

## Capital Improvements Advisory Committee

Minutes for the Meeting on  
April 18, 2019  
1:30 p.m.  
Utilities Center  
Conference Room 225

### Committee Members Present

William Beerman, Chairman  
Jason Lorenz, Vice Chairman  
Mark O'Neill, Committee Member

### Committee Members Absent

Eugene Suttmiller, Committee Member  
Steve Newby, Committee Member

### Others:

Becky Baum, RC Creations, LLC  
Nicole Black  
Neil Campbell, Hakes Brothers  
Julie Herland, TischlerBise  
Greg Hotay (sp?), Hakes Brothers/Las  
Cruces Home Builders Association  
Christian Lentz, Half Associates  
Jeremy McGarvey  
John Moscato, Sierra Norte Development  
Steve Montanez, Las Cruces Home Builders  
Association  
Erica Mosher  
Greg Shervanick, Resident  
Randy Stuartt

### City Staff Present

DesiRae Arellano, Office Assistant Senior  
Temp.  
Carl Clark, Utilities RES/TS Administrator  
Sonya Delgado, Parks & Recreation Director  
Dr. Jorge A. Garcia, Utilities Director  
Irma Morales, Administrative Assistant  
Jose Provencio, Business Services  
Administrator  
Alma Ruiz, Officer Manager Senior  
Ted Sweetser, Las Cruces Fire  
Cecilia Vasconcellos, Special Events and  
Marketing Coordinator

Chair Beerman called the regular meeting to order at approximately 1:30 p.m.

### **1. Conflict of Interest:**

Chair Beerman: The first item on the agenda is I'm supposed to ask if any members of the committee or any member of the City staff has any known conflict of interest with any item on the agenda.

**There were none.**

### **2. Acceptance of the Agenda:**

Chair Beerman: The next item is acceptance of the agenda for today.

Lorenz: I move to accept the agenda today.

O'Neill: I'll second.

Chair Beerman: All in favor?

**The Agenda was Accepted Unanimously 3-0.**

**3. Acceptance of the Minutes:**

**a. Regular Meeting on March 21, 2019.**

Chair Beerman: Acceptance of the minutes from March 21st.

O'Neill: I'll make the motion to accept the minutes of March 21st as written.

Lorenz: I'll second.

Chair Beerman: All in favor?

**The Minutes were Approved Unanimously 3-0.**

**4. New Business**

**a. Parks and Recreation Master Plan Update:**

Chair Beerman: The first item under new business is Parks and Recreation Master Plan update by Halff Associates.

Lentz: All right. Thank you. Good afternoon Members of the Board. I'm Christian Lentz with Halff Associates. I'm a Principal Planner with the firm based in our Austin office. Halff Associates has been hired by the Parks and Recreation Department to prepare a Parks and Recreation Master Plan update for the City. The last update to your Parks and Recreation Master Plan was 2012 and just like the Impact Fee Study that you're considering, that TischlerBise will be speaking about later in the agenda, this is an update that is somewhat long overdue. We'll just put it that way.

We want to be able to provide you a little bit of background of what the Parks and Recreation Master Plan is about, where we're at in the process, but really more than that we want to make sure that your Committee is very clear about how the Parks and Recreation Master Plan and the Impact Fee Study relate to each other and how they're different. Because there are some key differences. We want to make sure that we're pointing out those specific differences because we think it will help you do your job when you're considering the Impact Fee Study, the recommendations, and that. Likewise, when we talk to the Parks and Recreation Board for the third time again this evening it'll help them understand what their role is in conjunction with your role.

The first thing about the Master Plan that's actually different than your Impact Fee Study is that when we do a Parks and Recreation Master Plan, we are not just looking at park land and we're not just looking at facilities. We're looking

at the way the entire department administers, operates, maintains your system. We're certainly looking and considering your park land acreage and the types of parks you have. We're certainly looking at the different types of recreational facilities that you offer, but we're also looking at how does the Parks Department maintain all of this stuff on a day to day basis and in addition to that, how does that department provide recreational programming to the community. What are the conditions of your parks and how are we meeting overall community needs? The Parks and Recreation Master Plan is a system wide assessment of your parks and recreation system. By that, we mean that while the plan, while the final recommendations the plan may have some parks specific recommendations, by and large we're looking at the overall system as one integrated system. It's not necessarily at the end of the day with your 94 plus parks properties. You're not going to see a couple pages on every single little park about how many trash cans you need or picnic tables or what needs to be taken down versus what needs to be constructed in that particular space.

The Parks and Recreation Master Plan was actually initiated in November of this past year. We're on a pretty tight time frame just like the, let me ignore this. We're on a very short timeframe. I think it's unfortunate, particularly unfortunate for Julie that she is starting the Impact Fee Study prior to us being able to start the Parks and Recreation Master Plan update because what we're finding from the last time that she spoke with you and this time is that the numbers have changed significantly and they've changed significantly in part because the Parks and Recreation Master Plan is the document that really provides the updated inventory of your parks system and provides those updated numbers that can be fed into the impact fee model. Nonetheless, we started late last year. We're now aligned with the work with TischlerBise is been doing on the Impact Fee Study and just like with the Impact Fee Study, the intention is that the master planning process will be completed in June. Just in a couple months.

The planned doctrine will consist of five chapters. Really the key chapter in the planned document, even beyond the recommendations, is chapter three: The Needs Assessment. This is where we're measuring what you have today and what your potential needs are moving forward. Both in terms of park land facilities, but also in terms of programming. Not just by looking at data and what you have on the ground and the condition of things, but also by going through a public process to get feedback on what the residents in your community say they'd like to see in your parks system.

There're four items on the screen, on the slide that talk about appendices to the overall plan document. That Impact Fee Study is the final bullet point. Hopefully this plan and the Impact Fee Study are being adopted concurrently. They talk to each other. They are related to each other and so certainly the intent would be that the Impact Fee Study is referenced as an appendix to a final parks plan document.

Talking about the relationship of your parks plan and the Impact Fee Study. First off, you understand that we're looking at updating your impact fees because you're trying to remain consistent with the provisions that are in the New Mexico State Statutes. Specifically, the Development Fees Act. The issue is when you update your land use assumptions and when you look at updating your Capital Improvements Plan and your impact fee recommendations, typically your Parks and Recreation Master Plan is the document that establishes those land use assumptions and it's your parks plan that verifies this is the inventory of what we have today. What's happened to us over the last couple of months is we've been able to catch up with the parks master planning process and as a result we've been able to feed all of that updated information to TischlerBise and they've been able to incorporate that into the Impact Fee Study. Because prior to that, as you well know from the last conversation, they had to work with older information.

The Parks and Recreation Master Plan though also includes a fairly detailed action plan that recommends different policies, studies, potentially updates to your regulations, or the ways that your City staff does business to improve the parks system long term. It will relate to your Capital Improvements Plan. It will make some recommendations for future updates to your Capital Improvements Plan, but it is not in and of itself a Capital Improvements Plan. It basically says "Okay. You have a CIP today. Based on the needs that have been assessed through the planning process, moving forward here are some potential projects that you may want to add in to your Capital Improvements Plan over the next two, three, five, ten years or beyond. However long it plays."

How do these documents differ? There're obviously some key differences regarding oversight. With the Impact Fee Study, it's your Committee that's going to provide review oversight and recommendations to City Council. The scope of your Impact Fee Study is focused mostly or actually exclusively on capital improvements and park land acreage, acreage that has to be maintained. The key differences between the Impact Fee Study and your parks Master Plan are in park land and in level, what we call level of service. Your Impact Fee Study, and Julie will be able to talk to you in a little bit more detail, but your Impact Fee Study considers active acres of park land. When it comes to level of service, your impact fee study considers current levels of service, park land, and facility level of service that you're providing your citizens today and I'll elaborate on those two points here in just a few minutes. In contrast, it's the Parks and Recreation Advisory Board that is responsible for providing a recommendation on this planning document, the Master Plan to City Council. As I said before, the scope of it is to look system wide at all of your assets. Not just hard assets but also other assets, other resources such as your staffing, your equipment, programming, all of those things.

When we look at park land and your Master Plan, we're providing an inventory of all park land acreage as opposed to those active use acres. As I said, I'll define the difference between those two things in just a couple minutes. Then

when we talk about level of service, we're talking about not current levels of service, not what you're providing your citizens today, but the Parks Master Plan is making recommendations on some target levels of service. What you want to aspire to in the future as you continue to build a first-class parks and recreation system.

I'll touch on that topic of park land. It's really important to touch on this because a lot of people that look at these documents closely, they might look at one document or the other and they might say "well you know what? Your numbers don't add up." The numbers between the two documents I can assure you will add up because the inventory that we've prepared, that is the same inventory that TischlerBise is using in the Impact Fee Study. Now what we've shown with the assistance of City staff is that today, your current inventory park land is over 1,537 acres. That's the number that we really focus on in your Master Plan. That overall park land acreage. As I said, the Impact Fee Study is really more concerned with active acres.

Active acres, when we're looking at active acres we're saying, "Is this acreage that's really accessible to the public? That's being actively used by the public? Is this property that's going to require any degree of constant or considerable maintenance?" Here's the difference, of your 1,537 acres in your park land inventory, 76% of that over 1,170 acres is confined to three properties. We've got them listed on the screen. It's confined to the Las Cruces Dam, the Shooting Range, and the City Landfill. You can see that all three of those properties have a significant amount of acreage associated with them, but when it comes to active acreage, acreage that's really being used that's publicly accessible, that has to be maintained to keep the facilities up, you'll see that the acreage of those facilities for consideration in your Impact Fee Study is much less than the overall park land acreage in your inventory. Because let's face it, if Sonya was to try to put a multi-use trail behind that shooting range there, we would all question her judgement as far as, we'd certainly need to question whether that's active acreage. There's a lot of acreage because of the way you use that facility that really can't be further developed. It's in your system but it can't be further developed and used, and it's already being used.

Another thing that is different that has affected the Impact Fee Study is how we classify park land. There are five different park types that were classified in your 2012 Parks and Recreation Master Plan. Based on the review of your municipal park system today and the types of parks that you have in the system, the Master Plan is recommending the addition of three different park types. When we say the addition of three different park types, we're just saying we're defining parks in three additional different ways. We're not changing the number, the amount of acreage. We're not suggesting "oh this wasn't considered a park and now it is". We're just taking that acreage and instead of classifying it among five categories, it's being classified among eight different categories to that.

We'll talk about the differences in level of service and this may be a little redundant, but I think it's necessary to make sure that these things are very clear. Your Impact Fee Study again, is measuring your current level of service for park land and recreation facilities. It talks about how your establishing fees today based on that current level of service. In your Parks and Recreation Master Plan, you might have for different types of parks or for different types of facilities, we may have recommendations on target levels of service and what we're saying is this is the amount you want to be able to offer your community in the future. The key is target levels of service they are, like the slide says, they are aspirational. They are advisory. In fact, you may not hit those target levels of service over five or ten years. They are simply something to be reached for and a target to try to hit.

Your Impact Fees are not going to be based on any sort of target level of service that's in your Master Plan. Again, the Impact Fees are meant to fund demands that are created by actual growth today. When there's a development that occurs today, the Impact Fee is trying to measure how much that added growth that that development is putting into your system today is going to necessitate additional funding for additional parkland and recreational facilities. It's meant to maintain the levels of service that you have today. It's not meant to get you closer to meeting those long-term target levels of service.

Again, your target levels of service consider growth of the system beyond today's level of service, but one other key thing about target levels of service: there are only one way to measure if your park system is growing the way your community wants to grow. You should look at these as minimum targets. Not as a ceiling that once you hit it you don't try to add to it anymore. Because your population's always changing and if you can assume that your population is always growing, you're always going to have the continual need for additional park land to meet different service standards.

The other issue is that in your Parks and Recreation Master Plan, we don't always establish target levels of service for all park types or facilities. As a result, you can't compare the current levels of service for a certain park type or facility in your Impact Fees Study with the Parks and Recreation Master Plan because there may not be a comparable target in the Parks and Recreation Master Plan. That's because we don't just measure targets based on how many acres do you want, or how many of this particular type of facility you want. When we go through the Master Planning process, we have to listen to the feedback that we're getting from the public. We're considering what we call a demand-based assessment. The public is saying "we want these additional amenities". We also look at a resource-based assessment. We say "well, regardless of what you're providing today, there's a great natural asset that you have over here. There's an asset that you have over here that it would be wonderful to leverage to turn into some sort of recreational amenity." Then we do look at service-based assessment measures. Whether it's actual acreage that you have available, number of facilities, or even more importantly, or just

as important, the proximity of these park land acres and facilities to where people live and how accessible those facilities are to people.

Just to give you an example, if we were only looking at level of service based on acreage, based on your 2012 target levels of service in your old Master Plan, you had a community park land acreage target of two acres per 1,000 people and a combined target for neighborhood and pocket parks of one acre per 1,000 residents. If you look at that slide, the column on the far right shows you as of today's population where you have a surplus or deficit of those particular park types. This doesn't take into account all 1,500 acres of your parks system because the 2012 Master Plan didn't establish a target level of service for those different park types. Again, that's why you don't use target levels of service in your Master Plan to determine your Impact Fees for current facilities, park lands, and amenities that are being provided today.

Again, we know that acreage demands will grow over time, but we'll talk about those other relevant measures. In the Parks and Recreation Master Plan we are also looking at proximity. This is a map that shows walk sheds, quarter mile of walk sheds around your neighborhood and pocket parks today in comparison to residential areas. If you just look at where your residential areas are, and those are in the, please help me somebody, is this yellow or green? Because I'm kind of colorblind. Tan? Apparently other people are colorblind too. You can see just using the proximity measure that it doesn't matter. In one sense it doesn't matter how much acreage you're providing. If you look at can people walk to those parks, there's a lot of people that live in neighborhoods that they might say, "You know, parks aren't necessarily conveniently located to me. We need more acreage. Something that's closer to where I live. Something that my children can go to and I feel like they can go by themselves safely." We just want to hammer home the point that there's going to be a lot of these considerations that are made in the final Parks and Recreation Master Plan prior to making recommendations.

Also, we are including levels of service. Target levels of service for certain recreational facilities in your system as well. That was something that your 2012 Master Plan didn't do. At this point our preliminary recommendation is to include some facility target levels of service for common things like sport courts and athletic fields and things like that. Those target levels of service again may exceed what the Impact Fee Study says, "This is what we're currently offering and thus what we are going to base today's impact fees on".

Just quickly some strategic considerations. We'll be speaking with the Parks and Recreation Board this evening. Some key things that we'll be talking with the Board about are adjusting some of those target level of service categories. Potentially looking at a target level of service for natural areas or open space. Potentially adjusting your target levels of service to have a level of service target that says, "Parks should be located within a certain proximity of residential areas". We'll be looking at your land development code to determine whether or not there should be some supplementary provisions in the code

that deal with how the City would like parks to be cited or the types of facilities that they might like to see in those parks as new development occurs.

There are, based on the feedback that we got from the public, there's a number of bullet points on this screen that says, "These are some of the key things that people have told us they really want to have addressed when it comes to your recreational amenities". They want more shade. Big surprise, right? They want more indoor facilities. In some cases, they want more sport field lighting so that in different locations they can play games, tournaments later into the evening. Then there's some strategic considerations that we're considering for the City's programming and focusing, really having a long look at the City's fee structure today and whether there should be adjustments to the recreational programming fee structure and try to recover some of the costs that go in to providing those particular services to the public.

All of this is preliminary information that we still have work to do to actually generate a full recommended set of plan recommendations to the Parks and Recreation Advisory Board. Once again, ultimately this plan and the long-term recommendations in it are intended to be adopted in conjunction with your Impact Fee Study. Your Impact Fee Study looking at fees based on today. This Parks and Recreation Master Plan saying "but moving forward, where we want to go as a community. What we might want to add to our system to improve it". I'm happy to take any questions.

O'Neill: Yes, I have a question.

Beerman: Please, I was waiting for you.

O'Neill: Our impact fees are for six years span. I just, it's not real clear to me why we don't look ahead and see how much money we need. I know you can't, it's hard to figure future development and for parks exactly, but since you are doing a Master Plan you have an idea, and you have a survey, you get an idea of what you will need in the future and I'm just wondering why we don't consider that when we're doing our impact fees for the next six years. Why we're not considering what we might need like an estimate of what may go in and how much it will cost so we know what kind of target we're just basing it on now and I've heard, you can't do that but I'm not clear on why not. That was my concern, why you can't look ahead and say "okay, we're going to need this much money per year in the next six years, so we need to consider that in our decision now not just base it on what's going on right now in the parks."

Delgado: Mr. Chairman, Members of the Board. Sonya Delgado, Parks and Recreation Department. The Capital Improvements Program (CIP) which lives under Public Works and actually I have asked them to come here because I know on several occasions Chairman Beerman has asked for a CIP update. Public Works is the one who takes care of that entire program. They just finished that program, putting everything together last week. I mentioned to them again to come before this Committee to give you an update on where that is. That CIP



program has all the departments listed for the City and it goes out several, several years. I'll give you a total, we're in the over \$40 million range for Parks and Rec alone. It has, it lists all the projects that have come up, things that need to either be rehabbed, things that are brand new, things that are coming in the future and what might we be doing and putting things in place. We also take into account this Master Plan, so a lot of those things were put in there from the previous Master Plan. As Christian mentioned, by code, we have to update this every five to six years. That CIP program, we look at it every single year as part of the budget process for the City of Las Cruces. I have asked Public Works to come before you to give you an update on what that looks like and where it is. Because I know that it's part of the budget process when they go to approve it. I hope that helps.

O'Neill: Yes, because we want to have some sense in our figures that we're going to decide we're going to recommend to the City Council and I think it can be estimated and taken out the money that you think will come, which is hard to do, but like the money that will come in bonds and grants and not include those figures but just what the Impact Fees are going to be needed and to look ahead. You're saying it's a fluid process and so basically if we base it on what's now, we're going to be close. Is that what you're saying or please explain?

Lentz: If you base it on what you've got now, how close you are depends on the target level of service measures that you ultimately have in the plan. I think you'll remain close because ultimately when it comes to capital projects that may be recommended in your long-range Master Plan. The plan just presents them as a basket of projects that may or may not ultimately be added to your CIP in the future.

O'Neill: I see.

Lentz: Often times the sheer dollar amount of all of those projects will far exceed, even with creative funding sources, what you as a community can actually do. It's just meant to say, "Here's a basket of potential projects. As you're updating your Capital Improvements Plan, select from that what you want to add," and just do it selectively. Because at the end of the term of the Parks and Recreation Master Plan and when it's time to update it again, your success isn't measured in you did 100% of this. Success is measured in you worked your way in that direction to some degree.

O'Neill: Thank you. I know it's really difficult to predict your upcoming grants and as you know I mean it's something you have to, they just come up and they're offered and then you go for them. Whether it's a bond, and then a bond issue has to be voted in of course. Anyway, thank you for your answer.

Beerman: Jason.

Lorenz: No questions. I guess maybe one. I'm mildly familiar with your comprehensive plan sort of information finding process that you went through a bunch of

surveys and things like that. When you're looking for these target levels of service or basically your wish list of things, we'd like to have in Las Cruces, is that coming from the same information gathering source?

Lentz: One thing I do want to say is that ultimately if it's in the plan it's not my wish list. I want to make that very clear. Ultimately though there are a couple different sources. Let me take the example of the recreational facilities and the idea of putting a target level of service in the plan. That target level of service will be derived primarily from two things. It'll be derived from the demand-based assessment and the feedback that we're getting from the surveys and from the public open houses. Specifically, responses to specific facilities and also repetitive comments or keywords from the comments that come up. For instance, pickleball comes up all the time. It wasn't in our survey, but pickleball has come up so much we know we have to address that in the plan. We derive potential target levels of service for these facilities from that demand-based assessment, but we also compare the recommendations to the recommendations of the National Recreation and Park Association and the national guidelines that they provide based on agencies across the country that provide their inventory facilities. We look at those averages across these communities to see where any recommendation for any given facility in Las Cruces, how that compares to national standards or regional standards or even categorize it by community that has a similar population density as Las Cruces. That's how we cross check.

Lorenz: Thank you.

O'Neill: Plus, I can add that the Park Board is represented by Districts, so they have an outreach program that they go and find out what is needed. What they want in their districts. I'm sure they get that feedback as well.

Lentz: Sometimes we find, though, even though we like to cross check with those National standards, you've got to remember we're comparing Las Cruces to Fargo, North Dakota maybe. Maybe New York City. These are all communities that have distinctly different needs than Las Cruces. Sometimes when we look at those national measures, it doesn't seem to be any direct correlation between the measure with Las Cruces. Anything that we include a measure for, a recreational facility measure or target level of service for in your plan will be tied very closely to the current levels of service that you're providing. There may be adjustments one way or the other to account for the public feedback we got, but we're not going to try, we wouldn't recommend a standard that is just completely off the scale from what that current standard is.

Beerman: Okay Christian. I think in the context of the Impact Fee which we're primarily concerned with, the intent is to set the Impact Fee at a level that will maintain the current level of service in the community. In other words, if we have 100,000 people and the level of service is two acres per 1,000 people and a development comes in with 10,000 people, then there needs to be, to maintain

the level of service of two acres per 1,000 people, there needs to be an increase in the acreage to maintain that level of service. As far as looking into the future on what somebody might be projecting or desiring the new level of service to be, I don't think that's really relevant to Impact Fee setting, because we're only supposed to look at the actual current numbers. I think the level of service for Parks and Recreation was two acres per 1,000 people. Sonya could.

Lentz: That was for community parks only. It's one acre per 1,000 for neighborhood and pocket parks.

Beerman: All right. Has that been reduced?

Lentz: In the 2012 Plan had reduced the target level of service from three acres for community parks per 1,000 to two acres per 1,000.

Beerman: Okay, so in the current round of updating the Master Plan and the proposed, I know it's not your report on the Impact Fees. Does it maintain the same level of service as the 2012?

Lentz: Again, that's the point we're trying to make. The 2012 Master Plan provided your target at that time. It provided your target. Your actual level of service today, and even your actual level of service in 2012, did not match that target.

Beerman: Okay. If the proposed Impact Fee from the TischlerBise report that came out in 2012, was cut in half to produce the current report that we received two days ago. Was the effect on the, did the level of service change or is and that drove the reduction in the Impact Fee?

Lentz: Are you talking about from the last meeting to this meeting?

Beerman: Yes.

Lentz: Julie will certainly be able to expand upon it significantly in her presentation, but I'll tell you what has changed is through our Master Planning process we were able to provide updated numbers to Julie to put into the formula. Also, collectively, based on the conversation that she had, and Sonya had with you at the last meeting, there was also consideration of other factors such as do we consider all park land acreage or do we only consider this much smaller active acreage, active use acreage? There are a series of new inputs that she didn't have the benefit of at her last presentation that have resulted in what seems like a very significant change.

Beerman: I understand that. The level of service is it going to be going down per person, per 1,000 population based on the new Master Plan?

Lentz: Based on the new Master Plan, we haven't made a recommendation to the Parks and Recreation Board yet. They haven't made a recommendation, but

for these particular classifications that are up on the screen, at this point the intent is to retain those targets.

Beerman: Okay, because I think the way the formula works if you set the formula to match the current level of service, that's fine. Despite the influx in population. If you set it too low, then you either have to, if you set the Impact Fee too low then you either have to cut the level of service or shift that cost onto tax payers like real estate tax payers. That's how it matters what the impact fee is going to be and what the level of service is.

Lentz: That's right. Because if you as a community intend to reach that target, you can't do that through your impact fees. You have to make an investment using other sources of revenue so that the City leads the way in increasing the actual level of service in advance of any other subsequent adjustment to your impact fee in the future.

Beerman: You can match the current level of service with the impact fee by setting it correctly.

Lentz: Yes, and I think that's what you will find that TischlerBise is recommending.

Beerman: You did an inventory of the acreage, I think it was 1,537 acres.

Lentz: Yes sir.

Beerman: How is that compiled, that inventory?

Lentz: It is City of Las Cruces data and it is all land that is specifically classified as park land. There were some changes from the last inventory. I'll use as a prime example use Burn Lake as an example. In the prior Master Plan Burn Lake was a huge park. In this Master Plan, Burn Lake Park is much smaller because really only a much smaller portion of Burn Lake is actually being used for recreational services and although there are other City owned parcels adjacent to it, many of those parcels are committed to some significant utility infrastructure and really can't be used as a park. Those are some of the adjustments that were made distinguishing between all City owned property versus City owned property that's used for recreation purposes. It was all City of Las Cruces data.

Beerman: Now, the City's financial statements list the City's assets. Where does list, you say it was provided by the City. Where did the list of park and recreation assets come from? Did it come out of the financial statements?

Lentz: All of the information we received, particularly the GIS (geographic information system) information, the mapping information, was received directly from the Parks and Recreation Department. Part of the key about the inventory, particularly the park land inventory is that it is based on your geographic information system database. It is based on mapped data.

- Delgado: Mr. Chairman, Members of the Board. We have a GIS person that's in Parks and Recreation and they work directly with the GIS section that's in the Community Development Department. That's how we got all of our information. They worked together.
- Beerman: That's like satellite photos?
- Delgado: Yes. They have, Community Development has all of the property for the City of Las Cruces so working in conjunction with GIS they give us our property lines, they tell us what part is which. For example, the Burn Lake example he gave, a portion of that was turned over. Public Works has part of that, so we only have a portion now. It made that park smaller.
- Beerman: Okay, because I'm looking toward the financial value of this land and I can see if it's coming out of the financial statements when the City applies, if the City wants to float some bonds, they have to show the City's assets, there probably would be values attached to City property.
- Delgado: Mr. Chairman, Members of the Board. Yes, I would assume that would be land management but I'm not sure. If you need to know I can definitely find out exactly where you would find that and how you can get a hold of it.
- Beerman: Because key to what we're doing here is the value of this land. I just wondered from the change from the last report to this report. Where did the numbers come from for the value of this land? Different types of parks. Ideally a value would come if the City bought a park. Then there would be a way to determine the value, but what about all these existing 1,500 acres? How do they get valued?
- Delgado: That's a very good question. I will ask Land Management.
- Beerman: All right. Then at one point somebody decided since the last TischlerBise report, somebody decided that they were going to separate active land from inactive land. Was that done to get the cost down or was the total value of the parks and recreation land in the calculation? Or why was that done? Why was the inactive land separated from the active land?
- Lentz: Just in very general terms. While I wasn't participating in the discussion at the last meeting, I was in the audience. Just in very general terms it was a direct result of the discussion that staff and the consultants having with you as a Committee that to provide a more realistic expectation of what should an impact fee should be assessed on, that we should be more selective on the type of acreage that that's being applied to.
- Beerman: It wiped out 78% of the land that's used in the impact.
- O'Neill: It's going to be in her report.

- Herland: If I may, this is really going to get into the next presentation that deals with the valuation.
- Beerman: Just let me check if I have any more for Christian. That determination wasn't made by TischlerBise, active versus inactive?
- Lentz: No. That was a response to the feedback that we were receiving from this Committee.
- Beerman: All right, but physically how did you decide how much was active and how much inactive? For example, at the landfill there are, there's an airplane model airplane.
- Delgado: Mr. Chair. Members of the Board. What we did was at the landfill, at the Butterfield Shooting Range, we took the acres that we currently have a program utilizing that particular area and we subtracted it out of the total acreage that we have access to. That's how we created active and inactive, if you will. That was based on the conversations that we had this last meeting. We also had some developers who had asked those questions and said, "Well we could take that out". We had that discussion and so we pulled out the acres that were not being utilized right now and that we don't have, we're not going to be using them anytime in the very near future.
- Beerman: The Shooting Range, do you determine how far the bullets go or how far the noise travels? Did anybody look at how many?
- Delgado: Mr. Chair, Members of the Board. We have, for example, shooting bays and then we have added land that goes with it for stray bullets. We include that as active. We have the bow and arrow range, we have long distance rifle shooting, we have skeet shooting, and we have all the safety land is also included as part of active. That is not inactive. We would not want anybody out there and we would never put something on top of that if they were inside that safety zone, if you will.
- Beerman: You were liberal in what you consider to be active?
- Delgado: Yes.
- Beerman: All right, now I've been up to the, I take my stuff to the landfill to get rid of my yard waste and I see the model airplane or model car electric, radio-controlled cars.
- Delgado: We have a radio-controlled airport out there.
- Beerman: Right.
- Delgado: The remote-control car track is on Hadley.

- Beerman: It seems like an airport would be hard to classify as active versus inactive and then, without stretching that point too much, I also wonder how many people. Did you consider, do any kind of a tally on how many people use the shooting range? Or how many people use the airport? How active are they being used?
- Delgado: Mr. Chair. Members of the Board. Our specialty parks are extremely active. We have a large group that uses the model airplane. We have a lot of activity. We work in conjunction with utilities to share that space and we have a lot of people at the shooting range. We have 100s to 1,000s depending on the day, the time of year. All of our specialty parks are highly used. We have a large group that goes with them.
- Beerman: Okay, so I guess if they're all highly used, the only question is how many acres of the existing acres are used actively? How do you determine.
- Delgado: Mr. Chair, Members of the Board. You do have that in that report, and I believe Julie will go through that of how we broke it out and which were considered active and which were considered inactive once she gives her presentation.
- Beerman: Okay. I mean, it seems like a legitimate area to pursue if it's taking out 78% of all the acreage used in the calculation of the impact fee when you say it's not actively used.
- Delgado: When we're saying it's not actively used, we're saying we're not programming on it. We don't have, it's not accessible by everyone. It doesn't have any infrastructure in it. We couldn't go out there and say let's go have a program or families go out there and have a picnic or things of that nature. We just have land that's out there.
- Beerman: All right. The Wetlands Park. That's a huge collection of acres there. How do you determine how much of that is used? Because I walk my dog all over that place and true there are only a couple of asphalt paths that they put in maybe two years ago, so it's only the path that's used and the rest of it is inactive?
- Delgado: Mr. Chair, Members of the Board. That particular piece of property we just, that came over to Parks and Rec in the fall of this past year and it used to be with Army Corps of Engineer and Public Works. Then it was turned over to us for maintenance. Once it did that, it became part of our parkland if you will. There is a portion of it that has pieces of trail, it's not completed yet, so now that task is on us to complete that. Not all of it is accessible throughout the entire year because first and foremost it's a dam. When it does, we go through monsoon it does get flooded out. We do have a lot of issues with lots of sediment that covers all of those pieces of trail so in parts of the year it is completely inactive. Now although people do go back there, but when we go and clean out the trails, that's the portion that we consider safe if you will. It has been opened up for programming. We could take a group of people out there and people do utilize it. It's not all complete yet.

Beerman: Is part of it that actually has trails considered inactive?

Delgado: When it rains, yes.

Beerman: I don't want to get in too much down into the weeds or the trees, whatever they have over there, but did anybody count how many days it's flooded or how many days it rains before you just struck it out of the formula for Impact Fees?

Delgado: Mr. Chair, Members of the Board. The only portion of that that is not in there is the portions that don't have trails. Which you can't get on there with the trail. Now if you go in there, because it's open space on your own, you're doing that on your own. That is not a program we would have.

Lentz: Sonya I can attest to that. The mud on my running shoes that I won't go back there again. I didn't realize it was that wet.

O'Neill: I have more.

Beerman: Sure. I think that's all I have on for Sonya.

O'Neill: I think, it's my understanding, and based on what our Committee here came through with that we decided that the valuation of that land was way too high when we set our impact fees, because we are including the BLM land, the flood control land, and that's what we've taken out. That's what made the figure, the estimated figure by TischlerBise around \$7,000.00 fee a month. I believe that's coming down based on the change in acreage. I guess we're going to hear from Julie. Am I on base a little bit?

Delgado: Mr. Chair, Members of the Board. Yes, and as soon she comes up to give that I think she'll be able to answer a lot of these questions for you.

O'Neill: A lot of these questions, right.

Lorenz: I really think we need to hear from her.

Beerman: I have one more on the Parks and Recreation Master Plan. When you do the Master Plan, part of the City is virtually totally developed and there are neighborhoods, large neighborhoods in the City, one in particular I know of a lady told me that she paid a Park and Recreation Impact Fee when she bought her house and no park was ever put in this development. Now when you have these meetings and people are telling you that they want pickleball they want various things, soccer fields. These are in the new areas because there's no room to put those kinds of things in the existing areas. How does that come into play regarding who pays for these things? For example, the Meerscheidt area. It's a very large recreation complex. It's got the dog park and I think indoor basketball, a swimming pool, an indoor swimming pool, a lot of facilities. I believe the Director of Parks and Recreation made a comment at one of our



prior meetings that facilities like that are going to have to be developed in the newly, they're going to have to be duplicated in newly developing areas. How does the planning process consider that? We just had a bond issue, I think it was \$36 million that everybody's going to pay for. I don't know how much of that is going into the areas on the outskirts of the City that not everyone is going to benefit from.

Lentz: Well, I alluded to it in the presentation. It's what we consider the proximity guideline. There was one map in the presentation that showed walk sheds. That was just an approximation of five-minute walk to a certain park, but in addition to that map there are going to be a series of other maps in the plan as well that show proximity of athletic fields, squash courts, aquatic facilities, to the different residential areas at the City. Quite simply when it comes to recommendations on adding or updating these facilities, the Parks Plan will continue to recommend that areas that have no coverage, that those areas be prioritized in placing those new facilities.

Beerman: If they have no coverage, how can they be prioritized if there's no land left?

Lentz: When it comes to facilities, we're saying the proximity map is saying that particular facility is not located in that area. That doesn't necessarily mean there isn't a park or other public property that might be located in that area where a new amenity can be added.

Beerman: I think Ms. Delgado's aware that there are very difficult situations where there's just no way to wedge any kind of park and recreation facility into an existing neighborhood or existing development. Okay. I wrote down your word proximity, that's what prompted that question. I appreciate that. I think that's all I have right now about the Parks and Recreation Master Plan.

Lentz: Well, I don't get to get out of here, so if you have more questions then I'll be around. Thank you.

**b. Parks and Recreation Impact Fee Update:**

Herland: Hi. Good afternoon Mr. Chairman, Members of the Committee. My name's Julie Herland. I'm the Vice President with TischlerBise and I know everyone is waiting with bated breath for the findings of the revised study given the questions of the previous presentation.

Overview of the presentation: we'll go over some of the basic assumptions. As you've noted there have been changes. Due to the coordination with the Parks and Rec Master Plan as Christian mentioned and identification of a refined level of service if you will. This all comes down to what you're talking about Mr. Chairman, levels of service and what's considered in levels of service. The revised Impact Fee components are shown on the screen. There's a new category of regional park, and then some reclassifications of some of the parks into different categories. There's community park, neighborhood parks, special

facility lands, natural area and open space, park improvements, those are the stuff that's built on the parks, trails, recreation centers, and aquatic centers.

Just a couple other changes since we've last spoken. There's a comprehensive plan that's happening at the same time as the Park and Rec Master Plan so all of these things are being integrated and being coordinated and so we have revised our base year population estimate and our population projection. Those things have also contributed to some of the changes that you're looking at within the document. Again, making this all aligned across the board with the current documentation that's being produced. It's all similar and our household sizes are just shown on screen here for distinction between single-family and multi-family units.

As we've talked about there's sort of these different ways to approach Impact Fees. All of the components, the impact fees that the plan is based on is what we call incremental expansion approach, which is exactly what we've been talking about. A current level of service, maintaining that current level of service for new folks that are coming in, for new growth. That contrast to what was also alluded to is this planned based approach where you say "here's your target, we want to have ten acres per 1,000 instead of our existing and so new growth is going to pay for ten but, oh by the way the City has to come up with funding to make up that gap." If you're at two currently then you have to, then the City comes up with those extra dollars to fund City or grants or whatever external sources of funds to make up that eight acres per 1,000. That's the big difference between taking that target-based approach, setting it out there, putting it into a Capital Improvement Plan, and then backfilling those dollars to get to that plan base.

The more flexible and sort of more conservative approach is incremental expansion approach that says, "You're going to fund what your growth needs and you're going to put that into those projects that you're going to take out of the plan. Out of that target of what you're aspiring to get to".

Just starting with the end here, the draft fees and the components of those fees. This is a comparable table to what was provided for and I do have a comparison between the current fees and the proposed, the calculated new fees. Again, our goal here is to take the data and come up with what we call a maximum supportable amount. Then it's policy decision about where, what gets recommended, what gets adopted, etc., and implemented. These are the component parts, the costs per person, and then a breakdown of how that, what that mix is in terms of the share by type of amenities, or type of component park components.

We also have included here, and I'll talk a little bit more about this, this credit. We're talking about a bond issuance so that was new information since we developed the draft, the previous drafts. New information here that was discussed in the last time as well.

Comparing the proposed, the updated report which is that middle column there with the 2012 report, again different, a couple new categories of parks and some reclassifications so that shifts some of those costs around. Again, the additional of adding regional parks, natural area, open spaces, and then again, this modification of including active areas or active acreage and then the adjustment on the park land value which I know we've had quite a bit of discussion last time and we can get back into that this time as well. I should note too on the active acres, that it really, the cost is going to be reflective of those improvements on those acres. There's sort of a parallel construction. If we had more acres in there, the cost per acre may be lower but we have a cost per acre that's reflective of those active acres.

I'm going to go through each of the components just to kind of tick through. I should, we're talking a little bit about levels of service in the previous conversation and what I don't have on a slide, but if you, if we, and I both go through each of these each element, each component here shows this level of service per 1,000, acres per 1,000. In this case the regional park land which is this new category, new classification is about 0.8 acres per 1,000 and as we go through, we'll kind of, we can add then up to get to the total of that current level of service. Which ends up being about 4.5 acres per 1,000 given this revision, this modification of including active acres again, on which the fees and the costs are based.

You'll notice here the land cost per acre, what we've done here it varied the land cost by acre by type of park. There's some supporting information in the plan itself on values for regional and community parks versus neighborhood parks.

The community park land, these are the latest and greatest parks within this category. A level of service of 1.41 acres per 1,000 and a land cost per acre, you'll see here, at \$50,000.00 per acre as opposed to the \$110,000.00 on the regional park land. Then it translates to what the cost per person. We're getting everything down to that bottom line land cost per person. The neighborhood parks, again some movement with classification in coordination with the Parks and Rec Master Plan. The level of service here 1.06 acres per 1,000 and a land cost per acre and this is more developed land, at \$110,000.00 per acre.

The special facilities land, we've had a little bit of discussion about this. About the shooting range. These are the acres identified within these parks. A level of service of one acre per 1,000, so we're sort of adding them up as we go through, a land cost per acre here of \$50,000.00. The natural area open space, this is our sort of a shifting this property was in another, a different category in a previous iteration. Now it's considered a natural area/open space land. Again, we're just taking that portion that's the active acres. Again, this is setting that level of service that you're saying as new growth is coming in, we're going to provide a comparable level of service to our new residents coming in to the City. The level of service here is 0.22 acres per 1,000 and a land cost per acre of \$50,000.00. All told again, I don't have a separate slide

for this but if you add up each of those component parts it comes out about 4.5 acres per 1,000 of the regional, community, neighborhood, natural, and special facilities land. That's the land part.

Then we talk about the improvements part. What are the values of those amenities on the land? And this is to your point about the asset, the value and the asset? This is the current valuation and the cost to provide, that replacement cost. What's the cost to provide improvements on park amenities on existing parks? This is about on an average basis per amenity. I mean there are all different types of things but on an average basis, weighted average basis it's about \$34,000.00 per improvement and there's about 17 improvements per 1,000 people. Again, this is not acres, this is the actual unit. The type of improvement on the land that translates into this \$572.00 per person.

Beerman: This is just a quick question. I don't like to interrupt you, but it's been a nagging question for me. It seems like when I was reading an older report, there was a separate category of improvements that dealt with improvements to existing parks. For example, you're not allowed to use Impact Fee money to enhance an existing park. It has to be new development.

Delgado: Mr. Chair, Members of the Board. You can enhance an existing park as long as that amenity has never been there before. I cannot use it for replacement or maintenance.

Beerman: Is that what we're talking about for park improvements? It's not about a new park?

Herland: Correct. These are like an adding a net new playground on an existing park.

Lorenz: I'm sorry to interrupt but maybe this'll help us both understand what you mean by park improvements. In my business, any time we improve anything it's an improvement. If we have a vacant parcel of dirt and mesquite bush and we put a water fountain in the middle of it or a square foot of pavement or even grade some of it, all of that is an improvement. When you're saying park improvements, you're saying anything improved upon a completely vacant untouched piece of desert, am I correct?

Delgado: No. Mr. Chair. Members of the Board. Okay, so I have a couple parks that are just open space. They don't have any amenities, they don't have benches or water fountain.

Lorenz: Right.

Delgado: I'll use the water fountain example. I can use our Park Impact Fees to put a water fountain there. There has never been a water fountain there. That would be an improvement and that's what these are talking about. Things that don't

already exist there, but if there was a water fountain and it fell apart, I couldn't use Park Impact Fees to do that.

Lorenz: Right, but correct me if I'm wrong, what you're listing here is every improvement. Not anything that may happen in the future so this water fountain you would prospectively add using Impact Fees isn't on here because it doesn't exist now, correct?

Herland: Correct. This is current level service. What's in the ground today.

Lorenz: None of these specific items could you use Impact Fees for because these already exist.

Herland: Right. The types of things on this list. The Impact Fees can be used for net new to expand and provide that same level of services.

Lorenz: I think I understand. Thank you for that answer.

Beerman: I think the essence, at least in my mind and I could be wrong. The \$130,000.00 per acre value of park and recreation land that was used in the original report. That's one number \$130,000.00. Some of us seem to think that that is the value of raw land and then you add the park improvements number to that. Even if you're building a new park. Is that the way it works or is park improvements like we see on this chart only for an improvement that you're going to make to an existing park?

Herland: It could be either.

Beerman: Is the \$130,000.00 number the finished park number or is it just the raw land?

Herland: The \$130,000.00 that you're referring to the previous iteration?

Beerman: The previous report, right.

Herland: Right, so the substitute figures are, so for instance the land cost, land purchase cost for this example is \$50,000.00 an acre. The amenity, the cost to build or to put an amenity on a park whether it's an existing park or a new park is \$34,000.00 per improvement. We can take this number and divide it by the total number of acres as well which is just not on this list. There's not a.

Beerman: The \$130,000.00 per acre figure that the City provided to TischlerBise, is that raw land or completed average cost of a park?

Herland: Well it's not utilized any more in this.

Beerman: Right, I know that.

Herland: Our understanding was that it was for a purchase price.

- Beerman: It's very controversial.
- Herland: Right. Which is purchase price.
- Lorenz: Purchase price without any improvements. Just simple. It's raw land, correct?
- Herland: The way that it was in the previous iteration was, and we are now at some of the properties that are \$110,000.00 per acre and others that are at \$50,000.00 per acre. So, we distinguished.
- Lorenz: That's still just raw land.
- Herland: Yes, that is purchase price of the land. That is to buy land. Correct.
- Lorenz: Not a completed park. It's raw land.
- Herland: Correct. Then on top of that is this number to build.
- Beerman: The argument was that was grossly unrealistic. That \$130,000.00 number and therefore the whole study was of questionable value.
- Herland: Well, it was started two years ago. That was information, the best information we had at the time in terms of what was available.
- Beerman: That's where I was getting at before.
- Herland: This is all completely updated.
- Beerman: Where did these numbers come from? Where did that \$130,000.00 number come from? I thought maybe it came from the financial statements. I don't know.
- Herland: It was part of our internal data collection but at the time it was the best number that was available and since then there's been improvements in the availability of data.
- Beerman: Now in the latest report we have numbers that say, "This number was provided by the City". Where did that, same question. Is that a good number and how did they come up with that number?
- Delgado: Mr. Chair, Members of the Board. The numbers that we provided as far as annual cost per acre we got straight from the Land Management office. That Land Management office resides in the Economic Development Department. We, after our last meeting, I called immediately. I said "Nate, these are the questions they asked, and I need help with these numbers". What, how the previous number came to be I do not know, that was before me. That was the number that was used in the previous. You could ask that, there was nobody

around that could help me answer that question, so we basically started over with that and this is where we're at now.

Beerman: All right. Sorry to interrupt but it's a key issue.

Herland: I understand. Continuing on with the park components, this is the latest inventory of trails and this is total value to cost per mile of trail to provide new trails at a level of service of 0.27 miles per 1,000 persons at a cost per mile of \$375,000.00.

On the rec center front it's both land and building square footage. This is the current inventory and we have been careful to not double count the land on which rec centers are based. Some of them are included in other categories if they're on a community park.

The level of service for square footage per 1,000 persons is about 717 square feet. Again, the acres just to capture again that level of service that's provided to replicate those facilities. A bottom line cost per person of \$82.00 and for land. \$82.00 per person for land and for rec facilities. The aquatic center component is shown here with a cost per person of \$236.00 at the current level of service.

I mentioned at the beginning we had some discussion about this last time about the recently approved bond. The bonds have not been issued yet but in anticipation of issuance we provided a credit integrated into the fees so that this is going, the intent is to prevent double payment. Folks that are paying taxes that are retiring the debt, they're also paying impact fees, they're not paying twice for the same capacity.

Again, bottom line, and this is the same slide as shown at the front end. The component parts for each of the park recreational, code of parks within the impact fee of gross cost per person with a debt credit subtracted out to get to a total net cost per person of \$1,300.00 multiplied by the persons per housing unit to get to the proposed fee. We've also shown here what the current fee is set at which is not differentiated by type of housing unit. Our recommendation is to differentiate by housing unit and then the increase a single family would, at this maximum supportable level to make the single-family fee would increase and the multi-family fee would decrease per unit.

Then just by way of summary, and this speaks to this looking out here and we were talking about this with the Park and Rec Master Plan. You think about you have a target, a desired level of service. At the current level of service this is what it would look like in terms of the amount of needs to serve growth as we projected the growth. That growth has been projected. Now if growth increases then there would be more of a demand. If growth decreases, then there would be less of a demand. At least in terms of the assumptions in place today, with those growth projections for population and residential development. That over a six-year time period shown in that your increase in the total cost based on

our cost assumptions of what new growth would demand out of that future planning. Then just a bottom line summary of projected revenue off of impact fees at this, again at the maximum supportable level and the projecting cost. The deficit there is essentially due to the credit that's included in there that there's going to be an amount that's funded through general numbers. I'm happy to take further questions on the subject.

O'Neill: I have a question for Committee Member Lorenz. You did, you spent some time doing some calculations which I had in front of me last time. From what you've heard today, and I know you did this after we refigured calculations on the land and so forth.

Lorenz: Yes.

O'Neill: Do you think these are still accurate figures from what you figured, or do you think they should be increased based on what you've heard today?

Lorenz: A lot of the data that is in the report we received today is quite different from the data I was using to replicate their math and frankly I'm pretty impressed that you got so much work done in the amount of time.

O'Neill: Yes.

Lorenz: Both with the Parks and Recreation Department and TischlerBise. I didn't think we would see a report this fast. I think we waited six months just to get you here last time and then you were back in two months with a whole new report. I was pretty impressed with that. I also applaud the approach of looking at the number of acres that we're actually using versus just the gross number of acres. I think there's an amount of precision that you have to sort of determine "At what point are we attempting to be too precise where it's going to cost too much and take too long to do the analysis." For instance, you've classified the land value, some of it at \$50,000.00 and other parcels of it at \$110,000.00 I think you could classify much of it at zero and other pieces at maybe \$75,000.00, because of its location land is drastically different. I buy lots in several different parts of town and for the same size lot I can pay double if it's in a good spot with a nice view. I think that's just the nature of real estate. I think there's a lot of flaws in valuing the land the way that it's done here, but at what point are we being too precise where we actually go out and hire an appraiser to appraise every parcel that we have a park on, and I think that's kind of what's you're attempting to do, but in a more expedited and general way.

I spent the first two hours of my day at the office from 6:00 to 8:00 this morning redoing these calculations with the new data that they brought. Now the one thing that I find to be a big discrepancy is land value. Number one, we didn't pay for most of this park land. We didn't pay for the Butterfield Shooting Range. We didn't pay for the swampland or wetlands or whatever we call it, the dam area. None of that cost the City a dollar, but that doesn't mean it has



zero value, and I think what we're trying to determine here is value. If we were trying to determine the value of an empty piece of desert right next to Corralitos Ranch similar to the one where the shooting range is, its value would be, I don't know, \$5,000.00, \$10,000.00, versus Young Park in the heart of town where I think its land value per acre would be many times that. The only real appraisal I had was one done on some undeveloped land that had improvements that I provided the executive summary to you. When I recalculated those using that \$20,000.00 land value and just applying it directly across the board, I came up with some figures. Every other number I left the same. I just applied the \$20,000.00 land item.

O'Neill: Are they close to their proposed figures?

Lorenz: It's not far. I mean last time we weren't even in the same universe.

O'Neill: No, it's so much clear now. I think we're so much better.

Herland: We do have, this is from the report. This is the last page of the report, so to the community level parks with, those are the appraised value, the current assessed values of those properties.

Lorenz: Which you show land value per acre of \$314,000.00 for some of them. Wow. I'd love to see that appraisal. Anyway, so redoing my calculations what I came up with was not too different. If you look at her report of the total cost per person after the credit of \$24.00, do you see where I'm talking about? Where she does a number of \$1,300.00. I'm on, you can go to this one. There you go. This one here. About \$1,300.00 figure. Mine was not worldly different, it was about \$1,053.00. The only substitution I had was the land value. I used \$20,000.00 instead of \$50,000.00 or \$110,000.00, but I don't have the expertise to value improvements or aquatic centers, recreation facilities, so I certainly can't speak to that.

O'Neill: I understand. No, you did a lot of work. I just wanted to see what you thought of this. I think this is what we were looking for. The only question that I had was whether you were going to continue, even though the developers put that, they provide that land, I know sometimes it's not the greatest land, it's what's left over where we're going to put a park, but you're still figuring those acreages in. Like you said, even though they provide the land, you'll still figuring that as part of what our calculations for our fee.

Herland: This is without any after the fact credit. If a developer comes in and says "We're going to provide, we're going to dedicate our gross share of development.

O'Neill: I see, so we don't know where that land is.

Herland: Right you know or again at a system level.

O'Neill: Okay. Makes sense.

Herland: If it's a community parkland then they would not pay that portion of the fee. There would be a credit that would be factored into that, to the actual payment of the.

Lorenz: Well the developer doesn't pay park zone impact fees in Las Cruces. Homebuilders do.

Herland: Whoever's paying the fee.

Lorenz: If a developer gives you land you won't get the homebuilder's credit on their park zone impact fees. I mean that's nobody, I've never heard of anybody proposing that.

Delgado: Mr. Chair, Members of the Board. That has happened before many, many years ago. A developer gave the land, said they were going to build a park in lieu of waiving the fees for all the homeowners in that particular subdivision. Now the only reason I know this is because we've run into a couple of those instances and we've got to go and in and a get a park in. Got to figure out how to make this happen. It makes it touchy. As Chairman Beerman mentioned, you know, how do we do that? If fees weren't collected or not enough etc., etc. We have those instances. Does it happen now? No. We're putting things in, so we don't run into those situations, yes. We don't want to have areas that do not have a park. We have plenty of areas in Las Cruces that do not have one and people are asking for one but there is no land to buy or there is no way to squeeze in a park, actually any type of park in those particular areas and so unfortunately that's the way it is at the moment.

Herland: Just speaking from just a technical standpoint in terms of double payment, not from any implementation level.

O'Neill: I do like the fact that you did split it with single-family and multifamily. I think that's important.

Chair Beerman: Okay. I just have a few, not as many as before. There's a lot of information here and it's very detailed and complicated, hard to understand for somebody like me, but could we just say what the three top reasons, two or three top reasons are for cutting the proposed impact fee in half since, from the previous report? What would be the three top reasons?

Herland: The land value. Land acquisition costs.

O'Neill: A lot of that BLM land being valued, very valuable.

Herland: The distinction between the active and the *full* level of services cut essentially. I mean not cut, but you know it's identified right, it is identified as an active level of service. The cost, we could do like a white boarding in terms of the

cost, but if we took 1,000 of the 1,700 acres and then said here's your value of your park system, divided by 1,700 it's going to be a smaller number. If we said it's 800 acres it's going to be bigger number. They're going to go in lock step of the cost per acre, but the improvement cost. The land value and the level of service essentially.

Chair Beerman: You referred to the maximum supportable amount and I think in prior reports they used the term new developments fair share. That's the maximum supportable amount for the new developments fair share.

Herland: Right. Correct.

Chair Beerman: Of the cost of impact on the City. The numbers vary, for example community versus regional parks cost per person, I think. The numbers vary, so if you're looking at a regional park, would that be divided by more people than say the neighborhood park. Would that make the cost per person lower or you're just using the whole population?

Herland: The whole population, system wide.

Chair Beerman: Okay. On the bond credit, it looked like it was for \$3.2 million dollars and it only came out to like \$25.00 on the impact fee, a reduction of 25. \$3.2 million, that's the only thing that was in the bond issue that affects the impact fee. I mean what project was that?

Herland: It's the trail improvement. It's for new capacity. We only took the portion of the bond that's replicating the types of improvements that are in the impact fees. There are other maintenance in there.

Chair Beerman: I thought there was a \$10 million item in the bond issue that seemed to be for Parks and Recreation.

Delgado: Mr. Chair, Members of the Board. The majority of the GO Bond program that was just passed is for maintenance and replacement, things that Park Impact Fees (PIF) can't do. Two things in there that PIF could have but we don't have enough money for is the new East Mesa Sports Complex which we're going to spend approximately \$8 or \$10 million and right now in the PIF just for comparison reasons I have just over \$3 million. Then the other was to create more trail connectivity by using the Elephant Butte Irrigation (EBI) laterals. By doing so one portion will be able to be accessible with rate bonding and things of that nature, so those aren't necessarily new, they're already there but we need to have an agreement with Elephant Butte Irrigation District (EBID) to utilize it. Those are the two things in the GO Bond that are slightly there they weren't rehab or replacement, they would be considered I guess new level of service, especially the East Mesa Sports Complex.

Chair Beerman: Was that in the bond issue, the East Mesa Sports Complex?

Delgado: Yes.

Chair Beerman: It was approved.

Delgado: Yes.

Chair Beerman: Is it \$10 million?

Delgado: It's approximately, yes. We have, in that is going to be the infrastructure, there's baseball complex, pickleball court, that's where the pickleball courts landed, soccer field, football, and then some general park amenities. It's that land that's east of the East Mesa Safety Complex which is on Sonoma Ranch, so going towards the mountains have a lot of land from BLM.

Chair Beerman: That would be totally new land.

Delgado: Yes. Exactly. All completely brand new.

Chair Beerman: That would be eligible for Impact Fees?

Delgado: Yes, it would have been.

Chair Beerman: It's \$10 million that's not, it doesn't have to be paid for by Impact Fees, it's going to be paid for by the Bond Issue and the real estate taxpayers.

Delgado: Correct. That's why Julie put in the credit in there for that because that's a new level of service.

Chair Beerman: Was it a \$3 million or a \$10 million credit?

Lorenz: \$24.00 per person.

Chair Beerman: If you add up all the numbers on the chart it said \$3.2 million.

Herland: Right. This is just over 10 years, so if it goes beyond 10 years.

Chair Beerman: I see.

Herland: It'll be a longer time period.

Delgado: Mr. Chair, Members of the Board. The project has to be done within a five-year time frame and we've been asked to get it done in four.

Chair Beerman: Okay. Is it a 30-year bond issue? Three times three.

Delgado: I do not know.

Chair Beerman: I wrote some comments. I was going to present them under Committee Member Comments, but they do pertain to the Impact Fee. Mainly I was going to address them to the Committee Members so that they could have some sympathy for my position, but maybe we should still, were you planning to leave or are you going to stay for the end of the meeting?

## **5. CIAC Action**

### **a. Parks and Recreation Impact Fee Approval by CIAC:**

Chair Beerman: The next item on the agenda was the Parks and Recreation Impact Fee approval. I think that a motion to table that might be in order because so much information was presented to us just two days ago.

Delgado: Mr. Chair, Members of the Board. We just put that on there. If you wanted to, if not, May is fine. I'll do the same thing with Parks and Rec Advisory Board, we just wanted to make sure it was on the agenda and if individuals want to come to the meeting, they had an opportunity to do so knowing that it could have an action item. That's the only reason for that.

Chair Beerman: It's good that you put it on, but it just seems like it might not be.

O'Neill: We're not pressed to take action.

Delgado: No.

Chair Beerman: Okay, so I'll probably have a motion to table that to the next meeting.

Lorenz: I can vote on it today if you like or if you'd like to table it, I'm okay with that too.

Chair Beerman: Well if neither one of two want to table it.

Lorenz: I could go either way. I'm fine with it.

Chair Beerman: I think it would be good to have the other two members.

Lorenz: I would agree there.

O'Neill: Yes, I think it would be good too to have our full Board and we'd know there's no real rush, so I'll make a motion that we do table this item to next meeting about setting the Impact Fees.

Lorenz: I'll second.

**The Motion to Table Approving the Impact Fees was Approved Unanimously 3-0.**

## **6. Old Business - NONE**

## **7. Next Meeting Date:**

Chair Beerman: Anybody have any comments about our next few meetings' agendas. We already have the, in anticipation we have the vote on the Impact Fee already on here for May. Anybody have any comments about any of the other ones in the near future?

Ruiz: Mr. Chair. I would then ask that the New Business be pushed to June unless Sonya is going to be done with her Parks and Recreation Impact Fee after the vote. Unless Joe do you propose to begin next month?

Provencio: I can be ready next month.

Ruiz: Okay. I just wanted to ask.

Chair Beerman: I don't anticipate a lot of discussion at the next meeting unless the two Board Members who aren't here would have a lot to say.

Delgado: Mr. Chair. I was wondering. Did you want a presentation on the GO Bond, what those questions were, the dollar amount? Public Works assists us with that because they do all the Capital Items and they will have a summary of that when they do the Capital Improvements Program (CIP). When they coming to that and I didn't know if you wanted something sooner or if you wanted any formal presentation at all.

Chair Beerman: At this point I'm accepting that it only was \$10 million in Capital bonding that could have been paid for with Impact Fees. Seems to be the case. I can just accept that and not really go into more details.

O'Neill: I'm familiar with that. I don't need it. Unless it benefits Jason.

Lorenz: No.

Chair Beerman: Okay. No changes to the agenda.

### **8. Public Participation:**

Chair Beerman: Public Participation. Does anyone have anything that they would like to? Sure, Mr. Moscato.

O'Neill: Please come to the podium.

Chair Beerman: Would you like to be recorded?

Moscato: Good afternoon. John Moscato, Sierra Norte Development. I'm still not completely clear on the issue of land valuation. Maybe if I could ask Julie, Sonya a couple of questions. Julie, to what extent did you consider in your land valuation the fact that a significant number of new parks have the land donated at no cost to the City?

Herland: In the responses to the previous question from the Committee Members that if that if that is the case then there should be, shouldn't be a double payment situation. If the land is being dedicated or donated, then that portion of the fee should not be paid at the time of the Impact Fee. Is that your questions?

Moscato: No, because as Mr. Lorenz pointed out, the homebuilders pay the Impact Fee, not the developer. I'm talking about how the overall Impact Fee is being calculated. If a significant portion of what you're projecting as land cost is not actually incurred because the land is donated, then the total land cost to be accurate should be decreased which would consequently decrease the proposed Park Impact Fee. I think the reality is a significant, I know the reality is a significant portion of new park land is donated.

Herland: When you say, "Is donated," so it's already in the inventory? It's mothballed. It's mothballed currently.

Moscato: It's given to the City at no cost by the developer.

Herland: It's in their holdings right now?

Moscato: Well a lot of it, for instance you had Metro Verde Sculpture Park up there that had a value in excess of \$100,000.00 for the land, but that land was donated to the City at no cost to the City.

Herland: Right, so the premise on the Impact Fees is that as new growth comes in the City, if they adopt the Impact Fee at that level with all of those components in there with each of those elements, the regional, community, neighborhood, etc., at that level of service, that the City is committing to providing that same level of service in the future. If one of the those components gets taken out, and they say "No, we're good, we're not going to do any more development, we're good on regional parks or whatever the level is," then that should as a policy decision, the City Council should be taken out and saying okay then that component wouldn't be collected and we're good on that land. As it stands now, the current level of service is what's shown in the study and as new growth comes in for every 1,000 folks that come in that's the commitment to provide that same amount of land for new development.

Moscato: You're ignoring the fact the land is actually being donated at no cost.

Herland: If you're saying it's being donated at the time of development, whoever's donating it, then they shouldn't pay that portion. There should not be double payment. If the land is already in place and you're counting the land that's in the inventory, then that's a policy decision on the part of the City Council.

Delgado: I would also like to add that the land the developers give us is for neighborhood parks. If the City were to go out and build, because we'll have the responsibility of building let's say a new recreation center, another new regional park, a new Young Park, things of that nature. A developer's probably not going to give us

15 to 25 acres of land and then build a park for us and give us that big large piece. We'd have to go out and purchase that. I know that the Park Impact Fee also has every single level, so it has the regional park in there, it has the community park, it has a neighborhood park, it has every single one that Julie had mentioned up on the list and that's where that dollar amount gets to ride. I guess I do hear you with regards to the land and I understand that. I hear what you're saying. Yes, definitely take that to Council but we may not talk about here, but that whole dollar amount is for every amenity, not just for the neighborhood park. That's for anything within our scope of Parks and Recreation, all facilities.

Moscato: Right, so recently we've had discussions about a 15-acre regional park in Metro Verde. I guess I just presumed we would be donating that as we have all of the other land, but you're saying that we should negotiate that.

Delgado: Well I'm going to tell you this. You are a developer that we have really working on that relationship and you really set the bar high and so we have talked to other developers about similar type parks, larger than a neighborhood park, smaller than a community park, and the first question is "Will you buy the land and I'll help you build it." You're very different. Could we negotiate? Absolutely. I'm not going to say no to that. My point is you're on this end and everybody else is still coming along. We've got to figure out how we're going to balance those.

Moscato: If we take roughly the last three or four years just for my own information, of the new parks that have been built, could you give a rough idea of how many of them the land has been donated as opposed to the City having to pay for the land? Is it 50/50, 75/25, 100% to zero?

Delgado: On all the neighborhood parks? The land has been given.

Moscato: All of them?

Delgado: The majority of them. I have three of them that I need to purchase land.

Lorenz: What about, let's say, Parkhill since it's not in one of John's subdivisions? Parkhill promised a park for a decade and a half and finally built one. Did they provide that land, or did you have to buy it?

Delgado: That Parkhill was an agreement that was done many, many years ago. They did not collect Park Impact Fees, that's why it took so long.

Lorenz: Well that didn't answer my question though. Did you have to buy the land?

Delgado: I don't know. By the time I came on board it was already in the works, so I do not know.

Lorenz: It happened before.



- Delgado: I do know that there was one of the reasons why it took so long.
- Lorenz: Sorry to interrupt you John.
- Moscato: No I would ask the Commission to consider when you weigh what the proper increase or change should be to the Park Impact Fee, you should, I would suggest that you consider the fact that at least a portion of the land that is listed as having a cost of anywhere from \$50,000.00 an acre to \$110,000.00 an acre really doesn't come into the City's inventory at that cost. In fact, it comes in at zero cost.
- O'Neill: I understand. If I can speak Mr. Chairman.
- Chair Beerman: Sure.
- O'Neill: Totally understand your concern. I do have to say that the Impact Fees could play a factor in that land if like Ms. Delgado said, we have to add land to that and we have to purchase land, so that could be Impact Fees used for that. Also, to put amenities or improvements on those parks, that would be Impact Fees that would come into play I think if I'm correct on that. I'm not sure we can evaluate it as zero, but maybe the \$50,000.00 figure we could look at that and maybe. But again, we can't nitpick too much like Jason said about, you know there's too many different types of land and different types of acquisitions.
- Moscato: Those improvements that you referred to are what the Impact Fee pays for.
- O'Neill: Exactly.
- Moscato: In our case. It doesn't pay for the land, it pays for the improvements.
- O'Neill: Right. Could pay for land, the way I understand it.
- Moscato: As I understand it, it does sometimes.
- O'Neill: Yes.
- Moscato: It certainly doesn't all of the time.
- O'Neill: Right. I know Julie has something to add.
- Herland: I was going to say if I may Chairman. To your point that that is, the way that the fee study is done it is done in that way to distinguish between the land and the improvements and those type of facilities. Then if it is the, again, I don't want to get in change in policy or change in requirement, but if that does occur the new growth, whoever's paying it, shouldn't pay twice for the same thing, and so there should be an accommodation of a credit, using credit in a different

way now, this is after the fact, so there's an adopted fee and then there's a reduction for the land component.

Moscato: On a case-by-case basis.

Herland: Right. For the land component, on the paying of the fee, just for that land component, but then the amenities piece, what we call the improvements, that amenities piece is still in there, it's still collected, then those dollars are then being used to actually build the park on the land that was donated. Yes, there should not be payment twice for the same thing.

Moscato: Although I guess a different approach might be to address that reality of donated land with a decrease in the proposed, increase in the fee.

O'Neill: Right. Right now, the proposed increase from what we're paying now is 12%, so we might want to look on that for single-family homes, that's what they've done here. We might want to look at that 12%, is that too much, is that not enough, I mean but maybe we can come to an agreement on that.

Lorenz: I think it's interesting Julie made that very significant point that the land and the improvements in your report are completely separate with the exception of I think recreational facilities. It was kind of stirred up in the pot a little bit there, but other than that if you look at, there's a page towards the end, I'm going to say, let me guess, page 12, but I'm probably off, maybe page 22, the title of the page is Costs Per Person in Draft Fees. It looks like this and it breaks down the fee as a percentage basis and all of the different categories, so regional park land, community park land, neighborhood park land, special facility land, and then the other five components. If you add together all the items that are land only, you're talking about 25% of the fee and I think it's that 25% where there may be some discrepancy in land value since a good amount of the land is donated. For instance, the shooting range and the open space and the neighborhood parks.

O'Neill: Right, but it doesn't make 100% of the fee is what you're saying.

Lorenz: Right, but it doesn't make 100% of the fee. Then there are some of these bigger parks like the regional parks or community parks where the potential is greater for having to pay for the land versus neighborhood parks and these natural open areas and special facility land where that all tends to, at least in the cases that exist now, are all 100% donated. If we wanted to sort of dig into the numbers a little bit and try and sort of work that out, we could focus the attention on what is really only 15% of the fee. The bottom 75% I don't think there's any, I don't know, discussion about really. It's really all about that land value. I don't think anybody's debating how to value a swing set.

O'Neill: Right. Plus, the fact that we're not supposed to look into the future. We don't really know what the future's going to hold, where or when the park is going to be. We're supposed to base it on what's now and from what we cleared up.

Moscato: Just one more quick observation.

O'Neill: Sure. Thank you.

Moscato: Looking at the presentation we just saw projected six years out for different land uses and it had eight acres for neighborhood parks, and I can tell you just in fewer than six years we'll be donating more than eight acres for neighborhood parks. We already have that many in the works right now that haven't been built that haven't been donated yet.

Lorenz: In just your subdivisions.

Moscato: Just ours alone. Thank you.

O'Neill: No, that's fine.

Chair Beerman: Since you're already at the lectern, I wanted to check on my facts on one issue. I mentioned at previous meeting and no one challenged it, that Metro Verde was given \$1.4 million by the City for four parks that totaled six acres. Does that seem reasonably true?

Moscato: Could be close.

Chair Beerman: Okay. Because that will come out to ...

Lorenz: That was for the improvements, not the land.

Moscato: Right, and every time we submit a proposal or a request for reimbursement of our cost, we detail those costs. In all of those cases the costs have been exclusively improvement costs, zero land cost included.

Chair Beerman: Okay. I just wanted to make sure I wasn't way off base on that. I'm going to have some comments. I was hoping to try to acquaint the other Members of the Board with my views. I'm only one vote. I'll read my statement and if you or anyone else has any comments afterwards or want to point out anything that needs to be put in perspective or changed, I'd appreciate it.

O'Neill: Before you start may I ask one question pertaining to what you just talked about?

Chair Beerman: Sure.

O'Neill: When you do get reimbursed for improvements that you're going to make on that land to put in items, that's coordinated with the Parks Department, right? That's about what is needed, what we want, what you guys can do, right? That's in the negotiation.

Delgado: Mr. Chairman, Members of the Board. For example, with Mr. Moscato and his development, they'll come to us with an idea and then to start the conversation and then we go through and we have a list of amenities that he likes.

O'Neill: Okay.

Delgado: On one and a half to two acres, we pick a few, and we make all decisions.

O'Neill: Usually, smoothly it goes.

Delgado: Right, we do have Parks staff that's at the table to talk about the maintenance and make sure that we have certain parameters or access and things of that nature. Yes, we do sit down with them.

O'Neill: Thank you. It doesn't relate to the land itself, but I just was curious.

Chair Beerman: Okay.

O'Neill: Go ahead.

Lorenz: Please.

Chair Beerman: All right. I'll try to read this fast.

O'Neill: It's only eight pages.

Chair Beerman: No. It's not. I just had a cataract operation, so I'll have a little trouble reading this. I only received the current agenda package two days ago and that is not enough time to absorb, analyze, and evaluate the new drastically different Impact Fee recommendation. My comments today may have errors although I took reasonable care to be accurate in the short time that I had to review the agenda package.

At first glance I think two key arguments in the new TischlerBise report are unconvincing and I want to share my views to give my fellow Committee Members something to think about before they vote on the Impact Fee probably next month.

Sometime during 2017 the consultant, TischlerBise, submitted a report to the City recommending a \$7,075.00 Impact Fee on new single-family homes to cover new developments fair share of the cost of providing Parks and Recreation at the current level of service to about 10,000 new residents expected to move into the City by 2022. The cost of infrastructure needed for the new residents was about \$28 million according to TischlerBise. The City government subsequently announced that it was delaying the scheduled five-year update of the Impact Fee and began planning and intensely promoting a \$36 million bond issue that provided millions, I think we're talking \$10 million

now for Parks and Recreation, that was funded by real estate tax and on all property owners instead of Impact Fees on builders.

The revised TischlerBise report we received two days ago slashes the \$7,000.00 Impact Fee recommendation in half to only \$3,185.00. Interestingly in Fiscal 2012 TischlerBise recommended a fee of \$4,126.00, almost \$1,000.00 more than it recommends today in its latest report. TischlerBise now says the Park and Recreation infrastructure costs to the City caused by new development will be only \$10 million not the \$28 million in its 2017 report.

Some obvious questions are, was the original calculations spectacularly wrong or is possibly the new calculation wrong? Is the level of service being cut? Are costs being shifted from developers and builders to the taxpayers at large? There's been a lot of pressure to lower the recommended fee. Even members of this Committee seem to be trying to find ways to reduce the Development Impact Fee. TischlerBise allowed the original report to stand for almost two years as the City delayed the scheduled update of the Impact Fee and waged the intense public relations campaign for a bond issue to cover Parks and Recreation costs.

I'm going to skip some of this because I want to try to shorten it and some of it's been covered. The two major criticisms of the original Impact Fee were: 1) contentions that it valued land too high and 2) it included large volumes of "non-active" acreage for the wetlands park and the shooting range, archery range, model airplane field, etc. that skewed the calculation. First the original \$130,000.00 per acre value of Park and Recreation land in the original report was according to TischlerBise an average value provided by the City. The critics now say that the figure far exceeds the value of raw land in the City. However, I believe it's reasonable to use a simplified average number such as the \$130,000.00 per acre as the value of developed park land. To use the raw land value would make no sense because new residents need developed parks and recreation, not raw land. Also, some land is purportedly donated to the City for free by developers and some land is low cost public land obtained from the Bureau of Land Management. This the argument goes makes the land value figure used in the original report unrealistic. There have been comments that developers do not "donate" prime land for parks; for example, such land can make use of required retention basins and I believe the land for the Metro Verde Water Splash Pad Park is located under high-tension wires.

As to the reasonableness of the \$130,000.00 per acre figure, I believe the City actually paid Metro Verde developers \$1.4 million for parks in Metro Verde that total six acres according to my figures. The \$1.4 million is more than the total annual collection of Park and Recreation Impact Fees for any single year from Fiscal 2012 through Fiscal 2017. The cost per acre for those six acres at \$1.4 million is \$233,000.00 per acre, \$100,000.00 per acre more than the \$130,000.00 per acre figure used by TischlerBise.

I find no explanation of how the values of Park and Recreation land were calculated or determined in the latest version of the TischlerBise report. I read in some cases that the value was simply provided to TischlerBise by the City. After hearing what I heard today, I'll just accept that those values were a result of a best effort calculation.

Now a comment on the reasonableness of including in the calculation the Wetland Park and the Shooting Range and the Landfill Area Recreation Facilities which critics say are mostly land that is not "active." I walk my dog twice a day going two or three miles each time. When I see proposals to spend millions on trails I wonder why. I have City sidewalks to walk on and if I want to get away from the noise, from the traffic, I can walk in the desert where there are real trails made over the years by other people walking them, not trails that are artificially of asphalt. Sometimes I walk at Aguirre Springs in the Organ Mountains on a three-mile trail that is about one or two feet wide in most places.

In the State of the City address in February 2015, none other than Las Cruces Mayor Ken Miyagishima touted the Wetlands Park behind the dam. He said the 700-acre park "features trails through the restored wetlands and serves as a major refuge for migratory birds. A key recreational area for the City." He called the area which by the way costs \$1.4 million in taxpayer money to partially develop, "an area that will feature trails through restored wetlands and reventant cottonwoods. The Mayor said this park when fully developed will be larger than New York's Central Park and a key recreational resource for Las Cruces and our visitors in coming years. I'm not sure that we should just simply strike out the wetlands park when we're calculating the value of the City's Park and Recreation assets. I have some more about the Wetlands Park, but I'll skip it.

Regarding the concept in the report of active versus inactive land, consider my walks at Aguirre Springs. String out three miles of trail at two feet wide and multiple two times 5,280 feet per mile and then multiple that times three miles. That gives you 31,680 square feet. There are 43,000 square feet in an acre, so I guess the three-quarters of an acre would be the active area of the trail and the rest of Aguirre would simply be low value, inactive scenery and open space, according to the argument in the latest TischlerBise report or the Parks and Recreation Master Plan. All of those crowds of public officials who attended the Organ Mountains National Monument meeting sure made a lot of fuss if we're only talking about a few acres of actual active space.

Regarding the Shooting Range, it's located on the far western edge of the City and of course shooting ranges require acreage because of the bullets, skeet shot, and gunshot noise traveling long distances. Did anyone figure out how many people use the shooting range? I've been there myself several times and there's always somebody there using the range. Out of town family members love to go there when they visit. It's a unique asset for the City of Las Cruces.

I'm not sure that should just be slashed out of the calculations for our value in Parks and Recreation.

Parks and Recreation Director Delgado made an observation at one of our meetings regarding the Hadley Avenue Complex. Hadley has a full family-oriented swimming pool, indoor basketball gymnasium, ball fields, and more. She said "We would need to kind of duplicate that in other places" because of development. Besides the Hadley Complex, would the shooting range also have to be duplicated on the East Side of town since it is too far to drive in today's congested traffic?

I noted that among the already paid for facilities at Hadley is the Dog Park that is going to be duplicated across town with bond funds to be paid with real estate taxes by people who already paid for the first Dog Park. Existing residents have already paid for their Parks and Recreation facilities. Residents in existing neighborhoods paid Impact Fees and some did not get a park in their neighborhood, yet Metro Verde developers had virtually all of their new parks paid for by Impact Fees. These parks help them sell new homes. More than a whole year's worth of Impact Fee collections went into Metro Verde's Parks. Maybe some of that money should have gone toward further developing the Wetlands Park or as the Mayor calls it "Central Park" in an established part of town.

From Fiscal 2012 through Fiscal 2017 the average annual collection of Parks and Recreation Impact Fees was only \$617,000.00 a year. I doubt that many existing residents will ever use Parks and Recreation facilities out on the fringe newly developing areas of town. Should they have to pay for them after already paying for their own local recreational facilities? Here is another quote from the Mayor from an article he wrote in August 2011 for [newmexicopolitics.net](http://newmexicopolitics.net) entitled "Impact Fees are the Best Choice for City Residents." The Mayor said recent attacks have challenged our adoption of Impact Fees to cover the infrastructure required by new development. Infrastructure that everyone agrees has to be paid for by someone. Opponents of Impact Fees were quick to suggest charging current residents for these costs through increases in property or sales taxes. The City Council instead decided to charge fees based on the original infrastructure actually required. With those it directly benefits from new development, the developers and new homeowners paying a portion of those new infrastructure costs through impact fees.

Established Impact Fees do not cover all of the infrastructure impact costs of development. For example, I read that \$1 million had to be spent to reprogram traffic signals and improve traffic flow because of the congestion, and to my knowledge Las Cruces is building no new road arteries to accommodate population growth. Another aspect of this picture is that new home builders are competing in the real estate market with sellers of existing homes. One of our current Committee Members pointed this out a couple of years ago as we considered what the Public Safety Impact Fee should be. A realtor ran many newspaper ads asking homebuyers why would they want to buy an existing

home with many alleged wear and tear problems when they could buy a new home in Metro Verde. Taxpayers and owners of existing homes should not have to subsidize and finance Parks and Recreation amenities that help developers and builders sell homes in their commercial enterprises in direct competition with taxpayers selling their own existing homes. This is what happens when Impact Fees are inadequate.

It was reported that new homes are selling at a rate of 500 a year at a price of about \$220,000.00 each, that is \$110 million a year or over \$1 billion in 10 years. When \$110 million a year is spent in new home development, that is \$110 million that is not spent on the sale of existing homes. As the inventory of homes increases, the prices of existing homes remains depressed and owners lose net worth. At a recent meeting it was pointed out that Impact Fees passed on to a new homebuyer equal about 3% of the price of the home. We have to wonder is 3% really a lot to pay to surround new developments with new parks and recreation facilities for those who reap the benefits of buying and selling new homes.

I had suggested each year to no avail that the City Management do a cost benefits study to determine whether expansion and development is actually good for the City. Many seem to have drunk the Kool-Aid and believe automatically without thinking that growth is good. Existing homeowners also have seen service level reduction as government resources are spread thinner or shifted to developing areas. Codes Officers were given new territory to cover and grapple service was cut in half from twice a month to once a month. Police are rarely seen in some neighborhoods or on some roads. Taxes and utility fees only go up and owners of existing homes see only more congestion and little direct benefit from the development.

Although I'm inclined to support a number closer to the original calculated fee, being realistic about the chances of that passing, I would be willing to go along with a compromise such as re-including some of the so called inactive areas like what the Mayor calls the City's "Central Park" in the existing level of service calculation and use of the actual price paid developers through park acreage in the fee calculation. Thank you for listening. I didn't realize it was going to take so long. I hope my fellow Board Members will consider some of my comments. I welcome anybody who has something to say about any of what I said.

O'Neill:

I can make, I can respond somewhat, at least my opinion from all the information I have and I'm sure Ms. Delgado can address some of your things maybe. Some of what you reported was how money is spent. That's not up to us, how money is spent. We also have to look at the impact of the homeowner and the homebuilders because that money's just going to be passed on and if we're at a level now charging fees now and maybe slightly increase that are going to accomplish what we need, because we're supposed to base this on now not six years in the future or 10 years in the future. I would be opposed to raising. I was really opposed to the \$7,000.00 figure and I would be opposed



to a \$5,000.00 figure. I think TischlerBise has done a great job here and I'm sure it's taken a lot of time. These fees will just be passed on to the consumers and I don't think, if we don't need it and Parks and Rec will tell us you know what we might need, and I know we have things we need to build and we're behind on some things. I visited some towns our size, in fact at the Park and Rec Conference I met Mayor Buttigieg who I didn't know he was running for President at the time, but I talked to him about parks. I talked to him about skateboard parks, bicycle, motocross. His population there's 103,000, same as us, just about the same as us. They have three skateboard parks. This is kind of you know, I mean we are needing. We need another aquatic center or pool. We're going to need these other things. Dog parks, a lot of towns our size have three, four dog parks, so there's money that needs to be spent, but I'm not sure at all, we're going to have to work it a lot from maybe bonds, maybe grants, and but I don't think we should make to big an increase even though we've been at this rate because we're not growing that fast, we're growing fairly good and it could be better, but we're supposed to base it on what's going on now. I'd be a little skeptical. I actually like these figures that's been proposed for these and I'd sure like, interested in hearing what Mr. Lorenz has to say.

Chair Beerman: Thank you.

Lorenz: Well I think the first few pages of your comments Mr. Chairman were pretty pertinent to the conversation and we're I think looking for the right information to try and make an accurate determination. The last page however of your comments were based on ideological grounds about some sort of perceived competition between new homes and used homes and using Impact Fees as a way of punishing home builders and leveling the playing field and I certainly don't think that that is our place.

I also can share with you next time we meet some data that shows how incorrect your statements about the real estate market are. If no new homes were to come onto the market in Las Cruces, we would be out inventory in less than two months. That's how good used homes are selling right now. The price is appreciating in new homes and used homes much faster than it is in new homes, but I'll bring the data next time around so that I can show you. I don't think any of that really matters. I think what your goal is, is to punish the building and development community to sort of leveling the playing field because I don't think you like that Las Cruces is moving and growing and advancing and homes are being built. I think the last page of your comments reflected that.

I think it's our job as a Committee to determine the value of the assets that the Parks and Recreation Department has and make sure that for every person that, or for every dwelling unit that we're adding to the inventory in Las Cruces, that we are recouping the pertinent amount to equal the value of the assets we have. I think that's TischlerBise's goal as well. I think they're doing their very best to try and evaluate that. They've got a lot of expertise in a lot of

things in this report that I couldn't imagine to have and as I think I commented earlier, I'm very impressed that they got a new report to us that fast, so quickly. I applaud Sonya for helping provide the data. I think the land value's still off, but I don't think we're worlds away. I think it's a little tweaked from being really accurate.

A lot of my colleagues in the home building industry want me to come in here and complain about what you're doing to home prices. I don't think you care, and I don't think you should. I think what you should be concerned about is reporting accurately the data that you're asked to report, and I think you're doing your best to do that. I think it's our job to analyze that and give oversight to that and make the accurate recommendation to City Council, regardless of ideology. I think we're pretty close to doing that.

O'Neill: May I?

Chair Beerman: Sure.

O'Neill: Just add. I understand where you're coming from especially the first part of your report about are, we going to have enough money to do what we need to do for the residents. Are we going to have enough money? Being on the Parks and Rec Board, knowing how they operate and how we don't want to move too fast where we can't afford it, but there are things we need to address. I think Ms. Delgado can respond to that, that and maybe if we had a little bit, you know we could look at this figure and does this amount of money per year, do you feel it's in the ballpark of what we're planning the future in Parks and Rec? Is it in the ballpark, these fees? Are we going to fall way short? Now we're going to get money from some other sources, but maybe you can address that Ms. Delgado. I don't know, it's a hard to do.

Delgado: Mr. Chair, Members of the Board. Collecting Park Impact Fees and how they assist Parks and Recreation with new development is one source of funding. We can't do it all with just one source of funding. I'm very happy that we have the GO Bond and just really quickly and I will respond, and provide the detail later, but with the GO Bond, that was not a Parks and Recreation project. It was a project that was put together with community input. Parks and Rec and Fire came up on the top. That's how Parks and Recreation got involved with the GO Bond. GO Bond will offer another opportunity, another funding source to deal with some things that we had not had funding source for; road replacement, larger things like infrastructure items, irrigation, everything that's on the GO Bond questions that people brought to the table, we didn't, they did. I think that not only that but we're also pursuing grants and we have an opportunity to now have a Grants Office that's helping with other City Departments as well and that creates another funding source. We didn't have those mechanisms in place before. Everybody understands that you can't just use one source. For example, Parks and Rec lives in the General Fund. I can't just rely on the General Fund. That's tied to the gross receipt tax (GRT). I have to use multiple angles and multiple funding streams to be able to continue the

level of service that we have. This is one of many. The fee that you set or recommend, that's what we'll use and that's what we will go with and we will make it work to the best of our ability. That's all I can say. We need to have multiple streams of funding sources to be able to make things work.

Lorenz: I think we can make that wish list as long as we want. You know if you send a survey out to the City about what people want from Parks and Rec, man you hear it on the phone and on e-mail and on the website all the time. The list will be 47,000 pages long of all the things that people want. You know some people really like to fly model airplanes, and other people really like to shoot their guns and other people really like to swim.

O'Neill: Fifty people in City Council asking for a skateboard park and ours fall apart.

Lorenz: When one of the poorest cities in one of the poorest states, it limits your GRT. It limits how much money comes through the General Fund, but it also limits how much people can pay for houses, it limits how much people can pay for property taxes, and it limits how much we can have in Parks and Rec. I think they're doing an amazing job with the money that they've got, and I think we need to look accurately at what our level of service does and in your world that's a huge word, right. I mean Julie that's a super important thing that we can accurately determine that level of service and that we can provide a recommendation that sustains that level of service without a future wish list. I think it's up to Sonya's competent staff to determine from those funds how to spend them best to achieve as much of that wish list as possible.

O'Neill: May I ask one more question for Ms. Delgado? Just ballpark figure, percentage, I know that's hard to do sometimes and maybe you have to come back next meeting. As far as money that goes to Parks and Rec, let's say there's General Fund, there's bond and grants, there's Impact Fees, and whatever else, what percentage does Impact Fees? What percentage of it is Impact Fees right now? Like generally. I mean 25%. It's hard to.

Delgado: Mr. Chairman, Members of the Board. I really don't know but I can definitely look into that. This is the first full year really that we're getting involved with the grants. We have someone who's assigned if you will to Parks and Rec to help us find any source or to go after.

O'Neill: Is that Cathy?

Delgado: Cathy Mathews is our Landscape Architect.

O'Neill: Okay.

Delgado: Anyway, I will have to go look at that and look in our maintenance comes out of the General Fund, we're at about \$11 million. We get, right now in the Park Impact Fees, we're sitting at just a little over \$3 million, but that's already all spoken for. Grants, it depends, some we get, some we don't. We got a very

small one to help with some lights, but we still have to put Park Impact Fees to help pay off the rest of that. We do get some things but ...

O'Neill: Would you say it's about 20%?

Delgado: I can break it all out for you. I don't want to say a guess.

O'Neill: That just might be helpful for ...

Delgado: I can come back later and that can be a wrong number.

O'Neill: Thank you.

Lorenz: Nice try the second time to get her to put her foot in her mouth. She's not going to do it.

Chair Beerman: I'll just respond to the comment about punishing the builders and developers. It's certainly not my desire. I don't have any feelings along those lines, but for perspective, we're coming in here today seeing a proposed Impact Fee by a professional consultant being slashed in half and we're seeing something like 78% of Parks and Recreation inventory being cut out of the inventory. Those are some pretty drastic actions. In fact, the Impact Fee that is being proposed now, \$3,185.00 compares to \$4,129.00, a \$1,000.00 less than the one proposed in 2012. All those years ago they were proposing a \$4,000.00 Impact Fee and today we're looking at a \$3,000.00 Impact Fee. I won't belabor this anymore except you had a comment, what percentage of the cost are paid by Impact Fees? From Fiscal 2012 the Impact Fees collected by the City were \$267,000.00. Next year they were \$500,000.00, \$500,000.00, \$500,000.00, \$600,000.00, and then 2017 they were \$1.2 million. I think Director Delgado mentioned the figure of \$18 million in Parks and Recreation needs, so in fact the \$1.4 million that was given for the Metro Verde parks is greater than any single year's collection of Impact Fees in the City.

Lorenz: It was 12 years of permits.

Chair Beerman: I don't know about that. The check was given about a year ago, I think.

Lorenz: They've been paying Impact Fees in Metro Verde since 2011.

Chair Beerman: The collections for one year, the greatest year was \$1.1 million. The lowest year Fiscal 2012 was only \$267,000.00 and I have the expenditures to go along with that.

Lorenz: I'm not debating that. What I'm saying is that they're collecting not just one year. They've been collecting Impact Fees at Metro Verde since 2011.

Montanez: Every time a house gets a permit.

Lorenz: Right. Thousands.

Montanez: One per house.

Lorenz: Yes.

O'Neill: I would also like to point out that the criteria for figuring all this has changed and it's changed because of the land, the valuations, and I thought it was correct that we changed that, that we shouldn't be assessing that land, that BLM land and that land, and that's what I think the main change is in these figures. It's not that we've just decided, I mean that was a proposal and they had the wrong information. We didn't figure it right.

Delgado: Mr. Chair, Members of the Board. If I may. Okay so the big difference between the last time you received the report and now, what you're calling a huge change were based off of recommendations that they received from this Board and the conversations that happened here at this meeting. We have developers who asked about the land and how did we value that and where did we get that dollar amount. Yes, we did use the information we did before because that's what we had to start with. In the process we were working with the Parks and Rec Master Plan along with Elevate Las Cruces and trying to get all these figures so we can be consistent across the board on all of them. During that time, we gave Julie updated information. Also, in talking with Land Management said these are the questions that are coming up, these are some of the issues of Board Member Lorenz brought his report, I shared it with TischlerBise.

O'Neill: I was wondering.

Delgado: Said let's go through this and let's see where everybody's coming from and how do we figure this out. The second thing that came up out of those conversations was why would we consider land that is not being used for recreational purposes and should that be in there because it completely skews the dollar amount. That was the other item. We said we can take that out. The consensus was to do so, and we did. I passed that along to Julie and I said yes, these are the things. She said yes, I heard that too. I said okay, this is what we're going forward with. That's why those numbers changed. We did say that is going to change the number and it did. I'm getting the feeling you think that Julie went away and did something different or did it right or whatever the case may be, and that's not the case.

O'Neill: Thank you.

Delgado: She took direction from me based on the meeting that we had here and the info that we have from this Board and from the developers who were at that meeting. We talked about it, we said yes, these are the major items. We knew that going forward the report would be different. She made sure that she pointed those out when she started her presentation. I just want to make sure

that there's clarification there. I think that's very important because TischlerBise has done exactly as directed and we have worked very, very well together. We continue to do so, and we've also incorporated Halff Associates with our Parks and Rec Master Plan. We have been talking quite a bit these last couple of months.

O'Neill: I didn't mean to put blame on anybody or anything.

Delgado: That comes to me and not either one, TischlerBise or Halff and Associates.

Chair Beerman: Those are comments made by individuals. They weren't in an official position of the Board that we should strike out, make such drastic changes in the Parks and Recreation inventory.

O'Neill: It was my opinion.

Chair Beerman: Which is fine. I mean I'm only one person and four other people want to do something different, that's the way it goes, but I just wanted to express my views on how things happened, and maybe somebody else who's not here might've had some sympathy for what I said. It really doesn't matter. I just felt obligated to state my views and whatever happens, happens with the rest of the Board.

O'Neill: Actually, I thought you were in agreement with what we talked about at the last meeting. That's the impression I got.

Chair Beerman: I wanted to let everybody speak.

O'Neill: Okay.

Chair Beerman: I hadn't seen this report then.

O'Neill: All right. Well we appreciate your time that you put into that.

Chair Beerman: I never was really totally committed to going along with that way of thinking. Okay, sorry I held you back.

Lorenz: Shall I make a motion to adjourn?

O'Neill: I have something to, well Committee Reports if you're done Mr. Chairman.

Chair Beerman: Just checking the agenda.

### **9. Board Comments:**

Chair Beerman: Any more Board Comments? Then adjournment.

O'Neill: I have a Board Comment that I would like to see put in effect if it's possible. We're missing two members today of our Board, and I was hoping that Alma

or someone could call and find out who's going to be there and get confirmation of who's going to attend our meeting. Because we don't want to show up here for a meeting, especially when we're conducting important business, and May we plan on voting. We don't want to show up here and not have a quorum. I would like to suggest that like we did with the Park and Rec Board, someone just confirms our attendance and hopefully we'll respond back right away. I know there could be emergency, someone driving here, or something could happen, I understand that but if we know in advance, we're not going to have a quorum then we can be notified and then no one has to show up. Hopefully that won't be the case. We have a full Board now and we need three for a quorum, but I just suggest that it would be a good thing if we were asked, are we going to make the meeting or not so we can have an idea ahead of time. Otherwise everybody shows up and we can't conduct business.

Ruiz: Chairman, Commissioner. We will make that request to do that for the Board. Thank you.

O'Neill: Thank you. That's all I have.

**10. Adjournment:**

Lorenz: Now I'll do it Mr. Chairman, adjourn.

O'Neill: I'll second.

Chair Beerman: All in favor.

Meeting adjourned at 3:57 P.M.

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William Beerman, CIAC Chair

Date