

**City of Santa Fe
Governing Body
Findings of Fact and Conclusions of Law**

Appeal # 2025-11633-APPL

Appellant's Name – Tierra Contenta Corp.

Agent's Name – Homewise, Inc.; Lisa Gavioli, Project Director

Address – 7205 Plaza Central

THIS MATTER came before the City of Santa Fe Governing Body for a public hearing on April 7, 2026, to consider the appeal of Tierra Contenta Corp. (“Appellant”) from the decision of the City’s Planning Commission in Case # 2024-9320. The Commission approved a multi-unit housing project at 7205 Plaza Central, called the “Zorro Blanco” development, without a requirement that it comply with the affordable housing mandate of the Santa Fe Homes Program, Santa Fe City Code 1987 (“SFCC”) Sections 14-8.11 and 26-1. The Appellant asked the Governing Body to find that the affordable housing guidelines of the Santa Fe Homes Program should be imposed on the Zorro Blanco development, and to overturn the decision of the Planning Commission with respect to affording housing in this development.

I. RECORD ON APPEAL

The record on appeal included the following documents:

1. Memorandum to the Members of the Governing Body dated April 2, 2026, for the April 7, 2026, Meeting of the Governing Body, from the City Attorney’s Office;
2. Exhibit A, Verified Appeal Petition filed December 3, 2025;
3. Exhibit B, Appellant’s Attachment with Description of Harm;
4. Exhibit C, Planning Commission’s Findings of Fact and Conclusions of Law for Case # 2024-9320, approved November 6, 2025;
5. Exhibit D, Planning Commission Meeting Minutes of the October 16, 2025, Commission meeting;
6. Exhibit E, Staff Report of Planning and Land Use Department;
7. Exhibit F, Maps and Photos (Attachment B to Planning Commission packet);
8. Exhibit G, Application Letter dated October 10, 2024 (Attachment C1 to Planning Commission packet);
9. Exhibit H, Development Plan excerpts (Attachment C11 to Planning Commission packet);
10. Exhibit I, Affordable Housing Correspondence (Attachment C13 to Planning Commission packet);
 - a. Zydeco (Sommer Karnes) to TC Corp., dated February 14, 2025;
 - b. SFHP Fee-in-Lieu Agreement;
 - c. SFHP Rental Unit Calculation Worksheet;
 - d. TC Corp. to Zydeco, dated April 29, 2025;
 - e. Zydeco (Sommer Karnes) to TC Corp., dated May 8, 2025;
 - f. TC Corp. to Zydeco TCVP Land, LLC, dated May 15, 2025;
 - g. TC Corp. to Heather Lamboy, City of Santa Fe, dated August 7, 2025;
11. Exhibit J, Letter Acknowledging Lot Size Change (Attachment C14 to Planning

- Commission packet)
12. Exhibit K, Tierra Contenta Restated Annexation Agreement (Attachment D to Planning Commission packet)
 - a. Revised Master Plan PRC & Annexation
 - b. Schedule of Improvements
 - c. Revised Development Program
 13. Exhibit L, Warranty Deed to Commercial Center @ 599, Inc.
 14. Exhibit M, Corrected Warranty Deed to Commercial Center @ 599, Inc.

II. FINDINGS OF FACT

After conducting a public hearing, the Governing Body hereby FINDS, as follows:

A. Proceedings Prior to the Governing Body Appeal

1. SFCC 1987 Section 14-3.1 sets out the following procedures for a development application:
 - a. a pre-application conference (SFCC § 14-3.1(E));
 - b. an Early Neighborhood Notification (“ENN”) meeting (SFCC 1987 §14-3.1(F)(2)(a)(iv)); and
 - c. compliance with notice and public hearing requirements (SFCC 1987 § 14-3.1(H)-(I)).
2. Zydeco, Inc. (the “Applicant”), which owns 7205 Plaza Central and the Zorro Blanco development, attended a pre-application conference on June 27, 2024.
3. The Applicant gave notice of the ENN meetings by posting signs on three (3) locations on the property, and mailing notice to all tenants and property owners within 300 feet of the property.
4. The Applicant held virtual ENN meetings on the application on August 20, 2024, and September 30, 2024. The project team, members of Staff, and members of the public attended the ENN meeting. Members of the public voiced concerns about construction impacts, traffic impacts, affordable housing, architectural design, neighborhood amenities, and gentrification.
5. The project proposed in the Development Plan exceeds 30,000 square feet. Pursuant to SFCC 1987 Section 14-3.8(B)(3)(a), a new development with a gross floor area of thirty thousand (30,000) square feet or more requires the Commission to approve a development plan.
6. SFCC 1987 Section 14-3.8 establishes procedures for development plan approval including, without limitation, a public hearing by the Commission and a decision based on the criteria set out in SFCC 1987 Section 14-3.8(D).
7. The City Planning and Land Use Staff reviewed the application, related materials, and other information that the Applicant submitted, for conformity with the SFCC. The Staff also provided the Planning Commission a written report of the Staff’s findings (“Staff Report”) that evaluated the factors relevant to the application.
8. Staff recommended that the Commission approve the application subject to certain conditions and technical corrections set out in the Staff Report and exhibits.
9. In a public hearing on October 16, 2025, the Planning Commission received reports from

- Staff, testimony and evidence from the Applicant, and testimony offered by any interested members of the public prior to making a decision.
10. At the conclusion of the hearing, the Commission voted unanimously among the seven voting members to approve the application.
 11. On November 6, 2025, the Commission adopted written Findings of Fact and Conclusions of Law reflecting its decisions regarding the proposed alterations to this historic property.
 12. As reflected in the Findings of Fact and Conclusions of Law adopted by the Commission, the Commission made the following findings:
 - a. The approval is for a 165-unit multi-family residential development at 7205 Plaza Central on a lot approximately 7.9 acres in size;
 - b. The Development Plan will not adversely affect the public interest;
 - c. The development serves the public interest through the provision of much-needed housing;
 - d. The residential use and any associated buildings are compatible with and adaptable to buildings, structures, and uses of the abutting property and other properties in the vicinity of the premises under consideration;
 - e. The Development Plan is subject to the conditions and technical corrections recommended by the Planning and Land Use Staff, with the addition of the following condition imposed by the Commission: “Applicant shall work with Staff on the use of highlight colors that Staff find compatible with the design and surrounding context, and the architectural design points.”
 13. Per the recommendation of the Planning and Land Use Staff, the Commission did not impose an affordable housing requirement on the Zorro Blanco development, did not permit or require the developer to pay a fee-in-lieu of affordable housing, or find that the development was eligible for participation in the Santa Fe Homes Program (“SFHP”).
 14. The Commission’s decision was based on the following provisions of the City of Santa Fe Land Use Code, SFCC Chapter 14:
 - (a) SFCC 1987 Sections 14-2.3(C)(1) and 14-3.8(B)(4) give the Commission the authority to review and approve final development plans.
 - (b) SFCC 1987 Section 14-3.8 establishes procedures for development plan approval including, without limitation, a public hearing by the Commission and a decision based on the criteria set out in SFCC 1987 Section 14-3.8(D);
 - (c) SFCC 1987 Section 14-3.8(D)(1) sets out approval criteria and requires the Commission to make complete findings of fact sufficient to show that these criteria have been met before approving a development plan.
 - (d) SFCC 1987 Section 14-3.8(D)(2) permits the Commission to “specify conditions of approval that are necessary to accomplish the proper development of the area and to implement the policies of the general plan.”

B. Appeal to Governing Body

15. On December 8, 2025, the Appellant Tierra Contenta Corp. timely filed a Verified Appeal Petition, asking the Governing Body to review the decision of the Commission, and to require the Zorro Blanco developer to comply with the affordable housing mandate of the Santa Fe Homes Program, SFCC Section 14-8.11, or pay a “fee-in-lieu”

of providing affordable housing, as permitted by SFCC Section 26-1.33, Alternate Means of Compliance.

16. The Appellant did not seek to stop the construction of the Zorro Blanco development, specifically writing in an attachment to its Verified Appeal Petition, “[W]e are supportive of the Zorro Blanco project and do not wish to halt or impede its development.”
17. In the Verified Appeal Petition, the Appellant argued that:
 - a. The Planning and Land Use Staff’s opinion that the Santa Fe Homes Program’s affordable housing mandate does not apply to the Zorro Blanco development is based on SFCC Section 14-8.11(D)(3)(a), which excludes from the SFHP developments subject to an agreement with the City made before 2005 in which the parties agreed to provide affordable housing;
 - b. The land on which the Zorro Blanco development is planned, Tract 51, is part of an Annexation Agreement for the Tierra Contenta (“TC”) development, which has an affordable housing requirement, but no affordable housing requirement was imposed on Tract 51 because its intended use was commercial;
 - c. Because the affordable housing obligations of the TC Annexation do not apply to the Zorro Blanco development, the exclusion from the Santa Fe Homes Program in SFCC Section 14-8.11(D)(3)(a) does not apply to Zorro Blanco, and Zorro Blanco is obligated to provide affordable housing under the SFHP; and
 - d. The City Staff and Planning Commission’s approval of the Zorro Blanco development without an affordable housing requirement creates a disadvantage to the TC Corp., which now must devote 40 percent of its remaining development to affordable housing without any contribution from Zorro Blanco.
18. SFCC Section 14-3.17(A)(2) sets forth the grounds for an appeal of a Land Use Board decision and provides that an appeal may be filed for one or more of the following reasons only: (1) the Board’s final action does not comply with SFCC Chapter 14 or the Zoning Enabling Act, NMSA 1978, Sections 3-21-1 to -14; (2) the Board misapplied SFCC Chapter 14; or (3) the Board’s decision is not supported by substantial evidence.
19. As required by SFCC Section 14-3.17(D)(6), the City Land Use Director reviewed the Verified Appeal Petition for conformity with the requirements of SFCC Section 14-3.17 and determined that the Appeal conformed to the requirements.
20. The Appellant provided notice of the Governing Body hearing by mailing notices to the owners of record of all neighboring properties within 300 feet of 7205 Plaza Central no less than 15 days in advance of the hearing.

C. Governing Body Public Hearing April 7, 2026

21. Under SFCC Section 14-2.2(F), the Governing Body conducts a *de novo* hearing on an appeal of a final action of a Land Use Board.
22. The Appellant appeared in person at the hearing and was represented by Luke Pierpont, Attorney for Tierra Contenta Corp., and agent Lisa Gavioli, Real Estate Development Project Director for Homewise, Inc., which is a developer within the Tierra Contenta Annexation. Both Mr. Pierpont and Ms. Gavioli made presentations to the Governing Body.
23. Assistant City Attorney Frank Ruybalid presented an overview of the case to the Governing Body, and Karl Sommer, Attorney for Zydeco., Inc., the owner of the Zorro

Blanco Development, made a statement in support of the Planning Commission's decision.

24. During the time allotted for comment from the public, Cathy Collins, Executive Director for Santa Fe Habitat for Humanity; Tamara Baer, Board Member of the TC Corp.; Anne Watkins, Community Development Commission member; Michael Loftin, Chief Executive Officer of Homewise, Inc.; Anthony Guida, AIA and Board Member of Friends of Architecture Santa Fe; Gayla Bechtel, AIA and former Board Member of the TC Corp.; Michele Williams, Executive Director of Consuelo's Place Homeless Shelter; Marissa Ruyle, Board Member of the TC Corp.; provided sworn testimony, all in support of the appeal. One speaker provided sworn testimony in support of the Planning Commission's decision.
25. During the hearing, City Councilors and the parties asked questions of Ms. Gavioli, Mr. Sommer, Mr. Ruybalid, Land Use Director Heather Lamboy and Planning Manager Daniel Esquibel, who provided additional information.
26. Based on the information provided by the sworn witnesses, City Staff and speakers who addressed the Governing Body, the Governing Body finds:
 - a. SFCC Section 14-8.11(D)(3) reads that the Santa Fe Homes Program does not apply to a development or portion of a development that is subject to an agreement pre-dating 2005 in which the signatories agreed to provide affordable housing;
 - b. All landowners in the Tierra Contenta Annexation signed an Annexation Agreement in 1994 by which Tierra Contenta Corp. agreed to develop approximately 40 percent of the 3,700 units on TC Corp.'s property for families earning at or below 80 percent of the median family income of the City, which is consistent with the income standards for affordable housing eligibility in the City of Santa Fe; and
 - c. The Zorro Blanco development, on the original Tract 51 of the Tierra Contenta Annexation Agreement Master Plan, is a portion of a development that is subject to an agreement pre-dating 2005 in which the signatories agreed to provide affordable housing.

III. CONCLUSIONS OF LAW

Under the circumstances and based upon the record and the evidence and testimony submitted at the hearing, the Governing Body CONCLUDES as follows:

1. Pursuant to SFCC Section 14-2.2(F), the Governing Body has the power and authority to hear and decide the matter that is the subject of the Appeal.
2. The Planning Commission's written Findings of Fact and Conclusions of Law, adopted November 6, 2025, was a final action subject to appeal.
3. The Appellant timely appealed the Board's decision to the Governing Body and complied with the procedural requirements set forth in the SFCC.
4. This Appeal should be denied for the reasons:
 - a. Per SFCC Section 14-8.11(D)(3)(a), the Zorro Blanco development is not eligible for participation in the Santa Fe Homes Program, not subject to the affordable housing mandate of the SFHP, is not eligible for the density bonus granted to

- participants in the SFHP, and is not compelled to pay the fee-in-lieu of affordable housing as otherwise required by SFCC Section 26-1.33; and
- b. Substantial evidence supported the decision of the Planning Commission in Case # 2024-9320 to approve the Zorro Blanco Development Plan to build 165 multi-family residential units on a 7.9-acre lot zoned C-1 (Office and Related Commercial) at 7205 Plaza Central in the City of Santa Fe.

IV. VOTE AT THE HEARING

With respect to the Appeal and Tierra Contenta Corp.'s challenge to the Planning Commission's November 6, 2025, decision to approve the Zorro Blanco development at 7205 Plaza Central, the Governing Body voted to deny the appeal, with a vote of eight (8) in the affirmative and none in the negative.

WHEREFORE, IT IS ORDERED ON THE 29TH OF APRIL, 2026, BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

The Governing Body DENIES the appeal with respect to the property at 7205 Plaza Central, affirms the Planning Commission's November 6, 2025, decision, and approves the development as described in Case # 2024-9320.

Michael J. Garcia, Mayor


Date

FILED WITH THE CITY CLERK:

Geraldyn Cardenas, City Clerk

Date

APPROVED AS TO FORM:



Frank Ruybalid, Assistant City Attorney

April 16, 2026

Date