

Student Presentations

(From Session 6)

1. Housing Options
 - a. Transitional Housing
 - i. Private Units
 - ii. Rent generally on sliding scale based on income
 1. charged but not enough to cover the services
 - iii. Usually targeted toward specific populations
 1. This is different – targeted toward people who were displaced
 - iv. Temporary
 - v. Includes on-site services (case management, housing search assistance, etc.)
 - vi. Target Population: depends on what service to provide and to whom
 1. probably for people who want to live in Treme who were from the neighborhood
 - vii. Advantages:
 1. More people can move in immediately
 2. Serves a large number of people per unit or building (as people move in stages)
 3. Multiple dwelling types
 - a. Residential
 - b. Apartment Building
 - c. Hotel
 4. Fills gap of disrupted social services
 - viii. Disadvantages
 1. Management
 - a. Managing transitions of residents in an uncertain time
 - i. Will there be somewhere else for them to go?
 - ii. Managing actual building needs and social services
 2. Only temporary housing
 3. Labor intensive
 4. May be no appropriate multi-family dwellings for this
 5. If it were a large facility, what happens to it when the neighborhood becomes more stable?

- a. How do you transition the building to another use?
 - 6. Long history of litigation on community preference:
 - a. Community preferences have been struck down in the past by the courts.
- ix. Costs:
 - 1. Get numbers from Board of Housing Management to get numbers on cost, ratio of direct housing/social services
 - 2. Varies depending on housing type and services
- x. Phil contacted by someone running a program for felons to be released during the day to build housing in the city.
- xi. Camfield Estates: good material on making transitional housing work
 - 1. Churches in NO trying to think this through
- b. Community Land Trusts
 - i. Private, nonprofit corp.'s create a pool of permanently affordable housing
 - ii. Land leased to homeowners through long-term renewable leases
 - iii. Innovative sources of funding
 - iv. Target neighborhoods:
 - 1. new investment, rapidly rising real estate values
 - 2. disinvestment
 - v. Advantages:
 - 1. residents have a high degree of control over land use and real estate development
 - a. flexible community development options:
 - i. economic development
 - 2. Resale value determined by CLT's formula, not by market
 - a. Determined contractually
 - b. Limits the cost of the housing
 - 3. Lease fees are often less than taxes paid on the land if owned.
 - 4. Land trust boards are made up of community members and any donor organizations
 - a. It is a community-run organizations
 - b. The community has a greater degree of control
 - vi. Disadvantages:
 - 1. Rely heavily on local government for funds to develop projects
 - 2. The idea is difficult for many people
 - a. Marking/resale can be difficult

- b. In NO, where the idea of losing land is so poignant, giving it up to a land trust might not be attractive
 - c. Not possible for individuals to build equity through land ownership
 - 3. Limited by the market
 - a. They are more effective when they are larger and have a greater ability to acquire land
 - b. The market can make land prices volatile
 - 4. Marketing/education can be difficult/expensive

(Continued Session 7)

c. Rental Housing

- i. Owned by a landlord, occupied by tenants
- ii. 34% of housing units in US are rental
 - 1. Much higher in Treme
- iii. Target Pop:
 - 1. Lower income families/individuals
 - 2. Families and individuals in earlier life-stage
 - 3. Mobile families/individuals
 - 4. Seniors (esp. in low-income communities)
 - 5. Can have a similar role to transitional housing
- iv. Advantages:
 - 1. Lower transaction cost of moving
 - 2. Tax-deferment effect for landlords
 - a. If you own a house that is rented for someone else, you can trade the house for another asset of equal or greater value, and no taxes will be owed on the gain
 - i. Are there any major advantages or disadvantages related to this that the organizations should know about?
 - 1. Does this create incentives for landlords to speculate on rental housing?
 - ii. Anything presented to the community partners must be framed in terms of its relevance to their work
- v. Disadvantages:
 - 1. Rental payments are taxable income
 - 2. Lower housing quality
 - a. Because short-term tenants do not care about retaining the value of their asset and overuse the resources
 - b. This is a very controversial idea. In Treme, people who own their own houses cannot

necessarily afford to maintain them, so owner-occupied housing is sometimes lower quality than rental.

- i. Read Rachel Blatt's work. She makes the opposite argument.
 - ii. Present both sides of the controversy
 - c. Lower-level participation in the community
 - i. In communities with a mix of owners and renters, the voice of tenants is not always
 - ii. Tenant participation is most directly associated with how long they have been there
 - iii. Another controversy: Actually, people who are transitory are less involved
 - 1. Historically, homeowners used to be more stable
 - 2. That is no longer true – people buy and sell over short periods of time.
 - 3. Does length of residency vary between owners and renters in Treme?
 - 4. Issue that homeowners are most active around are exclusionary: keeping out undesirables.
 - a. The kind of participation matters.
 - d. Renters do not have the same right to stay in one area as owners
 - i. Possible to negotiate tenant residency tenure rights into the sale agreement when you develop a property to be sold to landlords for rental units.
 - ii. What would you want in a bill-of-rights for tenants/landlords?
- d. Limited Equity Co-ops
 - i. Selection criteria for who gets the units
 - 1. Housing Authorities have selection criteria
 - ii. Business corporations
 - 1. Members own a share in corporation that owns/controls the building/property
 - 2. Every month, shareholders pay share of maintenance expenses
 - 3. Limit the initial sale and resale values within the bylaws

- iii. Example: what might happen over a ten-year period in limited-equity coop vs. another home-ownership situation
- iv. Does Louisiana have laws that would make this model difficult to implement?
 - 1. Tests for inclusion in presentation:
 - a. Is it important for the clients to know the information?
 - i. Will this provide important benefits over time?
 - b. How simple can we make it?
 - i. Can we find good illustrations/good graphics to make it digestible?
 - c. If we can't simplify it, but we think it is important, we need to decide whether this is worth spending a long time explaining.
- v. Target Population:
 - 1. Low to moderate income households
- vi. Advantages
 - 1. Lower housing costs
 - a. Monthly cost share is lower than rental
 - i. Depends on what manager is paid
 - ii. Smaller coops can self-manage
 - b. Extra money can go into savings/investment
 - c. Preserve affordability
 - i. Coop members can assure that the property is long-term affordable by capping their appreciation rate so that it stays below market-rate
 - ii. Legal advantages of coops
 - d. Encourage long-term residency
 - i. Because members own their property and building, they have an incentive to stay
 - e. Resident participation and control
 - i. Management of property
 - 1. Depends on the people who start them
 - a. Are they already organized?
 - 2. Need to think about community organizing, community leaders
 - a. How do organizers get paid?
 - b. Structures favorable to organizing, like coops,

might be useful to think about.

- f. Leveraging bulk pricing
 - i. Discounts for buying phone service together
 - ii. Discounts on buying other services/products together
- vii. Disadvantages
 - 1. Excludes very low income
 - i. Requires immediate contribution of equity
 - ii. Requires maintenance costs of facilities
 - iii. Resident screening
 - 2. Requires significant resident participation and training
 - i. Good management might not naturally occur
 - ii. How hard is it? What do you need?
 - iii. Long-term commitment
 - b. Difficult in small developments
- viii. Harlem Community Congregations Inc.
 - 1. Have done limited equity coops
 - i. What did they do?
 - ii. Why?
 - iii. What is their experience?
 - iv. How did they make it work in the tax credit program?
- e. Home Ownership
 - i. Owner of structure resides in the structure
 - ii. Type: studio, condo, detached housing
 - iii. Cost
 - 1. Generally market-rate
 - 2. Usually targeted to middle-income people
 - 3. Most affordable homeownership at 80% of the Area Median Income
 - 4. Difficult to target homeownership to households at very low income (50% of AMI) and below.
 - a. Treme average incomes are far below 50% AMI for N.O.
 - b. Important to include information for homeowners in Treme who are facing a gap in the amount received through insurance/Federal programs and the cost of repairing homes.
 - iv. Advantages
 - 1. Economic wellbeing
 - a. Depends on household

- b. Family gains equity as property gains value over time
- c. When they remain in the same place over time, they develop larger, stable social networks
- d. Ability to modify and adapt living situation
 - i. Not as easy in coop or rental units
- e. Improvement in neighborhood conditions
 - i. Property values increase with more homeownership

v. Disadvantages

- 1. Financial burden
 - a. Real-estate tax
 - b. Insurance
 - c. Utilities
- 2. Risk of unexpected costs associated with home ownership
- 3. Requires pre- and post- homeownership education
- 4. Requires innovative financing
 - a. Sweat-equity
 - i. People help build homes to defray costs of construction
 - b. Cross-subsidization
 - i. Usually reserved for larger projects where market-rate projects subsidize affordable projects

2. Financing Options

- a. Insurance
 - i. Floodplains
 - ii. Need additional information

3. Wrap Up:

- a. Operation Comeback
 - i. Rehabilitation Loans

4. Needed:

- a. Role of Community Organizing
 - i. Opportunity to think about how to consciously rebuild a neighborhood
 - ii. Role it could play
 - iii. Positive examples of where it has made a difference
 - iv. Campus Designs
 - 1. Make the school the center of the neighborhood
 - 2. Build the neighborhood connections around it
 - 3. Libraries as community centers
- b. Public Housing
 - i. LaFitte is there; it is huge
 - ii. Contacting New Orleans Housing Authority, HUD
 - iii. Have they issued RFPs, etc.?

iv. What are HUD's intentions about LeFitte?

Environment

5. Environmental Analysis

- a. Elevation
 - i. Treme is not that far below sea level
- b. Contaminants:
 - 1. Arsenic
 - 2. Lead
 - 3. Diesel
 - 4. Benzopyrene
- ii. Testing
 - 1. EPA
 - a. Released numbers, but no analysis
- iii. Analysis:
 - 1. NRDC
 - a. Released a report based on EPA numbers
 - b. What will be more relevant is what is one the site
- c. Exposure:
 - i. Ingestion (children)
 - ii. Inhalation
 - 1. Volatile Chemicals
 - 2. Particulate Matter
 - iii. Absorption
- d. Contaminated Sediment
 - i. While elevated above EPA standards, they are below "natural" background levels
 - 1. The levels could have been increased through years of industrial activity
- e. Rebuilding
 - i. Limiting exposure
 - 1. School yard testing
 - 2. Children should be protected as much as possible
- f. Mold
 - i. Outdoor, mid-city, spore count: 92,000
 - 1. Extremely high; over 50,000 is considered the highest level
 - ii. Government-provided clean-up supplies and protective gear?
- g. Regulations
 - i. CERCLA: "Comprehensive Environmental Response, Compensation, and Liability Act"
 - 1. Important law in area of contamination for U.S.
 - 2. First passed in early 1980s

3. Defines liability for people involved in remediation of sites that are or are thought to be contaminated.
 - a. Potentially responsible partners includes anyone involved in the site: people who were previous owners, current owners, lenders
 - b. Has not been historically used to hold homeowners liable, but has been used to hold CDCs liable if they are redeveloping an industrial site.
 - c. Do not go after homeowners of residential properties under 4 units.
 - ii. States set their own standards
 1. LA Iteration: Voluntary Investigation and Remedial Action Law
 - a. Absolves those who remediate to a certain level from liability
 - b. In LA, not absolved of Federal Liability
 - c. "Act of God" exemption under both Federal and State law.
 2. LA: RECAP "Risk/Evaluation/Corrective Action Program
 - a. Minimum standards fro past and present uncontrolled constituent release
 - b. Risk-Based Human Helath Screening Values:
 - i. Scientific base of acceptable level of human exposure:
 - ii. Just a technical tool – no mandates – for people doing remediation
 - iii. What is the state focused on right now?
 - iii. Health Impacts?
- h. Tort Liability
 - i. Broad mechanism whereby injured parties seek damages from those responsible for their injuries
 - ii. Property Owners
 1. Plaintiff must prove fault
 - a. Not required to do everything possible about the problem, must only exercise "reasonable care"
 - iii. Landlords
 1. No need to show fault
 2. Face greater potential liability
 3. Considered to provide warranty to tenants that property will be safe to live in.
 4. Biggest potential source of liability for CDCs
 - a. Warranty upon sale

- i. If there is a serious defect in the property, buyer can hold seller liable for cost of repair or rescind sale
- iv. Lead Law
 - 1. focused on indoor paint hazards
 - 2. Treme focus: soil-hazards
 - a. Duty to disclose a potential hazard
 - 3. Special requirements are connected with federal housing assistance
- i. Where we fit in:
 - i. Government is not doing a good job of providing information
 - ii. Ethical decisions
 - iii. Legal ramifications
 - iv. Environmental-information community center
 - 1. Public Safety
 - a. How can residents protect selves?
 - 2. Remediations
 - a. Strategies for residents
 - b. Strategies for CDCs
 - c. Bioremediation (plants that extract contaminants from soils).
 - 3. Testing Facilities
 - a. What kind of facilities?
 - 4. Incubator for organizing and advocacy for environmental justice issues
 - v. Identifying or creating relevant materials