PURPOSES FOR CREATING THE 2010 SGMP

1. **Create a Growth Management Strategy that Directs the Location and Character of Future Growth to Appropriate and Designated Areas that include Residential, Commercial and Industrial Uses.**
2. **Create a Growth Management Strategy Based on Fiscal Responsibility**
3. **Focus on Existing Community Needs and Values for Future Planning and Local Economic Development**
4. **Respect the Natural Environment, the Rural Landscape and Open Spaces Between Established and New Communities**
5. **Conserve Water for Present and Future Generations**
6. **Refine the Zoning Standards and the Development Review Process**
7. **Refine the Zoning Standards and the Development Review Process**
8. **Ensure Effective, Transparent and Ethical Governance**

WHAT IS GROWTH MANAGEMENT FOR SANTA FE COUNTY?

Growth management is a set of planning tools or techniques used to ensure that as the population grows there are services available to meet its demands. Techniques used to execute growth management policies may include, but are not limited to: growth management area designations; level of service considerations; preservation of sensitive land areas; adequate public facilities regulations that may include financing tools such as impact fees and special assessment districts; density transfer options and transfer of development rights (TDR) programs; and zoning regulations. Growth management is coordinated through a comprehensive or general plan such as the SGMP. Implementation of effective growth management techniques for Santa Fe County will establish more efficient development patterns and support the County's sustainability objectives.

The SGMP Elements create a foundation for the growth management strategy for the County. The SGMP can be used to monitor the impact that new growth will have on the community and define the method by which that impact is mitigated through adequate public facilities, services and effective land development practices. The implementation of an effective growth management strategy is best accomplished through a Capital Improvement Plan (CIP), a Strategic Plan and Action Plan that include project and program priorities, responsibilities and time frames; project benchmarks; and specific funding sources.

GROWTH MANAGEMENT STRATEGY

The overall growth management strategy for the County is to direct growth to areas most efficiently served by adequate facilities and services using a wide range of techniques. The growth management strategy includes:

1. Designated Sustainable Development Areas (SDAs) and the SDA Map which establish future service areas and prioritize planning, budgeting and provision of infrastructure and services.
2. The Future Land Use (FLU) Categories and FLU Map identify anticipated development patterns and establish the guidelines for the County's future development and a framework for the zoning map.
3. The Official Map is a series of maps identified as the preliminary official maps which identify private and public lands for which the public may have a future need.

SUSTAINABLE DEVELOPMENT AREAS

The fundamental premise of SDAs is that the County can be divided into geographical sub-areas based upon functional distinctions within the growth management system. The Sustainable Development Area (SDA) concept is for the County to establish future service areas, target and leverage public and private funding and investment to priority growth areas and direct and phase future growth. SDAs serve as an incentive for compact development in priority growth areas. The SDA concept recognizes that different areas of the County face different needs and solutions related to growth and development. While individual geographical areas may need specialized strategies for dealing with growth, they must still be viewed in terms of their interrelationships with other areas and with the County as a whole. The delineations of the SDA system relate strongly to the goals necessary to achieve the desired outcomes for the County through the growth management system.

SDA-1. SDA 1 identifies the County's primary growth areas where new development is likely and reasonable to occur within the next 10 years. Infrastructure is planned, budgeted or reasonably available. New infrastructure may be installed provided that there is required participation by new development to fund. These primary growth areas are the primary location targeted for new growth. Adequate facilities and services will be required for any development in SDA-1, including approved public or private water and wastewater systems, urban road improvements, and urban service levels for public safety, fire and emergency medical assistance. Service providers should plan and construct facilities in these areas to meet the needs of development at these urban intensities.

SDA-2. In SDA 2 areas, new development is likely and reasonable to occur over the next 10 to 20 years and in some cases, as infill within existing communities within the next 10 years. Infrastructure may not be currently available, but may be included for future funding through the proposed Capital Improvement Plan. Infrastructure may be reasonably available (it may be close, in time or location) and funding alternatives may be identified, but participation by new development would be required. These secondary growth areas are not expected to develop at urban intensities until public or private facilities, primarily water, sewer and improved roads, are installed, which is not intended to occur until years 10 to 20 of the SGMP planning term, although infrastructure may be provided to serve existing developed areas and infill areas within the initial 10-year period, including necessary infrastructure warranted by public health and safety concerns.

SDA-3. In SDA 3 areas, there are no plans to provide urban or suburban facilities and services. Infrastructure is not available or budgeted and any use that requires infrastructure to be provided solely at the expense of new development. Urban and suburban development is not likely and reasonable to occur in more than 20 years, if at all. The SDA 3 areas may contain agricultural and equestrian development, natural resources, wetlands, hillsides, archaeological areas and areas identified as environmentally sensitive.

In SDA-1 and SDA-2 areas, the County can work cooperatively with the municipalities, communities and service providers to provide facilities and services necessary for development.

The Sustainable Development Area Map identifies the three SDA's that plan for appropriate future development through 2030, as shown on **Map 2-3**.

FUTURE LAND USE

The Future Land Use (FLU) plan identifies the anticipated development patterns for the County. The FLU plan together with the principles for sustainable development and the directives contained in the SGMP, will provide guidelines for establishing the legislation, zoning, administrative regulations and development applications affecting the County's future development. The classifications and graphical representations designate how the County will develop into the future. FLU categories are not zoning densities, although the FLU map will provide the basis for a zoning map to be adopted through the SLDC.

The future land use plan for any adopted, existing community, area, or district plan amend the Countywide FLU Map as shown in **Map 2-4**. The County anticipates that a district plan may be established for all or a portion of the Estancia

Growth Management Area (shown on Map 2-1), excluding any previously adopted community plans. Other community plans are also anticipated to be developed which will amend the FLU map.

Specific densities will be determined through the SLDC. The future land use classifications used in the FLU Map are described in **Figure 2-8.** The FLU map is not a zoning map but rather a graphical representation for future growth patterns in an area which depicts where different types of development should occur. The SLDC text and Zoning Map will determine in a more detailed manner the specific development uses, densities and area requirements that apply to a particular property. The Zoning Map will be a component of the SLDC, which is a legal document that delineates the requirements for each category of land use. Each will have a specific set of area requirements regarding site coverage, setbacks, height, parking, landscaping, open space and buffers.

ZONING AND ZONING INCENTIVES

Based on the Future Land Use Map and the SDA map, the County will be zoned into **base zoning districts** for agricultural-rural, residential, commercial and industrial uses. The SLDC will provide zoning standards and regulations for planned development districts (commercial, office and industrial, mixed use; opportunity centers; traditional neighborhood and transit oriented development), Developments of Countywide Impact (DCIs); resource protection overlay zoning districts for environmentally sensitive lands (flood hazard areas, wetlands, streams, rivers, riparian corridors, hillsides and steep slopes), supplemental use regulations for a wide variety of alternative uses, including but not limited to: adult uses, religious land uses, signs, solar and wind farms, construction of telecommunication facilities and electrical renewable energy transmission lines; principal and accessory uses and home occupations; bulk and area regulations; registration of non-conforming uses; variances, beneficial use determinations and home occupations.

Incentives will be established for planned development districts, conservation and cluster subdivisions, use of renewable energy and other sustainable development and design. Incentives in the form of density bonuses will be defined through the zoning standards of the SLDC, based on the provision of location within SDAs, planned development, clustering, design and sustainability features. The following incentives are examples of greater density bonuses – as each is incentive is utilized, a greater density bonus may be authorized:

- Development is clustered;
- Extensive open space is provided;
- Energy for the proposed development site is provided by wind or solar power;
- Development meets green building standards; and
- Within SDA1 and SDA2, additional incentives may be available for mixed use, TOD, TND, Opportunity Centers and Planned Development Districts.

PRELIMINARY OFFICIAL MAP

The Santa Fe County Preliminary Official Map is shown as a series of maps, **Maps 2-5 A, B, C, and D.** The Preliminary Official Map identifies the location of lands which the County has identified as necessary for future public streets, recreation areas, and other public facilities. The Preliminary Official Map establishes the location of existing and proposed streets, open space, parks, other public lands and facilities, waterways and floodplain, informing property owners and developers of planned public improvements and land and easement acquisitions. The Preliminary Official Map identifies private and public lands for which the public may have a current or future need, identifies and protects future improvements and extensions of the municipal road network and provides notification of the location of potential public improvements and acquisitions, thus preventing construction within future rights-of-way and other future public areas and conservation easements. This should coordinate public and private goals because property owners will be informed early in the capital improvements planning process of long-range County goals for public facilities and services which allows development plans to be adjusted.

The Preliminary Official Map is not a zoning map or the future land use map. It does not imply County responsibility for opening, maintaining or improving mapped roads or facilities. The inclusion of proposed right-of-way's, easements or other public facilities on the map does not constitute the opening or establishment of the street, the taking or acceptance of land or obligate the County to improve or maintain such streets or land until the time of dedication or purchase. The Preliminary Official Map is not a taking of land; it does not prevent use of all land rights on mapped parcels. Inclusion of a parcel within the Preliminary Official Map indicates the need for additional review to ensure that the proposed use or development is compatible with existing or planned County facilities, and that development will not preclude efficient building or operation of such facilities. A final Official Map or map series based on more refined data will be adopted as part of the SLDC. The model should be updated on an annual basis, or more often as necessary due to the availability of updated data.

The Preliminary Official Map Series includes the following maps:

- Official Map A: Environmental and Open Space Features
- Official Map B: Open Space and Trails
- Official Map C: Transportation Facilities
- Official Map D: Public Facilities and Proposed Capital Improvements Adequacy and Concurrency

The existence of adequate public facilities assures a positive fiscal impact for the County, provides a high quality of life through infrastructure and service provision, implements the goals, policies and strategies of the SGMP, and any applicable area, district or community plan, and protects the public health, safety and general welfare of the community.

A number of regulatory, fiscal and administrative techniques exist that, if properly employed, allow communities to ensure that development projects are timed, located, designed and financed without negatively impacting the community. "Adequate Public Facilities" and "concurrency" are two similar techniques that tie development pace and location to the availability of public facilities and services. Both terms refer to land use regulations that are designed to ensure that the necessary public facilities and services, at adopted levels of service required to support new development, are available and adequate at the time that development occurs.

An Adequate Public Facilities Regulation (APFR) establishes level of service (LOS) standards roads, law enforcement, jails, fire protection, emergency response, open space, parks, recreation areas, trails, sewer and water, community facilities and environmental capital facilities. These are services, operations and maintenance that will be in place at the time of final discretionary development approval. Concurrency and APFR ensure that the service levels enjoyed by existing development are not diluted below the adopted LOS due to the effects of new development. APFRs control the timing of new development. If adequate infrastructure is not available at adopted levels of service the application for discretionary development approval will be denied or conditionally approved until Adequate Public Facilities are available. The major objectives of an APFR are:

1. To link the provision of needed public facilities and services to the type, amount, location, density, rate and timing of new development;
2. To ensure that new growth and development do not outpace the ability of service providers to accommodate such development at established level of service standards; and
3. To coordinate public facility and service capacity with the demands created by new development.

SGMP Future Land Use Category

Future Land Use Categories	Purpose / Intent and General Character of Future Land Use Categories
Rural/Agricultural/Conservation - Primarily larger areas that include large residential lots.	
Conservation	Santa Fe County Open Space
Agriculture and Ranching	Agricultural, ranch, very large lot residential and equestrian uses. Also may include ecotourism and renewable resource-based activities.
Rural	Agricultural, equestrian and large lot residential uses. Also may include ecotourism and resource-based activities.
Rural Fringe	Residential development at low intensities while protecting agricultural and environmental areas that are inappropriate for more intense development due to their sensitivity. Review factors to be based on balance between conservation, environmental protection and reasonable opportunity for development.
Residential - A variety of residential lot sizes.	
Residential Fringe	Rural homes on large lots, sometimes as part of rural subdivisions. Provides intermediate steps in development density between more typical open space lands and low residential densities.
Residential Estate	Single-family large lot residential development, consistent with contemporary community development. May include limited agricultural use secondary to residential.
Traditional Community	Single-family residential development, consistent with traditional community development. Primarily limited to existing traditional communities.
Mixed Use - A combination of residential and commercial areas and higher density development.	
Mixed Use Residential	Primary Uses are Residential. Provides a mix of residential and commercial developments requiring minimum densities to support the commercial uses. Residential, educational, non-profit, public and private uses and commercial uses are developed within a radius, which should be easily accessible by multiple forms of travel, including pedestrian travel, biking, public transit and automobiles. Commercial uses in these centers primarily support nearby residential developments.
Mixed Use Nonresidential	Primary Uses are Nonresidential. Provides a mix of commercial, office, light industrial, manufacturing and warehousing. Residential uses may be appropriate in certain locations to include multi-family residential, live-work, and artistic opportunities that may require light industrial capabilities. Transportation facilities should be readily accessible.
Activity Centers - Primarily commercial and special use areas.	
Community Centers	Neighborhood or community scale shopping centers and personal and professional services conveniently located near residential areas. Includes businesses which are agriculture and natural resource-based, Intended to be designed and integrated as part of mixed use / planned development.
Regional Centers	Larger, regional scale shopping centers, which may be anchored by department or home improvement stores or other large-scale anchors, and employment centers. Intended to be designed and integrated as part of mixed use / planned development.
Opportunity Centers	Unique, site- or purpose-specific uses, not likely to be replicated in other locations, benefiting from locational attributes, such as wind, natural resources, viewsheds or recreational/environmental amenities. Nonresidential uses range from energy, to ecotourism, to supporting other economic development activities.

SPECIAL ASSESSMENTS AND IMPROVEMENT DISTRICTS

Special assessments are revenue-raising devices designed to recover the cost of capital improvements that directly benefit properties within a designated "benefit area". Fees are collected from property owners for tangible public infrastructure improvements that a local government provides and that benefit the properties being charged. Unlike impact fees and mandatory dedications imposed under a County's police and land use control powers, special assessments may be used to pay for improving existing infrastructure deficiencies.

A wide variety of assessments and improvement districts may be created to fund infrastructure improvements or construction. These include PIDs, TIDDs and SADs in New Mexico. All of these special districts and techniques involve the designation of a geographic area and use of statutory powers to raise revenue or impose charges for facilities and services within the defined geographic area to fund infrastructure improvements and construction. Tax exempt bonds are generally issued to pay the costs of the improvements, which are secured by the real property in the area that is benefited by the improvement. Properties benefiting from the improvements are assessed a fee to pay the principal and interest on the bonds.

USER OR IMPACT FEES

"Pay-as-you-grow" programs help protect existing residents from growth-related costs. These programs, such as development impact fees and exactions, or provisions for financing infrastructure and services in development agreements, include a variety of techniques that allocate the public costs of development fairly and do not unduly burden existing residents.

Communities across the country, including Santa Fe County (the Fire District Impact Fee), have adopted some form of development impact fees pursuant to statute to mitigate the impacts of new growth and maintain consistent levels of service for both existing and future residents. Development impact fees are one-time charges against new development to raise new revenues to pay for new or expanded public facilities necessitated by new development.

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) will be a significant implementation component of the SGMP and Sustainable Land Development Code (SLDC). The CIP phases comprise primary (seven years), secondary (seven years), and tertiary (six years).

The term "Capital Improvement Plan" (CIP) has been used instead of the national customary usage, "Capital Improvement Program," in order to be consistent with the terminology of the New Mexico Development Fees Act, §5-8-37 NMSA 1978. This will ensure that the first 7 years of the CIP will concurrently represent the 7-year "capital improvement plan" required by the Development Fees Act for impact fees. Short- and long-range Capital Improvement Programs (CIPs) and operating budgets are important tools that ensure the County has the capacity to provide and maintain necessary public facilities and services and that the facilities and services are cost-effectively planned and equitably financed. The short-range CIP/Budget should identify and estimate costs of capital improvements and annual obligations (for staffing, training, *etc.*) required to serve development for the next 5 years. The long-range CIP/Budget should identify and estimate costs of improvements and annual obligations needed to serve development for years 6 through 20. The CIP will estimate capital improvement and annual operating costs based on baseline data provided by County staff.

The proposed County CIP is intended to guide the development of facilities and services in a sustainable, planned manner.

PRIMARY PROJECTS

Primary projects are those that are anticipated to be funded during years 1 to 7 of the CIP period. The 7-year period has been selected because impact and other development fees are statutorily authorized only for all or part of projects financed over a 7-year period to cover the need generated by new development.

Primary projects will have received the highest priority using a rating scale. Primary projects are proposed to be financed through a multi-pronged financial program utilizing: (1) bond proceeds, taxes and other general revenues constituting the County general fund; (2) county-wide assessment and public improvement districts ("PID") bond proceeds, assessments, taxes, fees, rates, charges and other revenues; (3) County utility bond proceeds, rates, charges and fees; (4) discretionary development approval conditions relating to mitigation and advancement of infrastructure and services; (5) federal and state grants, loans, tax distributions, incentives and ICIP revenues; (6) economic development corporation revenues and tax increment development district ("TIDD") funding; (7) development construction and advancement of infrastructure pursuant to development agreements; and (8) impact fees, exactions and dedications required as a condition of development approval. Primary project identification and funding are critical for the County to implement the goals, policies and strategies of the SGMP. Primary projects may involve one or a mix of: (1) public facilities, the need for which is reasonably generated by new development; (2) regional and county-wide facilities; and (3) replacement and repairs to existing deficiencies. This is critical for determining the extent to which impact fees, dedications and exactions are statutorily authorized to fund conditions attached to development application.

SECONDARY PROJECTS

Secondary projects are anticipated to be funded during years 8 to 14 of the CIP funding cycle. The funding of these projects is critical to the SGMP priority growth area and adequate public facility policies, particularly for SDA 2 areas. Secondary priority is primarily due to two restraints: (1) the need to expand the CIP to serve a greater number of SDA 2 projects and (2) a lack of fundable revenue sources to finance these projects during the first seven years. Secondary projects may include the recurring public safety and public works projects of the primary phase.

TERTIARY PROJECTS

These projects, for years 15 to 20, are kept as part of the CIP and involve future projects as well as the need to complete current or secondary project systems. Again, the tertiary projects may include the recurring public safety and public works projects of the earlier two phases.

ADEQUATE PUBLIC FACILITIES

Adequate Public Facilities Regulations (APFRs) confirm that adequate capital facilities are in place at the time final discretionary development approval is granted. Adequate public facilities are measured by adopted levels of service in the SGMP and the CIP. Under an APFR, development approval is granted if adequate public facilities are available. Development applications should be denied if adequate capital facilities are not in place. Conditional development application may be granted requiring phasing or timing in accordance with the schedule of improvements in the CIP.

LEVELS OF SERVICES

Levels of service ("LOS") standards define the County's role as a service provider and, in partnership with other service providers, define public and private responsibilities for the provision of facilities. An LOS standard is a locally desired ratio of service and facilities demand to supply.

LOS standards for community facilities and services are most commonly presented in terms of the resident population served. Another method is to express LOS standards in terms of the functional population served. LOS can be determined by investigating the existing levels of service that are provided to the existing resident population. LOS service indicators can be evaluated based on a service provider's LOS goals, performance data provided by other communities, and/or professional standards. LOS is typically measured and projected in terms of service area population (e.g., two police officers per 1,000 persons; 0.25 acre feet of water per dwelling unit per year). The LOS concept applies to schools, public facilities, transportation networks, water and sewer, surface water discharge, law enforcement, jails, fire, emergency response, parks and recreation, libraries and any other public service provided by local governments. Community facilities are shown in **Map 12-1.**

Qualitatively, LOS standards are indicators of community services to existing and future residents and businesses. Adequate public safety provision, air quality, environmental preservation, recreational and cultural opportunities and accessible open space are just a few of the elements that the County that can influence to make Santa Fe County a desirable place to live.

LOS has been determined for various categories of public operational and capital services delivered by Santa Fe County. LOS reflects the existing amount of the item divided by persons serviced, usually in the full County (151,873) or, in some cases, the unincorporated portion (estimated at 66,675). Service levels are expressed in units per 1,000 residents (Unincorporated Area), cost per unit, and cost per capita.

SPECIAL ASSESSMENT DISTRICTS (SADS), PUBLIC IMPROVEMENT DISTRICTS (PIDS), TAX INCREMENT DEVELOPMENT DISTRICTS (TIDDS), AND PUBLIC INFRASTRUCTURE ZONES

Special assessments are revenue-raising devices designed to recover the cost of capital improvements that directly benefit properties within a designated benefit area. Fees are collected from property owners for tangible public infrastructure improvements that a local government provides and that benefit the properties being charged. Unlike impact fees and mandatory dedications imposed under a County's police and land use control powers, special assessments may be used to pay for improving existing infrastructure deficiencies.

Existing residents may be experiencing deficient services and infrastructure that were not put into place because County policies prior to the current SGMP process failed to ensure adequate public facilities and impact fee funding requirements. These residents may opt for a SAD, PID or a public infrastructure zone to raise monies to bring deficient capital facilities to County standards. The APFR of the SGMP and SLDC will ensure that development application with accompanying deficiencies will not occur.

Subsequent to the adoption of the PID legislation in 1993, the use of PIDs has, for all practical purposes, replaced the use of SADs. The primary reason is that PIDs, in addition to financing the capital improvements, are authorized to continuously pay for on-site maintenance and repair. Nonetheless, there are currently very few PIDs in Santa Fe County. These types of districts, combined, have the capacity to finance several hundreds of millions of capital improvements. This type of revenue alternative barely exists in Santa Fe County today.

USER OR IMPACT FEES

Statutorily authorized development impact fees ("impact fees") are substantial sources of revenue for new capital facilities, the need for which is generated by new development. Impact fees are used to close the gap for County capital expenditures. Impact fees have been established as reasonable sources from new developments relative to the impact these developments have on required capital needs according to a standardized approach to calculating these fees. This standardized approach determines the land use assumptions and impacts on levels of service multiplied by the net cost to restore service, as required by statute.

Specifically, impact fees would be determined through a rational nexus procedure that would determine:

- Service areas;
- Levels of service in terms of functional population served;
- Costs per unit of measurement;
- The share of each jurisdiction funding the improvement;
- The number of dwelling units or nonresidential equivalent dwelling units to be served;
- Whether the improvement is to be funded through current debt service or use of other funds; and
- Net obligation in current dollars.

The current level of impact fee in Santa Fe County is approximately $50 per unit for a fire department impact fee. This impact fee is insufficient by several magnitudes of cost. There are no impact fees for the sheriff's department, correction facilities, equipment and substations; roads; water, sewer and stormwater management; parks, open space, trails recreation areas and scenic vistas. Pursuant to SGMP financing goals, these impact fees should be put in place. Utility user and impact fees have the capacity to pay for at least $150 million in capital obligations over the 20-year period of the Plan.

EXACTIONS, MITIGATION FEES AND DEDICATIONS

Before approving development projects, the County may require the developer to dedicate land for public purposes where proposed public infrastructure is located on the development land or to pay exactions or fees for off-site mitigation. Typically, exactions are imposed at the time of discretionary development approval. Courts have required that municipalities document the need for development exactions with studies that link the public purpose to be achieved with the nature and roughly proportional extent of the conditions imposed. This is most easily undertaken for on-site exactions, such as subdivision fee requirements and land dedications. The goal of providing adequate public facilities serves a recognized valid purpose if the exactions will mitigate development impacts proportionally caused by the developer upon whom the exaction is levied.

DEVELOPMENT AGREEMENTS

A development agreement is a voluntary contract between the County and a developer, whereby the developer promises to pay for certain on-site or off-site improvements or performs certain obligations in exchange for the vesting of future discretionary development approvals on the same project. A voluntary development agreement may be sought by a developer to avoid denial, or timing and phasing of the project by reason of failure to meet the adequate public facilities requirements of the SLDC. A development agreement may require payment or advancement of public facilities or improvements or obligate the developer to construct improvements at its expense. If the advancement of facilities benefits adjacent properties, the proportionate cost of servicing the adjacent properties should be reimbursed to the developer by the adjacent properties at the time of their development approval. Development agreements are useful tools for a community because they:

- Provide a mechanism for the County and developers to form agreements, binding on all parties, regarding development, financing and land use of the development project;
- Promote land development regulation by allowing the County to approve development agreements that include terms, conditions, and other provisions that may not otherwise be authorized without the use of a development agreement;
- Promote stability and certainty in development project regulation by providing for the vesting of rights for the developer and full enforceability of such agreements by all parties;
- Provide a procedure for the adoption of such agreements that ensures a public hearing for the benefit of the community and elected officials; and
- Provide mechanisms for establishment of public improvement districts and public infrastructure zones for the financing of capital facilities and public services as provided for in the SGMP, CIP and other adopted area, specific and community plans.

In Santa Fe County, the few development agreements that exist involve on-site infrastructure as compared with their full potential use for the funding and advancement of off-site CIP projects.

GENERAL OBLIGATION AND REVENUE BONDS

General obligation bonds (GOBs) pledge the full faith and credit of the County for Capital improvements. GOBs are primarily used for the non-revenue-producing and the non-development generated share of major capital improvement projects, including the County's share of state, regional and county-wide roads and highways, correctional facilities, storm water management facilities, parks, recreational areas, trails, scenic vistas, governmental facilities, structures and buildings, and repair and replacement of deficient facilities. GOBs can also be used for land purchases for rights-of way and other public facility sites on the Official Map. GOBs can fund equipment purchases in the form of large public safety or public works apparatus, central computer systems, and correctional facilities. Each GOB funded project may have a component portion financed by development fees, dedications and exactions, PID funds, revenue bonds, state and federal grants and tax distributions or TIDD bonds and funds.

Santa Fe County issues GOBs at a level of $20 million every four years. The County has recently issued bonds for the Judicial Courts facility and other purposes.

Santa Fe County, using the standard of 4 percent of assessed valuation (approximately $6.7 billion), has the capacity to issue GOBs in the amount of about $268 million. It currently has obligations of about 46 percent of that amount ($124 million). GOBs require electorate approval by majority vote.

The County of Santa Fe has used increments, or pieces of increments, to issue GRT-supported revenue bonds. GRT-supported revenue bonds are often restricted to certain purposes. These bonds are currently "maxed out" for the next 5 years, over which period the County may not incur additional debt using this form of bond. GRT bonds will become available in the last 2 years of the first 7-year CIP cycle.

Revenue Bonds are currently purchased by the County for a term of 15 years at the prevailing interest rate. These bonds are rarely paid off earlier; instead the capacity for future debt is allowed to accrue. Interest rates on General Obligation and Revenue Bonds are substantially lower in the current low-interest-rate market than they have been in the past.

OPEN SPACE BONDS AND COUNTY LAND BANK

The SGMP proposes that the open space system, to include open space, trails and parks as shown on the Official Map, would be partially financed through a Countywide PID, County general obligation bonds, and open space impact fees.

These funding mechanisms could be used to raise the County's share for: (1) financing the acquisition and construction of open space and CIP designated County parks, open spaces, trails, recreation, and scenic vista lands and facilities that is not otherwise raised through development open space impact fees, dedication of land and establishment of on-site PIDs; and (2) establishing a County Land Bank for the transfer and purchase of development rights ("TDRs" and "PDRs") to compensate, through the beneficial use determination process for restrictions on environmentally sensitive land, habitats, hillsides and flood hazard areas that cannot otherwise be mitigated by full or partial development on the land, or where development of the land would constitute a public nuisance exempt from state or federal constitutional taking claims.

UTILITY SOURCES OF FUNDS

Utility sources of capital funding are paid off by ratepayers within the utility service area. The water/sewer utility rate is comprised of charges for operations and debt service related to capital improvements. This utility should be expanded to augment water and sewer projects needed to prevent septic and individual groundwater well contamination. This requires paying for upgrades to existing service and new extensions of service in the highest priority SDA-1 and SDA-2 growth areas, particularly the Community College District.

The County Water/Wastewater currently supports $4 million in expenditures and about $2.5 million in capital development support. The utility will be substantially benefited by available supplies of surface water from the Buckman Diversion Project. With this Buckman water supply, the utility will be able to support water/wastewater infrastructure development at ten times its current level in 15 years. This would be accomplished by mandating new users to attach to its water lines. A policy of mandated hook-ups within the expanded service area would generate sufficient numbers of new users, enabling a decrease in the current utility rates used for operation and maintenance. Taking into account operation and maintenance as well as bonded capital costs, there may be no increase to taxpayers.

To ensure that the multiple sources of revenue and their implementing mechanisms (including impact fees below) are coordinated fairly, a plan will be prepared to finance the CIP. This plan will direct resources to particular projects and non-overlapping use of the proposed revenue.

IMPACT FEES

An impact fee is a charge or assessment imposed on new development in order to generate revenue for funding or recouping the costs of certain capital improvements or facility expansions necessitated by and attributable to new development. Impact fees include amortized charges, lump-sum charges, capital recovery fees, contributions in aid of construction, development fees, and any other fee that functions as described. Impact fees do not include utility hook-up fees, dedication of rights-of-way or easements, or construction or dedication of on-site water distribution, wastewater collection or drainage facilities, or streets, sidewalks or curbs if the dedication or construction is required by a previously adopted valid ordinance or regulation and is necessitated by and attributable to the new development.

The goal of an impact fee program is to equitably distribute the costs of serving new development while achieving sufficiency of capital improvement revenues. Impact fees exist together with proceeds from bond issues, motor fuel taxes, improvement and utility districts, and developer dedications as means of achieving adequate capital facilities. Together these sources should provide sufficient resources for the County to make the necessary investments for the projects shown on the CIP and have adequacy of public facilities.The essential issue with respect to impact fees is the need for the expansion of public facilities in order to adequately serve new development with:

- public roads;
- public parks, recreation areas, open spaces, scenic lands and trails;
- law enforcement protection equipment and facilities, including corrections;
- fire and EMS equipment and stations;
- potable water acquisition and distribution;
- wastewater collection, treatment, and disposal;
- stormwater prevention and protection facilities.

Cities and counties in New Mexico are authorized to impose impact fees pursuant to the New Mexico Development Impact Fee Act."(§5-8-1 to 5-8-42 NMSA 1978).

New developments may be charged impact fees in order to generate funds needed to pay for capital facility expansion, or to recoup the cost of improving those facilities. Impact fees are typically dollar amounts that are charged for each residential dwelling unit, 1,000 square feet of commercial or industrial floor area, or per room for tourist facilities. There is a separate portion of the total fee paid for each of the individual public capital facilities. Once paid, the receipts are deposited into separate interest-bearing accounts for each category of impact fee. Balances may be removed from the separate accounts only to fund capital improvements that are specified in the CIP and are consistent with the limitations imposed by the New Mexico "Development Impact Fee Act."

The amount of an impact fee is set following a methodology that has evolved under legislative and judicial scrutiny. The standard is that an impact fee cannot exceed a "proportionate share" of a local government's actual or anticipated cost of accommodating new development with what are called "system improvements." System improvements are expansions of off-site public capital facilities shown on the CIP that are designed to provide service to the community at large. System improvements may be contrasted with "project improvements," which serve a particular development. An example of project improvements would be on-site neighborhood streets. A proportionate share is defined by a reasonable means to calculate improvement costs and to distribute those costs over all benefitted developments in a manner where the amount paid is proportionate to the impact of the development being assessed the fee.

There are two major components of impact fee methodology. The first is the cost component. The second component deals with anticipated revenue. In order to establish impact costs it is necessary to begin with the cost per unit of capital facility. If the relevant facility was a public road, the unit cost would be the cost per lane-mile (one lane of roadway one mile long). For parks it would be cost per acre, and cost per mile for trails. These costs derive from CIP projects. In the CIP, specific improvements are incorporated with the number of units (acres, lane-miles, etc.) to be constructed and the cost of the improvements. The cost per unit is the first component of establishing an impact fee. The second component projects the amount of revenue that is expected to be available to pay for the various system improvements by means other than impact fees. These revenues would include items such as proceeds from bond issues, and grants in aid; or any other revenue that is forthcoming could be used to pay the improvement costs.

These anticipated revenues are also found in the CIP. The cost per unit of the system improvements is adjusted to reflect anticipated revenues; the result is net system cost per acre, lane-mile, or other measure of infrastructure. An impact fee schedule is computed by multiplying the net system improvement cost by the level of service and again by the demand units. A demand unit is the number of residents at the development, the number of vehicular trips, or other appropriate measure of demand. For example, a single-family home with 2.5 persons would have 2.5 demand units for parks. With a park level of service of 0.005 acres per capita, the number of acres of parks attributable to a single family home would be 0.0125 (545 square feet). This is multiplied by the net system impact cost, to set the park impact fee for a single-family home. For nonresidential developments the demand units are usually expressed per 1,000 square feet of floor area.

The cost of system improvements attributable to a particular development is determined by multiplying the impact fee per unit (per residence, 1,000 square feet, etc.) by the impact fee established in the fee schedule. The role of the impact fee is to shift to new development the net costs of off-site system improvements shown on the CIP. This shifting of net costs will equitably distribute system improvement costs between the community at large and new development. Adjusting impact fees for available revenues assures that the cost shifted will be no more than that needed. The revenues derived from impact fees are then used to provide the needed improvements within the 7-year statutory period.

Many jurisdictions use “service areas” in establishing, collecting, and spending impact fees. A service area is the area that will be served by the system improvements or facility expansions specified in the CIP. Many public facilities have a jurisdiction-wide service area. Trails, open spaces, police protection, and fire/EMS are examples of jurisdiction-wide service areas. Other public facilities serve smaller areas. Typically, potable water and wastewater services have smaller service areas. Service areas are developed to provide a degree of congruity between the developments paying the impact fees and the areas benefitted by the improved facilities paid for with those impact fees.

ADEQUATE PUBLIC FACILITIES AND SERVICES ASSESSMENT

An adequate public facilities and services assessment should be required to present the availability of infrastructure and public service capacity for the proposed project. The provision of adequate public facilities in a timely manner should be a required precondition to development approval in order to prevent urban sprawl, assure a positive fiscal impact for the County, provide a high quality of life through infrastructure and service provision and protect the health, safety and general welfare of the County. Knowing the existing and required levels of service for a project, compared to the capacity available and forthcoming according to the CIP is key to making informed decisions.

An adequate public facilities and services assessment should be used to approve or deny applications or to conditionally approve applications by phasing development approval of the project over a period of years based on the scheduled availability of public facilities and services as shown in the CIP. Every applicant obtaining development approval should then enter into a development agreement with the County, and any other applicable service provider, to implement the conditions of development approval for adequate public facilities and services. Facilities and services to be covered by an adequate public facilities and services assessment should include the sewer; water; transit and roads; stormwater drainage; police; fire; emergency response; solid waste; schools; libraries; parks and recreation; and trails and open space.

The assessment should be used to determine whether the proposed project meets adequate public facilities standards through existing facilities and services available; or should be denied because adequate public facilities and services are not currently available at the adopted level of service; or should be conditionally approved where facilities and services are not immediately available or presently adequate to meet the adopted level of service but will be available for the initial or subsequent phases of the project for a future year in which the CIP shows adequate public facilities and services to be built and available.

COMMUNITY PLANS

A Community Plan provides specific planning, design and implementation guidelines which are more specific to the community than the overall County SGMP. Public involvement helps define the community's vision of future growth and development. Community Plans will be coordinated with planning staff in accordance with the community planning process. Community Plans should be consistent with the SGMP.
Existing Community Plans and Community Zoning Ordinances are recognized by the SGMP and are amendments to the SGMP for a specific geographic area. It is recommended that over a 3-year period following adoption of the SLDC, that Community Plans and Community Planning Ordinances should be reviewed and revised to incorporate the principles enunciated in the SGMP. The SGMP will apply to existing Community Plans and in all cases where there is no direct conflict with a provision of an existing Community Plan. Community plans will undergo a review and revision process in coordination with the Community Planning Committees. The process for creating or amending a community plan is outlined in the Community Planning Ordinance, as amended.

OTHER PLANS

Other Plans may be established through the SLDC include the following:

Area and District Plans –Area and District plans may be established to create a plan for larger geographic areas in the County. Area/District Plans may contain specific planning and implementation and may be used to guide development applications, the development of facilities and services and infrastructure, annexation, assessment districts, and other area specific needs. Area Plans will be coordinated through the Administrator and planning staff. The process for establishing District and Area Plans will be established through the SLDC. Area and District Plans are adopted as amendments to the SGMP.

Specific Plans - Specific plans process and procedures to create specific plans may be established through the SLDC. The specific plan process should provide opportunities for the general public, as well as residents located within planning areas, to assist in the planning of their particular communities. A specific plan establishes a link between implementing policies of the general plan and the individual development proposals in a defined area. A specific plan may be as general as setting forth broad policy concepts, or as detailed as providing direction to development type, location and intensity of uses to the design and capacity of infrastructure.

Planned Development District- A planned development district is a district of minimum size that is planned and developed as an integral unit and that consists of a combination of residential, mixed or nonresidential uses on the land within the Planned Development District."