

1 **CITY OF SANTA FE, NEW MEXICO**

2 **RESOLUTION NO. 2021-23**

3 **INTRODUCED BY:**

4
5 Mayor Alan Webber

6 Councilor Carol Romero-Wirth Councilor Roman “Tiger” Abeyta

7 Councilor Michael J. Garcia Councilor JoAnne Vigil Coppler

8 Councilor Signe I. Lindell Councilor Jamie Cassutt-Sanchez

9
10 **A RESOLUTION**

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

13
14 **WHEREAS**, there is an immediate need to increase the supply of housing across the
15 housing spectrum and an even more urgent need for affordable housing throughout the City of
16 Santa Fe; and

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

20 **WHEREAS**, multi-family housing development applications have increased since 2016
21 when the City amended its inclusionary zoning ordinance to allow certain market rate developers
22 to pay a fee in lieu of providing on-site units; and

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

- 25 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 2020 median sales price for a home in Santa Fe County was \$606,500, 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 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**, funding allocation recommendations from the AHTF are made by the
7 Community Development Commission, based on Housing and Urban Development funding
8 priorities and emerging community needs, with guidance by the Office of Affordable Housing staff;
9 and

10 **WHEREAS**, City staff have identified other potential sources of funds for the AHTF that
11 require legislative action; and

12 **WHEREAS**, AHTF expenditures are restricted to the construction, preservation,
13 rehabilitation of affordable housing units or supportive housing facilities and providing rental or
14 down payment assistance to eligible residents, and cannot be used for program administration or
15 necessary support services; and

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

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

21 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
22 **CITY OF SANTA FE** that the three City Council Standing Committees shall take on the work of
23 reviewing, evaluating, and assessing a broad set of proposals and recommendations for revenue
24 sources that would achieve long-term, sustainable, predictable, equitable, and consistent funding
25 for the Affordable Housing Trust Fund with the goal of expanding access to housing opportunities

1 for all residents, regardless of income or type of housing needed.

2 **BE IT FURTHER RESOLVED** that the City Manager is directed to create a work plan
3 for staff's support of this process so that each Committee is ensured of the participation and
4 contribution from subject matter experts.

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

8 **BE IT FURTHER RESOLVED** that the potential recommendations will be vetted by the
9 appropriate City Council Standing Committee based on the respective Committees' purview and
10 staff's subject matter expertise.

11 **BE IT FURTHER RESOLVED** that within 30 days of the adoption of this Resolution,
12 the Governing Body will consider as a discussion item a list of these proposals and
13 recommendations along with the City Council Standing Committee each will be assigned to. At
14 this time, Governing Body members will be able to propose any additional ideas to ensure that all
15 potential revenue sources that Governing Body members would like to explore are included in this
16 process. This list does not exclude the possibility of additional proposals or recommendations to
17 come forward in the future and be considered as part of this action plan.

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

24 **BE IT FURTHER RESOLVED** that immediate opportunities for funding the Affordable
25 Housing Trust fund are not precluded by the analyses required by this Resolution and shall be

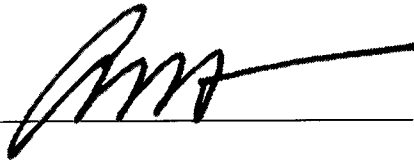
1 included in determining the mix of opportunities to provide consistent, reliable, and sustainable
2 funding sources for the Affordable Housing Trust Fund.


3 **BE IT FURTHER RESOLVED** that the Quality of Life Committee shall explore benefits
4 of and options for developing regular and consistent funding from sources external to the
5 Affordable Housing Trust Fund for wrap-around services for at-risk residents as a social service
6 component of an ongoing affordable housing program.

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


13 PASSED, APPROVED, and ADOPTED this 28th day of April, 2021.

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17 ATTEST:


ALAN WEBBER, MAYOR

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19 
20 Kristine Mihelcic (May 4, 2021 09:02 MDT)
KRISTINE MIHELICIC, CITY CLERK

21 APPROVED AS TO FORM:

22
23 
24 ERIN K. MCSHERRY, CITY ATTORNEY

25 *Legislation/2021/Resolutions/2021-23 Housing Funding Plan*