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CITY OF SANTA FE, NEW MEXICO

RESOLUTION 2019-6

INTRODUCED BY:

Mayor Alan M. Webber

Councilor Peter N. Ives

Councilor Christopher M. Rivera

A RESOLUTION

CONTRIBUTING PROPERTY AND RESOURCES TO NEW MEXICO INTER-FAITH HOUSING COMMUNITY DEVELOPMENT CORPORATION FOR DEVELOPMENT OF THE SANTA FE ARTS+CREATIVITY CENTER LOW INCOME HOUSING TAX CREDIT PROJECT PURSUANT TO THE AFFORDABLE HOUSING ACT.

WHEREAS, the updated Housing Needs Analysis from the City’s 2018 Consolidated Plan indicates that Santa Fe’s rental housing market has a gap of approximately 2,400 units that are affordable to renters earning less than \$25,000 per year; and

WHEREAS, the City of Santa Fe policy is to provide incentives and encourage proposals that support the production, acquisition, and redevelopment of rental housing in mixed income developments; and

WHEREAS, the City intends to donate a 5-acre parcel of land as shown in attached Exhibit A to serve households earning from 30-60% of median income with at least 50 affordable live/work rental, dedicated outdoor amenities, green space, and shared facilities for residents of the Arts + Creativity Center Low Income Housing Tax Credit Project (the “Project”); and

1 **WHEREAS**, the City’s donations are proposed to be contingent upon the project receiving
2 Low Income Housing Tax Credit (LIHTC) subsidies; and

3 **WHEREAS**, the land that the City intends to donate for the Project is located in both a majority
4 low- and moderate-income Census tract and a Qualified Census Tract (QCT) as designated by the U.S.
5 Department of Housing and Urban Development (HUD); and

6 **WHEREAS**, the Project is located in the Siler Redevelopment District as designated by the
7 1999 General Plan and is a critical component of the redevelopment of the City-owned Public Works
8 Yard; and

9 **WHEREAS**, the Project’s Census Tract is designated as an Opportunity Zone by the U.S.
10 Treasury, a designation which increases the viability of leveraging private investment; and

11 **WHEREAS**, Resolution No. 2014-13 directed City staff to work with Creative Santa Fe; other
12 community arts, culture, and creative organizations and businesses; and Artspace Projects to produce a
13 plan to move the Project through several planning and implementation steps to completion; and

14 **WHEREAS**, Resolution No. 2015-24 directed City staff to develop criteria for a municipal
15 land donation with the potential to attract a LIHTC subsidy; identify a City-owned site that meets the
16 criteria; and monitor the next level of due diligence on the site including a definition of the project area
17 and completion of the following steps: necessary environmental assessments, preliminary engineering
18 assessments, land survey, and real estate appraisal of the donated area; and

19 **WHEREAS**, Resolution No. 2016-30 contributed property located at the City’s Siler Public
20 Works Yard and resources to New Mexico Interfaith Housing Community Development Corporation
21 (“Developer”) for development of the Project, pursuant to the NM Affordable Housing Act; and

22 **WHEREAS**, Ordinance No. 2016-44 amended the City’s official zoning map, changing the
23 zoning classification from I-2 (General Industrial) to C-2 (General Commercial) for property shown in
24 attached Exhibit A comprising approximately 5.00+/- acres located along the West side of Siler Road
25 to allow for the development of multi-family housing; and

1 **WHEREAS**, Resolution No. 2018-9 committed additional resources in the amount of
2 \$400,000 to support the development of the Project, including improvements to Siler Road and the
3 installation of public utility infrastructure, using funds from a combination of sources further approved
4 by source and amount at the time of the award, as approved by the Governing Body; and

5 **WHEREAS**, the City supports the Developer’s application for Affordable Housing Program
6 (AHP) Funds from the Federal Home Loan Bank of Dallas; and

7 **WHEREAS**, the proposed donation and Project conform to the City of Santa Fe Five-Year
8 Strategic Housing Plan "Affordable Housing Element" adopted in conformance to the Affordable
9 Housing Act by Ordinance No. 2007-23 pursuant to the express statutory authority conferred upon
10 municipalities to enact a housing code pursuant to Section 3-17-6A(8) NMSA 1978; to enact ordinances
11 pursuant to its police power, Section 3-17-1 B NMSA 1978; to provide for affordable housing pursuant
12 to subsections E and F of Article 9, Section 14, of the New Mexico Constitution and the Affordable
13 Housing Act (Sections 6-27-1 through 6-27-9 NMSA 1978) and in particular to provide a portion of
14 the cost of financing and/or authorizing housing assistance grants for the purpose of affordable housing
15 pursuant to Section 6-27-5 NMSA 1978, and pursuant to any and all such other authority as may be
16 applicable including but not limited to the City's recognized authority to protect the general welfare of
17 its citizens; and

18 **WHEREAS**, it is the intent of the parties that the City of Santa Fe’s contribution to the Project
19 meets the requirements of the New Mexico Affordable Housing Act and the New Mexico Mortgage
20 Finance Authority’s Affordable Housing Act Rules, Section 5.4;

21 **WHEREAS**, Section 26-1.6(A) SFCC 1987 established the Office of Affordable Housing to
22 administer the City’s affordable housing program, the Santa Fe Homes Program (“SFHP”); and

23 **WHEREAS**, the Office of Affordable Housing is authorized by the SFHP to provide donations
24 to the Project including water budget fees, impact fees, construction permit and plan review fees, water
25 and wastewater utility expansion charges, as per SFCC 14-8.11(G), infrastructure funding (as described

1 in Resolution 2018-9), and other valuable incentives; and

2 **WHEREAS**, the above referenced donations will be contributed to the Project without debt or
3 interest pursuant to the terms of a land use regulatory agreement.

4 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
5 **CITY OF SANTA FE** that the City will support the Project with donations in an amount equal to the
6 appraised value of the parcel shown in Exhibit A, plus donations related to water budget fees, impact
7 fees, construction permit and plan review fees, water and wastewater utility expansion charges, as per
8 SFCC 14-8.11(G), infrastructure funding (as described in Resolution 2018-9), and other valuable
9 incentives, in an amount no less than 10% of the Project’s development costs in furtherance of a
10 competitive LIHTC application. The City’s donation shall be made in the form of a grant, subject to
11 the terms of a land use regulatory agreement requiring an affordability period of forty (40) years running
12 concurrently with requirements with the LIHTC program requirements serving targeted low income
13 clientele for consistency. If LIHTC funds are not secured by the Developer in the 2019 allocation
14 round, the City of Santa Fe will have no further obligation to the Project.

15 **BE IT FURTHER RESOLVED** that staff shall work to minimize the costs associated with
16 relocating to adjacent locations any City uses currently occupying the parcel of land shown in Exhibit
17 A.

18 **BE IT FURTHER RESOLVED** that the Project be designed to be consistent with the City of
19 Santa Fe’s long term sustainability goals.

20 **BE IT FURTHER RESOLVED** that the Governing Body of the City of Santa Fe hereby
21 directs the City Clerk to provide an executed copy of this resolution to Santa Fe County.

22 PASSED, APPROVED, AND ADOPTED, this 9th day of January, 2019.

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ALAN WEBBER, MAYOR

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:

ERIN McSHERRY, CITY ATTORNEY