

11.945
Katrina Practicum
Session 10

Agenda:

Update on presentations
Break out groups

Housing Group:

- Technical language changed to plain language
- Focusing more on the health effects
- Getting NHS and Ujaama on the same page in terms of mold and soil remediation
- Conversation with the clients about where their priorities lie:
 - o Biting bugs
 - o Schools
- Resource list of clients
- Mapping environmental work
- Possible Projects:
 - o Info packets for residents: need more creative campaign to engage residents in thinking about the environment in conjunction with housing
 - o Starting a website to centralize and publish information about the work that is happening in the Boston area for the Tremé and New Orleans.
 - Who is the client for that?
 - How will the website be updated?
 - Might be better for Tulane to serve as a host
 - Could we create something to hand off to them?
 - There would need to be someone who is paid to maintain the website.

Preliminary Housing Presentation

- Three key goals of organizations:
 - o Provide spaces and resources for displaced residents to move back to the Tremé
 - o Catalyze comprehensive community development using housing as a tool
 - o Preserve affordable housing – the Tremé was not hit as hard so housing prices are going up, and because it abuts the French Quarter, it is ripe for Gentrification
- Local Context
 - o Small lots (30x90 square feet is typical)

- Determines type and amount of housing that people build/can afford
 - Broken streetscapes
 - Widespread physical deterioration
 - Lengthy blighted property process
 - 6000 adjudicated lots
 - Reuse of schools, other lots
- Demographics
 - Median Family Income is low across Tremé
 - Vacancies higher than average across New Orleans
 - Primarily renter-occupied
- Post Katrina Context
 - 90% of the residents left, about 75% are still gone
 - Difficult for renters to come back
 - Some damage to homes
 - Homeowners may not have the resources to rebuild,
 - Uncertain climate
 - Limited high-quality housing supply
 - Lafitte Public Housing has closed indefinitely with no plans for reopening or if it reopens what it will look like (in terms of population)
- Ujaama and NHS experts at rental and homeownership
 - Want to talk about new strategies

Potential New Strategies:

- Transitional Housing
 - Assist large numbers of people
 - Builds community ties
 - Helps people reestablish stability
 - Because it is temporary, it is a low-commitment option
 - Stable structures have benefits that are not provided by FEMA trailers
 - Might face less NIMBY resistance
 - Can be re-adapted when community needs change
 - Who benefits:
 - Individuals/families needing stability while seeking long-term housing or employment
 - Homeowners who need a safe place to stay while rebuilding
 - Low-income families
 - Structures and Programs
 - Adaptable to various housing types
 - From Single Room Occupancy (converted hotels) to detached single-family homes
 - Services
 - Furnished units
 - Housing counseling/advocacy

- Childcare
 - Employment Counseling
 - Credit Counseling
 - Flexibility
 - Services intensive or minimal/on or off site
 - Residences can be short or long term
- Potential Difficulties
 - Management capacity and cost
 - Only a temporary solution to homelessness
 - Enforcing duration of stay might be difficult
 - Potential stigma of living in transitional housing
 - In the past provided mainly for people with vulnerabilities to homelessness
 - Long-term use of sites
 - How could the investment be useful for the community once it has been rebuilt
- Who should be eligible?
 - Might be legal to offer preferences to former New Orleans residents
 - Probably problematic to offer preferences to residents of a particular neighborhood
 - Must not violate the Fair Housing Act by default
 - If you provide a preference to former residents of a particular neighborhood that is a defacto racial preference, that would not be legal
 - Preferences cannot be based on the length of residency; people who are living in the area with actual or potential employment must be considered residents
- Costs and Financing
 - Costs will vary depending on
 - Site
 - Services
 - Length of stay
 - Acquisition/rehabilitation costs
 - Funding
 - Usually fees for living in transitional housing are done on a sliding scale (residents pay what they are able)
 - HUD
 - FEMA – funds set aside for transitional housing
 - CDBG
- Summary
 - Not a solution
 - Could be a useful springboard for people to come back to the neighborhood and stabilize, especially for those facing the greatest barriers to returning

- Limited Equity Housing Coops
 - Target Population
 - Low/moderate income households
 - How would LEHCs look in the Tremé?
 - Single-family detached homes
 - Duplexes, townhouses and mid-rise condominiums are possibilities
 - Some buildings could be converted to mid-rise condos
 - Advantages
 - Lower housing costs
 - Shareholders can use savings for other things
 - Preserve affordability
 - Encourage long-term residency
 - Unless residents break bylaws, no reason for them to leave
 - Limited liability
 - Residents' credit histories not as important
 - Extended services
 - Can use the coop model for other services such as child care, leverage group purchasing to get discounts on utilities and other services
 - Challenges
 - Excludes very low-income residents
 - Must have equity to buy into the coops
 - Maintenance requires good quality management
 - Requires higher monthly fees
 - Smaller coops with self-management
 - More stringent rules about who becomes a member
 - Economies of scale in terms of construction and management
 - Minimum size: 12-20 units
 - Preferred size: 50 units
 - Participation challenging on scattered sites
 - Time consuming
 - Requires ongoing training
 - Speculation
 - Property must be obtained quickly in gentrifying areas
 - Intangibles
 - People living together can bring up issues
 - Sexism/racism/classism
 - Personal relationships can disrupt coop success
 - Starting LEHC
 - New construction on vacant sites
 - Conversion of tenant occupied buildings

- Common in subsidized buildings or public housing
 - Can transform privately owned housing
 - Legal action against slumlords to obtain property
 - Sweat-equity Coops
 - Residents put in own labor to start it
 - Leasing Coops
 - Property and building are leased from owner for the long term
- Financing
 - Blanket mortgages
 - Obtained by cooperative corporation
 - Share loans
 - Obtained by individual members
- Obtaining Financing
 - Blanket Loans
 - Challenge: value restricted
 - Undervaluation
 - Subsidies
 - Local, state, federal
 - Three types
 - Interest
 - Rental
 - Capital
- Community Land Trusts
 - Description
 - Private, nonprofit corporations designed to create a pool of permanently affordable housing for community members.
 - CLTs acquire land and the buildings on the land are owned by the individuals who use them.
 - Burlington, VT: residents use a traditional realtor, purchase using a special mortgage
 - CLT leases land through long-term renewable lease.
 - Residents and descendants have right to use land as long as they wish
 - Advantages:
 - Affordability:
 - Mortgage payments and loan prices reduced
 - Reduces annual tax burden on residents
 - Controls the sale of land in the community
 - Curbs speculation, evictions
 - Control over local land use and development
 - Flexible community development options
 - Can develop programs to increase employment
 - Services for young and elderly
 - Community based:

- CLT boards are venues for community organization
 - Usually made up of community members
 - Possible financial self-sufficiency
 - CLT usually charges admin fee
 - Can do economic development projects to boost self-sufficiency
 - Disadvantages
 - Dependent on local and state government for subsidies
 - Rising land prices often make this necessary
 - Effectiveness is limited by the market
 - Limited by amount of land it can acquire
 - Cultural barriers
 - People don't like the idea of not owning the land under their house
 - Can be difficult to sell the house
 - Why might it work in the Tremé?
 - Has worked in other areas with similar characteristics
 - High demand for rental housing
 - Opportunities for land acquisition
 - Residents seeking to develop and increase control over their community
 - Why a CLT might not work in the Tremé
 - Lengthy blighted property process
 - Small lot size
 - Makes acquiring sufficient land more difficult
 - Limits how the land is used
 - Low household income
 - Might prevent homeownership
 - Most cases: requires annual income around \$20,000.
 - Old and damaged housing stock
 - Dependence on local governments for financial support
- Community Organizing and Housing
 - Community Pride
 - Keys to success
 - Providing services to stabilize tenants' lives
 - Health services
 - Facilitating activities that create social networks
 - Community projects
 - Creating democratic structures in each building
 - Tenant Associations
 - The Tremé
 - Scattered-site organizing
 - Community organizing for renters and homeowners
 - Connecting residents to services and other people
 - Opportunities:
 - Using school sites as information centers

- Leveraging pre-Katrina social networks
 - Social and pleasure clubs
 - Churches