



2025 MANDATORY INCLUSIONARY ZONING (MIZ) FEASIBILITY ANALYSIS STUDY

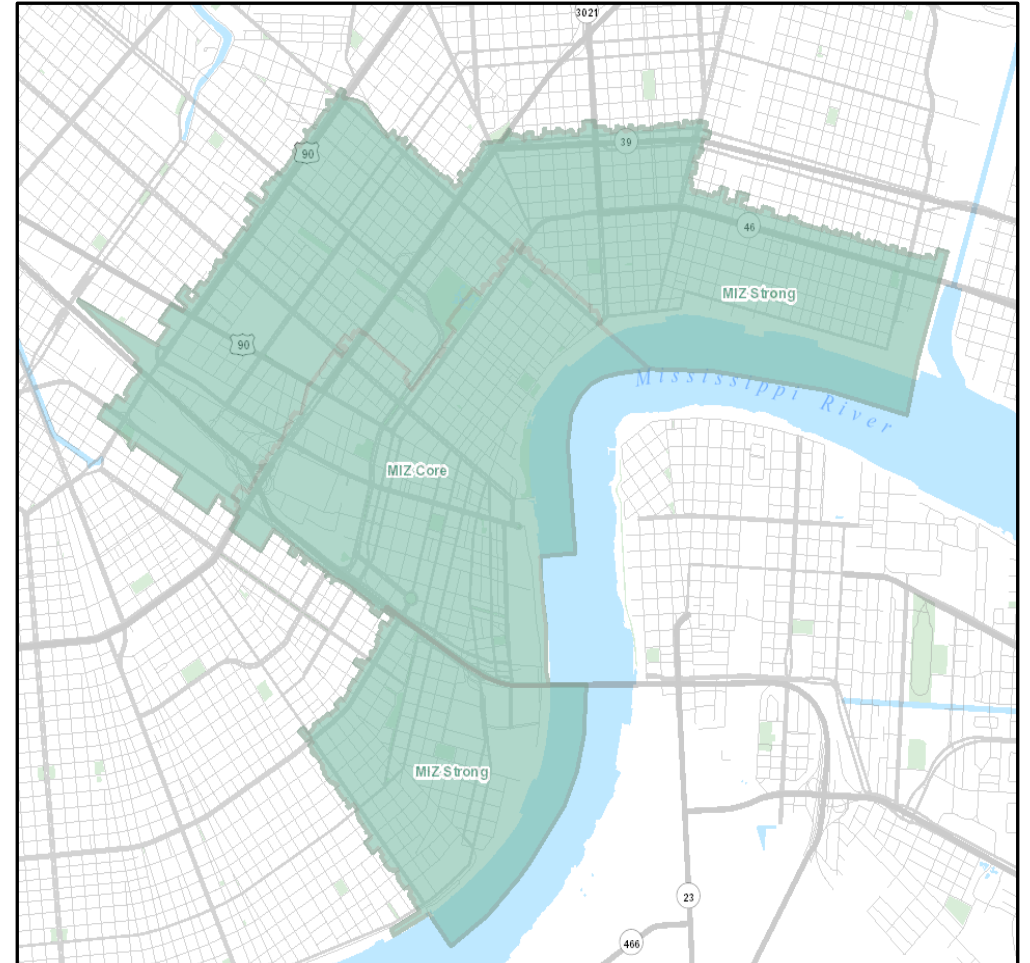
City of New Orleans
City Planning Commission
May 13, 2025

BACKGROUND

- On March 29, 2019, the Mayor signed **Ordinance 28,036 MCS**, an amendment to the CZO, establishing the City's First Mandatory Inclusionary Zoning (MIZ) program.
- On November 11, 2020, the Mayor signed the companion **Ordinance 28,533 MCS**, a map amendment to the CZO, designating the locations and boundaries for MIZ areas. This ordinance requires consideration of a market feasibility analysis every two years:

“SECTION 4. Within two years of passage and within every two years thereafter, the City Planning Commission, in conjunction with the Office of community Development, shall hold a public hearing for the purposes of considering whether a market feasibility analysis is needed to inform changes to the map amendments. After the public hearing, the City Planning Commission shall make recommendation to the Mayor and City Council as to whether a study should be conducted.”

- **April 26, 2022**, the City Planning Commission determined a Market Feasibility Analysis was needed to inform changes to the map amendments.

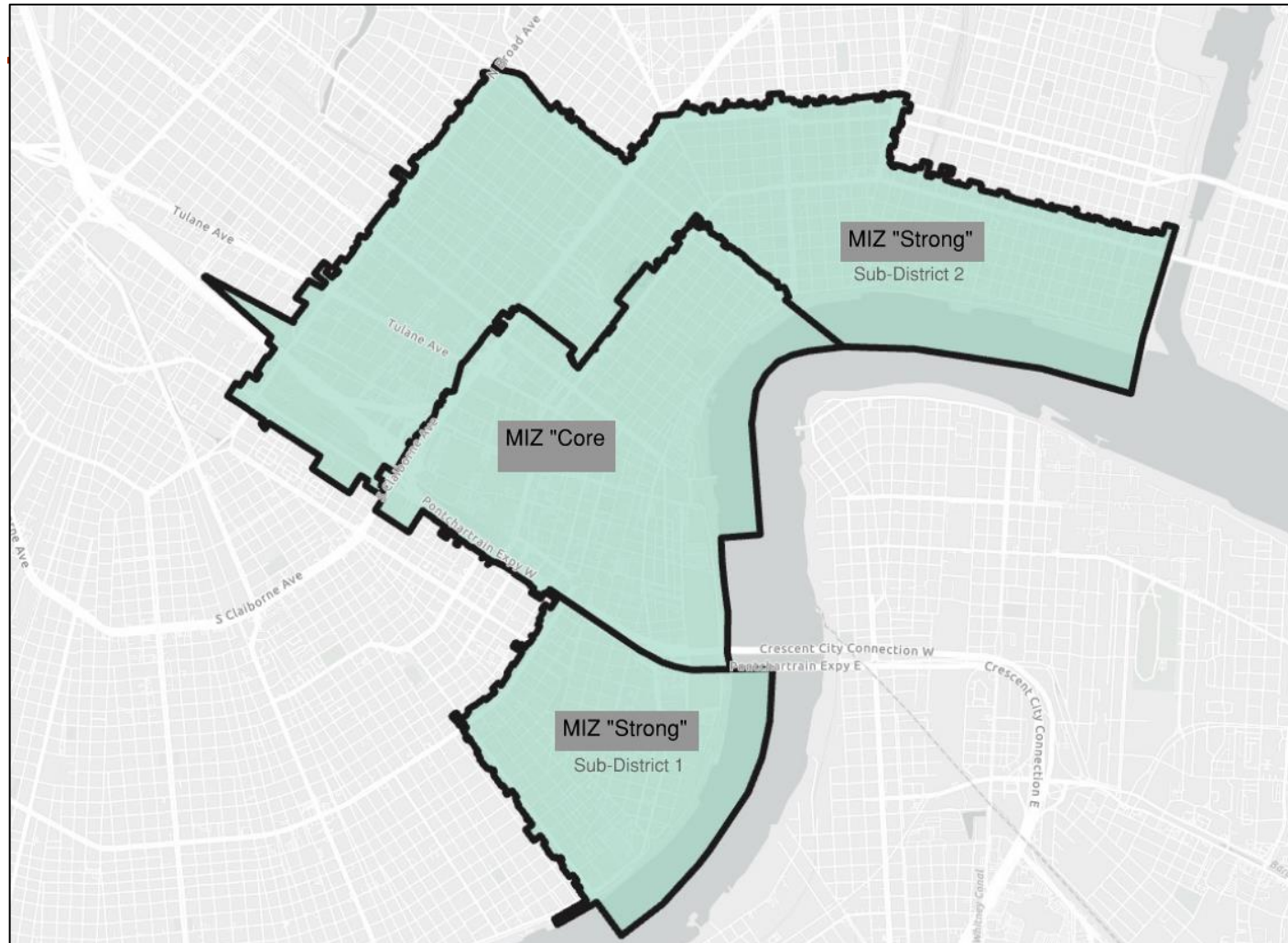


STUDY OVERVIEW

- HR&A Advisors was solicited to complete the 2025 Mandatory Inclusionary Zoning Market Feasibility Analysis, the same firm that conducted the 2019 study on MIZ.
- The MIZ portion will include:
 - Interviews with lenders and real estate financial professionals to help inform analysis of development costs and recommendations
 - An analysis of multi-family development project feasibility since the adoption of MIZ;
 - Development of project pro-formas illustrating the economics of development in each submarket under current conditions and requirements;
 - A feasibility analysis and recommendations specific to incorporating for-sale IZ developments into the program, including but not limited to AMI level(s), affordability term, possibility of utilizing a land trust model or other shared equity programs, and development and financial incentives;
 - Recommendations based on relevant data and best practices for strategies that leverage Short Term Rentals to create affordable housing specifically;
 - Evaluation of current fee-in-lieu level to ensure it is in line with the current market for both rental and for-sale developments;
 - Recommendations on the Mandatory Inclusionary Zoning requirements based on: Zoning District, Market, Neighborhood, Construction costs, other necessary variables.
- The study team will also consider Office to Residential conversions in the CBD.



NEIGHBORHOODS AND BOUNDARIES OF MIZ DESIGNATIONS



- **Mandatory IZ “Core”** – CBD and VCC
- **Mandatory IZ “Strong”** – Marigny, Bywater, Treme, Esplanade Ridge, Mid City, & Lower Garden District
- **Voluntary IZ Transitional** – all other areas of the City where multi-family development is permitted

IZ PROGRAM OVERVIEW

- The **MIZ program** (Article 28) requires Multi-Family Housing Developments greater than 10 units to set aside some units for individuals and families earning up to 60% Area Median Income (AMI) as affordable housing units.
 - MIZ “Core” Area requires 10 percent set-aside
 - MIZ “Strong” Area requires 5 percent set-aside
 - Rental housing units are required to remain affordable for at least 99 years
 - Density Bonuses of 30%-50% beyond base zoning are allowed for MIZ developments.
 - Parking Reductions of 10%-30% are allowed for MIZ projects.
 - FNO can grant PILOTS for MIZ Projects
 - A payment-in-lieu option exists for developments that cannot meet the set-aside requirements: \$304,810.00 per unit not provided.
- There are also **Voluntary Inclusionary Zoning (VIZ) programs** whereby developers can provide affordable housing to achieve greater density, and reduce parking on-site. This is offered citywide.
- The **Affordable Housing Planned Development (AHPD)** is another voluntary type of inclusionary zoning. It is considered on a case-by-case basis and approved by Council Ordinance.

IZ PROJECTS TO DATE

- 17 IZ Projects to date:
 - 3 MIZ projects completed; 8 projects in the pipeline
 - Total Units = 862
 - 1 VIZ project in the pipeline
 - Total Units = 103
 - 3 Affordable Housing Planned Developments (AHPD) Completed; 2 projects in the pipeline
 - Total Units = 478

TOTAL UNITS LEVERAGED IN IZ DEVELOPMENTS = **1,443**

COMPLETED MIZ PROJECTS



Celeste Landing – 1717 Religious Street
MIZ “Strong” Sub-District
46 Units; 2 IZ Units

Tivoli Place -1040 St. Charles Ave.
MIZ “Core” Sub-District
168 Units; 17 IZ Units



1531 St. Bernard Ave.
MIZ “Strong” Sub-District
51 Units; 3 IZ Units

COMPLETED VIZ – AHPD PROJECTS

The Reveal – 13733 Chef Menteur Hwy
150 Units; 10% units (15) set aside for 99 years



**H3C – 1300 Oretha Castle
Haley Blvd**
192 Units; 10% units (19) for
99 years



Grove Place – Hollygrove
32 Units; 10% units (3) for 99 years

PIPELINE PROJECTS

1431 St. Louis Street



NSA BUILDING



2640 Canal Street



441 Nuns Street



4100 Royal Street



234
Loyola
Avenue



NEXT STEPS

- The report will be presented at a CPC Hearing in late summer 2025.
- If you have any data or information that could help the CPC staff complete the Study and recommendations, send it to cpcinfo@nola.gov or **Laura Bryan, lbryan@nola.gov**.

THANK YOU!