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1 options for all types of households at all income levels, discourage
2 discrimination and segregation by race or class, and provide for multi-family
3 housing close to investments in public services, transit, and shopping; and
4 Policy 9.1.2 Affordability, including Sub-policies 9.1.2.a, 9.1.2.b, 9.1.2.c, 9.1.2.d,
5 and 9.1.2.e to prioritize affordable housing for populations with the lowest
6 income levels; encourage a diversity of housing types, including townhouses
7 and accessory dwelling units that are at a similar scale to existing
8 neighborhoods; encourage higher-density housing near job centers and along
9 transit corridors; and encourage mixed-use development; and

10 WHEREAS, the City Council adopted the Integrated Development
11 Ordinance (IDO) to implement Comp Plan Goals and policies; and

12 WHEREAS, the IDO establishes zone districts, allowable uses, use-specific
13 standards, and general regulations in Parts 1 through 5 that set the bar for
14 high-quality development that is compatible with surrounding land uses and
15 provides appropriate transitions and buffers to lower-intensity uses nearby;
16 procedures for review and decision of applications related to land use and
17 development in Part 6; and definitions and acronyms in Part 7; and

18 WHEREAS, any amendment of the IDO text that applies citywide is to be
19 reviewed and decided as a legislative action; and

20 WHEREAS, the City has the responsibility to establish land use and zoning
21 regulations that respond to changes in the supply and demand for housing;
22 and

23 WHEREAS, the Department of Family and Community Services'
24 Consolidated Housing Plan for 2018-2022 calculated the city's Area Median
25 Income (AMI) to be \$47,989, with over 20 percent of the city's 222,491
26 households making less than 50 percent of that AMI and 11 percent of
27 households at or below 30 percent of that AMI; and

28 WHEREAS, the City's point-in-time count identified over 1300 people
29 experiencing homelessness in 2022; and

30 WHEREAS, an Urban Institute study found that over 15,000 affordable
31 housing units were needed for households at or below 30 percent of Area
32 Median Income (AMI); and

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1 WHEREAS, the Harvard Joint Center for Housing Studies reported that
2 Albuquerque rents increased nearly 20 percent year-over-year in 2021
3 compared to 2.6 percent in 2015; and

4 WHEREAS, rents in the city have increased more than 11 percent in the last
5 year alone, according to ApartmentList.com, and the vacancy rate for multi-
6 family development fell below 3 percent for the Albuquerque market in the first
7 quarter of 2022, according to Northmarq Real Estate Investment/REIS; and

8 WHEREAS, this upward shift in prices disproportionately impacts lower
9 income households, because the supply of rental units affordable to
10 households with incomes of less than \$25,000 per year decreased by over 50
11 percent between 2010 and 2019 compared to a 9 percent decrease in the
12 number of renters with incomes less than \$25,000 statewide, according to the
13 Mortgage Finance Authority’s New Mexico Housing Strategy from September
14 2022; and

15 WHEREAS, typical Albuquerque home value increased nearly 20 percent in
16 2021 compared to just 0.2 percent in 2015, according to data from the Harvard
17 Joint Center for Housing Studies; and

18 WHEREAS, housing prices have increased more than 17 percent in the first
19 quarter of 2022, according to data from the Harvard Joint Center for Housing
20 Studies; and

21 WHEREAS, over 5,000 housing units of all types need to be added every
22 year statewide, on average, to accommodate growth expected by 2025, while
23 over the past 10 years, only 3,300 housing units were constructed, on average,
24 and the trend of more households moving to urban areas continues,
25 according to the Mortgage Finance Authority’s New Mexico Housing Strategy
26 from September 2022; and

27 WHEREAS, recent commitments from Amazon, Netflix, Facebook, and Intel
28 for expansions are estimated to bring over 40,000 new jobs and households to
29 the region, necessitating over 14,000 new rental units and 26,000 single-family
30 dwellings, according to ULI and the Ventana Fund; and

31 WHEREAS, increasing the supply of all types of housing generally keeps
32 housing prices and rents more affordable; and

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1 WHEREAS, only 36 percent of the total area of the city has Residential or
2 Mixed-use zoning that allows residential development; and
3 WHEREAS, the R-1 zone district makes up 23 percent of the total
4 geographic area of the city; and
5 WHEREAS, the R-1 zone district only allows one single-family dwelling per
6 lot; and
7 WHEREAS, there are 135,894 properties zoned R-1, which accounts for 68
8 percent of all zoned properties in the city; and
9 WHEREAS, the history of R-1 zoning includes efforts to exclude people
10 outside the dominant race and lower-income households; and
11 WHEREAS, low-density residential development includes many housing
12 options that can meet the needs of seniors to age in place; multi-generational
13 households to provide spaces for college students, aging parents, and
14 extended family members; and households that would benefit from additional
15 rental income from dwelling units on their properties; and
16 WHEREAS, adding an additional dwelling unit for rental or for family
17 members either as an accessory dwelling unit on a lot with an existing house
18 or renovating an existing house into a two-family dwelling can be an anti-
19 displacement strategy to help families stay in their homes, support extended
20 families and multigenerational households, and build generational wealth
21 through homeownership for many families who have been marginalized
22 historically; and
23 WHEREAS, most of the regulatory protections for neighborhoods and
24 Areas of Consistency in the IDO are tied to low-density residential
25 development; and
26 WHEREAS, allowing two-family dwellings (duplexes) and accessory
27 dwelling units in the R-1 zone district would immediately remove exclusionary
28 effects, allow triple the number of dwellings on 68 percent of the city’s zoned
29 properties (38% of the city’s total land area), and maintain the existing
30 protections for neighborhoods and Areas of Consistency; and
31 WHEREAS, only 9 percent of the city’s total land area is zoned R-MH or one
32 of the Mixed-use zone districts, which allow multi-family at the highest
33 densities through higher maximum building height; and

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1 WHEREAS, maximum building heights and required off-street parking can
2 be regulatory barriers to development projects that could increase the
3 availability of multi-family dwellings; and

4 WHEREAS, removing limits on building heights and reducing off-street
5 parking requirements for multi-family dwellings would be an incentive that
6 could lower the construction cost per dwelling unit, help projects be more
7 feasible, and increase the supply of multi-family dwellings; and

8 WHEREAS, affordable housing is often the most feasible when provided as
9 multi-family dwellings; and

10 WHEREAS, exempting affordable housing provided as multi-family
11 dwellings from the off-street parking requirement would be an incentive that
12 could reduce development costs, help projects be more feasible, and increase
13 the supply of affordable multi-family dwelling units.

14 BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
15 ALBUQUERQUE:

16 SECTION 1. AMEND THE INTEGRATED DEVELOPMENT ORDINANCE TO
17 ALLOW TWO-FAMILY DWELLINGS PERMISSIVELY IN THE R-1 ZONE
18 DISTRICT CITYWIDE.

19 (A) Revise §14-16-2-3(B)(1) Purpose as follows:

20 “The purpose of the R-1 zone district is to provide for neighborhoods of
21 single-family and two-family homes on lots with a variety of lot sizes and
22 dimensions, with limited civic and institutional uses to serve the surrounding
23 residential area. When applied in developed areas, an additional purpose is to
24 require that redevelopment reinforce the established character of the existing
25 neighborhood. ~~Primary land uses include single-family detached homes on~~
26 ~~individual lots, with limited civic and institutional uses to serve the~~
27 ~~surrounding residential area. Allowable uses are shown in Table 4-2-1.”~~

28 (B) Delete §14-16-4-3(B)(5)(b) and the illustration to allow two-family
29 detached dwellings in all R-1 subzones.

30 SECTION 2. AMEND THE INTEGRATED DEVELOPMENT ORDINANCE TO
31 ALLOW DETACHED ACCESSORY DWELLING UNITS WITH KITCHENS
32 PERMISSIVELY IN THE R-1 ZONE DISTRICT CITYWIDE, EXCEPT IN SMALL
33 AREAS WHERE SPECIAL REGULATIONS APPLY.

1 (A) Revise Table 4-2-1 to remove “A” from Dwelling Unit, Accessory without
2 Kitchen in the following zone districts: R-MH, MX-L, MX-M, NR-C, NR-BP,
3 NR-LM, NR-GM, and NR-PO-B.

4 (B) Revise Table 4-2-1 to remove “A” from Dwelling Unit, Accessory with
5 Kitchen for the R-MH zone district.

6 (C) Revise §14-16-4-3(F)(5)(a) as follows:

7 "Where this use is allowed, only 1 accessory dwelling unit is
8 allowed per lot and shall be limited to 750 square feet of gross floor
9 area. A garage attached to the accessory dwelling unit shall not count
10 toward this size limit. See Table 4-2-1 for the zone districts where this
11 use is allowed and Subsection 14-16-4-3(F)(5)(e) for the small areas
12 where accessory dwelling units with kitchens are only allowed
13 conditionally in the R-1 zone district or have special regulations.

14 1. Where added as accessory to a single-family or two-family detached
15 dwelling, this use must be provided as an accessory building and may
16 be provided without a kitchen.

17 a. A renovation to create a second unit with a kitchen, a separate
18 entrance, and no shared spaces in a single-family dwelling is
19 regulated separately as a two-family detached dwelling in Table 4-2-

20 1.

21 b. A second kitchen within a single-family or two-family detached
22 dwelling is regulated separately as an allowable accessory use in
23 Table 4-2-1.

24 ~~1. If accessory to residential development in any zone district,~~
25 ~~the accessory dwelling unit can be attached or detached.~~

26 2. In a Mixed-use or Non-residential zone district, an accessory dwelling
27 unit may be added for the caretaker of a primary non-residential use,
28 either attached or detached to the building with a primary use, and must
29 include a kitchen."

30 ~~2. If accessory to a non-residential use in any Mixed-use zone~~
31 ~~district, the accessory dwelling unit shall be attached to the~~
32 ~~building with the non-residential use.~~

33 ~~3. In a Non-residential zone district, the accessory dwelling unit~~

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1 is allowed for the caretaker of the primary non-residential use
2 and may be attached or detached.

3 (D) Delete §14-16-4-3(F)(5)(b) and renumber subsequent subsections
4 accordingly.

5 “When an accessory dwelling unit is attached to a primary dwelling,
6 only 1 dwelling unit entrance may face the front lot line.”

7 (E) Revise §14-16-4-3(F)(5)(e) as follows:

8 "Accessory dwelling units with or without a kitchen are allowed as a
9 permissive accessory use ~~prohibited~~ in the R-1 zone district, with
10 exceptions where they are allowed as ~~permissive or~~ conditional
11 accessory uses in certain ~~Center and Corridor~~ areas and in certain small
12 areas as specified below and as allowed pursuant to Subsection (f)
13 below. Where allowed as a conditional accessory use, a Conditional Use
14 Approval pursuant to Subsection 14-16-6-6(A) is required."

15 (F) Delete §14-16-4-3(F)(5)(e)1 and renumber subsequent subsections
16 accordingly.

17 ~~“Near Premium Transit and Main Street Areas~~
18 ~~Accessory dwelling units with a kitchen are a permissive~~
19 ~~accessory use within 1,320 feet (¼ mile) of PT and MS areas.~~
20 ~~An accessory dwelling unit shall not exceed 750 square feet of~~
21 ~~gross floor area.”~~

22 (G) Revise §14-16-4-3(F)(5)(g) as follows:

23 "In the small areas in Subsection (e) above that require a Conditional
24 Use Approval pursuant to Subsection 14-16-6-6(A) for accessory
25 dwelling units with kitchens ~~R-1 zone district~~, accessory dwelling units
26 without kitchens require a Conditional Use Approval pursuant to
27 Subsection 14-16-6-6(A), ~~except in areas where accessory dwelling units~~
28 ~~with kitchens are allowed permissively pursuant to Subsection (e)~~
29 ~~above.~~"

30 (H) Revise the definition of Dwelling Unit, Accessory in §14-16-7-1 as
31 follows:

32 "A dwelling unit that is accessory to a primary single-family or two-
33 family detached dwelling or a non-residential primary use. Accessory

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1 dwelling units may be attached to the primary dwelling, contained within
2 the primary dwelling, or built as a detached building. This IDO
3 distinguishes between accessory dwelling units with and without a
4 kitchen. A detached accessory dwelling unit is also considered an
5 accessory building. See also Dwelling Definitions for Dwelling,
6 Live/Work; Dwelling, Single-family Detached; and Dwelling, Two-family
7 Detached (Duplex); Kitchen; and Measurement Definitions for
8 Accessory Dwelling Unit.”

9 SECTION 3. AMEND THE INTEGRATED DEVELOPMENT ORDINANCE TO
10 EXEMPT ALL CONVERSIONS FROM NON-RESIDENTIAL DEVELOPMENT
11 TO MULTI-FAMILY DWELLINGS FROM THE DEFINITION OF KITCHEN. Amend
12 existing text in the use-specific standard in §14-16-4-3(B)(8)(e) as follows:

13 “4-3(B)(8)(e) In Mixed-use zone districts, ~~[a maximum of 100 dwelling units~~
14 ~~resulting from]~~ a conversion of existing non-residential development to a
15 residential use shall be exempt from the definition of kitchen in IDO Section
16 14-16-7-1 ~~[in multi-family residential dwellings that receive funding through the~~
17 ~~City of Albuquerque Department of Family and Community Services as~~
18 ~~affordable housing as defined by Article 14-21 of ROA 1994 (Affordable~~
19 ~~Housing Implementation Ordinance),]~~ if all of the following requirements are
20 met.

- 21 1. A separate kitchen and bathroom shall be provided in each dwelling unit.
- 22 2. The kitchen shall include all of the following requirements:
 - 23 a. A sink of adequate size and shape for washing dishes and food items (as
 - 24 opposed to washing hands).
 - 25 b. A refrigerator that inclu[d]es a separate freezer compartment.
 - 26 c. A countertop surface, an appliance for warming food (such as
 - 27 microwave or hotplate), and an electrical outlet that allows the appliance to
 - 28 be plugged in safely.
- 29 ~~{3. An accessory or primary use for office or personal services shall be~~
30 ~~provided on the same premises for service coordination.~~
- 31 4. ~~An agreement shall be provided with application materials to prove that a~~
32 ~~minimum of 40 hours of support services a week will be provided to residents.]~~

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1 5. Units shall have a maximum of 2 bedrooms, and occupancy shall be limited
2 as follows:

- 3 a. 2 people per efficiency unit.
- 4 b. 2 people per 1-bedroom unit.
- 5 c. 4 people per 2-bedroom unit.”

6 SECTION 4. AMEND THE INTEGRATED DEVELOPMENT ORDINANCE TO
7 ELIMINATE BUILDING HEIGHT MAXIMUMS FOR MULTI-FAMILY RESIDENTIAL
8 DEVELOPMENT AND MIXED-USE DEVELOPMENT.

9 A. Revise Table 5-1-1 by replacing the Workforce Housing Bonus in the R-
10 MH zone district with the following text:

11 “No maximum building height for multi-family residential development”

12 B. Revise Table 5-1-2 by replacing the Workforce Housing Bonus in Mixed-
13 use zone districts with the following text:

14 “No maximum building height for multi-family residential development
15 or mixed-use development”

16 SECTION 5. AMEND THE INTEGRATED DEVELOPMENT ORDINANCE TO
17 EXEMPT AFFORDABLE HOUSING FROM OFF-STREET PARKING
18 REQUIREMENTS. Add a new §14-16-5-5(B)(2)(a)1, renumbering subsequent
19 subsections accordingly, with text as follows:

20 “Where allowed, multi-family or mixed-use development that provides at
21 least 20 percent of dwelling units as affordable to households at or below 50
22 percent of Area Median Income (AMI) as calculated by the U.S. Department of
23 Housing and Urban Development (HUD) for the City of Albuquerque.”

24 SECTION 6. ADD A PARKING REDUCTION FOR MULTI-FAMILY
25 DWELLINGS IN MIXED-USE ZONE DISTRICTS. Add a new subsection in §14-
26 16-5-5(C)(5) with text as follows:

27 “Reduction for Multi-family Dwellings in Mixed-use Zone Districts
28 The minimum number of off-street parking spaces required by Table 5-1-1
29 may be reduced by 75 percent if a proposed multi-family dwelling is located in
30 any Mixed-use zone district.”

31 SECTION 7. SEVERABILITY CLAUSE. If any section, paragraph, sentence,
32 clause, word or phrase of this ordinance is for any reason held to be invalid or
33 unenforceable by any court of competent jurisdiction, such decision shall not

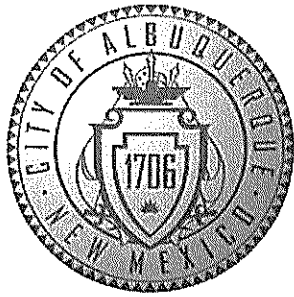
1 affect the validity of the remaining provisions of this ordinance and each
2 section, paragraph, sentence, clause, word, or phrase thereof irrespective of
3 any provision being declared unconstitutional or otherwise invalid.

4 SECTION 8. This ordinance shall be incorporated in and made part of the
5 Revised Ordinances of Albuquerque, New Mexico, 1994.

6 SECTION 9. EFFECTIVE DATE AND PUBLICATION OF SECTIONS 1
7 THROUGH 6. Sections 3 through 8 of this ordinance shall take effect after
8 publication by title and general summary upon the sooner of the effective date
9 of the 2022 IDO Annual Update or January 31st, 2024.

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CITY OF ALBUQUERQUE
Albuquerque, New Mexico
Office of the Mayor

Mayor Timothy M. Keller

INTER-OFFICE MEMORANDUM

October 28, 2022

TO: Isaac Benton, President, City Council

FROM: Timothy M. Keller, Mayor *TJK*

SUBJECT: Housing Text Amendments to the Integrated Development Ordinance (IDO) to be included in the 2022 Annual Update

The attached, recommended legislation would enact emergency text amendments to the Integrated Development Ordinance (IDO) to rapidly address the City's worsening housing shortage. These emergency amendments would apply city-wide as part of the 2022 Annual Update.

BACKGROUND

The City is experiencing a rapidly worsening housing shortage that is contributing to increased homelessness, record high rents and inflationary housing prices. In addition, the shortage is causing an alarming and growing gap between the shrinking affordable housing supply and the expanding demand. In response, the Office of the Mayor convened a task force in the summer of 2022 to create a Strategic Housing Initiative. The attached emergency legislation is a key piece of that initiative.

REQUEST

The proposed city-wide emergency text amendments include changes to the Integrated Development Ordinance (IDO) that are intended to promptly remove regulatory barriers to increasing the supply of market rate and affordable housing in Albuquerque.

The proposed changes are intended to be transformative, which is fitting for the crisis facing our local government, thousands of families in our community, and our housing partners. The Administration is sending these changes for legislative action ahead of the IDO Annual Update due to the severity and urgency of the present housing crisis.

CONCLUSION

Cover Analysis

- 1. What is it?** Housing Text Amendments to the Integrated Development Ordinance (IDO) to be included in the 2022 Annual Update.
- 2. What will this piece of legislation do?** This legislation would enact text amendments to the Integrated Development Ordinance (IDO) to rapidly address the City's worsening housing shortage. These housing amendments would apply city-wide if adopted as part of the 2022 IDO Annual Update.
- 3. Why is this project needed?** The City is experiencing a rapidly worsening housing shortage that is contributing to increased homelessness, record high rents and inflationary housing prices. In addition, the shortage is causing an alarming and growing gap between the shrinking affordable housing supply and the expanding demand. These amendments are needed to promptly remove regulatory barriers to increasing the supply of market rate and affordable housing in Albuquerque.
- 4. How much will it cost and what is the funding source?** There is no cost to the City associated with this legislation.
- 5. Is there a revenue source associated with this contract? If so, what level of income is projected?** N/A
- 6. What will happen if the project is not approved?** If the amendments are not approved, the gap between the shrinking affordable housing supply and the expanding demand will not be addressed in a significant way and is likely to worsen as rent costs continue to increase.
- 7. Is this service already provided by another entity?** No.

FISCAL IMPACT ANALYSIS

TITLE: Adopting Housing Text Amendments to the IDO in the 2022 Annual Update R: O:
 FUND: 110
 DEPT: 4926000

- No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

	2023	Fiscal Years 2024	2025	Total
Base Salary/Wages				-
Fringe Benefits at	-	-	-	-
Subtotal Personnel	-	-	-	-
Operating Expenses				-
Property			-	-
Indirect Costs	-			-
Total Expenses	\$ -	\$ -	\$ -	\$ -
<input checked="" type="checkbox"/> Estimated revenues not affected				
<input type="checkbox"/> Estimated revenue impact				
Amount of Grant	-			-
City Cash Match	-	-	-	-
City Inkind Match		-	-	-
City IDOH ^{*15.30}	-			-
Total Revenue	\$ -	\$ -	\$ -	\$ -

These estimates do not include any adjustment for inflation.

* Range if not easily quantifiable.

Number of Positions created 0

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

This legislation would amend the IDO text with citywide changes related to the current housing crisis ahead of the 2022 IDO annual update. These amendments would replace the R-1 zone district with R-T zoning and associated standards, lower parking requirements for multi-family dwellings, eliminate parking requirements for affordable housing, and eliminate building height limits for multi-family dwellings.

PREPARED BY: _____ APPROVED: _____

 FISCAL MANAGER (date) DIRECTOR (date)

REVIEWED BY: _____

 EXECUTIVE BUDGET ANALYST (date) BUDGET OFFICER (date) CITY ECONOMIST (date)