

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

2 **RESOLUTION NO. 2026-\_\_**

3 **INTRODUCED BY:**

4  
5 Councilor Jamie Cassutt

6 Councilor Amanda Chavez

7 Mayor Michael Garcia

8  
9  
10 **A RESOLUTION**

11 **APPROVING THE ADOPTION OF THE SANTA FE MIDTOWN METROPOLITAN**  
12 **REDEVELOPMENT AREA PLAN.**

13 **WHEREAS**, the State of New Mexico has enacted the Metropolitan Redevelopment Code  
14 (“Code”), NMSA 1978, Chapter 3, Article 60A, Sections 1 through 49, as amended, which  
15 authorizes the City of Santa Fe, New Mexico, (“City”) to prepare and amend metropolitan  
16 redevelopment plans, and to undertake and carry out metropolitan redevelopment projects; and

17 **WHEREAS**, pursuant to NMSA 1978, Section 3-60A-8, as amended, “[a] local  
18 government shall not prepare a metropolitan redevelopment plan for an area unless the local  
19 government has, by resolution, determined the area to be a slum area or a blighted area or a  
20 combination thereof and designated the area as appropriate for a metropolitan redevelopment  
21 project...”; and

22 **WHEREAS**, the City found that blighted areas exist in the Midtown Site which  
23 geographically align with the Midtown Local Innovation Corridor Overlay District (the “LINC”)  
24 and officially designated the area within the LINC, with the addition of Franklin Miles Park, as a  
25 Metropolitan Redevelopment Area on June 25, 2025, through the adoption of Resolution No. 2025-

1 42; and

2         **WHEREAS**, consistent with NMSA 1978, Section 3-60A-8, the Governing Body will  
3 have conducted a public hearing to gather and consider public input about the Midtown  
4 Metropolitan Redevelopment Plan; and

5         **WHEREAS**, the City of Santa Fe wishes to formally adopt the Midtown Metropolitan  
6 Redevelopment Plan, attached as Exhibit A, to guide redevelopment strategies and implement  
7 recommendations that advance equitable development, improve public health and safety, and create  
8 long-term economic vitality for the Midtown Metropolitan Redevelopment Area.

9         **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
10 **CITY OF SANTA FE** that:

- 11         A. The Midtown Metropolitan Redevelopment Area Plan proposes activities for the  
12 redevelopment of the Midtown Metropolitan Redevelopment Area that will aid in the  
13 elimination and prevention of blight; and
- 14         B. The Midtown Metropolitan Redevelopment Area Plan does not include proposed  
15 activities that require the displacement or relocation of any families and individuals  
16 from their dwellings and a method for providing displacement or relocation  
17 accommodation is not needed; and
- 18         C. The Midtown Metropolitan Redevelopment Area Plan conforms to and complements  
19 the City of Santa Fe General Plan; and
- 20         D. The Midtown Metropolitan Redevelopment Area Plan affords maximum opportunity  
21 consistent with the needs of the community for the rehabilitation or redevelopment of  
22 the Midtown Metropolitan Redevelopment Area by private enterprise or persons, and  
23 objectives of the Midtown Metropolitan Redevelopment Area Plan justify the proposed  
24 activities as public purposes and needs.

25         **BE IT FURTHER RESOLVED** that the Midtown Metropolitan Redevelopment Area

1 Plan as shown in the attached Exhibit A, is hereby approved.

2 PASSED, APPROVED, and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

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\_\_\_\_\_  
MICHAEL J. GARCIA, MAYOR

6

7

8 ATTEST:

9

10 \_\_\_\_\_

11 GERALYN F. CARDENAS, CITY CLERK

12

13 APPROVED AS TO FORM:

14

15 Marcos D. Martinez  
[Marcos D. Martinez \(May 7, 2026 16:22:39 MDT\)](#)  
16 MARCOS D. MARTÍNEZ, CITY ATTORNEY

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25 *Legislation/2026/Resolutions/Approving the Midtown Metropolitan Redevelopment Plan*



SANTA FE MIDTOWN METROPOLITAN  
**REDEVELOPMENT PLAN**





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# MRA RESOLUTION

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

2 **RESOLUTION NO. 2025-42**

3 **INTRODUCED BY:**

4  
5 Mayor Alan Webber

6 Councilor Jamie Cassutt

7 Councilor Amanda Chavez

8  
9  
10 **A RESOLUTION**

11 **MAKING A FINDING OF NECESSITY AND DESIGNATING AN AREA COMPRISED**  
12 **OF A MAJORITY OF THE MIDTOWN LOCAL INNOVATION CORRIDOR OVERLAY**  
13 **DISTRICT AND GENERAL FRANKLIN E. MILES PARK AS A METROPOLITAN**  
14 **REDEVELOPMENT AREA.**

15 **WHEREAS**, the New Mexico Legislature adopted a Metropolitan Redevelopment Code  
16 to, among other things, provide strategies for municipalities to finance redevelopment projects; and

17 **WHEREAS**, SFCC 1987, Section 7-2.3 provides that the City of Santa Fe (“City”) can  
18 declare and designate a metropolitan development area as “appropriate for a metropolitan  
19 development project”; and

20 **WHEREAS**, SFCC 1987, Section 7-2.8, provides that, in order to designate an area as a  
21 metropolitan redevelopment area, the City must first adopt a resolution establishing the following  
22 two criteria: 1) the area is either a slum or blighted; and 2) rehabilitation, conservation, slum  
23 clearance, redevelopment or development, or a combination thereof in the area is necessary in the  
24 interest of the public health, safety, morals, or welfare of the residents of the city; and

25 **WHEREAS**, the Midtown Local Innovation Corridor Overlay District (the “LINC”)

1 consists of diverse tracts of land which, according to a study commissioned by the City, the  
2 *Midtown Metropolitan Development Plan: Designation Report*, Attachment A, is characterized by  
3 deteriorated or deteriorating structures, defective or inadequate street layout, faulty lot layout,  
4 deterioration of sites or other implements, a lack of adequate housing facilities, obsolete or  
5 impractical platting, and a significant number of vacant or struggling commercial businesses, all of  
6 which are inconsistent with the described goals in SFCC 1987, Section 14-1.3 of the land-use code,  
7 to “create conditions favorable to the health, safety, convenience, prosperity and general welfare of  
8 the residents of Santa Fe by coordinating streets within proposed subdivisions with existing or  
9 planned streets or other features of the general plan; providing parks and trails; providing sewer,  
10 water and other infrastructure; providing adequate open space for traffic, recreation, drainage, light  
11 and air; and providing for the appropriate distribution of population and traffic”; and

12       **WHEREAS**, the LINC lies within two designated census tracts, 11.03 and 10.02, which  
13 as defined in 26 USCA § 1400Z–1, are “qualified opportunity zones”: distressed areas, identified  
14 by the federal government as needing targeted investment in economic development; and

15       **WHEREAS**, the purpose of identifying opportunity zones was to spur economic  
16 development and job creation in distressed communities by providing tax benefits to investors; and

17       **WHEREAS**, the economically challenging conditions in these census tracts have impaired  
18 the sound growth, development, and economic well-being of the City, creating an economic and  
19 social burden detrimental to the public health, safety, and welfare of the City; and

20       **WHEREAS**, the LINC includes a multi-unit residential property, more specifically  
21 described as the area covered by Lot 3B1, as recorded in instrument number 1171143, Book 482,  
22 Page 35, of the Santa Fe County Clerk (“Multi-Unit Residential Property”); and

23       **WHEREAS**, as the only residential property in the LINC, the Multi-Unit Residential  
24 Property’s interests and needs are distinct from the rest of the LINC; and

25       **WHEREAS**, General Franklin E. Miles Park, recorded in instrument number 622,332,

1 Book 173, Page 27, filed on May 14, 1987, of the Santa Fe County Clerk (“Franklin Miles Park”),  
2 is adjacent to the LINC; and

3 **WHEREAS**, Franklin Miles Park has irrigation infrastructure that is over thirty years old  
4 and past its life expectancy; ballfield light poles that have either already been removed due to  
5 deteriorating infrastructure or will need to be removed in the future due to deteriorating  
6 infrastructure; chronic presence of drug paraphernalia (such as syringes) left by drug users; and  
7 rodent damage to concession stands, restrooms, wiring, and irrigation; and

8 **WHEREAS**, Franklin Miles Park’s conditions are consistent with the definition of “blight”  
9 established in SFCC 1987, Section 7-2.3; and

10 **WHEREAS**, the *Midtown Metropolitan Development Plan: Designation Report* notes on  
11 page 15 that the “absence of high-quality parks, plazas, and gathering places discourages pedestrian  
12 activity and limits opportunities for community engagement” and rehabilitating the park would  
13 help address this concern.

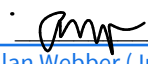
14 **NOW, THEREFORE, BE IT RESOLVED THAT THE GOVERNING BODY OF**  
15 **THE CITY OF SANTA FE** finds that a blighted area exists in the LINC, depicted in Attachment  
16 B, and the rehabilitation, conservation, and redevelopment of the area is necessary and is in the  
17 interest of the public health, safety, and welfare of the residents of the City of Santa Fe.

18 **BE IT FURTHER RESOLVED** that a blighted area exists in Franklin Miles Park,  
19 depicted on in the southwest corner of Attachment B, and which is adjacent to the LINC, and the  
20 rehabilitation, conservation and redevelopment of the park is necessary and is in the interest of the  
21 public health, safety, and welfare of the residents of the City of Santa Fe.


22 **BE IT FURTHER RESOLVED** that the area within the LINC, defined by SFCC 1987,  
23 Section 14-5.5D (2), other than the Multi-Unit Residential Property and Franklin Miles Park, are  
24 designated a Metropolitan Redevelopment Area, pursuant to SFCC 1987, Section 7-2.8, and NMSA  
25 1978, Section 3-60A-8.

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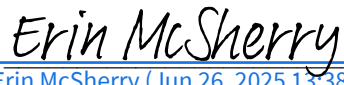
PASSED, APPROVED, and ADOPTED this 25<sup>th</sup> day of June, 2025.

  
\_\_\_\_\_  
Alan Webber (Jun 26, 2025 16:52 MDT)  
ALAN WEBBER, MAYOR

ATTEST:

  
\_\_\_\_\_  
ANDREA SALAZAR (Jun 26, 2025 17:35 MDT)  
ANDRÉA SALAZAR, CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Erin McSherry (Jun 26, 2025 13:38 MDT)  
ERIN K. McSHERRY, CITY ATTORNEY

*Legislation/2025/Resolutions/2025-42(R)/Midtown Redevelopment Area Designation*



# BACKGROUND

## THE SANTA FE METROPOLITAN REDEVELOPMENT AGENCY

The City of Santa Fe formally established the Santa Fe Metropolitan Redevelopment (MR) Agency in 2023 recognizing the need for an agency to spearhead efforts to revitalize areas designated as slum or blighted. The agency is working along other city departments to identify potential MRA districts, assess whether those areas met the MR designation criteria, and develop a plan to address those conditions. The outcomes of a successful MRA district revitalization effort is improved public health and safety, and long-term economic vitality.

### The Santa Fe MR Agency is responsible for:

- ✓ Identifying and designating MRA districts through a public process.
- ✓ Developing and implementing redevelopment plans aligned with the City's comprehensive plan.
- ✓ Acquiring and assembling land, including vacant or underutilized properties.
- ✓ Partnering with public and private entities to support revitalization projects.
- ✓ Supporting public infrastructure improvements such as utilities, streets, and parks.

## METROPOLITAN REDEVELOPMENT AGENCY POWERS

This plan provides the agency with broad powers, as noted in 3-60A-10 of New Mexico state statute.

These powers, which only exist within MRA districts, include:

- ✓ Executing contracts
- ✓ Replatting land
- ✓ Acquisition of real property within the metropolitan redevelopment area

A full list of powers granted by this plan can be found in Appendix A.

## EXCERPT FROM THE ENABLING STATE LEGISLATION

NM Stat § 3-60A-9 (2024) - C. Following the public hearing, the local government may approve a metropolitan redevelopment plan if it finds that:

- ✓ (1) the proposed activities will aid in the elimination or prevention of slum or blight or the conditions that lead to the development of slum or blight;
- ✓ (2) a feasible method is included in the plan to provide individuals and families who occupy residential dwellings in the metropolitan redevelopment area and who may be displaced by the proposed activities with decent, safe and sanitary dwelling accommodations within their means and without undue hardship to such individuals and families;
- ✓ (3) the plan conforms to the general plan for the local government; and
- ✓ (4) the plan affords maximum opportunity consistent with the needs of the community for the rehabilitation or redevelopment of the area by private enterprise or persons and the objectives of the plan justify the proposed activities as public purposes and needs.

## MRA PLAN PURPOSE

The Midtown MRA district is a bold step toward enhancing the heart of Santa Fe. Building on years of community driven planning, this initiative will support the evolution of the Midtown District into a vibrant hub for arts, culture, economic growth, and mixed-income housing.

**This plan, the Midtown Metropolitan Redevelopment Plan (Plan) establishes a roadmap to address the MRA conditions, or blight, that hinder redevelopment and economic growth. The Plan outlines redevelopment strategies and implementation recommendations that advance equitable development, improve public health and safety, and create long-term economic vitality.**

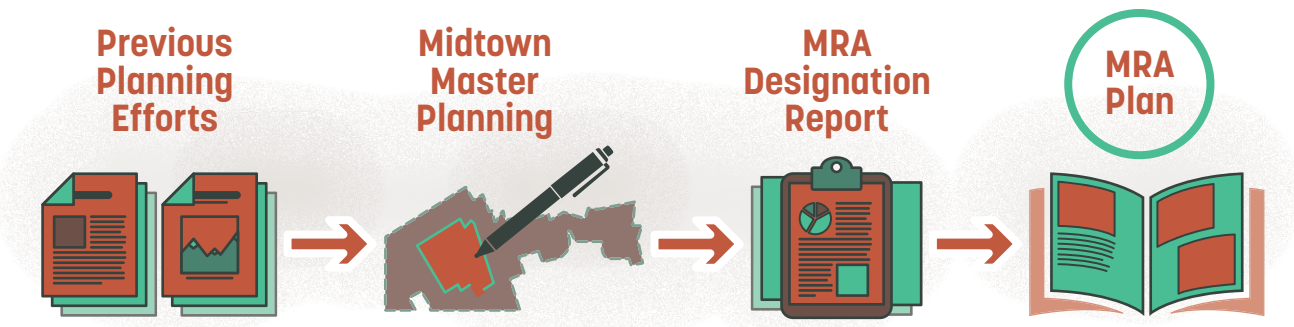
The MRA district of Midtown and adjacent commercial areas will unlock key funding sources to enhance public infrastructure and attract private investment. This will create new jobs, improve walkability, and expand housing options. The creation of the MRA district was a key recommendation from the Midtown Community Development Plan and aligns with the Midtown Master Plan. It supports the vision of a mixed-use, sustainable redevelopment that includes an abundance of affordable housing.

**With strategic public-private partnerships and financial tools like tax incentives and infrastructure investments, the designation of Midtown area as a MRA district will move Midtown into motion, fostering the creation of an inclusive, thriving district that serves all Santa Fe residents.**

## MRA DESIGNATION

Under state and local law, the designation of an MRA requires a determination of blight as defined

FIGURE 1. MRA PLAN DEVELOPMENT HISTORY



in Section 3-60A-4 of the New Mexico Metropolitan Redevelopment Code. A blighted area is defined as one that meets one or more of the following conditions:

- ✓ A substantial number of deteriorated or deteriorating structures negatively impact the area's livability and economic potential.
- ✓ A defective or inadequate street layout that limits accessibility, walkability, and connectivity.
- ✓ Faulty lot layout that reduces the usefulness, accessibility, or redevelopment potential of properties.
- ✓ Deterioration of sites or other improvements, making the area less viable for new development.
- ✓ A lack of adequate housing facilities or conditions that prevent the provision of needed housing accommodations.
- ✓ Obsolete or impractical planning and platting, leading to underutilized land and inefficient land use.
- ✓ A significant number of vacant or struggling commercial businesses, reducing economic activity and job opportunities.
- ✓ Low levels of commercial or industrial activity, contributing to economic stagnation and disinvestment.

A combination of these or other conditions impair economic growth and the overall well-being in the corridor and Midtown site.

With the designation of the MRA district, the City of Santa Fe unlocks tools to enhance the area



# MIDTOWN METROPOLITAN REDEVELOPMENT PLAN



An aspirational illustration of the Midtown MRA district from "St. Michael's Drive: Visions of the Future"

## METROPOLITAN REDEVELOPMENT COMMISSION

Santa Fe MRA districts are governed by a five-member commission appointed by the Mayor and approved by City Council. Commissioners serve staggered terms and provide oversight and guidance for all redevelopment efforts.

**The MRA Commission has oversight responsibilities regarding the fiduciary and financial management and development of publicly owned real estate assets, to the extent permitted by law. The Commission brings together expertise in areas that are essential to successful redevelopment, such as public-private partnerships, economic and community development, city planning, sustainability, equity, arts and culture, and historic preservation.**

The MRA Commission should reflect the communities it serves. Members should include individuals who live in or near a low-income neighborhood, represent historically marginalized communities, or bring demographic perspectives that align with the people living in or around the MRA district.

The MRA Commission has the authority to study and evaluate the best ways to finance and structure projects within its redevelopment areas. This can include planning, preserving, rehabilitating, redeveloping, developing, or managing properties the Commission oversees. The Commission can also recommend creative solutions, such as partnering with public or private organizations, and can recommend these partnerships to the Governing Body to help carry out parts of a redevelopment plan.

## NEIGHBORHOOD STABILIZATION PLAN

The Midtown Community Development Plan (MCDP) (2023) identified the desire for a community driven Neighborhood Stabilization Plan (NSP) to support adjacent vulnerable neighborhoods that could be destabilized by significant new development.

In 2025, the City of Santa Fe selected a firm to carry out this plan for the Hopewell Mann Neighborhood, a community with a low median income and a high percentage of renters. The firm is engaging neighborhood residents as consultants in the planning process.

The proposal calls for the selected firm, MASS Design Group, in collaboration with Chainbreaker Collective and the Santa Fe Indigenous Center, to develop the community development engagement strategy. This will inform the NSP through a co-creation process with community organizations pursuant to the MCDP. This would include structuring and facilitating an equitable, community-driven planning partnership between the professional community development team and local community organizations to create inclusive, creative, and welcoming planning processes.

These efforts will prioritize communities that have been underrepresented in planning and public policy making, including youth and families, Spanish speaking populations, Indigenous and people of color, low-income residents, and people living in surrounding areas of Midtown.

While the focus is on the Hopewell Mann Neighborhood, the findings could potentially be applicable to surrounding neighborhoods.

## MRA DISTRICT BOUNDARY

The Midtown MRA District boundary follows the boundary of the Midtown Local Innovation Corridor (LINC) Overlay District, which was adopted in 2016 (Ord. 2016-39). The Midtown LINC Overlay District was created to strengthen the built environment, foster economic growth, and enhance connectivity within Santa Fe's geographic and demographic center. It aimed to bridge the gap between the Midtown site and Christus St. Vincent Regional Medical Center by incentivizing mixed-use, pedestrian-oriented redevelopment.

The boundary selection for the LINC district was strategic and deliberate. It excludes established residential neighborhoods to minimize disruption while incorporating 372.8 acres of primarily commercial, industrial, and institutional properties along St. Michael's Drive and Cerrillos Road, as well as the Midtown site. The intent was to free underutilized land for multi-family residential and complementary non-residential uses while maintaining zoning flexibility. Additionally, the boundary allows for higher-density development,

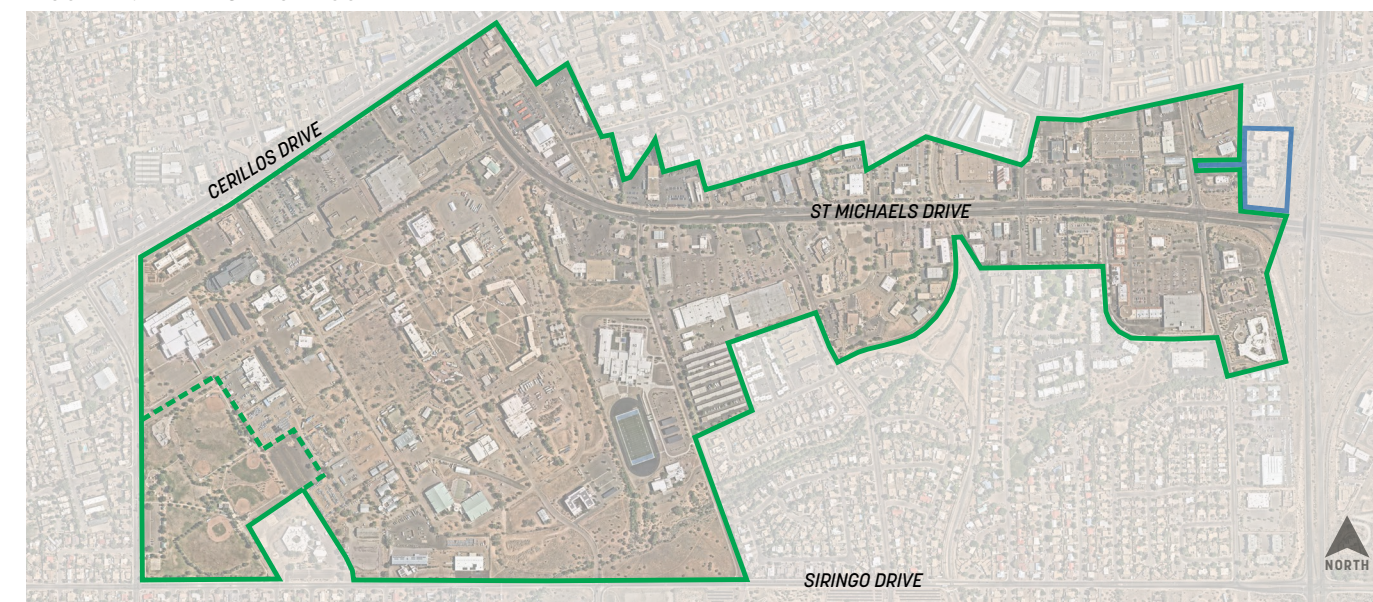
improved multimodal transit options, and walkable public spaces, reinforcing Santa Fe's broader urban planning goals.

The Midtown MRA district aligns with the LINC Overlay boundary with two minor differences: the omission of a residential property, indicated by the blue outline in Figure 2, and the addition of General Franklin E Miles Park, indicated by the dashed green line. While there is currently no residential property within the Midtown MRA district, residential development is expected in the future.

The Midtown MRA district encompasses 182 parcels. This includes the 64-acre city-owned Midtown Redevelopment Site, formerly home to the Santa Fe University of Art and Design (SFUAD), along with the adjacent commercial corridor along St. Michael's Drive and portions of Cerrillos Road. All parcels are non-residential. However, as of September 2025, there is transitional housing located on the Midtown campus. To comply with the requirements of an MRA district, the MR Agency is collaborating with other city departments to identify other decent, safe, and sanitary facilities for these community members.

The geographic scope of the MRA extends to San Mateo Lane to the north, St. Francis Drive to the east, Siringo Road to the south, and Camino Carlos Rey and Cerillos Drive to the west as seen in Figure 2 below.

FIGURE 2. MRA DISTRICT BOUNDARY



Midtown MRA boundary map: Differences between the MRA and the LINC are the omission of the sole residential area in the north eastern corner (blue outline) and the addition of Franklin Miles Park in the southwest corner (dashed line).



# MIDTOWN METROPOLITAN REDEVELOPMENT PLAN

## PREVIOUS PLANNING & COMMUNITY ENGAGEMENT

Numerous planning initiatives, policies, and reports have shaped the vision for the Midtown MRA district, including site-specific plans, site-specific studies, and broader citywide strategies. These efforts have consistently identified key issues and reflected the community's goals and aspirations.

Building on this foundation, this MRA Plan is intended to carry those visions forward and provide a spring board for more enhancements in this important part of Santa Fe.

Table 3 provides a summary of past planning efforts, highlighting their goals, key recommendations, and links to the full documents.

Additional information about these previous plans can be found in the appendix of this document.

FIGURE 4. MIDTOWN CONCEPTUAL SITE PLAN



Conceptual site plan excerpts from the 2022 Midtown Master Plan.

FIGURE 3. MATRIX OF PREVIOUS PLANNING & COMMUNITY ENGAGEMENT

PLANNING EFFORT	PLAN GOAL	STRATEGIES & PROJECTS
<a href="#">St. Michael's Drive: Visions of the Future (2009)</a>	The effort included the development of concepts by various participants focused on the combination of a re-designed roadway, as well as a new development pattern and new approach to urban design along the road.	<i>This effort included design concepts with lane reductions, roundabouts, and landscaped medians to calm traffic and enhance safety. Projects emphasize wide sidewalks, separated bike lanes, and complete streets to support walking and biking. Mixed-use development with 2-5 story buildings, live/work units, and creative districts are proposed. Public realm improvements include plazas, parks, tree-lined boulevards, and pedestrian promenades. Several visions include a new train station, underground parking, and stronger neighborhood connections. Sustainability tools feature solar and wind power, water harvesting, and green infrastructure. District themes center on arts, education, wellness, and transit-oriented development.</i>
<a href="#">RE:MIKE (2012)</a>	This plan imagines a revitalized St. Michael's Drive Corridor in Santa Fe, transforming it into a more vibrant, pedestrian-friendly, and economically diverse area.	<i>This plan includes strategies such as fee waivers, allocation of other city resources, and special designation of zoning for economic development purposes as a result of the implementation of a multi-phased overlay district</i>

PLANNING EFFORT	PLAN GOAL	STRATEGIES & PROJECTS
<a href="#">OVERLAY DISTRICT: MIDTOWN LINC ZONING OVERLAY (2016)</a>	The LINC Overlay aimed to spur redevelopment of underutilized land along St. Michael's Drive by encouraging higher-density, mixed-use projects, improving connectivity between major employers, and supporting multi-family and commercial development through design standards, fee incentives, and streamlined approvals.	<i>As a part of this effort, fee waivers included impact, permit, utility expansion, and development review fees. These benefits are available to qualifying projects, which are required to maintain compliance for five years and are eligible for administrative approval. Parking requirements are flexible, allowing demand studies, shared parking, and use of on-street parking spaces. Zoning tools include increased height allowances (up to 50'), no density cap, reduced setbacks, and flexible use standards. Projects must use high-efficiency water fixtures. Design standards mandate wide sidewalks, landscaped buffers, screened utilities, coordinated site furnishings, and street-oriented building façades.</i>
<a href="#">OVERLAY DISTRICT: SOUTH-CENTRAL HIGHWAY CORRIDOR PROTECTION DISTRICT (SCHC) (2019)</a>	The SCHC Overlay aimed to preserve the scenic quality and manage development within the overlay area. The SCHC imposes specific regulations on land use, density, and design to maintain the visual appeal and character of these areas.	<i>This offers a combination of fee incentives, flexible zoning, and design standards to encourage reinvestment and compact, mixed-use development. Tools include reduced development fees, increased building height allowances (up to 52 feet), no density cap, and reduced setbacks. Parking standards allow shared and on-street options. Design requirements focus on wide sidewalks, street-facing buildings, landscaped buffers, and pedestrian-friendly features. Projects meeting these standards are eligible for administrative approvals and are required to maintain compliance in perpetuity.</i>
<a href="#">Santa Fe Housing Report (2020)</a>	This report was developed to analyze the challenges faced by the City of Santa Fe's housing market and provides strategies and policy recommendations for addressing them.	<i>The recommendations include key levers such as zoning reform, streamlined permitting, public-private partnerships, and expanded funding for affordable housing. Priority projects involve building mixed-income developments, supporting nonprofit housing providers, and converting underutilized properties into housing. The focus is on creating a more equitable, accessible housing market that meets the needs of all Santa Fe residents.</i>
<a href="#">MIDTOWN COMMUNITY DEVELOPMENT PLAN (2022)</a>	This plan, developed as part of the Midtown Master Plan, guides new development to support community priorities like housing affordability, job access, arts and culture, and public amenities. Created with input from numerous community stakeholders, it emphasizes inclusivity, equity, and sustainability.	<i>This plan includes key strategies encouraging mixed-use and affordable housing development, activating public spaces, and enhancing connectivity through multi-modal infrastructure. Priority projects include new community spaces, cultural and arts programming, expanded transit access, and improvements to walking and biking networks. Levers to support implementation include zoning and land use updates, public-private partnerships, targeted infrastructure investments, and use of various financial tools. The approach focuses on aligning public investments with community goals to create a vibrant, inclusive, and economically resilient Midtown district.</i>
<a href="#">MIDTOWN PUBLIC ENGAGEMENT REPORT (2022)</a>	The plan outlines a community-driven vision for the redevelopment of the Midtown District. Its goals are to create a vibrant, inclusive district with mixed-income housing, public spaces, arts and cultural amenities, and opportunities for education, employment, and local business growth.	<i>This plan includes core strategies ensuring a mix of housing types, including affordable options, preserving and expanding open space, and integrating arts, education, and cultural uses. Projects focus on adaptive reuse of existing structures, developing parks and plazas, supporting local businesses, and creating space for youth, families, and intergenerational programming. Implementation levers identified include inclusive zoning, phased redevelopment, partnerships with local institutions, and prioritizing equity, transparency, and community stewardship throughout the planning process.</i>
<a href="#">Midtown Master Plan (2022)</a>	This plan is a roadmap for redevelopment of the former SFUAD site, encouraging a mixed-use, inclusive district with goals of housing, culture, mobility, sustainability, and community-driven economic growth.	<i>This plan leverages key strategies such as public-private partnerships, infrastructure upgrades, and targeted investment incentives. Proposed projects include affordable and market-rate housing, transit and bicycle improvements, civic spaces, cultural facilities, and the adaptive reuse of existing buildings. The plan prioritizes inclusive growth, sustainability, and long-term community benefit.</i>



# VISION & GOALS

The vision of the Midtown MRA district, as articulated in previous plans, is to transform the area into a vibrant, inclusive, and economically dynamic district that blends culture, arts, education, housing, and public spaces. Redeveloping the Midtown site will catalyze improvements throughout the MRA district.

The goals for the Midtown MRA district area:

**GOAL 1: Create convenient connections and upgraded infrastructure.**

Create strong non-motorized connections between the Midtown site, the MRA district, and surrounding neighborhoods to support a vibrant, mixed-use, and inclusive cultural district.

**GOAL 2: Foster a high-quality built environment.**

Balance preservation with progress by reusing and rehabilitating legacy buildings and cultural arts resources to maintain character and reduce waste.

**GOAL 3: Improve safety.**

Target lighting and crossing improvements at major gateways, transit stops, trail crossings, and other key locations within the MRA district. Encourage ground floor, street facing retail to add more “eyes on the street”.

**GOAL 4: Address environmental challenges through resilient design strategies.**

Environmental challenges should be addressed through strategic design and infrastructure, including retrofitting the existing pond to enhance stormwater management and ecological function.

**GOAL 5: Establish a better connected block layout with public spaces.**

Redesign the area with smaller blocks, street-facing commercial buildings, a dense street network, and centrally located parks and plazas for the existing community, future residents and visitors.

**GOAL 6: Expand housing variety and affordability.**

Provide diverse and affordable housing types with a mix of incomes and unit sizes to support community growth and vitality.

**GOAL 7: Vibrant and creative business activity.**

Build on Midtown’s central location and arts heritage by providing diverse spaces for current and emerging businesses to thrive.



Conceptual rendering of the Midtown Site from the 2022 Midtown Master Plan.

# DESIGNATION REPORT FINDINGS

**MRA DESIGNATION REPORT FINDINGS**

The Midtown Metropolitan Redevelopment Area has been designated to tackle various challenges that have hindered its economic growth, livability, and development potential.

The findings in the MRA Designation Report identified several conditions that meet the criteria for an MRA designation under the New Mexico Metropolitan Redevelopment Code. These findings inform the redevelopment strategies and

implementation recommendations outlined in this plan. The goal is to address and build upon these conditions to empower a thriving and active district that promotes future growth and opportunities for residents.

Table 4 outlines the criteria from the MRA Designation Report, summarizes the findings of the report associated with each criterion, and indicates where some of these conditions are located. These findings are integrated into the “*FIGURE 8. Implementation Table*” on page 22 which address the existing challenges with strategies to eliminate blight and achieve the desired outcomes.

FIGURE 5. DESIGNATION REPORT FINDINGS

CRITERIA	LOCATION	FINDINGS
Defective or Inadequate Street Layout	St Michael's corridor	<i>St. Michael's Drive functions as a high-speed arterial with no bike lanes or mid-block crossings, creating unsafe pedestrian conditions, and limiting pedestrian connectivity, and access.</i>
	Midtown Site	<i>The site has only two access points, one of which lacks a traffic signal, restricting internal circulation and creating unsafe pedestrian conditions.</i>
	St Michael's corridor	<i>Lack of access between parcels impedes connectivity.</i>
Deteriorated or Deteriorating Structures	Midtown site	<i>Many buildings in the area, especially on the former SFUAD campus, are outdated, deteriorating, or structurally deficient.</i>
	St. Michael's corridor	<i>Former dormitories are not suitable for modern residential reuse due to outdated design and code deficiencies.</i>
	Midtown Site	<i>Former barracks on the southwest portion of the site remain a biohazard, preventing community use.</i>
	St Michael's corridor	<i>Sidewalks, medians, and landscaped areas are in disrepair or missing.</i>
	St. Michael's corridor	<i>Transit amenities, including bus stops, are often unsheltered and poorly maintained.</i>
	Midtown Site	<i>Public spaces are limited, poorly maintained, and uninviting for community use.</i>
	St Michael's corridor and Midtown Site	<i>Dead or overgrown landscaping contributes to visual blight.</i>
Midtown Site	<i>Poor maintenance and lack of investment in public areas discourage gathering and reinvestment.</i>	



# MIDTOWN METROPOLITAN REDEVELOPMENT PLAN

CRITERIA	LOCATION	FINDINGS
Environmental Hazards	Midtown Site	Portions of the site, such as the former barracks, contain asbestos and other contaminants.
	Midtown Site	Remediation costs present a substantial financial barrier to redevelopment.
Faulty Lot Layout that Reduces Usefulness or Redevelopment Potential	St Michael's corridor	Large, irregular parcels and excessive surface parking dominate the area.
	St Michael's corridor	Strip mall-style developments and outdated subdivision patterns limit the redevelopment of cohesive, mixed-use environments
High Crime Rates and Public Safety Concerns	St Michael's corridor	The LINC area comprises just 1.7% of Santa Fe's land area but accounts for over 7% of reported crimes, including property damage and vandalism
	St Michael's corridor	Safety concerns discourage public use, walkability, and private investment
Lack of Adequate Housing Facilities or Conditions Preventing Housing Provision	St Michael's corridor	The area lacks diverse, affordable, and mixed-income housing
	St Michael's corridor	Despite zoning allowances, no new residential development has occurred due to infrastructure constraints and high redevelopment costs
Obsolete or Impractical Planning and Platting	St Michael's corridor	Historically single-use zoning and outdated planning regulations have resulted in inefficient land use and created barriers to redevelopment
	St Michael's corridor	The need for updated zoning to support walkable, mixed-use development is well documented in existing plans
Significant Number of Vacant or Struggling Commercial Properties	St Michael's corridor	Numerous properties along St. Michael's Drive and within the Midtown site remain vacant or significantly underutilized



Vacant lot with trash and weeds, Midtown MRA district

## MARKET STUDY FINDINGS

The following section includes a summary of a market study that was conducted for the area covered by the Midtown Local Innovation Corridor Overlay District, coinciding with a MRA District for a similar zone. The study assesses economic and demographic trends in Santa Fe; analyzes recent performance of multifamily, office, hotel, and retail sectors in the Midtown LINC and surrounding areas; and estimates the pace of development for redevelopment sites within the study area.

## ECONOMIC & DEMOGRAPHIC TRENDS

There are approximately 50,140 jobs in Santa Fe, 5% of which are in the Midtown LINC. The Midtown LINC has a larger share of jobs in accommodation, food services, finance, and insurance compared to the rest of the city. Overall, employment in Santa Fe decreased by approximately 170 jobs from 2010 to 2022. However, over the past decade, Santa Fe experienced significant job growth in major economic clusters like hospitality and tourism (+1,790 jobs), healthcare (+800 jobs), and information technology (+360 jobs). These same economic clusters are projected to grow over the next decade. In addition, National Labs such as Los Alamos and Sandia are driving recent and

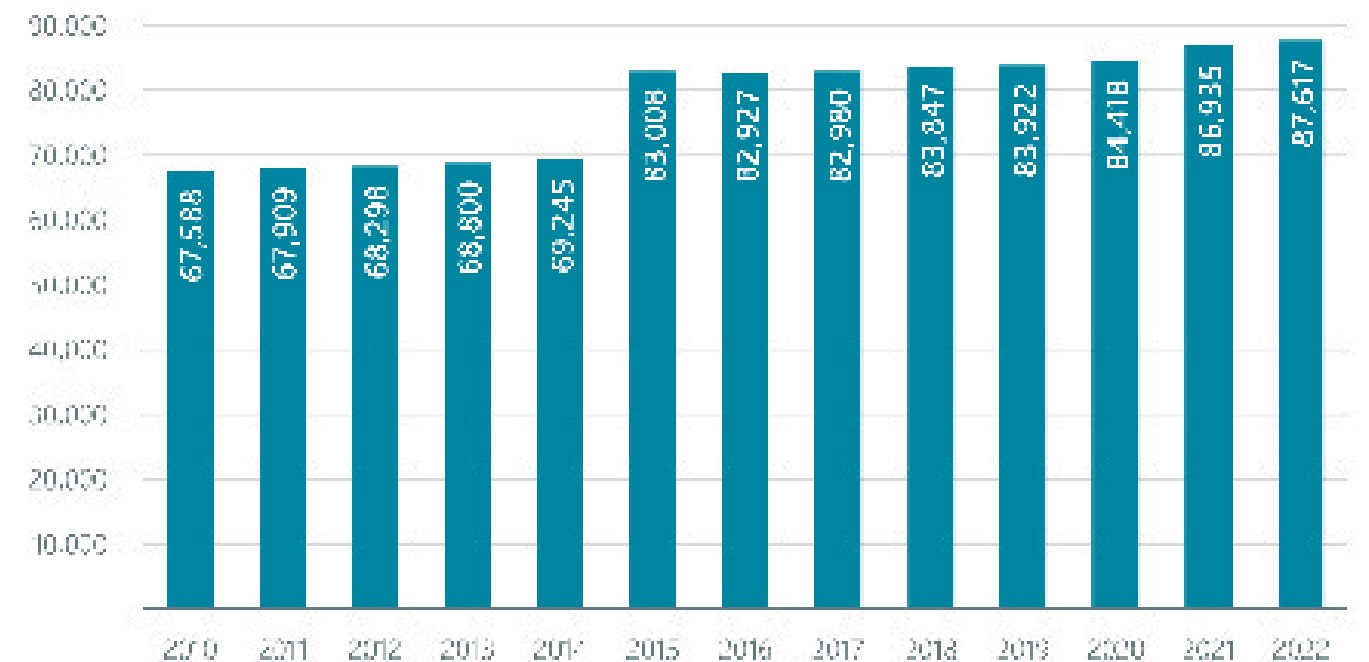
projected regional growth in energy, aerospace, and defense-related industries.

As of 2024, Santa Fe had a population of approximately 90,200. The city's population increased by nearly 30% since 2010, though the majority of growth was related to a 2014 annexation. Excluding annexations, the city's population has steadily increased since 2010. Median household income in Santa Fe is \$74,200, and over 35% of Santa Fe households have annual incomes of over \$100,000. Future household growth is projected to be concentrated among households earning above \$100,000 annually.

## MULTIFAMILY MARKET

Multifamily residential has been experiencing a boom in Santa Fe. Since 2019, an average of 446 units has been permitted in Santa Fe annually. In the year 2019 alone, 245 multifamily units were permitted – more than the combined total of multifamily units permitted in the prior 18 years. Developer interviews suggest several contributing factors to this new development momentum, including amendments to the city's affordability requirements, which allow developers to pay a fee in lieu of affordable units, post-pandemic migration to Santa Fe from around

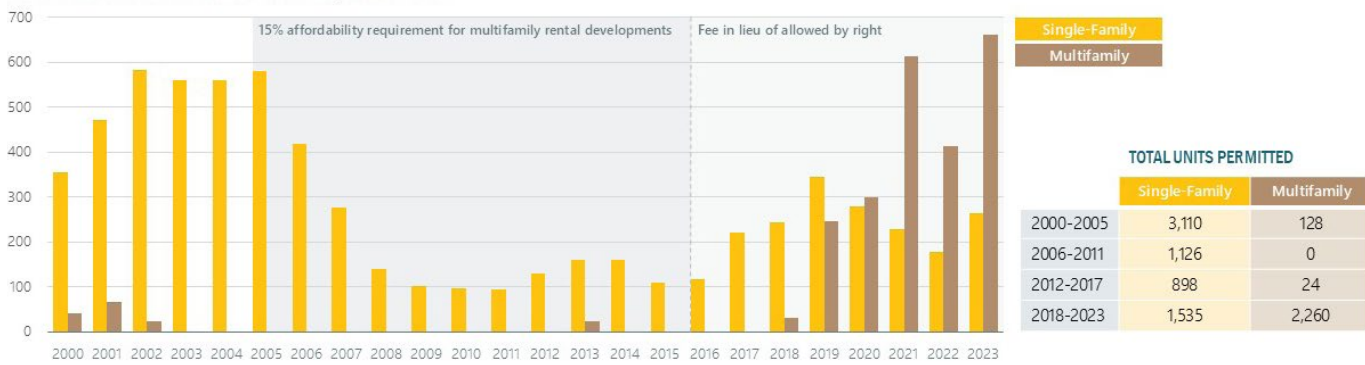
FIGURE 6. SANTA FE TOTAL POPULATION, 2010-2022





# MIDTOWN METROPOLITAN REDEVELOPMENT PLAN

FIGURE 8. SANTA FE RESIDENTIAL UNITS PERMITTED, 2000-2023

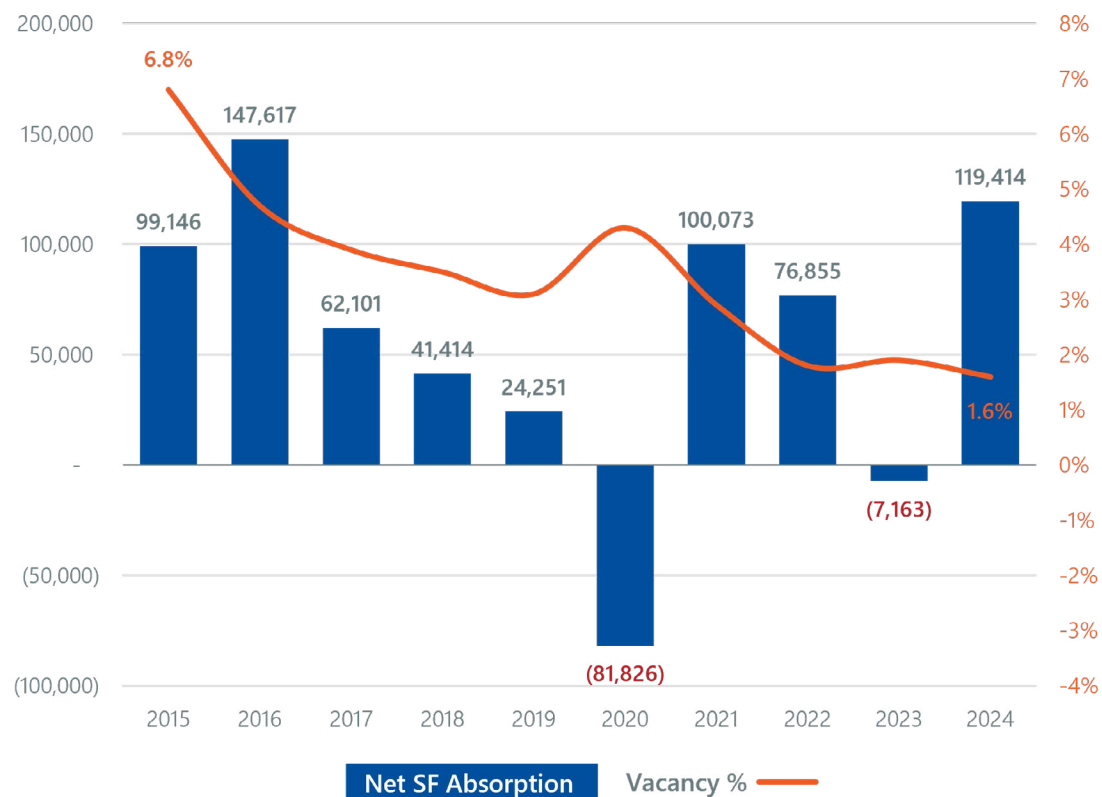


the nation, and the continued strength of economic anchors such as the national labs. the nation, and the continued strength of economic anchors like the national labs.

Santa Fe also has 1,090 units currently under construction and an additional 4,430 units proposed. Given the unprecedented development pipeline, some real estate professionals believe the Santa Fe market-rate multifamily market may

currently be overbuilt. The pace of new market-rate development may slow in the near-term to allow pipeline development to absorb, particularly with uncertainty about tariffs increasing construction costs. However, there continues to be an overall regional housing shortage – particularly affordable homes for lower- and moderate-income households. Given broader regional housing needs, multifamily is expected to remain a strong real estate market segment over the medium- to long-term and will

FIGURE 7. SANTA FE OFFICE ABSORPTION AND VACANCY, 2015-2024



likely be the primary development product for the Midtown campus. Developing market-rate housing along with affordable housing at the Midtown site can simultaneously create a new mixed-income neighborhood in the city and help address regional housing needs.

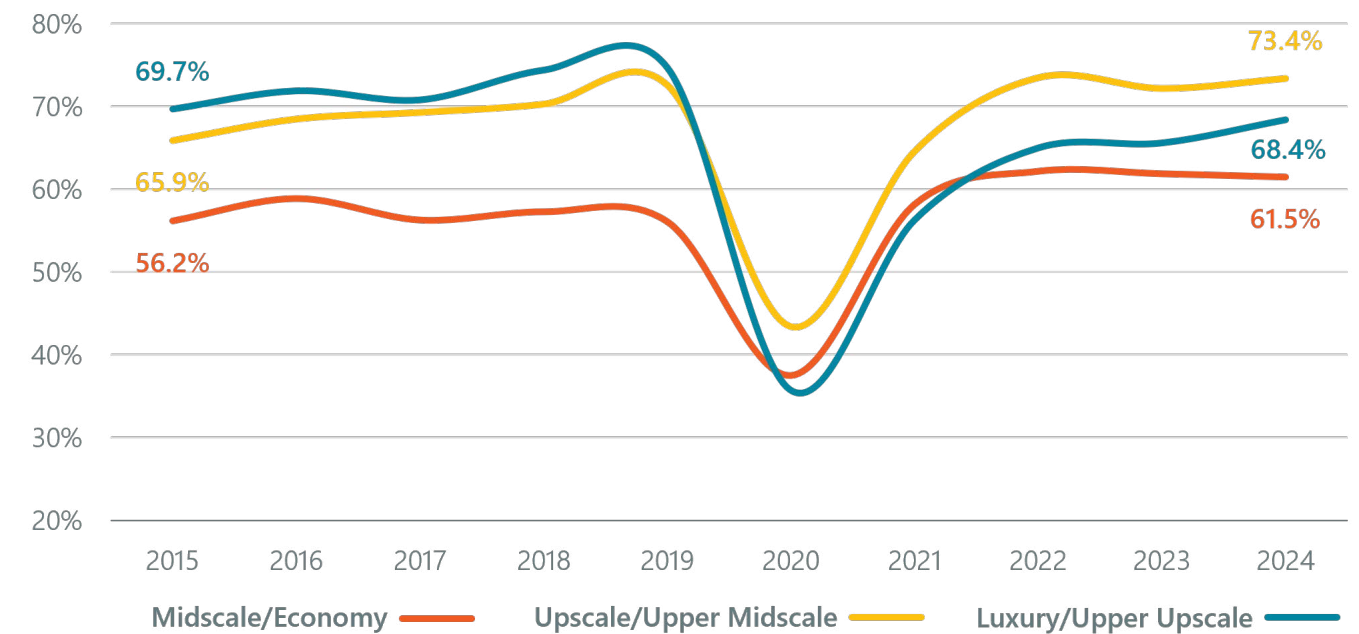
## OFFICE MARKET

Recent multi-tenant office deliveries have been limited, which has led to a very low vacancy rate. While Santa Fe has over 7.16 million SF of existing

office space, only 116,000 SF have been delivered since 2015. As a result, in combination with continued job growth in office-reliant economic sectors like information technology and business services, Santa Fe's office vacancy rate decreased from 6.8% in 2015 to 1.6% in 2024.

Continued absorption and a low vacancy rate indicate that Santa Fe's office market is much stronger than in many peer cities, where office performance has been persistently weak since the COVID-19 pandemic. While State and local government are part of the

FIGURE 9. SANTA FE HOTEL OCCUPANCY BY CLASS, 2015-2024



growth of the economy, demand for new office space is likely to be driven by medical users, National Lab spinoffs, federal agencies, and private businesses that are more willing to pay higher rents associated with new Class A office. Future demand appears to be strong for developers seeking to develop multi-tenant speculative office or larger businesses that seek a build-to-suit office development in a new, upcoming mixed-use center. While Midtown is not currently a core office market, its central location in Santa Fe and availability of land could make it a strong contender to capture future office development. Any office development at Midtown

should complement the mixed-use neighborhood vision.

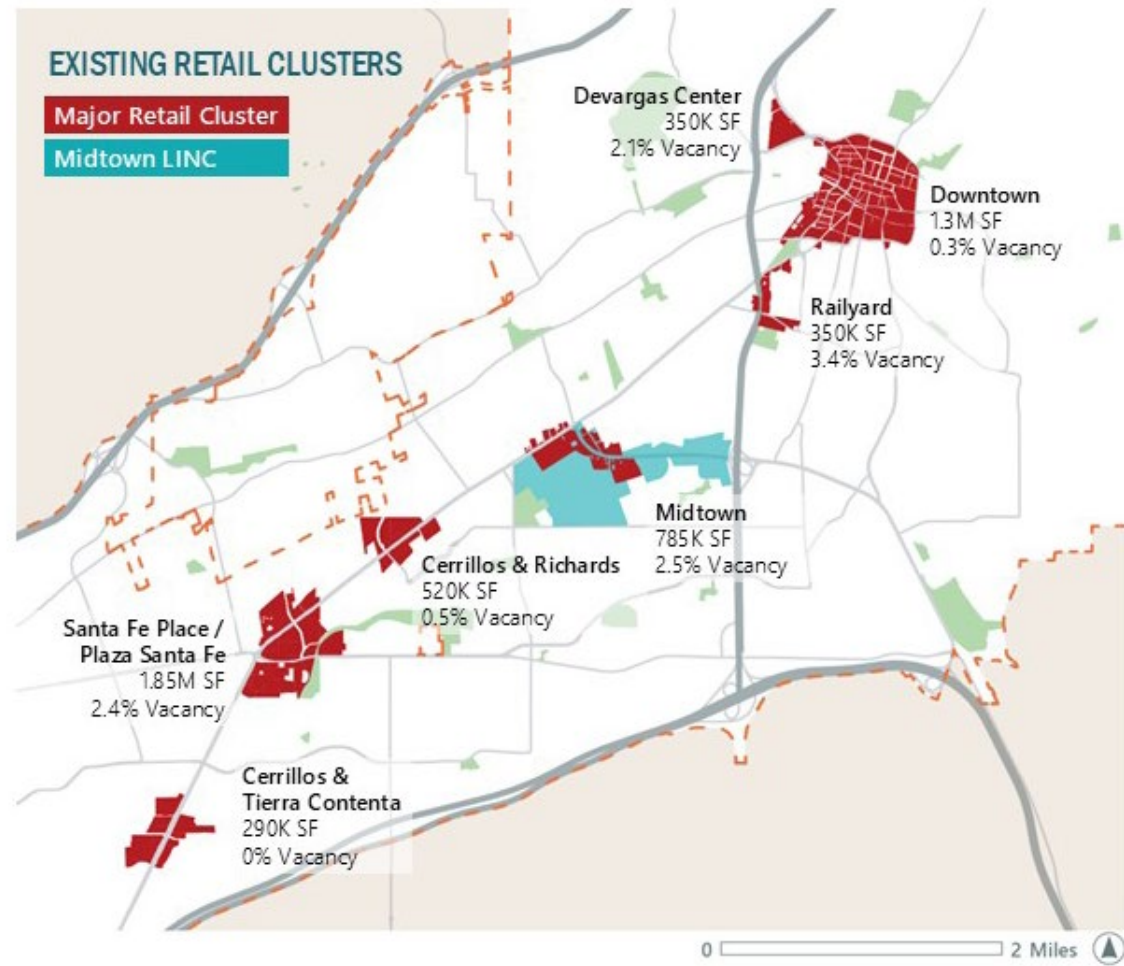
## HOTEL MARKET

Tourism is the primary driver of hotel demand in Santa Fe. Travel + Leisure readers recently voted Santa Fe as their #1 favorite city in the United States. Santa Fe's hospitality market has largely recovered post-COVID. The citywide average occupancy rate is 68%, which exceeds pre-pandemic levels. Upscale and Upper Midscale class hotels have the highest occupancy among classes (73%). The citywide average daily rate (ADR) is \$182. Hotels in Santa Fe



# MIDTOWN METROPOLITAN REDEVELOPMENT PLAN

FIGURE 10. EXISTING RETAIL CLUSTER IN SANTA FE



have experienced strong ADR growth since 2020, with the overall market average increasing from \$138 in 2019 to \$182 in 2024. Luxury and Upper Upscale class hotels have been the primary driver of this growth. ADR for this class grew by 41% between 2019 and 2024, while the overall market ADR increased 32% over the same period.

Hotel development could potentially be feasible at Midtown in the long run, particularly as other developments bring more activity to the area. Hotel visitors to the area could help support the retail and add to the tax base.

### RETAIL MARKET

Retail is generally performing well in Santa Fe, particularly in the primary retail clusters like

Midtown. Overall market vacancies continue to be low (2.3%). However, rent growth and new deliveries have both slowed in recent years. The Midtown LINC contains approximately 1.1M SF of commercial space (15.6% of Santa Fe's total commercial inventory) and has captured a roughly equivalent share of new development citywide since 2015. The broader Midtown MRA can capture additional daily needs retail development, particularly as new residential development expands the local consumer base. Sites within the Midtown campus, which lack frontage on the main roads, should also seek to attract destination retail and entertainment users that can draw customers from a wider geography for their unique offerings and experiences.

## MARKET CONCLUSIONS & DEMAND

### PROJECTIONS

- ✓ Multifamily development will include market-rate, mixed-income, and affordable developments.
- ✓ Midtown could potentially accommodate labs and other scientific offices, as well as some government offices.
- ✓ Midtown should include a mix of hotel types (i.e., larger conference hotels and smaller boutique hotels) to capture different travel sectors.
- ✓ A majority of new retail space in Midtown is likely to be ground-floor retail in mixed-use buildings, or standalone, specialty retail. Big box retail with national tenants is unlikely to locate within the core of Midtown.



MARKET POTENTIAL  
**STRONG**  
TIMEFRAME  
NEAR-TERM



MARKET POTENTIAL  
**STRONG**  
TIMEFRAME  
MEDIUM-TERM



MARKET POTENTIAL  
**MODERATE**  
TIMEFRAME  
LONG-TERM



MARKET POTENTIAL  
**MODERATE**  
TIMEFRAME  
NEAR-TERM

## KEY TAKEAWAYS

### MULTIFAMILY

- ✓ Significant recent increase in units constructed.
- ✓ Short-term slowdown, but capacity for more in the long term.

### OFFICE

- ✓ Low vacancy due to limited new development.
- ✓ Demand potential from medical, lab spinoffs, and government agencies.
- ✓ New office should fit mixed-use neighborhood model.

### HOTEL

- ✓ Occupancy back to pre-pandemic levels.
- ✓ Upscale and upper midscale performing best
- ✓ Long-term hotel potential.

### RETAIL

- ✓ Healthy market, especially in Midtown clusters.
- ✓ Low vacancy; slowed rent growth and new construction.
- ✓ Non-frontage sites should focus on destination retail.



# NATIONAL BEST PRACTICES

**Utilizing a MRA designation to redevelop blighted districts is a common practice employed throughout the country.**

One of the many advantages of creating an MRA district is the ability to use tax increment financing as a tool to pay for infrastructure. This type of financing can also be used to implement community-driven initiatives, such as park and public space improvements, public programming, and to supplement operations and maintenance of public amenities. Below are several examples that illustrate how MRA districts can be successful.

## GLENVIEW, IL

### COMMUNITY SNAPSHOT

The Village of Glenview is a suburb of Chicago, IL with a population of approximately 50,000.

Glenview initiated a planning process to integrate a decommissioned Naval Air Station site into its community. Upon its closure, the Air Station comprised 15% of Glenview's land area. Glenview established a 23 year MRA for the former Naval Air Station site and utilized TIF as a major funding source for their redevelopment efforts.

Similar to Midtown, this is a large campus-like site situated in a central location and adjacent to a commuter rail line.

FIGURE 11. GLENVIEW AERIAL OF THE MRA DISTRICT



Source: Google Earth; HistoricAerials.com; SB Friedman

### IMPLEMENTATION

To achieve redevelopment goals, TIF financing was utilized. The TIF District is expected to generate over \$800 million in revenue including \$560 million from property and sales taxes, and \$220 million from the sale of approximately 600 land acres to private developers. The revenue has funded approximately \$183 million of roads and stormwater infrastructure.

### LEVERAGING MRA TOOLS

- ✓ *Demolish remaining Naval Air Station structures, including 1.5 miles of runway and more than 100 Navy buildings*
- ✓ *Environmental remediation to clean contaminated soils, underground fuel storage tanks and dumping sites*
- ✓ *Build stormwater detention near Patriot Marketplace Retail Center*
- ✓ *Construct public improvements, including public parking structures, parks, sidewalks and streets*

### KEY TAKEAWAYS

- ✓ TIF was utilized to pay for large scale infrastructure projects
- ✓ Infrastructure costs are difficult to finance without special tools or districts
- ✓ A single master developer, in this case the city, was essential to project success
- ✓ TIF can be leveraged to create a high rate of return on public investment



Before and after images of the Bridge Street District.

## DUBLIN, OH

### COMMUNITY SNAPSHOT

Dublin, Ohio is a suburb of Columbus, OH with a population of 49,328.

To stay competitive, City of Dublin recognized the need to innovate, creating a vision for an urban, walkable community that they called the Bridge Street District. This included more than 30 acres of land along the Scioto River in 2012 - previously the site of a struggling strip mall and driving range.

### IMPLEMENTATION

To bring this vision to life, the city utilized TIF financing to develop 1,700 parking spaces and a significant portion of the road network for the development. The city also invested in public works projects that support the Bridge Street District including the relocation of roadways and roundabouts, and an iconic pedestrian bridge.

Bridge Park is now a well-known destination in central Ohio, allowing visitors, residents and office users to enjoy a once underutilized space. The \$500 million+ private investment includes the development of Class A office and retail/restaurant space, for-rent residential units, for-sale condos/townhomes, an events center and public park.





# MIDTOWN METROPOLITAN REDEVELOPMENT PLAN

## LEVERAGING MRA TOOLS

- ✓ Built structured parking to support private development
- ✓ Constructed public spaces and parks to create community benefit
- ✓ Financed and constructed road network

### KEY TAKEAWAYS

- ✓ TIF financing was utilized to develop infrastructure
- ✓ Redeveloping the large site relied on strong public-private partnerships
- ✓ Attracting a mix of uses created a more vibrant development

## BOISE, ID

### COMMUNITY SNAPSHOT

The River Myrtle–Old Boise (RMOB) District is a centrally located area in downtown Boise, ID. When established in 1996, the district consisted largely of vacant land, aging warehouses, and remnants of industrial uses. The district was created to ensure that downtown Boise remained the region’s hub

for business, government, culture, education, and urban living—similar to the Midtown site in its central location and potential for transformation.

### IMPLEMENTATION

To support redevelopment goals, Boise’s urban renewal agency, the Capital City Development Corporation (CCDC), utilized tax increment financing (referred to as revenue allocation in Idaho). The financing has enabled strategic public investments in infrastructure and streetscapes that have spurred private development and helped transform the RMOB District into a vibrant, mixed-use urban neighborhood.

### HOW THE MRA DESIGNATION FUNCTIONS

- ✓ Improved streetscapes to enhance the safety and functionality of the rights-of-way
- ✓ Park Improvements: A partnership with the local Parks department to upgrade a park.
- ✓ Built public spaces that celebrated the neighborhood’s multicultural history, providing additional event space to support street festivals, and catalyzes placemaking with adjacent private investment and overall neighborhood investment strategy.



Rebuild Old Boise Blocks project: Grove Street in Boise between 4th Street and 5th Street, looking west.

### KEY TAKEAWAYS

- ✓ TIF investments spurred private development
- ✓ TIF served as a key tool to fill financing gaps
- ✓ Redevelopment utilized a mix of capital sources

## FINANCIAL TOOLS

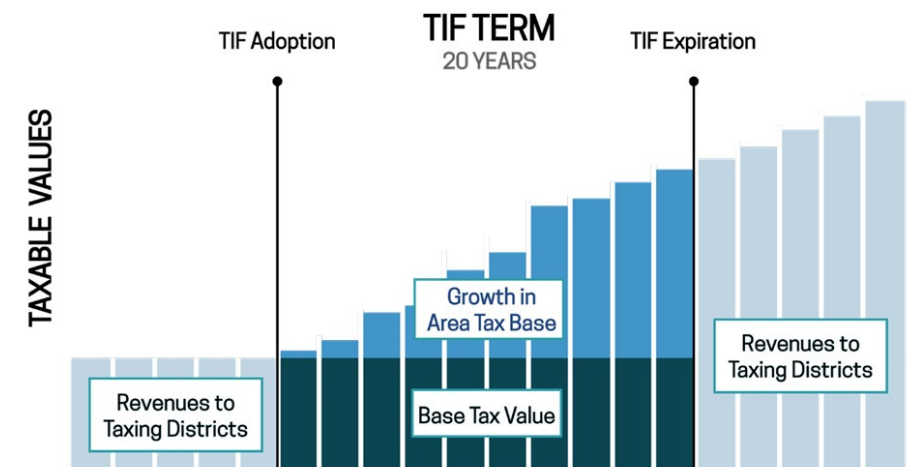
There are several local, state and federal sources that could be used to pay for improvements within the Midtown MRA district. One of the responsibilities of the Metropolitan Redevelopment Agency will be to apply for these sources or establish funding mechanisms that could fund area-wide improvements.

### OPPORTUNITY ZONE

The census tract that encompasses the Midtown LINC area is a designated Opportunity Zone (OZ), an area where new investments may be eligible for preferential tax treatment. The program provides deferred or reduced taxes on capital gains from investments in OZs. Projects such as commercial and industrial real estate, housing, infrastructure, and existing or start-up business investments can all produce OZ tax benefit.

### TAX INCREMENT FINANCING

Tax increment financing is a flexible, public-private finance tool used by local governments across the country. TIF allocates future increases in taxes from a designated area, or TIF District, to pay for improvements within that area. Generally, the purpose of TIF is to eliminate blight through redevelopment, foster economic development, and enhance the local tax base. In New Mexico, TIF districts may only be established within existing Metropolitan Redevelopment Areas with plans approved by the local government.



In 2024, the State of New Mexico approved changes to the State Metropolitan Redevelopment Area statute to create an enhanced TIF mechanism. The changes now allow for TIF districts to capture a portion of incremental gross receipts tax (GRT) and property tax revenue generated within the district. With the changes to State law, a TIF could collect up to 75% of incremental property and gross receipts taxes generated from the municipality, county and state within a TIF District for up to 20 years. Participation rates are subject to municipal, county and state approval, and could be less than 75% depending on taxing jurisdiction needs and redevelopment goals. Over the TIF period, school, water and other special taxing districts continue to collect their regular tax rate and immediately benefit from growth in the tax base.

### TAX INCREMENT DEVELOPMENT DISTRICT

A Tax Increment Development District (TIDD) is a designated area that captures a portion of incremental gross receipts or property tax revenue to finance public infrastructure projects like roads and utilities. A TIDD functions similarly to a TIF. However, for a TIDD to be established, a majority of the property owners in the district must be in favor of the TIDD. Unlike TIFs, which have more flexibility, TIDD funds can only be spent on infrastructure. Lastly, a TIDD relies on tax increases paid by property owners to fund district-wide improvements.



# RECOMMENDATIONS & IMPLEMENTATION

The Midtown MRA district and its surrounding neighborhoods are vibrant and diverse, rich with unique

assets and poised to grow as an inclusive cultural and economic hub. The following implementation

table organizes specific strategies and projects aligned under key goals developed to realize this potential and address the MRA designation criteria. Each goal reflects a targeted approach to foster connectivity, strengthen the built environment, improve safety, promote environmental resilience, encourage thoughtful urban design, expand housing diversity and affordability, and support thriving local businesses for the people of Santa Fe. They also directly respond to the criteria for MRA district designation.

These targeted interventions are designed to support the evolution of this dynamic district. Each action item is paired with implementation partners and the specific geographic areas within the MRA where it applies—providing a clear roadmap for coordinated, phased revitalization. This framework is intended to guide public and private investment, align resources, and support long-term redevelopment success.

FIGURE 12. IMPLEMENTATION TABLE

STRATEGIES & PROJECTS	TYPE	LOCATION	PARTNERS	FUNDING	MAP #
<p><b>GOAL 1: Create convenient connections and upgraded infrastructure.</b>            Create strong non-motorized connections between the Midtown site, the MRA district, and surrounding neighborhoods to support a vibrant, mixed-use, and inclusive cultural district.</p> <p><i>MRA Criteria Addressed: Defective or Inadequate Street Layout; Obsolete or Impractical Planning and Platting</i></p>					
<i>Incorporate Green Stormwater Infrastructure (GSI) as part of every new development</i>	<i>Infrastructure</i>	<i>Throughout MRA</i>	<i>City of Santa Fe, private developers</i>	<i>Tax Increment Financing (TIF), Community Development Block Grant (CDBG), Local Capital Improvement Funds, Clean Water State Revolving Fund (CWSRF), Water Infrastructure Finance and Innovation Act (WIFIA), Section 319 Nonpoint Source Grant Program</i>	<i>NA</i>
<i>Enhance connections between General Franklin E Miles Park and the Midtown Site</i>	<i>Infrastructure</i>	<i>Midtown Site</i>	<i>City of Santa Fe, State of New Mexico</i>	<i>TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, Santa Fe Community Foundation Grants</i>	<i>1</i>
<i>Enhance connectivity within and around the Midtown site by improving safe, accessible pedestrian and bicycle infrastructure that supports daily physical activity, promotes community health, and strengthens links to surrounding neighborhoods, parks, and key destinations.</i>	<i>Infrastructure</i>	<i>Throughout MRA</i>	<i>City of Santa Fe</i>	<i>TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, Santa Fe Community Foundation Grants</i>	<i>NA</i>
<i>Improve bicycle and pedestrian connectivity between the Midtown site, Hopewell-Mann and other neighborhoods to the north, east, south</i>	<i>Infrastructure</i>	<i>Midtown Site</i>	<i>City of Santa Fe</i>	<i>TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, Transportation Alternatives program (TAP), Recreational Trails Program (RTP), NM Match Fund</i>	<i>2</i>
<i>Improve bicycle and pedestrian connectivity at intersections on Cerrillos Rd., St. Michael's Dr., and Siringo Rd.</i>	<i>Infrastructure</i>	<i>Throughout MRA</i>	<i>City of Santa Fe</i>	<i>TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund</i>	<i>3</i>
<i>Improve bicycle and pedestrian connectivity between the Midtown site and General Franklin E Miles Park</i>	<i>Infrastructure</i>	<i>Midtown Site</i>	<i>City of Santa Fe</i>	<i>TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund, Santa Fe Community Foundation Grants</i>	<i>4</i>
<i>Improve bicycle and pedestrian connectivity between the St. Michael's corridor and the Arroyo de Los Chamisos Trail, Rail Trail and other regional trails.</i>	<i>Infrastructure</i>	<i>Throughout MRA</i>	<i>City of Santa Fe</i>	<i>TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund, Santa Fe Community Foundation Grants</i>	<i>5</i>
<i>Work with nearby property owners to determine the desirability and feasibility of "Soft Connections" that improve convenience, safety, and comfort of people accessing the Midtown site by walking, rolling and riding bikes</i>	<i>Infrastructure</i>	<i>Throughout MRA</i>	<i>Private property owners</i>	<i>TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund, Santa Fe Community Foundation Grants</i>	<i>6</i>



STRATEGIES & PROJECTS	TYPE	LOCATION	PARTNERS	FUNDING	MAP #
Establish pedestrian and bicycle connections to educational institutions including Nava Elementary School, Santa Fe High School, Milagro Middle School, NM Highland University Center, as well as adjacent City-owned parcels.	Infrastructure	Throughout MRA	Santa Fe Public Schools, City of Santa Fe	TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund	7
Improve access to community-serving uses at the Site, such as the new Library, by providing safe and convenient routes for walking, rolling, and bicycling from surrounding neighborhoods.	Infrastructure	Throughout MRA	City of Santa Fe	TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund, Santa Fe Community Foundation Grants	NA
Enhance personal and traffic safety in areas where people are or could be physically active.	Infrastructure	Throughout MRA	City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund, AARP Community Challenge Grant	NA
Prioritize pedestrians and cyclists over vehicles.	Infrastructure	Throughout MRA	Private developers, City of Santa Fe	TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund, AARP Community Challenge Grant	NA
Deliver internal connectivity for people walking.	Infrastructure	Midtown Site	Private developers, City of Santa Fe	TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund, AARP Community Challenge Grant	NA
Improve access to transit on St. Michael's Dr., Cerrillos Rd. and Siringo Rd.	Infrastructure	Throughout MRA	City of Santa Fe	TIF, Trails+ Grant Program, CDBG, Local Capital Improvement Funds, TAP, RTP, NM Match Fund, Santa Fe Community Foundation Grants	8, 9, 10
Minimize cut-through traffic.	Infrastructure	Midtown Site	City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, TAP, NM Match Fund	NA
<p><b>GOAL 2: Foster a high-quality built environment.</b>            Balance preservation with progress by reusing and rehabilitating existing buildings and cultural arts resources to maintain character and reduce waste.  <u>MRA Criteria Addressed: Significant Number of Vacant or Struggling Commercial Properties; Deteriorated or Deteriorating Structures</u></p>					
Rehabilitate and reuse existing buildings and cultural resources where feasible. On the Midtown site, this includes but is not limited to the following: <ul style="list-style-type: none"> <li>• Greer Garson Studio Complex</li> <li>• Greer Garson Theatre Center</li> <li>• Visual Arts Center</li> <li>• Fogelson Library Complex</li> <li>• Benildus Hall</li> <li>• Administration Building</li> </ul>	Infrastructure	Midtown Site	Private developers, non-profits, City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, Private Donations, NM Match Fund	11a, 11b, 11c, 11d, 11e, 11f
Replace buildings that have reached the end of their useful life with new, more sustainable buildings.	Infrastructure	Throughout MRA	Private developers, non-profits, City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, Private Donations, NM Match Fund	NA



MIDTOWN METROPOLITAN  
**REDEVELOPMENT PLAN**

STRATEGIES & PROJECTS	TYPE	LOCATION	PARTNERS	FUNDING	MAP #
<p><b>GOAL 3: Improve safety.</b> Target lighting and crossing improvements at major gateways, transit stops, trail crossings, and other key locations within the MRA district. Encourage ground floor, street facing retail to add more “eyes on the street”.</p> <p><i>MRA Criteria Addressed: High Crime Rates and Public Safety Concerns</i></p>					
Enhance Safety through consistent site lighting.	Infrastructure	Throughout MRA	Private property owners, City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, AARP Community Challenge Grant	NA
Assess and enhance pedestrian level lights.	Infrastructure	Throughout MRA	Private property owners, City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, AARP Community Challenge Grant	NA
Prioritize high pedestrian and vehicle traffic areas, both current and planned.	Infrastructure	Throughout MRA	Private property owners, City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, AARP Community Challenge Grant	NA
<p><b>GOAL 4: Address environmental challenges through resilient design strategies.</b> Environmental challenges should be addressed through strategic design and infrastructure, including retrofitting the existing pond to enhance stormwater management and ecological function.</p> <p><i>MRA Criteria Addressed: Environmental Hazards; Obsolete or Impractical Planning and Platting</i></p>					
Retrofit the existing pond in the southern portion of the Midtown site to enhance stormwater management capacity, support biodiversity, and create a visible green amenity for the community.	Infrastructure	Midtown Site	City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, CWSRF, WIFIA, Section 319 Nonpoint Source Grant Program	12
Adopt infrastructure and green building practices that prioritize energy efficiency, reduce greenhouse gas emissions, and expand the use of renewable, clean energy sources in both new construction and building retrofits.	Infrastructure	Throughout MRA	City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, CWSRF, WIFIA, Section 319 Nonpoint Source Grant Program	NA
Integrate green stormwater infrastructure (GSI)—such as rain gardens, permeable pavement, and bioswales—into every new development to manage runoff, improve water quality, and enhance the public realm.	Infrastructure	Throughout MRA	City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, CWSRF, WIFIA, Section 319 Nonpoint Source Grant Program	NA
<p><b>GOAL 5: Establish a better connected block layout with public spaces.</b> Redesign the area with smaller blocks, street-facing commercial buildings, a dense street network, and centrally located parks and plazas.</p> <p><i>MRA Criteria Addressed: Defective or Inadequate Street Layout; Faulty Lot Layout that Reduces Usefulness or Redevelopment Potential; Obsolete or Impractical Planning and Platting</i></p>					
Create and implement a Parking Demand Management Strategy to provide options and tools that reduce the amount of parking needed for development.	Connectivity	Throughout MRA	Private property owners, developers, City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, NM Match Fund	NA
Narrow existing roads and when building new roads, make them more narrow.	Land Use	Throughout MRA	City of Santa Fe	TIF, CDBG, Local Capital Improvement Funds, NM Match Fund	NA



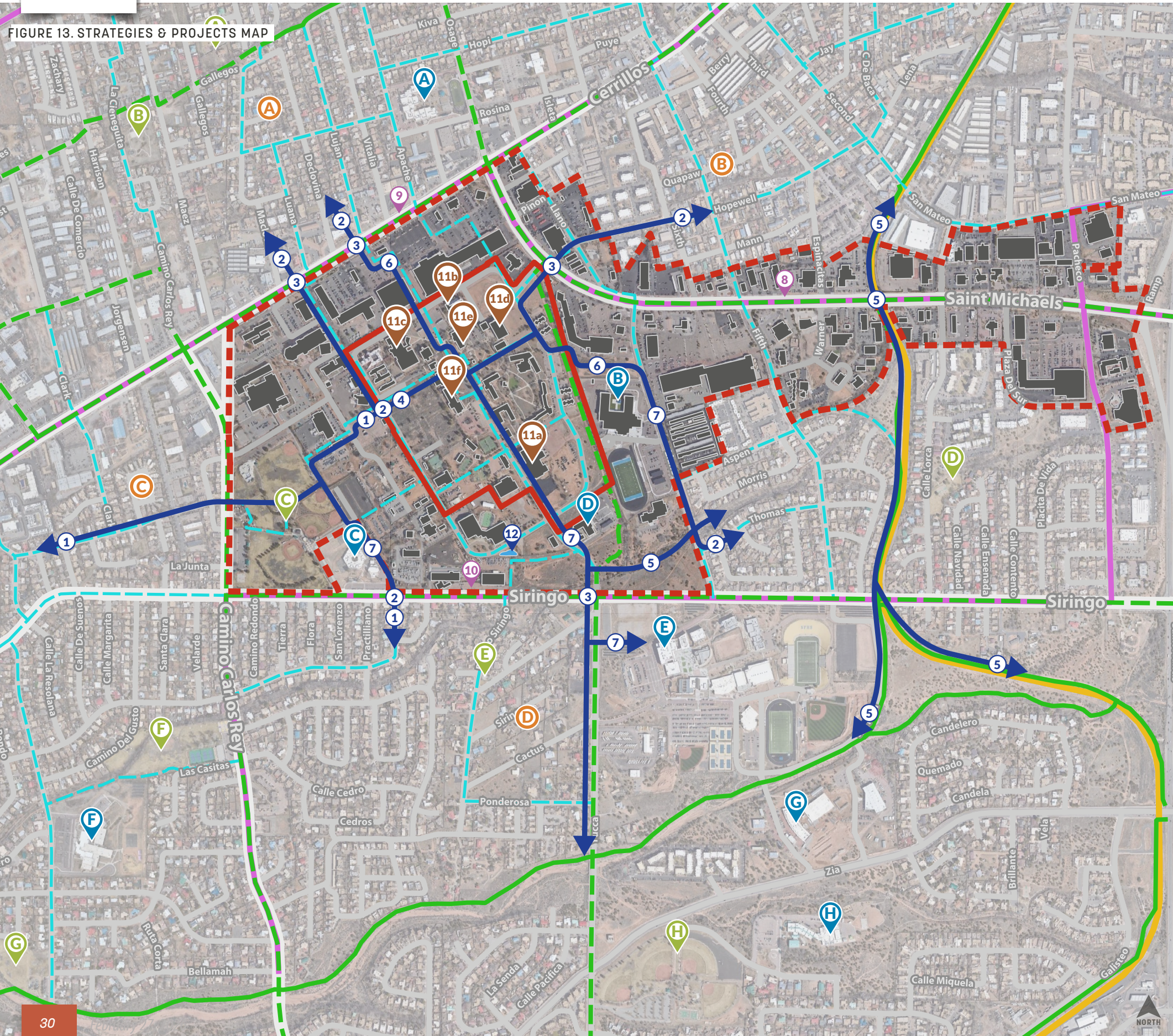
MIDTOWN METROPOLITAN  
**REDEVELOPMENT PLAN**

STRATEGIES & PROJECTS	TYPE	LOCATION	PARTNERS	FUNDING	MAP #
<i>Development and redevelopment along Cerrillos Road and St. Michael's Drive should provide greater density of commercial uses and more housing closer to the right of way.</i>	<i>Land Use</i>	Throughout MRA	<i>City of Santa Fe</i>	<i>TIF, CDBG, Local Capital Improvement Funds, NM Match Fund</i>	<i>NA</i>
<p><b>GOAL 6: Expand housing variety and affordability.</b>            Provide diverse and affordable housing types with a mix of incomes and unit sizes to support community growth and vitality.</p> <p><u>MRA Criteria Addressed: Lack of Adequate Housing Facilities or Conditions Preventing Housing Provision</u></p>					
<i>Provide a minimum of 30% of the homes developed within the Midtown Master Plan area as affordable for low- and moderate-income households.</i>	<i>Land Use</i>	Midtown Site	<i>Private developers, City of Santa Fe</i>	<i>TIF, CDBG, Local Capital Improvement Funds, NM Match Fund</i>	<i>NA</i>
<i>Dedicate space for 100 percent affordable homes, using such tools as low-income housing tax credits, construction and operating subsidies, and other incentives, with long-term affordability controls through financing terms, land trusts, or other deed restrictions.</i>	<i>Land Use</i>	Midtown Site	<i>Private developers, City of Santa Fe</i>	<i>TIF, CDBG, Local Capital Improvement Funds, NM Match Fund</i>	<i>NA</i>
<i>Pass legislation to require in-lieu-of fees paid within the MRA to be invested in the Midtown Master Plan Area or within the Midtown LINC zoning area.</i>	<i>Land Use</i>	Throughout MRA	<i>Private developers, City of Santa Fe</i>	<i>TIF, CDBG, Local Capital Improvement Funds, NM Match Fund</i>	<i>NA</i>
<i>Strengthen, incentivize, and increase the capacity of non-profit and community organizations to develop affordable housing that focuses on community stabilization of adjacent neighborhoods.</i>	<i>Land Use</i>	Throughout MRA	<i>Private developers, City of Santa Fe</i>	<i>TIF, CDBG, Local Capital Improvement Funds, NM Match Fund</i>	<i>NA</i>
<p><b>GOAL 7: Vibrant and creative business activity.</b>            Build on Midtown's central location and arts heritage by providing diverse spaces for current and emerging businesses to thrive.</p> <p><u>MRA Criteria Addressed: Significant Number of Vacant or Struggling Commercial Properties</u></p>					
<i>Prioritize resources from the Office of Economic Development to facilitate business location and development in the Midtown District.</i>	<i>Economic Development</i>	Midtown Site	<i>Private developers, City of Santa Fe</i>	<i>TIF, CDBG, Local Capital Improvement Funds, NM Match Fund</i>	<i>NA</i>
<i>Focus disposition for commercial development on industries that establish a creative technology, entertainment, arts, and culture center in Santa Fe, including Film and Multi-media; Technology; Community Arts &amp; Culture (including food); Entertainment; Entrepreneurialism; Locally owned small businesses.</i>	<i>Economic Development</i>	Throughout MRA	<i>Private developers, City of Santa Fe</i>	<i>TIF, CDBG, Local Capital Improvement Funds, NM Match Fund</i>	<i>NA</i>



# MIDTOWN METROPOLITAN REDEVELOPMENT PLAN

FIGURE 13. STRATEGIES & PROJECTS MAP



The following map items highlight place-based strategies and goals outlined in the preceding table.

### STRATEGIES & PROJECTS

1. Enhance connections between General Franklin E Miles Park, Midtown Site
2. Improve bicycle and pedestrian connectivity between the Midtown site, Hopewell-Mann, other neighborhoods
3. Improve bicycle and pedestrian connectivity at intersections on Cerrillos Rd., St. Michael's Dr., and Siringo Rd.
4. Improve bicycle and pedestrian connectivity between the Midtown site and General Franklin E Miles Park
5. Improve bicycle and pedestrian connectivity between the St. Michael's corridor and the Arroyo de Los Chamisos Trail, Rail Trail and other regional trails.
6. Work with nearby property owners on "Soft Connections" that improve pedestrian access to Midtown.
7. Establish pedestrian and bicycle connections to educational institutions, as well as adjacent City-owned parcels.
8. Improve access to transit on St. Michael's Dr., Cerrillos Rd. and Siringo Rd.
9. Improve access to transit on Cerrillos Rd.
10. Improve access to transit on Siringo Rd
11. Rehabilitate and reuse existing buildings and cultural resources where feasible. On the Midtown site, this includes but is not limited to the following:
  - a. Greer Garson Studio Complex
  - b. Greer Garson Theatre Center
  - c. Visual Arts Center
  - d. Fogelson Library Complex
  - e. Benildus Hall
  - f. Administration Building
12. Retrofit existing pond in the southern portion of the Midtown site.

### MAP LEGEND

#### TRANSPORTATION

- BUS ROUTE
- Rail Runner and Rail Trail
- Neighborhood Shared Route
- Regional Trail
- Regional Shared Route

#### SITE FEATURES & BOUNDARIES

- Existing Pond
- Midtown Site Boundary
- MRA Boundary

#### NEIGHBORHOODS

- A. Casa Alegre
- B. Hopewell Mann
- C. Midtown
- D. Rancho Siringo

#### PARKS

- A. Cielo Vista
- B. Los Hermanos Rodriguez
- C. General Franklin E. Miles
- D. Southridge Calle Lorca
- E. Rancho Siringo
- F. Herb Martinez
- G. Monica Lucero
- H. Ragle

#### SCHOOLS

- A. Salazar Elementary
- B. Milagro Middle
- C. Nava Elementary
- D. New Mexico Highlands University Center
- E. Santa Fe High
- F. Kearny Elementary
- G. Early College Opportunities High School
- H. Chaparral Elementary



# MIDTOWN METROPOLITAN REDEVELOPMENT PLAN

As part of the implementation strategy, an assessment of available financing tools has identified Tax Increment Financing as a leading option. TIF offers a powerful mechanism to help fund critical infrastructure improvements while capturing the long-term benefits of economic growth and reinvestment in the area.

## HOW CAN TIF WORK IN MIDTOWN?

TIF districts can provide communities the funds necessary to implement the strategic goals outlined in their redevelopment plans. By attracting investment that would not occur without tax increment financing, the Metropolitan Redevelopment Agency can help catalyze economic growth and increase the long-term tax base for all jurisdictions.

A Midtown TIF district could help facilitate the redevelopment of Midtown by generating the funding necessary to rehabilitate the area in alignment with community needs and existing plans for the site. TIF could finance efforts by the Metropolitan Redevelopment Agency to address key considerations identified in the Midtown Master Plan, which include connectivity and mobility, integrated stormwater management, civic and open space, and affordable housing.

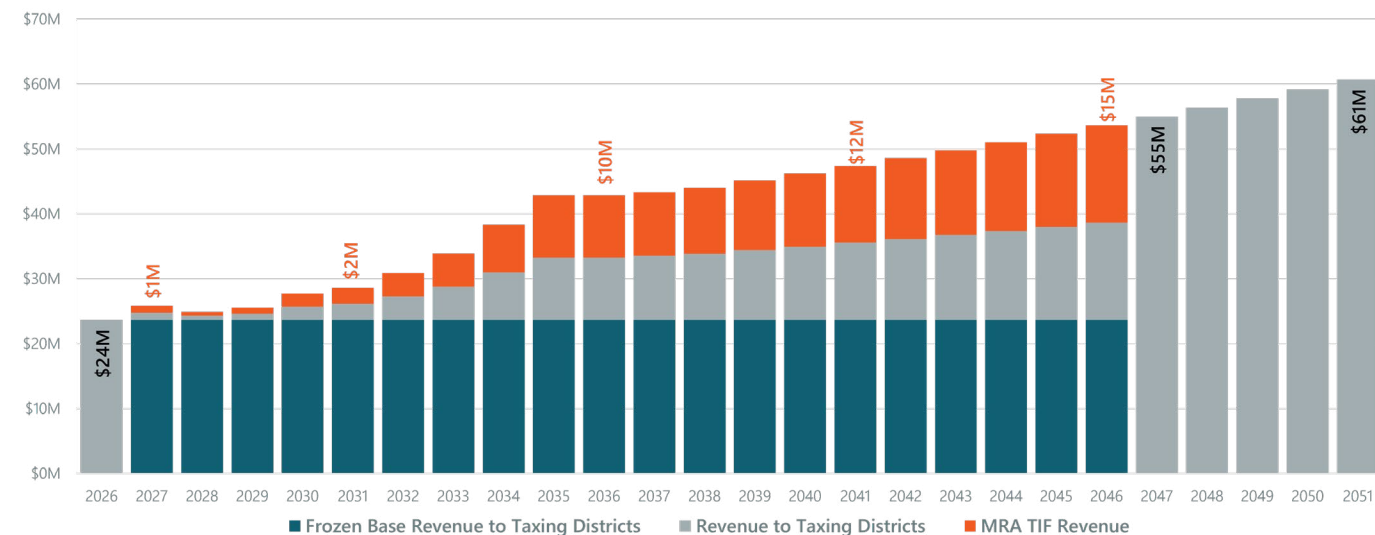
More specifically, TIF could serve as a critical source of funds for the following:

- ✓ *Catalytic public infrastructure including streets and utilities that would make Midtown parcels development-ready;*
- ✓ *Plazas and open space;*
- ✓ *Public assistance for affordable housing;*
- ✓ *Gap financing for parking structures and other extraordinary development costs; and*
- ✓ *Renovation and rehabilitation of existing structures for adaptive reuse.*

## TAX INCREMENT FINANCING PROJECTIONS

For the purposes of this plan, TIF revenues were projected for the Midtown MRA boundary. If approved, initial projections indicate that a new TIF district encompassing the proposed Midtown MRA could generate approximately \$190.0 million in TIF revenue (including gross receipts taxes from construction) over 20 years for use on eligible costs within the district. Annual tax revenue collected by the MRA is projected to range from approximately \$376,000 to \$11.1 million annually in the first

FIGURE 14. MIDTOWN MRA TIF REVENUE PROJECTIONS



ten years of the TIF, and up to \$17.3 million in the final year of the TIF. This 20-year revenue stream would provide the opportunity for significant public investment and economic development programming.

## REVENUE PROJECTION ASSUMPTIONS

TIF revenue is generated through inflationary property value growth on existing properties, growth of gross receipts due to inflation or increased sales, or new development which generates additional property and gross receipts tax revenue. The TIF revenue projections are based on a series of assumptions. Current property and gross receipts tax rates are assumed to remain constant throughout the entire analysis period. In addition, it is assumed that the participating taxing districts – the City, the County, and the State – all contribute 50% of their incremental revenues generated within the district to the TIF.

Additional assumptions relate to property tax and gross receipts tax growth rates over time, as well as new development within in the district. Stabilized growth rate assumptions for existing property and current commercial activity are based on historic growth observed or estimated for the Midtown MRA boundary. Future development and phasing assumptions are based on preliminary

development proposals received by the Metropolitan Redevelopment Agency, as well as market demand analysis conducted by SB Friedman.

## TAKEAWAYS

A TIF that encompasses the Midtown MRA could generate significant revenues to fund the rehabilitation and redevelopment of Midtown in accordance with community needs and existing policies and plans. However, because TIF relies in large part on new development to generate funding, most of the revenue from a Midtown MRA TIF would likely be generated in the last ten years of the TIF.

The new TIF revenues give the City multiple options to fund redevelopment. The City could choose to enter into public-private partnerships with developers to advance priority development projects and fund extraordinary development costs that are often not covered by the private sector, such as environmental remediation, higher shares of affordable housing, and public infrastructure associated with new development. The city could also issue bonds against these revenues to pay for needed public infrastructure, such as streets, parks, and plazas, to establish the public realm framework and make parcels within the Midtown site development-ready.

FIGURE 15. DRIVERS OF GROWTH

Drivers of Growth	
Property Tax Base (2025)	\$70.0 Million
GRT Base (202)	\$276.1 Million
Stabilized Property Tax Annual Growth Rate	2.43%
Stabilized GRT Annual Growth Rate	2.50%
New Development	Preliminary Development Interest



# APPENDIX



**APPENDIX ITEM  
A: METROPOLITAN  
REDEVELOPMENT POWERS**

**This plan provides the agency with broad powers, as noted in 3-60A-10 of New Mexico state statute.**

These powers, which only exist within the MRA district, include:

- ✓ **A.** Undertaking and carrying out metropolitan redevelopment projects, including clearance and redevelopment, rehabilitation, conservation and development activities and programs; to make, enter into and execute contracts up to \$200,000 and other agreements and instruments necessary or convenient to the exercise of its powers under the Redevelopment Law;
- ✓ **B.** Agree to conditions that it may deem reasonable and appropriate that are attached to federal financial assistance and imposed pursuant to federal law, including conditions relating to the determination of prevailing salaries or wages or compliance with federal and state labor standards, compliance with federal property acquisition policy; and to include in a contract let in connection with the project provisions to fulfill these conditions as it may deem reasonable and appropriate; provided, however, that all purchases of personal property shall be in accordance with the **City of Santa Fe Procurement Code**;
- ✓ **C.** Inspect any building or property in a metropolitan redevelopment area in order to make surveys, appraisals, soundings or test borings and; to acquire, by purchase, lease, option, devise or otherwise, any real property or personal property for its administrative or project purposes, together with any improvements thereon;
- ✓ Prepare for redevelopment any such property; to insure or provide for the insurance of real or personal property or operations of the local government against risks or hazards, including the power to pay premiums on that insurance; and to enter into contracts necessary to effectuate the purposes of the Metropolitan Redevelopment Code up to **\$200,00 in value**;

- ✓ **D.** Apply for money subject to those procedures and limitations as may be provided in the constitution of New Mexico or statutes and to apply for and accept advances, loans, grants, contributions and other forms of financial assistance from the federal government, the state, the county or other public body or from sources, public or private, for the purposes of the Metropolitan Redevelopment Code **subject to approval and ratification by Governing Body**;
- ✓ A local government may include in a contract for financial assistance with the federal government for a metropolitan redevelopment project conditions imposed pursuant to federal law that the local government may deem reasonable or appropriate and that are not inconsistent with the purposes of the Metropolitan Redevelopment Code;
- ✓ **E.** Make plans necessary for the carrying out of the purposes of the Metropolitan Redevelopment Code and to contract with any person, public or private, in making and carrying out such plans and to adopt or approve, modify and amend the plans following community engagement. The plans may include without limitation:
  - ✓ (1) redevelopment plans for specific areas;
  - ✓ (2) plans for programs of voluntary or assisted repair and rehabilitation of buildings and improvements;
  - ✓ (3) appraisals, title searches, surveys, studies and other preliminary plans and work necessary to prepare for the undertaking of metropolitan redevelopment projects;
- ✓ **F.** Develop, test and report methods and techniques and carry out demonstrations and other activities for the prevention and elimination of blight and to pay for, accept and use grants of funds from the federal government for those purposes;
- ✓ **G.** Appropriate under existing authority the funds and make expenditures necessary to carry out the purposes of the Metropolitan Redevelopment Code and under existing authority to; to close, vacate, plan or replan streets, roads, sidewalks, ways or other places; in accordance with applicable law or ordinances, to plan or replan; and to enter into

agreements with a metropolitan redevelopment agency vested with metropolitan redevelopment project powers, which agreements may extend over any period, notwithstanding any provision or rule of law to the contrary, respecting action to be taken by the local government pursuant to the powers granted by the Redevelopment Law;

- ✓ **H.** Organize, coordinate and direct the administration of the provisions of the Redevelopment Law as they apply to the local government in order that the objective of remedying blighted areas and preventing the causes of those areas within the jurisdiction of the local government may be most effectively promoted and achieved;
- ✓ **I.** Acquire real property that is appropriate for the preservation or restoration of historic sites; the beautification of urban land; the conservation of open spaces, natural resources; or the provision of recreational opportunities; or that is to be used for public purposes as **limited by their contracting authority**;
- ✓ **J.** May engage in the following activities as part of a metropolitan redevelopment project:
  - ✓ (1) special projects directed to the removal of materials and architectural barriers that restrict the mobility and accessibility of elderly and disabled persons;
  - ✓ (2) provision of public services in the metropolitan redevelopment area that are not otherwise available in the area, including the provisions of public services directed to the employment, economic development, crime prevention, childcare, health, drug abuse, welfare or recreation needs of the people who reside in the metropolitan redevelopment area;
  - ✓ (3) payment of the nonfederal share of any federal grant-in-aid program to the local government that will be a part of a metropolitan redevelopment project;
  - ✓ 4) payment of reasonable administrative costs and carrying charges related to the planning and execution of plans and projects;

- ✓ **K.** In a metropolitan redevelopment project or rehabilitation or conservation undertaking or activity, to exercise the following powers in one or more metropolitan redevelopment areas to include the elimination and prevention of the development or spread of blight and may involve redevelopment in that area or rehabilitation or conservation in that area or any combination or part of those areas in accordance with a metropolitan redevelopment plan and for undertakings or activities of a local government in a metropolitan redevelopment area to eliminate the conditions that caused an area to be so designated and may include the following:
  - ✓ (1) clearing the land, grading the land the land in accordance with the metropolitan redevelopment plan;
  - ✓ (2) making the land available for development by private enterprise or public agencies, including sale, initial leasing, leasing or retention by the local government itself, at its fair market value for uses in accordance with the metropolitan redevelopment plan for the area;
- ✓ **L.** The local government is empowered in a metropolitan redevelopment area to undertake redevelopment that includes:
  - ✓ (1) demolition and removal of buildings and improvements;
  - ✓ (2) making the real property available for development or redevelopment by private enterprise or public agencies, including sale, leasing or retention by the local government itself, at its fair value for uses in accordance with the metropolitan redevelopment area plan; and
- ✓ **M.** Engage in rehabilitation or conservation that includes the restoration and renewal of a blighted area or portion thereof in accordance with any approved plan, by:
  - ✓ (1) carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements;



## MIDTOWN METROPOLITAN REDEVELOPMENT PLAN

- ✓ (2) *demolition or removal of buildings and improvements thereon where necessary to eliminate unhealthful, unsanitary or unsafe conditions, lessen or increase density, eliminate obsolete or other uses detrimental to the public welfare or to otherwise remove or prevent the spread of blight or deterioration or to provide land for needed public facilities;*
- ✓ (3) *make recommendations for the disposition of any property acquired in the area, including sale, leasing or retention by the local government itself, for uses in accordance with an approved plan*
- ✓ (4) *repair or rehabilitation of structures within the area;*
- ✓ (5) *power to resell repaired or rehabilitated property;*
- ✓ (6) *after approval by the City of Santa Fe and after it has been determined that the expenditure is in accordance with the metropolitan redevelopment plan for that area, the Commission may authorize the use of the proceeds of bonds issued pursuant to the Metropolitan Redevelopment Code for the purpose of constructing, repairing, remodeling or modifying a building or buildings located in the metropolitan redevelopment area. Such rehabilitation or conservation with use of funds expended by authority of the Metropolitan Redevelopment Code or by metropolitan revenue bonds authorized by that code shall be authorized.*

## APPENDIX ITEM B: SANTA FE MIDTOWN MARKET STUDY



# MIDTOWN MARKET ANALYSIS

Santa Fe Metropolitan Redevelopment Agency

Briefing Book | September 8, 2025



VISION  
ECONOMICS  
STRATEGY  
FINANCE  
IMPLEMENTATION

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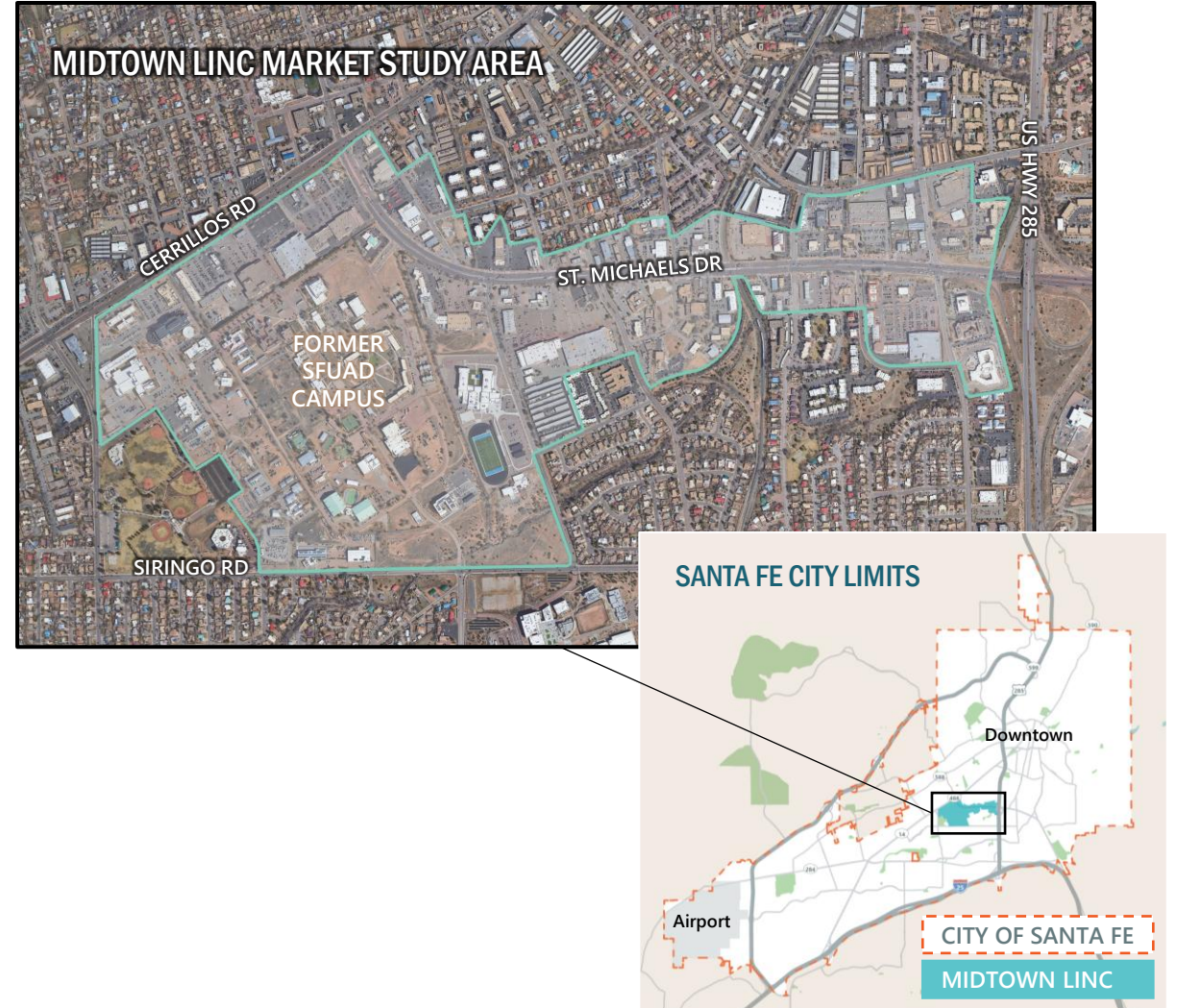
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# INTRODUCTION

# STUDY PURPOSE

## Midtown Local Innovation Corridor – Market Analysis

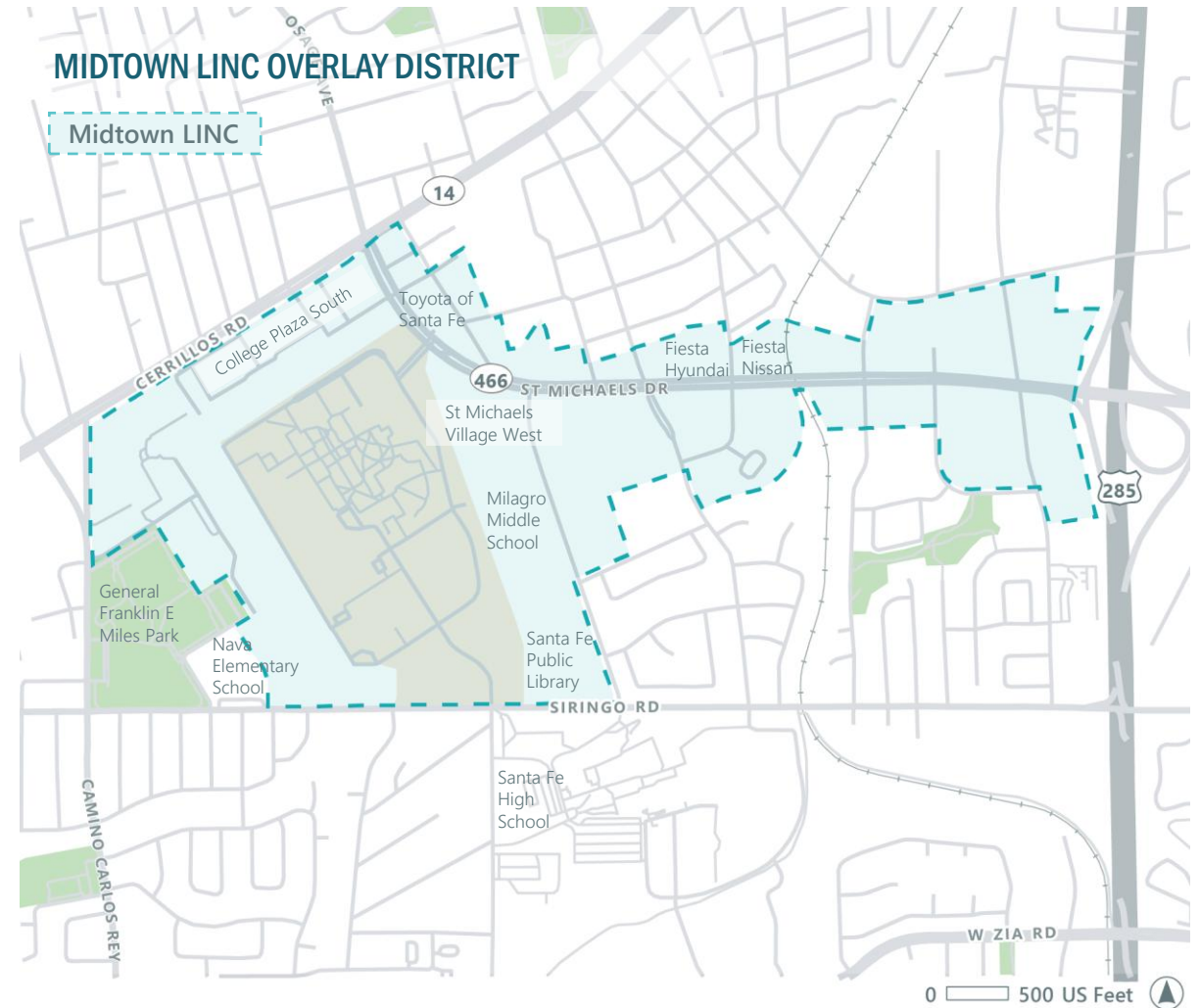
- The Santa Fe Metropolitan Redevelopment Agency engaged SB Friedman Development Advisors, LLC (SB Friedman) to conduct a market study for the area encompassed by the Midtown Local Innovation Corridor (LINC) Overlay District in concurrence with a Metropolitan Redevelopment Area designation for a similar area.
- The Midtown LINC encompasses ±378 acres of land near the intersection of Cerrillos Road and St. Michaels Drive in the geographic center of Santa Fe. The area includes the campus of the former Santa Fe University of Art and Design (SFUAD), which permanently closed in 2018.
- The 64-acre campus site was the focus of the recent community-driven Midtown master planning process following extensive public engagement. In November 2022, the City of Santa Fe approved the Midtown Master Plan. The long-term vision for the site prioritizes sustainability, economic vitality, and the creation of a mixed-use urban center.
- As part of this study, SB Friedman assessed industry and demographic trends in Santa Fe; analyzed the recent performance of multifamily, office, hotel, and retail in the Midtown LINC and the surrounding city; and estimated the pace of buildout for redevelopment sites within the study area.



# MIDTOWN AREA – NEIGHBORHOOD CONTEXT

## The Midtown LINC is primarily an auto-oriented area along major transportation corridors

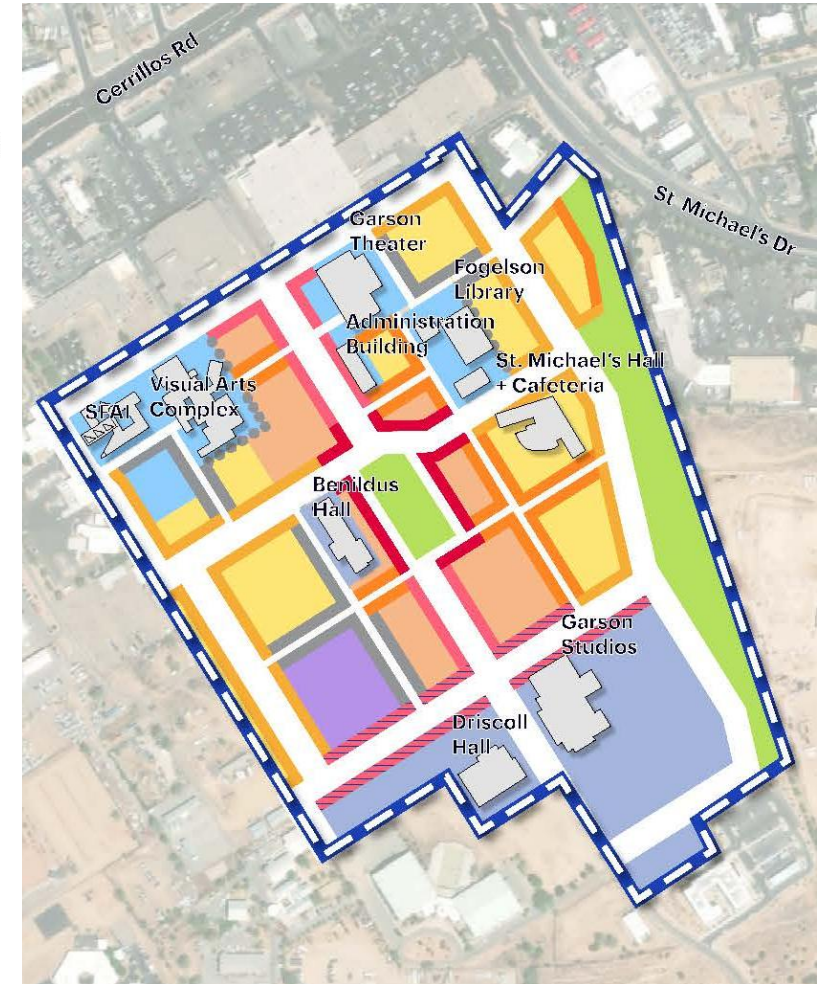
- The Midtown LINC is bounded by Cerrillos Road to the northwest, Camino Carlos Rey to the east, Siringo Road to the south, and encompasses properties on either side of St. Michaels Road between Cerrillos Road and U.S. 285.
- The LINC includes several shopping centers, big-box retailers, public sector uses including government offices, a middle school and the Santa Fe Public Library, some offices and the former campus of SFUAD.
- Cerrillos Road is a major transportation corridor in Santa Fe and is a nine-lane multi-modal roadway with a 40-mph speed limit. In addition to the six through lanes, Cerrillos Road has on-street unprotected bike lanes, a raised median and dedicated left- and right-turn lanes with access to surrounding businesses. Cerrillos Road is one of Santa Fe's most heavily trafficked roadways with 2024 annual average daily traffic counts of over 45,900 within the sections of the LINC. The heavy traffic, large building footprints and parking lots lining Cerrillos Road contribute to the auto-oriented nature of the corridor.
- St. Michaels Drive is another heavily trafficked corridor in Santa Fe. St. Michaels Drive is a seven-lane multimodal roadway with a 40-mph speed limit. In addition to six through lanes, St. Michaels Drive has a raised median and a left-turn lane. St. Michaels Drive had 2024 annual average daily traffic counts of over 24,700 within sections of the LINC.



# MIDTOWN MASTER PLAN VISION

Midtown site is envisioned as a vibrant, walkable, mixed-use community at the center of the city

- The Midtown Master Plan focuses on the 64-acre, former SFUAD campus. After a four-year planning effort, which included extensive community engagement, the Midtown Master Plan and accompanying Midtown Community Development Plan were approved by the City of Santa Fe in 2022 and 2023, respectively. These documents lay out the community's vision for the site as well as the policies guiding future redevelopment.
- The Midtown Master Plan envisions the site as a vibrant, walkable, mixed-use community for Santa Feans at the center of the city, with a mix of new construction and adaptive reuse of existing structures.
- To execute the vision, the Midtown Master Plan includes sub-zone standards and façade-zone standards. Sub-zone standards designate preferred uses for each development site. Midtown site sub-zones include civic-space, mixed-use neighborhood, mixed-use center, mixed-use office, mixed-use film and community-oriented use. Façade-zone standards control physical elements including setbacks, height step backs and required frontage types. Midtown site façade zones include plaza, main street, main street-office, live/work, neighborhood residential and neighborhood paseo.



# MIDTOWN AREA – EXISTING CONDITIONS

A market-responsive strategy can help achieve the Midtown Master Plan vision



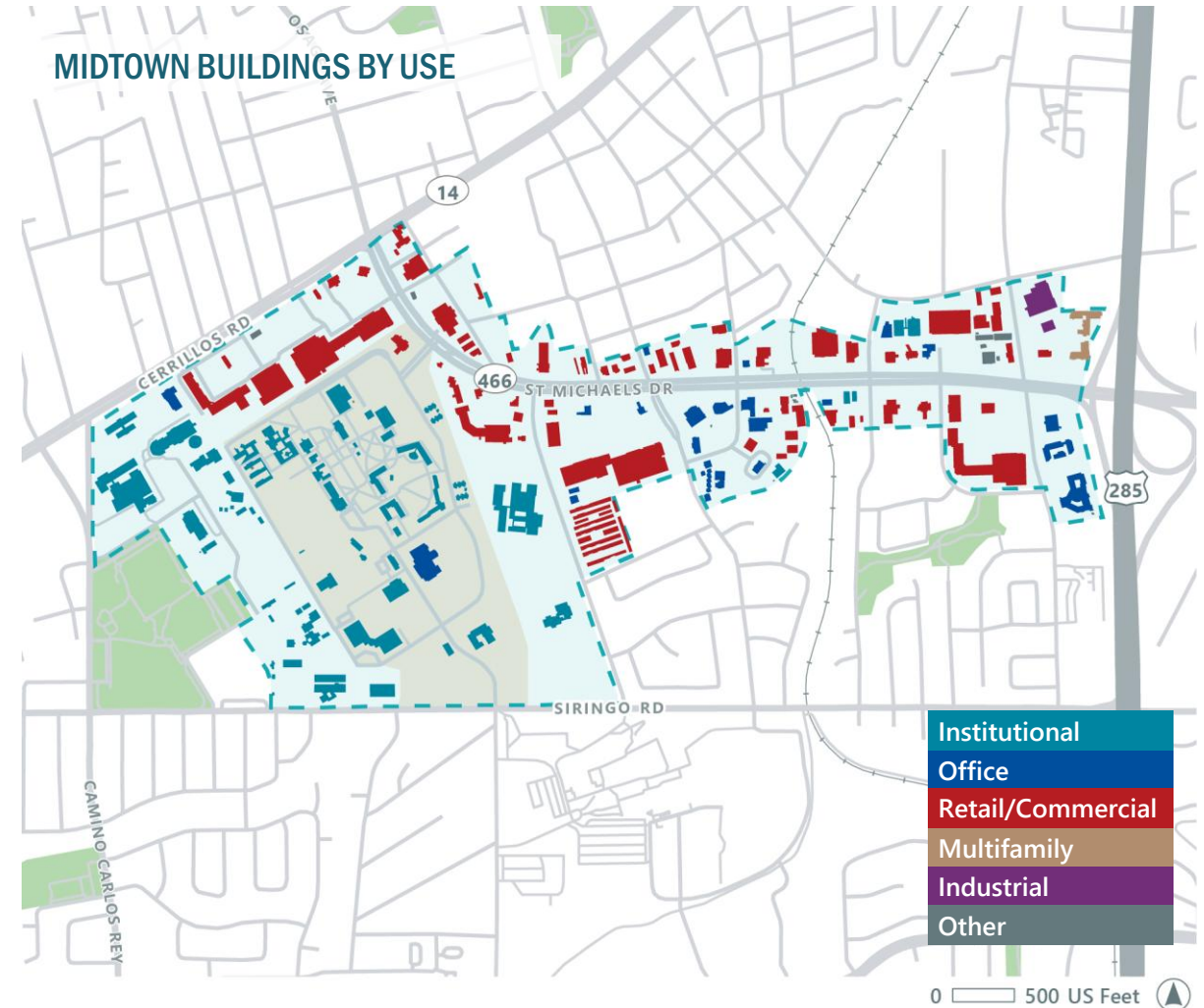
- The Midtown LINC is negatively impacted by physical and economic issues: lacking or unsafe infrastructure, large vacant properties, underutilized land, and recent disinvestment.
- This study builds off the 2022 Midtown Master Plan and analyzes the market conditions for the various land uses proposed in the plan.

# MIDTOWN AREA ANALYSIS

# MIDTOWN AREA LINC BUILDING USES

## Commercial and institutional uses account for the bulk of the building area in the Midtown LINC

- Commercial and retail buildings account for a plurality of the building area within the Midtown LINC. Commercial properties are primarily located along Cerillos Road and St. Michaels Drive, the two major thoroughfares in the study area.
- The Midtown LINC also contains many institutional buildings, most of which are located on the former SFUAD campus site and surrounding properties. Some of the former campus buildings will be reused, though others will be demolished to accommodate redevelopment.
- There are office buildings located throughout the Midtown LINC, though most are concentrated on the eastern half of the study area, along St. Michaels Drive.
- There is also one multifamily property and two industrial buildings within the Midtown LINC, all on the eastern edge of the study area.



# MIDTOWN LINC EXISTING REAL ESTATE SUPPLY

## Existing Midtown real estate supply is primarily commercial and institutional with some office space

- The Midtown LINC primarily contains commercial and institutional land uses. The Midtown LINC contains approximately 1.1M SF of commercial space. Midtown's commercial square footage makes up 15.6% of Santa Fe's total commercial inventory.
- Over 348,100 SF of commercial space was built in Santa Fe since 2015, with the Midtown LINC capturing 52,057 SF. Therefore, the Midtown LINC's capture of new commercial development (15.0%) is roughly equal to its total share of Santa Fe commercial space (15.6%).
- The Midtown LINC is not a core office market. The Midtown LINC currently contains 332,421 of office space, or 4.6% of the total office space in Santa Fe. Approximately 115,600 SF of office space has been built across the city since 2015. Meanwhile, the last office project delivered in the Midtown LINC was completed in 2003.
- There is one rent-restricted affordable multifamily project within the Midtown LINC. This project has 136 units, which accounts for 1.6% of the entire city's multifamily inventory. The Midtown LINC does not contain other residential uses but is surrounded by residential neighborhoods like Hopewell-Mann.

	Santa Fe	Midtown LINC	Area Capture
<b>Total Multifamily Units</b>	8,425	136 <sup>1</sup>	1.6%
<i>Built Since 2015</i>	2,389	0	0%
<b>Stabilized Vacancy</b>	7.2%	N/A	--
<b>Average Rent/SF</b>	\$2.00	N/A	--
<b>Total Commercial SF</b>	7,268,856	1,131,333	15.6%
<i>Built Since 2015</i>	348,158	52,057	15.0%
<b>Vacancy</b>	2.3%	1.6%	--
<b>Average Rent/SF</b>	\$18.45	\$15.90	--
<b>Total Office SF</b>	7,160,595	332,421	4.6%
<i>Built Since 2015</i>	115,567	0	0%
<b>Vacancy</b>	1.6%	N/A	--
<b>Average Rent/SF</b>	\$23.68	N/A	--

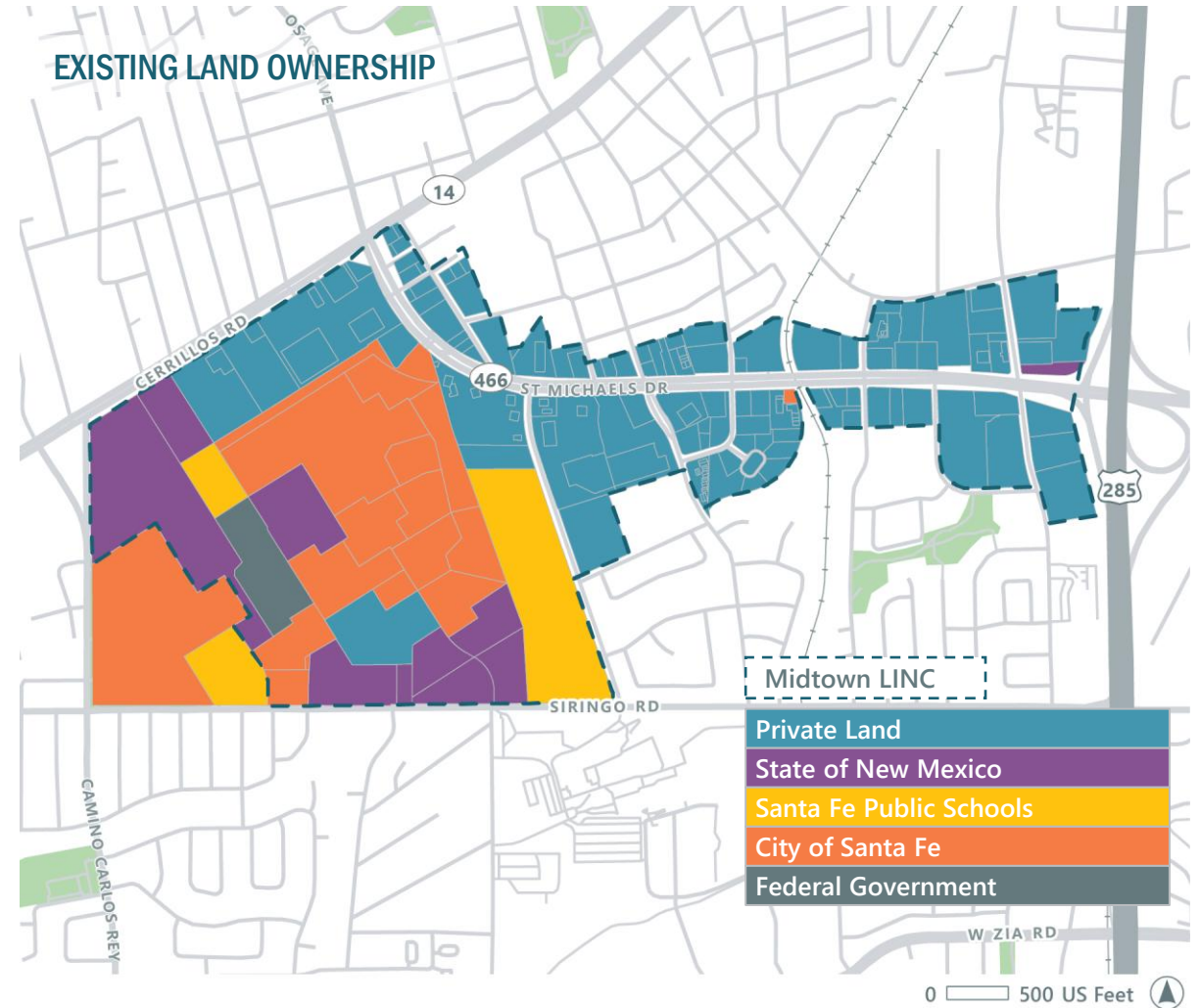
<sup>1</sup>A single rent-restricted affordable multifamily project accounts for all Midtown units.

Source: CoStar, SB Friedman

# EXISTING LAND OWNERSHIP

## Public entities control most of the land associated with the former SFUAD campus

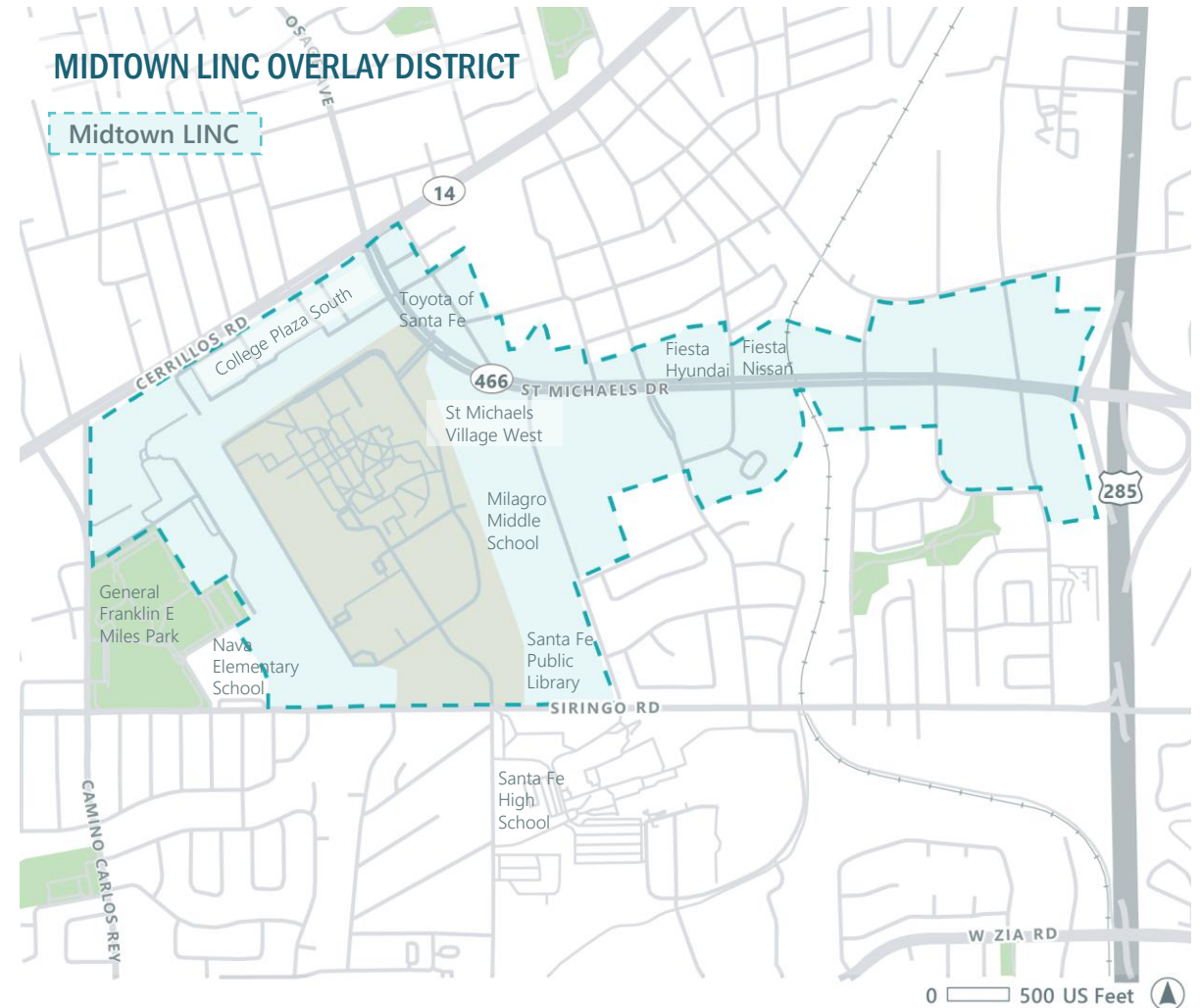
- Land within the Midtown LINC land is owned by private owners as well as various public entities including the State of New Mexico, Santa Fe Public Schools, the City of Santa Fe and the federal government.
- The land associated with the former SFUAD campus is mostly held publicly, giving the public sector significant control over how this land is redeveloped.



# MIDTOWN LINC OVERLAY DISTRICT

The overlay prioritizes denser, mixed-use buildings, but such development has not occurred in the area

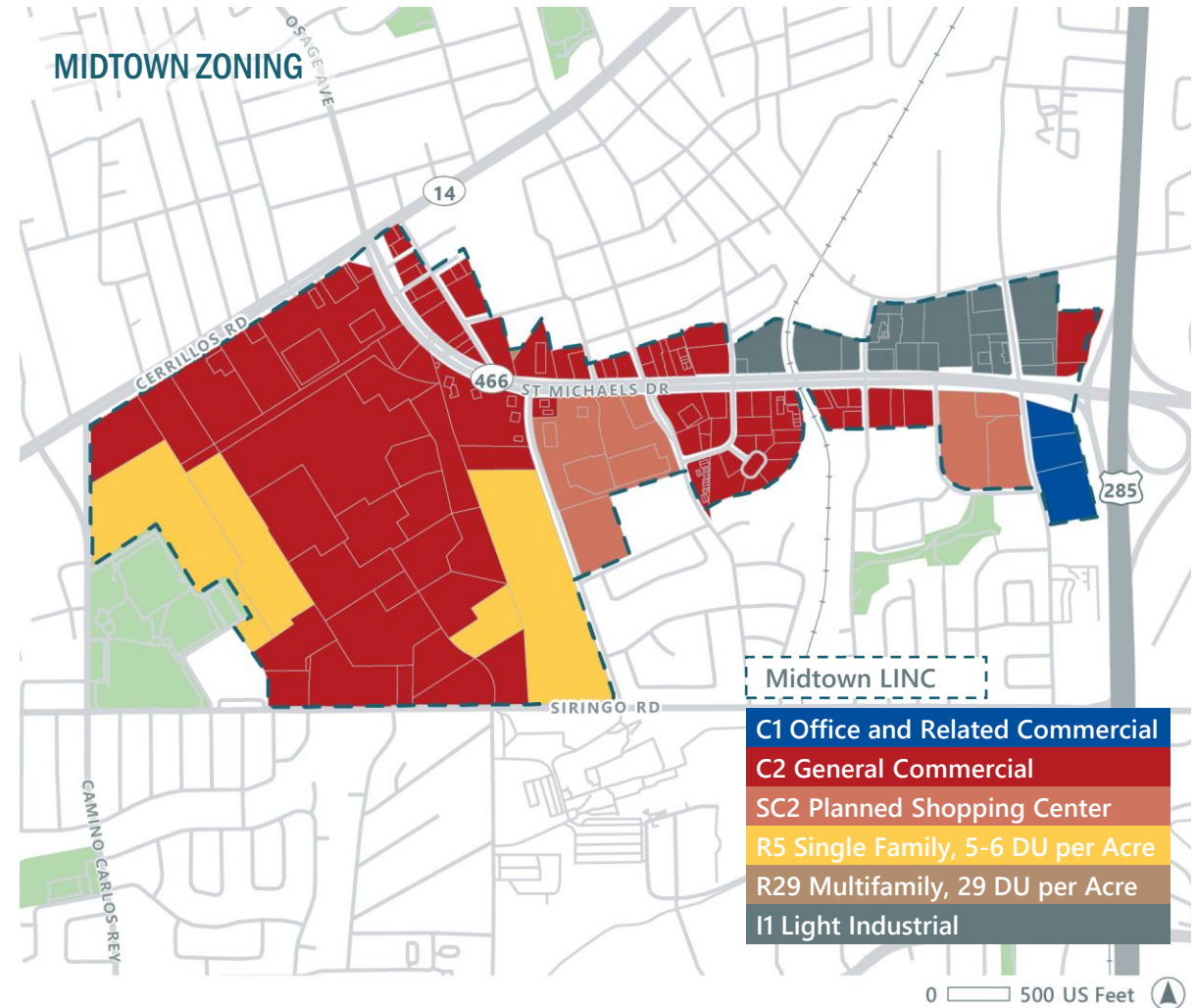
- The Midtown Local Innovation Corridor (LINC) Overlay District is a zoning overlay adopted by the City of Santa Fe in 2016. The purpose of the Midtown LINC is to strengthen the built environment, support redevelopment, and enhance connectivity within Santa Fe's geographic and demographic center.
- The overlay established design standards that prioritize four-story mixed-use buildings, street facing architecture and enhanced landscaping to foster a more cohesive urban fabric. The overlay also prohibits certain uses that are not aligned with the district vision.
- Residential projects and certain non-residential uses that meet development standards pay reduced development budget water fees and are exempt from various impact and review fees. Additionally, qualifying projects go through a more streamlined, administrative plan review process.
- However, despite these changes, the qualifying projects that the overlay intended to facilitate have not yet been developed, though one such project—the Arthouse—is currently under construction. Real estate market interviews indicated that strict design standards, insufficient incentives, and unwilling property owners have limited new, residential development within the LINC.



# ZONING

## Midtown is primarily zoned for commercial uses with some residential, light industrial and office

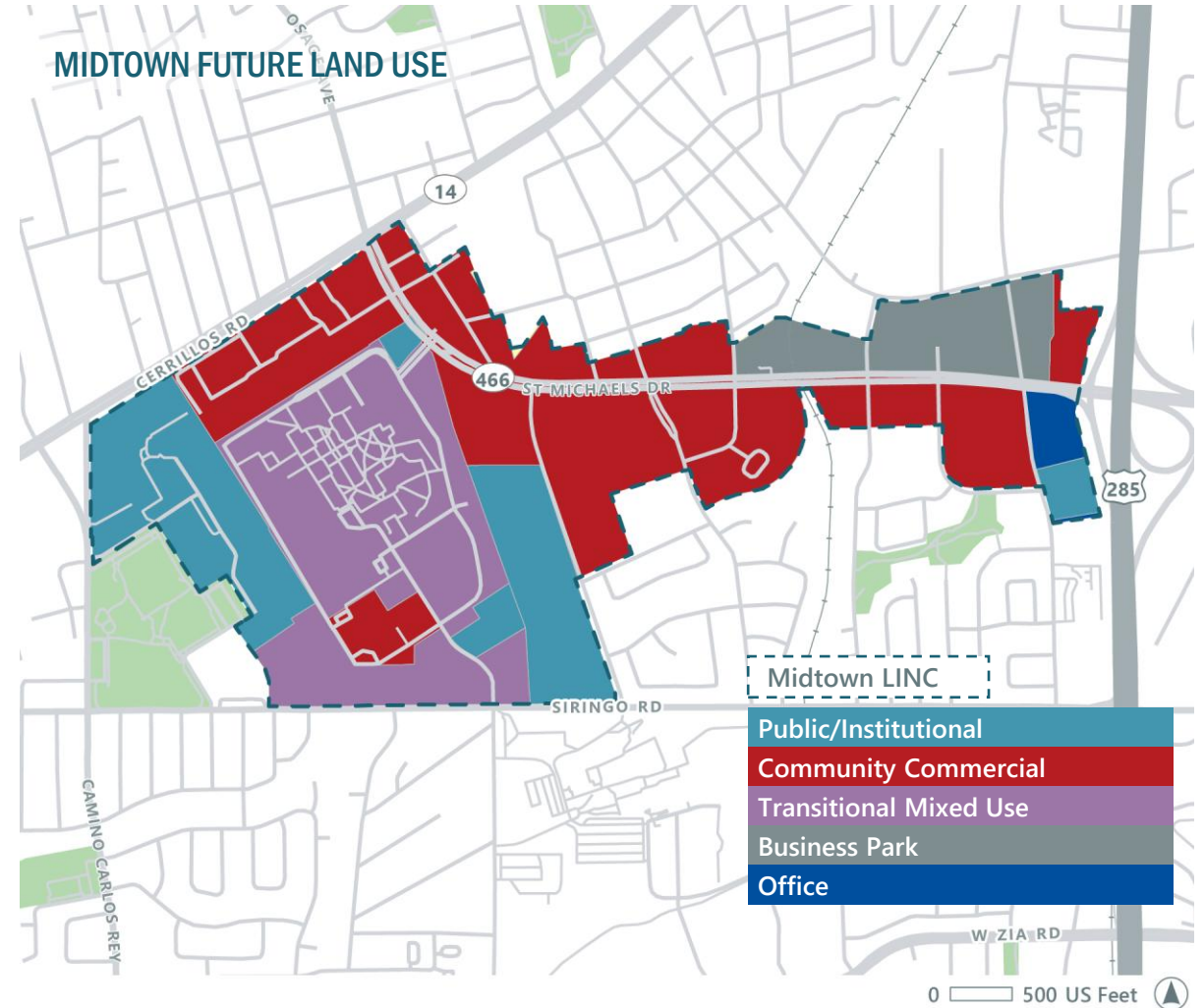
- Most of the base zoning in the Midtown LINC is for general commercial uses. Other uses include light industrial, planned shopping centers, single family residential, and office and related commercial uses.
- The Midtown LINC overlay allows for residential uses throughout the area, regardless of base zoning, while prohibiting certain uses that are not aligned with the district vision. The design overlay also sets design standards that prioritize four-story mixed-use buildings, street-facing architecture and enhanced landscaping to foster a more cohesive urban fabric.



# FUTURE LAND USE

## Future land use of Midtown generally reflects current zoning with some adjustments

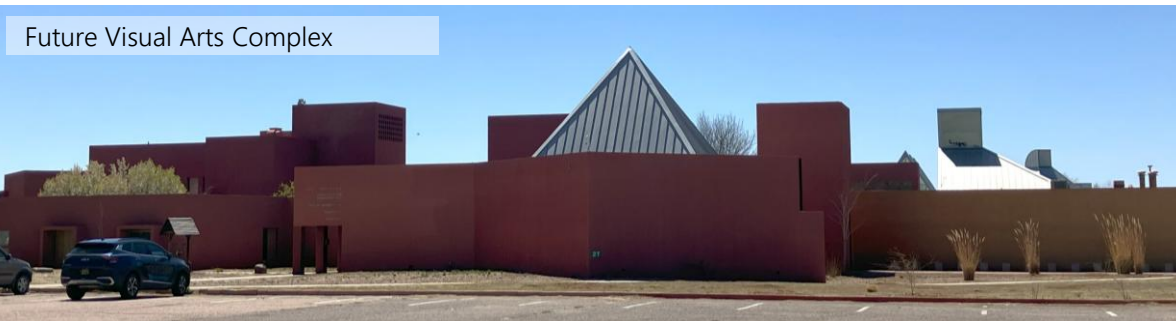
- The future land use of the Midtown LINC includes public/institutional, community commercial, transitional mixed use, business park and office uses.
- Much of the land that is currently zoned for single family residential will be public/institutional in the future, which is in line with the current public sector ownership of the site.
- Some of the land currently zoned for general commercial uses is designated to be transitional mixed use in the future. This transitional mixed use portion of the site includes the core Midtown site.
- The land along Cerrillos Road and St. Michaels Drive is anticipated to remain designated for commercial uses.



# MIDTOWN CAMPUS ANCHORS

## Existing and planned anchors will generate activity and help make Midtown a destination

Plans for the Midtown campus include several anchors that will generate activity on the site and help contribute to a sense of place. Some of these uses are currently operating while others will reactivate or redevelop existing structures on the former SFUAD campus.



### CURRENTLY OPERATING USES

**Garson Studios:** Existing studio facilities were redeveloped and now include 24,100 SF of soundstages and over 27,000 SF of office and production support space.

**Santa Fe Art Institute:** SFAI currently operates a 17,000 SF facility that includes art studios, a gallery, a library, and artist living accommodations.

### PLANNED USES

**Visual Arts Complex:** Existing SFUAD facilities will be redeveloped into a creative cultural hub that will provide accessible arts, design and cultural programming and education to the community.

**Greer Garson Theatre Center:** Currently not operational, the facility includes a 500-seat theater, a 100-seat black box theater, classrooms and additional amenities. After renovations, the facility will be reactivated as a performing arts venue with additional community-oriented uses.

**Fogelson Library:** The former SFUAD library will be converted to a branch of the Santa Fe Public Library complete with a community learning and innovation center.

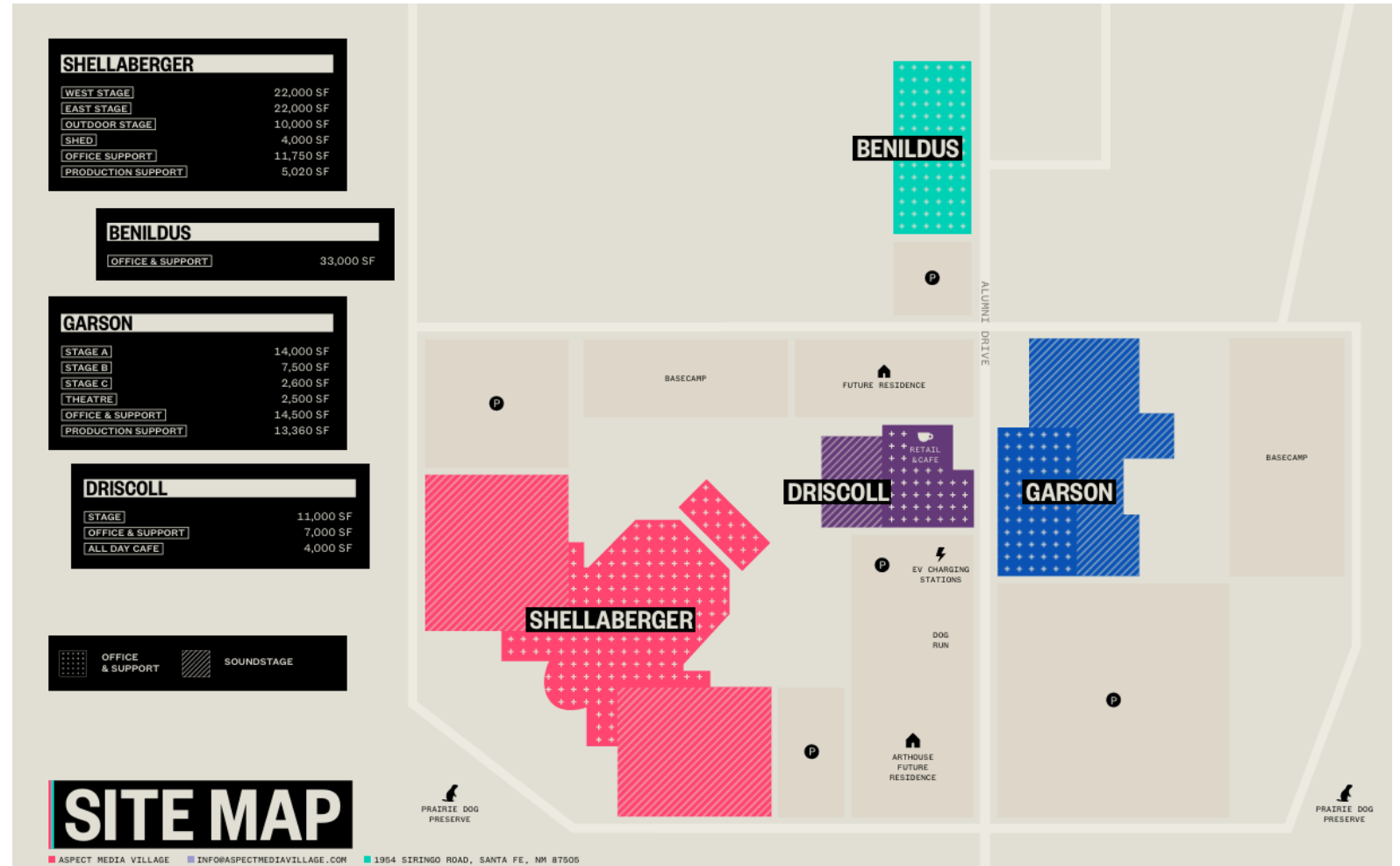
**Aspect Media Village Movie Theater:** An existing theater space in Garson Studios will be opened as a 2,500 SF commercial movie theater.

**Aspect Media Village Restaurant and Bar:** Part of the existing Driscoll Hall building will be developed into a 4,000 SF restaurant space.

# ASPECT MEDIA VILLAGE

## Aspect Media Village is the largest film and tv production studio in northern New Mexico

- Aspect Media Village encompasses approximately 23 acres within the Midtown LINC and is located on the southern end of the former SFUAD campus.
- Aspect Media Village is the largest film and tv production studio in northern New Mexico. It includes six soundstages totaling over 75,000 square feet, as well as 90,000 square feet of office and support space.
- In addition to the studio space, there are several planned development and redevelopment projects planned for Aspect Media Village, including the 129-unit Arthouse multifamily development, another future multifamily development, a movie theater and restaurant.

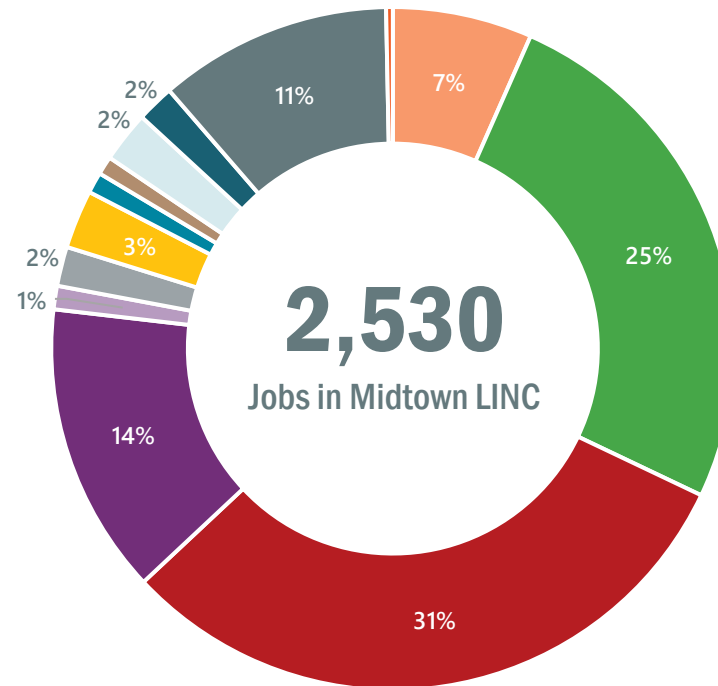
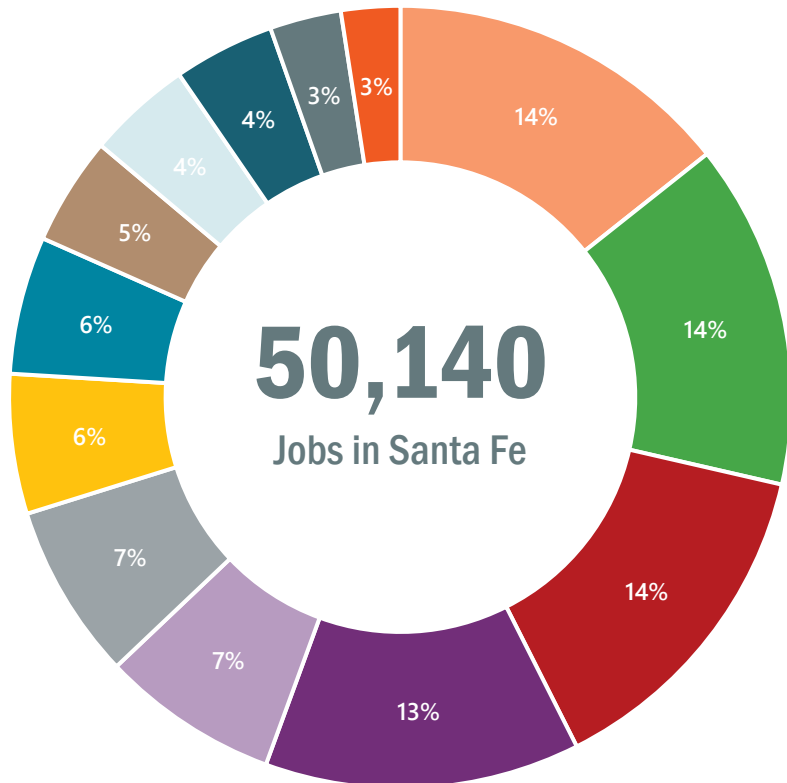


# INDUSTRY & DEMOGRAPHIC TRENDS

# SANTA FE EMPLOYMENT BASE

## Over half of Midtown LINC jobs are in public administration or retail trade

There are approximately 50,140 jobs in Santa Fe and 2,530 jobs in the Midtown LINC. Health Care and Social Assistance, Public Administration and Retail Trade are the top sectors in Santa Fe, each making up 14% of jobs. Meanwhile, Retail Trade and Public Administration are the top sectors in the Midtown LINC, making up 31% and 25% of Midtown LINC jobs, respectively. While 56% of jobs in the Midtown LINC are within these two sectors, they make up only 28% of jobs in the whole city. The Midtown LINC also has a larger share of jobs in accommodation and food services and finance and insurance than the city.



**5%**

OF SANTA FE JOBS ARE  
IN MIDTOWN



# SANTA FE COUNTY AND CITY TARGET INDUSTRIES

The City and Santa Fe County target similar industries, including creative and film industries

Santa Fe County and the City of Santa Fe hope to attract similar clusters, particularly in the outdoor recreation, creative, and film industries. As part of Santa Fe County Economic Development Division’s goal to “promote a sustainable and equitable community,” the County aims to incentivize sustainable economic development through strategies including enhancing four target industry clusters. The City of Santa Fe Office of Economic Development similarly focuses on strengthening target industry cluster development.

## SANTA FE COUNTY



OUTDOOR RECREATION



CREATIVE INDUSTRIES



FILM INDUSTRIES



AGRICULTURE

## CITY OF SANTA FE



OUTDOOR RECREATION



CREATIVE/EXPERIENCE



THE ARTS



FILM INDUSTRIES



FOOD SECTOR



TECH & ADVANCED MANUFACTURING



HEALTHCARE



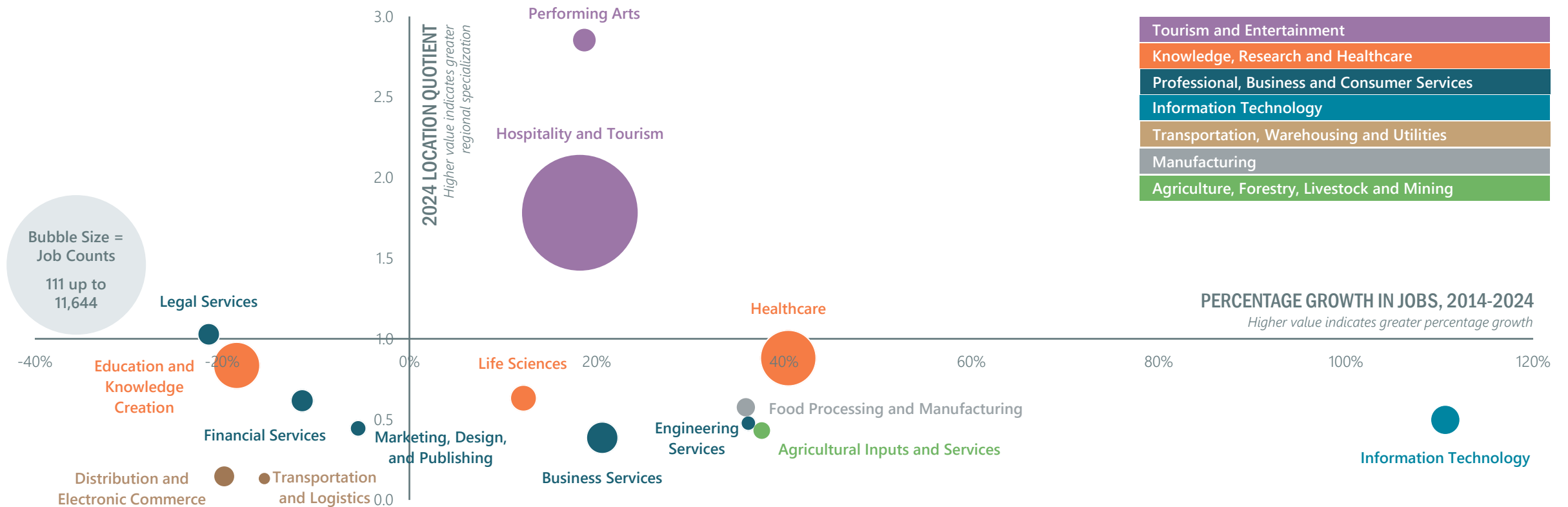
TOURISM & HOSPITALITY

OUTDOOR RECREATION
CREATIVE
FILM
OTHER

# SANTA FE COUNTY MAJOR ECONOMIC CLUSTERS

## Information Technology was the fastest growing sector in Santa Fe County over the last decade

Santa Fe County has experienced growth across many economic clusters since 2014. The Information Technology cluster grew by over 110% (+360 jobs) from 2014 to 2024, making it the fastest growing sector in the county. Despite its significant growth, it only provides 691 jobs, making it the fifth largest sector in the county. The two largest sectors, Hospitality and Tourism and Healthcare, which provide over 11,500 and 2,700 jobs, respectively, had more moderate growth rates of 18% (+1,790 jobs) and 40% (+800 jobs).

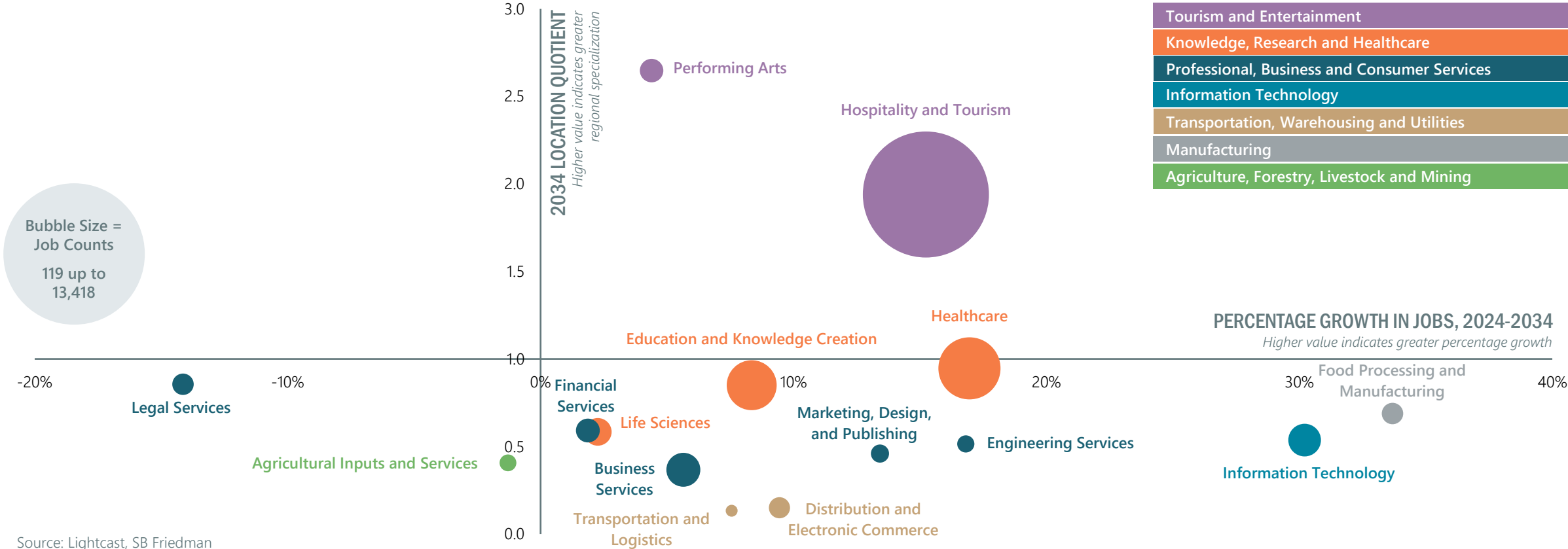


Source: Lightcast, SB Friedman  
SB Friedman Development Advisors, LLC

# SANTA FE COUNTY PROJECTED ECONOMIC CLUSTER GROWTH

## Job growth is projected to be driven largely by Hospitality and Tourism

Hospitality and Tourism is projected to remain the largest employment cluster, adding over 1,770 jobs to the county from 2024 to 2034. Hospitality and Tourism’s growth will account for 47% of projected new jobs during the period. Healthcare is projected to remain the second-largest economic cluster, adding over 470 jobs to the county and accounting for 13% of new jobs during the period. While Food Processing and Manufacturing and Information Technology are projected to be the fastest growing clusters, their growth will only account for a combined 9% of new jobs.



Source: Lightcast, SB Friedman  
SB Friedman Development Advisors, LLC

# HISTORIC & PROJECTED MAJOR ECONOMIC CLUSTER GROWTH

## Most clusters are projected to grow after experiencing job losses from 2014 to 2024

Hospitality and Tourism has remained the largest employment cluster in Santa Fe County since 2014. Hospitality and Tourism provides over four times as many jobs as the second-largest cluster. Although Hospitality and Tourism is the largest sector, it has the lowest average wage of the ten largest employment sectors. The second-largest cluster has shifted from Education in Knowledge Creation in 2014 to Healthcare in 2024. Healthcare is projected to remain the second-largest cluster while Education and Knowledge Creation remains the third-largest after experiencing negative growth from 2014 to 2024.

	Employment, 2014	Employment, 2024	Employment, 2034	Employment CAGR, 2014-2024	Employment CAGR, 2024-2034	Weighted Average Wage, 2024
Hospitality and Tourism	9,851	11,644	13,418	1.7%	1.4%	\$41,700
Healthcare	1,982	2,783	3,255	3.5%	1.6%	\$103,300
Education and Knowledge Creation	2,382	1,943	2,105	-2.0%	0.8%	\$54,100
Business Services	763	920	972	1.9%	0.6%	\$108,600
Information Technology	328	691	900	7.7%	2.7%	\$150,900
Life Sciences	564	632	647	1.2%	0.2%	\$110,300
Financial Services	531	470	479	-1.2%	0.2%	\$285,000
Legal Services	573	450	387	-2.4%	-1.5%	\$131,400
Performing Arts	376	446	466	1.7%	0.4%	\$96,700
Distribution and Electronic Commerce	429	344	377	-2.2%	0.9%	\$95,400

Source: Lightcast, SB Friedman

SB Friedman Development Advisors, LLC

# SANTA FE HOUSEHOLD AGE & INCOME

Santa Fe is projected to see an increase in households earning above \$100k annually

**\$74,200**

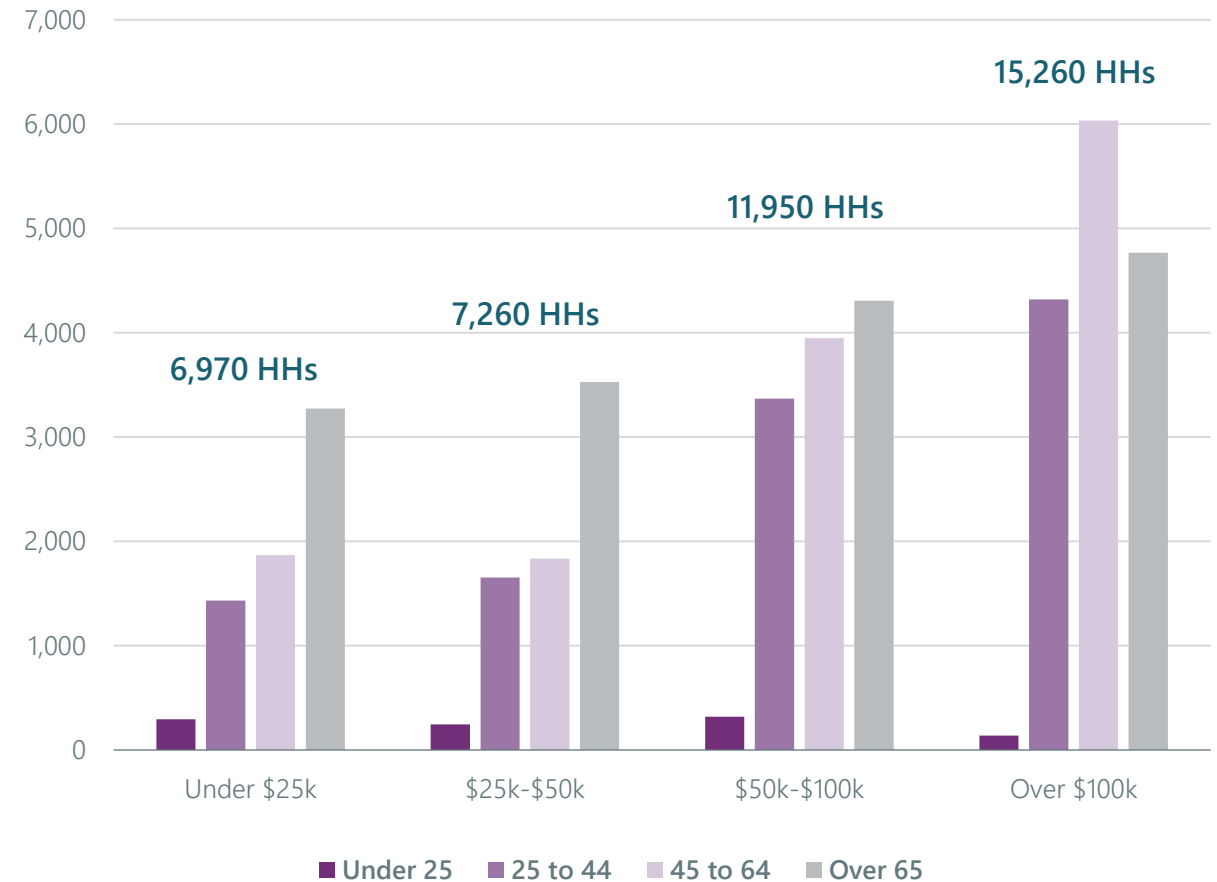
MEDIAN HOUSEHOLD INCOME

**46**

MEDIAN AGE

- As of 2024, Santa Fe has a population of 90,187 and has a total of 41,335 households. While median household income is \$74,200, over 35% of Santa Fe households have incomes of over \$100,000.
- Between 2024 and 2029, Santa Fe is projected to gain 1,300 net new households. Santa Fe is projected to lose approximately 900 households earning less than \$25,000 and 750 households earning between \$25,000 and \$50,000 over this period.
- Santa Fe is projected to gain approximately 100 households earning between \$50,000 and \$100,000 and 2,900 households earning over \$100,000 during this period.

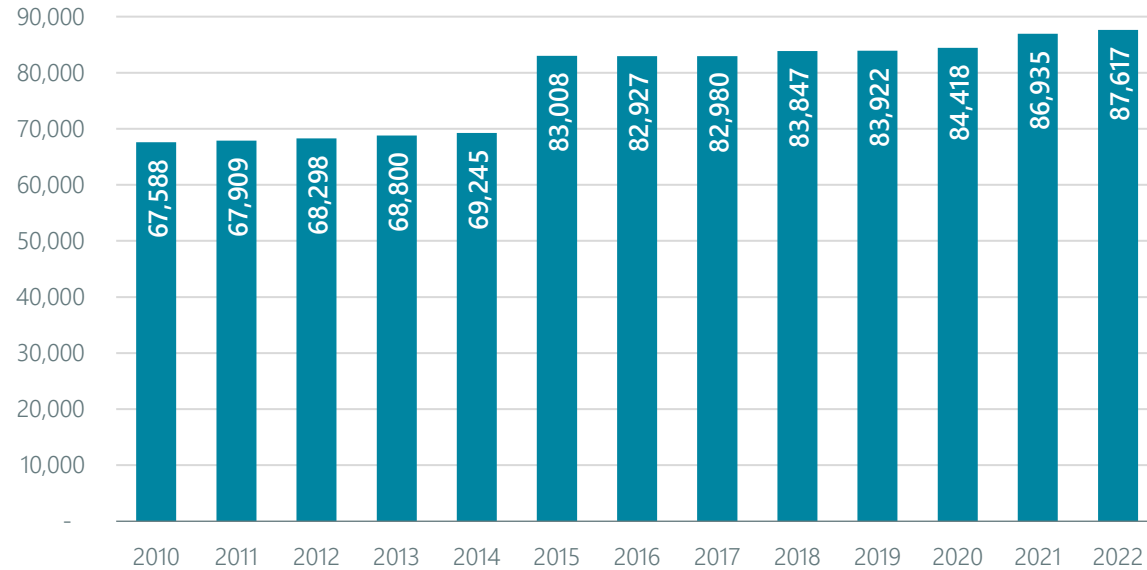
SANTA FE HOUSEHOLDS BY AGE & INCOME, 2024



# SANTA FE POPULATION & JOB GROWTH

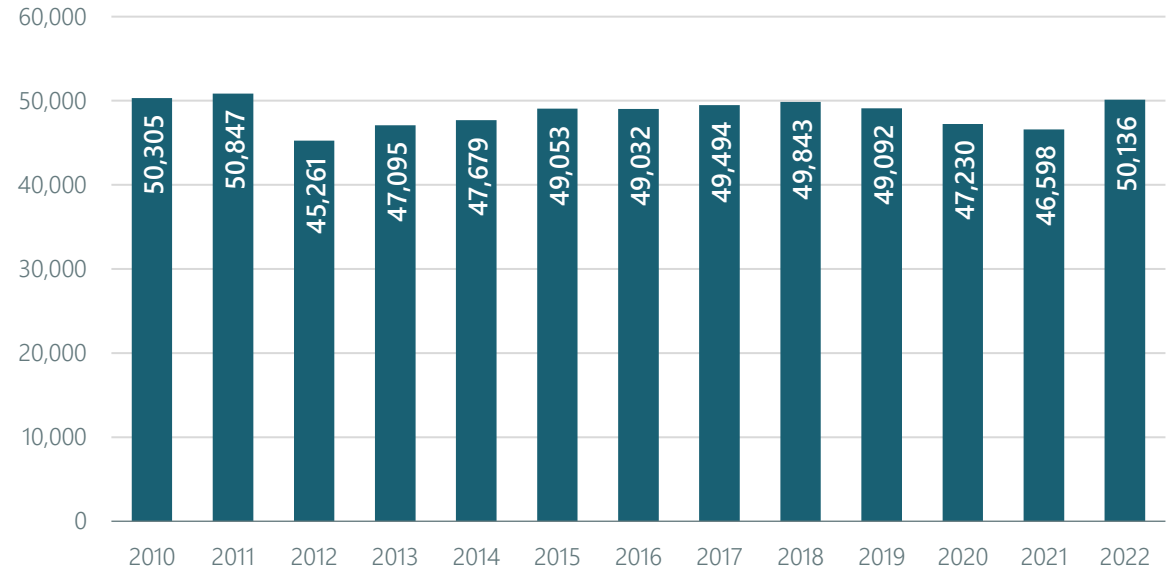
Total population has increased while total jobs have decreased

SANTA FE TOTAL POPULATION, 2010-2022<sup>1</sup>



- The total population of Santa Fe increased from 67,588 in 2010 to 87,617 in 2022. From 2014 to 2015, the population increased by 13,763, at least 13,200 of which was due to the annexation of 4,400 acres by the City of Santa Fe.
- From 2015 to 2022, the total population of Santa Fe grew at a compound annual growth rate of 0.8%.

SANTA FE TOTAL JOBS, 2010-2022



- The total number of jobs in Santa Fe decreased from 50,305 in 2010 to 50,136 in 2022. Santa Fe lost more than 5,000 jobs between 2010 and 2012. Since 2012, the total number of jobs has increased but has yet to recover to 2010 levels.

<sup>1</sup>Annexation of 4,400 acres to Santa Fe in 2014 added approximately 13,200 residents to Santa Fe.

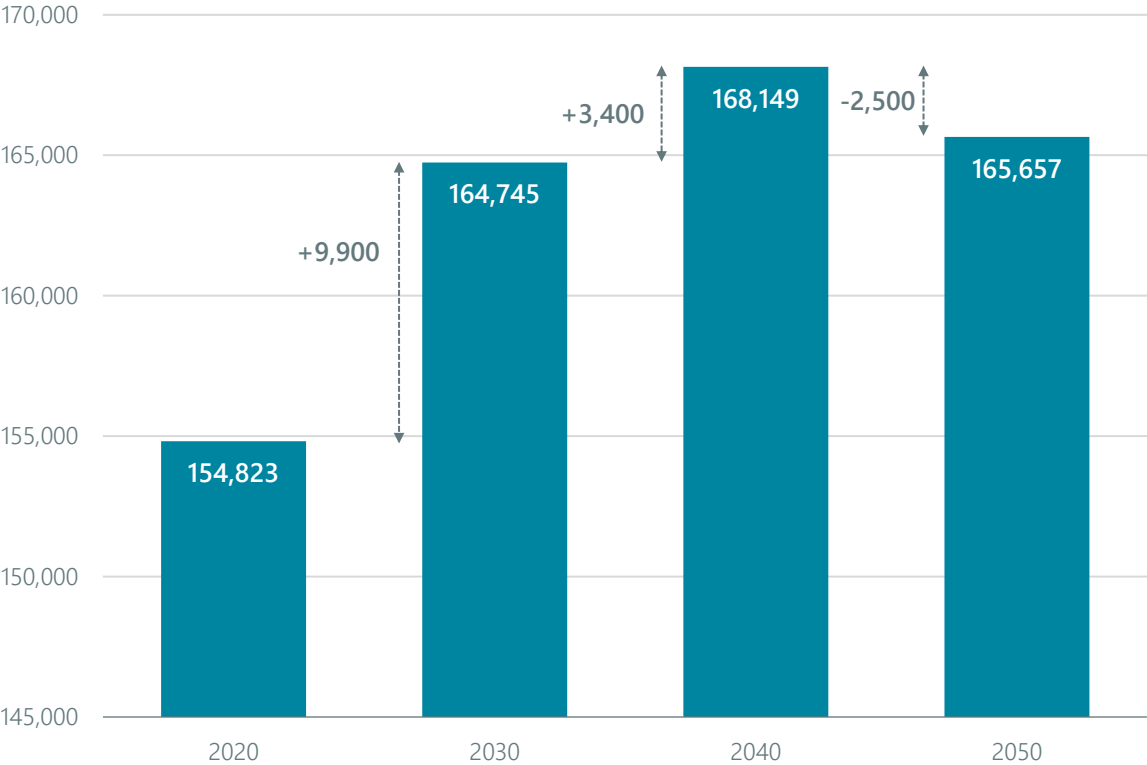
Source: American Community Survey (ACS) 5-Year Estimates (2010-2023), US Census Longitudinal Employment Household Dynamics (LEHD) (2010-2022), SB Friedman

# SANTA FE COUNTY PROJECTED POPULATION GROWTH

## Santa Fe County projected to add over 13,300 net new residents between 2020 and 2040

- The Santa Fe County population is projected to increase by over 13,300 from 2020 to 2040. Approximately three-quarters of the population growth from 2020 to 2040 is projected to occur from 2020 to 2030. County population is projected to reach 164,745 by 2030 and 168,149 by 2040.
- After reaching 168,149 in 2040, Santa Fe County's population is projected to decrease by almost 2,500 by 2050. Although population is projected to decrease from 2040 to 2050, it is projected to remain higher than the 2030 population.

SANTA FE COUNTY POPULATION PROJECTIONS, 2020-2050



Source: University of New Mexico Population Projections (2010-2050), SB Friedman  
SB Friedman Development Advisors, LLC

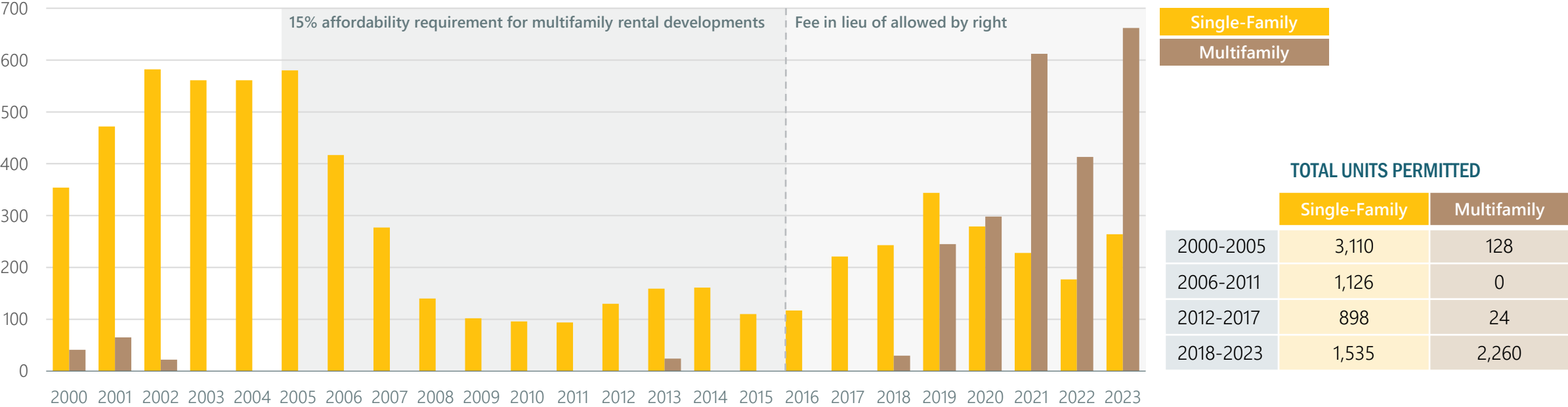
# SANTA FE REAL ESTATE SUPPLY

# SANTA FE RESIDENTIAL BUILDING PERMITS

Since 2018, the majority of the residential units permitted in Santa Fe have been multifamily homes

Since 2000, the majority (74%) of residential units permitted in Santa Fe have been single-family homes. In 2016, Santa Fe amended its affordability requirements to allow developers of multifamily projects to pay a fee in lieu of affordable units. This amendment was followed by an increase in multifamily development. Since 2019, an average of 446 units have been permitted in Santa Fe annually. In the year 2019 alone, 245 multifamily units were permitted – more than the combined total of multifamily units permitted in the prior 18 years. Every year since 2020, more multifamily units have been permitted than single-family units. In 2023 alone, over 660 multifamily units were permitted, marking the largest number of any type of units permitted in a single year since at least 2000.

## SANTA FE RESIDENTIAL UNITS PERMITTED, 2000-2023



Source: U.S. Census Bureau, Building Permits Survey, SB Friedman  
 SB Friedman Development Advisors, LLC

# SANTA FE MULTIFAMILY INVENTORY

## There are thousands of multifamily units under construction or proposed in Santa Fe

- Santa Fe has over 8,400 multifamily rental units (market-rate and affordable). Approximately 2,090 market-rate multifamily rental units have been built in Santa Fe since 2015. New development since 2015 comprises 36% of the existing multifamily inventory. Santa Fe has 1,090 units currently under construction and an additional 4,430 units proposed.
- Market interviews revealed that given the recent pace of development, some real estate professionals believe the Santa Fe market-rate multifamily market may currently be overbuilt. The pace of new market-rate development may slow in the near-term, particularly with uncertainty about tariffs increasing construction costs.
- However, there continues to be an overall regional housing shortage – particularly for homes affordable to lower- and moderate-income households. Given broader regional housing needs, multifamily is expected to remain a strong real estate market segment over the medium- to long-term.

**8,425**

EXISTING MULTIFAMILY  
UNITS IN SANTA FE<sup>1</sup>

**7.2%**

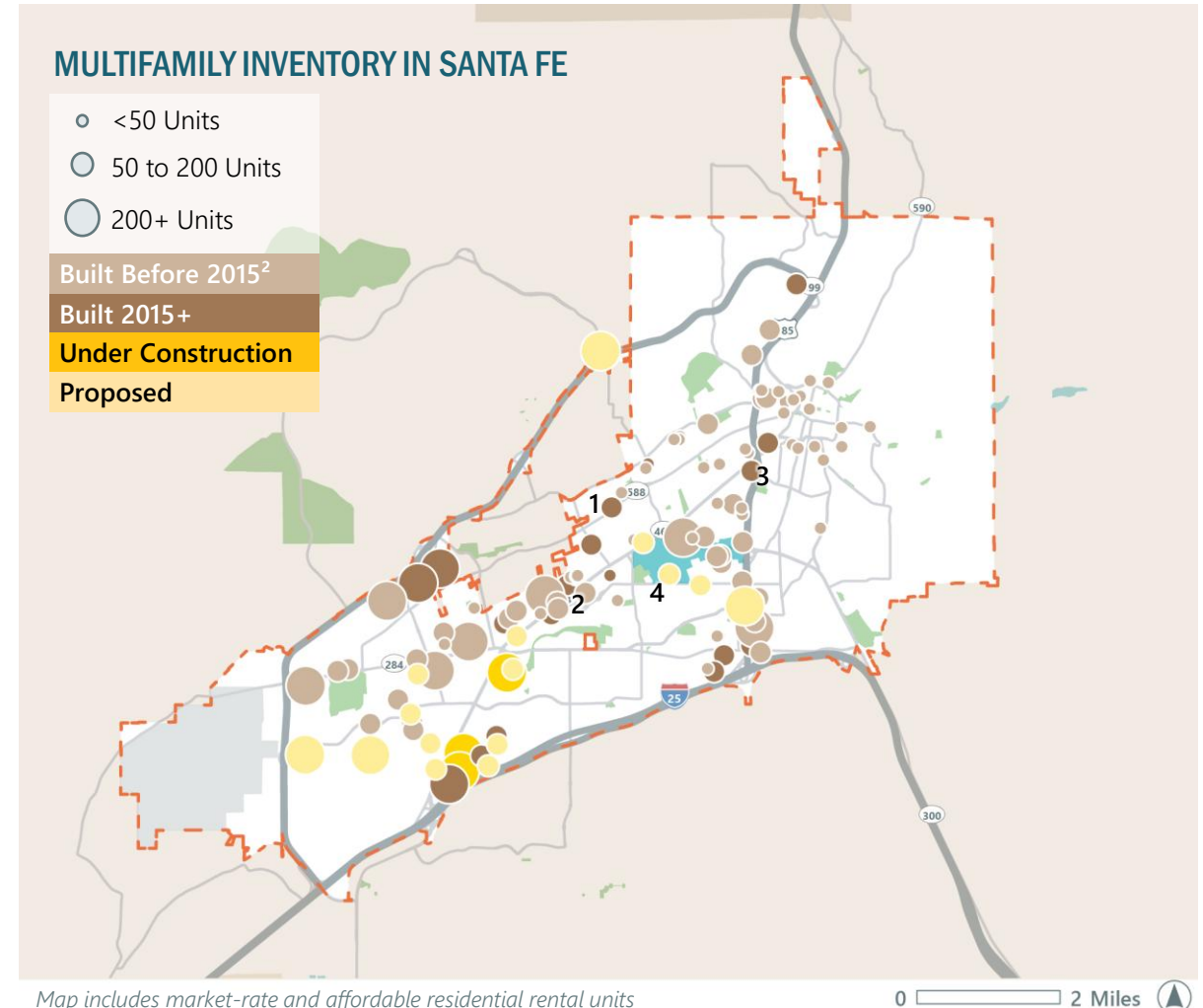
STABILIZED MARKET-  
RATE VACANCY RATE

**\$2.22**

MARKET-RATE  
AVERAGE RENT PER SF

<sup>1</sup>Multifamily unit inventory market-rate units, affordable units and assisted/independent living developments, but does not include short-term rentals or mobile home parks.

<sup>2</sup>Multifamily properties without year-built values in CoStar are assumed to be built before 2015 and symbolized as such. Source: CoStar, SB Friedman



# SAMPLE RECENT MULTIFAMILY PROJECTS

New multifamily development have average rents around  $\pm$ \$2.40/SF

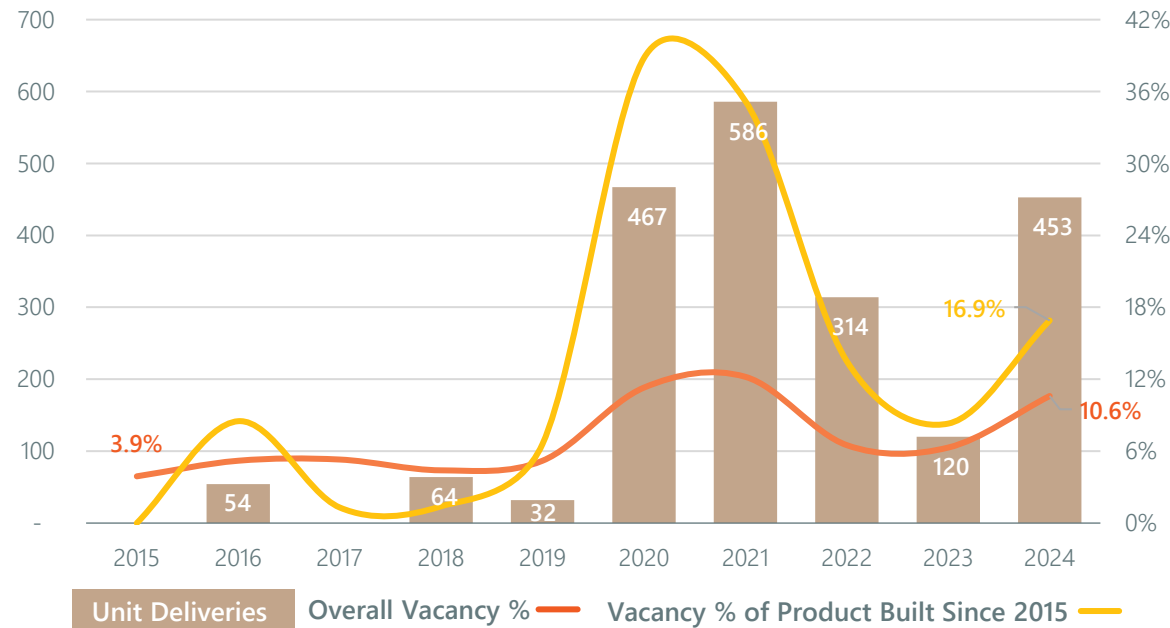


	1   Acequia Lofts	2   Olympus de Santa Fe	3   Capitol Flats	4   Arthouse
Address	2725 Agua Fria St	995 Richards Ave	950 W Cordova Rd	1952 Siringo Rd
Units (Studio/1B/2BR/3BR+)	120 Units (0/63/57/0)	180 Units (0/68/96/16)	139 Units (20/90/29/0)	129 Units
Year Built	2023	2021	2020	Proposed
Average Unit SF	909 SF	940 SF	676 SF	--
Average Unit Rent	\$2,171	\$2,250	\$2,100	--
Average Rent/SF	\$2.39/SF	\$2.39/SF	\$3.11/SF	--
Parking Type	Detached Garage & Uncovered	Detached Garage & Covered	Uncovered	--

# SANTA FE MULTIFAMILY PERFORMANCE

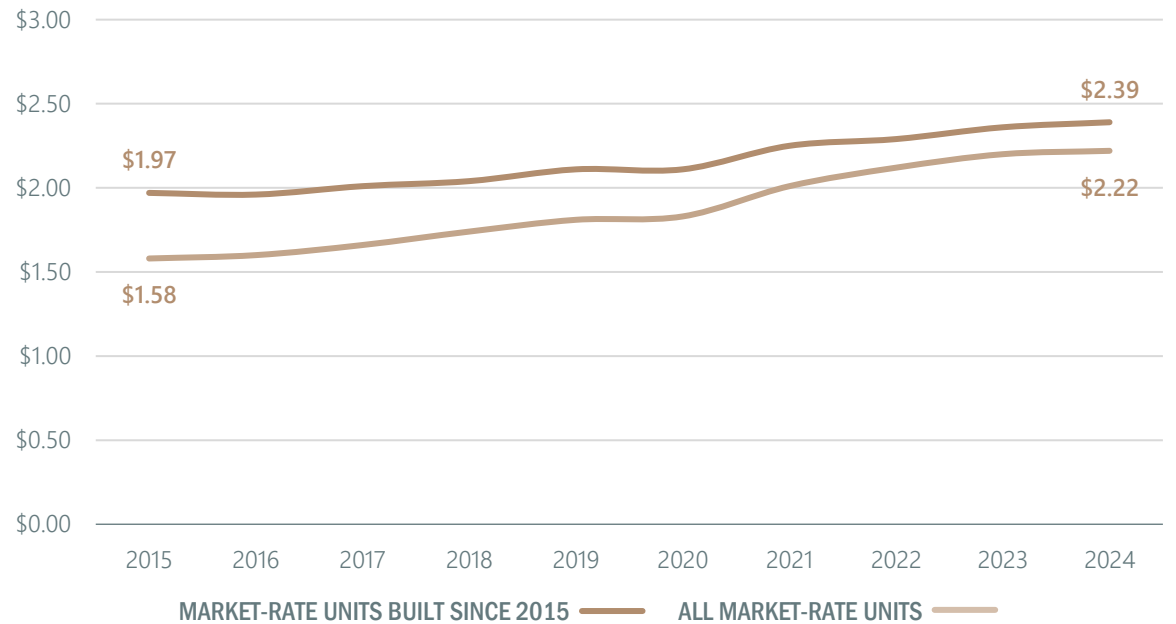
New multifamily units command a  $\pm\$0.30$ /SF rent premium over the market average rent

SANTA FE MARKET-RATE MULTIFAMILY DELIVERIES AND VACANCY, 2015-2024



- Approximately 2,090 market-rate multifamily rental units have been built in Santa Fe since 2015. After the delivery of more than 450 new units in 2024, the multifamily vacancy rate in Santa Fe reached 10.6% in 2024. Before 2020, when the number of new deliveries sharply increased, vacancy had consistently been around 4-5%.
- Vacancy falls as new product is absorbed. The stabilized vacancy rate is 7.2%.

SANTA FE MARKET-RATE MULTIFAMILY EFFECTIVE RENT PER SF, 2015-2024



- Since 2015, market-rate rents across all units have increased from \$1.58 per SF to \$2.22 per SF, a compound annual growth rate of 3.9%. Average rents for units built since 2015 similarly increased from \$1.97 per SF to \$2.39 per SF over the same period, a compound annual growth rate of 2.2%.
- Since 2015, new multifamily rental units have had a \$0.30-0.39 per SF rent premium relative to the overall market.

Source: CoStar, SB Friedman

SB Friedman Development Advisors, LLC

# SANTA FE OFFICE INVENTORY

## Only 2% of the over 7 million square feet of office space in Santa Fe was built since 2015

- Santa Fe has over 7.16 million SF of existing office space. The overall vacancy rate is 1.6%. Triple-net rents average \$23.68 per square foot.
- Approximately 116,000 SF have been delivered since 2015; therefore 98% of the existing office inventory was built before 2015. Much of the office inventory is concentrated downtown, along US-285, or along St. Michael's Drive.

**7.16M**

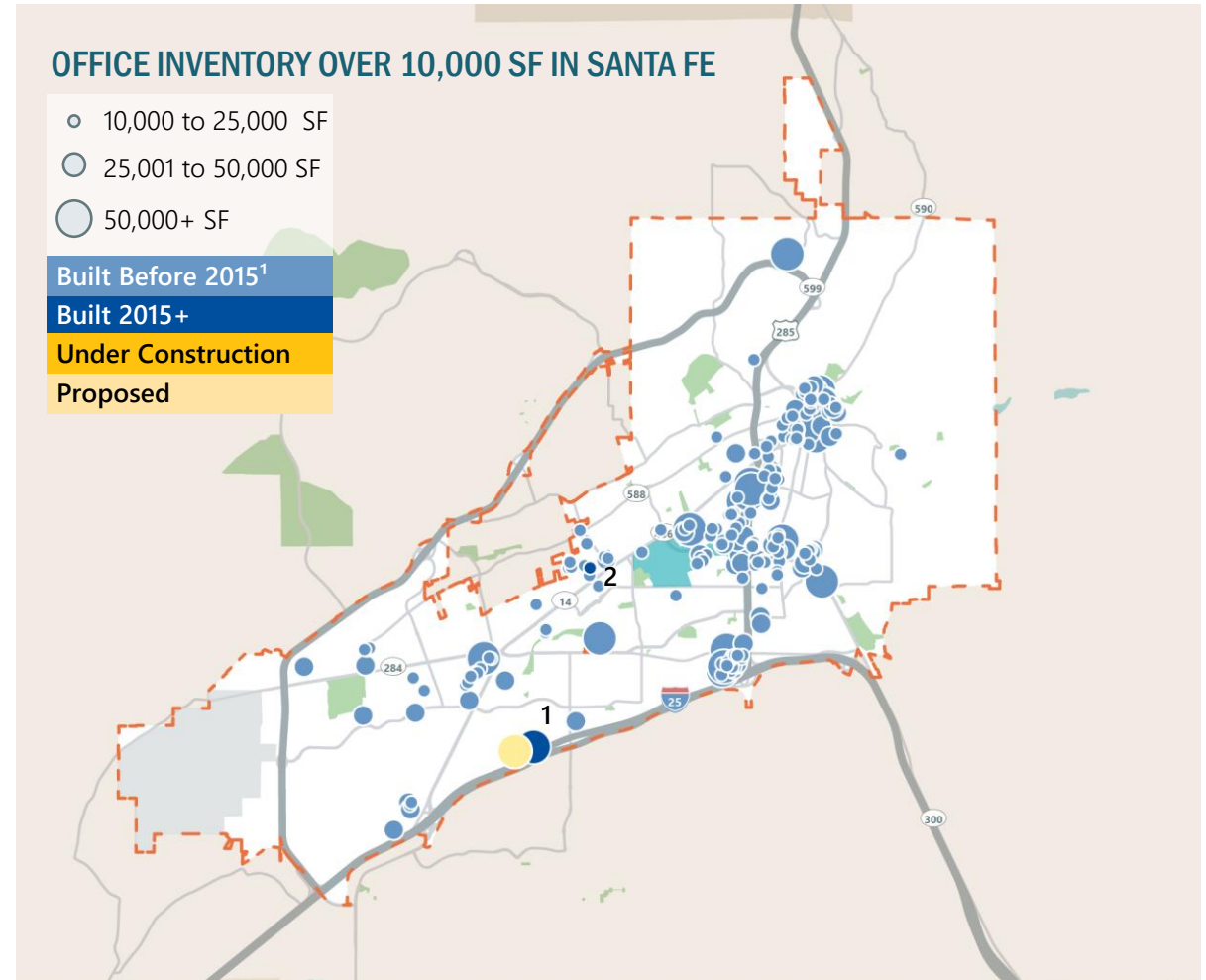
TOTAL OFFICE  
SQUARE FEET

**1.6%**

OVERALL MARKET  
VACANCY RATE

**\$23.68**

OVERALL AVERAGE  
RENT PER SF (NNN)



Map excludes office properties smaller than 10,000 SF

0 2 Miles

<sup>1</sup>Office properties without year-built values in CoStar are assumed to be built before 2015 and are symbolized as such.  
Source: CoStar, SB Friedman

# SAMPLE RECENT OFFICE PROJECTS

One large medical user (Nexus Health) is responsible for 82% of new office space built since 2015



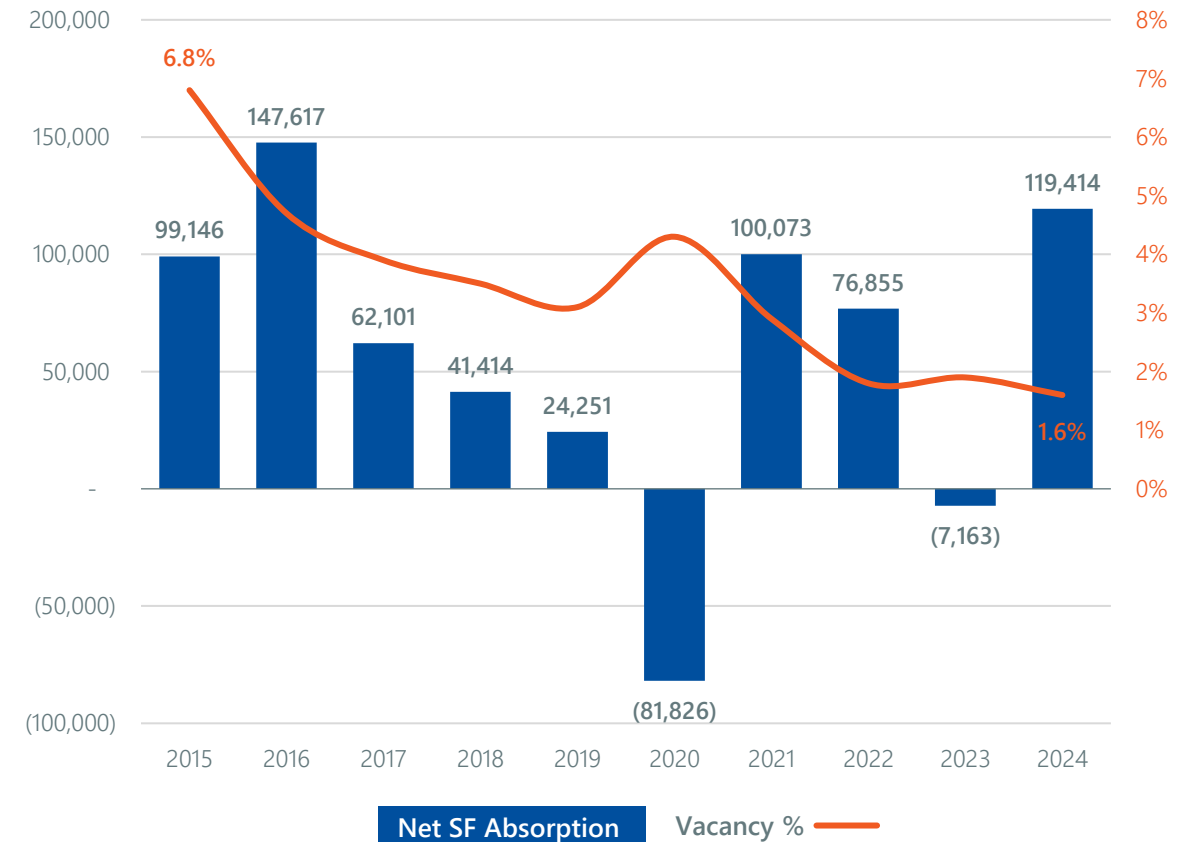
	1   Nexus Health	2   The Studios at 1300	3   530 A Harkle Rd	4   301 E Palace Ave
Address	4200 Beckner Rd	1300 Rufina Cir	530 Harkle Rd	301 E Palace Ave
Type	Medical Office	Office and Retail	Medical Office	Office
Tenants	Nexus Health	Palo Santo Designs, Kakawa Chocolate House, Photo-Eye Gallery, Photo-Eye Bookstore	Various professional and medical tenants	
Year Built	2024	2018	2020	2015
RBA	95,000	10,000	2,214	3,614
Average Rent/SF	±\$20.25	±\$18.48	±\$25.49	±\$17.64
Class	B	B	B	B

# SANTA FE OFFICE PERFORMANCE

Despite the COVID-19 pandemic, net office absorption has been positive in eight of the last ten years

- Net office absorption has remained positive in all but two years since 2015. Net absorption was negative in 2020 due to the COVID-19 pandemic and again in 2023.
- Since new office development has been limited, Santa Fe's office vacancy rate has decreased from 6.8% in 2015 to 1.6% in 2024.
- Continued absorption and a low vacancy rate indicate that Santa Fe's office market is much stronger than in many peer cities, where office performance has been persistently weak since the COVID-19 pandemic.
- Future demand appears to be strong for developers seeking to develop multi-tenant speculative office or larger businesses that seek a build-to-suit office development in a new upcoming mixed-use center. While Midtown is not currently a core office market, its central location in Santa Fe and availability of land could make it a strong contender to capture future office development.

SANTA FE OFFICE ABSORPTION AND VACANCY, 2015-2024



# SANTA FE HOTEL INVENTORY

## Hotel supply is concentrated near downtown and along Cerrillos Road

- Santa Fe has over 50 hotels with a total of over 4,400 hotel keys. More than 25 hotels are located along Cerrillos Road and another 20 are in the historic downtown.
- There has only been one new hotel built since 2015 (91 keys). However, there are three hotel projects with a total of approximately 220 hotel keys in the pipeline.
- Santa Fe's hospitality market has largely recovered post-COVID. The citywide average occupancy rate is 68%, and the average daily rate is \$182.
- Tourism is the primary driver of hotel demand in Santa Fe. *Travel + Leisure* readers recently voted Santa Fe as their #1 favorite city in the United States.
- Santa Fe has attracted an average of two million overnight visitors annually in recent years. The most popular months for visitors are April through October peaking in July and August.

**4,430**

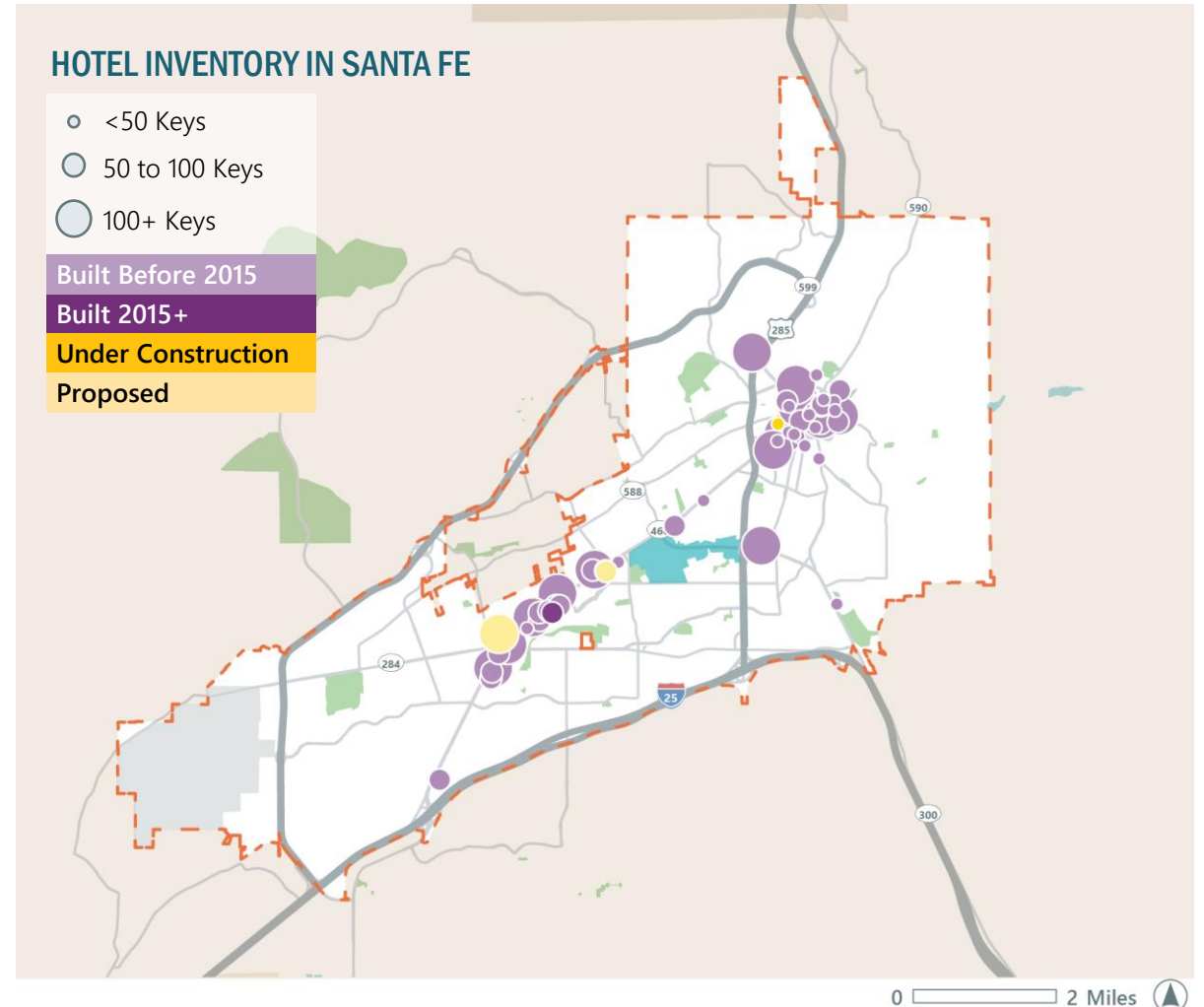
TOTAL HOTEL KEYS

**68.4%**

OVERALL MARKET  
OCCUPANCY RATE

**\$182**

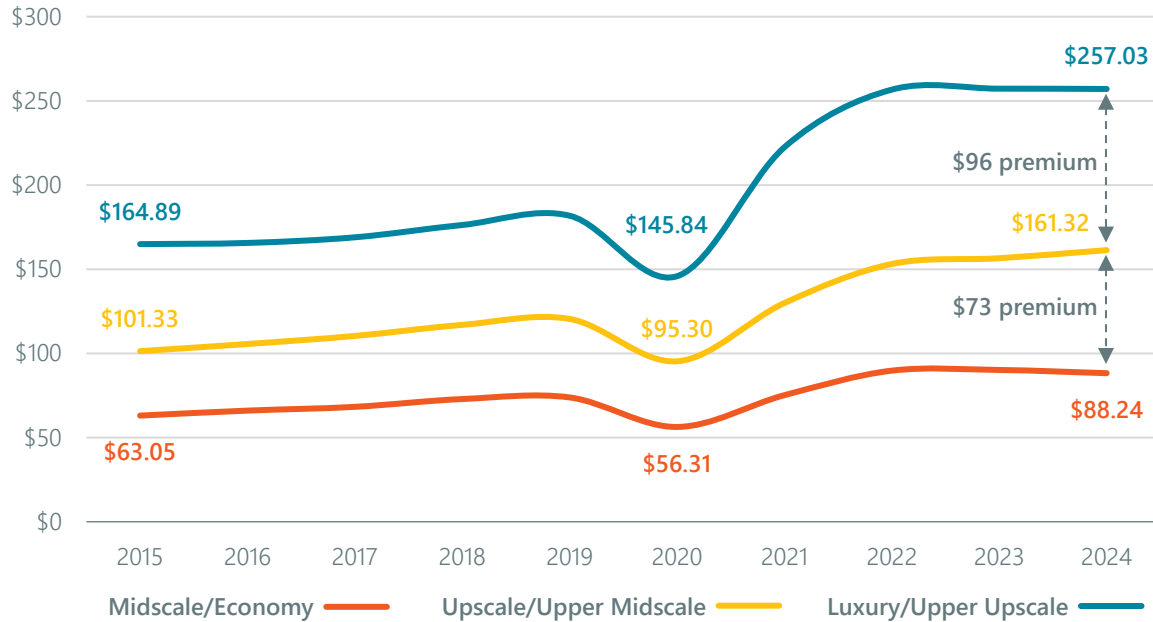
OVERALL HOTEL  
AVERAGE DAILY RATE



# SANTA FE HOTEL PERFORMANCE

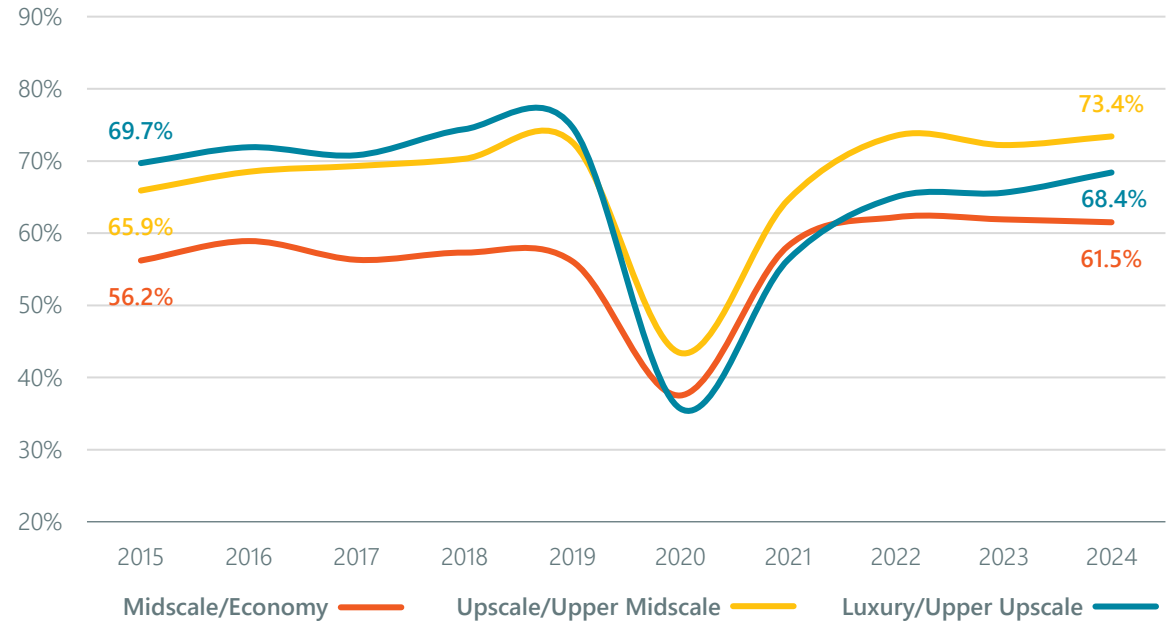
## Santa Fe's hospitality market has largely recovered post-COVID

SANTA FE HOTEL AVERAGE DAILY RATE BY CLASS, 2015-2024



- Across all of 2024, the average daily rate was \$257 for Luxury/Upper Upscale hotels, \$161 for Upscale/Upper Midscale, and \$88 for Midscale/Economy hotels. Market-wide rates averaged \$182.
- In 2024, Upscale/Upper Midscale hotels had \$73 nightly premiums over Midscale/Economy hotels, and Luxury/Upper Scale hotels had \$96 nightly premiums over Upscale/Upper Midscale hotels.

SANTA FE HOTEL OCCUPANCY BY CLASS, 2015-2024



- Overall average hotel occupancy was 68% in 2024 but varied by hotel class. Upscale/Upper Midscale hotels performed the strongest, with an average occupancy of 73%. Midscale/Economy hotels and Luxury/Upper Upscale hotels had an average occupancy of 61.5% and 68%, respectively.
- Hotel occupancy fell sharply during the pandemic, particularly for Midscale/Economy and Luxury/Upper Scale hotels.

Source: CoStar, SB Friedman

SB Friedman Development Advisors, LLC

# SANTA FE RETAIL INVENTORY

## Most retail was built before 2015 and is located along major transportation corridors

- Santa Fe has over 7.27M SF of retail space and an overall market vacancy rate of 2.3%. Average triple-net rent for retail is \$18.45 per SF. Most retail space is located along major transportation corridors and in downtown.
- Much of Santa Fe's retail inventory was built before 2015. Less than 350,000 SF (less than 5%) of retail space has been delivered since 2015.

**7.27M**

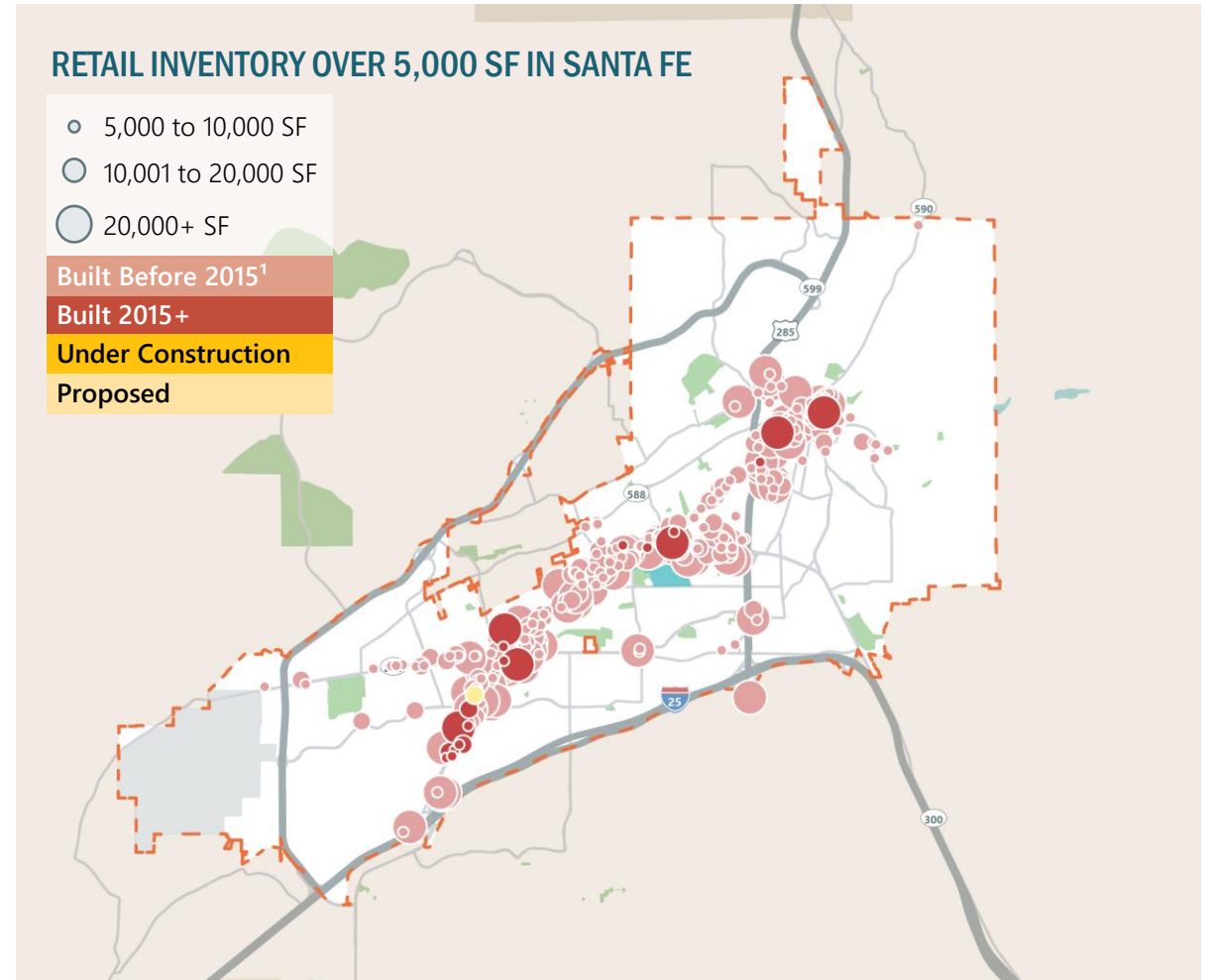
TOTAL RETAIL  
SQUARE FEET

**2.3%**

OVERALL MARKET  
VACANCY RATE

**\$18.45**

OVERALL AVERAGE  
RENT PER SF (NNN)



Map excludes retail properties smaller than 5,000 SF

0 2 Miles

<sup>1</sup>Retail properties without year-built values in CoStar are assumed to be built before 2015 and are symbolized as such. Source: CoStar, SB Friedman

# RETAIL TYPOLOGIES

## Retail centers can be categorized into three major typologies based on several factors

Retail clusters are categorized into three major typologies: Downtown Retail, Regional-Serving and Community-Serving. Typologies differ based on scale, number and type of anchors, and size of trade area. More detail on retail typologies near Midtown and regional retail centers is provided on the following pages.

### DOWNTOWN RETAIL

#### DOWNTOWN / EXPERIENTIAL

- Mixed-use
- Ground-floor retail
- Walkable pedestrian environment
- **SIZE VARIES**

### REGIONAL-SERVING

#### REGIONAL MALL / SUPER-REGIONAL MALL

- Anchored by 2+ full-line department stores
- ~500,000-1,000,000+ SF

#### LIFESTYLE CENTER

- Upscale national-chain specialty stores
- Dining/entertainment focus
- ~250,000-500,000 SF

### COMMUNITY-SERVING

#### COMMUNITY CENTER

- 1+ category-dominant freestanding anchors of ~100,000+ SF
- -- OR --
- 1+ grocer anchors of ~50,000+ SF and additional category dominant retailers
- ~100,000-250,000 SF

#### NEIGHBORHOOD CENTER

- 1+ grocer anchors of ~50,000 SF or more
- Additional supporting retail
- ~75,000-150,000 SF

#### FREESTANDING / STRIP RETAIL

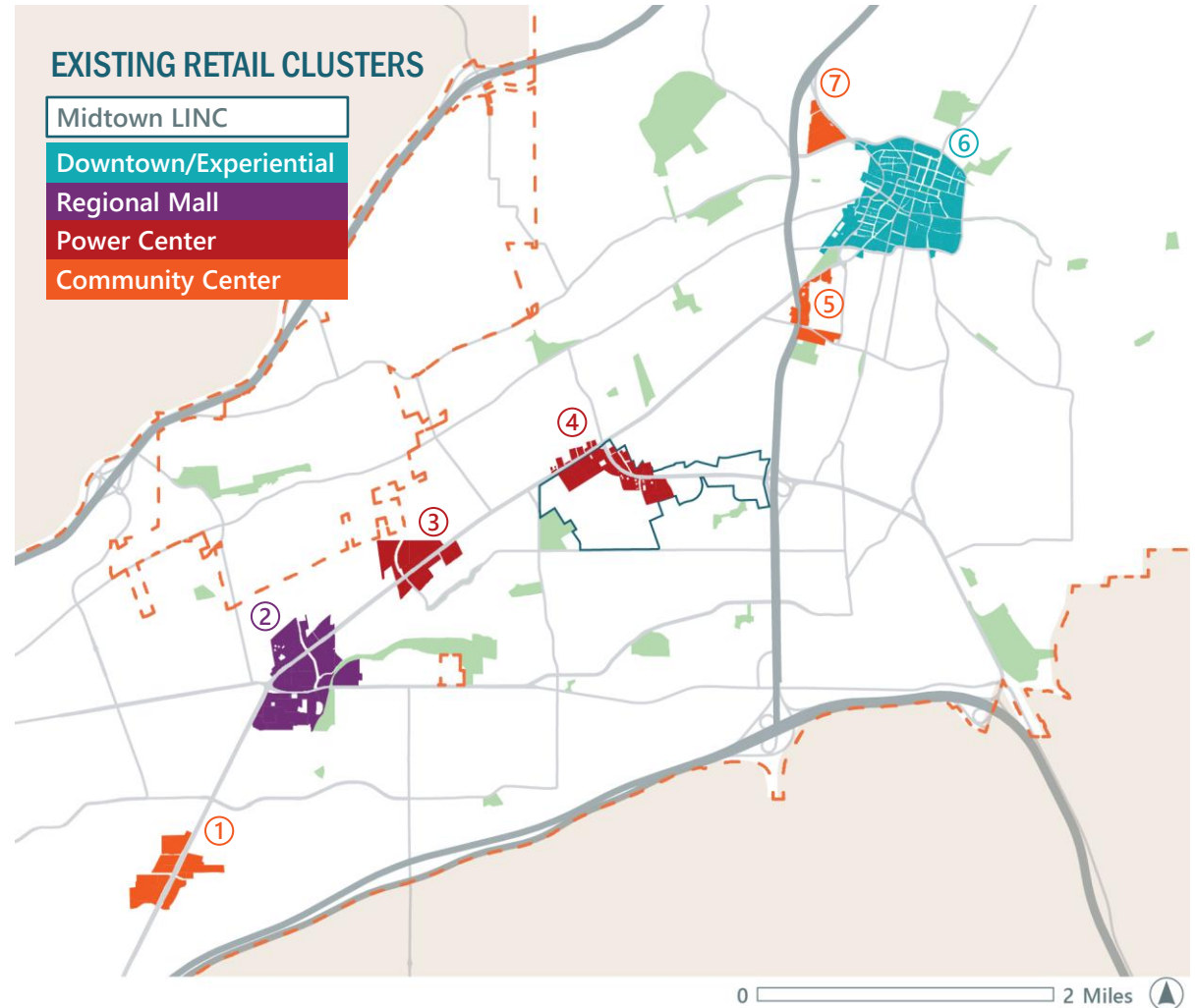
- Small convenience center with goods and services
- Limited trade area
- ~5,000-150,000 SF

# EXISTING RETAIL CLUSTERS

## The Midtown LINC encompasses a power center containing major anchors

Santa Fe has several retail clusters of various scales, most of which are located along Cerillos Road, the major transportation corridors through the city. Collectively, these retail clusters contain over 5.4 million SF of retail space, or approximately 75% of all retail space in Santa Fe. Clusters include both national and regional anchor tenants as well as local businesses. The Midtown LINC encompasses a power center containing major anchors like Smith's, Office Depot, and Petco.

	Retail Typology	Total SF	Vacancy	Select Tenants
1   Cerrillos & Tierra Contenta	Community Center	290,132 SF	0%	Walmart, Subaru, Dodge Jeep RAM, Lexus, Dollar Tree, CarMax
2   Santa Fe Place / Plaza Santa Fe	Regional Mall	1,854,322 SF	2.4%	Hobby Lobby, JCPenney, Dillard's, Target, Albertsons, Sam's Club, Lowe's
3   Cerrillos & Richards	Power Center	522,006 SF	0.5%	Home Depot, Walmart, Joann Fabric, Savers
4   Midtown	Power Center	784,562 SF	2.5%	Petco, Smith's, Office Depot, Toyota
5   Railyard	Community Center	349,783 SF	3.4%	Whole Foods, Natural Grocers, Trader Joe's
6   Downtown	Downtown / Experiential	1,302,229 SF	0.3%	Smaller-scale and local businesses
7   Devargas Center	Community Center	347,906 SF	2.1%	Office Depot, Ross, CVS, HomeGoods



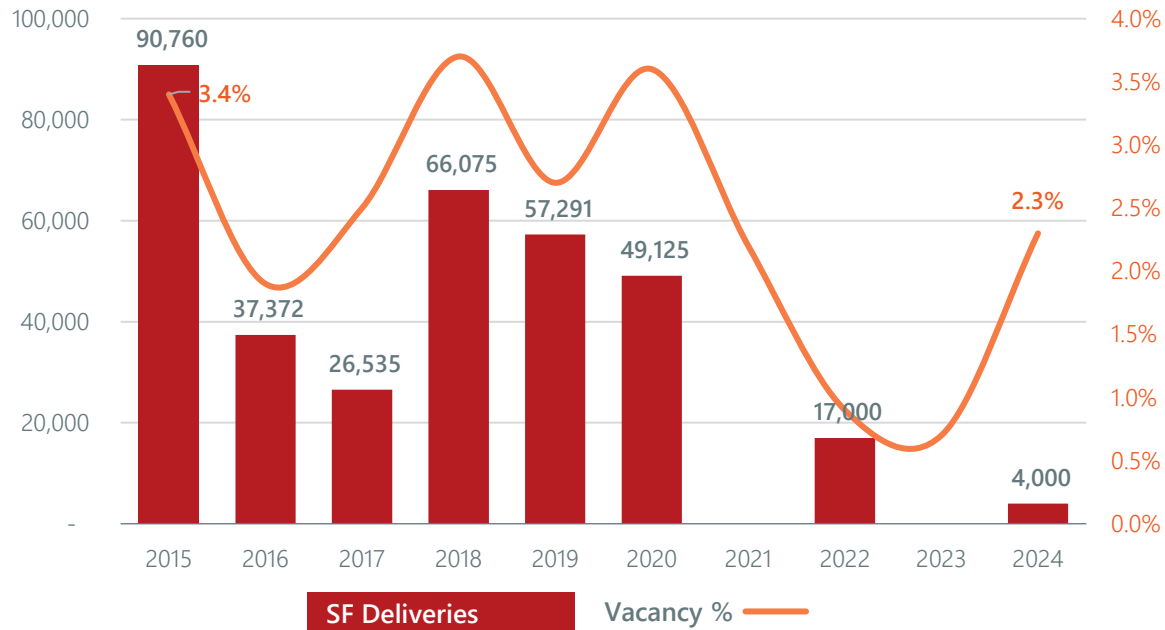
Source: CoStar, SB Friedman

SB Friedman Development Advisors, LLC

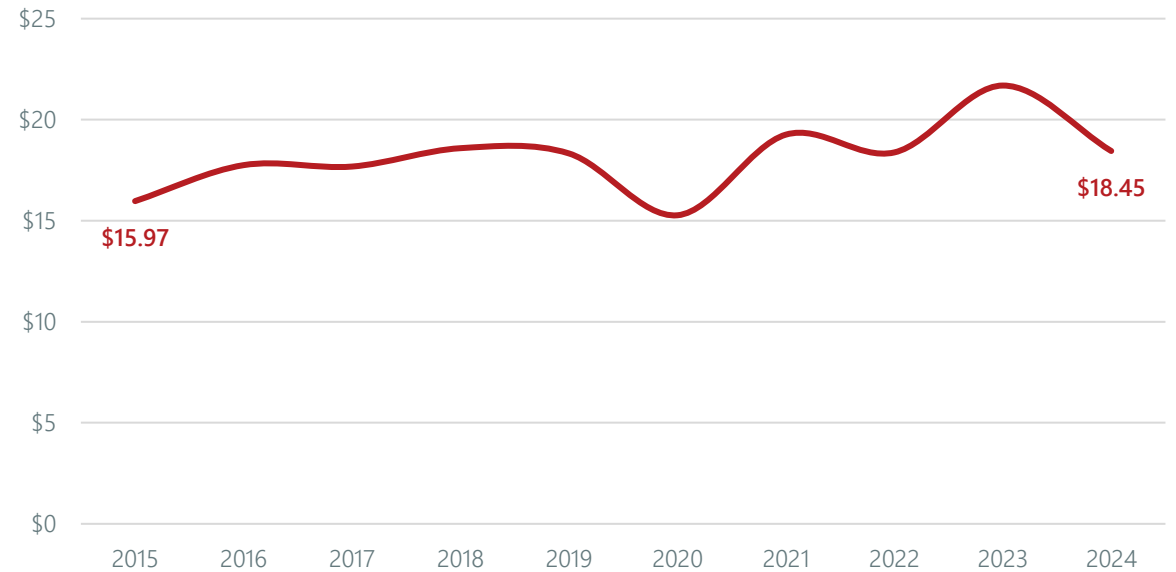
# SANTA FE RETAIL PERFORMANCE

Retail rents have increased but deliveries have decreased since the COVID-19 pandemic

SANTA FE RETAIL DELIVERIES AND VACANCY, 2015-2024



SANTA FE RETAIL TRIPLE-NET RENT PER SF, 2015-2024



- Since 2015, 348,000 SF of retail space has been delivered. Deliveries have decreased over time and since 2021, only 21,000 SF of retail space has been delivered.
- Retail vacancy remained low, at or below 3.7% from 2015 to 2024. Retail vacancy reached a low of 0.7% in 2023.

- Average triple-net rent per SF in Santa Fe has increased from \$15.97 in 2015 to \$18.45 in 2024. Average triple-net rents increased from 2015 until the COVID-19 pandemic when they dropped below the 2015 average to \$15.27 per SF. Since 2020, average rents have recovered to above pre-pandemic levels.

# MARKET ANALYSIS CONCLUSIONS

# REAL ESTATE MARKET ANALYSIS – MARKET SUMMARY

Santa Fe has strong market potential for a variety of product types



The Santa Fe multifamily market is strong. Over 2,000 units have been built since 2015, with more than 1,000 additional units under construction. There is one project (129 units) in the pipeline for the Midtown LINC. Short-term, there may be a temporary slowdown in multifamily development given market uncertainty.



New speculative office deliveries have been fairly limited since 2015, which has led to very low vacancy. The State cannot pay the rents needed to support new office construction, but there may be demand for new space from medical users, National Lab spinoffs, federal agencies, or private businesses willing to pay higher rents associated with new class A office.



Tourism is the primary driver of hotel demand in Santa Fe. Hotels in Santa Fe are primarily clustered downtown or along Cerillos Road. Overall market occupancy has recovered to pre-pandemic levels, with Upscale/Upper Midscale class hotels performing especially well. ADR growth has been strong since 2020.



Retail is generally performing well in Santa Fe, particularly in the primary retail clusters like at Midtown. Overall market vacancy continues to be low. However, rent growth and new deliveries have both slowed in recent years.

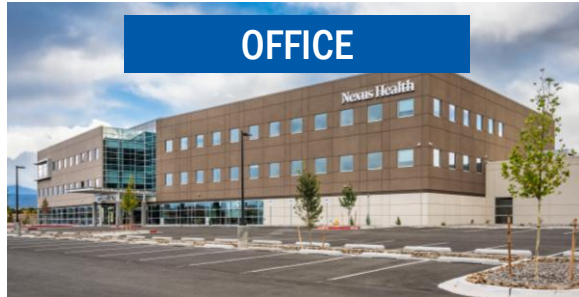
# REAL ESTATE MARKET ANALYSIS – DEVELOPMENT POTENTIAL

Multifamily, mixed-use, and retail development is most viable in the near-term



MARKET POTENTIAL  
**STRONG**  
10-YEAR DEMAND  
**800 UNITS**

Midtown Santa Fe could accommodate development beyond the current pipeline. Developing market rate housing along with affordable housing can simultaneously help create a mixed-income neighborhood and help address regional housing needs.



MARKET POTENTIAL  
**STRONG**  
10-YEAR DEMAND  
**150,000 SF**

Demand appears to be strong for speculative office citywide. Midtown's central location and availability of land could make it a strong contender to capture future office development, though any development at Midtown should complement the mixed-use neighborhood vision.



MARKET POTENTIAL  
**MODERATE**  
10-YEAR DEMAND  
**250 KEYS**

Hotel development could potentially be feasible at Midtown after initial phases of development. Future hotel development should include a mix of hotel types (i.e., larger conference hotels and smaller boutique hotels) to capture different travel sectors. Hotel visitors to the area could help support the retail and add to the tax base.



MARKET POTENTIAL  
**MODERATE**  
10-YEAR DEMAND  
**120,000 SF**

Future retail in Midtown is likely to be ground-floor retail in mixed-use buildings or standalone, specialty retail. Sites within the Midtown campus lacking frontage on the main roads should seek to attract destination retail and entertainment users that can draw customers from a wider geography.



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