



Agenda

DATE 12/10/13 TIME 1:40
BY Geraldine Jurado
APPROVED BY P. Ortiz

SECOND AMENDED

PLANNING COMMISSION

Thursday, December 5, 2013 – 6:00pm

Thursday, December 19, 2013 – 6:00pm

City Council Chambers

City Hall 1st Floor - 200 Lincoln Avenue

- A. ROLL CALL
- B. PLEDGE OF ALLEGIANCE
- C. APPROVAL OF AGENDA
- D. APPROVAL OF MINUTES AND FINDINGS/CONCLUSIONS

MINUTES: November 7, 2013

FINDINGS/CONCLUSIONS:

Case #2013-69. Saiz Family Transfer Subdivision. (POSTPONED FROM OCTOBER 3, 2013, OCTOBER 17, 2013 AND NOVEMBER 7, 2013)

Case #2013-81. 1121 West Ridge Rd Variance. (POSTPONED FROM NOVEMBER 7, 2013)

Case #2013-83. Tierra Vista Subdivision Variance. (POSTPONED FROM NOVEMBER 7, 2013)

Case #2013-84. 5319 Joshua Lane Variance. (POSTPONED FROM NOVEMBER 7, 2013)

Case #2013-72. Kavanaugh Family Transfer Subdivision.

Case #2013-103. Lot 6A, Plaza la Prensa, Southwest Business Park Preliminary Subdivision Plat.

- E. OLD BUSINESS
- F. NEW BUSINESS

THE FOLLOWING ITEMS HAVE BEEN POSTPONED FROM DECEMBER 5, 2013 DUE TO MEETING CANCELLATION.

1. An ordinance amending Section 14-8.14(E) SFCC 1987 to extend for one year the period during which impact fees for residential developments shall be reduced by 100% and to reduce impact fees for residential developments by 50% for a period of one year thereafter; and making such other stylistic or grammatical changes that are necessary. (Councilor Rebecca Wurzbarger) (Matthew O'Reilly)

2. **Case #2013-111. Presbyterian Healthcare Services Development Plan.** JenkinsGavin Design & Development, Inc., agent for Presbyterian Healthcare Services, requests Development Plan approval to develop an approximately 33,000 square-foot medical facility on 6.71 acres at 454 St. Michael's Drive west of Botolph Road. The application includes a variance request to allow for placement of entry signs within the St. Michael's Drive right-of-way. The property is zoned C-1 (Office and Related Commercial District). (William Lamboy, Case Manager)

G. STAFF COMMUNICATIONS

H. MATTERS FROM THE COMMISSION

I. ADJOURNMENT

NOTES:

- 1) Procedures in front of the Planning Commission are governed by the City of Santa Fe Rules & Procedures for City Committees, adopted by resolution of the Governing Body of the City of Santa Fe, as the same may be amended from time to time (Committee Rules), and by Roberts Rules of Order (Roberts Rules). In the event of a conflict between the Committee Rules and Roberts Rules, the Committee Rules control.
- 2) New Mexico law requires the following administrative procedures to be followed by zoning boards conducting "quasi-judicial" hearings. By law, any contact of Planning Commission members by applicants, interested parties or the general public concerning any development review application pending before the Commission, except by public testimony at Planning Commission meetings, is generally prohibited. In "quasi-judicial" hearings before zoning boards, all witnesses must be sworn in, under oath, prior to testimony and will be subject to reasonable cross examination. Witnesses have the right to have an attorney present at the hearing.
- 3) The agenda is subject to change at the discretion of the Planning Commission.
***Persons with disabilities in need of special accommodations or the hearing impaired needing an interpreter please contact the City Clerk's Office (955-6520) 5 days prior to the hearing date.**

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CITY OF SANTA FE
PLANNING COMMISSION
December 19, 2013

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER/ROLL CALL	Quorum	1
APPROVAL OF SECOND AMENDED AGENDA	No objections/approved	1
<u>APPROVAL OF MINUTES AND FINDINGS/CONCLUSIONS</u>		
MINUTES – NOVEMBER 7, 2013	Approved [amended]	2
FINDINGS/CONCLUSIONS:		
<u>CASE #2013-69.</u> SAIZ FAMILY TRANSFER SUBDIVISION	Approved	3
<u>CASE #2013-81.</u> 1121 WEST RIDGE RD. VARIANCE	Approved	3
<u>CASE #2013-83.</u> TIERRA VISTA SUBDIVISION VARIANCE	Approved	3
<u>CASE #2013-84.</u> 5319 JOSHUA LANE VARIANCE	Approved	3
<u>CASE #2013-72.</u> KAVANAUGH FAMILY TRANSFER SUBDIVISION	Approved	4
<u>CASE #2013-103.</u> LOT 6A, PLAZA LA PRENSA, SOUTHWEST BUSINESS PARK PRELIMINARY SUBDIVISION PLAT	Approved	4
OLD BUSINESS	None	4
<u>NEW BUSINESS</u>		
AN ORDINANCE AMENDING SECTION 14-8.14(E) SFCC 1987, TO EXTEND FOR ONE YEAR THE PERIOD DURING WHICH IMPACT FEES FOR RESIDENTIAL DEVELOPMENTS SHALL BE REDUCED BY 100% AND TO REDUCE IMPACT FEES FOR RESIDENTIAL DEVELOPMENTS BY 50% FOR A PERIOD OF ONE YEAR THEREAFTER; AND MAKING SUCH OTHER STYLISTIC OR GRAMMATICAL CHANGES THAT ARE NECESSARY	Recommended denial	4-11

ITEM

ACTION

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CASE #2013-111. PRESBYTERIAN HEALTHCARE SERVICES DEVELOPMENT PLAN. JENKINS GAVIN DESIGN & DEVELOPMENT, INC., AGENT FOR PRESBYTERIAN HEALTHCARE SERVICES, REQUESTS DEVELOPMENT PLAN APPROVAL TO DEVELOP AN APPROXIMATELY 33,000 SQUARE FOOT MEDICAL FACILITY ON 6.71 ACRES AT 454 ST. MICHAEL'S DRIVE WEST OF BOTULPH ROAD. THE APPLICATION INCLUDES A VARIANCE REQUEST TO ALLOW FOR PLACEMENT OF ENTRY SIGNS WITHIN THE ST. MICHAEL'S DRIVE RIGHT-OF-WAY. THE PROPERTY IS ZONED C-1 (OFFICE AND RELATED COMMERCIAL DISTRICT)

Approved w/conditions [amended] 12-22

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**MINUTES OF THE MEETING
OF THE
PLANNING COMMISSION
December 19, 2013**

A regular meeting of the City of Santa Fe Planning Commission, was called to order by Chair Tom Spray, at approximately 6:00 p.m., on Thursday, November 19, 2013, in the City Council Chambers, City Hall, Santa Fe, New Mexico.

A. ROLL CALL

MEMBERS PRESENT:

Commissioner Tom Spray, Chair
Commissioner Lisa Bemis
Commissioner Michael Harris
Commissioner Signe Lindell
Commissioner John Padilla
Commissioner Dan Pava
Commissioner Renee Villarreal
Commissioner Angela Schackel-Bordegary

MEMBERS ABSENT

Commissioner Lawrence Ortiz

OTHERS PRESENT:

Tamara Baer, Planner Manager, Current Planning Division – Staff liaison
Matthew O'Reilly, Director, Planning and Land Use Department
Kelley Brennan, Interim City Attorney
Melessia Helberg, Stenographer

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

B. PLEDGE OF ALLEGIANCE

C. APPROVAL OF SECOND AMENDED AGENDA

No vote was taken to approve the Second Amended Agenda, and in the absence of objection, the Chair declared the Agenda approved. All Commission members were in attendance at this time, with the exception of Commissioner Schackel-Bordegary.

D. APPROVAL OF MINUTES AND FINDINGS/CONCLUSIONS

Commissioner Schackel-Bordegary arrived at the meeting

1. MINUTES – NOVEMBER 7, 2013

The following correction was made to the minutes:

Page 7, paragraph 5, line 3, correct as follows: ".....being developed or ~~approved~~ improved..."

MOTION: Commissioner Padilla moved, seconded by Commissioner Bemis, to approve the minutes of the meeting of November 7, 2013, as amended.

VOTE: The motion was approved unanimously on a voice vote, with Commissioners Bemis, Harris, Lindell, Padilla, Pava, Schackel-Bordegary and Villarreal voting in favor of the motion and no one voting against [7-0]

2. FINDINGS/CONCLUSIONS

A copy of the Planning Commission Findings of Fact and Conclusions of Law, in Case #2013-69, is incorporated herewith to these minutes as Exhibit "1."

A copy of the Planning Commission Findings of Fact and Conclusions of Law, in Case #2013-81, is incorporated herewith to these minutes as Exhibit "2."

A copy of the Planning Commission Findings of Fact and Conclusions of Law, in Case #2013-83, is incorporated herewith to these minutes as Exhibit "3."

A copy of the Planning Commission Findings of Fact and Conclusions of Law, in Case #2013-84, is incorporated herewith to these minutes as Exhibit "4."

A copy of the Planning Commission Findings of Fact and Conclusions of Law, in Case #2013-72, is incorporated herewith to these minutes as Exhibit "5."

A copy of the Planning Commission Findings of Fact and Conclusions of Law, in Case #2013-103, is incorporated herewith to these minutes as Exhibit "6."

a. **CASE #2013-69. SAIZ FAMILY TRANSFER SUBDIVISION.**
**(POSTPONED FROM OCTOBER 3, 2013, OCTOBER 17, AND
NOVEMBER 7, 2013)**

MOTION: Commissioner Padilla moved, seconded by Commissioner Harris, to approve the Findings of Fact and Conclusions of Law, in Case #2013-69, Saiz Family Transfer Subdivision, as presented.

VOTE: The motion was approved unanimously on a voice vote, with Commissioners Bemis, Harris, Lindell, Padilla, Pava, Schackel-Bordegary and Villarreal voting in favor of the motion and no one voting against [7-0].

b. **CASE #2013-81. 1121 WEST RIDGE RD. VARIANCE. (POSTPONED
FROM NOVEMBER 7, 2013)**

MOTION: Commissioner Harris moved, seconded by Commissioner Padilla, to approve the Findings of Fact and Conclusions of Law, in Case #2013-81, 1121 West Ridge Road Variance, as presented.

VOTE: The motion was approved unanimously on a voice vote, with Commissioners Bemis, Harris, Lindell, Padilla, Pava, Schackel-Bordegary and Villarreal voting in favor of the motion and no one voting against [7-0].

c. **CASE #2013-83. TIERRA VISTA SUBDIVISION VARIANCE
(POSTPONED FROM NOVEMBER 7, 2013)**

MOTION: Commissioner Harris moved, seconded by Commissioner Lindell, to approve the Findings of Fact and Conclusions of Law, in Case #2013-83, Tierra Vista Subdivision Variance, as presented.

VOTE: The motion was approved unanimously on a voice vote, with Commissioners Bemis, Harris, Lindell, Padilla, Pava, Schackel-Bordegary and Villarreal voting in favor of the motion and no one voting against [7-0].

d. **CASE #2013-84. 5319 JOSHUA LANE VARIANCE (POSTPONED
FROM NOVEMBER 7, 2013)**

MOTION: Commissioner Harris moved, seconded by Commissioner Bemis, to approve the Findings of Fact and Conclusions of Law, in Case #2013-84, 5319 Joshua Land Variance, as presented.

VOTE: The motion was approved unanimously on a voice vote, with Commissioners Bemis, Harris, Lindell, Padilla, Pava, Schackel-Bordegary and Villarreal voting in favor of the motion and no one voting against [7-0].

e. **CASE #2013-72. KAVANAUGH FAMILY TRANSFER SUBDIVISION.**

MOTION: Commissioner Padilla moved, seconded by Commissioner Harris, to approve the Findings of Fact and Conclusions of Law, in Case #2013-72, Kavanaugh Family Transfer Subdivision, as presented.

VOTE: The motion was approved unanimously on a voice vote, with Commissioners Bemis, Harris, Lindell, Padilla, Pava, Schackel-Bordegary and Villarreal voting in favor of the motion and no one voting against [7-0].

f. **CASE #2013-103. LOT 6A, PLAZA LA PRENSA, SOUTHWEST BUSINESS PARK PRELIMINARY SUBDIVISION PLAT.**

MOTION: Commissioner Villarreal moved, seconded by Commissioner Bemis, to approve the Findings of Fact and Conclusions of Law, in Case #2013-69, Saiz Family Transfer Subdivision, as presented.

VOTE: The motion was approved unanimously on a voice vote, with Commissioners Bemis, Harris, Lindell, Padilla, Pava, Schackel-Bordegary and Villarreal voting in favor of the motion and no one voting against [7-0]

E. OLD BUSINESS

There was no old business

F. NEW BUSINESS

1. **AN ORDINANCE AMENDING SECTION 14-8.14(E) SFCC 1987, TO EXTEND FOR ONE YEAR THE PERIOD DURING WHICH IMPACT FEES FOR RESIDENTIAL DEVELOPMENTS SHALL BE REDUCED BY 100% AND TO REDUCE IMPACT FEES FOR RESIDENTIAL DEVELOPMENTS BY 50% FOR A PERIOD OF ONE YEAR THEREAFTER; AND MAKING SUCH OTHER STYLISTIC OR GRAMMATICAL CHANGES THAT ARE NECESSARY (COUNCILOR REBECCA WURZBURGER). (MATTHEW O'REILLY)**

A Memorandum dated November 27, 2012, with attachments, to the Planning Commission, Capital Improvements Advisory Committee, Public Works, CIP & Land Use Committee, Finance Committee and City Council, in this matter, is incorporated herewith to these minutes as Exhibit "7."

The staff report was presented by Matthew O'Reilly from his Memorandum, with Attachments, dated November 27, 2013, which is in the Commission packet. Please see Exhibit "6" for specifics of this presentation. Mr. O'Reilly reviewed the spreadsheets attached to Exhibit "6," noting that the spreadsheets only cover the first 22 months, and the City did not collect approximately \$1.4 million in impact fees during

the term when impact fees were not being collected. He said staff estimates when the term of the Ordinance expires, that figure will be approximately \$1.5 million in impact fees. During this time residential construction increased by 35%, and the net revenue exceeds the amount of impact fees not collected by \$394,777.

Mr. O'Reilly commented that this is not to say that the increase in GRTs is tied to the fact that there were no impact fees during this time, noting studies done in this regard around the country have been inconclusive as to whether the reduction in impact fees actually spurs residential construction.

Mr. O'Reilly noted this Ordinance was unanimously approved by the City's Public Works Committee. It was also approved by the Capital Improvements Advisory Committee. He said Councilor Ives has proposed an amendment that the Ordinance be reviewed after the first 12 months, before the City proceeds to the 50% level of the Ordinance.

Public Hearing

Speaking to the Request

There was no one speaking for or against the request.

The Public Testimony Portion of the Public Hearing Was Closed

The Commissioners commented and asked questions as follows:

- Commissioner Lindell said the intent of the Ordinance was to stimulate previously planned, residential projects which were stalled due to difficulty in obtaining construction financing. She asked if the backlog of previously planned construction, about which Mr. O'Reilly spoke, has been cleared.

Mr. O'Reilly said there is a sizable backlog, and we continue to have a sizeable backlog, noting, "There are many many residential projects that have been approved previously, where the actual housing has not commenced yet."

- Commissioner Lindell said in going through the very long list of single family homes, she is troubled that on a \$1 million home, we leave \$4,000 in uncollected fees, which is less than ½ % on a home like that. She said, "I don't feel that is something that stops the homeowner from building that home." She said there is some development, some builders that build numerous single family homes. She said, "I don't think that affected their plans to build at all, and the monies saved weren't passed on to the purchasers and it was kind of windfall money for them [builders]. Some of the larger builders that do subdivisions, I don't think they lowered their prices to reflect this."

Commissioner Lindell continued, "So, I think where I'm going with this is I would like to see us do a little bit more analyzing this and I guess I would like to see us go ahead and reduce this to 50%

sooner rather than later. And also to take a look at it, in terms of probably the commercial construction, so we analyze this a little bit more than just a broad, across the board reduction of fees. Because as Director O'Reilly pointed out, this type that I can barely read, just number upon number here, there's a lot of homes in there that I think would be built without this. I don't really think these fees impact people getting financing at this point in time. And even though we've seen an increase of 35%, the other side of that is that people are hurrying to get things done, and once this is taken away completely, then we have a lull in new permits. No one knows the answer to that. The real number is \$1.4 million that we didn't collect. You can minus the GRTs, and the Building Permit Fees, you can slice and dice those numbers however you want to, but the actual number is \$1.4 million that we didn't collect."

Commissioner Lindell continued, "I don't know if extending this at 100% for another year is necessary. We are in some tough financial times with the City with some things that are going on, and I don't know at this point if this is really stopping people from getting financing and accomplishing what the intent of the Ordinance was."

- Commissioner Harris thanked staff for the spreadsheet which makes it easier to quantify the effect of the Ordinance. He said he, unlike Commissioner Lindell, doesn't feel the need to discriminate, in terms of construction evaluation. He said the important numbers, to him, have to do with the averages. He said 279 permits were issued for a construction valuation of \$64,397,036, which averages to \$230,813 per home. On a square footage basis, the same number of permits, divided into the heated square footage of 509,533, is 1,826 square feet. He said that number times the average square footage cost of \$131.30 there is an average of \$239,790. He thinks the greater good is served. He is interested in the aggregate and those numbers are encouraging. He said even some young families can afford that cost. He said, "I think it's been effective and I would support its continuation."
- Commissioner Schackel-Bordegary said she appreciates the commentary by Commissioners Lindell and Harris. She said she is unsure if we can attribute the increase of 35% in residential building permits to the reduction in impact fees as has been stated, especially over this time period because it has been since 2008 which was the beginning of the recession and it has improved gradually over time. She said, "That said, the homebuilding industry is very important to Santa Fe's economy, and we have to consider that."

Commissioner Schackel-Bordegary said she appreciates the second point about valuation of homes. She said, "I just did a quick tally of the 279 units, and I appreciate the spreadsheet analysis as well. About 16 of them are just over \$500,000, and is a threshold for me that does hold some meaning. I'm living in a home that is nowhere near valued at that. I question, from a public infrastructure funding perspective, how responsible it is for our City to forego impact fees on homes of that valuation, particularly when we just annexed as we have. That's what I wanted to say. I think it is always difficult to quantify policies. This is one effort at that, but I do echo... or share the opinion of Commissioner Lindell that homes valued over \$500,000 should not have any impact fees waived. That's just what I believe."

- Commissioner Padilla spoke in favor of the Resolution before the Commission this evening. He said, "Being in the business myself, and having done many single-family homes, and also now working on projects that are impacted by the reduction that has been experienced over the last two years, I think it really has motivated some developers to really move projects forward. I think, as they look at the forecast, or in the future here, the year of impact fees that will remain at zero will really motivate developers to put more inventory into the market. I feel it's not only the \$500,000 plus, but those more affordable housing that's being done by our Housing Trust, Homewise and so forth. That's where the real impact is felt – on the affordable housing.... \$1,000 is significant in being able to add to the value of that house in quality of materials or additional materials in construction. So the difference, over the last two years, of 73 additional houses isn't a big number, but I would venture to say in the next 12 month period, because of the extension of this, if it does go through and continues in the route it's going now to City Council, I think it will motivate a number of developers to move forward. It does spur construction. It does speak positively to the City's concern to contractors and developers that we feel what you're going through. We understand what it takes to develop a project. So I definitely will be voting In favor of this Ordinance.

- Commissioner Pava said he is generally in favor of extending the period of impact fee reduction. He thanked his fellow Commissioners for pointing out nuances and detail he didn't pay attention to, particularly Commissioner Lindell and Commissioner Schackel-Bordegary. He said, "What I see here is generally a good idea, to continue to stimulate the construction industry and whatnot and provide housing. But I do see, I can't ignore the large gap, if I understand this correctly, that a million dollar house would collect \$4,147 in impact fees, and a mobile home placement \$3,180. And what I would go on record as saying.... and there are a lot more mobile home placements than million dollar homes and rightly so, because Santa Fe is more skewed toward that way with the income gap as this recession continues."

- Commissioner Pava continued, "I would encourage, in fact admonish our City decision-makers to consider revising this, because this is a recessive tax, frankly. And although I can support, for good reason, the extension of this, I think this needs to be tweaked. I don't know what the threshold should be, \$500,000, \$750,000, \$1 million. I don't think it's fair to have such a small difference in impact fees for such a great difference in the value of these kinds of homes. This I think could be studied more. I would be more than willing to help out with that, or.... That's all I have to say."

- Commissioner Villarreal said Commissioner Pava's comments brought to her attention the inequities of how the impact fees are collected or based on the valuation of a home. She asked Director O'Reilly to talk about how impact fees are used in the City.

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Mr. O'Reilly said, "The City applies its impact fees through the enabling state legislation, the Development Fees Act. Currently, the City collects impact fees for roads, parks, police and fire. The difference between impact fees that we collect and other revenues the City takes in, such as building permit fees, or GRTs or other kinds of development applications, is that they go into the General Fund and can be used in any way by the City. Impact fees, development fees, defined by

State statutes can only be used for specific things. Roadway impact fees can only be used for roadways, to construct roadways, and more specifically, only those roadways that are part of the City's impact fee capital improvements plan and the same for parks, police and fire. A small portion of impact fees, up to 3%, can be used for administration of the fees, but other than that, they have to be applied in only those areas. So these aren't revenues that can be moved into the General Fund and used to operate the City."

Mr. O'Reilly noted the Long Range Planning Division has contracted with a consultant to redo the City's Impact Fee/Capital Improvements Plan/Land Use Assumptions, which is required to be done every 5 years. He said the bottom line is that impact fees have to be calculated on the impacts the homes will have on the City's infrastructure and described that process.

Mr. O'Reilly said although it may seem inequitable, a \$1 million home does not create 3 times the impacts of a \$333,000 home, for example. He said the Study is on-going and a new set of impact fees will be brought to this Commission and the City Council. He said The Development Fees Act requires a municipality adopting the impact fees to revise its fees and assumptions every 5 years.

Mr. O'Reilly said if the Ordinance is adopted and residential fees stay at zero, it won't matter the first year, but when it ramps back up and we apply the full value, what they are will make a difference. It may be that there is something in recent research that shows that larger buildings do or do not create more impacts. He said he understands the research is the opposite, and the larger buildings generate less VMTs than a lot of the smaller residences do.

Mr. O'Reilly said staff has been advised it is not possible for the City to charge impact fees on larger buildings and homes, and not charge on smaller homes. He said in 2008 when the consultant prepared the current fee schedule, the fees weren't those adopted by the Governing Body. The fees adopted are only 60% of what the consultant recommended, noting that is fairly common around the nation.

- Commissioner Villarreal thanked Mr. O'Reilly for the information. She said she didn't vote for this the last time.
- Commissioner Schackel-Bordegary said, in response to Commissioner Padilla's comment about homebuilders being able to add more value to homes in the lower threshold range. She asked, in the analysis of how this Ordinance is working, if someone tried to quantify whether that was true – or did all of the funds go into the hands of out-of-state developers who built much needed affordable homes. She said this is a local economy issue as well.

Mr. O'Reilly said it is hard to get into the pro formas of the different developers, and find out where things are going. However, there have been reports in the news media, and statements made by large builders like Cen-Tex. He said they have made statements to the effect that lowering the fees doesn't do much to their pro forma, and they will move forward based on market conditions. He said many of the permits were not pulled by Cen-Tex, but by individual people building houses. He said what he has seen for the past 22 months is, when you tell them they don't have to pay

\$3,500 in impact fees they are relieved, and many times they haven't known it was coming. He said it makes an immediate difference in the person's finances – whether they put it into the house or save the money for something else. He said this is a good thing and this is money that can be spent in the community. He said, however, no one can say whether they make the decision to build the house just because of that, and he won't say that. However, he does know it helps.

- Commissioner Pava said he appreciates Mr. O'Reilly's explanation and it is complicated. He said, "To paraphrase the words of somebody who just recently passed away, 'It just isn't right.' He said when he sees a \$50,000 mobile home placement at 5% and a million dollar house paying .5%, it just isn't right.
- Chair Spray said he opposed this bill when it came to the Commission the last time. He said his assumption is that the impact fees are created because there is a need to provide money for roads, parks, police and fire. He said if houses and structures are being built, there is an impact. He asked if the both the GRTs and impact fees go into the General Fund.

Mr. O'Reilly said no, the GRTs do go to the General Fund, but impact fees go into segregated funds only for those specific uses.

- Chair Spray said he was speaking of the building permits.

Mr. O'Reilly said those go into the General Fund.

- Chair Spray said, from a political standpoint, you might be able to trade off having to spend citizen funds on roads, parks, police and fire, which everybody would be in favor of, versus taking GRTs which goes into a general pot which can go to whomever we want, and there are no restrictions on those funds. He said, "The way this is structured is, I would say we're either in or out. If we have impact for a reason, and I assume we do, then we should make the money available for something which presumably is needed. Because when we lay it out and those buildings come on line, they have an impact. That's why it was there in the first place. If they don't have an impact, let's stimulate the industry forever and eliminate the entire tax, and then you can keep right on going. What you're saying when you waive it off, you don't need to spend it, and I don't know what the.... you mentioned the Capital Improvements Advisory Committee. Is that a part of the allocation of these funds."

Mr. O'Reilly said the City Capital Improvements Advisory Committee, is an advisory committee that makes recommendations to the Governing Body, and reviews proposal for the expenditure of impact fees and related things. It only deals with capital impacts, and not all the other things you do as Planning Commissioners.

- Chair Spray said in terms of fairness, then we should waive the whole thing, because if it is reduced to zero, what we are saying that there is no impact, so why should people pay at all. If there is an impact, then we should put that impact fee in place.

- Commissioner Harris said in terms of impact to our roads, parks, police and fire, the far greater impact in cost to the City and the citizens of Santa Fe has been undertaken by the annexation that we all deal with. He said, "To me, 279 homes, during this two-year period is incremental, given the scale of what the City has undertaken. I think it had an effect on industry, one of the few industries in this town. When you say many industries, what are they. We have government, we have tourism and we have construction, and that's about it."
- Chair Spray said, "Many industries would be suffering in that sense, but I would be glad to talk about what the issue is with the annexation, and I had issues with that, if you recall, at the last meeting because there was no provision built into the impact statement that we had for where that revenue was going to come, as well. So we can debate that. But I just think in this particular case, it's not a question of giving a break to someone. The idea was to be able to stimulate this and bring in higher gross receipts taxes that go to one particular fund. But if we have an impact fee in the first place, why did we, the citizens, create an impact fee – because there is an impact. And if we allow things to be built and then do not provide the roads, the parks, the police and the fire to do that, what are we doing. We can only have it one of two ways. We say we need that, or we don't need that. And if we don't need that, then we should waive it and put it to zero in my judgment."
- Commissioner Bemis asked about schools – if we are building a lot of homes in an area, are the schools included.

Mr. O'Reilly said School Boards are a separate governmental subdivision of the State, with its own funding mechanisms. However, we do charge impact fees for school construction, and sometimes they pay them.

Mr. O'Reilly said, "Impact fees are a funding source for all different kinds of capital improvements. Other funding sources are bonds and others. The amount the City receives from impact fees cannot pay for the large construction projects that the City undertakes, because we don't collect enough in impact fees. He said our impact fees and building permit fees are close to the highest in the State of New Mexico, but they can't, alone, pay for some of these things. He said it's not that if the impact fees are set to zero we're saying there is no impact. I believe what you can say is that we believe that we can mitigate the impacts through other methods for the short term that these impact fees are set to zero, again through bonds and other things. We just recently issued a \$30 million Parks Bonds. We don't collect anywhere near that in Parks impact fees. It's just another funding source the City can use for some of these things, but by no means does it mean that there aren't any impacts, or that those improvements might not take place."

- Commissioner Padilla said he has one final comment. He said it is 279 single-family residences, the majority \$250,000 to \$300,000. 279 new homeowners. He said if you look at projects identified for 5 or more family buildings, 54 units, 42 units, 7 units, 20 units and 53 units, those are new, residential apartment units that have come on the market. He said we need more quality housing. He said, "Over the past two years, 279 new homes have been constructed. They've benefitted from the impact fees not collected, and as Mr. O'Reilly has said, they stepped up and

paid all the other fees they've been assessed. The impact fee is a minor item to it, but a major item to a homeowner or a developer of 54 or more units in their final pro forma. I just wanted to make that statement."

- Commissioner Schackel-Bordegary said it was an excellent debate, and impact fees are "an animal all of their own" having to do with our State legislation. However, from what she has heard here this evening, and based on her personal experience in the design and building industry, it has made a difference. It may be more symbolic than anything else, but it's made a difference.

MOTION: Commissioner Schackel-Bordegary moved, seconded by Commissioner Padilla, to recommend approval of the extension of the temporary reduction in residential impact fees, as outlined in the Staff Memorandum to the Commission.

DISCUSSION: Commissioner Lindell said she won't support this, because she believes we can come up with something else. She said just extending it seems like the easy way to deal with it. She said, "Given some more thought and analysis, we can do better than just extending this. I'm for finding a way to stimulate this industry, and jobs, but I just think we're grabbing onto the easy way out of this and there is something that is more effective than this. We just haven't put the work into deciding what that might be. That's my reason for not supporting this."

VOTE: The motion failed to pass on a roll call vote as follows:

For: Commissioner Harris, Commissioner Padilla and Commissioner Schackel-Bordegary.

Against: Commissioner Lindell, Commissioner Pava, Commissioner Villarreal and Commissioner Bemis.

[3-4]

MOTION: Commissioner Villarreal moved, seconded by Commissioner Pava, to recommend denial of the proposed Ordinance to the Governing Body.

VOTE: The motion was approved on a roll call vote as follows:

For: Commissioner Bemis, Commissioner Lindell, Commissioner Pava, Commissioner Schackel-Bordegary and Commissioner Villarreal.

Against: Commissioner Harris and Commissioner Padilla.

[5-2]

2. **CASE #2013-111. PRESBYTERIAN HEALTHCARE SERVICES DEVELOPMENT PLAN. JENKINS GAVIN DESIGN & DEVELOPMENT, INC., AGENT FOR PRESBYTERIAN HEALTHCARE SERVICES, REQUESTS DEVELOPMENT PLAN APPROVAL TO DEVELOP AN APPROXIMATELY 33,000 SQUARE FOOT MEDICAL FACILITY ON 6.71 ACRES AT 454 ST. MICHAEL'S DRIVE WEST OF BOTULPH ROAD. THE APPLICATION INCLUDES A VARIANCE REQUEST TO ALLOW FOR PLACEMENT OF ENTRY SIGNS WITHIN THE ST. MICHAEL'S DRIVE RIGHT-OF-WAY. THE PROPERTY IS ZONED C-1 (OFFICE AND RELATED COMMERCIAL DISTRICT). (WILLIAM LAMBOY, CASE MANAGER)**

A Memorandum, with attachments, prepared November 21, 2013, for the December 5, 2013 meeting, is incorporated herewith to these minutes as Exhibit "8."

The Development Plan in this case is on file with and can be obtained from the Land Use Department.

A Memorandum dated December 19, 2013, to the Planning Commission from Current Planning Division, in regard to this case, with two letters in support of this case attached, is incorporated herewith to these minutes as Exhibit "9."

A power point presentation prepared by Jennifer Jenkins, JenkinsGavin Design & Development, is incorporated herewith to these minutes as Exhibit "10."

Ms. Baer presented information regarding this Case, using some of the graphics in Ms. Jenkins' presentation. Please see Exhibits "8" and "10," for specifics of this presentation.

Ms. Baer said, "The property itself is the large, vacant triangular shape that Ms. Jenkins is outlining with her pointer."

Ms. Baer noted that the Variance request does not ask the Commission to approve the location of the signs. Because it is State Highway right-of-way, the applicant will have to make that request of the NM Department of Transportation. She said, "Really what this Commission would be saying is that it is okay with you that the signs be located off the property in that location, and would allow them to go forward and make that request."

Ms. Baer said staff felt, on the whole, the signage variances allowed better visibility of this facility, especially since there is an urgent care facility there. We felt it was important for people to be able to identify the site and know how to get into, and primary reason staff felt the variances were warranted and we could support them.

Ms. Baer noted two letters of support from neighbors were handed out before the meeting [Exhibit "8"], noting they are residents of the development to the south.

Ms. Baer noted a correction to the Staff Report on page 9 of 9, under Item 7, Phasing, line 3, as follows: "...Additional phases ~~will~~ may require Planning Commission review and approval, depending on the size and extent of any proposed additions. Ms. Baer said this is strictly per Code.

Ms. Baer said the Commission needs to discuss a condition of approval which isn't reflected in the Staff Report, and came out of discussions with the Traffic Engineer, John Romero, noting they have been discussed with the applicant, and asked that the Commission become a further condition of approval. She said, because it will affect future development and current access to St. Vincent's Hospital, they have had discussions with them as well, so they are aware of this condition, which is, in part, the result of this development currently, but which may have come about because of St. Vincent's further development in the future.

John Romero said, "The condition of mine that I have additional comments on, is that condition that prohibits left-outs on the property's eastern access right "here" to St. Michael's Drive. The way it's currently designed, they attempted to do that with channelization "here" at the access point, but without doing any median work. This, in my opinion, will not prohibit people from making a left-out. The only way to do that is to do what the City has done on Cerrillos Road, on the recent Cerrillos Road project, where we put in a little 'pork chop.' That still allows left-in but does not allow left-out."

Mr. Romero continued, "What will also happen if they do replace this median is that it will in turn prohibit left-outs from the Hospital. The reason we don't like left-outs for one, on St. Michael's Drive, is it one of our principal arterials in the City. Secondly, the left-outs from the development fail, so they have a failing movement. So what that means is there's a lot of delay. It takes people a long time to find gaps and negotiate gaps to make a left turn. They did look at the existing access for the Hospital, and it currently operates at a level of service E, which is one grade above failing, which is an F. I feel that once the Hospital continues to develop its master plan, it's just a matter of time before those failed anyway. And they're going to have to do that anyway, regardless of this development."

Mr. Romero continued, "It still allows left-ins to both access points, and I guess the way people would be able to get out of both areas is either to access the signal at Botolph and St. Michael's, or to make right-outs and u-turns. Make a right and u-turn over "here," and the Hospital can make right out and a u-turn at the signal. This is something we typically do. We do this all up and down Cerrillos Road to a bunch of existing developments, and we close the access. It's a major safety improvement for the corridor in my opinion."

Public Hearing

Presentation by the Applicant

Jennifer Jenkins, JenkinsGavin Design and Development, Agent for the Applicant, was sworn. Ms. Jenkins said she is here this evening representing Presbyterian Healthcare Services, in

request for development plan approval for the project which was outlined for Ms. Baer. Ms. Jenkins introduced her partner Colleen Gavin, Jim Jepson, Presbyterian Healthcare Services, the Architectural Team Bobby, George and Stephen Perich from Dekker, Perich & Sabitini and Glen Broughton the Civil Engineer from Bohannon-Huston.

Ms. Jenkins said, "As Tamara mentioned, this parcel was originally part of a larger development which was the St. Michaels Office Park. So when we first started looking at this, we knew there had been a lot of public input and process that had already gone on in the past. So we pulled all those records and studied everything. We wanted to understand if there were concerns and what were the old conditions and all of that, so we educated ourselves about that and were able to incorporate that into this design. And that is evidenced by the letters of support you have before you from the Los Arroyos Compound, which are our most adjacent and nearest residential neighbors. We've had good interactions with them, and we are very pleased with their support. So, I think at this point, the best use of our time is to stand for your questions and will be happy to offer any additional information that we can."

Speaking to the Request

There was no one speaking for or against the request.

The Public Testimony Portion of the Public Hearing Was Closed

The Commissioners commented and asked questions as follows:

- Commissioner Villarreal said she understands it is an urgent care center, and asked if it has emergency response in term of ambulances coming in and out.

Ms. Jenkins said potentially, an ambulance. They don't expect a lot of ambulance care here and that likely would go across the street to the Emergency Room, but "we can accommodate that should it occur." She said, "Primarily looking at urgent care, non life-threatening kind of care. This is not a 24 hour facility. It is doctor's offices, treatment areas and urgent care. So, it's a clinic is more an accurate nomenclature."

- Commissioner Villarreal said she was trying to figure out, based on the sketches provided, where the ambulances would come in and out.

Ms. Jenkins demonstrated the primary and secondary entrances, noting a circular drive, a drop off area, which would accommodate an ambulance, if one would arrive, but it isn't a high expectation there.

- Commissioner Villarreal said she recalls there are u-turn restrictions on St. Michael's, and asked Mr. Romero if he has been able to work out the issues with the u-turn restrictions and if those would be removed.

Mr. Romero said they will be working with the DOT to get those removed.