

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

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
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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.

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Perez.

Name

Date

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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

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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
Owner/President- Chester LLC
504-255-5165
www.chesterllc.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



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

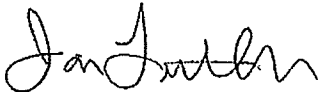
¹ Please see testimony, New Orleans City Council Community Development Committee Meeting, May 11, 2016, "Presentation on the Detrimental Effects of Unsafe Rental Housing on Women and Children."

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