. Housing program provides land use and building permit fee waivers for providing reasonably-priced dwelling units as part of a housing development.⁹ A reasonably-priced dwelling unit is defined as affordable to a family at 80% of the Area Median Income. The affordability period is different based on the location of the dwelling units and if they are owner-occupied or rental, but it is typically it is at least five years.¹⁰

Lessons Learned

Austin's affordability impact statement requirement is not project based, but based changes to city ordinances, regulations, and fees. The affordability impact statement requires a determination of no negative impact on housing affordability, or city manager approval, for any proposed rule change to be considered.

⁹ Fee waivers range from a 25% fee waiver for providing 10% affordable units to a 100% fee waiver for providing 40% affordable units.

¹⁰ https://www.municode.com/library/tx/austin/codes/code_of_ordinances?nodeId=TIT25LADE_CH25-1GEREPR_ART15S.HO

Atlanta, Georgia

AHIS Summary

Atlanta, Georgia has the newest Affordable Housing Impact Statement requirement, which passed in November 2015 and just went into effect on July 1, 2016.¹¹ Affordable Housing Impact Statements are required for any legislation that would have an impact on the affordable housing stock of the City of Atlanta, including, but not limited to:

- Land Use Elements to the City’s Comprehensive Development Plan;
- Acceptance of public and private grants including federal and state funding for the construction and/or rehabilitation of affordable housing units;
- Abandoned and blighted property legislation;
- Changes to building permit fees;
- Millage rate increases for blighted properties; and
- Changes to demolition policies.

Any Councilmember or Department that wanted to propose legislation impacting affordable housing is required to submit a draft of the legislation to the City’s Office of Housing which produces an Affordable Housing Impact Statement within 10 business days. In addition, the Office of Housing provides a yearly report on the number of units created, per the Affordable Housing Impact Statements, that were funded with public funds.

Data Collection

The purpose of the Affordable Housing Impact Statements in Atlanta is to quantify the impact any legislation would have on affordable housing at certain income levels. It appears that their affordable housing impact statements are limited to government policies, the City’s Comprehensive Plan, and government funded housing projects. It is unclear, but it does not appear that this would apply to zoning change, conditional use, site plan, and other land use or development applications. As a result, the Affordable Housing Impact Statements attempt to provide quantitative analysis to often qualitative policies. For each Affordable Housing Impact Statement, the Office of Housing estimates the legislation’s impact on the affordable housing stock of the City of Atlanta over the thirty year period. Each Affordable Housing Impact Statement takes the following form:

- Adding ___ or decreasing ___ units affordable at 30 or below percent of the City of Atlanta Area Median Income (AMI);
- Adding ___ or decreasing ___ units affordable between 30.01 and 50 percent of AMI;
- Adding ___ or decreasing ___ units affordable at between 50.01 and 80 percent of AMI;
- Adding ___ or decreasing ___ units affordable at over 80 percent of AMI.

¹¹ http://atlantacityga.iqm2.com/Citizens/Detail_LegiFile.aspx?MeetingID=1446&ID=5800

Overall Housing Policy

Other communities use affordable housing impacts statements to determine compliance with inclusionary zoning requirements and/or affordable housing incentives. Atlanta does not have comprehensive policies to address affordable housing. Atlanta's Office of Housing appears to focus on administering Federal grant funds (CDBG, HOME, NSP, Section 8, etc.) and compliance with Federal Fair Housing Act requirements. Atlanta's Affordable Housing Impact Statement requirement appears to be a first step towards addressing housing affordability in their community.

Lessons Learned

Atlanta's Affordable Housing Impact Statement requirement appears to take Austin's model a step further by trying to quantify the impact of qualitative legislation based on set levels of housing affordability. Atlanta's model just went into effect in July, 2016, so there is not much perspective on how well their statements work. Their statements will likely work very well for calculating the affordable levels in projects funded with federal, state, and local grant funds. However, it is less clear how they will calculate the impacts policy changes will have housing units at certain income levels.¹²

AHIS Proposals in Other Cities

Los Angeles, California

In January 2016, a Los Angeles City Councilmember introduced a motion to have the Department of City Planning develop an ordinance requiring Affordable Housing Impact Statements.¹³ The ordinance would require the City to prepare an AHIS for any legislative action on proposed developments. The AHIS would require an impact analysis which includes information regarding the types of housing proposed, the target market demographics, the number of affordable dwelling units within the development, and the number of dwelling units proposed to be demolished. This motion is still in a City Council Committee.

Pittsburg, Pennsylvania

An ordinance was introduced in October 2015 to require affordable housing impact statements for certain development projects that require planned development or site plan reviews by the Planning Commission.¹⁴ This proposed Ordinance is still in City Council Committee. A companion "Source of Income" bill, which prohibits landlords from discriminating against tenants who use vouchers to pay their rent, passed in December, 2015.

¹² For example, if this requirement were in effect in the development of Short Term Rental regulations in New Orleans, it would be very difficult to estimate how many units would be gained or lost at 30-50% AMI.

¹³ Motion 16-0067: http://clkrep.lacity.org/onlinedocs/2016/16-0067_mot_01-15-2016.pdf

¹⁴ Ordinance File # 2015-2063:

<https://pittsburgh.legistar.com/LegislationDetail.aspx?ID=2473516&GUID=927EEDB7-10F5-4AE8-9A35-89855AD6ED9B&Options=ID|Text|&Search=affordable+housing+impact+statement>

Albany, New York

In March 2016, a Council Member proposed a local law to require an Affordable Housing Impact Statement prior to the introduction of any legislation that impacts the affordable housing stock.¹⁵ This proposal is based on the Atlanta model that would require a quantitative analysis of the number of affordable units at certain levels to be gained or lost as a result of the legislation.

Multnomah County/Portland Oregon

Proposals for Affordable Housing Impact Statements are being considered by both Multnomah County and the City of Portland. Currently, no legislation has been introduced.¹⁶

Assessment of Regulations in Other Cities

Based on the research on other cities' Affordable Housing Impact Statements, there are two models that have been used. The first model, used by San Diego and Montgomery County, is a project-based model that calculates how many total housing units and affordable housing units would be gained and/or lost as a result of a particular project. This model is used for specific developments, so it is much easier to calculate how many units will be created or eliminated based on information provided by the applicant. In addition, these cities have requirements and/or incentives for providing affordable housing, so these statements are more assessment of compliance with requirements or meeting the standards for a particular incentive.

The second model is used by Austin, which is focused on the impacts legislation, ordinances, rules, processes, and fees enacted by the City would have on housing affordability, including land availability, cost, and regulatory barriers for affordable housing development. Since the Austin model is based on the policy decision, their affordability impact statements have a determination if the policy will increase or decrease housing affordability in conjunction with a qualitative analysis.

Atlanta's Affordable Housing Impact Statement is a hybrid of these two models. Atlanta requires a quantitative assessment of how many units will be added or lost at certain levels of affordability. This analysis applies to both development projects and policy changes. Atlanta's program just went into effect in July 2016, so there is not much of a track record to evaluate.

The goal of all of these Affordable Housing Impact Statement requirements is to provide more information to decision makers on the impact proposed projects and legislation would have on affordable housing. If the goal is to calculate the change in affordable housing units, a new model would be required. Based on these cities' experiences, here are some key lessons for affordable housing impact statements in New Orleans:

¹⁵ Local Law D - 2016:

http://www.albanyny.org/Libraries/Common_Council_Agendas_and_Minutes/March_21_2016_3.sflb.ashx

¹⁶ <http://www.kboo.org/media/50372-housing-activist-proposes-model-ordinance-affordable-housing-impact-statements>

- The goal of all of affordable housing impact statements was to provide additional information for decision makers.
- A quantitative analysis, where the data comes from the property owner or the applicant, is more appropriate for project or development based affordable housing impact statements.
- A qualitative analysis is more appropriate for policy or regulatory based affordable housing impact statements. This analysis is typically conducted by city staff.
- A quantitative analysis is useful for projects that are seeking incentives or are required to provide affordable housing units.

D. Public Input on Affordable Housing Impact Statement Study

Public input is an important part of any planning study. As directed in the City Council Motion, the City Planning Commission held a Public Hearing and the City Planning Commission staff met with community groups who showed interest in the study to obtain input, which helped guide the study.

Public Input Received

Public Hearing

On Tuesday, July 12, 2016, the City Planning Commission held a public hearing to get input on the Affordable Housing Impact Statement Study. At this meeting, each person was given up to one minute to speak and each side, proponents and opponents, were allowed a maximum of 30 minutes. 31 people signed in or filled out a comment card (all sign in sheets and comment cards are included in the attachments). Video of the City Planning Commission Public Hearing and all public comments can be found at the following link:

http://cityofno.granicus.com/MediaPlayer.php?view_id=2&clip_id=2388

Written Comments

In addition to the public hearing, the City Planning Commission has received written public comments by mail, by email to CPCinfo@nola.gov or directly to CPC staff members, or in person at the public hearing. By August 15, 2016, the City Planning Commission has received ___ written comments on the Affordable Housing Impact Statement Study.

Additional Meetings

As a follow up to the public hearing, the City Planning Commission staff met with various groups to meetings to have a conversation on the Affordable Housing Impact Statement Study. The City Planning Commission staff met with the following organizations:

- State and Municipal Action for Results Today – Agenda for Legislative Empowerment and Collaboration (SMART ALEC)
- Home Builders Association of Greater New Orleans
- HousingNOLA
- Vieux Carre Property Owner and Resident Association

The City Planning Commission staff also held a meeting with the City's governmental agencies including the Office of Community Development and the Mayor's Office regarding this study.

Summary of Public Comments

The City Planning Commission received public comments addressing the benefits and negative impacts an affordable housing impact statement requirement would have on the City of New Orleans in regards to affordable housing. The comments received at the public hearing, in meetings with City Planning staff, and through written submittals are summarized below.

Several public comments included the benefits of Affordable Housing Impact Statements (AHIS) and ways in which Affordable Housing Impact Statements could be useful for the purpose of collecting data. Comments were made in this regard to express that AHIS would allow decisions to be made based on the collection of data. Comments also suggested that AHIS could be a valuable tool in understanding housing numbers.

Several comments said that an Affordable Housing Impact Statement requirement would be too burdensome, especially for small developers. Some comments expressed concern that development costs would go up and that an AHIS requirement would not provide anything new. There are concerns that development costs would increase and subsequently hinder affordable housing development. Some commenters felt that the city should incentivize development and not create more regulations.

Some comments focused on other ways to increase affordable housing development including reviewing utility cost and looking at the city's vacant housing units. In addition, some comments were made about New Orleans being different than other cities and that we are in a unique situation compared to cities like Atlanta, Houston, and Los Angeles. It was also stated that we should clarify what affordability is and how AHIS is going to be used. Concerns about AHIS being used as a first step in creating burdensome policy decisions are one of the main reasons some commenters are opposed to AHIS.

E. Affordable Housing Impact Statement Study Recommendations

Housing data obtained on individual properties or developments enables decision makers to determine where affordable housing inclusion, conversion, or loss is occurring. Data collection helps governmental and non-governmental agencies to determine where to allocate appropriate resources and allows a data-driven review of whether actions are needed to prevent properties from removal from the affordable housing inventory. As stated in earlier sections of this report, the staff considers Affordable Housing Impact Statements to fall into three categories, quantitative, qualitative, and a combination of quantitative and qualitative. Based on the analysis, the staff has determined that housing data collection would assist with determining the estimated impact on the city’s affordable housing stock with the submission of a building permit, in certain land use categories, when policy or legislation is being considered, and when city agencies receive federal or state funding for affordable housing. The specific recommendations are listed below.

Permit Application Recommendations

- An AHIS shall be required for all building permits adding, modifying, subtracting housing units.
- An AHIS shall be required for mixed use developments including both commercial and residential development, and shall include information whether the development will be adding, modifying, or removing housing units.
- The applicant shall be required to fill in requested housing data information on the building permit application to the best of their ability provided the information is available. If information is not available at the time of submission, the building permit shall not be denied based on missing information.
- An AHIS shall be required for demolition permits affecting the removal of housing units.

The Department of Safety and Permits will need to revise the building permit application to include the check-boxes for capturing housing data and will also need to enter the information into the city’s database. The staff recommends adding the following two tables to the building permit application, but understands that modifications may be needed in order for permit processing operations to run smoothly.

Addition of Dwelling Units (Increase)		
Number of Bedrooms/Unit	Number of Units	Projected: Sales Price or Monthly Rent per Unit (Range)
Studio/0	+	
1	+	
2	+	
3	+	
4	+	
5+	+	
Total Units:	+	

Reduction of Dwelling Units (Decrease)		
Number of Bedrooms/Unit	Number of Units	Projected: Sales Price or Monthly Rent per Unit (Range)
Studio/0	-	
1	-	
2	-	
3	-	
4	-	
5+	-	
Total Units:	-	

If information is unknown at the time of completion, please indicate so with 'N/A.'

Land Use Decision Recommendations

- AHIS should not be required for most land use applications. Most land use applications are based on factors other than affordable housing (Master Plan Future Land Use Map designation consistency, development pattern, historic land use, etc.). Additionally, criteria for land use applications are enumerated in the Comprehensive Zoning Ordinance.
- A Quantitative AHIS shall be required for all land use applications that are requesting a development bonus for providing affordable housing, which includes the following:
 - Planned Developments (Article 5)
 - Multi-Family Density Bonus (all Districts that allow Multi-Family Residential Uses)
 - CBD Floor Area Ratio (FAR) Bonus (Article 17, Section 17.5)
 - Riverfront Gateway height and density bonuses (Article 18, Section 18.13)

The applicant shall be required to provide all of the information related to number of units, rental rate/sale prices, bedroom mix, AMI levels. The CPC staff will be required to do an analysis of this information in the staff report (if applicable) and confirm that it meets the requirements. The applicant shall be required to fill out the following table when requesting any one of the development bonuses listed in the Comprehensive Zoning Ordinance:

Affordable Housing Units			
Area Median Income Level (AMI)	Units Added	Units Lost	Bedroom Mix
30% or below of AMI	+	-	
31% to 50% of AMI	+	-	
51% to 80% of AMI	+	-	
Total Units:	+	-	

Policy Actions Recommendations

- A Qualitative AHIS could be required of any policy analysis done by the City Planning Commission or the Office of Community Development (OCD). This could include the following: Master Plan amendments, special studies (i.e. Algiers Multi-Family Housing Zoning Standards Study, Short Term Rental Study, etc.), neighborhood plans, etc.
- The City Council can request that the CPC or OCD conduct a Qualitative AHIS within 60 days for any legislation that they wish to consider.

Federal and State Funding Tracking Recommendations

- The Office of Community Development shall conduct a Quantitative AHIS for any project that receives funding from the City (Federal, State, or local NHIF funds) to provide affordable housing. Along with providing the project name, developer, and property address, the following table shall be used by the Office of Community Development to conduct the AHIS.

Affordable Housing Units			
Area Median Income Level (AMI)	Units Added	Units Lost	Bedroom Mix
30% or below of AMI	+	-	
31% to 50% of AMI	+	-	
51% to 80% of AMI	+	-	
Over 80% of AMI	+	-	
Total Units:	+	-	



State and Municipal Action for Results Today
Agenda for Legislative Empowerment and Collaboration

www.smartalec.org

P.O. Box 3873, Portland, Oregon 97208

To: City of New Orleans, Louisiana, Planning Department, care of Robert Rivers, Executive Director
From: Matthew Charles Cardinale, CEO, SMART ALEC
Date: July 02, 2016
Re: Written Testimony in Support of Affordable Housing Impact Statements

Please accept these written remarks in support of the Affordable Housing Impact Statement Study, in connection with Motion M-16-167, and the Public Hearing scheduled for July 12, 2016

<http://www.nola.gov/city-planning/major-studies-and-projects/affordable-housing-impact-statement-study/new-orleans-city-planning-commission-public-hearin/>

<http://theadvocate.com/news/neworleans/neworleansnews/15714147-184/city-council-looking-at-ideas-to-promote-more-affordable-housing-in-new-orleans>

These remarks are to support our position that ***Affordable Housing Impact Statements would be of tremendous benefit to the City of New Orleans, especially as the City strives to meet its goal of 5,000 new affordable housing opportunities by 2021 (HousingNOLA report); and it would also be very feasible and easy to implement.***

My name is Matthew Charles Cardinale, and I am the author of the Model Ordinance for Affordable Housing Impact Statements that was adopted in Atlanta, Georgia, in November 2015; and is now pending in New Orleans, Louisiana; as well as Pittsburgh, Pennsylvania; Albany, New York; and Los Angeles, California.

First and foremost, let me say THANK YOU to the City of New Orleans Planning Department and the Mayor's Office for meeting with Dr. Dwanda Farmer and I on June 15, 2016. We both flew out to New Orleans to discuss the purpose, benefits, and scope of Affordable Housing Impact Statements; as well as how it could be implemented in New Orleans.

Our June 15, 2016 meeting included Kelly G. Butler; Robert D. Rivers; Leslie T. Alley; Paul M. Harang; Paul Cramer; Larry W. Massey Jr.; Nick Kindel; and Stoch A. Kolzowski.

Dr. Farmer and I also met with Councilman Jared Brossett on June 15, to discuss enacting legislation and next steps.

I also met with Andeanecia Morris of the Greater New Orleans Housing Alliance (GNOHA) on June 13, to discuss the City's affordable housing challenges, especially after Hurricane Katrina; and how GNOHA, the City, and others had collaborated on the HousingNOLA report.

I have been an affordable housing advocate for some twenty years. I attended Tulane University from 1998 to 2003, earning my BA in Sociology and Political Science; I also attended University of New Orleans, earning my Masters in Public Administration in 2007.

I relocated after Hurricane Katrina, first to Atlanta, now to Portland, Oregon, in part because the cost of housing made it impossible for me to continue to live in New Orleans. So, this issue is very personal to me - I want to make it possible for low-income New Orleanians to stay in New Orleans; and for members of the Katrina Diaspora, like myself, to return should that be their heart's desire.

The HousingNOLA Report Includes Adopting AHIS as a Preliminary Goal

Adoption of AHIS by the City of New Orleans was the first action item to come out of the HousingNOLA report. (Page 86, "Immediate Steps")

6.6 Provide an analysis of public funding and policy through the adoption of Affordable Housing Impact Statement. (Executing Entity:) City Council. (Estimated Cost:) N/A. (Level:) Local.

In January 2016, Councilman Brossett and GNOHA held a joint press conference in which it was announced that Brossett had introduced legislation to adopt AHIS in the City of New Orleans.

What is AHIS / the Model Ordinance (Atlanta Model)?

An Affordable Housing Impact Statement policy is a policy to require that any time a city or county consider a public policy decision that would have an estimated impact on the Affordable Housing Stock of the jurisdiction, that the city or county would have to produce an Impact Statement describing the estimated impact on the housing stock.

AHIS originated in San Diego, California; and Austin, Texas, where those two cities have had an AHIS process in place for some time. However, the questions in their Impact Statements are open-ended and qualitative. (Cardinale, 2014)

http://mediad.publicbroadcasting.net/p/wabe/files/AHIS_Report_for_Atlanta_FINAL_version.pdf

Thus, the Atlanta Model added a *quantitative, or numeric Scorecard* that requires information about how many housing units would be added, or subtracted, from the housing stock, at various income brackets, as the result of any policy proposal.

<http://saportareport.com/affordable-housing-impact-statements-could-guide-policy-in-atlanta/>

https://www.municode.com/library/ga/atlanta/codes/code_of_ordinances?nodeId=PTIICOORENOR_CH54CODE_ARTIINGE

This legislation, if enacted, is estimated to have a projected impact upon the affordable housing stock of the City of Atlanta by:

Adding ___ or decreasing ___ units affordable at 30 or below percent of the City of Atlanta Area Median Income (AMI); and

Adding ___ or decreasing ___ units affordable between 30.01 and 50 percent of AMI; and

Adding __ or decreasing __ units affordable at between 50.01 and 80 percent of AMI; and

Adding __ or decreasing __ units affordable at over 80 percent of AMI.

The discussion around an AHIS in New Orleans, has included some additional proposed features and language (see below), particularly with regard to including housing-related proposals that come in administratively (non-legislatively).

What are the Benefits of AHIS?

There are numerous benefits to AHIS for the City of New Orleans:

- (1) Empowering decisionmakers and stakeholders with meaningful information about the estimated impacts of public policy decisions at the time the decisions are being made.
- (2) Providing a long-term accountability tool to:
 - (a) Keep track of whether the City is getting any closer to, or further away, from its housing goal of 5,000 new affordable housing opportunities by 2021.
 - (b) Compare estimated benefits or harm - to actual benefits or harm.
- (3) Provide a means to compare the estimated benefits of various policy proposals (for example - Tiny Houses, Inclusionary Zoning, Affordable Housing Trust Fund, density or height incentives, tax incentives, Community Land Trust, rent control).
- (4) Foster a deeper public understanding of how housing is a public policy issue, as opposed to merely a market issue, or merely a private, personal struggle.

“Housing is a Policy Choice”

<https://www.youtube.com/watch?v=yTpgdpEoWtk>

(5) Increase City's competitiveness for grants, loans, and other resources from the U.S. Department of Housing and Urban Development; and other sources, by demonstrating that the City is taking extraordinary and innovative steps to affirmatively reduce barriers to fair housing.

https://www.huduser.gov/portal/affht_pt.html

What Would be the Scope of Legislative (or Administrative) Items that Would Require an AHIS?

This is, of course, a policy choice for each jurisdiction to make that is appropriate to their needs.

The Atlanta Model is limited to legislative items (CDBG and HOME funding decisions, land use decisions, other - see below).

However, Councilman Brossett's legislation has sought to include Administrative items as well - seeing as how New Orleans's challenges with affordable housing include grappling with a constant loss of affordable units that are enabled by administrative choices, such as whether to grant a demolition or building permit.

The Atlanta Model includes a defined term, "Housing Stock Impact Legislation," which covers the legislative items that would trigger an AHIS in Atlanta:

Housing stock impact legislation means any and all legislation—including ordinances and resolutions—that come before the Community Development/Human Resources Committee of the City Council of Atlanta that, if enacted, are estimated to have an impact on the affordable housing stock of the City of Atlanta, including, but not limited to: Land Use Elements to the City's Comprehensive Development Plan; acceptance of public and private grants including federal and state funding for the construction and/or rehabilitation of affordable housing units; abandoned and blighted property legislation; changes to building permit fees; millage rate increases for blighted properties; and changes to demolition policies.

However, in our discussion on June 15 with the Planning Department and Mayor's Office, we focused also on covering administrative decisions - particularly by requiring Developers or Proponents of proposals to include information regarding the estimated affordable housing stock impacts on their proposals.

In many U.S. cities, we are often concerned about demolitions of affordable multi-family housing, and replacement with market rate, mixed-use developments. In New Orleans, many of the administrative changes of concern are also around modifications to single-family housing units.

Feasibility of Covering Administrative Proposals; Amending Land Use Ordinance

We believe that **it is a very feasible first step to require Developers and Proponents to complete the Scorecard, and provide an explanation for the numbers they provide, for Administrative Proposals.** Perhaps the City could offer technical assistance with any questions a proponent might have. It may have often been the case to date that Developers and Proponents have not necessarily had information about the affordability of existing units - however, it is our position that, if a Developer wants to demolish an apartment building, or modify an existing home, they should know something about the current affordability of the housing unit(s) at stake in their proposal.

There was also discussion about using the data gained from this first step to lay the groundwork for reexamining the City's Zoning and Land Use ordinances, such as to **include affordability as an additional factor that can be considered as part of a zoning or land use decision.**

We are in strong support of this as a next step, and are so impressed to know that New Orleans isn't just trying to collect information to sit on a shelf, but to empower people to use the information to drive public policy.

Next Steps

We have offered to have follow-up conversations with Ellen Lee; Councilman Brossett; and others, to help draft legislative solutions consistent with our discussions to date.

We do strongly believe that an AHIS policy needs to be legislated; voluntary administrative action is not sufficient.

In fact, our research revealed that Montgomery County, Maryland, did a non-legislated “pilot project” for AHIS - however, because it was not legislated, eventually the County stopped producing Impact Statements, and today, the Commissioners and Administration are not even aware that the County ever had a practice for AHIS in the first place.

Next Steps:

The Next Steps should include:

30-90 days

(1) Submit to the City Council for consideration a revised AHIS Ordinance that:

(a) requires that the City (or related entity) produce an AHIS for all Housing Stock Impact Legislation - This could be closely based on the language of the existing Atlanta Model.

(b) requires that Developers or Proponents of administrative proposals for housing-related changes, complete the AHIS Scorecard as part of the paperwork they already are filling out.

We are more than willing to continue to help with the drafting and/or editing of such an Ordinance.

180 days to 270 days

(2) Submit to the City Council for consideration a Land Use ordinance that would add “affordability” as a factor that should be considered when approving a land use change.

Ongoing annual reporting

(3) To make the most of this process, New Orleans should consider an annual report to the City Council--or perhaps a public hearing--to gauge the City’s progress in meeting its housing-related goals, such as the HousingNOLA goal of 5,000 new affordable housing opportunities by 2021.

The Atlanta Model includes an annual reporting requirement related to public funding:

(h) The office of housing shall provide a yearly report to the community development/human resources committee on any housing units funded in whole or in part by public grant dollars, for which affordable housing impact statements have been prepared, within the 30 year period preceding the annual report.

The report shall specify whether the units still exist, whether they are occupied, and whether the cost for those units is consistent with the affordability price points identified in the original grant application. If the required affordability period for specific units is less than 30 years, the annual report shall state as such.

As you know, Dr. Farmer and I helped to co-found SMART ALEC (State and Municipal Action for Results Today - Agenda for Legislative Empowerment and Collaboration), in order to support the work of helping to get AHIS adopted in a total of ten U.S. cities and counties by 2018.

<http://www.smartalec.org>

Therefore, we are delighted to continue to work with you all, and the City of New Orleans to get AHIS adopted as soon as possible.

Additional Resources

AHIS has been highlighted recently by the Stanford Social Innovation Review; CityLab/Atlantic Magazine; the American Bar Association; and the National League of Cities.

Stanford Social Innovation Review

<http://bit.ly/1U2SPj3>

CityLab

<http://www.citylab.com/housing/2016/01/the-growing-trend-of-affordable-housing-impact-statements/423333/>

American Bar Association (see p. 8)

http://www.americanbar.org/content/dam/aba/images/homelessness_poverty/3.1%20Substandard%20and%20unaffordable%20housing%20and%20homelessness_aehn.pdf

National League of Cities

<http://www.nlc.org/find-city-solutions/city-solutions-and-applied-research/city-practice-database/austin-affordable-housing-impact-statement>

As noted above, we are working with several cities and counties across the country:

Pittsburgh Ordinance

<https://pittsburgh.legistar.com/LegislationDetail.aspx?ID=2473516&GUID=927EEDB7-10F5-4AE8-9A35-89855AD6ED9B>

<http://wesa.fm/post/affordable-housing-initiatives-move-forward-city-council>

Los Angeles Motion

http://clkrep.lacity.org/onlinedocs/2016/16-0067_mot_01-15-2016.pdf

Also, we prepared a Sample Impact Statement for Multnomah County, Oregon, on a recent budget allocation for production of affordable housing units:

<http://bit.ly/1WvtuEH>

It was such a pleasure to meet you all and learn about all the substantive things you are doing, and exploring, to keep New Orleans affordable for low-income families and seniors.

New Orleans may be the “city that care forgot” - as yes, people have forgotten to be up-tight, fast-paced, or rude like people are in Chicago - but it is clear to us that each of you care very deeply about New Orleans. I certainly care as well. It was so nice to be back for the first time since I defended my thesis at UNO in 2007. I left feeling enriched, abundant, decadent, and also highly moisturized.

Please let us know of any questions you have about AHIS. Also, please keep Dr. Farmer and I in mind for any future housing-related research projects, including the possibility of zoning for cottages and “mother-in-law suites.”

Yours truly,

Matthew Charles Cardinale (Tulane College '03, UNO College of Urban and Public Affairs '07)

(404) 983 6049

matthew.charles.cardinale@gmail.com

CPCinfo

From: Derek Fossier <dfossier@gmail.com>
Sent: Tuesday, July 12, 2016 3:30 PM
To: CPCinfo
Subject: Affordable Housing Study Questions

Hello,

Firstly, thank you for acknowledging how important, and how broken housing is in New Orleans. This issue is extremely important, and I'm happy it is finally getting the attention it deserves. I'm also extremely pleased to see Housing Supply in the cross-hairs. I fully read the report, but I feel as if more data is still needed. My questions are as follows:

-
- 1) What support is there for the statement that "building alone is not enough" to fix our current issues?
 - 2) What data was collected on supply?
 - 3) What data was collected on the underlying issues which directly affect supply?

Thank you,
Derek Fossier
504-451-4149

CPCinfo

From: Derek Fossier <dfossier@gmail.com>
Sent: Tuesday, July 12, 2016 4:01 PM
To: CPCinfo
Subject: Affordable Housing Impact Study

Hello,

I would like to request that the city track "compliance costs" on permits. This would include the real costs of having to hold meetings, appear in front of the CPC, meet with neighborhood groups, etc. We desperately need a direct measure of how onerous the city has made the development process, as this has a chilling effect on the amount of supply and investment in our wonderful city.

Thank you,
Derek Fossier
504-451-4149

CPCinfo

From: Derek Fossier <dfossier@gmail.com>
Sent: Tuesday, July 12, 2016 5:21 PM
To: CPCinfo
Subject: Question regarding Affordable Housing Study

Last question,

Can the study also look into likely effects on housing supply, and affordability, if the master plan was severely relaxed (example: if developers and owners no longer had to engage in a years long process in order to redevelop a previous popeyes on broad into a taco bell)?

Thank you,
Derek Fossier
504-451-4149



State and Municipal Action for Results Today
Agenda for Legislative Empowerment and Collaboration

www.smartalec.org

P.O. Box 3873, Portland, Oregon 97208

To: City of New Orleans, Louisiana, Planning Department, care of Robert Rivers, Executive Director
From: Matthew Charles Cardinale, CEO; Dr. Dwanda Lee Farmer, Board Secretary
Date: July 23, 2016
Re: Response to HBAGNO on Affordable Housing Impact Statements; Commending Planning Commission

First and foremost, congratulations to Bob Rivers; Kelly Butler; and the Planning Commission and staff for the Public Hearing you all held on Tuesday, July 12, 2016.

The City of New Orleans has set forth a public process to study the adoption of Affordable Housing Impact Statements (AHIS) that, we believe has been exceptionally deliberative, open, transparent, and participatory - offering the opportunity for all sides to be heard.

As national experts on AHIS, we helped draft the Model Ordinance adopted in Atlanta, and are currently working with several U.S., cities and counties on getting AHIS adopted. Thank you again for your meeting with us on June 15.

We watched with great interest the video of the July 12 Public Hearing, and wish to respond to some of the concerns raised by Kirk Williamson of the Home Builders Association of Greater New Orleans (HBAGNO).

I. DESPITE CLAIM BY THE HOMEBUILDERS' ASSOCIATION, THE INFORMATION SOUGHT TO BE COLLECTED BY AHIS IS NOT CURRENTLY "READILY AVAILABLE" TO THE PUBLIC, TO DECISIONMAKERS, OR TO HUD, IN A SINGLE REPOSITORY OR IN A CONSISTENT FORMAT. AHIS WOULD MAKE INFORMATION READILY AVAILABLE IN A WAY THAT IT CURRENTLY IS NOT.

As noted by the Planning Commission, there are three categories of decisions that New Orleans is exploring for an AHIS policy:

1. Building permit decisions and other housing-related changes that come in administratively;
2. Land use decisions; and
3. Public policy decisions, including funding decisions.

It seems that the Home Builders Association is not fully aware of the range of decisions that would potentially require an Impact Statement, and is likely thinking only of the first category - administrative decisions like building permit applications.

We would hope, although do not share complete confidence, that developers would have some information about how many affordable units would be demolished in any proposal they put forth--and, how many units would be replaced, if any--as well as information about the price points of those units.

Even if that information were available to developers, that does not make it available to the public, to decisionmakers, to stakeholders, to the Planning Commission, or to the U.S. Department of Housing and Urban Development (HUD); nor does that put it in a consistent format, so that the cumulative effect of public policy decisions may be tracked in a meaningful, accessible way.

The Scorecard Format proposed, based on the Atlanta Model, is actually quite simple, so the Home Builders Association should appreciate that it is not burdensome in design. In fact, it is "as simple as checking a box." Yet, even in its simplicity, the Scorecard is comprehensive, capturing additions and subtractions at each income bracket.

####

This legislation, if enacted, is estimated to have a projected impact upon the affordable housing stock of the City of New Orleans by:

Adding ___ or decreasing ___ units affordable at 30 or below percent of the City of New Orleans Area Median Income (AMI); and

Adding ___ or decreasing ___ units affordable between 30.01 and 50 percent of AMI; and

Adding ___ or decreasing ___ units affordable at between 50.01 and 80 percent of AMI; and

Adding ___ or decreasing ___ units affordable at over 80 percent of AMI.
####

As for other public policy and land use decisions, we disagree that the information is readily available, although it should be, if the people of New Orleans are to be empowered to make the best public policy decisions going forward.

As Commissioners noted, however, to the extent that the information is so “readily available,” perhaps to developers for their individual projects, then this undermines their claim that for developers to provide the information would be onerous or burdensome.

II. CLAIM BY HBAGNO THAT AHIS HAS BEEN ADOPTED AND REPEALED IN SEVERAL U.S. CITIES, INCLUDING SAN FRANCISCO AND BOSTON, IS FALSE.

We have done extensive research on Affordable Housing Impact Statements (AHIS). To our knowledge, they have been adopted to date in Austin, Texas; San Diego, California; and Atlanta, Georgia. We have found no information to support a claim that AHIS has been adopted, or repealed, in Boston or San Francisco.

III. DESPITE STATED OPPOSITION TO FEES, NO DEVELOPER FEES ARE PROPOSED AS PART OF THE MODEL ORDINANCE

The Model Ordinance does not anticipate Developer Fees. It is possible that the Planning Commission would have to hire an additional staff person to complete the Impact Statements; however, it is our position that the Planning Commission *should be* considering affordability impacts as part of their work, and can only benefit from having a simple, innovative tool to do so.

IV. EVEN IF THERE WERE DEVELOPER COSTS, THE IDEA THAT THESE WOULD GET PASSED ON TO RENTERS IS BASED ON AN OLD, ERRONEOUS THEORY OF HOUSING POLICY. IN REALITY, PROPERTY OWNERS ALREADY CAN AND DO OFTEN, CHARGE AS MUCH AS THEY CAN EXTRACT OUT OF RENTERS BASED ON "THE MARKET," WITHOUT REGARD TO THE UNDERLYING COSTS OF PROVIDING THE HOUSING UNITS.

HBAGNO will cite lower property taxes and no regulation as the solution to every problem we face. However, the assumption is based on an erroneous theory that does not comport with reality.

We could eliminate every cent of property tax and make all permitting free, and even subsidize it - and there is no reason to believe that any of that cost savings *ever* would be passed along to renters, in the free market housing framework that our public policy choices have allowed at the broadest level.

We know that property owners in New Orleans have knowingly raised rents to the point that tens of thousands of struggling families of New Orleans have severe housing cost burden--just because they can do so! Just because the market allows it!

The people of New Orleans are struggling with heartache and high blood pressure and anxiety over the fear of becoming homeless on the streets of New Orleans!

So, we find it quite disingenuous, then, for the Property Owners to come back around and say, let's not collect some information because we'll have to pass any costs along to our renters - as if there was ever any real relationship between the cost of doing business and the rents they charge. Commissioners, please do not be moved by their false tale of woe.

As noted by Commissioners and by nonprofit and advocacy stakeholders, the adoption of AHIS may result in *more* investment, both of public and private dollars in New Orleans, by making New Orleans more competitive for grants, loans, and tax credits. HUD is interested in jurisdictions taking affirmative steps to reduce barriers to fair housing. Grantmakers are interested in seeing how their potential investments fit into a strategic plan to address unmet housing needs and provide access to transportation, social services, grocery stores, and amenities. The City of New Orleans already has the Housing NOLA plan, and a goal of 7,500 new affordable housing opportunities by 2021; this is a way to demonstrate seriousness about meeting this goal.

We restate and incorporate our First Round of Comments, submitted via email on July 02. <http://bit.ly/29ReD2c>

Finally, we extend our appreciation and gratitude to the many advocates and stakeholders who have spoken in favor of AHIS, especially Andreanecia Morris of GNOHA and Housing NOLA.

Their strong presence and understanding of the benefits of AHIS should demonstrate to the Planning Commission and the City Council, that New Orleanians will be empowered in a meaningful way by the adoption of an AHIS policy, because stakeholders there are prepared to use the Impact Statements to inform the City's ongoing conversations around substantive housing policy.

Please continue to feel free to contact us anytime for any information or analysis you might need to complete your Study and any next steps to fully implement an AHIS.

Thank you,

Matthew Charles Cardinale
Dr. Dwanda Lee Farmer



August 1st 2016

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

Dear Director Rivers,

The Greater New Orleans Housing Alliance (GNOHA) is a collaborative of non-profit and for-profit housing builders, community development corporations, and advocacy organizations working to increase the affordable housing stock available in the city of New Orleans.

The implementation of an Affordable Housing Impact Statement (AHIS) would be of tremendous benefit to the City of New Orleans, especially as we strive to meet the HousingNOLA goal of 5,000 new affordable housing opportunities by 2021. The AHIS is a quantitative, or numeric scorecard that requires information about how many housing units would be added, or subtracted, from the housing stock, at various income brackets, as the result of any policy proposal.

AHIS will provide a long term accountability tool to:

- Keep track of whether the city is getting any closer to, or further away, from its housing goals.
- Provide a means to compare the estimated benefits of various policy proposals
- Enables builders, policymakers, and citizens to understand how many blighted properties and vacant lots are being put back into commerce.

Please see GNOHA members' comments on AHIS below.

1. The HousingNOLA 10-Year Strategy and Implementation Plan relies on a vast amount of data; however, that data is limited in its scope and is not updated and released in real time.

The consolidation of comprehensive, live housing data will be an extremely useful tool for measuring the current state of affordability throughout the city, and will aid HousingNOLA's annual Report Card processes.

2. GNOHA is a membership organization made up primarily of nonprofit and for-profit developers calling for a simple and effective AHIS process. While an AHIS should be collected for every project, it is not meant to burden developers. Filling out a simple statement, merely "checking a box," will not be time consuming. In reality, the accumulation of this data will be a benefit to developers—as the demonstrated need for housing will result in increased investment, both of public and private dollars. Furthermore, GNOHA would suggest designing

A Shared Initiative, Inc.
Alembic Community Development
Alliance for Affordable Energy
Asakura Robinson Company
Associated Neighborhood Development
Broadmoor Improvement Association
Capital One
Center for Planning Excellence
Committee for a Better New Orleans
Crescent City Community Land Trust
Desire Community Housing Corporation
Dillard University
Enterprise Community Partners
Family Resources of New Orleans
Finance Authority of New Orleans
First NBC Bank
Foundation for Louisiana
GCR Inc.
Global Green USA
Greater New Orleans Foundation
Green Coast Enterprises
Greater New Orleans Fair Housing Action Center
Greater New Orleans, Inc.
Gulf Coast Housing Partnership
Harmony Neighborhood Development
Healthy Start New Orleans
Home by Hand, Inc.
Housing Authority of New Orleans
HRI Property Management
Iberia Bank
Jane Place Neighborhood Sustainability Initiative
Jefferson Community Action Programs
Jericho Road Episcopal Housing Initiative
Jerusalem Economic Development Corp.
JPMorgan Chase Bank
LA Association of Affordable Housing Providers
Louisiana Appleseed
Louisiana Association of Nonprofit Organizations
Louisiana Homebuyer Education Collaborative
Louisiana Housing Alliance
Louisiana Housing Corporation
Lowermine.org
Lower 9th Ward Homeownership Association
Lower 9th Ward NENA
Make It Right
Neighborhood Development Foundation
Neighborhood Housing Services
NEWCITY
New Orleans Area Habitat for Humanity
New Orleans Redevelopment Authority
NO/AIDS Task Force
Northshore Housing Initiative
Office of Housing Policy & Community
Development
Operation Comeback
Perez, APC
Pontchartrain Park CDC
Practitioners Leveraging Assets for Community
Engagement
Preservation Resource Center
Project Homecoming
Providence Community Housing
Puentes New Orleans
Rebuilding Together New Orleans
Redmellon
Renaissance Neighborhood Development Corp.
Renaissance Property Group
Service Providers and Professionals Association
Southern United Neighborhoods
St. Bernard Project
St. Roch Community Development Corporation
Sulli Educational Services, Inc.
Tulane/Canal Neighborhood Development Corp.
Tulane City Center
University of New Orleans
Urban Focus
U.S. Department of Housing and Urban
Development
Volunteers of America
Wells Fargo
Whitney Bank
Westwego Housing Authority
Whodata.org

an AHIS process that does not delay the development of projects, but merely collects a few real time data points for entry into a database measuring the city's progress on increasing affordability.

3. AHIS will increase City's competitiveness for grants, loans, and other resources from the U.S. Department of Housing and Urban Development and other sources by demonstrating that the City is taking extraordinary and innovative steps to affirmatively reduce barriers to fair housing.
4. AHIS will empower policy makers and stakeholders with meaningful information about the estimated impacts of housing policy decisions at the time the decisions are being made.

GNOHA offers the City Planning Commission any necessary assistance with this process, and hopes that the comments listed above will be given careful and necessary consideration. Please do not hesitate to contact me at 504-224-8301 or at amorris@gnoha.org for more information.

Sincerely,

A handwritten signature in black ink, appearing to read "Andreanecia M. Morris". The signature is fluid and cursive, written in a professional style.

Andreanecia M. Morris

President, GNOHA Board of Governors

CPCinfo

From: Austyn Hollowell <ahollowell@e-perez.com>
Sent: Tuesday, August 02, 2016 3:34 PM
To: CPCinfo
Subject: Affordable Housing Impact Statement
Attachments: AHIA Statement.pdf

Please see attached

AUSTYN-MARIE HOLLOWELL

PEREZ, A PROFESSIONAL CORPORATION
Architecture, Engineering and Construction

OFFICE: 504.584.5100 EXT: 5101
FAX: 504.584.5140
EMAIL: ahollowell@e-perez.com

www.e-perez.com



CPCinfo

From: Rita Bautista <rita@home-builders.org>
Sent: Monday, August 15, 2016 3:52 PM
To: CPCinfo
Cc: Robert D. Rivers
Subject: Affordable Housing Impact Statement - Written Comments
Attachments: Written comments.pdf

Good afternoon,

On behalf of the Home Builders Association of Greater New Orleans, please accept the attached document as the Associations written comments on the Affordable Housing Impact Statement Study.

Regards,

Rita Bautista
Governmental Relations Representative
Home Builders Association of Greater New Orleans
2424 N Arnoult Road
Metairie, LA 70001
Email: rita@home-builders.org
Website: www.home-builders.org
Phone: 504.837.2700

Perez.

ARCHITECTURE

ENGINEERING

PLANNING

INTERIORS

LANDSCAPE

CONSTRUCTION

DEVELOPMENT

August 2nd 2016

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

Dear Director Rivers,
Perez, APC, a member of the Greater New Orleans Housing Alliance and a supporter of the *HousingNOLA 10 Year Strategy and Implementation Plan*, recommends the implementation of an Affordable Housing Impact Statement (AHIS).

The use of AHIS's would be of tremendous benefit to the City of New Orleans, especially as we strive to meet the HousingNOLA goal of 5,000 new affordable housing opportunities by 2021. The AHIS is a quantitative, or numeric scorecard that requires information about how many housing units would be added, or subtracted, from the housing stock, at various income brackets, as the result of any policy proposal.

AHIS will provide a long term accountability tool to:

- Keep track of whether the city is getting any closer to, or further away, from its housing goals.
- Provide a means to compare the estimated benefits of various policy proposals
- Enables builders, policymakers, and citizens to understand how many blighted properties and vacant lots are being put back into commerce.

Please see Perez, APC's comments on AHIS below.

PEREZ, A PROFESSIONAL CORPORATION

317 BURGUNDY STREET, SUITE 11, NEW ORLEANS, LOUISIANA 70112

TELEPHONE 504.584.5100 FACSIMILE 504.584.5140 www.e-perez.com

Perez.

Name

Date

Page 2 of 3

1. The *HousingNOLA 10-Year Strategy and Implementation Plan* relies on a vast amount of data; however, that data is limited in its scope and is not updated and released in real time. The consolidation of comprehensive, live housing data will be an extremely useful tool for measuring the current state of affordability throughout the city, and will aid HousingNOLA's annual Report Card processes.

2. While an AHIS should be collected for every project, it is not meant to burden developers. Filling out a simple statement, merely "checking a box," will not be time consuming. In reality, the accumulation of this data will be a benefit to developers—as the demonstrated need for housing will result in increased investment, both of public and private dollars. Furthermore, Perez, APC would suggest designing an AHIS process that does not delay the development of projects, but merely collects a few real time data points for entry into a database measuring the city's progress on increasing affordability.
3. AHIS will increase City's competitiveness for grants, loans, and other resources from the U.S. Department of Housing and Urban Development and other sources by demonstrating that the City is taking extraordinary and innovative steps to affirmatively reduce barriers to fair housing.
4. AHIS will empower policy makers and stakeholders with meaningful information about the estimated impacts of housing policy decisions at the time the decisions are being made.

Perez, APC offers the City Planning Commission any necessary assistance with this process, and hopes that the comments listed above will be given careful and necessary consideration. Please do not hesitate to contact me at aboyrne@e-perez.com.

Angela O'Byrne
President

PEREZ, A PROFESSIONAL CORPORATION

317 BURGUNDY STREET, SUITE 11, NEW ORLEANS, LOUISIANA 70112

TELEPHONE 504.584.5100 FACSIMILE 504.584.5140 www.e-perez.com

Perez.

Name

Date

Page 3 of 3

PEREZ, A PROFESSIONAL CORPORATION

317 BURGUNDY STREET, SUITE 11, NEW ORLEANS, LOUISIANA 70112

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HOME BUILDERS ASSOCIATION
OF GREATER NEW ORLEANS

August 12, 2016

City of New Orleans

City Planning Commission

1300 Perdido Street, 7th floor

New Orleans, LA 70112

Dear Director Rivers,

Thank you for your consideration of the following written comments from the Home Builders Association of Greater New Orleans (HBAGNO) on Affordable Housing Impact Statements (AHIS). The HBAGNO represents over 1,000 member firms, which employ approximately 10,000 housing construction professionals metro-wide. For over 75 years, HBAGNO has been led by single-family and multifamily housing developers and builders, remodelers, and multitudes of trades professionals, who have built thousands of housing units in New Orleans and the surrounding seven-parish area. It is our belief that all families deserve a safe, affordable place to call home; the HBAGNO and its members would not be in business all these years were we not capable of delivering on that promise.

As an initial recommendation, we request that the City of New Orleans first conduct a city-wide survey of the current housing stock as it exists today. We note that the request for a survey, which was added to the Comprehensive Zoning Ordinance **ten years ago**, has not taken place because resources are not available. Yet, how can we begin to address the issue of affordability, or even answer the elemental question of whether a proposed project adds to or detracts from the stock, if the City does not have an accurate understanding where the starting point of the housing stock is found? Underlying the need for a comprehensive housing survey, it is imperative that we also define the notion of "affordability." Affordability is a relative term, with many factors influencing what is necessarily an affordable housing unit, and to whom. Therefore, the commonly-used "30-Percent-of-Income" rule completely oversimplifies the affordability issue. We as a community will fail to solve the housing affordability problem if we do not have an equitable picture as to who is economically distressed and why.

Only once this survey is conducted, and a proper evaluation of affordability is determined, can the actual numbers be assessed properly. While various proponents of an AHIS have pointed to existing housing data to underpin the notion that the city is bereft of quality, affordable housing (some even

going so far as to assert that a vast majority of the city's rental housing stock is "substandard")¹, it has been our experience that such data is very limited in scope and availability, it is dated, and likely not reflective of the tremendous amount of work undertaken since Hurricane Katrina by the for-profit and non-profit development community.

Second, proponents of the HousingNOLA plan, including city administration, have expressed the goal of building 33,000 affordable units by 2025. Considering that time is indeed money, adding another layer of paperwork to an already unwieldy zoning and permitting process will merely create additional delays, thus *reducing the velocity and volume* of development. For those developments that do get through the process, the cost of business will inherently increase, becoming a road block to the creation of more affordable units, thereby rendering the stated affordability goal almost unattainable. It seems obvious that adding a new tier of paperwork that is going to have no relevance because there is no baseline against which to measure, will be self-defeating.

Further, there is a real question whether Affordable Housing Impact Statements are even reliable reporting tools. Austin, TX, Montgomery County, MD, San Diego, CA, and Atlanta, GA are all cities where AHIS has been adopted, but the veracity of the statements have been questioned by developers because the information on the amount of affordable units added or removed to the existing housing stock is not accurate. The reasoning behind the inaccuracies is different in each city.

For example, in Austin, developers from the local home builders association reported that AHIS has been known to cause a delay in developments for up to 30 days due to time constraints of reviewing the required information. In some cases, the AHIS has been used politically in Austin to stop developments that did not align properly with elected officials' agendas. Given the concerns expressed above, we have to conclude that the *only* real purpose of an AHIS is to use them as a litmus test for whether a development will be approved to begin with, and a baseline from which to negotiate additional extractions from builders and developers.

We respectfully request that the Central Planning Commission take the following into consideration when reviewing the potential of adopting the AHIS for the City of New Orleans:

- How will this "tool" be determined to assist with affordability, if the term "affordability" does not have a clear definition when it relates to the City of New Orleans, nor even a baseline count of the affordable housing stock? In other words, once an AHIS is undertaken, what existing, current data will the AHIS be measured against?
- How will the collection of data for the AHIS be paid for, and will there be additional staff hired to monitor it? Should it be determined that no additional staff is needed to review the AHIS, will this additional layer of inspection be added to the permitting process? If so, this will cause a bottleneck reaction, causing major delays to development approvals. As you can appreciate, in

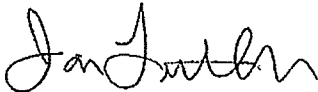
¹ Please see testimony, New Orleans City Council Community Development Committee Meeting, May 11, 2016, "Presentation on the Detrimental Effects of Unsafe Rental Housing on Women and Children."

the home building and construction industries, time is a major expense to add to the bottom-line.

- Regarding the immediate point above, it's a basic rule of construction economics that additional time added to the development process adds additional costs to projects. Those additional costs are then passed on to the end user - in this case, the renter. Therefore, instead of assisting with the affordability issue, the AHIS requirement would tend to raise rents, thereby doing nothing to help with the goal of creating affordable units.
 - If there is not an ability to compile all the information that the permitting department already receives related to inspections and enforcement, is it realistic to expect that a new initiative will fare any better?
-

We are glad to extend our expertise to the Central Planning Commission on issues concerning the home building industry - single family, multifamily, and light construction. It is our hope that the comments provided will be given all due consideration. Please feel free to contact me at the Home Builders Association of Greater New Orleans at 504.837.2700, should you wish to discuss the AHIS further, or the overriding issue of housing affordability. Thank you for your attention to this matter.

Sincerely,



Jon Luther

Executive Vice President

Home Builders Association of Greater New Orleans

CPCinfo

From: Kirk Williamson <kirk@chesterllc.com>
Sent: Sunday, August 14, 2016 10:16 AM
To: CPCinfo
Subject: Public Comment-Affordable Housing Impact Statements

To Whom It May Concern,

I would like to publicly state that I am in opposition to the approval of the Affordable Housing Impact Statement for the city of New Orleans. I am in opposition to such a form because it adds another layer of bureaucracy to the building process. I believe it would add to the boreoarctic process as the forms would need to be paid for, gathered, studied and potentially (it's information) be implemented by city of New Orleans' employees who are already underfunded and overworked. In order for this new data to be effective it would require new employees or city contractors to analyze not only the results but also its implementation. It may seem like a small form, but someone will have to pay for it. I fear that will be small business builders or mom-and-pop landlords who are already produce the overwhelming majority of the city's income through property taxes and building fees will be saddled with this fiduciary responsibility.

Not only am in opposition to the statements just because of financial reason but also because of one simple question that is at the root of this discussion; will these forms ever help produce affordable housing? The hard, but honest, answer is: of course they won't. They are nothing more than an attempt by affordable housing advocates to show their donors progress on their issues to perpetuate the existence of their cause. In fact, these statements will only increase the building process (as noted above) and will actually lower the incentive to build affordable housing creating the exact opposite effect of their mission statement which is to advocate for more affordable housing. Those advocates should be opposing this proposal.

Furthermore, the information these statements may produce can already be found from numerous city departments and websites. From NOLA one stop, the Orleans parish tax accessor, the housing authority of New Orleans, the greater New Orleans Apartment Association, and many more. The sheets would produce duplicative information and cost more money doing it.

We are ALL for more affordable housing in the city of New Orleans but there is a right way and a wrong way to go about it. Ladies and gentlemen, the Affordable Housing Impact Statements are the definitively WRONG way to try and achieve this goal. Let's lower property taxes on low-income houses, let's open up all the lots the city owns to developers to produce low-income housing at affordable rates, let's create better paying jobs through economic development so people can afford housing in this city. But, let us not implement something that will cause more money and produce nothing but another, added step to an already overcomplicated building process just to pat ourselves on the back and say we are doing something about affordable housing.

Thank you sincerely for your time and consideration of my comments.

Very Respectfully,
Kirk Williamson
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