

Land Use Working Group



Santa Fe Area
Home Builders
Association



AIA
Santa Fe



Positive Economic Impact for Santa Fe

September 24, 2021

Mayor Webber, Members of the Council, City Manager LePan, Director Brown, Interim Director Kluck

The Land Use Working Group held its first meeting on February 22, 2021. The Group is composed of representatives from the Santa Fe Area Home Builders Association, the Santa Fe Chapter of the American Institute of Architects, the New Mexico Roofing Contractors Association, and the Santa Fe Association of Realtors.

The persisting issues bringing the group together revolve around long-standing and systemic challenges in the planning, permitting, and inspections process. These issues significantly harm the financial welfare of the City with a multiplier effect derailing economic momentum in all sectors including a direct impact on housing affordability.

Addressing these issues ensures a prosperous future for all people of Santa Fe. To restore momentum, it is essential these issues are understood as resolvable challenges so we can collectively, as a city of diversity, maintain a vision of Santa Fe as the most compelling place to live.

In our March 4th, 2021 letter to the City of Santa Fe Land Use Department, we outlined immediate goals of the Working Group including to:

- see policies implemented and information shared that will improve efficiency
- shorten wait times for permit approvals and inspections; and
- help identify, target, and support greater resources within City budgets; and
- be partners in the implementation and training on new technologies and protocols that improve the overall system.

Initially, we created a five-question survey for users of the services of the Land Use Department to find and measure the pluses and the minuses of the planning, permitting, and inspections process.

The response from the City to our request for engagement was immediate and positive.

We met with the Mayor, the City Manager, and the Land Use Director on April 7, 2021 to review the survey results. The administration responded with an **expanded budget** for the Department in FY22 that included four new positions, an additional \$1.8 million targeted for the Affordable Housing Trust Fund, and other funds budgeted for projects including growth management planning, land use code updates, and historic preservation. Overall, the Land Use Department budget increased 19.8% over the previous year. The administration and Council have clearly made Land Use a priority. **City Staff and Elected Officials are justifiably proud of the tremendous increase in the number of permits per year that the department approves.**

And yet issues remain.

Reports persist of permit approvals taking long periods of time to complete. Even with the huge increase in permitting, there is still a lack of satisfaction on the part of the design and construction community.

The backlog of permit applications, plan reviews, inspections, and difficulty communicating efficiently with Land Use Staff remain untenable to all parties - exacerbating the housing crisis, and causing financial stressors on our industry that snowball into other areas of our fragile economy.

Why is this happening?

One key to understanding the situation is in the organizational chart provided to the Group by the Land Use Director. According to the breakdown, the Department would need 64 employees to be at full strength. As of the preparation of the chart, we **count 16 vacant union positions and 3 non-union/proposed positions** that are vacant.

A primary reason that the Department cannot deliver is its lack of capacity. This is not a new phenomenon, nor is it exclusive to the Land Use Department. The Finance Department reported a 40% vacancy rate at a recent Council meeting. Our conversations with Local 3999 Officers and City Staff confirm that the inability to recruit and retain qualified front line staff is a crippling factor for City operations across many departments.

We are supportive of the effort to hire additional personnel for the Department at competitive wage levels, however, shortages of employees will undoubtedly be endemic to the City of Santa Fe for years to come, and the work of design and construction go on.

Our research shows that **many other municipalities across the country** face this same situation.

The Land Use Working Group proposes the City of Santa Fe:

1. **Amend City Policy and/or Advocate for Amended New Mexico Legislation that:**
 - a. Allows the option for City Approved Independent Third-Party Plan Check (TPPC) companies to work with applicants in the permit process; and
 - b. Allow certain HERS rater inspections mandated for compliance with the Santa Fe Residential Green Building Code to qualify as official inspections, making a second redundant City Staff Inspection unnecessary; and
2. **Engage outside consultants to help** administer improvements and train city staff and design & construction industry stakeholders on Citizens Self Service (CSS) portal (Residential Express, Commercial Express, Trade and Secondary permits), the Land Use Website; and review and propose updates to Chapter 14 - Land Development of the Municipal Code.
3. **Employ data from Compensation and Classification Studies** from previous and upcoming 2022 study to adjust pay scales, in order to retain and attract skilled personnel at Land Use;

Our recommendations are focused on the operational structure of the Land Use Department. The operational issues that we have found in the Department far predate the tenure of any current City administrator, employee, or member of the Governing Body.

Based on past experience, **it is simply not feasible for the Land Use Department to continue its present structure** and expect to provide the services that are necessary. The members of the Working Group are ready to provide assistance and expertise in the creation of this new model for the Department.

Sincerely,

The Land Use Working Group

comprised of members from:

Santa Fe Area Homes Builders Association
Santa Fe Chapter of the American Institute of Architects
New Mexico Roofing Contractors Association
Santa Fe Association of Realtors.

contacts:

Miles D. Conway
Executive Officer
Santa Fe Area Home Builders Association
o. 505.982.1774
c. 505.455.2853

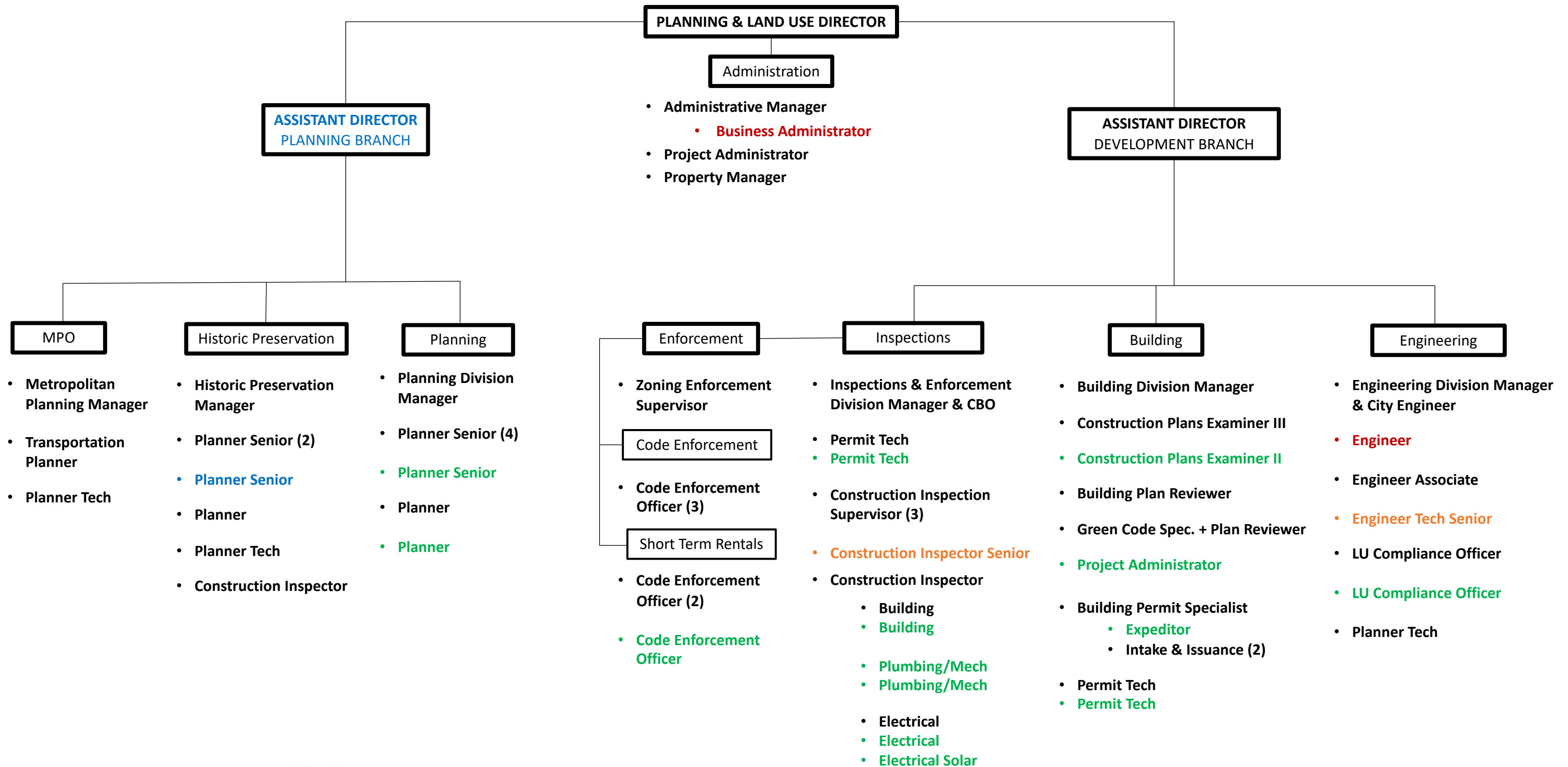
Tom Spray
Executive Director
American Institute of Architects - Santa Fe
c. 505.577.6545

Michael A. Rife
Executive Director
New Mexico Roofing Contractors Association
c. 505.241.9904

Donna Reynolds
Government Affairs Director
Santa Fe Area Realtors
c. 505.795.0223

Cc
Santa Fe New Mexican
Memberships of AIA-Santa Fe, SFAHBA, NMRCA, SFAR

LAND USE DEPARTMENT ORGANIZATIONAL CHART – FY 21-22



Currently filled position
 Vacant, Funded/Recruiting
 Vacant, Unfunded
 Proposed new position
 Proposed new job classification

Work Class
 (12) Non-Union Active
 (2) Non-Union Vacant/Interim
 (32) Union Active
 (16) Union Vacant
 (1) Union Proposed
 (1) Non-Union Proposed
 64 Total