



Agenda DATE 1/12/16 TIME 11:14a

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COMMUNITY DEVELOPMENT COMMISSION MEETING

Wednesday, January 20, 2016

3:30-5:00 p.m.

500 Market Street, Suite 200

Roundhouse Conference Room

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes: November 18, 2015 CDC
5. Review and approval for an Ordinance and Definition for Alternate Means of Compliance, and Amending the Definition of Extreme Hardship; Amending the Requirements for Santa Fe Homes Program Rental Units; Amending the Process by Which a Developer of Rental Housing is Allowed to Pay a Fee-In-Lieu Instead of Seeking an Alternate Means of Compliance with the Requirements of the Santa Fe Homes Program; and Establishing an Effective Date for The Amendments (Alexandra Ladd).
6. Items from the Commission
7. Items from the Floor
8. Adjournment

An interpreter for the hearing impaired is available through the City Clerk's office upon five days notice. Please contact 955-6521 for scheduling.

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CITY OF SANTA FE
COMMUNITY DEVELOPMENT COMMISSION
MEETING
January 20, 2016

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MINUTES OF THE
CITY OF SANTA FE
COMMUNITY DEVELOPMENT COMMISSION MEETING
Santa Fe, New Mexico

January 20, 2016

A meeting of the City of Santa Fe Community Development Commission was called to order by Rusty Tambascio, Vice Chair on this date at 3:30 p.m. in the Market Station Offices, 500 Market Street, Suite 200, Roundhouse Conference Room, Santa Fe, New Mexico.

Members Present:

Rusty Tambascio, Vice Chair
Paul Goblet
Ken Hughes
Carla Lopez
Silas Peterson

Member(s) Absent:

Councilor Ron Trujillo, Chair, excused
John Padilla, excused

Staff Present:

Margaret Ambrosino, Senior Housing Planner
Alexandra Ladd, Special Projects Manager, Housing and Community Development Department

Others Present:

James Hicks, Executive Director, Tierra Contenta Corporation
Scott Hoeft, Director, Santa Fe Planning Group
Hank Hughes, Executive Director, New Mexico Coalition to End Homelessness
Josh Rogers, Multifamily Director, Titan Development
Mary Schruben, citizen
Jim Siebert, Siebert and Associates
Ted Swisher, Executive Director, Habitat for Humanity of Santa Fe
Sharon Welsh, Executive Director, Santa Fe Community Housing Trust

APPROVAL OF AGENDA

Commissioner Ken Hughes moved to approve the agenda as published. Commissioner Peterson seconded the motion. The motion passed unanimously by voice vote.

APPROVAL OF MINUTES: November 18, 2015 CDC

Commissioner Ken Hughes made the following changes to the Minutes of the October 21, 2015 and November 18, 2015 CDC meetings:

Page 2 under Approval of the Minutes of the October 21, 2015 CDC Meeting:

“Page 5, 2nd paragraph was changed to read: *“Commissioner Hughes mentioned that the State has a program where builders can receive a tax credit of up to \$6.50 per square foot for energy efficient units.”*”

Page 8, (November 18, 2015 CDC Minutes), 3rd paragraph was changed to read:

“Commissioner Hughes said that 13 needs that were identified have “high priority” next to them, including community facilities.”

Page 8, 6th paragraph was changed to read: *“Commissioner Hughes said each housing project, for instance, could have a car and bike sharing program.”*

Commissioner Peterson moved to approve the Minutes of the November 18, 2015 meeting as amended. Commissioner Ken Hughes seconded the motion. The motion passed unanimously by voice vote.

REVIEW AND APPROVAL FOR AN ORDINANCE AND DEFINITION FOR ALTERNATE MEANS OF COMPLIANCE, AND AMENDING THE DEFINITION OF EXTREME HARDSHIP; AMENDING THE REQUIREMENTS FOR SANTA FE HOMES PROGRAM RENTAL UNITS: AMENDING THE PROCESS BY WHICH A DEVELOPER OF RENTAL HOUSING IS ALLOWED TO PAY A FEE-IN-LIEU INSTEAD OF SEEKING AN ALTERNATE MEANS OF COMPLIANCE WITH THE REQUIREMENTS OF THE SANTA FE HOMES PROGRAM; AND ESTABLISHING AN EFFECTIVE DATE FOR THE AMENDMENTS (Alexandra Ladd)

(Copies of the Ordinance were distributed and reviewed.)

Ms. Ladd explained that Mayor Gonzales has an ambitious vision, which is exciting and has tons of potential to redevelop several of our underused corridors in Santa Fe. The Mayor wants to figure out a way to focus future development where the City already has the infrastructure; and where there won't have neighbors who will be upset about higher density development; and where people will have access to transportation. She said the only part of that program that relates directly to the Santa Fe Homes Program is Chapter 14, which is the Land Use Code because along a lot of these corridors is zoning that would

not allow any housing; therefore there is a lot of land use work that will need to be done. One of the things they arrived to is to at least remove what appears to be a barrier to local home development in Santa Fe, which is the Santa Fe Homes Program.

Commissioner Goblet said geographically, what do they mean when they talk about corridors. He asked are you talking about Agua Fria.

Ms. Ladd said no, they are talking about St. Michael's Drive to Cerrillos Road down to Siler Road.

Commissioner Goblet asked what the catalyst was for Mayor Gonzales' thoughts.

Ms. Ladd said she cannot speak for Mayor Gonzales on that but she thinks it is part of his broader vision that our community is really not currently being developed. The City is not growing population-wise and we don't have young professionals living here to the extent that the Mayor would like to see. There is also a lot of underused infrastructure but yet the City continues to spend money on putting in new infrastructure for periphery development.

Ms. Ladd noted that in 2010 or 2011, in response to the recession, there was a temporary adjustment made in the Santa Fe Homes Program that allowed small-scale homeownership projects of 10 or fewer units to pay a fee by right. They did not have to go through Alternate Means of Compliance to pay a fee. This adjustment was made permanent but it had a sunset clause.

She said the Mayor asked how they could get multi-family development here in Santa Fe and as part of the upcoming redesign of the strategic Affordable Housing Plan, they will be reviewing this Ordinance thoroughly because they think there are lots of ways that this can work better.

Ms. Ladd mentioned that a press conference was done announcing this change and the Mayor spoke about his broader vision about redeveloping corridors.

She noted that she attended a Public Works Committee meeting recently and there were a lot of questions about how this benefits the City geographically. Councilor Dominguez expressed concerns about the fact that the City is not looking at the inequities geographically in town. He asked how allowing developers to pay a fee-in-lieu of, rather than developing affordable housing helps this. For example, are you going to segregate all the poor people in this one project?

Ms. Ladd said she did not think that the way the current Ordinance reads works for multi-family development. She noted that she made changes to the definition of "extreme hardship" in the Ordinance because she felt that it was redundant.

Vice Chair Tambascio said she thinks the amendment/language further clarifies what they are trying to accomplish.

Ms. Ladd asked the Commission to discuss and consider whether they should create a more performance-based measure, rather than a sunset date or goal.

Commissioner Goblet said one of the things that he put on the table a few months ago, was asking the question of how many unbuilt lots the City has that are part of the HOP Program and could this body or better yet the Mayor, do something to monetize those. He said his sense is that there are a lot of those.

Ms. Ladd thinks the number is 1000 but she does not think a lot of these are multifamily. She asked that the Commission only focus on multifamily projects.

Vice Chair Tambascio suggested that the Commission hear from the members of the public. She thanked the members of the public for attending and asked them to introduce themselves.

Scott Hoeft of the Santa Fe Planning Group said they are a land planning consulting firm and they have been working on some multifamily projects. He asked Ms. Ladd to explain this Ordinance and the formula for the fee-in-lieu.

Ted Swisher said he is the Executive Director of the Santa Fe Habitat for Humanity. He mentioned that there have been no Santa Fe Home Program rental projects since the Ordinance was passed in 2008 and this says a lot.

James Hicks said he is the Executive Director of the Tierra Contenta Corporation.

Sharon Welsh said she is the Executive Director of the Santa Fe Housing Trust. She said one thing she wants to add is about the awkwardness to implement the current Ordinance, and in part it is the financial impossibility for the developers. She explained from the administrative side, the City's side and the Housing Trust's side, it takes time to complete the required paperwork for tax credit projects and this could assist with that.

Ms. Welsh said she is not comfortable with exactly what the trade-off should be cash-wise and she would prefer that the money would go into rental assistance and bricks and mortar, and some money could be directed towards the tax credit projects. This could help get these projects approved by the State.

Vice Chair Tambascio asked if there were any questions for Ms. Welsh.

Commissioner Ken Hughes asked Ms. Welsh if the idea of putting more money into bricks and mortar, would that be in lieu of the developers doing that, or in addition to.

Ms. Welsh said she is talking about fees that are paid for the Alternative Means of Compliance – the fees in-lieu of.

Mr. Swisher said he endorses what Ms. Welsh said about the fact that some money

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could be directed towards the tax credit projects and this could help get these projects approved by the State.

Commissioner Goblet said he does not hear anything Ms. Welsh is saying that affects this proposal, as far as language.

Ms. Welsh said she supports the amendments to the Ordinance, as written.

James Siebert said he is with Siebert and Associates. He said first of all, he supports the legislation the way it is written but he has a concern about the sunset clause. He feels that this could be stretched out maybe to four years or eliminated. He said the housing program today really does not address the full needs of the community and this is the first step in actually doing that. This also creates opportunity for apartments and this is a good thing.

Hank Hughes said he is with the New Mexico Coalition to End Homelessness. He said he has worked on several non-profit developments (Village Sage and Stagecoach) of very affordable housing and he thinks this Ordinance will work much better for this. He said this could provide tax (credit) money for either the construction, or to federally subsidize the units going forward for low income people.

He said the best projects he has seen, including the ones that the Housing Trust have done have mixed-income residents within all the affordable ranges or levels, from homeless people to working class people. If you want to encourage more of these, this will help with that.

Ms. Ladd said Mr. Hughes brings up the diversity of the people who live within these projects and that is really important.

Josh Rogers said he is the Director for Multifamily Development for Titan Development. He said in the last five years, Titan Development has become the largest developer in multifamily in the State. They have done 714 multifamily units in the last three years. He explained that the current Ordinance prohibits them from doing multifamily units in Santa Fe and they won't even consider Santa Fe at this point in time. The 15% requirement on a monthly basis takes away any profitability for them. They cannot get any equity or a construction loan to do a project.

Mr. Rogers said he ran the numbers and Santa Fe, since 1993, is 2300 units behind in what it should be. He said the initiative to create affordable housing in Santa Fe has stopped because there is no supply. Demand continues to rise and the prices continue to go up. He said the amendment to the Ordinance allows them to make this work. He said paying a fee-in-lieu on a one time basis will give the City revenue to generate more income for affordable housing in various ways and it will create a demand for market-rate units, and would allow them to do market-rate apartments.

Commissioner Goblet asked if the 714 multifamily units that Titan Development

has done were all built in Albuquerque.

Mr. Rogers said yes.

Commissioner Hughes noted that there was a great piece in Friday's edition of the *Journal North* about how Albuquerque does facilitation before a developer spends "a dime". He noted that this is on the agenda for next week's Planning Commission meeting.

Mr. Rogers explained that the City of Albuquerque assigns a case planner for a project and they walk you through how to get a property rezoned and assist with all the issues that you have to address in order to get a property rezoned. This case planner also reaches out to the neighborhood and helps the developer answer all the questions.

Vice Chair Tambascio asked if anyone else had any questions for Mr. Rogers and there were none.

Mary Schruben is a citizen, representing herself. She said she is present to learn and she has already learned a lot.

After discussion on the amended Ordinance, the following changes were suggested:

- 1) The sunset date will be changed to December 31, 2019 with the goal of constructing a minimum of 200 rental units.
- 2) A review and evaluation of the program will be done at the end of 2018.

Commissioner Hughes moved to approve the Ordinance, as amended. Commissioner Goblet seconded the motion. The motion passed unanimously by voice vote.

ITEMS FROM THE COMMISSION

Vice Chair Tambascio said it was great to see non-profit and for-profit organizations here today.

ITEMS FROM THE FLOOR

Commissioner Hughes said he will be touring three developments in Albuquerque next Wednesday, January 27th to get inspired on what they are doing on multifamily.

ITEMS FROM THE FLOOR

There were no items from the floor.

ADJOURNMENT

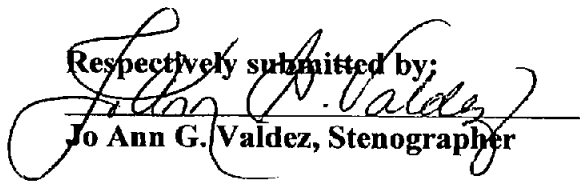
Its business being completed, Commissioner Goblet moved to adjourn the meeting, second by Commissioner Peterson, the meeting adjourned at 4:15 p.m.

Approved by:



Rusty Tambascio, Vice Chair

Respectively submitted by:



Jo Ann G. Valdez, Stenographer