

Advocates say affordable housing still needed on the North Shore

by David Muller, Staff Writer

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Five years ago Hurricane Katrina refugees moving to St. Tammany Parish helped spur new home construction while driving up real estate prices. While that market was being overbuilt, there was a call for more work force housing, or places for teachers, servers, bank tellers and other working-class citizens to live.

Much has changed in the half-decade since, but the need for affordable housing remains.

"It's a significant issue for us in terms of quality of life," says Ed Bee, treasurer of the North Shore Housing Initiative, a group aimed at adding more affordable housing to the parish. "Clearly you can't have a vibrant parish economically if you can't have housing for people who work in the parish."

Just before the parish started to become aware of the overstock of homes and commercial real estate in 2007, it had a study done that looked at a need for work force housing. The report said that by 2010, the parish would need 11,000 more affordable housing units to provide homes for a growing population of low- and moderate-income workers.

The main barriers the parish faced in getting affordable housing included a higher cost of living, strict zoning laws that were unfriendly to apartment complexes, general public opposition to such developments and high real estate prices, the report states.

Zoning laws have since been changed, parish planning director Sidney Fontenot says, and the changes made to the code from 2007 to 2009 make development in the parish easier.

"Very little of substantial development was allowed by the writing in the old zoning," he says.

Fontenot says more codes have been added to allow for more diversity in the parish's development, and it allows for easier development on smaller parcels.

"We're progressively seeing a greater market for smaller parcels," Fontenot says.

Housing values have dropped since 2007 - some have plummeted - though they remain high in many parts of the mostly suburban parish.

Parish median home prices were about \$170,000 in east St. Tammany and about \$240,000 in west St. Tammany in 2007. In 2010, the median prices have ranged from \$145,000 to \$160,000 in the eastern part of the parish and from \$187,000 to

\$250,000 in the western part, according to the Gulf South Real Estate Information Network.

At the same time, average rent prices are \$959, above the greater New Orleans area average of \$844, according to a Greater New Orleans Multi-Family Report by the Multi-Family Advisory Group.

Public opposition to multifamily housing developments remains in some parts of the parish.

Developer Pat Miramon says a group of people from nearby subdivisions fought a plan for 50- and 75-unit apartment buildings in Slidell last Spring.

"It's the same old story," he says, adding that increased traffic and perceived drainage problems were the main concerns among nearby homeowners. In the 2008 consolidated report, the

- group studying the parish found that increased crime, traffic and drainage issues were the primary reasons some residents remained opposed to multifamily housing being built.

Miramon was able to get apartment developments approved - they're under construction now on Military Road in Slidell - but only after addressing some of those concerns.

"The homeowners today fight everything," he says. "Anybody trying to do anything in St. Tammany Parish, the homeowners fight."

But aside from the two apartment buildings he has underway, Miramon has no other developments in the works.

"The market is too slow, business is too bad," Miramon says. In his opinion, the stagnancy will be around for another two to three years.

"The rental market is going to continue to grow because people can't afford homes," Miramon says.

He said the 2,500 projected foreclosures for St. Tammany Parish this year underscore his point, adding that the inventory of available homes will have a negative effect on values.

The most recent 2010 Greater New Orleans Multi-Family Report states, "Western St. Tammany is the only other submarket which is adding any significant new units to inventory." The report notes that recently finished developments such as Chapel Creek in Mandeville and Palmetto Greens in Covington will add 140 and 160 units, respectively. Abita View in Covington, nearing completion, will add another 140 units.

Other developments are being considered for the parish, but tight credit remains a large hurdle, the report says.

The Groves in Covington will add 129 units - a mix of single-family with some multifamily units in north Covington. The project is a joint partnership between Volunteers of America and St. Tammany West Habitat for Humanity and is expected

to be finished by next fall.

In June 2008, Neighborhood Housing Services Northshore opened its offices in the parish. The organization provides pre-purchase counseling to families, money management classes and foreclosure prevention education. Program director Vera Clay says the organization has helped about 50 families move toward home ownership.

In another attempt to tackle affordable housing, the Northshore Community Foundation put up a grant of \$30,000 and partnered with Habitat for Humanity St. Tammany West and the Northshore Housing Initiative, which matched the grant and established the state's first community land trust. North Shore Housing director Karl Zollinger says planning will turn to implementation in January, when the group will buy land and develop it to offer long-term leases at affordable prices.

All efforts need to continue, Zollinger says.

"When Chevron moved over, one of their first questions was, 'Where are our clerical people going to live?'" Zollinger says.

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