

TRANSIENT LODGING STUDY

TO: NEW ORLEANS CITY PLANNING COMMISSION

FROM: DESIRE LINE

DATE: JANUARY 9, 2026

Note: This Letter was updated as of January 9, 2026, based on multiple Planning Commission Briefings held on January 6, 2026, to further clarify preliminary Study findings and recommendations prior to Desire Line's Contract End Date of January 14, 2026, and in acknowledgement that Desire Line is not able to be present at the Planning Commission Meeting scheduled for January 27, 2026. New text is highlighted for the public's continued awareness.

Members of the Planning Commission:

Throughout the course of this Study, Desire Line has engaged with City Staff, the City Planning Commission, a City Staffed Working Group, and members of the public to best ensure that all views are represented. To continue to support informed decision-making as part of the Commission's next steps, the Desire Line Team would like to provide clarity and additional information in response to the comments made at the public hearing held on December 9, 2025, in preparation for the Commission's meeting in 2026.

I. Responses to Public Comments

1.1 Data Inconsistencies. The Transient Lodging Study was developed using the best available data provided by the city. However, there were discrepancies in the data due to multiple factors. Discrepancies included:

- A cyber attack that occurred on December 13, 2019, less than 2 weeks after new CSTR regulations were enacted, resulting in inconsistencies in permit data;
- Suspension of all adjudications in March 2020 due to COVID policies;
- An injunction period in the fall of 2023 where no residential STR rules could be enforced and no new licenses were issued;
- The use of different categories for Bed and Breakfasts and Hotels by Safety and Permits and the Bureau of Revenue, resulting in differentiating datasets with different totals of these transient lodging types;
- New CSTR rules enacted over time that resulted in different types of CSTRs that are required to meet different types of regulations based on their date of licensure; and
- The fact that NSTRs and STRs have not been included within comprehensive national datasets (see Appendix A, page 8 for more information on data sources and limitations).

The Study's additional outreach efforts aimed to fill the gaps where the data was difficult to interpret or rely on.

1.2 Ancillary Uses / Customary Lodging Services. Desire Line discussed ancillary uses with the City's legal staff, and it was determined that ancillary uses are not permitted by right (see Appendix C, page 10 for ancillary use requirements associated with this Study, as well as Zoning Interpretation Memorandum Z-22-06).

1.3 Garden District. The Comprehensive Zoning Code (Sec. 20.3.LLL.1 Short Term Rentals General Standards) currently bans both bed and breakfasts and STRs in the Garden District. This

notation in the Code was not recommended to be removed; however, the Study currently recommends in proposed permitted use tables that Bed and Breakfasts be permitted by right in residential Garden District zoning districts and Neighborhood Hotels be permitted by right in mixed use zoning districts. It further recommends allowing CSTRs in Commercial Center districts located along commercial corridors such as Tchoupitoulas Street. This follows the Study’s methodology of allowing transient lodging uses according to residential, mixed use, and commercial zoning districts applied citywide (see Preliminary Report, page 78). Desire Line recommends striking language in Sec. 20.3.LLL.I(i) to remove this inconsistency in the Code within the NSTR regulations. Language recommended to be removed includes:

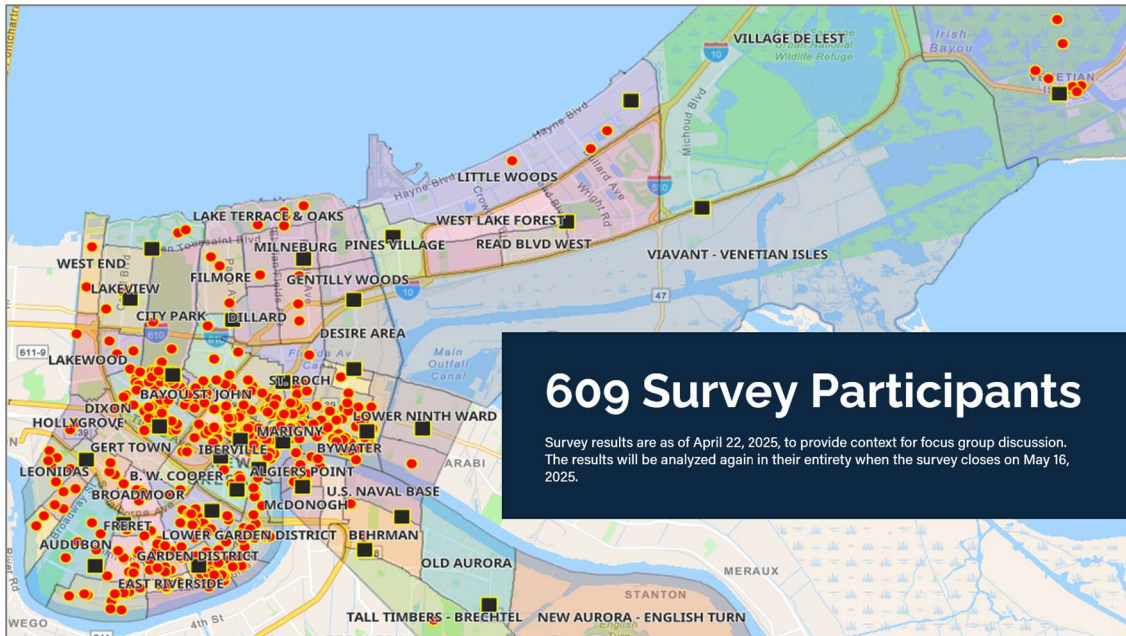
~~“i. Notwithstanding anything else herein to the contrary, no Short Term Rental or Bed and Breakfast shall be permitted within the boundaries of the Garden District, which for purposes of this subsection shall be defined as follows: the center line of St. Charles Avenue, downriver side of Jackson Avenue, center line of Magazine Street, and downriver side of Louisiana Avenue. This provision shall not be waived.”~~

- I.4 **Treatment of CBD-5.** According to the Comprehensive Zoning Ordinance, CBD-5 is intended to provide for a downtown neighborhood environment through a mix of housing types and supporting residential services and commercial uses conveniently situated with respect to employment opportunities. As such, the Study recommendations treat CBD-5 similarly to the other CBD districts in allowing transient lodging uses throughout with density limitations applied to avoid an overconcentration of uses.
- I.5 **Use Categories.** While many have requested increased simplicity to support enforcement, quite the opposite is true in practice: enforcement requires clear terminology, defensible details that can be consistently measured, and standards that can be consistently cited and applied. It is, in fact, over generalization that creates problems and allows bad actors to take advantage of loopholes or missing regulatory standards.
- I.6 **Hostels.** The Study does not provide recommendations to change the definitions, use standards, or zoning district allowances for hostels because—beyond creating consistency in the management framework for these uses—there was no indication that these uses were problematic and required amended land use controls by the city or the public.
- I.7 **Neighborhood Hotels and the Building Code.** Neighborhood hotels are required to meet all building code standards that large hotels are, as detailed in the hotel / motel standards (see Preliminary Report, page 72 and Appendix C, page 10):

Regulations: All hotels and motels shall comply with the regulations of the Department of Safety and Permits, the Department of Finance, Bureau of Revenue, the State Fire Marshal, and the adopted state uniform construction code prior to obtaining a certificate of occupancy in accordance with the City of New Orleans Code of Ordinances and this CZO.

Further, the maximum number of occupants recommended in the Comprehensive Zoning Ordinance is a land use requirement only, and does not subvert or conflict with the Building Code, rather these standards supplement or are applied congruently with the Building Code.

- I.8 **CSTR-L in Condominium Buildings.** The current definition for CSTR-L is a whole home single family dwelling (see Preliminary Study, p. 70). Desire Line agrees that it would further clarify transient lodging uses to specify within the CSTR-L definition that this land use activity does not include and cannot be applied within or a part of a condominium.
- I.9 **French Quarter.** Clarification related to the French Quarter is provided in the Planning Commission response 2.I.1 below.
- I.10 **Community Survey.** The comment regarding the community survey’s bias towards economic development was misrepresented. The commenter stated 10% of preliminary survey responses were shared with focus group participants.



Preliminary results were based on **609 responses** (50% of total responses) to show some initial trends and patterns emerging from the data and to discuss what this could mean with stakeholders and interested members of the public. Further, 3 different focus groups were held based on these emerging themes, focused on **Affordable Housing & Neighborhood Character, Economic Development, and Permitted Uses & Nuisance Regulations**. The slide on the previous page was shared as part of all focus group meetings and every time data was shown it included a note that read “*Note: Survey results are as of April 22, 2025, to provide context for focus group discussion. The results will be analyzed again in their entirety when the survey closes on 5/16/25.*”

We believe the question the commenter referred to on 12/9 was: “Please select whether you agree or disagree with the following statement: Transient lodging uses, including Commercial Short-Term Rentals, help support and grow local businesses across the City.” This question was intermixed with other questions regarding transient lodging uses to assess resident opinions on whether or not these uses support economic development in a Likert scale, where respondents could select 5 options from strongly disagree and strongly agree. The preliminary results shared with focus group participants showed the **push and pull** in survey answers, where 27.47% strongly disagreed and 22.95% strongly agreed with the statement. Further, this question came after questions about negative impacts from transient lodging uses and evictions due to

Commercial Short Term Rentals. Throughout the survey, the Desire Line team strived to understand and capture the drivers behind both positive and negative perspectives towards transient lodging uses in order to mitigate or plan for them as part of Study recommendations. In analyzing the survey results, Desire Line sorted survey answers by cohort to understand the impact of transient lodging uses on renters, owners, and those that do not own a transient lodging use.

- I.II The Marigny Neighborhood.** The Study zoning district recommendations do not include permitting Neighborhood Hotels in the Marigny, so the concerns about these uses in that neighborhood are not applicable and should be clarified with the public.

2. Response to Planning Commission Recommendations

2.I Request 1: Move the French Quarter into high impact, remove the Neighborhood Hotel designation, and remove grandfathering.

2.I.1 French Quarter. Desire Line completed a citywide study and worked to avoid inconsistency in the approach as much as possible to maintain a fair, defensible, and balanced approach to the work. The details from the French Quarter survey results can be found in Appendix B, page 9 and 21. In short, reclassifying the French Quarter to High Impact would create inconsistency in the methodology for the research and analysis conducted as part of the Study and for this reason, Desire Line recommends against reclassifying them as “High Impact.” It is, however, fair to acknowledge that French Quarter residents demonstrated a high degree of concern for the expansion of hotel uses in the VCE-1 at the December 9, 2025, public hearing, and—rather than reclassifying the French Quarter as a high impact neighborhood—we recommended more appropriately amending land use permissions to reflect concerns expressed on December 9th by removing Neighborhood Hotels from the permitted uses in the French Quarter zoning VCE-1 district.

2.I.2 Removal of Neighborhood Hotels. If the land use category for Neighborhood Hotels is removed, this would eliminate the city’s ability to scale hotel land use activities in various built environments, where appropriate. For example, boutique and smaller hotels could be allowed to locate and serve neighborhood business districts or less intense mixed-use districts as Neighborhood Hotels, where a smaller hotel use could fit the neighborhood character. Without this category, hotels of all sizes and scales would continue to be permitted only in more intense commercial and mixed-use districts. Based on public and Commissioner feedback that the Neighborhood Hotels maximum number of units is too high, Desire Line recommends changing the Neighborhood Hotel unit limitation to 16 units to allow for smaller hotels to be permitted in the city consistent with early Study recommendations and with Building Code requirements for hotels. Further, Desire Line recommends maintaining the Bed and Breakfast maximum number of bedrooms at 5, while allowing up to 9 bedrooms within a Bed and Breakfast if located in an historic structure to encourage their continued preservation.

2.I.3 Grandfathering, Temporary, and Nonconforming Status. Desire Line worked with the City’s legal staff on these recommendations throughout the course of the Study, and defer to the City staff on this item.

- 2.2 Request 12: CSTR-L to be 10 or 15 people and eliminated as a permitted use in all CBD districts.** Desire Line appreciates the public input provided on Dec. 9 and agrees that CSTR-L should be reduced down from 20 to 10 guests and removed from Article 17 Central Business Districts.
- 2.3 Request 3: CSTRs and NSTRs be combined, CSTR-L to be removed from all CBD districts (Article 17), and all permits to be made temporary for a period of 2 years.** Desire Line proposed a single short term regulatory regime be considered by the City at the onset of the Study and agrees with City staff that the regulatory regime of CSTRs and NSTRs should be consolidated. When initially considered, Desire Line was informed that this was outside of the Study’s scope and the project team was directed to not explore this recommendation. With regards to Mardi Gras and single room rentals, these are not codified in the Comprehensive Zoning Ordinance, not identified in the data, and were never brought up or discussed with City staff during the 32 coordination meetings and 7 working group meetings held for the Study. The Study’s current recommendations are (in essence) a temporary permit that must be renewed every 2 years.
- 2.4 Request 4: Simplify the categories: owner occupied, traditional, and lodging. Concern expressed about the complication for the citizens.** If the City desires to operate this way, current regulations accomplish this goal, but fail to mitigate negative impacts to adjacent properties due to generalities that create loopholes that result in unintended impacts.
- 2.5 Request 5: Include NSTRs in the same type of study and the addition of the eviction data from JPNSI in the study.** City Staff advised the Project Team to not assess, as much as possible, NSTR land uses, standards, and data because these regulations were recently updated through another comprehensive study. In an early draft of the Background and Data Analysis (Appendix A) submitted in May 2025, Desire Line further included the eviction data from the Jane Place Neighborhood Sustainability Initiative (JPNSI). Upon discussion with City Staff, this data was removed because it was developed by an outside, private entity that could be perceived as biased because JPNSI does in fact purchase and redevelop housing in the City (i.e. there is a financial interest embedded in their position with regards to this Study). In an effort to develop balanced recommendations void of any bias, the Project Team used only data funded by public dollars and available through public sources. To this effect, Desire Line relied on eviction data provided by the Eviction Lab at Princeton University (see Appendix A, page 39-43), poverty and housing occupancy data from the U.S. Census Bureau (see Appendix A, page 40-42), and data regarding the population of renters and homeowners from the Reinvestment Fund (see Appendix A, page 41). We appreciate Janes Place for making their data available and their continued interest and involvement in this Study.

Additionally, members of the Jane Place Neighborhood Sustainability Initiative participated in the focus group and interview portions of the Study. The full organization participation list for interviews included: Airbnb, Corporate Realty, Deep Roots Property Solutions, the Downtown Development District, EXP Realty, the Faubourg Marigny Improvement Association, the Greater New Orleans Hotel & Lodging Association, Home Bank, Iris Development LLC, Jane Place Neighborhood Sustainability Initiative, Keller Williams New Orleans, Kickback Properties, Louisiana Fair Housing Action Center, Marigny Management, Stay Heirloom, Vieux Carre Property Owners, Residents, and Associates, Walker Starrett Public Affairs, and multiple City residents and business owners. The full organization participation list for focus groups included: the Faubourg Marigny Improvement Association, Home Bank, Jane Place

Neighborhood Sustainability Initiative, Kickback Properties, Neighbors First for Bywater, the Quisby, Talbot Realty Group, workshopWDXL, Zach Smith Consulting & Design, Vieux Carre Property Owners, Residents, and Associates, and many City residents and business owners.

- 2.6 Request 6: Prioritize enforcement.** Desire Line agrees that enforcement should be prioritized. Multiple statements to this effect are listed under the recommendations on page 122 (specifically recommendation 5 and 6), which read:
- “5. Maintain fees and penalties as is; focus efforts on supporting enforcement and increasing the severity of adjudication procedures, including more common license revocation.
 - 6. Extend CTSR permit expiration time frames from 1- to 2-year renewals to shift more administrative time and effort towards enforcement processes.”
- 2.7. Request 7: Make the CBD more livable for residents.** Based on public feedback provided on December 9, 2025, Desire Line agrees that CSTR-Ls should be eliminated from the CBD.
- 3. Motion for Consideration** To support clear, informed decision-making, Desire Line has provided a draft motion for the Planning Commission as an attachment to this letter to consider and work from during their January 2026 Planning Commission meeting.

In closing, Desire Line has appreciated the challenging nature of this Study, the enthusiasm all have brought forth in its development, and looks forward to seeing how recommendation manifest as part of next steps. Thank you again to all who have engaged in this process, including all of the members of the public and the Commissioners that took the time read and provide their comments on the Study.

Sincerely,



Alexandra Gelpi Carter, AICP
President & CEO, Principal Planner
Desire Line

CITY PLANNING COMMISSION MEETING (January 2026)

DRAFT MOTION FOR CONSIDERATION:

BE IT MOVED BY THE CITY PLANNING COMMISSION THAT THE 2025 TRANSIENT LODGING STUDY HEREBY BE ADOPTED WITH THE FOLLOWING AMENDMENTS:

1. Remove Neighborhood Hotels from the permitted uses in the French Quarter VCE-1 zoning district and delete the following language to remove regulatory inconsistency in the CZO in Sec. 20.3.LLL.I(i):

~~“i. Notwithstanding anything else herein to the contrary, no Short Term Rental or Bed and Breakfast shall be permitted within the boundaries of the Garden District, which for purposes of this subsection shall be defined as follows: the center line of St. Charles Avenue, downriver side of Jackson Avenue, center line of Magazine Street, and downriver side of Louisiana Avenue. This provision shall not be waived.”~~

2. Revise the definition and use standards for Neighborhood Hotels to have no more than sixteen (16) units and update the Large Hotel definition and use standards to have seventeen (17) or more units.
3. Revise the definition and use standards for CSTR-Ls to seven (7) guest bedrooms and ten (10) occupants maximum.
4. Remove CSTR-Ls as permitted uses from all zoning districts except Maritime Mixed-Use (M-MU).
5. Add a recommendation to streamline the terminology used in data collection for transient lodging uses.
6. Consolidate all Short-Term Rental regulations into a single regulatory regime (STR-S, STR-M, and STR-L) to streamline land use and permitting processes. In doing this streamline block density limitations by increasing allowances from:
 - 1 to 2 per block when commercial or mixed use zoning would allow a second STR to locate along a commercial or mixed use corridor.
 - 1 to 3 when the 2 additional STRs are located in the CBD-1, CBD-2, CBD-3, CBD-4, CBD-5, CBD-6, CBD-7, EC, MC, MS, and LS zoning districts.
7. Maintain the Bed and Breakfast maximum number of bedrooms at 5, while allowing up to 9 bedrooms within a Bed and Breakfast if located in an historic structure to encourage their continued preservation.

BE IT FURTHER MOVED THAT THE EXECUTIVE DIRECTOR IS HEREBY AUTHORIZED TO FORWARD THE STUDY WITH REVISIONS TO THE CITY COUNCIL.

YEAS:

NAYS:

ABSENT: