



Date: October 2, 2026

To: Mayor Michael J. Garcia
Members of the Governing Body

From: Heather L. Lamboy, AICP, Planning & Land Use Director 

Subject: Tri-Party Agreement to Construct Required Development Infrastructure

ACTION:

Request for Approval of a Professional Services Contract and an Intergovernmental Agreement with the State of New Mexico Department of Workforce Solutions, Homewise, and the City of Santa Fe for the construction of spine infrastructure serving the planned Tierra Contenta Phase 3 project in the total amount of \$8,975,000.

BACKGROUND & SUMMARY:

The attached exhibit, *Agreement to Construct Required Development Infrastructure*, is required as a part of the planning process to ensure that Homewise, the master developer of the Tierra Contenta Phase 3 project, completes the infrastructure that is a part of their housing development. This agreement is between the City of Santa Fe, Homewise, and the Department of Workforce Solutions (DWS), which is the grantor. At the 2025 regular session of the New Mexico State Legislature, the Legislature granted Homewise a capital outlay of \$8,975,000 for the planning, design, and construction of the spine infrastructure for Tierra Contenta Phase 3. The Planning Commission has approved both a Master Plan and a subdivision plat. With the consent of both DWS and the City, Homewise added a few redlines to clarify that this agreement also ensures a financial guarantee is in place to provide capital outlay to a private entity for public infrastructure. Homewise added a section (Section 4) titled State of New Mexico Capital Outlay that describes the purpose and amount of the capital outlay, as well as the roles of the Department of Workforce Solutions and the City of Santa Fe.

The State of New Mexico has begun requiring local jurisdictions to serve as fiscal agents for private-company grantees. This adds an additional level of review, and the City will ensure that the funds are being expended consistent with the agreement. The City will also ensure that all improvements are inspected and constructed to Code, with the eventual goal of having the infrastructure accepted by the City as public right-of-way.

This Agreement to Construct document for Tierra Contenta is also serving as an intergovernmental agreement between the City of Santa Fe and the DWS. DWS is serving as our fiscal agent for capital outlay from the Governor and Santa Fe legislative delegation. Sarita Nair, Cabinet Secretary for DWS; Gregory Lauer, DWS attorney; Maria Garcia Cunningham, ASD Deputy Director; Marcos Martinez, City Attorney; and Dee Beingessner, City Engineer, reviewed and approved this document. The Governing Body is requested to approve this so Mayor Garcia can sign and complete the agreement.

ATTACHMENTS:

Tri-Party Agreement to Construct Infrastructure
Approved Tierra Contenta Phase 3 Subdivision Plat