



CASITAS BUILD COMMUNITY ADU FACTSHEET

We have a massive need for new rental housing in Santa Fe!

- 5900+ renter families are currently paying more than they can afford for housing
- 73% of households earning less than \$50,000 a year currently have an unaffordable rent
- Since 2009 rental vacancy rates have dropped from 10% to <2%, rents increased 30%+
- Over 5000 new rental units are needed to balance the market and slow rent escalation

Why Casitas and Guesthouses?

- Adding casitas has been the historic growth pattern for hundreds of years
- A way of creating new rental housing without large apartment complexes
- Makes existing housing more affordable by providing rental income to the homeowner
- Increased asset value is a wealth building strategy for owners with limited means
- They allow aging family members to live near relatives, provide for on-site caregiver
- Casitas increase options for affordable housing providers seeking voucher-eligible units
- A distributed development strategy that creates “invisible infill” in all areas of the city
- Increases property tax revenue for local governments
- Homeowner/developer model ensures “community control” of housing development capital
- Casitas utilizing existing roads, schools, trails, public transportation and utility infrastructure
- Lowers the cost of long-term maintenance of community infrastructure
- Land use changes are an essential first step towards programs to incentivize long-term affordability

What do the code changes propose to do?

- **Increase the number of legal rental units available today** by allowing both a guesthouse and main houses to be rented long-term on the same property
- Makes **more properties eligible for new casitas** and **lowers the cost to build** them by allowing some on-street parking to count towards parking requirement, allowing second story guesthouses where allowed by zoning, and reducing additional aesthetic design requirements beyond what’s required by underlying zoning
- **Maintains short-term rental rules** that require an on-site owner-occupant to rent a casita

What are the common arguments against this proposal?

The change in owner occupancy will create absentee slum lords.

There are already over 4000 homes in Santa Fe that are rented out by “absentee landlords.” Having an additional unit has no impact on the quality or professionalism of a landlord. Eliminating the option of renting casitas because of a few bad apples is not good public policy.

Eliminating the off-street parking requirement will cause parking problems.

The current proposal will only allow on-street parking to count for streets at least 35 feet wide with legal parking on both sides. This will exempt many smaller residential streets and most of the historic districts. In many cases creating a new off-street parking spot requires a new curb-cut that eliminates an existing on-street public parking space that has already been paid for.

There hasn’t been enough time for public review.

This proposal was introduced on March 13th, it will have three committee hearings, a public hearing at Planning Commission, and a final public hearing on May 29th a city council.

The Coalition is also working to organize more public listening sessions.

This proposal will lead to more short-term rentals (STR).

ADU and casitas are a housing “type” and short term rental is a “use” with a special section of the code. The city is currently auditing the STR program and the Coalition supports creating stronger controls on STR’s. But creating special rules for new casitas that don’t apply to previously build casitas creates an unequal situation, especially for lower income homeowners future ADU programs will target. We believe that the STR code is the best place to regulate “use” and that to maximize adoption as much flexibility should be preserved for new casitas as possible.