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CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2021-__

INTRODUCED BY:

Mayor Alan Webber

Councilor Carol Romero-Wirth

Councilor Roman “Tiger” Abeyta

Councilor Michael J. Garcia

Councilor JoAnne Vigil Coppler

Councilor Signe I. Lindell

A RESOLUTION

ESTABLISHING A WORK PLAN FOR IMPROVING ACCESS TO AFFORDABLE HOUSING OPPORTUNITIES FOR RESIDENTS OF THE CITY OF SANTA FE.

WHEREAS, there is an immediate need to increase the supply of housing across the housing spectrum and an even more urgent need for affordable housing throughout the City of Santa Fe; and

WHEREAS, City of Santa Fe’s (“City”) staff and outside organizations have worked tirelessly to provide the means for housing development to increase and meet market demand for housing and the needs of all Santa Fe residents; and

WHEREAS, housing development in the City has increased dramatically since 2016 when the City amended its inclusionary zoning ordinance to allow certain market rate developers to pay a fee in lieu of providing on-site units; and

WHEREAS, as a result of the City’s actions and the demand for housing, 5,365 units are either complete or in some stage of the process as of the end of 2020:

1. 760 units completed

2. 1,762 units under construction
3. 657 units approved and under review
4. 1,542 units approved by the Planning Commission
5. 644 units pending approval; and

WHEREAS, according to the City’s most recent housing needs analysis (2018), there is an inventory gap of at least 2,600 rental homes for Santa Fe renters in the City who earn \$25,000 and below; and

WHEREAS, 86% of renter households in Santa Fe County earning less than \$50,000 are cost-burdened, meaning that they pay more than 30% of their monthly income toward their housing costs, a percentage that rose 13% between 2016 and 2018; and

WHEREAS, the 2019 median sales price for a home in Santa Fe County was \$527,000, requiring an income of at least \$120,000 to qualify for a mortgage, while the median income for a renter household is between \$40,000 and \$50,000; and

WHEREAS, the COVID-19 pandemic and the subsequent economic shut down amplified affordability issues as cost-burdened renters lost jobs or experienced loss of income and now owe several months’ worth of rent, making them vulnerable to eviction when the federal, state, and local moratoria on evictions are lifted; and

WHEREAS, the City established the Affordable Housing Trust Fund (“AHTF”) in 2007 via Ordinance No. 2007-23 as a way “to provide or pay all or a portion of the costs of acquisition, development, construction, renovation or conversion, financing, operation or owning affordable housing or infrastructure to support affordable housing which meets agreed upon community housing goals and objectives”; and

WHEREAS, the uses of the AHTF are determined by the New Mexico Affordable Housing Act (the state statute that implements an exemption to the Anti-Donation Clause of the New Mexico Constitution) and include donations of cash, infrastructure, land, or buildings to

1 support affordable housing and to direct financial assistance (used for rent, down payment, or home
2 repair) to income-eligible individuals; and

3 **WHEREAS**, the AHTF receives funding from a variety of sources including land sales,
4 payoffs of City-held liens, fees paid by developers, and fees paid in-lieu-of onsite units as required
5 for compliance with the Santa Fe Homes Program (SFCC 1987, Section 26-1); and

6 **WHEREAS**, City staff have identified other potential sources of funds for the AHTF that
7 require legislative actions is required; and

8 **WHEREAS**, AHTF expenditures are restricted to the construction, preservation, and
9 rehabilitation of affordable housing units or supportive housing facilities and cannot be used for
10 program administration or necessary support services; and

11 **WHEREAS**, residents who are transitioning out of homelessness or have other high needs
12 are unlikely to sustain their housing situations if they lack necessary support; and

13 **WHEREAS**, the City is implementing the “property management plus” housing model
14 where the provision of units (either through new construction, rehabilitation or direct subsidy) is
15 supported with services such as case management, medical care, job training, etc.

16 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
17 **CITY OF SANTA FE** that the three City Council Standing Committees shall take on the work of
18 reviewing, evaluating, and assessing a broad set of proposals and recommendations for revenue
19 sources that would achieve long-term, sustainable, predictable, equitable, and consistent funding
20 for the Affordable Housing Trust Fund with the goal of expanding access to housing opportunities
21 for all residents, regardless of income or type of housing needed.

22 **BE IT FURTHER RESOLVED** that the proposals and recommendations considered for
23 analyses shall include ideas from staff, members of the Governing Body, and reports from
24 community organizations, housing advocates, and relevant City committees.

25 **BE IT FURTHER RESOLVED** that the individual recommendations will be vetted by

1 the appropriate City Council Standing Committee based on the respective Committees' purview
2 and staff's subject matter expertise.

3 **BE IT FURTHER RESOLVED** that presentations by staff regarding the various
4 proposals at the Committees shall include analyses of the costs and benefits of the various proposals
5 and recommendations and that a compilation of these analyses shall be provided to the Governing
6 Body in a study session to develop a comprehensive understanding of the options available for
7 short-, medium-, and long-term solutions to fund the Affordable Housing Trust Fund on a going-
8 forward basis.

9 **BE IT FURTHER RESOLVED** that immediate opportunities for funding the Affordable
10 Housing Trust fund are not precluded by the analyses required by this Resolution and shall be
11 included in determining the mix of funding sources to provide consistent, reliable, and sustainable
12 funding for the Affordable Housing Trust Fund.

13 **BE IT FURTHER RESOLVED** that the Quality of Life Committee shall explore benefits
14 of and options for developing regular and consistent funding for wrap-around services for at-risk
15 residents as a social service component of an ongoing affordable housing program.

16 **BE IT FURTHER RESOLVED** that the City Manager work with staff to develop a
17 blueprint for a growth management planning process as a larger overall framework for the City's
18 future development, considering the housing recommendations adopted as a result of this
19 Resolution, and adding other essential components of livability, equity and sustainability including
20 infrastructure investment, utilities, social, environmental, economic, and other quality of life
21 factors.

22 PASSED, APPROVED, and ADOPTED this _____ day of _____, 2021.
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ALAN WEBBER, MAYOR

ATTEST:

KRISTINE MIHELIC, CITY CLERK

APPROVED AS TO FORM:



ERIN K. McSHERRY, CITY ATTORNEY