To City Planning Commission and City Council,

On behalf of our Membership and the approximately 3,500 Short Term Rental owners in the City of New Orleans, please allow this letter to serve as a collective Thank You for your continued efforts to help craft meaningful regulatory framework for our Industry. We acknowledge the time, labor, and resources involved and regardless of final outcomes, we feel blessed in our City to have dedicated staffers who not only exceed in their fields but also passionately embrace and share our love for New Orleans.

As a Group, the ANP has fought for legalization, taxation, and meaningful regulations for the past two years. As an Industry, we continue to show positive economic contributions to our City and neighborhoods and continue the rebuilding of much needed housing stock and blight reduction.

The local industry has seen an expansion in STR listings over the past several years, growing close to the 3,500 level. We have experienced the supply and demand variables and feel those numbers will remain constant, with potential new listings negating attrition. We hope all current and active listings as well as limited future participants have the ability, the Legal Right and Privilege, to register and comply under the upcoming regulatory framework. Going forward, the ANP will be a driving force and hope to partner with the City of New Orleans in pushing compliance levels city wide.

To impose stiffening density restrictions will bar from entry current operators and forbid future entry to other potential households. We are asking for a broader city wide base percentage of housing units to serve as baseline numbers.

The current proposed Conditional Use process can and should be streamlined into the City of New Orleans OneStop program. Ownership, Safety Standards, Self-Certification, and Attestation Documents can all be processed without the onerous, time and resource draining typical Conditional Use Application system.

Additionally, the exclusion of whole house rentals will cease the progress we as an Industry have made in economically revitalizing neighborhoods and blight reduction.
Dark streets, vacant homes, and blighted property do not contribute to neighborhoods. Economic activity, minimally invasive foot traffic, lighted streets, and renovations in progress inject much needed life into our neighborhoods.

These are our homes, our neighbors, and our neighborhoods. We have a vested interest in their vitality and overall well-being.

Exclusionary and Restrictive Policy will lead to a failed system from the onset. To maximize the documented positive value of Short Term Rentals in New Orleans, an open and inclusive regulatory framework must be applied.

We urge both the City Planning Commission and City Council to explore the full complement of positive contributions that STR’s in New Orleans make to the local economy, the revitalization of neighborhoods and blighted housing stock reduction.

Included please find a Business Overview of our New Orleans Industry gathered from Member Surveys, our Preservation Resource Center Presentation, and our UNO Economic Impact Report.

Please feel free to reach out to me directly on behalf of our Organization and Industry, to be included in any additional conversations, or for any questions.

-Regards,

Eric Bay
President
Alliance for Neighborhood Prosperity

Enclosure: ANP – Our Business Case

Cc: City Planning Commission
New Orleans City Council
Who are we?

The Alliance for Neighborhood Prosperity (ANP) is a non-profit organization of property owners, property managers, and others who support and promote responsible short-term rentals.
The Alliance for Neighborhood Prosperity:

- **Provides** visitors with a variety of housing choices and the opportunity to experience diverse New Orleans neighborhoods.

- **Preserves**, repairs, and restores residential housing stock.

- **Promotes** economic opportunities for local neighborhoods while preserving or improving the overall quality of life.
FACT: Short-Term Rental Guests Create a lot of Jobs:

➤ Short-Term Rental guest spending creates 2,200 full and part-time jobs in New Orleans.

➤ These jobs create a total of $56.1 million in additional earnings for residents of New Orleans.

University of New Orleans Hospitality Research Center
Private Home Rentals Economic Impact Analysis 2013.
The Short-Term Rental Economic Benefit appears to be dispersed beyond traditional tourist areas:

The Riverbend Merchants

- "The enormous economic impact that ‘Vacation Visitors’ renting private homes in our Riverbend area provide is substantial and a vital part of our businesses."

- "The distorted concept that these very affluent families with money to spend in our establishments are a blight to our neighborhood is ludicrous. These are the best of the best in the tourist market which is our number one industry in New Orleans."

- "To prevent these multi-generational families from renting homes in New Orleans would send these dollars to another city resulting in a damaging blow to our tourist trade income."
FACT: Short-Term Rental guests activate vacation homes to create year-round Neighborhood Vitality:

- 30% of STR operators own a vacation home in New Orleans that they operate as a STR when they are not in town.
- Vacation homes and second homes, if not rented on a short-term basis, sit vacant for most of the year and create dead zones & dead neighborhoods.*
- Short-Term Rental Guests activate vacation homes & second homes and thereby bring neighborhoods to life.*

Alliance for Neighborhood Prosperity: 2016 Membership Survey

*City Planning Commission, City of New Orleans
Short Term Rental Study, Jan. 28, 2016
FACT: Short-Term Rentals are **NOT creating an affordable housing problem** in New Orleans:

- “We hear a lot of talk about [short-term rentals creating] an affordable housing issue, [but] the numbers don’t bear that up.”

- “What we are concerned about is ensuring that any initiative the city undertakes on [short-term rentals] pays for itself and that there are adequate fees collected.”

- “Design a [short-term rental] process that pays for itself and is enforceable...so that precious housing dollars that do serve affordable housing needs, of which we have many, do not get diverted to enforce [short-term rental compliance] as [short-term rentals do not] impact affordable housing [according to] all the data that we see.”
FACT: Short-Term Rentals are NOT creating an affordable housing problem in New Orleans:

Andreoncia Morris
President & Chair
Greater New Orleans Housing Alliance
FACT: The **Loss of Housing Stock** from Katrina is a key driver of the affordable housing problem:

- In the years following the storm, many property owners chose not to or were unable to rebuild their rental units (underinsured/unable to secure funding).
- Though there were and are many vacant structures throughout the City, habitable residences were in high demand while the supply was low. This has caused prices to escalate.
- Additionally, the City has seen an influx of new residents, many of whom are in a financial position to purchase or rent properties in neighborhoods where housing units are in high demand. As the demand for housing has increased in these high demand neighborhoods, the supply of habitable housing units has not kept the same pace causing housing prices and rents to rise.

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City Planning Commission, City of New Orleans
Short Term Rental Study, Jan. 28, 2016
FACT: **Additional Factors** driving the affordable housing problem in New Orleans include:

- Rapid increase in the **cost of land**
- Increase in **construction costs**
- Increase in **insurance premiums**
- Increase in **property taxes**
- **Neighborhood Revitalization Projects** have made certain neighborhoods much more desirable which is increasing demand for housing and driving up prices:
  - Lafitte Greenway
  - Crescent Park

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**HousingNOLA: 10 Year Strategy and Implementation Plan**
For a More Equitable New Orleans
FACT: **Blight** remains a tremendous problem in New Orleans:

- While progress is being made, New Orleans is the third most blighted city in America.
- Over 30,000 properties in New Orleans are blighted, that’s 17% of our residential addresses.

Committee for a Better New Orleans &
FACT: STR Operators Contribute to Blight Reduction:

➤ 62% of the houses STR operators run as STRs in New Orleans were formerly blighted/neglected.

➤ Inside Airbnb estimates there are 3,621 STR listings in New Orleans.

➤ Accordingly, 62% or 2,245 of the STR listings in New Orleans were formerly blighted/neglected.

# of STR Units That Were:
- Formerly Blighted/Neglected
- Not Formerly Blighted/Neglected

Alliance for Neighborhood Prosperity: 2016 Membership Survey
FACT: Short-Term Rental Owners Invest in & Restore Historic Homes:

- 57% of ANP Members have Restored Historic Homes that were previously neglected/blighted and now make these restored properties available as short-term rentals.

Alliance for Neighborhood Prosperity: 2016 Membership Survey
FACT: Short-Term Rental Revenue funds the Restoration of Historic Homes:

- The restoration of these historic homes in New Orleans is made possible by the revenue stream generated by short-term rental activity in New Orleans.
ANP Member Restorations
ANP Member Restorations
ANP Member Restorations
ANP Member Restorations
ANP Member Restorations
ANP Member Restorations
Case Study: Wayne James

- Wayne James is a lifelong resident of New Orleans.
- Wayne restored a four-family home in Faubourg St John.
- He lives in one of the units.
- One unit is available as a long-term rental.
- Two units are available as short-term rentals.
Case Study: Wayne James
Case Study: Wayne James
Case Study: Wayne James
Case Study: Wayne James
Case Study: Wayne James
Case Study: Wayne James
Case Study: Wayne James
Case Study: Chris Cochran

- Chris Cochran is a resident of New Orleans.
- He restored an old store front restaurant in the Garden District which he converted into a single-family home that he makes available as a short-term rental.
Case Study: Chris Cochran
Case Study: Chris Cochran
Case Study: Chris Cochran
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Summary: Short-Term Rentals

- Create a lot of jobs
- Create an economic benefit that appears to be dispersed beyond traditional tourist areas
- Activate vacation homes & second homes to prevent dead zones & dead neighborhoods and thereby create neighborhood vitality
- Are NOT contributing to the affordable housing problem
- Substantially contribute to blight reduction
- Fund the restoration of historic homes
Alliance for Neighborhood Prosperity

Appendix

http://alliancenola.org/
ANP 2016 Membership Survey

To accurately represent the total short-term rental (STR) market in New Orleans, a survey was fielded from April 25 - May 25, 2016.

A total of 96 STR operators completed the survey.

Statistical Significance was achieved with our 94th completion on May 25, 2016.

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<td>Sample Size:</td>
<td>94</td>
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</table>

Alliance for Neighborhood Prosperity
ANP 2016 Membership Survey
Survey Methodology & Mechanics

» We eMailed the link to our survey to the 200 eMall addresses in our Alliance for Neighborhood Prosperity (ANP) Membership database.

» Additionally, we posted the link to our survey on the Facebook page of our private ANP Members group.

» Data reported is at a 95% Confidence Level with a margin of error of plus or minus 10%.

» This means that if we repeated the same survey 100 times under the same conditions, 95 out of 100 times, the data would fall within plus or minus 10% of the existing numbers.

» According to research field statistical standards, these findings are projectable to a population of up to 4,000 STR operators in New Orleans.
Any Nuisance Issues can likely be quashed via a Local Manager & a Code of Conduct

- Owners and/or property managers should be available 24/7 to respond to problems and address them promptly.
- Tenants should receive a "Code of Conduct" or other guide notifying them of noise, parking, and/or other ordinances or restrictions they will be expected and required to follow.

"The law already provides solutions to safety issues and unruly renters. Instead of a blanket ban to appease a vocal minority, New Orleans should legalize short-term rentals and allow resident and visitors alike to reap the many benefits while focusing enforcement efforts on the few bad apples by using existing nuisance laws."

Institute for Justice, Caleb Trotter, August 11, 2014
Safety Issues can be addressed via standards:

- **Free Smoke & CO Detector**
  - Any unit with an active listing in the US can get a cash contribution. Safety provided smoke & CO detector for free during 2014.
  - [Get a smoke & CO detector](#)

- **Emergency Safety Card**
  - Ensure you provide a comprehensive safety card. List emergency contacts, instructions, and other important information.
  - [Get an emergency safety card](#)

- **Home First Aid Kit**
  - For any new home, include a first aid kit of essential supplies. Store it near the entrance and second floor.
  - [Get a first aid kit](#)

- **Reasonable minimum safety standards for all short-term rentals, including B&Bs.**

- **Licensing/registration of short-term rentals and requiring that the license/registration number be placed on all listings offering such properties for rent.**
Many New Orleans residents enjoy meeting short term rental guests:

- While some owners and residents want to know all of their neighbors and/or lament the changes in their neighborhoods, other owners and residents enjoy meeting short-term visitors and acting as **good will ambassadors for the City**.

NEW ORLEANS, Dec. 13, 2013 /PRNewswire/ -- *National Geographic Traveler* presents New Orleans as one of the 21 must-see destinations in the world for 2014.
FACT: Short-Term Rental Guests Contribute Substantially to the Economy:

- In 2013, 100,000 visitors to New Orleans stayed in short-term rental homes.
- They generated a total economic impact of $174.8 million, comprised of $99.8 million in direct spending and $74.9 million in secondary spending.

University of New Orleans Hospitality Research Center Private Home Rentals Economic Impact Analysis 2013.
FACT: Short-Term Rental Guests Generate Meaningful Tax Revenue:

- Short-Term Rental guest spending is currently generating $10.8 million in tax revenue for state and local governments.
- Of that total, roughly $6.1 million goes to the State of Louisiana and $4.7 million is claimed by local governments in the New Orleans area.

University of New Orleans Hospitality Research Center
Private Home Rentals Economic Impact Analysis 2013.
Alliance for Neighborhood Prosperity

Solution-Driven Policymaking

http://alliancenola.org/