



Agenda

CITY CLERK'S OFFICE

DATE 5-20-08 TIME 2:55

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**PUBLIC WORKS/CIP & LAND USE COMMITTEE
MEETING
CITY COUNCIL CHAMBERS
TUESDAY, MAY 27, 2008
5:15 P.M.**

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF CONSENT AGENDA
5. APPROVAL OF MINUTES FROM APRIL 28, 2008, PUBLIC WORKS COMMITTEE MEETING

CONSENT AGENDA

6. CIP PROJECT #106 - LA FARGE BRANCH LIBRARY - REMODEL
 - REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO THE AGREEMENT BETWEEN OWNER AND ARCHITECT, VICTOR JOHNSON ARCHITECT, FOR THE DESIGN OF REPLACEMENT LIGHTS, ELECTRICAL UPDATE AND NEW SIGNAGE, IN THE AMOUNT OF \$7,050 (**CHIP LILIENTHAL**)
7. FIRE STATION NO. 3
 - REQUEST FOR APPROVAL OF AMENDMENT NO. 2 WITH RISKIN ASSOCIATES ARCHITECTURE FOR THE BIDDING NEGOTIATIONS, CONSTRUCTION ADMINISTRATION AND WARRANTY INSPECTION, IN THE AMOUNT OF \$46,829.84 PLUS \$3,000 REIMBURSABLE EXPENSES (**CHIP LILIENTHAL**)
8. REQUEST FOR APPROVAL OF AGREEMENT TO LEASE CITY OWNED VACANT PROPERTY TO SANTA FE COUNTY FOR THE PURPOSE OF PROVIDING A FACILITY TO HOUSE ESPERANZA SHELTER FOR BATTERED FAMILIES ADMINISTRATIVE AND SUPPORT FUNCTIONS, WHICH INCLUDES A 25-YEAR TERM IN THE AMOUNT OF \$1 ANNUM (**DAVID CHAPMAN**)
9. REQUEST FOR APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF SANTA FE AND THE SANTA FE WATERSHED ASSOCIATION TO MANAGE THE ADOPT THE RIVER PROGRAM FOR TWO YEARS AND IN THE AMOUNT OF \$26,000 INCLUSIVE OF NMGRS (**DAVID CHAPMAN/RACHEL FRIEDMAN**)

10. CIP PROJECT #852-II – OLD PECOS TRAIL PROJECT
 - REQUEST FOR APPROVAL OF AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICES AGREEMENT WITH GANNET FLEMING WEST, INC. IN THE AMOUNT OF \$15,672.41 PLUS APPLICABLE NMGR (JOHN ROMERO)
11. SANTA FE SOUTHERN RAILWAY
 - REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO ADDRESS NECESSARY WORK ON THE RAILROAD SIGNAL SYSTEM IN THE AMOUNT OF \$12,551.73 (FRANK ROMERO)
12. SANTA FE RAILYARD COMMUNITY CORPORATION
 - REQUEST FOR APPROVAL OF AMENDMENT NO. 12 FOR SUCH ITEMS AS ARCHEOLOGICAL STUDY, INSTALLATION OF UTILITIES AND INSTALLATION OF WATER SERVICE CONNECTION IN THE AMOUNT OF \$259,810
 - REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT REQUEST (FRANK ROMERO)
13. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE MAYOR AND THE CITY ATTORNEY TO ENTER INTO DISCUSSIONS WITH SANTA FE COUNTY AND THE STATE OF NEW MEXICO IN ORDER TO ACHIEVE MUTUALLY ACCEPTABLE COMPLIANCE WITH THE CITY'S HISTORIC DISTRICT ORDINANCE (COUNCILOR ORTIZ) (FRANK KATZ)
14. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING STAFF TO SOLICIT NAMES FOR THE CITY'S SANGRE DE CRISTO WATER COMPANY BUILDING (COUNCILOR BUSHEE) (GARY MARTINEZ)
15. REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE USE OF RENEWABLE ENERGY AT THE CITY OF SANTA FE WASTEWATER TREATMENT PLANT (COUNCILOR CALVERT) (NICK SCHIAVO)

DISCUSSION

16. REQUEST FOR APPROVAL OF A RESOLUTION DESIGNATING \$600,000 FROM THE REALLOCATION OF CURRENT CAPITAL IMPROVEMENT PROGRAM (CIP) FUNDS FOR IMPROVEMENTS ON THE RAILYARD FOR AN ARTS/CREATIVITY COMPLEX AND PROVIDING OTHER ASSISTANCE TO CREATIVE SANTA FE FOR DEVELOPMENT AND OPERATION OF THE PROJECT (COUNCILORS BUSHEE, ORTIZ AND WURZBURGER) (FABIAN TRUJILLO)
17. REQUEST FOR APPROVAL OF A RESOLUTION DESIGNATING THE LAND USE SUB-COMMITTEE, A SUB-COMMITTEE OF THE PUBLIC WORKS/CIP AND LAND USE COMMITTEE (COUNCILOR WURZBURGER) (JACK HIATT)
18. REQUEST FOR APPROVAL OF THE ANNUAL ACTION PLAN CDBG 2008/2009 FOR A RECOMMENDATION TO THE CITY COUNCIL FOR ADOPTION OF THE PLAN AT A PUBLIC HEARING SCHEDULED FOR WEDNESDAY, MAY 28, 2008 AT 7:00 P.M. (MELISA COLLETT)
19. REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING THE CITY OF SANTA FE FIVE-YEAR STRATEGIC HOUSING PLAN (COUNCILOR WURZBURGER, MAYOR COSS, COUNCILORS DOMINGUEZ AND ROMERO) (LEE DEPIETRO)

20. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GRANT AGREEMENTS FY 2008/09 (**KATHY MCCORMICK/LEE DEPIETRO**)
21. REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING THE ADMINISTRATIVE PROCEDURES FOR THE CITY OF SANTA FE'S AFFORDABLE HOUSING TRUST FUND (**COUNCILOR WURZBURGER, MAYOR COSS, AND COUNCILORS DOMINGUEZ AND ROMERO**) (**LEE DEPIETRO**)
22. REQUEST FOR APPROVAL OF AN ORDINANCE CREATING ARTICLE 18-19 OF THE SANTA FE CITY CODE ESTABLISHING THE WORKFORCE HOUSING INITIATIVE (**COUNCILOR WURZBURGER, MAYOR COSS AND COUNCILOR ROMERO**) (**KATHY MCCORMICK**)
23. REQUEST FOR APPROVAL OF A JOINT RESOLUTION SUPPORTING THE SANTA FE REGIONAL TELECOMMUNICATIONS COALITION'S EFFORTS TO ORGANIZE PRIMARY TELECOMMUNICATIONS BANDWIDTH USERS IN THE SANTA FE REGION; AND DIRECTING STAFF TO SUBMIT AN APPLICATION TO THE NEW MEXICO LAMBDA RAIL (**COUNCILOR WURZBURGER**) (**FABIAN TRUJILLO**)
24. ADOPTION OF NEW FEES FOR BUILDING PERMITS, DEVELOPMENT REVIEW AND ADMINISTRATION:
 - REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING NEW FEES FOR PLAN REVIEWS, BUILDING PERMITS, SECONDARY MECHANICAL PERMITS, SECONDARY PLUMBING PERMITS, SECONDARY ELECTRICAL PERMITS, GRADING PLAN REVIEWS, GRADING PERMITS, AND SIGN PERMITS (**COUNCILOR WURZBURGER**) (**JACK HIATT**)
 - REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING NEW FEES FOR DEVELOPMENT REVIEW APPLICATIONS SUCH AS ANNEXATION, REZONING, SUBDIVISION, DEVELOPMENT PLANS, SPECIAL EXCEPTIONS, VARIANCES, APPEALS, CODE AMENDMENTS, ETC., SUBMITTED TO THE LAND USE DEPARTMENT (**COUNCILOR WURZBURGER**) (**JACK HIATT**)
 - REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING NEW ADMINISTRATIVE FEES FOR OPERATIONS OF THE LAND USE DEPARTMENT (**COUNCILOR WURZBURGER**) (**JACK HIATT**)
25. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 14-8.14 SFCC 1987 REGARDING IMPACT FEES REQUIRED TO BE PAID UNDER THE "OLD" FEE SCHEDULE (**COUNCILOR CHAVEZ**) (**REED LIMING**)
26. MATTERS FROM STAFF
27. MATTERS FROM THE COMMITTEE
28. NEXT MEETING: MONDAY, JUNE 9, 2008
29. ADJOURN

**SUMMARY OF ACTION
CITY OF SANTA FE
PUBLIC WORKS/CIP & LAND USE COMMITTEE
Tuesday, May 27, 2008**

ITEM	ACTION	PAGE
CALL TO ORDER	Quorum	1
APPROVAL OF AGENDA	Approved	1
APPROVAL OF CONSENT AGENDA	Approved	2
CONSENT AGENDA LISTING		2-3
APPROVAL OF MINUTES FROM THE APRIL 28, 2008, PUBLIC WORKS COMMITTEE MEETING	Approved	3
<u>DISCUSSION AGENDA</u>		
REQUEST FOR APPROVAL OF A RESOLUTION DESIGNATING \$600,000 FROM THE REALLOCATION OF CURRENT CAPITAL IMPROVEMENT PROGRAM (CIP) FUNDS FOR IMPROVEMENTS ON THE RAILYARD FOR AN ARTS/CREATIVITY COMPLEX AND PROVIDING OTHER ASSISTANCE TO CREATIVE SANTA FE FOR DEVELOPMENT AND OPERATION OF THE PROJECT	Moved forward w/o recomm.	3-7
REQUEST FOR APPROVAL OF A RESOLUTION DESIGNATING THE LAND USE SUB-COMMITTEE, A SUB-COMMITTEE OF THE PUBLIC WORKS/CIP AND LAND USE COMMITTEE	Approved [amended]	7
REQUEST FOR APPROVAL OF THE ANNUAL ACTION PLAN CDBG 2008/2009, FOR A RECOMMENDATION TO THE CITY COUNCIL FOR ADOPTION OF THE PLAN AT A PUBLIC HEARING SCHEDULED FOR WEDNESDAY, MAY 28, 2008, AT 7:00 P.M.	Approved	7-10

ITEM	ACTION	PAGE
REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING THE CITY OF SANTA FE FIVE YEAR STRATEGIC HOUSING PLAN	Approved	10-13
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GRANT AGREEMENTS, FY 2008/09	Approved	13-14
REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING THE ADMINISTRATIVE PROCEDURES FOR THE CITY OF SANTA FE'S AFFORDABLE HOUSING TRUST FUND	Approved [amendment]	14
REQUEST FOR APPROVAL OF AN ORDINANCE CREATING ARTICLE 18-19 OF THE SANTA FE CITY CODE, ESTABLISHING THE WORKFORCE HOUSING INITIATIVE	Approved [amended]	14-19
REQUEST FOR APPROVAL OF A JOINT RESOLUTION SUPPORTING THE SANTA FE REGIONAL TELECOMMUNICATIONS COALITION'S EFFORTS TO ORGANIZE PRIMARY TELECOMMUNICATIONS BANDWIDTH USERS IN THE SANTA FE REGION; AND DIRECTING STAFF TO SUBMIT AN APPLICATION TO THE NEW MEXICO LAMBDA RAIL	Approved	19
<u>ADOPTION OF NEW FEES FOR BUILDING PERMITS, DEVELOPMENT REVIEW AND ADMINISTRATION:</u>		
REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING NEW FEES FOR PLAN REVIEWS, BUILDING PERMITS, SECONDARY MECHANICAL PERMITS, SECONDARY PLUMBING PERMITS, SECONDARY ELECTRICAL PERMITS, GRADING PLAN REVIEWS, GRADING PERMITS AND SIGN PERMITS	Approved [amended]	19-25
REQUEST FOR APPROVAL OF A RESOLUTION		

ITEM	ACTION	PAGE
ADOPTING NEW FEES FOR DEVELOPMENT REVIEW APPLICATIONS SUCH AS ANNEXATION, REZONING, SUBDIVISION, DEVELOPMENT PLANS, SPECIAL EXCEPTIONS, VARIANCES, APPEALS, CODE AMENDMENTS, ETC., SUBMITTED TO THE LAND USE DEPARTMENT	Approved	19-25
REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING NEW ADMINISTRATIVE FEES FOR OPERATIONS OF THE LAND USE DEPARTMENT	Approved	19-25
REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 14-8.14 SFCC 1987, REGARDING IMPACT FEES REQUIRED TO BE PAID UNDER THE "OLD" FEE SCHEDULE	Approved	25-26
MATTERS FROM STAFF	None	26
MATTERS FROM THE COMMITTEE	None	26
NEXT MEETING: June 9, 2007		26
ADJOURN		26

**MINUTES OF THE
CITY OF SANTA FE
PUBLIC WORKS/CIP & LAND USE COMMITTEE
Tuesday, May 27, 2008**

1. CALL TO ORDER

A meeting of the Public Works/CIP & Land Use Committee was called to order by Councilor Patti J. Bushee, Chair, at approximately 5:15 p.m., on Tuesday, May 27, 2008, in the Council Chambers, City Hall, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT:

Councilor Patti J. Bushee Chair
Councilor Ronald S. Trujillo, Vice-Chair
Councilor Christopher Calvert
Councilor Rosemary Romero

MEMBERS EXCUSED:

Councilor Miguel Chavez

OTHER COUNCILORS ATTENDING

Councilor Wurzbarger

OTHERS ATTENDING:

Robert Romero, Public Works Director
Bobbi Mossman, Public Works Department
Melessia Helberg, Stenographer

There was a quorum of the membership for conducting official business.

NOTE: All items in the Committee packet for all agenda items are incorporated herewith by reference. The original Committee packet is on file in the Public Works Department.

3. APPROVAL OF AGENDA

MOTION: Councilor Calvert moved, seconded by Councilor Trujillo, to approve the agenda as presented.

VOTE: The motion was approved unanimously on a voice vote.

4. APPROVAL OF CONSENT AGENDA

MOTION: Councilor Trujillo moved, seconded by Councilor Calvert, to approve the following Consent Agenda.

VOTE: The motion was approved unanimously on a voice vote.

- 6. CIP PROJECT #106 – LA FARGE BRANCH LIBRARY – REMODEL**
 - REQUEST FOR APPROVAL OF AMENDMENT NO. 2 TO THE AGREEMENT BETWEEN OWNER AND ARCHITECT, VICTOR JOHNSON ARCHITECT, FOR THE DESIGN OF REPLACEMENT LIGHTS, ELECTRICAL UPDATE AND NEW SIGNAGE, IN THE AMOUNT OF \$7,050. (CHIP LILIENTHAL)**
- 7. FIRE STATION NO. 3**
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 - REQUEST FOR APPROVAL OF AMENDMENT NO. 1 TO ADDRESS NECESSARY WORK ON THE RAILROAD SIGNAL SYSTEM IN THE AMOUNT OF \$12,551.72. (FRANK ROMERO)**
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 - REQUEST FOR APPROVAL OF AMENDMENT NO. 12 FOR SUCH ITEMS AS ARCHAEOLOGICAL STUDY, INSTALLATION OF UTILITIES AND INSTALLATION OF WATER SERVICE CONNECTION IN THE AMOUNT OF \$259,810.**

- **REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT REQUEST. (FRANK ROMERO)**
- 13. **REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE MAYOR AND THE CITY ATTORNEY TO ENTER INTO DISCUSSIONS WITH SANTA FE COUNTY AND THE STATE OF NEW MEXICO IN ORDER TO ACHIEVE MUTUALLY ACCEPTABLE COMPLIANCE WITH THE CITY'S HISTORIC DISTRICT ORDINANCE (COUNCILOR ORTIZ). (FRANK KATZ)**
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- 15. **REQUEST FOR APPROVAL OF A RESOLUTION SUPPORTING THE USE OF RENEWABLE ENERGY AT THE CITY OF SANTA FE WASTEWATER TREATMENT PLANT (COUNCILOR CALVERT). (NICK SCHIAVO)**
- 5. **APPROVAL OF MINUTES FROM THE APRIL 28, 2008, PUBLIC WORKS COMMITTEE MEETING.**

MOTION: Councilor Calvert moved, seconded by Councilor Trujillo, to approve the minutes of the meeting of April 28, 2008, as presented.

VOTE: The motion was approved unanimously on a voice vote.

DISCUSSION AGENDA

- 16. **REQUEST FOR APPROVAL OF A RESOLUTION DESIGNATING \$600,000 FROM THE REALLOCATION OF CURRENT CAPITAL IMPROVEMENT PROGRAM (CIP) FUNDS FOR IMPROVEMENTS ON THE RAILYARD FOR AN ARTS/CREATIVITY COMPLEX AND PROVIDING OTHER ASSISTANCE TO CREATIVE SANTA FE FOR DEVELOPMENT AND OPERATION OF THE PROJECT (COUNCILORS BUSHEE, ORTIZ AND WURZBURGER). (FABIAN TRUJILLO)**

A copy of a description of CIP bond allocation for 2001, 2004, 2006 and 2008, is incorporated herewith to these minutes as Exhibit "1."

A copy of "Parks Master Plan Revision – Draft 4 – 10/31/07," is incorporated herewith to these minutes as Exhibit "2."

Fabian Trujillo presented information regarding this matter to the Committee, noting if there is a request for a rent subsidy it would trigger the economic development process, which would start after the implementation strategy has been approved by the Council.

Dena Aquilina, Creative Santa Fe, said this is in line with the BBER Report and the Angelou Report which are part of the City's economic development strategy to increase business skills and capacity of the local arts and cultural sector, which is a large part of what drives Santa Fe and brings people here. She said this arose out of the BBER Study.

Councilor Wurzbarger said when we first looked at the Railyard, there was a very clear sense that the Railyard would provide a place for local artists to be, to show their work, flourish and such. She said this is an opportunity to do what we promised. She believes through CIP and other funds which are available we can have a strong arts and cultural terminus at the other end of the Railyard which is important to our citizens. She is confident that any questions we have about the final business plan are going to be worked out with by our Economic Development Staff, and asked for support of this request.

Councilor Bushee said Councilor Ortiz can't attend this evening because he is ill. She spoke with him this afternoon and he still has strong support for this project. She said all the artists she used to know had studios at the Railyard, but since have moved to the Baca Street area or Siler Road or elsewhere which is more accommodating financially. She said, given that this is a City-owned building, it is appropriate to redistribute these CIP dollars which are the result of previous funding for parks which now will be paid from the G.O. parks bond. She said the City owns the building and we would have to renovate it one way or the other, and this does move forward our economic development plan, noting we don't have many economic development projects. These funds will help to build the infrastructure on a very important part of the Railyard. She thinks it's important for the City to have a core project there.

Mr. Romero handed out the implementation plan for the 2008 Parks Bond [Exhibit "2"], indicating exactly what is going to be done, where and when for the \$30 million Parks Bond. He said Councilor Ortiz has asked that this be presented as an informational item at Finance on Monday.

Mr. Romero noted the total for BTAC projects is about \$15.9 million, of which \$9 million came from the Parks Bond, \$5 million from the Legislature and \$1 million from CIP. He said Trails City-Wide was funded at \$1.5 million in 2004, \$500,000 in 2006 and \$1 million in 2008. He said about \$1 million is left from 2004 and 2006. He understands BTAC is going to recommend not building the Community College Trail as well as another trail. If these two projects aren't recommended and the Council agrees with BTAC, there could be \$1 million in CIP funds to be reallocated. He said these are the only funds which could be reallocated for something which isn't Trails, noting other funds are specifically designated for trails related expenditures by the Legislature or in the Parks Bond

Councilor Bushee said the "on-road folks from BTAC" really want the on-road improvements, such as repaving, given that they use those pathways to commute. So this means the funds have been sitting there unexpended from 2006 and it's getting a little late.

Responding to Councilor Trujillo Mr. Romero said the total needs for streets to take care of everything would be \$20-\$30 million. He said at the time the Parks Bond was going through, there was a movement to do \$10 million in streets improvements and he developed a list of the highest priorities for those funds. He said he can share that list as the Resolution requesting more money for street improvements. He said the \$1.6 million comes from Trails [\$1 million], Water Management [\$300,000] and

Turf Rehabilitation [\$300,000], which now are to be funded through the Parks Bond.

Councilor Romero said this project has had a lot of angst for her around the issue of capacity. This is a new organization, and she trusts that Ms. McCormick and Mr. Trujillo have looked carefully at the business plan. When she looked at that plan, there were long term issues of capacity and ability to sustain itself. She asked Mr. Romero to speak to the revised business plan.

Mr. Trujillo said staff still is in the process of verifying the income in the business plan. He said the business plan indicates a net loss/sustainability issue of more than \$1 million over ten years. He said they will be requesting rent subsidies for the first three years, so that loss could go up or down, depending on the earned income. He said Creative Santa Fe is researching grants and other revenues to fortify the income to see how accurate those income projections will be to see if it can make itself sustainable before the ten years.

Councilor Romero said she is looking at the need to redo the building as well as the capacity of an organization to actually renovate a building, and asked staff to comment.

Mr. Trujillo said at this time, staff has no opinion and is assessing the business plan which will be done by the time it goes through the economic development review process. He said staff has looked at the financial part of the plan, the income and expenditures, and Santa Fe is still working on the answers to staff's questions.

Councilor Calvert said this hasn't been through the economic development process.

Mr. Trujillo said no, it has not. He reiterated that it does not have to go to the economic development review process at this time, because we are using capital funds to renovate a City building. He said it will go through that process when the organization requests rent subsidies from the City.

Councilor Calvert said that request for subsidies is in the business plan.

Mr. Trujillo said this is correct and the plan is still under review at this time.

Responding to Councilor Calvert, Mr. Trujillo said it will need to go through the economic development review process to receive the requested rent subsidies from the City, so it will need to go through the EDRC Subcommittee, BQL and then to the City Council for its approval or disapproval.

MOTION: Councilor Trujillo moved, seconded by Councilor Bushee, to approve the Resolution designating \$600,000 from the reallocation of Capital Improvement Program (CIP) funds for improvements on the Railyard for an Arts/Creativity Complex, and providing other assistance to Creative Santa Fe for development and operation of the project.

DISCUSSION: Councilor Wurzbarger said she had some of the same questions as the Chair. She said what needs to be made clear is that this action is to make a decision about how the City chooses to use available CIP funds to make certain that we maintain this building for uses which support the Economic

Development Plan. She said if this group doesn't work out, she believes another group can be found to do this. She said a yes decision is a decision of "let's move forward with what we promised in the Economic Development Plan to create a creative center at the Railyard."

Councilor Wurzbarger asked staff when this would come to the EDRC, and Mr. Trujillo responded in two weeks.

Councilor Wurzbarger believes this is more a vote based on a vision and a promise, matched with an opportunity to use these CIP funds. This will make a difference to Creative Santa Fe, which the City created as part of our Economic Development Plan, and will impact Creative Santa Fe's ability to do what it needs to do to raise its part of the money and to make a more effective business plan.

Councilor Romero said, with all due respect to the direction we have articulated through our Economic Development Plan and the perspective of her fellow Councilors, there is another perspective. That perspective is focusing on success, and that you organize and you are intentional about success. In her view, this project may not be the one which will get us closer to success. She said she is thinking about this from a fiduciary perspective, which is long term success and looking at a long term ten-year loss worries her in making this decision. She said this has all of the right components in many ways, but it just isn't all there. She said this project, although not in her District, is in an area which is part of her neighborhood which she supports wholeheartedly. She said she doesn't feel this is the right group and project, and she is withholding her support for the reason that she wants to focus on success and include all of the elements to create success, which she feels aren't here.

Councilor Calvert said this is a good concept, but he is unsure it is ready. He said we don't have the money in hand right now. He said it hasn't gone through the economic development review process which he believes is essential for this project which is being touted as a part of that strategy, citing the Angelou Study. He thinks it needs to go through that process to see how it fits in the context of all of the other projects we are considering for economic development funding. These pieces need to be done at a minimum. He said the fact that the City owns the property doesn't mean the City is responsible for the improvements, commenting he isn't saying whether we should or shouldn't do that. However, this course of action hasn't been the track record at the Railyard. We have asked the tenants to do any improvements to all the other buildings the City owns, although the City did donate HVAC equipment to one of them, but that didn't cost the City anything. He said we have a gallery coming on line with the new convention center in a few months, and there is some overlap, and he is unsure to push both of these at the same time is in the highest and best needs of the City.

Chair Bushee said, with regard to El Museo which received the HVAC donation, the City paid for almost all of the El Museo renovation which wasn't funded by the Legislature.

Chair Bushee said this will go forward to BQL, perhaps Finance and then to the Council. She said at that point, we should consider the efficacy of this group because the City created this group and funded it. She said the scope of work, approved several months ago, provided they would do certain things, including this. She said the reason it is not necessary for this group to go through the economic development review process because it has requested no City funds. She said this group is willing to "project manage" this

building. She is comfortable with this request, given that Creative Santa Fe already has some design funds and will receive more funds if it is a city-sanctioned project. She said if we want to dictate what happens in this space, the City does have to pay for the improvements just as we did for El Museo. She believes it is important to look at this piece on the Railyard, and she hopes to see some live/work space. She said it will take City subsidy, intention and focus to make this happen.

Chair Bushee said she is comfortable that Devon Ross, Architect, has prepared plans, the organization has design funds, and they are willing to get the site secured and get this started, which is what we're seeking here. She said, as Chair of BTAC and this Committee, she would say that funds exist and we will discuss the details when we discuss the Parks Bond. She said there are trails on the east side by the museums which people do not want, and many on-road improvements bicyclists are unsure they need. She said this money is sitting unexpended and can be used for this infrastructure.

VOTE: The motion was defeated on a voice vote with Councilor Trujillo and Chair Bushee voting in favor of the motion, and Councilor Romero and Councilor Calvert voting against the motion, resulting in a tie vote which defeated the motion.

MOTION: Councilor Trujillo moved, seconded by Councilor Bushee, to move this item forward without recommendation.

VOTE: The motion was approved unanimously on a voice vote.

17. REQUEST FOR APPROVAL OF A RESOLUTION DESIGNATING THE LAND USE SUB-COMMITTEE, A SUB-COMMITTEE OF THE PUBLIC WORKS/CIP AND LAND USE COMMITTEE (COUNCILOR WURZBURGER). (JACK HIATT)

Councilor Wurzbarger said this Subcommittee is being requested to provide support to this Committee with respect to its planning and land use responsibilities. She said the rationale is that this Committee has so much responsibility and this would help to accomplish the mission we set out to tighten and improve the service in Planning and Land Use.

Amendment to the Resolution Councilor Bushee would like to amend the Resolution to include language to follow up with the audit recommendations. **Councilor Wurzbarger said this would be fine.**

Councilor Bushee asked to cosponsor this Resolution.

MOTION: Councilor Calvert moved, seconded by Councilor Romero, to approve this request, as amended

VOTE: The motion was approved unanimously on a voice vote.

18. REQUEST FOR APPROVAL OF THE ANNUAL ACTION PLAN CDBG 2008/2009, FOR A RECOMMENDATION TO THE CITY COUNCIL FOR ADOPTION OF THE PLAN AT A PUBLIC HEARING SCHEDULED FOR WEDNESDAY, MAY 28, 2008, AT 7:00 P.M. (MELISA COLLETT)

A copy of "CDBG Loans – 2005, 2006, 2007," is incorporated herewith to these minutes as Exhibit "3."

Chair Bushee said it has been her experience that the City Council accepts the recommendation of the advisory CDBG Board and then can do what it wishes with those recommendations. She asked Mr. Katz if this is correct.

Frank Katz said no one has asked this question of him, and he doesn't know the answer.

Ms. McCormick said she believes the CDC is a citizen-appointed committee, and its purpose is to review proposals, interview the applications and simply makes recommendations to the City Council, and the Council can accept or reject the recommendation, or send it back to that Committee for further deliberation, if that's what you would like to do.

Ms. Collett presented information regarding this matter to the Committee, noting she provided information regarding the seven projects the CDC would like out of the \$584,272 CDBG funds allocated.

Chair Bushee said at the Finance Committee, Councilor Ortiz expressed concern about duplication of effort.

Councilor Wurzbarger said the Finance Committee asked for a quick snapshot view of how this had evolved and the difference between the two organizations, noting she asked for this information at one of the budget meetings as well, and they still haven't received that information.

Ms. Collett said she distributed copies of the CDBG Loans [Exhibit "3"].

Councilor Wurzbarger said that is an evolution of the money, as opposed to the evolution of function. She wants to know what the Housing Community Trust does differently from Homewise and what Homewise does differently from the Housing Trust.

Ms. Collett said page 3 describes the loan program each organization does. She said the Housing Trust provides down payment assistance, zero interest loans, payable upon sale of the home and has continued to fund these. She said the Homewise programs have evolved to do different things, noting this year its application differs from those in previous years, amortizing second mortgages, and changed its program to deferred second mortgages to buy existing homes. She said because of the current home market, there are more homes which could be afforded by people making less than 100% of the AMI.

Responding to Chair Bushee, Ms. Collett said the Housing Trust also would fund purchasing existing homes.

Chair Bushee said the description of the programs appear to be the same in the information in the packet.

Ms. Collett said the Housing Trust is zero percent interest payable on sale through every year, and

Homewise's programs have interest on the first sale of the home.

Councilor Wurzbarger said we are discussing the distinction as if it has to do with the tools they use, rather than the products they deliver which she, and other Councilors, want to understand better – what effect is different and if there is any duplication. She is still having difficulty making these distinctions.

Chair Bushee said she heard Councilor Ortiz express interest in moving \$50,000 from the same soft second mortgages back to Homewise, with about \$150,000 going to the Housing Trust for their development, and this is what she probably will support at Council.

Councilor Calvert said he thought the organizations targeted different segments of income, but he doesn't see that difference in the handout.

Ms. Collett said perhaps what they are asking is beyond the scope of CDBG, because CDBG focuses on those who earn less than 80% of the AMI, while the organizations might have internal goals and programs which are outside of that.

Ms. McCormick said, in terms of outcome, the two organizations are focused first and foremost on affordably priced home ownership for households earning less than 100% of AMI. Their marketing strategies may be different. The Housing Trust does a lot on a community basis, while Homewise has a more sophisticated marketing plan. The end result is that both organizations are focused on providing home ownership. During the past year, the Housing Trust has opened the door to being partners with some of the nonprofits such as the Coalition to End Homelessness to do rental housing, which is reflected in the CDBG program. This is a move in a new direction for that organization. Both provide debt counseling, home ownership counseling services, link potential buyers to good mortgage products, development on home ownership and such. She said they keep each other in check, and she believes the competition has been good in offering this choice. Ms. McCormick said the outcomes are virtually the same – getting people into homes to buy. She said the audit will tell us how they do it, how well they keep their records, how efficient they are, how financially sound they are, how they use the dollars to further the mission. This is the reason for the audit so it is clear, and not what people are saying in the community. Ms. McCormick said each program each year comes in slightly differently.

MOTION: Councilor Calvert moved, seconded by Councilor Romero, to approve this request.

DISCUSSION: Councilor Trujillo asked if the motion includes moving the \$50,000 from the Housing Trust to Homewise.

Chair Bushee said that wasn't part of the motion, but he can propose an amendment.

Responding to Councilor Trujillo, Ms. Collett said one of the main glaring gaps in housing is affordable rental housing, and the Housing Trust came forward with this project. She said, although they are recommending a big chunk of money to go toward them, "in our mind, it's two separate things. That money would go to acquisition, whereas there are still people needing acquisition of land for the Village.. There are still people needing down payment assistance."

Responding to Councilor Trujillo, Ms. Collett said the \$142,500 will go the Village for acquisition of land. She said the Village is 60 units which are apartments/town homes: 15 units at 60% of AMI, 15 units 50% of AMI, 15 units at 40% of AMI and 15 units at 30% of AMI. She said this targets low income and which staff thought it was one of the highest needs in the community for more rental housing.

VOTE: The motion was approved unanimously on a voice vote.

19. REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING THE CITY OF SANTA FE FIVE YEAR STRATEGIC HOUSING PLAN (COUNCILOR WURZBURGER, MAYOR COSS, COUNCILORS DOMINGUEZ AND ROMERO). (LEE DePIETRO)

A copy of a Memorandum dated May 22, 2008, with attached draft of the AHTF Administrative Guidelines, from Lee DePietro, Special Projects Manager, Office of Affordable Housing, to Mayor Coss, City Councilors, Galen Buller, Robert Romero and Bobbi Mossman, is incorporated herewith to these minutes as Exhibit "4." *This Memorandum is a replacement for the one which is in the Committee packets.*

A copy of "Five-Year Proposed Strategic Housing Plan – Plan Results," is incorporated herewith to these minutes as Exhibit "5."

Lee DePietro presented information regarding this matter to the Committee.

Ms. DePietro said she believes the Plan is organized around having successes overall and substantially increasing the amount of affordable housing in the City.

Chair Bushee asked if she is saying that green sustainability is a separate issue and it is just for affordable housing.

Ms. DePietro said no. She said each of the major action plans are interconnected and there is a synergy through the plan globally, and the sustainable green and residential green building Code, if adopted by the City Council, and will be incorporated into current programs, and then into future programs. But, it is not just for affordable units, because once adopted it will be applicable by Land Use and Planning for proposals which are new development programs and not just related to affordable housing.

Chair Bushee said she is speaking more of the funding of the implementation. Will it be paid from the Affordable Housing Trust.

Ms. DePietro said it is totally separate.

Chair Bushee said then she is calling for guidelines, but not paying for them from the Trust Fund. She said, "You are saying, 'Support sustainable development and a green city,' as part of your 5-year Strategic Housing Plan. She asked how do you plan to support sustainable development and a green city if you don't have some funding for the program.

Ms. DePietro said they are working on incorporating what those design standards are within the HOPS Program and the Santa Fe Homes Program.

Chair Bushee said in all discussions in the past, we have discussed the necessity of taking some portion of the funds to ensure those design standards can be applied to these forms of housing, usually affordable. She is assuming that this is "our plan on how to spend whatever money," however those funds are raised, and she will be asking the City to spend some portion of it for green building.

Councilor Wurzbarger said, assuming we move forward with the Workforce Initiative Fund approach, she believes we have to provide the subsidies and the models for the affordable housing units. So, we do have to get the money, but that isn't designated yet in the legislation we will discuss in a few minutes, but that would be one source of funding for making affordable housing green.

Chair Bushee said she was just trying to clarify that we weren't going to try to fund other green initiatives for housing outside of affordable housing.

Councilor Wurzbarger said, as a policy perspective, she agrees that affordable housing is a housing priority of the City.

Ms. McCormick said the plan guides the work of the Department and helps with the Green Building Code to say we want to do green sustainable. She said any funding for this would be targeted to affordable housing because that is guided by the Housing Trust Fund Ordinance adopted by the Council. She said it then "drills down" to where you might spend money in the affordable housing programs. She said for the Workforce Initiative, the broadest goal is to have people live and work in the community. She said the funding and policy efforts are directed to those having the greatest difficulty in buying or renting in town.

Chair Bushee said she wants the plan also to help us to change our Homes Program to dictate that a certain percentage of the funding could be used to do green building.

Ms. DePietro said she, Katherine Mortimer and Kim Shanahan looked at Ms. Mortimer's outline on Silver certification, and found there was very little money involved in meeting the basic silver, and some of the developers will find there will be savings.

[Councilor Calvert's remarks here are inaudible]

Chair Bushee said the exercise they did for the new convention center is that it would add \$1 million to the cost.

[Councilor Calvert's remarks here are inaudible]

Ms. DePietro said they are looking at several entities which are offering some green financing. The New Mexico Mortgage Finance Agency is coming out with a loan program this summer, and is working with Enterprise on that, and there are other mechanisms to look at financing some of that as well.

Councilor Wurzbarger thanked staff for their work on this. She wants to be sure, under the home buyer purchase of 300 homes, that these are not just newly built homes because again as we have learned, "the greenest home is the home that's already built."

Ms. DePietro said this is correct.

Chair Bushee asked for a definition of "Shelter Plus Care."

Ms. DePietro said it is a federal HUD program which is a rent supplement program, reduces rents for people, and it is not awarded directly to the City. The City is a pass through or the administration of the fund. There are two recipients: the Housing Trust and Lifelink.

MOTION: Councilor Romero moved, seconded by Councilor Trujillo, to approve the Five-Year Strategic Housing Plan.

DISCUSSION: Councilor Wurzbarger and Councilor Bushee asked the line item for the care for the homeless.

Ms. DePietro said it is no longer a separate line item, and it is incorporated as a category throughout the budget. She said, for example, in the Plan Results, under Rentals there is a new Rental Voucher Program.

Chair Bushee asked if there will be new housing.

Ms. DePietro said in the Plan Results there is an additional 300 homes purchased in 2009, noting that has been about 200 each year, new and existing, and they are looking at setting aside 30% of these for key essential workers. This is financed through down payment assistance. She said private organizations currently are in the process of constructing 358 new affordable rental units, noting these are tax credit projects approved by the New Mexico Mortgage Finance Authority, and will be completed within 6-24 months.

Councilor Romero said the budget for new housing is embedded in the budget in different places, for example, on page 33 under Housing for Special Populations, and on page 34 Purchasing of New Homes.

Chair Bushee asked if these homes will go through the usual counseling and income qualifications, and asked if we can subsidize it differently if it is a lower income.

Ms. DePietro said we would be doing that by putting more money into it and expanding the program.

Chair Bushee said she understands that. However, she has heard there will be apartments, rentals and now she is seeing purchase. She asked who runs the programs.

Ms. DePietro said the production of affordable housing in the City is a joint venture between the City, nonprofits and for profit developers, and everyone is working toward that goal.

Ms. McCormick said Chair Bushee is asking, for households at 30-50% of the AMA, what kind of housing will be available to them.

Chair Bushee said she is speaking about a certain amount of product, but this isn't just an expansion of the existing nonprofit run shelters, but it is separate, a new kind of housing. She wants to know if it will run by the City.

Ms. McCormick said it would be a combination of efforts. In some cases, some of the shelters would be expanding their program, saying Lifelink La Luz might acquire some existing housing it would use for rentals under this particular scenario. She has been talking with the developers about the possibility of taking some of the Santa Fe Home Program units at the most affordable entry level and making those available for purchase or for rent for some of the very low income stressed families. The Plan is the outcome, and the hope and expectation is that the nonprofits and the private sector will come forward with some different projects.

Councilor Bushee said she is seeing, for example, "Provide more rental apartments to the very low AMI," and asked if "provide" means the City will provide.

Ms. McCormick said it does not, and spoke about the partnership between the Homeless Coalition and the Santa Fe Community Housing Trust, which will provide the affordable rental housing between \$200 and \$600 per month. It is a mixed income rental property.

Councilor Bushee said she has no problem in identifying needs. Her point is that when you write something like "provide more rental apartments or other housing stock," it is unclear who provides. She said this is the City's Strategic Housing Plan. She wants it to be very clearly defined as to how the City is doing this.

Ms. McCormick said the plan is to try to facilitate and enter into partnerships, but not have the City directly responsible for providing housing.

Councilor Bushee suggested changing "provide," to something else.

Ms. McCormick agreed.

Councilor Bushee would like specifics and wants a line item where the money is going, and when it will be spent.

VOTE: The motion was approved unanimously on a voice vote.

20. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GRANT AGREEMENTS, FY 2008/09. (KATHY McCORMICK/LEE DePIETRO)

Lee DePietro said this is the renewal and one new contract from the Department of Housing and Urban Development, and presented information regarding this matter to the Committee.

MOTION: Councilor Calvert moved, seconded by Councilor Romero, to approve this request.

VOTE: The motion was approved unanimously on a voice vote.

21. REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING THE ADMINISTRATIVE PROCEDURES FOR THE CITY OF SANTA FE'S AFFORDABLE HOUSING TRUST FUND (COUNCILOR WURZBURGER, MAYOR COSS AND COUNCILORS DOMINGUEZ AND ROMERO). (LEE DePIETRO)

Lee DePietro reviewed the proposed Resolution and presented information regarding this matter to the Committee.

Chair Bushee asked if there is a cutoff where the smaller grants don't have to go through the process.

Ms. McCormick said most of the Housing grants are in excess of \$40,000 to \$50,000, and are required to go through the process. She said there are some under \$30,000, and staff could go forward with those, so we could make allowance for those in the procedures, noting they have to follow the Affordable Housing Act requirements.

Chair Bushee suggested that perhaps Finance can come up with specific language in this regard. She said the City Manager has approval authority under \$30,000, and she believes that the Affordable Housing Office along with the City Manager could do those.

Ms. McCormick said she would like to do that.

MOTION: Councilor Calvert moved, seconded by Councilor Romero, to approve this request, with an amendment to add the threshold of \$30,000 in the guidelines for approval by the Office of Affordable Housing and the City Manager.

VOTE: The motion was approved unanimously on a voice vote.

22. REQUEST FOR APPROVAL OF AN ORDINANCE CREATING ARTICLE 18-19 OF THE SANTA FE CITY CODE, ESTABLISHING THE WORKFORCE HOUSING INITIATIVE (COUNCILOR WURZBURGER, MAYOR COSS AND COUNCILOR ROMERO). (KATHY McCORMICK)

A copy of proposed amendments to the proposed Ordinance, submitted by Councilor Wurzbürger, is incorporated herewith to these minutes as Exhibit "6."

Councilor Wurzbürger said she the sponsors, along with herself, are Mayor Coss, Councilor Romero, and Councilor Calvert, noting she thinks Councilor Chavez would like to cosponsor this Ordinance as well. Councilor Wurzbürger said she was so empowered by the report we received on the very clear link

between the economic linkage of the thousands of people who work in Santa Fe going to Albuquerque. She believes if this tax is adopted and passed, down the road it can be repealed when some of the people move back to Santa Fe. These people aren't buying anything here in Santa Fe right now. This is an issue of the economics that supports all of the Santa Fe services. She said it is important for this Council to have the opportunity to engage the community in voting on how they want or do not want to support affordable housing. She is totally confident that if we don't do this, given the behavior at the Legislature last year, that the opposition will come forward and this option will be removed from this community in the next session by the Legislature. She said there was good news about our GRTs and the unemployment rates in Santa Fe. She said we aren't immune to what is happening nationally, but we need to move forward to create this option as a funding basis for the programs we just approved.

Councilor Wurzbarger said, as we go through this process, if something major happens before it goes to the voters, we can always discuss changing the effective date, for example. If we lose this chance, we will be discussing how to replace these funds with property tax, or increased GRTs which is a disproportionate tax on the poor. She said, "We don't have a lot of options, and we have a great need, so I ask for your support for this option."

MOTION: Councilor Calvert moved, seconded by Councilor Romero, to approve this request with the three amendments proposed by Councilor Wurzbarger [Exhibit "6"].

DISCUSSION: Chair asked how the threshold of \$650,000 was chosen.

Ms. McCormick said they looked through the home sales for 2007, where those were occurring, and spoke with people in the community about the threshold they thought could best be supported in terms of going to the ballot. They looked at what they thought it would generate and came up with the \$650,000 threshold. She said based on the sales data for 2007 it is estimated that the tax would generate about \$1.5 million on an annual basis. She said sales are flat/even for this quarter 2008 compared to 2007, and they acknowledge that sales prices have dropped and considered that as well, commenting that sales seem to be quite strong above the \$500,000 threshold.

Chair Bushee asked if research was done on this, saying she believes Colorado has this tax on second homes.

Ms. McCormick said she is very familiar with Colorado and she is unaware of any real estate transfer tax in Colorado which is imposed only on second homeowners. She said in Aspen, Vail, Eagle, Gypsum and Edward, Colorado, the tax is imposed on every sale and there is no threshold. She said they came up with the idea of a threshold in looking at the Nevada state-wide transfer tax, and it has thresholds. She said some communities in other places have a graduated tax. Colorado charges an additional fee on homes above a certain size which tend to be second homeowners, but this is an impact fee to mitigate the jobs generated by having large homes in the community.

Responding to Councilor Calvert, McCormick said 32 states have real estate transfer taxes, which vary by state. She said California and Nevada impose a real estate transfer tax on sales which goes into the General Fund. Individual communities in these states also have the authority to adopt a transfer tax.

Councilor Calvert asked if there has been any adverse impact on the local housing market in the community.

Ms. McCormick said she spoke with several communities and asked the impact. They said the greatest impact is that people really don't like paying it, but they haven't seen a slowdown in sales, or a reduction in fees being paid. Realtors were still getting paid, but they acknowledged it varies on the market in terms of how the fees are paid – by the seller or the buyer. She said in a seller's market, the buyer tends to pay it, and in a buyer's market, the seller tends to pay it. She said those communities said they didn't believe these transfer taxes had any adverse effect on sales whatsoever.

Councilor Romero expressed appreciation to staff for the work done on this. She said she is 100% supportive of this. She said it goes beyond spending money, and it is about the spirit of Santa Fe and keeping our spirit within Santa Fe, and adding to that spirit and to the energy. She said this "puts our money where our mouth is" in many ways. This our commitment to help our community to grow in a variety of ways which includes providing for people who provide for us on a day to day basis, and saying "We believe in you. We want you here, whatever it takes to keep you here, we will do." This speaks of a commitment to folks who are part of our community that we need to embrace.

Councilor Trujillo asked if we are saying the seller will be paying this tax, not the buyer.

Ms. McCormick said the bill is written to provide that the buyer will be paying the tax. She said it is often negotiated.

Councilor Trujillo said this is a change, because the last time we were saying the seller would be paying.

Ms. McCormick said she misspoke, and we have said consistently the buyer would pay the tax.

Councilor Wurzbarger recalls it consistently provided that the buyer would pay.

Councilor Bushee asked if we could provide that it could be split.

Councilor Wurzbarger said it will be negotiable, but at least it isn't the seller who is expected to pay.

Councilor Trujillo asked if we can dictate who pays it.

Ms. McCormick said it could provide that either the buyer or seller will pay, but the reality is that it will be negotiated.

Councilor Trujillo said he voted against this last time. He said people are calling this the "Robin Hood" tax. He said the majority of the high end houses are in Districts 1 and 2. However, he is beginning to see high end houses in District 4. He said this is his concern, and he doesn't want people who have owned a house for many years to have to pay this tax. He said all four Districts now have high end houses. This has always been his concern with this tax.

Ms. McCormick said then it is important for Councilor Trujillo that the Ordinance provides that the buyer pay this tax.

Councilor Trujillo said yes, this would be his preference.

Ms. McCormick believes the ordinance provides that the buyer would pay the tax.

Councilor Trujillo said previously the burden was on the seller, and that was the reason he voted against it.

Councilor Romero said she would hesitate to provide in the ordinance who would pay the transfer tax. She asked how much would be paid on a house which sells for \$650,000.

Ms. McCormick said it would be \$1,000 on a sale of \$750,000.

Councilor Romero said that could be split between the buyer and seller at \$500 each which she believes to be manageable. She said, from an equity perspective, she is glad to see \$500,000 homes throughout the city and not just in Districts 1 and 2. She said there is a good excel spreadsheet in the information Ms. DePietro compiled which indicates the number of houses sold, where they were sold, and these are scattered throughout Santa Fe which is great. She reiterated that she wouldn't want the ordinance to require that the tax should be split, and thinks should be negotiable between the parties.

Councilor Calvert said page 4 of the ordinance provides under Imposition of Tax, "...shall be due and payable by the purchaser at the time of transfer.." He believes the reality is, although it may be itemized that way on the transaction, the parties can negotiate who pays that, but it will due by the purchaser at the time of transfer.

Councilor Trujillo said we have said we want to do this for our community and to keep our people in Santa Fe who work for the City. He said the fact of the matter is that people already have decided where they want to live. He said the house they can purchase in Rio Rancho probably is "ten times better than what you can get in Santa Fe." He said some people speak highly about the Albuquerque School system. He would like to keep people here, but he doesn't think we can do that. People already have proved they would rather work in Santa Fe and live in Albuquerque.

Ms. McCormick said when they did the housing needs assessment, they looked at those who had moved from Santa Fe, who had been working in the community for 5-10 years. She said these people were asked if they would come back to Santa Fe if they could find something they could afford to buy, and ½ of the commuters wanted to return to Santa Fe, even if it was a smaller home.

Ms. McCormick said she did several focus groups with the Firefighters and Police Department, and they are interested in buying an existing home which they could renovate. She said the housing plan speaks to the acquisition and renovation of existing homes so people could come back and buy in existing neighborhoods which have the larger lots and homes. She said if there is an ongoing funding source, such as from a real estate transfer tax, and the market is soft, staff could begin working to acquire existing housing, lots and land.

Ms. McCormick said the number of people in Santa Fe who want to build their own home, who earn 100 to 150% of the AMI, was much higher than you see in any other community. She said if we had a source of revenue to acquire lots, or assist people to acquire existing homes, we would create more opportunities for people so they could at least stop and think about whether or not to buy a house in Rio Rancho or in Santa Fe. She said the cost of gas might make that decision a lot easier.

Councilor Trujillo said the action being requested is only to put this on the ballot and allow the citizens of Santa Fe to make this decision. He said many times we, the City Council, make all of these decisions without letting the people vote on them.

Councilor Wurzbarger pointed out that this can't be done unless the citizens vote in favor of it, and she is only asking for the opportunity to put it on the ballot and to try to get it passed.

Councilor Trujillo agrees with the right of the citizens to decide how this will be done, and he will support the Ordinance.

Chair Bushee said she is more concerned about how this is being conveyed to the public. She said there are seven items under application of Funds, but there is no connection to the new Affordable Housing Five Year Initiative Strategic Plan, nor anything about green building. She asked if this needs to be done.

Ms. McCormick said it might be useful to have a specific reference to the Strategic Housing Plan, and she could add that language.

Councilor Bushee would like to see some work on "that one through seven section," and just to be really clear as to how the money gets directed, and such.

Ms. McCormick said Section 1 through 7 is taken directly taken from the Affordable Housing Trust Ordinance.

FRIENDLY AMENDMENT: Councilor Wurzbarger said this the reason "we brought these things forward at the same time." She suggested, as the sponsor of the bill, the language the Committee might consider including in that section is "Only to the extent permitted by state law for the purposes of implementing the approved Santa Fe Housing Plan, including but not limited to the following." **The amendment was friendly to the maker and second.**

Chair Bushee asked the timeline for the proposed election, and what is the cost of a special election.

Ms. McCormick said she worked closely with Yolanda Vigil on the dates because it is preceded by a Primary Election and followed by a General Election, which restricted the available dates. This would have to be on the ballot for an election on August 19, 2008.

Chair Bushee said that really isn't a good time for her, and people are on vacation, and she is concerned about getting people out to vote during that time.

Ms. McCormick reiterated that we are constrained by the national election, and to get it done before the Legislature, the election would have to be held on August 19, 2008, due to the availability of voting machines and the national elections, noting she would prefer to hold it in September or October.

Mayor Coss said as a cosponsor he wanted to be here this evening to support this Ordinance. He said we made the hard decision not to put this on the March 2008 ballot, and now we are constrained by the national election. He believes this is the time to take the next step, noting the threshold has been increased to \$650,000, saying there are no \$650,000 houses in District 3. However, if there were, this presents even more of a problem in recruiting health professionals, Police, Fire, teachers and such to live and work in Santa Fe. He knows that not everyone wants to come back to, or stay in, Santa Fe. But, many do, and this seems like the next step to keep our people in Santa Fe. Mayor Coss said, since 1992-1993, we have tried to stay ahead of the affordable housing issue, and this is the next step. He thanked the Committee for its attention and work on this.

FRIENDLY AMENDMENT: Councilor Romero would like to amend the motion to include a reference to the Strategic Housing Plan, in addition to the amendments proposed by Councilor Wurzbarger [Exhibit "6"].
The amendment was friendly to the maker.

VOTE: The motion, as amended, was approved unanimously on a voice vote.

Chair Bushee said the Ordinance goes next to the Finance Committee.

23. REQUEST FOR APPROVAL OF A JOINT RESOLUTION SUPPORTING THE SANTA FE REGIONAL TELECOMMUNICATIONS COALITION'S EFFORTS TO ORGANIZE PRIMARY TELECOMMUNICATIONS BANDWIDTH USERS IN THE SANTA FE REGION; AND DIRECTING STAFF TO SUBMIT AN APPLICATION TO THE NEW MEXICO LAMBDA RAIL (COUNCILOR WURZBURGER). (FABIAN TRUJILLO)

MOTION: Councilor Calvert moved, seconded by Councilor Romero to approve this request.

VOTE: The motion was approved unanimously on a voice vote.

24. ADOPTION OF NEW FEES FOR BUILDING PERMITS, DEVELOPMENT REVIEW AND ADMINISTRATION:

- REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING NEW FEES FOR PLAN REVIEWS, BUILDING PERMITS, SECONDARY MECHANICAL PERMITS, SECONDARY PLUMBING PERMITS, SECONDARY ELECTRICAL PERMITS, GRADING PLAN REVIEWS, GRADING PERMITS AND SIGN PERMITS (COUNCILOR WURZBURGER). (JACK HIATT)**
- REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING NEW FEES FOR**

DEVELOPMENT REVIEW APPLICATIONS SUCH AS ANNEXATION, REZONING, SUBDIVISION, DEVELOPMENT PLANS, SPECIAL EXCEPTIONS, VARIANCES, APPEALS, CODE AMENDMENTS, ETC., SUBMITTED TO THE LAND USE DEPARTMENT (COUNCILOR WURZBURGER). (JACK HIATT)

- REQUEST FOR APPROVAL OF A RESOLUTION ADOPTING NEW ADMINISTRATIVE FEES FOR OPERATIONS OF THE LAND USE DEPARTMENT (COUNCILOR WURZBURGER). (JACK HIATT)**

All items were combined for purposes of presentation and discussion, but were voted upon separately.

Jack Hiatt presented information regarding this matter to the Committee, noting the Development Fees haven't been changed since 2001. He said he was under the impression that the Finance Committee approved all of the Strategic Plans and Inefficiencies which were identified, and approved these fees. He felt it was important to bring these to this Committee. He spoke with Councilor Calvert today about moving two Divisions from this building to a more central location, and he has asked staff to do a study about the costs of moving and how much this would take away from any savings in making the move. He noted that Yolanda Cortez, Building Permits Division who is principally responsible for all of the work which has gone into the fees and Greg Smith, Director of Current Planning, are in attendance to answer any questions.

Mr. Hiatt said the Committee should be aware that the income from permit fees is really down. He said the number of permits in residential is about the same as this time last year, but it is a different kind of construction. He said new construction of homes is down and the additions are up, but the revenue is down considerably. He said if the fees are adopted to go into effect immediately, "we will be catching up for a while."

Mr. Hiatt said he explained to the Finance Committee that there is a phased hiring program based on the anticipated revenue. He said there are six critical positions in the first phase he needs "right off the bat." We have to have a Historic Preservation Division Director, and the Administrative Support position needs to be made permanent. He said the Property Manager as well as the position which identifies the financial guarantees are critical positions which we need to hire immediately. He urged the Committee to approve this request and move it forward to Council.

Chair Bushee asked if the list of requests on page 5 was submitted during the budget process.

Mr. Hiatt said yes, noting the process was begun some time ago, and it took time to develop the fee plan and the phased hiring plan. The Finance Director asked that it be included in the budget process and it appears a number of times in the budget recommendations, both from the Department and in the information from the Finance Director to the Finance Committee.

Chair Bushee asked Mr. Buller if he recommended any of these positions for this budget cycle.

Councilor Calvert said there was a caveat on these positions that they wouldn't be filled until the anticipated revenue was received.

Chair Bushee said all of the positions will be covered with the fee increases, and asked if the revenue projections were based on the 2007 fees.

Mr. Hiatt said the revenues were projected on last year's numbers, but we already know we are starting "in the hole," and said he acknowledges that and understands he is starting "behind the 8-ball." He said the sooner these go into effect, the sooner the revenue will flow in, and the sooner we can fill the positions.

Responding to the Chair, Mr. Hiatt said the building permit fees are not "on the rise." He said roughly, residential is down about \$106,000, and commercial is down about \$130,000. He said he is projecting the January through May 25 period, and if there is an uptick in the market between now and the end of the year, there will be better numbers, but they're not good right now.

Chair Bushee asked the percentage of increase for the three different categories.

Mr. Hiatt said he doesn't know that answer. He said the general, overall revenue is about \$2.5 million and the anticipated revenue from these increases is about \$1.4 million.

Chair Bushee asked who put these numbers together, and Mr. Hiatt indicated that was Yolanda Cortez. Chair Bushee asked Yolanda Cortez the percentage of increase.

Ms. Cortez said the permit increases are at 33% in some places and in others about 12%.

Chair Bushee asked how these fees compare statewide.

Ms. Cortez said she did some research, and we are slightly higher than Albuquerque, Rio Rancho and Las Cruces, about the same as Boulder, Colorado, and slightly less than what is recommended by the International Code Counsel – about 10% lower than that. Responding to the Chair, Ms. Cortez said the comparison to Boulder is because of the population and the number of permits issued which is much the same as ours.

Chair Bushee said she doesn't see what is being promised in terms of delivery of services for this increase.

Mr. Hiatt said he submitted a chart, along with the phasing of the hiring process. He said the increased services anticipated were in the last column. He said if we don't make hires in the six positions, we will lose services we currently provide. He said we have no Subdivision Inspectors to go out during the construction phase to ensure homes are being built on the correct sites with proper setbacks. So, we would be creating new services to the community.

Chair Bushee said for the last big increase, we said permits will be out in ten days, and asked if we are complying with that, and are we expecting to do better.

Ms. Cortez said at this time they are keeping up, and have implemented the over-the-counter building permits which are same day for residential alterations and repairs which we didn't have in the past. The commercial permits now take about 14 days when previously that took about 30 days. She said they are in the process of doing multi certification and cross training for the Plan Reviewers. As soon as the two vacant positions are filled in several weeks, they will start that process, and she anticipates that by mid-July 2008, they will begin phase two of over-the-counter permits to include alterations and repairs for commercial, and for some new residential permits.

Chair Bushee asked when they will get to the 10 day permits which she believes was required.

Ms. Cortez said currently, 75% of the permits are alterations and repairs which would leave about 30% of the permits which would have to go through the building permit process, and that time would be reduced to less than ten days.

Chair Bushee said she hears complaints that we don't have enough inspectors, and she sees only two inspectors in phase two and none in phase one. She doesn't see training for all the new people they have hired in the last year. It isn't clear to her how they will be streamlining the process and delivery of services which is what people are paying for.

Mr. Hiatt said he has tried to address the gripes he hears across the board. He said there are only two inspectors in Phase two. He said the problem in ignoring Phase one in the process is that we will lose services if he has to lay-off the temporary employees he has been using to band-aid the services he currently is providing. He reiterated the positions which need to be filled in Phase one. He said the position of Property Manager was created at the request of the City Manager to monitor leases, deeds and documents. Another temporary position, Project Specialist, was created to monitor financial guarantees, noting we lost approximately \$7 million in financial guarantees for not monitoring.

Responding to the Chair, Mr. Buller said he is told that the administrative support position is critical. He said each of the divisions has some administrative support, but he is not aware there is any administrative support for affordable housing.

Mr. Hiatt said with regard to training for inspectors and the cross training that has been implemented in Inspections and Permit Review, that training is not provided in-state, and no out-of-state travel has been provided for any department. He said this year he has "begged and borrowed" from various places for funds to send people for training where the certification is taking place, generally in Colorado.

Responding to the Chair, Mr. Hiatt reiterated that there are two inspectors in phase two.

Chair Bushee asked why these weren't in Phase one if that is the biggest complaint he gets.

Mr. Hiatt said this isn't the biggest gripe he gets, and he gets complaints from people who can't get through the Historic Preservation development review process and the permitting that goes on there. He believes we need to address things across the Board. He welcomes the Chair's recommendations. He said the phasing plan isn't "cast in concrete," and the phasing plan is subject to input.

Chair Bushee said she is unsure she can support this until she sees a timeline in writing which indicates efficiencies and delivery of services, and wants to see an inspector in phase one. She said that is truly the complaint she gets.

Mr. Hiatt reiterated that they are "thin" across the board in staffing.

Chair Bushee said all of the positions were filled and more, and this is one department which has grown relative to others.

Mr. Hiatt said the staffing size now is the same as it was ten years ago and the Department has not grown at all. He has filled all the positions possible during the past 18 months. In the interim, he has used all of the vacancy savings to hire contract and temporary employees to fill the vacancies for a band-aid approach until all of the positions could be filled.

Chair Bushee asked about the Green Land Use Planner, noting we moved the Long Range Planners to Economic Development to do community planning.

Mr. Hiatt said that position goes to Ms. McCormick and will be used in her Department. He said he is the only one requesting fees and the only way they could get an additional planner for Housing. They are using one FTE right now entirely for green.

Chair Bushee said there have always been vacancy savings in Planning and all the positions have never been filled. She believes the Plan is deficient in indicating the services or efficiencies which will be delivered by a certain date.

Chair Bushee said she is proposing to amend the sign ordinance in the downtown area, where currently it costs \$47 a "pop," and asked where that change is to be made.

Mr. Hiatt said that is proceeding through the process in a separate ordinance and isn't included in these.

Ms. Price said the sign change ordinance is separate, but the fee would be have to be changed in this proposal.

Chair Bushee said she will be submitting an amendment page to do that, so people aren't charged \$47 each time, and it would be one fee.

Mr. Hiatt said he will ensure that all Committee Members and other Councilors are provided a a copy of the complete phasing plan, including the proposed service improvements.

Chair Bushee is concerned we are considering these increases in this time of recession.

Councilor Calvert said this is the reason Mr. Hiatt can't hire the positions until the fees generate the anticipated/estimated revenue. He said he had some of the same concerns as Councilor Bushee, although he understands the need for the fee increases for these positions, but agrees there should be some anticipation of an increase in service to the customers as a result. He said this should be an evaluation by the City Manager to see how this does pan out. He believes the reason for the increase is to improve the service to the community, and there needs to be a reference to what that will be, however that can be defined.

Chair Bushee introduced Lisa Martinez, Director, State Construction Industries Division, and Wayne Dotson, one the Division's Green Planners.

Councilor Romero said, "I agree that there is a perspective about service to the community, but it's not always balanced. Sometimes the service that we give to the community costs us. And there is a cost to doing business, and I think we continually try to evaluate as either a committee or as a Council, is even the cost of people doing business on the Plaza when we have taxed, or are looking for taxes from even vendors on the Plaza. To me, there's a perspective about balancing, which is, yes we're going to hopefully give better service, and Jack I would hope that there is a phasing plan or how that money will be spent. But, I also realize that there is a cost of doing business in this town is expensive and the hope is that we will be able to have more people provide the services that we need, so the lame excuse from the community isn't, 'Oh, I tried calling to get a permit, but it was so complicated, so I didn't do it.' And, I'll tell you in my neighborhood I've seen folks cheating in that way, or it's all over town. Is it's a lame excuse is that it was too complicated or it took too long. My sense is, let's get it together, let's get the people that we need and let's get the services and what it really costs to do business. And my sense is it only comes from fees in one way, so I'm supportive of the idea of making sure that we've got the people to get the job done, adding to that the phasing plan that I think that's needed, some of the other things that we need, but let's get this moving."

Councilor Bushee said the new excuse is going to be it's too expensive to get a permit.

Lisa Martinez, Director State Construction Industries, said these are the same issues she experiences at Construction Industry, not being efficient, not providing the services the public needs. She said in seeking funds, the question always was that this is about providing a service for a fee and how do you intend to do that. She has been asked to provide a plan every step of the way with performance measures in terms of what they were going to accomplish. Ms. Martinez spoke of her personal experience in the past in helping someone to get a permit with the City, commenting that they gave up because the process was too complicated, too long, and they got a different answer from a different person every time they came in. The people sold their property and decided not to building. She commented on the disparity between the fees of the State which are a lot less than those of the City.

Ms. Martinez said she has years and years of experience in working with building departments all over New Mexico and Southern California, and she has never run into such complex situations in trying to get something through. She said at some point, the efficiencies need to be realized for the normal person

to figure out how to get to the process, and once they get there to figure out to pay for it, because it is very very expensive.

Ms. Martinez said the City currently doesn't have the resources to deal with complaints that come in, so Construction Industries takes on those complaints. This is a real problem when you don't have the inspectors and investigators to look at those cases, noting there is a very very serious complaint case, with 30 complaints against one builder. The City probably will end up in a lawsuit over that one for not performing the appropriate inspections. It will be a joint effort to try to figure out how to resolve that problem.

Ms. Martinez said she is completely accountable to the Legislature, to the industry and to the Governor, which is a monumental task, but it can be done with some good management.

MOTION: Councilor Calvert moved, seconded by Councilor Romero, to approve the Resolution adopting new fees for plan reviews, building permits, secondary mechanical permits, secondary plumbing permits, secondary electrical permits, grading plan reviews, grading permits and sign permits, with direction to staff to include the timelines and performance measures to go along with the proposed increase in staffing by the time it goes to the Finance Committee.

DISCUSSION: Chair Bushee would like a copy of those since she isn't on Finance Committee. She said she will be bring an amendment to the sign permit portion.

VOTE: The motion was approved unanimously on a voice vote.

MOTION: Councilor Calvert moved, seconded by Councilor Romero, to approve the Resolution adopting new fees for development review applications such as annexation, rezoning, subdivision, development plans, special exceptions, variances, appeals, code amendments, etc., submitted to the Land Use Department.

VOTE: The motion was approved unanimously on a voice vote.

MOTION: Councilor Calvert moved, seconded by Councilor Romero, to approve the Resolution adopting new administrative fees for operations of the Land Use Department.

VOTE: The motion was approved unanimously on a voice vote.

25. REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SECTION 14-8.14 SFCC 1987, REGARDING IMPACT FEES REQUIRED TO BE PAID UNDER THE "OLD" FEE SCHEDULE (COUNCILOR CHAVEZ). (REED LIMING)

Reed Liming presented information to the Committee regarding this matter, noting this is just an

administrative streamlining of the Impact Fees Ordinance we put into effect. The bill makes sure a permit applicant is either on the old fee schedule or the new fee schedule, and collapses the number of impact fee categories in the old fee schedule to match the new fee schedules. This is not a fee increase, but simply combining regional neighborhood parks into a parks fee and combining arterials and traffic signals into a roads fee the same as in the new fee schedule. He asked for approval, noting it has been approved by the CIAC and Finance Committee.

MOTION: Councilor Calvert moved, seconded by Councilor Trujillo, to approve this request.

VOTE: The motion was approved unanimously on a voice vote.

26. MATTERS FROM STAFF

There were no matters from staff.

27. MATTERS FROM THE COMMITTEE

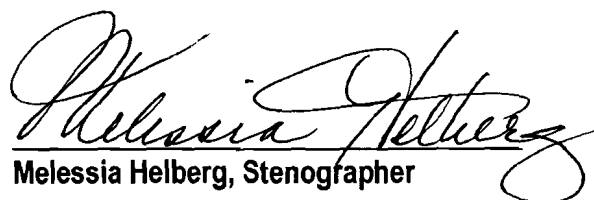
There were no matters from the Committee

23. NEXT MEETING: June 9, 2007.

29. ADJOURN

There being no further business to come before the Committee, and the Committee having completed its agenda, the meeting was adjourned at 7:30 p.m.

Patti J. Bushee, Chair



Melessia Helberg, Stenographer