



November 8, 2019

New Orleans City Hall
1300 Perdido Street
New Orleans, LA 70112

Subject: **Smart Housing Mix Implementation**

Good Morning New Orleans City Council and Mayor Cantrell,

The Greater New Orleans Housing Alliance (GNOHA) and housing advocates across the city are urging you to support and implement the Smart Housing Mix Ordinance. While the ordinance and incentive package have technically been approved since March of this year, there has been no further movement or actions taken since. The Smart Housing Mix Tiger Team, a group of advocates, developers, and stakeholders working to ensure implementation, have been meeting with officials and anticipating further updates but we are continually told that the City, State, and FANO are working to finalize their CEA. We understand that implementers want to ensure everything is done properly, but this is still not the last step and we can't afford to wait longer.

The 2019 HousingNOLA Report Card was released in September and the City of New Orleans received a "D." We live in a majority renter city with 63% of our renters being cost-burdened due to housing, and not only that, affordable housing opportunities were lost during the past year. According to HR&A, if we implemented the Smart Housing Mix in 2014, we would have created 126 additional affordable housing units. While that may not sound a lot of units, we are deep into an affordable housing crisis. Between September 2018 and August of this year, there was a net negative number of units produced, primarily because the Housing Authority's utilization rate has decreased, meaning less people are housed, for the second year in a row.

The HousingNOLA 10-Year Strategy and Implementation Plan estimates that New Orleans will need to construct or rehabilitate 33,600 affordable housing opportunities to meet the demand for housing in the city. If this demand is not met, housing prices are likely to continue their climb, making the city increasingly unaffordable for low-, moderate-, and middle-income residents. Out of the HousingNOLA planning process, one of the most significant recommendations eventually became what we now call the Smart Housing Mix. If properly implemented, this would be a monumental win for the citizenry and would be a citywide policy to create more affordable housing that is fair and feasible, by requiring that new developments, adaptive reuse projects, and rehabilitation projects include at least 10% affordable units in areas where it's nearly impossible to find affordable housing. Thanks to Governor Edwards, the state pre-emption bill that would have prevented the Smart Housing Mix was vetoed, but we've since stalled on local implementation.

According to the National Low-Income Housing Coalition, the housing wage for a 2-bedroom unit in New Orleans is \$19.68 and the minimum wage for our city is \$7.25. To afford that same unit, a minimum wage worker would have to work 107 hours per week. We know this City Council would approve a minimum wage increase if the state allowed it, but that's not the choice. We ask that the City Council

begin the mapping process for the Smart Housing Mix to show a good faith effort in implementation. We understand that all parties want the CEA to be completed before implementation, but it's not the last step and we believe that we can work on both items simultaneously.

New Orleans cannot continue down its current path of displacement and disparity, straying further from the goals outlined in HousingNOLA's 10-Year Strategy Plan. A study by the National Equity Atlas showed that when renters thrive, cities thrive. If New Orleans renters were able to pay an amount they could afford on housing, they would have an extra \$7,200 per household to spend in their communities each year. Not only would this have a tremendous impact on economic development, but it would also help diminish the racial and gender inequities that have plagued New Orleans for decades. #PutHousingFirst and implement the Smart Housing Mix.

Thank you for your consideration, and please feel free to contact me at 504.224.8301 or amorris@gnoha.org with any questions.

Sincerely,



Andreanecia M. Morris,
President/Executive Director

Cc: Mayor LaToya Cantrell
City Council President At-Large Helena Moreno
City Council Vice President At-Large Jason Williams
District A City Councilman Joseph Giarrusso III
District B City Councilman Jay Banks
District C City Councilwoman Kristin Gisleson-Palmer
District D City Councilman Jared Brossett
District E City Councilwoman Cyndi Nguyen
City Planning Commission Executive Director Robert Rivers
Principal City Planner, CPC, Kelly Butler