



# RESILIENT LOUISIANA COMMISSION

CO-CHAIR DON PIERSON

CO-CHAIR TERRIE STERLING

Resilient Louisiana Commission  
Friday, Aug. 21, 2020  
Meeting called to order at: 10 a.m.

## Commission Members Present

- Terrie Sterling
- Secretary Kimberly Robinson, LDR
- Dr. Jim Richardson
- Scott Hensgens
- Bill Hogan
- Tyrone Picard
- Tim Temple
- Ti Martin
- Louis Reine
- Walt Leger

- Resilient Louisiana Commission Director Andrew Doss began the meeting at 10:00 a.m., and thanked the commission members and the public for their participation.
- Quorum was met, and Andrew Doss confirmed that the commission is authorized to meet remotely in accordance with R.S. 42:17.1 and Gov. Edwards' executive order.
- Co-Chair Terrie Sterling welcomed the meeting's first presenter, Anne Carpenter from the Federal Reserve Bank of Atlanta, who is in charge of Housing Analytics, managing applied research and policy efforts related to community and economic development.
- Andrew Doss introduced the next presenter, in order for Ms. Carpenter and the next presenter — Executive Director Andreanecia M. Morris of HousingNOLA — to establish a dialogue following the respective presentations.
- Anne Carpenter began the presentation: Housing and Resilience — Resilient Louisiana Commission.
- She began with a brief description of the Federal Reserve Bank system, including its regions. Most of Louisiana is in Region 6, which is headquartered in Atlanta. There is a branch office in New Orleans, the oldest in the system.
- Anne is a part of the Community and Economic Development program at the Atlanta Fed, whose mission is to activate financial, human, and social capital to foster the conditions that support economic growth in the Southeast, especially in disinvested communities. The function grew out of the Community Reinvestment Act which was designed to address red-lining and predatory lending practices.
- Housing is central to opportunity, critical to how we experience the economy. Affordable housing is a cornerstone of household financial security; its location determines many outcomes; it's recognized as a critical social determinate.
- Housing discrimination and segregation define many inequities faced today — overt discrimination against households of color by the government and private sector was legal for most of the 20<sup>th</sup> century. Impacts of these practices are apparent today in residential segregation, disinvestment and the racial wealth divide. COVID-19 has the potential to widen such disparities. Red-lining is an overt example of discriminatory policies.
- Homeownership rates are lower for Black and Latinx families than for White families. White homeownership nationally is at 72% whereas black homeownership is 41% and Latinx homeownership is 47%. Black and Latinx wealth also lag that of white families.

While family assets derived from housing represent similar percentages of wealth among White, Black and Latinx families, White families' housing wealth accounts for more equity.

- Renters in Louisiana are increasingly cost-burdened. COVID-19 may exacerbate disparities by race and ethnicity. Late or deferred mortgage payments or rent payments represent a non-insignificant difference based on race.
- Current federal subsidies are insufficient and have favored wealthy homeowners. Only 1 in 4 renter households that qualify for assistance receive a housing subsidy. Even after the Tax Cuts and Jobs Act of 2017, the Tax Foundation found that high-income households receive the vast majority of mortgage interest deduction benefit.
- Heirs' property is a barrier to intergenerational wealth and destabilizes communities. Heirs are joint owners with undivided interest, with no clear marketable title. Heirs cannot access grants or loans for property improvements. This also leads to blight, health and safety concerns, loss of tax revenue and lower property values. Issues are disproportionately high among communities of color and low-income and low-wealth households.
- Potential policy Interventions — This is a unique moment, Carpenter said, to enact policies that contribute to collective prosperity rather than exacerbate disparities: The Uniform Partition of Heirs Property Act; Dedicated source of affordable housing funding; Small dollar mortgage availability (less than \$100k).
- Anne Carpenter provided examples of affordable and/or small dollar mortgage examples, such as the Detroit Home Mortgage partnership led by Community Reinvestment Fund USA (CRF).
- The floor was opened to questions. The first question: The CARES Act allows for the deferral of loan payments, how is the supervisory branch of the Fed treating this? Anne Carpenter replied that, though she is not in supervision or regulation, she did say that looking at delinquency data, those are showing up as delinquent loans.
- The second question: Homeownership equates to inclusion and wealth; what programs are available during this time? Anne Carpenter said it depends on where you live, but examples include down-payment assistance programs. There are resources pages out there.
- Andrew Doss then turned the meeting over to Andreanecia Morris, who began the presentation: *Louisiana's State of Housing*. Affordable, workforce housing has been a

challenge, because the funds made available, particularly when including events like Hurricane Katrina, needed to be accompanied by a data-driven strategy and vision.

- HousingNOLA is celebrating 2019 policy victories, including New Soft Second Funding, FANO Green Mortgage Product, Property Tax Relief Bills 79/80, and Short Term Rental Regulations. The New Orleans City Council unanimously passed the Smart Housing Mix ordinance, and Gov. Edwards signed into law Senate Bill 109, which extends the foster care age from 18 to 21.
- HousingLOUISIANA is a statewide network of housing practitioners and advocates whose primary goal is to ensure that all Louisiana's housing needs are met. Through the statewide network of the nine regional housing alliances, the organization works to better coordinate efforts and build collaboration across the state on housing issues.
- What minimum income levels can lead to affordable housing in Louisiana? MIT Living wage is \$23.05. COVID Unemployment Insurance rate is \$15.00. A Poverty Wage is \$10.25; Rental Wage is \$17.48.
- Contrasting two cities: Calcasieu Parish and Orleans Parish – Similarities and differences.
- The organization's Statewide Housing Priorities for 2020 include: Create designated revenue streams for local and statewide Housing Trust Funds to increase affordable housing production; increase permanent and emergency housing opportunities with wraparound services for special needs populations, including at-risk youth, people who are mentally ill, homeless individuals, people who were formerly incarcerated and victims of domestic violence; create a comprehensive housing strategy that addresses title and succession issues to create more affordable housing; review zoning ordinances that can prevent the development of affordable housing and/or create more affordable housing opportunities; Education and Community Engagement Around Affordable Housing.
- Andrew Doss thanked Andreanecia Morris for the presentation and then provided some housekeeping details regarding the RLC's Charge 2 document. The document is in its final stages and will be shared in the coming days, with a review period. Andrew Doss encouraged all to keep their eyes out for that document.
- Doss then shared a recommendation from LED Secretary Pierson for a consistent schedule for the meetings, such as the third Friday of each month. Doss posited this option to the commission, which was approved with no objection.

- Co-Chair Terrie Sterling thanked the two presenters for their insight regarding housing and mortgage challenges. She also invited co-chairs to provide suggestions for topics that they would like to address in future meetings, either new items or items to revisit.
- Andrew Doss then opened the meeting up for public comments or questions. Jade Brown-Russell said that though there was no housing task force for the RLC body, how will this topic be incorporated into the report? Terrie Sterling said that the item is addressed in the equity portion of the RLC's work, but asked for the RLC members to review it and potentially sharpen language related to housing.
- Andrew Doss adjourned the meeting at 11:04 a.m. and stated that the next meeting will take place Friday, Sept. 18 at 10 a.m.