Louisiana Rental Housing Crisis Worse than Projected

New Report Shows Barely Two in Five Renters Can Return to Affordable Homes

Hurricanes Katrina and Rita were equal-opportunity destroyers – leveling more than 200,000 homes and leaving people of all races and incomes picking up the pieces.

While homeowners are facing their own set of challenges getting back home, many renters face an equally daunting reality. More than 82,000 rental units were damaged or destroyed in the storms - but only 33,000 affordable rental units are on track to be rebuilt, according to "Bringing Louisiana Renters Home" a new report by PolicyLink.

If all of those promised rental units materialize, barely TWO IN FIVE Louisiana families who relied on rental housing before the storms will even have the option of returning to an affordable home. In the New Orleans metro region – where renters have faced rent increases of up to 200 percent since the storms – every affordable rental home will be critical. Virtually all of the 44,000 families still in FEMA trailers or living far-from-home on FEMA rent subsidies are former renters.

Without more federal resources to create adequate and affordable rental housing in the state, the state’s workforce backbone -- our teachers and nurses, our barbers and clergy members, our waiters and child care workers – will find it nearly impossible to return.

“It’s a double tragedy that so many Gulf families are still displaced,” said Kalima Rose, director of the PolicyLink Louisiana Initiative and co-author of the report. “The people cannot benefit from the recovery. And the Gulf Coast’s economy will not be able to come back if the people who make its economy run cannot first come back.”

While the state has done a good job overall at moving the rental restoration programs forward in a timely way, the rental crisis remains particularly stark for the state's lowest-income residents. There is a tremendous shortfall in rental units targeted at those making less than 50 percent of the Area Median Income (a level roughly $26,000 state-wide). Of the 9,500 rental units promised for this group in the Road Home plan, less than half – 4,650 – are funded so far.

“We’re at a critical moment in tackling the rental housing crisis,” said PolicyLink Research Associate Annie Clark, co-author of the report. “By ensuring everyone – including renters – has a chance to come back home, we will make a stronger Louisiana.”

There is legislation currently working its way through Washington that could dramatically help the ongoing rental crisis.

To make a real, long-term impact on the rental crisis, policymakers must:

- Pass HR 1227 now before Congress to restore more rental housing
- Ensure the remaining Road Home Piggyback funds and Small Rental Property Owner program funds rebuild rental housing
- Encourage affordable rental housing to be built near services, schools, jobs and public transportation and Guide more rebuilding money to nonprofit and developers of affordable special needs housing with proven track records of serving the needs of vulnerable families
- Fulfill the pledge to permanent supportive housing
- Engage all levels of local, state and federal government to create complementary and equitable housing policies

For more information on the report and PolicyLink work in Louisiana, please visit www.policylink.org/Communities/Louisiana

PolicyLink is a national research and action institute that works collaboratively to develop and implement local, state, and federal policies to achieve economic and social equity.