

SANTA FE HOMES PROGRAM

RENTAL PROPOSAL

“Cold Water Development Fund QOZF, LLC”
Santa Fe, New Mexico

This Santa Fe Homes Program Proposal (“SFHP Proposal”) is made this ____ day of _____, 2024 by Cold Water Development Fund QOZF, LLC (“SFHP Developer”).

RECITALS

- A. SFHP Developer is the developer of 2768 Agua Fria Multi Family hereinafter referred to as the “Property”.
- B. SFHP Developer desires to develop the Property.
- C. It is understood that all representations made herein are material to the City and that the City will rely upon these representations in permitting or approving development of the Property.

PROPOSAL

SFHP Developer proposes to comply with the SFHP requirements as follows:

- A. DEVELOPMENT REQUEST.
 - 1. SFHP Developer seeks **Master Plan and Rezone** approval.
 - 2. The Property is to be developed as a mixed-use project, which includes **130** rental units as described below:

Studio:	34 Units
1Bedroom:	76 Units
2 Bedroom:	18
3 Bedroom:	02 Units
<u>Total</u>	<u>130 Multi Family Units</u>

B. SFHP PLAN. Developer is proposing an alternate means of compliance with the Santa Fe Homes Program ordinance by setting aside 10% of the Project's total units for income-qualified tenants. Rents will be restricted to rates affordable to those earning no more than 80% of the Area Median Income (AMI), as determined by the Department of Housing and Urban Development (HUD)'s annual AMI statistic. The set-aside units will be substantially proportionate in bedroom type to the market rate units, with some flexibility permitted in response to market conditions, with rents calculated as described in **Exhibit 2**.

C. SUCCESSORS IN TITLE. SFHP Developer proposes to develop the Property consistent with this SFHP Proposal. In the event that SFHP Developer sells, assigns, leases, conveys, mortgages, or encumbers the Property to any third party, the third party shall be required to execute a SFHP Agreement consistent with this Proposal prior to obtaining any City approvals. SFHP Developer proposes to record applicable regulatory agreements or liens in the public records that will ensure long-term affordability of the SFHP units or fulfillment of the proposed alternate compliance.

D. DEVELOPMENT INCENTIVES. SFHP Developer requests the following development incentives:

Waiver of 100% of the following fees as calculated for the entire Project:

Development Review Application Fees, Construction Permit Fees, Impact Fees, and Utility Expansion Charges. In addition, water offsets will be waived for the **13** affordable units per SFCC §14-8.13(B)(5).

E. MONITORING. SFHP Developer proposes to provide such information and documentation as the City may reasonably require in order to ensure that the actual rental

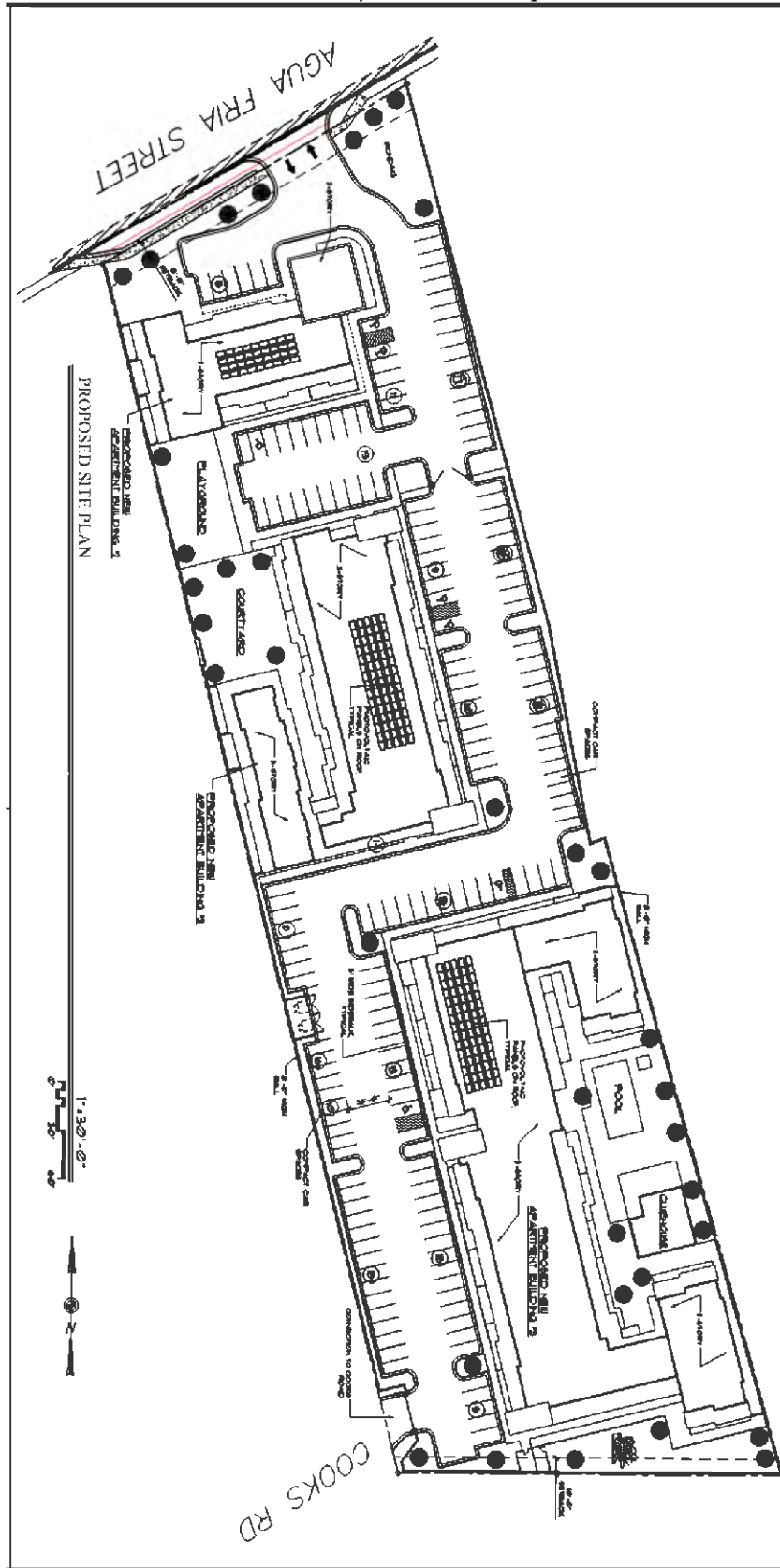
agreements were in compliance with the SFHP Agreement.

F. REVISIONS, MODIFICATIONS AND SUPPLEMENTATION OF THIS PROPOSAL.

In the event that the SFHP Developer or the City make material modifications, including modifications to the number of lots or units or the area covered by the Proposal, a revised SFHP Proposal shall be promptly submitted to the Office of Affordable Housing in order to provide a SFHP Proposal that is current and reflects the intended development.

G. ACCESS. SFHP Developer proposes to grant access to the City or its agent to inspect the records of SFHP Developer for the SFHP units in order to determine compliance with the SFHP Ordinance and the SFHP Agreement.

Site Plan/Location Map



SFHP RENTAL UNIT CALCULATION WORKSHEET

The project is proposed as a ***C2-General Commercial zoning*** district, permitting ***no maximum*** units per acre. The project has an area of approximately ***4.12*** acres. The project is proposing ***130*** rental homes; studio ***34***, one-bedroom units ***76***, two-bedroom units ***18***, and ***2*** three-bedroom units. There are not additional land use requirements for this site.

The SFHP requirement is calculated below:

Total number of units multiplied by (0.15) = the number of SFHP rental units required

130 total units x 0.15 = 19.50 SFHP unit(s) is/are required.

13 SFHP units will be provided and a fractional fee paid for the **0.60 units**.

SFHP Rent/Unit Distribution

	HH Size	Max. Rent	80% AMI	Total # Units	# of Affordable Units
Studio	1	\$ 1,065	\$42,600	34	5
1 BR	1	\$ 1,065		76	12
2 BR	2	\$ 1,216	\$48,650	18	3
3 BR	3	\$ 1,318	\$54,750	2	0
4 BR	4+	\$ 1,464	\$60,800	0	0

FRACTIONAL FEE-IN-LIEU CALCULATION WORKSHEET

In addition to providing affordable rental units, the Developer proposes to comply with SFHP through the payment of a fee based on 5% of the total units as per Ordinance 2019-30.

Proposed Project

Unit Type	% of Total	# of Units	<u>Steps for Calculation</u>
Studio	26.2%	34	<ol style="list-style-type: none"> 1. enter # of each unit type 2. multiply # of units by 5% 3. multiply # of affordable units by fee/unit/month 4. multiply fee/month by 24 (months) = Project Fee 5. Sum Project Fee to get Total Project Fee
1 BR	58.5%	76	
2 BR	13.8%	18	
3 BR	1.5%	2	
	100%	130	

Affordability Gap Voucher Calculation

Bedrooms	# Units	Aff'd Units (5%)	Fee/Unit	Total Fee
0	34	5.1	\$ 413	\$50,551.20
1	76	11.4	\$ 656	\$179,481.60
2	18	2.7	\$ 763	\$49,442.40
3	2	0.3	\$ 1,204	\$8,668.80
TOTAL	130	19.5		\$288,144.00

NOTE: The rents and fee schedule are modified by the City according to Section 8.7.3 of the SFHP Administrative Procedures to reflect annual changes in the median income levels. The current schedule in effect at the time the fees are paid, determines the amount of the fee. The prices are updated annually.