



HOW TO STREAMLINE HOUSING DEVELOPMENT IN NEW MEXICO

Economic & Rural Development
& Policy Committee
September 8, 2026



OUR MISSION

Create successful homeowners and strengthen neighborhoods so that individuals and families can improve their long-term financial wellbeing and quality of life.





**Marketing
& Outreach**



**Buyer
Assessment &
Preparation**



**Real Estate
Sales Services**



**Home
Improvement
& Refinance
Lending**



**Post-Purchase
Education**



**Mortgage
Lending
& Loan Servicing**

OUR BUSINESS MODEL



**Real Estate
Development**



**Commercial
Development &
Lending**



**Policy
& Advocacy**



**Historic Preservation
& Placemaking**





The Mercatus Center at George Mason University is a non-profit research organization that bridges the gap between academic ideas and real-world problems.

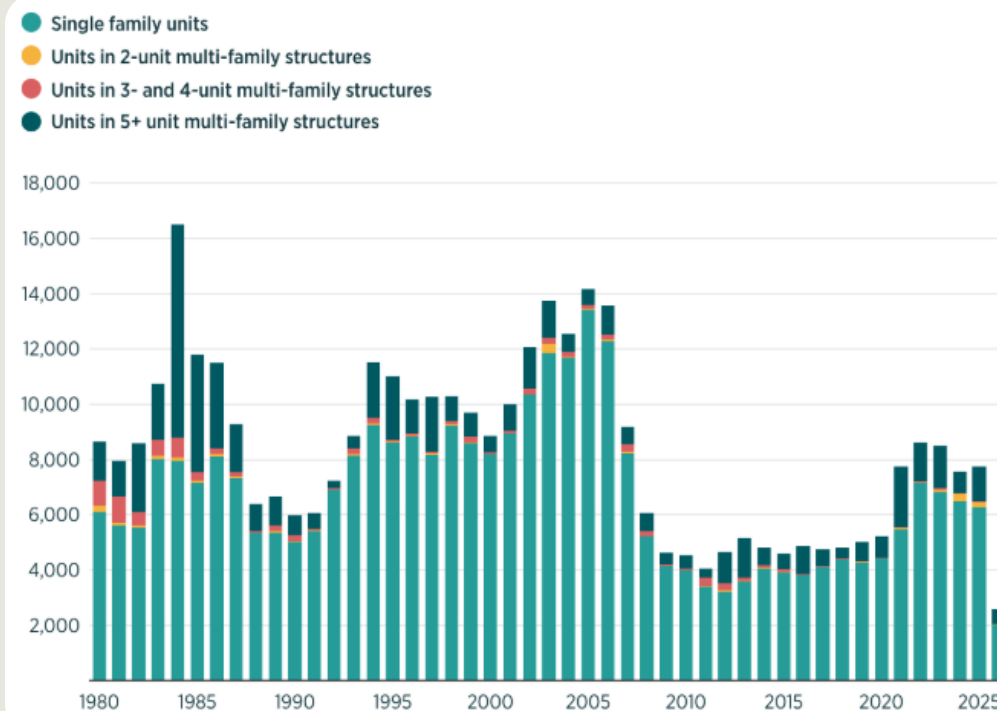
This report is one in a series of state-by-state policy briefs that shine a light on each state's unique housing permitting challenges and opportunities.



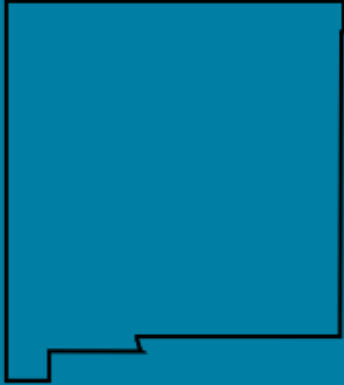
WHY DID WE WRITE THIS REPORT?



- **New Mexico has a housing shortage of 58,000 units.**
Construction slowed in the 2010s and never recovered. From 2015 to 2025, rents rose 48 percent and home values rose 85 percent.
- **Time is money in housing development.**
When housing is delayed or blocked by slow and costly permitting, the impact on home prices are significant.
- **To find out what's working and not working.**
Over three dozen interviews and conversations with attorneys, planners, local officials, and homebuilders.



LOCAL GOVERNMENT TYPOLOGIES



There are two basic steps to housing permitting—land use approvals and building permits. New Mexico cities and counties handle these steps in three ways:

1. **"Full Service" Jurisdictions:** 17 jurisdictions
 - all permitting is in-house
2. **"Hybrid" Jurisdictions:** most jurisdictions in NM
 - Land use approvals are in-house
 - building permits by Construction Industries Division (CID)
3. **Jurisdictions with Joint Powers Agreements:** a few rural jurisdictions
 - Regional partners share planning or engineering staff
 - Building permits are issued by CID

COMMON PERMITTING CHALLENGES & OPPORTUNITIES

What slows down permitting:	What speeds up permitting:
Discretionary approvals: case-by case decisions by multiple bodies	Administrative approvals: policymakers set policy; staff approves projects
Vague or overly-complex standards	Objective standards
Bureaucratic organizational cultures	Organizations that value problem-solving
Requiring housing to solve wider infrastructure issues	Partnerships and balanced infrastructure requirements

BEST PRACTICES FOR LOCAL HOUSING PERMITTING



RECOMMENDATION #1

Elevate public input to the policy level

- Incorporate the public's voice in the development of key policies:
 - Comprehensive Plans
 - Zoning codes

RECOMMENDATION #2

Provide predictability at the project level

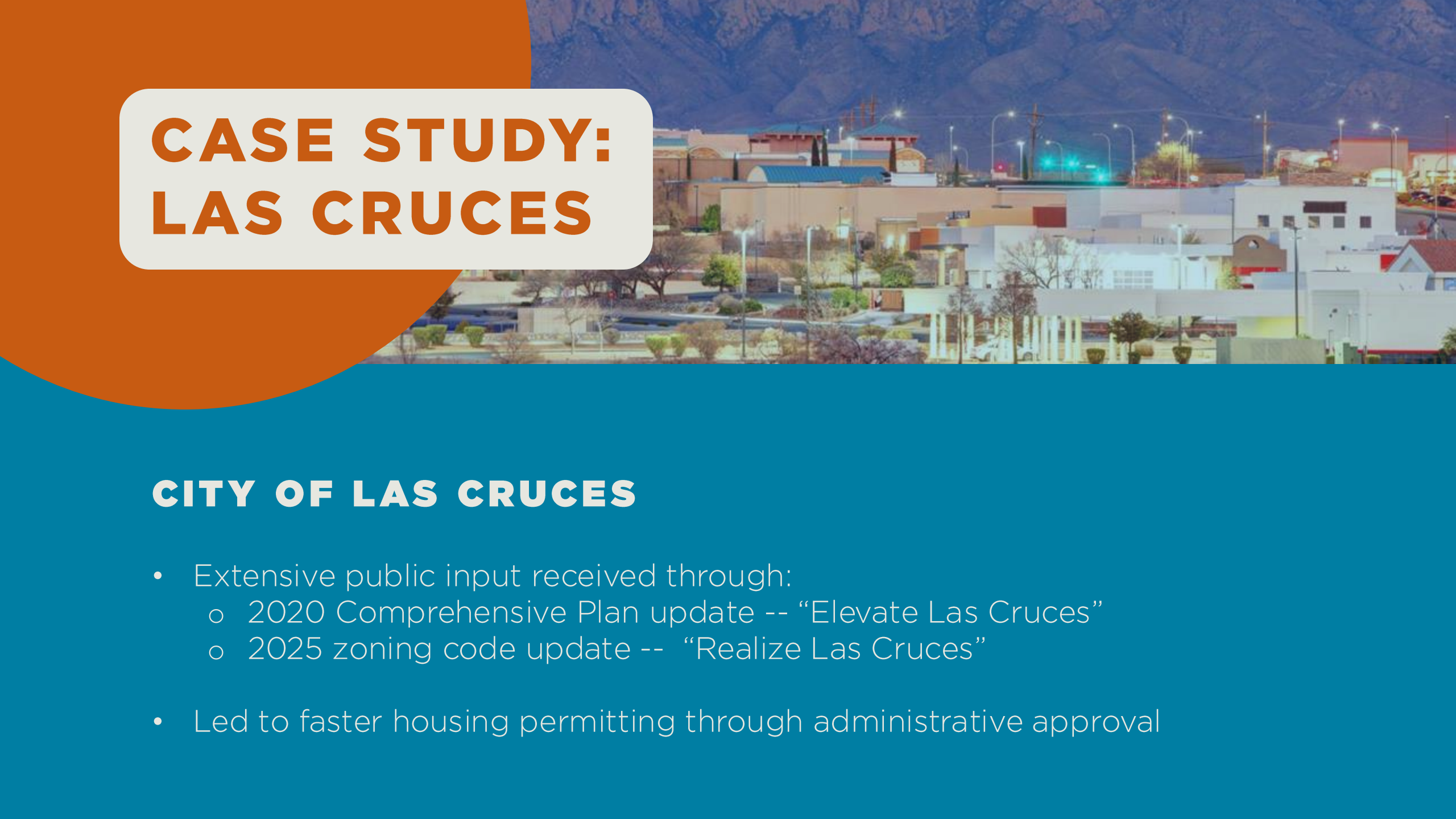
- Implement "by right" administrative approval with objective standards



CASE STUDY: ALBUQUERQUE

ALBUQUERQUE

- Extensive public input was received through:
 - Major update to Comprehensive Plan in 2017, with regular minor updates
 - Zoning code updates at least every 2 years
- Led to faster housing permitting through administrative approval



CASE STUDY: LAS CRUCES

CITY OF LAS CRUCES

- Extensive public input received through:
 - 2020 Comprehensive Plan update -- “Elevate Las Cruces”
 - 2025 zoning code update -- “Realize Las Cruces”
- Led to faster housing permitting through administrative approval

BEST PRACTICES FOR LOCAL HOUSING PERMITTING

RECOMMENDATION #3

Identify bottlenecks
and create a culture of
problem-solving

- Housing goals
- Process mapping of workflows
- Strategic plans

RECOMMENDATION #4

Peel back regulatory layers

- Redundant reviews
- Overlapping procedures
- Complex processes

CASE STUDY: LAS CRUCES

CITY OF LAS CRUCES

Strategic Results and Key Performance Indicators (KPIs)

COMMUNITY DEVELOPMENT

STRATEGIC RESULTS

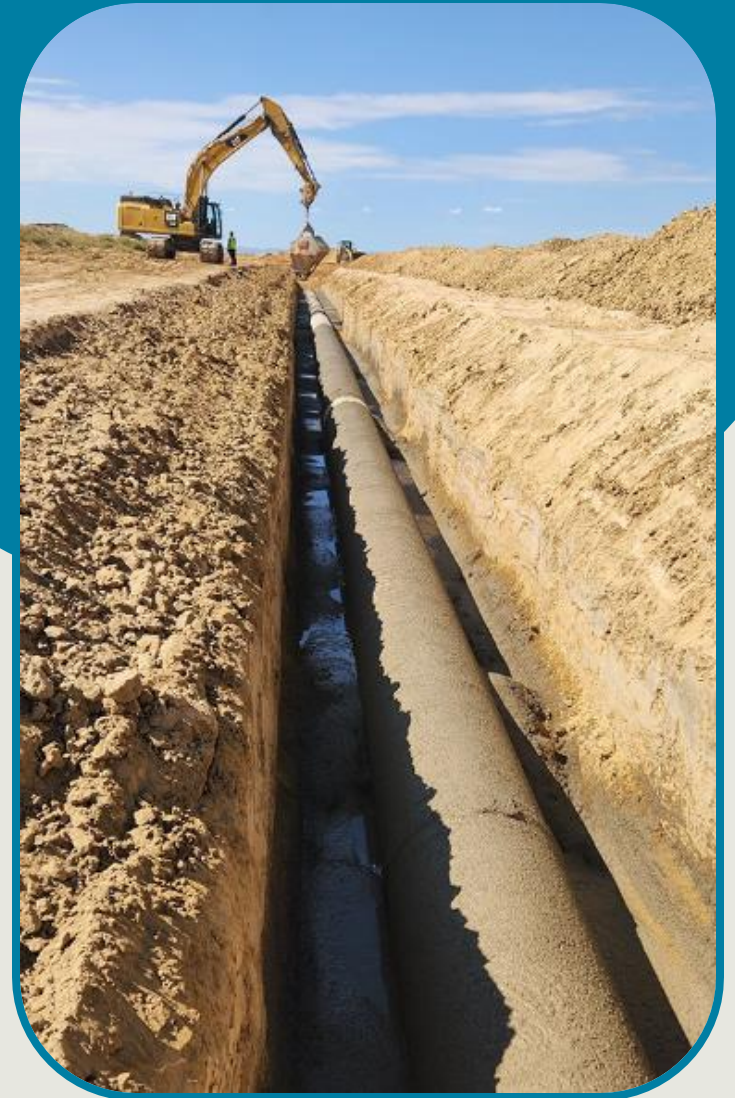
	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Target
Strategic Result 1 - Special Projects A vibrant and livable community that is well designed and achieving its long-term vision for residents, visitors, businesses, and developers, as evidenced by:				
The community will experience updated development codes and standards that reflect current trends, practices, and policies and implement Elevate Las Cruces.	Some Disruption	Some Disruption	Completed	Completed
The Villa Mora property will be entitled for development.	Some Disruption	Some Disruption	Completed	Completed
Strategic Result 2 - Las Cruces Development Center A high-performing center where customers can conveniently access all development-related permitting and licensing services, as evidenced by:				
90% of applications will require two plan reviews or fewer.	90%	91%	Data Not Available	90%
85% of commercial, multi-family, and industrial permits will be issued within 30 business days of application submittal.	85%	77%	Data Not Available	85%
GIS will implement and offer an internal training service for GIS technology to departments and Subject Matter Experts.	On Track	Completed	Completed	Completed
Adopt the current version of the International Property Maintenance Code.	On Track	Completed	Completed	Completed
Following the adoption of Realize Las Cruces, the City of Las Cruces development codes and standards will be reviewed annually and updated every three years.	On Track	Some Disruption	On Track	On Track
The City will adopt Historic Preservation Design Guidelines.	Some Disruption	Completed	Some Disruption	On Track
Strategic Result 3 - High Performing Organization A high-performance, customer-focused, and results-oriented organization, as evidenced by:				
75% of City of Las Cruces department and agency partners will say they have a positive collaborative relationship with the Community Development Department that assists them in furthering their mission.	75%	75%	Data Not Available	75%
75% of customers surveyed will report that they experienced a result-oriented problem-solving approach to customer service.	75%	75%	Data Not Available	75%

BEST PRACTICES FOR LOCAL HOUSING PERMITTING

RECOMMENDATION #5

Support infrastructure for housing

- For example:
 - Preparing city-owned land to make lots development ready
 - Replacing waterlines and making street improvements to service new residential areas



CASE STUDY: ARTESIA

City of Artesia

- Developer incentive program
- Proactive infrastructure development for Armory Heights



STATE LEGISLATIVE RECOMMENDATIONS

1

Create a Division of Housing

2

Incentivize local best practices



STATE LEVEL RECOMMENDATION: DIVISION OF HOUSING



- Support for local governments with technical assistance, best practices, and administration of incentive programs
- Identify housing needs for each jurisdiction and track data
- Coordinate among state and federal agencies involved with housing (including 21st Century ROAD to Housing Act)

(Formalize work of the current Office of Housing)

STATE LEVEL RECOMMENDATION: INCENTIVIZE BEST PRACTICES

Provide capacity-building funds for local jurisdictions that voluntarily adopt permitting best practices.

- Modernization of permitting practices such as:
 - Moving to electronic plan review
 - Expediting permitting for attainable housing
 - Expanding by-right administrative approvals
 - Solving for other locally-identified barriers
- To access funding, local governments would commit to:
 - Participate in a cohort of other communities in the program.
 - Track housing and permitting data (number of housing permits submitted and approved). Nearly 70% of jurisdictions are already tracking this data.



QUESTIONS?

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