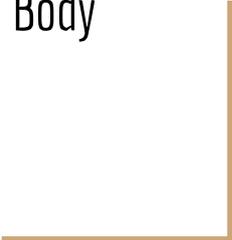




Midtown Development

Presented to Governing Body
February 24, 2021



Presentation Overview

- Reinform about Resolutions 2017-78 and 2018-54
- Confirm the Planning & Implementation Stages
- Explain next steps
- Study Session on Incremental Development

Resolution 2017-78- Concept Stage Tasks

NOW THEREFORE, BE IT RESOLVED THAT THE GOVERNING BODY OF THE CITY OF SANTA FE directs the City Manager to take the following actions in furtherance of the foregoing vision:

1. Continue to pursue discussions with education institutions that have the potential to anchor the redevelopment of the Property while serving both traditional and nontraditional educational needs.
2. Pursue the expansion of existing film facilities and programs to include post-production and expanded sound studios providing access to current technologies to create a nexus where the film industry, the emerging media industry, the anchor school use, and private and public interests in the larger community meet to produce and deliver content and provide new educational and employment opportunities.
3. Encourage the development of workforce housing by the private sector utilizing the incentives provided by the LINC.
4. Reach out to local and regional research and technical institutions such as Los Alamos National Laboratory, Sandia National Laboratories, the Santa Fe Institute, and the School for Advanced Research to engage them in partnering in projects or programs in conjunction with the anchor school use and other public and private institutions and businesses to further shared interests that reach beyond local concerns.
5. Consider utilizing the Fogelson Library to replace the Lafarge Library, incorporating the elements identified in the study now underway as the necessary to a 21st century library and the delivery of some City services.

BE IT RESOLVED FURTHER that an assessment be performed of the city's aesthetic and artistic assets at SFUAD, including a plan to identify their value, storage, security, or potential disposition."

Resolution 2017-78- Concept Stage Tasks

NOW THEREFORE, BE IT RESOLVED THAT THE GOVERNING BODY OF THE CITY OF SANTA FE directs the City Manager to take the following actions in furtherance of the foregoing vision:

6. Reach out to local interest groups to further refine the vision set out in this resolution, including, among other things, how the Property should develop physically to better integrate the inner campus with its neighbors through improved visual and physical access from St. Michael's Drive and internal circulation, to suggest design criteria in conjunction with the LINC to provide a unified identity as the campus develops, and to identify potential community and business uses for the Property, particularly those buildings and features that are purpose-built".
7. Reach out to neighboring landowners to explore the potential for productive partnership opportunities.
8. Explore maker space and co-working opportunities that align with Santa Fe business, educational, and community needs.
9. Work with existing businesses and local business associations to identify the resources they bring to promote the City's goals and their own expansion and growth.
10. Refine potential approaches to reduce debt service on the Property over time and to create incentives for public-private partnerships to further the foregoing vision.
11. Examine differing governance models to identify ways to maximize opportunities to foster development appropriate to a dynamic environment focused on innovation and entrepreneurship.
12. Develop a timeline applicable to the next ninety (90) days through the activities of the working group which, to the greatest extent possible, addresses the actions described above.

BE IT FURTHER RESOLVED that an assessment be performed of the city's aesthetic and artistic assets at SFUAD, including a plan to identify their value, storage, security, or potential disposition."

Resolution 2018-54- Planning Stage Tasks

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE that the attached Midtown Campus Project Final Report is hereby accepted, and the attached "Planning Guidelines" for the Midtown Property are hereby adopted as the culmination of the Concept Phase of the Midtown Property and represent the city's conceptual vision for the future of the Midtown Property.

BE IT FURTHER RESOLVED that **the City Manager is directed to commence the Planning Stage** of the Midtown Property by preparing , as appropriate, one or more Requests for Qualifications (RFQs) and/or Request for Proposals (RFPs) for the procurement of professional consulting services to produce a land development framework plan that includes analyses of economic feasibility, equity assessments, and financial yields; also to include community- based processes for public outreach and engagement by working with local organizations to collaborate on the design and implementation of these public outreach processes that specifically engage and/or represent neighborhoods adjacent to the Midtown Property and the demographic makeup of our city; also to include any other professional studies for the Midtown Property which staff deems necessary to complete the Planning Stage, all to be developed in accordance with the planning Guidelines adopted herein.

BE IT FURTHER RESOLVED that the City Manager is directed to continue action on the remaining items enumerated by Resolution #2017-78 as appropriate

The Present- Planning Stage and Implementation Stage

Stages Outlined for the Midtown Campus Project:

- (a) **Concept Stage** which was the market research, idea generation and concept development work done during the Midtown Campus Project that culminates in strategic, planning guidelines for the next stage,
- (b) **Planning Stage** which will culminate in an appropriately scaled land development plan and financial model that can be successfully executed, and
- (C) **Implementation Stage** which will be the phased implementation of the development plan or modifications thereof. Both the Planning and Implementation phases will also involve public input.

Policy Recommendations - Next Steps

- Following the Resolutions and Planning Guidelines, the recommended path is to:
 - Staff to move forward with due diligence on the property to understand what needs to be done to make it developable
 - City Manager to make a recommendation about how to move forward with the RFEI
 - Staff to prepare a plan to get the City to the Implementation Stage
- Next presentation - Incremental Development

MIDTOWN SANTA FE

CITY COUNCIL / GOVERNING BODY

FEBRUARY 24, 2021
PROGRESS REPORT



Midtown: Three Goal Areas

Long-Term Development Goals

- Higher education
- Housing choices for all incomes
- Film and multimedia industry
- Local community arts and culture
- Technology and innovation

Public Policy Financial Goals

- Generate near-term revenues to pay operating costs (including bond repayment)
- Create long-term value to achieve economic and community development goals

Community Development Goals

- Public Engagement
 - Inclusive
 - Transparent
- Development
 - Sustainable
 - Equitable
 - Public Open Space and Facilities

Based on the Midtown Planning Guidelines approved by the Governing Body in 2018

Relationship between achieving Midtown Goals and Incremental Investment Decisions

Goals	As-is sale (immediate)	Minimal investment (6-12 months)	Incremental disposition/ increased investment (up to 5 years)	
Community	Higher Ed	○	◐	●
	Mixed-Income Housing	○	◐	●
	Film & Multi-media	○	◐	●
	Arts & Culture	○	◐	●
Financial	Offset/reduce costs	?	◐	◐
	Long-term value	○	◐	●
Process	Inclusive & Transparent	○	◐	●
	Green & Sustainable	○	◐	●
	Public Spaces	○	◐	●
	Equitable	○	◐	●

○ Least likely ◐ Moderately likely ● Most likely

Incremental Development

What is Incremental Development?

1. Development based on the principle of building *some* before building *all*.
2. **A phasing strategy** in which elements or parts of the whole are developed and delivered at different times, with the intention to adapt and be flexible to external feedback, lessons learned, **and in real estate development - community needs, and market realities.**

Incremental Development

Objectives of an Incremental Development Strategy

- Minimal upfront or phased investment focused on highest impact to build land value, increase certainty, and overcome constraints to development
- Establish flexibility for the City to respond to economic dynamics while maximizing the potential to achieve public policy and community development objectives
- Create a land use zoning that allows for incremental development while providing enough certainties that create a unified district
- Provide opportunities for local developers and businesses

Incremental Development

Horizontal Development

- Typically refers to zoning, clearing grounds, mitigating site conditions, installing main utility lines (electric, water, sewer, gas, data fiber) and primary road(s). Undertaking these initial horizontal development investments positions a site for vertical development (building).
- The owner of a property either undertakes these tasks prior to disposing of the property or in collaboration with a developer. Completing horizontal development prior to disposition creates higher levels of certainty and reduces risks for developers, while also increasing land value.
- At Midtown, specific horizontal development elements were identified as challenges that create risk. The STTs were established to develop solutions for overcoming obstacles and challenges to development.
- Provides opportunities for local developers and businesses

Midtown Moving Forward

Strategic Tactics Teams

1. Public Engagement
2. RFEI Evaluation Committee
3. Zoning, Development Planning, Infrastructure
4. Existing Buildings and Furniture Fixtures & Equipment (FF&E)
5. Public Finance

Midtown Moving Forward

Strategic Tactics Team

1. Public Engagement

PRESENTATION MARCH 10

- DPAC **Midtown Public Engagement Work Plan** is completed.
- **Regular Updates.** The Office of Economic Development, in collaboration with the Midtown Steering Committee, will be issuing two types of reports each month, as follows:
 - **Progress Reports.** Progress Reports will be written and submitted to the full City Council/ Governing Body once each month. Progress Reports will be submitted prior to the City Council hearing. They may or may not be accompanied with a presentation at the hearing.
 - **Presentations.** Presentations will be developed and presented to the City Council once each month. They will be presented the evening of the City Council hearing, and will be posted on the City's Midtown Updates website after the presentation. City Councilors will be sent a PDF version of the presentation after the hearing, as well.

Midtown Moving Forward

Strategic Tactics Team

2. Evaluation Committee RFEI Solicitations

- Evaluation Committee proceeds with reviewing the RFEI submission in all categories
- **Next Steps: City Manager and Director of Community Development Report @ City Council Hearing - MARCH 31**

Midtown Moving Forward

Strategic Tactics Team

3. Land Use Zoning

- *Once an RFEI direction is set - develop a process for creating a development framework plan and zoning that allows for desired uses (proposed C2 zoning)*
- Zoning process would consider maximizing the application of the LINC overlay zone and other development incentives

Development Planning

- The development and infrastructure plans will provide for incremental (phased) disposition and development within a unified plan (not a piecemeal plan)
- Identify and prioritize future connections/ access to adjacent circulation networks

Infrastructure & Utilities

- Land Use planning would incorporate assessments and strategies for the infrastructure necessary to support the incremental development of the site
- Integrate stormwater management and other broad level sustainable site strategies into initial development framework plan

Midtown Moving Forward

Strategic Tactics Team

4. Existing Buildings

- Substandard Buildings - Identify and demolish
- Temporary Use – continue to allow tenancy with a certain vacate date and prepare for demolition
- Rehab/ Reuse Buildings - Identify and assess investment needs to address structural, system, and code requirements in buildings identified for rehab/ reuse

Midtown Moving Forward

Strategic Tactics Team

5. Public Finance

- Evaluate and pursue the possibility of establishing an initial public finance structure, (an MRA). and other financing structures (TIF District and LINC area) to fund certain primary elements of public infrastructure.
- Identify zoning incentives applicable to Midtown to achieve equity and sustainability objectives.

City Council Presentations and Reports

- Feb 10: *Presentation:* Land Disposition
- Feb 24: *Report:* Strategic Tactics Teams

- Mar 10: *Presentation:* Public Engagement
- Mar 31: *Report:* RFEI/ Solicitation Next Steps

- Apr 14: *Presentation:* Land Use Planning
- Apr 28: *Report:* Incremental Development Next Steps

City Council Presentations and Reports

- May 12: *Presentation:* Existing Buildings & Furniture Fixtures & Equipment (FF&E)
- May 26: *Report:* Strategic Tactics Teams

- Jun 09: *Presentation:* Public Finance
- Jun 30: *Report:* Strategic Tactics Teams

- Jul 14: *Presentation:* Public Engagement
- Jul 28: *Report:* Strategic Tactics Teams

MIDTOWN SANTA FE

PLEASE VISIT OUR WEBSITE

www.MidtownDistrictSantaFe.com