

City Planning Commission
Staff Report
Tuesday, May 26, 2026

Zoning Docket 042-26

Prepared by: Julia Nickle

Date: May 27, 2026

Deadline for CPC action: June 25, 2026

CC Deadline: 60 Days from Receipt

City Council District: All

Applicant: City Council Motion No. M-26-93

Request: This is a request by City Council Motion No. M-26-93 to amend the definition of “dwelling, small multi-family affordable” in **Article 26, Section 26.6** to include not only affordable housing units offered for rental but also dwellings offered as permanently affordable, for-sale housing and by not-for-profit community land trusts offering long-term ground leases respective of owners and lessors, and consider related additional amendments to set reasonable requirements for this use, including but not limited to amendments to the use standards contained in **Article 20, Section 20.3.SSS** and the use tables throughout the CZO.

Property Description: The proposed text amendment would apply citywide.

Description

Zoning Docket 042/26 is a request by City Council Motion No. M-26-93 to amend the definition of “dwelling, small multi-family affordable” in **Article 26, Section 26.6** to include not only affordable housing units offered for rental but also dwellings offered as permanently affordable, for-sale housing and by not-for-profit community land trusts offering long-term ground leases respective of owners and lessors, and consider related additional amendments to set reasonable requirements for this use, including but not limited to Amendments to the use standards contained in **Article 20, Section 20.3.SSS** and the use tables throughout the CZO.

The Motion requests that affordable, for-sale housing by nonprofits and community land trusts in the form of long-term ground leases are contemplated and permitted in Small Multi-Family Affordable (SMFA) dwellings. This would effectively allow the community land trust model to legally and efficiently operate in the City of New Orleans.

The current model is premised on a small multi-family dwelling (consisting of less than five units) having at least one rental unit that is affordable for households earning no more than 80% of the area median income (AMI). SMFA does not contemplate the affordable housing unit being for-sale units. Motion No. M-26-93 would permit the affordable unit to be a for-sale unit but only in the circumstance the SMFA is a community land-trust operated by a non-profit.

Reason for Commission Review

The City Planning Commission is required to make a recommendation on all amendments to the text of the Comprehensive Zoning Ordinance prior to City Council action, in accordance with **Article 4, Section 4.2.D.3, Action by City Planning Commission** of the Comprehensive Zoning Ordinance.

Analysis

Reason for text amendment

This text amendment follows the Motion M-25-534 and subsequent Zoning Docket 062/25, in which Council directed staff to codify the eligibility of for-sale affordable developments as part of small multi-family affordable (SMFA) developments by setting affordability requirements for these dwellings and allowing SMFA developments to be occupied by multiple owners on one lot of record, as well as amending the definition for “Dwelling, Small Multi-Family Affordable” in Article 26.6 if necessary to ensure consistency. The new Motion, M-26-93, clarifies the intentions of these recommendations, specifying that for-sale housing remains permanently affordable via the community land trust model of ground leases. This effectively codifies the standards and mechanisms of community land trusts in the City of New Orleans, providing for a homeownership-oriented, long-term affordable housing typology.

Existing Regulations and Changes Proposed by Applicant

Existing regulations

Currently, the CZO does not contemplate affordable home ownership mechanisms within the Small Multi-Family Affordable Dwelling use category, nor does it contemplate the community land trust model in definitions, use standards, or as a defined land use. Rather, the SMFA program is limited to rental units; the program verbiage for for-sale units is excluded by omission.

The proposed text amendment is to amend both **Article 20, Section 20.3.SSS**, and **Article 26, Section 26.6**. The existing language is as follows:

Article 20 – Dwelling, Small Multi-Family Affordable

1. Small Multi-Family affordable developments shall contain no more than four dwelling units. At least one unit shall be rented to households earning no more than eighty percent (80%) of the Area Median Income (AMI) according to the Department of Housing and Urban Development's annual AMI guidelines.
 - a. The affordable rental unit shall be priced to be affordable to households with incomes equal to or below seventy percent (70%) of AMI.
2. The affordable housing unit shall be maintained for a minimum term of fifteen (15) years.
3. The affordable unit shall not be less than 500 square feet in gross floor area.
4. The affordable unit shall be comparable to the market-rate dwelling unit in terms of floor area and exterior finishes. Interior finishes or appliances may be different as long

as functionality and longevity are retained.

5. All Small Multi-Family Affordable developments shall utilize the bulk and yard regulations for two-family structures unless explicitly stated otherwise in the lot size bulk and yard regulations for the respective zoning districts. Small Multi-Family Affordable developments are not subject to the minimum lot area per dwelling unit requirements of the underlying zoning district.
6. Small multi-family affordable developments must have a covenant or deed restriction to ensure the affordable housing unit remains affordable for the 15-year period. This covenant or deed restriction must be disclosed to prospective buyers. The deed restriction shall be recorded in the Office of Conveyances and a copy of the recorded document needs to be submitted to the Department of Safety and Permits, Inclusionary Zoning (IZ) office prior to the issuance of a Certificate of Occupancy.
7. The affordable housing unit in a small multi-family affordable structure shall not be used as a short-term rental. The affordable housing unit in a small multi-family affordable structure also shall not be used as the owner's residence.
8. No more than one (1) unit of the total units in a development shall be permitted as a short-term rental. Any use of that one (1) unit of the small multi-family affordable development as a short-term rental shall be subject to all short-term rental requirements of the CZO and City Code. No new short-term rental permissions are associated with the use of small multi-family affordable development.
9. Small Multi-Family Affordable Developments may be comprised of one or more principal structures in accordance with Article 21.4.A. For those small multi-family affordable developments that are 1) located in the HU-RD1, HU-RD2, S-RD, S-LRD1, and S-LRD2 Two-Family Residential Districts, and 2) comprised of more than one principal structure, each additional dwelling unit exceeding the two-family dwellings currently allowed in each district and developed in an additional principal structure shall be limited to a maximum of two bedrooms. This two bedroom limitation shall not apply to the affordable rental unit.

Article 26.6 - Dwelling, Small Multi-Family Affordable

An Affordable Housing Development comprised of one or more structures designed for occupancy of no more than four (4) dwelling units in accordance with Section 20.3.SSS and where one affordable housing unit is included. For those small multi-family affordable developments that are 1) located in the HU-RD1, HU-RD2, S-RD, S-LRD1, and S-LRD2 Two-Family Residential Districts, and 2) comprised of more than one principal structure, each additional dwelling unit exceeding the two-family dwellings currently allowed in each district and developed in an additional principal structure shall be limited to a maximum of two bedrooms. This two bedroom limitation shall not apply to the affordable rental unit.

Regulations proposed by the Council motion

The Council motion proposes amendments to the definition of “dwelling, small multi-family affordable” in Article 26, Section 26.6 of the CZO to include not only affordable housing units offered for rental but also dwellings offered as permanently affordable, for-sale housing by not-for-profit community land trusts, and to consider additional requirements for this use, including but not limited to Article 20, Section 20.3.SSS and use tables. Suggested language for the SMFA program and definition are provided below. The proposed text additions are indicated by **underlined and bolded** text.

Article 20 – Dwelling, Small Multi-Family Affordable

1. Small Multi-Family affordable developments shall contain no more than four dwelling units. At least one unit shall be: ~~rented to households earning no more than eighty percent (80%) of the Area Median Income (AMI) according to the Department and Urban Development's annual AMI guidelines.~~
 - a. ~~The affordable rental unit shall be priced to be affordable to households with incomes equal to or below seventy percent (70%) of AMI.~~ Rented to households earning no more than eighty percent (80%) of the Area Median Income (AMI) as determined annually by the Department of Housing and Urban Development's.
 - i. **The affordable rental unit shall be priced to be affordable to households with incomes equal to or below seventy percent (70%) of AMI.**
 - OR,**
 - b. **Sold to households earning no more than 120% AMI by not-for-profit community land trusts offering long-term ground leases respective of owners and lessors.**
2. The affordable **rental** housing unit(s) shall be maintained for a minimum term of fifteen (15) years. **The affordable for-sale unit shall be maintained for a period of ninety-nine (99) years.**
3. The affordable unit(s) shall not be less than 500 square feet in gross floor area.
4. The affordable unit(s) shall be comparable to the market-rate dwelling units in terms of floor area and exterior finishes. Interior finishes or appliances may be different as long as functionality and longevity are retained.
5. All Small Multi-Family Affordable developments shall utilize the bulk and yard regulations for two-family structures unless explicitly stated otherwise in the lot size bulk and yard regulations for the respective zoning districts. Small Multi-Family Affordable developments are not subject to the minimum lot area per dwelling unit requirements of the underlying zoning district.
6. Small ~~m~~**Multi-Family a**ffordable ~~d~~**e**velopments must have a covenant or deed restriction to ensure the affordable housing unit remains affordable for the 15-year period **for the rental unit(s) or ninety-nine (99) years for the for-sale unit(s). In the case of for-sale units, all co-owners of the dwelling shall sign a recorded deed restriction.** This covenant or deed restriction must be disclosed to prospective buyers. The deed restriction shall be recorded in the Office of Conveyances and a copy of the recorded document needs to be submitted to the Department of Safety and Permits, Inclusionary Zoning (IZ) office prior to the issuance of a Certificate of Occupancy.
7. The affordable housing unit(s) in a small multi-family affordable structure shall not be used as a short-term rental. The **rental** affordable housing unit(s) in a small multi-family affordable structure also shall not be used as the owner's residence.
8. No more than one (1) unit of the total units in a development shall be permitted as a short-term rental. Any use of that one (1) unit of the small multi-family affordable development as a short-term rental shall be subject to all short-term rental requirements of the CZO and City Code. No new short-term rental permissions are associated with the use of small multi-family affordable development.
9. Small Multi-Family Affordable Developments may be comprised of one or more principal structures in accordance with Article 21.4.A. For those small multi-family affordable developments that are 1) located in the HU-RD1, HU-RD2, S-RD, S-LRD1, and S-LRD2 Two-Family Residential Districts, and 2) comprised of more than one principal

structure, each additional dwelling unit exceeding the two-family dwellings currently allowed in each district and developed in an additional principal structure shall be limited to a maximum of two bedrooms. This two bedroom limitation shall not apply to the affordable rental unit(s).

Article 26.6 - Dwelling, Small Multi-Family Affordable

An Affordable Housing Development comprised of one or more structures designed for occupancy of no more than four (4) dwelling units in accordance with Section 20.3.SSS and **where either at least one affordable housing unit is included for rent, or sold to moderate- to low-income households by not-for-profit community land trusts offering long-term ground leases respective of owners and lessors.** For those small multi-family affordable developments that are 1) located in the HU-RD1, HU-RD2, S-RD, S-LRD1, and S-LRD2 Two-Family Residential Districts, and 2) comprised of more than one principal structure, each additional dwelling unit exceeding the two-family dwellings currently allowed in each district and developed in an additional principal structure shall be limited to a maximum of two bedrooms. This two bedroom limitation shall not apply to the affordable rental unit(s).

Article 26.6 – Community Land Trust

A Community Land Trust (CLT) is a private nonprofit community development organization whose function is to acquire parcels of land, held for a standard period of ninety-nine (99) years, primarily for conveyance under long-term ground leases, in accordance with the Housing Act of 1949.

Evaluation of approval standards

The City Planning Commission recommendation and the City Council decision on any zoning text amendment are matters of legislative discretion. In making their recommendation and decision, the City Planning Commission and the City Council are required to consider the standards in **Table 4-1: Standards for Zoning Amendments** of the Comprehensive Zoning Ordinance. In this section, the staff evaluates the application using those standards.

The proposed amendment is compatible with the Master Plan and Future Land Use Map.

This standard is met. The Master Plan emphasizes the promotion and preservation of affordable housing, though it is limited insofar as contemplating the execution of said goals, in specific regard to homeownership. The proposed text amendments create a more robust framework in which affordable housing developers can operate, consistent with the Master Plan goals of both bolstering new and supporting existing affordable housing supply.

The proposed amendment is compatible with the place designations of this Ordinance.

This standard is met. The proposed amendments would not alter any of the affected place designations.

The proposed amendment promotes the public health, safety and welfare of the City.

This standard is met. The proposed amendment is intended to clarify regulations for the sale of Small Multi-Family Affordable (SMFA) developments within the City, which in turn will both promote and

preserve affordable housing supply, and specifically affordable homeownership opportunities, which are inherently tied to public welfare.

The proposed amendment is compatible with the intent and general regulations of this Ordinance.

This standard is met. The Comprehensive Zoning Ordinance (CZO) is intended to implement the policy goals and recommendations of the Master Plan. Clarifying the requirements of for-sale SMFA developments and further defining community land trusts will largely provide more clarification and legibility to the CZO. The additional suggested grammatical edits in both use standards and the definition of “Dwelling, Small Multi-Family Affordable” ensure consistency throughout the CZO.

The proposed amendment corrects an error or omission, adds clarification to existing requirements, or reflects a change in policy.

This standard is met as this amendment adds clarifications in the CZO regulations by explicitly contemplating the standards of for-sale SMFA developments, requiring any owners of a SMFA to sign a deed restriction. The vision and goals of the Master Plan are generally intended to promote long-term affordability for the inhabitants of New Orleans. The amendment helps to achieve those goals.

The proposed amendment benefits the citizens of the City as a whole.

This standard is met. This series of amendments will benefit the City as a whole by allowing for more SMFA models and mechanisms, thus increasing sustainable, long-term affordable housing opportunities broadly.

The proposed amendment provides a more workable way to achieve the intent and purposes of this Ordinance and the Master Plan.

This standard is met. The proposed text amendment achieves the intent and purposes of the Comprehensive Zoning Ordinance and the Master Plan.

The proposed amendment does not create a significant number of nonconformities.

This standard is met. The proposed text amendments would not create nonconformities, as the recommendations made by staff are modified so that they are not reiterative or contradictory to existing regulations.

Preliminary Staff Recommendation (April 28, 2026)

Staff recommended deferral of Zoning Docket 042/26 to the May 26, 2026 meeting. This will allow adequate time for staff to properly research and discuss changes made to the previous motion City Council Motion No. M-25-534, done under Zoning Docket 062/25 prior to making recommendations under the current motion.

City Planning Commission (April 28, 2026)

The request was heard at the CPC meeting on April 28, 2026. Staff summarized the application and presented the recommendation of 30-day deferral to allow more time to consider this request provided the changes made to the previous motion concerning Small Multi-Family Affordable (SMFA) developments. No comment cards were provided, and no further discussion was had. Commissioner Jackson made a motion to accept staff's recommendation of deferral. The motion was seconded by Commissioner Jordan, and the motion passed.

MOTION:

BE IT MOVED BY THE CITY PLANNING COMMISSION THAT ZONING DOCKET 042/26 IS HEREBY DEFERRED TO THE MAY 26, 2026, CITY PLANNING COMMISSION MEETING.

YEAS: Hebert, Jackson, Jordan, Joshi-Gupta, Poche, Steeg, Witry

NAYS: None

ABSENT: None

Staff Recommendation

Staff recommend **APPROVAL** of Zoning Docket 042/26. The proposed text additions are indicated by bold, underlined text below.

Article 20 – Dwelling, Small Multi-Family Affordable

1. Small Multi-Family affordable developments shall contain no more than four dwelling units. At least one unit shall be:~~rented to households earning no more than eighty percent (80%) of the Area Median Income (AMI) according to the Department and Urban Development's annual AMI guidelines.~~
 - a. ~~The affordable rental unit shall be priced to be affordable to households with incomes equal to or below seventy percent (70%) of AMI. Rented to households earning no more than eighty percent (80%) of the Area Median Income (AMI) as determined annually by the Department of Housing and Urban Development's.~~
 - i. **The affordable rental unit shall be priced to be affordable to households with incomes equal to or below seventy percent (70%) of AMI,**
 - OR,**
 - b. **Sold to households earning no more than 120% AMI by not-for-profit community land trusts offering long-term ground leases respective of owners and lessors.**
2. The affordable rental housing unit(s) shall be maintained for a minimum term of fifteen (15) years. **The affordable for-sale unit shall be maintained for a period of ninety-nine (99) years.**
3. The affordable unit(s) shall not be less than 500 square feet in gross floor area.
4. The affordable unit(s) shall be comparable to the market-rate dwelling units in terms of floor area and exterior finishes. Interior finishes or appliances may be different as long as functionality and longevity are retained.
5. All Small Multi-Family Affordable developments shall utilize the bulk and yard

regulations for two-family structures unless explicitly stated otherwise in the lot size bulk and yard regulations for the respective zoning districts. Small Multi-Family Affordable developments are not subject to the minimum lot area per dwelling unit requirements of the underlying zoning district.

6. Small ~~Multi-Family~~ ~~Affordable~~ ~~Developments~~ must have a covenant or deed restriction to ensure the affordable housing unit remains affordable for the 15-year period **for the rental unit(s) or ninety-nine (99) years for the for-sale unit(s). In the case of for-sale units, all co-owners of the dwelling shall sign a recorded deed restriction.** This covenant or deed restriction must be disclosed to prospective buyers. The deed restriction shall be recorded in the Office of Conveyances and a copy of the recorded document needs to be submitted to the Department of Safety and Permits, Inclusionary Zoning (IZ) office prior to the issuance of a Certificate of Occupancy.
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Article 26.6 - Dwelling, Small Multi-Family Affordable

An Affordable Housing Development comprised of one or more structures designed for occupancy of no more than four (4) dwelling units in accordance with Section 20.3.SSS and **where either at least one affordable housing unit is included for rent, or sold to moderate- to low-income households by not-for-profit community land trusts offering long-term ground leases respective of owners and lessors.** For those small multi-family affordable developments that are 1) located in the HU-RD1, HU-RD2, S-RD, S-LRD1, and S-LRD2 Two-Family Residential Districts, and 2) comprised of more than one principal structure, each additional dwelling unit exceeding the two-family dwellings currently allowed in each district and developed in an additional principal structure shall be limited to a maximum of two bedrooms. This two bedroom limitation shall not apply to the affordable ~~rental~~ unit(s).

Article 26.6 – Community Land Trust

A Community Land Trust (CLT) is a private nonprofit community development organization whose function is to acquire parcels of land, held for a standard period of ninety-nine (99) years, primarily for conveyance under long-term ground leases, in accordance with the Housing Act of 1949.

City Planning Commission (May 26, 2026)

The request was heard at the CPC meeting on May 26, 2026. Staff summarized the application and presented the recommendation for approval. No comment cards were provided. Commissioner Jackson asked staff for more background on the origins of the motion, and staff responded that the regulations didn't currently contemplate the for-sale model under the small multi-family affordable housing program. Commissioner Hebert asked after the NPP waiver in the motion, to which staff responded that it was common practice for text amendments. Commissioner Jordan made a motion to accept staff's recommendation of approval. The motion was seconded by Commissioner Poché, and the motion passed.

MOTION:

BE IT MOVED BY THE CITY PLANNING COMMISSION THAT ZONING DOCKET 042/26 IS HEREBY RECOMMENDED FOR APPROVAL. BE IT FURTHER MOVED THAT THE EXECUTIVE DIRECTOR IS HEREBY AUTHORIZED TO NOTIFY THE CITY COUNCIL OF SAID ACTION.

YEAS: Hebert, Jackson, Jordan, Poché, Steeg, Witry

NAYS: None

ABSENT: Flick, Joshi-Gupta, Kepper

**MOTION
NO. M-26-93**

CITY HALL: February 26, 2026

BY: COUNCILMEMBER HARRIS

SECONDED BY: COUNCILMEMBER HUGHES

BE IT MOVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That the City Planning Commission is directed to conduct a public hearing to consider amendments to Ordinance No. 4264 M.C.S., as amended, the Comprehensive Zoning Ordinance, to amend the definition of "dwelling, small multi-family affordable" in Section 26.6 to include not only affordable housing units offered for rental but also dwellings offered as permanently affordable, for-sale housing by not-for-profit community land trusts offering long-term ground leases respective of owners and lessors, and consider related additional amendments to set reasonable requirements for this use, including but not limited to amendments to the use standards contained in Section 20.3.SSS and the use tables throughout the CZO.

BE IT FURTHER MOVED, That in so doing, the City Planning Commission is directed to work with the Department of Safety and Permits to ensure that the changes provide sufficient guidance for permitting and long-term enforcement.

BE IT FURTHER MOVED, That given the opportunity for discussion presented by the previous zoning docket regarding for-sale options for small multi-family affordable dwellings (ZD 62-25), as well as the public process afforded through this process, the requirement to participate in the Neighborhood Participation Program is waived and application fees in the amount of \$1,500.00 are hereby waived.

BE IT FURTHER MOVED, That in the process of reviewing this amendment, the City Planning Commission staff is directed and granted the flexibility to make all appropriate changes to the proposed regulations and any existing corresponding regulations in the Comprehensive Zoning Ordinance, as amended, to establish consistency and continuity with the format of the existing zoning code, to add references wherever references are customary, needed and/or appropriate, to make the appropriate adjustments to clarify any ambiguities or mistakes, and to make adjustments deemed necessary in light of public testimony resulting from this review.

THE FOREGOING MOTION WAS READ IN FULL, THE ROLL WAS CALLED ON THE ADOPTION THEREOF, AND RESULTED AS FOLLOWS:

YEAS:	Green, Harris, Hughes, King, McCarron, Willard - 6
NAYS:	0
ABSENT:	Morrell - 1

AND THE MOTION WAS ADOPTED.

**THE FOREGOING IS CERTIFIED
TO BE A TRUE AND CORRECT COPY**



CLERK OF COUNCIL