



**CAPITAL IMPROVEMENTS ADVISORY COMMITTEE MEETING
CITY HALL, 2ND FLOOR, CITY COUNCIL CHAMBERS
APRIL 2, 2009
3:30 P.M.**

MINUTES

The Capital Improvements Advisory Committee met at the above place and date.

The meeting was called to order at 3:35 p.m. Chair Olivas present and presiding and the following members answered roll call.

MEMBERS PRESENT:

Bobby Bowling
Sal Masoud
Dan Olivas
Charlie Wakeem
Larry Nance
Mark Dyer
Richard Piñeda
Ray Adauto
Michael Wyatt

AGENDA

1. Discussion and Action of the following:

- a. Approval of the minutes for the Capital Improvements Advisory Committee Meeting of March 4, 2009

ACTION: Motion made by Mr. Wyatt, seconded by Mr. Piñeda, and unanimously carried to **APPROVE THE CAPITAL IMPROVEMENTS ADVISORY COMMITTEE MINUTES FOR MARCH 4, 2009, WITH AN AMENDMENT TO REFLECT THAT MR. WYATT WAS ABSENT AT THE MEETING AND MR. DYER LEFT EARLY.**

Motion passed.

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- b. Report on Council actions of March 24, 2009

Mr. Neal gave a brief summary of the City Council actions of March 4, 2009 in which a public hearing was heard on the LUA and CIP and noted that the Westside service area was the item of controversy concerning the adoption of LUA and CIP. He reported there was an extensive discussion about the pros and cons of the westside service area being bifurcated and an additional service area being created. He shared the CIAC comments about endorsing the fact that the LUA and CIP had been properly prepared by professional engineers. The council voted (5-2) to adopt the LUA and CIP without the creation of the new service area. Voting against the measure were Rep. Castro and Rep. Acosta.

The second public hearing concerning Impact Fees was set for May 12, 2009. Any comments that this board wishes to make prior to that public hearing are due by May 4, 2009.

Mr. Bowling clarified that he owns land on the westside, eastside, and on the northeast side of El Paso and feels there is some misunderstanding specifically with the westside map. He noted that he disclosed this information early in the deliberations and everyone on the commission was fully aware that he owned land on the westside before that vote was taken.

No one on the Committee disputed said disclosures had been made prior to the discussion on the maps.

Lupe Cuellar, Assistant City Attorney, noted that it is appropriate that the chair appears before the City Council and let them know of all the discussions and deliberations that take place at the meetings. Discussions pertaining to issues dealt with by the committee should not be discussed with the media. If a committee member feels that there is information missing that is important and relevant to make a decision, it should be brought to staff's attention so that staff can bring it before the entire committee and the whole committee can have the benefit of that information in making their decision.

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c. Update on City Plan Commission- consequences of impact fees on housing prices

The City Plan Commission has discussed this item at least twice and have heard extensive presentations from Mr. McElroy but have not yet made any comments to the City Council on the subject.

Mr. McElroy noted that he provided the committee with a balanced set of readings on Impact Fees from the National Association of Homebuilders, the HUD reading that Mr. Bowling forwarded, and a chronological history published in a HUD journal.

Belinda Luna, City Plan Commissioner, was present at the meeting and noted that she would like to have some information regarding how many homes were sold last year, how many homes were sold in the last few years and an average cost of homes. She noted that this information would provide them some valuable insight when discussing affordability.

d. Review of rate related items and calculations pursuant to the adoption of impact fees

Mr. Dennis Jackson with Red Oaks Consulting noted that the Impact Fees flow from the approved LUA and CIP. The next stage of the process will be the focus on an explanation of that Impact Fee and the Impact Fee Credit. City Council has approved the CIP and cost of the CIP and LUA and the resulting service units.

The next step in the process is calculation of the debt credit. The plan to calculate this credit was also presented to council as part of the LUA and CIP filing. Mr. Jackson then presented the various calculations.

Nick Costanzo from the EPWU/PSB commented.

Mr. Neal noted that if the rates provided on December 2, 2008, were compared to the present time, after all the adjustments have been made to the Impact Fees, the difference is within 8/10ths of one percent of the rate used on December 2, 2008. He feels confident that this is a very accurate reflection of the assumptions that were made in the LUA and CIP.

e. Affordability credits

Mathew McElroy, Deputy Director for Planning, gave a power point presentation and briefly outlined the requirements in the Local Government Code 395 with regards to providing an Impact Fee Credit for affordable housing.

f. Maximum impact fee

Mr. Olivas asked if we were causing some unintended consequences by implementing Impact Fees in this economic environment.

It was agreed that the committee will submit their suggested recommendations to Mr. Neal in advance and Mr. Neal will circulate them to all of the committee members.

g. Comments from CIAC to present to Council

Mr. Neal reminded the committee that May 4, 2009, is the due date for them to present comments to City Council. He noted that it may be within the scope of the committee's responsibility if they want to make a comment on what portion of the Maximum Impact should be adopted, whether it should all be adopted or whether it should be rejected.

Mr. Bowling noted that he is not ready to make a recommendation and would need at least one more meeting. He gave a brief presentation and distributed some data to the committee members.

h. Schedule next meeting and agenda items

The next scheduled meeting is tentatively set for Thursday, April 16, 2009, depending on the availability of the council chambers. Mr. Neal will contact the committee members to let them know of the new scheduled date.

2. Adjournment

ADJOURNMENT:

ACTION: Motion made by Mr. Wyatt, seconded by Mr. Nance, and unanimously carried to **ADJOURN** the Capital Improvement Advisory Committee Meeting at 5:35 p.m.

Mathew McElroy, City Plan Commission Executive Secretary