

Small Business Permitting in New Orleans: Process Analysis and Reform Recommendations

To: Ernest Legier, Sayde F. Finkle

From: Laura Kelly, on behalf of Cities Work

CC: Sandra Lindquist, Jennifer McDonald, Dylan Dellisanti, Zoe Tishaev

Subject: Cities Work Research on Small Business Permitting and Reform Opportunities in New Orleans

Overview of the Cities Work Initiative

Cities Work is the Institute for Justice’s nonpartisan regulatory consulting initiative committed to increasing economic opportunity and fostering entrepreneurship in cities across the country. The initiative examines how local permitting and licensing systems affect entrepreneurs’ ability to start and grow small businesses. Through detailed process mapping, stakeholder interviews, and comparative research, Cities Work identifies points of friction, duplication, delay, and unnecessary complexity within municipal regulatory frameworks.

New Orleans Research Findings

Our research maps the full end-to-end process an entrepreneur must complete to legally open a business in New Orleans. This includes:

- The total number of required steps
- Forms and applications submitted
- Fees assessed
- Agencies and departments involved
- Required in-person interactions

Cities Work conducted research for five different business processes – a home-based tutoring business, a retail bookstore, a food truck, a restaurant, and a restaurant adding a liquor license. The accompanying restaurant process map illustrates how these requirements accumulate over time and across agencies, often requiring entrepreneurs to navigate overlapping reviews, sequential approvals, and multiple points of contact. While each individual requirement is generally well-intentioned, the cumulative effect is a permitting process that is difficult to

navigate—particularly for first-time or resource-constrained business owners. This complexity can delay business openings, increase upfront costs, and discourage compliance, while also placing administrative strain on city staff responsible for reviewing and processing applications.

Reform Recommendations

These reform recommendations are based on our regulatory research findings but are not all encompassing. Cities Work stands ready to assist the City of New Orleans in identifying and rectifying additional regulatory barriers to business.

Encourage Low-Overhead Forms of Entrepreneurship

Mobile Vending Reform

1. **Remove the cap of 100 food truck permits per year.** Cities Work research consistently finds that arbitrary numerical caps restrict market entry without advancing core health or safety objectives. When qualified applicants are denied permits solely because a cap has been reached, the result is reduced competition, fewer consumer options, and constrained economic opportunity—particularly for lower-capital entrepreneurs who rely on mobile vending as an accessible entry point. Contrary to misconceptions, research shows that food trucks do not harm traditional restaurants and, on the contrary, tend to coexist with and even correlate with growth in the restaurant sector, suggesting that a vibrant mobile-food scene can complement brick-and-mortar businesses by expanding culinary options and overall foot traffic in local markets.¹
2. **Remove the cap of 25 ice cream vending permits per year.** Like food truck limits, fixed caps on ice cream vending permits function as a barrier to entry rather than a safeguard. Cities Work analysis shows that these restrictions tend to protect incumbents rather than the public, limiting entrepreneurship and neighborhood-level economic activity. Removing the cap would allow the number of vendors to respond to consumer demand and seasonal opportunity.

Home Occupation Reform

1. **Allow non-occupant employees at the premises.** Many other cities permit at least one to two non-occupant employees, providing home-based entrepreneurs the flexibility to manage administrative and operational needs while maintaining the residential character of neighborhoods.²

¹ Dick M. Carpenter II, Ph.D., and Kyle Sweetland. (2022, January). Food Truck Truth: Why Restaurants—and Cities—Have Nothing to Fear from Mobile Food Businesses [Report]. Institute for Justice. <https://ij.org/wp-content/uploads/2021/12/Food-Truck-Truth-WEB-dec-2021.pdf>

² McDonald, J. (2022, January). Entrepreneur from home: How home-based businesses provide flexibility and opportunity—and how cities can get out of their way [Report]. Institute for Justice. <https://ij.org/wp-content/uploads/2022/01/entrepreneur-from-home.pdf>

2. **Eliminate the inspection requirement for a Home Business Certificate of Occupancy,** either entirely, or partially, such as for low- or no-impact home businesses. For low- or no-impact home businesses, particularly those with no on-site employees or no customer visits, mandatory inspections often impose time and administrative costs without a corresponding public benefit. Eliminating or narrowing this requirement would better align enforcement resources with higher-risk activities, while making it easier for residents to start compliant, home-based enterprises. This approach supports entrepreneurship and neighborhood stability while preserving the City’s authority to address legitimate nuisance or safety concerns.

Occupational Licensing Reform

1. **Eliminate the tour guide license.** Cities Work research finds that occupational licenses that do not address clear health or safety risks can unnecessarily limit entry into local markets. Tour guiding is fundamentally a speech-based profession, and consumers are well-positioned to evaluate quality through reviews, reputation, and market competition. Eliminating the license would reduce barriers for entrepreneurs—particularly part-time, seasonal, and culturally specialized guides—while maintaining all other applicable business, tax, and public safety requirements. This reform would expand opportunity without compromising legitimate municipal business oversight.

Track Permit Timelines and Add a “Shot Clock” for City Departments

1. **Publicly track permitting timelines.** Conversations with entrepreneurs consistently reveal that unpredictability is one of the most significant barriers entrepreneurs face. When applicants cannot anticipate how long approvals will take, they face extended lease costs, financing strain, and hiring delays, all of which increase the risk of failure before opening. New Orleans should track the time departments currently spend processing and approving each permit, and make that information publicly available through a permit processing dashboard. Doing so adds transparency and accountability to the business licensing and permitting process and provides a benchmark for the city to use as it works to improve the regulatory environment for entrepreneurs.
2. **Implement a permitting “shot clock.”** Cities like Denver, San Francisco, and San Diego are trying new ways to speed up permit approvals, including ideas like creating a “shot clock” that limits how much time city departments are legally allowed to take when reviewing permit applications.³ New Orleans should consider following suit, setting a reasonable time that a permit application can be in the hands of city staff. At the end of that period, applications not directly rejected or sent back to the applicant for specific

³ The Bloomberg Center for Public Innovation. (2025, July 10). Cities take the next step on speeding up approvals residents need. <https://bloombergcities.jhu.edu/news/cities-take-next-step-speeding-approvals-residents-need>

changes can be considered de facto approved. This reform would create clear performance expectations across departments while preserving the City’s authority to reject incomplete or noncompliant applications, and would signal that timely service is a core component of its economic development strategy.

Creating a True One-Stop Shop for Entrepreneurs

1. **Combine all permits and accompanying forms needed for entrepreneurs into a single-log-in portal.**
 - a. Integrate with Sanitation and Water Board for Grease Trap and/or Interceptor Discharge Permit and Plumbing Permit. Submission options currently include direct mail or email only.
 - b. Integrate with New Orleans Department of Sanitation for Litter Abatement Checklist. Submission options currently include direct mail or email only.
 - c. Integrate with City of New Orleans, Bureau of Revenue for Occupational License Amended Return Form. Submission options currently include direct mail or email only.
2. **Clarify and consolidate official business guidance materials.** New Orleans should ensure that all official business guidance materials are clearly labeled, consistently updated, and easy to navigate. Inconsistencies between website instructions and downloadable PDF guides—such as for sign permits and building permits—undermine confidence in the process and increase the likelihood of incomplete or incorrect submissions.⁴ When different sources provide conflicting information, entrepreneurs must spend additional time verifying requirements or risk delays. Broken or outdated web links further compound this problem, interrupting applicants mid-process and forcing them to search across multiple pages or departments for accurate information.⁵ New

⁴ Conflicting information about whether first year operating fee is included in sign permit application or not. [Here](#) says yes, [here](#) says it’s separate. Conflicting information about whether applicants must submit one or two sets of plans with building permit. [Here](#) says one, [here](#) and [here](#) say two.

⁵ On the [city’s webpage for occupational licenses](#), text in the first paragraph states, “Click here for the business license guide and familiarize yourself with New Orleans City Code Chapter 30.” The link on “Click here for the business license guide” is broken. It should direct to the posted guide [here](#), or if the guide is being updated, should direct to an explanation that the guide is being updated.

The [city’s webpage for the Guide to Doing Business in New Orleans](#) does not currently include a link to the guide, stating “Currenting updating information, links will be available soon.” If this is correct, then the [current guide](#) that can be found through a Google search should be marked as outdated or void. If the current guide is accurate and in use, the page should be updated to link to it.

The [city’s webpage for business licenses](#) includes a subsection titled “Guides.” The first link in the subsection, “Occupational License,” is broken. It should direct to the existing page [here](#), or to the appropriate corresponding webpage if different.

Orleans should implement clear version control standards, routinely audit and repair broken links, and ensure alignment between web content and PDF documents so that applicants receive one consistent, authoritative set of instructions.

3. **Create and publish clear inspection checklists for safety and permits.** New Orleans should develop standardized inspection checklists for Department of Safety and Permits inspections—including building, mechanical, and electrical—and make them clearly accessible online. At present, applicants often prepare for inspections without a consolidated, plain-language outline of what inspectors will evaluate, increasing the likelihood of failed inspections, repeat visits, and costly delays. Publishing clear checklists would promote transparency, improve first-time compliance, and reduce unnecessary back-and-forth between applicants and staff. These checklists could follow the City’s existing “guide” format and be prominently linked at the bottom of relevant permit webpages to ensure consistency and ease of access. Cities Work is currently collaborating with the City of Philadelphia to develop a health inspection checklist designed to improve clarity and inspection readiness. Providing standardized inspection criteria helps entrepreneurs understand expectations upfront while supporting inspectors with more efficient and predictable review processes.

Modernize the Zoning Map and Integrate a Comprehensive Permit Navigator

1. **Improve the usability and transparency of the interactive zoning map.** The current Property Viewer is difficult to navigate and limits entrepreneurs’ ability to assess potential locations early in the planning process. The software requires applicants to input a known address to see the specific requirements and permitted business types for that plot, instead of highlighting possible areas where the applicant’s desired business type would be permitted. Overlays and Interim Zoning Districts further complicate the process; when properties fall within overlapping districts, applicants are directed to contact the New Orleans One Stop Shop for interpretation. This case-by-case approach adds confusion, delays site selection, and increases administrative burden for both entrepreneurs and city staff.
2. **Integrate the Property Viewer with a comprehensive Permit Navigator tool, similar to those used in Philadelphia and Atlanta.**⁶ These platforms allow entrepreneurs to input business characteristics and receive customized, location-specific guidance on required permits, licenses, inspections, and associated fees. Combining interactive zoning visibility with a tailored permit roadmap would reduce guesswork, improve first-time application

⁶ City of Philadelphia. (n.d.). Permits portal. <https://permits.phila.gov/>
City of Atlanta. (n.d.). Permits portal. <https://permits.atlantaga.gov/>

accuracy, and decrease staff time spent correcting incomplete or misdirected submissions.

Remove Unnecessary Steps That Can Lead to Delays and Continually Reform Outdated Processes

1. Introduce a Spring Cleaning Ordinance. Over time, regulatory systems can become a patchwork of outdated requirements that create unnecessary friction for entrepreneurs. A Spring Cleaning ordinance would institutionalize regular internal review by requiring departments involved in the entrepreneurial process to report inefficient, confusing, costly, or unnecessary requirements—along with proposed solutions—to City Council. Departments would implement performance metrics and feedback systems (including optional anonymity) to track bottlenecks and employee-suggested reforms, and approved items would be incorporated into an annual “spring cleaning” efficiency bill, similar to a sunset review model used at the state level. A version of this approach was adopted in August 2025 by the Unified Government of Kansas City, Kansas and Wyandotte County.⁷

Conclusion

New Orleans has a strong entrepreneurial culture, and a national reputation made unique by its small, independent, and culturally rooted businesses, particularly in hospitality, food, music, and tourism. Protecting and strengthening that entrepreneurial ecosystem is essential not only to economic growth, but to preserving the character and competitiveness that make New Orleans distinct. By modernizing its permitting systems, increasing transparency, and removing unnecessary barriers, New Orleans can better align its regulatory framework with that identity—making it easier for entrepreneurs to start, invest, hire, and grow. The reforms outlined above focus not on lowering standards, but on improving clarity, predictability, and administrative efficiency so entrepreneurs can navigate the system without unnecessary delay or confusion. Cities Work stands ready to partner with New Orleans to elaborate on or further refine these recommendations, share comparative insights from peer jurisdictions, and support implementation. With thoughtful reform, New Orleans can position itself as a national leader in small business accessibility while strengthening transparency, accountability, and economic opportunity across the city.

Please reach out to Laura Kelly at lkelly@ij.org with any questions, or if you are interested in learning more.

⁷ Unified Government of Wyandotte County & Kansas City, KS. (2025, August 7). Board of Commissioners meeting agenda & attachment 15715 [PDF]. <https://wycokck.portal.civicclerk.com/event/2991/files/attachment/15715>