

PRELIMINARY STAFF REPORT

To: City Planning Commission
Zoning Docket: 054/15

Prepared by: Kelly Butler
Date: June 19, 2015

I. GENERAL INFORMATION

Applicant: City Council Motion M-15-202

Request: Text Amendment to the Comprehensive Zoning Ordinance, No. 30,637 M.C.S., to amend **Article 9**, *Historic Core Residential Neighborhoods*; **Article 10**, *Historic Core Non-Residential Districts*; **Article 11**, *Historic Urban Residential Districts*; **Article 12**, *Historic Urban Neighborhoods Non-Residential Districts*; **Article 13**, *Suburban Neighborhoods Residential Districts*; **Article 14**, *Suburban Neighborhoods Non-Residential Districts*; and **Article 15**, *Commercial Center and Institutional Campus Districts* of the Comprehensive Zoning Ordinance “to expand development bonuses for affordable housing in all zones that already permit multi-family dwelling units.

Locations: HMR-1, *Historic Marigny/ Tremé /Bywater Residential District*
HMR-2, *Historic Marigny/Tremé /Bywater Residential District*
HMC-1, *Historic Marigny/Tremé/Bywater Commercial District*
HMC-2, *Historic Marigny/Tremé/Bywater Commercial District*
HM-MU, *Historic Marigny/Tremé/Bywater Mixed-Use District*
HU-RM1, *Multi-Family Residential District*
HU-RM2, *Multi-Family Residential District*
HU-MU, *Neighborhood Mixed-Use District*
S-RM1, *Multi-Family Residential District*
S-LC, *Lake Area General Commercial District*
MU-1, *Medium Intensity Mixed-Use District*
MU-2, *High Intensity Mixed-Use District*

Why is City Planning Commission action required?

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 16, Section 16.2.3.2 Planning Commission Recommendation** of the Comprehensive Zoning Ordinance.

II. ANALYSIS

A. What is the reason for the text amendment? What area would be affected by the text amendment?

Reason for text amendment

The City Council motion proposes the addition of new language to include a density bonus to **Article 9, Section 9.8; Article 10, Section 10.9; Article 11, Section 11.5; Article 12, Section 12.5; Article 13, Section 13.5; Article 14, Section 14.5 and Article 15, Section 15.7** in the newly adopted Comprehensive Zoning Ordinance. Both **Article 5, Planned Development Standards** and **Article 17, Central Business District** include the provision of a density bonus for the development of affordable housing. The City Council Motion expands the provision of development bonuses for affordable housing in all districts that already permit multi-family dwelling units.

Description of Affected area

The text amendment affects portions of all Districts that permit multi-family dwellings. As proposed, the request would affect the HMR-1, *Historic Marigny/ Tremé /Bywater Residential District*; HMR-2, *Historic Marigny/Tremé/Bywater Residential District*; HMC-1 *Historic Marigny/Treme/Bywater Commercial District*; HMC-2 *Historic Marigny/ Tremé /Bywater Commercial District*; HM-MU *Historic Marigny / Tremé / Bywater Mixed-Use District*; HU-RM1 *Multi-Family District*; HU-RM2 *Multi-Family District*; HU-MU *Neighborhood Mixed-Use District*; S-RM1 *Multi-Family District*; S-LC, *Lake Area Commercial District*; MU-1 *Medium Intensity Mixed-Use District*; and the MU-2 *High Intensity Mixed-Use District*. These neighborhoods encompass a wide cross section of residential, mixed-use, and non-residential structures throughout the city.

B. What is the existing language of the Comprehensive Zoning Ordinance?

Article 5, Planned Development Standards includes a provision for a density bonus.

Article 5, Section 5.2.C stipulates the minimum lot size of a planned development to five (5) acres with an exception provision for properties with special topographical constraints or other exceptional circumstances. When existing industrial, commercial, or institutional structures with a minimum of ten thousand (10,000) square feet in floor area are adaptively reused in any of the aforementioned permitted districts, the minimum five (5) acre requirement is not required.

Article 5, Planned Development Standards outlines the guidelines for planned developments and includes the provision of Development Bonuses, in **Sections 5.6.C., Historic Core and Historic Urban Residential Districts., 5.7.C., Suburban Non-Residential Districts., 5.8.C., Commercial Center Districts., and 5.9.B., Industry Districts.** Included within the Development Bonuses is the provision of a density bonus

for developers providing affordable housing. The existing language in the applicable sections is as follows:

Article 5, Planned Development Standards

Sections 5.6.C.2., 5.7.C.4., and 5.8.C.3. - Density Bonus

Provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a density bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:

- a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) density bonus.
- b. Five percent (5%) of units at fifty percent (50%) AMI should yield a ten percent (10%) density bonus.
- c. Five percent (5%) of units at eight percent (80%) AMI should yield a five percent (5%) density bonus.
- d. One-hundred percent (100%) reserved for senior housing may be awarded a density bonus up to thirty percent (30%).

This text is not found in other base zoning districts where multi-family dwellings are allowed.

C. What is the proposed language for amendment?

The City Council motion proposes the addition of language to provide a density bonus to the following Articles:

Article 9: Historic Core Neighborhoods Residential Districts

“9.8 Development Bonus for Historic Core Residential Neighborhoods – HMR-1 and HMR-2

In the establishment and authorization of a development in the Historic Core Residential Districts, HMR-1 and HMR-2 Historic Marigny/ Tremé /Bywater Residential Districts, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

Article 10: Historic Core Non-Residential Districts

“10.9 Density Bonuses for Historic Core Neighborhoods Non-Residential Districts – HMC-1, HMC-2, and HM-MU

In the establishment and authorization of a development in the Historic Core Non-Residential Districts, HMC-1 and HMC-2 Historic Marigny/ Tremé /Bywater Commercial District and HM-MU Historic Marigny/ Tremé /Bywater Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

Article 11: Historic Urban Residential Districts

“11.5 Density Bonuses for Historic Urban Neighborhoods Residential Districts - HU-RM-1, HU-RM2

In the establishment and authorization of a development in the Historic Urban Neighborhoods Residential Districts, HU-RM1 and HU-RM2 Multi-Family Residential Districts, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

Article 12: Historic Urban Neighborhoods Non-Residential Districts

“12.5 Density Bonuses for Historic Urban Neighborhoods Non-Residential Districts—HU-MU

In the establishment and authorization of a development in the Historic Urban Neighborhoods Non-Residential District HU-MU Neighborhood Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:

- a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
- b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
- c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

Article 13: Suburban Neighborhoods Residential Districts

“13.5 Density Bonuses for Suburban Neighborhoods Residential Districts - S-RM1

In the establishment and authorization of a development in the Suburban Neighborhoods Residential Districts, S-RM1 Multi-Family Residential District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

- 1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

Article 14: Suburban Neighborhoods Non-Residential Districts

“14.5 Density Bonuses for Suburban Neighborhoods Non-Residential Districts - S-LC

In the establishment and authorization of a development in the Suburban Neighborhoods Non-Residential Districts S-LC Lake Area General Commercial District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

Article 15: Commercial Center Institutional Campus Districts

“15.7 Density Bonuses for Commercial Center and Institutional Campus Districts – MU-1, MU-2

In the establishment and authorization of a development in the Commercial Center and Institutional Campus Districts – MU-1 Medium Intensity Mixed Use District and MU -2 High Intensity Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

D. Does the text amendment adequately answer the problem that is being addressed; if not, are other modifications necessary?

As stated in the proposed text amendment, the intent for the amendment is to ... “[e]xpand development bonuses for affordable housing in all zones that already permit multi-family housing.”¹ Currently, the new Comprehensive Zoning Ordinance, which was adopted by the City Council on May 14, 2015, but is not yet in effect,² includes development bonus provisions for affordable housing in **Article 5, Planned Developments** and **Article 17, Central Business District**, and in the Riverfront Overlay District provisions of **Article 18**.

The passage of the new Comprehensive Zoning Ordinance (CZO) is the result of several years of community-wide planning meetings held throughout the City’s neighborhoods. Numerous public hearings were conducted with citizen input and participation. It is important to note that the process for adopting the new CZO began with the adoption of the City’s Master Plan, *The Plan for the 21st Century*, which occurred in August 2010. In adopting both the Master Plan and the correlating CZO, the two documents provide the path for the City’s future over the coming decades. During this process, it has become clear that housing and housing choice are at the forefront of concerns for many New Orleans residents.

-Reasons for text amendment relative to affordable housing

The City Council Motion does not explain the reason for the text amendment—only stating that it should be expanded to areas that already include multi-family housing. During its review, CPC staff contacted Council staff who explained that the city-wide conversation about affordable housing is ongoing and the Council will continue to look for ways to provide affordable housing. The proposed text amendment does not create new policy, but expands the density provision that is already included in **Article 5, Planned Development Standards** in the Comprehensive Zoning Ordinance.

-New Orleans need/shortage of affordable housing

Currently, work is underway by the Greater New Orleans Housing Alliance (GNOHA), a non-profit organization that is collaborating with the City and a wide range of public, non-profit and for-profit entities in the housing industry to create *HousingNOLA*, which will provide a ten (10) year housing plan for the City of New Orleans.³ As part of the work in creating the plan, GNOHA is reaching out to residents throughout all New Orleans neighborhoods to gather a valuation of New Orleans housing needs. Though the work is not yet completed, the need for the data is evident as New Orleans is seeing rental

1 Summary in Amendment LC-13 to Ordinance Calendar Number 30,637

2 The New Orleans City Council approved and adopted Ordinance Calendar No. 30,637, a new Comprehensive Zoning Ordinance (CZO), at its regular meeting on Thursday, May 14, 2015. The new CZO replaces the former CZO in its entirety and will take effect 90 days from adoption.

3 According to GNOHA anticipates releasing the HousingNOLA plan in the fall of 2015.

and ownership housing costs rise in many of its neighborhoods. In general, housing costs are considered affordable when the occupant(s) pay no more than thirty percent (30%) percent of his or her income for gross housing costs, including utilities, taxes, and insurance.⁴ If a family spends more than thirty percent (30%) of household income on housing they are considered “cost-burdened.” If a family spends more than fifty percent (50%) of its household income on housing they are considered “severely cost-burdened.” According to the Center for Housing Policy *Housing Landscape 2014* report, utilizing 2009-2012 U.S. Census data, 28.3%, or one (1) in four (4), of the New Orleans metropolitan area’s working families are severely cost-burdened.⁵

Later in this report, the staff references the *Plan for the 21st Century’s* (the Master Plan) recognition that housing and housing choice currently are and will continue to be important issues facing the City of New Orleans and its neighborhoods in the coming decades. The Master Plan recognizes the need for safe and healthy housing for persons of all income levels throughout the city’s neighborhoods—not just in certain areas. The staff acknowledges the need to include affordable housing –especially since it is widely believed that the concentration of all one housing type, particularly low- income housing, hurts neighborhoods.

What benefit will be provided through the inclusion of a density bonus in multi-family districts?

Prior to Hurricane Katrina much of the City’s low-income housing looked like many other urban areas in the United States with concentrated low-income households located in neighborhoods where most of the residents subsisted at or below the poverty line, typically in already disadvantaged central city neighborhoods. A national paradigm shift occurred in the 1990s to de-concentrate and improve public and subsidized housing. Since Hurricane Katrina, New Orleans’ large housing developments have been mostly demolished and new mixed-income developments have been constructed in their place.

A density bonus is an incentive based provision that allows housing developers the ability to add additional density to housing development projects in exchange for providing affordable housing. Currently, the CZO includes a density bonus for developments located in planned developments. It is important to note that provision does not create new areas or classifications of multi-family housing, but allows a density bonus to projects that are already permitted by zoning. In addition, while addressing the affordable housing shortage, the density bonus gives the City an incentive tool with which it can encourage developers to include affordable housing for low- to moderate- income families in their projects that will not require a public subsidy.

The staff believes that the text amendment is in alignment with the goal to de-concentrate low-income housing while providing affordable housing within market-rate developments located throughout the City.

4 U.S. Department of Housing and Urban Development (HUD)

5 <http://www.nhc.org/media/files/Landscape2014.pdf> and http://www.npnola.com/april_2015

Best practices used in other cities

In its review, staff looked at several cities throughout the United States and determined that a number of cities have implemented Incentive Zoning standards, of which a density bonus is considered one of, as part of their commitment to providing affordable housing. In implementing such provisions, municipalities typically look to adopting either mandatory or voluntary standards. A typical mandatory requirement dictates that affordable housing is required, in some manner, in all development that produces new residential units, whether the units are new construction or are provided through reuse of an existing structure. A typical voluntary density bonus provision provides an incentive for the construction of affordable housing in market-rate developments.

Density Bonuses in other urban areas

- New York City's Inclusionary Zoning, the R10 Program, was first implemented in 1987 with the goal of providing lower-income housing within market-rate housing developments. The program allows developers floor area increases of up to twenty (20%) percent in exchange for developers providing permanently affordable housing. In 2005, the program was expanded to allow a density bonus of up to thirty-three (33%) percent above the floor area ratio. Developers must set aside twenty (20%) percent of a building's residential floor area to families earning no more than eighty (80%) percent AMI.⁶
- Charlotte, North Carolina's Voluntary Mixed Income Housing Development Program was created in 2013 to encourage mixed-income housing developments in targeted locations through a voluntary, incentive-based density bonus. The multi-family incentive allows up to two (2) or three (3) additional units/acre, depending on the multi-family zoning district, or if located within ¼ mile of transit.⁷
- In Austin, Texas developers can choose to provide on-site housing units (rental units for households earning below 80% Median Family Income, which must remain affordable for 40 years, or owned units for households earning below 120% MFI, which must remain affordable for 99 years), or pay a fee-in-lieu that will go into the city's Housing Trust Fund.⁸
- San Francisco, California's Code Section 415, requires residential developments with ten (10) or more units pay an Affordable Housing Fee. Developers may apply for an alternative to the fee in form of providing twelve (12%) percent on-site units or twenty (20%) off-site units.⁹ California state law, AB 2222, Housing

6 U.S. Department of Housing and Urban Development, *Evidence Matters*, Spring 2013, <http://www.huduser.org>

7 The Housing Partnership, www.cmhp.org and www.charmeck.org/planning/inclusionaryhousing

8 <http://www.austintexas.gov/edims/document.cfm?id=130645>

9 <http://www.sf-moh.org/index.aspx?page=263>

Density Bonus, mandates that cities offer density bonuses and other incentives and concessions to projects that contain on-site affordable units.¹⁰

Overall effect of proposed text amendment

Density bonuses are already included in the newly adopted Comprehensive Zoning Ordinance; therefore, the staff believes the objective to allow the incentive described in the proposed text amendment furthers established city policy. Nonetheless, there are several minor omissions in the proposed language which merit attention:

- The proposed language does not include all districts in which multi-family housing is permitted. Specifically, the proposed language does not include any of the Vieux Carre districts, nor does it include certain Lake Area districts.
- Unlike the other affordable housing provisions in the CZO, the proposed language does not refer to the Affordable Housing Standards and Guidelines contained in Section 17.5.H.2, which define terms, identify recording requirements, and require that affordable units be comparable to market rate units.¹¹ While certain standards are included in the proposed language, a number of important provisions are not included.
- The proposed language provides a “development bonus” that “reduces the lot area per dwelling unit requirements” but the nature of that density bonus should be clarified for each individual level of affordable housing provision. By contrast, the Riverfront Overlay District density increase provisions *eliminate* any applicable lot area per dwelling unit requirements.

Need for further study

Additionally, the proposed language (unlike the other bonus provisions in the CZO) does not combine the density bonuses with any increase in building height or floor area ratio (FAR). Nor does it contemplate any relaxation of site requirements or setbacks, with the sole exception of “reducing” the applicable lot area per dwelling requirements. This raises the possibility that on certain properties, or in certain districts, the contemplated density bonus may not be achievable without variances, because there may not be sufficient space within the standard building envelope to accommodate the increased density. Because of the timing of this Motion, staff was unable to undertake a City-wide analysis of this possibility. Should this Motion be approved, staff will continue to research this issue, and monitor resulting variance applications in order to determine whether or not changes to these provisions will be necessary in the future.

¹⁰ <http://www.spur.org/publications/article/2014-12-16/housing-affordability-report-card>

¹¹ An exception is the Riverfront Overlay District, which has its own standards established by amendment JRW-4 submitted by Councilmember Williams.

Suggested language

Based on this analysis, the staff believes a modification is needed to meet the stated purpose of the text amendment. The staff recommends that the density bonus language be expanded to include **all** zoning districts that allow multi-family developments as a permitted use. Additionally, staff recommends adding language to reference the existing Affordable Housing Standards and Guidelines in the CZO, and reducing applicable lot area per dwelling unit requirements. The staff recommends modifying the proposed language as follows, with additions shown in **underlined, bold** text and deletions shown in ~~strikethrough~~ text.

Article 9, Section 9.8

Article 9: Historic Core Neighborhoods Residential Districts

9.8 Development Bonus for Historic Core Residential Neighborhoods – **VCR-1, VCR-2,** HMR-1, and HMR-2

In the establishment and authorization of a development in the Historic Core Residential Districts, **VCR-1 and VCR-2 Vieux Carré Residential Districts and the** HMR-1 and HMR-2 Historic Marigny/ Tremé /Bywater Residential Districts, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements..**
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing

provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.

Article 10: Historic Core Non-Residential Districts

“10.9 Density Bonuses for Historic Core Neighborhoods Non-Residential Districts – **VCC-1, VCC-2, VCS, VCS-1, HMC-1, HMC-2, and HM-MU**

In the establishment and authorization of a development in the Historic Core Non-Residential Districts, **VCC-1 and VCC-2 Vieux Carré Commercial Districts, VCS and VCS-1 Vieux Carré Service Districts, and** HMC-1 and HMC-2 Historic Marigny/ Tremé /Bywater Commercial Districts and HM-MU Historic Marigny/ Tremé /Bywater Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.”

Article 11: Historic Urban Residential Districts

11.5 Density Bonuses for Historic Urban Neighborhoods Residential Districts - HU-RM-1, HU-RM2

In the establishment and authorization of a development in the Historic Urban Neighborhoods Residential Districts, HU-RM1 and HU-RM2 Multi-Family Residential Districts, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.

Article 12: Historic Urban Neighborhoods Non-Residential Districts

12.5 Density Bonuses for Historic Urban Neighborhoods Non-Residential Districts—HU-MU

In the establishment and authorization of a development in the Historic Urban Neighborhoods Non-Residential District HU-MU Neighborhood Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%)

development bonus that reduces reduction in the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus reduction in the minimum lot area per dwelling unit requirements.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus reduction in the minimum lot area per dwelling unit requirements.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus reduction in the minimum lot area per dwelling unit requirements.

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.

Article 13: Suburban Neighborhoods Residential Districts

“13.5 Density Bonuses for Suburban Neighborhoods Residential Districts - S-RM1, S-RM2, S-LRM1, and S-LRM2

In the establishment and authorization of a development in the Suburban Neighborhoods Residential Districts, S-RM1 **and S-RM2** Multi-Family Residential Districts, **S-LRM1 Low-Rise Multi-Family Residential District, and the S-LRM2 Lake Area High-Rise Multi-Family Residential District,** the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces reduction in the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of

at least fifty (50) years:

- a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
- b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
- c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.”

Article 14: Suburban Neighborhoods Non-Residential Districts

“14.5 Density Bonuses for Suburban Neighborhoods Non-Residential Districts - S-LC

In the establishment and authorization of a development in the Suburban Neighborhoods Non-Residential Districts S-LC Lake Area General Commercial District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

- c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.”

Article 15: Commercial Center Institutional Campus Districts

“15.7 Density Bonuses for Commercial Center and Institutional Campus Districts – MU-1, MU-2

In the establishment and authorization of a development in the Commercial Center and Institutional Campus Districts – MU-1 Medium Intensity Mixed Use District and MU -2 High Intensity Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.”

III. Are the proposed actions supported by or in conflict with the policies and strategies of the *Plan for the 21st Century*?

The *Plan for the 21st Century* (the Master Plan) includes a number of guiding principles, strategies and actions that serve to ensure and encourage housing of all types through policy and zoning throughout the City.

- Volume 2, Chapter 5, “Housing and Neighborhoods,” Goal 1: *“Enhanced character and livability for neighborhoods, with investments to improve quality of life.”*
 - Strategy 1A: *“Tailor policies and programs to maintain and enhance the physical, economic, social and cultural character and diversity of existing residential neighborhoods ... The diversity of New Orleans neighborhoods must be respected when new development is proposed for infill, for underutilized sites on the edges of neighborhoods, or for public facilities and investments. This means that new development and redevelopment should be designed and tailored to the physical environment, preserving the general scale and character of existing residential areas. This does not mean that infill development must copy older architectural styles but that it must fit into the existing neighborhood and the way it addresses the street and its neighbors.”*
 - Action 4: *“Explore adoption of an incentive zoning program to encourage provision of neighborhood benefits from large developments ... [I]ncentive zoning is a method for communities to leverage private investment for neighborhood benefits. It allows a developer to build a somewhat larger, higher-density project than would be permitted under existing zoning. This encourages compact development as part of an overall smart growth strategy. In exchange, the developer provides something that is in the neighborhood’s interest that would not otherwise be required (e.g., open space, streetscape improvements, special building features, like public plazas, public art, affordable housing, etc.).”*

The Master Plan also supports providing safe and healthy housing for persons of all income levels and furthermore promotes affordable housing to be located throughout the City’s neighborhoods, as noted below,

- Volume 2, Chapter 5, “Housing and Neighborhoods,” Goal 4: *“Reinvented housing policies to support quality neighborhoods and meet the diverse housing needs of all households.”*¹²

¹² Master Plan, Volume 2, p. 5.36

- Strategy 4.D: *“Maintain and expand market-rate housing choices.”*
 - Action 1: *“Provide zoning for a wide range of market rate housing choices ... A housing market study prepared for this plan indicates that a large proportion of moves within and to New Orleans within the next decade will be made by people with smaller households that want an urban, multifamily living experience. They seek walkable neighborhoods with amenities nearby and will not be looking for detached single family homes. Identification of mixed-use areas allowing higher-density housing through the land use plan and zoning will make it possible to diversify the city’s housing stock.”*
 - Action 2: *“Preserve the diversity of housing types within New Orleans Neighborhoods (singles, doubles, multi-family, etc.)*
- Volume 3, Chapter 5, “Neighborhoods and Housing,” notes the importance of safe and healthy housing choices while recognizing the importance of affordability, as outlined below,
 - *“If the key to New Orleans’ future lies in the quality of life of its diverse neighborhoods, each rich with its own history and unique housing characteristics, the restoration of its existing housing – and the thoughtful development of new infill housing that reflects the diversity of each neighborhood – is critical. To prosper, New Orleans must provide safe and healthy housing for its diverse population with a wide range of incomes, from those who enjoy the economic benefits of higher paying jobs and rising incomes to the most vulnerable households (such as homeless or disabled persons and the working poor.)”¹³*
 - *“Providing sufficient decent and affordable housing for low- and moderate-income workers who are critical to some of the city’s most important economic sectors— such as tourism, New Orleans’ biggest industry—can become an economic issue, as it has in other cities around the country. In New Orleans’ unique context as it moves through the recovery process, understanding all aspects of the housing market and its relationship to wages, the cost of construction/rehabilitation and maintenance, and the employment needs of New Orleans’ industry sectors is essential for the city to make decisions about how funds should best be applied to improve neighborhood quality of life.”¹⁴*

If it were approved, the request would constitute a substantial change to expand the areas that provide a density bonus. It would broaden the effect of the provision to all zoning districts that allow multiple-family uses. With respect to the Land Use Plan, the proposed

¹³ Master Plan, Volume 3, p. 5.19

¹⁴ Master Plan, Volume 3, p. 5.31-32

amendment would apply to properties within any of the Future Land Use Map designations that allow multi-family housing located within that section of the city, which include the following:

- Residential Historic Core (R-HC)
- Residential Pre-War Low Density (RLD-PRE)
- Residential Pre-War Medium Density (RMD-PRE)
- Residential Pre-War Multifamily (RMF-PRE)
- Residential Post-War Multifamily (RMF-POST)
- Neighborhood Commercial (NC)
- General Commercial (GC)
- Business Center (BC)
- Mixed Use Historic Core (MU-HC)
- Mixed Use Low Density (MUL)
- Mixed Use Medium Density (MUM)
- Mixed Use High Density (MUH)
- Institutional (INS)
- Transportation (TRAN)

The staff noted that the goal of providing housing for persons at all income ranges in areas throughout the city was an important consideration in establishing the Master Plan. Moving forward, it will be important to monitor how the density bonuses affect housing costs, affordable housing availability, and feasibility, and also to be cognizant of maintaining a balance between affordable and market rate for persons at all income levels and across neighborhoods. With this important caveat, the Master Plan generally supports the proposed density bonus provision that the amendment would provide.

Although the proposed amendment would expand the provisions of the density bonus to properties in more zoning districts and more Future Land Use Map designations, it would not provide any new or additional ability to establish a multi-family residential use in any location where multi-family developments are not permitted by the base zoning district's regulations and the Master Plan.

Overall, therefore, the proposed amendment is **consistent** with the *Plan for the 21st Century*.

IV. SUMMARY

Zoning Docket 54/09 is a request for a text amendment to expand the density bonus provision for affordable housing in all districts that permit multi-family residential units. **Article 5**, Planned Development Standards of the new Comprehensive Zoning Ordinance provides a density bonus for developments of affordable housing as one of the Development Bonuses for projects located in Planned Developments. As written, the density bonus provides an incentive to developers to include affordable housing in their projects as long as it meets the standards of the planned development. The text

amendment would expand the density bonus to zoning districts that allow multi-family residential uses. Although the proposed amendment would expand the provisions of the density bonus to properties in more zoning districts, it would not provide any new or additional ability to establish a multi-family residential use in any location where multi-family developments are not permitted by the base zoning district's regulations. The staff finds the text amendment to be consistent with the Master Plan as the Plan includes a number of guiding principles, strategies and actions that serve to ensure and encourage housing of all types through policy and zoning throughout the City while noting the importance of affordable, safe and healthy housing choices.

V. **PRELIMINARY STAFF RECOMMENDATION**¹⁵

The staff recommends **MODIFIED APPROVAL** of Zoning Docket 54/15 with the following zoning text change. Additions to the Comprehensive Zoning Ordinance are shown below as **underlined, bold** text and rescissions are shown as ~~strikethrough~~ text:

Article 9: Historic Core Neighborhoods Residential Districts

9.8 Development Bonus for Historic Core Residential Neighborhoods – **VCR-1, VCR-2, HMR-1, and HMR-2**

In the establishment and authorization of a development in the Historic Core Residential Districts, **VCR-1 and VCR-2 Vieux Carré Residential Districts and the HMR-1 and HMR-2 Historic Marigny/ Tremé /Bywater Residential Districts**, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield

¹⁵ Subject to modification by the City Planning Commission

a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.

Article 10: Historic Core Non-Residential Districts

“10.9 Density Bonuses for Historic Core Neighborhoods Non-Residential Districts – **VCC-1, VCC-2, VCS, VCS-1, HMC-1, HMC-2, and HM-MU**

In the establishment and authorization of a development in the Historic Core Non-Residential Districts, **VCC-1 and VCC-2 Vieux Carré Commercial Districts, VCS and VCS-1 Vieux Carré Service Districts, and** HMC-1 and HMC-2 Historic Marigny/ Tremé /Bywater Commercial Districts and HM-MU Historic Marigny/ Tremé /Bywater Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such

standards conflict with the provisions of this section.”

Article 11: Historic Urban Residential Districts

11.5 Density Bonuses for Historic Urban Neighborhoods Residential Districts - HU-RM-1, HU-RM2

In the establishment and authorization of a development in the Historic Urban Neighborhoods Residential Districts, HU-RM1 and HU-RM2 Multi-Family Residential Districts, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.

Article 12: Historic Urban Neighborhoods Non-Residential Districts

12.5 Density Bonuses for Historic Urban Neighborhoods Non-Residential Districts—HU-MU

In the establishment and authorization of a development in the Historic Urban Neighborhoods Non-Residential District HU-MU Neighborhood Mixed-Use District, the

following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.

Article 13: Suburban Neighborhoods Residential Districts

“13.5 Density Bonuses for Suburban Neighborhoods Residential Districts - S-RM1, S-RM2, S-LRM1, and S-LRM2

In the establishment and authorization of a development in the Suburban Neighborhoods Residential Districts, S-RM1 **and S-RM2** Multi-Family Residential Districts, **S-LRM1 Low-Rise Multi-Family Residential District, and the S-LRM2 Lake Area High-Rise Multi-Family Residential District,** the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior

finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:

- a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
- b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
- c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.

Article 14: Suburban Neighborhoods Non-Residential Districts

“14.5 Density Bonuses for Suburban Neighborhoods Non-Residential Districts - S-LC

In the establishment and authorization of a development in the Suburban Neighborhoods Non-Residential Districts S-LC Lake Area General Commercial District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) ~~development bonus~~ **reduction in the minimum lot area per dwelling unit requirements.**

- c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus reduction in the minimum lot area per dwelling unit requirements.

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such standards conflict with the provisions of this section.

Article 15: Commercial Center Institutional Campus Districts

“15.7 Density Bonuses for Commercial Center and Institutional Campus Districts – MU-1, MU-2

In the establishment and authorization of a development in the Commercial Center and Institutional Campus Districts – MU-1 Medium Intensity Mixed Use District and MU -2 High Intensity Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) ~~development bonus that reduces~~ **reduction in** the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus reduction in the minimum lot area per dwelling unit requirements.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus reduction in the minimum lot area per dwelling unit requirements.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus reduction in the minimum lot area per dwelling unit requirements.

The development bonuses provided in items a., b. and c. above may be combined to provide a total bonus of up to 30%. All affordable housing provided pursuant to this section shall comply with the Affordable Housing Standards and Guidelines provided in Section 17.5.H.2, except where such

standards conflict with the provisions of this section.”

VI. REASON FOR RECOMMENDATION

1. The proposed text amendment would expand an already existing density bonus provisions to areas that allow multi-family developments.
2. The density bonuses will encourage the inclusion of affordable housing in market-rate developments and will provide individuals and families with housing choices in neighborhoods that otherwise might not be accessible to lower income families.
3. The modification of the text amendment to include all zoning districts that allow multi-family developments is consistent with the purpose of the proposal.

ED 054/15

AMENDMENT LC- 13 TO ORDINANCE CALENDAR NUMBER 30,637

MAY 14 2015

CITY HALL: _____

BY: COUNCILMEMBER ~~CANTRELL~~
SECONDED BY: 

1) In Exhibit "A", Article 9: Historic Core Neighborhoods Residential Districts, page 9-10, after paragraph 9.7.H "Nonconformities", add the following section:

"9.8 Development Bonus for Historic Core Residential Neighborhoods- HMR-1 and HMR-2.

In the establishment and authorization of a development in the Historic Core Residential Districts, ~~HMR-1 and HMR-2 Historic Marigny/Treme/Bywater Residential Districts~~, the following provides the baseline for determining whether a project qualifies for a development bonus. ~~The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.~~

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.

2) In Exhibit "A", Article 10: Historic Core Non-Residential Districts, page 10-12, after paragraph 10.8.H "General Standards of Applicability, Nonconformities", add the following section:

"10.9 Density Bonuses for Historic Core Neighborhoods Non-Residential Districts – HMC-1, HMC-2, and HM-MU"

In the establishment and authorization of a development in the Historic Core Neighborhoods Non-Residential Districts HMC-1, HMC-2 Historic Marigny/Treme/Bywater Commercial District and HM-MU Historic Marigny/Treme/Bywater Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The

project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.
-

3) In Exhibit "A", Article 11: Historic Urban Residential Districts, page 11-13, after paragraph 11.4.H "General Standards of Applicability, Nonconformities", add the following section:

"11.5 Density Bonuses for Historic Urban Neighborhoods Residential Districts – HU-RM1, HU-RM2

In the establishment and authorization of a development in the Historic Urban Neighborhoods Residential Districts HU-RM1 and HU-RM2 Multi-Family Residential District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus."

4) In Exhibit "A", Article 12: Historic Urban Neighborhoods Non-Residential Districts, page 12-10, after paragraph 12.4.H "General Standards of Applicability, Nonconformities", add the following section:

"12.5 Density Bonuses for Historic Urban Neighborhoods Non-Residential Districts – HU-MU

In the establishment and authorization of a development in the Historic Urban Neighborhoods Non-Residential District HU-MU Neighborhood Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus."

5) In Exhibit "A", Article 13: Suburban Neighborhoods Residential Districts, page 13-23, after paragraph 13.4.H "General Standards of Applicability, Nonconformities", add the following section:

"13.5 Density Bonuses for Suburban Neighborhoods Residential Districts – S-RM1

In the establishment and authorization of a development in the Suburban Neighborhoods Residential Districts S-RM1 Multi-Family Residential District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:

- a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
- b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
- c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

6) In Exhibit “A”, Article 14: Suburban Neighborhoods Non-Residential Districts, page 14-13, after paragraph 14.4.H “General Standards of Applicability, Nonconformities”, add the following section:

~~“14.5 Density Bonuses for Suburban Neighborhoods Non-Residential Districts – S-LC~~

~~In the establishment and authorization of a development in the Suburban Neighborhoods Non-Residential District S-LC Lake Area General Commercial District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.~~

1. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - a. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.
 - b. Five percent (5%) of units aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.
 - c. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

6) In Exhibit “A”, Article 15: Commercial Center and Institutional Campus Districts, page 15-29, after paragraph 15.6.H “General Standards of Applicability, Nonconformities”, add the following section:

“15.7 Density Bonuses for Commercial Center and Institutional Campus Districts– MU-1, MU-2

In the establishment and authorization of a development in the Commercial Center and Institutional Campus Districts— MU-1 Medium Intensity Mixed-Use District and MU-2 High Intensity Mixed-Use District, the following provides the baseline for determining whether a project qualifies for a development bonus. The project may be awarded a maximum of thirty percent (30%) development bonus that reduces the minimum lot area per dwelling unit requirements.

2. The development provides an affordable housing component on-site. Affordable housing shall be evenly distributed throughout the project, and shall be comparable to market-rate units in size, bedroom mix, and exterior finishes. A qualifying project is entitled to a development bonus if it meets one (1) of the following thresholds and maintains affordability for a period of at least fifty (50) years:
 - d. Five percent (5%) of units aside at thirty percent (30%) AMI should yield a fifteen percent (15%) development bonus.

 - e. Five percent (5%) of units' aside at fifty percent (50%) AMI should yield a ten percent (10%) development bonus.

 - f. Five percent (5%) of units aside at eighty percent (80%) AMI should yield a five percent (5%) development bonus.”

SUMMARY

- Amendment to expand development bonuses for affordable housing in all zones that already permit multi-family dwelling units.
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