



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

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**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 Andreanecia 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](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](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](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](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](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,

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