



## Agenda

**Regular Meeting of the  
Community Development  
Commission  
June 17, 2026 at 3:00 PM  
Councilors' Conference Room,  
City Hall  
200 Lincoln Avenue, Santa Fe**

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### **Procedures for Community Development Commission Meeting**

#### **Join the Zoom**

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes
  - a. Request for Approval of the May 20, 2026, Community Development Commission Meeting Minutes. (Christina Browning, Project Administrator; cxbrowning@santafenm.gov)

#### **Committee Review:**

Community Development Commission: 06/17/2026

- b. Request for Approval of the May 26, 2026, Community Development Commission Special Meeting Minutes. (Christina Browning, Project Administrator; cxbrowning@santafenm.gov)

#### **Committee Review:**

Community Development Commission: 06/17/2026

5. Discussion Agenda
  - a. Community Development Commission Advisory Role and Address Goals and Objectives for Affordable Housing. (Mayor Michael Garcia)
  - b. CONSIDERATION OF BILL NO. 2026-11. ADOPTION OF ORDINANCE NO. 2026-\_\_\_\_\_. (Mayor Michael Garcia, Councilor Alma Castro, and Councilor Pilar Faulkner)  
A Bill Relating to the Santa Fe Homes Program and Requirements for Rental Units; Amending Section 26-1.22 to Make Certain Technical Changes, to Clarify the Calculation of Fees Paid in Lieu of Providing On-Site Affordable Units, to Amend the Fee-in-Lieu Calculation to Use Thirty Percent of the Area Median Income Instead of Sixty-Five Percent when Determining Base Fee Amount. (Faviola Chavez, Affordable Housing Director; fachavez@santafenm.gov)

#### **Committee Review:**

Community Development Commission  
June 17, 2026  
Page 1 of 2

Governing Body (Introduction): 05/27/2026  
Governing Body (Public Comment): 06/10/2026  
Quality of Life Committee 06/17/2026  
Finance Committee: 06/22/2026  
Governing Body (Public Hearing): 07/08/2026

6. Matters from Staff

- a. Community Development Commission Member Training, Civic Plus Access. (Xavier Vigil, Assistant City Clerk; [xivigil@santafenm.gov](mailto:xivigil@santafenm.gov))
- b. Review of Request for Proposals and Procurement Law. (Travis Dutton-Leyda, Chief Procurement Officer; [tkduttonleyda@santafenm.gov](mailto:tkduttonleyda@santafenm.gov) and JoAnn Lovato, Procurement Manager; [jdlovato@santafenm.gov](mailto:jdlovato@santafenm.gov))
- c. Community Development Block Grant Fund Request for Proposal Timeline. (Christina Browning, Project Administrator; [cxbrowning@santafenm.gov](mailto:cxbrowning@santafenm.gov) and JoAnn Lovato, Procurement Manager; [jdlovato@santafenm.gov](mailto:jdlovato@santafenm.gov))

7. Matters from the Committee

8. Matters from the Chair

9. Next Meeting: Thursday, July 16, 2026

10. Adjourn



**Date:** May 1, 2026  
**To:** Governing Body, Quality of Life Committee, Finance Committee  
**From:** Faviola Chavez, Affordable Housing Director <sup>FC</sup><sub>FC</sub>  
**Via:** Heather Lamboy, Land Use Director *HL*  
**RE:** Updating Fee in Lieu and Affordability Requirements for Santa Fe Homes Program

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## EXECUTIVE SUMMARY:

If adopted, the proposed bill would amend SFCC 1987, Section 26-1.22, which establishes the requirements for developing rental units under the Santa Fe Homes Program (“SFHP”). The bill makes non-substantive technical updates and clarifications to the calculation of fees paid in lieu of providing on-site affordable units. It also makes a substantive change to the fee-in-lieu calculation by proposing the use of thirty percent (30%) instead of sixty-five percent (65%) when determining the calculation’s base fee amount.

## ATTACHMENTS:

Memo Attachment – Example Calculations for SFHP  
Bill  
Fiscal Impact Report

## Updated Ordinance Example Calculations

### 2025 FMR Numbers and example unit numbers:

BR Size	2025 FMR as determined by HUD	# Units	Total Aff'd Units Required
Studio	\$1,235	0	0.00
1 BR	\$1,368	54	8.10
2 BR	\$1,627	67	10.05
3 BR	\$2,057	18	2.70
		<b>139</b>	<b>20.85</b>

*\*The FMR remains the same for both the current calculation and the proposed calculation*

### Under current ordinance using 65% AMI for fee-in-lieu calculation:

BR Size	Santa Fe Aff'd Rent**	Base Gap	Adjusted Gap (100% )after July 1, 2024
Studio	\$ 1,133.00	\$ 102.00	\$ 204.00
1 BR	\$ 1,133.00	\$235	\$ 470.00
2 BR	\$ 1,294.00	\$333	\$ 666.00
3BR	\$ 1,456.00	\$601	\$ 1,202.00

Fee Per Month	Project Fee**
\$0	0
\$3,807.00	\$91,368.00
\$6,693.30	\$160,639.20
\$3,245.40	\$77,889.60
Total: \$13,745.7	Project Total: \$329,896.80

*\*Fee per month = adjusted base gap x number of affordable units*

\* *Project fee = fee per month x 24*

**Under proposed ordinance change using 30% AMI for fee-in-lieu calculation:**

<b>BR Size</b>	<b>Santa Fe Aff'd Rent**</b>	<b>Base Gap</b>	<b>Adjusted Gap (100% )after July 1, 2024</b>
Studio	\$ 523.00	\$ 712.00	\$ 1,424.00
1 BR	\$ 523.00	\$ 845.00	\$ 1,690.00
2 BR	\$ 598.00	\$ 1,029.00	\$ 2,058.00
3BR	\$ 673.00	\$ 1,420.00	\$ 2,840.00

<b>Fee Per Month</b>	<b>Project Fee**</b>
\$0	0
\$13,689.00	\$328,536.00
\$20,682.90	\$496,389.60
\$7,668.00	\$184,032.00
<b>Total: \$42,039.90</b>	<b>Project Total: \$1,008,957</b>

\**Fee per month = adjusted base gap x number of affordable units*

\* *Project fee = fee per month x 24*

1 CITY OF SANTA FE, NEW MEXICO

2 BILL NO. 2026-11

3 INTRODUCED BY:

4  
5 Mayor Michael Garcia

6 Councilor Alama Castro

7  
8  
9  
10 A BILL

11 RELATING TO THE SANTA FE HOMES PROGRAM AND REQUIREMENTS FOR  
12 RENTAL UNITS; AMENDING SECTION 26-1.22 TO MAKE CERTAIN TECHNICAL  
13 CHANGES, TO CLARIFY THE CALCULATION OF FEES PAID IN LIEU OF  
14 PROVIDING ON-SITE AFFORDABLE UNITS, TO AMEND THE FEE-IN-LIEU  
15 CALCULATION TO USE THIRTY PERCENT OF THE AREA MEDIAN INCOME  
16 INSTEAD OF SIXTY-FIVE PERCENT WHEN DETERMINING BASE FEE AMOUNT.

17 BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

18 Section 1. Section 26-1.22 of SFCC 1987 (being Ord. No. 2019-30, § 5) is  
19 amended to read:

20 **26-1.22 - Requirements for SFHP rental units.**

- 21 A. If a SFHP developer obtained a residential building permit for a multifamily  
22 residential development between January 1, 2016, and December 31, 2019, then  
23 the developer shall pay a fee associated with such development [~~shall be assessed~~]  
24 in accordance with SFHP administrative procedures. If applicable, the associated  
25 [~~an~~] annexation agreement, subdivision plat, or development plan shall be

1 administratively amended to reflect the updated requirement and the owner or  
2 developer, as applicable, shall record or file, as applicable, the amended document  
3 [shall be recorded or filed, as applicable, by the owner or development]. Incentives  
4 for SFHP developers as set forth in subsection 14-8.11 SFCC 1987 ~~[will]~~ are not  
5 be available for these projects, other than the density bonus pursuant to subsection  
6 14-8.11(G)(1).

7 B. ~~[Effective January 1, 2020, and thereafter,]~~ A SFHP developer that obtains a  
8 building permit for a ~~[multifamily]~~ residential rental development after January 1,  
9 2020, shall ~~[comply with the SFHP ordinance by]~~ either: pay[ing] a fee,  
10 create[ing] [LPDUs] Low Priced Dwelling Units ("LPDUs"), or provide  
11 affordable on-site units as follows:

12 (1) *Fee in lieu.* ~~[The]~~ Except for small multifamily rental projects of twelve  
13 (12) or fewer units, and as described by Section 26-1.22(B)(1)(d), SFHP  
14 developers may pay [of] a fee in lieu of providing on-site affordable units,  
15 assessed according to a [n "affordability gap"] calculation that determines  
16 the base fee, which is the difference between [a] the FMR and the rent  
17 affordable to a renter earning thirty percent ([65] 30%) of the AMI.

18 (a) ~~[The steps of the calculation of the base fee amount t]~~ To calculate  
19 the fee in lieu [as more fully described in the administrative  
20 procedures, are as follows]:

21 (i) multiply the total number of units ~~[broken out by number~~  
22 of bedrooms] of each size, as defined by number of  
23 bedrooms, by fifteen percent (15%) to determine the  
24 number of affordable units that would have been required  
25 to be built if not for the developer paying the fee;

- 1 (ii) multiply the number of affordable units required in the  
2 previous step (including any decimal places) by the base  
3 fee associated with each type of unit [~~broken out by~~  
4 ~~number of bedrooms~~] (determined by number of  
5 bedrooms) to determine the monthly fee; and  
6 (iii) multiply the monthly fee by twenty-four (24) months to  
7 determine the total project fee.

8 (b) HUD's FMR will be used to establish the [~~affordability gap~~] "base  
9 fee amount" [}] relative to HUD's AMI data. [~~Developers shall pay~~  
10 ~~phased fee increases according to when projects are permitted as~~  
11 ~~follows:~~

- 12 (i) ~~for units permitted on or before June 30, 2020, the base~~  
13 ~~fee amount;~~  
14 (ii) ~~for units permitted between July 1, 2020, and June 30,~~  
15 ~~2021, the base fee, increased by twenty percent (20%) fee~~  
16 ~~increase;~~  
17 (iii) ~~for units permitted between July 1, 2021, and June 30,~~  
18 ~~2022, the base fee, increased by forty percent (40%) fee~~  
19 ~~increase;~~  
20 (iv) ~~for units permitted between July 1, 2022, and June 30,~~  
21 ~~2023, the base fee, increased by sixty percent (60%)~~  
22 ~~increase;~~  
23 (v) ~~for units permitted between July 1, 2023, and June 30,~~  
24 ~~2024, the base fee, increased by eighty percent (80%)~~  
25 ~~increase; and~~

1 ~~(vi)~~ [f] For units permitted on or after July 1, 2024, the base fee [;] shall be  
2 increased by one hundred percent (100%).

3 (c) A SFHP developer that creates a vacation time share project or  
4 short term rental units shall be subject to the fees set forth in this  
5 subparagraph 26-1.22(B)(1);

6 (d) A small multifamily rental project that consists of twelve (12) or  
7 fewer units shall pay the base fee amount, which shall be  
8 calculated as the difference between a FMR and the rent  
9 affordable to a renter earning thirty percent (~~[65]~~ 30%) of the  
10 AMI, and shall not be subject to the phased fee increases set forth  
11 in subsection 26-1.22(B)(1)(b).

12 ~~[(e) — No later than July 1, 2022 staff shall initiate a review of the~~  
13 ~~provisions of subsection 26-1.22(B)(1), as established by~~  
14 ~~ordinance no. 2019 30, and shall present the findings to the~~  
15 ~~governing body within six (6) months.]~~

16 (2) *One-hundred percent (100%) LPDUs.* A [n] SFHP developer may create a  
17 development that consists of one-hundred percent (100%) LPDUs that  
18 shall comply with the requirements set forth in subsection 26-2.3;

19 (3) *Fifteen percent (15%) affordable rental units.* A [n] SFHP developer may  
20 set aside [øf] fifteen percent (15%) of on-site rental units for income  
21 certified renters as described in subsection 26-1.23(A); or

22 (4) *Combination.* A [n] SFHP developer may combine two (2) or more of the  
23 preceding three (3) options if such a combination provides an equivalent  
24 and beneficial impact toward meeting identified housing needs, subject to  
25 approval by the office of affordable housing. If a developer chooses to

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provide a combination of the options, then the city shall provide the developer incentives set forth in subsection 14-8.11(G), as approved by the land use director.

C. The marketing, leasing, and occupancy of either an SFHP rental unit or an SFHP manufactured home lot that is rented shall conform to the criteria set forth in the administrative procedures. Rental rates shall comply with the rates set forth in subsection 26-1.24 SFCC 1987. SFHP rental units shall comply with the minimum size, unit type(s), and other structural requirements set forth in subsection 26-1.25 SFCC 1987. SFHP developers must obtain approval for the location of SFHP rental units. The units or manufactured home lots shall have compatible exterior architectural and landscaping appearance with other units in the development.

D. Units or manufactured home lots available for SFHP rentals shall be described in a SFHP proposal in sufficient detail so that such units or manufactured home lots can be identified after construction or creation and occupancy. SFHP tenants must meet eligibility requirements at the time they initially lease an SFHP unit.

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

APPROVED AS TO FORM:

Marcos Martinez  
Marcos Martinez (May 21, 2026 09:49:43 MDT)

MARCOS D. MARTÍNEZ, CITY ATTORNEY

**FISCAL IMPACT REPORT**

**General Information:**

(Check) **Bill:**   x   **Resolution:** \_\_\_\_\_

**Short Title(s):** Updating Fee in Lieu and Affordability Requirements

**Sponsor(s):** Mayor Michael Garcia

**Reviewing Department(s):** Land Use Department, City Attorney’s Office

**Staff Completing FIR:** Faviola Chavez, Affordable Housing Director **Date:** 5/01/2026

**Phone:** (505) 690-4192

**Reviewed by City Attorney:** *Marcos Martinez* **Date:** 05/22/2026  
[Marcos Martinez \(May 22, 2026 09:18:25 MDT\)](#)

**Reviewed by Finance Director:** *Andrea Phillips* **Date:** 05/22/2026  
[ANDREA PHILLIPS \(May 22, 2026 10:07:48 MDT\)](#)

**Summary:**

If adopted, the proposed bill would amend SFCC 1987, Section 26-1.22, which establishes the requirements for developing rental units under the Santa Fe Homes Program (“SFHP”). The bill makes non-substantive technical updates and clarifications to the calculation of fees paid in lieu of providing on-site affordable units. It also makes a substantive change to the fee-in-lieu calculation by proposing the use of thirty percent (30%) instead of sixty-five percent (65%) when determining the calculation’s base fee amount.

**Departments Affected:**

Affordable Housing Department

**Consequences of Not Enacting Legislation:**

If this legislation is not adopted, SFCC 1987, Section 26-1.22, will not be updated to include clarifications and technical updates to the calculation of fees paid in lieu of providing on-site affordable units. There would also not be a decrease from sixty-five percent (65%) to thirty percent (30%) when determining the base fee amount in the fee-in-lieu calculation. This means that the amount collected for developing rental units under the Santa Fe Homes Program would remain status quo.

**Conflict, Duplication, Companionship, or Relationship to Other Legislation:**

Section 26-1.22, SFCC 1987, was last updated via Ordinance No. 2019-30.

**Performance and Administrative Implications:**

None at this time.

**Fiscal Implications:**

\*\*Currently, the fee-in-lieu calculation uses a percentage of sixty-five percent (65%) to determine the “base fee” amount. The bill proposes to lower this amount to thirty percent (30%). The decrease in this

percentage would result in an increase in the amount the City of Santa Fe would collect from developers, should they opt to pay a fee in lieu of providing on-site affordable units. See the memo attachment “Example Calculations for SFHP” for sample fee-in-lieu calculations.

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**Fiscal Impact**

\*\*  Check here if no fiscal impact

**Expenditures**

Expenditure Type	FYE 2026	FYE 2027	FYE 2028	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
<u>Personnel and Benefits*</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Capital Outlay</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Contractual/</u>	\$ _____	\$ _____	\$ _____		_____	_____	
<u>Professional Services</u>							
<u>Operating</u>	\$ _____	\$ _____	\$ _____		_____	_____	\$ _____
<u>Total:</u>	\$ _____	\$ _____	\$ _____				\$ _____

**Expenditure Narrative:**

\*\* See "Fiscal Implications" narrative" above.

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**Revenue**

Revenue Type	FYE 2026	FYE 2027	FYE 2028	Recurring (R) or Non-recurring (NR)	Fund
General Fund	\$ _____	\$ _____	\$ _____	_____	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$ _____	\$ _____	\$ _____	_____	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ _____	\$ _____	\$ _____	_____	_____
Total	\$ _____	\$ _____	\$ _____		

**Revenue Narrative:**

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**CITY OF SANTA FE, NEW MEXICO  
CO-SPONSOR(S) TO BILL NO. 2026-11  
Update to Fee in Lieu and Affordability Requirements**

**The following members of the Governing Body joined sponsorship of this legislation:**

  
Pilar Faulkner (May 26, 2026 09:09:04 AM)  
Pilar Faulkner, Councilor

5/26/2026  
Date



# Co-Sponsorship Form - Updating Fee in Lieu and Affordability Requirements - Councilor Faulkner

Final Audit Report

2026-05-26

Created:	2026-05-26
By:	PALMER ANDERSON (pcanderson@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAABLIEK6oIUqo_mh_Mr9er-lcVTU91D2S

## "Co-Sponsorship Form - Updating Fee in Lieu and Affordability Requirements - Councilor Faulkner" History

-  Document created by PALMER ANDERSON (pcanderson@santafenm.gov)  
2026-05-26 - 3:27:26 PM GMT- IP address: 63.232.20.2
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