

# Policy Recommendations & Call to Action

An estimated 100,000 New Orleanians have been displaced since 2005, and those who have been able to return face increasing housing insecurity as City decisions prioritize tourists, turning what was or could have been homes into temporary lodging for visitors and driving up housing costs for renters and homeowners alike. The proliferation of STRs in New Orleans in the year since their legalization begs the question: does the City and do we as neighbors believe that the rights to return, to rebuild, or to remain exists along a finite timeline or only for people above a certain income level? *Short-Term Rentals, Long-Term Impacts* does not argue against all STRs, but reveals the ways in which the City's permissive approach to STR regulation encourages absentee landlords to acquire as many units of housing as is within their means in order to profit by renting them to tourists. Coupled with weak tenant protection laws and the underfunding of affordable housing development, the current STR policy both threatens to unravel the cultural fabric of New Orleans and presents an opportunity for the new mayoral administration and City Council to take decisive steps toward addressing the housing crisis.

STR policies must be amended to prevent further corrosion of residential neighborhoods by STRs and to facilitate housing access and affordability for residents. Beyond city government, institutions and residents, particularly those in the cultural and hospitality sectors, must take an active stand against the unbridled conversion of housing into tourist lodging.

## **Recommendation for the Mayor and City Council**

### **1. Require permits for STR platforms.**

The City must require that STR platforms obtain permits in order to list rentals in New Orleans, similar to those already required for Uber and other ride-sharing platforms. Permit terms must include an agreement by STR platforms to reinforce the City's operator regulations by:

- Removing all unlicensed STR listings
- Requiring that STR operators provide license numbers in order to list property
- Sharing operator identity and address and STR address with the City
- Sharing any complaint the platform receives regarding discrimination on the basis of race, color, religion, national origin, sex, disability, and familial status with the City

STR platforms will face fines for non-compliance.

### **2. Streamline the data-sharing process across platforms.**

As discussed under "Single Operator, Multiple Listings," the current monthly data-sharing process allows STR platforms to organize anonymized operator data in whatever way each platform sees fit, making it impossible for the City to cross-check listings to ensure that they are in compliance with regulations. The City must streamline the data-sharing process so that all permitted platforms are submitting the same types of data in the same format each month. Data for each STR listing must include:

- STR address
- STR license number
- Operator name, address, and demographics
- Number of rental nights in the calendar month and cumulatively since licensing
- Any complaint that the platform received from STR guests

### **3. One host, one home.**

Only New Orleans residents, as verified through homestead exemptions, should be eligible to receive STR licenses, and eligible applicants can receive no more than one whole-home license. This prevents opportunistic individuals and companies from buying or leasing dozens of homes to convert them into tourist lodging. Requiring a homestead exemption will benefit New Orleanians who are indeed just renting out their spare rooms or rental properties to supplement their income as they will not have to compete with large-scale operators for guests. Operators will be penalized for non-compliance.

### **4. Ease into compliance.**

STR operators should be granted a six-month grace period to come into compliance following the City's implementation of the aforementioned recommendations. After that six months, STRs operating without a homestead exemption will be unable to renew their licenses, and once those licenses expire, they will be penalized if they are found to be operating unlicensed STRs.

### **5. Expand support for affordable housing.**

The City's current policy states that \$1 per night per Airbnb booking is being set aside for affordable housing development, but that is an inadequate amount of funding to support the development of housing. Airbnb's report on funds turned over to the City stated that, between January 1 and September 30, 2017, only \$230,000 in funding for affordable housing was generated - enough for one unit of housing to be produced. The City must require that STR platforms include a 15% fee into their pricing to address New Orleans' ongoing housing crisis.

### **Call to Action for Cultural Producers and Tourist and Hospitality Sectors:**

In addition to the policy changes needed to curb the corrosive impacts of STRs on a housing market already in crisis and to limit the displacement and criminalization of residents that accompanies the increase in tourist presence, we are calling on **cultural producers and members of the tourist and hospitality sectors to refuse complicity:**

- ENCOURAGE visitors and tourists to stay at hotels<sup>1</sup> and bed-and-breakfasts to accommodate their lodging needs, and to not occupy residential homes through STR platforms that are contributing to the gentrification and displacement of Black communities due to rising housing prices for both renters and homeowners.

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<sup>1</sup> Currently, New Orleans has three unionized hotels: Hilton Riverside, Loews, and Harrah's Hotel and Casino. Staying at a unionized hotel can be a way to demonstrate solidarity with workers fighting to improve their working conditions and promote equity in the tourist industry of New Orleans.

- SUPPORT housing policies that protect the rights of the cultural workers, musicians, and artists who attract tourists to New Orleans and the hospitality workers who provide care and services to tourists during their stay.
- TAKE A STAND for housing access and affordability by making an organizational or individual pledge to specifically not market historic Black neighborhoods as areas where tourist should seek out STRs due to their strong cultural traditions and civil rights' past.

### **Call to Action for Housing Rights Advocates and Providers**

The work needed to address the City's housing crisis requires a collective effort. As such, **we are calling on affordable housing advocates, community development corporations, housing non-profits, and developers to:**

- SUPPORT housing policies and practices that prioritize the needs of residents by signing on to the STR policy recommendations above at [www.jpnsi.org](http://www.jpnsi.org). STRs are putting pressure on the city's rental market and creating challenges for affordable housing developers. According to the HousingNOLA 2017 report card, only 488 affordable housing units were brought online last year, while 4,514 STRs were redirected for tourist use. The rates at which whole-homes are being removed from the residential market and offered to tourists conflict with the demands for and our organizational commitments to develop affordable housing.
- ADOPT a 'No STR policy' for your affordable housing units.
- SUPPORT our call for a disparate impact assessment of STRs on the New Orleans rental market. Historically Black neighborhoods with the highest concentrations of STRs have experienced tremendous declines in the number of Black households. This trend threatens the City's commitment to Affirmatively Furthering Fair Housing.

### **Call to Action for Residents**

Policy changes do not start or stop with local officials and housing organizations. **There's a lot we can do together** to ensure low and moderate-income residents and communities of color are not priced out of New Orleans:

- SIGN the petition 'Homes for People Not for Profit' at [www.change.org](http://www.change.org)
- PLEDGE to keep housing in the residential market and not as scattered site hotels for tourists and visitors.
- TAKE A STAND and become a member of JPNSI to create permanently-affordable housing and transform unjust housing policies.

In addition to a broad base of support to amend the current STR regulatory process, we need policies that address substandard housing conditions, improve tenant rights laws, protect against unjust evictions, support investment without displacement, and preserve and expand permanently affordable housing to meet the needs of low- and moderate-income residents. Join Us.