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Archdiocese says it needs consultant for real estate issues

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The Archdiocese of Santa Fe intends to hire a land use planning consultant to help it shed dozens of properties as part of its bankruptcy case.

Consultants with James W. Siebert & Associates, a Santa Fe land planning firm, would be among numerous experts the archdiocese has hired — attorneys, real estate brokers and accountants — drawing accusations from critics of wasteful spending that ultimately will affect payouts to hundreds of victims of sexual abuse by members of the clergy.

An attorney with the Roman Catholic institution said, however, the experts are needed and that bankruptcy court is the most efficient place for settlements between victims and dioceses.

Court records show the archdiocese has asked U.S. Bankruptcy Judge David T. Thuma for approval to hire the Siebert firm. The records say Siebert can help the archdiocese comply with subdivision statutes and regulations.

A court document said the Siebert company would charge \$180 an hour if a principal of the firm worked on the case, \$120 an hour if an associate worked on it, \$95 an hour for a computer-aided designer and \$45 an hour each for research and clerical work.

The company's management didn't respond to phone calls seeking comment Wednesday.

An attorney for the archdiocese, Ford Elsaesser, said real estate issues can involve broken lot lines or lots created long ago. Elsaesser, who is based in Idaho, said he didn't want to contract properties for sale and then learn a step was missed in the process.

"So that's the reason why they're being engaged," Elsaesser said of Siebert.

An auctioneer hired by the archdiocese recently began trying to sell 732 properties around Northern New Mexico.

The archdiocese filed for bankruptcy in 2018 because it had started making payouts to many victims of the decades-old clergy sex abuse scandal and because many more claimants have pending cases. The archdiocese is expected to use the bulk of the money from property sales to pay the victims.

Thuma early this year estimated archdiocese properties might be worth more than \$150 million, and that was only a portion of the assets victims might be able to claim.

Last year, a committee representing plaintiffs in the bankruptcy case complained about the archdiocese's use of an accounting company, REDW, in audit work the committee said wasn't needed. The court filing said the committee was "concerned that the Debtor [the archdiocese] is squandering funds by retaining professionals to provide unnecessary services."

The records indicate the dispute was resolved and REDW continued working.

A Santa Fe attorney who has represented dozens of victims of sexual abuse involving priests, said Catholic Church bankruptcies are complex.

Merit Bennett, who has three clients in the Archdiocese of Santa Fe's bankruptcy case, said "there's just a lot going on and there's a need for experts" in these matters.

But Bennett said dioceses have tried to tuck money away so victims can't gain access to it. The Archdiocese of Santa Fe has been accused by plaintiffs in the bankruptcy case of transferring money to its parishes to protect those funds.

"If it's the archdiocese that is petitioning for an expert, I would be suspicious," Bennett said. "I would never take it at face value."

The Catholic Church and the archdiocese have spent years perpetrating "a massive cover-up," he said. "And they're still covering up."

Elsaesser said litigation in bankruptcy court over transferring money to parishes is at a standstill as the archdiocese and the victims work toward a settlement.

Mary O'Day, a Phoenix-based spokeswoman for the Survivors Network of those Abused by Priests, said in an email: "You do need to understand, the archdiocese has no interest in doing what's best for the survivors, or they wouldn't be filing bankruptcy in the first place."

O'Day said bankruptcy can help protect the records of abuse and abusers from being divulged and thus keep the church from being sued for more money.

“The archdiocese spending money to protect their interest is of no surprise to any of us. The experts will help them figure out the least costly and shaming way for the diocese to get out of this,” she said.

Elsaesser said he “respectfully disagrees with SNAP, and the record proves them wrong.” Bankruptcy courts inevitably aid abuse survivors and dioceses in reaching settlements, he said.

The process will help the 375 people with claims against the archdiocese avoid separate trials, he said, adding it provides “the fairest treatment in the quickest period of time.”

Elsaesser said strides are being made toward settling the case.

“That’s our goal,” he said, “and we’re making progress getting down the road.”

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