January 15, 2023

New Orleans City Planning Commission
1300 Perdido St.
New Orleans, LA 70112

Zoning Docket 022/23

Dear Commissioners,

Over the past few years, you have continually been asked to create (and then adjust) the City's Short Term Rental program. The most recent revisiting is due to a lawsuit brought by out of town property owners who felt that the City's requirement that every Residential STR be tied to a Homestead Exemption was a violation of the Commerce clause of the Constitution. The Fifth Circuit US Court of Appeals ruled in the plaintiffs' favor, allowing every Residential property in the City to be eligible to become an STR, with no one on site during the stay. While there are many issues to address regarding the City's STR program, the Court has offered specific remedies to address the problems the City was trying to address: Quality of Life concerns, and the over proliferation of STR's in some neighborhoods.

We would like to address two ways the Court suggested to address these issues :

Owner/ Operator- One of the most common complaints in the first program was the amount of Whole Home STR's and "party houses" that negatively impacted their neighbors' Quality of Life. The current program requires a Homestead Exemption, in the hopes that the owner's presence on site would eliminate this issue. This was a middling success, with the biggest issue being fraudulent Homestead Exemptions and the Assessor's Office's inability to fully enforce and investigate them. We endorse the Court's proposal to replace the Homestead Exemption requirement with the requirement that an Owner/Operator be on site during the stay. We believe this would address the concern about "party houses" while passing legal muster.

Density Requirements: The City also hoped the Homestead Exemption requirement would eliminate people from buying homes and converting properties to STRs, as well as preventing an over proliferation of STR's in certain neighborhoods. This was not successful, and there is evidence to

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prove it. Per insideairbnb.com, which tracks both legal and illegal STR's, there are a total of 423 STR's in the Marigny alone. That ranks fourth in the City, behind the CBD (981), Central City (538) and the Seventh Ward (429), and just ahead of Treme/Lafitte (417), Mid City (402) and the Lower Garden District (362). **These seven neighborhoods (out of a total of 72 in the City) are home to 3,552 of the total 6,927 STR's in the City. In other words, less than 10% of the city's neighborhoods house over half of the City's STR's.** This total number of STR's (6,927) is not insignificant, as it puts New Orleans far ahead of other cities, per capita. Per the research of VCPORA, New Orleans has 1 STR for every 54.4 residents (6,927 listings and a population of 376,971 residents), while New York City has 1 STR for every 212.3 residents (39,881 listings and a population of 8,468,000 residents). **New Orleans has almost 4 times more STR's per capita than New York City.** Obviously, the current plan to prevent an over proliferation of STR's in the City has failed. The Court has suggested ways to remedy this problem, such as caps on the number of licenses or density limitations. We believe that there should be a limitation of 1 license per square for all categories of STR's, as well as Bed and Breakfasts. This would prevent clustering in particular neighborhoods (as seen in the seven neighborhoods listed above), as well as not inflating housing prices to the point that longtime residents (particularly renters) are priced out of their homes. As well as recognizing the continual growth of the hotel industry in the Marigny. As of now, new hotels are being permitted at 2121 Chartres, 502 Frenchmen, the old Aquatic Gardens, the Michalopoulos studio, and a soon to open Hampton Inn at Elysian Fields. With uncontrolled hotel and STR growth, where are the residents supposed to live?

We thank you for your careful consideration of our concerns, and urge you to prioritize our housing for New Orleanians, and not for tourists.

Sincerely,
Allen Johnson
President

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