

May 8, 2025

Santa Fe City Council Mayor Alan Webber City Manager Mark Scott

RE: Protect Contractual Services Funding at Planning & Land Use

Dear Honorable Mayor Webber, City Councilors, and City Manager Scott,

We write to express strong concern regarding the proposed FY26 budget for the Planning and Land Use Department (PLUD), particularly the 40% reduction to Contractual and Utilities Services.

These cuts threaten the Department's ability to deliver timely, efficient service to our industry and to continue vital modernization efforts. Our understanding from conversations with management and bargaining unit staff is that crucial and staff-supporting contractual services would be phased out due to proposed budgetary cuts.

As a working group representing the interests of Santa Fe build | design professionals, we listened closely to the FY26 budget hearings. We noted the Budget Analyst's recommendation to reduce funding based on a pattern of unused contractual funds from previous years. However, we believe context is critical: those funds went unused not due to a lack of proposals, but due to past breakdowns in interdepartmental coordination. Previous PLUD leadership had proposed strategic uses of the contractual budget—plans which went unfulfilled because of unharmonious working relationships with other departments. Unfortunately, those proposals were sidelined, and the funding was left untapped.

Today, current PLUD leadership, in coordination with the Information Technology Department, is revisiting and validating those very strategies. The Department recognizes that the investments previously proposed—particularly in technology and digital infrastructure—are essential for modernization. That vision is being actively pursued through initiatives like electronic plan reviews, inspections, software and hardware upgrades.

We appreciate City Manager Scott's commitment to flexibility within department budgets, especially in indicating the viable pathways toward hiring frozen positions when good candidates are identified. We urge the same principle be extended to ensure funding for essential contractual services. Doing so will:

- Support critical reviews (civil engineering, terrain management, commercial permit applications)
- Maintain inspection service levels
- Prevent overburdening staff and risking burnout and attrition
- Ensure continued progress in once-in-a-generation planning efforts (the

Development Code Update and General Plan Rewrite)

Delays in permitting and review already drive up housing costs. A New Mexico Home Builders Association 2024 survey found that a significant percentage of a home's cost in New Mexico is attributable to permitting and entitlement delays. Protecting and restoring PLUD's contractual funding is not just about internal efficiency—it is a direct investment in housing affordability and Santa Fe's economic development.

We respectfully urge the Council and the Administration to work with the budget team to restore these funds and communicate confidence to directors that they can move forward with securing contracts and implementing long-overdue modernization efforts to avoid costly and demoralizing breakdowns in service delivery.

Thank you for your service and your continued commitment to building a responsive, future-ready Planning and Land Use Department.

Sincerely,

The Land Use Working Group

Lynsey Pompei-Storm, President Laura Long, Vice President Santa Fe Area Home Builders Association

Beth Caldarello, President Santa Fe Association of Realtors

Tom Spray, Executive Director

American Institute of Architects - Santa Fe Chapter

Miles D. Conway, Executive Officer Santa Fe Area Home Builders Association

About the Group

The Santa Fe Land Use Working Group was formed in 2021. It is composed of representatives from the Santa Fe Chapter of The American Institute of Architects, the Santa Fe Area Home Builders Association, the New Mexico Roofing Contractors Association and the Santa Fe Association of Realtors.

The purpose of the Group is to support the efforts of the Planning and Land Use Department of the City of Santa Fe by:

• Seeing policies implemented and information shared that improve efficiency and shorten wait times for permit approvals and inspections.

- Helping to identify, target, and support funding for needed resources within the City budget.
- Supporting the implementation and training for new technologies and protocols that improve the overall system.